UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 100th CONGRESS
SECOND SESSION

VOLUME 134—PART 13

JULY 13, 1988 TO JULY 27, 1988

(PAGES 17847 TO 19262)

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PROCEEDINGS AND DEBATES OF THE 100th CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Wednesday, July 13, 1988*

The House met at 11 a.m.

Rev. W. Jerome Fisher, Little Zion Missionary Baptist Church, Compton, CA, offered the following prayer:

Our gracious God, here we come to beseech Thee for guidance and understanding, and we thank You for those who have gathered here and those who are gathered in this room to take on the responsibility of leadership and giving direction to our great Nation.

Keep us conscious that whatever we say or do in decisionmaking that we affect other lives here in our Nation, not only our Nation, but in the world. Keep us conscious that living is giving and giving is living.

We entrust in Thee, O God. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. GRAY of Illinois. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GRAY of Illinois. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 280, nays 107, answered "present" 1, not voting 43, as follows:

[Roll No. 227]

YEAS—280

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
AuCoin
Barnard
Bartlett
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brown (CA)
Bruce
Bryant
Bunning
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clement
Coats
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
DeFazio
DeLay
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foley
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Holloway
Hopkins
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Myers
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Patterson
Payne
Pease
Pelosi
Pepper
Perkins
Petri
Pickett
Pickle
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Richardson
Rinaldo
Ritter
Robinson
Roe
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sawyer
Saxton
Scheuer
Schneider
Schulze
Schumer
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Weiss
Weldon
Whitten
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron

NAYS—107

Badham
Baker
Ballenger
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Buechner
Burton
Callahan
Chandler
Clay
Clinger
Coble
Coleman (MO)
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeWine
Dickinson
DioGuardi
Dornan (CA)
Edwards (OK)
Emerson
Fields
Frenzel
Gallegly
Gallo
Gekas
Goodling
Gregg
Hastert
Hefley
Henry
Herger
Hiler
Hunter
Hyde
Jacobs
Kolbe
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McGrath
Meyers
Miller (OH)
Molinari
Moorhead
Murphy
Nielson
Oxley
Parris
Pashayan
Penny
Rhodes
Ridge
Rogers
Roukema
Rowland (CT)
Schaefer
Schroeder
Schuette
Sensenbrenner
Shays
Sikorski
Skeen
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Stangeland
Stump
Sundquist
Swindall
Tauke
Upton
Vander Jagt
Vucanovich
Walker
Weber
Wheat
Wolf
Young (AK)
Young (FL)

ANSWERED "PRESENT"—1

Watkins

NOT VOTING—43

Anderson
Aspin
Bateman
Biaggi
Boggs
Brooks
Broomfield
Cheney
de la Garza
Fascell
Flake
Foglietta
Ford (MI)
Gingrich
Gray (PA)
Hall (OH)
Horton
Houghton
Inhofe
Ireland
Kasich
Kemp
Konnyu
Leath (TX)
Livingston
Lowery (CA)
McCandless
Mica
Murtha
Nichols
Porter
Rangel
Roberts

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Rodino
Savage
Spence
Thomas (CA)
Towns
Udall
Waxman
Whittaker
Williams
Wilson

☐ 1125

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FOGLIETTA. Mr. Speaker, I was unavoidably absent on the vote for the approval of the Journal, rollcall No. 227. Had I been present, I would have voted "yea."

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2213. An act to require certain telephones to be hearing aid compatible;

H.R. 3251. An act to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the U.S. Congress; and

H.R. 4776. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes.

The message also announced that the Senate recedes from its amendments Nos. 1 through 17, 19 through 22, 24 through 27, 29 through 35, and 37 through 39, to the bill (H.R. 3251) "An act to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the United States Congress."

The message also announced that the Senate agrees to the House amendment to the Senate amendment No. 36, to the above-entitled bill, with an amendment.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4776) "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Harkin, Mr. Lautenberg, Mr. Reid, Mr. Stennis, Mr. Nickles, Mr. Grassley, and Mr. Hatfield to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1979. An act to establish the Grays Harbor National Wildlife Refuge.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize one Member under the 1-minute rule today. We will not have 1-minute speeches until the conclusion of our business except for the recognition of the gentleman from California [Mr. Dymally].

REV. W. JEROME FISHER

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, I am pleased to acknowledge that Rev. W. Jerome Fisher, pastor of Little Zion Missionary Baptist Church, from my district in Compton, CA, has offered the opening prayer during our opening session on today, Wednesday, July 13, 1988.

Following his tour of duty in the armed services, Reverend Fisher sang with and directed the junior and senior choirs at his father's church, the 103d Street Baptist Church in Los Angeles. He began his ministry in December 1955, was ordained by his father in 1956, he became the pastor of Little Zion Missionary Baptist Church in March 1957.

Under Reverend Fisher's leadership, Little Zion has grown from 13 original members to the present 6,000 members. The church purchased the site where the existing sanctuary stands now, and the edifice, land, and other buildings total over $1 million.

Some of Reverend Fisher's notable achievements are as follows: candidate for Compton City Council, 1967; Evangelist of the Year in 1970; received his doctor of divinity degree in 1970; Pauline Award for Evangelist of the Year in 1970; and served on the Century Freeway Affirmative Action Committee under Governors Jerry Brown and George Deukmejian.

Presently, Reverend Fisher is the moderator of the Faith District Association, an auxiliary of the Western Baptist State Convention of California, consisting of over 30 churches.

Reverend Fisher and wife Norma Jean are the proud parents of seven children.

I am pleased that Reverend Fisher has been accorded the honor of conducting the opening prayer, and I would appreciate your joining me in welcoming him to the U.S. House of Representatives.

PERMISSION FOR SUBCOMMITTEE ON MONOPOLIES AND COMMERCIAL LAW OF COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary may be permitted to sit while the House is reading for amendment today under the 5-minute rule.

Mr. Speaker, this has been cleared with the minority.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PROVIDING FOR CONSIDERATION OF S. 2527, PLANT CLOSING NOTIFICATION ACT, AND H.R. 4848, OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1988

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 491 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 491

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2527) to require advance notification of plant closings and mass layoffs, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered as having been read for amendment under the five-minute rule. No amendment to the bill shall be in order except an amendment, if offered by Representative Michel of Illinois, or his designee, and printed in the Congressional Record of July 12, 1988, said amendment shall be debatable for not to exceed one hour, equally divided and controlled by the proponent and a Member opposed thereto, and shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House, and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit, which may not include instructions.

Sec. 2. That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4848) to enhance the competitiveness of American industry, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the bill and against its consideration are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment under the five-minute rule. No amendment to the bill shall be in order. At the conclusion of the consideration of the bill for amendment, the

Committee shall rise and report the bill to the House, and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit, only if offered by Representative Michel of Illinois, which may contain instructions.

□ 1130

The SPEAKER. The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA] and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 491 provides for the consideration of S. 2527 which would require advance notification of plant closings and mass layoffs. It also provides for the consideration of H.R. 4848 the omnibus trade bill to improve American industrial competitiveness.

Under the rule, S. 2527, known as the plant closing bill shall be debated for 1 hour equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor.

Mr. Speaker, the only amendment in order under this rule is an amendment offered by Mr. MICHEL or his designee printed in the CONGRESSIONAL RECORD of July 12, 1988. This amendment is debatable for 1 hour equally divided and controlled by a proponent and a Member opposed to the amendment.

The Michel amendment is not amendable. The rule allows one motion to recommit without instructions.

Section 2 of House Resolution 491 allows for the consideration of H.R. 4848, the trade bill. All points of order against the bill and against consideration of the bill are waived. General debate on the bill shall not exceed 2 hours equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

The bill is not amendable. The rule allows for one motion to recommit only if it is offered by Representative MICHEL and it may contain instructions.

Mr. Speaker, I urge my colleagues to support this rule and the subsequent two pieces of legislation that will be considered under this rule. American workers have suffered long enough while this administration has allowed our Nation to lose its competitive edge in the world marketplace.

Our trade deficit for 1987 was another record high at $170 billion. Over 2 million Americans have lost their jobs due to unfair foreign competition. The big joke in this country is that jobs are now our No. 1 export.

While we have seen lower monthly trade deficits in the past few months, we must not be fooled into thinking the trade deficit is going to go away. It will persist so long as this administration continues its failed trade policies.

We desperately need a comprehensive trade bill to deal with a desperate situation.

Congress has labored for over 3 years crafting an omnibus trade bill. We worked with the administration in a good-faith effort to take care of their problems with the bill.

And now we've deleted the plant closing provision that the President himself wanted out of this bill. We sorely need this trade bill as part of a comprehensive trade strategy aimed at the future.

H.R. 4848 is identical to the conference report on H.R. 3, except it deletes the plant closing language; it deletes the Alaskan oil provisions that the House earlier dropped in the enrolling resolution for H.R. 3; and it adds a provision stating that the legislative history of H.R. 3 will be the authoritative legislative history of H.R. 4848.

With passage today, the House leadership will have done absolutely everything it could do to enact a trade bill. It is our genuine and fervent hope that the President will sign this monumental legislation and allow it to become law.

This trade bill strengthens laws protecting our Nation against unfair foreign trade practices; it beefs up worker retraining and education programs; it puts emphasis on foreign language, math, and science skills in our schools. These are important steps that must be taken to lay the groundwork for a bright future.

I supported the trade bill with the plant closing notification provision because I thought it was fair and that it was an appropriate measure for comprehensive legislation that emphasizes worker retraining and readjustment. Now, we have done what the President has asked. We should pass these two important pieces of legislation, both of which benefit American workers.

Recent polls show that 86 percent of the American people support the worker notification provisions. In 1987, the Department of Labor released statistics showing that in 2 out of 3 mass layoffs, workers received no general advance notice. In about half of the cases, employers did not give specific notice in advance to the employees who would be laid off.

In April, Walter Mossberg in the Wall Street Journal wrote:

> The plant-closings language is nothing more than a modest effort to make sure that a few companies inclined to do so don't hide their plans to close a plant until the last minute, leaving workers and communities in the lurch, is squarely in the tradition of such social reforms as the child labor and minimum wage laws.

According to GAO, blue-collar workers on the average get around 7 days' notice of a plant closing or permanent layoff.

White-collar workers get about 14 days' notice. Nonunion blue-collar workers get an average of 2 days' warning. For those who think most workers can see a plant closing or a layoff coming, the fact is that nearly half of today's displaced workers had absolutely no idea they were going to be laid off before it happened.

Mr. Speaker, the Office of Technology Assessment has found that worker productivity does not fall off after notification of a plant shutdown—in some cases, productivity increases.

Worker notification is the law in Canada, France, Germany, Japan, Great Britain, and Sweden. Taiwan requires advanced notice of all layoffs. Rather than losing export trade, Taiwan has increased its trade surplus with the United States every year of the Reagan administration.

If the President really wants a comprehensive trade bill, he will sign both of these bills into law and let us get on with wiping out the trade deficit, increasing our exports, and putting our workers back to work.

Mr. Speaker, I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the plant closing bill and the trade bill are both major pieces of legislation and they should be considered under a fair and balanced procedure.

But fair procedure is not what this rule provides. First, with regard to the Plant Closing Notification Act, no amendments are permitted, except for one substitute. Even the motion to recommit is restricted so that it may not contain instructions.

Mr. Speaker, if the House had been given an opportunity to amend this bill at some point in the past such a restriction would not be so bad. But in the case of the plant closing bill, the House has never had an opportunity to consider amendments. The Senate, on the other hand, was allowed the freedom to consider amendments at great length. House Members will be denied an equal opportunity to have their ideas considered under this rule.

Yesterday, in the Rules Committee a number of Members appeared seeking an open rule so they could offer their proposals for improving this legislation. The allowance of one substitute will permit one set of ideas to be considered but the others will not.

For example, one Member appearing before the Rules Committee, who supports a plant closing notification bill, felt that an open rule would greatly enhance the chance of success. If the House were allowed to improve provisions in the bill which were overreaching and ambiguous, the odds of sending the President a bill he could sign would be greatly improved.

However, this rule is not designed to enable the House to reach a consensus position. This rule is a political maneuver designed to force the President to veto a flawed and ambiguous bill which has wide popular appeal.

It is not a coincidence that all of this comes to pass just before the National Democratic Convention.

I doubt that some of the speakers at the Democratic Convention will mention the vague language in the bill which will lead to years of litigation. But there will probably be rhetoric which attempts to paint those who are concerned that this bill will cost more jobs than it will save as being heartless.

Mr. Speaker, if the Democrats were seriously interested in developing a consensus on this legislation the House should be permitted to amend the plant closing bill, and it could be sent to conference to work out differences with the Senate.

But of course, if we followed the regular process then the political timing would not work out, and worse than that the chances of confrontation with the President might be diminished.

Mr. Speaker, there are some other strange features about this rule as well. Instead of having a separate rule for each of these two major pieces of legislation, we have only one rule providing for the consideration of the plant closing bill and the trade bill. It might have been easier for Members to vote against the undesirable features of this plant closing rule if it had stood on its own, but in combination with the rule on the trade bill it will be more difficult.

Mr. Speaker, we need to adhere to normal legislative procedures. Short cutting the regular processes may produce some short-term political gain, but in the long run it is not good for the country.

Mr. Speaker, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I rise in opposition to the rule under which we are considering the Plant Closing Notification Act.

This legislation is far too important to turn on the limited options for debate available under a closed rule. Without having the benefit of the full amendatory process, we effectively defer to the Senate in crafting this landmark legislation. There is strong sentiment among those who find this bill overreaching and ambiguous, that they could support alternative provisions which provide a narrower, yet still vigorous mandate for notification.

Many of us have seen in our own districts the devastating impact of plant closings on workers and communities, so I do not believe the need for 60 days' notice can be disputed.

Having drafted a substitute, many of whose features were debated in the Senate, I remain concerned that we have lost the opportunity to fashion a plant closing bill that combines a mandate for notice with sensible provisions that succeed in correcting many of the weaknesses in the legislation that was contained in the trade bill.

However, I will take the time to enumerate what I see as serious policy problems and drafting faults in this bill that very well may come back to haunt us, or be left to the courts to rectify.

My substitute would have effectively eliminated part time workers from coverage under the act. Their inclusion as employees whose layoff would trigger notice places an onerous burden on employers.

The 33-percent employment loss threshold for notification contained in the Senate bill is unrealistically low. I would provide that layoffs are covered if they involve 60 percent or more workers. Further, a mere reduction in hours should be excluded from the notification trigger.

Closings or layoffs that indirectly result from a strike should be specifically exempted from the bill. What we will see are situations in which a strike or walk out at one plant will trigger layoffs and notice at another plant whose operations depend upon the functioning of the one with labor strife. This will create a domino effect that is poor public policy, and may undermine businesses which should otherwise survive.

In discussion, some of my distinguished colleagues raised issues I attempted to deal with in my substitute. Among them was language in the bill which permits an employee to voluntarily quit upon being given 60 days' notice, collect severance pay under a preexisting agreement with an employer, and collect an additional 60 days' pay. I would have treated this premature departure as a voluntary resignation not entitling the employee to further pay under the 60-day notice period.

In addition, the back pay remedy for an employer's failure to give a full 60 days' notice should be offset by an supplemental unemployment pay an employer agrees to provide.

But most importantly the "unforeseen business circumstances" exemption from the notification period must be specifically defined. Simple common sense requires that we mean what we say and we say what we mean as to what constitutes an unforeseeable business circumstance.

The Senate bill should be amended to require that unforeseen business circumstances include unforeseeable changes in price or cost, sudden loss of contract, a sudden and significant decline in customer orders, a fire, flood, drought, or act of God. The bill still leaves the question of what constitutes as unforeseeable business circumstance to one which will ultimately have to be decided by the courts. This invites litigation and will be a labor lawyers dream.

Under a closed rule, these concerns will not be addressed. The result, I fear, will be a rush to judgment on legislation that is not in the best interests of workers or businesses. In recent weeks, some businesses have asserted that in order to "get around" this bill they will post continuous notices of layoffs, and proceed with business as usual. The 33-percent loss threshold for triggering notification is so low that it invites the search for loopholes.

Those who want a mandate that will serve the best interests of workers and encourage compliance through careful drafting see an opportunity to improve the legislation slip away under a closed rule.

Under a closed rule we lose a chance to create a bill that will stand the test of time. We know that some businesses are just not good citizens. We are appalled that hard working men and women go to their place of employment only to see the doors bolted against them and their jobs vanished without warning. Simple human decency demands notification to American workers of the loss of their livelihood. Common sense requires that we act with all deliberation to fashion a bill that is both responsive and realistic.

Under a closed rule we are denied an opportunity to improve this legislation. Make no mistake about it, this opportunity is not merely denied to minority Members of this body; it is the American people who are deprived of their say in the final form this legislation will take.

Mr. Speaker, the consequences will be felt by working men and women throughout our country as the meaning and scope of this bill are decided by the courts in a piecemeal fashion that negates the goal this legislation was designed to serve.

□ 1145

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. Mr. Speaker, I urge my colleagues to vote against this rule. This is a rare rule. Of course, the Committee on Rules has proven in the last couple of years to be very innovative, which is not totally unprecedented, but it is not the common occurrence around here to say the least.

In fact, Mr. Speaker, I can think of only one other instance where we tried to tie two bills together in one rule, so it should not be done that way.

Second, it is a closed rule. We have one opportunity for substitutes on one bill, and we are given very graciously an opportunity to offer a motion to recommit with instructions on the other.

Now it is very curious to me that a motion to recommit with instructions is OK on one, but it is not on the other. The plant closing bill in its present form has not been considered by any committee in the House other than the Committee on Rules, and certainly the Committee on Rules does not have the expertise to look at the substance of that bill.

There was a specific request made to the Committee on Rules. In a bipartisan way the gentleman from Illinois [Mr. DURBIN] and the gentleman from Iowa [Mr. TAUKE] asked simply for an opportunity to knock out one section of the plant closing bill. But, no, they were told that one cannot get that opportunity.

These two bills should be separated and should be considered separately, and they should be open so the Members can work their will on the floor of the House of Representatives, so they should vote against the rule.

But on the substance, at long last we are going to get a trade bill. It is going to pass overwhelmingly. The President is going to sign it; that is good. We should have had it a long time ago, and, if we had not had extraneous matters tied to it, we would have already had it, and it would have been signed into law. But, no, we had to have these things like plant closing tied to the trade bill, and we should not have done that.

On the plant closing bill itself, it is not just plant closing. It is also layoffs. The Members need to remember that. It applies to situations where as few as 50 people are involved. It applies to a situation where savings and loans may be about to collapse and they are being told that they have got to keep the employees for 60 days. We will hear more about that from the gentleman from Ohio. We need to be aware of that.

Why are we doing this? Job levels are at an all time high. Unemployment is at a 14-year low. And yet we are hearing what is typical of what we get from this side with a negative approach. The Members know we have got a plant closing bill. Why are we not talking about incentives about plant openings? Why are we not looking at incentives to expand plants that we have and create new jobs and new openings?

Mr. Speaker, that is what we should be doing here today, is debating how we encourage plant openings instead of passing legislation that involves plant closings.

I urge the defeat of the rule, I urge defeat of the bill on plant closing, and we should pass the trade bill.

Mr. Speaker, I thank the gentleman from Ohio [Mr. LATTA] for yielding me this time.

Mr. BONIOR. Mr. Speaker, I yield 5 minutes to my friend, the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, our trade deficit keeps exploding. America's No. 1 export is not scrap iron and scrap paper. It is jobs, jobs that cost $12 an hour that we are losing. We are replacing them with $3, $3.35 per hour jobs, and the press is referring to that as real growth.

Who are we kidding here today? The truth is America won the great war supposedly, but Japan and Europe have won the peace.

Mr. Speaker, we still have no trade bill, no trade bill since 1981, since we have lost a record amount of jobs. The Constitution clearly states that Congress shall regulate commerce. I say today the only commerce we have regulated have been profits for Japan and Europe. And the records state it crystal clear.

Our trade deficit, as a matter of fact, makes Congress today look like a bunch of free-trading wimps, stone cold wimps that have forgotten the American worker and what America stands for. We have hidden behind all the smokescreens of free trade to be fair.

What did Japan do last December? The greatest protectionist nation in world history who has almost a $70 billion surplus in trade with America, they announced a $60 billion public works project, and they put a little piece of legislation on it that only Japanese companies can apply.

When one investigative reporter from America, a very good one, found out, he printed this story, and the Commerce Department said, "My God, could they do that to us now?"

The Pentagon says, "This doesn't seem real."

Do my colleagues know what the Japanese said? "Our job in Japan is to take care of the Japanese people."

Maybe the Members of Congress should do the same for America.

Now let us look at the facts. The facts cannot be deceived nor denied. Since 1981, when Ronald Reagan came in as President, an increase of trade for West Germany, increased 850 percent. England's increase was 420 percent. France's increase was 380 percent. Italy's increase, 330 percent. Taiwan, 260 percent.

And let us not forget Japan: 220 percent, and there is no relief in sight.

Now President Reagan vetoed the last trade bill because of his so-called plant closing notice. Now I really do not believe that. I believe he wants to continue on with his laissez-faire type of policies, and he would like to pass that mantel on to another Republican. There is no question. But let us just take a look at one fact, and I have got to give him credit for this. There have been so many people coming in and out of his Cabinet, maybe no one took the time to tell him that Japan and West Germany give their workers the courtesy of a plant closing notice.

In fact, maybe no one ever told the President or his Cabinet that Japan even gives their workers lifetime contracts. And, if their company folds, they will even buy out their future.

What do we give Americans? Here is the motto in America: $3.35 and bust. And it has just about happened.

I do not want to really hear anymore from everybody coming up here from districts extolling the virtues of high technology. I do not want to hear it. My area since the last 15 years, which lost 60,000 jobs, has been raped, and no one even offered us a can of rust proof paint, and I do not want to hear it today.

We need a trade bill. We need a plant closing notice. And Congress should be judged today on the votes that they record here. If the American people have any sense, they will look at these votes because my colleagues cannot separate them from this great national debt. Anyone who buys more than they sell goes bankrupt, and that is what we are doing, and we have aided and abetted this process.

In fact I see somebody out there sort of chuckling. It is a little bit funny. Not to American workers, but to foreign trading partners that are laughing at us all the way to the bank. They are going right to the bank with our policies, and about all we have to offer our American industry is a passport to go overseas. In fact, if they move overseas, we will give them tax deferrals on their income, and, if they take their profits and reinvestment overseas, we, my colleagues, would not even have them pay taxes to Uncle Sam.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The time of the gentleman from Ohio [Mr. TRAFICANT] has expired.

Mr. BONIOR. Mr. Speaker, I yield 2 additional minutes the gentleman from Ohio.

Mr. TRAFICANT. Mr. Speaker, I appreciate the additional time.

Let me say that again. If a company in Youngstown, OH, moves to Mexico, opens up a plant and it produces a product that is bought only in America, which usually we are; we are the marketplace, we are the mall for the sales of the world; if they sell their product back in America and make a huge profit, but they take that profit and expand a plant in Mexico, Mr. Speaker, our tax policies are such that they would not even pay taxes to Uncle Sam.

Mr. Speaker, it is not Uncle Sam anymore. It is Uncle Sucker.

I do not know how long all of us are going to be here, but I do not want Youngstown, OH; Warren, OH, northwestern Pennsylvania—industrial centers of America—waking up in the morning, their workers with no place to go. And I am sick and tired of all this reason and rationale. Someone still has to produce a product, and the bottom line is that it is not being produced in America.

I say to everyone who is concerned about the American worker, who has had all the $3.35 they can live with, who has got nothing but promises that have not worked, "Let's do something."

And I will say this: "If we don't, ladies and gentleman, we will have a rice paddy on the East Lawn of the White House very shortly because that's where our policies are taking us."

I appreciate the time. Does anybody want to speak out? I have stated my piece.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. Michel], our Republican leader.

Mr. MICHEL. Mr. Speaker, I rise in opposition to this rule. Anticipating what the question of the gentleman from Pennsylvania [Mr. Walker] might have wanted to ask the previous speaker I should make the observation that there is a great fallacy in the gentleman from Ohio's assumptions, with respect to the trade figures with Europe. Isn't it strange that all those figures can be so well debunked by the fact that in our country in the past 6 years, we have created 10 times more jobs than all of the European countries combined. Most of our trade with our trading partners has been good for our country. Generally speaking we've been the beneficiaries of the benefits of trading with those countries mentioned by my friend because we've put far more people to work producing for that export market.

Furthermore on the issue of plant closing itself there is nothing in that piece of legislation that makes us one bit more competitive as a country vis-a-vis our trading partners. Why should we attempt to ape some of our competitors on this issue when we have done so much better than they?

Mr. Speaker, I have been fascinated to read and hear about Mikhail Gorbachev's call for a presidential system of government with a real legislature for the Soviet Union. If he is interested, this body could surely offer some advice to him on how such a structure should be designed and how it should work. We could provide vivid, real life examples of good legislation and bad.

Now one example of bad legislation is this rule. This is an arbitrary rule which violates all the principles of good democratic government. It prohibits open debate. It ignores longstanding procedures. It deals with two totally nonrelated issues which are important enough that they deserve separate rules under separate consideration.

Mr. Speaker, it is on days like this that I wish I could just turn off the cameras, shut the door to this place, close the Gallery so the public would not see and hear the way we are attempting to legislate in this body. This is not a shining example of democracy in action. This is why the pollsters get such a bad reaction when they ask people what they think about the Congress.

And what is so bad? Well, first the rule makes in order two separate bills which are so dissimilar that they do not belong on the floor on the same day.

Second, the rule is restrictive. It does not allow even fundamental amendments.

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Third, the rule does not just structure the debate, it arbitrarily legislates on its own.

Fourth, the rule severely restricts the time allowed to debate and discuss both of these issues.

Fifth, the process under which these bills are being considered is being dictated by forces outside this House, beyond the control of the Members of this House and beyond the control of the citizens we represent. This day belongs to the all-powerful lobbyists who surely must feel on days like this that they own this House, and a lot of people in this House as well.

Sixth, the legislation before us is here not because the good of the Nation requires it or the people are demanding it. The legislation is here to create an issue which can be exploited by the Democratic majority, particularly if, as I suspect, the President vetos the legislation.

And there you have it. We have an opportunity to demonstrate to Secretary Gorbachev and his fellow reformers how to legislatively make a silk purse from a sow's ear. All we have to do is vote "no" on this rule. It is simple.

Comrades, take out your cards and ready yourselves to vote "nyet." Give perestroika a chance. Give glasnost a go. The world is moving toward democracy. Let us move with it by voting down this rule and opening it up to free and open debate American style.

Mr. BONIOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there are a lot of people in this country who have not been a part of this boom that my fellow colleagues have talked about on the House floor. They have not been a part of this great burgeoning economic miracle that some people seem to think pervades America. These people have been thrown out of work without notice. They are having difficulty retraining. I have got 5,000 workers in Michigan whose trade readjustment benefits are running out this very week, and to suggest on this floor that the legislation that we are bringing to you today is not demanded by the people is not to face the realities and the facts of the polls that have been published over the last few weeks. Eight-six percent of the American people want plant-closing legislation. They know it is fair. They know it is just. They know it is the law in France and Great Britain, in Taiwan and most industrial countries throughout the world, and they think it is a scandal and a shame that this democracy does not have it.

For those who come to this floor and suggest that we should wait another month, another 3 months, another year, for plant-closing legislation, is to neglect the views of these people who have been thrown out of work without a day's notice.

I am not going to stand here and listen to this and take this anymore. We have had trade legislation for 3½ years processed in this body. It has had hearing after hearing in this body and in the other body. It has gone to the President.

It is time we do something. If you want us to be irresponsible, we can wait until we have a Democratic President and get a tougher trade bill, but we are trying to be responsible. We are trying to cooperate.

To suggest that we are delaying, to suggest that we are not being fair is inadequate and it is unjust.

Mr. Speaker, this is a fair rule and the American people are looking at the vote on this rule and they are looking at the vote on plant closing and they are going to be looking at the vote on the trade bill when we get to it later this afternoon. So if you want to compile a record that tells the American people that you do not care about the closing of their plants, you do not care about getting on with the training of math and science and things that will make us competitive, vote "no" on the rule. Vote "no" on plant closing. Vote "no" on the trade bill. We will take it to the American people this fall.

Mr. LATTA. Mr. Speaker, I yield myself 15 seconds just to state that the gentleman mentioned they had been at this for 3½ years. I just have to remind the gentleman that his party has controlled this House during the 3½ years and has had ample time and ample votes to bring it to the floor.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. Wylie].

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding me this time.

I am sure that the gentleman who spoke earlier did not mean to say that if you want us to be irresponsible, just wait for a Democratic President. The gentleman might want to revise his remarks in that regard.

Mr. Speaker, this rule should be defeated so that we might have an opportunity to offer an amendment to exempt failing banks and failing thrifts.

Banks and savings and loans are entirely different from factories. They are entirely different from plants.

Whether or not you agree with the plant-closing concept is not the issue here. As many of you know, we have a very serious crisis affecting our savings and loan industry. Over the next few years, literally hundreds of thrifts will be closed or merged with other institutions in order to save the Federal Savings and Loan Insurance Fund.

As the gentleman from Mississippi [Mr. LOTT] mentioned earlier, the Federal Home Loan Bank Board has created a so-called Southwest Plan to do just that. The plan calls for reducing the number of branches in the Southwest in order to reduce saturation in the market and lower the cost of funds that thrifts are having to pay to attract depositors. This will necessarily mean some layoffs are going to occur.

I believe that if we do not specifically exempt financial institutions from this legislation, we could create a panic in the marketplace situation. Just imagine if the regulators have to give 60 days' notice that an institution is to be acquired or merged or closed, if depositors make a run on that institution the ensuring financial panic will completely drain the liquid assets of the institution and place the Federal insurance agencies under additional strain.

Last week I asked the Federal Home Loan Bank Board Chairman, Danny Wall, about this and he expressed his concern that failure to make an explicit exemption for regulator action is indeed a very serious problem.

The FDIC says that application of this plant closing to troubled banks would be disastrous.

The National Council of Savings Institutions says we need such an amendment.

The U.S. League of Savings Institutions says that we need such an amendment.

The American Bankers Association says we need such an amendment.

Advance notice is incompatible with banks and savings and loan closings, and the rule ought to allow this exemption.

So, Mr. Speaker, I urge defeat of the rule.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Maine [Mr. BRENNAN].

Mr. BRENNAN. Mr. Speaker, I rise in strong support of the bill which requires companies to give advance notice of plant closings and mass layoffs.

What kind of a company, what kind of a person would keep that information from their own workers? Many of us have seen the devastation of a plant closing.

What kind of a company would refuse to give their own workers 60 days' notice and a humane chance to rearrange their lives, to try to find a new job, to try to find and make arrangements to pay their mortgage or to pay their rent?

As we know, executives give themselves very, very expensive golden parachutes. We in Congress give ourselves 60 days' notice between the November elections and the time we have to leave office.

American working men and women, many of whom live hand to mouth existences, deserve as much as that.

This plant closing provision is a responsible measure and I think it reflects the belief that working men and women are worthy of fair treatment.

In a nutshell, plant-closing legislation is a simple human dignity issue. In fact, we give all sorts of notice to those people who need it the least. Unless we pass plant closing, we are going to continue that inconsistency. Here we are going to be giving notice to people who need it the most to rearrange their lives. So again, it is a simple human dignity issue.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I think the gentleman from Michigan is absolutely right. If you want to see irresponsibility, just wait until they get a Democrat President; but if you want to see a little taste of it, then look at this rule. This brings back the old adage, "You don't watch two things being made, that is sausage and laws."

If you look at this rule that is being proposed, it is a sausage full of junk, because we are having shoved down our throats a double closed rule, having to take up two different bills at the same time.

The gentleman from Michigan talks about people who want this bill, 86 percent of the people want this bill. That may be true if you look at the way you ask the question. They want to be notified when they are laid off, but if they read this bill, they would not want this bill, because it is going to cost jobs.

Well, they say people in Europe have got this bill. We ought to have it. Yes; the same people in Europe who have inhibited job growth, inhibited economic growth, have these kinds of policies. Why, even the Soviet Union is getting rid of these kinds of policies because they know that they do not work.

Then we have the trade bill. We do not even have a chance to amend the trade bill. That, by the way, Mr. Speaker, has a brand new entitlement program in it that we will not have the opportunity to get out.

Now, I want that opportunity to rework the trade bill.

They did not even trust the committees with the trade bill because they did not even send it back through the committee system to give them another chance to look over what they had done and amend this bill. They do not want amendments to this bill. That is why they have crafted a rule like they have.

Talk about fairness, this is not fair. I have only been here a short period of time, but I have never seen a rule that has two separate bills with two separate anticompetitive measures in it being considered at the same time, and not only considered at the same time, but we cannot even amend them.

Vote "no" on the rule.

Mr. BONIOR. Mr. Speaker, I yield myself such time as I may consume.

I just want to point out to my friend, the gentleman from Texas, that I do not have to pick Europe. You can pick any developed part of the world.

The gentleman complained about the European nations. Talk about Japan and talk about Taiwan, any developed part of the world has a more rational, humane, and realistic plant-closing provision than we do.

So do not give me this stuff about decaying Europe.

The other point I want to make to my friend, the gentleman from Texas, is that he is complaining that he does not have a chance to amend this rule. The President indicated that he would sign the trade bill. This is a bill that the President indicates that he wants; so do not complain to us that this does not provide you with the type of legislation that your leader, your Chief Executive wants.

Mr. DELAY. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. DELAY. Mr. Speaker, let me ask the gentleman, first, are we supposed to be in lock step with our President on every issue, and there are many of them in the trade bill?

Second, could the gentleman tell me how many jobs have been created by all these countries that he is talking about in the last 8 years?

Mr. BONIOR. I can tell the gentleman that we have lost 2 million top manufacturing jobs.

Mr. DELAY. None of them have created as many jobs anywhere near, all of them combined, as the United States has created without these kinds of provisions.

Mr. BONIOR. Well, that figure I certainly would dispute and disagree with.

Mr. Speaker, I yield 7 minutes to my friend, the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, may I say to the gentleman from

Texas and others, I have listened to the debate. I am perplexed by the position expressed here in opposition to the rule.

The trade bill the President says he wants to sign, but then the gentleman says, well, we should not have to go in lock step with the President, and yet the reason so many people on the gentleman's side are going to vote "no" on plant closing is because they do not want to differ from your President. It just does not make any sense at all.

Let me give, if I might, my view as to what is involved here. It is not the trade bill. Most people want to vote for it. The President is going to sign it. It is going to become law. It is really a smoke screen to talk about the rule in that respect. It is the plant closing issue. That is what is involved here.

Many on the other side act on the defensive, not only because the American people say they want it, but why they want it. They want it because of an element of fairness—of fairness. I do not care how you phrase the question to the American people on plant notice, on plant closing notices, they are going to say that people in communities should be given notice before they are shut down and people in communities are shut out. That is the long and the short of it.

If I were on the other side, if one wants to talk politically, I would hope that the veto would be overridden so that the issues were placed behind us.

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I come from an area where there have been plant closing, shop closings, not just large plants, and it does not matter whether people are Republicans or Democrats or what else. What they ask is this, and forget about other countries for a moment, let us talk about our country; our country. With the exceptions that are provided in this bill, should not plant owners and shop owners, and we are not only talking about huge industrial plants, but like the place that bottled 7-Up, as it so happens in my district, where people came to work one morning and they saw a sign "You are out of work," not a minute's notice, and several hundred people involved. It was not GM or Ford, but it was a big enough shop to have the decency to let people know that they were not going to be at work more than the morning of that day. All of the issues that the gentleman brings up he can strip them all away. These Members are on a defensive because there is an issue of equity, of fair play and Americans want it.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. LEVIN of Michigan. I am happy to yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Speaker, I thank the gentleman for yielding.

The issue of fair play and equity on the House floor is whether a bill that has never seen a committee of the House or the Senate, that has never been amendable on the House floor, whether it should be amendable on the House floor so that Members can in the final analysis vote based on that.

It is a specific piece of legislation that has never been considered. Members should have the choice of whether to apply it to companies of 100 employees or 500 employees.

Mr. LEVIN of Michigan. Mr. Speaker, reclaiming my time to respond, I have been here every session, and I think we have talked about plant closings, and we have talked about this trade bill. No one can come to this floor and say there is anything new. The gentleman has had his chance in committee and on this floor on the plant-closing bill, on the trade bill. In the name of equity, the Members ought to vote "yes" on the rule.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. LEVIN of Michigan. I am happy to yield to the gentleman.

Mr. BARTLETT. Mr. Speaker, I just want the gentleman to understand that the House has never had an opportunity to consider the specifics of this bill. The House has never had an opportunity to consider whether it ought to apply to an employer of 100 employees or whether it ought to apply to full-time employees only or to part-time employees as is in this bill. The House has never had the opportunity to consider whether it ought to apply to layoffs or only plant closings.

Massachusetts State law, for example, only applies to plant closings, and this bill applies to layoffs also.

Our objection to the rule is to allow at least a committee, if not the full House, to at least consider the specifics of the legislation and not legislate by politics or headlines or slogans. No committee in the House has ever considered this bill ever, ever, not once, and the whole House had never considered it.

Mr. LEVIN of Michigan. Mr. Speaker, reclaiming my time, this institution, the House and the Senate, have been talking about plant closing for years, for years, and what happened was that this bill on plant closing was stripped back from a much more comprehensive bill that included not only notice nut negotiation. Let no one say that there has never been consideration of these issues on this floor. There has been.

The majority of the people in this House and in the Senate decided that they wanted a bill that was stripped down to notice on closing and on-layoff, and that is not only the vote within this House, it is the vote of the gentleman's Republican colleagues in the Senate. The gentleman is trying a rearguard action here for one simple reason, and that is that this is a good idea. The Republican President, by vetoing it, has placed the gentleman in an untenable position, and it is not an issue of discussion on the merits.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. LEVIN of Michigan. I am happy to yield to the gentleman.

Mr. BARTLETT. Mr. Speaker, I just want to ask the gentleman a question. Does the gentleman think that the full House should have the opportunity to vote on whether this legislation should apply to layoffs as well as closings or just leave it? Should the House have the opportunity to vote on layoffs?

Mr. LEVIN of Michigan. Mr. Speaker, we have worked on this bill for a decade. In the last session we worked on this bill in terms of notification and in terms of negotiation. This House, by an overwhelming vote, has worked its will, and there is only one issue, and that is whether we will get two-thirds or not.

Do not get up here and say there has never been any discussion of the merits, because there has been. We have had votes here.

Mr. BONIOR. Mr. Speaker, I yield myself such time as I consume.

I would just like to answer the question of my friend, the gentleman from Texas. The minority will have the opportunity to offer a substitute which can include in their substitute anything the gentleman from Texas desires. They will have an opportunity to express their views, contrary to the views of the majority of the people of this country, if they wish, contrary to the 72 U.S. Senators who voted for this very piece of legislation recently. They will have that opportunity. Take layoffs out, lengthen the dates, do everything, anything they want.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I am happy to yield to the gentleman.

Mr. BARTLETT. Mr. Speaker, the gentleman was on the Committee on Rules in the last session as well as this session. The Committee on Rules in the last session permitted the legislation to be brought up under an open rule and allowed the House to work its will. I would just ask the gentleman: What has changed? Why can it not be brought up under an open rule today and work its will? There are differences of opinion about size and layoff and severance pay and collective-bargaining agreements. Why did the gentleman want an open rule before and a closed rule now?

Mr. BONIOR. Mr. Speaker, reclaiming my time, I would suggest to my colleague from Texas, if he so desires, he can make those changes in the substitute, and we will have a vote on them.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, plant closing—that very phrase makes me sick; at a time when we ought to be discussing plant openings we are discussing plant closings, and we ought to be discussing plant picnics, plant reunions, plant expansion, and plant get-togethers, not plant closings. We are indulging in a self-fulfilling prophecy, a death wish, if you will.

There is not anything in this legislation that will cause one more bit of productivity or one more bit of competitiveness, yet the gentleman dwells on the worst that can happen—a plant closing.

If this rule could only be changed to allow us to discuss the ways and means that workers with management, workers with chambers of commerce, workers with other elements of the community, can get together to anticipate layoffs and loss of jobs, maybe we would have something to work on, but to talk about plant closing, that is abominable. Plant closing is a death wish. Plant closing is the last thing that we ought to be discussing. We ought to be discussing more job opportunities.

This bill will cost jobs in the long run, and even if it is in full implementation and it is triggered into action, when decisions have to be made as to layoffs, it will cost more jobs and more productivity, and this is the nub of it. Our workers are being fooled by this legislation with the feeling that their futures are going to be protected. Their futures are being shorted. Their futures are being given second-class treatment in a plant-closing legislation.

The phrase makes me sick.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. GEKAS. I am happy to yield to the gentleman.

Mr. BONIOR. Mr. Speaker, if the phrase makes the gentleman sick, I would hope that he would support the bill, because he is turning the whole thing upside down. What we are trying to do is prevent plant closings. What we are trying to do is allow people to get together with ESOP's and into community involvement.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. BONIOR. Mr. Speaker, I yield myself such time as I may consume so that I can finish my thought.

Mr. Speaker, in addition, one of the reasons that both of these bills are linked is because they are, indeed, explicably linked together for a reason. They have an effect on each other. The minority leader got up and suggested to us a little bit earlier that these are nonrelated issues. Nothing could be further from the truth.

When a plant closes, we have additional trade problems in this country, and if we can keep the plant there through employee stock option programs, through community involvement, the putting together of a program to keep the plant alive, that will, indeed, help the economy of this country and eventually our trade status if, indeed, those commodities are exported. They are related, and they have a significance together and a meaning together.

Mr. CLAY. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I am happy to yield to the gentleman from Missouri, my friend.

Mr. CLAY. Mr. Speaker, the evidence points to the fact that notification preserves jobs, increases jobs, job opportunities.

The President of the United States after being urged by the subcommittee of this House on labor-management relations appointed a blue-ribbon committee, appointed the Secretary of Labor, Mr. William Brock, and a number of other prominent people to do a study on notification, and they came to the conclusion and issued a very good report stating that those who receive sufficient notification have a far better chance of getting a job than those who do not. Those who receive sufficient notification have a far better opportunity of being retrained for something else than those who do not. Also, that report was also in agreement with one conducted by the GAO for this Congress and two other independent studies, so this bill will help those who are seeking employment.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I ask for a no vote on this closed rule as it relates to plant closings and a no vote on the so-called plant closing notification bill. There is a lot wrong with this bill. What is wrong with this bill has never been debated on either the committee or on the House floor, in an amendable form.

Mr. Speaker, let me walk through some of the basic areas of this bill that the House should be given an opportunity to correct. First, this legislation at its most basic would prohibit a private employer from imposing a necessary, if difficult, partial layoff in order to save the jobs of the remaining employees. That is what is wrong with the bill at its most basic. Layoffs that occur as a result of a lost customer or a marked turnaround or a declining commodity price or a new competitor are not pleasant. They are difficult to do, but they remain a much better choice than closing the entire facility and giving notice to the entire facility.

Even though an employer gives notice, a partial layoff is a far better alternative, and this bill prohibits that partial layoff, in order to save the remaining jobs.

Second, the bill applies most of its negative aspects against small- and medium-sized businesses rather than large businesses. The bill covers all companies with a minimum of 100 employees even if those 100 employees are part time and the layoff is triggered at as few as 50 employees.

Third, the bill triggers notice for a small layoff even in a large plant. It requires notice if as few as 50 employees are laid off in one operating unit of a facility, no matter how many thousands of employees are at the facility.

Fourth, a provision of this bill provides that if a company loses a contract, even if that contract is with a Federal agency, that employer still has to continue their overhead as if they still had the contract, so current law allows a Federal agency to cancel a contract with no notice, but then this law would say that the employer has to continue his overhead for 60 days, and that would likely put him out of business.

Vote "no" on this bill. It will cost us jobs and drive jobs overseas.

Mr. LATTA. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. HOLLOWAY].

Mr. HOLLOWAY. Mr. Speaker, I rise in opposition to the rule on S. 2527.

I oppose this rule because it is not an open rule. Instead, it is another in a series of modified closed rules which offer only an opportunity for one amendment, not a realistic chance for discussion of differences of opinion among the 435 Members of the House of Representatives.

There is a real difference of opinion on this issue. It is very controversial, and we know it.

If an open rule had been granted, I would have offered an amendment to address what I believe to be the most pressing aspect of the issue, jobs lost to overseas competition. My amendment would have limited the scope of the bill to only mass layoffs or the plant closing, which occur because U.S. companies are shifting the lost jobs to foreign countries.

Let me say on this that I believe the 86 percent of the people who were polled in favor of plant-closing notification oppose companies going to foreign countries. When we see an AT&T leave Louisiana with 9,000 jobs to go to a foreign country, I think that is wrong. I think that we do need to have a bill to give people notice when we have one of our companies going to foreign countries.

I ask the Members to vote no and to give me an opportunity to offer this amendment.

Mr. LATTA. Mr. Speaker, I yield 1¾ minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, let us describe this for exactly what it is. This is all pure politics. The gentleman from Michigan told us here a little bit ago in a very emotional speech that this is going to be used against the Republicans this fall. That is exactly what he has been saying all the way along.

The Democratic Congressional Committee has been kind enough to send around to all of us Republicans the polling data so that we would know particularly what this amendment meant in terms of politics.

□ 1230

Big labor and the special interest groups have made it very clear that this is their political vote of the season. I suppose that is the reason for the closed rule. The political decisions have been made and there is no need for the House to have any chance to work its will on these things. It is all pure politics anyway, vote up or down, do not give us a chance to even deal with the bill in a real way.

We had an interesting statement here a little while ago when the gentleman from Michigan told us if you want real responsibility, wait until we get a Democratic President, and I think that may be the real story here. We are going to have such irresponsible economic politics when we get a Democratic President in here that we are very likely to need a plant-closing bill. I would say to my colleagues that that may be exactly what we are having here, is a harbinger of that which is to come. We will need lots of plant closing legislation because what we are going to have is a lot of plant closings. Instead of creating jobs, instead of creating 15 million jobs, instead what we will be doing is closing plants and putting people out of work.

It seems to me it is high time here that what we deal with is the realities of this bill. This bill will lose jobs. The gentleman from Texas just a couple of minutes ago described how we are going to lose jobs under this bill.

For instance, if someone has a Federal contract and the Federal contract was down the tubes, that employer will have to keep people on for 60 days despite the fact that he has lost his contract. If that particular situation arises my colleagues can bet that that plant is going to close and those people are going to be out of work.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The gentleman from Ohio [Mr. LATTA] has 2 minutes remaining.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield briefly to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, I thank my friend from Minnesota for his kindness. I just wanted to correct my remark with regard to the irresponsibility quote that I made with regard to the next President. I am sure my colleagues understand where I was coming from and what direction I was pointing.

I thank the gentleman for yielding.

Mr. FRENZEL. Mr. Speaker, we have had in interesting debate. Much of it has not concentrated on the rule but rather on what are the ill effects of the rule, and they are the plant closing notification bill.

The rule, as has been stated, provides for the taking up of two bills in the House rather than one. It has been pointed out earlier that that is a very unusual procedure. We do not see it happen very much. We should never see it.

There is no reason why we could not have had two rules. There is no reason why we could not have had open rules either, except that the majority has decided to exercise its gag rule prerogative, which it can put into effect by a majority vote.

We have had three Members of the opposition, two gentlemen from Michigan and one from Ohio tell us that the reason that we had to have this gag rule is because they did not want to hear any more talk from Republicans about why this bill was deficient. That is, I am afraid, Mr. Speaker, a very strong evidence of the arrogance of power that is so pervasive in this House. Gag rule is surely not consistent with the democratic processes.

We are further told that the democratic processes cannot go forward, that debate must be restricted, and that amendments may not be offered, all because the bill deals with essential fairness. It seems to me that it is a very strange situation when we are told that to make something fair we are obliged to act unfairly. That causes one to wonder who picked the referee.

The resolution is an atrocity. It is gag rule of the worst kind. We should have a chance to amend the plant closing bill. We should vote no on the rule.

Mr. BONIOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, I rise in support of the rule and in support of S. 2527. The American people want fair notice of mass layoffs and plant closings, and an overwhelming majority supports the provisions of this bill. The 60-day notice requirement of S. 2527 is a matter of common sense and simple decency. In the words of the New York Times, "It is an overdue act of social justice."

The House and Senate have debated this matter at length over the past 3 years, and no further debate is needed. The time has come to adopt this simple measure and move on to other business. The rule should be adopted.

Those who believe the rule should allow for amendments and a prolonged debate should remember that the House has considered this legislation twice already—when we defeated the motion to recommit and passed H.R. 3, and again when we voted to override the President's veto, which was premised on his opposition to the provisions in the bill.

The House has been deeply involved in the formulation of S. 2527, which is the result of an unusually complicated legislative process that began on February 18 of last year, when I introduced H.R. 1122. The Senate's companion bill, S. 538, which Senator METZENBAUM introduced on February 19, was first attached to the trade bill, conferenced with the House, and then separated again and reintroduced as S. 2527.

It may be suggested that the seven amendments agreed to in the Senate somehow make this a different bill than the bill the House has approved twice before. Technically, of course, that is true. But, in fact, most of the amendments were technical in nature, meant to clarify provisions of the bill that will operate no differently now that the amendments have been adopted. Most in fact, were meant to reassure the bill's opponents that improbable misreadings of the legislation by the judiciary would not take place. Double precautions have now been taken.

The House conferees on the advance notice provisions of H.R. 3 were almost as deeply involved in the negotiations over these seven amendments as if they had, indeed, been conferees on S. 2527. We helped rewrite several of Mr. HATCH's amendments before they were accepted by the Senate managers, Senator KENNEDY and Senator METZENBAUM, and we made clear the limits on what amendments would be acceptable to the House. Thus, no changes were made in the amount of notice, extent of coverage, or the nature of the events that will trigger the employer's duty to provide advance notice.

In short, the prerogatives of the House have been protected, and we are not accepting a new Senate bill without adequate deliberation. Every issue arising from S. 2527 has been defined and debated in the House before, at length.

Mr. BONIOR. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LATTA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 258, nays 155, not voting 18, as follows:

[Roll No. 228]

YEAS—258

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Coelho
Coleman (TX)
Collins
Conte
Cooper
Courter
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Price
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NAYS—155

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Morrison (WA)
Myers
Nielson
Packard
Parris
Pashayan
Porter
Pursell
Quillen
Rhodes
Ridge
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schuette
Schulze
Sensenbrenner
Shaw
Shays
Shumway
Shuster
Skaggs
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Whittaker
Wolf
Wortley
Wylie
Young (FL)

NOT VOTING—18

Anderson
Aspin
Biaggi
Boggs
Cheney
Conyers
Dellums
Dymally
Flake
Foglietta
Livingston
Lukens, Donald
Murtha
Owens (NY)
Oxley
Savage
Smith (FL)
Spence

□ 1255

The Clerk announced the following pair:

On this vote:

Mrs. Boggs for, with Mr. Oxley against.

Mrs. JOHNSON of Connecticut, Mr. KONNYU, and Mr. QUILLEN changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. FOGLIETTA. Mr. Speaker, I was unavoidably absent from the vote on rollcall No. 228, the resolution providing for consideration of S. 2527, the plant-closing bill, and H.R. 4848, the Trade bill. Had I been present, I would have voted "yea."

ELECTION OF MEMBER TO COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

Mr. GEPHARDT. Mr. Speaker, I offer a privileged resolution (H. Res. 496), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 496

Resolved, That the following Member be, and is hereby, elected to the following standing committee of the House of Representatives:

Committee on Public Works and Transportation, Lewis F. Payne, Jr.

The resolution was agreed to.

A motion to reconsider was laid on the table.

BICENTENNIAL OF THE U.S. CONGRESS COMMEMORATIVE COIN ACT

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3251) to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the U.S. Congress, with a Senate amendment to the House amendment to the Senate amendment numbered 36, and concur in the Senate amendment to the House amendment to the Senate amendment numbered 36.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment to the Senate amendment numbered 36 as follows:

Senate amendment to House amendment to Senate amendment numbered 36: At the end of said amendment, insert:

SEC. 11. SUNSET.

All provisions of this Act, other than section 10, shall be repealed on the day after the date of enactment of this Act, and no person shall be liable for not complying with such provisions (other than section 10) while they are in effect.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Rhode Island?

Mr. WYLIE. Mr. Speaker, reserving the right to object, I do so in order to ask the chairman of the committee to explain the need for the unanimous-consent request.

Mr. ST GERMAIN. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. I thank the gentleman for yielding.

Mr. Speaker, the request essentially is to concur in the Senate amendment to the House amendment to the Senate amendment which was extender of the FSLIC moratorium that prevents FSLIC-insured institutions from converting to FDIC insurance for an additional year beyond that which was included in the CEBA legislation adopted last year.

As this bill now reads, as the amendment now reads, that is all that is contained in the amendment. As a matter of fact, there is no coinage legislation whatsoever.

Mr. WYLIE. Further reserving the right to object, I want to make that point clear. It is my understanding now that there is nothing else in this amendment axcept the extension of the moratorium prohibiting thrifts from exiting from FSLIC, is that correct?

Mr. ST GERMAIN. The gentleman is absolutely correct.

Mr. WYLIE. Given the continuing difficulties facing FSLIC, I think it is clear that the moratorium should be extended for an additional year, and I urge quick passage.

Mr. BARNARD. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Georgia.

Mr. BARNARD. I thank the gentleman for yielding.

I take this time to ask a question of the distinguished chairman. Mr. Speaker, I ask the gentleman, is this moratorium a permanent moratorium or is it extending the moratorium for 1 year? What is it?

Mr. ST GERMAIN. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Rhode Island, the chairman of the committee.

Mr. ST GERMAIN. Mr. Speaker, I thank the gentleman.

Mr. Speaker, this is a 1-year extension.

Mr. BARNARD. A 1-year moratorium? I thank the gentleman.

Mr. WYLIE. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

A motion to reconsider was laid on the table.

PLANT CLOSING NOTIFICATION ACT

The **SPEAKER** pro tempore. Pursuant to House Resolution 491 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the Senate bill, S. 2527.

□ 1259

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the Senate bill (S. 2527), to require advance notification of plant closings and mass layoffs, and for other purposes, with Mr. Glickman in the chair.

The Clerk read the title of the Senate bill.

The **CHAIRMAN.** Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Missouri [Mr. Clay] will be recognized for 30 minutes and the gentleman from Vermont [Mr. Jeffords] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. Clay].

□ 1300

Mr. CLAY. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, once again we are debating plant-closing legislation for what I truly hope will be the last time in this Congress. The bill we have before us does not go as far as I would like—but it is a vast improvement over the status quo, in which workers receive on an average less than a week's notice of layoffs and closings. When three quarters of those voting in the Senate favor any bill, it is clear that the legislative process has succeeded in producing a consensus.

In the past few months, the issue of notification has captured the attention of the American public. It has been analyzed and discussed in newspapers, on the airwaves, and in living rooms and pool rooms, beauty shops and barber shops. Polls show that 86 percent of the people believe this is modest and fundamentally fair legislation. It is a bill that has emerged from months of public scrutiny, with substantial support in every sector of the country and among workers in all economic categories.

For those of you who have opposed this legislation in the past, let me call to your attention some of the changes that have been incorporated in the bill to meet your concerns. The bill covers firms with more than 100 employees. Notice is not required if the layoff or closing is caused by unforeseeable circumstances. Notice of a closing is not required in certain situations where a business is faltering. The bill does not cover part-time or seasonal employees. The Senate has added clarifying amendments to protect against frivolous lawsuits, to assure that employers are not required to provide notice to economic strikers when they are permanently replaced and to assure that, if notice is not required when a closing or mass layoff is due to a natural disaster. Each of the provisions I have mentioned is a modification designed to address concerns expressed with the original bill.

Much has been said in previous debate about why giving notice of layoffs is nothing more than fundamental decency. Sixty days' notice can make a difference in the life of a worker, a family, a community. It is a basic protection that is afforded workers of nearly all industrialized nations. Working conditions in this country should be second to none.

Beyond basic decency, advance notice is good for economic stability. Four nonpartisan studies have found that notice makes worker training programs far more likely to succeed. These studies have shown that workers who get notice are far more likely to find appropriate training than workers who receive no notice. We are about to pass a trade bill which commits a billion dollars to retraining American workers. We're throwing good money after bad if we don't require notice of plant closing and mass layoffs.

We have come a long way on the plant closing bill. At last we have the chance to send to the President a bill that has broad bipartisan support, as well as editorial, and even significant business support. Let's once and for all put this issue behind us and send the President a bill that has such broad support that he will surely sign it into law.

Mr. JEFFORDS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just want to let the Members on this side of the aisle know what I have done. I have split the time, 20 minutes for the opponents and 10 minutes for the proponents, and it will be my purpose to allow a Member in opposition to close the debate.

Mr. Chairman, I now yield 3 minutes to the gentleman from Texas [Mr. Bartlett].

Mr. BARTLETT. Mr. Chairman, I rise strongly to urge a no vote on the bill. It is a bad bill. It is conceived only in politics. It is spoken of only in political terms.

The fact is that this legislation, if it were to be enacted into law, will cost American workers their jobs, because at its very basics, what this bill does is it prohibits a private employer from imposing a necessary partial layoff in order to save the jobs of the remaining employees.

We can dance around all the other issues, we will hear a lot of political talk here today, we will see a lot of headlines, and we will get a lot of pressure at home and see polls for the American public, but the fact is that if this bill is passed, it will prohibit an employer from providing a necessary, although difficult, layoff of some of his or her employees in order to save the jobs of other employees. The question before us is, should the Federal Government walk down the road of Western Europe and prohibit those jobs from staying here.

I would like to go through a bit of what is wrong with the bill, in addition to its basics. No. 1, the bill applies most of its negative aspects against small and medium sized businesses.

The coverage is triggered at 100 employees, even if those employees are part-time, as few as 20 hours a week.

No. 2, the bill triggers notice for a small layoff, even in a large plant. If as few as 50 employees are laid off in a larger facility in 1 operating unit, then coverage is triggered.

The bill permits a Federal agency to cancel a contract with no notice but then requires that contractor to give 60 days' notice and to continue their overhead for the next 60 days.

The bill mandates that any previously negotiated severance pay or other benefits be paid in addition to the notice requirements in this bill.

The bill is not limited to an actual closing, but as to any so-called employment loss involving as few as 50 employees in 1 operating unit, or any reduction of work hours of more than 50 percent.

The bill applies to part-time workers. The bill preempts State laws and privately negotiated collective bargaining contracts.

Other countries have tried to go down this road. I brought a chart which we are all familiar with showing the enormous increase in jobs in the American economy by in fact permitting companies and employers, private employers, to manage their operations, contrasting that with the creation of jobs in Japan and in the United Kingdom, which has been flat, and in Germany, which has similar laws, and which has in fact declined. The fact is that if we ask companies why they located in the United States or in other countries as opposed to Western Europe, they will tell us this is one of the major reasons why they followed that course.

Mr. CLAY. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. GUARINI].

Mr. GUARINI. Mr. Chairman, I rise to urge my colleagues to support this important legislation.

Mr. Chairman, it is long overdue that we give American workers and their families the security that the plant closing bill offers.

This country was built on the sweat and blood of our workers and they deserve this protection.

Over the years American workers have not received adequate notice of plant closing and layoffs. Two million workers per year lose their jobs due to plant closings. On the average, nonunion blue collar workers receive only 2 days notice, 2 out of every 3 workers receive no notice.

Fairness is the basic question in this debate. Should we allow hard working Americans to be abused and financially devastated by their employers? Should we allow industrial communities to bear the social burdens of these dislocated workers? And should we close our eyes to the trauma and suffering these sudden layoffs have caused? I believe my colleagues are more enlighted than that.

Advance notification of plant closings is right. It is right on the grounds of fairness to workers and the communities. It is good policy and many studies have shown it will work.

The National Academy of Sciences states that "advance notice of permanent plant shutdowns offers significant benefits to workers who are displaced and to the Nation by reducing the average duration of unemployment and lessening the public costs of such unemployment."

According to the Office of Technology Assessment, "The best time to start a project for displaced workers is before the plant closes or mass layoffs begin; advance notice makes early action possible. * * *"

Countries such as Canada, Sweden, and Great Britain have all implemented advance notification statues with no negative affect to their business communities.

Most importantly, the American people support this bill. In a recent survey, 79 percent of all Americans favor requiring 60 days' notice to employees before a plant is shut down.

Advance notice of plant closings is a matter of simple justice. American workers and American communities suffer from a lack of such a provision and will continue to suffer in health, dignity, and financial security unless we take action today to enact this fair, efficient, and long overdue legislation.

I urge my colleagues to support this important legislation.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Chairman, I rise in support of S. 2527, the plant notification bill. I say that because earlier we heard that some of our colleagues have problems with the term "plant closing" and I do, too. The problem is "a rose by any other name is still a rose." This is not a plant closing bill, it is a plant notification bill. I imagine if we called it "peace keeper" or "freedom fighter" instead of saying it is for workers, we would gain support. The truth is that as old as the cliche is, and it still holds true today, "Don't confuse me with the facts, my mind is made up." So as quickly as they can, the opponents jump up and cry foul, job loss and interference with the free enterprise system. And just as quickly the supporters rise to claim the opposite. We all create facts from the information we have, good, bad or indifferent. Well I see this as plant notification. Reasonable plant notification. Not political maneuvering, but an attempt to give workers a warning to prepare communities and workers to do whatever they can to save the plant and, failing that, move to find jobs for the dislocated workers and find revenues to supplant those lost. Sixty days isn't that great a hardship on anyone if we had the determination to protect plants and workers. We could have enacted a program such as in Canada where they provide an arbitrator and set up a counseling group to relocate workers, to retain workers, and to provide counseling. It works there and it can work here. Be that as it may, what we have here is simply a plant notification bill that's fair. Let's put the people first and pass it.

Mr. JEFFORDS. Mr. Chairman, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

The CHAIRMAN. The Chair will make this inquiry of the gentleman from Vermont? The gentleman did not ask unanimous consent to divide his time; he is doing that himself, is that correct?

Mr. JEFFORDS. Yes, Mr. Chairman, I am doing that myself. We are so friendly on this side, Mr. Chairman, that I have no problem in that regard.

The CHAIRMAN. The Chair appreciates that.

The gentlewoman from New Jersey [Mrs. ROUKEMA] is recognized for 2 minutes.

Mrs. ROUKEMA. Mr. Chairman, having had every opportunity to correct the weaknesses in the Senate bill foreclosed by a closed rule, it is with reservations that I rise in support of that same bill on final passage.

However, in all honesty I must assert that the need for a plant closing notification mandate supersedes my strong reservations about specific requirements of the bill.

No longer will working men and women arrive at their place of employment to find the doors bolted against them and their jobs vanished without warning. Passage of this bill will achieve this most important goal of notification and will put us on the road to labor policies that establish fairness for workers.

Although some of the provisions of this bill may be left to the courts to rectify, there is a victory to be had here in terms of working the will of the American people—and they clearly want a plant closing notification measure to come out of this Congress.

In addition, experience both here and abroad have clearly demonstrated the benefits for retraining and relocation of early notification. The Brock Task Force Report established this as recommended policy.

I must qualify my support of the bill with a reminder to my colleagues that we could have done better by the American worker and business by eliminating ambiguities in this bill and encouraging compliance by providing greater flexibility for unforeseen business circumstances.

Nevertheless, I will vote for this notification bill because it establishes a humane principle in law and sets a minimum standard of decency for American workers.

Mr. CLAY. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, I thank the subcommittee chairman, the gentleman from Missouri [Mr.

Clay] for his advocacy and support of this measure, and I do join him in hoping that this is the last time we must address the issue on the House floor this year.

When a decision is made for a plant to close or for mass layoffs to take place, the decision is made by corporate executives far in advance of the actual closing, and I think it only fair and fitting that the employees of that plant, both management and those who receive wages, be given at least a 60-day notice that their lives will be critically changed. Whether it is for the good or better of the company that does it, it is for an economic reason, and for that very same economic reason, the employees of that firm should be entitled to readjust or prepare to readjust their economic lives.

Also, the budgets of the communities in which those plants are located must be prepared by the community leaders far in advance of the beginning of a year, and they must know what their tax base is. They must know whether they will have taxes from wages coming in from the plant, and also they have real estate taxes. It is only fair that the community likewise receive some advance notice, and certainly a 60-day advance notice is not asking too much.

Mr. JEFFORDS. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. Gunderson].

Mr. GUNDERSON. Mr. Chairman, I think as we consider S. 2527 this afternoon, it is important that we understand we are beginning this debate at a time of record job creation in this country and at a time of record startups of new businesses. In light of these positive economic conditions we have to ask ourselves, why are we here in the first place? But even with these encouraging trends, our Nation is experiencing worker dislocation and this gets us back to the basic question before us, and this is whether some form of worker notification is right or wrong in the case of mass layoffs and plant closings.

Frankly, I support the concept of notification, but I think the legislation before us lacks significantly, in that requiring employers to provide notice is all it does. We have to ask ourselves the question: What is the role of Government in terms of a changing economy, in terms of changing jobs in a changing world?

Those who are suggesting we need to so aggressively bring this issue up and debate it on its own would seem to say that Government's role is simply to regulate the affairs of business—telling employers when they can or cannot operate and when they can close and when they cannot close. I would suggest that Government's role ought to be far more constructive, and it ought to be far more positive.

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What we ought to be doing today is focusing not just on notification alone, but on providing reasonable notice as a part of an aggressive, comprehensive, training and retraining proposal. That is the only way we can justify this employer mandate. Notice by itself, without the retraining provisions contained in the Worker Adjustment Program of the trade bill; let us be blunt about it, is pure politics.

The second concern I have with regard to this legislation before us is that we have basically mandated through the rule that no amendments can be offered to try to improve the bill.

Mr. Chairman, the legislation before us, on its face, seems very straightforward, like the only "right thing to do." Who could be opposed to providing workers with a 60-day notice that they will be losing their jobs? Therefore the bill's proponents and even the news media have portrayed this legislation as a simple, one-sided moral issue. Unfortunately, the mandates provided for under this legislation are much more complicated than this. Everyone in this Chamber supports the provision of adequate notice to workers who are losing their jobs. And I might add that everyone in the Reagan administration supports the provision of notice to workers as well. However where people differ in opinion is in determining what the proper role of the Federal Government should be in requiring this notification.

At issue are the key questions:

First, is it the proper role of the Federal Government to require worker prenotification of impending layoffs and closings?

Second, and if so, what should this policy be—in order that we do not actually tie the hands of business in a way that is counterproductive—that has the potential to backfire and result in eliminating the very jobs we want to save?

I would be remiss if I did not say that I am very frustrated by the way this very emotional issue has been politicized. Those Members of Congress and of this administration who are opposed to S. 2527 are not hardheartedly opposed to notice. While many of the concerns held by the business community were worked out through good faith negotiations during the earlier trade conference of which I was a party.

There continue to be legitimate concerns held by employers over the notice requirements under this bill.

For example, while several provisions are included in the bill that take into account special circumstances whereby employers would be unable to provide notice:

Such as where an employer is actively seeking capital or business in order to remain open; or

Where an employer is confronted with unforeseeable business circumstances; there still exists legitimate concern that the burden of proof lies with the employer to prove that these circumstances indeed exist and were reason enough not to have provided the full 60-day notice. As a result, concern over increased litigation is real.

Further there is the question on whether this should be strictly a plant closing bill or whether it should also require notice for mass layoffs as well. During the Senate's debate on this bill, many Members of that body went on record as saying that they would support a plant closing bill—but that this legislation goes beyond closings requiring notice for layoffs where one-third of an employer's workforce—if equaling 50 or more employees—will be laid off.

And finally there is the very important and often overlooked question of determining how far the Federal Government should go in telling employers how to run their businesses.

Where should this line be drawn in order to allow business to remain competitive in this evermore competitive international marketplace?

A very important fact I want to point out today is that it was this administration—through the leadership of former Secretary of Labor William Brock—who called together the Task Force on Economic Adjustment and Worker Dislocation which lead the way to development of a $980 million Worker Adjustment Program that will significantly improve our ability to retrain and assist these very workers who are losing their jobs.

It was this administration who lead the way in development of this $980 million program which is contained in the trade bill awaiting our action. We must recognize here today that the positive outcomes for workers that will result from this new program will far outweigh the provision of mandatory 60-day notice.

Where do I stand then on this issue? While certainly not perfect, I do feel that this legislation will benefit those workers who would have otherwise not received notice of an impending layoff or closing. And, as I mentioned before, many of the problems that would have been encountered by businesses were addressed during our conference with the Senate. Unfortunately, according to a study recently published by the Bureau of Labor Statistics—Wisconsin and Texas currently lead the Nation in worker dislocation due to mass layoffs and plant closings. In fact together our two States experienced one-fourth of all such job loss found in the 1987 study. In the last three quarters of 1987—Wisconsin experienced an estimated 30,651 job separations through mass layoffs and plant closings alone. And in the first quarter of this year, experienced 8,341 separations. In my district alone, in one eight-county region we currently have 5,837 dislocated workers who would qualify for our Dislocated Worker Program—and while not all have lost jobs through mass layoffs or plant closings, this gives a picture of what we are facing.

So, while I share the view that worker notice should be a voluntary effort on the part of employers, and while I do continue to hold concerns over certain aspects of this particular legislation, in my position as a representative of the working men and women of the Third District of Wisconsin who have been hard hit by worker dislocation,

I feel a responsibility to support this bill.

Therefore, I will support final passage of this legislation, but at the same time I do so reluctantly. I do agree that workers should receive adequate notice; and I do feel that employers have a moral obligation to their workers and to the communities in which they operate. I am reluctant to support this particular bill, however, due to the way that it has been misused politically, and because as I stated earlier, it will only be truly beneficial to workers if combined with proper training and worker assistance support as provided for in the newly restructured Worker Adjustment Program contained in both the House and Senate trade bills. The economic and employment policies of this administration that have lead to the creation of over 16 million new jobs, to single-digit inflation, and to the lowest unemployment rates we have seen in many years—in combination with initiatives such as the Worker Adjustment Program will do much more to solve the problems of America's workers than will this legislation on its own.

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Chairman, I rise in support of S. 2527, the Plant Closing Notification Act.

I don't know how many Members have read the President's veto message on plant closing notification, but it does evoke sympathy for the captains of industry who the President says shouldn't be straitjacketed by these new regulations. They must be free to be "agile and responsive," says the President.

The President doesn't mention how the factory worker can be agile and responsive in paying a home mortgage, sending the kids to school, paying medical bills and so forth upon losing his job without notice. Yes, that does take agility.

The captains of industry who the President wants agile and responsive have responded with agility to their own plight.

The chairman of Bendix landed with great agility with a $4 million golden parachute when he lost his job in 1983. The chairman of Revlon didn't need 60 days advance notice when he took home severance pay of $35 million in 1985. Imagine the agility of RCA's CEO who ran all the way to the bank with the $2.3 million pink slip he got. Any factory worker would be responsive to the $12.6 million that the chief of St. Regis parachuted away with.

Mr. President, the people at the top aren't the ones in need of agility and responsiveness—its the workers who need to keep their lives and families together who really need our responsiveness today, and I hope that's just what we're going to give them.

Mr. JEFFORDS. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, there is an old New York case which states that no one's life, liberty, or property is safe so long as the Congress is in session. That case is very appropo to S. 2527, which takes away basic liberties of employers to the detriment of American competition and to the very workers it purports to help. The only thing attractive about this bill is its purposefully misleading name—the "plant closing bill."

The primary issue this legislation involves not notice of "plant closing," but notice of "employment losses," that is notices of terminations, layoffs, or reduction of working hours. The issue is whether employers will continue to have the right to discharge, lay off, or even reduce working hours of their employees when the myriad exigencies of their business require it.

In this bill, "Plant closing" is defined in terms of at least 50 terminations, layoffs, or reductions in working hours of full-time employees over any 90-day period resulting from a "permanent or temporary shutdown" of: First, a "single site of employment"; or second, one or more (i) "facilities" or (ii) "operating units" within an employment site.

In addition, the "employment losses" which trigger the advance notice requirement do not have to occur all at once. When the number of "employment losses" aggregate to the threshold of 50 or more, over any 90-day period, all of the 49 pevious employment losses, until then legal, suddenly become retroactively illegal. All other employment losses, over and above the threshold, occurring within the same 90-day period, of course, are also deemed illegal.

The same holds true for what is defined in the bill as a "mass layoff." A "mass layoff" is defined as a "reduction in force." A "Reduction in force," in turn, is defined in terms of an "employment loss," in this instance being a threshold of not more than 500 or 33 percent of the employees (but not less than 50 enployees) over any 90-day period, but requiring not more than 500 and at least 50 employment losses. Once the threshold number of employment losses is reached within any 90-day period, then all employment losses occurring within that period, either before or after the threshold is reached, are deemed illegal, retroactively or not.

Each time the employer fails to send a proper 60-day advance notice or notices (within any 90-day period), the employer must pay each affected employee who suffers an employment loss back pay and benefits. The employer also must pay up to $500 per day for each failure to give proper notice of an employment loss to the unit of local government within which the employment losses take place. Presumably, the employee who has sustained an invalid employment loss, still holds a valid employment contract. If so, the employer would be obligated to issue a valid notice of employment loss to all such employees and pay further salaries until a new 60-day period expires.

There is no definition of what constitutes either a "permanent" or "temporary" shutdown, or of a "single site of employment" or of one or more "facilities" or "operating units" within a single site of employment. What factors would differentiate a "facility" or an "operating unit" from the rest of an employment site?

If an employer's operations consist of several buildings in a campus-like setting, would the layoff beyond the threshold of 50 tolerated employment losses within one of the buildings be a "shutdown of a single site of employment," or of a "facility" or "operating unit" within a single site of employment, hence classified as a "plant closing"? Or would it be a "reduction in force" with a different threshold tolerance of employment losses and therefore classified as a "mass layoff"? Would it matter whether the employees who were laid off performed the same or different services from the employees in the other buildings in determining what constitutes "operating units" or would the critical factor be the separate buildings?

Advance notification also imposes unreasonable long-term forecasting requirement on employers. For instance, an employer must project not only how many layoffs or reduced working hours may be required from time to time in order to stay within the threshold allowance granted, but also whether a layoff or reduction in hours will last for more than 6 months! If a layoff turns out to be longer than 6 months, it must be counted as an "employment loss" and could place the employer in retroactive violation of the threshold tolerance of 50 "employment losses" within any 90-day period. Firms will be required to maintain impossible business records to ensure that they do not retroactively violate the terms of advance notices. And the threshold tolerance depends on whether the employment loss is defined to have taken place at a "single site of employment" or at one or more "facilities" or "employment units" within a site of employment, or alternatively, is defined as a general "reduction in force".

The message seems clear. To be safe, employers should give the notice and wait 60 days before effecting any "employment losses", lest the employment losses aggregate beyond a threshold tolerated under this act. It is a goal long sought after by organized labor in order to keep its fading membership.

A competitive America must give businesses flexibility in making decisions about employee terminations, layoffs, and reduction of working hours. This point was made clear to me in a letter I received a few months ago from the Caterpillar Co. In that letter, Caterpillar representatives state:

> In the early 1980's, Caterpillar was forced to respond quickly and decisively to a more competitive international economy. Part of our necessary response included indefinite layoffs and 1- and 2-week shutdowns of all or part of plant operations. These actions often had to be assessed on a weekly basis. We didn't have the luxury then—nor do we now—of knowing with certainty what business conditions would be like 60 days in the future.
>
> Caterpillar—leaner and more competitive today—is stronger because of the flexibility we were able to exercise during tough times. If we had been hobbled by restrictive and delaying notice requirements, we might not have been successful in meeting foreign competition.

Anyone who has been in business knows that the ability to discharge and lay off workers, or to reduce working hours, has to remain within the discretion of the employer. Caterpillar is a viable company today because it had the discretion to make the difficult business decisions without government interference.

It is amazing to me how this Congress continues to mandate "benefits" for employees and seems intent on throwing a monkey wrench into the greatest employee benefit program of all, which has come not from Congress with its astronomical budget deficits, but from the free enterprise sector. The free enterprise system has given us 68 months of continuous GNP growth, 16.8 million new jobs since 1982, and 1.5 million new jobs in the first 5 months of this year alone.

In addition, since 1982, our Nation created nearly 2.5 times as many jobs as Canada, Japan, West Germany, France, England, and Italy combined. The United States employs a world-record 62.3 percent of its adult population. Our 5.3 percent unemployment rate is the lowest since 1972.

When Europeans tell you that their economies cannot grow any faster because of structural problems and rigidities, what they chiefly mean is that laws and union agreements make its prohibitively expensive to close inefficient plants, order necessary layoffs, or even fire malingerers. Since its 1972 "plant closing" law was passed, West Germany actually lost 1 million jobs while the United States created 33 million of them.

Nevertheless, Congress seems to want the European system. As I said, no one's life, liberty, or property is safe so long as the Congress is in session.

Mr. CLAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. Ford] for the purpose of a colloquy.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I would like to verify my understanding of two of the amendments to S. 2527 that the Senate adopted.

The first concerns the availability of attorney's fees under section 5(a)(6) to a business which is sued under this act and which prevails in the suit. Is it your understanding that the case of *Christianburg Garment Co.* v. *EEOC*, 434 U.S. 412 (1978), controls the award of fees to a defendant business under the WARN Act?

Mr. FORD of Michigan. Yes, that is our intent. Although rule 11 of the Federal Rules of Civil Procedure also permits the award of attorney's fees against a party that files a frivolous action, we want to make it explicit within the terms of this act that such sanctions under section 5(a)(6) are available when, but only when, in the words of Christianburg Garment, "a court finds that his claim was frivolous, unreasonable, or groundless, or that the plaintiff continued to litigate after it clearly became so."

Mr. JEFFORDS. If the gentleman would yield, I would also like to verify the managers' understanding of Senator Hatch's amendment to section 8 of the bill, relating to the mailing of notice. Is it your understanding that section 8(b) simply makes explicit one method an employer may use to give nonunion employees notice of an impending plant closing or mass layoff?

Mr. FORD of Michigan. Yes, that is our intent. This amendment is in no way intended to legitimize such practices as giving ticketed notice—where notice is preprinted on the paycheck or inserted into each pay envelope—or any form of rolling notice, given regardless of whether a plant closing or mass layoff is actually impending. They cannot be considered good faith compliance with this act.

Mrs. JOHNSON of Connecticut. Mr. Chairman, will the gentleman yield for another colloquy?

Mr. CLAY. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Chairman, in understanding section 3(d), determinations with respect to employment loss, is it correct to assume that the reference to 2(a)(2) means that if the aggregate number of employees laid off over 90 days is more than 50, then the plant closing provisions could be triggered, but only if those layoffs are associated with a site or operating unit shut-down, as required under 2(a)(2) in its entirety?

Mr. FORD of Michigan. The gentlewoman is correct.

Mr. JEFFORDS. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. Schuette].

Mr. SCHUETTE. The issue here, Mr. Chairman, is not notice. Nobody, I repeat nobody, should get up in the morning, go to work and find a sign on the plant gate saying, "Business closed." That should not happen.

Businesses in my opinion have a responsibility to provide notice. Responsible businesses should. More should do that because we need to do all we can to ease the hardship when a layoff occurs or a closure occurs in the community. We need to do that. Businesses need to be encouraged to do that more.

So from my standpoint, the issue is how we can define that. It should not be mandated, in my opinion, nor inflexible, nor rigid. I view this issue as one of the great intentions, and I have great respect for those who have a different opinion on this issue, but I think good intentions will go bad because as a result we still stop job production in America.

Mr. Chairman, I do not think the European economies are models for us to follow. We should not copy them. We built 17 million jobs in this country while the European economy is stagnant, flat. We all want notice, but we want a notice of job growth in the future. We do not want to provide working men and women in this country a notice of no job in the future. We want fairness, but this country needs growth.

Mr. Speaker, we do not want to choke economic growth off in the future. Frankly, big business does not have a dog in this fight. Most of their contracts are collectively bargained, and they have worked this out as they should.

Closing should be a negotiated item. Small businesses to an extent are exempt. It is the small and medium businesses who will lose out on this, and job growth as a result, because they have no PAC, they have no Washington representative, and they are too busy building jobs keeping this country growing.

So, as a result of good intentions, under the cloak of notice we will try to straitjacket American job growth in the future and choke off economic growth in the years to come.

Mr. JEFFORDS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. DeLay].

Mr. DeLAY. Mr. Chairman, I think all the arguments have really been laid out. They were laid out a couple of years ago when we soundly defeated this bill on the floor of this House, and they have been laid out many times this year alone, but let me just point out and make a point that was made so eloquently by the gentleman from Michigan [Mr. Bonior] during the debate on the rule.

Mr. Chairman, he says we are not trying to give notification. We are trying to keep plants open because through, quote, community development, ESOP's and plant closings we keep the plants open. That is exactly the bottom line to this piece of legislation, my colleagues. That is full employment for lawyers and the membership drive for unions because what will happen is litigation will happen, and we will be forced to keep plants that should be closed opened as we have under ERIS, under ESOP's and many other pieces of legislation that come from this body.

Mr. Chairman, we are keeping plants open that should be closed, and what is the result of that? The result of that is that those plants that are efficient operations that are in that industry are made to suffer by keeping a business opened that should have closed, so in essence we are going to cost not only jobs, but competitiveness in this country.

Mr. Chairman, we ought to be opening plants. We ought to have the freedom to close if we have to. Make those decisions. Because keeping an inefficient operation opened only hurts those efficient companies and those great workers that are doing a great job.

So my warning goes to those companies that support this legislation. Do not come to this Member and say, "I am tired of being tied up in the courts because of liability problems or others," because they are going to get another dose with this piece of legislation. And do not come to me as a worker and say, "We're being unfairly competed with by a company that should not be in business," because this is going to keep them open, and this does not keep them competitive in America.

Mr. JEFFORDS. Mr. Chairman, I yield myself such time as I may consume for purposes of a colloquy.

Mr. Chairman, with the exception of some minor clarifying amendments adopted by the Senate, the bill we have before us today is the same bill that Congress adopted as part of the trade bill. The conference report on the trade bill provided important background and guidance as to the meaning and intent of Congress in adopting this legislation. I believe that the parts of the trade bill conference report relating to the plant-closing bill are an important source of information that will facilitate compliance with the law.

Mr. CLAY. Mr. Chairman, if the gentleman will yield, I completely agree with my colleague and believe the relevant portions of the trade bill conference report are most helpful in indicating congressional intent concerning this legislation. It will also provide guidance to employers regarding compliance with act. I therefore would join you in asking unanimous consent that pages 1045 to 1055 of the conference report on the Omnibus Trade and Competitiveness Act of 1988, which are the portions of the report pertaining to the plant-closing provisions, be included in the RECORD at this point.

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Mr. JEFFORDS. I would also like to ask the distinguished chairman of the subcommittee a question about the intent behind section 3(b)(2)(B). This was a provision adopted in the other body which provides that notice would not be required in certain instances of natural disaster. My first question is whether that subsection should be read in conjunction with section 3(b)(3), which requires that an employer provide as much notice as is practicable when the exceptions in section 3(b) apply?

Mr. CLAY. Mr. Chairman, if the gentleman will yield, yes, it should. If the actual cause of the plant closing or mass layoff is a natural disaster such as the current drought, the bill provides that, while the unforeseeability of that disaster may preclude providing the full 60-day notice period, the employer is still obligated to give as much notice as is practicable up to the full 60-day period.

Mr. JEFFORDS. That is my understanding. So, in other words, if on July 1 an earthquake causes an employer to immediately suffer a reduction in supply or business causing an immediate need to reduce employment, that employer would only have to give whatever notice he could before the employment reduction. That notice period could be as short as 1 day or 1 week. If, on the other hand, that July 1 earthquake has a long-term effect so that the employer won't have to reduce employment for, say, another 6 months, and that reduction is reasonably foreseeable at least 60 days in advance, that employer would still have to provide 60 days' notice, assuming all of the other conditions of the legislation are met.

Mr. CLAY. Mr. Chairman, if the gentleman will yield, that is correct. That is certainly the intent of this legislation.

Mr. JEFFORDS. I would agree that that is the intent and I believe that is also what the bill clearly provides. I thank the gentleman for his explanation.

Mr. CLAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, I would like to have a brief colloquy with the gentleman from Missouri on the practical application of the provision regarding reduction of notice period. It is my understanding that the bill reduces the advance-notice period for a plant closing due to circumstances that could not reasonably have been foreseen at the time notice would have been required and for faltering companies that are actively seeking capital or business to avoid a shutdown, when the employer believes reasonably and in good faith that notice would preclude obtaining the capital or business.

Mr. CLAY. Mr. Chairman, if the gentleman will yield, the gentleman is correct—that is the intent of the committee.

Mr. SKAGGS. Mr. Chairman, is it the intent of your committee that employers who find that they truly have to resort to the provisions regarding reduction of notice should be able to do so without fear of being second-guessed afterward? That is, that the prescribed advance notice be given whenever it is practicable to do so, but, that we should be aware of, and take into consideration, the real world realities that employers face that may preclude giving the full 60-day notice.

Mr. CLAY. Mr. Chairman, if the gentleman will yield further, the gentleman is correct. The bill provides exceptions to the notice requirement for the very reason that it will not always be possible to give as much advance notice as the bill otherwise requires. For example, if a principal customer of the employer suddenly and unexpectedly terminates a contract, forcing that plant to close, that employer would be excused accordingly from the full notice period of the bill.

Mr. JEFFORDS. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Chairman, we are told that the plant-closing notification is a very popular bill and the public supports it. That may be true, although a recent poll in the National Journal indicated that it may be a little less popular than some of its strongest supporters believe it is.

Whether it is popular or not, this is not an issue of burning intensity in the United States. It is not an issue that floods our mailboxes or our telephones or is raised very frequently in town meetings.

As a matter of fact, it is an in-house issue which is being raised to satisfy a very important interest group, that is, big labor. Labor is a very strong lobbyist within this body and across to the other side of the Capitol.

As has been pointed out, plant-closing notification probably will result in closing more plants. I doubt that is what the authors intend, and I know that it is not what we should be concentrating on. We should be looking for ways to open plants and to expand plants, not focusing our attention exclusively on the pessimism of plant closing.

It has been pointed out that plant layoffs are not predictable. We have talked about what happens in the case of emergencies, of earthquakes.

I would like to submit that any kind of a layoff or plant closing is an emergency. Seldom are they predictable. While the committee may intend one thing or another, or even may assure itself in colloquys on the floor of this House, all our talk does not insure that the smaller employer is not going to get sued under this bill. He may be obliged to prove in court what is an emergency and what is not.

Notice is a labor privilege that ought to be bargained for. Labor has not seen fit to bargain very hard for it. Notification belongs in the private sector, not in the legislative arena.

We should defeat this bill. I shall vote against the plant-closing notification.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I thank the gentleman for yielding this time.

Mr. Chairman, back in 1985 then Secretary of Labor William Brock, a good Secretary of Labor, looking at America's difficult economic climate and recognizing that new technology and foreign and domestic competition, changes in demand, mergers, and acquisitions, had caused workers in America to face very serious problems, formed a task force which in December 1986 adopted this volume, entitled "Economic Adjustment And Worker Dislocation in a Competitive Society."

The chairman of that group was the director of the Labor-Management Institute at George Washington University. The task force had members on it from business as well as representatives of workers.

The businesses included General Electric, Johnson and Johnson, Titronics, and the representatives of workers included the United Food and Commercial Workers representative and the textile workers representative and others. There were legislators and a Governor and academicians and economic research experts on this task force, and this administration developed this booklet. It has very complete findings and recommendations and conclusions in it. Let me read you one of the conclusions:

> Experience has shown that the earliest notification possible leads to a more effective delivery of public and private services to dislocated workers. Delivery of public services to affected workers should begin well before shutdown or layoff, if possible.

The task force from this adminstration in this well-buried document that barely has seen the light of day goes on to say this:

> This task force is in general agreement that advance notification to employees and the community of plant closings and large scale permanent layoffs is good practice.

> The Office of Technology Assessment—

They noticed—

> has recently reported that representatives of business, labor, communities and public agencies broadly, although not unanimously, agree that advance notice is an important element in helping displaced workers find or train for new jobs.

So we are talking here today about mandatory good corporate neighborliness in a way that this administration says is necessary.

Mr. JEFFORDS. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, I rise in opposition to S. 2527, a bill that would apply an arbitrary and inappropriate 60-day notification mandate to reductions in work hours, shop closings, and layoffs. There are many reasons why this is a bad bill; I will touch on only a few.

The words of our former Democratic colleague, now the Lieutenant Governor of New York, are as timely and relevant today as they were when spoken on this floor about this same issue nearly 3 years ago:

> America stands on the precipice today * * * we could lose enormous additional numbers of industrial jobs in this country because of companies, both domestic and foreign, making logical decisions to relocate operations offshore.
>
> (I)f industrial policy is more government regulation, not a positive attempt to stimulate industrial revitalization and industrial development, then count me out; that is what I mean, not more regulation.

U.S. businesses need flexibility to keep up in increasingly competitive world markets.

Imposing additional costs on already-struggling firms will make them less able to compete and may even be the additional burden that drives them out of business altogether, destroying the jobs that could have been preserved for some by laying off others.

Flexibility is not merely a matter of profit but, frequently, of simple fairness to the innocent employer.

If a customer or supplier cuts down on a large volume of orders on short notice, the work simply is not there for the affected company.

Trying to protect jobs after-the-fact, regardless of abrupt changes in business conditions, will be counterproductive and result in discouraging job-creation.

Employers will be reluctant to expand capacity and create new jobs at the margins during good times, because each new job created is a potential source of litigation and liability at the next economic downturn.

Even a business that tries, in good faith, to comply with notification requirements, still could be hurt or put out of business as that notification becomes public knowledge and sources of credit and customers dry up in response.

To be safe, many employers will have little choice but to overanticipate when customers, suppliers, creditors, or the Government might cause them to make workforce adjustments on short notice.

The result will be many needless 60-day notifications of nonevents that, nevertheless, create great stress for workers and their families and cause talent drains when employers most need to retain their best employees.

Nor is the unforeseeable business circumstances exception in the bill the escape hatch the bill's supporters claim.

The exception basically is a defense the employer has the burden of proving in court after employees, a union, or a government files suit.

It's understandable and worthy for Members to be concerned about the impact that work reductions without notification has on workers. But lack of notification is not what this bill is really about.

Nor should we fool ourselves for a moment that this bill represents a final compromise.

This bill is a product of the philosophy, and a certain first step toward an agenda, of central planning that says to the entrepreneur, "Once you begin producing Edsals, buggy whips, or manual slide rules, don't ever expect to stop—we will not let you sacrifice one job today on the speculation that you will create two tomorrow."

When he retired a few years ago, U.S. Senator Paul Tsongas, from the same State as my party's Presidential nominee, warned us that it was bad for the country and for our Democratic Party that we were too fixated on redistributing the gold eggs without any concern over the health of the goose.

He was right, but I don't see why it has to be that way. Our system of democratic capitalism has its unpredictable cycles and its uneven performances, but it remains one of the few golden birds in the world and in history, in terms of creating wealth and jobs. We should be nurturing and working with it, instead of beating it because it doesn't produce golden eggs on some arbitrary schedule we come up with.

A brief look at our economy and our success at creating jobs, compared with the rest of the world, is instructive.

Western Europe, with such mandatory notice laws, has produced no new net jobs since 1970. We have added 38 million new jobs in that time.

As our fellow Democrat, Horace Busby, former Assistant to the President during the Johnson Administration has noted, since 1982, the United States, Hong Kong, Korea, and Taiwan—all without employment loss notification policies, have enjoyed average employment growth of 3.2 percent a year. The 16 European countries with mandated notification have gained only one-half of 1 percent a year.

Since 1982, the U.S. civilian unemployment rate has declined more than 4 percent, from 9.7 percent to 5.3 percent. In France, unemployment has gone, during that period, from 8.3 to 10.9 percent. In West Germany, from 5.9 to 6.9 percent. In Italy, from 5.4 to 8 percent. In the United Kingdom and Canada, there have been modest declines since their 1982 and 1983 highs, but in every year their unemployment rate has been higher than ours.

While I am not suggesting that notification of work reduction is the sole, or even primary cause of these differences, it is certainly typical of the broad array of burdensome workforce restrictions that are stifling job creation and propping up unemployment in those countries.

It's understandable and worthy for Members to be concerned about worker dislocation and readjustment. In fact, half, half of the problem motivating this mandated notification bill also is addressed in the trade bill we will consider later today.

We expect to see that trade bill become law. And in it, we already are providing over $1 billion for services for dislocated workers and trade adjustment assistance. Over $1 billion. Today.

We've heard complaints lately about items and programs hidden in huge omnibus bills. Here we are, poised with great certainty to authorize $1 billion in the trade bill for workers who have lost their jobs due to plant closings, layoffs, and other major disruptions, and yet we debate this notification bill as if no other relief is in sight.

If we are concerned about abrupt disemployment, there are better ways to deal with that issue, without resorting to a cure that is worse than the disease.

One better way to approach such problems is to promote voluntary notification and provide incentives for severance benefits, training, and readjustment. In fact, the Massachusetts notification law is, for most purposes voluntary and is triggered by a much tighter definition of a business closing.

Are we going to pass a law on the national level significantly more burdensome and expansive than Massachusetts' law?

Another better approach would be to let employers elect to provide severance pay or economically equivalent benefits in lieu of notification.

A fair system of electing alternative severance benefits would provide all the benefits of notification with none of the problems or costs, with the sole exception of some out-of-pocket costs.

This bill does approach severance pay in a backdoor sort of way. But only by counting it toward "damages" when the employer accepts the stigma and legal implications of being a lawbreaker.

In addition, the damages are too high and the prospect of an innocent employer being dragged into expensive and lengthy court proceedings and being assessed attorneys' fees remains unfair.

Common sense and experience show us that this bill is not the best, or only, way to skin this cat.

For example, Caterpillar, Inc., has had a collective-bargaining agreement with the United Auto Workers prescribing only 5 days' notice of layoffs, but also providing for severance benefits of up to nearly a year.

When other approaches are available, why do we need to impose, as a matter of Government fiat, a notification requirement far longer than even some of our most powerful labor unions demand in their individual agreements?

Another basic unfairness in this bill is that, like so many times in the past, we are slapping new burdens and requirements on employers without protecting them when work reductions are caused by government actions, such as agencies' contract decisions or Congress' failure to pass authorizations and appropriations for programs in a timely fashion.

This bill is bad not only for businesses and the general economy, but for the very workers it purports to help. For these reasons and others, I strongly urge my colleagues to join me in opposition to this bill.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CONTE], one of the cosponsors of this legislation and a prime mover of the legislation through this House.

Mr. CONTE. Mr. Chairman, today's vote on advance notice for plant closings is a vote about workers, their families, and their communities. It is a vote about fairness, and about responsibility. It is about understanding the economic and human costs of a plant shutdown or layoff. And it is a vote about the hard reality of business in America, where fewer than 19 percent of businesses give more than 1 month's advance notice of plant shutdowns or mass layoffs.

What is before us today is a minimal, extremely flexible, 60-day advance notice provision for plant closings and mass layoffs. Advance notice is absolutely vital to a successful, effective worker adjustment program. Advance notice gives businesses, workers, local communities, labor groups, and government agencies the needed time to prepare for the shutdown, adjust to the new situation, and pursue new business and employment options. Twenty-two years ago, when he was better known as an economist than international diplomat, George Shultz wrote that "advance notice of major employee displacement to the workers, the union, and the appropriate government agencies is a procedural prerequisite for constructive action." That statement is as true today as it was in 1966.

Later on today we will be providing for the constructive action.

The trade bill contains the $980 million dislocated worker assistance program recommended by the Brock Task Force to aid workers, communities, and businesses in adjusting to changing economic circumstances. The Brock Task Force also found that advance notice is an essential component of a successful adjustment program. The National Academy of Sciences came to the same conclusion, as have many of our international competitors.

Everyone has come to the same conclusion: advance notice is essential. Every Member in Congress should know that by now, and every Member should ask him or herself whether U.S. businesses provide sufficient advance notice. The answer is that most of them do not. The average U.S. worker receives only 7 days' notice that he is going to lose his job because of a shutdown or layoff. Seven days to adjust to the most drastic situation a worker can face. It takes at least 2 months to get a worker adjustment program underway, even in Massachusetts, where we have a plant closing law. Most of the suffering and hardship that workers and their families undergo could be avoided if companies would take the simple, responsible step of adequately informing employees of an impending closing. But as the GAO found, 32 percent don't give any notice, and 34 percent give less than 2 weeks' notice. That is totally inadequate, unfair, irresponsible, and expensive.

Business does not bear the cost of a closing without notice—it is the workers, the communities, and the Government that has to make up for corporate irresponsibility. A 60-day advance notice requirement would save between $300 and $400 million in unemployment insurance costs, would reduce joblessness by nearly 4 weeks following displacement, and would increase displaced worker's earnings by over $1 billion. Clearly a "yes" vote today is the proper vote for fiscal and economic responsibility.

The anecdotal fears that advance notice ruins troubled businesses have not been borne out by the studies. And we have before us such a flexible proposal that companies which can't foresee shutdowns or layoffs, or are searching for capital to shore up their business, are exempted from the requirement.

I have seen too many workers tossed out on their ears without notice for me to believe that enlightened self-interest will make all businesses provide advance notice.

Last November, 50 workers at J.P. Stevens in my district were told 2 days before Thanksgiving that they no longer had jobs. What a thing to be thankful for. It's appalling, and we can do something about it. Vote for advance notice. It is the right thing to do.

This plant closing is a watered down version of the Clay-Ford-Conte plant closing bill that was defeated by a few votes in November 1985.

□ 1345

This is an anemic bill compared to the bill that the gentleman from Missouri [Mr. Clay], the gentleman from Michigan [Mr. Ford] and myself filed, and it was defeated by only two or three votes back in November of 1985. This is a sop, a sop for the poor working man. Yet, look at a guy who started in a shop, a member of the union and a machinist, who worked with his hands and there was nothing more appalling—tear your heart out—when a guy would come in and say, "We are no longer going to work here. Somebody bought our company out. We are going to move to Sidney, NY."

You go home and tell your family that.

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume for the purpose of engaging in a colloquy with the gentleman from Washington [Mr. Miller].

Mr. MILLER of Washington. Mr. Chairman, if the gentleman will yield, in the Puget Sound area, we have a unique situation. There is a major aerospace company, Boeing Co., which has five major production facilities within a 50-mile radius.

I would like to ask the floor manager if he would answer a question of concern to many of my constituents.

Mr. CLAY. I would be happy to answer the gentleman's question.

Mr. MILLER of Washington. In the Puget Sound area Boeing has five major production facilities, Everett, Kent, Auburn, Renton, and South Seattle. Each facility produces a different product line. At the Everett facility, in my district, 747's and 767's are produced. At the Renton facilities, 737's and 757's are manufactured.

Am I correct that under the bill before us, if 500 employees are laid off at Everett, a mass layoff has occurred. However, if 101 employees are laid off at each facility, totaling 505 employees throughout the Boeing Co., a mass layoff has not taken place.

Mr. CLAY. The gentleman from Washington is correct. However, if more than 50 full-time employees are laid off and those 50 employees constitute at least 33 percent of the full-time work force, a layoff exceeding 6 months would require notice. The only exception to this would be if an entire facility or operating unit within a single site of employment were to be closed. Each of the five facilities you have described are separate sites under the definition in this bill and would not be aggregated.

Mr. MILLER of Washington. Would this apply to other companies with similarly separate manufacturing facilities?

Mr. CLAY. That is correct.

Mr. MILLER of Washington. I thank the gentleman for answering my questions.

Mr. CLAY. Mr. Chairman, I reserve the balance of my time.

Mr. JEFFORDS. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. Tauke].

Mr. TAUKE. Mr. Chairman, if I could have the attention of the floor manager of the bill, the gentleman from Missouri, I would like to ask him a question relating to the legislation.

Mr. Chairman, as I understand the legislation as it relates to the plant-closing section, it leads me to believe that so far as the layoff provisions are concerned, an employer would not have to provide notice to an employee unless the duration of the layoff or the shutdown exceeds 6 months. Is that a correct understanding of the intent of the legislation?

Mr. CLAY. Mr. Chairman, the gentleman is correct.

Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. Scheuer].

Mr. SCHEUER. Mr. Chairman, I think the gentleman from Massachusetts [Mr. Conte] set the tone of this debate. We are not talking about anything that a pointy-headed radical college professor dreamed up. We are talking about a bill that represents the consensus of America, Republicans and Democrats alike, the consensus of civilized people who have learned to care about workers.

Many corporations have already entered into these kinds of arrangements voluntarily with their workers—IBM, United States Steel, GM, Boeing, others, and virtually all of our major competitors across the world have done the same thing—England, France, Germany, the Netherlands, Japan, Canada. This is not something way out. This simply represents a civilized consensus in our country spanning the two parties.

These enlightened companies and nations know that adequate plant-closing notification contributes to employee morale and productivity.

The overwhelming consensus of the American people is that this is a decent, compassionate, caring way to treat the American work force.

Mr. Speaker, despite the available facts and the clear consensus of the American people, the Reagan administration and the U.S. Chamber of Commerce remain adamant in their opposition to this decent, humane, and civil legislation.

This refusal to recognize the needs of American workers symbolizes the administration's insensitive, uncaring, and neanderthal attitudes concerning the American work force.

The opposition of the U.S. Chamber is fortunate, but not astonishing.

The Chamber has always been 50 years behind the times.

If we had listened to such interests in the early part of this century, we would have no child labor laws and children still would be toiling in sweat shops at an age when they should be playing with toys.

If we had heeded their advice, there would be no minimum wage laws for those workers who are at the bottom of the economic ladder.

Their opposition to passage of the Securities and Exchange Act failed to defeat the law that has given millions of investors the confidence to invest in American enterprise.

If their opposition to the Federal Deposit Insurance Corporation had been successful, American depositors would not have the faith in the banking system that exists today.

These were all important pieces of legislation that have contributed to a healthy, competent work force and given workers the ability to buy the very products they produce.

Don't these people ever learn? Or are they like the Bourbon Kings who learn nothing and know nothing?

Mr. Speaker, it is time that the United States joins other industrialized nations and adopts a rational, civilized plant closing law.

It is time to say no to the naysayers in the Reagan White House and at the U.S. Chamber who perceive American workers as medieval serfs.

Mr. CLAY. Mr. Chairman, I yield 2½ minutes to the gentleman from Pennsylvania [Mr. Ridge].

Mr. RIDGE. Mr. Chairman, there is a special relationship between employers, employees, and the workplace be they salaried or hourly employees.

First of all, there is a financial relationship. They get a paycheck. We understand that one. There is a social relationship. Friendships develop over the years. Social acquaintances develop over the years, they arise out of that relationship within the workplace. There is an emotional attachment to a workplace as well. Most men and women enjoy what they are doing, are committed to doing it as best they possibly can. It is their special contribution not only to their family but to their society and their community. They feel a part of the economic machine of this country. There is a financial, there is a social, and there is an emotional relationship between the employee and his or her workplace. Unfortunately business often unexpectedly and without notice rips that relationship apart. Sometimes they call their employees in on Friday afternoon, buy their employee a cup of coffee and say, "Incidentally, do not bother showing up for work on Monday." Sometimes employees report for work on Monday and the gate has been closed. Sometimes employers give 1 or 2 weeks' notice. These situations rip that relationship to shreads, and the longer one is involved with that particular employer or workplace, the more difficult it is for that employee to overcome the resulting financial, social and those emotional hardships.

Remember, we are not talking about men and women who get golden parachutes when they close the plant gate. We are talking about men and women who just get kicked out of the airplane.

We must redress this practice when possible. We all know people who have lost their jobs after 10, 15, 20 years—men and women who went to work, wanted to work, and whose financial and emotional foundation and stability are suddenly and unexpectedly destroyed. What do they have left? What can they go home to? How do they relate their predicament to their spouses? How do they relate it to their children? How did they now budget? Tragically, they are unable to prepare for this eventuality because they receive no notice.

All we are asking is the management when able to predict or foresee the need to close a plant or lay off large numbers of employees over long periods of time simply give notice to the employees and thereby the community. This legislation is sensitive to the uncertainties of the marketplace, but more importantly this legislation is sensitive to the human condition and the human spirit of those men and women whose lives are dramatically and often irreversibly changed by the loss of their jobs.

It hurts to lose one's job. It hurts to lose a job in this technical and ever-competitive world. Our young people particularly will have to change jobs two or three times in their life. We will never be able to eliminate the hurt when they or others lose their jobs unexpectedly, but this legislation will help them deal with the pain a little better. I ask my colleagues to support this legislation.

Mr. JEFFORDS. Mr. Chairman, I yield 45 seconds to the gentleman from North Carolina [Mr. Ballenger].

Mr. BALLENGER. Mr. Chairman, I rise in opposition to 2527. I think I am probably the only fellow here who has managed a plant during a recession, and I know that there are some sorts of exceptions involved, but I have 200 employees in my manufacturing plant. We have done this, not very often in the last 20 years, maybe two or three times, where business is bad, and we lay off half our workers, 100 people, and say, "You work 1 week, and you are off a week."

Somewhere along the line we need an exception in this bill in case of a recession, because I was speaking to a British businessman the other day, and he said to me, "We did this in Britain 25 years ago, our Socialist government put this in, and out of a clear blue sky, 25 years later, you are following in the same disastrous area that we are."

Mr. JEFFORDS. Mr. Chairman, I yield 45 seconds to the gentleman from California [Mr. Hunter].

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I think that rarely have the main issues and the main differences between our two parties been so clearly met as they have in this bill. The Republicans stand for economic growth. Over the last 7 years since this administration has been in, we have created over 15 million new jobs. France was cited as an example for why we need plant closings by the other side, by the Democrats.

France has been losing jobs. They have lost hundreds of thousands of jobs since 1981. They refer to our job market as the American jobs miracle. The Republican Party is the party of economic growth. I think that if we vote for Governor Dukakis, we had better be ready for plant closings because there are going to be a lot of them.

Mr. JEFFORDS. Mr. Chairman, I yield 45 seconds to the gentleman from Louisiana [Mr. McCrery].

Mr. McCRERY. Mr. Chairman, I just want to make one thing clear. I wish we had an open rule so I could offer an amendment on this point. This bill penalizes responsible employers, those employers who have bargained in good faith to provide severance benefits to their employees, who will be punished under this bill. An employer who has not bargained in good faith, has not provided serverance benefits, under this bill, can get out of the notification requirements by, in effect, providing severance pay, but an employer who has bargained for those benefits cannot get out of the closing notification requirements of this bill by providing severance pay. He has got to provide what he has bargained for plus a day's wages for every day of notification not given. It is not fair to responsible employers.

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. Houghton].

Mr. HOUGHTON. Mr. Chairman, I have been given 1 minute to sum up about 35 years of experience in employment practices, but if that is my lot, I obviously take it.

Mr. Chairman, there are obviously minuses to any national law, no matter what the subject is, and so it is with the case here. But I must believe that if we can get through the emotions of the moment that it is the basic tenet of our system that the responsible be protected from the irresponsible, and that is what this law does. It is not just for the employees. It is for management and owners, too. The large companies do this already, the good ones. The small companies have a door a mile wide to go through in terms of customer restrictions or financing difficulties, so let us not get hung up on our ideological high horse.

God is in the details, and the details of specifics say that this is a fair bill, a livable bill, and a good bill.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. Ford].

Mr. FORD of Michigan. Mr. Chairman, I rise in support of S. 2527, the Worker Adjustment and Retraining Notification Act. This very modest legislation makes good economic sense, it is flexible and fair, and it deserves the same overwhelming support in the House that it receives in the Senate.

Frankly, it is amazing to me that there is any controversy surrounding this bill at all. When it says, in effect, is only this: "any business which is reasonably sure it will have to terminate a large group of its employees must give 60 days notice of its intent, or as much notice as it can if it can't give 60 days' notice." It says people should be given a chance to prepare for the tremendous economic shock of job loss, that mayors should have a chance to find new employers for the community's citizens, and that training programs should be planned and put into place when they can be effective—before jobs are lost, not afterward.

That requirement is so simple and fair, so flexible and considerate of employers' needs, that if the details of the bill were better known public support for it would not be at 80 or 85 percent as it has been in every national poll; it would be at 100 percent.

This legislation is far more modest than the bill Senator Metzenbaum and I introduced in February last year. That bill required much more substantial notice, covered more businesses and more employees, and required employers to meet and consult with representatives of the affected community and the affected employees about ways to prevent or mitigate the damage plant closing can cause. We knew we could not hope to attract enough support to override the President's veto of that bill, and we have been engaged in a process of negotiation and compromise ever since.

S. 2527 is also far more modest than the bill the House debated over a period of 3 days in November 1985 and narrowly defeated. That bill, which I authored, required 90 days notice, did not contain the many explicit exemptions contained in this bill, and did not limit its coverage of layoffs to terminations affecting one-third of the work force or 500 employees.

This bill is a compromise. It does not go far enough to suit me, and it will not provide nearly as much help as it should to the working people of this country. But it will, at least, help hundreds of thousands of people get a jump on putting their lives back together after an economic disaster, and it deserves everyone's support.

The benefits of this bill have been analyzed and cataloged by a large number of respected, nonpartisan organizations in the last 2 years, including the Congressional Office of Technology Assessment, the National Academies of Science and Engineering, the W.E. Upjohn Institute, the U.S. Conference of Mayors, the National League of Cities, and the administration's own task force on economic dislocation and worker adjustment.

Those benefits of even this very modest legislation are considerable. The several hundred thousand displaced workers who will receive notice under the terms of this bill will find new jobs a month faster than they would otherwise. This will provide the average displaced worker over $1,300 in extra income. A conservative estimate of this additional income, assuming 2 million people lose their jobs in layoffs and closings each year, is $1.5 billion.

S. 2527 will have a significant, positive impact on the Federal budget by reducing unemployment insurance costs. By shortening their period of unemployment, the bill will reduce the number of weeks displaced workers receive unemployment compensation. A study by the OTA found that the annual budget savings would exceed $300 million. A more recent study by the Economic Policy Institute estimates the bill's unemployment insurance savings at $410 million a year.

The Reagan administration estimates that approximately 750,000 Americans whose jobs will be eliminated by closings and layoffs each year will need the help of the Federal retraining and reemployment program for dislocated workers, title III of the Job Training Partnership Act. The administration supports spending $980 million a year on title III. Yet its own task force on economic dislocation found that advance notice is essential if the program is to be effective. The system of rapid response teams which is the heart of the displaced worker readjustment program, cannot work without advance notice.

And as the facts show beyond any doubt, without this act, without a Federal requirement, the majority of employers will continue to close plants and throw their employees into the streets without adequate notice—all too often, without any warning at all.

Even before Senator Walter Mondale and I wrote the first version of this legislation at the end of 1973, I knew in my gut that most businesses kept their employees in the dark about layoffs, plant closings, and relocations. I had seen it happen over and over again in my home State of Michigan. They told them only when they had to: when the machines were moved out, when the stores were boarded up, or even 5 minutes before the supervisors ordered the employees off the employer's property and cleaned out their lockers.

Ten years of Congressional hearings, criss-crossing the Nation from Pennsylvania to California, from Montana and Washington to Alabama, convinced me that my gut feelings were right. Plant closings were an economic disaster as severe for many communities as the worst natural disaster. And the affected parties—the laid-off working people, the local governments, and the small businesses that depended on the shut-down employer—often had less notice than they would of a flood or a tornado. In 1985, the Education and Labor Committee moved an advance notice bill to the floor, but lost by 5 votes.

Finally, in 1986, a Government survey of dislocated workers, conducted by the nonpartisan Bureau of Labor Statistics, proved that we were right. The BLS survey showed that more than 2 million Americans lose their jobs in plant closings and permanent layoffs each year, and that more than half of them lost their job with no warning or notice.

Even those who do receive notice often receive notice that is totally inadequate. Among large employers, more than half of those who do provide notice give only 1 to 14 days, according to a study by the GAO.

Overall, the median notice provided to American white and blue collar workers is only 7 days. The median notice given to nonunion blue-collar employees is only 2 days.

These figures, these facts, are an insult to the American people. They deserve to be treated with respect and decency. They demand respect. They will not be denied the minimal decency of treatment that this bill requires. The business community has failed them. President Reagan has failed them. But Congress, either today or next year, will answer the public's demand.

Let me turn to the content of the bill. The legislative history of S. 2527 is simply provided through the Committee reports on S. 538 and H.R. 1122, and the conference report on H.R. 3. Only the Senate amendments, which we are about to adopt, need any further explanation.

Of those amendments, the most ambiguous and troublesome is, obviously, the Dole amendment. It is crucial that it be understood that the Dole drought amendment is not meant to be a new exemption from the general requirement of the bill. We have checked with Senator Dole, and his intent in offering the amendment is simply to make clear that businesses taken by surprise by the drought—or any natural disaster—cannot be required to give more notice than they actually had of the economic catastrophe which has befallen them. They can only be required to give notice of what is foreseeable; and the full implications for agribusiness and related employers may not be known for months. But if an employer has actual notice that he will have to close or lay off employees 60 days before the event, the Dole amendment does not excuse his duty to give that notice.

Before agreeing to take up the Senate bill, we also verified this understanding of the Dole amendment with Senators Metzenbaum and Kennedy. It is no exaggeration to say that if this amendment had a broader meaning, S. 2527 would either not have been taken up in the House, or would have been brought up under a rule that would have amended section 3(b)(2)(B) or permitted an amendment to it.

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Mr. JEFFORDS. Mr. Chairman, I yield myself 2¼ minutes.

Mr. Chairman, I rise in strong support of the bill before us. S. 2527, the Worker Adjustment and Notification Act, is the product of a lot of work over a lot of years. But now its time has come.

During today's debate, every effort will be made to characterize this as a complicated bill. It is not. It simply requires larger businesses—those employing at least 100 workers—to give 60 days notice of plant closings or mass layoffs. No more than 5 out of 100 businesses in this country are even affected.

I know many of my colleagues think that notification should be voluntary. Well, that is exactly what we have today, and the record is not very hot. Voluntary notice has guaranteed workers an average of only 7 days notice. Voluntary notice has guaranteed that 3 out of every 10 employers do not give any notice at all.

The fact of the matter is that voluntary notice is a lot like a voluntary speed limit or voluntary taxes. It is a nice idea that just does not work.

This bill has been amended and refined so that I believe it will work. It will work for employees and employers and their communities.

I know my colleagues have concerns about this bill. These concerns are legitimate. I shared a lot of them. That is why I worked hard throughout this whole process with my colleagues in the House and Senate to fashion provisions to preserve employers' flexibility. We all know 60 days advance notice is not always possible, and this bill neither expects or demands it in every single instance.

If a closing is not reasonably foreseeable at the time notice is required, an employer need only give notice when he or she does realize that he or she will have to close down or lay off the requisite number of employees.

If an employer believes that notice will preclude obtaining business or financing necessary to keep the company afloat, the employer need not give notice.

If employees are hired only for a short term, for a particular project, or are offered continued employment, no notice need be given.

Finally, an employer can choose to not give notice and instead pay a penalty in lieu of giving notice. Indeed, if an employer does so promptly, it is relieved of any financial penalty to the local government. If employers and employees have bargained for other benefits, they would generally be in addition to the penalties provided under this bill. I think this proper, but I expect that collective-bargaining agreements in the next few years will be adjusted to take this legislation into account.

Many of my colleagues seem to think that providing plant closing notification and promoting new jobs are conflicting goals. Nothing could be further from the truth.

The trade bill contains nearly a billion dollars for retaining workers who lose their jobs due to a plant closing or layoff. Every single study agrees that such a retraining program is far more effective if it is accompanied by advance notice.

Taken together, the plant closing and worker readjustment bills will go a long way toward addressing our country's need for a work force with adequate and relevant skills. Nowhere is that need more dramatic than in those situations where workers are displaced by a decision to shut down a plant or lay off the employees at a worksite. Without efficient mechanisms to address those displacements, we are risking the loss of those workers as productive members of our economy. We need to reach out to them and see that they are placed as quickly as possible into new positions that either match their qualifications or for which they can be retrained.

When the House narrowly defeated a mandated notice bill 3 years ago, many Members voted against it because it was felt that we didn't know enough about the problem and were looking to the newly formed Brock task force on economic adjustment and worker dislocation for more insight. Representatives of both management and labor on that task force did examine the problem and ultimately concluded that notice is "an essential component of a successful adjustment program."

The task force couldn't decide whether notice should be mandatory or not. It is time now for us to decide. I suggest we approach this problem with a proper balance between compassion and practicality. And I believe that balance is found in this bill. In helping the worker, we will help our economy and, ultimately, our competitive posture in the world marketplace.

I urge my colleagues to join me in voting for this needed measure.

Mr. BOULTER. Mr. Chairman, I rise today to voice my support of privately initiated and designed layoff notification procedures, as well as placement service and assistance for workers that become unemployed. I cannot, however, support this bill, S. 2527, because of the effects it will have on a very real and clear problem that exists today. It is one that will be made worse and increase the pain already being felt in my State of Texas, not to mention other States that may be suffering similar economic difficulties. I am talking about the effect this piece of legislation will have on our Nation's financial institutions.

This bill, though some mistakenly say otherwise, will provide no real economic benefit to the United States, and it will not save one single American job. While passionate arguments have been offered in support of this bill, it is in fact nothing more than another example of the Federal Government tinkering with that wonderful mechanism known as the private sector.

Mr. Chairman, as we all know there is a crisis in the savings and loan industry. There are 344 insolvent savings and loan institutions in the United States today. And, in fact, during the last 3 months, troubled savings and loans have lost some $3.8 billion. During the past year they lost $11.5 billion. During the coming years we are looking at the possibility of merging or closing literally hundreds of savings and loans across the country. Some of us, like myself and other Members from the Southwest region of the country are also looking at the FSLIC's recently announced Southwest Plan. It has as its specific goal just that, closing and/or merging about one of every four institutions. In Texas that translates into the closing of approximately 400 S&L offices.

It is my opinion, as the majority member of the Banking Committee has stated, that there is reason to be concerned about the lack of explicit exemption for regulatory-initiated actions regarding the 60-day plant closing notice when applied toward an individual financial institution. Imagine what effects a 60-day notice would have on the deposites of a bank or savings and loan.

Federal Home Loan Bank Board Chairman, Danny Wall, has expressed his concern that this poses a serious problem that will only make the resolving of the S&L and banking problems more difficult. The FDIC is so concerned about this legislation that they have stated that they would contest any attempt to make it applicable to their industry. It is my opinion that this is not the proper way to resolve and address any potential uncertainty, and that nothing but additional difficulty will be added to an already unacceptable problem.

Without revision to exempt financial institutions Mr. Chairman, which is obviously not going to be addressed or corrected before final passage here today, I cannot overlook this potentially disasterous oversight and, therefore, cannot support this bill.

Mr. LIGHTFOOT. Mr. Chairman, in the 99th Congress I opposed plant-closing legislation for the very same reason I oppose S. 2527, the Plant Closing Notification Act.

This legislation would require employers of 100 workers or more to notify their employees at least 60 days before ordering a plant closing or mass layoff. The intentions of S. 2527 are well taken. The plight of the dislocated worker is a serious matter but should be dealt with in the most appropriate manner.

There has been much talk today devoted to European countries that adopted similar measures considered before us today. Europe may have such laws but it has not been instrumental in improving employment opportunities or boosting economic growth. In the U.S. layoffs are at a 9-year low—42.9 percent fewer people are unemployed today because of layoffs than in 1980. The American economy has increased its employment in the same period by more than 38 million—without plant-closing legislation.

Running a business is a big risk. In some cases, a financially troubled business has no way of knowing how long it can survive due to a litany of circumstances, including market changes, changes in consumer attitudes and other unforseen circumstances. The bill tries to account for unforeseen circumstances by including exemptions, yet these are so subjective that their misinterpretation could result in increased litigation costs. In fact, one survey suggests that the annual cost of employers of the plant-closing legislation would result in $1.8 billion in administrative costs, penalties, and key employee losses.

I am also bothered by the liability of a business to act responsively to its industry's unique business cycle under the restrictions of this legislation. Will we penalize businesses for making a decision that will ultimately affect the future of its business? I am a small business owner, and although I do not employ 100 workers, I recognize the need to be flexible and responsive to my consumers. Although I believe employers should act in good faith and alert their community and employees as early as possible in the event of a plant closing—does the Federal Government need to intrude on decisions more appropriately left to employer and employee relations? As it stands, nearly 90 percent of American employers give some form of prior notice to their employees.

Mr. Chairman, I support a free market system which lets a business exercise its operations and decisions with minimum Government control. Instead of mandating plant closing status, we should place more emphasis on dislocated worker assistance through programs that will really assist them.

Mr. ECKART. Mr. Chairman, I support S. 2527, the Worker Adjustment and Retraining Act, the plant-closing bill, which is important to every American worker, and especially important to the workers of northeastern Ohio.

According to the Bureau of Labor Statistics, over 10.8 million workers have lost their jobs since 1981 due to businesses permanently laying off employees or simply closing down their factories all together. A vast majority of these workers had little or no warning or the havoc that soon followed. According to a study conducted by the General Accounting Office, businesses gave an average of 7 days notice to their employees that they would be losing their jobs. Recently the Office of Technology Assessment released a study reporting that workers who receive advance notice are more likely to be successfully trained and to be unemployed for a shorter period of time than those who do not.

I also want to express my strong support of the omnibus trade bill. This legislative proposal, which contains several amendments which I authored, will help eliminate many of the unfair and illegal trade practices of other nations. In an era when world trade has taken on increased significance, it is imperative that American businesses and workers be allowed to compete fairly. It is our patriotic duty to save American jobs from being exported overseas.

The bill that we are considering today consists of the plants closing provisions contained in the trade bill. S. 2527 would require employers of 100 or more full-time employees to give a 60-day advance notice of certain plant closings and mass layoffs. This would provide more adequate time for affected employees to either find other jobs or to enroll in training programs. There is widespread agreement across the Nation that providing the American worker with a 60-day advance notice is the least that we can do.

Unfortunately, President Reagan is expected to veto this plant-closing bill as he did with the omnibus trade bill. Yet the President gave Panamanian President Noriega, a drug-dealing king pin, a 90–day advance notice, and even Ed Meese was given a 30–day notice that he would be on the unemployment line. Is it fair for the American worker to be in constant fear that he may be losing his job at any minute, while high-ranking officials and drug dealers receive as much as 3 months notice that they will be unemployed? I think not, and I urge my colleagues to support this bill to the fullest extent.

Ms. PELOSI. Mr. Chairman, today the House passed S. 2527, the Plant Closing Notification Act. This measure is designed to ease the burden of plant closings on local economies, communities, workers, and their families.

Recent surveys have shown that an overwhelming majority of Americans, 79 percent, from every region across the county support plant-closing notification.

This is an area where the Presidential candidates differ. In Massachusettes, which has comprehensive plant-closing legislation, Governor Dukakis implemented an innovative program, stressing early notice in combination with creative plans to assist troubled companies and rapid-response retraining and job search assistance for workers. Since the passage of this legislation, over 200 companies have been saved and more than 20,000 workers have been helped to keep their jobs or find new ones. These results demonstrate clearly that plant-closing notification assists workers, their families, and their communities.

George Bush, however, opposes plant-closing notification. He has stated that plant closing "interferes with our ability to compete." He believes that giving workers 60 days' notice before they lose their jobs is bad for America. I disagree. I believe American workers deserve to be treated fairly and decently.

I commend my colleagues for passing S. 2527, the Plant Closing Notification Act, and guaranteeing protection of the needs of all American workers, their families, and their communities.

Mr. WALGREN. Mr. Chairman, as a cosponsor of plant-closing legislation, I urge my colleagues to support this bill today, the Worker Adjustment and Retraining Notification Act. As all know, the House overwhelmingly passed the trade bill, which included this plant-closing requirement, and overrode the President's veto. Unfortunately, the votes to override the President's veto were lacking in the Senate. So separate legislation is required.

This bill requires that, in the event of an anticipated plant closing or layoff, firms employing 100 full-time workers provide a 60-day advance notice of termination on long-term layoff.

While there is no way to legislate against plant closings or layoffs in an economy that fluctuates as much as ours, common decency requires as much notice as reasonably possible when people are going to lose their jobs. That is the least we can do for workers in America.

Today, very few businesses provide reasonable notification of closing. On average, blue-collar workers receive 3 days' notice and white-collar workers receive 7 days' notice of termination. This is neither a reasonable or a fair business practice. Many plants intentionally lay off a specific category of worker or close down certain operations completely when particular job or function is no longer efficient. When plans have been made in advance to close, a 3- or 7-day notice will not provide a head of the family the time or resources to find another job.

The economy of the Pittsburgh area was built on older, basic manufacturing industries. Steel-related industries account for one-half of the manufacturing jobs lost and one-half of the plant closings of the last 4 years.

By providing a 60-day advance notice, a worker, along with their family, will have time to try to protect themselves a little bit. A worker can begin a training program, seek remedial education or job search skills training. A worker receiving 60-day notice will have the time to enroll and benefit from these programs before their unemployment assistance will run out.

Advance notice can also lessen the health and anxiety problems dislocated workers suffer. Workers faced with no job and limited skills often suffer serious psychological and physical side effects such as increased blood pressure, weight loss, ulcers, depression, and alcoholism. Even their mortality rate for dislocated workers is greater than those who have stable employment. Society ultimately pays one way, or the other.

Advance notification increases the earnings for both blue-collar and white-collar workers because the period of unemployment following their layoff is reduced.

The average worker receiving 8 weeks' notice finds work 3.7 weeks sooner, directly reducing unemployment compensation paid by Federal taxpayers. Given that 66 percent of displaced workers received unemployment benefits in 1986, potential savings from advance notice of layoff alone would be $410 million—a savings double the current costs of displaced worker programs. All of us taxpayers will benefit from this requirement.

Advance notification can also benefit the business community by improving labor relations and promoting the values of fair and ethical treatment of employees. Advance notification will even benefit the companies involved by setting out time to explore alternatives, to attract new owners or to negotiate a worker buyout. Contrary to opponents claims, OTA and the Department of Labor Task Force have shown that advance notice does not adversely affect productivity and in some cases even improves it. Thus, business too benefits from advanced notice.

This legislation is no cure-all, but it would be a help to communities hard hit by economic change. Justice demands that we support plant-closing legislation in an effort to help workers and their families reduce disruption of their economic expectations. We may not be able to solve all the problems associated with unemployment, but we can take steps to help people find a new job.

This plant-closing bill does not tie business' hands in making decisions. It only requires 60-day notice of layoffs and closings. That's the least we can do. I urge support of this bill in fairness to millions of American workers and families.

Mr. GARCIA. Mr. Chairman, I rise in support of S. 2527, the Worker Adjustment and Retraining Act. This measure consists of the plant closing and job layoff provisions contained in the trade bill, H.R. 3 passed by Congress and vetoed by the President last month. This bill is necessary to protect the workers of this country from unexpected job loss due to plant closings and layoffs.

This bill requires employers with 100 or more full-time employees to give a 60-day notice of certain plant closings and layoffs. For plant closings, notice is required if the shutdown results in the loss of 50 or more employees at the one location. For mass layoffs, notice is required if the layoff lasts over 6 months and involves over 50 workers who constitute over 33 percent of the work force at any location or if the layoff involves over 500 workers.

This is a fair and just measure. It is fair to the workers who deserve more than 1 or 2 days' notice of closings and layoffs. It is fair to businesses as well because the bill anticipates the special circumstances that would prevent companies from being able to give advance notice. This includes companies experiencing business circumstances that can not reasonably be anticipated and faltering companies seeking capital or business to avoid shutdown.

This measure is important because workers are needlessly left without work because of plant closings or layoffs. Approximately 10.8 million American workers lost their jobs due to plant closings and layoffs between 1981 and 1986. This is an average of 2.2 million workers losing jobs each year in a time of economic uncertainty. This bill addresses the problem because advance notice will give companies, labor unions, and Government agencies time to plan and develop strategies to help dislocated workers find or train for new jobs.

There should be no doubt but that this legislation will reduce the adverse effects of closings and layoffs. For too many workers lose their jobs without sufficient opportunity to prepare for a period of unemployment and job transition. Businesses provide workers on average only 7 days advance notice of plant closings or layoffs. Nonunion workers get on average only 2 days advance notice. This is outrageous. Surely these people, the workers, the backbone of this great Nation, deserve more consideration than this. Surely a worker who has put his or here whole working life or even a part thereof deserve more than 2 days' notice.

Studies have shown that an advance notice by employers of 2 months as this bill requires will shorten the period of unemployment for workers by an average of 3.8 weeks. That will create almost 2 full weeks of work for some 2.2 million workers who lose their jobs annually. By passing this bill, we get 2 weeks of work for 2 months advance notice. This is not too much to ask of employers who should know by that time anyway whether or not they plan to shutdown or layoff workers. And this will save an estimated $400 million in unemployment insurance and result in $1.5 billion in additional wages.

This bill is good for the workers of this country and good for the local economies of cities, towns, and boroughs throughout the country. It is supported by labor groups and leaders and has already been passed by Congress once this year. I urge my colleagues to come forward in strong support of his measure and pass S. 2527 at a sufficient margin to override a second Presidential veto. I recommend a vote in favor of this bill.

Mr. RAHALL. Mr. Chairman, I rise in strong support for S. 2527, the Plant Closing Notification Act which is, in fact, a very modest measure. The bill simply requires that businesses employing 100 or more workers give 60 days' advance notice of plant closings that would result in job loss for 50 or more workers. It also requires 60-day notice of layoffs lasting 6 months or more, if the layoffs affect 500 or more workers, or 50 workers who constitute one-third of the work force at a plant.

Importantly, the bill allows for exceptions when closings result from unforeseen circumstances. Additionally, exceptions can be made if a company believes in good faith that providing the 60-day advance notice would preclude obtaining new capital or new business needed to avoid a shutdown. S. 2527 also exempts from notification requirements plant closings or mass layoffs that result from natural disasters, such as floods, earthquakes or drought.

Frankly, Mr. Chairman, it is ludicrous that the United States, long a worldwide champion for workers' rights, is one of the few developed nations of the world that does not have either provisions in law or a general practice of advance notice of plant closing. This is a simple matter of fairness and human decency. Do not American workers have the right to know about decisions that may drastically alter their lives and their communities? Should not every opportunity be given our workers to plan for their futures in the face of a major layoff or plant shutdown? Keep in mind that this notification provision, while only affecting 2 percent of all firms, will protect nearly half of our work force by virtue of the fact that 49 percent of all employees in the private sector work for firms with 100 or more employees. It is also important to note that many major union contracts already have advance notification clauses, clearly demonstrating that American industry in fact can live with such standards.

Significantly, an Economic Policy Institute study found that an advance notice of 2 months is estimated to shorten the period of joblessness for a blue-collar worker by an average of 3.8 weeks. Annually, this reduced period of unemployment would save more than $400 million in unemployment insurance costs, and result in $1.5 billion in additional wages.

Mr. Chairman, in the interest of fairness for American workers, I urge my colleagues to support this modest but much needed legislation.

Mr. GAYDOS. Mr. Chairman, I rise in strong support of S. 2527, the Plant Closing Notification Act, because I believe America's workers need and deserve to know in advance if their employer's doors are going to slam shut in their faces.

Generally, workers give their employers at least 2 weeks notice before they leave, but, unfortunately too many businesses do not extend that same courtesy to their employees. In fact, some workers don't get any notice at all.

Two weeks ago, a medium-sized midwestern company called its workers on Saturday, and told them that their jobs were gone—that their plant has closed—and that they could pick up their final paychecks the following Monday.

Just like that. No advance notice. No warning. Just a telephone call to tell the workers that they no longer had a job.

Each and every one of the 325 workers who had worked at the plant is now trying to find a new job.

Each of them must now scramble, borrow, and scrimp to make their house and car payments, to feed and clothe their families, and to meet all of their other living expenses.

With the economy in the Midwest the way it is, some of these newly unemployed workers probably never will find another job, and the Government will be forced to pick up the tab.

But there is absolutely no doubt that if this plant has been required to provide a 60-day advance notice of its closing, many of these employees would be working instead of collecting unemployment.

With advance notice they could have started their job search 2 months earlier. They could have entered job training programs. They could have moved to another area to find a job. They could have made financial arrangements to cushion the blow of unemployment.

Without a doubt, these 325 workers and thousands like them across the country would benefit from passage of the plant closing bill.

In spite of the administration's opposition to the bill, a recent report by the Secretary of Labor's task force on economic adjustment and disclocation stated that, "advance notification is an essential component of a successful [unemployment] adjustment program."

Furthermore, many business groups also recognize the benefits of advance notification. The Committee for Economic Development wrote that:

> Companies should provide as much notice as possible of decisions affecting jobs, particularly in cases of plan closings * * * advance notice allows employees the time to adjust, and management the time to plan and implement business moves that minimize hardship.

Although businesses and administration officials endorse the concept of advance notice, business practices is quite different. A GAO study found that a third of all businesses surveyed had no notification at all, and the average notification was 7 days in advance of the closing or layoff. The GAO study concludes that:

> While major business and labor organizations agree that to be effective, reemployment assistance should be in place prior to dislocation, few employers provided advance notice sufficient to establish such programs.

One of the most recent and comprehensive studies on plant closings was jointly funded by the National Science Foundation and the American Statistical Association. Using the best methodology available, this study found that 60 days of advance notice would put the average worker back on the job 3.8 weeks sooner. Thus, advance notice could save the Government $410 million in unemployment insurance every year.

Mr. Chairman, the words and testimony of business, government, and labor all indicate just how important it is for workers to know about plant closings and mass layoffs well before they receive their last paychecks.

I am convinced that most employers know of impending layoffs and plant closings in advance. If they don't then they won't be affected by this bill. But, if they know their employees will soon be out of work, they need to tell them.

For the past 15 years, my colleagues and I on the Education and Labor Committee have worked to enact a plant closing bill. The bill we have before us today is the final product of our efforts. I believe that S. 2527 is a well-crafted, bipartisan bill designed to protect America's working men and women and I urge all of my colleagues to support it.

Mr. BIAGGI. Mr. Chairman, I wish to express my full support for S. 2527, a bill to require employers to give at least 60 day advance notice in the event of a plant closing and or major layoffs. It is essential that we pass this basic civil and economic rights bill for workers who may face this problem in the future. This is a vote of good consience and compassion which this 100th Congress must take for the working people of this Nation.

My personal commitment and involvement to this issue relates in a far more personal way than merely due to my status as the ranking New York member of the Education and Labor Committee. On December 1, 1982, the United Technologies Corp., announced their plans to close the Otis Elevator Co. in Yonkers, NY, part of my congressional district. This was no ordinary business—it had been one of the main economic mainstays of Yonkers, having been in continuous business since 1852. On that fateful day in December, it was announced that Otis Elevator would immediately begin layoffs and by the middle of 1983, all of the more than 1000 employees would be out of work and the company closed down.

I delivered a 1-minute speech on this subject in early December 1982. I referred to the decision by United Technologies as an "act of moral larceny against the city and people of Yonkers." The particular circumstances of this action were especially irksome due to the fact that prior to United Technologies acquisition of Otis, a total of $14 million in Federal, State, and city money was spent to expand Otis operations and to increase its employment to 2000.

This was a glaring instance of corporate arrogance—with tragic consequences to the working man. This also provided one of the most graphic examples of why a bill of this type is needed—to at least mandate a modicum of responsibility and consideration by an employer that too often is abdicated in the haste to implement a decision to shut down.

Our motivation to pass this legislation was also based on a General Accounting Office survey done of plant closings that occurred during 1983 and 1984. This report showed that a mere 9 percent of those companies gave advance notice of 3 months or more before a permanent shutdown. Moreover, approximately one in four workers discovered their termination on the day they lost their job. Nearly two thirds of blue collar workers received less than 2 weeks' notice.

The bill before us is long overdue. It is not as though the House has not tried. We considered a bill but came to no final resolution on it in 1985. Language mandating 60-day advance notice was included in the trade bill, yet it was vetoed and this unfortunate Presidential decision was sustained. Now we have a third opportunity, and indications are that we will finally succeed. The Senate has adopted this legislation by a large enough margin to ward off a veto. We must do the same today.

Specifically this bill requires:

Employers with 100 or more full time employees to give 60 days notice in advance of plant closings if such a shutdown would result in a loss of 50 or more employees at one site; and

For layoffs, advance notice would be required if the layoff is for more than 6 months and affects 50 or more employees who make up one-third or more of the work force at one site. The required advance notice must be given to the plant's unions or to affected employees without a union.

Exempt from the provisions of this bill are those companies forced to close due to natural disasters or those considered to be "faltering companies" actively seeking capital or business to avert a shutdown.

An employer who was required but failed to do so would be liable for money damages to those employees who were entitled to receive notice. In addition, under this bill the employer would also be liable to pay damages to the local community and employees, employee organizations and local governments could bring suit in Federal district court to recover damages due by an employer.

What this bill does is only the right and fair thing to do for workers, and their families who might some day face the trauma of sudden job loss. It gives them time to plan and make changes. It gives them time to look for alternatives. Above all, it may give time for a better deal than unemployment to be worked out. Time can be such a critically important factor in all of this. We are providing that time with this bill. It is tragic that we have to pass legislation to do this but the rule has been that employers do not take the responsibility or show the compassion. Let us go forward and deal with this problem, but continue our work toward addressing the larger issue—the promotion of improved economic opportunities and expanded employment to make this type of notice a truly rare experience.

To again make the point for why we need this legislation and why we must work to improve economic opportunities for all Americans, I wish to insert into the RECORD an article from the January 30, 1983, Gannett Westchester newspapers which focuses on the real life crises facing some of the 1,000 workers from Otis Elevator who were laid off. Imagine what greater advance notice might have done for some, if not most, of these workers. You might not have had an Otis Elevator type closing in your district, but you could. If you have or if you can sympathize with those workers who have endured this problem, your only response must be to vote for this bill.

[From the Gannett Westchester, Jan. 30, 1983]

DOWN AND OUT AT OTIS—WORKERS FACING LAYOFFS ASK: "WHERE DO WE GO FROM HERE?

(By Jennie Tritten)

Editors Note: With yet another round of layoffs in the offing, workers at the century-old Otis Elevator plant in Yonkers face a grim 1983. Jennie Tritten, a life-long Yonkers resident and staff writer for The Herald Stateman, last week interviewed some of the workers whose jobs are now on the line.

Instead of planning their summer vacations, many of the remaining 375 Otis Elevator workers are bracing themselves in anticipation of joining the millions of unemployed Americans.

While older employees are planning their unexpected early retirements, the younger men and women are busy preparing resumes and looking for new jobs. The first of the latest round of layoffs is scheduled to be announced later this week.

Carlos Rodriguez of Haverstraw, a 41-year-old machinist for Otis, has found a unique way of looking for a new job. During a recent tour of the eight-building complex conducted for real estate brokers, Rodriguez posted a large sign that read: "Machine operator for hire call 914-623-4275".

"I was hoping some visiting businessman would see the sign and give me a job," says Rodriguez, who has six years of experience at Otis.

Unfortunately, his sign failed to produce any job offers that day. If Rodriguez is unable to find employment, he says his wife will have to find a full-time job to keep up their house payments. Rodriguez and his wife have a 10-year-old son and seven-year-old twin daughters.

Mrs. Catherine Ritacco, 49, has worked for Otis for 32 years. "I'm too young to retire," says the Yonkers resident, who rents an apartment in the Manning Avenue home owned by her elderly parents.

Ritacco, a time-card clerk, does not think the 32 years of service at Otis qualifies her for any other kind of work. "My experience at Otis was unique to that work. I'll have to be re-trained for other work. I may go into computers," she says.

Layoffs have touched her relatives as well. She says her 25-year-old nephew, Richard Bruno of Yonkers was laid off in September 1981 from his accountant job at Otis. "He was lucky. He found a good job a few months later at Dellwood Dairies," she happily adds.

On the other hand, she comments: "My aunt, Dolores DePalma of Yonkers, was laid off in July from her office job at Otis and still has not found work."

Otis layoffs have already affected the budget of the Ridzik family living on Webster Avenue in Yonkers.

Andrew Ridzik, 51, and his three sons all have been employed at the plant. Drew, 24, was laid off last August. Says his father: "He can't find a job with the pay matching what he earned at Otis."

But that was only the beginning. Now the senior Ridzik, who is employed as a computer operator in the storeroom, as well his son, Daniel, 22, a truck driver and crane operator, also expect to be laid off.

The family unemployment problems are further compounded by the fact that a third son, Steven, lost his job in the city's Parks Department last November.

Ridzik, who at 51 is too young to qualify for a pension, plans to send out resumes after he's laid off. For the past 21 years Ridzik has held a part-time job with the U.S. Postal Service to help ends meet. "But I can't be hired fulltime on that job," he laments.

Dan Sabol, a 34-year-old machinist with a wife and a three-year-old to support, is more hopeful. The Yonkers resident says he has already sent out 20 resumes. "I'm not begging Otis or United Technologies Corp. (the parent company located in Hartford, Conn.) for anything," says Sabol. He says many of the workers at the plant feel the same way.

"I'm not looking for any handouts from the company. I can take care of myself," says Sabol, who quickly adds, "The hell with UTC."

As for Rose O'Hara of Somerville Place in North Yonkers, she is planning to try to earn her living taking care of children after she's laid off from her job as a time-card clerk. "Who's going to hire a 40 or 50-year-old, when the younger people are finding it hard to get a job?" asks the self-supporting mother of a married son. "I spent 38 years of my life working at Otis and too bad it has to end this way," she adds.

She says she can't understand why some workers still believe the plant will be saved. "They were told the plant is closing. When the dentist tells you a tooth must come out, that's it."

Another North Yonkers resident, Joseph Ponko of Palisade Avenue, says he began working at Otis as a mailroom boy in 1948 after serving in the Army during World War II.

A 55-year-old computer operator, Ponko says that for the past 35 years he has worked in various jobs at the Yonkers plant. "I'm not sure what kind of work I can get. I want to work," says Ponko, who has had a taste of being laid off in 1981. "Those were three tough months being without work. Then they called me back," he says.

Ponko does not agree with Otis' statements that the elevator business is off. "Just go to New York City and you'll see all the high-rise construction," he says. "The products made in the Yonkers plant were good and will not be matched by those manufactured in Japan and France with cheap labor," he adds.

Oscar Terry, 50, a machinist, is taking the events at Otis one day at a time. "I'll cross that bridge when I'm laid off," he says. But he adds, "I really don't know if I can find a job. Fortunately, my house is just about paid off."

Terry works in the $10 million new manufacturing and storage building Otis built in the mid-1970s. The expansion plan had been aimed at increasing production at the plant where there was a 1,400 workforce.

When asked about the attitude of the current 375 workforce, Terry, a New City resident, comments: "Many of them are still in shock and really don't believe Otis will close down. But that's a matter of fact and was planned with United Technologies took over Otis."

William Johnson, a motor assembly worker from Greensburgh, recently celebrated his 50th birthday. But the golden birthday was clouded by his impending layoff after 27 years at Otis.

"I put my son through college and my daughter finishes medical school in June," Johnson says proudly. "The dream I had to put my 12 and 15-year-olds through college is stymied right now," he adds. "There's no telling what kind of jobs are available out there. There's no doubt in my mind the income will be less than I now earn."

Yet, there was a small ray of hope in Johnson's outlook for the future. He is confident that the many skills he learned over the years in Otis working on motors and generators and as an armature winder would help him land another job. "I was very proud of my work and the different skills I learned on the various jobs I performed and what I had accomplished," he says.

Johnson is worried about his famiily's financial future because his wife is unable to hold a full-time job because of illness. He is anxious to know just how much Otis would contribute towards hospitalization coverage. He hopes his skills would warrant him staying on the job at least until June when his daughter completes college.

"What puzzles me was all those speeches made by the Otis officials and politicians on the platform when the new manufacturing building was dedicated. They promised us more work and new jobs," he says. "I think Otis and UTC sold the workers down the river and they didn't give us all the facts."

And like so many others, he asks, "Where do I go from here?"

Mr. KLECZKA. Mr. Chairman, today we are voting on legislation which can help workers and communities to respond to the difficult problem of plant closings. Without imposing serious burdens on companies, this legislation will help workers to reorganize their lives following a plant closing and perhaps even keep faltering businesses open.

The 1970's and 1980's have been decades of dramatic economic changes, both good and bad. Entire new industries have started up like biotechnology and robotics firms, but many companies have been forced to close because of competition from abroad or because of decreasing demand for their products.

We must do all that we can to help the workers and communities adjust to the traumatic experience of the closing of a major company. Advance notification of plant closings provides a simple, elementary way to help these individuals.

Currently companies provide little notice of plant closings. An indepth study of closings undertaken by the Government's General Acounting Office revealed that the median length of notice provided to workers was just 7 days, and that one-third of the companies polled provided no notice to their workers of a plant closing. Imagine how difficult it would be to walk into work one morning and find that your company had gone out of business, and that you had lost your job.

Of course a company's management usually knows weeks, if not months in advance if a plant is likely to close. Allowing workers access to this basic information about their employer would dramatically help them to cope with the loss of their jobs. In some cases unions and the affected community could even buy the plant themselves in order to keep it open. If the plant does close, workers would be emotionally prepared to deal with this difficult situation, and they could prepare themselves to find new employment.

And research data shows the advance notification effectively reduces workers' periods of unemployment following plant closings. A National Academy of Sciences report shows that advance notification reduces unemployment for dislocated workers by approximately 25 percent.

Nor does this legislation impose undue burdens on businesses. Even the Reagan administration's Labor Department Task Force found that advance notice actually "contributes to improved productivity" and another government study found that there was little evidence that creditors or customers deserted the company after notice was provided.

This legislation will help many thousands of workers to rebuilt their lives following a plant closing. With the passage of this separate bill, the Reagan administration cannnot use the excuse that the legislation doesn't belong in the trade bill. That wasn't a good reason to veto the trade bill, and there is no good reason to veto this bill. I urge my colleagues to give this bill our unanimous support.

Mr. TRAFICANT. Mr. Chairman, today we are discussing S. 2527, legislation which will ensure the employee rights due to plant workers confronted with job loss. This bill contains the same provisions as the plant closing notification section in the trade bill recently vetoed by President Reagan. When the House voted and passed H.R. 3, the Omnibus Trade Act, I stated my strong support for the plant closing notification provisions. So I am here again today on behalf of a separate bill, a measure supported by an overwhelming 86 percent of the public.

Despite favorable employment rates, the Bureau of Labor Statistics reports that approximately 2.2 million workers lost their jobs each year between 1981 and 1986 due to plant closing or permanent layoffs. That's 11 million workers over 5 years. According to the GAO, of the two-thirds of the businesses that did give notice, 36 percent gave less than 2 weeks advance notice, and 50 percent gave less than 1 month advance notice. The loss of a job is bad enough in and of itself; why must it be more difficult by not receiving reasonable notification?

What's more, factory workers are not afforded the white collar benefits of severance pay or dislocated worker assistance. One day they are bona fide employees, only to find out the next day that they have only a few weeks or days left to work. While these workers are able to transfer to a new job, there certainly isn't the guarantee that a new job will be available. If a 55-year-old worker is laid off, what are the chances that he or she will be readily employable? Or what are the chances that even a younger worker will be able to find a job that will support his family? Given 2 weeks to look for new employment, the first job available might be the one taken, even if it can't make ends meet.

The people in my district of Ohio are more than familiar with the effects of job layoffs. These people have few places to turn. By implementing plant closing legislation we can reduce some of the shock as well as the time needed to find new work. That is, if new work is even available. My district has one of the, if not the most, sagging economies in the State; new jobs are a rare bred.

S. 2527 is a fair bill because it provides workers time—60 days to move forward to new employment. It provides families with better financial stability and piece of mind, as well as maintaining a productive community structure. I urge my colleagues to vote for this measure. Let's give our workers the dignity of reasonable plant closing notification.

Mr. CLINGER. Mr. Chairman, at the conclusion of our debate I will vote in favor of the legislation before us. For the benefit of my constituents and my colleagues who are undecided, I would like to state my reasons for doing so.

At the outset it should be recognized that the question of mandating advance notification has been kicking around Congress for several years now. It is not a new issue. Over the past decade that I have served in this body I have observed, on the one hand, the devastating impact of plant closings on workers and communities and, on the other hand, the negotiations in the House and the Senate to craft a reasonable, prudent advance notification bill.

I have come to believe, firmly believe, that workers deserve to know that their jobs will be eliminated, if advance notification can indeed be given. And I also believe that the negotiations on the specifics of the bill have been tremendously successful in that it recognizes that there are situations which preclude advance notification and it discourages frivolous suits against a company that was unable to provide the full 60 days' notice.

My decision to vote for this bill was not made hastily or without reflection, and I urge my colleagues to join me in supporting it.

Mr. FOGLIETTA. Mr. Chairman, much has been said about this small but important change in U.S. labor policy. Judging from the debate one might think that our whole economic system rests upon our decision to give this Nation's workers a reasonable period of notice before they experience a major dislocation.

In order for our country to survive in this increasingly competitive world market, American businesses must be able to react quickly. That is the rationale against the plant closing provision of the trade bill. It is a sound argument, but it misses the point. If our Nation is going to regain its competitiveness, all sectors of our economy must be able to react quickly to changes, not just high paid business executives. That is the purpose of the 60-day notification period; to increase the ability of America's workers to compete in the market.

Sixty days' notice will create a smoother transition period for our workers. If notice is provided it will be easier to enroll employees in job training programs which will equip them with the tools to find meaningful employment. If we are going to regain our stature as the world's preeminent economic power, no able-bodied worker can be idle. Giving workers the ability to find new employment quickly will increase our competitiveness. It will also enable workers to work from within to save ailing companies through labor agreements or employee ownership plans.

Much has been made of the supposed costs of these provisions to American business. Lets look at just a few of the benefits. The Economic Policy Institute, in a recently published study, estimated that 60-day notification of workers would reduce the period of joblessness by an average of almost 4 weeks, saving $400 million in unemployment insurance costs, and providing $1.5 billion in earnings that would have been forefeited.

Mr. Chairman, the U.S. economy does not rest upon this issue. Businesses will continue to function under this law. S. 2527 will improve the flexibility of our system, not weaken it. At the same time, it will inject a small bit of fairness, giving this Nation's most vital resource, its workers, the ability to compete in an ever changing economy. I urge my colleagues to support this bill.

Mr. ARMEY. Mr. Chairman, special interests politics are often wrapped in the language of compassion. We have before us a bill that it is ostensibly designed to help workers by requiring businesses to provide them with advance notice before plants are shut down. When the issue is framed in that way, few can object to it. We must, however, look beyond the sales pitch and consider the effect that the language will actually have.

If a business struggling to survive is required to announce, weeks in advance, that a plant may be shut down, any chance it may otherwise have had to overcome its difficulties will be destroyed. No one will extend it even the temporary credit necessary to continue day-to-day operations, skilled and valued workers will resign, and customers will take their business elsewhere. Advance notice, as innocuous as it is made to sound, will ensure that plants which may have had a chance to stay in business will be be shut down. In a sense that its sponsors never intended, this truly is a plant closing bill.

How can such a law possibly benefit workers? It will destroy their jobs.

We must not be deceived by proposals that seem compassionate on the surface but which harm workers in reality.

Mr. HAYES of Illinois. Mr. Chairman, I rise in strong support of this legislation. The initiative we are discussing today reflects the hard work of many of my colleagues to resolve the problems that the Reagan administration has with treating American working men and women with fundamental fairness.

American workers have been hit very hard by the trade deficit and by the structural changes that have taken place in our economy. The Bureau of Labor Statistics reports that about 2 million workers a year have lost their jobs due to plant closings, layoffs, or through job elimination. Most of these dislocated workers receive little or no notice of impending layoffs or plant closings.

During my 35 years as a leader in the trade union movement, I negotiated a number of collective bargaining agreements across this country. In the meat packing industry, it was common practice to include a 6-month plant closing provision in our agreement. Six months notice was normal, ordinary and expected. Businesses recognized that basic fairness required that employees caught in a plant closing situation need to give appropriate and adequate notice to creditors and others in the community who may also be adversely affected.

Mr. Chairman, I support this bill for four basic reasons:

First, advance notice reduces unemployment for dislocated workers by 27 percent;

Second, if passed, this bill will reduce unemployment benefit costs by $300 million;

Third, early notice makes worker adjustment programs more successful in finding new jobs for displaced workers;

Fourth, the benefits of advance notice substantially outweigh the costs.

I strongly urge my colleagues to join me in voting in favor of this much needed legislation.

Mr. SHUMWAY. Mr. Chairman, I rise in opposition to the Plant Closing Notification Act.

While I believe that companies should give employees as much advance notice as possible of a plant closing, I cannot support the mandatory notification requirement in S. 2527. Requiring companies to provide at least 60 day's notice prior to a closing or layoff involving 50 or more employees would inhibit a company's economic flexibility, make businesses less competitive and lead to the loss of hundreds of thousands of jobs.

This legislation would reduce management's discretion to make decisions about a company's economic viability. It incorrectly assumes that businesses can adequately predict fluctuations in the marketplace. Financially-weak employers struggling to survive may not know their employment conditions 60 days ahead of a severe disruption. Premature notice will only aggravate their financial and employment problems by jeopardizing relationships with suppliers, creditors, investors, and current and potential customers.

Furthermore, this legislation would discourage firms in the United States from hiring new employees. It is estimated that if mandatory notification had been in effect from 1982 to 1986, 460,000 fewer persons would have been employed. Employers would be reluctant to hire new workers if their total employee numbers would then jump over the plant closing/layoff trigger of 99 workers. This phenomenon has occurred in France where employers known as the "forty-niners" refuse to hire more than 49 employees due to government restrictions which apply to employers of 50 or more. Thus, this bill would discourage entrepreneurial firms from business expansion and hiring of new workers.

Finally, this legislation will make U.S. companies less competitive due to increased costs from delaying necessary restructuring. When a business is sold, the purchaser would be forced to hire all existing employees within a 6-month period. The additional cost of maintaining surplus workers will cost an estimated $1.8 billion per year.

Voluntary advance notice is increasing. The Government Accounting Office [GAO] has reported that nearly 60 percent of employers give more than 2 weeks notice. Advance notification of a plant closure is often an issue in collective bargaining. In this process workers have the opportunity to negotiate for advance notice of a company's closure. Such agreements are often reached as a result of compromise by both employer and the employees.

I urge my colleagues to vote against this bill as an unnecessary, unrealistic and counterproductive type of government interference in the workplace which will contribute to the demise of American competitiveness and jobs.

Mr. KILDEE. Mr. Chairman, I rise in strong support of S. 2527, legislation to require advance notice for plant closings and mass layoffs. While the provisions contained in S. 2527 are by no means as strong or as comprehensive as the original language in the House-passed trade bill, the bill does, for the first time, establish Federal plant closing notification standards.

Mr. Chairman, no one questions the right of companies to manage their affairs in the most economic and efficient manner, including decisions to close redundant facilities. However, American corporations do have a social and moral responsibility to their workers and to the communities in which they operate to mitigate, to the greatest degree possible, the impact of massive layoffs associated with the closing of manufacturing facilities. Asking large corporations, with worldwide operations and profits, to provide American workers and communities with 60 days advance notice of plant closings that would result in the loss of 50 or more jobs is not particularly onerous.

Mr. Chairman, my district has experienced four plant closings and layoffs in the last year alone, affecting over 10,000 individuals, so I am acutely aware of the corrosive effect such economic dislocation can have on our people, our communities and our society. A 2-month notice period would give workers time to find new sources of income and would allow community leaders time to prepare and strengthen the social safety net needed to help those who are unable to find alternative employment. The community could come up with various alternatives.

A number of recent studies bear out the usefulness of advance notice requirements for workers and communities. Even the Department of Labor, in its Task Force on Economic Dislocation and Worker Adjustment Report, called the European and Canadian advance notice laws "useful and transferable," stating that such laws "significantly facilitate workers reemployment." Moreover, the highly respected Economic Policy Institute found that advance notice requirements would reduce joblessness by almost 4 weeks, would save $400 million in unemployment insurance costs, and would provide $1.5 billion more in earnings to displaced workers. The report also cited a number of current studies by the Office of Technology Assessment and the National Academy of Sciences that failed to find evidence of substantial harm to business.

Mr. Chairman, 80 percent of the American public favors notifying workers that a plant is about to close. I urge my colleagues to support the Plant Closing Notification Act.

Mr. MILLER of California. Mr. Chairman, I rise in strong support of the bill before us today. I also rise incredulous at the insensitivity that this administration has shown toward the working men and women of this country.

Today we are considering a measure which should have been signed into law weeks ago. But President Reagan decided that warning American workers in advance of a plant closure—which most large firms already do—was so egregious that he vetoed the entire trade bill because this provision was attached.

It's time to send this legislation back to his desk, to let him know once again that the Congress and the overwhelming majority of the American people support this effort to prevent companies from leaving workers in a serious bind on a moments notice.

It should come as no surprise that this administration fails to recognize the human costs of failing to notify workers, especially workers with families, that tomorrow they will be out of a job. After absorbing the trauma of sudden unemployment, workers and their families must face the loss of health and other employee benefits on which they long depended. With no advance warning—no opportunity to prepare for the future or to train for new employment—they must turn to temporary or part-time work at low wages in order to make ends meet.

Of those individuals who lose their jobs in these circumstances, at most an estimated 60 percent find new employment. Evidence reveals that seniors, blacks and other minorities find new jobs only half of the time. The end result is a dramatic drop in health and living standards for dislocated workers, particularly for those who can least afford to carry this unaniticipated burden.

As the Select Committee on Children, Youth and Families, which I chair, has found, the socioeconomic impact is equally dramatic. The strain caused by sudden unemployment acts as a catalyst for family breakdown: increased domestic violence, child abuse, poor child health, and severe stress on family well-being. Reports show that every displaced worker—and there were about 275,000 in 1986—would have earned $1,300 more to support his family had he been notified in advance of being laid off.

Why won't this administration follow its own advice? The President's Task Force on Economic Dislocation and Worker Adjustment supported advance notification of plant closures in its report. The task force concluded that advance notification will enhance—not harm—U.S. competitiveness, by facilitating the adjustment of dislocated workers into new and more productive employment. When people are better prepared for change, they will be better able to adapt. In addition, in this time of budget crisis, advance notice would save the U.S. Government $400 million in unemployment insurance.

According to the President's own task force, the more stringent advance notification requirements adopted by Europe long ago have in no way inhibited structural economic adjustment. All the leading market economics—including Japan, Germany, and England—have plant closing laws, but their economies are more competitive and flexible than ours. It is the United States that suffers from a trade deficit of enormous proportion, while most all of these countries are running trade surpluses. As this country's premier business newspaper, the Wall Street Journal, has pointed out, the plant closing provision is a reasonable effort that fits "squarely in the tradition of such social reforms as child labor and minimum wage laws."

Plant closing notification is of critical concern to my constituents. In my district of Contra Costa County, 29 large businesses closed down from 1980 to 1984, eliminating an estimated 6,000 jobs. The city of Richmond has been very hard hit.

The full impact, however, has been much greater because for every job lost to a closure, an estimated five more are lost in other parts of the community. A manufacturing plant supports a wide range of services—those provided by doctors, lawyers, and small businesses. When a plant shuts down, these services go with it. This "ripple effect" is devastating throughout the country. But in the San Francisco Bay area, an estimated 10,000 jobs are lost each year, with a total impact of over 200,000 jobs.

Mr. Chairman, the Plant Closing Notification Act is necessary not only because it is sheer callousness to allow companies to lay off suddenly their employees. Leaving workers in a lurch is also poor economics.

I urge my colleagues to lend their full support to this legislation.

Mr. BEREUTER. Mr. Chairman, I first want to express my appreciation to the leadership of the House, and the chairman of the Education and Labor Committee, for bringing S. 2527, the Plant Closing Notification Act to the floor separate from the omnibus trade bill.

While I voted for H.R. 3 which included the plant closing notification provisions, I think most of us in the House would have preferred from the beginning to consider this legislation separately from the trade bill. Certainly, most Members of the House have questions regarding which companies and employees are affected by the plant closing bill and how the bill will be implemented.

While we are engaging in general debate, I think it is important to analyze and understand why this plant closing bill, S. 2527, is different from previous worker notification legislation which was considered in the 99th Congress.

When the House considered worker notification in 1986, I voted against it because the requirements and costs it would have imposed on businesses far outweighed the benefits which employees of closed companies would have received. The notification requirements contained in previous legislation, H.R. 1122, imposed inordinate and onerous requirements on businesses.

Plant closings and worker layoffs are economic rather than political issues. How we address this problem should be equitable and pragmatic, rather than apolitical. In our hearts, probably all Members of this House sympathize with the needs and predicaments which workers face in the wake of a plant closing or layoff. Equity, fairness, and other basic human concerns dictate that workers receive notification of a possible plant closing or layoff to prepare and plan for their future.

Communities are also affected by closings and layoffs. Obviously, the larger the employer is relative to the size of the community, the greater the impact a closing or layoff. Therefore, communities also need time to prepare for and adjust to a plant closing or a massive layoff. It should be noted that a large percentage of companies already voluntarily give some form of notification to their workers of a closing or a layoff. Companies with such policies are to be commended, and they should be encouraged to continue to do so.

This legislation attempts to identify situations where worker notification can reasonably and feasibly be given, and to exempt certain employers in particular situations where notification under the circumstances is either impossible, or detrimental to the employment of existing workers. It is not the intent of this legislation to impose a standard notification requirement on all businesses in a burdensome hamhanded manner.

Unlike previous legislation, this bill exempts several types, categories and groups of employers for whom notification would either be impractical, or impossible. It would be useful to examine which employers are not covered by this bill.

For example, the bill excludes small businesses with less than 100 employees from the notification requirements.

Notification is not required where the closing or layoff results in an employment loss of less than 50 people at one site.

For purposes of counting the number of employees at a particular plant or site, the notification provisions do not include part-time employees or employees who have been employed for less than 6 months.

The bill does not require notification if the closing or layoff is caused by a natural disaster; for example, floods, earthquakes, drought, and so forth, or by business circumstances that were not "reasonably foreseeable" when the notice would have been required.

Companies such as troubled financial institutions—as in the "thrift industry"—which are actively seeking capital to avoid a closing or layoff are exempted.

Employees who know their employment is temporary when they are hired are not covered by this bill, such as in various construction jobs.

Companies where employees have been rehired following the sale of the company are not required to provide notification

Employers are not required to give notice to "economic strikers" as defined by the National Labor Relations Act if they are replaced with other workers.

The number of exceptions and exclusions in this bill raises questions about the value of this legislation to workers, or the imposition that notification creates for employers when it is required. To quote from an editorial that appeared earlier this year in the Journal of Commerce, the paper termed the importance of the much ballyhooed plant-closings provision "far more symbolic than real."

The exceptions are so wide that lawyers will have no difficulty helping their clients with legitimate cases to navigate through them. In any case, the penalties for violation—back pay for workers involved, plus a maximum fine of $500 a day—are trivial. Although it does indeed move the government into a new area of labor relations, the amendment will make little difference in the way businesses do business.

Similarly, the Washington Post also commented on the overblown importance of the plant-closing provisions:

> Most companies of the size that would be affected already give the notice the bill requires. The requirement that they all do so is as modest as it would be benign. Both business and labor lobbyists have pumped it up into something it is not. The political calendar has helped them, but this provision neither threatens nor will save American civilization as we know it.

Today, we are voting on two important pieces of legislation—the trade bill and the plant closing notification bill. The first is important for what it will do for U.S. trade policy. As separate legislation, the second is important because it enables the first bill to become law.

We should approve this bill not only because it is perceived as equitable by the American people, but also because it removes the barrier in Congress which is currently preventing the passage of the more important and much-needed trade bill.

Mr. ROWLAND of Connecticut. Mr. Chairman, plant closing and layoff notification is a well intentioned, seemingly compassionate idea. However, it spells surrender for employees across the country. The concept of notification is excellent and, indeed, the vast majority of American companies do give adequate closing or relocation notification to employees.

Mandated notification, on the other hand, can actually guarantee that a plant will close by denying the company access to the many resources and options available to prevent this from occurring. Simply put, the company will have no other option than to admit defeat and layoff its employees. The employees will have to surrender right along with the company.

I think it is important to walk through the real consequences of mandated notification. When company A gives public notification about a possible closing, the clearest message is sent to the financial community; namely, its bank or lending institution. That message says that the plant can no longer carry debt, that it can no longer borrow—a key to survival. The next to hear the message are the company's customers. They hear it slightly differently, though, they hear that they ought to immediately begin looking for other suppliers. The company's competition is not far behind. How long do you suppose it takes them swoop in like vultures, biting at the heads of this closing facility? Last, but in no way least, comes the suppliers to company A, who will suspend credit and begin requiring COD on everything from raw materials to paper towels. Let's not fool ourselves, in business there are very few second chances. With mandated advance plant closing and layoff notification there could be no second chances.

And what about Government support? Municipalities, State governments and other development support groups, such as the Small Business Administration, cannot help ailing facilities without the flexibility of banks, creditors, employees and suppliers. Company A's only course of action, close the plant and lay off the workers.

I am not willing to raise the white flag when a company is in financial trouble. Giving mandated advance notification eliminates flexibility and eliminates the possibility of keeping employees' jobs. And that is what this is supposed to be all about. I want to stay and fight for every chance of keeping the company open, and keeping the jobs intact.

Even with mandated advance notification there is no penalty against companies for failure to comply. The bad apples in business and industry will still give 1 day's notification. Those companies will soon pay the price for their insensitivity, but let's not penalize everyone just to make a point. So let's help the vast majority of companies that do want to stay afloat, the vast majority that want to explore all the options and want the flexibility to keep jobs rather than waving the white flag.

The worst part about federally mandated advance notification of plant closings and layoffs is that it is a tragic example of political expediency. The reasonable and evolving approach to this issue taken by both labor and management had the rug pulled out from under it. The past decade is replete with examples of Congress wresting complex issues away from the experts and those intimately involved with the issue and sacrificing them on the political altar. So, too, will be the fate of advance notification of plant closings and layoffs if the House passes such legislation.

The rights of the working man, and I agree that the full range of those rights have yet to be guaranteed in every part of our country, have come a long way. At the same time, we must recognize that advances in workers' rights are thanks to tough, but determined negotiating between labor and management. If advance plant closing and layoff notification is ever expected to claim a permanent place in the American workplace, it too will have to undergo the maturing process of bargaining and negotiation. Federal mandates cause the lines between labor and management to become more drawn, more antagonistic and only hurt the workers they are meant to help. Labor and management have never found an issue over which no compromise could be found. Why must Congress assume that advance notification is any different?

The only answer available is political expediency. With advance plant closing and layoff notification we do have one reason to congratulate our sense of equity. With this bill both labor and management will suffer, no one, but a few political egos will gain from this legislation. For the sanctity of the American workplace and our economic well-being, vote "no" on this bill.

Mr. DENNY SMITH. Mr. Chairman, I rise in strong opposition to S. 2527. As a businessman, I am well aware that providing advanced warning of closings and layoffs is part of a sound business policy. In my district in Oregon, we witnessed this firsthand when Caterpillar decided to close its plant in Dallas. There, the workers were given more than 2 years notice, providing both themselves and the community ample opportunity to plan for the future. Clearly, it would be in everyone's best interests if all businesses would adopt this sort of policy.

It should be equally clear, however, that this policy should be worked out between management and labor, and not be imposed by the Federal Government. By interfering in an area where it does not belong, S. 2527 will further turn the relationship between management and labor into an adversarial one, and adversely affect the economy in several ways, all while doing nothing to save or create jobs.

It must be noted that the bill's scope is much broader than simply large plants. Restaurants, small contractors, supermarkets and other small- to medium-sized businesses will be included as well. In a quickly changing business environment, managers of businesses like these must have the ability to make decisions without being burdened by government regulations. This legislation will discourage managers from taking actions that can keep their businesses open, and it will discourage both the opening of new businesses and the expansion of existing ones. It will cause businesses to lose lines of credit, suppliers, customers, and key personnel during the notification period. The final result will be a substantially decreased ability to compete at a time when the trade deficit is finally beginning to come down.

I feel strongly that the motives behind this bill are political, not economical. The economy is good. Besides better trade numbers, the layoff rate is at its lowest level in 20 years, there are 6 plant openings to every plant closing today, and we have created more than 14 million jobs since 1982. S. 2527, far from being protection for American workers, is nothing more than an election year issue for the Democrats.

Mr. MURPHY. Mr. Chairman, today we are going to vote on legislation designed to give workers 60 days' advance notice of certain plant closings or mass layoffs.

This bill requires employers with 100 or more full-time employees to give 60-day advance notice of certain plant closings and mass layoffs. For mass layoffs, notice would be required for layoffs of more than 6 months if the layoff affects 50 or more employees constituting at least 33 percent of the work force at any site, or for any 6-month layoff affecting 500 workers regardless of whether they constitute 33 percent of the work force.

For many areas in this Nation, this bill is too little, too late. Fortunately, we can all learn from mistakes and the heartbreaks of the past. If an economic situation should arise which again raises the ugly specter of distressed industries and depressed markets, this bill will help ease any transitions which might be needed to weather the situation.

The General Accounting Office recently did a study which indicated that on the average, businesses provided only 7 days' advanced notice to workers that they would be losing their jobs. It also discovered that about one-third of businesses gave no notice whatsoever, and nearly two-thirds gave 2-weeks or less. This is just plain wrong. It is wrong for the workers who are employed by these businesses and it is wrong for the communities that contain these businesses and rely upon them for their economic vitality.

This bill will go a long way toward providing fair warning to those employees and communities affected by massive layoffs. With advanced notice, workers will have an opportunity to find other alternatives, whether it be another job or some type of retraining program. In essence, it allows the worker to be unemployed for a shorter period of time.

From an economic standpoint, communities that are faced with the possibility of losing the incomes supported by workers wages can now have time to find businesses willing to come into the areas. Local governments, whose tax base may decrease from sudden layoffs, now can be provided with time to reassess their situation.

The bill does exempt some plant-closing notifications that result from natural disasters or business circumstances not reasonably foreseen at the time notice would have been required. An excellent example is if your major supplier was suddenly unable to fill your contract as a result of a disastrous fire, natural disaster, or the unforeseen lack of an important resource, then obviously, no work would be available to your employees. This feature is of particular importance to the small businessman who might rely on a small number of customers or a small number of suppliers.

Additionally, this bill exempts "faltering companies" seeking capital or business to avoid a shutdown, as well as closings and layoffs from temporary projects, where workers knew their employment was temporary. Seasonal employees, such as those who have been hired for a summer job, or to handle the unusually heavy workload during the Christmas season can be categorized into this situation.

Finally, those employers who fail to provide notice, and were required to do so, would be liable for monetary damages to those employees who were entitled to receive notice. Overall, this legislation is fair. It does not place unreasonable burdens on small business and any other business, and it gives those most immediately and adversely affected time to find adequate alternatives.

This legislation is fair, it is timely, and I am proud that this Congress has finally recognized the importance of this issue. Think how much this will mean to workers across the land and how much better prepared this Nation will be if, at some unforeseen time in the future, we have to again endure the unprecedented number of plant closings we had during the early 1980's.

Mr. JEFFORDS. Mr. Chairman, I yield the balance of my time to the gentleman from Iowa [Mr. TAUKE].

The CHAIRMAN. The gentleman from Iowa is recognized for 2 minutes.

Mr. TAUKE. Mr. Chairman, 2 weeks ago the Clinton Garment Factory in my district shut its doors. There was no notice given to the workers. I was angry. The actions of the owners of that plant were despicable.

My initial reaction to the news was this: I'll right this wrong by passing legislation.

But then somewhere in the back of my mind I head the voice of an old priest who used to rattle around the halls of Loras College in Dubuque, Iowa. He'd say:

> "The road to hell is paved with good intentions."

And that sums up the problem with this bill.

The intentions of its supporters are wonderful. They have a goal we all share: to treat workers fairly, to give them a decent notice of a plant closing or layoff.

But while we must fight for that goal, it's clear that good intentions and a worthy goal are not sufficient to make good policy. And the policy contained in this bill is a "road to hell" that is "paved with good intentions" for workers.

While the intention is to help workers, the effect of this legislation will be just the opposite—it will hurt workers.

It's doubtful that this bill would have done anything for my constituents at the Clinton Garment Company. It's clear that it would have hurt thousands of others had it been in effect during the recent farm crisis in Iowa.

The fundamental problem with the bill is this: it essentially prohibits a private employer from imposing a necessary partial layoff in order to keep a plant open and save the jobs of other workers. Asmuch as they hurt, those layoffs enabled businesses to tighten their belts, restructure to weather the economic storm, then hire those employees back again. But if this bill becomes law, a business that loses a Government contract (and the Federal Government gives no notice), loses a big customer, or suffers a major shift in the market due to something like the farm crisis will face an impossible dilemma. If the business follows the law and keeps everybody on the payroll for 60 days, it could go bankrupt. As soon as it gives notice, creditors would swoop down like vultures and destroy any chance of the wounded business to survive. All the workers would be hurt.

But if the business takes quick action to try to survive and preserve the jobs of as many workers as possible, it faces costly litigation and possible violations of the law.

So I suggest to my colleagues—if you want more plant closings, vote for this bill. If you want fewer workers, vote for this bill. Because, despite the good intentions, the substance of this bill paves a "road to hell" for workers in small factories and shops across America."

Mr. CLAY. Mr. Chairman, I yield my remaining 2½ minutes to the gentleman from California [Mr. HAWKINS], the distinguished chairman of the Education and Labor Committee.

Mr. HAWKINS. Mr. Chairman, I thank the gentleman for yielding me this time, and I would like to take this time to express appreciation to the gentleman from Missouri, Mr. CLAY, the chairman of the Subcommittee on Labor-Management Relations for the great leadership that he has given to this issue; also to my distinguished colleague, the gentleman from Michigan, Mr. BILL FORD, who introduced the first plant-closing bill back in 1974. And I would also like to express my appreciation to the gentleman from Vermont, Mr. JEFFORDS, the ranking Republican member on the committee, for his support of this proposal.

I do not know what we are really doing. In a way we are playing games with the American people, certainly with ourselves, in a way. Twice we have voted this overwhelmingly for advanced notification. Subsequently the Senate has also voted for advanced notification. Unfortunately, between those times the President vetoed the proposal which necessitated this back-and-forth game.

So it is nothing new that we are dealing with today, it is something with which we are very familiar. It is something which has had extensive hearings. There is nothing unusual about it.

As a matter of fact, this country happens to be one of the few, one of the unique countries in the free world that refuses in a sense to give such notification. All of the countries of the European Common Market have seen fit to do this. Japan, one of our strong competitors, even has a more extensive provision requiring as much time as possible, together with a wage subsidy in the event that no other benefit can accrue. So it seems to me we are not marching in step with anyone. Our neighbor to the north, Canada, has had this notification, and it has proven very successful.

So it seems to me that we are facing the inevitable consequence of what are we going to do to give to our work force in America, the men and women fortunate enough to have jobs, who are producing the revenues that make our country prosperous, whether or not we are going to be humane and give them some adequate notice so that they and the businesses for which they work have an opportunity to prevent the closing up of a business and the disruption of a community. It is just as simple as that, and it seems to me that all the rest is political rhetoric that we should dispense with and get on with the business of providing what is a simple notification.

I therefore suggest that my colleagues should join in approving today S. 2527 so that at last we may be able to send to the President for his approval what is a simple act of justice.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of S. 2527 is as follows:

S. 2527

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Worker Adjustment and Retraining Notification Act".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title.

Sec. 2. Definitions; exclusions from definition of loss of employment.

Sec. 3. Notice required before plant closings and mass layoffs.

Sec. 4. Exemptions.

Sec. 5. Administration and enforcement of requirements.

Sec. 6. Procedures in addition to other rights of employees.

Sec. 7. Procedures encouraged where not required.

Sec. 8. Authority to prescribe regulations.

Sec. 9. Effect on other laws.

Sec. 10. Report on employment and international competitiveness.

Sec. 11. Effective date.

SEC. 2. DEFINITIONS; EXCLUSIONS FROM DEFINITION OF LOSS OF EMPLOYMENT.

(a) DEFINITIONS.—As used in this Act—

(1) the term "employer" means any business enterprise that employs—

(A) 100 or more employees, excluding part-time employees; or

(B) 100 or more employees who in the aggregate work at least 4,000 hours per week (exclusive of hours of overtime);

(2) the term "plant closing" means the permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at the single site of employment during any 30-day period for 50 or more employees excluding any part-time employees;

(3) the term "mass layoff" means a reduction in force which—

(A) is not the result of a plant closing; and

(B) results in an employment loss at the single site of employment during any 30-day period for—

(i)(I) at least 33 percent of the employees (excluding any part-time employees); and

(II) at least 50 employees (excluding any part-time employees); or

(ii) at least 500 employees (excluding any part-time employees);

(4) the term "representative" means an exclusive representative of employees within the meaning of section 9(a) or 8(f) of the National Labor Relations Act (29 U.S.C. 159(a), 158(f)) or section 2 of the Railway Labor Act (45 U.S.C. 152);

(5) the term "affected employees" means employees who may reasonably be expected to experience an employment loss as a consequence of a proposed plant closing or mass layoff by their employer;

(6) subject to subsection (b), the term "employment loss" means (A) an employment termination, other than a discharge for cause, voluntary departure, or retirement, (B) a layoff exceeding 6 months, or (C) a reduction in hours of work of more than 50 percent during each month of any 6-month period;

(7) the term "unit of local government" means any general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers; and

(8) the term "part-time employee" means an employee who is employed for an average of fewer than 20 hours per week or who has been employed for fewer than 6 of the 12 months preceding the date on which notice is required.

(b) EXCLUSIONS FROM DEFINITION OF EMPLOYMENT LOSS.—(1) In the case of a sale of part or all of an employer's business, the seller shall be responsible for providing notice for any plant closing or mass layoff in accordance with section 3 of this Act, up to and including the effective date of the sale. After the effective date of the sale of part or all of an employer's business, the purchaser shall be responsible for providing notice for any plant closing or mass layoff in accordance with section 3 of this Act. Notwithstanding any other provision of this Act, any person who is an employee of the seller (other than a part-time employee) as of the effective date of the sale shall be considered an employee of the purchaser immediately after the effective date of the sale.

(2) Notwithstanding subsection (a)(6), an employee may not be considered to have experienced an employment loss if the closing or layoff is the result of the relocation or consolidation of part or all of the employer's business and, prior to the closing or layoff—

(A) the employer offers to transfer the employee to a different site of employment within a reasonable commuting distance with no more than a 6-month break in employment; or

(B) the employer offers to transfer the employee to any other site of employment regardless of distance with no more than a 6-month break in employment, and the employee accepts within 30 days of the offer or of the closing or layoff, whichever is later.

SEC. 3. NOTICE REQUIRED BEFORE PLANT CLOSINGS AND MASS LAYOFFS.

(a) NOTICE TO EMPLOYEES, STATE DISLOCATED WORKER UNITS, AND LOCAL GOVERNMENTS.—An employer shall not order a plant closing or mass layoff until the end of a 60-day period after the employer serves written notice of such an order—

(1) to each representative of the affected employees as of the time of the notice or, if there is no such representative at that time, to each affected employee; and

(2) to the State dislocated worker unit (designated or created under title III of the Job Training Partnership Act) and the chief elected official of the unit of local government within which such closing or layoff is to occur.

If there is more than one such unit, the unit of local government which the employer shall notify is the unit of local government to which the employer pays the highest taxes for the year preceding the year for which the determination is made.

(b) REDUCTION OF NOTIFICATION PERIOD.—(1) An employer may order the shutdown of a single site of employment before the conclusion of the 60-day period if as of the time that notice would have been required the employer was actively seeking capital or business which, if obtained, would have enabled the employer to avoid or postpone the shutdown and the employer reasonably and in good faith believed that giving the notice required would have precluded the employer from obtaining the needed capital or business.

(2)(A) An employer may order a plant closing or mass layoff before the conclusion of the 60-day period if the closing or mass layoff is caused by business circumstances that were not reasonably foreseeable as of the time that notice would have been required.

(B) No notice under this Act shall be required if the plant closing or mass layoff is due to any form of natural disaster, such as a flood, earthquake, or the drought currently ravaging the farmlands of the United States.

(3) An employer relying on this subsection shall give as much notice as is practicable and at that time shall give a brief statement of the basis for reducing the notification period.

(c) EXTENSION OF LAYOFF PERIOD.—A layoff of more than 6 months which, at its outset, was announced to be a layoff of 6 months or less, shall be treated as an employment loss under this Act unless—

(1) the extension beyond 6 months is caused by business circumstances (including unforeseeable changes in price or cost) not reasonably foreseeable at the time of the initial layoff; and

(2) notice is given at the time it becomes reasonably foreseeable that the extension beyond 6 months will be required.

(d) DETERMINATIONS WITH RESPECT TO EMPLOYMENT LOSS.—For purposes of this section, in determining whether a plant closing or mass layoff has occurred or will occur, employment losses for 2 or more groups at a single site of employment, each of which is less than the minimum number of employees specified in section 2(a) (2) or (3) but which in the aggregate exceed that minimum number, and which occur within any 90-day period shall be considered to be a plant closing or mass layoff unless the employer demonstrates that the employment losses are the result of separate and distinct actions and causes and are not an attempt by the employer to evade the requirements of this Act.

SEC. 4. EXEMPTIONS.

This Act shall not apply to a plant closing or mass layoff if—

(1) the closing is of a temporary facility or the closing or layoff is the result of the completion of a particular project or undertaking, and the affected employees were hired with the understanding that their employment was limited to the duration of the facility or the project or undertaking; or

(2) the closing or layoff constitutes a strike or constitutes a lockout not intended to evade the requirements of this Act. Nothing in this Act shall require an employer to serve written notice pursuant to section 3(a) of this Act when permanently replacing a

person who is deemed to be an economic striker under the National Labor Relations Act: *Provided,* That nothing in this Act shall be deemed to validate or invalidate any judicial or administrative ruling relating to the hiring of permanent replacements for economic strikers under the National Labor Relations Act.

SEC. 5. ADMINISTRATION AND ENFORCEMENT OF REQUIREMENTS.

(a) CIVIL ACTIONS AGAINST EMPLOYERS.—(1) Any employer who orders a plant closing or mass layoff in violation of section 3 of this Act shall be liable to each aggrieved employee who suffers an employment loss as a result of such closing or layoff for—

(A) back pay for each day of violation at a rate of compensation not less than the higher of—

(i) the average regular rate received by such employee during the last 3 years of the employee's employment; or

(ii) the final regular rate received by such employee; and

(B) benefits under an employee benefit plan described in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)), including the cost of medical expenses incurred during the employment loss which would have been covered under an employee benefit plan if the employment loss had not occurred.

Such liability shall be calculated for the period of the violation, up to a maximum of 60 days, but in no event for more than one-half the number of days the employee was employed by the employer.

(2) The amount for which an employer is liable under paragraph (1) shall be reduced by—

(A) any wages paid by the employer to the employee for the period of the violation;

(B) any voluntary and unconditional payment by the employer to the employee that is not required by any legal obligation; and

(C) any payment by the employer to a third party or trustee (such as premiums for health benefits or payments to a defined contribution pension plan) on behalf of and attributable to the employee for the period of the violation.

In addition, any liability incurred under paragraph (1) with respect to a defined benefit pension plan may be reduced by crediting the employee with service for all purposes under such a plan for the period of the violation.

(3) Any employer who violates the provisions of section 3 with respect to a unit of local government shall be subject to a civil penalty of not more than $500 for each day of such violation, except that such penalty shall not apply if the employer pays to each aggrieved employee the amount for which the employer is liable to that employee within 3 weeks from the date the employer orders the shutdown or layoff.

(4) If an employer which has violated this Act proves to the satisfaction of the court that the act or omission that violated this Act was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this Act the court may, in its discretion, reduce the amount of the liability or penalty provided for in this section.

(5) A person seeking to enforce such liability, including a representative of employees or a unit of local government aggrieved under paragraph (1) or (3), may sue either for such person or for other persons similarly situated, or both, in any district court of the United States for any district in which the violation is alleged to have occurred, or in which the employer transacts business.

(6) In any such suit, the court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs.

(7) For purposes of this subsection, the term, "aggrieved employee" means an employee who has worked for the employer ordering the plant closing or mass layoff and who, as a result of the failure by the employer to comply with section 3, did not receive timely notice either directly or through his or her representative as required by section 3.

(b) EXCLUSIVITY OF REMEDIES.—The remedies provided for in this section shall be the exclusive remedies for any violation of this Act. Under this Act, a Federal court shall not have authority to enjoin a plant closing or mass layoff.

SEC. 6. PROCEDURES IN ADDITION TO OTHER RIGHTS OF EMPLOYEES.

The rights and remedies provided to employees by this Act are in addition to, and not in lieu of, any other contractual or statutory rights and remedies of the employees, and are not intended to alter or affect such rights and remedies, except that the period of notification required by this Act shall run concurrently with any period of notification required by contract or by any other statute.

SEC. 7. PROCEDURES ENCOURAGED WHERE NOT REQUIRED.

It is the sense of Congress that an employer who is not required to comply with the notice requirements of section 3 should, to the extent possible, provide notice to its employees about a proposal to close a plant or permanently reduce its workforce.

SEC. 8. AUTHORITY TO PRESCRIBE REGULATIONS.

(a) The Secretary of Labor shall prescribe such regulations as may be necessary to carry out this Act. Such regulations shall, at a minimum, include interpretative regulations describing the methods by which employers may provide for appropriate service of notice as required by this Act.

(b) The mailing of notice to an employee's last known address or inclusion of notice in the employee's paycheck will be considered acceptable methods for fulfillment of the employer's obligation to give notice to each affected employee under this Act.

SEC. 9. EFFECT ON OTHER LAWS.

The giving of notice pursuant to this Act, if done in good faith compliance with this Act, shall not constitute a violation of the National Labor Relations Act or the Railway Labor Act.

SEC. 10. REPORT ON EMPLOYMENT AND INTERNATIONAL COMPETITIVENESS.

Two years after the date of enactment of this Act the Comptroller General shall submit to the Committee on Small Business of both the House and Senate, the Committee on Labor and Human Resources, and the Committee on Education and Labor a report containing a detailed and objective analysis of the effect of this Act on employers (especially small- and medium-sized businesses), the economy (international competitiveness), and employees (in terms of levels and conditions of employment). The Comptroller General shall assess both costs and benefits, including the effect on productivity, competitiveness, unemployment rates and compensation, and worker retraining and readjustment.

SEC. 11. EFFECTIVE DATE.

This Act shall take effect on the date which is 6 months after the date of enactment of this Act, except that the authority of the Secretary of Labor under section 8 is effective upon enactment.

The CHAIRMAN. No amendments to the bill are in order except an amendment printed in the CONGRESSIONAL RECORD of July 12, 1988 by, and if offered by, Representative MICHEL or his designee. Said amendment is not subject to amendment and is debatable for 60 minutes, equally divided and controlled by the proponent and a Member opposed thereto.

Is any Member present who wishes to offer that amendment?

Mr. JEFFORDS. Mr. Chairman, it is my understanding that no amendment will be offered from this side.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Mr. GLICKMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the Senate bill (S. 2527) to require advance notification of plant closings and mass layoffs, and for other purposes, pursuant to House Resolution 491 he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the Senate bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BARTLETT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 286, nays 136, not voting 9, as follows:

[Roll No. 229] YEAS—286

YEAS—286

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Boehlert
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper

Coughlin
Courter
Coyne
Crockett
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Guarini
Gunderson
Hall (OH)
Hamilton
Hawkins
Hayes (IL)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur

Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
LaFalce
Lagomarsino
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Price
Pursell
Rahall

Rangel
Ravenel
Regula
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Roukema
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NAYS—136

Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)

Buechner
Bunning
Burton
Callahan
Chandler
Coble
Combest
Craig
Crane
Dannemeyer
Darden
Daub
DeLay
Derrick

DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Erdreich
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Gradison

Green
Gregg
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hefley
Herger
Hiler
Holloway
Hopkins
Hunter
Hyde
Inhofe
Ireland
Jenkins
Jones (TN)
Kasich
Kemp
Kolbe
Kyl
Lancaster
Latta
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren

Mack
Marlenee
Martin (IL)
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Morrison (WA)
Myers
Nichols
Nielson
Oxley
Packard
Parris
Pashayan
Porter
Quillen
Ray
Rhodes
Roberts
Rogers
Rowland (CT)
Rowland (GA)
Saxton
Schuette
Schulze
Sensenbrenner

Shaw
Shays
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (GA)
Vander Jagt
Vucanovich
Walker
Weber
Whittaker
Wolf
Wortley
Wylie
Young (FL)

NOT VOTING—9

Anderson
Biaggi
Boggs

Cheney
Foglietta
Hayes (LA)

Livingston
Slattery
Spence

☐ 1433

So the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 2527, the Senate bill just passed.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERSONAL EXPLANATION

Mr. SLATTERY. Mr. Speaker, I was unavoidably absent during the vote on final passage of the plant-closing bill, rollcall No. 229. Had I been present, I would have voted "aye" on final passage.

PERSONAL EXPLANATION

Mr. FOGLIETTA. Mr. Speaker, I was unavoidably absent during the vote on final passage of the plant-closing bill, rollcall No. 229. Had I been present, I would have voted "yea."

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1988

The SPEAKER pro tempore. Pursuant to House Resolution 491 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4848.

☐ 1435

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4848) to enhance the competitiveness of American industry, and for other purposes, with Mr. BEILENSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 1 hour and the gentleman from Texas [Mr. ARCHER] will be recognized for 1 hour.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Chairman, I yield myself such time as I may consume.

☐ 1445

Mr. Chairman, I urge the adoption of this landmark legislation.

Mr. Chairman, I hope that this is the last time I will stand before this House and urge adoption of the omnibus trade bill. After a long and tedious process, I sense that we are at last approaching the final act in this drama. I think that we can now say with some degree of confidence that the Nation will soon have a new trade policy which it desperately needs.

Mr. Chairman, I can't overemphasize the importance of enacting this essential trade bill into law. As we speak, there's a flurry of activity among Japanese business leaders to figure out how to derail this bill. The day I reintroduced the trade bill—the Japanese Embassy was calling to find out how many cosponsors I had. They wanted to know if the administration would support the new bill. They wanted to know if there would be enough Republican opposition to sustain a second veto.

My point in relating these events is a simple one. What's at stake here is nothing less than our credibility in the world. Year after year, we pass trade bills that for one reason or another don't go anywhere. It has become an international joke. Those foreign business interests and governments who don't want to see us unify around a new trade policy know very well how to forestall legislative initiatives.

For the first time, we can defeat those who want to see American trade policy fail. For the first time, we have an opportunity to bring about a real change in the way our policies are decided and carried out. This bill represents a fundamental change, but it is one that is fair and responsible. It is a policy the world can understand, and one that the world must respect. It rejects protectionism, but forces others to make their own markets more open and fair.

But if we fail once again to do anything, we reinforce the image of America as a weak economic power. The consequences of failure will be severe, and all of us here will be partly to blame.

We are now approaching an era of great promise for U.S. exports. Our trade deficit must turn around. The dollar is low, our industries have made huge leaps in productivity, and the quality of our products has improved. We now stand poised to capture new markets all around the globe. But if we do not show our trading partners that we will take a tough stance against any protectionist actions, American business will be reluctant to spend the resources necessary to develop those export markets. If that occurs, the American export boom will wither and die.

The best protection for our economic future is this trade bill. It has many features to help our exports and our overall competitiveness. But more important than that, it is the insurance policy that American businesses need to convince them to fight for overseas markets. This new trade law tells them that if they produce quality products their government will stand behind them to get a fair shake in world trade.

I know there is a lot more to do in the future if this country is to recapture its title as the world's economic leader. Most of all, we need the courage to face up to our budget deficit. But I believe that our persistence and determination to improve our outdated trade policy will stand as a powerful signal—a signal that this country will be a forceful but fair leader in the search for open and expanded world trade.

Today the Congress sends a notice to the world and to the American people. We will not rest until this Nation has returned to prominence as a great trading nation.

Mr. Chairman, I reserve the balance of my time.

Mr. ARCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Chairman, we have been working on this bill for 4 years. It perished at the end of the 99th Congress over in the Senate. It was revitalized in this Congress, and it has wended its way forward to this point.

I agree with the distinguished chairman of the committee, the gentleman from Illinois [Mr. ROSTENKOWSKI], that we now stand on the brink of enactment, and it seems that there is an excellent chance to have the bill enacted.

First I must say, Mr. Chairman, that I am not a great fan of this bill. I find more measures that tend to shrink trade in this bill than expand trade, and yet the worst of the offensive protectionist measures have been taken out in the conference committee.

There are some important, positive factors. The most important is the negotiating authority for our country to go forward with its leadership in the Uraguayan round of multinational negotiations in the GATT.

Another important positive element is the harmonized customs code which will put the United States back into the world from which we have receeded this year.

There are also improvements in the Foreign Corrupt Practices Act and in the implementation of the Export Administration Act with are necessary.

Certain other features of the bill such as those that are intended to protect intellectual properties are a must as well.

Most of the changes in our trade law, however, were designed to help people who had made complaints in the past and had not had a sufficient case to sustain those complaints under our law. Particularly offensive to me is the super 301 section that began in the Senate bill and remains in this bill.

In addition, we have added three new clauses for action under section 301 that are not recognized under international law. Those new causes, if used, are going to be retaliated against by any of our trading partners under the GATT. In that case we shall be at least at some risk of starting a minor international trade altercation.

There are other problems of sectorial reciprocity and the fact that we have created a new entitlement for trade adjustment assistance which is unwarranted and expensive.

But, as one looks at the bill overall, one must make a judgment. In a vacuum I would not vote for this bill because it is not overall good trade policy. Under the conditions in which we are operating I am going to vote for the bill.

The reasons are, of course, there are positive things that are necessary, but more important, no new administration, be it BUSH or Dukakis, should have to arm wrestle with the Congress for another 2 years over trade policy that we have spent 4 years building.

Mr. Chairman, we ought to make decisions now. We ought to get this law on the books. A clever administration with competent people, I hope, will be able to stay out of trouble due to the positive changes made in the conference committee in both the House and Senate bills.

It is a close call. Other things being equal, I would not recommend that we vote for this bill. However, under the circumstances, because we are not likely to get a better bill in the future and the fact that it is very important that a new administration be able to concentrate all its energies on reducing the deficit, which is the real priority problem rather than fooling with trade policy in the future, I recommend an affirmative vote on this bill. I hope that it is passed.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, one of the best reasons for enacting the trade bill before the House is to demonstrate to our trading partners that we are committed to ensuring that U.S. firms can operate fairly in foreign markets. As the distinguished chairman of the Committee on Ways and Means is well aware, section 301 of the Trade Act of 1974, which was extensively revised by his committee in this bill, is the primary statutory authority through which U.S. firms challenge unfair foreign practices.

An unfortunate situation in Argentina has come to my attention. I would like to describe that situation and then inquire of the chairman of the Ways and Means Committee as to whether he believes it would be possible to address this problem under section 301 as it has been revised in the trade bill.

An American firm entered into a joint venture with a firm in Argentina. This joint venture then contracted to perform services for a municipal authority. Their performance over the last 8 years continues and is not in dispute. Unfortunately, however, the municipality has not performed on its end of the contract. It is unilaterally refusing to pay for a portion of the services performed.

This refusal stems from Argentina's economic reform program called the Austral plan of June 1985, which created a new currency and so forced the recalculation of many existing contracts with public authorities. Argentine authorities have renegotiated their contracts with Argentine firms and indeed with other multinationals, but in this case the municipal authority has refused all efforts to negotiate with the American company, even refusing the arbitration called for in the contract.

While this American firm wants to negotiate a settlement, my understanding is that the U.S. firm could take action against this unfair and discriminatory behavior by filing a petition under section 301 and seeking to have the U.S. Government employ whatever means available to encourage the municipality to meet its contractual obligations. Is my understanding correct?

Mr. ROSTENKOWSKI. If the gentleman will yield, he is correct.

Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. GIBBONS], chairman of the Subcommittee on Trade of the Ways and Means Committee.

Mr. GIBBONS. Mr. Chairman, this is the fourth, or fifth or sixth trip this bill or a very similar bill has made through the House of Representatives, and this challenges everyone's ingenuity to try to say something new and something exciting or something startling about this bill.

But this is a good bill. During different times of its life it has had different reputations. It now ends up with a very good reputation.

Mr. Chairman, I think the most important part about this bill is that it provides for the President of the United States, whoever he may be, ample authority to negotiate on the behalf of the United States to reduce trade barriers around the world and open up trade opportunities for American concerns and American labor. It is an absolutely essential bill as far as the United States is concerned and as far as the world is concerned because without our leadership no trade negotiations will go forward. The world will slip backward. It will slip into import substitution types of economies, become inefficient, kick off another round of world inflation and have all that disorder and political instability that follows:

So, Mr. Chairman, this is an absolutely essential piece of legislation, not just for the United States, but for the whole world.

Now that is a sobering thought, but it is a realistic thought, and it is what we are talking about here today.

Other parts of the bill have been covered amply by my distinguished chairman, the gentleman from Illinois [Mr. ROSTENKOWSKI], but I think it would be appropriate here to say something about the bill.

Yes, it will set some new courses of action for the United States as far as trade is concerned. It will mean that the rules of trade will be much more definitized and will be much more committed to law rather than to practice. And I believe in a rule of law. I think all of us do who had experience in the workings of the law and the workings of the Government that a rule of law is far better than a rule of man.

Mr. Chairman, in some ways it exceeds the boundaries of the General Agreement on Tariff and Trade, and it does so deliberately. The General Agreement on Tariff and Trade is an old document having come about at the end of World War II when all the rest of the world was prostrate and had very little industrial capacity and had no surpluses. The United States had an excellent industrial capacity, and even though it had shortages, it was a world leader. It could afford to be generous, and it was generous in the rebuilding of the economies of Europe and of Asia, and it did it at quite an expense to us.

Mr. Chairman, those days have long gone. The United States is now a debtor nation. It is a debtor nation in that we absorb much more in imports than we are able to export.

To some extent this is our fault, but much of it is caused by the rules of trade that we look at here today. Much of what has happened was caused by a misvalued currency that was deliberately set up during the Bretton Woods agreement in order to try to get Europe and Asia back on their feet, in order to make them try to rebuild their industries and export their products to this country. That worked. It worked too well, and we did not repeal it in time.

But, Mr. Chairman, the damage has been done, and that is largely behind us now with our new floating currency.

We made some domestic mistakes. We have overconsumed and underproduced here for a long time, and we are paying that penalty. This bill is not going to right all the problems, but it is an essential part in writing the problems that we now face. This country cannot do without this legislation.

Now there are those who say that we should not exceed the boundaries of the General Agreement on Tariff and Trade, and I say to them, "I don't mind exceeding the boundaries of the General Agreement on Tariff and Trade if we are acting as a responsible leader in trying to set better rules for that." The rules of the General Agreement on Tariff and Trade are almost unanimous consent rules.

The CHAIRMAN. The time of the gentleman from Florida [Mr. GIBBONS] has expired.

Mr. GIBBONS. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, these rules are the minimum that the world can get by with. We have committed ourselves for many, many years to get rid of injurious subsidies, and we have signed all kinds of agreements to get rid of injurious subsidies, but we have failed to get rid of those subsidies. This bill will make it much tougher to send their subsidized goods into the U.S. market.

Let me remind all of those who are listening and who read these remarks that this is not a new beginning in subsidies. It is a continuation of the solemn commitment that we made almost 40 years ago on subsidies and that we have failed to carry out. Subsidies hold the potential of wrecking the world trade system. They can take the place and will take the place of ad valorem tariffs and other trade barriers unless we get rid of them. So this bill is very strong in its actions against subsidies.

Now let me touch just a little bit on the motion to recommit. As I see it, there is no need to recommit this bill. The provisions on ethanol in this bill are fair. They were agreed to by the administration. In fact, they were put into the bill at the suggestion of the administration. I was personally present and took part in all of that negotiation.

Mr. Chairman, it is a shame that we would think in this time of shortages of grains of turning grains into a substitute for gasoline and at the same time punish those in the Caribbean who can exchange excess products from other parts of the world into a substitute for gasoline.

Mr. Chairman, I would like to address briefly the trade bill provision on domestic subsidies. Section 1312 of H.R. 4848 is identical to section 1312 of the conference report on H.R. 3, which was approved by both the House and the Senate in April of this year. This provision on actionable domestic subsidies, commonly referred to as the "general availability" provision, appeared in almost identical form in both the House- and Senate-passed versions of H.R. 3. The purpose of the provision is to correct problems with different interpretations by the administering authority of the general availability concept.

Mr. Chairman, as chairman of the House Ways and Means Subcommittee on Trade, original author of the general availability provision, and coauthor of the conference agreement, I can unequivocally state that the general availability provision was intended to codify the Court of International Trade's decision rejecting the administering authority's then-existing interpretation of section 771(5)(B) of the Tariff Act of 1930 in *Cabot Corporation* v. *United States*, 620 F. Supp. 722 (CIT 1985). Indeed, the Ways and Means Committee report (H. Rept. No. 100–40, Pt. 1, 100th Cong., 1st sess. 124 (1987)) clearly states the committee's intent to codify the Cabot rule requiring the examination of whether competitive benefits are conferred by a government program on identifiable recipients—as opposed to society at large. In my judgment, the Senate report (S. Rept. No. 100–71, 100th Cong., 1st sess. 123 (1987)) also clearly embraced the Cabot rule.

I would also like the record to reflect clearly that neither the House language on general availability nor the similar language in the Senate bill codified or addressed post-Cabot decisions of the Court of International Trade. The conference committee, as indicated in the conference report, intended to codify Cabot but did not address any later-issued rulings such *PPG Industries, Inc.* v. *United States*, 662 F. Supp. 258 (CIT 1987). I note that the author of the Senate provisions has expressed the same understanding of the conference language (134 Cong. Rec. S. 4914 (daily ed. Apr. 27, 1988) (statement of Hon. MAX BAUCUS)).

Finally, the managers adopted conference report language accompanying the provision on domestic subsidies which directs the USTR to identify—through the ITC—and address investment barriers which have the effect of preventing U.S. industries from claiming the benefit of a foreign government program on the same terms as domestic capital.

The principle underlying this provision is quite simple: A government which creates an advantage for its domestic industries through a government program and then denies that advantage to U.S. persons through investment restrictions is engaged in a discriminatory and unreasonable unfair trade practice cognizable under section 301 of the Trade Act of 1974.

The conference report directs USTR to self-initiate section 301 cases to address the practices identified in the ITC report which the U.S. Trade Representative determines most adversely affect U.S. industries. This represents a congressional mandate to take action to address these practices but gives discretion to determine which cases are most "egregious" and have the most adverse impact on U.S. industries.

Mr. Chairman, it is no secret that the situation giving rise to this conference report language is Mexico's investment regime as it applies to foreign access to Mexican natural resources. Mexico maintains a dual pricing scheme for its natural resources whereby the export price is above the domestic price for those resources. In this setting, investment restrictions reserve for Mexican capital the full advantage conferred by the lower domestic price for Mexican natural resources.

I would expect the ITC study to be thorough and comprehensive. I would anticipate that a significant portion of the ITC study will focus on investment barriers as they apply to the exploitation of natural resources. For the Mexican case may not be unique, and we will, sooner or later, be obliged to come to grips with unreasonable and discriminatory foreign practices involving natural resource-based industries.

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Mr. ARCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. Mr. Chairman, I rise in strong support of the bill.

Mr. Chairman, I strongly urge my colleagues to vote for H.R. 4848, the Omnibus Trade and Competitiveness Act of 1988. While none of us finds this bill 100 percent to our satisfaction, it is on balance as good a trade bill as could be expected from this Congress and it will go a long way toward solving our current trade maladies. Moreover, those provisions which have thus far stood in its way have been removed and it should now be acceptable to all parties.

Let me just address those provisions that are closest to me—that is, those which were produced in the House by the Education and Labor Committee. I believe that the resolution achieved regarding these provisions produced legislation that strengthens our ability to train and educate individuals for participation in this competitive world.

To address our trade problems we have to look beyond the immediate impact of foreign competition. We have to look for ways to address the root causes of our Nation's decline in the international marketplace: A decline in productivity; a slowdown in research and development activities; and the failure of our educational system to produce a work force that meets the needs of an ever-changing global marketplace. We need to look toward the future—to determine what our work force will be like and what sorts of skills will be needed for our country to hold a preeminent place in the world economy.

We need programs that address our students' deficiencies; that equip our workers with basic literacy skills; that assure a computer literate society; and that revitalize our inadequate and outdated scientific research equipment and laboratories. Further, we have to address the retraining and upgrading needs of our current work force. We have to match the training needs of business with the availability of education and training programs. Vocational education and occupational skill programs must be designed to contribute to our economic growth. Ways to combat the needs of the ever increasing dropout population must be implemented. And we should examine whether cooperative efforts by labor and management could improve productivity.

Although there are those who may view an education and training component of a trade bill. As insignificant, I believe that without such programs, no trade bill can produce long-lasting results. Without a better educated, more highly skilled, and more productive work force, America will not be able to hold a leadership role in international commerce.

There are a few provisions in this bill that I believe deserve special note. First, an issue that I have sponsored in the trade bill that we considered not only in this Congress, but in the previous one as well. That is, the issue of revitalizing this Nation's research capacity. In order to begin to reverse our declining research capabilities, this bill contains a Scientific Facilities and Instrumentation Program that will provide resources for our undergraduate and graduate institutions of higher education.

Over the last several years, the necessity for the refurbishing of the college and university infrastructure has become a critical need at American postsecondary institutions. It concerns me that we provide billions of dollars in student financial assistance so that our citizens may gain access to postsecondary education and, when that access is gained, they are educated in facilities and use instrumentation which clearly are not state-of-the-art. It is as much a denial of educational opportunity to use student financial aid to open college doors and train students in inferior facilities, as it is to not open the college doors at all.

Some analysts suggest the total nationwide price tag for replacement and renewal of university facilities, including research laboratories and instrumentation, is between $30 and $40 billion. Twenty of twenty-three universities that participated in a GAO study reported that the inadequacy of present research facilities was a "leading constraint" to the type of research they were currently conducting. We must do better in supporting excellence in our postsecondary education system. From the mid-1960's until the early 1970's Federal funding of university research facilities and instrumentation accounted for 25 to 30 percent of the total expended for those purposes. For the period following World War II, the Federal Government directly supported 65 percent of the cost of instrumentation and 20 percent of the cost of R&D plant.

While I believe that the bill could have gone a lot farther in this area, even the modest steps taken by this bill are crucial. Second, the bill expands and strengthens the dislocated worker training provisions included in the Job Training Partnership Act. Concerns that have been expressed regarding the current law are addressed in this bill. Of particular import was the concern that large amounts of unexpended funds remained in the system despite the growing training needs of this population.

The Worker Readjustment Assistance Program [WRAP] in this bill is very similar to the one proposed by the President. It establishes a shared training system for dislocated workers that follows closely the structure of the basic training service system under JTPA. Greater involvement of substate areas and the private sector is required in addition to the role of the States. A fund recapture and reallotment capability are provided so that States and areas with greater resource needs are eligible to receive additional funds. Most importantly though, is the recognition that if training resources are made available to dislocated workers early on, the greater the chance of continuing their attachment to the labor force.

A key component of the bill is the establishment of a rapid response capability within the Worker Readjustment Assistance Program. Under this provision, any substantial layoff or plant closing would prompt immediate contact from a State dislocated worker unit, which would be identifiable to employers and workers throughout the State.

Among other things, the rapid response team would promote the establishment of labor-management committees at the plant site to coordinate readjustment activities for the affected workers at that plant. This concept is taken from a bill (H.R. 728) I introduced last year that was modeled after the Canadian Industrial Adjustment Service [IAS], which Chairman HAWKINS and I found to be so impressive during our visit to Canada last year.

In the report of the Brock Task Force which was requested by myself, Mrs. ROUKEMA, and Mr. GUNDERSON, the IAS is cited as an effective approach and is singled out among all foreign endeavors studied as the one offering "the highest degree of replicability" in the United States. Like the IAS, the bill offers a simple, low-cost approach which is purely voluntary on the part of employers and workers. In Canada, this program has resulted in estimated savings of $25.5 million, offset by only $9.9 million in Government costs.

These and other components make up a bill which we have all worked long and hard to adapt to our trade needs. Some things were left out that some of us would have liked to have seen included. But, in doing so, we have forged a consensus that I believe represents as good a trade package as this Congress could have produced. I urge my colleagues to vote for the bill.

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today we are at the end of a difficult 3-year process, an attempt to restructure the Nation's trade laws to meet the challenge of a changing international trade environment.

Although we perhaps allowed that process to become more difficult than it needed to be, I believe we should accept the final product.

Certainly H.R. 4848 contains many provisions that I do not particularly care for, or which seem excessive, but those are more than offset by the many more provisions it contains that are important to this Nation's trade future.

Paramount among those which are needed are the provisions extending the negotiating authority of the President to which our subcommittee chairman, the gentleman from Florida [Mr. GIBBONS] just referred. Only with this congressional authority can he continue to negotiate to conclude a variety of future trade agreements, including the Uruguay round of multilateral negotiations.

Additional provisions establish clearly defined goals and objectives for achieving future trade agreements that enhance U.S. economic interests, as well as to provide a fast track legislative procedure for implementation.

The negotiating authorities contained in the bill, and the objectives and procedures underlying them are the heart and soul of this legislation. Importantly, the debate on that issue over the last 2 years has brought Congress, the administration, and American industry, together with a strong consensus about trade priorities for the Uruguay round.

Free and fair trade means jobs and a higher standard of living for all Americans over the long pull.

In my home city of Houston, TX, our port generates roughly one-third of the economic activity and jobs for the area. It is an essential artery of international commerce. Should we at any point move dramatically toward protectionism in this country, most surely that artery would be shut down with the resulting major economic loss to our part of the world; but more importantly, it would be repeated all over the United States of America.

Another important part of this legislation is the language implementing the Harmonized System of Nomenclature for Customs Entry Purposes. This new system was negotiated among more than 50 countries over a 10-year period. Our implementation of the agreement is absolutely essential. It will provide a common description and classification for all articles in world commerce. That will permit importers and exporters to be treated equitably for tariff, statistical, and transportation documentation purposes at any port of entry in any one of the signatory countries.

It is also important that this authority for the Harmonized System be enacted this year, because almost all of the other foreign signatories will have done so by the end of the year, and U.S. products would be placed at a significant disadvantage if we do not act now.

Another important aspect of H.R. 4848 is its provisions that will expand and update our trade laws in order to meet emerging problems in new trade areas—services, telecommunications, investment, and protection of intellectual property rights.

Mr. Chairman, from a personal standpoint, I am delighted by the provision in the legislation repealing the crude oil windfall profit tax. Having worked for so many years to eliminate that impediment to the economic recovery of our energy producing regions to provide badly needed domestic energy for all Americans, I am very pleased that we were able to include repeal in this revised bill.

Overall, I think this omnibus trade bill is a positive step, although it is not a panacea for any competitiveness problems we have been experiencing.

The most significant act Congress and the President can take to improve the trade deficit and provide a healthy environment for competitive U.S. industries is to bring the fiscal deficit of this country under control and to lower the debt itself through responsible budget policies.

I commend our chairman, the gentleman from Illinois [Mr. ROSTENKOWSKI] for his leadership in putting together a very difficult bill and for his commitment to its passage.

Mr. Chairman, I urge an "aye" vote on H.R. 4848.

Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire [Mr. GREGG].

Mr. GREGG. Mr. Chairman, I thank the gentleman from Texas for yielding me this time. I appreciate the opportunity to speak on this bill which comes out of the Ways and Means Committee and I certainly congratulate the chairman of the Subcommittee on Trade, the gentleman from Florida [Mr. GIBBONS], and the ranking member on trade and the ranking member on the full committee, the gentleman from Texas [Mr. ARCHER].

Mr. Chairman, this bill is an excellent attempt to address the trade problems which our Nation is having. I specifically want to address one area that the bill has taken up, because I believe it is a very positive step and sets out a precedent which I hope will be followed possibly in other industries. This is in the area of telecommunications. This industry, which has a major impact on the productivity and prosperity of New Hampshire, since we have high level of telecommunications industry-related activity, has been closed out of a number of international markets, specifically the markets of West Germany and England, and to some extent the market of Canada, and up until recent times the market of Japan.

It is inappropriate that these foreign markets should be closed to our telecommunications industry, because we have opened our market to their telecommunications products and we are finding in the United States that large amounts of telecommunications products are flowing in here, and thus this bill is drafted in a way to allow us to say to these foreign nations, which are selling their telecommunications products to the United States, that they must open their markets to our telecommunications products. That is only fair. It is a reciprocal approach.

The language says that if these countries fail to open their markets to our telecommunications products, then we can take steps to redress that situation, and if worst comes to worst we can have some sort of reciprocal action foreclosing their products from coming in here.

But that is not the purpose of this section. The purpose of this section is to open up those foreign markets to our telecommunications products. I think that will be a major step forward for the telecommunications industry of the United States, and especially in New Hampshire.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, let me add my compliments to those that have already been mentioned to the gentleman from Illinois and to the gentleman from Florida, who put together this bill, as well as those on the other side who supported it.

I would like to say, Mr. Chairman, that those of us who are interested and care about this trade issue have always been sort of in a dilemma, because there are two problems in the trade area. One is the problem of protectionism, that is, admitting that we cannot compete, telling foreign products that they cannot come here because we cannot do as well as they do, whether it be here or overseas. That is indeed a policy doomed to failure. It is a policy that admits America cannot be a great power any longer. We are not ready to admit that. We will never admit that.

But on the other hand, there is another problem that has plagued this administration, who I have supported in their general free trade policies, and that is the attitude of doing nothing, that if foreign markets do not let our goods in, we have to sit back, shrug our shoulders, and say. "What can we do?"

Well, we can do things, and this trade bill exemplifies what we can do.

The Japanese are no longer laughing at United States complaints about trade barriers. They know now, as we pass this bill, that the U.S. Government is capable and willing to formulate a meaningful and coherent trade policy. That policy is one of free trade, but not naive trade. This bill should convince our trading partners that the price of access to U.S. markets is access to their own markets.

Free trade, after all, is indeed a two-way street. This trade bill insures free trade by giving our government new weapons to open foreign markets and eliminate protectionism abroad.

The trade bill is written to insure equal opportunity to compete to all businesses. That means that if U.S. companies cannot compete, they will lose business and market share. We are willing to accept that result, but our trading partners abroad must be willing to accept identical consequences and the dislocations that economic restructuring brings.

In passing this law, we are saying that America is ready to fight to retain its economic power in the world. The trade bill will promote free trade and insure open markets around the globe.

Again I congratulate the leadership for working out the problems and bringing this effort to fruition. This is a turning point in American trade history and American economic history, and I think it will bode well for the future of America.

Mr. CRANE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in strong support of the bill.

Mr. Chairman, this is the third time in as many months that I have stood before this body to state my strong support for new trade legislation. This legislation is long overdue and should never have been vetoed. And while the bill alone will not bring our trade deficit under control, it, nevertheless, will correct inequities in trade policies which for too long have hamstrung American business when competing in foreign markets.

H.R. 4848 is identical to H.R. 3 except for the elimination of the two most contentious provisions: the plant closing notification requirement and the export of Alaskan oil provision. In all other respects, the legislation is the same as the conference report which I strongly supported and which the House adopted on April 21 of this year.

H.R. 4848, like its predecessor H.R. 3, is designed to accomplish three general goals: First, open foreign markets; second, improve enforcement of U.S. trade law; and third, eliminate U.S. export disincentives. Because these are not easily attainable goals, Congress has developed very specific changes to U.S. law and Government policy which we think will accomplish the goals. Specifically H.R. 4848 will:

Open markets for our telecommunications industry and establish reciprocity as a standard;

Provide trade adjustment assistance to those industries that are damaged by imports and that can prove they could recover and become competitive again if given short-term assistance;

Redefine "unfair trade practices" to include export targeting;

Increase the responsibilities for the U.S. Trade Representative and give the office new authority to negotiate better trade rules;

Provide better protection of intellectual property rights;

Establish deadlines for ITC actions on behalf of injured U.S. businesses and put teeth into the law for ITC action and appeals;

Increase the penalties for international mismarking of country-of-origin statements;

Expand the President's authority to suspend mergers or takeovers of U.S. firms by foreign nationals in cases where national security would be compromised;

Create trade liaison positions within our Embassies and missions abroad;

In conclusion, free trade is a relic from another age, another world. What the United States must now demand of its trading partners and its trading competitors alike is fair trade—and that means reciprocity. Only when we demand reciprocity will we be able to compete in global markets for new business and jobs! I urge my colleagues to support the bill.

Mr. CRANE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, I rise today in strong support of H.R. 4848, the revised omnibus trade bill.

This Member intends to vote for the motion to recommit to support the effort by Representative MICHEL to change the Caribbean ethanol provisions of this bill. However, regardless of the outcome of the vote on the motion to recommit, I intend to support this bill.

I have spoken in favor of this trade bill on several previous occasions; therefore, I intend to keep my remarks brief.

I want to first of all commend the leadership of the House, especially the gentleman from Illinois [Mr. ROSTENKOWSKI], for reintroducing this important and much needed trade bill.

Following the Senate's vote to sustain the President's veto of H.R. 3, many of us who worked on the trade bill, and who wanted to pass trade legislation this year, were concerned that it would be held political hostage to the Presidential elections. Fortunately, this appears now not to be the case.

Amending the trade bill and bringing it back to the floor demonstrates that Congress is serious about addressing our country's trade inbalance. While it is obvious this trade bill is not a panacea for all of our trade problems, it is on balance very good legislation and the best step forward that we can take at this time.

I am sure there are Members of this body who are unhappy that the plant closing and Alaskan oil provisions were deleted from this bill. However, politics is the art of the possible, and if deleting these two provisions will enable this trade bill to become law, then it is a good product for the country.

There are other Members who will continue to argue that the trade bill is protectionistic.

It is not. On the contrary, it will make significant progress in legitimately fighting protectionism used by our trading partners and it reduces the prospects of additional protectionist steps by the U.S. Government or this Congress. It is, importantly, the authorization for the United States full participation in the Uruguay round of GATT.

Indeed, the most notoriously protectionist measure in the bill, added to H.R. 3 on the floor by a close vote, has been jettisoned in conference on the previous trade legislation and is not in this legislation.

Congress is correctly reasserting some of its constitutional responsibilities to regulate foreign commerce.

The trade bill is also market-oriented and it will promote the export of U.S. products.

The trade bill, in summary, is probusiness, prolabor, proexport, and proagriculture, as a matter of fact.

Again, Mr. Chairman, I urge my colleagues to vote for H.R. 4848.

Mr. GIBBONS. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding this time.

Mr. Chairman, a minute ago the gentleman from Florida and I were talking about the history of this bill. It seems that we have been debating trade policy for well over a decade, probably more like 15 years, and we have sent many pieces of legislation on trade to the other body.

We have been actively debating this bill for about 3 years, as I recall, but during the decade of the debate on trade, we have seen our Nation deteriorate financially from the status of a producer-creditor nation to one of becoming a consumer-debtor nation.

Now, we desperately need a trade policy to reverse this disastrous destiny that will cripple our Nation economically.

With a trade deficit of upwards toward $180 billion, the bill that we debate today offers the prospect of reversing that trend so that our Nation can export more and import less.

The bill attempts to create a law that would establish a freer market with lesser barriers and lesser subsidies. On the question of subsidies, I will support the motion to recommit to be offered by the gentleman from Illinois [Mr. MICHEL] which would address the question, I think, of the unfair subsidies that are created by our trading partners in Western Europe when they produce alcohol at about a $6 a gallon subsidy and sell it to our trading partners in the Caribbean for about 40 cents a gallon.

At the present time our own alcohol fuel industry is fledgling. It is offering the prospect of an alternative source of energy.

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We must encourage our own ethanol, anhydrous ethanol, industry. We now need about 1 billion gallons a year. We have less capacity than that, and if your environmental laws change requiring a substitute of anhydrous alcohol for the benzenes and toxins that now pollute the air in places like California and Washington, DC, we must look to a domestic industry, alcohol industry, of about 10 billion gallons per year. This would do wondrous things for our farm economy, reviving those regions of the country, and lessening their dependence on the Federal Treasury for farm subsidies in order to make those programs work.

Mr. Chairman, I hope my colleagues will also support the motion of the gentleman from Illinois [Mr. MICHEL] to instruct, which would delete the privileged position that the Caribbean ethanol exporters now have and would permit us to become more competitive in our country on the production of anhydrous alcohol.

Mr. Chairman, I rise today in support of H.R. 4848, the reincarnation of the Omnibus Trade and Competitiveness Act.

It is time to once and for all put this legislation on the books. Enactment of this bill is necessary if America is to return to its proud role as a nation that is a producer and a creditor, rather than one that is a consumer and a debtor.

But achieving that goal will take more than this bill alone.

For one thing, new markets must be found for American agriculture, an industry based on the presumption of export.

Furthermore, we must continue the struggle for energy independence. In May, nearly 44 percent of the petroleum Americans used came from imported oil.

Expanding the use of ethanol-blended fuels in this country will help us lessen our dependence on foreign energy while providing vast new markets for American grain.

In keeping with the spirit of this trade bill, I intend to support the Michel motion to recommit with instructions.

You may have heard about this as the "CBI ethanol issue." Let me make one thing clear: There is nothing wrong with tariff laws that support the development of Caribbean basin agriculture, and a full-scale Caribbean basin ethanol distilling and blending industry. Such development can, and will, contribute to job creation and economic development in the Caribbean basin countries.

But that's not what section 1910 of the bill does.

When you have a local ethanol industry, you take locally produced agricultural products, invest heavily in plant and equipment to distill ethyl alcohol from those farm products, build a tall tower to remove the water from the alcohol so that it can be blended with fuel, and, finally, you blend the alcohol with gasoline to sell to motorists.

Section 1910 encourages a limited number of offshore investors to skip all but the last two steps in that process. They won't invest in job-creating distillation facilities; they will simply buy old, unused wine alcohol sitting in vats in Europe, bring it to the Caribbean to remove the water from it, and send it on its way.

Those investors will have much lower costs of production than operators of full-scale ethanol production facilities, either here or in the Caribbean.

Under section 1910, they can combine that lower cost of production with favorable tariff treatment under the Caribbean Basin Initiative to drastically undercut the price of domestically produced ethanol. Even worse, they can do that without supporting Caribbean agriculture at all and without creating more than a handful of new jobs.

If we allow that, we stop expansion of the U.S. ethanol industry in its tracks. And that would be a serious mistake.

The unfinished business of the seventies and eighties is still before us. We need to find new markets for farmers, stop importing foreign oil, and find a cleaner-burning fuel that will reduce air pollution in America's great cities.

How tragic it will be if, to solve those problems, we turn to the domestic ethanol industry in the 1990's only to find that it was washed away in a flood of cheap European wine alcohol and isn't there any more.

Let's not take that chance. The Michel motion is compatible with the entire thrust of the trade bill. I urge your support of it.

Mr. CRANE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Chairman, my remarks relate only to the intellectual property section of the bill. Many of the provisions contained in this trade bill have been worked out and will go far in making our trade laws more effective. The solution to our trade problems lies in a coordinated effort by the U.S. Government, U.S. industry and our trading partners. The Judiciary Committee worked very hard on the process patent provision of this legislation as well as the reform of the ITC and the strengthening of our market-access provision.

In this regard I would like to commend the gentleman from Wisconsin, BOB KASTENMEIER, who provided the support and leadership in the process patent area without which we would not be here today. I would also like to commend our ranking Republican, the gentleman from New York, HAM FISH, for insisting from the very beginning, that intellectual and industrial property matters be made part of the trade bill. His support and leadership have also been very valuable in bringing this matter to the floor today.

As a nation we have finally become aware of just how important our industrial and intellectual property law is, not only domestically but also internationally. As the largest exporter of industrial and copyrighted works, it only makes sense for the United States to provide American creators and inventors with the best protection available. In a recently released study prepared by the U.S. International Trade Commission, entitled "Foreign Protection of Intellectual Property Rights and the Effect on U.S. Industry and Trade" respondents estimated their aggregate worldwide losses as a result of inadequate intellectual property protection in 1987 at $23.8 billion which can be translated into nearly 300,000 jobs lost for Americans.

We are all aware of the trade deficit and the massive number of foreign-made products coming into this country. People in other countries are using the ingenuity of our inventors to create goods and send those goods into this country to compete with American-made goods and consequently beating us with the use of our own technology. The two provisions contained in the trade bill which came out of the House Judiciary Committee address this problem. One revises the procedures used by the International Trade Commission when considering copyright and patent law violations, and the other deals with process patents which conforms our law with that of most of our trading partners and closes a significant loophole in our patent law.

Under existing conditions, a patent is infringed only if the patented product or process is used, made or sold in the United States. This is sufficient in the case of a product patent because any item produced overseas and sold in the United States effectively infringes on the patent holder's rights.

However, in the case of a process patent there is no effective way by which a patent owner can prevent a firm from duplicating and using the protected process overseas and then selling the product of that process in the United States.

The Process Patent Amendments Act of 1988, as contained the Omnibus Trade and Competitiveness Act of 1988, closes a gap in U.S. patent law that has aided foreign firms that pirate American intellectual property at the expense of American innovators, jobs, and balance of trade.

Under current law, if the patented process is practiced within the United States without authorization of the patent holder, the patent holder has recourse against the manufacturer if the patented process is practiced outside the United States and the resulting product is imported, used or sold within the United States, the patent holder cannot obtain damages for the unauthorized use of its U.S. patent.

These amendments do not, in any way, reduce the current protection against unauthorized practice of the patented process within the United States. Rather, the amendments extend the protection, with some modifications, to unauthorized practice offshore as most other nations have done for the process patents they issue.

Specifically, if a party in the United States knew he was dealing in infringing merchandise—whether by importing, using or selling the product resulting from the patented process—he is liable for infringement from the time he acquired such knowledge until he ceases infringement unless the use is noncommercial or a retail sale and an adequate remedy is available from other parties. For example, if the party contracted for goods to be made abroad by a specific process and that process was covered by a current, valid U.S. process patent, the party is liable for infringement as a party with knowledge just as if he had practiced the process himself.

If the U.S. party did not know he was dealing in infringing goods, but owned or controlled or is owned or controlled by the person who practiced the patented process outside the United States, liability begins upon a communication from the patent holder of the type that currently suffices as notice of infringement of any kind of patent.

With regard to parties who did not practice the patented process—themselves or through corporate affiliates—or who did not know what process was in fact used, we fashioned a different, more rigorous notice standard, one that does not trigger liability, assuming infringement is ultimately proven, until the infringer has "information sufficient to persuade a reasonable person that it is likely that the product in which he is dealing was made by a patented process."

This higher notice standard was premised on the assumption that U.S. purchasers sometimes do not have the leverage to ascertain what process is used by a foreign supplier or obtain patent indemnification clauses in their contracts to insulate them from liability for infringement. Since patent infringement cases are tried in courts of equity, we expect courts will balance the notice requirements with the degree to which infringers elected not to use their leverage in ascertaining what processes were in fact used or to avail themselves of heretofore normal contractual terms what protect them against infringment liability.

We appreciate that importers, users, and sellers may acquire the information in a variety of ways about the processes used to manufacture products for them. The patent holder may provide a potential infringer with a written notification which: First, charges infringement; second, specifies the patented process alleged to have been used; third, provides the reasons for a good-faith belief that such process was used; and fourth, such information as is reasonably necessary to explain fairly the patent holder's belief, unless such information is a trade secret. Such a written communication would completely satisfy the notice requirement. Assertions to the contrary by the foreign manufacturer or supplier would not vitiate this notice.

Rather than detail the type of information that would be required to achieve notice, we preferred to statutorily express the standard—"likely"—and the objective of the information—to reasonably explain the patent holder's belief. This reflects our belief that there may be many ways a patent holder may deduce that it is likely that its patented process is being used by an unauthorized person.

Process technology is important in the biotechnology industry, the electronics industry, and the pharmaceutical industry, among others. Recent examples of infringing imports involving process technologies include fiber optics and amorphous metals. During the last Congress we received many letters of support, one from the American Flint Glass Workers Union stating that they believed inadequate process patents protection has cost their industry alone upward of 50,000 jobs.

With regard to other provisions of the process patent section one of the most important compromises was reached when the other body agreed to delete its language that would have allowed an infringer to sell products for "which the party has made a binding commitment to purchase and which has been partially or wholly manufactured before the party had notice of infringement." This language went to the heart of the process patent legislation. The whole purpose of this legislation is to preclude the importation of products that violate a U.S. process patent. The patent owner would never be certain as to what was "partially or wholly manufactured, before the party had notice of infringment." An infringer could put together "a binding commitment" with the foreign manufacture that could last for years. In a practical sense, a U.S. patent owner cannot determine whether imported and infringing goods were or were not "wholly or partially manufactured" when the commitment was made. These acts in a foreign country cannot be proved. Therefore, a court will be unable to assess damages or determine if there was actionable infringement. At best this language was mischievous and at worst it created a giant loophole.

Another significant act occurred when the other body agreed to delete from its notice provision the language "any commercially feasible process other than the patented process" was likely to have been used. We decided against setting forth examples in the statute of the types of information that would be persuasive. In particular, we dropped the other body's version's requirement that the patent holder set forth such information as is reasonably necessary to fairly explain the patent holder's belief that no commercially feasible process other than his was likely to have been used. The patent holder is not intended to have to establish a negative—that no other process could have been used on top of having to provide information that the patent holder has good faith reasons to believe that it is likely his patented process was used. Furthermore, it is not our intent to require patent holders, as a condition of enforcing their intellectual property rights, to explain to foreign and domestic competitors how to avoid infringing their patent with a list of all commercially feasible processes, patented and unpatented, known to them for producing the product. Nor, is it the intent of this legislation that a written notification provide a road map of how to defend against the allegation of infringement. Certainly, we do not believe that information be required to achieve notice that would not be required to win the infringement case.

We realized that parties may have access to many sources of information in addition to whatever written communication might originate from the patent holder. This bill is not intended to condone a practice of "putting one's head in the sand" or shutting one's eyes to suspicious business practices. Thus, the legislation requires a court to consider what other information was available to the infringer which would heighten a reasonable person's concern that he might be infringing. At such time as the totality of information available to a party is sufficient to persuade a reasonable person that infringement is likely, the court shall designate the party to have had notice.

For example, if a party is dealing with a supplier he knows to have a reputation for infringing patents, the written communication from the patent holder need not be as complete as that required under paragraph 5(B). Similarly, if the normal practice in the industry that supplies the particular type of goods is to infringe, the importer or seller may have a higher responsibility to investigate and gather his own information.

Once a person has notice that he is importing, using or selling a product that is likely to have been made by a process patented in the United States, he can either, first, stop what he is doing and avoid any possibility of liability for infringement or, second, continue to profit from his actions but do so at risk of being subsequently held liable for infringement damages if a court finds him to have infringed.

With increasing frequency, foreign firms are pirating American inventions and denying our people access to their markets. This legislation addresses this problem.

There is a provision in this legislation that I believe is one of utmost importance. This is the so-called market access provision to improve international intellectual property protection which was originally in the other body's version of the trade bill but not in our bill.

The original House version adopted on April 27, 1987 dealt with only the antipiracy provision. The other body's version dealt with both the protection of intellectual property from foreign piracy and market access to remove trade restrictions that deny entry of U.S. intellectual property into other countries. I strongly support both the market access and antipiracy provisions and am pleased to have had a part in insuring that these provisions are incorporated in this bill.

The export of U.S. films, television programs, and home video cassettes return to this country each year more than $1 billion in a surplus balance of trade. A large portion of our country's wealth comes from the creation of intellectual property which is in great demand around the world. A primary objective of the antipiracy and market access provisions of this legislation is to ensure that intellectual property can move freely in world markets and be protected in other countries against unauthorized duplication.

Piracy and market access barriers cost American intellectual property industries billions of dollars annually. Often these twin problems operate in tandem, and they are unrestrained in many nations. Moreover, when our legitimate products are kept out by trade barriers, pirates rush in to fill the void with illegitimate copies.

Current trade law must be strengthened to provide for a comprehensive attack on our most egregious intellectual property trade problems. A swift, streamlined, and fast track approach is needed to address the unique needs of the intellectual property industries. This legislation recognizes the very special nature of intellectual property, that its full commercial value is often of very short duration and can easily be stolen.

This bill addresses these problems by requiring self-initiated section 301 proceedings against offending countries that persist in maintaining market barriers.

Investigations are on a fast track—they must be concluded within 6 months, except where complex circumstances or responsiveness on the part of the offending nation, suggest a short extension.

In most cases, a Presidential determination on any action recommended by the U.S. Trade Representative must be made within 30 days of the close of the investigation with immediate implementation of any corrective measures. However, the President may have up to 4 months to render his decision in certain complex circumstances set out in the legislation. The proposal is not mandatory. The President does not have to act where he finds that to do so would not be in the national economic interest, or where the elimination of the acts, policies, or practices complained of is impossible.

This intellectual property provision is especially timely, because the Canadian Government is threatening to impose severe trade restrictions in the form of a licensing process which could reduce the American film industry's ability to market its films in Canada. Canadians urge the adoption of their trade barriers under the phrase "cultural sovereignty." What they really mean is that they should have "economic sovereignty" over the distribution of films in Canada. Moreover, the Canadians want to deal with not only films but publishing works. They propose restrictions that would have an immense adverse impact on our U.S. intellectual property industries.

For this reason, I am pleased we have been able to agree on an effective improvement in international property protection, one that is sorely needed as our intellectual property industries deal in an increasingly complex world beset by many trade problems unknown only a decade ago.

In an article in the February edition of Forbes magazine Howard Banks states:

> For going on 40 years, the U.S. has been sacrificing national economic interests to the bigger cause of keeping the Free World prosperous. Simple arithmetic says the party is over. No more "Mr. Nice Guy."

I believe Mr. Banks is right on target. However, you have to be very careful when making a comment like that in the area of international trade because someone, somewhere will quickly label you a protectionist. For that record, I am not a protectionist. I strongly support free trade, but the only country to practice free trade in the real sense of opening up their borders to anyone and everyone is the good old United States of America. The international definition of free trade is to sell as much as you can as often as you can but only in the United States. We as a country have permitted this double standard and our trading partners continue to get away with it because they know that we will not retaliate. This trade bill makes a strong statement that the time of the double standard is over and I believe our trading partners will understand it.

Our market is the biggest chip we have to play. The only reason that countries like Germany, Japan, Taiwan, South Korea, and the rest are as well off as they are is because of the access they have had over the years to our market. Is it protectionist to say, "We'll buy your shoes only if you permit us to sell personal computers in your country?" Is it protectionist to say, if you want to sell cars in this country then open your markets to American beef, American citrus fruits, and American wheat. If our trading partners want access to the best market in the world then they better be prepared to provide us equal and fair access to theirs.

These provisions in the trade bill make a number of important changes regarding intellectual and industrial property law. They are changes that are important to U.S. industry. They are changes that are important to U.S. inventors and they are changes that are important to maintaining U.S. ingenuity and creativity. These provisions of the trade bill have the strong support of the administration, and I hope this legislation can be quickly enacted into law.

Mr. CRANE. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, there is much of importance in this bill. I commend the gentleman from Wisconsin, BOB KASTENMEIER, and the gentleman from California, CARLOS MOORHEAD, for their guidance and leadership in developing the compromises on the intellectual and industrial property sections of the trade bill and will limit my remarks to them. The continued support and hard work of these gentlemen in the copyright and patent law area has made our job a lot easier in understanding this complicated area of the law. We are indebted to you both for your effort.

Two of the provisions of the trade bill which were drafted by the House Judiciary Committee, process patents and International Trade Commission reform are both part of the President's original competitive package. Process patents and International Trade Commission reform are also contained in bills introduced year after year by my friend and colleague from California [Mr. MOORHEAD]. I am pleased that we were able to compromise and retain both provisions in the trade bill.

The importance of the use of the International Trade Commission and the use of process patent protection to our national economy, especially in such vital new technical fields as industrial chemicals and pharmaceutical manufacturing, biotechnology and microbiology, cannot be overstated. Americans have the ingenuity and creativity to compete in this new environment. However, what they create must not be stolen. These provisions in the trade bill will go a long way toward curbing piracy, creating jobs, and improving our balance of trade.

Process patents are particularly important to the biotechnology industry. Biotechnology is not a product you can patent, but rather it's a group of processes that have in common the use of genetically altered living organisms to produce new medical, agricultural, chemical, energy, and waste cleanup products that will enhance our future. Biotechnology was invented in America. The U.S. industry's 1986 revenues exceeded $600 million. Their 1988 revenues are projected to be at least double the 1986 figure. Thousands of new, high-paying jobs are being produced as a result.

Because so many of the biotech inventions are protected by process patents, the future of that industry depends greatly on what Congress does to protect U.S. process patents from unfair foreign competition. America's foreign competitors, most of whom have invested comparatively little in biotechnology research, have targeted the biotech industry for major and concerted action. According to the biotechnology association, in Japan the Ministry of International Trade and Industry [MITI] and the Japanese biotechnology industry have joined forces and established a central plan to turn Japanese biotechnology into a 127 billion yen per year industry by the year 2000. The process patents provisions contained in the trade bill will go a long way in helping our industry maintain its innovative edge.

One of the provisions which we differed with the other body on dealt with whether a patent owner should be required to disclose patent information to a competitor who might also be a potential infringer.

The Senate bill created a scheme where patent owners must "* * * identify all process patents owned * * * or licensed * * * that * * * could be asserted to be infringed." The House bill contained no such provision. We were able to substantially soften this provision.

The launching of a new business or a new product imposes certain obligations, responsibilities and liabilities on the entrepreneur. Among the liabilities is infringement of another person's patents or trademarks. To ensure against economic loss due to patent infringement, a reasonable business practice is to do a patent search in the Patent and Trademark Office and to routinely include indemnity clauses in contracts.

U.S. manufacturers who plan to export their products investigate the status of foreign patents to avoid infringement. Foreign manufacturers should be required to do at least as much to protect U.S. patents as our manufacturers do to avoid infringing foreign patents.

The "request for disclosure" provision contained in the Senate bill, in the opinion of the House turns conventional business practice on its head. The Senate bill created a situation where a competitor gets from the patent owner a list of patents that could be infringed if used by the competitor. Such a scheme protects infringers, imposes burdensome requirements on patent owners, and created a situation that is totally contrary to conventional business practice. There is no precedent in Federal law requiring a private business to disclose commercial information to competitors or suffer a penalty.

The Senate version would have required in addition to the disclosure of patents owned by a plaintiff, the disclosure of license arrangements between patent holders and their licensees. This particular part of the disclosure requirement in the Senate bill would impose a difficult administrative burden on the patent owner. The requirement failed to recognize that, while the disclosure of process patents represents the release of information already within the public domain, the disclosure of license arrangements does not. Such arrangements are a product of private contractual agreement between the parties, and the very existence of a contractual relationship between patent holders and their licensees constitutes sensitive business information. Therefore, this provision was dropped. In its place we agreed in the event of a request for disclosure that is made to a person with a patent license, exclusive or nonexclusive, the recipient of such a request has the choice of either a direct response or passing the request for disclosure on to the licensor. It is very important to note that we agreed that no information obtained in the course of a request for disclosure may be used in subsequent litigation involving the same parties. My concern was that this disclosure mechanism not be used for discovery in, for example, an antitrust suit or any other litigation involving issues not related to patent law.

Another patent provision contained in the original Senate trade bill which I wish we were able to retain but we were not and that dealt with the patent misuse doctrine. Patent misuse is a common law doctrine that has its roots in the equitable doctrine of unclean hands. Section 271 of title 35, United States Code provides that certain narrowly described activities of a patent owner shall not be considered patent misuse. A number of Senators, and a number of House Members including myself, strongly supported patent misuse reform. Although we were unable to retain the patent misuse provision we were able to obtain a commitment from the House subcommittee chairman to hold a public hearing on the issue and begin the separate processing of a patent misuse reform bill. These hearings have been held and I hope we can move this legislation forward. Congress needs to give further attention to proposals for eliminating or modifying the patent misuse doctrine. Arbitrary rules that discourage licensing practices which do not violate the antitrust laws should be eliminated. Technology licensing can help promote competition and early introduction of innovations into the marketplace.

Another provision of the original trade bill which we were able to retain and which will be very helpful to the patent community is reform of the International Trade Commission [ITC]. Presently, patent infringement cases before the ITC must prove injury to a domestic industry. This bill would eliminate the injury requirement.

Making it easier to file complaints before the ITC is a significant change especially when you consider that almost 90 percent of all cases brought before the ITC involve patent infringement.

The main difference concerned transferring authority which now reside in the President to the U.S. Trade Representative. This change in existing law was found in the House version and similar restrictions run through the entire House bill. This is one of the provisions that the President strongly objected to and such a provision is not contained in this bill.

The importance of effective patent law in protecting the investments of U.S. industry in research and development cannot be overemphasized. I believe we have to do something as a nation to put our trading partners on notice that if they want to continue to reap the benefits of our markets they are going to have to open their markets. As a country we can no longer put the rest of the world's economic well being ahead of our own and this trade bill puts our trading partners on notice that we mean business when it comes to fair and open trade.

In addition, I was also a party to the agreement on the Exon-Florio amendment and I want to comment on a critical aspect of that agreement. That is, the definition of the term "national security." Under the agreement, for the President to initiate an investigation of a merger, acquisition, or takeover by a foreigner, he must find that the action could threaten our national security.

Mr. Chairman, for most of this Nation's history the ability to assure our national security was based on our abundant natural resources and the determination and talent of our people. That ability has eroded steadily in this century as our dependence on foreign raw materials and products have grown. Many of us remember the herculean effort in the dark hours of World War II to create a synthetic substitute for quinine, the antimalaria drug which was denied us when the Japanese conquered Southeast Asia.

Today, in maintaining our national security, we must contend not only with our reliance on foreign sources for raw materials and, increasingly, for manufactured goods, we also need to assure our capacity to develop and produce the cutting edge high technologies which are at the core of our industrial, economic, and military strength.

In our view, the scope of national security is not limited to those industries which develop and produce tanks, rifles, and fighter bombers. It includes the ability to provide a broad range of human services, materials, products, and technological innovation. Of special concern are key domestic high technology industries of strategic importance that play a crucial role in the current and future protection of the national security and our national interests.

U.S. military and national security increasingly rests on a group of technology-intensive industries whose highly skilled employees produce the sophisticated machines, materials, chemicals, and services that are essential to fighting a modern war and to sustaining an advanced industrial economy. These industry segments include, but are not limited to technology, telecommunications, semiconductors, robotics, computers, biotechnology, pharmaceuticals, strategic metals, and advanced materials. The importance of these industries to our national security is evidenced by the significant amounts of defense related products and services they provide to the Government.

These industries are extremely diverse, but they share a number of common features. They are technology intensive and technology driven. They develop innovative products and technology at the forefront of industrial efficiency that are needed to assure that this Nation is secure. A much higher than average proportion of their total investments are made in research and development. Technology itself is one of their leading assets, and is uniquely subject to erosion whether through acquisition or piracy of intellectual property, loss of skilled personnel, or simply a failure to maintain the high level of R&D spending needed to sustain technological competitiveness. They are the base for the additional technologies needed to protect the national security in the future.

In that future, the margin of superiority may be a laser antitank weapon or a breakthrough in biotechnology that strengthens the human immune system against biological warfare. For the next century, it is our research and development infrastructure which will be our most important national security resource, just as the timber to build our naval fleet and the iron ore to cast our cannon were in the last century. The Exon-Florio amendment, as agreed to in the orginal trade bill conference, clearly gives the President the authority he needs to act to protect our high-technology industries should they be threatened.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. KASTENMEIER], the chairman of the subcommittee which developed these important rules on international property rights.

Mr. KASTENMEIER. Mr. Chairman, today the House has before it a truly historic piece of legislation, the Omnibus Trade Reform Act of 1988. This bill is the culmination of more than 3 years of work, addressing a fundamental governmental concern. My participation in producing this bill derives chiefly from my role as the chairman of the subcommittee with responsibility for intellectual property legislation—patents, copyright, trademarks, and semiconductor mask works—in developing a comprehensive structure for confronting the relationship between trade and piracy of products protected by U.S. intellectual property law.

This bill contains four major initiatives relating to enhanced intellectual property protection. First, the bill seeks to attack piracy of products made in violation of U.S. process patents. This change in our law will dramatically improve the ability of our technology dependent industries—such as biotechnology and electronics—to fairly compete.

Second, the legislation significantly improves the rights of all intellectual property owners by making it easier to obtain relief against imported goods that have been made in violation of U.S. intellectual property laws. This provision eliminates the need to establish injury from the required elements of proof in a proceeding before the International Trade Commission.

Third, the bill directs greater governmental resources to the investigation of unfair practices when those acts detrimentally affect an industry whose product is protected by a U.S. intellectual property right. The availability of trade sanctions against other nations whose laws or business practices unfairly deal with U.S. products is an important element in the arsenal of weapons needed to protect U.S. products and jobs.

Fourth, the legislation grants the executive branch negotiating authority for the new round of trade talks under the auspices of the GATT [General Agreement on Tariff and Trade]. This round of talks is directed at reducing unfair trade practices in agriculture, expanding the coverage of GATT to include services and investments, and—most notably—enhanced protection for intellectual property. The legislation recognizes the need for international, multilateral discussions and standards in the area of intellectual property protection. I have been heartened by the progress made in this area thus far.

The basic thrust of the trade bill is to fashion a structure that enables fair trade to occur. I am convinced that the provisions aimed at enhancing the protection of intellectual property are not discriminatory or unfair to our trading partners. They are a rational response to a changing and growing international marketplace.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I come from an area of the United States which has been tremendously impacted adversely by the unfair nature of our international trading partners. Although I would have liked to have seen more stringent provisions included in this measure, I do commend the chairmen and the committees responsible. They have made a major step forward in addressing and securing for us a trade policy that will last for the rest of this century, we hope.

Mr. Chairman, I also join the gentleman from Arkansas with my concern over the allowance of a special provision that will allow grain alcohol or wine alcohol coming in through the Caribbean Basin Initiative into the United States. I think it will adversely impact our grain industry as well as our alcohol industry which is using the United States or American grain producing ethanol.

I say that I regrettably must join in the motion to recommit with instructions. I hope that it will not delay the passage of this very vital legislation.

Mr. CRANE. Mr. Chairman, I yield 4½ minutes to our distinguished colleague on the Committee on Ways and Means, the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. Mr. Chairman, I want to say that I think the chairman of the committee has done an incredible job on this bill. If it becomes law, he will have overhauled both the tax and the trade codes in just 3 years. The subcommittee chairman and its ranking member, all members, worked hard, and conference work was at times very complex and, indeed, very difficult.

A heroic effort has been made to improve this bill, and the bill is improved but not enough. This bill is born out of desperation and what appeared to be $200 billion trade deficits as far as the eye could see. Even through it is not clear sailing, the trade deficit storm is beginning to break. The dollar's drop is helping our exports. The administration now says that they want this baby but they do not really love it, they look at it like the priest at the Irish funeral who could think only of one good thing to say about the deceased, that he was better than his brother, but just being better than his brother is not always something to be proud of.

In trying to stop a future trade bill disaster, the administration has swallowed a lot of retaliation, especially retaliation against farmers.

Everybody seems to think that the Gephardt section 301 tiger has been caged. My good friend, the gentleman from Ohio [Mr. Pease] writes cheerfully about its replacement: "Super 301 would move toward a wholesale approach to trade policy by requiring the U.S. Government to self-initiate simultaneously a series of cases against countries." Does this sound like the Super 301 tiger has been declawed? Who are those countries my good friend so gleefully wishes to paw? They are the ones who buy all of our farm products.

Does anybody doubt that when we announce the 10, 15, or 20 new trade barriers required under section 301 that those farm exports will not suffer?

The gentleman from Ohio also says Super 301 under this bill: "represents a watershed change; if enacted, it would be by far the toughest, most aggressive mandate against unfair trade ever."

Mr. Chairman, I am sure that Messrs. Smoot and Hawley would enjoy passing this honor on to us. If it is trade fights the sponsors want, we have had plenty. We just finished a beef and citrus conflict with Japan and a semiconductor shootout and an EC enlargement flareup, and the great pasta war and the Canadian corn collision. Apparently, that is not enough action for those Super 301 hawks. They want more battles, and they want them to hatch simultaneously.

Can our fragile farm markets survive a Super 301 nuclear attack?

Note that Super 301 actions can only be waived, and I quote, "under extraordinary circumstances" where the adverse impact of retaliation is, and I quote again, "substantially out of proportion" to the benefits of the actions. In other words, the attitude here is if it is only going to cost us a few million bushels of corn or wheat, who the heck cares?

This Member cares, and this administration ought to care, and if it does not, then it is one issue where George Bush ought to differ with the administration.

Super 301 is not the only problem with this bill. The bill strings a new bureaucratic protectionist fiddle and invites only special interests to play it.

Steel, automobiles, rust buckets in the Northeast of our country, and we all know what the real problem is: it is the Federal deficit. Mr. Gephardt, a member of the committee, said in committee in the original markup when asked what the real problem was with this trade imbalance, and he said that 80 percent of the problem is right in America, made in America by the inability of the Congress to manage its fiscal house, and that only 20 percent of the problem may be caused by cheating, dumping, illegal subsidies or what we call unfair competition.

This bill creates a brandnew extensive entitlement program with little regard for future costs, and it forgives foreign debt.

Let us vote this bill down.

Mr. GIBBONS. Mr. Chairman, I yield 3 minutes to the gentleman from North Dakota [Mr. Dorgan].

Mr. DORGAN of North Dakota. Mr. Chairman, I have great respect for my friend from Nebraska. We work on many issues together, but I must confess I have a disagreement with him on this issue.

Let me see if I might give the Members a different perspective from the Farm Belt. It is true that our farm producers need to find foreign markets for much of what they produce, but it is also true that those producers are not selling nearly as much as they should be able to sell in many of the big markets around the world because they meet barriers and resistance. They ought to expect more from America's major trading partners than they now get in terms of market access.

The fact is we have had a trade policy that has been adrift, rudderless, for years, and we are choking on the red ink of trade deficits. It is about time somebody did something about it.

This legislation is an attempt to establish a trade policy in this country that will be good for America, and for the farmers in America. This is not an attempt to restrict markets. This is not an attempt to establish any kind of protectionism. This is an attempt to force open foreign markets. Nothing is more important to our family farmers in America than to have open markets across the world in which they can sell their agricultural products.

We have an honest disagreement about what this bill represents. In my judgment it does not represent new barriers. In my judgment it represents new opportunities all around this world. Only if we have the nerve and the will to tell other countries in the world who trade with us that we are going to insist that they treat us just as generously as we have treated them; will they begin to act to open their markets.

□ 1530

The U.S. Trade Representative has put out a blue book that is 300 pages long. I held it up on the floor here some while ago. It is a book that establishes in writing the barriers and unfair practices that our trading partners put up in the way of our producers trying to compete in their countries, 300 pages of unfair practices and barriers that our producers meet when they try and compete overseas.

We ought not take that. We ought not accept that. We ought to put pressure on our allies to stop it.

How do we put that pressure on our allies? We pass this kind of a trade bill that says we expect of you what we have given you. We expect open markets from you because that is what we have offered to your producers, and we expect nothing less than that.

H.R. 4848 is a good bill. I do not like the ethanol provisions in it, and I intend to address that later. But generally speaking, I applaud the gentleman from Florida [Mr. Gibbons], for his leadership on the Subcommittee on Trade and I applaud the gentleman from Illinois [Mr. Rostenkowski], chairman of the full committee and the work that has been done in Congress generally to try and take a trade policy that has been adrift and establish some direction to it. This bill establishes a direction that is positive, that says we want to expand market opportunities all around the world, and we want to lead in trade policy to do that.

That is what this bill does. I come from farm territory, a rural State, and I say to my colleagues that this bill is good for our producers, this bill makes sense for our producers. This bill represents new opportunities for our producers.

It is time that this country had a trade policy that works, and I am convinced that this is a trade bill that will work. I applaud the work of the committee.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico [Mr. Richardson].

Mr. RICHARDSON. Mr. Chairman, I thank the gentleman for yielding time to me. First of all, he is to be commended, along with the miniority and the gentleman from Illinois [Mr. Rostenkowski], for persistence, determination and fine legislation and a major effort to overhaul our trade laws.

Mr. Chairman, I rise in strong support of H.R. 4848, the omnibus trade bill for 1988.

We need legislation and programs which open foreign markets and enhance U.S. exports. To grow out of its net debtor position, the United States will have to erase current deficits and produce a trade surplus.

This bill includes a number of positive programs to encourage such a reversal.

First, it improves our import relief policies to remedy injury to U.S. industries. It provides authority and negotiating objectives for new multilateral trade negotiations to strengthen GATT.

Second, the bill proposes to facilitate the growth of U.S. exports by expanding U.S. export promotion activities and providing greater opportunities for small businesses to export their products.

Most importantly, Mr. Chairman, this bill enhances U.S. ability to compete in the world market.

First, this bill upgrades education and training programs to increase the productivity of U.S. workers.

Second, it also contains one of my provisions which ensures that any new educational programs created under the omnibus trade bill will be sensitive to the needs of minority and disadvantaged students.

This bill is a sincere effort by the Congress to address legitimate concerns. If the President cares about the future of American industry, he will sign this bill into law.

CHANGES IN TRADE LAWS

UNFAIR TRADE PRACTICES

The bill takes a number of steps to strengthen laws that protect against unfair foreign trade practices, and to press the administration to take effective action against such practices.

First, the bill requires the President to retaliate against violations of trade agreements and other "unjustifiable" trade practices, and permits the President to waive this mandatory retaliation only under specified circumstances.

Second, the measure requires the administration to identify unfair trade practices and countries as priorities for action, to initiate unfair trade practice investigations for these priority situations, and to seek agreements for elimination of the practices over a 3-year period.

Third, the measure expands the definition of unfair trade practices to include export targeting—defined as concerted government plans to increase the export competitiveness of certain industries—denial of worker rights, and foreign cartels. The administration would be authorized, but not required, to retaliate against such practices.

Finally, the bill transfers from the President to the U.S. Trade Representative [USTR] the authority to decide whether a foreign practice is unfair under U.S. law, and to determine and implement remedial action against such unfair practices. The change is intended to enhance USTR's position as the lead trade agency and to make it less likely that trade retaliation would be waived because of foreign policy, defense, or other considerations.

IMPORT RELIEF AND OTHER TRADE LAW CHANGES

The bill requires all firms that receive temporary import relief from rising imports to prove not only economic injury from such imports but also that trade relief would help the firm adjust and become more competitive. It also expands the range of options the President can employ in granting trade relief, such as adjustment measures and international negotiations.

The measure also provides special authority to USTR to negotiate the opening of foreign telecommunications markets. Finally, the agreement provides the administration with the authority to conduct both multilateral and bilateral negotiations until 1991, with possible 2-year extensions.

WORKER RETRAINING PROGRAMS

The bill strengthens and expands the Trade Adjustment Assistance [TAA] Program and increases its emphasis on training. The bill makes training an entitlement; any worker who meets specified criteria would be entitled to payment of training program costs. Total TAA program costs are capped at $80 million.

In addition, the measure expands the TAA Program to oil and gas workers and to all secondary workers—those employed in providing goods and services to the industries directly affected by imports. Secondary workers, however, would only become eligible if an import fee is put in place to provide financing.

The bill authorizes $980 million a year for the next 2 years for a new Worker Readjustment Program, to provide comprehensive assistance to dislocated workers—workers who have lost their jobs to plant shutdowns or layoffs. The program would be run principally at the State level, with States receiving 80 percent of the funds.

SANCTIONS AGAINST TOSHIBA AND KONGSBERG

The bill imposes sanctions against subsidiaries of Toshiba Corporation of Japan and Kongsberg Vaapenfabrikk of Norway for selling to the Soviets technology which will enable them to produce quiet submarines. The noise of Soviet subs has been a major advantage to the United States in keeping track of their whereabouts. The agreement bars the subsidiaries from selling goods to the U.S. Government or commercially in the United States for 3 years, and also bars the parent corporations from selling to the U.S. Government for the same period. The prohibitions could be waived for essential defense-related goods and for commercial spare parts and components that U.S. industries cannot acquire elsewhere.

INTERNATIONAL FINANCE AND THIRD WORLD DEBT

The bill requires the Treasury Department to enter into discussions with other countries on establishing a special debt management facility to serve as an intermediary between private banks and indebted Third World governments. The bill specifies that such discussions would not be required if the Treasury Department determines, within 6 months, that discussions would carry a material risk of reducing the value of the debt, disrupting debt service, or causing defaults. However, a second determination would be required after 1 year.

The bill prohibits foreign-owned securities firms from serving as primary dealers in U.S. Government securities, unless the firm's home country grants comparable access to U.S. companies.

EXPORT EXPANSION

The bill contains numerous provisions to promote U.S. exports and increase U.S. competitiveness. It revises various export control laws to ease national security restrictions on goods sold to U.S. allies. In addition, it authorizes a Competitiveness Policy Council to make recommendations on enhancing U.S. competitiveness.

AGRICULTURE

The bill provides a 2-year extension for the Export Enhancement Program, which uses surplus commodities to lower U.S. agricultural export prices, and increases the overall value of commodities used in the program to $2.5 billion. It doubles the authorization of the Targeted Export Assistance Program to $215 million, and increases the authorization for the Foreign Agricultural Service by $20 million. If significant progress has not been made by 1990 in the new agricultural talks under GATT, the bill requires the Agriculture Department to implement a marketing loan program for wheat, feed grains, and soybeans—unless it would harm the negotiations.

The measure repeals the windfall profit tax on oil imposed in 1980 after the decontrol of oil prices. It contains a new "Buy American" provision prohibiting Federal purchases of goods and services produced in foreign nations whose governments discriminate in the award of contracts against U.S. firms and products.

Mr. CRANE. Mr. Chairman, I yield 2½ minutes to the gentleman from Indiana [Mr. COATS].

Mr. COATS. Mr. Chairman, trade reform has been an issue of significant importance to me since I was elected to Congress in 1980. For several years, I have worked with my colleagues in hopes of creating trade policy that would address the inequities that exist in our current trade laws and bring relief to American industry and American workers. I became actively involved in creating trade legislation when a Corning Glass Works plant located in my district eventually closed because it became a victim of unfair foreign competition. In this instance, antidumping statutes were not enforced properly by the previous administration and, as a result, 400 Hoosiers employed by the Bluffton, IN, plant were left without jobs.

It is my belief that the omnibus trade bill we are considering today will prevent similar incidents from occurring in the future. In my judgment, this measure will have a positive impact on Indiana and the rest of our Nation. The legislation will allow the U.S. agricultural export programs to compete with foreign markets in supplying exports to Third World countries. It also addresses the problem of illegal subsidies and the dumping of foreign products on American markets and it allocates additional power to the U.S. Trade Representative.

In the last 3 years, Indiana has been ranked as 1 of the top 10 States in producing agricultural exports. Products in high demand by other countries include some of Indiana's main crops—wheat, corn, and soybean products. Nationally, 1 out of every 4 acres farmed in the United States is exported to other countries, and the percentage of acres farmed for export in Indiana is considerably higher. These exports are on the rise and have been a positive contribution in balancing our Nation's trade deficit, as well as providing substantial income for citizens of my State. During this period of low yields and high prices caused by the drought, the Export Enhancement Program is even more crucial to American farmers. The export enhancement provision of the trade bill will allow the United States to compete in a more aggressive fashion with unfair foreign competition. This is a positive step in pushing international trade to free market competition. It also gives the U.S. Agriculture Secretary the discretion to continue export enhancement programs through 1990 if deemed necessary.

The legislation also provides for improved enforcement of current antidumping laws. The bill accomplishes this objective by directing the International Trade Commission to conduct a series of reports which will identify countries which engage in unfair trade practices against the United States. These reports will be reviewed by congressional committees and the U.S. Trade Representative. The bill also requires the Commerce Department to conduct expedited antidumping investigations on multiple offenders. In light of what occurred in Bluffton, IN, in the early 1980's, I strongly advocate this provision of the trade bill.

Another positive component of the trade bill grants additional authority to the U.S. Trade Representative. Through this legislation, the U.S. Trade Representative is given authority to order retaliation against countries that have maintained unfair trade practices with the United States. To those that say this gives too much authority to the Trade Representative, the bill provides that the Trade Representative is to serve at the discretion of the President. This aspect of the trade legislation will provide additional administrative oversight of our trade policies and will give a strong signal to other countries that the United States will no longer tolerate discriminatory trade practices against American products.

Because these elements of this final version of the trade bill are so beneficial to Indiana business and to our national economy, I intend to vote for the legislation even though I continue to have very serious reservations about its provisions regarding the Toshiba Corp. These reservations have been the primary reason why I have been opposed to earlier versions of the trade bill. I, along with others, have made repeated attempts to impose tough sanctions on the Toshiba Corp., for their grievous violations of our national security. I think that by now my colleagues are well aware of the impact which this corporation's deliberate sale for profit of our defense technology has had on our national security. While I am gratified that this legislation recognizes that such betrayals of our trust should not be tolerated, I remain fully convinced that the provisions it contains are inadequate to provide any meaningful punishment to Toshiba for its actions.

It is unfortunate that the House has not had an opportunity to vote directly on this issue. The sanctions which are included in this bill came to us through the conference on its first version. Unfortunately, this conference significantly watered down the sanctions passed by the Senate as a result of a campaign by Toshiba's $3 million army of lobbyists, which succeeded in almost entirely limiting punishment to the small subsidiary which made the actual sale. I am concerned about the message we are sending as an institution by providing such limited sanctions, because I believe we are telling corporations who may contemplate such sales in the future that Congress will not take meaningful action to punish them.

To address these issues, I went before the Rules Committee in an effort to offer two amendments which I believe would have significantly strengthened the deficiencies in this bill. These amendments would have brought the trade bill sanctions back into line with legislation I introduced last year on this subject and the original Senate sanctions. While I support moving this legislation in a timely fashion, I believed that we must clearly express our views on the participation of parent corporations in illegal technology diversions.

First, I believe that the entire Toshiba Corp., should have been included in all sanctions contained in the trade bill. Placing restrictions on Government contracting alone is a mere slap on the wrist. From classified briefings, it has become readily apparent that within the last 7 years Toshiba Corp., and other Japanese firms have been heavily involved in illegally enhancing the microelectronic capability of Warsaw Pact nations. Toshiba is not the innocent bystander which it claims to be, and the sale of milling machinery was not an isolated incident.

I hope that the small sanctions which are included in this bill at least set the legal precedent that parent corporations can be held responsible for the actions of their subsidiaries. I am concerned with mandatory exclusions contained in this package which would force the President to exempt any corporation from future sanctions that did not itself knowingly violate international export controls. Mr. Chairman, that section of the bill is bad law and a bad precedent, because it encourages dishonest companies to set up dummy subsidiaries and compartmentalize illegal sales to escape punishment. I believe our actions against Toshiba, while grossly insufficient, at the minimum show congressional intent that such exclusions must be extraordinary and that parent corporations can be held liable.

Again, while I am not satisfied with the form of the Toshiba sanctions contained in this legislation, I am nonetheless appreciative that it recognizes the importance of this issue, and takes steps to address our policy on exports of sensitive technology. Despite my disappointment in not being allowed by the Rules Committee to seek to incorporate stricter santions against Toshiba, my deep personal concern on this single issue must temporarily stand aside in favor of the multitude of very real benefits which this bill contains for the farmers, workers, and businessmen who are my constituents.

I also had reservations about enacting omnibus trade legislation because I was extremely concerned that such a bill might become a vehicle for protectionist trade measures which would hurt our industry far more than it would help. I was pleased, however, that a House amendment was removed which would have placed high tariffs and quotas against countries with high trade surpluses with the United States without regard to which products were treated fairly or unfairly. The only real effect of this amendment would have been to force Government to meddle in a free market where it clearly does not belong. The probable effect would have been to reduce opportunities for American business and labor rather than enhancing them.

Exports are a vital part of our national economy, and to undercut our ability to compete in foreign markets through protectionism would be a serious mistake. American industries are not asking for unfair advantages, just an opportunity to compete fairly. I believe that this revised bill now before us provides many tools to American business to do that, and remedies a number of impediments contained in existing law.

Through this bill, we now have an opporunity to improve trade reform policy. This legislation we are considering today provides broader relief to industries threatened by unfair trade practices, including foreign industrial targeting. It cracks down on dumping and subsidized imports and most importantly, it provides for expanded agricultural exports. It opens doors to America's products which means more American jobs.

I will support this package because it responds to our country's serious trade problems with fair and strong legislation. The intention of this bill is a good one; it will ensure a better trading system now and in the future to protect U.S. jobs and to open markets for U.S. producers. I hope this House will adopt this trade package. It is a good bill and its adoption will allow our country to have a real trade reform law.

Mr. CRANE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SCHULZE], my distinguished colleague on the Trade Subcommittee.

Mr. SCHULZE. Mr. Chairman, I thank the gentleman for yielding time to me. I would like to take a few seconds to congratulate all involved in this process, the Members of the majority, the minority, and the staff. It has been sort of a long process, but I think that we are close to the culmination of that work.

Mr. Chairman, I rise in strong support of H.R. 4848.

Mr. Chairman, I have in the past stood before this body to voice my disappointment over the fact that it took a $170 billion trade deficit to finally remove our rose-tinted glasses. Previously, we had rigidly and imprudently adhered to a trade policy so idealistic in nature, that it failed to recognize that our trading partners were using it to gain unlimited access to our markets while denying us equal access to theirs. Not only did it ignore the unfair practices of those partners, it left us without recourse for addressing these inequities.

H.R. 4848 provides us with just that recourse. As you know, this legislation is H.R. 3 minus two provisions. However, it still contains the crowning achievements of its predecessor.

One area in which significant progress was made is on the issue of advice from the private sector. The bill expands the Private Sector Advisory Committee functions to include providing information and advice on development and implementation of overall U.S. trade policy and priorities, as well as on negotiation issues.

This is a considerable achievement in that sometimes those who formulate our Nation's trade policy tend to lose sight of the far-reaching effects of this policy on the private sector. This tells our private sector that its opinion does matter, that the U.S. Government will pay heed to its views, and that it can and will make a difference in the creation of any new trade initiatives in these United States.

Another of H.R. 4848's successes comes in the transfer of authority from the President to the U.S. trade representative in certain section 201 and 301 cases. Many of us have fought long and hard to bring this about because we recognized the confusion which exists within the administration when it comes to reaching a unified position on these types of cases. This discord adds nothing positive to the formulation of U.S. trade policy and, in fact, serves only to benefit our trading partners and at our expense.

Some of our major trading partners, recognizing the internal strife generated by developing a trade agenda in the United States, have actually taken advantage of this lack of unity by playing off our Cabinet level officials against one another.

The signal which we transmit to the rest of the world by retaining the transfer of authority provision is more than a merely symbolic gesture. Indeed, it is a message of true substance that says this to the rest of the world: "When it comes to stomping on the United States in international trade relations, the party is over. From this point on, we are embarking on a long but very steady march toward a more streamlined Government trade establishment and, therefore, a unified voice on trade policy."

And let us not forget the GATT, and the giant step taken by H.R. 4848 in terms of more clearly defining the negotiating objectives which must be achieved in the Uruguay round of the GATT. Included in these objectives are coverage for trade in services and investment, effective dispute settlement procedures, and protection of intellectual property rights.

I would say the resulting message is loud and clear—we want a GATT which is comprehensive, works, promotes fair trade in all sectors, and serves to every country's benefit. This trade legislation tells the GATT that it's high time to get off the dime, and once again become a truly effective and looked up to entity in the world trading arena.

Strengthened antidumping and countervailing duty laws, a more viable section 406 to deal with market disruption caused by imports from Communist countries, and enhanced protection abroad for U.S. intellectual property rights, simply solidify the reasoning behind enacting this historic legislation during the 100th Congress.

For those of us who have been laboring to earn the opportunity to pass a trade bill devoted entirely to trade, now is our chance to vote "yes" on just such a piece of legislation. I urge my colleagues to vote for H.R. 4848 and help get this great Nation back on track to a rational and coherent trade policy which can guide us into the 21st century.

Mr. GIBBONS. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Ohio [Mr. PEASE].

Mr. Chairman, let me say I know of no member of our committee or in this Congress who works more conscientiously and harder and more successfully than does the gentleman from Ohio, and it is a pleasure to yield to him.

Mr. PEASE. Mr. Chairman, let me say I appreciate the generous remarks of my chairman.

Mr. Chairman, the trade bill that we passed last year was an excellent bill. It was still an excellent bill this spring when we passed the conference report. It is still a good bill today, and deserves our overwhelming support.

I think we learned a lot earlier today from what was said by the gentleman from Minnesota [Mr. FRENZEL] who is, if anyone is in this House, a zealous guardian of free trade. The gentleman from Minnesota cited some important pluses in this legislation: Giving the President negotiating authority to expand world trade, not to contract it; giving approval for a new standardized system for customs evaluations.

The gentleman from Minnesota also mentioned some minor quibbles that he had with the bill, one of which he said was that under section 301 this bill adds three new causes of action against which our trading partners might retaliate or react. Of course, it goes without saying that in the existing law there are also three existing causes of action. They have been on the statute books for a number of years. They have not caused us any trouble. There is no reason to expect that the three new ones in this bill will either.

The gentleman from Minnesota mentioned in the end that provisions of this bill might create some minor trade altercations. That is a big change from the rhetoric of a year ago when opponents were talking about our trade legislation setting off a trade war. Nobody is talking about it setting off a trade war anymore.

Finally, on balance, the gentleman from Minnesota said that he thinks this bill ought to be passed. I agree. His evaluation reflects, Mr. Chairman, what I found in Geneva just 4 weeks ago when I was there to consult with a variety of people associated with GATT. The sense that I got from the GATT folks in Geneva was that our trading partners across the world have now had a chance to examine and study carefully the bill that we have put together.

□ 1545

They have had a chance to look at the fine print. And as a result, they are not unduly upset by this legislation. I think they would agree with the gentleman from Minnesota that on balance we are better off passing this legislation, getting it on the statute books and moving on to the important work of getting ourselves more competitive so that we can once again reassert our position as the leader in international trade.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. DORGAN] to commence what I believe to be on this side the debate on the Michel motion to recommit.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

The gentleman from Illinois [Mr. MICHEL] is going to raise some concerns about the ethanol provisions in this bill. I share those concerns. Frankly, we should have had a debate on CBI to determine what kind of action by this Congress promotes and stimulates jobs in the Caribbean.

This legislation offers some opportunities for certain interests to move European wine alcohol or Brazilian ethanol through the Caribbean and up some drying towers and then into this country duty free. This is unfair competition.

I want CBI to work. I have seen the inactive cane fields in Haiti. Unemployment is rampant in countries like Haiti. I would like to see ethanol plants there. I do not fear that competition. I would like to see the opportunity for full-fermentation ethanol plants to operate in that region of the world because I think that would give those citizens down there some employment opportunities. But what we are doing in this bill is just wrong. I share the concerns that are going to be expressed by the gentleman from Illinois [Mr. MICHEL] on that issue.

Mr. CRANE. Mr. Chairman, I yield 7 minutes and 40 seconds to our distinguished colleague, the gentleman from New York [Mr. KEMP].

Mr. KEMP. I thank the gentleman for yielding to me and for his leadership on this issue.

Mr. Chairman, I rise in very strong opposition to the so-called trade bill. I want to say to my colleagues on both sides of the aisle as well as on both sides of this issue that in speaking against the bill I do not challenge the motives of these men and women who really believe that this type of trade legislation is needed to make America more competitive, to create more jobs, and to reduce egregious trade violations.

I acknowledge that there are trade barriers to U.S. products and I acknowledge that things need to be done to reduce barriers to trade around the world.

Having said that, however, this trade bill is flawed. In listening to the debate on the floor, I am reminded of the Spanish philosopher Gaspar de Ortega y Gasset who said, "We don't know what is happening to us." And that is precisely what is happening to us.

Some of the comments that have been made on the floor in the House today are devoid, it seems to me, of understanding what is at the root of the American economic recovery and what is happening in the world.

I thought you would be interested in a July 1 column by Karen Elliott House of the Wall Street Journal who said, when Ronald Reagan came back from the Soviet Union: To the extent that the Soviets are acknowledging the failure of socialism, it is their reaction to the fact that Western-style, free-market economies are working again.

At the very time the Soviet Union is acknowledging that Government interventionist policies have failed, that socialism is moribund, that communism cannot be restructured because it is fundamentally, flawed, and that the great success of free-market economies are succeeding, those in the West who should know better are losing confidence in the very ideas of freedom that have led to the strong recovery without inflation that has generated over 16 million new jobs in the last 7 years.

I recently picked up Paul Erdman's new book, "How to Prepare Yourself for the Crash of 1989." Of course, he is the author of the book, "How to Prepare Yourself for the Crash of 1984," 1985, and 1986. But he is convinced that we are going downhill.

In addition, one of Wall Street's leading authors is Ravi Batra who has authored a best-selling book entitled "The Great Depression of 1990."

Then, of course, we have Paul Kennedy's new book, "The Rise and Fall of Great Powers." And he is not writing just about 16th century Spain or 19th century Pax Britannica; he is writing about 20th century United States. He concludes we are in decline as a great power.

And Senator PROXMIRE the other day says he hopes the Democratic Party loses because he thinks the next President is going to have to deal with a recession and he does not want the Democratic Party to have to deal with it.

All of these doomsayers are wrong and their predictions are nonsense—unless we start doing stupid things like raising taxes and tariffs. How is it possible for intelligent men and women, in light of this economy and our recovery, and looking at the free trade agreements that we made with Canada and with Israel, to want to pass legislation like plant closing and trade restrictions which totally involves the Government in the decisions of entrepreneurs and trade that will harm the economy and cost us jobs? They want to pass this trade bill, with all due respect to my very good friend from Florida who is a champion of anti-Smoot-Hawley thinking on the floor of this Congress, that takes authority from the hands of President Bush or President Dukakis, whomever he will be in 1989. Our next President is going to have to face the fact that under this legislation the U.S. Trade Representative is going to be more powerful than the President when it comes to trade.

The super 301 provision literally takes authority away from President Bush or President Dukakis—it is not Reagan who is going to have to deal with this legislation, it is the next President.

It takes authority in very delicate trade negotiations with the rest of the world out of the hands of the President who is responsible not only for the good of the international trading system, but also for the public good. And it puts it in the hands of a czar, an unelected bureaucrat. It is going to turn the USTR into a funnel for problems that will exist in every single business or industry in the United States, whether it is due to trade violations or not.

Frankly, ladies and gentlemen, I fear that this bill is as close to the worst piece of legislation that I have seen in the 18 years I have been in Congress. I am not challenging the motives of anybody, but I happen to think it is historically flawed; it is the wrong legislation at the wrong time. We should be opening markets abroad, not closing markets here.

I want to specifically point to the recent article in Forbes magazine on the D-RAM crisis. We have caused a crisis in D-RAM's, dynamic random access memory units, or semiconductor chips.

The computer companies in the United States are withholding their next generation of personal computers because they cannot get this chip.

The cost of chips has risen dramatically—but that desire to punish Japan or Asia for sending chips into the United States did not hurt Japan. It hurt the United States. It hurt the computer industry, our school children who should learn computer skills, and our small businesses and farms that need computer systems to function efficiently competitively. I think it is a mistake to pass this trade legislation.

Mr. Chairman, I want to quote George Gilder, one of my heroes on this subject who said it best: "Trade cannot be free if it must balance at national borders. The United States can balance trade only by wrecking the enterpreneurial fabric of an interdependent global economy."

Another author whom I greatly admire, Tom Peters, argued that one of the most fundamental underpinning for a competitive economy are free and open markets. By closing markets, this bill is anticompetitive.

I know the bill is going to pass, but I want to be on the side of history. This is a bad bill and should be defeated.

Mr. Chairman, today we are playing political games with our country's international trade policy, and in my opinion, the losers will be the American people.

This package deal of the plant-closing bill and the trade bill is a political ploy designed to embarrass the President. The House could have debated the trade bill weeks ago, but the House Democratic leadership is so determined to force both bills simultaneously on the President that when the Senate failed to finish the plant-closing bill on schedule both bills were postponed until today.

The Democrats also seem willing to sacrific a competitive, prosperous U.S. economy in order to have a campaign plank for the fall Presidential elections. Governor Dukakis made it clear in announcing his Vice-Presidential choice yesterday that the Democrats intend to campaign on their ability to manage economic decline and promote protectionism. One of the clearest choices Americans will be asked to make this fall is between a Democratic Party that is hoping and planning for economic collapse, and a Republican Party that is working and planning to continue job creation and economic growth.

There are even more compelling reasons, however, to vote against this trade bill. I strongly oppose the bill for the same reasons I opposed the last trade bill. It is protectionist, threatening to plunge us into trade wars. It will cost Americans their jobs as our plants and farmers become victims of retaliatory measures by our trading partners and the economic slowdown which will surely follow. And, it will lower our standard of living by raising prices on goods which all of us, as consumers, purchase.

This bill also threatens to further destabilize markets by sending the dollar into a tailspin and throwing panic into investors who are haunted by the specter of rising protectionism. The threat of an economic cold war with our trading partners could help spark another stock market crash similar to the one last fall.

I sincerely believe that Congress is on the verge of passing the most damaging trade legislation in more than 50 years. Not since the passage of Smoot-Hawley in 1930 have we come so close to destroying the expansionist trade policy which has helped make this country both prosperous and powerful. The vote on this bill is the Smoot-Hawley equivalent for the 100th Congress, and, in my opinion, its impact on world trade and the U.S. economy could be just as devastating.

Like the current bill's supporters, the proponents of Smoot-Hawley had good intentions. They were only going to help an ailing industry, namely U.S. agriculture. But the end result was impenetrable trade barriers. Our trading allies retaliated by passing similar legislation. World trade collapsed, U.S. exports plummeted to roughly one-quarter of their 1929 level, and we entered into the Great Depression.

It is said that those who cannot remember the past are condemned to repeat it. I cannot believe that we have so quickly forgotten the terrible economic depression resulting from Smoot-Hawley that we should be flirting with a repeat of that searing experience. And I certainly cannot understand why the Democratic Party of the 1980's wants to repeat the same mistake made by the Republican Party in the 1930's.

Unfortunately, the democratic leadership has found willing allies in the administration. Some of the President's advisers desperately want the President to sign a trade bill, and apparently they are willing to settle for a bad trade bill. In doing so, they are breaking faith with future generations by negotiating away the President's authority to protect the economic and foreign policy interests of all Americans. They will have contributed to a weakened Presidency in the future.

Instead of recommending a veto of the last trade bill based on its egregious trade provisions, the President's advisers latched onto the plant-closing notification language. Seldom have I seen administration strategy so poorly handled. In my opinion, their advice is misguided, and they will only succeed in tarnishing President Reagan's legacy of strong economic growth and prosperity. The administration deserves a share of the blame for not fighting for a protrade, progrowth trade bill.

This bill contains the same flawed trade provisions as H.R. 3. The combined effect of all of these changes in our trade policy sharply raises trade barriers and injects protectionism into U.S. trade policy, making it easier for a future administration to start a trade war, or harder to resist one.

The most damaging changes to our trade policy are the super 301 provisions, which strip authority from the President and transfer it to unelected bureaucrats. Only the President has the obligation to look out for the world economy and the national economic interest of all the American people. He should have the responsibility of signing off on all trade action. Yet, this bill removes his voice from some of the most significant trade policy decisions, making it easier for protectionist interests to maneuver the United States into a self-defeating cycle of retaliatory measures.

Under the new section 301 provisions, the USTR, our new trade czar, would be responsible for deciding which of our allies' trade practices are discriminatory. This unelected bureaucrat then would be required to decide what type of retaliatory actions to take against our trading partners who are unwilling to change their bad habits.

The bill does not require the President to initial any proposed trade actions. In fact, the bill deletes his ability to block actions which are not in the national economic interest. His only recourse in upholding the economic interest of all Americans is in extraordinary cases, where retaliatory actions would have an adverse impact on the U.S. economy substantially out of proportion to the actions' benefits.

I find this transfer of authority disturbing not only because it shifts the balance of power away from the President to an unelected official, but also because it could seriously undermine U.S. foreign policy. The USTR is not trained in foreign policy, nor is he privy to foreign policy decisions being made by the administration. Yet, he will be making unilateral policy decisions in the area of international trade that could adversely affect relations with our allies. It is naive to believe that retaliatory trade actions imposed against our allies would not affect our negotiations with them in other sensitive areas, such as weapons deployment or obtaining their support for U.S. foreign policy decisions.

Changes in section 201 trade actions also move our trade policy in the direction of protectionism. Injury standards are lowered to include factors that may be totally unrelated to our allies' trading practices. These include the inability of domestic firms to raise adequate capital for modernization and a firm's failure to maintain current levels of research and development expenditures. In my opinion, these actions only reward inefficiency, making it more difficult for U.S. firms to remain competitive at home and abroad.

The USTR isn't the only unelected official who benefits from the bill's transfer of authority. Findings of injury by the International Trade Commission would take effect unless the President directs otherwise. Under current law, these findings must be confirmed by the President. Again, the President's involvement in an area which has such significant economic and foreign policy implications is being whittled away.

This bill also imposes a gag rule on commissioners who disagree with an injury finding. Only commissioners who agree that a domestic firm is injured would be allowed to decide upon a remedy. Dissenting commissioners could not participate in making action recommendations to the President.

As I said, this bill moves the United States inexorably toward protectionism, trade wars, fewer jobs, and a lower standard of living. If my colleagues want an example of how getting tough with our trading partners can boomerang on our economic future they do not need to look any further than the United States-Japan microchip agreement. Like most other attempts at economic planning, there were unintended victims of this restrictive trade agreement. This time it was the crucial U.S. computer industry.

As George Gilder astutely pointed out in a recent article, all we ended up doing was to significantly raise the cost of microchips, create a severe shortage of a key memory chip called a D-Ram, and give the Japanese a key foothold in United States computer markets. Japanese semiconductor companies are making tremendous profits thanks to higher prices, and they are using these profits to fund R&D projects designed to overtake the U.S. lead in critical computer, software, and telecommunications technology.

It is time that the U.S. Congress wakes up and realizes that trade transcends national boundaries. Due in part to the telecommunications revolution, entrepreneurs have intergrated world commerce, opening up new opportunities for global capitalism. Once again, I believe George Gilder said it best: "Trade cannot be free if it must balance at national borders. The United States can balance trade only by wrecking the entrepreneurial fabric of an interdependent Global Economy."

I firmly believe that if we want to expand economic opportunities and prosperity for all Americans, then we must focus our attention on expanding trade, not shrinking it. As President John F. Kennedy succinctly said, "We must either trade or fade." Instead of bashing trade, we should work vigorously to tear down trade barriers. I believe we should move forward with bilateral free trade agreements, starting with a North American free trade area incorporating Canada, Mexico, and the Caribbean Basin countries. Creation of a North American free trade zone would provide both a carrot and a stick to get our other trading partners to open their markets to U.S. goods. While continuing the GATT negotiations, we also should press for bilateral expanded trade agreements with our trading partners.

And, instead of focusing on plant closings and managing economic decline, we should pursue a plant-opening policy to create even more jobs and a more competitive economy. We must focus on bringing employers and jobs to the depressed inner cities and rural areas through enterprise zones so that the poor and minorities can ascend the ladder of economic opportunity. We need to lower the capital gains rate to create capital for entrepreneurs and small businesses. And, we need to repeal the regressive payroll tax increase scheduled for 1990 which will impose a particularly harsh burden on small businesses and low-income workers.

Free trade is one of the fundamental cornerstones upon which free and prosperous nations are based. When we start chipping away at free trade then we jeopardize our economic freedom and the freedom of spirit which has blessed our country with boundless creative and entrepreneurial energy. This bill does more than chip away at the cornerstone; it literally undermines the foundation of free trade. I urge my colleagues to reject this bill.

For the record, I also intend to oppose the substitute being offered by my good friend, Congressman MICHEL. I strongly support the Caribbean Basin Initiative. In fact, I believe we should include the Caribbean Basin countries in a North American free trade area. I believe that the substitute will damage our relationship with these countries, as well as undermine their economies, which depend so heavily upon trade with the United States.

Mr. GIBBONS. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this legislation, in strong support and hope it will pass with a veto-proof majority. I hope the President has the good sense to keep his word and to sign it.

I also rise particularly to call attention to a provision in this legislation which came from the Banking Committee in the House and the Banking Committee of the Senate and which seeks to deal with the problem of overwhelming debt in the developing world, especially in Latin America.

Some may ask what is this doing in a trade bill? But the fact is that one of the biggest problems for workers in the United States, for manufacturers and exporters in the United States is the loss of markets in the developing world, especially Latin America. We have suffered more in our trade balance during this decade in our loss of markets in Latin America than we have in the lack of markets in Japan.

We tend to ignore this fact.

It has meant literally millions of American jobs in the manufacturing sector.

At the same time it has done no benefit to our banks that hold these loans that are owed by the Latin American countries. They have had to reserve literally millions and millions of dollars against the bad exposure of these loans to them.

It can be worked out, there can be a solution. But inaction, the kind of inaction that we have gotten from the administration, the muddle-through approach of the Baker plan on Third World debt is not working and cannot work. We need a process to maximize the benefits to all of the players and minimize the losses. That means minimize the losses in jobs to Americans; to minimize the losses of jobs to Americans, to maximize the markets for American products, to minimize the hardship of the people in the developing world, to minimize the losses to our banks and thereby our losses to our taxpayers.

A hands-on approach which was included in this bill, a facility to repackage and restructure and reduce the debt of the developing world in an orderly and structured way is the best thing that we can do about an overwhelming problem. It is a projobs approach, it is a prodevelopment approach and ultimately, therefore, in the developing world a prodemocracy approach. If we care about the preservation of democracy in Mexico, in Brazil, and Argentina, we will pass this trade bill.

Mr. CRANE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. I thank the gentleman very much.

This may not be the most intellectual speech that has been made, but it will be the shortest speech on H.R. 4848. There are six words: Go for it, it's long overdue.

Mr. CRANE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, once again I rise in strong opposition to this omnibus trade legislation. It has a new number today, has been through several more printings, most recently with the plant closing provisions stricken, but the bill remains as dangerous as before.

In my view, the President was correct to veto this bill. But I tend to agree with the Wall Street Journal and the New York Times that he did not offer the right justifications. Events in this volatile political year served to focus attention on the plant closing provisions in the original bill at the expense of a thorough review of the rest of the bill which has serious shortcomings.

With its hundreds of small procedural changes to the trade laws, it will make retaliation the name of the game for U.S. trade policy.

International trade policy in this and most other countries is a continual battle between the overall national interest of free and open trade and sectoral interests which are having trouble competing in the international marketplace. In general, Congress tends to side with the various special interests while the President has the position and ability to make a fair assessment of the overall national interest. H.R. 4848 would unsettle this balance by wrenching away some of the President's decisionmaking authority and placing it with the USTR who, the thinking goes, will be more susceptible to arm twisting by special interest lobbies.

Section 301 amendments requiring mandatory retaliation and initiation of 301 cases are the best example of this subversion of the checks and balances that are currently associated with trade decisions. Removing Presidential consideration of the national interest from the process is absurd any way you look at it. He is the only individual with adequate information and accountability to make the difficult decision of when to retaliate. Keeping considerations such as national security and the national economic interest out of the equation may have political appeal to the domestic industry in question, but it doesn't make much sense for the Nation as a whole.

The transfer of authority problem is compounded by the Super 301 mechanism that will be established by this bill. Casting far and wide over a 2-year time period to initiate numerous mega-301 cases against several different nations is inappropriate and workable. USTR, short on manpower as it is, will be forced to make public declaration based on allegations it can't possibly have time to substantiate. This helter-skelter, vigilante-like procedure, while inciting the ire of our trading partners, will not, I'm convinced, achieve improved access for U.S. business.

Furthermore, the entire Super 301 structure fails to account for our own trade restrictions which are not insignificant. When we take our allies to task, labeling them in front of the world as outlaws and demanding that their barriers be dismantled immediately, how will we respond when they request that we dismantle our steel, textile, meat, and agriculture quotas under their timetables?

On the other hand, if you believe that our trading partners will do nothing to restrict our exports after we use mechanisms in this bill to slap quotas and tariffs on their products, then vote for this bill.

While conferees decided wisely not to transfer decisionmaking authority to USTR in section 201 cases, I strongly oppose procedures devised here to ensure that denial of import relief from fairly traded products will be the highly exceptional situation. These amendments smack of an entitlement which ignores the reality that compensation is always owed to our trading partners when meaningful import relief is granted under 201. As 201 is transformed into an automatic relief statute, U.S. exporters are sure to suffer significant casualties. Unfortunately, these competititve industries have been unable to contact you because they don't know yet whether or when they will become victims of protectionism in an effort to help a few firms that may not have made the business decisions necessary to become successful.

What continues to concern me as this bill moves forward is the myth that it will increase competitiveness and dramatically improve the trade deficit. Members making these statements will admit in private that, by and large, while we have problems in international trade, we cannot blame our trade deficit on foreign trading practices. Economists agree that the real culprits are out-of-control Federal spending, the necessity of financing the spending with foreign capital, and the voracious consumption habits of U.S. consumers.

I have real misgivings about the body spending 3 years on a bill like H.R. 4848 and much less time successfully addressing the budget deficit. Even in this bill spending is increased $6.1 billion over 6 years. For example, potential benefits of the TAA program are increased by about 40 percent as the program is expanded to cover oil and gas workers and workers not directly impacted by imports, so-called secondary workers. A quick review of the bill's index reveals a myriad of expensive, inflationary special interest gifts for such industries as steel, agricultrue, telecommunications, lab and semiconductors.

We have heard over and over again how exceptional a bill this is because 17 different committees had a hand in writing a piece of it. In my view, bragging about how many pounds it weighs would be better justification for enacting it.

As I see it, H.R. 4848 remains the frenzied product of congressional panic over an import boom which no longer exists. Today, July 13, we are already 4 months into a resurgence in exports which must be preserved not threatened.

I recall how often former Ambassador Brock used to remind us that keeping the international trading system functioning is like riding a bicycle: forward momentum must be maintained otherwise disaster ensues. This bill, save for provisions buried deep within it, such as negotiating authority and the harmonized system, goes in exactly the wrong direction.

I urge my colleagues to vote "no" on H.R. 4848.

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Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. CRANE. I am happy to yield to my colleague, the gentleman from New York.

Mr. KEMP. Mr. Chairman, I had hoped to talk a little about this point, but I did not get a chance to do that, and I am glad the gentleman has covered this point so eloquently. It has been stated that unemployment has dropped so rapidly that we now have economists telling us that the Central Bank of the United States must tighten up on interest rates to slow down the economy because they fear, if there are too many people working, that it is going to engender inflation. That shows a fundamental flaw in the thinking of the critics of our economic system.

Inflation is not caused by too many people working, nor is it healthy for the consumer to shut off our markets, as the gentleman has pointed out. It is exactly the time that we are working out a free trade zone with Canada, and we should be extending it to Mexico and Latin America to help those Third World Latin debtor nations get markets in order to earn the foreign exchange with which to finance their debt and get their own economies growing so they can afford to buy something from Illinois or New York or Florida.

Otherwise we are going to have the type of retaliation as evidenced in the gentleman's comments about the Super 301 authority that is going to turn back the open market idea that has become the hallmark of the new surging Western free market economics of recent times.

So I am absolutely convinced that the gentleman's comments are on target, and his perspicacity and leadership are very much appreciated. We may not be on the winning side on this vote, but I believe with all my heart, I say to my friend, the gentleman from Illinois, that we are on the winning side of history because this is another Smoot-Hawley revisited.

Mr. CRANE. Mr. Chairman, I am sad to say that Santayana observed that those who fail to learn the lessons of history are condemned to relive it, and while this may not be Smoot-Hawley, this is the closest thing to Smoot-Hawley that this Congress has turned out in the way of trade legislation in the past 50 years.

Mr. Chairman, I think I have very little time left, but I wish to yield such time as he may consume, which may amount to the balance of the time that I have left, to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL]. If there is any surplus time left after that, I will yield back the balance of my time.

Mr. MICHEL. Mr. Chairman, I appreciate the gentleman's yielding time to me.

I must at the very outset compliment both the gentleman from Illinois [Mr. CRANE] and the gentleman from New York [Mr. KEMP] for having aerated the discussion in the interest of free trade and in opposition to those inhibitions to our trading freely with our trading partners around the globe. With a few exceptions, I would be inclined to subscribe totally to the comments made by both those gentlemen, but there are some areas that I think needed some correction or some remedy.

Second, I wish to compliment the committee for its long and arduous task of putting together, with give-and-take from many quarters, and crafting the kind of bill we now are considering again today.

I have taken this time for a third reason only to explain very briefly that in order to qualify for the motion to recommit, I am going to have to respond to the Sepaker by telling him quite frankly that I am opposed to the bill, but if it were not for the fact that I wanted to offer that motion to recommit, I might very well be voting for this piece of legislation, as I said, because I think on balance the committee has done a pretty splendid job. But I have a very pesky problem having to do with ethanol, and that will be the subject of our motion to recommit. As I indicated, in order to qualify to offer that motion, I will have to assure the Members that I will vote against the bill, and I will obviously be obliged to do so.

Mr. GARCIA. Mr. Chairman, the time is long overdue for us to join the ranks of our trade competitors in placing the issue of trade on top of the national agenda, not only for this year but for years to come. Our Nation needs a comprehensive trade policy, and I appreciate your efforts in making sure that before the new administration takes office, there will be an omnibus trade legislation enacted. I am also pleased to see that the advance notice of plant closing bill passed the Senate and that we are considering it for passage today as well. The practice of notifying workers 60 days in advance of a plant closing is common among our European trade competitors, and we need to awaken to the fact that such practice is necessary to ensure the well-being of American factory workers.

During much of this year, we have seen an encouraging reduction in the U.S. trade deficit largely due to the lower value of the dollar and subsequent increase in exports. However, the lower dollar and an increase in exports are not enough to solve the problem of our huge trade deficit. We need to improve our Nation's overall competitiveness, and the trade bill before us today will do that.

Our Nation is still a leader in the world economy, but that leadership position is weakening. Other nations are catching up with us and some have surpassed us in a number of areas. We cannot let this go on. We cannot afford to enter into the 21st century lagging behind our foreign competitors in world trade.

I have had the opportunity to be involved in formulating some of the provisions of this bill relating to international banking, debt, and currency exchange rates and appreciate that those provisions remain intact. For the sake of the long-term health of our economy, but more importantly, for the sake of protecting American jobs for now and the future, we need to pass this bill. I urge my colleagues to give it their full support.

Mr. TOWNS. Mr. Chairman, I rise in strong support of H.R. 4848, the omnibus trade bill and urge its passage. The bill is landmark legislation that is vitally needed to enhance U.S. trade and competitiveness.

Mr. Chairman, the bill should be approved as is. Specifically, I am strongly opposed to any effort to strike a small, but important, provision concerning the Caribbean Basin Initiative [CBI] and ethanol.

I am a member of the Congressional Alcohol Fuels Caucus and believe we must promote the development and utilization of alcohol fuels such as ethanol. However, I do not believe that we must do so at the expense of our Caribbean neighbors.

Mr. Chairman, CBI governments and private firms were encouraged by Congress and the administration to explore ethanol through the CBI programs. Taking us at our word, several projects were started providing jobs and export earnings. In 1986, in effect, we reneged on our commitment when a little noticed amendment was slipped into the Tax Reform Act changing the CBI rules just for ethanol. These changes essentially require all the raw materials, or feed stock, to come from the region and were disingenuously promoted as helping the Caribbean. Just the opposite has occurred. Since the 1986 act the CBI ethanol industry has greatly suffered.

Of the three projects developed in the region, one in Costa Rica and two in Jamaica, two are shut down and a third has reduced its operations. Workers have lost jobs and the future is uncertain. All three of these projects are making serious attempts to use local raw materials when available and feasible.

The 1986 act simply goes too far and runs counter to the CBI. A healthy CBI ethanol industry is no threat to U.S. producers or farmers. In fact, given the current drought we should welcome help in stabilizing our market shortage.

The trade bill provision does not permanently change the 1986 act—rather it takes middle ground. Recognizing the concerns of U.S. producers, it temporarily suspends the extra CBI ethanol rules through 1989. During this time export caps are mandated as are studies by the GAO and the International Trade Commission on the economics of the industry and whether the 1986 act changes are reasonable. In short, it is balanced and fair.

This distinguished minority leader and my fellow members of the Alcohols Fuels Caucus should not fear the facts being laid out.

Mr. LUJAN. Mr. Chairman, I rise in support of H.R. 4848, the Omnibus Trade and Competitiveness Act of 1988.

Like many omnibus bills which come to the House floor, this legislation contains many provisions which I strongly support—such as repeal of the windfall profits tax—as well as provisions whose contributions to improving our Nation's balance of trade and international competitiveness are questionable—I will cite as one example the need for a "competitiveness policy council" as clearly unnecessary in light of the existing National Economic Commission. On balance, however, the legislation before us is a fair compromise deserving our support.

As ranking Republican member of the Committee on Science, Space, and Technology, I served as a House conferee on 7 of the 17 subconferences which put together this legislation. I feel that a number of new initiatives agreed to in those subconferences are worthy and I would like to take a moment to highlight just a few:

First, we have reorganized the National Bureau of Standards to balance their traditional mission of providing measurements, calibrations and quality assurance standards with the increased need for them to further assist U.S. industry in the development of new technologies. To reflect this reorganization and enhanced mission, we have changed the name of the Bureau to the National Institute of Standards and Technology.

Second, in recognition of the importance of semiconductors not only to our national security but also to the production of competitive U.S. products, we have created a National Advisory Committee on Semiconductors with the responsibility for devising a national semiconductor strategy to assure continued U.S. leadership in this vital electronics field.

Third, to facilitate development and commercialization of the recent amazing breakthroughs in high temperature superconductivity, we have created a Presidential National Commission on Superconductivity to review major policy issues regarding U.S. applications of the now daily advancements in research in superconductivity.

And last, this legislation creates a new program to assist our Nation's universities and colleges in replacing their obsolete research facilities. Here I would just note that we are continuing to refine this needed revitalization program in negotiations currently ongoing with the Senate on H.R. 4418, the National Science Foundation authorization for fiscal year 1989 through 1993. The language in the bill before us today is similar to that already approved by the House in H.R. 4418.

Mr. Chairman, I support passage of H.R. 4848 and urge my colleagues to join me in its approval.

Mrs. LLOYD. Mr. Chairman, I want to thank my colleagues for working to bring this bill to us today. It's important that we consider it and move it on to President Reagan. I hope he will sign it and help out the American worker.

Opponents have used rhetorical devices and catch phrases to cloud this issue. And I can see why. It's hard for some, particularly this administration, to accept that unfair trade practices exist. How many times over the life of this trade bill, and of the textile bill before it, have we heard that our efforts at trade equity are not unnecessary, they are protectionist. I just can't agree with that invective. I've got too many unemployed textile workers to believe the current system works.

These are people who worked hard, their industry made significant investments in modern technology, they did everything they were supposed to do, but the system didn't ensure the imports wouldn't continue to pour in.

Two years ago, we passed a textile bill that was ultimately vetoed by President Reagan. We received a letter from several Cabinet members stating that the legislation was not necessary to maintain a strong, viable domestic textile and apparel industry. They referred to the level of protection contemplated by the bill being contrary to free market principles.

Well the truth of the matter is the world doesn't operate according to a free market philosophy, however much we might want it to. The United States may be trying to follow the rules, but many of our trading partners aren't. So do we sit back and philosophize about markets or do we get tough and demand each country treat us the way we treat it? I think it's time we decide what the rules will be instead of having foreign producers and countries decide for us.

This bill requires the President to take action against violations of trade agreements and strengthens existing laws that address unfair trade practices. Not foreign trade—but unfair foreign trade. There is a difference as thousands of American workers and their families have found.

There is currently a detailed process for determining unfair practices and what action can be taken in response. But that process must be implemented before it can be effective and this bill transfers authority for determining unfair trade practices to the U.S. Trade Representative.

Of greatest interest to many of my constituents today are the improvements to trade adjustment assistance and particularly the Workers Readjustment Program. It is directed at workers who have lost jobs due to shutdowns and layoffs.

I hope President Reagan will sign this bill. It's time to save American jobs and the American economic base. We've already lost key components. Our security can be jeopardized if we rely too heavily on foreign suppliers. We're being foolish if we ignore the risk of such shortsightedness.

Let's not have our trade policies dictated to us. Let's take the initiative for a change and set our own course.

Mr. JONES of North Carolina. Mr. Chairman, I strongly support the bill before us today, H.R. 4848, a bill which was drafted as a compromise to H.R. 3, and which has wide bipartisan support. I urge that it be adopted by this body.

Title X, subtitle A of H.R. 4848 deals with unfair practices in ocean and related land-based transportation activity, and it is identical to the compromise worked out by the conferees to maritime provisions in H.R. 3. For more detailed information on the nature of the compromise, I would refer interested parties to House Report 100-576.

The 1987 Annual Report of the Federal Maritime Commission, which is charged with administering the laws designed to keep our maritime trades free and open, states that 1987 was the most active year in the history of the Commission in terms of identifying and correcting conditions unfavorable to shipping in the U.S. foreign commerce. Japan, Korea, Taiwan, People's Republic of China, Peru, and Colombia were the targets of Commission investigations.

Clearly, free trade is an elusive commodity, and I think we all realize that. And even though the Federal Maritime Commission has authority to investigate unfavorable conditions, the authority is insufficient to enable it to effectively counter the sophisticated practices that are employed to disadvantage U.S. operators of merchant vessels. When my committee held hearings on the subject last year, the Commission asked that its existing authority be strengthened.

The agreement reached by the conferees on maritime issues, I believe, takes a step to improve the ability of the Federal Maritime Commission to counter unfair practices. It is not an overly ambitious step, but it represents a framework that may be built upon in the future, if it is found to be inadequate in certain areas.

Three important things have been accomplished. First, intermodal activities are clearly and unequivocally included as activities subject to investigation. This is a significant addition to the existing laws, because so much of the oceanborne cargo moving to and from the United States is under a single bill of lading, and moves the first and last mile by rail or by road.

Second, the Commission has been given additional penalties with which to counter unfair shipping practices. A major problem it has had administering the law is the lack of any but the most draconian penalties.

Finally, the process has been expedited so that a proceeding must be completed within 210 days, including a single, discretionary extension. This is to alleviate the delays we have come to expect from those who are the targets of Commission investigations.

The conference managers agreed to limit the scope of the act to liner carriers. However, there remains a concern that some practices by foreigners may play a role in inhibiting market opportunities by U.S. operators of non-liner vessels. I certainly hope that the Federal Maritime Commission will inform the Congress and the President as to the need for expanded scrutiny of oceanborne transportation activity to include bulk, tanker or other noncommon carrier operations. In any event, it is important to remember that the bill addresses vessel common carriage. The type of cargo, and the method of packaging that cargo, is irrelevant to the act.

The managers also agreed to a simple standard for determining an unfair condition, which combines harm to U.S. operators with the concept of reciprocity. In other words, when the policies of a foreign nation toward American carriers are different from our policies toward their carriers, and that causes harm to U.S. operators, an unfair condition exists. Likewise, the acts of private foreign persons may cause a parallel condition.

A determination to investigate certain conduct by foreign governments or persons is discretionary, so that the Commission not be burdened with petitions of a frivolous or harassing nature. On the other hand, legitimate complaints should not be summarily rejected, and the Presidential override of a Commission decision—provided in the act—should come into play after the investigation is completed, and not invoked for the purpose of dismissing a complaint.

The changes to the maritime portion of the trade bill have addressed the concerns of the administration, as well as affected industry groups. Mr. Chairman, I wholeheartedly support this bill because I feel that it furthers the cause of free and fair trade that we in this country espouse.

Mr. DREIER of California. Mr. Chairman, today we are considering our second omnibus trade bill. This measure, the Omnibus Trade and Competitiveness Act of 1988 (H.R. 4848), is identical to H.R. 3 with the exception of two contentious provisions which wisely were dropped.

This bill does contain several important changes or adjustments to current law, such as GATT negotiating authority for the President, new trade law tools to strengthen our hand in international trade negotiations, strengthened protections for intellectual property, and a repeal of the windfall profits tax. However, these provisions do not change the fact that the overall impact of this 1,128-page bill will be protectionist. In fact, many of these important provisions could stand on their own as separate bills and, therefore, should not be used as excuses for passing this catchall trade bill.

The purpose of this bill reads "to enhance the competitiveness of American industry, and for other purposes." In this statement of purpose lie the major problems with this legislation. To begin with, I have grave problems with its supporters' definition of "competitiveness." I believe competitiveness should be judged by the following three questions which are based on key economic variables:

First, does the policy increase the Nation's standard of living and economic growth?,

Second, does the policy increase consumer choice and reduce the costs of goods and services?, and

Third, does the policy expand employment opportunities?.

The policy direction laid out by this trade bill will fail on all three counts.

Second, the clause "and for other purposes" refers to all the provisions which special interest groups have included in the legislation. The bill is endorsed by business and labor organizations solely because it contains something for every American industry, association and worker. What has not been analyzed closely in this 3-year debate over trade policy, Mr. Chairman, is the cumulative effect of these special interest provisions on our trade policy and trade deficit.

In the last year, U.S. real net exports improved by over $20 billion—a positive sign that the United States is once again becoming a stronger competitor in the international economy. The improvement in the trade balance has contributed roughly a half a point to GNP growth in the United States. Much of the improvement can be attributed to the drastic decline in the value of the dollar.

The falling dollar was supposed to strengthen our trade position and quell protectionist sentiment in Congress. As I noted, the depreciation in the value of the dollar has made a strong improvement in our trade picture, but the structural imbalance as well as congressional appeal for trade protection remains.

Although the most protectionist provisions were struck from the trade bill, H.R. 3, was by no means harmless and I believe the President was right to veto it. Both H.R. 3 and HJ.R. 4848 would enhance, at the expense of the President, the power of the U.S. Congress—as well as trade unions and special interest groups—to retaliate at will against our foreign trading partners. Such retaliation would engender counterretaliation against us by our trading partners, with the effect of closing markets, not opening them.

This trade bill also contains a provision to prohibit the Federal Reserve from dealing in Government securities directly with a foreign-owned firm, unless that firm's home country allows United States-owned securities dealers equal access to that country's securities. This provision would specifically affect Japanese securities firms. There is clear evidence that United States financial institutions are treated unfairly in the Japanese Government bond market, but this is a situation that should be resolved between United States and Japanese financial authorities, not by discouraging foreign capital inflows that are necessary to financing our deficits.

It is unfortunate that the U.S. Congress is more interested in the political appeal of protectionist trade legislation than making responsible decisions about the true nature of our trade deficit. The fact is, the U.S. trade deficit closely parallels our budget deficit. I do not believe you will see a significant improvement in the U.S. trade deficit until the budget deficit is substantially reduced. Finally, with our trade deficit improving, this measure is unnecessary and has great potential to aggravate our trade picture. Therefore, I urge my colleagues to resist the political pressure to support this omnibus trade bill.

Mr. DYMALLY. Mr. Chairman, I urge your continued strong support for retaining a small but important provision in the revised trade bill

(H.R. 4848) regarding ethanol and the Caribbean Basin Initiative [CBI].

Ethanol, a gasoline octane enhancer, may be produced and exported to the U.S. under the CBI Program. Our Government encouraged ethanol development in the Caribbean and several U.S. firms and Caribbean governments made investments. However, a little noticed amendment buried in the 1986 Tax Reform Act changed the CBI rules for ethanol. The 1986 act reneges on the commitments we made and has nearly destroyed the CBI ethanol industry—in the process several thousands of jobs have been lost.

Such drastic action was neither warranted or needed to protect U.S. ethanol producers and farmers. Consider these facts:

The CBI ethanol industry is small. In 1987 according to U.S. Customs data, CBI exports were less than 3 percent of the U.S. market.

CBI ethanol does not compete with domestic producers. A 1986 report of the International Trade Commission found no credible evidence of competition or displacements.

The greatest problem facing U.S. ethanol is lack of supply. The current drought is unfortunately exacerbating this situation. According to Alcohol Update, "as many as 100-200 million gallons of ethanol production may be forced to shut down by late summer."

A recent article in the industry journal Alcohol Week states, "Ethanol from the Caribbean basin could substantially boost ethanol-gasoline blends market share in 'coastal' gasoline markets where blend sales have been historically low. * * * These areas have a low blends market share because they are unable to obtain ethanol from the Midwest, where the majority of the ethanol producing facilities in the U.S. are located."

The amendment in the trade bill is modest, limited in scope and only temporarily modifies current law. Specifically, it: First, applies only to existing facilities—only 3 of 5 facilities in the region are capable of producing ethanol; second, by its terms it does not permanently change U.S. law—rather it temporarily suspends the 1986 act changes through 1989; third, sets a per facility cap of 20 million gallons (no more than 29 million has ever been exported from the region); and fourth, mandates a study by GAO and the International Trade Commission on the effects of the 1986 changes and to guide long-term policy. In short, the amendment is balanced and fair.

The opponents of the CBI ethanol amendment also raise as a red herring European wine and transshipment. However, the U.S. Customs service has consistently found that CBI ethanol is a manufactured product of the region. Second, restricting CBI producers to the purchase of new materials only from the region is discriminatory and was not part of the original CBI law. The CBI is designed to aid our Caribbean neighbors and not to attack European farm policy. Finally, the opponents fail to recognize the commitment of CBI ethanol producers to actually use local raw materials or feedstocks whenever available and economically feasible. Substantial investments in new sugar cane lands, sugar, fermentation and distillation factories—and several thousand jobs—are in jeopardy.

I urge my colleagues to oppose any effort to strike or weaken the CBI ethanol provision from the trade bill by amendment or by a motion to recommit.

Mr. HAYES of Illinois. Mr. Chairman, I rise today in support of the passage of H.R. 4848, the revised omnibus trade bill. This bill is exactly identical to the trade bill, H.R. 3, which was vetoed (and overwhelmingly overridden by the House with my support) by the President, except for the fact that the new trade bill does not contain the provisions requiring 60-day notification of plant-closing or provisions regarding the export of Alaskan oil.

I am full in support of the passage of H.R. 4848. There are many important provisions in this bill, including import relief, Third World debt relief, export expansion and agricultural export enhancement. Also provided are very important provisions which effect our Nation's workers, including worker retraining and education programs, dislocated worker programs and my legislation addressing dropout prevention and reentry.

However, while I continue in my support for the need to pass into law this trade bill, I am particularly concerned that today we are not passing the strongest and most effective bill that we can. As a former union official, I am concerned that we have been forced to separate out the plant-closing provisions in order to make this legislation more palatable for the President. This concerns me. I have negotiated many notification plans for workers, some for as long as 6 months. The 60-day provision is not that outlandish of a request, particularly when we are talking about communities which will lose their economic base and workers who will lose their jobs.

Again, while I truly wish that the plant-closing provision was still apart of the bill, I am fully in support of the passage of the trade bill before us today and encourage my colleagues to also vote in support.

We know that the Reagan administration's trade performance has been abysmal. The current trade deficit runs at a level five times higher than the level when the President took office. Mr. Reagan's answer to our country's trade problems was to veto legislation that the Congress has diligently worked on for 3 years. It is truly an understatement to say that this trade bill is crucially needed, and it is certainly my hope that Mr. Reagan will, this time, listen closely to the Congress and sign into law this bill.

Mr. KILDEE. Mr. Chairman, I rise in support of H.R. 4848, the second omnibus trade bill. As we all know, this bill does not contain the 60-day notification of plant closings, nor the provisions on Alaskan oil imports, two sections of the original trade legislation that drew President Reagan's veto. I am hopeful that H.R. 4848, stripped of these two provisions, will be passed by the House and ultimately sent to the President for his signature. I would like to commend Representative DAN ROSTENKOWSKI and Senator LLOYD BENTSEN for their hard work and patience in guiding this important measure through the legislative process. I am pleased that this House has passed a plant closing bill—albeit separate from this bill.

Although I strongly support H.R. 4848, I have mixed feeling about the language relating to nations running large trade surpluses with the United States. I deeply regret that the bill that we are considering does not include the Gephardt amendment, which would have forced the President to take retaliatory action against these countries. Although the legislation does contain the so-called "super 301" provisions to respond to unfair foreign trade practices that were contained in the Senate bill, I would have preferred the stronger provisions contained in the House measure. Our trade partners must be put on notice that if they wish to have free access to our markets, we must have equally free access to theirs. H.R. 4848 makes this point, but the Gephardt amendment would have sent a much stronger message.

I would also like to support the new worker adjustment components of the trade bill. H.R. 3 expands title III of the Job Training Partnership Act, which targets services to dislocated workers. This section will include job search assistance, job development, training and retraining, as well as a State dislocated workers office authorized to respond quickly to plant closings and major layoffs in the State. I am especially pleased at the expansion of services to dislocated workers. Finally, I am gratified that the bill continues the Trade Adjustment Assistance Program and makes it more readily available to workers displaced by plant closings and layoffs. Only a strong, coordinated Federal, State, and local response to this problem can help put our people and our communities back on their feet.

As a conferee to the education section of the trade bill, I am pleased that the measure includes provisions that would create programs for secondary school basic skills, dropout prevention, math and science instruction and foreign language teaching improvement. In our increasingly competitive world, we need more than ever to educate our young citizens in an effective and productive manner. I am also pleased that the trade bill recognizes the important role that community colleges play in educating and training our Americans workers.

I urge my colleagues to support H.R. 4848.

Mr. LENT. Mr. Chairman, I rise in support of title X of the Omnibus Trade and Competitiveness Act of 1988. This title, known as the Foreign Shipping Practices Act of 1988, gives the Federal Maritime Commission [FMC] authority to investigate whether or not certain laws, activities, or practices of foreign governments or other entities involved in maritime services are responsible for unfair international trade practices in merchant shipping.

The key element in this legislation is that in order for the FMC to move against a foreign country or a foreign vessel operator, it has to establish that the laws or practices of that country adversely affect American vessel operators and, second, that the conditions that adversely affect American carriers do not similarly exist for the carriers of that foreign country in the United States under our laws.

If the FMC does find that laws or practices of a country cause unfair trading conditions and these two standards are met, then the Commission can take action against the foreign carrier who is causing the problems or whose government is responsible for the unfair trade practices.

Mr. Chairman, I want to applaud the chairman of our Merchant Marine and Fisheries

Committee, Hon. WALTER JONES, for the manner in which he has worked with all of the members of our committee in developing this maritime title.

Earlier this year there were several legislative alternatives being considered. Working together under Chairman JONES' leadership, we have prepared a bill that is properly drawn and tempered with reasonable standards and conditions. We have developed language that will help eliminate the kinds of unfair trade practices that have caused American companies so much trouble in international maritime trade. I am pleased to note that the tone of this legislation is very similar to a bill that I introduced last year in an effort to focus attention on the unfair trade practices facing our American merchant marine.

I also feel the administration will be able to accept this language since we have either toned down or eliminated most of the provisions that spokesmen for the administration had previously opposed.

Those of us from the Merchant Marine and Fisheries Committee who have been concerned that unfair trade practices were slowly but surely killing our international shipping companies believe that this legislation will give our American companies an even break so they can compete in the international trade.

Mr. Chairmen, I urge passage of this maritime title of the trade bill.

Mr. DE LA GARZA. Mr. Chairman, I am pleased to rise in strong support of this legislation, in particular, title IV—Agricultural Trade—on which the House and Senate Agriculture Committees worked so long and hard. This bill and in particular this title espouse trade objectives for the United States which indeed all the Members of this body should fully support. With regard to agricultural policy, certainly this body has no argument with our efforts to provde our agricultural commodities for export at competitive prices or to support the principle of free and fair trade in agricultural commodities or to seek the elimination of barriers to agricultural trade.

In formulating this legislation, the Agriculture Committees focused primarily on needed improvements in the foreign trade operations of the U.S. Department of Agriculture. No new programs are established but improvements are made to existing programs which over the last few years have been successful in increasing exports of agricultural commodities. Additionally, the committees recognize that the Congress has increasingly requested from the Department of Agriculture more and more trade information and services without providing additional assistance to the Department. We are attempting to correct that in this bill by authorizing an increase in personnel and operating funds for the Department's Foreign Agricultural Service.

As a reminder to my colleagues, I would like to spell out again the major provisions of title IV which are as follows:

SUMMARY OF MAJOR PROVISIONS OF TITLE IV—AGRICULTURAL TRADE

AGRICULTURAL TRADE POLICY

The Conference agreement will provide that it is the policy of the United States to provide agricultural commodities for export at competitive prices; to support the principle of free and fair trade in agricultural commodities; to support the negotiating objectives set forth in the Conference agreement; and to seek the elimination of barriers to agricultural trade.

LONG-TERM AGRICULTURAL TRADE STRATEGY REPORTS

The Conference agreement will require the Secretary of Agriculture to prepare annual long-term agricultural trade strategy reports establishing policy goals for United States agricultural trade and exports. The reports must set forth recommended levels of spending on international activities of the Department of Agriculture for 1, 5, and 10 year periods.

TRIGGERED MARKETING LOAN

The Conference agreement will require the President to submit a certification to Congress no later than 45 days after January 1, 1990, as to whether there has been significant progress toward achieving an agreement with respect to agricultural trade under the General Agreement on Tariffs and Trade (GATT). If the President cannot certify that there has been significant progress toward reaching an agreement, the President must instruct the Secretary of Agriculture to implement a marketing loan program for the 1990 crops of wheat, feed grains and soybeans unless the President determines that the implementation of a marketing loan would harm further negotiations. If the President so determines, an expanded Export Enhancement Program must be implemented unless the implementation of such a program would be a substantial impediment to achieving an agreement under the GATT. The President is authorized to stop the implementation of either of these programs at any time if they have their intended effect, namely, they spur the GATT negotiations and the President determines that continued implementation would harm further negotiations.

EXPORT ENHANCEMENT PROGRAM

The Conference agreement will extend the authorization for the export enhancement program (EEP) through 1990 and increase the ceiling on the value of commodities that can be used under that program from $1.5 billion to $2.5 billion. The Conference agreement also provides that in carrying out the program, the Secretary of Agriculture may consider for participation all interested United States exporters, processors, users, and foreign purchasers, and may give priority to sales to countries that have traditionally purchased United States agricultural commodities and products.

TARGETED EXPORT ASSISTANCE PROGRAM

The Conference agreement will authorize an increase in the level of funding for the Targeted Export Assistance Program (TEA) for 1988 from $110,000,000 to $215,000,000. This increase is subject to appropriations. The TEA program is also amended to provide discretionary authority to the Secretary of Agriculture to provide compensation for expenses incurred by trade associations in defending countervailing duty actions instituted after January 1, 1986, in foreign countries.

DAIRY EXPORT INCENTIVE PROGRAM

The Conference agreement will require that payment in commodities under the Dairy Export Incentive Program be made in the form of generic commodity certificates. Further, if the generic commodity certificates are exchanged for dairy products, the Secretary of Agriculture must ensure that the dairy products are sold for export and that the sales do not displace usual United States export sales of dairy products.

AGRICULTURAL TRADE WITH COUNTRIES WITH LARGE TRADE SURPLUSES

The Conference agreement will provide that if a country has a substantial positive trade balance with the United States, the Secretary of Agriculture, in consultation with the Secretary of State, may develop an appropriate plan under which that country may purchase United States agricultural commodities for use in development activities in developing countries.

FOREIGN AGRICULTURAL SERVICE

The Conference agreement will strengthen the Foreign Agricultural Service (FAS) of the Department of Agriculture by providing for an overall increase in authorized appropriations for fiscal years 1988 through 1990 of $20,000,000. The increase is to be used for general market development activities, including market development efforts in developing countries, and to increase in number and quality of international trade shows. The Conference agreement will also provide for a minimum level of FAS personnel of 900 and would call for the designation of senior FAS officers as Minister-Counsellors.

RECIPROCAL MEAT INSPECTION

The Conference agreement will provide that if the Secretary of Agriculture determines that a foreign country applies meat inspection standards that are not based on scientific standards, the Secretary must consult with the United States Trade Representative and they must make a recommendation to the President as to what action should be taken. The President may require that a meat article produced in the foreign country not be permitted entry into the United States unless it is determined that the meat article has met the standards applicable to meat articles in commerce within the United States.

TRADE WITH JAPAN

The Conference agreement will provide that it is the sense of Congress that the import barriers imposed by Japan on agricultural products, including rice, citrus, and beef should be removed. The provision draws an analogy between those import barriers and the barriers recently determined by a GATT panel to be inconsistent with the GATT.

TRADE WITH KOREA

The Conference agreement will provide that it is the sense of Congress that Korea should permit greater access to its markets by United States beef producers. Further, the United States Trade Representative should aggressively pursue negotiations to gain greater access to the Korean market for United States beef and should try to achieve a reduction in beef import tariffs imposed by Korea.

WOOD AND WOOD PRODUCTS

The Conference agreement will make wood and wood products fully eligible for use in Public Law 480 market development projects and in the short and intermediate term export credit guarantee programs. The substitute will also establish a cooperative national forest products marketing program that is designed to improve the competitiveness of the United States forest products industry.

MARKETING ORDERS

The Conference agreement will provide for an additional period during which marketing order requirements could be in effect if the Secretary of Agriculture determines it is necessary to prevent circumvention of a marketing order by imports. The necessity for such additional period must be reviewed, on request, every 3 years. The additional period can be no longer than 35 days and the Secretary must take certain issues into consideration when deciding whether to establish the additional period.

IMPORTED MEAT AND POULTRY PRODUCTS

The Conference agreement will require the Secretary of Agriculture, within 90 days after enactment of the Act, to submit a report to Congress specifying the planned distribution of resources of the Department of Agriculture for sampling imports of meat, poultry, and egg products to ensure compliance with the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act governing permitted levels of pesticide, drugs and other residues in such products. The report must also respond to a 1987 Inspector General audit report.

OTHER PROVISIONS

The Conference agreement also contains a provision concerning the export credit guarantee program. The Conference agreement also calls for studies to be conducted concerning egg imports, rose imports, the Canadian wheat import licensing scheme, the use of intermediate export credit, dairy imports, sugar imports, and honey imports.

Mr. Chairman, when this legislation was passed by the House earlier this year it contained two provisions which the administration found objectionable and on which the President focussed in vetoing H.R. 3. Those provisions have been removed from H.R. 4848, and I trust this action will result in support of this legislation by all my colleagues here in the House. Of course, there still are items in the bill that some will not agree with, while there are others which many of us strongly support. But everything being considered, this is as balanced a piece of legislation as we could get considering the intricacies and comprehensive scope of the subject bill.

I would like to commend Chairman ROSTENKOWSKI and the members of the Ways of Means Committee who have led the way in this endeavor, and all the other committees and members, including the Committee on Agriculture, for their contribution to this legislation.

I also commend all the Members of the Senate for their work and cooperation in this regard and offer a very special word of appreciation and commendation to the senior Senator from Texas, the distinguished chairman of the Senate Finance Committee, the Honorable LLOYD M. BENTSEN. His diligent work and exemplary leadership has led us to this point. Hopefully, passage of this legislation with the benefits it will provide to all Americans in years to come will be a tribute to his dedication in making America a better country and placing this country's industry and commerce in a fair and equitable position in world trade.

Mr. YOUNG of Alaska. Mr. Chairman, I rise in support of section 4603 of title X, the Maritime title. That section reestablishes the authority of the Department of Commerce to provide assistance to mobile trade fair projects. This section is very similar to H.R. 2192, a bill I introduced last year for the purpose of promoting mobile trade fairs. I am most pleased to see my efforts finally bear fruit.

The managers intend that by simply eliminating the specific authorization language, including the sunset provision, that the Department of Commerce will retain authority, within current budgetary constraints, to support mobile trade fairs as an additional tool to encourage and promote U.S. exports. The managers intend that this program include support for the operation of an exhibition ship that is acting as an at-sea international management export company representing the manufacturers of American-made products. The authority is left with the Department of Commerce as the appropriate agency to oversee trade promotion activities within the Government, however, the managers recognize that as U.S.-flag carriers are the only recipients of support under this provision that DOT will have to lend its support.

I urge all the agencies involved to cooperate and to assure that our Nation becomes a true innovator in this important project.

Mr. DAVIS of Michigan. Mr. Chairman, I rise in support of the comments made by my distinguished colleague from North Carolina and chairman of the Merchant Marine and Fisheries Committee, the Honorable WALTER JONES. Title X of H.R. 4848, known as the Foreign Shipping Practices Act of 1988, gives the Federal Maritime Commission authority to investigate allegations of unfair trade practices by foreign governments or other persons subject to the jurisdiction of the FMC.

Title X of this bill is identical to title X of H.R. 3 which represented an acceptable compromise between H.R. 1290, the original House text of which I was a cosponsor, and the original Senate-passed text.

The final conference report differs from the House-passed text in several respects. Protections for U.S.-flag bulk operators have been eliminated, provisions mandating investigations where at least 25 percent of a class of goods were carried by a foreign carrier between the United States and that foreign country were eliminated, and finally the conference standard for imposing sanctions centers on a "reciprocity" test versus the House-passed "unreasonable impairment of access" test. These changes appear to have eliminated, in large part, administration objections to passage of a maritime title.

While I remain concerned that the removal of certain provisions weakens the bill to some degree, I am convinced that the Commission will have sufficient authority to take action against foreign entities which establish barriers which adversely affect our U.S.-flag carriers.

I am particularly encouraged by the inclusion of authority to investigate allegations relating to unfair intermodal transportation practices of our trading partners. Mr. Chairman, this authority granted to the Commission has been carefully drafted and I trust the Commission will adhere strictly to the requirements and enforcement provisions set forth in the text of this bill.

I am, indeed, hopeful that this bill will go a long way to ensuring that our liner operators receive the same equal opportunity to compete as foreign carriers now and have been guaranteed under our regulatory regime.

Mr. FRENZEL. Mr. Chairman, although the bill upon which we are voting today is detailed and addresses many areas of concern in the trade policy area, I hope that with its passage we do not assume we can retire from the trade area, thinking we have resolved many of the difficulties. Problems affecting international trade remain.

For example, the United States has agreed in all of its income tax treaties with other countries not to use that method of corporate tax assessment known as worldwide unitary taxation. However, a few States persist in its usage, doubly taxing U.S. corporations and discriminating between certain U.S. corporations and their foreign counterparts, to the detriment of the U.S. companies.

In addition to the double taxation of the income of affiliates of U.S. corporations, the use of worldwide unitary taxation is a disincentive to investment in the United States, and has been a serious disruption to this country's foreign policy. As Secretary of State Shultz explained to the Governor of California in his letter of January 30, 1986:

> This risk of double taxation may distort investment decisions, thereby reducing the overall flow of investment into the United States. * * * Continued state taxation on a worldwide unitary basis will greatly impair the ability of the Federal Government to carry out its tax and investment policy in the international arena and to manage the sensitive issue of international double taxation. This worldwide unitary issue has seriously complicated our economic relations with many of our closest allies.

Previously, on November 8, 1985, President Reagan expressed support for legislation which would:

> 1. Effect a requirement that multinationals be taxed by states only on income derived from the territory of the United States ('the water's edge requirement') and;
> 2. Address the question of equitable taxation of foreign source dividends.

Legislation is pending before this Congress, H.R. 2940 in the House of Representatives and S. 1843 in the Senate, which would accomplish those goals. Though there was not an opportunity to consider this legislation during our deliberations on the trade bill, I certainly hope that we will soon take the time to address this longstanding problem and seek the much needed solution.

Mr. GRADISON. Mr. Chairman, I believe that trade legislation is timely and important. Current laws need to be toughened. The President needs a clearer and stronger authority to lead the United States successfully through a new round of multilateral trade negotiations. This trade bill, however, will not accomplish these goals.

In fact, it does just the opposite. This bill would erode the President's authority on trade issues. This bill provides the U.S. Trade Representative [USTR] with too much independent power. The USTR, not the President, will have final authority to determine if a U.S. industry is hurt by foreign trade laws and how the United States should retaliate.

This bill tips the balance between protectionism and free trade in favor of protectionism. It favors protectionism in the administrative process, and will increase the likelihood of retaliatory actions by other nations which can only harm U.S. workers and U.S. exporters.

This legislation establishes new, looser criteria to be used in determining if an industry is injured by imports, including the loss of market share regardless of the cause. Then, if protection is granted, the President is prohibited from modifying the action for 2 years even if there is an improvement in domestic market share or if a trade war erupts. In other words, the President, who is responsible for the national interest, is unable to act in the national interest.

This bill is strikingly incongruous when juxtaposed with recent developments. American exports are surging now at an all time high level. They contributed almost half of the GNP growth America experienced last quarter. The trade deficit has dramatically declined. Unemployment is down to 5.3 percent, the lowest rate since the early 1970's. More people are working now than ever before.

In addition, the international community is moving toward greater trade liberalization. The United States is in the process of concluding a free trade agreement with Canada and a beef and citrus accord with Japan. The European Economic Community is moving toward removal of all internal barriers to trade by 1992. Last month, Australia and New Zealand enacted a free trade agreement. At a time when the rest of the world is liberalizing trade, we should not now be enacting legislation that will strengthen protectionism.

Without question, our large and persistent trade deficit is a serious problem. Experts agree that trade legislation can have only a small effect on the balance of payments. We all know that major reductions in the Federal budget deficit is the only way to achieve major reductions in our trade deficits. Trade legislation such as we have before us is but a testimony to our unwillingness to address the real problem.

Mr. FIELDS. Mr. Chairman, I am speaking in support of H.R. 4848 and urge its approval. This is a good, comprehensive trade bill that offers the United States the chance to regain the footing it lost in the world economy over the last several years. And since the whole is only as good as the sum of its parts, I would like to discuss one part of this trade bill that I feel is particularly good. Section 1941, repeal of the windfall profit tax.

This tax has a most peculiar history, but one that is in keeping with the conventional Democratic mentality. This mentality says that if it moves, regulate it, and if it profits, tax it. In the Carter years, the Democrats did exactly that to the oil industry, first regulating it with the price controls, then taxing it with the windfall profit tax.

President Carter pushed hard for the tax in 1980. With the decontrol of domestic oil prices, he felt the oil industry would stand to benefit from enormous "windfalls" and "profits" because oil prices were so high at the time and were expected to go higher. Of course, I have to point out here that the name "windfall profits tax" is really a misnomer since the tax has absolutely nothing to do with actual profits.

As we all know, though, the price of oil fell through the floor. The convoluted structure of this tax says that when the price of a barrel of oil falls below a certain point, the tax is removed. We have been below that point for quite some time. Consequently, the windfall profit tax is a misnomer because there are no "windfall profits" to tax, which means no revenue can be collected.

Yet the tax is still a financial burden because of compliance costs and senseless paperwork associated with the tax. Some have estimated that compliance costs alone are $100 million per year. In addition, according to the U.S. Treasury, the Federal Government spends about $15 million per year in administering the tax and processing paperwork. This means that the United States spends $115 million per year taxing "windfall profits" that do not even exist! This is comparable to an inverse Houdini, wherein the United States has miraculously gotten itself inside of a sealed trunk without even undoing the locks.

In addition to the costs still associated with the tax, there are two other real consequences. First, this tax effectively reduces the competitiveness of the U.S. oil industry relative to the rest of the world, thus contributing to the trade deficit. Specifically, while our oil industry remains mired under this tax, our economic competitors have adjusted for the fall in oil prices. In 1986, Canada repealed its version of the windfall profit tax, the petroleum gas revenue tax. The United Kingdom did likewise. The United States, however, has decided to forgo the benefits such investment would bring, much to the delight of our economic competitors since we unwittingly choose to import their oil.

Second, and more importantly, this tax only facilitates the decline in U.S. oil production and ultimately compromises our energy security. It does not take a Ph.D. in economics to realize this fact. If I am an oil producer considering investing in either a new or old oil reserve, this tax will affect my decision because, even if the world price of oil does increase, my rate of return will still not be enough to offset the risk of investing in the first place. So, I pack up my equipment and go abroad. Meanwhile, the United States has fewer and fewer oil producers and less and less oil reserves. The Department of Energy estimates that repeal of the windfall profit tax could recover up to 75,000 barrels of oil per day. That's good for the trade deficit and for our economic security.

Why should we choose to compromise our economic security with an obsolete tax such as this? Why should the oil industry be suffocated with this useless excise tax when it already contributes a great deal to the coffers? There is an old adage that says, "The art of taxation consists in so plucking the goose as to obtain the largest amount of feathers with the least amount of hissing."

Well, in this case, the goose is not just hissing—it's squawking, and rightfully so! This excise tax, conceived by the Democrats, has plucked the feathers from an industry that is extremely vital to our economic security. If this tax ever had a purpose, which I seriously doubt, then it has been served. By approving the trade bill in its current form, we can, among other things, repeal this tax and head in the direction of recovering the economic security we relinquished because of the tax.

Mr. McDADE. Mr. Chairman, today I rise in support of H.R. 4848 and particularly in support of title VIII, the Small Business International Trade and Competitiveness Act. At this time, I would like to confine my remarks to the small business title, our title is the product of extensive hearings, arduous examination and debate of the issues and diligent effort to achieve a consensus measure. I would like to commend the gentleman from New York, Chairman JOHN LAFALCE, subcommittee chairman, IKE SKELTON, subcommittee ranking minority member, ANDY IRELAND, members of the subcommittee and full committee and their outstanding staffs for their fine efforts which are now reflected in this title.

The inclusion of a small business trade title in such a monumental and comprehensive measure as the one before us today is without precedent in the history of this body. Indeed, this marks a legislative milestone and achievement in the history of the Committee on Small Business, and the members of our committee should feel a sense of pride and accomplishment because of this. As the ranking minority member, I am proud of the work our committee has done the opportunity we have been given, Yet, if we look beyond our pride of accomplishment and the celebration of the moment, we seek this achievement not as our own but for what it truly is and whom it truly belongs. Through our title, this body has given further recognition to the growing importance of the most vital sector of America's economy today: small business. Our title also defines a new role for small business: participation in international trade in the context of a changing global economy. America and small business are marching together toward a bright new future full of the promise of greater rewards of prosperity, economic growth and personal development through challenge and competition. I have said it before, but it bears repeating now: Small business is America's partner in growth.

Expert testimony given before our committee revealed that an estimated 40,000 small concerns nationwide are now capable of engaging in overseas trade and possess the potential for becoming major exporters of U.S. goods and services. That is an important number and not because it represents such a small fraction of the total number of small businesses nationwide. It is significant because it points to a world of possibilities—and opportunities—that exist for small businesses and can be nurtured with the proper care and feeding. And that is what we have attempted to do in our title: To awaken small firms to their potential as exporters and to provide the means necessary to assist and prepare them to enter the world of international trade.

I would urge my colleagues to support the small business title and the bill that contains it.

Mr. BIAGGI. Mr. Chairman, as our President likes to say, "There you go again!" It must seem to the President that the House of Representatives is stuck in a hopeless cycle. Well, we may have to do the same thing over and over again; but, Mr. President, it is not hopeless. We are going to pass legislation that will effectively deal with the trade problem despite the administration's opposition. Several months ago we passed an excellent trade bill. The legislation we are now considering is obviously inferior. It is indeed sad that the ban on export of Alaskan oil and the plant-closing provision had to be eliminated to gain the administration's backing. The two provisions the President specifically singled out as most unacceptable were among the most attractive provisions in the bill. We have dropped those provisions to gain the administration's support. By doing so we are sacrificing our energy security and delaying enactment of an important protection for American workers.

While it is unfortunate the President chose to veto our earlier effort, it is clear that the bill currently before the House will do much to eliminate unfair trade practices that harm our economy.

We are in a unique era of unfair trade. Unlike past periods when dominant trading nations unfairly imposed their wills on their trading partners, the 1980's have seen the world's foremost trading nation relinquish its economic power. Our Nation, in particular, has sacrificed fair trade at the altar of diplomacy.

H.R. 4848 is an effort to change this and assure that the Federal Government vigorously protects U.S. trading and economic interests.

However, during most of the debate over trade matters, there has been very little discussion of how American exports and imports travel; that is, about ocean shipping. Though many Americans know that the vast majority of our imports and exports are transported over water, few appreciate that—as a result of unfair trade practices—foreign operators are carrying most of those goods.

U.S.-flag operators currently carry a negligible portion of our trade. All told, less than 5 percent of our ocean-borne trade is transported on U.S. vessels. Our merchant fleet now consists of 460 privately owned ships, and only 376 are in active service. The Commission on Merchant Marine and Defense has presented to the President a series of reports graphically outlining the sad state of our maritime industry. Among the Commission's most frightening conclusions are that the shipyard base cannot meet our defense needs and that we have neither the ships nor the trained seafarers to support even a limited conventional war.

The general public doesn't worry too much about how their Japanese cars get here or what flag the vessels in port are flying. Unlike the steel, automobile, and textile industries, Americans are too far removed from shipping services to recognize that this important industry is disappearing. There doesn't seem to be widespread understanding that our merchant marine is indispensable to peacetime commerce and national defense.

Those of us who are troubled about the declining U.S. presence on the oceans of the world welcome this opportunity to address some of the major problems that keep American ship operators out of foreign markets. During numerous days of hearings, the Merchant Marine Subcommittee heard about literally hundreds of devices that place our U.S.-flag operators at a competitive disadvantage vis-a-vis their foreign competition. Other nations are not hesitant to use every tool imaginable to help their shipbuilders and operators. The maritime trade provisions in this bill provide that, when these unfair devices are used to help our competition, the Federal Maritime Commission shall investigate the situation and take appropriate action. This title will put some teeth in our laws—it will provide an administrative means to eliminate foreign practices that block U.S. ships from gaining access to foreign cargoes.

Through this legislation, we have the opportunity to tell the world community that we will insist on fair treatment for ships flying the American flag. H.R. 4848, standing alone, will not solve the problems of the American merchant marine any more than it will solve all our trade problems, but it is an important start that will assure our citizens of a fair opportunity to compete in international trade. I urge my colleagues to join me in supporting this important legislation.

Mr. GAYDOS. Mr. Chairman, I rise in strong support of H.R. 4848, the Omnibus Trade and Competitiveness Act of 1988.

In 1986, faced with a record-setting trade deficit of $156 billion, we first began the debate on the bill which has evolved into H.R. 4848. We passed that original bill, H.R. 4800, by more than a two-thirds margin, but it was not taken up in the Senate.

In 1987, our trade deficit topped out at even higher $171.2 billion. In response, we passed H.R. 3 by a wide margin. That bill has probably involved more Members and committees of the House and Senate than any other bill in history. It was overwhelmingly passed in the Senate, but squashed by the President with a veto.

Today, we have another chance to pass the most comprehensive trade bill in almost 15 years, and it's about time. If Congress and the President fail to enact this bill into law, we surely will be beaten in the world trade war.

For years, our trading partners have been carving up larger and larger slices of the American market, and we have supplied them with the knife.

The time has come for us to look more closely at just how they are miraculously able to offer American consumers the low prices which we all demand.

By dumping imports in our market at less than fair market value; by offering Government subsidies for product development, manufacture, and shipment; by using child labor, and by severely limiting American exports of goods and services, our so-called trading partners have acquired significant shares of the American market, while limiting our access to theirs.

H.R. 4848 provides us with new ammunition. The bill strengthens our ability to retaliate against unfairly traded foreign imports; it provides almost $1 billion for worker training; it improves our schools and libraries; it makes it easier for American companies to export their products; and it extends the President's authority to negotiate trade agreements.

These and the bill's other provisions will undoubtedly help us chip away at our overwhelming trade deficit, but the list of the bill's provisions is slimmer than it was when we started out.

The Bryant amendment requiring the collection of information about the foreign governments and businesses which have bought $1.5 trillion of our national debt, stocks, bonds, and real estate was dropped.

The Gephardt amendment requiring the President to retaliate against unfair foreign trade practices was dropped.

The plant-closings provision to give workers 60 days of notice before they lost their jobs was dropped.

All of these provisions are vitally important, but in the process of wooing the President and the business community, they were dropped.

The new version of the bill is supported by the National Association of Manufacturers, the chamber of commerce, the Emergency Council on American Trade, and a host of other business groups. They were all opposed to the provisions which were deleted, but they all want to reduce the trade deficit—so they all support the new bill.

Although important and controversial sections were unfortunately stripped from the omnibus trade bill, the present package stands on its own merit. I'm convinced that it will help increase our trading competitiveness and turn around our trade deficit. For more than 2 years, we have all worked long and hard hammering out the details of this bill, I urge every Member of the House to vote for its passage.

Mr. FAZIO. Mr. Chairman, I rise today in support of the Omnibus Trade and Competitiveness Act of 1988 (H.R. 4848).

America is facing a trade crisis. The U.S. merchandise trade account has shown a record deficit for the past 5 years. Imports have doubled since 1980. The 1987 trade deficit of $171.2 billion was the largest annual imbalance ever.

Our lack of a clear and concise policy has resulted in a reversal of our position in the world. The United States is now the world's largest debtor nation. Instead of supplying capital to the rest of the world, we are borrowing savings from other nations at an unprecedented rate. This dependence on foreign borrowing could leave the U.S. economy subject to the whims of foreign investors.

It is time to put our fiscal house in order. The Nation needs H.R. 4848, which reflects a comprehensive and fair trade policy. This bill reforms U.S. trade laws, provides new remedies against countries which pursue unfair trade policies, removes unreasonable restrictions on U.S. high-technology exports, and provides for the retraining of American workers who suffer trade-related unemployment.

H.R. 4848 requires the President to retaliate against violations of trade agreements and other unjustifiable trade practices. It also seeks to expand the definition of unfair trade practices to include export targeting—defined as concerted government plans to increase the export competitiveness of certain industries—denial of worker rights and foreign cartels.

The bill strengthens and expands the Trade Adjustment Assistance [TAA] Program and increases its emphasis on training. The bill makes training an entitlement; any worker who meets specified criteria would be entitled to repayment for qualified training program costs. In addition, the measure expands the TAA Program to oil and gas workers and to all secondary workers—those employed in providing goods and services to the industries directly affected by imports. H.R. 4848 authorizes $980 million a year for the next 2 years for a new Worker Readjustment Program to provide comprehensive assistance to dislocated workers—workers who have lost their jobs to plant shutdowns or layoffs.

The bill requires the Treasury Department to enter into discussions with other countries on establishing a special debt management facility to serve as an intermediary between private banks and indebted Third World governments.

These are just a few of the many important provisions in the trade bill. H.R. 4848 represents a comprehensive, broad-based solution to our vast and complicated trade and competitiveness problems. I urge my colleagues to support the Omnibus Trade and Competitiveness Act of 1988.

Mr. WEBER. Mr. Chairman, I strongly support the motion to recommit the trade bill, H.R. 4848, in order to strike the Caribbean ethanol provision. Whatever one thinks about the overall merits of the trade bill, this extraneous provision is misplaced and should be removed.

This loophole undermines the purpose of the Caribbean Basin Initiative, which gives Caribbean countries easier access to U.S. markets to help the Caribbean economy. And it is a blow to our domestic ethanol industry by allowing subsidized alcohol to enter our country duty free.

The language now in the bill will have the effect of allowing a few distillation facilities operating in the Caribbean to expand their practice of laundering subsidized wine from Europe into the United States duty free. The Europeans are dumping their wine surplus into the Caribbean, where the water is extracted and the wine transformed into ethanol. The extraction process is very simple and adds little to the Caribbean economy.

These distillation facilities are currently importing about 45 million gallons of ethanol into our country this year and have the potential to increase this amount to 250 million if this loophole stays in the trade bill. The damage to our domestic ethanol industry and our farmers will be substantial. In my State of Minnesota, for example, domestic ethanol costs about 98 cents a gallon to produce. This subsidized wine alcohol is estimated to cost no more than 70 cents in the Minnesota market.

I do not have a problem with legitimate Caribbean producers who make alcohol with indigenous feedstock, but I do object to people who just pass alcohol through the Caribbean to take advantage of our special trading arrangement with the region. It is patently unfair to penalize the American farmer in order to provide a convenient and lucrative dumping ground for a surplus European commodity. The ethanol language should be removed from the trade bill.

Mr. MARTINEZ. Mr. Chairman, I rise in support of H.R. 4848, the equitable trade bill or fair trade bill. The need for this bill is apparent to most. We have moved from the status of creditor nation to debtor nation. We have abused some and bent over backwards for others. We need to move from free trade to fair trade. We need to be concerned with the economic stability of our country and our citizens. For too long we have imported products and exported jobs. I am not so naive as to believe that passing a fair trade bill will solve all our economic problems but it is a start to salvaging our basic industries while building toward the ability to compete in the high technology world of tomorrow. The present law does not provide sufficient protection against the unfair trade practices of some of our trading partners. The bill before us would require the President to act expediently against those practices. The American people want it, expect it, and deserve it. It is up to us to stand and deliver it. I urge my colleagues to support the fair trade bill.

Mr. KOLBE. Mr. Chairman, it is with reluctance that I rise to oppose H.R. 4848, the omnibus trade bill. As a trade-expansionist, I had hoped to vote on a bill that would truly improve the competitiveness of U.S. industry. H.R. 4848 professes to do this, but when measured against reality, it fails and fails badly.

Instead of expanding foreign markets, H.R. 4848 will close them. Instead of lowering the price of U.S. exports, H.R. 4848 will make them more expensive for foreigners to buy. Instead of strengthening our negotiating posture, H.R. 4848 weakens it. H.R. 4848 serves not the national interest, but special interests, and I cannot in good conscience support it.

As I said when the conference report was previously considered by this body, H.R. 4848 more closely resembles an end-of-the-year continuing resolution, a "CR", than it does a coherent expression of trade policy. After all, what is a CR? It is a massive amalgam of special-interest favors, most of them unknown and undisciplined, quietly secured by the congressional leadership and tucked beneath a veneer of some admittedly worthy programs.

H.R. 4848 fits the same description. The sheer length of H.R. 4848—more than 1,000 pages—and its general lack of even an appearance of major policy initiatives testifies to the nature of the deed. This is not government at its best. This is "government by CR" all over again.

The architects of H.R. 4848 insist there really is meat in this bill. We're left wondering what kind. Is it steak? Certainly not. Hamburger? Not even that.

Typical of the supposedly tough provisions in H.R. 4848 are modifications to section 301 of the 1974 Trade Act. As it stands now, section 301, which is invoked to retaliate against closed foreign markets, is aimed at specific sectors of the economy. It's flexible, allowing our trade representatives to target their efforts at a specific trade-related dispute. It enables our negotiators to isolate foreign trade barriers and, if all else fails, to carefully orchestrate countervailing measures to pry those barriers open.

Instead of making it easier for our trade representatives to negotiate, the "Super 301" provision in H.R. 4848 makes it harder. The trade bill destroys much of the flexibility in section 301 by challenging a country's entire trading practices instead of focusing on specific industries. Instead of letting our negotiators devise a trade-opening strategy in a specific sector, super 301 forces them to wage a full-scale retaliation against an entire country. This is the Gephardt amendment all over again. Now, as then, it is not only unwise and totally unnecessary, but it needlessly invites a trade war.

Corrective surgery is performed with a scalpel, not a butcher knife. Super 301 apparently extends the doctrine of mutually assured destruction to trade policy, with us launching the first salvo in response to even the most isolated regional conflict.

Section 301 also dilutes out bargaining power by shifting authority for action from the President to the U.S. Trade Representative. Presumably, it would be easier for Congress to browbeat him with our parochial concerns than it would be the President.

There's an old saying that there are two things you don't want to see made: sausage and laws. Maybe that explains the true meat in H.R. 4848. Like sausage, H.R. 4848 comes in carefully packaged and tightly wrapped. Slickest of all is the title—the Trade and Competitiveness Act—and the page after page of sense-of-the-Congress exhortations saying that trade should be expanded, markets should be opened, and so forth. The kindest thing that can be said about any of this is it is false advertising. At least sausage tastes good.

Even most of the sweetners in this bill have little to do with trade. Repeal of the windfall profit tax on oil is an example of this.

Like many Members from the Southwest, I am keenly aware of the damage this tax has wrought on any industry reeling from oversupply. Having some knowledge of therir suffering, I cannot believe the callousness and irresponsibility of isolating windfall profits tax repeal—which is, let me stress again, clearly a nontrade issue—and welding it to H.R. 4848 in order to ensure the passage of an otherwise unpalatable package. Make no mistake: Congress is engaging in political gamesmanship at the public's expense. The ransom is not worth the price.

One of the few sound trade-related elements of this alleged trade bill is that it enacts the so-called harmonized code, unifying much of the world's trading systems. According to H.R. 4848 supporters, we are supposed to rejoice that the harmonized code is finally going to become law after months of delay. I strongly support the harmonized code. But the fact that it has been held hostage to the passage of H.R. 4848 is outrageous. Congress should have adopted the harmonized code prior to January 1, along with the rest of the industrialized world. I cosponsored legislation, offered by the distinguished chairman of the Trade Subcommittee, Mr. GIBBONS, that would have implemented the harmonized code on time. Incredibly, H.R. 4848 prevented that bill from being considered when it should have been.

For these reasons and many others, I urge my colleagues to defeat H.R. 4848. This bill should be opposed not just on principle, but on substance. The American people don't need a trade placebo. They need trade expansion, this year and every year hence.

Mr. VISCLOSKY. Mr. Chairman, as a supporter of H.R. 4848, I am pleased that we are again discussing the state of American competitiveness. Frankly, however, I am disappointed that we have not been able to move beyond this modest legislation. I am also frustrated that we have not yet agreed that the

U.S. Congress should act decisively to assure a fair world market place for American products.

While some have talked of a "Morning in America," many of my constituents have been left in the dark. In the last 5 years, the steel industry has suffered financial losses of $12 billion and lost 56 percent of its labor force. As the largest steel producing region in the Nation, the communities of northwest Indiana have been especially hard hit. Many people in Gary, Hammond, and East Chicago, IN, believe—with considerable justification—that it is late afternoon in America and we had better take decisive action before the sun goes down.

H.R. 4848, the trade bill which we consider today, would establish fairer trading opportunities for numerous American industries, including steel. The steel provisions in the bill include a measure to eliminate a loophole in the Voluntary Restraint Agreement [VRA] Program, and a measure to curb the diversionary dumping of foreign steel on American shores.

I am pleased that this legislation takes major steps in recognizing our dislocated workers as a tremendous national asset, not a national burden.

Finally, I would like to add a brief footnote regarding H.R. 2527, the plant closing notification bill. From a historical context, I find it interesting to reflect upon the President's determination to deny American workers some knowledge of their own destiny. The same forces which would deny workers the 60-day notification sought to keep young children toiling in sweatshops. We have progressed beyond those times, but we still have a considerable distance to go.

I urge my colleagues to cast a vote for the continued march toward economic justice and competitiveness. Please support H.R. 4848, the trade bill and H.R. 2527, the plant closing notification bill.

Mr. RAHALL. Mr. Chairman, I rise in strong support for H.R. 4848, the Omnibus Trade Act, which, minus the plant closing notification provision and certain restrictions on Alaskan oil exports, is identical to the trade bill approved by the Congress earlier this year and vetoed by President Reagan. It is imperative that this important legislation be enacted into law this year so that we can begin to get this country's massive trade deficit under control. I believe that the steps mandated in the bill to strengthen laws that protect against unfair foreign trade practices and that press the executive branch to take action against these unfair practices will vastly improve current law and go a long way toward reducing the trade deficit. While recognizing the myriad important provisions contained in this legislation, I would like to focus today on a few that I know are of special importance to my home State of West Virginia.

H.R. 4848 strengthens and expands the Trade Adjustment Assistance Program which has been of such critical assistance to the unemployed in West Virginia. Significantly, it extends program eligibility to secondary workers or firms that supply essential goods and services to firms directly affected by imports. In other words, those coal miners who worked for mines not owned by a steel plant shut down by imports, but which supplied that plant with coal, would now be eligible for benefits. Current law allows only those workers directly employed by an affected company to receive TAA benefits. This provision would become effective only if an import fee is put in place for financing. The bill requires the President to negotiate with our trading partners for agreement on the imposition of a small uniform fee on all U.S. imports which would be used for a trust fund to support the program.

Additionally, the bill makes the training portion of the TAA Program an entitlement: any worker who meets specified criteria would be entitled to payment of training program costs. The total annual cap on payments for training costs would be $80 million.

H.R. 4848 authorizes $980 million for fiscal year 1989 for a new worker readjustment program that would provide comprehensive services to dislocated workers who have lost their jobs due to plant closings, layoffs or other major disruptions. This new program would replace the existing dislocated worker program under title III of the Job Training Partnership Act. The program would be run principally at the State level, with States receiving 80 percent of the funds allocated on the basis of the current title III formula—one-third on the basis of unemployment, one-third on the basis of unemployment in excess of 4.5 percent, and one-third on the basis of long-term unemployment. Under the bill, each State must designate a State office that would respond rapidly to permanent plant closings and substantial layoffs throughout the State. These offices would be expected to contact employees and unions within a short time of a closure or layoff.

To close, Mr. Chairman, I urge my colleagues to support this legislation as a much needed revision of our Nation's antiquated and ineffective trade law. One only has to look at the huge trade deficit statistics, which indicate that the deficit is now over five times the level that existed in 1981, to realize how desperately we need this legislation.

Mr. LAFALCE. Mr. Chairman, years of work on omnibus trade legislation are now nearing a successful conclusion. The Senate has already passed the plant closing legislation. Earlier today the House passed that legislation by an overwhelming margin and we are about to do the same with the revised omnibus trade bill, H.R. 4848. Soon I would expect that the Senate will take final action on the trade bill, and the President will sign it into law.

The process of crafting a sound bipartisan trade bill has been a difficult one, and the administration's resistance to important policy initiatives has made it all the more so. It was 3 years ago that the House began seriously working on trade legislation. But at that time the administration was not interested in trade legislation, despite our rapidly rising trade deficit, mounting debt, and the declining competitiveness of U.S. industries, high tech as well as smokestack.

While the administration remained indifferent, our competitive position continued to deteriorate and plants continued to close across this country. Over a year ago, the House again passed an omnibus trade bill, substantially similar in its basic thrust to the one we have before us today. A Senate bill with some important differences passed shortly thereafter, and House and Senate conferees then spent months trying to craft a bipartisan proposal that would generate broad support.

The conference committee did its work well, and the Congress made numerous concessions in an effort to garner administration approval. Nevertheless, after the conference report passed the House and Senate earlier this year by wide margins with broad bipartisan support, the President vetoed the bill.

While the President attempted to justify his decision by citing an array of "troublesome" provisions—including initiatives of my own that would require the administration to consider innovative solutions to the Third World debt crisis and create a competitiveness council in an effort to develop badly-needed industrial competitiveness strategies—there was clearly only one reason for the President's decision: the provision requiring 60-day notification of plant closings.

In my view, that provision provides only a minimum standard of decency for American workers. There was and is no justification for the administration's opposition.

While the House was able to override the President's veto by an overwhelming margin, the Senate failed to do the same, leaving us with neither plant closing legislation nor a trade bill. After years of effort and in the face of continuing competitive problems, we could not afford to lose the opportunity to pass vital trade legislation. As a result, the trade legislation we have before us today does not include the plant closing provision. But plant closing legislation will nevertheless remain a vital part of this country's trade initiative. If the administration again vetoes it, I believe both House and Senate will override.

I would like to think that will not be necessary. The administration has at long last admitted the need for trade legislation. I can only hope that the President will now reconsider his position on plant closing legislation. The issue is one of fundamental fairness—it will not and should not go away.

Even assuming passage of the trade bill and plant closing legislation, our job is not finished. These initiatives, however important, are only first steps. While we have seen some improvement in our trade figures in recent months the broader and truer measure of our competitive position—the current account deficit—continues to rise. Moreover, sustained deficits at current levels remain intolerable and reflect the continuing deterioration of American industry.

We remain heavily import dependent, as we are increasingly unable to produce or develop the sophisticated products and processes needed to fuel our own growth. There has long been an anomaly in the statistics that measure the health of our manufacturing sector. According to our Commerce Department, as the trade deficit has widened and imports have surged, industrial production has somehow maintained its historic share of total U.S. output. But new evidence suggests that the real manufacturing share in GNP is in fact declining and the Government's methodology has consistently overstated the stability of manufacturing output.

The deindustrialization of America is no myth. There is overwhelming evidence that one domestic industry after another is losing markets here at home and not making it up abroad. Key industries are disappearing. Having made some progress, we cannot now retreat to a cocoon mentality that denies the fundamental structural problems we continue to face.

An honest look beyond our trade figures shows that the cloud over our competitive future remains. We will continue to need more imaginative trade and sectoral policies. The trade bill is a critical first step, but we must not stop here.

Mr. GARCIA. Mr. Chairman, I rise in support of H.R. 4848, the omnibus trade bill, passed by Congress and vetoed by the President last month. I voted in favor of the bill then and I vote in favor of the bill today. It is virtually the same bill passed originally in April by the House and voted to override the veto in May, with the exception of the plant closing provisions passed this very day. This bill is very important and makes a comprehensive restructuring of our trade policy.

The bill affects almost every aspect of the current trade laws, including authorizing the President to enforce U.S. rights against foreign violations of trade agreements and to attempt to eliminate unfair trade practices of foreign governments. The bill also authorizes the President to provide assistance and relief to industries suffering from unfair foreign competition.

This legislation is good for U.S. competition and is good for American workers. It provides assistance to workers affected by unfair trade policies. The bill expands the Trade Adjustment Act [TAA] programs to assist in the special adjustment problems for workers who supply essential goods and services to firms directly affected by increased import competition. The TAA Program was originally established to assist workers and firms directly affected by foreign competition.

The bill also authorizes approximately $735 million for 14 different programs for worker education and training to increase American competition. This includes $30 million for worksite literacy programs, $25 million for English family literacy grants and $20 million for foreign language assistance. It also provides $250 million for secondary school programs and $110 million for higher education programs.

It also expands the role of the National Institute of Standards and Technology to work with small- and medium-sized companies in developing and utilizing advanced technology and directs the Department of Commerce to advance the research and development of advanced semiconductor manufacturing technology.

Mr. Chairman, this is a very important measure because it makes this country more competitive in the international arena. It is good for every community in this country, every worker in this country. I urge my colleagues to vote in favor of this bill. It is high time to enact this bill into law to give our businesses and workers the advantage they need to stay competitive in the international arena.

Miss SCHNEIDER. Mr. Chairman, I rise in support of H.R. 4848, a bill to enhance the competitiveness of American industry. The competitiveness of American industry is an important concern for both the United States and Rhode Island. Between 1980 and 1985, the U.S. trade deficit grew from $36 billion to $149 billion. For every $1 billion increase in the trade deficit, the United States lost between 21,000 and 25,000 jobs.

The manufacturing sector in Rhode Island, led by jewelry, electrical machinery, industrial instruments, fabricated metals, and textiles, accounts for 28 percent of all State employment. This sector exported over $500 million in manufactured products in 1983, generating approximately 12,000 jobs or 10.4 percent of the State's total manufacturing employment. This legislation can help to protect these vital industries.

A part of this bill that I believe will be especially useful is one that I authored as a member of the Science, Space, and Technology Committee. This provision would establish a clearinghouse on State and local competitiveness initiatives.

This clearinghouse would be a central repository for information on initiatives taken by State and local governments to improve U.S. competitiveness. Its main responsibilities would be to collect information on State and local initiatives; advise State and locals about such initiatives, especially regarding Federal assistance which is available; and study ways in which Federal agencies, especially labs, could expand their assistance to State and locals. A report will also be required every 3 years to evaluate the status of State and local efforts and to make further recommendations.

I mention the inclusion of the clearinghouse in this bill as an example of one of the many sensible provisions that this bill includes to strengthen U.S. industrial competitiveness. Careful thought and considerable legislative effort has gone into the crafting of this legislation. Because of the magnitude of the international challenge that our domestic industries face, I urge my colleagues to support this bill.

Mr. AuCOIN. Mr. Chairman, I rise in support of H.R. 4848, the omnibus trade bill.

I would like to ask my colleagues to think back to 1 year ago, when the new battle cry was "let's make America competitive again." This trade bill was one of the responses to that challenge.

Unfortunately, the media has decided to focus on items like the Gephardt amendment, Presidential discretion in unfair trade cases, Japan-bashing, et cetera. So, it is easy to understand how most people are not aware of several provisions in this trade bill that will actually make the rhetoric of the past year a reality. I am referring to the provisions which streamline the U.S. export license system, provisions that will give one segment of American industry—the high-technology industry—the ability to flex its competitive muscles.

For many years, Congressmen DON BONKER, BILL FRENZEL, myself, and several others have been warning how our cumbersome and overly stringent export control system was putting our high-technology industry at a disadvantage with their international competitors. In February 1987, a distinguished panel of the National Academy of Sciences confirmed our fears, finding that the U.S. export license system was costing America's high-technology industry an estimated $9.2 billion in lost sales and 188,000 jobs each year.

With the Academy's report providing ammunition to our struggle to eliminate unnecessary export controls, Congressman FRENZEL and I introduced legislation proposing a number of reforms that were eventually incorporated into the House bill and the final conference report.

Let me give you one example of the dramatic reforms made by this bill.

Almost 40 percent of all U.S. high-technology products are shipped to so-called Cocom countries, that is, our NATO allies plus Japan minus Iceland. But statistics show that over 99 percent of those licenses are eventually approved anyway. This bill puts into place a mechanism that eventually will result in the creation of a "license free zone" among Cocom.

The AuCoin-Frenzel bill proposed that U.S. exporters be allowed to immediately ship their product to these countries without a license. The only requirement would be that they would have to provide notice to the U.S. Government that the product had been shipped. Our bill exempted super-computers from such license free treatment and it also gave the administration the ability to re-impose license requirements if it determined that one of these countries were engaging in a practice and pattern of noncompliance with Cocom rules.

The legislation before us today adopts the thrust of our proposal with a few minor changes. Although it does not immediately establish a license-free zone, it does immediately eliminate licenses on products up to what is known as the PRC Green Line. The practical effect of this provision would be to eliminate approximately 25,000 licenses per year. The bill then requires the President to designate within 3 months countries that have sufficient export control systems and qualify them for license-free treatment.

Just think of what this one provision could mean to our high-technology community. If a potential customer in one of those countries calls up to order a computer, our company no longer will have to hedge by saying "we have to apply for a license first." Instead, they can say "the computer's in the mail."

This is how we make America competitive again.

There are other reforms that will benefit our electronics industry. The bill eliminates re-export controls on products shipped within NATO countries and Japan. It makes it easier for a U.S. company to ship a product overseas if that product is already available from a foreign competitor. It authorizes the President to appoint a representative from U.S. industry to act as an adviser to our Cocom negotiating team. And it authorizes the establishment of several west coast export assistance centers.

In summary, the bill gives the green light to America's high-technology industry to compete in the international marketplace.

That's not to say that this bill is perfect. It would have been an even better bill if it curtailed the Department of Defense's redundant role in reviewing licenses on products destined for certain Western nations. And that is an issue that I intend to raise in the next Congress. But, on the whole, these are truly pro-trade provisions and I commend my colleagues, Mr. BONKER and Mr. FASCELL, for their leadership in guiding these reforms through the House.

Mr. SHUMWAY. Mr. Chairman, I rise in opposition to the omnibus trade bill which has been referred to as 1,115 pages of procedural mayhem.

The trade bill restricts the President's authority, broad discretion, and flexibility in trade matters which are essential to achieve a negotiated settlement of bilateral disputes. The bill transfers substantial authority from the President to the U.S. Trade Representative to negotiate with other countries concerning unfair trade practices. It also requires retaliation against unjustifiable foreign trade practices. The authority to address serious trade disputes with foreign countries should rest with the President who is primarily responsible for negotiating with foreign countries under the Constitution. Furthermore, the President is in a better position to assess U.S. interests as a whole, including foreign relations, national security, and economic considerations.

It is indeed ironic that instead of addressing one of the root causes of the current U.S. trade deficit, a national debt of over $2 trillion, the trade bill would increase Government spending and impose an additional burden on taxpayers of about $2.4 billion a year. It would increase Government bureaucracy by creating over 30 new agencies, offices, panels and commissions, including the Council on Competitiveness which carries a price tag of $5 million a year.

The current trade statistics clearly indicate that we do not need more government bureaucracy to improve our trade figures. We do not need to transfer authority from the President to the U.S. Trade Representative. Instead we should concentrate on reducing the national debt at home and opening up markets abroad.

Mr. Chairman, I would like to include in the RECORD an excellent editorial which recently appeared in the Wall Street Journal. This editorial clearly outlines the serious flaws in the trade bill we are considering today.

The editorial follows:

[From the Wall Street Journal, June 22, 1988]

PRESIDENT YEUTTER

The Free World's leaders may have celebrated Ronald Reagan's economic leadership in Toronto, but in Washington the politicians are working to repudiate that leadership by resurrecting a symbol of U.S. decline—the trade bill. If the pols succeed, the world's leaders may not need to talk to Michael Dukakis or George Bush at next year's economic summit; the person they'll want to see is Clayton Yeutter's successor.

As the U.S. Trade Representative, Mr. Yeutter hasn't suffered the inconvenience of running for office. But under Congress's trade "reform," he'd nonetheless become the most important American decision maker on trade policy. The Trade Representative would suddenly have final authority to determine both if a U.S. industry is being hurt by foreign trade laws and how the U.S. should retaliate. What if the commander in chief objects in the name of the national interest? Well, a President could always fire the trade rep, though we can imagine the cry that would be raised about "violating the spirit of the Trade Act" by all the Congresspersons representing special interests.

Mr. Yeutter's new—and probably unconstitutional—powers are only one example of the trade bill's sabotage of presidential authority. Somehow the Washington political community has convinced itself that the trade bill is no longer protectionist, though that's like saying Vietnam was only a police action. No one may be declaring a "trade war," but under this bill there'd still be a body count.

Congress's weapon-of-choice is 1,115 pages of procedural mayhem. Hundreds of provisions would either restrict a President's discretion or tip the political system in favor of special interests. The bill mandates some 150 new "studies," each designed to create political momentum for protection: Our favorite would assess the damage to the national interest from an invasion of foreign roses. Can anyone imagine putting such a thing into a purportedly serious federal law? Minnesota Senator Rudy Boschwitz points out that the bill would create more than 30 new federal and state agencies, offices, panels or commissions; these will not be lobbies for free trade.

Congress has also seen fit to box-in the executive with more restrictive "Section 201" actions. The bill dictates new criteria the U.S. International Trade Commission must use in determining "injury" from imports, including something as simple as a decline in market share. Companies won't even have to prove illegal "dumping." And once trade protection is granted, the bill bars a president from modifying the action for two years. If market share rises or a trade war erupts in the meantime, tough luck for the national interest.

In sum, all of this would do for trade policy what Congress has already done to foreign and budget policy over the past 20 years: Strip authority from the President and replace it with a Babel of 535 competing claims. If you like U.S. foreign policy in Central America, you'll love what this bill does to trade policy. Strangely, this goes unacknowledged even by Treasury Secretary James Baker, who advises President Reagan to sign the bill even though he knows it will damage America's economic leadership.

Ronald Reagan no doubt enjoyed the praise and deference he received from his fellow leaders this week, the payoff for leading the West out of the stagflation of the 1970s. Mr. Reagan can earn similar respect if he shows the same commitment to the powers of his office. Even stripped of plant closings, a revived trade bill deserves a veto—as an attempt to blot Mr. Reagan's economic record and as a raid on the powers the Founders wisely vested with the presidency.

Mr. CRANE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. GIBBONS. Mr. Chairman, I yield back the balance of our time.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

H.R. 4848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Omnibus Trade and Competitiveness Act of 1988".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Legislative history of H.R. 3 applicable.

TITLE I—TRADE, CUSTOMS, AND TARIFF LAWS

Sec. 1001. Findings and purposes.

Subtitle A—United States Trade Agreements

PART 1—NEGOTIATION AND IMPLEMENTATION OF TRADE AGREEMENTS

Sec. 1101. Overall and principal trade negotiating objectives of the United States.
Sec. 1102. Trade agreement negotiating authority.
Sec. 1103. Implementation of trade agreements.
Sec. 1104. Compensation authority.
Sec. 1105. Termination and reservation authority; reciprocal nondiscriminatory treatment.
Sec. 1106. Accession of state trading regimes to the General Agreement on Tariffs and Trade.
Sec. 1107. Definitions and conforming amendments.

PART 2—HEARINGS AND ADVICE CONCERNING NEGOTIATIONS

Sec. 1111. Hearings and advice.

PART 3—OTHER TRADE AGREEMENT AND NEGOTIATION PROVISIONS

Sec. 1121. Implementation of Nairobi Protocol.
Sec. 1122. Implementation of United States-EC Agreement on citrus and pasta.
Sec. 1123. Extension of International Coffee Agreement Act of 1980.
Sec. 1124. Negotiations on currency exchange rates.
Sec. 1125. Reports on negotiations to eliminate wine trade barriers.

Subtitle B—Implementation of the Harmonized Tariff Schedule

Sec. 1201. Purposes.
Sec. 1202. Definitions.
Sec. 1203. Congressional approval of United States accession to the Convention.
Sec. 1204. Enactment of the Harmonized Tariff Schedule.
Sec. 1205. Commission review of, and recommendations regarding, the Harmonized Tariff Schedule.
Sec. 1206. Presidential action on Commission recommendations.
Sec. 1207. Publication of the Harmonized Tariff Schedule.
Sec. 1208. Import and export statistics.
Sec. 1209. Coordination of trade policy and the Convention.
Sec. 1210. United States participation on the Customs Cooperation Council regarding the Convention.
Sec. 1211. Transition to the Harmonized Tariff Schedule.
Sec. 1212. Reference to the Harmonized Tariff Schedule.
Sec. 1213. Technical amendments.
Sec. 1214. Conforming amendments.
Sec. 1215. Negotiating authority for certain ADP equipment.
Sec. 1216. Commission report on operation of subtitle.
Sec. 1217. Effective dates.

Subtitle C—Response to Unfair International Trade Practices

PART 1—ENFORCEMENT OF UNITED STATES RIGHTS UNDER TRADE AGREEMENTS AND RESPONSES TO FOREIGN TRADE PRACTICES

Sec. 1301. Revision of chapter 1 of title III of the Trade Act of 1974.
Sec. 1302. Identification of trade liberalization priorities.
Sec. 1303. Identification of countries that deny adequate and effective protection of intellectual property rights.
Sec. 1304. Amendments to the National Trade Estimates.
Sec. 1305. Investigation of barriers in Japan to certain United States services.
Sec. 1306. Trade and economic relations with Japan.
Sec. 1307. Supercomputer trade dispute.

PART 2—IMPROVEMENT IN THE ENFORCEMENT OF THE ANTIDUMPING AND COUNTERVAILING DUTY LAWS

Sec. 1311. Reference to title VII of the Tariff Act of 1930.
Sec. 1312. Actionable domestic subsidies.
Sec. 1313. Calculation of subsidies on certain processed agricultural products.
Sec. 1314. Revocation of status as a country under the Agreement.
Sec. 1315. Treatment of international consortia.
Sec. 1316. Dumping by nonmarket economy countries.
Sec. 1317. Third-country dumping.
Sec. 1318. Input dumping by related parties.
Sec. 1319. Fictitious markets.
Sec. 1320. Downstream product monitoring.
Sec. 1321. Prevention of circumvention of antidumping and countervailing duty orders.
Sec. 1322. Steel imports.
Sec. 1323. Short life cycle products.
Sec. 1324. Critical circumstances.
Sec. 1325. Expedited review authority.
Sec. 1326. Processed agricultural products.
Sec. 1327. Leases equivalent to sales.
Sec. 1328. Material injury.
Sec. 1329. Threat of material injury.
Sec. 1330. Cumulation.
Sec. 1331. Certification of submissions.
Sec. 1332. Access to information.
Sec. 1333. Correction of ministerial errors.
Sec. 1334. Drawback treatment.
Sec. 1335. Governmental importations.
Sec. 1336. Studies.
Sec. 1337. Effective dates.

PART 3—PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

Sec. 1341. Congressional findings and purposes.
Sec. 1342. Protection under the Tariff Act of 1930.

PART 4—TELECOMMUNICATIONS TRADE

Sec. 1371. Short title.
Sec. 1372. Findings and purposes.
Sec. 1373. Definitions.
Sec. 1374. Investigation of foreign telecommunications trade barriers.
Sec. 1375. Negotiations in response to investigation.
Sec. 1376. Actions to be taken if no agreement obtained.
Sec. 1377. Review of trade agreement implementation by Trade Representative.
Sec. 1378. Compensation authority.
Sec. 1379. Consultations.
Sec. 1380. Submission of data; action to ensure compliance.
Sec. 1381. Study on telecommunications competitiveness in the United States.
Sec. 1382. International obligations.

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PART 1—POSITIVE ADJUSTMENT BY INDUSTRIES INJURED BY IMPORTS

Sec. 1401. Positive adjustment by industries injured by imports.

PART 2—MARKET DISRUPTION

Sec. 1411. Market disruption.

PART 3—TRADE ADJUSTMENT ASSISTANCE

Sec. 1421. Eligibility of workers and firms for trade adjustment assistance.
Sec. 1422. Notice to workers of benefits under trade adjustment assistance program.
Sec. 1423. Cash assistance for workers.
Sec. 1424. Job training for workers.
Sec. 1425. Limitation on period in which trade readjustment allowances may be paid.
Sec. 1426. Authorization of trade adjustment assistance program.
Sec. 1427. Trade Adjustment Assistance Trust Fund.
Sec. 1428. Imposition of small uniform fee on all imports.
Sec. 1429. Study of certification methods.
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Sec. 1501. Imports that threaten national security.

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Sec. 1601. Functions.

SUBPART B—UNITED STATES INTERNATIONAL TRADE COMMISSION

Sec. 1611. Service on Commission for purposes of determining eligibility for designation as Chairman.
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Sec. 1621. Functions and organization.

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Sec. 1632. Congressional liaison regarding trade policy and agreements.

PART 3—ANNUAL REPORTS AND NATIONAL TRADE POLICY AGENDA

Sec. 1641. Reports and agenda.

Subtitle G—Tariff Provisions

PART 1—AMENDMENTS TO THE TARIFF SCHEDULES OF THE UNITED STATES

Sec. 1701. Reference.

SUBPART A—PERMANENT CHANGES IN TARIFF TREATMENT

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Sec. 1712. Naphtha and motor fuel blending stocks.
Sec. 1713. Watches and watch components.
Sec. 1714. Slabs of iron or steel.
Sec. 1715. Certain work gloves.
Sec. 1716. Duty-free importation of hatter's fur.
Sec. 1717. Extracorporeal shock wave lithotripters.
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Sec. 1719. Television apparatus and parts.
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Sec. 1732. Potassium 4-Sulfobenzoate.
Sec. 1733. 2,2-Oxamidobis[ethyl-3-(3,5-di-tert-butyl-4-hydroxyphenyl)-propionate].
Sec. 1734. 2,4-Dichloro-5-sulfamoylbenzoic acid.
Sec. 1735. Derivatives of N-[4-(2-hydroxy-3-phenoxypropoxy)phenyl]acetamide.
Sec. 1736. Certain knitwear fabricated in Guam.
Sec. 1737. 3,5-Dinitro-o-toluamide.
Sec. 1738. Secondary-butyl chloride.
Sec. 1739. Certain nonbenzenoid vinyl acetate-vinyl chloride-ethylene terpolymers.
Sec. 1740. Duty-free entry of personal effects and equipment of participants and officials involved in the 10th Pan American games.
Sec. 1741. Carding and spinning machines.
Sec. 1742. Dicofol and certain mixtures.
Sec. 1743. Silk yarn.
Sec. 1744. Terfenadone.
Sec. 1745. Fluazifop-p-butyl.
Sec. 1746. Parts of indirect process electrostatic copying machines.
Sec. 1747. Extracorporeal shock wave lithotripters imported by nonprofit institutions.
Sec. 1748. Transparent plastic sheeting.
Sec. 1749. Doll wig yarns.
Sec. 1750. 1-(3-Sulfopropyl) pyridinium hydroxide.
Sec. 1751. Polyvinylbenzyltrimethylammonium chloride (cholestyramine resin USP).
Sec. 1752. Methylene blue.
Sec. 1753. 3-Amino-3-methyl-1-butyne.
Sec. 1754. Dicyclohexylbenzothiazylsulfenamide.
Sec. 1755. D-6-methoxy-a-methyl-2-naphthaleneacetic acid and its sodium salt.
Sec. 1756. Suspension of duties on jacquard cards and jacquard heads.
Sec. 1757. 2,2-Bis(4-Cyanatophenyl).
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Sec. 1782. Hosiery knitting machines and needles.
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Sec. 1785. Triallate.
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Sec. 2122. Definition.
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Sec. 2201. Commercial personnel at the American Institute of Taiwan.
Sec. 2202. Country reports on economic policy and trade practices.
Sec. 2203. Overseas Private Investment Corporation.
Sec. 2204. Trade and Development Program.
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SEC. 2. LEGISLATIVE HISTORY OF H.R. 3 APPLICABLE.

(a) IN GENERAL.—Except as provided in subsection (b), the legislative history of a title, subtitle, part, subpart, chapter, subchapter, section, or other provision of the conference report to accompany H.R. 3 of the 100th Congress (H. Rept. 100-576) shall be treated (along with any other legislative history developed by reason of this Act) as being the legislative history of the provision of this Act that has the same numerical or alphabetical designation as the provision of the conference report.

(b) EXCEPTIONS.—

(1) Subsection (a) does not apply to section 2424(a) of this Act.

(2) The legislative history for subtitle F of title VI of the conference report to accompany H.R. 3 shall be treated as the legislative history for subtitle E of title VI of this Act.

TITLE I—TRADE, CUSTOMS, AND TARIFF LAWS

SEC. 1001. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) in the last 10 years there has arisen a new global economy in which trade, technological development, investment, and services form an integrated system; and in this system these activities affect each other and the health of the United States economy;

(2) the United States is confronted with a fundamental disequilibrium in its trade and current account balances and a rapid increase in its net external debt;

(3) such disequilibrium and increase are a result of numerous factors, including—

(A) disparities between the macroeconomic policies of the major trading nations,

(B) the large United States budget deficit,

(C) instabilities and structural defects in the world monetary system,

(D) the growth of debt throughout the developing world,

(E) structural defects in the world trading system and inadequate enforcement of trade agreement obligations,

(F) governmental distortions and barriers,

(G) serious shortcomings in United States trade policy, and

(H) inadequate growth in the productivity and competitiveness of United States firms and industries relative to their overseas competition;

(4) it is essential, and should be the highest priority of the United States Government, to pursue a broad array of domestic and international policies—

(A) to prevent future declines in the United States economy and standards of living,

(B) to ensure future stability in external trade of the United States, and

(C) to guarantee the continued vitality of the technological, industrial, and agricultural base of the United States;

(5) the President should be authorized and encouraged to negotiate trade agreements and related investment, financial, intellectual property, and services agreements that meet the standards set forth in this title; and

(6) while the United States is not in a position to dictate economic policy to the rest of the world, the United States is in a position to lead the world and it is in the national interest for the United States to do so.

(b) PURPOSES.—The purposes of this title are to—

(1) authorize the negotiation of reciprocal trade agreements;

(2) strengthen United States trade laws;

(3) improve the development and management of United States trade strategy; and

(4) through these actions, improve standards of living in the world.

Subtitle A—United States Trade Agreements

PART 1—NEGOTIATION AND IMPLEMENTATION OF TRADE AGREEMENTS

SEC. 1101. OVERALL AND PRINCIPAL TRADE NEGOTIATING OBJECTIVES OF THE UNITED STATES.

(a) OVERALL TRADE NEGOTIATING OBJECTIVES.—The overall trade negotiating objectives of the United States are to obtain—

(1) more open, equitable, and reciprocal market access;

(2) the reduction or elimination of barriers and other trade-distorting policies and practices; and

(3) a more effective system of international trading disciplines and procedures.

(b) PRINCIPAL TRADE NEGOTIATING OBJECTIVES.—

(1) DISPUTE SETTLEMENT.—The principal negotiating objectives of the United States with respect to dispute settlement are—

(A) to provide for more effective and expeditious dispute settlement mechanisms and procedures; and

(B) to ensure that such mechanisms within the GATT and GATT agreements provide for more effective and expeditious resolution of disputes and enable better enforcement of United States rights.

(2) IMPROVEMENT OF THE GATT AND MULTILATERAL TRADE NEGOTIATION AGREEMENTS.—The principal negotiating objectives of the United States regarding the improvement of GATT and multilateral trade negotiation agreements are—

(A) to enhance the status of the GATT;

(B) to improve the operation and extend the coverage of the GATT and such agreements and arrangements to products, sectors, and conditions of trade not adequately covered; and

(C) to expand country participation in particular agreements or arrangements, where appropriate.

(3) TRANSPARENCY.—The principal negotiating objective of the United States regarding transparency is to obtain broader application of the principle of transparency and clarification of the costs and benefits of trade policy actions through the observance of open and equitable procedures in trade matters by Contracting Parties to the GATT.

(4) DEVELOPING COUNTRIES.—The principal negotiating objectives of the United States regarding developing countries are—

(A) to ensure that developing countries promote economic development by assuming the fullest possible measure of responsibility for achieving and maintaining an open international trading system by providing reciprocal benefits and assuming equivalent obligations with respect to their import and export practices; and

(B) to establish procedures for reducing nonreciprocal trade benefits for the more advanced developing countries.

(5) CURRENT ACCOUNT SURPLUSES.—The principal negotiating objective of the United States regarding current account surpluses is to develop rules to address large and persistent global current account imbalances of countries, including imbalances which threaten the stability of the international trading system, by imposing greater responsibility on such countries to undertake policy changes aimed at restoring current account equilibrium, including expedited implementation of trade agreements where feasible and appropriate.

(6) TRADE AND MONETARY COORDINATION.—The principal negotiating objective of the United States regarding trade and monetary coordination is to develop mechanisms to assure greater coordination, consistency, and cooperation between international trade and monetary systems and institutions.

(7) AGRICULTURE.—The principal negotiating objectives of the United States with respect to agriculture are to achieve, on an expedited basis to the maximum extent feasible, more open and fair conditions of trade in agricultural commodities by—

(A) developing, strengthening, and clarifying rules for agricultural trade, including disciplines on restrictive or trade-distorting import and export practices;

(B) increasing United States agricultural exports by eliminating barriers to trade (including transparent and nontransparent barriers) and reducing or eliminating the subsidization of agricultural production consistent with the United States policy of agricultural stabilization in cyclical and unpredictable markets;

(C) creating a free and more open world agricultural trading system by resolving questions pertaining to export and other trade-distorting subsidies, market pricing and market access and eliminating and reducing substantially other specific constraints to fair trade and more open market access, such as tariffs, quotas, and other nontariff practices, including unjustified phytosanitary and sanitary restrictions; and

(D) seeking agreements by which the major agricultural exporting nations agree to pursue policies to reduce excessive production of agricultural commodities during periods of oversupply, with due regard for the fact that the United States already undertakes such policies, and without recourse to arbitrary schemes to divide market shares among major exporting countries.

(8) UNFAIR TRADE PRACTICES.—The principal negotiating objectives of the United States with respect to unfair trade practices are—

(A) to improve the provisions of the GATT and nontariff measure agreements in order to define, deter, discourage the persistent use of, and otherwise discipline unfair trade practices having adverse trade effects, including forms of subsidy and dumping and other practices not adequately covered such as resource input subsidies, diversionary dumping, dumped or subsidized inputs, and export targeting practices;

(B) to obtain the application of similar rules to the treatment of primary and nonprimary products in the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the GATT (relating to subsidies and countervailing measures); and

(C) to obtain the enforcement of GATT rules against—

(i) state trading enterprises, and

(ii) the acts, practices, or policies of any foreign government which, as a practical matter, unreasonably require that—

(I) substantial direct investment in the foreign country be made,

(II) intellectual property be licensed to the foreign country or to any firm of the foreign country, or

(III) other collateral concessions be made,

as a condition for the importation of any product or service of the United States into the foreign country or as a condition for carrying on business in the foreign country.

(9) TRADE IN SERVICES.—

(A) The principal negotiating objectives of the United States regarding trade in services are—

(i) to reduce or to eliminate barriers to, or other distortions of, international trade in services, including barriers that deny national treatment and restrictions on establishment and operation in such markets; and

(ii) to develop internationally agreed rules, including dispute settlement procedures, which—

(I) are consistent with the commercial policies of the United States, and

(II) will reduce or eliminate such barriers or distortions, and help ensure fair, equitable opportunities for foreign markets.

(B) In pursuing the negotiating objectives described in subparagraph (A), United States negotiators shall take into account legitimate United States domestic objectives including, but not limited to, the protection of legitimate health or safety, essential security, environmental, consumer or employment opportunity interests and the law and regulations related thereto.

(10) INTELLECTUAL PROPERTY.—The principal negotiating objectives of the United States regarding intellectual property are—

(A) to seek the enactment and effective enforcement by foreign countries of laws which—

(i) recognize and adequately protect intellectual property, including copyrights, patents, trademarks, semiconductor chip layout designs, and trade secrets, and

(ii) provide protection against unfair competition,

(B) to establish in the GATT obligations—

(i) to implement adequate substantive standards based on—

(I) the standards in existing international agreements that provide adequate protection, and

(II) the standards in national laws if international agreement standards are inadequate or do not exist,

(ii) to establish effective procedures to enforce, both internally and at the border, the standards implemented under clause (i), and

(iii) to implement effective dispute settlement procedures that improve on existing GATT procedures;

(C) to recognize that the inclusion in the GATT of—

(i) adequate and effective substantive norms and standards for the protection and enforcement of intellectual property rights, and

(ii) dispute settlement provisions and enforcement procedures,

is without prejudice to other complementary initiatives undertaken in other international organizations; and

(D) to supplement and strengthen standards for protection and enforcement in existing international intellectual property conventions administered by other international organizations, including their expansion to cover new and emerging technologies and elimination of discrimination or unreasonable exceptions or preconditions to protection.

(11) FOREIGN DIRECT INVESTMENT.—

(A) The principal negotiating objectives of the United States regarding foreign direct investment are—

(i) to reduce or to eliminate artificial or trade-distorting barriers to foreign direct investment, to expand the principle of national treatment, and to reduce unreasonable barriers to establishment; and

(ii) to develop internationally agreed rules, including dispute settlement procedures, which—

(I) will help ensure a free flow of foreign direct investment, and

(II) will reduce or eliminate the trade distortive effects of certain trade-related investment measures.

(B) In pursuing the negotiating objectives described in subparagraph (A), United States negotiators shall take into account legitimate United States domestic objectives including, but not limited to, the protection of legitimate health or safety, essential security, environmental, consumer or employment opportunity interests and the law and regulations related thereto.

(12) SAFEGUARDS.—The principal negotiating objectives of the United States regarding safeguards are—

(A) to improve and expand rules and procedures covering safeguard measures;

(B) to ensure that safeguard measures are—

(i) transparent,

(ii) temporary,

(iii) degressive, and

(iv) subject to review and termination when no longer necessary to remedy injury and to facilitate adjustment; and

(C) to require notification of, and to monitor the use by, GATT Contracting Parties of import relief actions for their domestic industries.

(13) SPECIFIC BARRIERS.—The principal negotiating objective of the United States regarding specific barriers is to obtain competitive opportunities for United States exports in foreign markets substantially equivalent to the competitive opportunities afforded foreign exports to United States markets, including the reduction or elimination of specific tariff and nontariff trade barriers, particularly—

(A) measures identified in the annual report prepared under section 181 of the Trade Act of 1974 (19 U.S.C. 2241); and

(B) foreign tariffs and nontariff barriers on competitive United States exports when like or similar products enter the United States at low rates of duty or are duty-free, and other tariff disparities that impede access to particular export markets.

(14) WORKER RIGHTS.—The principal negotiating objectives of the United States regarding worker rights are—

(A) to promote respect for worker rights;

(B) to secure a review of the relationship of worker rights to GATT articles, objectives, and related instruments with a view to ensuring that the benefits of the trading system are available to all workers; and

(C) to adopt, as a principle of the GATT, that the denial of worker rights should not be a means for a country or its industries to gain competitive advantage in international trade.

(15) ACCESS TO HIGH TECHNOLOGY.—

(A) The principal negotiating objective of the United States regarding access to high technology is to obtain the elimination or reduction of foreign barriers to, and acts, policies, or practices by foreign governments which limit, equitable access by United States persons to foreign-developed technology, including barriers, acts, policies, or practices which have the effect of—

(i) restricting the participation of United States persons in government-supported research and development projects;

(ii) denying equitable access by United States persons to government-held patents;

(iii) requiring the approval or agreement of government entities, or imposing other forms of government interventions, as a condition for the granting of licenses to United States persons by foreign persons (except for approval or agreement which may be necessary for national security purposes to control the export of critical military technology); and

(iv) otherwise denying equitable access by United States persons to foreign-developed technology or contributing to the inequitable flow of technology between the United States and its trading partners.

(B) In pursuing the negotiating objective described in subparagraph (A), the United States negotiators shall take into account United States Government policies in licensing or otherwise making available to foreign persons technology and other information developed by United States laboratories.

(16) BORDER TAXES.—The principal negotiating objective of the United States regarding border taxes is to obtain a revision of the GATT with respect to the treatment of border adjustments for internal taxes to redress the disadvantage to countries relying

primarily for revenue on direct taxes rather than indirect taxes.

SEC. 1102. TRADE AGREEMENT NEGOTIATING AUTHORITY.

(a) AGREEMENTS REGARDING TARIFF BARRIERS.—

(1) Whenever the President determines that one or more existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes, policies, and objectives of this title will be promoted thereby, the President—

(A) before June 1, 1993, may enter into trade agreements with foreign countries; and

(B) may, subject to paragraphs (2) through (5), proclaim—

(i) such modification or continuance of any existing duty,

(ii) such continuance of existing duty-free or excise treatment, or

(iii) such additional duties;

as he determines to be required or appropriate to carry out any such trade agreement.

(2) No proclamation may be made under subsection (a) that—

(A) reduces any rate of duty (other than a rate of duty that does not exceed 5 percent ad valorem on the date of enactment of this Act) to a rate which is less than 50 percent of the rate of such duty that applies on such date of enactment; or

(B) increases any rate of duty above the rate that applies on such date of enactment.

(3)(A) Except as provided in subparagraph (B), the aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to a trade agreement entered into under paragraph (1) shall not exceed the aggregate reduction which would have been in effect on such day if a reduction of 3 percent ad valorem or a reduction of one-tenth of the total reduction, whichever is greater, had taken effect on the effective date of the first reduction proclaimed in paragraph (1) to carry out such agreement with respect to such article.

(B) No staging under subparagraph (A) is required with respect to a rate reduction that is proclaimed under paragraph (1) for an article of a kind that is not produced in the United States. The United States International Trade Commission shall advise the President of the identity of articles that may be exempted from staging under this subparagraph.

(4) If the President determines that such action will simplify the computation of reductions under paragraph (3), the President may round an annual reduction by the lesser of—

(A) the difference between the reduction without regard to this paragraph and the next lower whole number; or

(B) one-half of 1 percent ad valorem.

(5) No reduction in a rate of duty under a trade agreement entered into under subsection (a) on any article may take effect more than 10 years after the effective date of the first reduction under paragraph (1) that is proclaimed to carry out the trade agreement with respect to such article.

(6) A rate of duty reduction or increase that may not be proclaimed by reason of paragraph (2) may take effect only if a provision authorizing such reduction or increase is included within an implementing bill provided for under section 1103 and that bill is enacted into law.

(b) AGREEMENTS REGARDING NONTARIFF BARRIERS.—

(1) Whenever the President determines that any barrier to, or other distortion of, international trade—

(A) unduly burdens or restricts the foreign trade of the United States or adversely affects the United States economy; or

(B) the imposition of any such barrier or distortion is likely to result in such a burden, restriction, or effect;

and that the purposes, policies, and objectives of this title will be promoted thereby, the President may, before June 1, 1993, enter into a trade agreement with foreign countries providing for—

(i) the reduction or elimination of such barrier or other distortion; or

(ii) the prohibition of, or limitations on the imposition of, such barrier or other distortion.

(2) A trade agreement may be entered into under this subsection only if such agreement makes progress in meeting the applicable objectives described in section 1101.

(c) BILATERAL AGREEMENTS REGARDING TARIFF AND NONTARIFF BARRIERS.—

(1) Before June 1, 1993, the President may enter into bilateral trade agreements with foreign countries that provide for the elimination or reduction of any duty imposed by the United States. A trade agreement entered into under this paragraph may also provide for the reduction or elimination of barriers to, or other distortions of, the international trade of the foreign country or the United States.

(2) Notwithstanding any other provision of law, no trade benefit shall be extended to any country by reason of the extension of any trade benefit to another country under a trade agreement entered into under paragraph (1) with such other country.

(3) A trade agreement may be entered into under paragraph (1) with any foreign country only if—

(A) the agreement makes progress in meeting the applicable objectives described in section 1101;

(B) such foreign country requests the negotiation of such an agreement; and

(C) the President, at least 60 days before the date notice is provided under section 1103(a)(1)(A)—

(i) provides written notice of such negotiations to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, and

(ii) consults with such committees regarding the negotiation of such agreement.

(4) The 60-day period of time described in paragraph (3)(B) shall be computed in accordance with section 1103(f).

(5) In any case in which there is an inconsistency between any provision of this Act and any bilateral free trade area agreement that entered into force and effect with respect to the United States before January 1, 1987, the provision shall not apply with respect to the foreign country that is party to that agreement.

(d) CONSULTATION WITH CONGRESS BEFORE AGREEMENTS ENTERED INTO.—

(1) Before the President enters into any trade agreement under subsection (b) or (c), the President shall consult with—

(A) the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate; and

(B) each other committee of the House and the Senate, and each joint committee of the Congress, which has jurisdiction over legislation involving subject matters which would be affected by the trade agreement.

(2) The consultation under paragraph (1) shall include—

(A) the nature of the agreement;

(B) how and to what extent the agreement will achieve the applicable purposes, policies, and objectives of this title; and

(C) all matters relating to the implementation of the agreement under section 1103.

(3) If it is proposed to implement two or more trade agreements in a single implementing bill under section 1103, the consultation under paragraph (1) shall include the desirability and feasibility of such proposed implementation.

SEC. 1103. IMPLEMENTATION OF TRADE AGREEMENTS.

(a) IN GENERAL.—

(1) Any agreement entered into under section 1102 (b) or (c) shall enter into force with respect to the United States if (and only if)—

(A) the President, at least 90 calendar days before the day on which he enters into the trade agreement, notifies the House of Representatives and the Senate of his intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register;

(B) after entering into the agreement, the President submits a document to the House of Representatives and to the Senate containing a copy of the final legal text of the agreement, together with—

(i) a draft of an implementing bill,

(ii) a statement of any administrative action proposed to implement the trade agreement, and

(iii) the supporting information described in paragraph (2); and

(C) the implementing bill is enacted into law.

(2) The supporting information required under paragraph (1)(B)(iii) consists of—

(A) an explanation as to how the implementing bill and proposed administrative action will change or affect existing law; and

(B) a statement—

(i) asserting that the agreement makes progress in achieving the applicable purposes, policies, and objectives of this title,

(ii) setting forth the reasons of the President regarding—

(I) how and to what extent the agreement makes progress in achieving the applicable purposes, policies, and objectives referred to in clause (i), and why and to what extent the agreement does not achieve other applicable purposes, policies, and objectives,

(II) how the agreement serves the interests of United States commerce, and

(III) why the implementing bill and proposed administrative action is required or appropriate to carry out the agreement;

(iii) describing the efforts made by the President to obtain international exchange rate equilibrium and any effect the agreement may have regarding increased international monetary stability; and

(iv) describing the extent, if any, to which—

(I) each foreign country that is a party to the agreement maintains non-commercial state trading enterprises that may adversely affect, nullify, or impair the benefits to the United States under the agreement, and

(II) the agreement applies to or affects purchases and sales by such enterprises.

(3) To ensure that a foreign country which receives benefits under a trade agreement entered into under section 1102 (b) or (c) is subject to the obligations imposed by such agreement, the President shall recommend to Congress in the implementing bill and statement of administrative action sub-

mitted with respect to such agreement that the benefits and obligations of such agreement apply solely to the parties to such agreement, if such application is consistent with the terms of such agreement. The President may also recommend with respect to any such agreement that the benefits and obligations of such agreement not apply uniformly to all parties to such agreement, if such application is consistent with the terms of such agreement.

(b) APPLICATION OF CONGRESSIONAL "FAST TRACK" PROCEDURES TO IMPLEMENTING BILLS.—

(1) Except as provided in subsection (c)—

(A) the provisions of section 151 of the Trade Act of 1974 (19 U.S.C. 2191) (hereinafter in this section referred to as "fast track procedures") apply to implementing bills submitted with respect to trade agreements entered into under section 1102 (b) or (c) before June 1, 1991; and

(B) such fast track procedures shall be extended to implementing bills submitted with respect to trade agreements entered into under section 1102 (b) or (c) after May 31, 1991, and before June 1, 1993, if (and only if)—

(i) the President requests such extension under paragraph (2); and

(ii) neither House of the Congress adopts an extension disapproval resolution under paragraph (5) before June 1, 1991.

(2) If the President is of the opinion that the fast track procedures should be extended to implementing bills described in paragraph (1)(B), the President must submit to the Congress, no later than March 1, 1991, a written report that contains a request for such extension, together with—

(A) a description of all trade agreements that have been negotiated under section 1102 (b) or (c) and the anticipated schedule for submitting such agreements to the Congress for approval;

(B) a description of the progress that has been made in multilateral and bilateral negotiations to achieve the purposes, policies, and objectives of this title, and a statement that such progress justifies the continuation of negotiations; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(3) The President shall promptly inform the Advisory Committee for Trade Policy and Negotiations established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) of his decision to submit a report to Congress under paragraph (2). The Advisory Committee shall submit to the Congress as soon as practicable, but no later than March 1, 1991, a written report that contains—

(A) its views regarding the progress that has been made in multilateral and bilateral negotiations to achieve the purposes, policies, and objectives of this title; and

(B) a statement of its views, and the reasons therefor, regarding whether the extension requested under paragraph (2) should be approved or disapproved.

(4) The reports submitted to the Congress under paragraphs (2) and (3), or any portion of the reports, may be classified to the extent the President determines appropriate.

(5)(A) For purposes of this subsection, the term "extension disapproval resolution" means a resolution of either House of the Congress, the sole matter after the resolving clause of which is as follows: "That the   disapproves the request of the President for the extension, under section 1103(b)(1)(B)(i) of the Omnibus Trade and Competitiveness Act of 1988, of the provisions of section 151 of the Trade Act of 1974 to any implementing bill submitted with respect to any trade agreement entered into under section 1102 (b) or (c) of such Act after May 31, 1991, because sufficient tangible progress has not been made in trade negotiations.", with the blank space being filled with the name of the resolving House of the Congress.

(B) Extension disapproval resolutions—

(i) may be introduced in either House of the Congress by any member of such House; and

(ii) shall be jointly referred, in the House of Representatives, to the Committee on Ways and Means and the Committee on Rules.

(C) The provisions of section 152 (d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192 (d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to extension disapproval resolutions.

(D) It is not in order for—

(i) the Senate to consider any extension disapproval resolution not reported by the Committee on Finance;

(ii) the House of Representatives to consider any extension disapproval resolution not reported by the Committee on Ways and Means and the Committee on Rules; or

(iii) either House of the Congress to consider an extension disapproval resolution that is reported to such House after May 15, 1991.

(c) LIMITATIONS ON USE OF "FAST TRACK" PROCEDURES.—

(1)(A) The fast track procedures shall not apply to any implementing bill submitted with respect to a trade agreement entered into under section 1102 (b) or (c) if both Houses of the Congress separately agree to procedural disapproval resolutions within any 60-day period.

(B) Procedural disapproval resolutions—

(i) in the House of Representatives—

(I) shall be introduced by the chairman or ranking minority member of the Committee on Ways and Means or the chairman or ranking minority member of the Committee on Rules,

(II) shall be jointly referred to the Committee on Ways and Means and the Committee on Rules, and

(III) may not be amended by either Committee; and

(ii) in the Senate shall be original resolutions of the Committee on Finance.

(C) The provisions of section 152 (d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192 (d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to procedural disapproval resolutions.

(D) It is not in order for the House of Representatives to consider any procedural disapproval resolution not reported by the Committee on Ways and Means and the Committee on Rules.

(E) For purposes of this subsection, the term "procedural disapproval resolution" means a resolution of either House of the Congress, the sole matter after the resolving clause of which is as follows: "That the President has failed or refused to consult with Congress on trade negotiations and trade agreements in accordance with the provisions of the Omnibus Trade and Competitiveness Act of 1988, and, therefore, the provisions of section 151 of the Trade Act of 1974 shall not apply to any implementing bill submitted with respect to any trade agreement entered into under section 1102 (b) or (c) of such Act of 1988, if, during the 60-day period beginning on the date on which this resolution is agreed to by the   , the   agrees to a procedural disapproval resolution (within the meaning of section 1103(c)(1)(E) of such Act of 1988).", with the first blank space being filled with the name of the resolving House of the Congress and the second blank space being filled with the name of the other House of the Congress.

(2) The fast track procedures shall not apply to any implementing bill that contains a provision approving of any trade agreement which is entered into under section 1102(c) with any foreign country if either—

(A) the requirements of section 1102(c)(3) are not met with respect to the negotiation of such agreement; or

(B) the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives disapproves of the negotiation of such agreement before the close of the 60-day period which begins on the date notice is provided under section 1102(c)(3)(C)(i) with respect to the negotiation of such agreement.

(d) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—Subsections (b) and (c) are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

(e) COMPUTATION OF CERTAIN PERIODS OF TIME.—Each period of time described in subsection (c)(1) (A) and (E) and (2) of this section shall be computed without regard to—

(1) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

(2) any Saturday and Sunday, not excluded under paragraph (1), when either House of the Congress is not in session.

SEC. 1104. COMPENSATION AUTHORITY.

Section 123 of the Trade Act of 1974 (19 U.S.C. 2133) is amended—

(1) by amending subsection (a) to read as follows:

"(a) Whenever—

"(1) any action taken under chapter 1 of title II or chapter 1 of title III; or

"(2) any judicial or administrative tariff reclassification that becomes final after the date of the enactment of the Omnibus Trade and Competitiveness Act of 1988;

increases or imposes any duty or other import restriction, the President—

"(A) may enter into trade agreements with foreign countries or instrumentalities for the purpose of granting new concessions as compensation in order to maintain the general level of reciprocal and mutually advantageous concessions; and

"(B) may proclaim such modification or continuance of any existing duty, or such continuance of existing duty-free or excise treatment, as he determines to be required or appropriate to carry out any such agreement.";

(2) by amending subsection (b)(2) by—

(A) striking out "section 109" and inserting "section 1102(a) of the Omnibus Trade and Competitiveness Act of 1988", and

(B) striking out "section 101" each place it appears and inserting "such section 1102(a)";

(3) by striking out "section 101" in subsection (d) and inserting "section 1102 of the Omnibus Trade and Competitiveness Act of 1988"; and

(4) by adding at the end thereof the following new subsection:

"(e) The provisions of this section shall apply by reason of action taken under chapter 1 of title III only if the President determines that action authorized under this section is necessary or appropriate to meet the international obligations of the United States.".

SEC. 1105. TERMINATION AND RESERVATION AUTHORITY; RECIPROCAL NONDISCRIMINATORY TREATMENT.

(a) In General.—For purposes of applying sections 125, 126(a), and 127 of the Trade Act of 1974 (19 U.S.C. 2135, 2136(a), and 2137)—

(1) any trade agreement entered into under section 1102 shall be treated as an agreement entered into under section 101 or 102, as appropriate, of the Trade Act of 1974 (19 U.S.C. 2111 or 2112); and

(2) any proclamation or Executive order issued pursuant to a trade agreement entered into under section 1102 shall be treated as a proclamation or Executive order issued pursuant to a trade agreement entered into under section 102 of the Trade Act of 1974.

(b) Reciprocal Nondiscriminatory Treatment.—

(1) The President shall determine, before June 1, 1993, whether any major industrial country has failed to make concessions under trade agreements entered into under section 1102 (a) and (b) which provide competitive opportunities for the commerce of the United States in such country substantially equivalent to the competitive opportunities, provided by concessions made by the United States under trade agreements entered into under section 1102 (a) and (b), for the commerce of such country in the United States.

(2) If the President determines under paragraph (1) that a major industrial country has not made concessions under trade agreements entered into under section 1102 (a) and (b) which provide substantially equivalent competitive opportunities for the commerce of the United States, the President shall, either generally with respect to such country or by article produced by such country, in order to restore equivalence of competitive opportunities, recommend to the Congress—

(A) legislation providing for the termination or denial of the benefits of concessions of trade agreements entered into under section 1102 (a) and (b) that have been made with respect to rates of duty or other import restrictions imposed by the United States, and

(B) legislation providing that any law necessary to carry out any trade agreement under section 1102 (a) or (b) not apply to such country.

(3) For purposes of this subsection, the term "major industrial country" means Canada, the European Communities, the individual member countries of the European Communities, Japan, and any other foreign country designated by the President for purposes of this subsection.

SEC. 1106. ACCESSION OF STATE TRADING REGIMES TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE.

(a) In General.—Before any major foreign country accedes, after the date of enactment of this Act, to the GATT the President shall determine—

(1) whether state trading enterprises account for a significant share of—

(A) the exports of such major foreign country, or

(B) the goods of such major foreign country that are subject to competition from goods imported into such foreign country; and

(2) whether such state trading enterprises—

(A) unduly burden and restrict, or adversely affect, the foreign trade of the United States or the United States economy, or

(B) are likely to result in such a burden, restriction, or effect.

(b) Effects of Affirmative Determination.—If both of the determinations made under paragraphs (1) and (2) of subsection (a) with respect to a major foreign country are affirmative—

(1) the President shall reserve the right of the United States to withhold extension of the application of the GATT, between the United States and such major foreign country, and

(2) the GATT shall not apply between the United States and such major foreign country until—

(A) such foreign country enters into an agreement with the United States providing that the state trading enterprises of such foreign country—

(i) will—

(I) make purchases which are not for the use of such foreign country, and

(II) make sales in international trade,

in accordance with commercial considerations (including price, quality, availability, marketability, and transportation), and

(ii) will afford United States business firms adequate opportunity, in accordance with customary practice, to compete for participation in such purchases or sales; or

(B) a bill submitted under subsection (c) which approves of the extension of the application of the GATT between the United States and such major foreign country is enacted into law.

(c) Expedited Consideration of Bill To Approve Extension.—

(1) The President may submit to the Congress any draft of a bill which approves of the extension of the application of the GATT between the United States and a major foreign country.

(2) Any draft of a bill described in paragraph (1) that is submitted by the President to the Congress shall—

(A) be introduced by the majority leader of each House of the Congress (by request) on the first day on which such House is in session after the date such draft is submitted to the Congress; and

(B) shall be treated as an implementing bill for purposes of subsections (d), (e), (f), and (g) of section 151 of the Trade Act of 1974.

(d) Publication.—The President shall publish in the Federal Register each determination made under subsection (a).

SEC. 1107. DEFINITIONS AND CONFORMING AMENDMENTS.

(a) Definitions.—For purposes of this part:

(1) The term "distortion" includes, but is not limited to, a subsidy.

(2) The term "foreign country" includes any foreign instrumentality. Any territory or possession of a foreign country that is administered separately for customs purposes, shall be treated as a separate foreign country.

(3) The term "GATT" means the General Agreement on Tariffs and Trade.

(4) The term "implementing bill" has the meaning given such term in section 151(b)(1) of the Trade Act of 1974 (19 U.S.C. 2191(b)(1)).

(5) The term "international trade" includes, but is not limited to—

(A) trade in both goods and services, and

(B) foreign direct investment by United States persons, especially if such investment has implications for trade in goods and services.

(6) The term "state trading enterprise" means—

(A) any agency, instrumentality, or administrative unit of a foreign country which—

(i) purchases goods or services in international trade for any purpose other than the use of such goods or services by such agency, instrumentality, administrative unit, or foreign country, or

(ii) sells goods or services in international trade; or

(B) any business firm which—

(i) is substantially owned or controlled by a foreign country or any agency, instrumentality, or administrative unit thereof,

(ii) is granted (formally or informally) any special or exclusive privilege by such foreign country, agency, instrumentality, or administrative unit, and

(iii) purchases goods or services in international trade for any purpose other than the use of such goods or services by such foreign country, agency, instrumentality, or administrative unit, or which sells goods or services in international trade.

(b) Conforming Amendments.—

(1) Section 151(b)(1) of the Trade Act of 1974 (19 U.S.C. 2191(b)(1)) is amended by striking out "section 102" and inserting "section 102 of this Act or section 1103(a)(1) of the Omnibus Trade and Competitiveness Act of 1988".

(2) Section 121 of the Trade Act of 1974 (19 U.S.C. 2131) is amended by striking out subsections (a), (b), and (c).

PART 2—HEARINGS AND ADVICE CONCERNING NEGOTIATIONS

SEC. 1111. HEARINGS AND ADVICE.

(a) Advice From ITC and Other Federal Agencies Concerning Trade Policy and Negotiations.—Sections 131 through 134, inclusive, of the Trade Act of 1974 (19 U.S.C. 2151-2154) are amended to read as follows:

"SEC. 131. ADVICE FROM INTERNATIONAL TRADE COMMISSION.

"(a) Lists of Articles Which May Be Considered for Action.—

"(1) In connection with any proposed trade agreement under section 123 of this Act or section 1102 (a) or (c) of the Omnibus Trade and Competitiveness Act of 1988, the President shall from time to time publish and furnish the International Trade Commission (hereafter in this section referred to as the 'Commission') with lists of articles which may be considered for modification or continuance of United States duties, continuance of United States duty-free or excise treatment, or additional duties. In the case of any article with respect to which consideration may be given to reducing or increasing the rate of duty, the list shall specify the provision of this subchapter under which such consideration may be given.

"(2) In connection with any proposed trade agreement under section 1102 (b) or (c) of the Omnibus Trade and Competitiveness Act of 1988, the President may from time to time publish and furnish the Commission with lists of nontariff matters which may be considered for modification.

"(b) ADVICE TO PRESIDENT BY COMMISSION.—Within 6 months after receipt of a list under subsection (a) or, in the case of a list submitted in connection with a trade agreement, within 90 days after receipt of such list, the Commission shall advise the President, with respect to each article or nontariff matter, of its judgment as to the probable economic effect of modification of the tariff or nontariff measure on industries producing like or directly competitive articles and on consumers, so as to assist the President in making an informed judgment as to the impact which might be caused by such modifications on United States interests, such as sectors involved in manufacturing, agriculture, mining, fishing, services, intellectual property, investment, labor, and consumers. Such advice may include in the case of any article the advice of the Commission as to whether any reduction in the rate of duty should take place over a longer period of time than the minimum period provided for in section 1102(a)(3)(A).

"(c) ADDITIONAL INVESTIGATIONS AND REPORTS REQUESTED BY THE PRESIDENT OR THE TRADE REPRESENTATIVE.—In addition, in order to assist the President in his determination whether to enter into any agreement under section 123 of this Act or section 1102 of the Omnibus Trade and Competitiveness Act of 1988, or how to develop trade policy, priorities or other matters (such as priorities for actions to improve opportunities in foreign markets), the Commission shall make such investigations and reports as may be requested by the President or the United States Trade Representative on matters such as effects of modification of any barrier to (or other distortion of) international trade on domestic workers, industries or sectors, purchasers, prices and quantities of articles in the United States.

"(d) COMMISSION STEPS IN PREPARING ITS ADVICE TO THE PRESIDENT.—In preparing its advice to the President under this section, the Commission shall to the extent practicable—

"(1) investigate conditions, causes, and effects relating to competition between the foreign industries producing the articles or services in question and the domestic industries producing the like or directly competitive articles or services;

"(2) analyze the production, trade, and consumption of each like or directly competitive article or service, taking into consideration employment, profit levels, and use of productive facilities with respect to the domestic industries concerned, and such other economic factors in such industries as it considers relevant, including prices, wages, sales, inventories, patterns of demand, capital investment, obsolescence of equipment, and diversification of production;

"(3) describe the probable nature and extent of any significant change in employment, profit levels, and use of productive facilities; the overall impact of such or other possible changes on the competitiveness of relevant domestic industries or sectors; and such other conditions as it deems relevant in the domestic industries or sectors concerned which it believes such modifications would cause; and

"(4) make special studies (including studies of real wages paid in foreign supplying countries), whenever deemed to be warranted, of particular proposed modifications affecting United States manufacturing, agriculture, mining, fishing, labor, consumers, services, intellectual property and investment, using to the fullest extent practicable United States Government facilities abroad and appropriate personnel of the United States.

"(e) PUBLIC HEARING.—In preparing its advice to the President under this section, the Commission shall, after reasonable notice, hold public hearings.

"SEC. 132. ADVICE FROM EXECUTIVE DEPARTMENTS AND OTHER SOURCES.

"Before any trade agreement is entered into under section 123 of this Act or section 1102 of the Omnibus Trade and Competitiveness Act of 1988, the President shall seek information and advice with respect to such agreement from the Departments of Agriculture, Commerce, Defense, Interior, Labor, State and the Treasury, from the United States Trade Representative, and from such other sources as he may deem appropriate. Such advice shall be prepared and presented consistent with the provisions of Reorganization Plan Number 3 of 1979, Executive Order Number 12188 and section 141(c).

"SEC. 133. PUBLIC HEARINGS.

"(a) OPPORTUNITY FOR PRESENTATION OF VIEWS.—In connection with any proposed trade agreement under section 123 of this Act or section 1102 of the Omnibus Trade and Competitiveness Act of 1988, the President shall afford an opportunity for any interested person to present his views concerning any article on a list published under section 131, any matter or article which should be so listed, any concession which should be sought by the United States, or any other matter relevant to such proposed trade agreement. For this purpose, the President shall designate an agency or an interagency committee which shall, after reasonable notice, hold public hearings and prescribe regulations governing the conduct of such hearings. When appropriate, such procedures shall apply to the development of trade policy and priorities.

"(b) SUMMARY OF HEARINGS.—The organization holding such hearing shall furnish the President with a summary thereof.

"SEC. 134. PREREQUISITES FOR OFFERS.

"(a) In any negotiation seeking an agreement under section 123 of this Act or section 1102 of the Omnibus Trade and Competitiveness Act of 1988, the President may make a formal offer for the modification or continuance of any United States duty, import restrictions, or barriers to (or other distortions of) international trade, the continuance of United States duty-free or excise treatment, or the imposition of additional duties, import restrictions, or other barrier to (or other distortion of) international trade including trade in services, foreign direct investment and intellectual property as covered by this title, with respect to any article or matter only after he has received a summary of the hearings at which an opportunity to be heard with respect to such article has been afforded under section 133. In addition, the President may make an offer for the modification or continuance of any United States duty, the continuance of United States duty-free or excise treatment, or the imposition of additional duties, with respect to any article included in a list published and furnished under section 131(a), only after he has received advice concerning such article from the Commission under section 131(b), or after the expiration of the 6-month or 90-day period provided for in that section, as appropriate, whichever first occurs.

"(b) In determining whether to make offers described in subsection (a) in the course of negotiating any trade agreement under section 1102 of the Omnibus Trade and Competitiveness Act of 1988, and in determining the nature and scope of such offers, the President shall take into account any advice or information provided, or reports submitted, by—

"(1) the Commission;

"(2) any advisory committee established under section 135; or

"(3) any organization that holds public hearings under section 133;

with respect to any article, or domestic industry, that is sensitive, or potentially sensitive, to imports.".

PART 3—OTHER TRADE AGREEMENT AND NEGOTIATION PROVISIONS

SEC. 1121. IMPLEMENTATION OF NAIROBI PROTOCOL.

(a) PURPOSE AND REFERENCE.—

(1) The purpose of this section is—

(A) to provide for the implementation by the United States of the Protocol (S. Treaty Doc. 97-2, 9; hereafter referred to in this section as the "Nairobi Protocol") to the Agreement on the Importation of Educational, Scientific, and Cultural Materials (17 UST (pt. 2) 1835; commonly known as the "Florence Agreement");

(B) to clarify or modify the duty-free treatment accorded under the Educational, Scientific, and Cultural Materials Importation Act of 1982 (Public Law 97-446, 96 Stat. 2346-2349), the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-65, 80 Stat. 897 et seq.), and Public Law 89-634 (80 Stat. 879); and

(C) to continue the safeguard provisions concerning certain imported articles provided for in the Educational, Scientific, and Cultural Materials Importation Act of 1982.

(2) Whenever an amendment or repeal in this section is expressed in terms of an amendment to, or repeal of, an item, headnote, Appendix, or other provision, the reference shall be considered to be made to an item, headnote, Appendix, or other provision of the Tariff Schedules of the United States.

(b) REPEAL OF THE EDUCATIONAL, SCIENTIFIC, AND CULTURAL MATERIALS IMPORTATION ACT OF 1982.—The Educational, Scientific, and Cultural Materials Importation Act of 1982 is hereby repealed.

(c) TREATMENT OF PRINTED MATTER AND CERTAIN OTHER ARTICLES.—

(1) Items 270.45 and 270.50 are redesignated as items 270.46 and 270.48, respectively.

(2) Part 5 of schedule 2 is amended—

(A) by inserting in numerical sequence the following new item:

"	270.90	Catalogs of films, recordings, or other visual and auditory material of an educational, scientific, or cultural character	Free		Free	",

and

(B) by striking out items 273.45, 273.50, and 273.55 and the superior heading thereto and inserting in lieu thereof the following new item having the same degree of indentation as item 273.35:

" 273.52	Architectural, engineering, industrial, or commercial drawings and plans, whether originals or reproductions	Free	Free ".

(3)(A) The superior heading to items 274.50, 274.60, 274.65, and 274.70 is amended by inserting "(including developed photographic film; photographic slides; transparencies; holograms for laser projection; and microfilm, microfiches and similar articles except those provided for in item 737.52)" after "Photographs".

(B) Part 5 of schedule 2 is amended by inserting in numerical sequence the following new items under the superior heading "Printed not over 20 years at time of importation:", and before, and with the same degree of indentation as, "Lithographs on paper":

" 274.55	Loose illustrations, reproduction proofs or reproduction films used for the production of books	Free	Free
274.56	Articles provided for in items 270.05, 270.10, 270.25, 270.55, 270.63, 270.70, and 273.60 in the form of microfilm, microfiches, and similar film media	Free	Free ".

(C) Subpart D of part 5 of schedule 7 is amended by striking out item 735.20 and inserting in lieu thereof the following new items with a superior heading having the same degree of indentation as item 735.18:

"	Puzzles; game, sport, gymnastic, athletic, or playground equipment; all the foregoing, and parts thereof, not specially provided for:		
735.21	Crossword puzzle books, whether or not in the form of microfilm, microfiches, or similar film media	Free	Free
735.24	Other	5.52% ad val.	40% ad val. ".

(D) Item 737.52 is amended by inserting "(whether or not in the form of microfilm, microfiches, or similar film media)" after "Toy books".

(E) Item 830.00 is amended by inserting "; official government publications in the form of microfilm, microfiches, or similar film media" after "not developed".

(F) Item 840.00 is amended by inserting ", whether or not in the form of microfilm, microfiches, or similar film media" after "documents".

(d) Visual and Auditory Material.—

(1) Headnote 1 to part 7 of schedule 8 is amended to read as follows:

"1. (a) No article shall be exempted from duty under item 870.30 unless either—

"(i) a Federal agency (or agencies) designated by the President determines that such article is visual or auditory material of an educational, scientific, or cultural character within the meaning of the Agreement for Facilitating the International Circulation of Visual and Auditory Materials of an Educational, Scientific, or Cultural Character (17 UST (pt. 2) 1578; Beirut Agreement), or

"(ii) such article—

"(A) is imported by, or certified by the importer to be for the use of, any public or private institution or association approved as educational, scientific, or cultural by a Federal agency or agencies designated by the President for the purpose of duty-free admission pursuant to the Nairobi Protocol to the Florence Agreement, and

"(B) is certified by the importer to be visual or auditory material of an educational, scientific, or cultural character or to have been produced by the United Nations or any of its specialized agencies.

For purposes of subparagraph (i), whenever the President determines that there is, or may be, profitmaking exhibition or use of articles described in item 870.30 which interferes significantly (or threatens to interfere significantly) with domestic production of similar articles, he may prescribe regulations imposing restrictions on the entry under that item of such foreign articles to insure that they will be exhibited or used only for nonprofitmaking purposes.

"(b) For purposes of items 870.32 through 870.35, inclusive, no article shall be exempted from duty unless it meets the criteria set forth in subparagraphs (a)(ii) (A) and (B) of this headnote.".

(2) Item 870.30 is amended—

(A) by inserting "(except toy models)" after "models", and

(B) by striking out "headnote 1" and inserting in lieu thereof "headnote 1(a)".

(3) Part 7 of schedule 8 is amended by inserting in numerical sequence the following new items with a superior heading at the same degree of indentation as item 870.30:

"	Articles determined to be visual or auditory materials in accordance with headnote 1 of this part:		
870.32	Holograms for laser projection; microfilm, microfiches, and similar articles	Free	Free
870.33	Motion-picture films in any form on which pictures, or sound and pictures, have been recorded, whether or not developed	Free	Free
870.34	Sound recordings, combination sound and visual recordings, and magnetic recordings; video discs, video tapes, and similar articles	Free	Free
870.35	Patterns and wall charts; globes; mock-ups or visualizations of abstract concepts such as molecular structures or mathematical formulae; materials for programmed instruction; and kits containing printed materials and audio materials and visual materials or any combination of two or more of the foregoing	Free	Free ".

(e) TOOLS FOR SCIENTIFIC INSTRUMENTS OR APPARATUS.—Part 4 of schedule 8 is amended by inserting in numerical sequence the following new item having the same degree of indentation as item 852.20:

"	851.67	Tools specially designed to be used for the maintenance, checking, gauging or repair of scientific instruments or apparatus admitted under item 851.60	Free	Free ".

(f) ARTICLES FOR THE BLIND AND FOR OTHER HANDICAPPED PERSONS.—

(1) Subpart D of part 2 of schedule 8 is amended by striking out items 825.00, 826.10, and 826.20.

(2) The headnotes to part 7 of schedule 8 are amended—

(A) by adding at the end thereof the following new headnote:

"4. (a) For purposes of items 870.65, 870.66, and 870.67, the term 'blind or other physically or mentally handicapped persons' includes any person suffering from a permanent or chronic physical or mental impairment which substantially limits one or more major life activities, such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.

"(b) Items 870.65, 870.66, and 870.67 do not cover—

"(i) articles for acute or transient disability;

"(ii) spectacles, dentures, and cosmetic articles for individuals not substantially disabled;

"(iii) therapeutic and diagnostic articles; or

"(iv) medicine or drugs.".

(3) Part 7 of schedule 8 is amended by inserting in numerical sequence the following new items with a superior heading having the same degree of indentation as item 870.45:

"		Articles specially designed or adapted for the use or benefit of the blind or other physically or mentally handicapped persons:		
		Articles for the blind:		
	870.65	Books, music, and pamphlets, in raised print, used exclusively by or for them	Free	Free
	870.66	Braille tablets, cubarithms, and special apparatus, machines, presses, and types for their use or benefit exclusively	Free	Free
	870.67	Other	Free	Free ".

(g) AUTHORITY TO LIMIT CERTAIN DUTY-FREE TREATMENT.—

(1)(A) The President may proclaim changes in the Tariff Schedules of the United States to narrow the scope of, place conditions upon, or otherwise eliminate the duty-free treatment accorded by reason of the amendments made by subsection (e) or (f) with respect to any type of article the duty-free treatment of which has significant adverse impact on a domestic industry (or portion thereof) manufacturing or producing a like or directly competitive article, if the effect of such change is consistent with the provisions of the relevant annexes of the Florence Agreement or the Nairobi Protocol.

(B) If the President proclaims changes to the Tariff Schedules of the United States under subparagraph (A), the rate of duty thereafter applicable to any article which is—

(i) affected by such action, and

(ii) imported from any source,

shall be the rate determined and proclaimed by the President as the rate which would then be applicable to such article from such source if this section had not been enacted.

(2) If the President determines that any duty-free treatment which is no longer in effect because of action taken under paragraph (1) could be restored, in whole or in part, without a resumption of significant adverse impact on a domestic industry or portion thereof, the President may proclaim changes to the Tariff Schedules of the United States to resume such duty-free treatment.

(3) Before taking any action under paragraph (1) or (2), the President shall afford an opportunity for interested Government agencies and private persons to present their views concerning the proposed action.

(4) Any action in effect or any proceeding in progress under section 166 of the Educational, Scientific, and Cultural Materials Importation Act of 1982 on the day that Act is repealed shall be considered as an action or proceeding under this section and shall be continued or resumed under this section.

(h) AUTHORITY TO EXPAND CERTAIN DUTY-FREE TREATMENT ACCORDED BY REASON OF SUBSECTION (d).—

(1) If the President determines such action to be in the interest of the United States, the President may proclaim changes to the Tariff Schedules of the United States in order to remove or modify any condition or restriction imposed under headnote 1 to part 7 of schedule 8 (as amended by subsection (d) of this section) of such Schedules, on the importation of articles provided for in items 870.30 through 870.35, inclusive (except as to articles entered under the terms of headnote 1(a)(i) to part 7 of schedule 8) of such Schedules, in order to implement the provisions of annex C-1 of the Nairobi Protocol.

(2) Any change to the Tariff Schedules of the United States proclaimed under paragraph (1) shall be effective with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date that is 15 days after the date on which the President proclaims such change.

(i) STATISTICAL INFORMATION.—In order to implement effectively the provisions of subsection (g), the Secretary of the Treasury, in conjunction with the Secretary of Commerce, shall take such actions as are necessary to obtain adequate statistical information with respect to articles to which amendments made by subsection (c) apply, in such detail and for such period as the Secretaries consider necessary.

(j) EFFECTIVE DATE.—

(1) The provisions of this section, and the repeal and amendments made by this section, shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the later of—

(A) October 1, 1988, or

(B) the date that is 15 days after the deposit of the United States ratification of the Nairobi Protocol.

(2) Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon request filed with the appropriate customs officer on or before the date that is 180 days after the later of the dates described in subparagraphs (A) and (B) of paragraph (1), any entry, or withdrawal from warehouse, of any article—

(A) which was made on or after August 12, 1985, and before such later date, and

(B) with respect to which there would have been no duty if the provisions of this section, or any amendments made by this section, applied to such entry or withdrawal,

shall be liquidated or reliquidated as though such entry or withdrawal had been made on or after such later date.

SEC. 1122. IMPLEMENTATION OF UNITED STATES-EC AGREEMENT ON CITRUS AND PASTA.

(a) PURPOSE.—The purpose of this section is to provide for the implementation of tariff reductions agreed to by the United States in the Agreement between the European Communities and the United States, concluded February 24, 1987, with respect to citrus and pasta.

(b) PROCLAMATION AUTHORITY.—

(1) The amendments made by subsection (c) shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after a date occurring after September 30, 1988, that is proclaimed by the President as being appropriate to carry out the Agreement referred to in subsection (a).

(2) The President is authorized at any time to modify or terminate by proclamation any provision of law enacted by the amendments made by subsection (c).

(3) The rates of duty in column numbered 1 of the Tariff Schedules of the United States that are enacted by the amendments made by subsection (c) shall be treated—

(A) as not having the status of statutory provisions enacted by the Congress; but

(B) as having been proclaimed by the President as being required to carry out a foreign trade agreement to which the United States is a party.

(c) AMENDMENTS TO TARIFF SCHEDULES.—

(1) Whenever in this subsection an amendment is expressed in terms of an amendment to a schedule, headnote, item, the Appendix, or other provision, the reference shall be considered to be made to a schedule, headnote, item, the Appendix, or other provision of the Tariff Schedules of the United States.

(2) Subpart C of part 3 of schedule 1 is amended by striking out item 112.40 and inserting in lieu thereof the following items with a superior heading having the same degree of indentation as the article description in item 112.42:

"	Anchovies:			
112.40	If entered in any calendar year before 3,000 metric tons of anchovies have been entered under this item in such calendar year	3% ad val.	Free (A,E,I)	30% ad val.
112.41	Other	6% ad val.	Free (A,E,I)	30% ad val. ".

(3)(A) Item 117.65 is amended by striking out "9% ad val." and inserting in lieu thereof "Free".

(B) Item 117.67 is amended by striking out "12% ad val." and inserting in lieu thereof "Free".

(4) Subpart B of part 9 of Schedule 1 is amended by striking out item 147.29 and inserting in lieu thereof the following items with a superior heading having the same degree of indentation as the article description in item 147.30:

"	Mandarin, packed in air-tight containers:			
147.28	Satsuma, if entered in any calendar year before 40,000 metric tons of Satsuma oranges have been entered under this item in such calendar year	Free	Free (A,E,I)	1¢ per lb.
147.29	Other	0.2¢ per lb.	Free (A,E,I)	1¢ per lb. ".

(5) Subpart B of part 9 of Schedule 1 is amended—

(A) by striking out item 148.44 and inserting in lieu thereof the following items with a superior heading having the same degree of indentation as the article description in item 148.42:

"	Other:			
148.43	In containers each holding not more than 0.3 gallon	20¢ per gal.	Free (E)	20¢ per gal.
	In containers each holding more than 0.3 gallon:			
148.44	If entered in any calendar year before 4,400 metric tons of olives have been entered under this item in such calendar year	10¢ per gal.	Free (E)	20¢ per gal.
148.45	Other	20¢ per gal.	Free (E)	20¢ per gal. ";

(B) by striking out item 148.48 and inserting in lieu thereof the following items with a superior heading having the same degree of indentation as the article description in item 148.46:

"	Other:			
148.47	If entered in any calendar year before 730 metric tons of olives have been entered under this item in such calendar year	15¢ per gal.	Free (E)	30¢ per gal.
148.48	Other	30¢ per gal.	Free (E)	30¢ per gal. ";

(C) by striking out "or stuffed" in item 148.50;

(D) by redesignating items 148.52, 148.54, and 148.56 as items 148.55, 148.56, and 148.57, respectively;

(E) by inserting after item 148.50 the following new items with a superior heading having the same degree of indentation as the article description in item 148.50:

"	Stuffed:			
	In containers each holding not more than 0.3 gallon:			
	Place Packed:			
148.51	If entered in any calendar year before 2,700 metric tons of olives have been entered under this item in such calendar year	15¢ per gal.	Free (E)	30¢ per gal.
148.52	Other	30¢ per gal.	Free (E)	30¢ per gal.
148.53	Other	30¢ per gal.	Free (E)	30¢ per gal.
148.54	In containers each holding more than 0.3 gallon	30¢ per gal.	Free (E)	30¢ per gal. ";

(F) by striking out "5¢ per lb." in item 148.55, as redesignated by paragraph (4), and inserting in lieu thereof "2.5¢ per lb."; and

(G) by striking out item 148.57, as redesignated by paragraph (4), and inserting in lieu thereof the following new items with the superior heading having the same degree of indentation as the article description in item 148.40:

"		Otherwise prepared or preserved:				
	148.57	If entered in any calendar year before 550 metric tons of olives have been entered under this item in such calendar year.........	2.5¢ per lb.	Free (E)	5¢ per lb.	
	148.58	Other..	5¢ per lb.	Free (E)	5¢ per lb.	".

(6) Items 161.06 and 161.08 are each amended by striking out "16% ad val." and inserting in lieu thereof "8% ad val.".

(7) Item 161.71 is amended by striking out "2¢ per lb." and inserting in lieu thereof "1.35¢ per lb.".

(8) Item 167.15 is amended by striking out "3¢ per gal." and inserting in lieu thereof "1.5¢ per gal.".

(9)(A) Item 176.29 is amended by striking out "3.8¢ per lb. on contents and container" and inserting in lieu thereof "2.28¢ per lb. on contents and container.".

(B) Item 176.30 is amended by striking out "2.6¢ per lb." and inserting in lieu thereof "1.56¢ per lb.".

(d) Report.—The Trade Representative shall include in the semiannual report submitted under section 309(3) of the Trade Act of 1974 an assessment of whether the European Communities are in compliance with the agreement referred to in subsection (a).

SEC. 1123. EXTENSION OF INTERNATIONAL COFFEE AGREEMENT ACT OF 1980.

(a) Extension.—Section 2 of the International Coffee Agreement Act of 1980 (19 U.S.C. 1356k) is amended by striking out "October 1, 1986" and inserting "October 1, 1989".

(b) Effective Date.—The amendment made by subsection (a) shall take effect January 1, 1987.

SEC. 1124. NEGOTIATIONS ON CURRENCY EXCHANGE RATES.

(a) Findings.—The Congress finds that—

(1) the benefit of trade concessions can be adversely affected by misalignments in currency, and

(2) misalignments in currency caused by government policies intended to maintain an unfair trade advantage tend to nullify and impair trade concessions.

(b) Negotiations.—Whenever, in the course of negotiating a trade agreement under this subtitle, the President is advised by the Secretary of the Treasury that a foreign country that is a party to the negotiations satisfies the criteria for initiating bilateral currency negotiations listed in section 3004(b) of this Act, the Secretary of the Treasury shall take action to initiate bilateral currency negotiations on an expedited basis with such foreign country.

SEC. 1125. REPORTS ON NEGOTIATIONS TO ELIMINATE WINE TRADE BARRIERS.

Before the close of the 13-month period beginning on the date of the enactment of this Act, the President shall update each report that the President submitted to the Committee on Ways and Means and the Committee on Finance under section 905(b) of the Wine Equity and Export Expansion Act of 1984 (19 U.S.C. 2804) and submit the updated report to both of such committees. Each updated report shall contain, with respect to the major wine trading country concerned—

(1) a description of each tariff or nontariff barrier to (or other distortion of) trade in United States wine of that country with respect to which the United States Trade Representative has carried out consultations since the report required under such section 905(b) was submitted;

(2) the status of the consultations described under paragraph (1); and

(3) information, explanations, and recommendations of the kind referred to in paragraph (1) (C), (D), and (E) of such section 905(b) that are based on developments (including the taking of relevant actions, if any, of a kind not contemplated at the time of the enactment of such 1984 Act) since the submission of the report required under such section.

Subtitle B—Implementation of the Harmonized Tariff Schedule

SEC. 1201. PURPOSES.

The purposes of this subtitle are—

(1) to approve the International Convention on the Harmonized Commodity Description and Coding System;

(2) to implement in United States law the nomenclature established internationally by the Convention; and

(3) to provide that the Convention shall be treated as a trade agreement obligation of the United States.

SEC. 1202. DEFINITIONS.

As used in this subtitle:

(1) The term "Commission" means the United States International Trade Commission.

(2) The term "Convention" means the International Convention on the Harmonized Commodity Description and Coding System, done at Brussels on June 14, 1983, and the Protocol thereto, done at Brussels on June 24, 1986, submitted to the Congress on June 15, 1987.

(3) The term "entered" means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States.

(4) The term "Federal agency" means any establishment in the executive branch of the United States Government.

(5) The term "old Schedules" means title I of the Tariff Act of 1930 (19 U.S.C. 1202) as in effect on the day before the effective date of the amendment to such title under section 1204(a).

(6) The term "technical rectifications" means rectifications of an editorial character or minor technical or clerical changes which do not affect the substance or meaning of the text, such as—

(A) errors in spelling, numbering, or punctuation;

(B) errors in indentation;

(C) errors (including inadvertent omissions) in cross-references to headings or subheadings or notes; and

(D) other clerical or typographical errors.

SEC. 1203. CONGRESSIONAL APPROVAL OF UNITED STATES ACCESSION TO THE CONVENTION.

(a) Congressional Approval.—The Congress approves the accession by the United States of America to the Convention.

(b) Acceptance of the Final Legal Text of the Convention by the President.—The President may accept for the United States the final legal instruments embodying the Convention. The President shall submit a copy of each final instrument to the Congress on the date it becomes available.

(c) Unspecified Private Remedies Not Created.—Neither the entry into force with respect to the United States of the Convention nor the enactment of this subtitle may be construed as creating any private right of action or remedy for which provision is not explicitly made under this subtitle or under other laws of the United States.

(d) Termination.—The provisions of section 125(a) of the Trade Act of 1974 (19 U.S.C. 2135(a)) do not apply to the Convention.

SEC. 1204. ENACTMENT OF THE HARMONIZED TARIFF SCHEDULE.

(a) In General.—The Tariff Act of 1930 is amended by striking out title I and inserting a new title I entitled "Title I—Harmonized Tariff Schedule of the United States" (hereinafter in this subtitle referred to as the "Harmonized Tariff Schedule") which—

(1) consists of—

(A) the General Notes;

(B) the General Rules of Interpretation;

(C) the Additional U.S. Rules of Interpretation;

(D) sections I to XXII, inclusive (encompassing chapters 1 to 99, and including all section and chapter notes, article provisions, and tariff and other treatment accorded thereto); and

(E) the Chemical Appendix to the Harmonized Tariff Schedule;

all conforming to the nomenclature of the Convention and as set forth in Publication No. 2030 of the Commission entitled "Harmonized Tariff Schedule of the United States Annotated for Statistical Reporting Purposes" and Supplement No. 1 thereto; but

(2) does not include the statistical annotations, notes, annexes, suffixes, check digits, units of quantity, and other matters formulated under section 484(e) of the Tariff Act of 1930 (19 U.S.C. 1484(e)), nor the table of contents, footnotes, index, and other matters inserted for ease of reference, that are included in such Publication No. 2030 or Supplement No. 1. thereto.

(b) Modifications to the Harmonized Tariff Schedule.—At the earliest practicable date after the date of the enactment of the Onmibus Trade and Competitiveness Act of 1988, the President shall—

(1) proclaim such modifications to the Harmonized Tariff Schedule as are consistent with the standards applied in converting the old Schedules into the format of the Convention, as reflected in such Publication No. 2030 and Supplement No. 1. thereto, and as are necessary or appropriate to implement—

(A) the future outstanding staged rate reductions authorized by the Congress in—

(i) the Trade Act of 1974 (19 U.S.C. 2101 et seq.) and the Trade Agreements Act of 1979 (19 U.S.C. 2501 et seq.) to reflect the tariff reductions that resulted from the Tokyo Round of multilateral trade negotiations, and

(ii) the United States-Israel Free Trade Area Implementation Act of 1985 (19 U.S.C.

1202 note) to reflect the tariff reduction resulting from the United States-Israel Free Trade Area Agreement,

(B) the applicable provisions of—

(i) statutes enacted,

(ii) executive actions taken, and

(iii) final judicial decisions rendered,

after January 1, 1988, and before the effective date of the Harmonized Tariff Schedule, and

(C) such technical rectifications as the President considers necessary; and

(2) take such action as the President considers necessary to bring trade agreements to which the United States is a party into conformity with the Harmonized Tariff Schedule.

(c) Status of the Harmonized Tariff Schedule.—

(1) The following shall be considered to be statutory provisions of law for all purposes:

(A) The provisions of the Harmonized Tariff Schedule as enacted by this subtitle.

(B) Each statutory amendment to the Harmonized Tariff Schedule.

(C) Each modification or change made to the Harmonized Tariff Schedule by the President under authority of law (including section 604 of the Trade Act of 1974).

(2) Neither the enactment of this subtitle nor the subsequent enactment of any amendment to the Harmonized Tariff Schedule, unless such subsequent enactment otherwise provides, may be construed as limiting the authority of the President—

(A) to effect the import treatment necessary or appropriate to carry out, modify, withdraw, suspend, or terminate, in whole or in part, trade agreements; or

(B) to take such other actions through the modification, continuance, or imposition of any rate of duty or other import restriction as may be necessary or appropriate under the authority of the President.

(3) If a rate of duty established in column 1 by the President by proclamation or Executive order is higher than the existing rate of duty in column 2, the President may by proclamation or Executive order increase such existing rate to the higher rate.

(4) If a rate of duty is suspended or terminated by the President by proclamation or Executive order and the proclamation or Executive order does not specify the rate that is to apply in lieu of the suspended or terminated rate, the last rate of duty that applied prior to the suspended or terminated rate shall be the efffective rate of duty.

(d) Interim Informational Use of Harmonized Tariff Schedule Classifications.—Each—

(1) proclamation issued by the President;

(2) public notice issued by the Commission or other Federal agency; and

(3) finding, determination, order, recommendation, or other decision made by the Commission or other Federal agency;

during the period between the date of the enactment of the Omnibus Trade and Competitiveness Act of 1988 and the effective date of the Harmonized Tariff Schedule shall, if the proclamation, notice, or decision contains a reference to the tariff classification of any article, include, for informational purposes, a reference to the classification of that article under the Harmonized Tariff Schedule.

SEC. 1205. COMMISSION REVIEW OF, AND RECOMMENDATIONS REGARDING, THE HARMONIZED TARIFF SCHEDULE.

(a) In General.—The Commission shall keep the Harmonized Tariff Schedule under continuous review and periodically, at such time as amendments to the Convention are recommended by the Customs Cooperation Council for adoption, and as other circumstances warrant, shall recommend to the President such modifications in the Harmonized Tariff Schedule as the Commission considers necessary or appropriate—

(1) to conform the Harmonized Tariff Schedule with amendments made to the Convention;

(2) to promote the uniform application of the Convention and particularly the Annex thereto;

(3) to ensure that the Harmonized Tariff Schedule is kept up-to-date in light of changes in technology or in patterns of international trade;

(4) to alleviate unnecessary administrative burdens; and

(5) to make technical rectifications.

(b) Agency and Public Views Regarding Recommendations.—In formulating recommendations under subsection (a), the Commission shall solicit, and give consideration to, the views of interested Federal agencies and the public. For purposes of obtaining public views, the Commission—

(1) shall give notice of the proposed recommendations and afford reasonable opportunity for interested parties to present their views in writing; and

(2) may provide for a public hearing.

(c) Submission of Recommendations.—The Commission shall submit recommendations under this section to the President in the form of a report that shall include a summary of the information on which the recommendations were based, together with a statement of the probable economic effect of each recommended change on any industry in the United States. The report also shall include a copy of all written views submitted by interested Federal agencies and a copy or summary, prepared by the Commission, of the views of all other interested parties.

(d) Requirements Regarding Recommendations.—The Commission may not recommend any modification to the Harmonized Tariff Schedule unless the modification meets the following requirements:

(1) The modification must—

(A) be consistent with the Convention or any amendment thereto recommended for adoption;

(B) be consistent with sound nomenclature principles; and

(C) ensure substantial rate neutrality.

(2) Any change to a rate of duty must be consequent to, or necessitated by, nomenclature modifications that are recommended under this section.

(3) The modification must not alter existing conditions of competition for the affected United States industry, labor, or trade.

SEC. 1206. PRESIDENTIAL ACTION ON COMMISSION RECOMMENDATIONS.

(a) In General.—The President may proclaim modifications, based on the recommendations by the Commission under section 1205, to the Harmonized Tariff Schedule if the President determines that the modifications—

(1) are in conformity with United States obligations under the Convention; and

(2) do not run counter to the national economic interest of the United States.

(b) Lay-Over Period.—

(1) The President may proclaim a modification under subsection (a) only after the expiration of the 60-day period beginning on the date on which the President submits a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that sets forth the proposed modification and the reasons therefor.

(2) The 60-day period referred to in paragraph (1) shall be computed by excluding—

(A) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

(B) any Saturday and Sunday, not excluded under subparagraph (A), when either House is not in session.

(c) Effective Date of Modifications.—Modifications proclaimed by the President under subsection (a) may not take effect before the 15th day after the date on which the text of the proclamation is published in the Federal Register.

SEC. 1207. PUBLICATION OF THE HARMONIZED TARIFF SCHEDULE.

(a) In General.—The Commission shall compile and publish, at appropriate intervals, and keep up to date the Harmonized Tariff Schedule and related information in the form of printed copy; and, if, in its judgment, such format would serve the public interest and convenience—

(1) in the form of microfilm images; or

(2) in the form of electronic media.

(b) Content.—Publications under subsection (a), in whatever format, shall contain—

(1) the then current Harmonized Tariff Schedule;

(2) statistical annotations and related statistical information formulated under section 484(e) of the Tariff Act of 1930 (19 U.S.C. 1484(e)); and

(3) such other matters as the Commission considers to be necessary or appropriate to carry out the purposes enumerated in the Preamble to the Convention.

SEC. 1208. IMPORT AND EXPORT STATISTICS.

The Secretary of Commerce shall compile, and make publicly available, the import and export trade statistics of the United States. Such statistics shall be conformed to the nomenclature of the Convention.

SEC. 1209. COORDINATION OF TRADE POLICY AND THE CONVENTION.

The United States Trade Representative is responsible for coordination of United States trade policy in relation to the Convention. Before formulating any United States position with respect to the Convention, including any proposed amendments thereto, the United States Trade Representative shall seek, and consider, information and advice from interested parties in the private sector (including a functional advisory committee) and from interested Federal agencies.

SEC. 1210. UNITED STATES PARTICIPATION ON THE CUSTOMS COOPERATION COUNCIL REGARDING THE CONVENTION.

(a) Principal United States Agencies.—

(1) Subject to the policy direction of the Office of the United States Trade Representative under section 1209, the Department of the Treasury, the Department of Commerce, and the Commission shall, with respect to the activities of the Customs Cooperation Council relating to the Convention—

(A) be primarily responsible for formulating United States Government positions on technical and procedural issues; and

(B) represent the United States Government.

(2) The Department of Agriculture and other interested Federal agencies shall provide to the Department of the Treasury, the Department of Commerce, and the Commission technical advice and assistance relating

to the functions referred to in paragraph (1).

(b) Development of Technical Proposals.—

(1) In connection with responsibilities arising from the implementation of the Convention and under section 484(e) of the Tariff Act of 1930 (19 U.S.C. 1484(e)) regarding United States programs for the development of adequate and comparable statistical information on merchandise trade, the Secretary of the Treasury, the Secretary of Commerce, and the Commission shall prepare technical proposals that are appropriate or required to assure that the United States contribution to the development of the Convention recognizes the needs of the United States business community for a Convention which reflects sound principles of commodity identification, modern producing methods, and current trading patterns and practices.

(2) In carrying out this subsection, the Secretary of the Treasury, the Secretary of Commerce, and the Commission shall—

(A) solicit and consider the views of interested parties in the private sector (including a functional advisory committee) and of interested Federal agencies;

(B) establish procedures for reviewing, and developing appropriate responses to, inquiries and complaints from interested parties concerning articles produced in and exported from the United States; and

(C) where appropriate, establish procedures for—

(i) ensuring that the dispute settlement provisions and other relevant procedures available under the Convention are utilized to promote United States export interests, and

(ii) submitting classification questions to the Harmonized System Committee of the Customs Cooperation Council.

(c) Availability of Customs Cooperation Council Publications.—As soon as practicable after the date of the enactment of the Omnibus Trade and Competitiveness Act of 1988, and periodically thereafter as appropriate, the Commission shall see to the publication of—

(1) summary records of the Harmonized System Committee of the Customs Cooperation Council; and

(2) subject to applicable copyright laws, the Explanatory Notes, Classification Opinions, and other instruments of the Customs Cooperation Council relating to the Convention.

SEC. 1211. TRANSITION TO THE HARMONIZED TARIFF SCHEDULE.

(a) Existing Executive Actions.—

(1) The appropriate officers of the United States Government shall take whatever actions are necessary to conform, to the fullest extent practicable, with the tariff classification system of the Harmonized Tariff Schedule all proclamations, regulations, rulings, notices, findings, determinations, orders, recommendations, and other written actions that—

(A) are in effect on the day before the effective date of the Harmonized Tariff Schedule; and

(B) contain references to the tariff classification of articles under the old Schedules.

(2) Neither the repeal of the old Schedules, nor the failure of any officer of the United States Government to make the conforming changes required under paragraph (1), shall affect to any extent the validity or effect of the proclamation, regulation, ruling, notice, finding, determination, order, recommendation, or other action referred to in paragraph (1).

(b) Generalized System of Preferences Conversion.—

(1) The review of the proposed conversion of the Generalized System of Preferences program to the Convention tariff nomenclature, initiated by the Office of the United States Trade Representative by notice published in the Federal Register on December 8, 1986 (at page 44,163 of volume 51 thereof), shall be treated as satisfying the requirements of sections 503(a) and 504(c)(3) of the Trade Act of 1974 (19 U.S.C. 2463(a), 2464(c)(3)).

(2) In applying section 504(c)(1) of the Trade Act of 1974 (19 U.S.C. 2464(c)(1)) for calendar year 1989, the reference in such section to July 1 shall be treated as a reference to September 1.

(c) Import Restrictions Under the Agricultural Adjustment Act.—

(1) Whenever the President determines that the conversion of an import restriction proclaimed under section 22 of the Agricultural Adjustment Act (7 U.S.C. 624) from part 3 of the Appendix to the old Schedules to subchapter IV of chapter 99 of the Harmonized Tariff Schedule results in—

(A) an article that was previously subject to the restriction being excluded from the restriction; or

(B) an article not previously subject to the restriction being included within the restriction;

the President may proclaim changes in subchapter IV of chapter 99 of the Harmonized Tariff Schedule to conform that subchapter to the fullest extent possible to part 3 of the Appendix to the old Schedules.

(2) Whenever the President determines that the conversion from headnote 2 of subpart A of part 10 of schedule 1 of the old Schedules to Additional U.S. Note 2, chapter 17, of the Harmonized Tariff Schedule results in—

(A) an article that was previously covered by such headnote being excluded from coverage; or

(B) an article not previously covered by such headnote being included in coverage;

the President may proclaim changes in Additional U.S. Note 2, chapter 17 of the Harmonized Tariff Schedule to conform that note to the fullest extent possible to headnote 2 of subpart A of part 10 of schedule 1 of the old Schedules.

(3) No change to the Harmonized Tariff Schedule may be proclaimed under paragraph (1) or (2) after June 30, 1990.

(d) Certain Protests and Petitions Under the Customs Law.—

(1)(A) This subtitle may not be considered to divest the courts of jurisdiction over—

(i) any protest filed under section 514 of the Tariff Act of 1930 (19 U.S.C. 1514); or

(ii) any petition by an American manufacturer, producer, or wholesaler under section 516 of such Act (19 U.S.C. 1516);

covering articles entered before the effective date of the Harmonized Tariff Schedule.

(B) Nothing in this subtitle shall affect the jurisdiction of the courts with respect to articles entered after the effective date of the Harmonized Tariff Schedule.

(2)(A) If any protest or petition referred to in paragraph (1)(A) is sustained in whole or in part by a final judicial decision, the entries subject to that protest or petition and made before the effective date of the Harmonized Tariff Schedule shall be liquidated or reliquidated, as appropriate, in accordance with such final judicial decision under the old Schedules.

(B) At the earliest practicable date after the effective date of the Harmonized Tariff Schedule, the Commission shall initiate an investigation under section 332 of the Tariff Act of 1930 (19 U.S.C. 1332) of those final judicial decisions referred to in subparagraph (A) that—

(i) are published during the 2-year period beginning on February 1, 1988; and

(ii) would have affected tariff treatment if they had been published during the period of the conversion of the old Schedules into the format of the Convention.

No later than September 1, 1990, the Commission shall report the results of the investigation to the President, the Committee on Ways and Means, and the Committee on Finance, and shall recommend those changes to the Harmonized Tariff Schedule that the Commission would have recommended if the final decisions concerned had been made before the conversion into the format of the Convention occurred.

(3) The President shall review all changes recommended by the Commission under paragraph (2)(B) and shall, as soon as practicable, proclaim such of those changes, if any, which he decides are necessary or appropriate to conform such Schedule to the final judicial decisions. Any such change shall be effective with respect to—

(A) entries made on or after the date of such proclamation; and

(B) entries made on or after the effective date of the Harmonized Tariff Schedule if, notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514), application for liquidation or reliquidation thereof is made by the importer to the customs officer concerned within 180 days after the effective date of such proclamation.

(4) If any protest or petition referred to in paragraph (1)(A) is not sustained in whole or in part by a final judicial decision, the entries subject to that petition or protest and made before the effective date of the Harmonized Tariff Schedule shall be liquidated or reliquidated, as appropriate, in accordance with the final judicial decision under the old Schedules.

SEC. 1212. REFERENCE TO THE HARMONIZED TARIFF SCHEDULE.

Any reference in any law to the "Tariff Schedules of the United States", "the Tariff Schedules", "such Schedules", and any other general reference that clearly refers to the old Schedules shall be treated as a reference to the Harmonized Tariff Schedule.

SEC. 1213. TECHNICAL AMENDMENTS.

(a) Trade Act of 1974.—Section 604 of the Trade Act of 1974 (19 U.S.C. 2483) is amended by striking out "including modification," and inserting "including removal, modification,".

(b) Tariff Classification Act of 1962.—Section 201 of the Tariff Classification Act of 1962 (76 Stat. 72, 74) is repealed.

(c) Tariff Act of 1930.—Section 315(d) of the Tariff Act of 1930 (19 U.S.C. 1315(d)) is amended by adding at the end thereof the following: "This subsection shall not apply with respect to increases in rates of duty resulting from the enactment of the Harmonized Tariff Schedule of the United States to replace the Tariff Schedules of the United States.".

SEC. 1214. CONFORMING AMENDMENTS.

(a) Codified Titles.—

(1) Section 374(a)(3) of title 10 of the United States Code is amended by striking

out "general headnote 2 of the Tariff Schedules of the United States" and inserting "general note 2 of the Harmonized Tariff Schedule of the United States".

(2) Section 301 of title 13 of the United States Code is amended—

(A) by striking out "Tariff Schedules of the United States Annotated and general statistical headnote 1 thereof," in subsection (b) and inserting "Harmonized Tariff Schedule of the United States Annotated for Statistical Reporting Purposes and general statistical note 1 thereof,";

(B) by striking out "item in the Tariff Schedules of the United States Annotated" in subsection (e) and inserting "heading or subheading in the Harmonized Tariff Schedule of the United States Annotated for Statistical Reporting Purposes"; and

(C) by amending subsection (f)—

(i) by striking out "item of the Tariff Schedules of the United States Annotated" and inserting "heading or subheading in the Harmonized Tariff Schedule of the United States Annotated for Statistical Reporting Purposes", and

(ii) by striking out "under that item" each place it appears and inserting "under that heading or subheading".

(3) Section 1295(a)(7) of title 28 of the United States Code is amended by striking out "headnote 6 to schedule 8, part 4, of the Tariff Schedules of the United States" and inserting "U.S. note 6 to subchapter X of chapter 98 of the Harmonized Tariff Schedule of the United States".

(b) Tobacco Adjustment Act of 1983.—Section 213(a)(2) of the Tobacco Adjustment Act of 1983 (7 U.S.C. 511r(a)(2)) is amended by striking out "Schedule 1, Part 13, Tariff Schedules of the United States" and inserting "chapter 24 of the Harmonized Tariff Schedule of the United States".

(c) Federal Hazardous Substances Act.—Section 15 of the Federal Hazardous Substances Act (15 U.S.C. 1274) is amended—

(1) by striking out "general headnote 2 to the Tariff Schedules of the United States" in subsection (b) and inserting "general note 2 of the Harmonized Tariff Schedule of the United States"; and

(2) by striking out "general headnote 2 to the Tariff Schedules of the United States" in subsection (c)(2) and inserting "general note 2 of the Harmonized Tariff Schedule of the United States".

(d) Consumer Product Safety Act.—Section 15(d) and section 17(a) of the Consumer Product Safety Act (15 U.S.C. 2064(d) and 2066(a)) are each amended by striking out "general headnote 2 to the Tariff Schedules of the United States" and inserting "general note 2 of the Harmonized Tariff Schedule of the United States".

(e) Toxic Substances Control Act.—

(1) Section 3(7) of the Toxic Substances Control Act (15 U.S.C. 2602(7)) is amended by striking out "general headnote 2 of the Tariff Schedules of the United States" and inserting "general note 2 of the Harmonized Tariff Schedule of the United States".

(2) Section 13(a)(1) of such Act (15 U.S.C. 2612(a)(1)) is amended by striking out "general headnote 2 to the Tariff Schedules of the United States" and inserting "general note 2 of the Harmonized Tariff Schedule of the United States".

(f) Emergency Wetlands Resources Act of 1986.—Section 203 of the Emergency Wetlands Resources Act of 1986 (16 U.S.C. 3912) is amended by striking out "subpart A of part 5 of schedule 7 of the Tariff Schedules of the United States" and inserting "chapter 93 of the Harmonized Tariff Schedule of the United States".

(g) COBRA of 1985.—Section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c) is amended—

(1) by striking out "schedule 8 of the Tariff Schedules of the United States" in subsection (a)(9)(A) and inserting "chapter 98 of the Harmonized Tariff Schedule of the United States";

(2) by striking out "General Headnote 3(e)(vi) or (vii)" in subsection (a)(9)(C) and inserting "general note 3(c)(v)"; and

(3) by striking out "headnote 2 of the General Headnotes and Rules of Interpretation of the Tariff Schedules of the United States" in subsection (c)(3) and inserting "general note 2 of the Harmonized Tariff Schedule of the United States".

(h) Tariff Act of 1930.—The Tariff Act of 1930 is amended as follows:

(1) Section 312(f) (19 U.S.C. 1312(f)) is amended—

(A) by amending paragraph (1)—

(i) by striking out "schedule 6, part 1, of the Tariff Schedules of the United States," and inserting "chapter 26 of the Harmonized Tariff Schedule of the United States,";

(ii) by striking out "schedule 6, part 2, of such schedules," and inserting "chapters 71 through 83 of the Harmonized Tariff Schedule of the United States,"; and

(iii) by striking out the quotation marks surrounding "metal waste and scrap" and "unwrought metal";

(B) by amending paragraph (2)(A)—

(i) by striking out "part 2 of schedule 6" and inserting "chapters 71 through 83 of the Harmonized Tariff Schedule of the United States";

(ii) by striking out "part 1 of schedule 6" and inserting "chapter 26 of the Harmonized Tariff Schedule of the United States"; and

(iii) by striking out the quotation marks surrounding "unwrought metal"; and

(C) by amending paragraph (3) by striking out "as defined in part 1 of schedule 6" and inserting "of chapter 26 of the Harmonized Tariff Schedule of the United States".

(2) Section 321(a)(2)(B) (19 U.S.C. 1321(a)(2)(B)) is amended by striking out "item 812.25 or 813.31" and inserting "subheading 9804.00.30 or 9804.00.70".

(3) Section 337(j) (19 U.S.C. 1337(j)) is amended by striking out "general headnote 2 of the Tariff Schedules of the United States" and inserting "general note 2 of the Harmonized Tariff Schedule of the United States".

(4) Section 466(f) (19 U.S.C. 1466(f)) is amended by striking out "headnote 3 to schedule 6, part 6, subpart C of the Tariff Schedules of the United States" and inserting "general note 3(c)(iv) of the Harmonized Tariff Schedule of the United States".

(5) Section 498(a)(1) (19 U.S.C. 1498(a)(1)) is amended—

(A) by striking out subparagraphs (A), (B), and (C) and inserting the following:

"(A) chapters 50 through 63;

"(B) chapters 39 through 43, 61 through 65, 67 and 95; and

"(C) subchapters III and IV of chapter 99;"; and

(B) by striking out "of the Tariff Schedules of the United States," and inserting "of the Harmonized Tariff Schedule of the United States,".

(i) Automotive Products Trade Act of 1965.—Section 201 (a) and (b) of the Automotive Products Trade Act of 1965 (19 U.S.C. 2011 (a) and (b)) are each amended by striking out "Tariff Schedules of the United States" and inserting "Harmonized Tariff Schedule of the United States".

(j) Trade Act of 1974.—The Trade Act of 1974 is amended as follows:

(1) Section 128(b) (19 U.S.C. 2138(b)) is amended to read as follows:

"(b) The President shall exercise his authority under subsection (a) of this section only with respect to the following subheadings listed in the Harmonized Tariff Schedule of the United States—

"(1) transistors (provided for in subheadings 8541.21.00, 8541.29.00, and 8541.40.70);

"(2) diodes and rectifiers (provided for in subheadings 8541.10.00, 8541.30.00, and 8541.40.60);

"(3) monolithic integrated circuits (provided for in subheadings 8542.11.00 and 8542.19.00);

"(4) other integrated circuits (provided for in subheading 8542.20.00);

"(5) other components (provided for in subheading 8541.50.00);

"(6) parts of semiconductors (provided for in subheadings 8541.90.00 and 8542.90.00); and

"(7) units of automatic data processing machines (provided for in subheadings 8471.92.20, 8471.92.30, 8471.92.70, 8471.92.80, 8471.93.10, 8471.93.15, 8471.93.30, 8471.93.50, 8471.99.15, and 8471.99.60) and parts (provided for in subheading 8473.30.40), all the foregoing not incorporating a cathode ray tube.".

(2) Section 203(f) (19 U.S.C. 2253(f)) is amended—

(A) by striking out "item 806.30 or 807.00 of the Tariff Schedules of the United States" in paragraph (1) and inserting "subheadings 9802.00.60 or 9802.00.80 of the Harmonized Tariff Schedule of the United States"; and

(B) by striking out "item 806.30 or item 807.00" in paragraph (3) and inserting "subheading 9802.00.60 or subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States".

(3) Section 404(c) (19 U.S.C. 2434(c)) is amended by striking out "Tariff Schedules for the United States" and inserting "Harmonized Tariff Schedule of the United States".

(4) Section 407(c)(3) and section 604 (19 U.S.C. 2437(c)(3) and 2483) are each amended by striking out "Tariff Schedules of the United States" and inserting "Harmonized Tariff Schedule of the United States".

(5) Section 601(7) (19 U.S.C. 2481(7)) is amended by striking out "schedules 1 through 7 of the Tariff Schedules of the United States" and inserting "chapters 1 through 97 of the Harmonized Tariff Schedule of the United States".

(k) Trade Agreements Act of 1979.—Section 1102(b)(3) of the Trade Agreements Act of 1979 (19 U.S.C. 2581(b)(3)) is amended by striking out "headnotes of the Tariff Schedules of the United States" and inserting "notes of the Harmonized Tariff Schedule of the United States".

(l) Act of March 2, 1897.—Section 1 of the Act of March 2, 1897 (29 Stat. 604) (21 U.S.C. 41) is amended by striking out "Tariff Schedules of the United States" and inserting "Harmonized Tariff Schedule of the United States".

(m) Controlled Substances Import and Export Act.—Section 1001(a)(2) of the Controlled Substances Import and Export Act (21 U.S.C. 951(a)(2)) is amended by striking out "general headnote 2 to the Tariff Schedules of the United States" and inserting "general note 2 of the Harmonized Tariff Schedule of the United States".

(n) Comprehensive Anti-Apartheid Act of 1986.—Section 309(b) of the Comprehensive Anti-Apartheid Act of 1986 (22 U.S.C. 5059(b)) is amended by striking out "item 812.10 or 813.10 of the Tariff Schedules of the United States" and inserting "subheading 9804.00.20 or 9804.00.45 of the Harmonized Tariff Schedule of the United States".

(o) STRATEGIC AND CRITICAL MATERIALS STOCK PILING ACT.—Section 13 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-4) is amended by striking out "general headnote 3(d) of the Tariff Schedules of the United States" and inserting "general note 3(b) of the Harmonized Tariff Schedule of the United States".

(p) INTERNAL REVENUE CODE OF 1986.—

(1) Section 7652(e)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 7652(e)(3)) is amended by striking out "item 169.13 or 169.14 of the Tariff Schedules of the United States" and inserting "subheading 2208.40.00 of the Harmonized Tariff Schedule of the United States".

(2) Section 9504(b)(1)(B) of the Internal Revenue Code of 1986 (26 U.S.C. 9504(b)(1)(B)) is amended—

(A) by striking out "subpart B of part 5 of schedule 7 of the Tariff Schedules of the United States" and inserting "heading 9507 of the Harmonized Tariff Schedule of the United States"; and

(B) by striking out "subpart D of part 6 of schedule 6 of such Schedules" and inserting "chapter 89 of the Harmonized Tariff Schedule of the United States".

(q) CARIBBEAN BASIN ECONOMIC RECOVERY ACT.—The Caribbean Basin Economic Recovery Act is amended as follows:

(1) Section 212(a)(1)(C) (19 U.S.C. 2702(a)(1)(C)) is amended by striking out " 'TSUS' means Tariff Schedules of the United States" and inserting " 'HTS' means Harmonized Tariff Schedule of the United States".

(2) Section 213 (19 U.S.C. 2703) is amended as follows:

(A) Subsection (b) is amended—

(i) by striking out "part 10 of schedule 4 of the TSUS" in paragraph (4) and inserting "headings 2709 and 2710 of the Harmonized Tariff Schedule of the United States"; and

(ii) by striking out "TSUS" in paragraph (5) and inserting "HTS".

(B) Subsection (c) is amended—

(i) by striking out "items 155.20 and 155.30 of the TSUS" in paragraph (1)(A)(i) and inserting "subheadings 1701.11.00, 1701.12.00, 1701.91.20, 1701.99.00, 1702.90.30, 1806.10.40, and 2106.90.10 of the Harmonized Tariff Schedule of the United States"; and

(ii) by striking out "subpart B of part 2 of schedule 1 of the TSUS" in paragraph (1)(A)(ii) and inserting "chapters 2 and 16 of the Harmonized Tariff Schedule of the United States".

(C) Subsection (d) is amended by striking out "items 155.20 and 155.30 of the TSUS" and inserting "subheadings 1701.11.00, 1701.12.00, 1701.91.20, 1701.99.00, 1702.90.30, 1806.10.40, and 2106.90.10 of the Harmonized Tariff Schedule of the United States".

(D) Subsection (f)(5) is amended—

(i) by amending subparagraph (A) to read as follows:

"(A) live plants and fresh cut flowers provided for in chapter 6 of the HTS;";

(ii) by striking out "items 135.10 through 138.46 of the TSUS" in subparagraph (B) and inserting "headings 0701 through 0709 (except subheading 0709.52.00) and heading 0714 of the HTS";

(iii) by striking out subparagraph (C);

(iv) by redesignating subparagraph (D) as subparagraph (C) and by striking out "items 146.10, 146.20, 146.30, 146.50 through 146.62, 146.90, 146.91, 147.03 through 147.33, 147.50 through 149.21 and 149.50 of the TSUS" in such redesignated subparagraph and inserting "subheadings 0804.20 through 0810.90 (except citrons of subheading 0805.90.00, tamarinds and kiwi fruit of subheading 0810.90.20, and cashew apples, mameyes colorados, sapodillas, soursops and sweetsops of subheading 0810.90.40) of the HTS";

(v) by striking out subparagraph (E); and

(vi) by redesignating subparagraph (F) as subparagraph (E) and by striking out "items 165.25 and 165.35 of the TSUS" in such redesignated subparagraph and inserting "subheadings 2009.11.00, 2009.19.40, 2009.20.40, 2009.30.20, and 2009.30.60 of the HTS".

(r) ACT RELATING TO REFORESTATION TRUST FUND.—Section 303(b)(1) of the Act of October 14, 1980 (16 U.S.C. 1606a(b)(1)) is amended to read as follows:

"(b)(1) Subject to the limitation in paragraph (2), the Secretary of the Treasury shall transfer to the Trust Fund an amount equal to the sum of the tariffs received in the Treasury after January 1, 1989, under headings 4401 through 4412 and subheadings 4418.50.00, 4418.90.20, 4420.10.00, 4420.90.80, 4421.90.10 through 4421.90.20, and 4421.90.70 of chapter 44, subheadings 6808.00.00 and 6809.11.00 of chapter 68 and subheading 9614.10.00 of chapter 96 of the Harmonized Tariff Schedule of the United States.".

(s) TRADE AND TARIFF ACT OF 1984.—The Trade and Tariff Act of 1984 (Public Law 98-573) is amended as follows:

(1) Section 231(a)(1) is amended by striking out "Tariff Schedules of the United States" and inserting "Harmonized Tariff Schedule of the United States".

(2) Section 239 is amended by striking out "headnote 6 of part 4 of schedule 8 of the Tariff Schedules of the United States" and inserting "U.S. note 6 to subchapter X of chapter 98 of the Harmonized Tariff Schedule of the United States".

(3) Section 240 is amended—

(A) by striking out "headnote 6(a) of part 4 of schedule 8 of the Tariff Schedules of the United States" in subsection (a)(1)(A) and inserting "U.S. note 6(a) to subchapter X of chapter 98 of the Harmonized Tariff Schedule of the United States"; and

(B) by striking out "headnote 1 of part 4 of schedule 8" in subsection (e) and inserting "U.S. note 1 to subchapter X of chapter 98 of the Harmonized Tariff Schedule of the United States".

(4) Section 404(e) is amended—

(A) by amending paragraphs (1) and (2) to read as follows:

"(1) live plants and fresh cut flowers provided for in chapter 6 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 1202, hereinafter referred to as the 'HTS');

"(2) vegetables, edible nuts or fruit provided for in chapters 7 and 8, heading 1105, subheadings 1106.10.00 and 1106.30, heading 1202, subheadings 1214.90.00 and 1704.90.60, headings 2001 through 2008 (excluding subheadings 2001.90.20 and 2004.90.10) and subheading 2103.20.40 of the HTS;";

(B) by striking out paragraphs (3), (4), and (5); and

(C) by striking out paragraph (6) and inserting the following:

"(3) concentrated citrus fruit juice provided for in subheadings 2009.11.00, 2009.19.40, 2009.20.40, 2009.30.20, and 2009.30.60 of the HTS.".

(t) TRADE AGREEMENTS ACT OF 1979.—The Trade Agreements Act of 1979 (Public Law 96-39) is amended as follows:

(1) Section 701(c)(1) is amended to read as follows:

"(1) QUOTA CHEESE.—The term 'quota cheese' means the articles provided for in the following subheadings of the Harmonized Tariff Schedule of the United States:

"(A) 0406.10.00 (except whey cheese, curd, and cheese, cheese substitutes for cheese mixtures containing: Roquefort, Stilton produced in the United Kingdom, Bryndza, Gjetost, Goya in original loaves, Gammelost and Nokkelost, cheese made from sheep's and goat's milk and soft ripened cow's milk cheeses);

"(B) 0406.20.20 (except Stilton produced in the United Kingdom);

"(C) 0406.20.30;

"(D) 0406.20.35;

"(E) 0406.20.40;

"(F) 0406.20.50;

"(G) 0406.20.60 (except cheeses containing or processed from: Stilton produced in the United Kingdom, Roquefort, Bryndza, Gjetost, Gammelost and Nokkelost, cheese made from sheep's and goat's milk and soft ripened cow's milk cheeses);

"(H) 0406.30.10 (except Stilton produced in the United Kingdom);

"(I) 0406.30.20;

"(J) 0406.30.30;

"(K) 0406.30.40;

"(L) 0406.30.50;

"(M) 0406.30.60 (except cheeses containing or processed from: Stilton produced in the United Kingdom, Roquefort, Bryndza, Gjetost, Gammelost and Nokkelost, cheese made from sheep's and goat's milk and soft ripened cow's milk cheeses);

"(N) 0406.40.60 (except Stilton produced in the United Kingdom);

"(O) 0406.40.80 (except Stilton produced in the United Kingdom);

"(P) 0406.90.10;

"(Q) 0406.90.15;

"(R) 0406.90.30 (except Goya in original loaves);

"(S) 0406.90.35;

"(T) 0406.90.40;

"(U) 0406.90.45 (except Gammelost and Nokkelost);

"(V) 0406.90.65;

"(W) 0406.90.70; and

"(X) 0406.90.80 (except cheeses containing or processed from: Stilton produced in the United Kingdom, Roquefort, Bryndza, Gjetost, Gammelost and Nokkelost, cheese made from sheep's and goat's milk and soft ripened cow's milk cheeses).".

(2) Section 703 is amended—

(A) by striking out "item 950.15 of the Tariff Schedules of the United States" and inserting "subheading 9904.10.63 of the Harmonized Tariff Schedule of the United States"; and

(B) by striking out "item 950.16 of the Tariff Schedules of the United States" and inserting "subheading 9904.10.66 of the Harmonized Tariff Schedule of the United States".

(3) Section 855 is amended—

(A) by striking out "item set forth in subpart D of part 12 of schedule 1 of the Tariff Schedules of the United States" in subsection (a) and inserting "article provided for in subheading 2207.10.30 and heading 2208 of the Harmonized Tariff Schedule of the United States"; and

(B) by striking out "item set forth in rate column numbered 1 of subpart D of part 12 of schedule 1 of the Tariff Schedules of the United States" in subsection (b) and inserting "article as set forth in rate of duty column numbered 1 of subheading

2207.10.30 and heading 2208 of the Harmonized Tariff Schedule of the United States".

(u) Meat Import Act of 1979.—The Meat Import Act of 1979 (19 U.S.C. 1202 note) is amended—

(1) by amending subsection (b)(2)—

(A) by striking out "Tariff Schedules of the United States" and inserting "Harmonized Tariff Schedule of the United States",

(B) by striking out "item 106.10" in subparagraph (A) and inserting "subheadings 0201.10.00, 0201.20.60, 0201.30.60, 0202.10.00, 0202.20.60 and 0202.30.60",

(C) by striking out "cattle" in subparagraph (A) and inserting "bovine",

(D) by striking out "items 106.22 and 106.25" in subparagraph (B) and inserting "subheadings 0204.50.00, 0204.21.00, 0204.22.40, 0204.23.40, 0204.41.00, 0204.42.40, and 0204.43.40", and

(E) by amending subparagraph (C) to read as follows:

"(C) subheadings 0201.20.40, 0201.30.40, 0202.20.40, and 0202.30.40 (relating to processed meat of beef or veal other than high quality beef cuts).";

(2) by striking out "items 100.40, 100.43, 100.45, 100.53, and 100.55 of such Schedules" in the sentence following subsection (c)(2) and inserting "subheadings 0102.90.20 and 0102.90.40 of the Harmonized Tariff Schedule of the United States"; and

(3) by striking out "item 107.61 of the Tariff Schedules of the United States" in subsection (f)(1) and inserting "subheadings 0201.20.20, 0201.30.20, 0202.20.20, and 0202.30.20 of the Harmonized Tariff Schedule of the United States".

(v) National Wool Act of 1954.—Sections 704 and 705 of the National Wool Act of 1954 (7 U.S.C. 1783 and 1784) are each amended by striking out "all articles subject to duty under schedule 11 of the Tariff Act of 1930, as amended" and inserting "wool or fine animal hair, and articles thereof, as provided for in the Harmonized Tariff Schedule of the United States".

(w) Agricultural Act of 1949.—Section 103(f)(3) of the Agricultural Act of 1949 (7 U.S.C. 1444(f)(3)) is amended by striking out "items 955.01 through 955.03 of the Appendix to the Tariff Schedules of the United States" and inserting "subheadings 9904.30.10 through 9904.30.30 of chapter 99 of the Harmonized Tariff Schedule of the United States".

SEC. 1215. NEGOTIATING AUTHORITY FOR CERTAIN ADP EQUIPMENT.

Section 128(b) of the Trade Act of 1974 (19 U.S.C. 2138(b)), as amended by section 1212(j)(1) of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (6);

(2) by striking out "tube." and inserting "tube; and" in paragraph (7); and

(3) by adding at the end thereof the following new paragraph:

"(8) Digital processing units for automatic data processing machines, unhoused, consisting of a printed circuit (single or multiple) with one or more electronic integrated circuits or other semiconductor devices mounted directly thereon, certified as units designed for use other than in an automatic data processing machine of subheading 8471.20 (provided for in subheading 8471.91).".

SEC. 1216. COMMISSION REPORT ON OPERATION OF SUBTITLE.

The Commission, in consultation with other appropriate Federal agencies, shall prepare, and submit to the Congress and to the President, a report regarding the operation of this subtitle during the 12-month period commencing on the effective date of the Harmonized Tariff Schedule. The report shall be submitted to the Congress and to the President before the close of the 6-month period beginning on the day after the last day of such 12-month period.

SEC. 1217. EFFECTIVE DATES.

(a) Accession to Convention and Provisions Other Than the Implementation of the Harmonized Tariff Schedule.—Except as provided in subsection (b), the provisions of this subtitle take effect on the date of the enactment of the Omnibus Trade and Competitiveness Act of 1988.

(b) Implementation of the Harmonized Tariff Schedule.—The effective date of the Harmonized Tariff Schedule is January 1, 1989. On such date—

(1) the amendments made by sections 1204(a), 1213, 1214, and 1215 take effect and apply with respect to articles entered on or after such date; and

(2) sections 1204(c), 1211, and 1212 take effect.

Subtitle C—Response to Unfair International Trade Practices

PART 1—ENFORCEMENT OF UNITED STATES RIGHTS UNDER TRADE AGREEMENTS AND RESPONSE TO CERTAIN FOREIGN TRADE PRACTICES

SEC. 1301. REVISION OF CHAPTER 1 OF TITLE III OF THE TRADE ACT OF 1974.

(a) In General.—Chapter 1 of title III of the Trade Act of 1974 (19 U.S.C. 2411 et seq.) is amended to read as follows:

"CHAPTER 1—ENFORCEMENT OF UNITED STATES RIGHTS UNDER TRADE AGREEMENTS AND RESPONSE TO CERTAIN FOREIGN TRADE PRACTICES

"SEC. 301. ACTIONS BY UNITED STATES TRADE REPRESENTATIVE.

"(a) Mandatory Action.—

"(1) If the United States Trade Representative determines under section 304(a)(1) that—

"(A) the rights of the United States under any trade agreement are being denied; or

"(B) an act, policy, or practice of a foreign country—

"(i) violates, or is inconsistent with, the provisions of, or otherwise denies benefits to the United States under, any trade agreement, or

"(ii) is unjustifiable and burdens or restricts United States commerce;

the Trade Representative shall take action authorized in subsection (c), subject to the specific direction, if any, of the President regarding any such action, and shall take all other appropriate and feasible action within the power of the President that the President may direct the Trade Representative to take under this subsection, to enforce such rights or to obtain the elimination of such act, policy, or practice.

"(2) The Trade Representative is not required to take action under paragraph (1) in any case in which—

"(A) the Contracting Parties to the General Agreement on Tariffs and Trade have determined, a panel of experts has reported to the Contracting Parties, or a ruling issued under the formal dispute settlement proceeding provided under any other trade agreement finds, that—

"(i) the rights of the United States under a trade agreement are not being denied, or

"(ii) the act, policy, or practice—

"(I) is not a violation of, or inconsistent with, the rights of the United States, or

"(II) does not deny, nullify, or impair benefits to the United States under any trade agreement; or

"(B) the Trade Representative finds that—

"(i) the foreign country is taking satisfactory measures to grant the rights of the United States under a trade agreement,

"(ii) the foreign country has—

"(I) agreed to eliminate or phase out the act, policy, or practice, or

"(II) agreed to an imminent solution to the burden or restriction on United States commerce that is satisfactory to the Trade Representative,

"(iii) it is impossible for the foreign country to achieve the results described in clause (i) or (ii), as appropriate, but the foreign country agrees to provide to the United States compensatory trade benefits that are satisfactory to the Trade Representative,

"(iv) in extraordinary cases, where the taking of action under this subsection would have an adverse impact on the United States economy substantially out of proportion to the benefits of such action, taking into account the impact of not taking such action on the credibility of the provisions of this chapter, or

"(v) the taking of action under this subsection would cause serious harm to the national security of the United States.

"(3) Any action taken under paragraph (1) to eliminate an act, policy, or practice shall be devised so as to affect goods or services of the foreign country in an amount that is equivalent in value to the burden or restriction being imposed by that country on United States commerce.

"(b) Discretionary Action.—If the Trade Representative determines under section 304(a)(1) that—

"(1) an act, policy, or practice of a foreign country is unreasonable or discriminatory and burdens or restricts United States commerce, and

"(2) action by the United States is appropriate, the Trade Representative shall take all appropriate and feasible action authorized under subsection (c), subject to the specific direction, if any, of the President regarding any such action, and all other appropriate and feasible action within the power of the President that the President may direct the Trade Representative to take under this subsection, to obtain the elimination of that act, policy, or practice.

"(c) Scope of Authority.—

"(1) For purposes of carrying out the provisions of subsection (a) or (b), the Trade Representative is authorized to—

"(A) suspend, withdraw, or prevent the application of, benefits of trade agreement concessions to carry out a trade agreement with the foreign country referred to in such subsection;

"(B) impose duties or other import restrictions on the goods of, and, notwithstanding any other provision of law, fees or restrictions on the services of, such foreign country for such time as the Trade Representative determines appropriate; or

"(C) enter into binding agreements with such foreign country that commit such foreign country to—

"(i) eliminate, or phase out, the act, policy, or practice that is the subject of the action to be taken under subsection (a) or (b),

"(ii) eliminate any burden or restriction on United States commerce resulting from such act, policy, or practice, or

"(iii) provide the United States with compensatory trade benefits that—

"(I) are satisfactory to the Trade Representative, and

"(II) meet the requirements of paragraph (4).

"(2)(A) Notwithstanding any other provision of law governing any service sector access authorization, and in addition to the authority conferred in paragraph (1), the Trade Representative may, for purposes of carrying out the provisions of subsection (a) or (b)—

"(i) restrict, in the manner and to the extent the Trade Representative determines appropriate, the terms and conditions of any such authorization, or

"(ii) deny the issuance of any such authorization.

"(B) Actions described in subparagraph (A) may only be taken under this section with respect to service sector access authorizations granted, or applications therefor pending, on or after the date on which—

"(i) a petition is filed under section 302(a), or

"(ii) a determination to initiate an investigation is made by the Trade Representative under section 302(b).

"(C) Before the Trade Representative takes any action under this section involving the imposition of fees or other restrictions on the services of a foreign country, the Trade Representative shall, if the services involved are subject to regulation by any agency of the Federal Government or of any State, consult, as appropriate, with the head of the agency concerned.

"(3) The actions the Trade Representative is authorized to take under subsection (a) or (b) may be taken against any goods or economic sector—

"(A) on a nondiscriminatory basis or solely against the foreign country described in such subsection, and

"(B) without regard to whether or not such goods or economic sector were involved in the act, policy, or practice that is the subject of such action.

"(4) Any trade agreement described in paragraph (1)(C)(iii) shall provide compensatory trade benefits that benefit the economic sector which includes the domestic industry that would benefit from the elimination of the act, policy, or practice that is the subject of the action to be taken under subsection (a) or (b), or benefit the economic sector as closely related as possible to such economic sector, unless—

"(A) the provision of such trade benefits is not feasible, or

"(B) trade benefits that benefit any other economic sector would be more satisfactory than such trade benefits.

"(5) In taking actions under subsection (a) or (b), the Trade Representative shall—

"(A) give preference to the imposition of duties over the imposition of other import restrictions, and

"(B) if an import restriction other than a duty is imposed, consider substituting, on an incremental basis, an equivalent duty for such other import restriction.

"(6) Any action taken by the Trade Representative under this section with respect to export targeting shall, to the extent possible, reflect the full benefit level of the export targeting to the beneficiary over the period during which the action taken has an effect.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this chapter—

"(1) The term "commerce" includes, but is not limited to—

"(A) services (including transfers of information) associated with international trade, whether or not such services are related to specific goods, and

"(B) foreign direct investment by United States persons with implications for trade in goods or services.

"(2) An act, policy, or practice of a foreign country that burdens or restricts United States commerce may include the provision, directly or indirectly, by that foreign country of subsidies for the construction of vessels used in the commercial transportation by water of goods between foreign countries and the United States.

"(3)(A) An act, policy, or practice is unreasonable if the act, policy, or practice, while not necessarily in violation of, or inconsistent with, the international legal rights of the United States, is otherwise unfair and inequitable.

"(B) Acts, policies, and practices that are unreasonable include, but are not limited to, any act, policy, or practice, or any combination of acts, policies, or practices, which—

"(i) denies fair and equitable—

"(I) opportunities for the establishment of an enterprise,

"(II) provision of adequate and effective protection of intellectual property rights, or

"(III) market opportunities, including the toleration by a foreign government of systematic anticompetitive activities by private firms or among private firms in the foreign country that have the effect of restricting, on a basis that is inconsistent with commercial considerations, access of United States goods to purchasing by such firms,

"(ii) constitutes export targeting, or

"(iii) constitutes a persistent pattern of conduct that—

"(I) denies workers the right of association,

"(II) denies workers the right to organize and bargain collectively,

"(III) permits any form of forced or compulsory labor,

"(IV) fails to provide a minimum age for the employment of children, or

"(V) fails to provide standards for minimum wages, hours of work, and occupational safety and health of workers.

"(C)(i) Acts, policies, and practices of a foreign country described in subparagraph (B)(iii) shall not be treated as being unreasonable if the Trade Representative determines that—

"(I) the foreign country has taken, or is taking, actions that demonstrate a significant and tangible overall advancement in providing throughout the foreign country (including any designated zone within the foreign country) the rights and other standards described in the subclauses of subparagraph (B)(iii), or

"(II) such acts, policies, and practices are not inconsistent with the level of economic development of the foreign country.

"(ii) The Trade Representative shall publish in the Federal Register any determination made under clause (i), together with a description of the facts on which such determination is based.

"(D) For purposes of determining whether any act, policy, or practice is unreasonable, reciprocal opportunities in the United States for foreign nationals and firms shall be taken into account, to the extent appropriate.

"(E) The term 'export targeting' means any government plan or scheme consisting of a combination of coordinated actions (whether carried out severally or jointly) that are bestowed on a specific enterprise, industry, or group thereof, the effect of which is to assist the enterprise, industry, or group to become more competitive in the export of a class or kind of merchandise.

"(4)(A) An act, policy, or practice is unjustifiable if the act, policy, or practice is in violation of, or inconsistent with, the international legal rights of the United States.

"(B) Acts, policies, and practices that are unjustifiable include, but are not limited to, any act, policy, or practice described in subparagraph (A) which denies national or most-favored-nation treatment or the right of establishment or protection of intellectual property rights.

"(5) Acts, policies, and practices that are discriminatory include, when appropriate, any act, policy, and practice which denies national or most-favored-nation treatment to United States goods, services, or investment.

"(6) The term 'service sector access authorization' means any license, permit, order, or other authorization, issued under the authority of Federal law, that permits a foreign supplier of services access to the United States market in a service sector concerned.

"(7) The term 'foreign country' includes any foreign instrumentality. Any possession or territory of a foreign country that is administered separately for customs purposes shall be treated as a separate foreign country.

"(8) The term 'Trade Representative' means the United States Trade Representative.

"(9) The term 'interested persons', only for purposes of sections 302(a)(4)(B), 304(b)(1)(A), 306(c)(2), and 307(a)(2), includes, but is not limited to, domestic firms and workers, representatives of consumer interests, United States product exporters, and any industrial user of any goods or services that may be affected by actions taken under subsection (a) or (b).

"SEC. 302. INITIATION OF INVESTIGATIONS.

"(a) PETITIONS.—

"(1) Any interested person may file a petition with the Trade Representative requesting that action be taken under section 301 and setting forth the allegations in support of the request.

"(2) The Trade Representative shall review the allegations in any petition filed under paragraph (1) and, not later than 45 days after the date on which the Trade Representative received the petition, shall determine whether to initiate an investigation.

"(3) If the Trade Representative determines not to initiate an investigation with respect to a petition, the Trade Representative shall inform the petitioner of the reasons therefor and shall publish notice of the determination, together with a summary of such reasons, in the Federal Register.

"(4) If the Trade Representative makes an affirmative determination under paragraph (2) with respect to a petition, the Trade Representative shall initiate an investigation regarding the issues raised in the petition. The Trade Representative shall publish a summary of the petition in the Federal Register and shall, as soon as possible, provide opportunity for the presentation of views concerning the issues, including a public hearing—

"(A) within the 30-day period beginning on the date of the affirmative determination (or on a date after such period if agreed to by the petitioner) if a public hearing within such period is requested in the petition, or

"(B) at such other time if a timely request therefor is made by the petitioner or by any interested person.

"(b) Initiation of Investigation by Means Other Than Petition.—

"(1)(A) If the Trade Representative determines that an investigation should be initiated under this chapter with respect to any matter in order to determine whether the matter is actionable under section 301, the Trade Representative shall publish such determination in the Federal Register and shall initiate such investigation.

"(B) The Trade Representative shall, before making any determination under subparagraph (A), consult with appropriate committees established pursuant to section 135.

"(2)(A) By no later than the date that is 30 days after the date on which a country is identified under section 182(a)(2), the Trade Representative shall initiate an investigation under this chapter with respect to any act, policy, or practice of that country that—

"(i) was the basis for such identification, and

"(ii) is not at that time the subject of any other investigation or action under this chapter.

"(B) The Trade Representative is not required under subparagraph (A) to initiate an investigation under this chapter with respect to any act, policy, or practice of a foreign country if the Trade Representative determines that the initiation of the investigation would be detrimental to United States economic interests.

"(C) If the Trade Representative makes a determination under subparagraph (B) not to initiate an investigation, the Trade Representative shall submit to the Congress a written report setting forth, in detail—

"(i) the reasons for the determination, and

"(ii) the United States economic interests that would be adversely affected by the investigation.

"(D) The Trade Representative shall, from time to time, consult with the Register of Copyrights, the Commissioner of Patents and Trademarks, and other appropriate officers of the Federal Government, during any investigation initiated under this chapter by reason of subparagraph (A).

"(c) Discretion.—In determining whether to initiate an investigation under subsection (a) or (b) of any act, policy, or practice that is enumerated in any provision of section 301(d), the Trade Representative shall have discretion to determine whether action under section 301 would be effective in addressing such act, policy, or practice.

"SEC. 303. CONSULTATION UPON INITIATION OF INVESTIGATION.

"(a) In General.—

"(1) On the date on which an investigation is initiated under section 302, the Trade Representative, on behalf of the United States, shall request consultations with the foreign country concerned regarding the issues involved in such investigation.

"(2) If the investigation initiated under section 302 involves a trade agreement and a mutually acceptable resolution is not reached before the earlier of—

"(A) the close of the consultation period, if any, specified in the trade agreement, or

"(B) the 150th day after the day on which consultation was commenced,

the Trade Representative shall promptly request proceedings on the matter under the formal dispute settlement procedures provided under such agreement.

"(3) The Trade Representative shall seek information and advice from the petitioner (if any) and the appropriate committees established pursuant to section 135 in preparing United States presentations for consultations and dispute settlement proceedings.

"(b) Delay of Request for Consultations.—

"(1) Notwithstanding the provisions of subsection (a)—

"(A) the United States Trade Representative may, after consulting with the petitioner (if any), delay for up to 90 days any request for consultations under subsection (a) for the purpose of verifying or improving the petition to ensure an adequate basis for consultation, and

"(B) if such consultations are delayed by reason of subparagraph (A), each time limitation under section 304 shall be extended for the period of such delay.

"(2) The Trade Representative shall—

"(A) publish notice of any delay under paragraph (1) in the Federal Register, and

"(B) report to Congress on the reasons for such delay in the report required under section 309(a)(3).

"SEC. 304. DETERMINATIONS BY THE TRADE REPRESENTATIVE.

"(a) In General.—

"(1) On the basis of the investigation initiated under section 302 and the consultations (and the proceedings, if applicable) under section 303, the Trade Representative shall—

"(A) determine whether—

"(i) the rights to which the United States is entitled under any trade agreement are being denied, or

"(ii) any act, policy, or practice described in subsection (a)(1)(B) or (b)(1) of section 301 exists, and

"(B) if the determination made under subparagraph (A) is affirmative, determine what action, if any, the Trade Representative should take under subsection (a) or (b) of section 301.

"(2) The Trade Representative shall make the determinations required under paragraph (1) on or before—

"(A) in the case of an investigation involving a trade agreement (other than the agreement on subsidies and countervailing measures described in section 2(c)(5) of the Trade Agreements Act of 1979), the earlier of—

"(i) the date that is 30 days after the date on which the dispute settlement procedure is concluded, or

"(ii) the date that is 18 months after the date on which the investigation is initiated, or

"(B) in all cases not described in subparagraph (A) or paragraph (3), the date that is 12 months after the date on which the investigation is initiated.

"(3)(A) If an investigation is initiated under this chapter by reason of section 302(b)(2) and the Trade Representative does not make a determination described in subparagraph (B) with respect to such investigation, the Trade Representative shall make the determinations required under paragraph (1) with respect to such investigation by no later than the date that is 6 months after the date on which such investigation is initiated.

"(B) If the Trade Representative determines with respect to any investigation initiated by reason of section 302(b)(2) that—

"(i) complex or complicated issues are involved in the investigation that require additional time,

"(ii) the foreign country involved in the investigation is making substantial progress in drafting or implementing legislative or administrative measures that will provide adequate and effective protection of intellectual property rights, or

"(iii) such foreign country is undertaking enforcement measures to provide adequate and effective protection of intellectual property rights,

the Trade Representative shall publish in the Federal Register notice of such determination and shall make the determinations required under paragraph (1) with respect to such investigation by no later than the date that is 9 months after the date on which such investigation is initiated.

"(4) In any case in which a dispute is not resolved before the close of the minimum dispute settlement period provided for in a trade agreement (other than the agreement on subsidies and countervailing measures described in section 2(c)(5) of the Trade Agreements Act of 1979), the Trade Representative, within 15 days after the close of such dispute settlement period, shall submit a report to Congress setting forth the reasons why the dispute was not resolved within the minimum dispute settlement period, the status of the case at the close of the period, and the prospects for resolution. For purposes of this paragraph, the minimum dispute settlement period provided for under any such trade agreement is the total period of time that results if all stages of the formal dispute settlement procedures are carried out within the time limitations specified in the agreement, but computed without regard to any extension authorized under the agreement at any stage.

"(b) Consultation Before Determinations.—

"(1) Before making the determinations required under subsection (a)(1), the Trade Representative, unless expeditious action is required—

"(A) shall provide an opportunity (after giving not less than 30 days notice thereof) for the presentation of views by interested persons, including a public hearing if requested by any interested person,

"(B) shall obtain advice from the appropriate committees established pursuant to section 135, and

"(C) may request the views of the United States International Trade Commission regarding the probable impact on the economy of the United States of the taking of action with respect to any goods or service.

"(2) If the Trade Representative does not comply with the requirements of subparagraphs (A) and (B) of paragraph (1) because expeditious action is required, the Trade Representative shall, after making the determinations under subsection (a)(1), comply with such subparagraphs.

"(c) Publication.—The Trade Representative shall publish in the Federal Register any determination made under subsection (a)(1), together with a description of the facts on which such determination is based.

"SEC. 305. IMPLEMENTATION OF ACTIONS.

"(a) Actions To Be Taken Under Section 301.—

"(1) Except as provided in paragraph (2), the Trade Representative shall implement the action the Trade Representative determines under section 304(a)(1)(B) to take under section 301, subject to the specific direction, if any, of the President regarding any such action, by no later than the date that is 30 days after the date on which such determination is made.

"(2)(A) Except as otherwise provided in this paragraph, the Trade Representative may delay, by not more than 180 days, the implementation of any action that is to be taken under section 301—

"(i) if—

"(I) in the case of an investigation initiated under section 302(a), the petitioner requests a delay, or

"(II) in the case of an investigation initiated under section 302(b)(1) or to which section 304(a)(3)(B) applies, a delay is requested by a majority of the representatives of the domestic industry that would benefit from the action, or

"(ii) if the Trade Representative determines that substantial progress is being made, or that a delay is necessary or desirable, to obtain United States rights or a satisfactory solution with respect to the acts, policies, or practices that are the subject of the action.

"(B) The Trade Representative may not delay under subparagraph (A) the implementation of any action that is to be taken under section 301 with respect to any investigation to which section 304(a)(3)(A) applies.

"(C) The Trade Representative may not delay under subparagraph (A) the implementation of any action that is to be taken under section 301 with respect to any investigation to which section 304(a)(3)(B) applies by more than 90 days.

"(b) Alternative Actions in Certain Cases of Export Targeting.—

"(1) If the Trade Representative makes an affirmative determination under section 304(a)(1)(A) involving export targeting by a foreign country and determines to take no action under section 301 with respect to such affirmation determination, the Trade Representative—

"(A) shall establish an advisory panel to recommend measures which will promote the competitiveness of the domestic industry affected by the export targeting,

"(B) on the basis of the report of such panel submitted under paragraph (2)(B) and subject to the specific direction, if any, of the President, may take any administrative actions authorized under any other provision of law, and, if necessary, propose legislation to implement any other actions, that would restore or improve the international competitiveness of the domestic industry affected by the export targeting, and

"(C) shall, by no later than the date that is 30 days after the date on which the report of such panel is submitted under paragraph (2)(B), submit a report to the Congress on the administrative actions taken, and legislative proposals made, under subparagraph (B) with respect to the domestic industry affected by the export targeting.

"(2)(A) The advisory panels established under paragraph (1)(A) shall consist of individuals appointed by the Trade Representative who—

"(i) earn their livelihood in the private sector of the economy, including individuals who represent management and labor in the domestic industry affected by the export targeting that is the subject of the affirmative determination made under section 304(a)(1)(A), and

"(ii) by education or experience, are qualified to serve on the advisory panel.

"(B) By no later than the date that is 6 months after the date on which an advisory panel is established under paragraph (1)(A), the advisory panel shall submit to the Trade Representative and to the Congress a report on measures that the advisory panel recommends be taken by the United States to promote the competitiveness of the domestic industry affected by the export targeting that is the subject of the affirmative determination made under section 304(a)(1)(A).

"SEC. 306. MONITORING OF FOREIGN COMPLIANCE.

"(a) In General.—The Trade Representative shall monitor the implementation of each measure undertaken, or agreement of a kind described in clause (i), (ii), or (iii) of section 301(a)(2)(B) that is entered into under subsection (a) or (b) of section 301, by a foreign country—

"(1) to enforce the rights of the United States under any trade agreement, or

"(2) to eliminate any act, policy, or practice described in subsection (a)(1)(B) or (b)(1) of section 301.

"(b) Further Action.—If, on the basis of the monitoring carried out under subsection (a), the Trade Representative considers that a foreign country is not satisfactorily implementing a measure or agreement referred to in subsection (a), the Trade Representative shall determine what further action the Trade Representative shall take under section 301(a). For purposes of section 301, any such determination shall be treated as a determination made under section 304(a)(1).

"(c) Consultations.—Before making any determination under subsection (b), the Trade Representative shall—

"(1) consult with the petitioner, if any, involved in the initial investigation under this chapter and with representatives of the domestic industry concerned; and

"(2) provide an opportunity for the presentation of views by interested persons.

"SEC. 307. MODIFICATION AND TERMINATION OF ACTIONS.

"(a) In General.—

"(1) The Trade Representative may modify or terminate any action, subject to the specific direction, if any, of the President with respect to such action, that is being taken under section 301 if—

"(A) any of the conditions described in section 301(a)(2) exist,

"(B) the burden or restriction on United States commerce of the denial rights, or of the acts, policies, and practices, that are the subject of such action has increased or decreased, or

"(C) such action is being taken under section 301(b) and is no longer appropriate.

"(2) Before taking any action under paragraph (1) to modify or terminate any action taken under section 301, the Trade Representative shall consult with the petitioner, if any, and with representatives of the domestic industry concerned, and shall provide opportunity for the presentation of views by other interested persons affected by the proposed modification or termination concerning the effects of the modification or termination and whether any modification or termination of the action is appropriate.

"(b) Notice; Report to Congress.—The Trade Representative shall promptly publish in the Federal Register notice of, and report in writing to the Congress with respect to, any modification or termination of any action taken under section 301 and the reasons therefor.

"(c) Review of Necessity.—

"(1) If—

"(A) a particular action has been taken under section 301 during any 4-year period, and

"(B) neither the petitioner nor any representative of the domestic industry which benefits from such action has submitted to the Trade Representative during the last 60 days of such 4-year period a written request for the continuation of such action,

such action shall terminate at the close of such 4-year period.

"(2) The Trade Representative shall notify by mail the petitioner and representatives of the domestic industry described in paragraph (1)(B) of any termination of action by reason of paragraph (1) at least 60 days before the date of such termination.

"(3) If a request is submitted to the Trade Representative under paragraph (1)(B) to continue taking a particular action under section 301, the Trade Representative shall conduct a review of—

"(A) the effectiveness in achieving the objectives of section 301 of—

"(i) such action, and

"(ii) other actions that could be taken (including actions against other products or services), and

"(B) the effects of such actions on the United States economy, including consumers.

"SEC. 308. REQUEST FOR INFORMATION.

"(a) In General.—Upon receipt of written request therefor from any person, the Trade Representative shall make available to that person information (other than that to which confidentiality applies) concerning—

"(1) the nature and extent of a specific trade policy or practice of a foreign country with respect to particular goods, services, investment, or intellectual property rights, to the extent that such information is available to the Trade Representative or other Federal agencies;

"(2) United States rights under any trade agreement and the remedies which may be available under that agreement and under the laws of the United States; and

"(3) past and present domestic and international proceedings or actions with respect to the policy or practice concerned.

"(b) If Information Not Available.—If information that is requested by a person under subsection (a) is not available to the Trade Representative or other Federal agencies, the Trade Representative shall, within 30 days after receipt of the request—

"(1) request the information from the foreign government; or

"(2) decline to request the information and inform the person in writing of the reasons for refusal.

"(c) Certain Business Information Not Made Available.—

"(1) Except as provided in paragraph (2), and notwithstanding any other provision of law (including section 552 of title 5, United States Code), no information requested and received by the Trade Representative in aid of any investigation under this chapter shall be made available to any person if—

"(A) the person providing such information certifies that—

"(i) such information is business confidential,

"(ii) the disclosure of such information would endanger trade secrets or profitability, and

"(iii) such information is not generally available;

"(B) the Trade Representative determines that such certification is well-founded; and

"(C) to the extent required in regulations prescribed by the Trade Representative, the person providing such information provides an adequate nonconfidential summary of such information.

"(2) The Trade Representative may—

"(A) use such information, or make such information available (in his own discretion) to any employee of the Federal Government for use, in any investigation under this chapter, or

"(B) may make such information available to any other person in a form which cannot be associated with, or otherwise identify, the person providing the information.

"SEC. 309. ADMINISTRATION.

"The Trade Representative shall—

"(1) issue regulations concerning the filing of petitions and the conduct of investigations and hearings under this subchapter,

"(2) keep the petitioner regularly informed of all determinations and developments regarding the investigation conducted with respect to the petition under this chapter, including the reasons for any undue delays, and

"(3) submit a report to the House of Representatives and the Senate semiannually describing—

"(A) the petitions filed and the determinations made (and reasons therefor) under section 302,

"(B) developments in, and the current status of, each investigation or proceeding under this chapter,

"(C) the actions taken, or the reasons for no action, by the Trade Representative under section 301 with respect to investigations conducted under this chapter, and

"(D) the commercial effects of actions taken under section 301.".

(b) **Conforming Amendment.**—The table of contents of the Trade Act of 1974 is amended by striking out the items relating to chapter 1 of title III and inserting in lieu thereof the following:

"Chapter 1—Enforcement of United States Rights Under Trade Agreements and Response to Foreign Trade Practices

"Sec. 301. Actions by United States Trade Representative.
"Sec. 302. Initiation of investigations.
"Sec. 303. Consultation upon initiation of investigation.
"Sec. 304. Determinations by the Trade Representative.
"Sec. 305. Implementation of actions.
"Sec. 306. Monitoring of foreign compliance.
"Sec. 307. Modification and termination of actions.
"Sec. 308. Request for information.
"Sec. 309. Administration.".

(c) **Effective Date.**—The amendments made by this section shall apply to—

(1) petitions filed, and investigations initiated, under section 302 of the Trade Act of 1974 on or after the date of the enactment of this Act; and

(2) petitions filed, and investigations initiated, before the date of enactment of this Act, if by that date no decision had been made under section 304 regarding the petition or investigation.

SEC. 1302. IDENTIFICATION OF TRADE LIBERALIZATION PRIORITIES.

(a) **In General.**—Chapter 1 of title III of the Trade Act of 1974, as amended by section 1301, is further amended by adding at the end thereof the following new section:

"SEC. 310. IDENTIFICATION OF TRADE LIBERALIZATION PRIORITIES.

"(a) **Identification.**—

"(1) By no later than the date that is 30 days after the date in calendar year 1989, and also the date in calendar year 1990, on which the report required under section 181(b) is submitted to the appropriate Congressional committees, the Trade Representative shall identify United States trade liberalization priorities, including—

"(A) priority practices, including major barriers and trade distorting practices, the elimination of which are likely to have the most significant potential to increase United States exports, either directly or through the establishment of a beneficial precedent;

"(B) priority foreign countries that, on the basis of such report, satisfy the criteria in paragraph (2);

"(C) estimate the total amount by which United States exports of goods and services to each foreign country identified under subparagraph (B) would have increased during the preceding calendar year if the priority practices of such country identified under subparagraph (A) did not exist; and

"(D) submit to the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and publish in the Federal Register, a report which lists—

"(i) the priority foreign countries identified under subparagraph (B),

"(ii) the priority practices identified under subparagraph (A) with respect to each of such priority foreign countries, and

"(iii) the amount estimated under subparagraph (C) with respect to each of such priority foreign countries.

"(2) In identifying priority foreign countries under paragraph (1)(B), the Trade Representative shall take into account—

"(A) the number and pervasiveness of the acts, policies, and practices described in section 181(a)(1)(A), and

"(B) the level of United States exports of goods and services that would be reasonably expected from full implementation of existing trade agreements to which that foreign country is a party, based on the international competitive position and export potential of such products and services.

"(3) In identifying priority practices under paragraph (1)(A), the Trade Representative shall take into account—

"(A) the international competitive position and export potential of United States products and services,

"(B) circumstances in which the sale of a small quantity of a product or service may be more significant than its value, and

"(C) the measurable medium-term and long-term implications of government procurement commitments to United States exporters.

"(b) **Initiation of Investigations.**—By no later than the date that is 21 days after the date on which a report is submitted to the appropriate Congressional committees under subsection (a)(1)(D), the Trade Representative shall initiate under section 302(b)(1) investigations under this chapter with respect to all of those priority practices identified in such report by reason of subsection (a)(1)(D) for each of the priority foreign countries. The Trade Representative may initiate investigations under section 302(b)(1) with respect to all other priority practices identified under subsection (a)(1)(A).

"(c) **Agreements for the Elimination of Barriers.**—

"(1) In the consultations with a priority foreign country identified under subsection (a)(1) that the Trade Representative is required to request under section 303(a) with respect to an investigation initiated by reason of subsection (b), the Trade Representative shall seek to negotiate an agreement which provides for—

"(A) the elimination of, or compensation for, the priority practices identified under subsection (a)(1)(A) by no later than the close of the 3-year period beginning on the date on which such investigation is initiated, and

"(B) the reduction of such practices over a 3-year period with the expectation that United States exports to the foreign country will, as a result, increase incrementally during each year within such 3-year period.

"(2) Any investigation initiated under this chapter by reason of subsection (b) shall be suspended if an agreement described in subparagraphs (A) and (B) of paragraph (1) is entered into with the foreign country before the date on which any action under section 301 with respect to such investigation may be required under section 305(a) to be implemented.

"(3) If an agreement described in paragraph (1) is entered into with a foreign country before the date on which any action under section 301 with respect to such investigation may be required under section 305(a) to be implemented and the Trade Representative determines that the foreign country is not in compliance with such agreement, the Trade Representative shall continue the investigation that was suspended by reason of such agreement as though such investigation had not been suspended.

"(d) **Annual Reports.**—

"(1) On the date on which the report the Trade Representative is required to submit under subsection (a)(1)(D) in calendar year 1990, and on the anniversary of such date in the succeeding calendar years, the Trade Representative shall submit a report which includes—

"(A) revised estimates of the total amount determined under subsection (a)(1)(C) for each priority foreign country that has been identified under subsection (a)(1)(B),

"(B) evidence that demonstrates, in the form of increased United States exports to each of such priority foreign countries during the previous calendar year—

"(i) in the case of a priority foreign country that has entered into an agreement described in subsection (c)(1), substantial progress during each year within the 3-year period described in subsection (c)(1)(A) toward the goal of eliminating the priority practices identified under subsection (a)(1)(A) by the close of such 3-year period, and

"(ii) in the case of a country which has not entered into (or has not complied with) an agreement described in subsection (c)(1), the elimination of such practices, and

"(C) to the extent that the evidence described in subparagraph (B) cannot be provided, any actions that have been taken by the Trade Representative under section 301 with respect to such priority practices of each of such foreign countries.

"(2) The Trade Representative may exclude from the requirements of paragraph (1) in any calendar year beginning after 1993 any foreign country that has been identified under subsection (a)(1)(A) if the evidence submitted under paragraph (1)(B) in the 2 previous reports demonstrated that all the priority practices identified under subsection (a)(1)(A) with respect to such foreign country have been eliminated.".

(b) **Conforming Amendment.**—The table of contents for the Trade Act of 1974 is amended by inserting after the item relating to section 309 the following new item:

"Sec. 310. Identification of trade liberalization priorities.".

SEC. 1303. IDENTIFICATION OF COUNTRIES THAT DENY ADEQUATE AND EFFECTIVE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS.

(a) **Findings and Purpose.**—

(1) The Congress finds that—

(A) international protection of intellectual property rights is vital to the international competitiveness of United States persons that rely on protection of intellectual property rights; and

(B) the absence of adequate and effective protection of United States intellectual property rights, and the denial of fair and equitable market access, seriously impede the ability of the United States persons that rely on protection of intellectual property rights to export and operate overseas, thereby harming the economic interests of the United States.

(2) The purpose of this section is to provide for the development of an overall strategy to ensure adequate and effective protection of intellectual property rights and fair and equitable market access for United States persons that rely on protection of intellectual property rights.

(b) IN GENERAL.—Chapter 8 of title I of the Trade Act of 1974 is amended by adding at the end thereof the following new section:

"SEC. 182. IDENTIFICATION OF COUNTRIES THAT DENY ADEQUATE PROTECTION, OR MARKET ACCESS, FOR INTELLECTUAL PROPERTY RIGHTS.

"(a) IN GENERAL.—By no later than the date that is 30 days after the date on which the annual report is submitted to Congressional committees under section 181(b), the United States Trade Representative (hereafter in this section referred to as the 'Trade Representative') shall identify—

"(1) those foreign countries that—

"(A) deny adequate and effective protection of intellectual property rights, or

"(B) deny fair and equitable market access to United States persons that rely upon intellectual property protection, and

"(2) those foreign countries identified under paragraph (1) that are determined by the Trade Representative to be priority foreign countries.

"(b) SPECIAL RULES FOR IDENTIFICATIONS.—

"(1) In identifying priority foreign countries under subsection (a)(2), the Trade Representative shall only identify those foreign countries—

"(A) that have the most onerous or egregious acts, policies, or practices that—

"(i) deny adequate and effective intellectual property rights, or

"(ii) deny fair and equitable market access to United States persons that rely upon intellectual property protection,

"(B) whose acts, policies, or practices described in subparagraph (A) have the greatest adverse impact (actual or potential) on the relevant United States products, and

"(C) that are not—

"(i) entering into good faith negotiations, or

"(ii) making significant progress in bilateral or multilateral negotiations,

to provide adequate and effective protection of intellectual property rights.

"(2) In identifying priority foreign countries under subsection (a)(2), the Trade Representative shall—

"(A) consult with the Register of Copyrights, the Commissioner of Patents and Trademarks, other appropriate officers of the Federal Government, and

"(B) take into account information from such sources as may be available to the Trade Representative and such information as may be submitted to the Trade Representative by interested persons, including information contained in reports submitted under section 181(b) and petitions submitted under section 302.

"(3) The Trade Representative may identify a foreign country under subsection (a)(1)(B) only if the Trade Representative finds that there is a factual basis for the denial of fair and equitable market access as a result of the violation of international law or agreement, or the existence of barriers, referred to in subsection (d)(3).

"(c) REVOCATIONS AND ADDITIONAL IDENTIFICATIONS.—

"(1) The Trade Representative may at any time—

"(A) revoke the identification of any foreign country as a priority foreign country under this section, or

"(B) identify any foreign country as a priority foreign country under this section,

if information available to the Trade Representative indicates that such action is appropriate.

"(2) The Trade Representative shall include in the semiannual report submitted to the Congress under section 309(3) a detailed explanation of the reasons for the revocation under paragraph (1) of the identification of any foreign country as a priority foreign country under this section.

"(d) DEFINITIONS.—For purposes of this section—

"(1) The term 'persons that rely upon intellectual property protection' means persons involved in—

"(A) the creation, production or licensing of works of authorship (within the meaning of sections 102 and 103 of title 17, United States Code) that are copyrighted, or

"(B) the manufacture of products that are patented or for which there are process patents.

"(2) A foreign country denies adequate and effective protection of intellectual property rights if the foreign country denies adequate and effective means under the laws of the foreign country for persons who are not citizens or nationals of such foreign country to secure, exercise, and enforce rights relating to patents, process patents, registered trademarks, copyrights and mask works.

"(3) A foreign country denies fair and equitable market access if the foreign country effectively denies access to a market for a product protected by a copyright, patent, or process patent through the use of laws, procedures, practices, or regulations which—

"(A) violate provisions of international law or international agreements to which both the United States and the foreign country are parties, or

"(B) constitute discriminatory nontariff trade barriers.

"(e) PUBLICATION.—The Trade Representative shall publish in the Federal Register a list of foreign countries identified under subsection (a) and shall make such revisions to the list as may be required by reason of action under subsection (c).".

(c) CONFORMING AMENDMENTS.—

(1) The heading for chapter 8 of title I of the Trade Act of 1974 is amended to read as follows:

"CHAPTER 8—IDENTIFICATION OF MARKET BARRIERS AND CERTAIN UNFAIR TRADE ACTIONS".

(2) The table of contents for the Trade Act of 1974 is amended—

(A) by striking out the item relating to chapter 8 of title I and inserting in lieu thereof the following:

"CHAPTER 8—IDENTIFICATION OF MARKET BARRIERS AND CERTAIN UNFAIR TRADE PRACTICES",

and

(B) by inserting after the item relating to section 181 the following new item:

"Sec. 182. Identification of countries that deny adequate protection, or market access, for intellectual property rights.".

SEC. 1304. AMENDMENTS TO THE NATIONAL TRADE ESTIMATES.

(a) IN GENERAL.—Section 181 of the Trade Act of 1974 (19 U.S.C. 2241) is amended—

(1) by striking out "Not later than the date on which the initial report is required under subsection (b)(1)," in subsection (a)(1) and inserting in lieu thereof "For calendar year 1988, and for each succeeding calendar year,",

(2) by inserting "of each foreign country" after "or practices" in subsection (a)(1)(A),

(3) by striking out "and" at the end of subsection (a)(1)(A)(ii),

(4) by striking out the period at the end of subsection (a)(1)(B) and inserting in lieu thereof "; and",

(5) by adding at the end of subsection (a)(1) the following new subparagraph:

"(C) make an estimate, if feasible, of—

"(i) the value of additional goods and services of the United States, and

"(ii) the value of additional foreign direct investment by United States persons,

that would have been exported to, or invested in, each foreign country during such calendar year if each of such acts, policies, and practices of such country did not exist.",

(6) by striking out "and" at the end of subsection (a)(2)(C),

(7) by striking out the period at the end of subsection (a)(2)(D) and inserting in lieu thereof "; and",

(8) by adding at the end of subsection (a)(2) the following new subparagraph:

"(E) the actual increase in—

"(i) the value of goods and services of the United States exported to, and

"(ii) the value of foreign direct investment made in,

the foreign country during the calendar year for which the estimate under paragraph (1)(C) is made.",

(9) by inserting "and with the assistance of the interagency advisory committee established under section 141(d)(2)," after "Trade Expansion Act of 1962," in subsection (a)(1), and

(10) by striking out "ACTIONS CONCERNING" in the section heading and inserting in lieu thereof "ESTIMATES OF".

(b) SUBMISSION OF REPORT.—Paragraph (1) of section 181(b) of the Trade Act of 1974 (19 U.S.C. 2241(b)(1)) is amended to read as follows:

"(1) On or before April 30, 1989, and on or before March 31 of each succeeding calendar year, the Trade Representative shall submit a report on the analysis and estimates made under subsection (a) for the calendar year preceding such calendar year (which shall be known as the 'National Trade Estimate') to the President, the Committee on Finance of the Senate, and appropriate committees of the House of Representatives.".

SEC. 1305. INVESTIGATION OF BARRIERS IN JAPAN TO CERTAIN UNITED STATES SERVICES.

The United States Trade Representative shall, within 90 days after the date of enactment of this Act, initiate an investigation under section 302 of the Trade Act of 1974 regarding those acts, policies, and practices of the Government of Japan, and of entities owned, financed, or otherwise controlled by the Government of Japan, that are barriers in Japan to the offering or performance by United States persons of architectural, engineering, construction, and consulting services in Japan.

SEC. 1306. TRADE AND ECONOMIC RELATIONS WITH JAPAN.

(a) Findings.—The Congress finds that—

(1) the United States is at a critical juncture in bilateral relations with Japan;

(2) the balance of trade between the United States and Japan has deteriorated steadily from an already large United States deficit of $10,400,000,000 in 1980 to an unprecedented United States deficit of $57,700,000,000 in 1987, a magnitude that is simply untenable;

(3) approximately 90 percent of the increase in total trade between the United States and Japan since 1980 has been in Japanese exports to the United States;

(4) United States exports to Japan have not significantly benefited from appreciation of the yen;

(5) the United States deficit in the balance of trade in manufactured goods is growing: in 1987 Japan exported $82,500,000,000 of manufactured goods to the United States, while the United States exported $14,600,000,000 in manufactured goods;

(6) Japan accounts for 49 percent of the worldwide deficit of the United States in the balance of trade in manufactured goods, calculated on a customs basis;

(7) our trade and economic relations with Japan are complex and cannot be effectively resolved through narrow sector-by-sector negotiations;

(8) a major problem between the United States and Japan is the absence of a political will in Japan to import; and

(9) meaningful negotiations must take place at the highest level, at a special summit of political leaders from both countries.

(b) Sense of the Congress.—

(1) It is the sense of the Congress that the President should propose to the Japanese Prime Minister that a special summit be held between the leaders of the United States and Japan for the purpose of—

(A) addressing trade and economic issues, and

(B) establishing—

(i) an agreement that provides objectives for improvement in trade and economic relations, and

(ii) targets for achieving these objectives.

(2) The delegation of the United States to the summit meeting described in subsection (a) should include—

(A) Members of Congress from both political parties, and

(B) appropriate officers of the executive branch of the United States Government.

(3) The delegation of Japan to the summit meeting described in subsection (a) should include—

(A) representatives of all political parties in Japan, and

(B) appropriate officers of the Government of Japan.

SEC. 1307. SUPERCOMPUTER TRADE DISPUTE.

(a) Findings.—The Congress finds that—

(1) United States manufacturers of supercomputers have encountered significant obstacles in selling supercomputers in Japan, particularly to government agencies and universities;

(2) Japanese government procurement policies and pricing practices have denied United States manufacturers access to the Japanese supercomputer market;

(3) it has been reported that officials of the Ministry of International Trade and Industry of Japan have told United States Government officials that Japanese government agencies and universities do not intend to purchase supercomputers from United States manufacturers, or take steps to improve access for United States manufacturers;

(4) the United States Government in August 1987 signed an agreement with the Government of Japan establishing procedures for the procurement of United States supercomputers by the Government of Japan;

(5) concern remains as to implementation of the procurement agreement by the Government of Japan;

(6) there have been allegations that Japanese manufacturers of supercomputers have been offering supercomputers at drastically discounted prices in the markets of the United States, Japan, and other countries;

(7) deep price discounting raises the concern that Japan's large-scale vertically integrated manufacturers of supercomputers have targeted the supercomputer industry with the objective of eventual domination of the global computer market; and

(8) the supercomputer industry plays a central role in the technological competitiveness and national security of the United States.

(b) Sense of Congress.—It is the sense of the Congress that the United States Trade Representative and other appropriate officials of the United States Government should—

(1) give the highest priority to concluding and enforcing agreements with the Government of Japan which achieve improved market access for United States manufacturers of supercomputers and end any predatory pricing activities of Japanese companies in the United States, Japan, and other countries; and

(2) continue to monitor the efforts of United States manufacturers of supercomputers to gain access to the Japanese market, recognizing that the Government of Japan may continue to manipulate the government procurement process to maintain the market dominance of Japanese manufacturers.

PART 2—IMPROVEMENT IN THE ENFORCEMENT OF THE ANTIDUMPING AND COUNTERVAILING DUTY LAWS

SEC. 1311. REFERENCE TO TITLE VII OF THE TARIFF ACT OF 1930.

Unless otherwise provided, whenever in this part an amendment or repeal is expressed in terms of an amendment to, or repeal of, a subtitle, section, subsection, or other provision, the reference shall be considered to be made to a subtitle, section, subsection, or other provision of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

SEC. 1312. ACTIONABLE DOMESTIC SUBSIDIES.

Paragraph (5) of section 771 (19 U.S.C. 1677(5)) is amended to read as follows:

"(5) Subsidy.—

"(A) In general.—The term 'subsidy' has the same meaning as the term 'bounty or grant' as that term is used in section 303, and includes, but is not limited to, the following:

"(i) Any export subsidy described in Annex A to the Agreement (relating to illustrative list of export subsidies).

"(ii) The following domestic subsidies, if provided or required by government action to a specific enterprise or industry, or group of enterprises or industries, whether publicly or privately owned and whether paid or bestowed directly or indirectly on the manufacture, production, or export of any class or kind of merchandise:

"(I) The provision of capital, loans, or loan guarantees on terms inconsistent with commercial considerations.

"(II) The provision of goods or services at preferential rates.

"(III) The grant of funds or forgiveness of debt to cover operating losses sustained by a specific industry.

"(IV) The assumption of any costs or expenses of manufacture, production, or distribution.

"(B) Special rule.—In applying subparagraph (A), the administering authority, in each investigation, shall determine whether the bounty, grant, or subsidy in law or in fact is provided to a specific enterprise or industry, or group of enterprises or industries. Nominal general availability, under the terms of the law, regulation, program, or rule establishing a bounty, grant, or subsidy, of the benefits thereunder is not a basis for determining that the bounty, grant, or subsidy is not, or has not been, in fact provided to a specific enterprise or industry, or group thereof.".

SEC. 1313. CALCULATION OF SUBSIDIES ON CERTAIN PROCESSED AGRICULTURAL PRODUCTS.

(a) In General.—Title VII of the Tariff Act of 1930 is amended by inserting after section 771A (19 U.S.C. 1677-1) the following new section:

"Sec. 771B. In the case of an agricultural product processed from a raw agricultural product in which (1) the demand for the prior stage product is substantially dependent on the demand for the latter stage product, and (2) the processing operation adds only limited value to the raw commodity, subsidies found to be provided to either producers or processors of the product shall be deemed to be provided with respect to the manufacture, production, or exportation of the processed product.".

(b) Conforming Amendment.—The table of contents for title VII of the Tariff Act of 1930 is amended by inserting after the item relating to section 771A the following:

"Sec. 771B. Calculation of subsidies on certain processed agricultural products.".

SEC. 1314. REVOCATION OF STATUS AS A COUNTRY UNDER THE AGREEMENT.

Section 701 (19 U.S.C. 1671) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) Revocation of Status as a Country Under the Agreement.—The United States Trade Representative may revoke the status of a foreign country as a country under the Agreement for purposes of this subtitle if such foreign country—

"(1) announces that such foreign country does not intend, or is not able, to honor the obligations it has assumed with respect to the United States or the Agreement for purposes of this subtitle, or

"(2) does not in fact honor such obligations.".

SEC. 1315. TREATMENT OF INTERNATIONAL CONSORTIA.

Section 701 (19 U.S.C. 1671) (as amended by section 1314) is further amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) TREATMENT OF INTERNATIONAL CONSORTIA.—For purposes of this subtitle, if the members (or other participating entities) of an international consortium that is engaged in the production of a class or kind of merchandise subject to a countervailing duty investigation receive subsidies from their respective home countries to assist, permit, or otherwise enable their participation in that consortium through production or manufacturing operations in their respective home countries, then the administering authority shall cumulate all such subsidies, as well as subsidies provided directly to the international consortium, in determining any countervailing duty upon such merchandise.".

SEC. 1316. DUMPING BY NONMARKET ECONOMY COUNTRIES.

(a) IN GENERAL.—Subsection (c) of section 773 (19 U.S.C. 1677b) is amended to read as follows:

"(c) NONMARKET ECONOMY COUNTRIES.—

"(1) IN GENERAL.—If—

"(A) the merchandise under investigation is exported from a nonmarket economy country, and

"(B) the administering authority finds that available information does not permit the foreign market value of the merchandise to be determined under subsection (a),

the administering authority shall determine the foreign market value of the merchandise on the basis of the value of the factors of production utilized in producing the merchandise and to which shall be added an amount for general expenses and profit plus the cost of containers, coverings, and other expenses, as required by subsection (e). Except as provided in paragraph (2), the valuation of the factors of production shall be based on the best available information regarding the values of such factors in a market economy country or countries considered to be appropriate by the administering authority.

"(2) EXCEPTION.—If the administering authority finds that the available information is inadequate for purposes of determining the foreign market value of merchandise under paragraph (1), the administering authority shall determine the foreign market value on the basis of the price at which merchandise that is—

"(A) comparable to the merchandise under investigation, and

"(B) produced in one or more market economy countries that are at a level of economic development comparable to that of the nonmarket economy country,

is sold in other countries, including the United States.

"(3) FACTORS OF PRODUCTION.—For purposes of paragraph (1), the factors of production utilized in producing merchandise include, but are not limited to—

"(A) hours of labor required,

"(B) quantities of raw materials employed,

"(C) amounts of energy and other utilities consumed, and

"(D) representative capital cost, including depreciation.

"(4) VALUATION OF FACTORS OF PRODUCTION.—The administering authority, in valuing factors of production under paragraph (1), shall utilize, to the extent possible, the prices or costs of factors of production in one or more market economy countries that are—

"(A) at a level of economic development comparable to that of the nonmarket economy country, and

"(B) significant producers of comparable merchandise.".

(b) NONMARKET ECONOMY COUNTRY DEFINED.—Section 771 (19 U.S.C. 1677) is amended by adding at the end thereof the following new paragraph:

"(18) NONMARKET ECONOMY COUNTRY.—

"(A) IN GENERAL.—The term 'nonmarket economy country' means any foreign country that the administering authority determines does not operate on market principles of cost or pricing structures, so that sales of merchandise in such country do not reflect the fair value of the merchandise.

"(B) FACTORS TO BE CONSIDERED.—In making determinations under subparagraph (A) the administering authority shall take into account—

"(i) the extent to which the currency of the foreign country is convertible into the currency of other countries;

"(ii) the extent to which wage rates in the foreign country are determined by free bargaining between labor and management,

"(iii) the extent to which joint ventures or other investments by firms of other foreign countries are permitted in the foreign country,

"(iv) the extent of government ownership or control of the means of production,

"(v) the extent of government control over the allocation of resources and over the price and output decisions of enterprises, and

"(vi) such other factors as the administering authority considers appropriate.

"(C) DETERMINATION IN EFFECT.—

"(i) Any determination that a foreign country is a nonmarket economy country shall remain in effect until revoked by the administering authority.

"(ii) The administering authority may make a determination under subparagraph (A) with respect to any foreign country at any time.

"(D) DETERMINATIONS NOT IN ISSUE.—Notwithstanding any other provision of law, any determination made by the administering authority under subparagraph (A) shall not be subject to judicial review in any investigation conducted under subtitle B.

"(E) COLLECTION OF INFORMATION.—Upon request by the administering authority, the Commissioner of Customs shall provide the administering authority a copy of all public and proprietary information submitted to, or obtained by, the Commissioner of Customs that the administering authority considers relevant to proceedings involving merchandise from nonmarket economy countries. The administering authority shall protect proprietary information obtained under this section from public disclosure in accordance with section 777.".

(c) SUSPENSION OF NONMARKET ECONOMY COUNTRY INVESTIGATIONS.—Section 734 (19 U.S.C. 1673c) is amended by adding at the end thereof the following new subsection:

"(l) SPECIAL RULE FOR NONMARKET ECONOMY COUNTRIES.—

"(1) IN GENERAL.—The administering authority may suspend an investigation under this subtitle upon acceptance of an agreement with a nonmarket economy country to restrict the volume of imports into the United States of the merchandise under investigation only if the administering authority determines that—

"(A) such agreement satisfies the requirements of subsection (d), and

"(B) will prevent the suppression or undercutting of price levels of domestic products by imports of the merchandise under investigation.

"(2) FAILURE OF AGREEMENTS.—If the administering authority determines that an agreement accepted under this subsection no longer prevents the suppression or undercutting of domestic prices of merchandise manufactured in the United States, the provisions of subsection (i) shall apply.".

SEC. 1317. THIRD-COUNTRY DUMPING.

(a) DEFINITIONS.—For purposes of this section:

(1) The term "Agreement" means the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade (relating to antidumping measures).

(2) The term "Agreement country" means a foreign country that has accepted the Agreement.

(3) The term "Trade Representative" means the United States Trade Representative.

(b) PETITION BY DOMESTIC INDUSTRY.—

(1) A domestic industry that produces a product that is like or directly competitive with merchandise produced by a foreign country (whether or not an Agreement country) may, if it has reason to believe that—

(A) such merchandise is being dumped in an Agreement country; and

(B) such domestic industry is being materially injured, or threatened with material injury, by reason of such dumping;

submit a petition to the Trade Representative that alleges the elements referred to in subparagraphs (A) and (B) and requests the Trade Representative to take action under subsection (c) on behalf of the domestic industry.

(2) A petition submitted under paragraph (1) shall contain such detailed information as the Trade Representative may require in support of the allegations in the petition.

(c) APPLICATION FOR ANTIDUMPING ACTION ON BEHALF OF THE DOMESTIC INDUSTRY.—

(1) If the Trade Representative, on the basis of the information contained in a petition submitted under paragraph (1), determines that there is a reasonable basis for the allegations in the petition, the Trade Representative shall submit to the appropriate authority of the Agreement country where the alleged dumping is occurring an application pursuant to Article 12 of the Agreement which requests that appropriate antidumping action under the law of that country be taken, on behalf of the United States, with respect to imports into that country of the merchandise concerned.

(2) At the request of the Trade Representative, the appropriate officers of the Department of Commerce and the United States International Trade Commission shall assist the Trade Representative in preparing the application under paragraph (1).

(d) CONSULTATION AFTER SUBMISSION OF APPLICATION.—After submitting an application under subsection (c)(1), the Trade Representative shall seek consultations with the appropriate authority of the Agreement country regarding the request for antidumping action.

(e) ACTION UPON REFUSAL OF AGREEMENT COUNTRY TO ACT.—If the appropriate authority of an Agreement country refuses to undertake antidumping measures in response to a request made therefor by the Trade Representative under subsection (c), the Trade Representative shall promptly consult with the domestic industry on whether action under any other law of the United States is appropriate.

SEC. 1318. INPUT DUMPING BY RELATED PARTIES.

Subsection (e) of section 773 (19 U.S.C. 1677b(e)) is amended—

(1) by striking out "(3)" each place it appears in paragraph (2) and inserting "(4)",

(2) by redesignating paragraph (3) as paragraph (4),

(3) by inserting after paragraph (2) the following new paragraph:

"(3) Special rule.—If, regarding any transaction between persons specified in any one of the subparagraphs of paragraph (4) involving the production by one of such persons of a major input to the merchandise under consideration, the administering authority has reasonable grounds to believe or suspect that an amount represented as the value of such input is less than the costs of production of such input, then the administering authority may determine the value of the major input on the best evidence available regarding such costs of production, if such costs are greater than the amount that would be determined for such input under paragraph (2).", and

(4) by striking out "paragraph (2)" in paragraph (4) (as redesignated by paragraph (2)) and inserting "paragraphs (2) and (3)".

SEC. 1319. FICTITIOUS MARKETS.

Subsection (a) of section 773 of the Tariff Act of 1930 (19 U.S.C. 1677b(a)) is amended by adding at the end thereof the following new paragraph:

"(5) Fictitious markets.—The occurrence of different movements in the prices at which different forms of any merchandise subject to an antidumping duty order issued under this title are sold (or, in the absence of sales, offered for sale) after the issuance of such order in the principal markets of the foreign country from which the merchandise is exported may be considered by the administering authority as evidence of the establishment of a fictitious market for the merchandise if the movement in such prices appears to reduce the amount by which the foreign market value of the merchandise exceeds the United States price of the merchandise.".

SEC. 1320. DOWNSTREAM PRODUCT MONITORING.

(a) In General.—Subtitle D (19 U.S.C. 1677 et seq.) is amended by adding at the end thereof the following:

"SEC. 780. DOWNSTREAM PRODUCT MONITORING.

"(a) Petition Requesting Monitoring.—

"(1) In general.—A domestic producer of an article that is like a component part or a downstream product may petition the administering authority to designate a downstream product for monitoring under subsection (b). The petition shall specify—

"(A) the downstream product,

"(B) the component product incorporated into such downstream product, and

"(C) the reasons for suspecting that the imposition of antidumping or countervailing duties has resulted in a diversion of exports of the component part into increased production and exportation to the United States of such downstream product.

"(2) Determination regarding petition.—Within 14 days after receiving a petition submitted under paragraph (1), the administering authority shall determine—

"(A) whether there is a reasonable likelihood that imports into the United States of the downstream product will increase as an indirect result of any diversion with respect to the component part, and

"(B) whether—

"(i) the component part is already subject to monitoring to aid in the enforcement of a bilateral arrangement (within the meaning of section 804 of the Trade and Tariff Act of 1984),

"(ii) merchandise related to the component part and manufactured in the same foreign country in which the component part is manufactured has been the subject of a significant number of investigations suspended under section 704 or 734 or countervailing or antidumping duty orders issued under this title or section 303, or

"(iii) merchandise manufactured or exported by the manufacturer or exporter of the component part that is similar in description and use to the component part has been the subject of at least 2 investigations suspended under section 704 or 734 or countervailing or antidumping duty orders issued under this title or section 303.

"(3) Factors to take into account.—In making a determination under paragraph (2)(A), the administering authority may, if appropriate, take into account such factors as—

"(A) the value of the component part in relation to the value of the downstream product,

"(B) the extent to which the component part has been substantially transformed as a result of its incorporation into the downstream product, and

"(C) the relationship between the producers of component parts and producers of downstream products.

"(4) Publication of determination.—The administering authority shall publish in the Federal Register notice of each determination made under paragraph (2) and, if the determination made under paragraph (2)(A) and a determination made under any subparagraph of paragraph (2)(B) are affirmative, shall transmit a copy of such determinations and the petition to the Commission.

"(5) Determinations not subject to judicial review.—Notwithstanding any other provision of law, any determination made by the administering authority under paragraph (2) shall not be subject to judicial review.

"(b) Monitoring by the Commission.—

"(1) In general.—If the determination made under subsection (a)(2)(A) and a determination made under any clause of subsection (a)(2)(B) with respect to a petition are affirmative, the Commission shall immediately commence monitoring of trade in the downstream product that is the subject of the determination made under subsection (a)(2)(A). If the Commission finds that imports of a downstream product being monitored increased during any calendar quarter by 5 percent or more over the preceding quarter, the Commission shall analyze that increase in the context of overall economic conditions in the product sector.

"(2) Reports.—The Commission shall make quarterly reports to the administering authority regarding the monitoring and analyses conducted under paragraph (1). The Commission shall make the reports available to the public.

"(c) Action on Basis of Monitoring Reports.—The administering authority shall review the information in the reports submitted by the Commission under subsection (b)(2) and shall—

"(1) consider the information in determining whether to initiate an investigation under section 702(a), 732(a), or 303 regarding any downstream product, and

"(2) request the Commission to cease monitoring any downstream product if the information indicates that imports into the United States are not increasing and there is no reasonable likelihood of diversion with respect to component parts.

"(d) Definitions.—For purposes of this section—

"(1) The term 'component part' means any imported article that—

"(A) during the 5-year period ending on the date on which the petition is filed under subsection (a), has been subject to—

"(i) a countervailing or antidumping duty order issued under this title or section 303 that requires the deposit of estimated countervailing or antidumping duties imposed at a rate of at least 15 percent ad valorem, or

"(ii) an agreement entered into under section 704, 734, or 303 after a preliminary affirmative determination under section 703(b), 733(b)(1), or 303 was made by the administering authority which included a determination that the estimated net subsidy was at least 15 percent ad valorem or that the estimated average amount by which the foreign market value exceeded the United States price was at least 15 percent ad valorem, and

"(B) because of its inherent characteristics, is routinely used as a major part, component, assembly, subassembly, or material in a downstream product.

"(2) The term 'downstream product' means any manufactured article—

"(A) which is imported into the United States, and

"(B) into which is incorporated any component part.".

(b) Conforming Amendment.—The table of contents for title VII of the Tariff Act of 1930 is amended by inserting after the item relating to section 779 the following:

"Sec. 780. Downstream product monitoring.".

SEC. 1321. PREVENTION OF CIRCUMVENTION OF ANTIDUMPING AND COUNTERVAILING DUTY ORDERS.

(a) In General.—Subtitle D (19 U.S.C. 1677 et seq.) (as amended by section 1320) is further amended by adding at the end thereof the following:

"SEC. 781. PREVENTION OF CIRCUMVENTION OF ANTIDUMPING AND COUNTERVAILING DUTY ORDERS.

"(a) Merchandise Completed or Assembled in the United States.—

"(1) In general.—If—

"(A) merchandise sold in the United States is of the same class or kind as any other merchandise that is the subject of—

"(i) an antidumping duty order issued under section 736,

"(ii) a finding issued under the Antidumping Act, 1921, or

"(iii) a countervailing duty order issued under section 706 or section 303,

"(B) such merchandise sold in the United States is completed or assembled in the United States from parts or components produced in the foreign country with respect to which such order or finding applies, and

"(C) the difference between the value of such merchandise sold in the United States and the value of the imported parts and components referred to in subparagraph (B) is small,

the administering authority, after taking into account any advice provided by the Commission under subsection (e), may include within the scope of such order or finding the imported parts or components referred to in subparagraph (B) that are used in the completion or assembly of the merchandise in the United States at any time such order or finding is in effect.

"(2) Factors to consider.—In determining whether to include parts or components in a countervailing or antidumping duty order or finding under paragraph (1), the administering authority shall take into account such factors as—

"(A) the pattern of trade,

"(B) whether the manufacturer or exporter of the parts or components is related to the person who assembles or completes the merchandise sold in the United States from the parts or components produced in the foreign country with respect to which the order or finding described in paragraph (1) applies, and

"(C) whether imports into the United States of the parts or components produced in such foreign country have increased after the issuance of such order or finding.

"(b) Merchandise Completed or Assembled in Other Foreign Countries.—

"(1) In general.—If—

"(A) merchandise imported into the United States is of the same class or kind as any merchandise produced in a foreign country that is the subject of—

"(i) an antidumping duty order issued under section 736,

"(ii) a finding issued under the Antidumping Act, 1921, or

"(iii) a countervailing duty order issued under section 706 or section 303,

"(B) before importation into the United States, such imported merchandise is completed or assembled in another foreign country from merchandise which—

"(i) is subject to such order or finding, or

"(ii) is produced in the foreign country with respect to which such order or finding applies,

"(C) the difference between the value of such imported merchandise and the value of the merchandise described in subparagraph (B) is small, and

"(D) the administering authority determines that action is appropriate under this paragraph to prevent evasion of such order or finding,

the administering authority, after taking into account any advice provided by the Commission under subsection (e), may include such imported merchandise within the scope of such order or finding at any time such order or finding is in effect.

"(2) Factors to consider.—In determining whether to include merchandise assembled or completed in a foreign country in a countervailing or antidumping duty order or finding under paragraph (1), the administering authority shall take into account such factors as—

"(A) the pattern of trade,

"(B) whether the manufacturer or exporter of the merchandise described in paragraph (1)(B) is related to the person who uses the merchandise described in paragraph (1)(B) to assemble or complete in the foreign country the merchandise that is subsequently imported into the United States, and

"(C) whether imports into the foreign country of the merchandise described in paragraph (1)(B) have increased after the issuance of such order or finding.

"(c) Minor Alterations of Merchandise.—

"(1) In general.—The class or kind of merchandise subject to—

"(A) an investigation under this title,

"(B) an antidumping duty order issued under section 736,

"(C) a finding issued under the Antidumping Act, 1921, or

"(D) a countervailing duty order issued under section 706 or section 303,

shall include articles altered in form or appearance in minor respects (including raw agricultural products that have undergone minor processing), whether or not included in the same tariff classification.

"(2) Exception.—Paragraph (1) shall not apply with respect to altered merchandise if the administering authority determines that it would be unnecessary to consider the altered merchandise within the scope of the investigation, order, or finding.

"(d) Later-Developed Merchandise.—

"(1) In general.—For purposes of determining whether merchandise developed after an investigation is initiated under this title or section 303 (hereafter in this paragraph referred to as the 'later-developed merchandise') is within the scope of an outstanding antidumping or countervailing duty order issued under this title or section 303 as a result of such investigation, the administering authority shall consider whether—

"(A) the later-developed merchandise has the same general physical characteristics as the merchandise with respect to which the order was originally issued (hereafter in this paragraph referred to as the 'earlier product'),

"(B) the expectations of the ultimate purchasers of the later-developed merchandise are the same as for the earlier product,

"(C) the ultimate use of the earlier product and the later-developed merchandise are the same,

"(D) the later-developed merchandise is sold through the same channels of trade as the earlier product, and

"(E) the later-developed merchandise is advertised and displayed in a manner similar to the earlier product.

The administering authority shall take into account any advice provided by the Commission under subsection (e) before making a determination under this subparagraph.

"(2) Exclusion from orders.—The administering authority may not exclude a later-developed merchandise from a countervailing or antidumping duty order merely because the merchandise—

"(A) is classified under a tariff classification other than that identified in the petition or the administering authority's prior notices during the proceeding, or

"(B) permits the purchaser to perform additional functions, unless such additional functions constitute the primary use of the merchandise and the cost of the additional functions constitute more than a significant proportion of the total cost of production of the merchandise.

"(e) Commission Advice.—

"(1) Notification to commission of proposed action.—Before making a determination—

"(A) under subsection (a) with respect to merchandise completed or assembled in the United States (other than minor completion or assembly),

"(B) under subsection (b) with respect to merchandise completed or assembled in other foreign countries, or

"(C) under subsection (d) with respect to any later-developed merchandise which incorporates a significant technological advance or significant alteration of an earlier product,

with respect to an antidumping or countervailing duty order or finding as to which the Commission has made an affirmative injury determination, the administering authority shall notify the Commission of the proposed inclusion of such merchandise in such countervailing or antidumping order or finding. Notwithstanding any other provision of law, a decision by the administering authority regarding whether any merchandise is within a category for which notice is required under this paragraph is not subject to judicial review.

"(2) Request for consultation.—After receiving notice under paragraph (1), the Commission may request consultations with the administering authority regarding the inclusion. Upon the request of the Commission, the administering authority shall consult with the Commission and any such consultation shall be completed within 15 days after the date of the request.

"(3) Commission advice.—If the Commission believes, after consultation under paragraph (2), that a significant injury issue is presented by the proposed inclusion, the Commission may provide written advice to the administering authority as to whether the inclusion would be inconsistent with the affirmative determination of the Commission on which the order or finding is based. If the Commission decides to provide such written advice, it shall promptly notify the administering authority of its intention to do so, and must provide such advice within 60 days after the date of notification under paragraph (1). For purposes of formulating its advice with respect to merchandise completed or assembled in the United States from parts or components produced in a foreign country, the Commission shall consider whether the inclusion of such parts or components taken as a whole would be inconsistent with its prior affirmative determination.".

(b) Conforming Amendment.—The table of contents for title VII of the Tariff Act of 1930 is amended by inserting after the item relating to section 780 the following:

"Sec. 781. Prevention of circumvention of antidumping and countervailing duty orders.".

SEC. 1322. STEEL IMPORTS.

Section 805 of the Trade and Tariff Act of 1984 (19 U.S.C. 2253, note) is amended by adding at the end thereof the following new subsection:

"(d)(1) Any steel product that is manufactured in a country that is not party to a bilateral arrangement from steel which was melted and poured in a country that is party to a bilateral arrangement (hereafter in this subsection referred to as an 'arrangement country') may be treated for purposes of the quantitative restrictions and related terms under that arrangement as if it were a product of the arrangement country.

"(2) The President may implement such procedures as may be necessary or appropriate to carry out the purpose of paragraph (1).

"(3) The United States Trade Representative may, in a manner consistent with the purpose of any so-called 'third country equity provision' of an arrangement entered into under the President's Steel Policy, take such actions as he deems necessary with respect to steel imports of any other country or countries so as to ensure the effectiveness of any portion of such arrangement.".

SEC. 1323. SHORT LIFE CYCLE PRODUCTS.

(a) Establishment of Product Categories for Short Life Cycle Merchandise.—Subtitle B is amended by adding at the end thereof the following new section:

"SEC. 739. ESTABLISHMENT OF PRODUCT CATEGORIES FOR SHORT LIFE CYCLE MERCHANDISE.

"(a) Establishment of Product Categories.—

"(1) Petitions.—

"(A) In general.—An eligible domestic entity may file a petition with the Commission requesting that a product category be established with respect to short life cycle merchandise at any time after the merchandise becomes the subject of 2 or more affirmative dumping determinations.

"(B) Contents.—A petition filed under subparagraph (A) shall—

"(i) identify the short life cycle merchandise that is the subject of the affirmative dumping determinations,

"(ii) specify the short life cycle merchandise that the petitioner seeks to have included in the same product category as the merchandise that is subject to the affirmative dumping determinations,

"(iii) specify any short life cycle merchandise the petitioner particularly seeks to have excluded from the product category,

"(iv) provide reasons for the inclusions and exclusions specified under clauses (ii) and (iii), and

"(v) identify such merchandise in terms of the designations used in the Tariff Schedules of the United States.

"(2) Determinations on sufficiency of petition.—Upon receiving a petition under paragraph (1), the Commission shall—

"(A) request the administering authority to confirm promptly the affirmative determinations on which the petition is based, and

"(B) upon receipt of such confirmation, determine whether the merchandise covered by the confirmed affirmative determinations is short life cycle merchandise and whether the petitioner is an eligible domestic entity.

"(3) Notice; hearings.—If the determinations under paragraph (2)(B) are affirmative, the Commission shall—

"(A) publish notice in the Federal Register that the petition has been received, and

"(B) provide opportunity for the presentation of views regarding the establishment of the requested product category, including a public hearing if requested by any interested person.

"(4) Determinations.—

"(A) In general.—By no later than the date that is 90 days after the date on which a petition is filed under paragraph (1), the Commission shall determine the scope of the product category into which the short life cycle merchandise that is the subject of the affirmative dumping determinations identified in such petition shall be classified for purposes of this section.

"(B) Modifications not requested by petition.—

"(i) In general.—The Commission may, on its own initiative, make a determination modifying the scope of any product category established under subparagraph (A) at any time.

"(ii) Notice and hearing.—Determinations may be made under clause (i) only after the Commission has—

"(I) published in the Federal Register notice of the proposed modification, and

"(II) provided interested parties an opportunity for a hearing, and a period for the submission of written comments, on the classification of merchandise into the product categories to be affected by such determination.

"(C) Basis of determinations.—In making determinations under subparagraph (A) or (B), the Commission shall ensure that each product category consists of similar short life cycle merchandise which is produced by similar processes under similar circumstances and has similar uses.

"(b) Definitions.—For purposes of this section—

"(1) Eligible domestic entity.—The term 'eligible domestic entity' means a manufacturer or producer in the United States, or a certified union or recognized union or group of workers which is representative of an industry in the United States, that manufactures or produces short life cycle merchandise that is—

"(A) like or directly competitive with other merchandise that is the subject of 2 or more affirmative dumping determinations, or

"(B) is similar enough to such other merchandise as to be considered for inclusion with such merchandise in a product monitoring category established under this section.

"(2) Affirmative dumping determination.—The term 'affirmative dumping determination' means—

"(A) any affirmative final determination made by the administering authority under section 735(a) during the 8-year period preceding the filing of the petition under this section that results in the issuance of an antidumping duty order under section 736 which requires the deposit of estimated antidumping duties at a rate of not less than 15 percent ad valorem, or

"(B) any affirmative preliminary determination that—

"(i) is made by the administering authority under section 733(b) during the 8-year period preceding the filing of the petition under this section in the course of an investigation for which no final determination is made under section 735 by reason of a suspension of the investigation under section 734, and

"(ii) includes a determination that the estimated average amount by which the foreign market value of the merchandise exceeds the United States price of the merchandise is not less than 15 percent ad valorem.

"(3) Subject of affirmative dumping determination.—

"(A) In general.—Short life cycle merchandise of a manufacturer shall be treated as being the subject of an affirmative dumping determination only if the administering authority—

"(i) makes a separate determination of the amount by which the foreign market value of such merchandise of the manufacturer exceeds the United States price of such merchandise of the manufacturer, and

"(ii) specifically identifies the manufacturer by name with such amount in the affirmative dumping determination or in an antidumping duty order issued as a result of the affirmative dumping determination.

"(B) Exclusion.—Short life cycle merchandise of a manufacturer shall not be treated as being the subject of an affirmative dumping determination if—

"(i) such merchandise of the manufacturer is part of a group of merchandise to which the administering authority assigns (in lieu of making separate determinations described in subparagraph (A)(i)(I)) an amount determined to be the amount by which the foreign market value of the merchandise in such group exceeds the United States price of the merchandise in such group, and

"(ii) the merchandise and the manufacturer are not specified by name in the affirmative dumping determination or in any antidumping duty order issued as a result of such affirmative dumping determination.

"(4) Short life cycle merchandise.—The term 'short life cycle merchandise' means any product that the Commission determines is likely to become outmoded within 4 years, by reason of technological advances, after the product is commercially available. For purposes of this paragraph, the term 'outmoded' refers to a kind of style that is no longer state-of-the-art.

"(c) Transitional Rules.—

"(1) For purposes of this section and section 733(b)(1) (B) and (C), all affirmative dumping determinations described in subsection (b)(2)(A) that were made after December 31, 1980, and before the date of enactment of the Omnibus Trade and Competitiveness Act of 1988, and all affirmative dumping determinations described in subsection (b)(2)(B) that were made after December 31, 1984, and before the date of enactment of such Act, with respect to each category of short life cycle merchandise of the same manufacturer shall be treated as one affirmative dumping determination with respect to that category for that manufacturer which was made on the date on which the latest of such determinations was made.

"(2) No affirmative dumping determination that—

"(A) is described in subsection (b)(2)(A) and was made before January 1, 1981, or

"(B) is described in subsection (b)(2)(B) and was made before January 1, 1985,

may be taken into account under this section or section 733(b)(1) (B) and (C).".

(b) Expedited Dumping Investigations.—Section 733 (19 U.S.C. 1673) is amended as follows:

(1) Paragraph (1) of subsection (b)(1) is amended to read as follows:

"(1) Period of antidumping duty investigation.—

"(A) In general.—Except as provided in subparagraph (B), within 160 days after the date on which a petition is filed under section 732(b), or an investigation is commenced under section 732(a), but not before an affirmative determination by the Commission under subsection (a) of this section, the administering authority shall make a determination, based upon the best information available to it at the time of the determination, of whether there is a reasonable basis to believe or suspect that the merchandise is being sold, or is likely to be sold, at less than fair value. If the determination of the administering authority under this subsection is affirmative, the determination shall include the estimated average amount by which the foreign market value exceeds the United States price.

"(B) If certain short life cycle merchandise involved.—If a petition filed under section 732(b), or an investigation commenced under section 732(a), concerns short life cycle merchandise that is included in a product category established under section 739(a), subparagraph (A) shall be applied—

"(i) by substituting '120 days' for '160 days' if manufacturers that are second offenders account for a significant proportion of the merchandise under investigation, and

"(ii) by substituting '100 days' for '160 days' if manufacturers that are multiple offenders account for a significant proportion of the merchandise under investigation.

"(C) Definitions of offenders.—For purposes of subparagraph (B)—

"(i) The term 'second offender' means a manufacturer that is specified in 2 affirmative dumping determinations (within the meaning of section 739) as the manufacturer of short life cycle merchandise that is—

"(I) specified in both such determinations, and

"(II) within the scope of the product category referred to in subparagraph (B).

"(ii) The term 'multiple offender' means a manufacturer that is specified in 3 or more affirmative dumping determinations (within the meaning of section 739) as the manufacturer of short life cycle merchandise that is—

"(I) specified in each of such determinations, and

"(II) within the scope of the product category referred to in subparagraph (B).".

(2) Paragraph (1) of subsection (c) is amended by inserting at the end thereof the following sentence: "No extension of a determination date may be made under this paragraph for any investigation in which a determination date provided for in subsection (b)(1)(B) applies unless the petitioner submits written notice to the administering authority of its consent to the extension.".

(3) Subsection (e)(1) is amended by adding at the end thereof the following flush sentence:

"The administering authority shall be treated as having made an affirmative determination under subparagraph (A) in any investigation to which subsection (b)(1)(B) is applied.".

(c) Conforming Amendment.—The table of contents for title VII of the Tariff Act of 1930 is amended by inserting after the item relating to section 739 the following:

"Sec. 739. Establishment of product categories for short life cycle merchandise.".

SEC. 1324. CRITICAL CIRCUMSTANCES.

(a) Countervailing Duty Investigations.—

(1) Section 702 (19 U.S.C. 1671a) is amended by adding at the end thereof the following new subsection:

"(e) Information Regarding Critical Circumstances.—If, at any time after the initiation of an investigation under this subtitle, the administering authority finds a reasonable basis to suspect that the alleged subsidy is inconsistent with the Agreement, the administering authority may request the Commissioner of Customs to compile information on an expedited basis regarding entries of the class or kind of merchandise that is the subject of the investigation. Upon receiving such request, the Commissioner of Customs shall collect information regarding the volume and value of entries of the class or kind of merchandise that is the subject of the investigation and shall transmit such information to the administering authority at such times as the administering authority shall direct (at least once every 30 days), until a final determination is made under section 705(a), the investigation is terminated, or the administering authority withdraws the request.".

(2) Paragraph (1) of section 703(e) (19 U.S.C. 1671b(e)(1)) is amended by inserting "(at any time after the initiation of the investigation under this subtitle)" after "promptly".

(3) Subparagraph (A) of section 705(b)(4) (19 U.S.C. 1671d(b)(4)(A)) is amended to read as follows:

"(A) Retroactive application.—

"(i) In general.—If the finding of the administering authority under subsection (a)(2) is affirmative, then the final determination of the Commission shall include a finding as to whether retroactive imposition of a countervailing duty on the merchandise appears necessary to prevent recurrence of material injury that was caused by massive imports of the merchandise over a relatively short period of time and will be difficult to repair.

"(ii) Prevention of recurrence.—For purposes of making its finding under clause (i), the Commission shall make an evaluation as to whether the effectiveness of the countervailing duty order would be materially impaired if such imposition did not occur.

"(iii) Evaluation of effectiveness.—In making the evaluation under clause (ii), the Commission shall consider, among other factors it considers relevant—

"(I) the condition of the domestic industry,

"(II) whether massive imports of the merchandise over a relatively short period of time can be accounted for by efforts to avoid the potential imposition of countervailing duties,

"(III) whether foreign economic conditions led to the massive imports of the merchandise, and

"(IV) whether the impact of the massive imports of the merchandise is likely to continue for some period after issuance of the countervailing duty order under this subtitle.".

(b) Antidumping Duty Investigations.—

(1) Section 732 (19 U.S.C. 1673a) is amended by adding at the end thereof the following new subsection:

"(e) Information Regarding Critical Circumstances.—If, at any time after the initiation of an investigation under this subtitle, the administering authority finds a reasonable basis to suspect that—

"(1) there is a history of dumping in the United States or elsewhere of the class or kind of the merchandise which is the subject of the investigation, or

"(2) the person by whom, or for whose account, the merchandise was imported knew, or should have known, that the exporter was selling the merchandise which is the subject of the investigation at less than its fair value,

the administering authority may request the Commissioner of Customs to compile information on an expedited basis regarding entries of the class or kind of merchandise that is the subject of the investigation. Upon receiving such request, the Commissioner of Customs shall collect information regarding the volume and value of entries of the class or kind of merchandise that is the subject of the investigation and shall transmit such information to the administering authority at such times as the administering authority shall direct (at least once every 30 days), until a final determination is made under section 735(a), the investigation is terminated, or the administering authority withdraws the request.".

(2) Paragraph (1) of section 733(e) (19 U.S.C. 1673b(e)(1)) is amended by inserting "(at any time after the initiation of the investigation under this subtitle)" after "promptly".

(3) Subparagraph (A) of section 735(b)(4) (19 U.S.C. 1673d(b)(4)(A)) is amended to read as follows:

"(A) Retroactive application.—

"(i) In general.—If the finding of the administering authority under subsection (a)(3) is affirmative, then the final determination of the Commission shall include a finding as to whether retroactive imposition of antidumping duties on the merchandise appears necessary to prevent recurrence of material injury that was caused by massive imports of the merchandise over a relatively short period of time.

"(ii) Prevention of recurrence.—For purposes of making its finding under clause (i), the Commission shall make an evaluation as to whether the effectiveness of the antidumping duty order would be materially impaired if such imposition did not occur.

"(iii) Evaluation of effectiveness.—In making the evaluation under clause (ii), the Commission shall consider, among other factors it considers relevant—

"(I) the condition of the domestic industry,

"(II) whether massive imports of the merchandise in a relatively short period of time can be accounted for by efforts to avoid the potential imposition of antidumping duties,

"(III) whether foreign economic conditions led to the massive imports of the merchandise, and

"(IV) whether the impact of the massive imports of the merchandise is likely to continue for some period after issuance of the antidumping duty order under this subtitle.".

SEC. 1325. EXPEDITED REVIEW AUTHORITY.

(a) In General.—Paragraph (1) of section 736(c) (19 U.S.C. 1673e(c)(1)) is amended to read as follows:

"(1) Conditions for waiver of deposit of estimated duties.—The administering authority may permit, for not more than 90 days after the date of publication of an order under subsection (a), the posting of a bond or other security in lieu of the deposit of estimated antidumping duties required under subsection (a)(3) if—

"(A) the investigation has not been designated as extraordinarily complicated by reason of—

"(i) the number and complexity of the transactions to be investigated or adjustments to be considered,

"(ii) the novelty of the issues presented, or

"(iii) the number of firms whose activities must be investigated,

"(B) the final determination in the investigation has not been postponed under section 735(a)(2)(A);

"(C) on the basis of information presented to the administering authority by any manufacturer, producer, or exporter in such form and within such time as the administering authority may require, the administering authority is satisfied that a determination will be made, within 90 days after the date of publication of an order under subsection (a), of the foreign market value and the United States price for all merchandise of such manufacturer, producer, or exporter described in that order which was entered, or withdrawn from warehouse, for consumption on or after the date of publication of—

"(i) an affirmative preliminary determination by the administering authority under section 733(b), or

"(ii) if its determination under section 733(b) was negative, an affirmative final determination by the administering authority under section 735(a),

and before the date of publication of the affirmative final determination by the Commission under section 735(b);

"(D) the party described in subparagraph (C) provides credible evidence that the amount by which the foreign market value of the merchandise exceeds the United States price of the merchandise is significantly less than the amount of such excess specified in the antidumping duty order published under subsection (a); and

"(E) the data concerning the foreign market value and the United States price apply to sales in the usual commercial quantities and in the ordinary course of trade and the number of such sales are sufficient to form an adequate basis for comparison.".

(b) Business Proprietary Information.—Subsection (c) of section 736 (19 U.S.C. 1673e(c)) is amended by adding at the end thereof the following new paragraph:

"(4) Provision of business proprietary information; written comments.—Before determining whether to permit the posting of bond or other security under paragraph (1) in lieu of the deposit of estimated antidumping duties, the administering authority shall—

"(A) make all business proprietary information supplied to the administering authority under paragraph (1) available under a protective order in accordance with section 777(c) to all interested parties described in subparagraph (C), (D), (E), (F), or (G) of section 771(9), and

"(B) afford all interested parties an opportunity to file written comments on whether the posting of bond or other security under paragraph (1) in lieu of the deposit of estimated antidumping duties should be permitted.".

SEC. 1326. PROCESSED AGRICULTURAL PRODUCTS.

(a) Definition of Industry Producing Processed Agricultural Products.—Paragraph (4) of section 771 (19 U.S.C. 1677(4)) is amended by adding at the end thereof the following new subparagraph:

"(E) Industry producing processed agricultural products.—

"(i) In general.—Subject to clause (v), in an investigation involving a processed agricultural product produced from any raw agricultural product, the producers or growers of the raw agricultural product may be considered part of the industry producing the processed product if—

"(I) the processed agricultural product is produced from the raw agricultural product through a single continuous line of production; and

"(II) there is a substantial coincidence of economic interest between the producers or growers of the raw agricultural product and the processors of the processed agricultural product based upon relevant economic factors, which may, in the discretion of the Commission, include price, added market value, or other economic interrelationships (regardless of whether such coincidence of economic interest is based upon any legal relationship).

"(ii) Processing.—For purposes of this subparagraph, the processed agricultural product shall be considered to be processed from a raw agricultural product through a single continuous line of production if—

"(I) the raw agricultural product is substantially or completely devoted to the production of the processed agricultural product; and

"(II) the processed agricultural product is produced substantially or completely from the raw product.

"(iii) Relevant economic factors.—For purposes of clause (i)(II), in addition to such other factors it considers relevant to the question of coincidence of economic interest, the Commission shall—

"(I) if price is taken into account, consider the degree of correlation between the price of the raw agricultural product and the price of the processed agricultural product; and

"(II) if added market value is taken into account, consider whether the value of the raw agricultural product constitutes a significant percentage of the value of the processed agricultural product.

"(iv) Raw agricultural product.—For purposes of this subparagraph, the term 'raw agricultural product' means any farm or fishery product.

"(v) Termination of this subparagraph.—This subparagraph shall cease to have effect if the United States Trade Representative notifies the administering authority and the Commission that the application of this subparagraph is inconsistent with the international obligations of the United States.".

(b) Threat of Material Injury.—Section 771(7)(F) (19 U.S.C. 1677(7)(F)) is amended—

(1) by striking out "and" at the end of subclause (VII);

(2) by striking out the period at the end of subclause (VIII) and inserting ", and"; and

(3) by adding at the end thereof the following:

"(IX) in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both).".

(c) Interested Parties.—Section 771(9) (19 U.S.C. 1677(9)) is amended—

(1) by striking out "and" at the end of subparagraph (E);

(2) by striking out the period at the end of subparagraph (F) and inserting in lieu thereof ", and"; and

(3) by adding at the end thereof the following new subparagraph:

"(G) in any investigation under this title involving an industry engaged in producing a processed agricultural product, as defined in paragraph (4)(E), a coalition or trade association which is representative of either—

"(i) processors,

"(ii) processors and producers, or

"(iii) processors and growers,

but this subparagraph shall cease to have effect if the United States Trade Representative notifies the administering authority and the Commission that the application of this subparagraph is inconsistent with the international obligations of the United States.".

(d) Conforming Amendments.—

(1) Title VII of the Tariff Act of 1930 is amended by striking out "subparagraph (C), (D), (E), or (F) of section 771(9)" each place it appears and inserting in lieu thereof "subparagraph (C), (D), (E), (F), or (G) of section 771(9)".

(2) Title VII of the Tariff Act of 1930 is amended by striking out "subparagraph (C), (D), (E), and (F) of section 771(9)" each place it appears and inserting in lieu thereof "subparagraph (C), (D), (E), (F), or (G) of section 771(9)".

(3) Subsection (a) of section 516 of the Tariff Act of 1930 (19 U.S.C. 1516(a)) is amended by adding at the end thereof the following new paragraph:

"(3) Any producer of a raw agricultural product who is considered under section 771(4)(E) to be part of the industry producing a processed agricultural product of the same class or kind as the designated imported merchandise shall, for purposes of this section, be treated as an interested party producing such processed agricultural product.".

SEC. 1327. LEASES EQUIVALENT TO SALES.

Section 771 (19 U.S.C. 1677) is amended by adding at the end thereof the following new paragraph:

"(19) Equivalency of leases to sales.—In determining whether a lease is equivalent to a sale for purposes of this title, the administering authority shall consider—

"(A) the terms of the lease,

"(B) commercial practice within the industry,

"(C) the circumstances of the transaction,

"(D) whether the product subject to the lease is integrated into the operations of the lessee or importer,

"(E) whether in practice there is a likelihood that the lease will be continued or renewed for a significant period of time, and

"(F) other relevant factors, including whether the lease transaction would permit avoidance of antidumping or countervailing duties.".

SEC. 1328. MATERIAL INJURY.

Section 771(7) (19 U.S.C. 1677(7)) is amended—

(1) by amending subparagraph (B) to read as follows:

"(B) Volume and consequent impact.—In making determinations under sections 703(a), 705(b), 733(a), and 735(b), the Commission, in each case—

"(i) shall consider—

"(I) the volume of imports of the merchandise which is the subject of the investigation,

"(II) the effect of imports of that merchandise on prices in the United States for like products, and

"(III) the impact of imports of such merchandise on domestic producers of like products, but only in the context of production operations within the United States; and

"(ii) may consider such other economic factors as are relevant to the determination regarding whether there is material injury by reason of imports.

In the notification required under section 705(d) or 735(d), as the case may be, the Commission shall explain its analysis of each factor considered under clause (i), and identify each factor considered under clause (ii) and explain in full its relevance to the determination."; and

(2) by amending subparagraph (C)—

(A) by amending the heading to read as follows: "(C) Evaluation of relevant factors.—",

(B) by striking out "price undercutting" in clause (ii) and inserting "price underselling", and

(C) by amending clause (iii) to read as follows:

"(iii) Impact on affected domestic industry.—In examining the impact required to be considered under subparagraph (B)(iii), the Commission shall evaluate all relevant economic factors which have a bearing on the state of the industry in the United States, including, but not limited to—

"(I) actual and potential decline in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,

"(II) factors affecting domestic prices,

"(III) actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and

"(IV) actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the like product.

The Commission shall evaluate all relevant economic factors described in this clause within the context of the business cycle and conditions of competition that are distinctive to the affected industry.".

SEC. 1329. THREAT OF MATERIAL INJURY.

Subparagraph (F) of section 771(7) (19 U.S.C. 1677(7)(F)) (as amended by section 1326) is further amended—

(1) by striking out "and" at the end of clause (i)(VIII),

(2) by striking out the period at the end of clause (i)(IX),

(3) by adding at the end of clause (i) the following new subclause:

"(X) the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the like product.", and

(4) by adding at the end thereof the following:

"(iii) EFFECT OF DUMPING IN THIRD-COUNTRY MARKETS.—

"(I) IN GENERAL.—In investigations under subtitle B, the Commission shall consider whether dumping in the markets of foreign countries (as evidenced by dumping findings or antidumping remedies in other GATT member markets against the same class or kind of merchandise manufactured or exported by the same party as under investigation) suggests a threat of material injury to the domestic industry. In the course of its investigation, the Commission shall request information from the foreign manufacturer, exporter, or United States importer concerning this issue.

"(II) GATT MEMBER MARKET.—For purposes of this clause, the term 'GATT member market' means the market of any country which is a signatory to The Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade (relating to antidumping measures).

"(III) EUROPEAN COMMUNITIES.—For purposes of this clause, the European Communities shall be treated as a foreign country.".

SEC. 1330. CUMULATION.

(a) THREAT OF INJURY.—Subparagraph (F) of section 771(7) (19 U.S.C. 1677(7)(F)) (as amended by section 1329) is further amended by adding at the end thereof the following new clause:

"(iv) CUMULATION.—To the extent practicable and subject to subparagraph (C)(v), for purposes of clause (i) (III) and (IV) the Commission may cumulatively assess the volume and price effects of imports from two or more countries if such imports—

"(I) compete with each other, and with like products of the domestic industry, in the United States market, and

"(II) are subject to any investigation under section 303, 701, or 731.".

(b) TREATMENT OF NEGLIGIBLE IMPORTS.—Subparagraph (C) of section 771(7) (19 U.S.C. 1677(7)(C)) is amended by adding at the end thereof the following new clause:

"(v) TREATMENT OF NEGLIGIBLE IMPORTS.—The Commission is not required to apply clause (iv) or subparagraph (F)(iv) in any case in which the Commission determines that imports of the merchandise subject to investigation are negligible and have no discernable adverse impact on the domestic industry. For purposes of making such determination, the Commission shall evaluate all relevant economic factors regarding the imports, including, but not limited to, whether—

"(I) the volume and market share of the imports are negligible,

"(II) sales transactions involving the imports are isolated and sporadic, and

"(III) the domestic market for the like product is price sensitive by reason of the nature of the product, so that a small quantity of imports can result in price suppression or depression.

For purposes of this clause, the Commission may treat as negligible and having no discernable adverse impact on the domestic industry imports that are the product of any country that is a party to a free trade area agreement with the United States which entered into force and effect before January 1, 1987, if the Commission determines that the domestic industry is not being materially injured by reason of such imports.".

SEC. 1331. CERTIFICATION OF SUBMISSIONS.

Section 776 (19 U.S.C. 1677e) is amended—

(1) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively,

(2) by amending the heading to subsection (b) (as so redesignated) to read as follows: "(b) VERIFICATION.—", and

(3) by inserting before such subsection (b) the following:

"(a) CERTIFICATION OF SUBMISSIONS.—Any person providing factual information to the administering authority or the Commission in connection with a proceeding under this title on behalf of the petitioner or any other interested party shall certify that such information is accurate and complete to the best of that person's knowledge.".

SEC. 1332. ACCESS TO INFORMATION.

Section 777 (19 U.S.C. 1677f) is amended—

(1) by amending subsection (b)(1)(B)(ii) to read as follows:

"(ii) a statement to the administering authority or the Commission that the business proprietary information is of a type that should not be released under administrative protective order.";

(2) by amending subsection (c)(1)—

(A) by amending subparagraph (A) to read as follows:

"(A) IN GENERAL.—Upon receipt of an application (before or after receipt of the information requested) which describes in general terms the information requested and sets forth the reasons for the request, the administering authority or the Commission shall make all business proprietary information presented to, or obtained by it, during a proceeding (except privileged information, classified information, and specific information of a type for which there is a clear and compelling need to withhold from disclosure) available to interested parties who are parties to the proceeding under a protective order described in subparagraph (B), regardless of when the information is submitted during a proceeding."; and

(B) by adding at the end thereof the following new subparagraphs:

"(C) TIME LIMITATION ON DETERMINATIONS.—The administering authority or the Commission, as the case may be, shall determine whether to make information available under this paragraph—

"(i) not later than 14 days (7 days if the submission pertains to a proceeding under section 703(a) or 733(a)) after the date on which the information is submitted, or

"(ii) if—

"(I) the person that submitted the information raises objection to its release, or

"(II) the information is unusually voluminous or complex,

not later than 30 days (10 days if the submission pertains to a proceeding under section 703(a) or 733(a)) after the date on which the information is submitted.

"(D) AVAILABILITY AFTER DETERMINATION.—If the determination under subparagraph (C) is affirmative, then—

"(i) the business proprietary information submitted to the administering authority or the Commission on or before the date of the determination shall be made available, subject to the terms and conditions of the protective order, on such date; and

"(ii) the business proprietary information submitted to the administering authority or the Commission after the date of the determination shall be served as required by subsection (d).

"(E) FAILURE TO DISCLOSE.—If a person submitting information to the administering authority refuses to disclose business proprietary information which the administering authority determines should be released under a protective order described in subparagraph (B), the administering authority shall return the information, and any nonconfidential summary thereof, to the person submitting the information and summary and shall not consider either.";

(3) by striking out "or the Commission denies a request for proprietary information submitted by the petitioner or an interested party in support of the petitioner concerning the domestic price or cost of production of the like product," in subsection (c)(2); and

(4) by adding at the end thereof the following new subsections:

"(d) SERVICE.—Any party submitting written information, including business proprietary information, to the administering authority or the Commission during a proceeding shall, at the same time, serve the information upon all interested parties who are parties to the proceeding, if the information is covered by a protective order. The administering authority or the Commission shall not accept any such information that is not accompanied by a certificate of service and a copy of the protective order version of the document containing the information. Business proprietary information shall only be served upon interested parties who are parties to the proceeding that are subject to protective order; however, a nonconfidential summary thereof shall be served upon all other interested parties who are parties to the proceeding.

"(e) TIMELY SUBMISSIONS.—Information shall be submitted to the administering authority or the Commission during the course of a proceeding on a timely basis and shall be subject to comment by other parties within such reasonable time as the administering authority or the Commission shall provide. If information is submitted without an adequate opportunity for other parties to comment thereon, the administering authority or the Commission may return the information to the party submitting it and not consider it.".

SEC. 1333. CORRECTION OF MINISTERIAL ERRORS.

(a) FINAL DETERMINATIONS.—Sections 705 and 735 (19 U.S.C. 1671d and 1673d) are each amended by adding at the end thereof the following new subsection:

"(e) CORRECTION OF MINISTERIAL ERRORS.—The administering authority shall establish procedures for the correction of ministerial errors in final determinations within a reasonable time after the determinations are issued under this section. Such procedures shall ensure opportunity for interested parties to present their views regarding any such errors. As used in this subsection, the term 'ministerial error' includes errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the administering authority considers ministerial.".

(b) Administrative Review.—Section 751 (19 U.S.C. 1675) is amended by adding at the end thereof the following new subsection:

"(f) Correction of Ministerial Errors.—The administering authority shall establish procedures for the correction of ministerial errors in final determinations within a reasonable time after the determinations are issued under this section. Such procedures shall ensure opportunity for interested parties to present their views regarding any such errors. As used in this subsection, the term 'ministerial error' includes errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the administering authority considers ministerial.".

SEC. 1334. DRAWBACK TREATMENT.

(a) In General.—Section 779 (19 U.S.C. 1677h) is amended by striking out "shall be treated as any other customs duties." and inserting "shall not be treated as being regular customs duties.".

(b) Conforming Amendments.—

(1) The section heading for such section 779 is amended by striking out "drawbacks" and inserting "drawback treatment".

(2) The table of contents for title VII of the Tariff Act of 1930 is amended by striking out "Drawbacks." in the entry for section 779 and inserting "Drawback treatment.".

SEC. 1335. GOVERNMENTAL IMPORTATIONS.

Section 771 of the Tariff Act of 1930 (19 U.S.C. 1677) (as amended by section 1316(b)) is amended by adding at the end thereof the following new paragraph:

"(19) Application to governmental importations.—

"(A) In general.—Except as otherwise provided by this paragraph, merchandise imported by, or for the use of, a department or agency of the United States Government (including merchandise provided for under schedule 8 of the Tariff Schedules of the United States) is subject to the imposition of countervailing duties or antidumping duties under this title or section 303.

"(B) Exceptions.—Merchandise imported by, or for the use of, the Department of Defense shall not be subject to the imposition of countervailing or antidumping duties under this title if—

"(i) the merchandise is acquired by, or for use of, such Department—

"(I) from a country with which such Department had a Memorandum of Understanding which was in effect on January 1, 1988, and has continued to have a comparable agreement (including renewals) or superceding agreements, and

"(II) in accordance with terms of the Memorandum of Understanding in effect at the time of importation, or

"(ii) the merchandise has no substantial nonmilitary use.".

SEC. 1336. STUDIES.

(a) Study of Market Orientation of China.—The Secretary of Commerce, in consultation with the heads of other appropriate Federal agencies, shall undertake a study regarding the new market orientation of the People's Republic of China. The study shall address, but not be limited to—

(1) the effect of the new orientation on Chinese market policies and price structure, and the relationship between domestic Chinese prices and world prices;

(2) the extent to which United States trade law practices can accommodate the increased market orientation of the Chinese economy; and

(3) the possible need for changes in United States antidumping laws as they apply to foreign countries, such as China, which are in transition to a more market-oriented economy.

The Secretary of Commerce shall submit to the Congress within 1 year after the date of the enactment of this Act a report on the study required under this subsection.

(b) Subsidies Code Commitments.—Within 90 days after the date of the enactment of this Act, the United States Trade Representative shall initiate a review of all bilateral subsidy commitments that have been entered into by foreign governments with the United States. The review shall include—

(1) an evaluation of the extent to which the commitments have been complied with;

(2) with respect to those commitments found under paragraph (1) not to have been complied with, an estimate regarding when compliance is likely; and

(3) recommendations regarding how compliance can be improved.

The United States Trade Representative shall complete the review required under this subsection and submit a report thereon to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate within 180 days after the date of the enactment of this Act.

SEC. 1337. EFFECTIVE DATES.

(a) In General.—Except as otherwise provided in this section, the amendments made by this part shall take effect on the date of enactment of this Act.

(b) Investigations and Reviews After Enactment.—The amendments made by sections 1312, 1315, 1316, 1318, 1325, 1326, 1327, 1328, 1329, 1331, and 1332 shall only apply with respect to—

(1) investigations initiated after the date of enactment of this Act, and

(2) reviews initiated under section 736(c) or 751 of the Tariff Act of 1930 after the date of enactment of this Act.

(c) Investigations After Enactment.—The amendments made by sections 1324 and 1330 shall only apply with respect to investigations initiated after the date of enactment of this Act.

(d) Prevention of Circumvention of Duties; Drawback.—The provisions of section 781 of the Tariff Act of 1930, as added by section 1321(a), and the amendments made by section 1334 shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of enactment of this Act.

(e) Governmental Importations; Steel.—The amendments made by sections 1321(b) and 1335 shall apply with respect to entries, and withdrawals from warehouse for consumption, that are liquidated on or after the date of enactment of this Act.

(f) Fictitious Markets.—The amendment made by section 1319 shall only apply with respect to—

(1) reviews initiated under section 736(c) or 751 of the Tariff Act of 1930 after the date of enactment of this Act, and

(2) reviews initiated under such sections—

(A) which are pending on the date of enactment of this Act, and

(B) in which a request for revocation is pending on the date of enactment of this Act.

PART 3—PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

SEC. 1341. CONGRESSIONAL FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds that—

(1) United States persons that rely on protection of intellectual property rights are among the most advanced and competitive in the world; and

(2) the existing protection under section 337 of the Tariff Act of 1930 against unfair trade practices is cumbersome and costly and has not provided United States owners of intellectual property rights with adequate protection against foreign companies violating such rights.

(b) Purpose.—The purpose of this part is to amend section 337 of the Tariff Act of 1930 to make it a more effective remedy for the protection of United States intellectual property rights.

SEC. 1342. PROTECTION UNDER THE TARIFF ACT OF 1930.

(a) In General.—Section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a)(1) Subject to paragraph (2), the following are unlawful, and when found by the Commission to exist shall be dealt with, in addition to any other provision of law, as provided in this section:

"(A) Unfair methods of competition and unfair acts in the importation of articles (other than articles provided for in subparagraphs (B), (C), and (D)) into the United States, or in the sale of such articles by the owner, importer, or consignee, the threat or effect of which is—

"(i) to destroy or substantially injure an industry in the United States;

"(ii) to prevent the establishment of such an industry; or

"(iii) to restrain or monopolize trade and commerce in the United States.

"(B) The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of articles that—

"(i) infringe a valid and enforceable United States patent or a valid and enforceable United States copyright registered under title 17, United States Code; or

"(ii) are made, produced, processed, or mined under, or by means of, a process covered by the claims of a valid and enforceable United States patent.

"(C) The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of articles that infringe a valid and enforceable United States trademark registered under the Trademark Act of 1946.

"(D) The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of a semiconductor chip product in a manner that constitutes infringement of a mask work registered under chapter 9 of title 17, United States Code.

"(2) Subparagraphs (B), (C), and (D) of paragraph (1) apply only if an industry in the United States, relating to the articles protected by the patent, copyright, trademark, or mask work concerned, exists or is in the process of being established.

"(3) For purposes of paragraph (2), an industry in the United States shall be considered to exist if there is in the United States, with respect to the articles protected by the patent, copyright, trademark, or mask work concerned—

"(A) significant investment in plant and equipment;

"(B) significant employment of labor or capital; or

"(C) substantial investment in its exploitation, including engineering, research and development, or licensing.

"(4) For the purposes of this section, the phrase 'owner, importer, or consignee' includes any agent of the owner, importer, or consignee.".

(2) Subsection (c) is amended by inserting before the period in the first sentence the following: ", except that the Commission may, by issuing a consent order or on the basis of a settlement agreement, terminate any such investigation, in whole or in part, without making such a determination".

(3) Subsection (e) is amended—

(A) by striking out "If" in the first sentence and inserting "(1) If"; and

(B) by adding at the end thereof the following new paragraphs:

"(2) A complainant may petition the Commission for the issuance of an order under this subsection. The Commission shall make a determination with regard to such petition by no later than the 90th day after the date on which the Commission's notice of investigation is published in the Federal Register. The Commission may extend the 90-day period for an additional 60 days in a case it designates as a more complicated case. The Commission shall publish in the Federal Register its reasons why it designated the case as being more complicated. The Commission may require the complainant to post a bond as a prerequisite to the issuance of an order under this subsection.

"(3) The Commission may grant preliminary relief under this subsection or subsection (f) to the same extent as preliminary injunctions and temporary restraining orders may be granted under the Federal Rules of Civil Procedure.".

(4) Subsection (f) is amended—

(A) by striking out "In lieu of" in paragraph (1) and inserting "In addition to, or in lieu of,"; and

(B) by striking out "$10,000 or" in paragraph (2) and inserting "$100,000 or twice".

(5) Such section is further amended—

(A) by redesignating subsections (g), (h), (i), and (j) as subsections (j), (k), (l), and (m), respectively; and

(B) by inserting after subsection (f) the following new subsections:

"(g)(1) If—

"(A) a complaint is filed against a person under this section;

"(B) the complaint and a notice of investigation are served on the person;

"(C) the person fails to respond to the complaint and notice or otherwise fails to appear to answer the complaint and notice;

"(D) the person fails to show good cause why the person should not be found in default; and

"(E) the complainant seeks relief limited solely to that person;

the Commission shall presume the facts alleged in the complaint to be true and shall, upon request, issue an exclusion from entry or a cease and desist order, or both, limited to that person unless, after considering the effect of such exclusion or order upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, the Commission finds that such exclusion or order should not be issued.

"(2) In addition to the authority of the Commission to issue a general exclusion from entry of articles when a respondent appears to contest an investigation concerning a violation of the provisions of this section, a general exclusion from entry of articles, regardless of the source or importer of the articles, may be issued if—

"(A) no person appears to contest an investigation concerning a violation of the provisions of this section, and

"(B) such a violation is established by substantial, reliable, and probative evidence.

"(h) The Commission may by rule prescribe sanctions for abuse of discovery and abuse of process to the extent authorized by Rule 11 and Rule 37 of the Federal Rules of Civil Procedure.

"(i) FORFEITURE.—

"(1) In addition to taking action under subsection (d), the Commission may issue an order providing that any article imported in violation of the provisions of this section be seized and forfeited to the United States if—

"(A) the owner, importer, or consignee of the article previously attempted to import the article into the United States;

"(B) the article was previously denied entry into the United States by reason of an order issued under subsection (d); and

"(C) upon such previous denial of entry, the Secretary of the Treasury provided the owner, importer, or consignee of the article written notice of—

"(i) such order, and

"(ii) the seizure and forfeiture that would result from any further attempt to import the article into the United States.

"(2) The Commission shall notify the Secretary of the Treasury of any order issued under this subsection and, upon receipt of such notice, the Secretary of the Treasury shall enforce such order in accordance with the provisions of this section.

"(3) Upon the attempted entry of articles subject to an order issued under this subsection, the Secretary of the Treasury shall immediately notify all ports of entry of the attempted importation and shall identify the persons notified under paragraph (1)(C).

"(4) The Secretary of the Treasury shall provide—

"(A) the written notice described in paragraph (1)(C) to the owner, importer, or consignee of any article that is denied entry into the United States by reason of an order issued under subsection (d); and

"(B) a copy of such written notice to the Commission.".

(6) Subsection (k) (as redesignated by paragraph (5)(B) of this section) is amended—

(A) by inserting "(1)" before the first sentence; and

(B) by adding at the end the following:

"(2) If any person who has previously been found by the Commission to be in violation of this section petitions the Commission for a determination that the petitioner is no longer in violation of this section or for a modification or rescission of an exclusion from entry or order under subsection (d), (e), (f), (g), or (i)—

"(A) the burden of proof in any proceeding before the Commission regarding such petition shall be on the petitioner; and

"(B) relief may be granted by the Commission with respect to such petition—

"(i) on the basis of new evidence or evidence that could not have been presented at the prior proceeding, or

"(ii) on grounds which would permit relief from a judgment or order under the Federal Rules of Civil Procedure.".

(7) Subsection (l) (as redesignated by paragraph (5)(B) of this section) is amended—

(A) by striking out "claims of United States letters patent" in the first sentence and inserting "a proceeding involving a patent, copyright, or mask work under subsection (a)(1)"; and

(B) by striking out "a patent owner" in the second sentence and inserting "an owner of the patent, copyright, or mask work".

(8) Such section is further amended by adding at the end the following:

"(n)(1) Information submitted to the Commission or exchanged among the parties in connection with proceedings under this section which is properly designated as confidential pursuant to Commission rules may not be disclosed (except under a protective order issued under regulations of the Commission which authorizes limited disclosure of such information) to any person (other than a person described in paragraph (2)) without the consent of the person submitting it.

"(2) Notwithstanding the prohibition contained in paragraph (1), information referred to in that paragraph may be disclosed to—

"(A) an officer or employee of the Commission who is directly concerned with carrying out the investigation in connection with which the information is submitted,

"(B) an officer or employee of the United States Government who is directly involved in the review under subsection (h), or

"(C) an officer or employee of the United States Customs Service who is directly involved in administering an exclusion from entry under this section resulting from the investigation in connection with which the information is submitted.".

(b) TECHNICAL AMENDMENTS.—Section 337 (as amended by subsection (a)) is further amended—

(1) by amending subsection (b)—

(A) by striking out "Department of Health, Education, and Welfare" in paragraph (2) and inserting "Department of Health and Human Services"; and

(B) by striking out "Secretary of the Treasury" in paragraph (3) and inserting "Secretary of Commerce";

(2) by amending subsection (c)—

(A) by striking out "or (f)" and inserting "(f), or (g)", and

(B) by striking out "and (f)" and inserting "(f), and (g)";

(3) by striking out "or (f)" each place it appears in subsection (j) and inserting "(f), (g), or (i)";

(4) by striking out "(g)" in subsection (k) and inserting "(j)"; and

(5) by striking out "or (f)" in subsection (l) and inserting "(f), (g), or (i)".

(c) CONFORMING AMENDMENT.—The Act entitled "An Act to limit the importation of products made, produced, processed, or mined under process covered by unexpired valid United States patents, and for other purposes", approved July 2, 1940 (54 Stat. 724, 19 U.S.C. 1337a), is repealed.

(d) EFFECTIVE DATE.—

(1)(A) Subject to subparagraph (B), the amendments made by this section shall take effect on the date of the enactment of this Act.

(B) The United States International Trade Commission is not required to apply the provision in section 337(e)(2) of the Tariff Act of 1930 (as amended by subsection (a)(3) of this section) relating to the posting of bonds until the earlier of—

(i) the 90th day after such date of enactment; or

(ii) the day on which the Commission issues interim regulations setting forth the procedures relating to such posting.

(2) Notwithstanding any provision of section 337 of the Tariff Act of 1930, the United States International Trade Commission may extend, by not more than 90 days, the period within which the Commission is required to make a determination in an investigation conducted under such section 337 if—

(A) the Commission would, but for this paragraph, be required to make such determination before the 180th day after the date of enactment of this Act; and

(B) the Commission finds that the investigation is complicated.

PART 4—TELECOMMUNICATIONS TRADE

SEC. 1371. SHORT TITLE.

This part may be cited as the "Telecommunications Trade Act of 1988".

SEC. 1372. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) rapid growth in the world market for telecommunications products and services is likely to continue for several decades;

(2) the United States can improve prospects for—

(A) the growth of—

(i) United States exports of telecommunications products and services, and

(ii) export-related employment and consumer services in the United States, and

(B) the continuance of the technological leadership of the United States,

by undertaking a program to achieve an open world market for trade in telecommunications products, services, and investment;

(3) most foreign markets for telecommunications products, services, and investment are characterized by extensive government intervention (including restrictive import practices and discriminatory procurement practices) which adversely affect United States exports of telecommunications products and services and United States investment in telecommunications;

(4) the open nature of the United States telecommunications market, accruing from the liberalization and restructuring of such market, has contributed, and will continue to contribute, to an increase in imports of telecommunications products and a growing imbalance in competitive opportunities for trade in telecommunications;

(5) unless this imbalance is corrected through the achievement of mutually advantageous market opportunities for trade in telecommunications products and services between the United States and foreign countries, the United States should avoid granting continued open access to the telecommunications products and services of such foreign countries in the United States market; and

(6) the unique business conditions in the worldwide market for telecommunications products and services caused by the combination of deregulation and divestiture in the United States, which represents a unilateral liberalization of United States trade with the rest of the world, and continuing government intervention in the domestic industries of many other countries create a need to make an exception in the case of telecommunications products and services that should not necessarily be a precedent for legislating specific sectoral priorities in combating the closed markets or unfair foreign trade practices of other countries.

(b) PURPOSES.—The purposes of this part are—

(1) to foster the economic and technological growth of, and employment in, the United States telecommunications industry;

(2) to secure a high quality telecommunications network for the benefit of the people of the United States;

(3) to develop an international consensus in favor of open trade and competition in telecommunications products and services;

(4) to ensure that countries which have made commitments to open telecommunications trade fully abide by those commitments; and

(5) to achieve a more open world trading system for telecommunications products and services through negotiation and provision of mutually advantageous market opportunities for United States telecommunications exporters and their subsidiaries in those markets in which barriers exist to free international trade.

SEC. 1373. DEFINITIONS.

For purposes of this part—

(1) The term "Trade Representative" means the United States Trade Representative.

(2) The term "telecommunications product" means—

(A) any paging devices provided for under item 685.65 of such Schedules, and

(B) any article classified under any of the following item numbers of such Schedules:

684.57
684.58
684.59
684.65
684.66
684.67
684.80
685.16
685.24
685.25
685.28
685.30
685.31
685.33
685.34
685.39
685.48
688.17
688.41
707.90.

SEC. 1374. INVESTIGATION OF FOREIGN TELECOMMUNICATIONS TRADE BARRIERS.

(a) IN GENERAL.—The Trade Representative shall conduct an investigation to identify priority foreign countries. Such investigation shall be concluded by no later than the date that is 5 months after the date of enactment of this Act.

(b) FACTORS TO BE TAKEN INTO ACCOUNT.—In identifying priority foreign countries under subsection (a), the Trade Representative shall take into account, among other relevant factors—

(1) the nature and significance of the acts, policies, and practices that deny mutually advantageous market opportunities to telecommunications products and services of United States firms;

(2) the economic benefits (actual and potential) accruing to foreign firms from open access to the United States market;

(3) the potential size of the market of a foreign country for telecommunications products and services of United States firms;

(4) the potential to increase United States exports of telecommunications products and services, either directly or through the establishment of a beneficial precedent; and

(5) measurable progress being made to eliminate the objectionable acts, policies, or practices.

(c) REVOCATIONS AND ADDITIONAL IDENTIFICATIONS.—

(1) The Trade Representative may at any time, after taking into account the factors described in subsection (b)—

(A) revoke the identification of any priority foreign country that was made under this section, or

(B) identify any foreign country as a priority foreign country under this section,

if information available to the Trade Representative indicates that such action is appropriate.

(2) The Trade Representative shall include in the semiannual report submitted to the Congress under section 309(3) of the Trade Act of 1974 a detailed explanation of the reasons for the revocation under paragraph (1) of this subsection of any identification of any foreign country as a priority foreign country.

(d) REPORT TO CONGRESS.—By no later than the date that is 30 days after the date on which the investigation conducted under subsection (a) is completed, the United States Trade Representative shall submit a report on the investigation to the President and to appropriate committees of the Congress.

SEC. 1375. NEGOTIATIONS IN RESPONSE TO INVESTIGATION.

(a) IN GENERAL.—Upon—

(1) the date that is 30 days after the date on which any foreign country is identified in the investigation conducted under section 1374(a) as a priority foreign country, and

(2) the date on which any foreign country is identified under section 1374(c)(1)(B) as a priority foreign country,

the President shall enter into negotiations with such priority foreign country for the purpose of entering into a bilateral or multilateral trade agreement under part 1 of subtitle A which meets the specific negotiating objectives established by the President under subsection (b) for such priority foreign country.

(b) ESTABLISHMENT OF SPECIFIC NEGOTIATING OBJECTIVES FOR EACH FOREIGN PRIORITY COUNTRY.—

(1) The President shall establish such relevant specific negotiating objectives on a country-by-country basis as are necessary to meet the general negotiating objectives of the United States under this section.

(2)(A) The President may refine or modify specific negotiating objectives for particular negotiations in order to respond to circumstances arising during the negotiating period, including—

(i) changed practices by the priority foreign country,

(ii) tangible substantive developments in multilateral negotiations,

(iii) changes in competitive positions, technological developments, or

(iv) other relevant factors.

(B) By no later than the date that is 30 days after the date on which the President makes any modifications or refinements to specific negotiating objectives under subparagraph (A), the President shall submit to appropriate committees of the Congress a statement describing such modifications or refinements and the reasons for such modifications or refinements.

(c) General Negotiating Objectives.—The general negotiating objectives of the United States under this section are—

(1) to obtain multilateral or bilateral agreements (or the modification of existing agreements) that provide mutually advantageous market opportunities for trade in telecommunications products and services between the United States and foreign countries;

(2) to correct the imbalances in market opportunities accruing from reductions in barriers to the access of telecommunications products and services of foreign firms to the United States market; and

(3) to facilitate the increase in United States exports of telecommunications products and services to a level of exports that reflects the competitiveness of the United States telecommunications industry.

(d) Specific Negotiating Objectives.—The specific negotiating objectives of the United States under this section regarding telecommunications products and services are to obtain—

(1) national treatment for telecommunications products and services that are provided by United States firms;

(2) most-favored-nation treatment for such products and services;

(3) nondiscriminatory procurement policies with respect to such products and services and the inclusion under the Agreement on Government Procurement of the procurement (by sale or lease by government-owned or controlled entities) of all telecommunications products and services;

(4) the reduction or elimination of customs duties on telecommunications products;

(5) the elimination of subsidies, violations of intellectual property rights, and other unfair trade practices that distort international trade in telecommunications products and services;

(6) the elimination of investment barriers that restrict the establishment of foreign-owned business entities which market such products and services;

(7) assurances that any requirement for the registration of telecommunications products, which are to be located on customer premises, for the purposes of—

(A) attachment to a telecommunications network in a foreign country, and

(B) the marketing of the products in a foreign country,

be limited to the certification by the manufacturer that the products meet the standards established by the foreign country for preventing harm to the network or network personnel;

(8) transparency of, and open participation in, the standards-setting processes used in foreign countries with respect to telecommunications products;

(9) the ability to have telecommunications products, which are to be located on customer premises, approved and registered by type, and, if appropriate, the establishment of procedures between the United States and foreign countries for the mutual recognition of type approvals;

(10) access to the basic telecommunications network in foreign countries on reasonable and nondiscriminatory terms and conditions (including nondiscriminatory prices) for the provision of value-added services by United States suppliers;

(11) the nondiscriminatory procurement of telecommunications products and services by foreign entities that provide local exchange telecommunications services which are owned, controlled, or, if appropriate, regulated by foreign governments; and

(12) monitoring and effective dispute settlement mechanisms to facilitate compliance with matters referred to in the preceding paragraphs of this subsection.

SEC. 1376. ACTIONS TO BE TAKEN IF NO AGREEMENT OBTAINED.

(a) In General.—

(1) If the President is unable, before the close of the negotiating period, to enter into an agreement under subtitle A with any priority foreign country identified under section 1374 which achieves the general negotiating objectives described in section 1375(b) as defined by the specific objectives established by the President for that country, the President shall take whatever actions authorized under subsection (b) that are appropriate and most likely to achieve such general negotiating objectives.

(2) In taking actions under paragraph (1), the President shall first take those actions which most directly affect trade in telecommunications products and services with the priority foreign country referred to in paragraph (1), unless the President determines that actions against other economic sectors would be more effective in achieving the general negotiating objectives referred to in paragraph (1).

(b) Actions Authorized.—

(1) The President is authorized to take any of the following actions under subsection (a) with respect to any priority foreign country:

(A) termination, withdrawal, or suspension of any portion of any trade agreement entered into with such country under—

(i) the Trade Act of 1974,

(ii) section 201 of the Trade Expansion Act of 1962, or

(iii) section 350 of the Tariff Act of 1930,

with respect to any duty or import restriction imposed by the United States on any telecommunications product;

(B) actions described in section 301 of the Trade Act of 1974;

(C) prohibition of purchases by the Federal Government of telecommunications products of such country;

(D) increases in domestic preferences under title III of the Act of March 3, 1933 (41 U.S.C. 10a, et seq.) for purchases by the Federal Government of telecommunications products of such country;

(E) suspension of any waiver of domestic preferences under title III of the Act of March 3, 1933 (41 U.S.C. 10a, et seq.) which may have been extended to such country pursuant to the Trade Agreements Act of 1979 with respect to telecommunications products or any other products;

(F) issuance of orders to appropriate officers and employees of the Federal Government to deny Federal funds or Federal credits for purchases of the telecommunications products of such country; and

(G) suspension, in whole or in part, of benefits accorded articles of such country under title V of the Trade Act of 1974 (19 U.S.C. 2461, et seq.).

(2) Notwithstanding section 125 of the Trade Act of 1974 and any other provision of law, if any portion of a trade agreement described in paragraph (1)(A) is terminated, withdrawn, or suspended under paragraph (1) with respect to any duty imposed by the United States on the products of a foreign country, the rate of such duty that shall apply to such products entered, or withdrawn from warehouse for consumption, after the date on which such termination, withdrawal, or suspension takes effect shall be a rate determined by the President.

(c) Negotiating Period.—

(1) For purposes of this section, the term "negotiating period" means—

(A) with respect to a priority foreign country identified in the investigation conducted under section 1374(a), the 18-month period beginning on the date of the enactment of this Act, and

(B) with respect to any foreign country identified as a priority foreign country after the conclusion of such investigation, the 1-year period beginning on the date on which such identification is made.

(2)(A) The negotiating period with respect to a priority foreign country may be extended for not more than two 1-year periods.

(B) By no later than the date that is 15 days after the date on which the President extends the negotiating period with respect to any priority foreign country, the President shall submit to appropriate committees of the Congress a report on the status of negotiations with such country that includes—

(i) a finding by the President that substantial progress is being made in negotiations with such country, and

(ii) a statement detailing the reasons why an extension of such negotiating period is necessary.

(d) Modification and Termination Authority.—The President may modify or terminate any action taken under subsection (a) if, after taking into consideration the factors described in section 1374(b), the President determines that changed circumstances warrant such modification or termination.

(e) Report.—The President shall promptly inform the appropriate committees of the Congress of any action taken under subsection (a) or of the modification or termination of any such action under subsection (d).

SEC. 1377. REVIEW OF TRADE AGREEMENT IMPLEMENTATION BY TRADE REPRESENTATIVE.

(a) In General.—

(1) In conducting the annual analysis under section 181(a) of the Trade Act of 1974 (19 U.S.C. 2241), the Trade Representative shall review the operation and effectiveness of—

(A) each trade agreement negotiated by reason of this part that is in force with respect to the United States; and

(B) every other trade agreement regarding telecommunications products or services that is in force with respect to the United States.

(2) In each review conducted under paragraph (1), the Trade Representative shall determine whether any act, policy, or practice of the foreign country that has entered into the agreement described in paragraph (1)—

(A) is not in compliance with the terms of such agreement, or

(B) otherwise denies, within the context of the terms of such agreement, to telecommunications products and services of United

States firms mutually advantageous market opportunities in that foreign country.

(b) Review Factors.—

(1) In conducting reviews under subsection (a), the Trade Representative shall consider any evidence of actual patterns of trade (including United States exports to a foreign country of telecommunications products and services, including sales and services related to those products) that do not reflect patterns of trade which would reasonably be anticipated to flow from the concessions or commitments of such country based on the international competitive position and export potential of such products and services.

(2) The Trade Representative shall consult with the United States International Trade Commission with regard to the actual patterns of trade described in paragraph (1).

(c) Action in Response to Affirmative Determination.—

(1) Any affirmative determination made by the Trade Representative under subsection (a)(2) with respect to any act, policy, or practice of a foreign country shall, for purposes of chapter 1 of title III of the Trade Act of 1974, be treated as an affirmative determination under section 304(a)(1)(A) of such Act that such act, policy, or practice violates a trade agreement.

(2) In taking actions under section 301 by reason of paragraph (1), the Trade Representative shall first take those actions which most directly affect trade in telecommunications products and services with the priority foreign country referred to in paragraph (1), unless the Trade Representative determines that actions against other economic sectors would be more effective in achieving compliance by the foreign country with the trade agreement that is the subject of the affirmative determination made under subsection (a)(2).

SEC. 1378. COMPENSATION AUTHORITY.

If—

(1) the President has taken action under section 1376(a) with respect to any foreign country, and

(2) such action is found to be inconsistent with the international obligations of the United States, including the General Agreement on Tariffs and Trade,

the President may enter into trade agreements with such foreign country for the purpose of granting new concessions as compensation for such action in order to maintain the general level of reciprocal and mutually advantageous concessions.

SEC. 1379. CONSULTATIONS.

(a) Advice From Departments and Agencies.—Prior to taking any action under this part, the President shall seek information and advice from the interagency trade organization established under section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872).

(b) Advice From the Private Sector.—Before—

(1) the Trade Representative concludes the investigation conducted under section 1374(a) or takes action under section 1374(c),

(2) the President establishes specific negotiating objectives under section 1375(b) with respect to any foreign country, or

(3) the President takes action under section 1376,

the Trade Representative shall provide an opportunity for the presentation of views by any interested party with respect to such investigation, objectives, or action, including appropriate committees established pursuant to section 135 of the Trade Act of 1974 (19 U.S.C. 2155).

(c) Consultations With Congress and Official Advisors.—For purposes of conducting negotiations under section 1375(a), the Trade Representative shall keep appropriate committees of the Congress, as well as appropriate committees established pursuant to section 135 of the Trade Act of 1974, currently informed with respect to—

(1) the negotiating priorities and objectives for each priority foreign country;

(2) the assessment of negotiating prospects, both bilateral and multilateral; and

(3) any United States concessions which might be included in negotiations to achieve the objectives described in subsections (c) and (d) of section 1375.

(d) Modification of Specific Negotiating Objectives.—Before the President takes any action under section 1375(b)(2)(A) to refine or modify specific negotiating objectives, the President shall consult with the Congress and with members of the industry, and representatives of labor, affected by the proposed refinement or modification.

SEC. 1380. SUBMISSION OF DATA; ACTION TO ENSURE COMPLIANCE.

(a) Submission of Data.—The Federal Communications Commission (hereafter in this section referred to as the "Commission") shall periodically submit to appropriate committees of the House of Representatives and of the Senate any data collected and otherwise made public under Report No. DC-1105, "Information Reporting Requirements Established for Common Carriers", adopted February 25, 1988, relating to FCC Docket No. 86-494, adopted December 23, 1987.

(b) Action to Ensure Compliance.—

(1)(A) Any product of a foreign country that is subject to registration or approval by the Commission may be entered only if—

(i) such product conforms with all applicable rules and regulations of the Commission, and

(ii) the information which is required on Federal Communications Commission Form 740 on the date of enactment of this Act is provided to the appropriate customs officer at the time of such entry in such form and manner as the Secretary of the Treasury may prescribe.

(B) For purposes of this paragraph, the term "entered" means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States.

(2) The Commission, the Secretary of Commerce, and the Trade Representative shall provide such assistance in the enforcement of paragraph (1) as the Secretary of the Treasury may request.

(3) The Secretary of the Treasury shall compile the information collected under paragraph (1)(A)(ii) into a summary and shall annually submit such summary to the Congress until the authority to negotiate trade agreements under part 1 of subtitle A expires. Such information shall also be made available to the public.

SEC. 1381. STUDY ON TELECOMMUNICATIONS COMPETITIVENESS IN THE UNITED STATES.

(a) In General.—The Secretary of Commerce, in consultation with the Federal Communications Commission and the United States Trade Representative, shall conduct a study of the competitiveness of the United States telecommunications industry and the effects of foreign telecommunications policies and practices on such industry in order to assist the Congress and the President in determining what actions might be necessary to preserve the competitiveness of the United States telecommunications industry.

(b) Public Comment.—The Secretary of Commerce may, as appropriate, provide notice and reasonable opportunity for public comment as part of the study conducted under subsection (a).

(c) Report.—The Secretary of Commerce shall, by no later than the date that is 1 year after the date of enactment of this Act, submit to the Congress and the President a report on the findings and recommendations reached by the Secretary of Commerce as a result of the study conducted under subsection (a). Such report shall be referred to the appropriate committees of the House of Representatives and of the Senate.

SEC. 1382. INTERNATIONAL OBLIGATIONS.

Nothing in this part may be construed to require actions inconsistent with the international obligations of the United States, including the General Agreement on Tariffs and Trade.

Subtitle D—Adjustment to Import Competition

PART 1—POSITIVE ADJUSTMENT BY INDUSTRIES INJURED BY IMPORTS

SEC. 1401. POSITIVE ADJUSTMENT BY INDUSTRIES INJURED BY IMPORTS.

(a) In General.—Chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251-2253) is amended to read as follows:

"CHAPTER 1—POSITIVE ADJUSTMENT BY INDUSTRIES INJURED BY IMPORTS

"SEC. 201. ACTION TO FACILITATE POSITIVE ADJUSTMENT TO IMPORT COMPETITION.

"(a) Presidential Action.—If the United States International Trade Commission (hereinafter referred to in this chapter as the 'Commission') determines under section 202(b) that an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article, the President, in accordance with this chapter, shall take all appropriate and feasible action within his power which the President determines will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs.

"(b) Positive Adjustment to Import Competition.—

"(1) For purposes of this chapter, a positive adjustment to import competition occurs when—

"(A) the domestic industry—

"(i) is able to compete successfully with imports after actions taken under section 204 terminate, or

"(ii) the domestic industry experiences an orderly transfer of resources to other productive pursuits; and

"(B) dislocated workers in the industry experience an orderly transition to productive pursuits.

"(2) The domestic industry may be considered to have made a positive adjustment to import competition even though the industry is not of the same size and composition as the industry at the time the investigation was initiated under section 202(b).

"SEC. 202. INVESTIGATIONS, DETERMINATIONS, AND RECOMMENDATIONS BY COMMISSION.

"(a) Petitions and Adjustment Plans.—

"(1) A petition requesting action under this chapter for the purpose of facilitating positive adjustment to import competition may be filed with the Commission by an entity, including a trade association, firm, certified or recognized union, or group of workers, which is representative of an industry.

"(2) A petition under paragraph (1)—

"(A) shall include a statement describing the specific purposes for which action is being sought, which may include facilitating the orderly transfer of resources to more productive pursuits, enhancing competitiveness, or other means of adjustment to new conditions of competition; and

"(B) may—

"(i) subject to subsection (d)(1)(C)(i), request provisional relief under subsection (d)(1); or

"(ii) request, or at any time before the 150th day after the date of filing be amended to request, provisional relief under subsection (d)(2).

"(3) Whenever a petition is filed under paragraph (1), the Commission shall promptly transmit copies of the petition to the Office of the United States Trade Representative and other Federal agencies directly concerned.

"(4) A petitioner under paragraph (1) may submit to the Commission and the United States Trade Representative (hereafter in this chapter referred to as the 'Trade Representative'), either with the petition, or at any time within 120 days after the date of filing of the petition, a plan to facilitate positive adjustment to import competition.

"(5)(A) Before submitting an adjustment plan under paragraph (4), the petitioner and other entities referred to in paragraph (1) that wish to participate may consult with the Trade Representative and the officers and employees of any Federal agency that is considered appropriate by the Trade Representative, for purposes of evaluating the adequacy of the proposals being considered for inclusion in the plan in relation to specific actions that may be taken under this chapter.

"(B) A request for any consultation under subparagraph (A) must be made to the Trade Representative. Upon receiving such a request, the Trade Representative shall confer with the petitioner and provide such assistance, including publication of appropriate notice in the Federal Register, as may be practicable in obtaining other participants in the consultation. No consultation may occur under subparagraph (A) unless the Trade Representative, or his delegate, is in attendance.

"(6)(A) In the course of any investigation under subsection (b), the Commission shall seek information (on a confidential basis, to the extent appropriate) on actions being taken, or planned to be taken, or both, by firms and workers in the industry to make a positive adjustment to import competition.

"(B) Regardless whether an adjustment plan is submitted under paragraph (4) by the petitioner, if the Commission makes an affirmative determination under subsection (b), any—

"(i) firm in the domestic industry;

"(ii) certified or recognized union or group of workers in the domestic industry;

"(iii) State or local community;

"(iv) trade association representing the domestic industry; or

"(v) any other person or group of persons,

may, individually, submit to the Commission commitments regarding actions such persons and entities intend to take to facilitate positive adjustment to import competition.

"(7) Nothing in paragraphs (5) and (6) may be construed to provide immunity under the antitrust laws.

"(b) Investigations and Determinations by Commission.—

"(1)(A) Upon the filing of a petition under subsection (b), the request of the President or the Trade Representative, the resolution of either the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, or on its own motion, the Commission shall promptly make an investigation to determine whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.

"(B) For purposes of this section, the term 'substantial cause' means a cause which is important and not less than any other cause.

"(2)(A) Except as provided in subparagraph (B), the Commission shall make the determination under paragraph (1) within 120 days after the date on which the petition is filed, the request or resolution is received, or the motion is adopted, as the case may be.

"(B) If before the 100th day after a petition is filed under subsection (a)(1) the Commission determines that the investigation is extraordinarily complicated, the Commission shall make the determination under paragraph (1) within 150 days after the date referred to in subparagraph (A).

"(3)(A) If the Commission makes an affirmative determination under paragraph (1) and the petitioner alleges the existence of critical circumstances, the Commission shall make a determination regarding such allegation—

"(i) on or before the 120th day after the day on which the petition was filed, if such allegation was included in the petition on or before the 90th day after such filing date; or

"(ii) on or before the date the report required under subsection (f) regarding the determination is submitted to the President, if such allegation was included in the petition after the 90th day, and on or before the 150th day, after such filing date.

"(B) For purposes of this paragraph and subsection (d)(2), critical circumstances exist if a substantial increase in imports (either actual or relative to domestic production) over a relatively short period of time has led to circumstances in which a delay in taking action under this chapter would cause harm that would significantly impair the effectiveness of such action.

"(4) In the course of any proceeding under this subsection, the Commission shall, after reasonable notice, hold public hearings and shall afford interested parties and consumers an opportunity to be present, to present evidence, to comment on the adjustment plan, if any, submitted under subsection (a), and to be heard at such hearings.

"(c) Factors Applied in Making Determinations.—

"(1) In making determinations under subsection (b), the Commission shall take into account all economic factors which it considers relevant, including (but not limited to)—

"(A) with respect to serious injury—

"(i) the significant idling of productive facilities in the domestic industry,

"(ii) the inability of a significant number of firms to carry out domestic production operations at a reasonable level of profit, and

"(iii) significant unemployment or underemployment within the domestic industry;

"(B) with respect to threat of serious injury—

"(i) a decline in sales or market share, a higher and growing inventory (whether maintained by domestic producers, importers, wholesalers, or retailers), and a downward trend in production, profits, wages, or employment (or increasing underemployment) in the domestic industry,

"(ii) the extent to which firms in the domestic industry are unable to generate adequate capital to finance the modernization of their domestic plants and equipment, or are unable to maintain existing levels of expenditures for research and development,

"(iii) the extent to which the United States market is the focal point for the diversion of exports of the article concerned by reason of restraints on exports of such article to, or on imports of such article into, third country markets; and

"(C) with respect to substantial cause, an increase in imports (either actual or relative to domestic production) and a decline in the proportion of the domestic market supplied by domestic producers.

"(2) In making determinations under subsection (b), the Commission shall—

"(A) consider the condition of the domestic industry over the course of the relevant business cycle, but may not aggregate the causes of declining demand associated with a recession or economic downturn in the United States economy into a single cause of serious injury or threat of injury; and

"(B) examine factors other than imports which may be a cause of serious injury, or threat of serious injury, to the domestic industry.

The Commission shall include the results of its examination under subparagraph (B) in the report submitted by the Commission to the President under subsection (e).

"(3) The presence or absence of any factor which the Commission is required to evaluate in subparagraphs (A) and (B) of paragraph (1) is not necessarily dispositive of whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry.

"(4) For purposes of subsection (b), in determining the domestic industry producing an article like or directly competitive with an imported article, the Commission—

"(A) to the extent information is available, shall, in the case of a domestic producer which also imports, treat as part of such domestic industry only its domestic production;

"(B) may, in the case of a domestic producer which produces more than one article, treat as part of such domestic industry only that portion or subdivision of the producer which produces the like or directly competitive article; and

"(C) may, in the case of one or more domestic producers which produce a like or directly competitive article in a major geographic area of the United States and whose production facilities in such area for such article constitute a substantial portion of the domestic industry in the United States and primarily serve the market in such area, and where the imports are concentrated in such area, treat as such domestic industry only that segment of the production located in such area.

"(5) In the course of any proceeding under this subsection, the Commission shall investigate any factor which in its judgment may be contributing to increased imports of the article under investigation. Whenever in the course of its investigation the Commission has reason to believe that the increased imports are attributable in part to circumstances which come within the purview of subtitles A and B of title VII or section 337 of the Tariff Act of 1930, or other remedial provisions of law, the Commission shall promptly notify the appropriate agency so that such action may be taken as is otherwise authorized by such provisions of law.

"(6) For purposes of this subsection:

"(A) The term 'domestic industry' includes producers located in the United States insular possession.

"(B) The term 'significant idling of productive facilities' includes the closing of plants or the underutilization of production capacity.

"(d) Provisional Relief.—

"(1)(A) An entity representing a domestic industry that produces a perishable agricultural product that is like or directly competitive with an imported perishable agricultural product may file a request with the Trade Representative for the monitoring of imports of that product under subparagraph (B). Within 21 days after receiving the request, the Trade Representative shall determine if—

"(i) the imported product is a perishable agricultural product; and

"(ii) there is a reasonable indication that such product is being imported into the United States in such increased quantities as to be, or likely to be, a substantial cause of serious injury, or the threat thereof, to such domestic industry.

"(B) If the determinations under subparagraph (A)(i) and (ii) are affirmative, the Trade Representative shall request, under section 332(g) of the Tariff Act of 1930, the Commission to monitor and investigate the imports concerned for a period not to exceed 2 years. The monitoring and investigation may include the collection and analysis of information that would expedite an investigation under subsection (b).

"(C) If a petition filed under subsection (a)—

"(i) alleges injury from imports of a perishable agricultural product that has been, on the date the allegation is included in the petition, subject to monitoring by the Commission under paragraph (2) for not less than 90 days; and

"(ii) requests that provisional relief be provided under this subsection with respect to such imports;

the Commission shall, not later than the 21st day after the day on which the request was filed, make a determination, on the basis of available information, whether increased imports (either actual or relative to domestic production) of the perishable agricultural product are a substantial cause of serious injury, or the threat thereof, to the domestic industry producing a like or directly competitive perishable product, and whether either—

"(I) the serious injury is likely to be difficult to repair by reason of perishability of the like or directly competitive agricultural product; or

"(II) the serious injury cannot be timely prevented through investigation under subsection (b) and action under section 203.

"(D) At the request of the Commission, the Secretary of Agriculture shall promptly provide to the Commission any relevant information that the Department of Agriculture may have for purposes of making determinations and findings under this subsection.

"(E) Whenever the Commission makes an affirmative preliminary determination under subparagraph (C), the Commission shall find the amount or extent of provisional relief that is necessary to prevent or remedy the serious injury or threat thereof. In carrying out this subparagraph, the Commission shall give preference to increasing or imposing a duty on imports, if such form of relief is feasible and would prevent or remedy the serious injury or threat thereof.

"(F) The Commission shall immediately report to the President its determination under subparagraph (C) and, if the determination is affirmative, the finding under subparagraph (E).

"(G) Within 7 days after receiving a report from the Commission under subparagraph (F) containing an affirmative determination, the President, if he considers provisional relief to be warranted and after taking into account the finding of the Commission under subparagraph (E), shall proclaim such provisional relief that the President considers necessary to prevent or remedy the serious injury or threat thereof.

"(2)(A) The Commission shall, at the same time it makes an affirmative determination under subsection (b)(3)(A) regarding the existence of critical circumstances, find the amount or extent of provisional relief that is appropriate to address such critical circumstances. The Commission shall immediately report to the President each such affirmative determination and finding.

"(B) After receiving a report from the Commission under subparagraph (A), the President shall, within 7 days after the day on which the report is received and after taking into account the finding of the Commission under subparagraph (A), proclaim such provisional relief, if any, that the President considers appropriate to address the critical circumstances.

"(3) If provisional relief is proclaimed under paragraph (1)(G) or (2)(B) in the form of an increase, or the imposition of, a duty, the President shall order the suspension of liquidation of all imported articles subject to the affirmative determination under paragraph (1)(C) or subsection (b)(1), as the case may be, that are entered, or withdrawn from warehouse for consumption, on or after the date of the determination.

"(4)(A) Any provisional relief implemented under this subsection with respect to an imported article shall terminate on the day on which—

"(i) if such relief was proclaimed under paragraph (1)(G), the Commission makes a negative determination under section 203(a) regarding injury or the threat thereof by imports of such article;

"(ii) action described in section 203(a)(3)(A) or (C) takes effect under section 203 with respect to such article;

"(iii) a decision by the President not to take any action under section 203(a) with respect to such article becomes final; or

"(iv) whenever the President determines that, because of changed circumstances, such relief is no longer warranted.

"(B) Any suspension of liquidation ordered under paragraph (3) with respect to an imported article shall terminate on the day on which provisional relief is terminated under subparagraph (A) with respect to the article.

"(C) If an increase in, or the imposition of, a duty that is proclaimed under section 203 on an imported article is different from a duty increase or imposition that was proclaimed for such an article under this section, then the entry of any such article for which liquidation was suspended under paragraph (3) shall be liquidated at whichever of such rates of duty is lower.

"(D) If provisional relief in the form of an increase in, or the imposition of, a duty is proclaimed under this section with respect to an imported article and neither a duty increase nor a duty imposition is proclaimed under section 203 regarding such article, the entry of any such article for which liquidation was suspended under paragraph (3) may be liquidated at the rate of duty that applied before provisional relief was provided.

"(5) For purposes of this subsection:

"(A) A perishable agricultural product is any agricultural article, including livestock, regarding which the Trade Representative considers action under this section to be appropriate after taking into account—

"(i) whether the article has—

"(I) a short shelf life,

"(II) a short growing season, or

"(III) a short marketing period,

"(ii) whether the article is treated as a perishable product under any other Federal law or regulation; and

"(iii) any other factor considered appropriate by the Trade Representative.

The presence or absence of any factor which the Trade Representative is required to take into account under clause (i), (ii), or (iii) is not necessarily dispositive of whether an article is a perishable agricultural product.

"(B) The term 'provisional relief' means—

"(i) any increase in, or imposition of, any duty;

"(ii) any modification or imposition of any quantitative restriction on the importation of an article into the United States; or

"(iii) any combination of actions under clauses (i) and (ii).

"(e) Commission Recommendations.—

"(1) If the Commission makes an affirmative determination under subsection (b)(1), the Commission shall also recommend the action that would address the serious injury, or threat thereof, to the domestic industry and be most effective in facilitating the efforts of the domestic industry to make a positive adjustment to import competition.

"(2) The Commission is authorized to recommend under paragraph (1)—

"(A) an increase in, or the imposition of, any duty on the imported article;

"(B) a tariff-rate quota on the article;

"(C) a modification or imposition of any quantitative restriction on the importation of the article into the United States;

"(D) one or more appropriate adjustment measures, including the provision of trade adjustment assistance under chapter 2; or

"(E) any combination of the actions described in subparagraphs (A) through (D).

"(3) The Commission shall specify the type, amount, and duration of the action recommended by it under paragraph (1). The limitations set forth in section 203(e) are applicable to the action recommended by the Commission.

"(4) In addition to the recommendation made under paragraph (1), the Commission may also recommend that the President—

"(A) initiate international negotiations to address the underlying cause of the increase in imports of the article or otherwise to alleviate the injury or threat; or

"(B) implement any other action authorized under law that is likely to facilitate positive adjustment to import competition.

"(5) For purposes of making its recommendation under this subsection, the Commission shall—

"(A) after reasonable notice, hold a public hearing at which all interested parties shall be provided an opportunity to present testimony and evidence; and

"(B) take into account—

"(i) the form and amount of action described in paragraph (2)(A), (B), and (C) that would prevent or remedy the injury or threat thereof,

"(ii) the objectives and actions specified in the adjustment plan, if any, submitted under subsection (a)(4),

"(iii) any individual commitment that was submitted to the Commission under subsection (a)(6),

"(iv) any information available to the Commission concerning the conditions of competition in domestic and world markets, and likely developments affecting such conditions during the period for which action is being requested, and

"(v) whether international negotiations may be constructive to address the injury or threat thereof or to facilitate adjustment.

"(6) Only those members of the Commission who agreed to the affirmative determination under subsection (b) are eligible to vote on the recommendation required to be made under paragraph (1) or that may be made under paragraph (3). Members of the Commission who did not agree to the affirmative determination may submit, in the report required under subsection (f), separate views regarding what action, if any, should be taken under section 203.

"(f) Report by Commission.—

"(1) The Commission shall submit to the President a report on each investigation undertaken under subsection (b). The report shall be submitted at the earliest practicable time, but not later than 180 days after the date on which the petition is filed, the request or resolution is received, or the motion is adopted, as the case may be.

"(2) The Commission shall include in the report required under paragraph (1) the following:

"(A) The determination made under subsection (b) and an explanation of the basis for the determination.

"(B) If the determination under subsection (b) is affirmative, the recommendations for action made under subsection (e) and an explanation of the basis for each recommendation.

"(C) Any dissenting or separate views by members of the Commission regarding the determination and any recommendation referred to in subparagraphs (A) and (B).

"(D) The findings required to be included in the report under subsection (c)(2).

"(E) A copy of the adjustment plan, if any, submitted under section 201(b)(4).

"(F) Commitments submitted, and information obtained, by the Commission regarding steps that firms and workers in the domestic industry are taking, or plan to take, to facilitate positive adjustment to import competition.

"(G) A description of—

"(i) the short- and long-term effects that implementation of the action recommended under subsection (e) is likely to have on the petitioning domestic industry, on other domestic industries, and on consumers, and

"(ii) the short- and long-term effects of not taking the recommended action on the petitioning domestic industry, its workers and the communities where production facilities of such industry is located, and on other domestic industries.

"(3) The Commission, after submitting a report to the President under paragraph (1), shall promptly make it available to the public (with the exception of the confidential information obtained under section 202(a)(6)(B) and any other information which the Commission determines to be confidential) and cause a summary thereof to be published in the Federal Register.

"(g) Expedited Consideration of Adjustment Assistance Petitions.—If the Commission makes an affirmative determination under subsection (b)(1), the Commission shall promptly notify the Secretary of Labor and the Secretary of Commerce of the determination. After receiving such notification—

"(1) the Secretary of Labor shall give expedited consideration to petitions by workers in the domestic industry for certification for eligibility to apply for adjustment assistance under chapter 2; and

"(2) the Secretary of Commerce shall give expedited consideration to petitions by firms in the domestic industry for certification of eligibility to apply for adjustment assistance under chapter 3.

"(h) Limitations on Investigations.—

"(1) Except for good cause determined by the Commission to exist, no investigation for the purposes of this section shall be made with respect to the same subject matter as a previous investigation under this chapter, unless 1 year has elapsed since the Commission made its report to the President of the results of such previous investigation.

"(2) If an article was the subject of an investigation under this section that resulted in any action described in section 203(a)(3) (A), (B), (C), or (E) being taken under section 203, no other investigation under this chapter may be initiated with respect to such article while such action is in effect or during the period beginning on the date on which such action terminates that is equal in duration to the period during which such action was in effect.

"SEC. 203. ACTION BY PRESIDENT AFTER DETERMINATION OF IMPORT INJURY.

"(a) In General.—

"(1)(A) After receiving a report under section 202(f) containing an affirmative finding regarding serious injury, or the threat thereof, to a domestic industry, the President shall take all appropriate and feasible action within his power which the President determines will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs.

"(B) The action taken by the President under subparagraph (A) shall be to such extent, and for such duration, subject to subsection (e)(1), that the President determines to be appropriate and feasible under such subparagraph.

"(C) The interagency trade organization established under section 242(a) of the Trade Expansion Act of 1962 shall, with respect to each affirmative determination reported under section 202(f), make a recommendation to the President as to what action the President should take under subparagraph (A).

"(2) In determining what action to take under paragraph (1), the President shall take into account—

"(A) the recommendation and report of the Commission;

"(B) the extent to which workers and firms in the domestic industry are—

"(i) benefitting from adjustment assistance and other manpower programs, and

"(ii) engaged in worker retraining efforts;

"(C) the efforts being made, or to be implemented, by the domestic industry (including the efforts included in any adjustment plan or commitment submitted to the Commission under section 201(b)) to make a positive adjustment to import competition;

"(D) the probable effectiveness of the actions authorized under paragraph (3) to facilitate positive adjustment to import competition;

"(E) the short- and long-term economic and social costs of the actions authorized under paragraph (3) relative to their short- and long-term economic and social benefits and other considerations relative to the position of the domestic industry in the United States economy;

"(F) other factors related to the national economic interest of the United States, including, but not limited to—

"(i) the economic and social costs which would be incurred by taxpayers, communities, and workers if import relief were not provided under this chapter,

"(ii) the effect of the implementation of actions under this section on consumers and on competition in domestic markets for articles, and

"(iii) the impact on United States industries and firms as a result of international obligations regarding compensation;

"(G) the extent to which there is diversion of foreign exports to the United States market by reason of foreign restraints;

"(H) the potential for circumvention of any action taken under this section;

"(I) the national security interests of the United States; and

"(J) the factors required to be considered by the Commission under section 202(e)(5).

"(3) The President may, for purposes of taking action under paragraph (1)—

"(A) proclaim an increase in, or the imposition of, any duty on the imported article;

"(B) proclaim a tariff-rate quota on the article;

"(C) proclaim a modification or imposition of any quantitative restriction on the importation of the article into the United States;

"(D) implement one or more appropriate adjustment measures, including the provision of trade adjustment assistance under chapter 2;

"(E) negotiate, conclude, and carry out orderly marketing agreements with foreign countries limiting the export from foreign countries and the import into the United States of such article;

"(F) proclaim procedures necessary to allocate among importers by the auction of import licenses quantities of the article that are permitted to be imported into the United States;

"(G) initiate international negotiations to address the underlying cause of the increase in imports of the article or otherwise to alleviate the injury or threat thereof;

"(H) submit to Congress legislative proposals to facilitate the efforts of the domestic industry to make a positive adjustment to import competition;

"(I) take any other action which may be taken by the President under the authority of law and which the President considers appropriate and feasible for purposes of paragraph (1); and

"(J) take any combination of actions listed in subparagraphs (A) through (I).

"(4) The President shall take action under paragraph (1) within 60 days after receiving a report from the Commission containing an affirmative determination under section 202(b)(1) (or a determination under such section which he considers to be an affirmative determination by reason of section 330(d) of the Tariff Act of 1930); except that if a supplemental report is requested under paragraph (5), the President shall take action under paragraph (1) within 30 days after the supplemental report is received.

"(5) The President may, within 15 days after the date on which he receives a report from the Commission containing an affirmative determination under section 202(b)(1), request additional information from the Commission. The Commission shall, as soon as practicable but in no event more than 30 days after the date on which it receives the President's request, furnish additional information with respect to the industry in a supplemental report.

"(b) Reports to Congress.—

"(1) On the day the President takes action under subsection (a)(1), the President shall transmit to Congress a document describing the action and the reasons for taking the action. If the action taken by the President differs from the action required to be recommended by the Commission under section 202(e)(1), the President shall state in detail the reasons for the difference.

"(2) On the day on which the President decides that there is no appropriate and feasible action to take under subsection (a)(1) with respect to a domestic industry, the President shall transmit to Congress a document that sets forth in detail the reasons for the decision.

"(3) On the day on which the President takes any action under subsection (a)(1) that is not reported under paragraph (1), the President shall transmit to Congress a document setting forth the action being taken and the reasons therefor.

"(c) Implementation of Action Recommended by Commission.—If the President reports under subsection (b)(1) or (2) that—

"(1) the action taken under subsection (a)(1) differs from the action recommended by the Commission under section 202(e)(1); or

"(2) no action will be taken under subsection (a)(1) with respect to the domestic industry;

the action recommended by the Commission shall take effect (as provided in subsection (c)(2)) upon the enactment of a joint resolution described in section 152(a)(1)(A) within the 90-day period beginning on the date on which the document referred to in subsection (b)(1) or (2) is transmitted to the Congress.

"(d) Time for Taking Effect of Certain Relief.—

"(1) Except as provided in paragraph (2), any action described in subsection (a)(3)(A), (B), or (C), that is taken under subsection (a)(1) shall take effect within 15 days after the day on which the President proclaims the action, unless the President announces, on the date he decides to take such action, his intention to negotiate one or more orderly marketing agreements in which case the action under subsection (a)(3)(A), (B), or (C) shall be proclaimed and take effect within 90 days after the date of such decision.

"(2) If the contingency set forth in subsection (c) occurs, the President shall, within 30 days after the date of the enactment of the joint resolution referred to in such subsection, proclaim the action recommended by the Commission under section 202(e)(1).

"(e) Limitations on Actions.—

"(1)(A) The duration of the period in which action taken under this section may be in effect shall not exceed 8 years.

"(B) If the initial effective period for action taken under this section is less than 8 years, the President may extend the effective period once, but the aggregate of the initial period and the extension may not exceed 8 years.

"(2) Action may be taken under subsection (a)(1)(A), (B), or (C) or under section 202(d)(2)(B) only to the extent the cumulative impact of such action does not exceed the amount necessary to prevent or remedy the serious injury or threat thereof.

"(3) No action may be taken under this section which would increase a rate of duty to (or impose a rate) which is more than 50 percent ad valorem above the rate (if any) existing at the time the action is taken.

"(4) Any action taken under this section proclaiming a quantitative restriction shall permit the importation of a quantity or value of the article which is not less than the quantity or value of such article imported into the United States during the most recent period that is representative of imports of such article.

"(5) To the extent feasible, an effective period of more than 3 years for an action described in subsection (a)(3)(A), (B), or (C) shall be phased down during the period in which the action is taken, with the first reduction taking effect no later than the close of the day which is 3 years after the day on which such action first takes effect.

"(6)(A) The suspension, pursuant to any action taken under this section, of—

"(i) item 806.30 or 807.00 of the Tariff Schedules of the United States with respect to an article; and

"(ii) the designation of any article as an eligible article for purposes of title V;

shall be treated as an increase in duty.

"(B) No proclamation providing for a suspension referred to in subparagraph (A) with respect to any article may be made by the President, nor may any such suspension be recommended by the Commission under section 203(c), unless the Commission, in addition to making an affirmative determination under section 202(b)(1), determines in the course of its investigation under section 203(a) that the serious injury, or threat thereof, substantially caused by imports to the domestic industry producing a like or directly competitive article results from, as the case may be—

"(A) the application of item 806.30 or item 807.00; or

"(B) the designation of the article as an eligible article for the purposes of title V.

"(f) Orderly Marketing and Other Agreements.—

"(1) If the President takes action under this section other than the implementation of orderly marketing agreements, the President may, after such action takes effect, negotiate orderly marketing agreements with foreign countries, and may, after such agreements take effect, suspend or terminate, in whole or in part, any action previously taken.

"(2) If an orderly marketing agreement implemented under subsection (a) is not effective, the President may, consistent with the limitations contained in subsection (e), take additional action under subsection (a).

"(g) Regulations.—

"(1) The President shall by regulation provide for the efficient and fair administration of all actions taken for the purpose of providing import relief under this chapter.

"(2) In order to carry out an orderly marketing or other international agreement concluded under this chapter, the President may prescribe regulations governing the entry or withdrawal from warehouse of articles covered by such agreement. In addition, in order to carry out any orderly marketing agreement concluded under this chapter with one or more countries accounting for a major part of United States imports of the article covered by such agreements, including imports into a major geographic area of the United States, the President may issue regulations governing the entry or withdrawal from warehouse of like articles which are the product of countries not parties to such agreement.

"(3) Regulations prescribed under this subsection shall, to the extent practicable and consistent with efficient and fair administration, insure against inequitable sharing of imports by a relatively small number of the larger importers.

"SEC. 204. MONITORING, MODIFICATION, AND TERMINATION OF ACTION.

"(a) Monitoring.—

"(1) So long as any action taken under section 203 remains in effect, the Commission shall monitor developments with respect to the domestic industry, including the progress and specific efforts made by workers and firms in the domestic industry to make a positive adjustment to import competition.

"(2) The Commission shall submit a report on the results of the monitoring under paragraph (1) to the President and to the Congress not later than—

"(A) the 2nd-anniversary of the day on which the action under section 203 first took effect; and

"(B) the last day of each 2-year period occurring after the 2-year period referred to in subparagraph (A).

"(3) In the course of preparing each report under paragraph (2), the Commission shall hold a hearing at which interested persons shall be given a reasonable opportunity to be present, to produce evidence, and to be heard.

"(4) Upon request of the President, the Commission shall advise the President of its judgment as to the probable economic effect on the industry concerned of any extension, reduction, modification, or termination of the action taken under section 203 which is under consideration.

"(b) Reduction, Modification, and Termination of Action.—

"(1) Action taken under section 203 may be reduced, modified, or terminated by the President (but not before the President receives the report required under subsection (a)(2)(A)) if the President—

"(A) after taking into account any report or advice submitted by the Commission under subsection (a) and after seeking the advice of the Secretary of Commerce and the Secretary of Labor, determines, on the basis that either—

"(i) the domestic industry has not made adequate efforts to make a positive adjustment to import competition, or

"(ii) the effectiveness of the action taken under section 203 has been impaired by changed economic circumstances,

that changed circumstances warrant such reduction, or termination; or

"(B) determines, after a majority of the representatives of the domestic industry submits to the President a petition requesting such reduction, modification, or termination on such basis, that the domestic industry has made a positive adjustment to import competition.

"(2) Notwithstanding paragraph (1), the President is authorized to take such additional action under section 203 as may be necessary to eliminate any circumvention of any action previously taken under such section.

"(d) Evaluation of Effectiveness of Action.—

"(1) After any action taken under section 203 has terminated, the Commission shall evaluate the effectiveness of the actions in facilitating positive adjustment by the domestic industry to import competition, consistent with the reasons set out by the President in the report submitted to the Congress under section 203(b).

"(2) During the course of the evaluation conducted under paragraph (1), the Commission shall, after reasonable public notice, hold a hearing on the effectiveness of the action. All interested persons shall have the opportunity to attend such hearing and to present evidence or testimony at such hearing.

"(3) A report on the evaluation made under paragraph (1) and the hearings held under paragraph (2) shall be submitted by the Commission to the President and to the Congress by no later than the 180th day after the day on which the actions taken under section 203 terminated.

"(e) Other Provisions.—

"(1) Action by the President under this chapter may be taken without regard to the provisions of section 126(a) of this Act but only after consideration of the relation of such actions to the international obligations of the United States.

"(2) If the Commission treats as the domestic industry production located in a major geographic area of the United States under section 202(c)(4)(C), then the President shall take into account the geographic concentration of domestic production and of imports in that area in taking any action authorized under paragraph (1).".

(b) Conforming Amendments.—

(1) Trade Act of 1974.—The Trade Act of 1974 is amended as follows:

(A) section 123(b)(4) is amended by striking out "import relief under section 203(h)." and inserting "action under sections 203(e) and 204.".

(B) Sections 224 and 264 (19 U.S.C. 2274 and 2354) are each amended—

(i) by striking out "201" in subsection (a) and inserting "202";

(ii) by striking out "201" in subsection (b) and inserting "202(f)"; and

such section 264 is amended by striking out "201(b)" in subsection (c) and inserting "202(b)".

(2) Caribbean Basin Economic Recovery Act.—Section 213 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703) is amended—

(A) by striking out "proclaimed pursuant to section 203" in subsection (e)(1) and inserting "provided under chapter 1 of title II";

(B) by striking out "201(d)(1)" in subsection (e)(2) and inserting "202(f)";

(C) by striking out "(a) and (c) of section 203" in subsection (e)(3) and inserting "section 203";

(D) by amending subsection (e)(4)—

(i) by striking out "made under subsections (a) and (c) of section 203" and inserting "taken under section 203";

(ii) by striking out "201(b)" the first place it appears and inserting "202(b)"; and

(iii) by striking out "section 201(b) of such Act" and inserting "such section";

(E) by amending subsection (e)(5)—

(i) by striking out "proclamation issued pursuant to section 203" in subparagraph (A) and inserting "action taken under section 203"; and

(ii) by amending subparagraph (B)—

(I) by striking out "to import relief" and inserting "to any such action",

(II) by striking out "such import relief" and inserting "such action", and

(III) by striking out "subsections (h) and (i) of section 203" and inserting "section 203";

(F) by amending subsection (f)(4)—

(i) by amending subparagraph (A) by striking out "proclamation of import relief pursuant to section 202(a)(1)" and inserting "taking of action under section 203", and

(ii) by amending subparagraph (B) to read as follows:

"(B) on the day a determination by the President not to take action under section 203 of such Act not to take action becomes final,".

(3) Trade and Tariff Act of 1984.—

(A) Title IV of the Tariff and Trade Act of 1984 is amended—

(i) by amending section 403—

(I) by striking out "section 201(d)(1)" in subsection (b) and inserting "section 202(f)",

(II) by striking out "subsections (a) and (c) of" in subsections (c) and (d),

(III) by striking out "201(b)" in subsection (d) and inserting "202(b)", and

(IV) by striking out "subsections (h) and (i) of section 203" in subsection (e)(2) and inserting "sections 203 and 204"; and

(ii) by amending section 404—

(I) by striking out "section 201" in subsection (a) and inserting "section 202(a)",

(II) by striking out "proclamation of import relief under section 202(a)(1)" in subsection (d)(1) and inserting "taking of action under section 203", and

(III) by amending subsection (d)(2) to read as follows:

"(2) on the day a determination of the President under section 203 of such Act not to take action becomes final;".

(4) Tariff Act of 1930.—Section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)) is amended—

(A) by amending paragraph (1) by striking out "201" and inserting "202";

(B) by amending paragraph (2)—

(i) by striking out "201" the first place it appears and inserting "202(b)",

(iii) by striking out "201(d)(1)" and inserting "202(e)(1)",

(iv) by striking out "sections 202 and 203" each place it appears and inserting "section 203", and

(v) by striking out "203(b)" in subparagraph (B) and inserting "204(a)"; and

(C) by striking out "203(c)(1)" in paragraph (4) and inserting "203(a)".

(5) Table of contents.—The entry for such chapter 1 in the table of contents to the Trade Act of 1974 is amended to read as follows:

"Chapter 1—Positive Adjustment by Industries Injured by Imports

"Sec. 201. Action to facilitate positive adjustment to import competition.
"Sec. 202. Investigations, determinations, and recommendations by Commission.
"Sec. 203. Action by President after determination of import injury.
"Sec. 204. Monitoring, modification, and termination of action.".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall apply with respect to investigations initiated under chapter 1 of title II of the Trade Act of 1974 on or after that date. Any petition filed under section 201 of such chapter before such date of enactment, and with respect to which the United States International Trade Commission did not make a finding before such date with respect to serious injury or the threat thereof, may be withdrawn and refiled, without prejudice, by the petitioner under section 202(a) of such chapter (as amended by this section).

PART 2—MARKET DISRUPTION

SEC. 1411. MARKET DISRUPTION.

(a) In General.—Section 406 of the Trade Act of 1974 (19 U.S.C. 2436) is amended as follows—

(1) Subsection (b) is amended to read as follows:

"(b) With respect to any affirmative determination of the Commission under subsection (a)—

"(1) such determination shall be treated as an affirmative determination made under section 201(b) of this Act (as in effect on the day before the date of the enactment of the Omnibus Trade and Competitiveness Act of 1988); and

"(2) sections 202 and 203 of this Act (as in effect on the day before the date of the enactment of such Act of 1988), rather than the provisions of chapter 1 of title II of this Act as amended by section 1401 of such Act of 1988, shall apply with respect to the taking of subsequent action, if any, by the President in response to such affirmative determination;

except that—

"(A) the President may take action under such sections 202 and 203 only with respect to imports from the country or countries involved of the article with respect to which the affirmative determination was made; and

"(B) if such action consists of, or includes, an orderly marketing agreement, such agreement shall be entered into within 60 days after the import relief determination date.".

(2) Subsection (c) is amended by inserting "referred to in subsection (b)" after "sections 202 and 203".

(3) Subsection (e)(2) is amended—

(A) by inserting "(A)" after "(2)"; and

(B) by inserting at the end thereof the following new subparagraphs:

"(B) For purposes of subparagraph (A):

"(i) Imports of an article shall be considered to be increasing rapidly if there has been a significant increase in such imports (either actual or relative to domestic production) during a recent period of time.

"(ii) The term 'significant cause' refers to a cause which contributes significantly to the material injury of the domestic industry, but need not be equal to or greater than any other cause.

"(C) The Commission, in determining whether market disruption exists, shall consider, among other factors—

"(i) the volume of imports of the merchandise which is the subject of the investigation;

"(ii) the effect of imports of the merchandise on prices in the United States for like or directly competitive articles;

"(iii) the impact of imports of such merchandise on domestic producers of like or directly competitive articles; and

"(iv) evidence of disruptive pricing practices, or other efforts to unfairly manage trade patterns.".

(b) CONFORMING AMENDMENTS REQUIRED BY AMENDMENT OF CHAPTER 1 OF TITLE II OF THE TRADE ACT OF 1974.—Such section 406 is further amended—

(1) by striking out "201(a)(1)" in subsection (a)(1) and subsection (d) and inserting "202(a)"; and

(2) by striking out "subsections (a)(2), (b)(3), and (c) of section 201" in subsection (a)(2) and inserting "subsections (a)(3), (b)(4), and (c)(4) of section 202".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) apply with respect to investigations initiated under section 406(a) of the Trade Act of 1974 on or after the date of the enactment of this Act.

PART 3—TRADE ADJUSTMENT ASSISTANCE

SEC. 1421. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) OIL AND NATURAL GAS INDUSTRY.—

(1)(A) Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(i) by striking out "For purposes of paragraph (3), the term 'contributed importantly' means a cause which is important, but not necessarily more important than any other cause.",

(ii) by striking out "The Secretary" and inserting in lieu thereof "(a) The Secretary", and

(iii) by adding at the end thereof the following new subsection:

"(b) For purposes of subsection (a)(3)—

"(1) The term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.

"(2)(A) Any firm, or appropriate subdivision of a firm, that engages in exploration or drilling for oil or natural gas shall be considered to be a firm producing oil or natural gas.

"(B) Any firm, or appropriate subdivision of a firm, that engages in exploration or drilling for oil or natural gas, or otherwise produces oil or natural gas, shall be considered to be producing articles directly competitive with imports of oil and with imports of natural gas.".

(B) Notwithstanding section 223(b) of the Trade Act of 1974, or any other provision of law, any certification made under subchapter A of chapter 2 of title II of such Act which—

(i) is made with respect to a petition filed before the date that is 90 days after the date of enactment of this Act, and

(ii) would not have been made if the amendments made by subparagraph (A) had not been enacted into law,

shall apply to any worker whose most recent total or partial separation from the firm, or appropriate subdivision of the firm, described in section 222(a) of such Act occurs after September 30, 1985.

(2) Subsection (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341(c)) is amended to read as follows:

"(c)(1) The Secretary shall certify a firm (including any agricultural firm) as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

"(A) that a significant number or proportion of the workers in such firm have become totally or partially separated, or are threatened to become totally or partially separated,

"(B) that—

"(i) sales or production, or both, of such firm have decreased absolutely, or

"(ii) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and

"(C) increases of imports of articles like or directly competitive with articles which are produced by such firm contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

"(2) For purposes of paragraph (1)(C)—

"(A) The term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.

"(B)(i) Any firm which engages in exploration or drilling for oil or natural gas shall be considered to be a firm producing oil or natural gas.

"(ii) Any firm that engages in exploration or drilling for oil or natural gas, or otherwise produces oil or natural gas, shall be considered to be producing articles directly competitive with imports of oil and with imports of natural gas.".

(b) APPLICATION TO ALL INDUSTRIES.—

(1) Paragraph (3) of section 222(a) of the Trade Act of 1974 (19 U.S.C. 2272(a)(3)) is amended to read as follows:

"(3) increases of imports of articles like or directly competitive with articles—

"(A) which are produced by such workers' firm or appropriate subdivision thereof, or

"(B) for which such workers' firm, or appropriate subdivision thereof, provides essential goods or essential services,

contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.".

(2) Subparagraph (C) of section 251(c)(1) of the Trade Act of 1974 (19 U.S.C. 2341(c)(1)(C)) is amended to read as follows:

"(C) increases of imports of articles like or directly competitive with articles—

"(i) which are produced by such firm, or

"(ii) for which such firm provides essential goods or essential services,

contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.".

SEC. 1422. NOTICE TO WORKERS OF BENEFITS UNDER TRADE ADJUSTMENT ASSISTANCE PROGRAM.

Section 225 of the Trade Act of 1974 (19 U.S.C. 2275) is amended—

(1) by striking out "The Secretary" in the first sentence and inserting in lieu thereof "(a) The Secretary", and

(2) by adding at the end thereof the following new subsection:

"(b)(1) The Secretary shall provide written notice through the mail of the benefits available under this chapter to each worker whom the Secretary has reason to believe is covered by a certification made under subchapter A of this chapter—

"(A) at the time such certification is made, if the worker was partially or totally separated from the adversely affected employment before such certification, or

"(B) at the time of the total or partial separation of the worker from the adversely affected employment, if subparagraph (A) does not apply.

"(2) The Secretary shall publish notice of the benefits available under this chapter to workers covered by each certification made under subchapter A in newspapers of general circulation in the areas in which such workers reside.".

SEC. 1423. CASH ASSISTANCE FOR WORKERS.

(a) PARTICIPATION IN TRAINING PROGRAM REQUIRED.—

(1) Paragraph (5) of section 231(a) of the Trade Act of 1974 (19 U.S.C. 2291(a)(5)) is amended to read as follows:

"(5) Such worker—

"(A) is enrolled in a training program approved by the Secretary under section 236(a),

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a training program approved by the Secretary under section 236(a), or

"(C) has received a written statement certified under subsection (c)(1) after the date described in subparagraph (B).".

(2) Subsection (b) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(b)) is amended to read as follows:

"(b)(1) If—

"(A) the Secretary determines that—

"(i) the adversely affected worker—

"(I) has failed to begin participation in the training program the enrollment in which meets the requirement of subsection (a)(5), or

"(II) has ceased to participate in such training program before completing such training program, and

"(ii) there is no justifiable cause for such failure or cessation, or

"(B) the certification made with respect to such worker under subsection (c)(1) is revoked under subsection (c)(2),

no trade readjustment allowance may be paid to the adversely affected worker under this part for the week in which such failure, cessation, or revocation occurred, or any succeeding week, until the adversely affected worker begins or resumes participation in a training program approved under section 236(a).

"(2) The provisions of subsection (a)(5) and paragraph (1) shall not apply with respect to any week of unemployment which begins—

"(A) after the date that is 60 days after the date on which the petition that results in the certification that covers the worker is filed under section 221, and

"(B) before the first week following the week in which such certification is made under subchapter (A).".

(3) Subsection (c) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(c)) is amended to read as follows:

"(c)(1)(A) If the Secretary finds that it is not feasible or appropriate to approve a training program for a worker under section 236(a), the Secretary shall submit to such worker a written statement certifying such finding.

"(B) If a State or State agency has an agreement with the Secretary under section 239 and the State or State agency finds that it is not feasible or appropriate to approve a training program for a worker pursuant to the requirements of section 236(a), the State or State agency shall—

"(i) submit to such worker a written statement certifying such finding, and

"(ii) submit to the Secretary a written statement certifying such finding and the reasons for such finding.

"(2)(A) If, after submitting to a worker a written statement certified under paragraph (1)(A), the Secretary finds that it is feasible or appropriate to approve a training program for such worker under section 236(a), the Secretary shall submit to such worker a written statement that revokes the certification made under paragraph (1)(A) with respect to such worker.

"(B) If, after submitting to a worker a written statement certified under paragraph (1)(B), a State or State agency finds that it is feasible or appropriate to approve a training program for such worker pursuant to the requirements of section 236(a), the State or State agency shall submit to such worker, and to the Secretary, a written statement that revokes the certification made under paragraph (1)(B) with respect to such worker.

"(3) The Secretary shall submit to the Finance Committee of the Senate and to the Ways and Means Committee of the House of Representatives an annual report on the number of workers who received certifications under paragraph (1) during the preceding year and the number of certifications made under paragraph (1) that were revoked during the preceding year.".

(4) Paragraph (3) of section 239(a) of the Trade Act of 1974 (19 U.S.C. 2311(a)(3)) is amended to read as follows:

"(3) will make any certifications required under section 231(c)(2), and".

(b) Weekly Amounts of Readjustment Allowances.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking out ", including on-the-job training," in subsection (b), and

(2) by striking out "under section 231(c) or 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(b)".

(c) Limitations.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) by striking out "is approved" in subsection (a)(3)(B) and inserting in lieu thereof "begins",

(2) by striking out "engaged in such training and has not been determined under section 236(c) to be failing to make satisfactory progress in the training" in subsection (a)(3) and inserting in lieu thereof "participating in such training", and

(3) by adding at the end thereof the following new subsection:

"(f) For purposes of this chapter, a worker shall be treated as participating in training during any week which is part of a break in training that does not exceed 14 days if—

"(1) the worker was participating in a training program approved under section 236(a) before the beginning of such break in training, and

"(2) the break is provided under such training program.".

(d) Supplemental Wage Allowance Demonstration Projects.—

(1) Subchapter C of chapter 2 of title II of the Trade Act of 1974 is amended by inserting after section 245 the following new section:

"SEC. 246. SUPPLEMENTAL WAGE ALLOWANCE DEMONSTRATION PROJECTS.

"(a) The Secretary shall establish and carry out one or more demonstration projects during fiscal years 1989 and 1990 for the purpose of—

"(1) determining the attractiveness of a supplemental wage allowance to various categories of workers eligible for assistance under this chapter, based on the amount and duration of the supplement;

"(2) determining the effectiveness of a supplemental wage allowance as an option under this chapter in facilitating the readjustment of adversely affected workers; and

"(3) determining whether a supplemental wage allowance should be made an option under the Trade Adjustment Assistance program for all fiscal years.

"(b)(1) For purposes of this section, the term 'supplemental wage allowance' means a payment that is made to an adversely affected worker who—

"(A) accepts full-time employment at an average weekly wage that is less than the average weekly wage of the worker in the adversely affected employment,

"(B) prior to such acceptance, is eligible for trade readjustment allowances under part I of subchapter B, and

"(C) voluntarily elects to receive such payment in lieu of any trade readjustment allowances that the worker would otherwise be eligible to receive with respect to the period covered by the certification made under subchapter A that applies to such worker.

"(2) A supplemental wage allowance shall be provided under any demonstration project established under subsection (a) to a worker described in paragraph (1) for each week during which the worker performs services in the full-time employment referred to in paragraph (1)(A) in an amount that does not exceed the lesser of—

"(A) the amount of the trade readjustment allowance that the worker would have been eligible to receive for any week under part 1 of subchapter B if the worker had not accepted the full-time employment and had not made the election described in paragraph (1)(C), or

"(B) the excess of—

"(i) an amount equal to 80 percent of the average weekly wage of the worker in the adversely affected employment, over

"(ii) the average weekly wage in the full-time employment.

"(3)(A) Supplemental wage allowances shall not be provided under any demonstration project established under subsection (a) for more than 52 weeks.

"(B) The total amount of supplemental wage allowances that may be paid to any worker under any demonstration project established under subsection (a) with respect to the period covered by the certification applicable to such worker shall not exceed an amount that is equal to the excess of—

"(i) the amount of the limitation imposed under section 233(a)(1) with respect to such worker for such period, over

"(ii) the amount of the trade readjustment allowances paid under part I of subchapter B to such worker for such period.

"(c) The Secretary shall provide for an evaluation of demonstration projects conducted under this section to determine at least the following:

"(1) the extent to which different age groups of eligible recipients utilize the supplemental wage allowance;

"(2) the effect of the amount and duration of the supplemental wage allowance on the utilization of the allowance;

"(3) the extent to which the supplemental wage allowance affects the demand for training and the appropriateness thereof;

"(4) the extent to which the supplemental wage allowance facilitates the readjustment of workers who would not otherwise utilize benefits provided under this chapter;

"(5) the extent to which the allowance affects the cost of carrying out the provisions of this chapter; and

"(6) the effectiveness of the supplemental wage allowance as an option under this chapter in facilitating the readjustment of adversely affected workers.

"(d) By no later than the date that is 3 years after the date of enactment of the Omnibus Trade and Competitiveness Act of 1988, the Secretary shall transmit to the Congress a report that includes—

"(1) an evaluation of the projects authorized under this section that is conducted in accordance with subsection (c), and

"(2) a recommendation as to whether the supplemental wage allowance should be available on a permanent basis as an option for some or all workers eligible for assistance under this chapter.".

(2) For purposes of funding the demonstration projects established under section 246(a) of the Trade Act of 1974, as added by paragraph (1) of this subsection—

(A) the supplemental wage allowances payable under such projects shall be considered to be trade readjustment allowances payable under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974, and

(B) the costs of administering such projects by the States shall be considered to be costs of administering such part I.

(3) The table of contents of the Trade Act of 1974 is amended by inserting after the item relating to section 245 the following new item:

"Sec. 246. Supplemental wage allowance demonstration projects.".

SEC. 1424. JOB TRAINING FOR WORKERS.

(a) In General.—Subsection (a) of section 236 of the Trade Act of 1974 (19 U.S.C. 2296(a)) is amended—

(1) by striking out "is available" in paragraph (1)(D) and inserting in lieu thereof "is reasonably available",

(2) by striking out ", and" at the end of subparagraph (D) of paragraph (1),

(3) by adding "and" at the end of subparagraph (E) of paragraph (1),

(4) by inserting after subparagraph (E) of paragraph (1) the following new subparagraph:

"(F) such training is suitable for the worker and available at a reasonable cost,",

(5) by striking out "(to the extent appropriated funds are available)" in the first sentence of paragraph (1),

(6) by inserting "(subject to the limitations imposed by this section)" after "costs of such training" in the second sentence of paragraph (1),

(7) by inserting "directly or through a voucher system" after "by the Secretary" in the second sentence of paragraph (1),

(8) by striking out "and" at the end of subparagraph (C) of paragraph (4),

(9) by redesignating subparagraph (D) of paragraph (4) as subparagraph (F) of paragraph (4),

(10) by inserting after subparagraph (C) of paragraph (4) the following new subparagraphs:

"(D) any program of remedial education,

"(E) any training program (other than a training program described in paragraph (7)) for which all, or any portion, of the costs of training the worker are paid—

"(i) under any Federal or State program other than this chapter, or

"(ii) from any source other than this section, and",

(11) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively,

(12) by inserting after paragraph (1) the following new paragraph:

"(2)(A) The total amount of payments that may be made under paragraph (1) for any fiscal year shall not exceed $80,000,000.

"(B) If, during any fiscal year, the Secretary estimates that the amount of funds necessary to pay the costs of training approved under this section will exceed the amount of the limitation imposed under subparagraph (A), the Secretary shall decide how the portion of such limitation that has not been expended at the time of such estimate is to be apportioned among the States for the remainder of such fiscal year.", and

(13) by adding at the end of subsection (a) the following new paragraphs:

"(6)(A) The Secretary is not required under paragraph (1) to pay the costs of any training approved under paragraph (1) to the extent that such costs are paid—

"(i) under any Federal or State program other than this chapter, or

"(ii) from any source other than this section.

"(B) Before approving any training to which subparagraph (A) may apply, the Secretary may require that the adversely affected worker enter into an agreement with the Secretary under which the Secretary will not be required to pay under this section the portion of the costs of such training that the worker has reason to believe will be paid under the program, or by the source, described in subparagraph (A) or (B) of paragraph (1).

"(7) The Secretary shall not approve a training program if—

"(A) all or a portion of the costs of such training program are paid under any nongovernmental plan or program,

"(B) the adversely affected worker has a right to obtain training or funds for training under such plan or program, and

"(C) such plan or program requires the worker to reimburse the plan or program from funds provided under this chapter, or from wages paid under such training program, for any portion of the costs of such training program paid under the plan or program.

"(8) The Secretary may approve training for any adversely affected worker who is a member of a group certified under subchapter A at any time after the date on which the group is certified under subchapter A, without regard to whether such worker has exhausted all rights to any unemployment insurance to which the worker is entitled.

"(9) The Secretary shall prescribe regulations which set forth the criteria under each of the subparagraphs of paragraph (1) that will be used as the basis for making determinations under paragraph (1).".

(b) Delayed Increase in Limitation.—Paragraph (2) of section 236(a) of the Trade Act of 1974, as added by subsection (a)(12) of this section, is amended by striking out "$80,000,000" in subparagraph (A) and inserting in lieu thereof "$120,000,000".

(c) On-the-Job Training.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

(1) by striking out that portion of subsection (d) that precedes paragraph (1) and inserting in lieu thereof the following:

"(d) The Secretary shall pay the costs of any on-the-job training of an adversely affected worker that is approved under subsection (a)(1) in equal monthly installments, but the Secretary may pay such costs, notwithstanding any other provision of this section, only if—",

(2) by striking out subsection (c), and

(3) by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively.

(d) Agreements With the States.—

(1)(A) Section 235 of the Trade Act of 1974 (19 U.S.C. 2295) is amended by striking out "cooperating State agencies" and inserting in lieu thereof "the States".

(B) Subsection (e) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(e)) is amended to read as follows:

"(e) Any agreement entered into under this section shall provide for the coordination of the administration of the provisions for employment services, training, and supplemental assistance under sections 235 and 236 of this Act and under title III of the Job Training Partnership Act upon such terms and conditions as are established by the Secretary in consultation with the States and set forth in such agreement. Any agency of the State jointly administering such provisions under such agreement shall be considered to be a cooperating State agency for purposes of this chapter.".

(2) Subsection (f) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(f)) is amended to read as follows:

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each worker who applies for unemployment insurance of the benefits under this chapter and the procedures and deadlines for applying for such benefits,

"(2) facilitate the early filing of petitions under section 221 for any workers that the agency considers are likely to be eligible for benefits under this chapter,

"(3) advise each adversely affected worker to apply for training under section 236(a) before, or at the same time, the worker applies for trade readjustment allowances under part I of subchapter B, and

"(4) as soon as practicable, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.".

SEC. 1425. LIMITATION ON PERIOD IN WHICH TRADE READJUSTMENT ALLOWANCES MAY BE PAID.

(a) In General.—Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended to read as follows:

"(2) A trade readjustment allowance shall not be paid for any week occurring after the close of the 104-week period that begins with the first week following the week in which the adversely affected worker was most recently totally separated from adversely affected employment—

"(A) within the period which is described in section 231(a)(1), and

"(B) with respect to which the worker meets the requirements of section 231(a)(2).".

(b) Waiver of Certain Time Limitations.—

(1) The provisions of subsections (a)(2) and (b) of section 233 of the Trade Act of 1974 shall not apply with respect to any worker who became totally separated from adversely affected employment (within the meaning of section 247 of such Act) during the period that began on August 13, 1981, and ended on April 7, 1986.

(2)(A) Any worker who is otherwise eligible for payment of a trade readjustment allowance under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974 by reason of paragraph (1) of this subsection may receive payments of such allowance only if such worker—

(i) is enrolled in a training program approved by the Secretary under section 236(a) of such Act, and

(ii) has been unemployed continuously since the date on which the worker became totally separated from the adversely affected employment, not taking into account seasonal employment, odd jobs, or part-time, temporary employment.

(B) If the Secretary of Labor determines that—

(i) a worker—

(I) has failed to begin participation in the training program the enrollment in which meets the requirement of subparagraph (A), or

(II) has ceased to participate in such training program before completing such training program, and

(ii) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the worker under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974 for the week in which such failure or cessation occurred, or any succeeding week, until the worker begins or resumes participation in a training program approved under section 236(a) of such Act.

SEC. 1426. AUTHORIZATION OF TRADE ADJUSTMENT ASSISTANCE PROGRAM.

(a) Extension of Sunset.—Subsection (b) of section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended to read as follows:

"(b) No assistance, vouchers, allowances, or other payments may be provided under chapter 2, no technical assistance may be provided under chapter 3, and no duty shall be imposed under section 287, after September 30, 1993.".

(b) Authorization of Appropriations.—

(1) Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1986, 1987, 1988, 1989, 1990, and 1991" and inserting in lieu thereof "1988, 1989, 1990, 1991, 1992, and 1993".

(2) Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking out "1986, 1987, 1988, 1989, 1990, and 1991" and inserting in lieu thereof "1988, 1989, 1990, 1991, 1992, and 1993".

(c) Special Rule.—In addition to amounts appropriated for payments under sections 236, 237, and 238 of the Trade Act of 1974 (19 U.S.C. 2296) for fiscal year 1988, such amounts as may be necessary for payments under such sections—

(1) after the date of enactment of this Act, and

(2) before October 1, 1988,

are hereby appropriated and shall be charged to the appropriation for payments under such sections for fiscal year 1989.

SEC. 1427. TRADE ADJUSTMENT ASSISTANCE TRUST FUND.

(a) In General.—Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391, et seq.) is amended by inserting after section 285 the following new section:

"SEC. 286. TRADE ADJUSTMENT ASSISTANCE TRUST FUND.

"(a) There is hereby established within the Treasury of the United States a trust fund to be known as the Trade Adjustment Assistance Trust Fund (hereinafter in this section referred to as the 'Trust Fund'), consisting of such amounts as may be transferred or credited to the Trust Fund as provided in this section or appropriated to the Trust Fund under subsection (e).

"(b)(1) The Secretary of the Treasury shall transfer to the Trust Fund out of the general fund of the Treasury of the United States amounts determined by the Secretary of the Treasury to be equivalent to the amounts received into such general fund that are attributable to the duty imposed by section 287.

"(2) The amounts which are required to be transferred under paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury of the United States to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in paragraph (1) that are received into the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

"(c)(1) The Secretary of the Treasury shall be the trustee of the Trust Fund, and shall submit an annual report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives on the financial condition and the results of the operations of the Trust Fund during the fiscal year preceding the fiscal year in which such report is submitted and on the expected condition and operations of the Trust Fund during the fiscal year in which such report is submitted and the 5 fiscal years succeeding such fiscal year. Such report shall be printed as a House document of the session of the Congress to which the report is made.

"(2)(A) The Secretary of the Treasury shall invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

"(i) on original issue at the issue price, or

"(ii) by purchase of outstanding obligations at the market price.

"(B) Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

"(C) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

"(d)(1) Amounts in the Trust Fund shall be available—

"(A) for the payment of drawbacks and refunds of the duty imposed by section 287 that are allowable under any other provision of Federal law,

"(B) as provided in appropriation Acts—

"(i) for expenditures that are required to carry out the provisions of chapters 2 and 3, including administrative costs, and

"(ii) for payments required under subsection (e)(2).

"(2) None of the amounts in the Trust Fund shall be available for the payment of loans guaranteed under chapter 3 or for any other expenses relating to financial assistance provided under chapter 3.

"(3)(A) If the total amount of funds expended in any fiscal year to carry out chapters 2 and 3 (including administrative costs) exceeds an amount equal to 0.15 percent of the total value of all articles upon which a duty was imposed by section 287 during the preceding 1-year period, the Secretary of Labor and the Secretary of Commerce (in consultation with the Secretary of the Treasury) shall, notwithstanding any provision of chapter 2 or 3, make a pro rata reduction in—

"(i) the amounts of the trade readjustment allowances that are paid under part I of subchapter B of chapter 2, and

"(ii) the assistance provided under chapter 3,

to ensure (based on estimates of the amount of funds that will be necessary to carry out chapters 2 and 3, and of the amount of revenue that will be raised by section 287, during the remainder of such fiscal year and for the fiscal year succeeding such fiscal year) that all workers and firms eligible for assistance under chapter 2 or 3 receive some assistance under chapter 2 or 3 and that the expenditures made in providing such assistance during the remainder of such fiscal year and the fiscal year succeeding such fiscal year do not exceed the amount of funds available in the Trust Fund to pay for such expenditures.

"(B) No reduction may be made under this paragraph in the amount of any trade readjustment allowance payable under part I of subchapter B of chapter 2 to any worker who received such trade readjustment allowance under such part for the week preceding the first week for which such reduction is otherwise being made under this paragraph.

"(C) If a pro rata reduction made under subparagraph (A) is in effect at the close of a fiscal year, the Secretary of Labor and the Secretary of Commerce, in consultation with the Secretary of the Treasury, may adjust or modify such reduction at the beginning of the fiscal year succeeding such fiscal year, based on estimates of the amount of funds that will be necessary to carry out chapters 2 and 3, and of the amount of revenue that will be raised by section 287, during that succeeding fiscal year.

"(D) Any pro rata reduction made under subparagraph (A), and any pro rata reduction adjusted or modified under subparagraph (C), shall cease to apply after the week in which—

"(i) a 1-year period ends during which the total amount of funds that would have been expended to carry out chapters 2 and 3, including administrative costs, if such reduction were not in effect did not exceed an amount equal to 0.15 percent of the total value of all articles upon which a duty was imposed during such 1-year period, or

"(ii) the Secretary of Labor and the Secretary of Commerce, in consultation with the Secretary of the Treasury, determine that the amount of funds available in the Trust Fund are sufficient to carry out chapters 2 and 3 without such reduction.

"(e)(1)(A) There are authorized to be appropriated to the Trust Fund, as repayable advances, such sums as may from time to time be necessary to make the expenditures described in subsection (d)(1)(B).

"(B) Any advance appropriated to the Trust Fund under the authority of subparagraph (A) may be paid to the Trust Fund only to the extent that the total amount of advances paid during the fiscal year to the Trust Fund from any appropriation authorized under subparagraph (A) that are outstanding after such advance is paid to the Trust Fund does not exceed the lesser of—

"(i) the excess of—

"(I) the total amount of funds that the Secretary of the Treasury (in consultation with the Secretary of Labor and the Secretary of Commerce) estimates will be necessary for the payments and expenditures described in subparagraphs (A) and (B) of subsection (d)(1) for such fiscal year, over

"(II) the total amount of funds that the Secretary of the Treasury estimates will be available in the Trust Fund during the fiscal year (determined without regard to any advances made under this subsection during such fiscal year), or

"(ii) the excess of—

"(I) an amount equal to 0.15 percent of the total value of all articles upon which the Secretary of the Treasury estimates a duty will be imposed by section 287 during such fiscal year, over

"(II) the amount described in clause (i)(II).

"(2) Advances made to the Trust Fund from appropriations authorized under paragraph (1)(A) shall be repaid, and interest on such advances shall be paid, to the general fund of the Treasury of the United States when the Secretary of the Treasury determines that sufficient funds are available in the Trust Fund for such purposes.

"(3) Interest on advances made from appropriations authorized under paragraph (1)(A) shall be at a rate determined by the Secretary of the Treasury (as of the close of the calendar month preceding the month in which the advance is made) to be equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the anticipated period during which the advance will be outstanding.".

(b) Conforming Amendment.—The table of contents for the Trade Act of 1974 is amended by inserting, after the item relating to section 285, the following new items:

"Sec. 286. Trade Adjustment Trust Fund.

"Sec. 287. Imposition of additional fee.".

SEC. 1428. IMPOSITION OF SMALL UNIFORM FEE ON ALL IMPORTS.

(a) Negotiations.—

(1) The President shall—

(A) undertake negotiations necessary to achieve changes in the General Agreement on Tariffs and Trade that would allow any country to impose a small uniform fee of not more than 0.15 percent on all imports to such country for the purpose of using the revenue from such fee to fund programs which directly assist adjustment to import competition, and

(B) undertake negotiations with any foreign country that has entered into a free trade agreement with the United States under subtitle A or under section 102 of the Trade Act of 1974 to obtain the consent of such country to the imposition of such a fee by the United States.

(2) In the report that is submitted under section 163 of the Trade Act of 1974 for 1989 and 1990, the President shall include a statement on the progress of negotiations conducted under paragraph (1).

(3)(A) On the first day after the date of enactment of this Act on which the General Agreement on Tariffs and Trade allows any country to impose a fee described in paragraph (1), the President shall submit to the Congress, and publish in the Federal Register, a written statement certifying such allowance.

(B) On the first day after the date of enactment of this Act on which any foreign country described in paragraph (1)(B) consents to the imposition of such a fee by the United States, the President shall submit to the Congress, and publish in the Federal Register, a written statement certifying such consent.

(4) If—

(A) the President does not submit to the Congress the written statement described in paragraph (3)(A) before the date that is 2 years after the date of enactment of this Act, and

(B) the President determines on such date that the fee imposed by the amendment made by subsection (b) is not in the national economic interest,

the President shall submit to the Congress, and publish in the Federal Register, written notice of such determination on such date.

(5)(A) Any disapproval resolution that is introduced in the Senate or House of Representatives within the 90-day period beginning on the date that is 2 years after the date of enactment of this Act shall, for purposes of section 152 of the Trade Act of 1974 (19 U.S.C. 2192), be treated as a joint resolution described in section 152(a)(1)(A) of such Act.

(B) For purposes of this part, the term "disapproval resolution" means a joint resolution of the two Houses of the Congress, the matter after the resolving clause of which is as follows: "That the Congress disapproves of the determination made by the President under section 1428(a)(4)(A) of the Omnibus Trade and Competitiveness Act of 1988.".

(b) Imposition of Fee.—Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391, et seq.), as amended by the preceding section of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 287. IMPOSITION OF ADDITIONAL FEE.

"(a) In addition to any other fee imposed by law, there is hereby imposed a fee on all articles entered, or withdrawn from warehouse, for consumption in the customs territory of the United States during any fiscal year.

"(b)(1) The rate of the fee imposed by subsection (a) shall be a uniform ad valorem rate proclaimed by the President that is equal to the lesser of—

"(A) 0.15 percent, or

"(B) the percentage that is sufficient to provide the funding necessary to—

"(i) carry out the provisions of chapters 2 and 3, and

"(ii) repay any advances made under section 286(e).

"(2) The President shall issue a proclamation setting forth the rate of the fee imposed by subsection (a) by no later than the date that is 15 days before the first date on which a fee is imposed under subsection (a).

"(3)(A) For each fiscal year succeeding the first fiscal year in which a fee is imposed under subsection (a), the President shall issue a proclamation adjusting the rate of the fee imposed by subsection (a) during such fiscal year to the ad valorem rate that meets the requirements of paragraph (1) for such fiscal year.

"(B) Any proclamation issued under subparagraph (A) for a fiscal year shall be issued at least 30 days before the beginning of such fiscal year.

"(c)(1) Except as otherwise provided in this subsection, duty-free treatment provided with respect to any article under any other provision of law shall not prevent the imposition of a fee with respect to such article by subsection (a).

"(2) No fee shall be imposed by subsection (a) with respect to—

"(A) any article (other than an article provided for in item 870.40, 870.45, 870.50, 870.55, or 870.60 of the Tariff Schedules of the United States) that is treated as duty-free under schedule 8 of the Tariff Schedules of the United States, or

"(B) any article which has a value of less than $1,000.".

SEC. 1429. STUDY OF CERTIFICATION METHODS.

(a) In General.—The Secretary of Labor, in consultation with the Secretary of Commerce, shall conduct a study of the methods (including, but not limited to, industry-wide certification) that could be used to expedite the certification of workers under subchapter A of chapter 2 of title II of the Trade Act of 1974.

(b) Report.—By no later than the date that is 6 months after the date of enactment of this Act, the Secretary of Labor shall submit to the Congress a report on the study conducted under subsection (a). The report shall include the recommendations of the Secretary of Labor regarding the methods that are the subject of the study conducted under subsection (a).

SEC. 1430. EFFECTIVE DATES.

(a) In General.—Except as otherwise provided by this section, the amendments made by this part shall take effect on the date of enactment of this Act.

(b) Additional Fee.—

(1) Except as otherwise provided in this subsection, the amendment made by section 1428(b) shall apply (if at all) to any article entered, or withdrawn from warehouse for consumption, after the date that is 30 days after the earlier of—

(A) the date on which the President submits to the Congress the written statement described in section 1428(a)(3)(A),

(B) the date that is 2 years after the date of enactment of this Act, or

(C) the date of the enactment of a disapproval resolution that passes both Houses of the Congress within the 90-day period beginning on the date that is 2 years after the date of enactment of this Act.

(2) If the President determines on the date that is 2 years after the date of enactment of this Act that the fee imposed by the amendment made by section 1428(b) is not in the national economic interest, subparagraph (B) of paragraph (1) shall not be taken into account in applying the provisions of paragraph (1).

(3) The amendment made by section 1428(b) shall apply (if at all) to the products of any foreign country described in section 1428(a)(1)(B) that are entered, or withdrawn from warehouse for consumption, after the later of—

(A) the first date on which the fee imposed by such amendment applies with respect to products of foreign countries that are not described in section 1428(a)(1)(B), or

(B) the date on which the President submits to the Congress the written statement described in section 1428(a)(3)(B) certifying the consent of such foreign country to the imposition of the fee.

(c) Trust Fund.—The amendments made by section 1427 shall take effect on the first date on which the amendment made by section 1428(b) applies with respect to any articles.

(d) Eligibility of Workers and Firms.—The amendments made by sections 1421(b) and 1424(b) shall take effect on the date that is 1 year after the first date on which the amendment made by section 1428(b) applies with respect to any articles.

(e) Notification Requirements.—The amendments made by section 1422 shall take effect on the date that is 30 days after the date of enactment of this Act.

(f) Training Requirement.—The amendments made by subsections (a), (b)(2), and (c)(2) of section 1423 and by paragraphs (2) and (3) of section 1424(c) shall take effect on the date that is 90 days after the date of enactment of this Act.

(g) Limitation on Period for Which Trade Readjustment Allowances May Be Made.—The amendment made by section 1425(a) shall not apply to with respect to any total separation of a worker from adversely affected employment (within the meaning of section 247 of such Act) that occurs before the date of enactment of this Act if the application of such amendment with respect to such total separation would reduce the period for which such worker would (but for such amendment) be allowed to receive trade readjustment allowances under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974.

Subtitle E—National Security

SEC. 1501. IMPORTS THAT THREATEN NATIONAL SECURITY.

(a) In General.—Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862) is amended—

(1) by striking out "subsection (b)" each place it appears in subsection (e) and inserting in lieu thereof "subsection (c)",

(2) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively, and

(3) by striking out subsection (b) and inserting in lieu thereof the following new subsections:

"(b)(1)(A) Upon request of the head of any department or agency, upon application of an interested party, or upon his own motion, the Secretary of Commerce (hereafter in this section referred to as the 'Secretary') shall immediately initiate an appropriate investigation to determine the effects on the national security of imports of the article which is the subject of such request, application, or motion.

"(B) The Secretary shall immediately provide notice to the Secretary of Defense of any investigation initiated under this section.

"(2)(A) In the course of any investigation conducted under this subsection, the Secretary shall—

"(i) consult with the Secretary of Defense regarding the methodological and policy questions raised in any investigation initiated under paragraph (1),

"(ii) seek information and advice from, and consult with, appropriate officers of the United States, and

"(iii) if it is appropriate and after reasonable notice, hold public hearings or otherwise afford interested parties an opportunity to present information and advice relevant to such investigation.

"(B) Upon the request of the Secretary, the Secretary of Defense shall provide the Secretary an assessment of the defense requirements of any article that is the subject of an investigation conducted under this section.

"(3)(A) By no later than the date that is 270 days after the date on which an investigation is initiated under paragraph (1) with respect to any article, the Secretary shall submit to the President a report on the findings of such investigation with respect to the effect of the importation of such article in such quantities or under such circumstances upon the national security and, based on such findings, the recommendations of the Secretary for action or inaction under this section. If the Secretary finds that such article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, the Secretary shall so advise the President in such report.

"(B) Any portion of the report submitted by the Secretary under subparagraph (A) which does not contain classified information or proprietary information shall be published in the Federal Register.

"(4) The Secretary shall prescribe such procedural regulations as may be necessary to carry out the provisions of this subsection.

"(c)(1)(A) Within 90 days after receiving a report submitted under subsection (b)(3)(A) in which the Secretary finds that an article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, the President shall—

"(i) determine whether the President concurs with the finding of the Secretary, and

"(ii) if the President concurs, determine the nature and duration of the action that, in the judgment of the President, must be taken to adjust the imports of the article and its derivatives so that such imports will not threaten to impair the national security.

"(B) If the President determines under subparagraph (A) to take action to adjust imports of an article and its derivatives, the President shall implement that action by no later than the date that is 15 days after the day on which the President determines to take action under subparagraph (A).

"(2) By no later than the date that is 30 days after the date on which the President makes any determinations under paragraph (1), the President shall submit to the Congress a written statement of the reasons why the President has decided to take action, or refused to take action, under paragraph (1). Such statement shall be included in the report published under subsection (e).

"(3)(A) If—

"(i) the action taken by the President under paragraph (1) is the negotiation of an agreement which limits or restricts the importation into, or the exportation to, the United States of the article that threatens to impair national security, and

"(ii) either—

"(I) no such agreement is entered into before the date that is 180 days after the date on which the President makes the determination under paragraph (1)(A) to take such action, or

"(II) such an agreement that has been entered into is not being carried out or is ineffective in eliminating the threat to the national security posed by imports of such article,

the President shall take such other actions as the President deems necessary to adjust the imports of such article so that such imports will not threaten to impair the national security. The President shall publish in the Federal Register notice of any additional actions being taken under this section by reason of this subparagraph.

"(B) If—

"(i) clauses (i) and (ii) of subparagraph (A) apply, and

"(ii) the President determines not to take any additional actions under this subsection,

the President shall publish in the Federal Register such determination and the reasons on which such determination is based.".

(b) Reports.—

(1) Subsection (e) of section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862), as redesignated by subsection (a)(2), is amended to read as follows:

"(d)(1) Upon the disposition of each request, application, or motion under subsection (b), the Secretary shall submit to the Congress, and publish in the Federal Register, a report on such disposition.

"(2) The President shall submit to the Congress an annual report on the operation of the provisions of this section.".

(2) Section 127(c) of the Trade Act of 1974 (19 U.S.C. 1863) is repealed.

(c) Enforcement of Machine Tool Import Arrangements.—

(1) The Secretary of Commerce is authorized to request the Secretary of the Treasury to carry out such actions as may be necessary or appropriate to ensure the attainment of the objectives of the machine tool decision of the President on May 20, 1986, and to enforce any quantitative limitation, restriction, or other terms contained in related bilateral arrangements. Such actions may include, but are not limited to, requirements that valid export licenses or other documentation issued by a foreign government be presented as a condition for the entry into the United States of assembled and unassembled machine tool products.

(2) For purposes of this subsection, the term "related bilateral arrangement" means any arrangement, agreement, or understanding entered into or undertaken, or previously entered into or undertaken, by the United States and any foreign country or customs union containing such quantitative limitations, restrictions, or other terms relating to the importation into, or exportation to, the United States of categories of assembled and unassembled machine tool products as may be necessary to implement such machine tool decision of May 20, 1986.

(d) Application of Amendments.—

(1) Except as otherwise provided under this subsection, the amendments made by this section shall apply with respect to investigations initiated under section 232(b) of the Trade Expansion Act of 1962 on or after the date of enactment of this Act.

(2) The provisions of subsection (c) of section 232 of the Trade Expansion Act of 1962, as amended by this section, shall apply with respect to any report submitted by the Secretary of Commerce to the President under section 232(b) of such Act after the date of enactment of this Act.

(3) By no later than the date that is 90 days after the date of enactment of this Act, the President shall make the determinations described in section 232(c)(1)(A) of the Trade Expansion Act of 1962, as amended by this section, with respect to any report—

(A) which was submitted by the Secretary of Commerce to the President under section 232(b) of such Act before the date of enactment of this Act, and

(B) with respect to which no action has been taken by the President before the date of enactment of this Act.

Subtitle F—Trade Agencies; Advice, Consultation, and Reporting Regarding Trade Matters

PART 1—FUNCTIONS AND ORGANIZATION OF TRADE AGENCIES

Subpart A—Office of the United States Trade Representative

SEC. 1601. FUNCTIONS.

(a) In General.—Section 141(c) of the Trade Act of 1974 (19 U.S.C. 2171(c)) is amended—

(1) by amending paragraph (1) to read as follows:

"(c)(1) The United States Trade Representative shall—

"(A) have primary responsibility for developing, and for coordinating the implementation of, United States international trade policy, including commodity matters, and, to the extent they are related to international trade policy, direct investment matters;

"(B) serve as the principal advisor to the President on international trade policy and shall advise the President on the impact of other policies of the United States Government on international trade;

"(C) have lead responsibility for the conduct of, and shall be the chief representative of the United States for, international trade negotiations, including commodity and direct investment negotiations, in which the United States participates;

"(D) issue and coordinate policy guidance to departments and agencies on basic issues of policy and interpretation arising in the exercise of international trade functions, to the extent necessary to assure the coordination of international trade policy and consistent with any other law;

"(E) act as the principal spokesman of the President on international trade;

"(F) report directly to the President and the Congress regarding, and be responsible to the President and the Congress for the administration of, trade agreements programs;

"(G) advise the President and Congress with respect to nontariff barriers to international trade, international commodity agreements, and other matters which are related to the trade agreements programs;

"(H) be responsible for making reports to Congress with respect to matters referred to in subparagraphs (C) and (F);

"(I) be chairman of the interagency trade organization established under section 242(a) of the Trade Expansion Act of 1962, and shall consult with and be advised by such organization in the performance of his functions; and

"(J) in addition to those functions that are delegated to the United States Trade Representative as of the date of the enactment of the Omnibus Trade and Competitiveness Act of 1988, be responsible for such other functions as the President may direct.";

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(3) by inserting after paragraph (1) the following:

"(2) It is the sense of Congress that the United States Trade Representative should—

"(A) be the senior representative on any body that the President may establish for the purpose of providing to the President advice on overall economic policies in which international trade matters predominate; and

"(B) be included as a participant in all economic summit and other international meetings at which international trade is a major topic.".

(b) Unfair Trade Practices.—Such section 141 is further amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d)(1) In carrying out subsection (c) with respect to unfair trade practices, the United States Trade Representative shall—

"(A) coordinate the application of interagency resources to specific unfair trade practice cases;

"(B) identify, and refer to the appropriate Federal department or agency for consideration with respect to action, each act, policy, or practice referred to in the report required under section 181(b), or otherwise known to the United States Trade Representative on the basis of other available information, that may be an unfair trade practice that either—

"(i) is considered to be inconsistent with the provisions of any trade agreement and has a significant adverse impact on United States commerce, or

"(ii) has a significant adverse impact on domestic firms or industries that are either too small or financially weak to initiate proceedings under the trade laws;

"(C) identify practices having a significant adverse impact on United States commerce that the attainment of United States negotiating objectives would eliminate; and

"(D) identify, on a biennial basis, those United States Government policies and practices that, if engaged in by a foreign government, might constitute unfair trade practices under United States law.

"(2) For purposes of carrying out paragraph (1), the United States Trade Representative shall be assisted by an interagency unfair trade practices advisory committee composed of the Trade Representative, who shall chair the committee, and senior representatives of the following agencies, appointed by the respective heads of those agencies:

"(A) The Bureau of Economics and Business Affairs of the Department of State.

"(B) The United States and Foreign Commercial Services of the Department of Commerce.

"(C) The International Trade Administration (other than the United States and Foreign Commercial Service) of the Department of Commerce.

"(D) The Foreign Agricultural Service of the Department of Agriculture.

The United States Trade Representative may also request the advice of the United States International Trade Commission regarding the carrying out of paragraph (1).

"(3) For purposes of this subsection, the term 'unfair trade practice' means any act, policy, or practice that—

"(A) may be a subsidy with respect to which countervailing duties may be imposed under subtitle A of title VII;

"(B) may result in the sale or likely sale of foreign merchandise with respect to which antidumping duties may be imposed under subtitle B of title VII;

"(C) may be either an unfair method of competition, or an unfair act in the importation of articles into the United States, that is unlawful under section 337; or

"(D) may be an act, policy, or practice of a kind with respect to which action may be taken under title III of the Trade Act of 1974.".

Subpart B—United States International Trade Commission

SEC. 1611. SERVICE ON COMMISSION FOR PURPOSES OF DETERMINING ELIGIBILITY FOR DESIGNATION AS CHAIRMAN.

Section 330(c)(A)(i) of the Tariff Act of 1930 (19 U.S.C. 1330(c)(A)(i)) is amended by striking out "most recently appointed to" and inserting "with the shortest period of service on".

SEC. 1612. TREATMENT OF COMMISSION UNDER PAPERWORK REDUCTION ACT.

Section 330 of the Tariff Act of 1930 (19 U.S.C. 1330) is amended by adding at the end thereof the following new subsection:

"(f) The Commission shall be considered to be an independent regulatory agency for purposes of chapter 35 of title 44, United States Code.".

SEC. 1613. TREATMENT OF CONFIDENTIAL INFORMATION BY COMMISSION.

The first sentence of section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) is amended by striking out ", and shall report to Congress" and inserting ". However, the Commission may not release information which the Commission considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Commission, or such party subsequently consents to the release of the information. The Commission shall report to Congress.".

SEC. 1614. TRADE REMEDY ASSISTANCE OFFICE.

Section 339 of the Tariff Act of 1930 (19 U.S.C. 1339) is amended—

(1) by amending subsection (a)—

(A) by striking out "a Trade" and inserting "a separate office to be known as the Trade", and

(B) by striking out ", upon request, concerning—" and inserting "upon request and shall, to the extent feasible, provide assistance and advice to interested parties concerning—"; and

(2) by amending subsection (b) to read as follows:

"(b) The Trade Remedy Assistance Office, in coordination with each agency responsible for administering a trade law, shall provide technical and legal assistance and advice to eligible small businesses to enable them—

"(1) to prepare and file petitions and applications (other than those which, in the opinion of the Office, are frivolous); and

"(2) to seek to obtain the remedies and benefits available under the trade laws, including any administrative review or administrative appeal thereunder.".

Subpart C—Interagency Trade Organization

SEC. 1621. FUNCTIONS AND ORGANIZATION.

(a) IN GENERAL.—Section 242 of the Trade Expansion Act of 1962 (19 U.S.C. 1872) is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a)(1) The President shall establish an interagency organization.

"(2) The functions of the organization are—

"(A) to assist, and make recommendations to, the President in carrying out the functions vested in him by the trade laws and to advise the United States Trade Representative (hereinafter in this section referred to as the 'Trade Representative') in carrying out the functions set forth in section 141 of the Trade Act of 1974;

"(B) to assist the President, and advise the Trade Representative, with respect to the development and implementation of the international trade policy objectives of the United States; and

"(C) to advise the President and the Trade Representative with respect to the relationship between the international trade policy objectives of the United States and other major policy areas which may significantly affect the overall international trade policy and trade competitiveness of the United States.

"(3) The interagency organization shall be composed of the following:

"(A) The Trade Representative, who shall be chairperson.

"(B) The Secretary of Commerce.

"(C) The Secretary of State.

"(D) The Secretary of the Treasury.

"(E) The Secretary of Agriculture.

"(F) The Secretary of Labor.

The Trade Representative may invite representatives from other agencies, as appropriate, to attend particular meetings if subject matters of specific functional interest to such agencies are under consideration. It shall meet at such times and with respect to such matters as the President or the Chairman shall direct.".

(2) Subsection (b) is amended by adding at the end thereof the following:

"In carrying out its functions under this subsection, the organization shall take into account the advice of the congressional advisers and private sector advisory committees, as well as that of any committee or other body established to advise the department, agency, or office which a member of the organization heads.".

(b) SENSE OF CONGRESS.—It is the sense of Congress that the interagency organization established under subsection (a) should be the principal interagency forum within the executive branch on international trade policy matters.

PART 2—ADVICE AND CONSULTATION REGARDING TRADE POLICY, NEGOTIATIONS, AND AGREEMENTS

SEC. 1631. INFORMATION AND ADVICE FROM PRIVATE AND PUBLIC SECTORS RELATING TO TRADE POLICY AND AGREEMENTS.

Section 135 of the Trade Act of 1974 (19 U.S.C. 2155) is amended to read as follows:

"SEC. 135. INFORMATION AND ADVICE FROM PRIVATE AND PUBLIC SECTORS.

"(a) IN GENERAL.—

"(1) The President shall seek information and advice from representative elements of the private sector and the non-Federal governmental sector with respect to—

"(A) negotiating objectives and bargaining positions before entering into a trade agreement under this title or section 1102 of the Omnibus Trade and Competitiveness Act of 1988;

"(B) the operation of any trade agreement once entered into; and

"(C) other matters arising in connection with the development, implementation, and administration of the trade policy of the United States, including those matters referred to in Reorganization Plan Number 3 of 1979 and Executive Order Numbered 12188, and the priorities for actions thereunder.

To the maximum extent feasible, such information and advice on negotiating objectives shall be sought and considered before the commencement of negotiations.

"(2) The President shall consult with representative elements of the private sector and the non-Federal governmental sector on the overall current trade policy of the United States. The consultations shall include, but are not limited to, the following elements of such policy:

"(A) The principal multilateral and bilateral trade negotiating objectives and the progress being made toward their achievement.

"(B) The implementation, operation, and effectiveness of recently concluded multilateral and bilateral trade agreements and resolution of trade disputes.

"(C) The actions taken under the trade laws of the United States and the effectiveness of such actions in achieving trade policy objectives.

"(D) Important developments in other areas of trade for which there must be developed a proper policy response.

"(3) The President shall take the advice received through consultation under paragraph (2) into account in determining the importance which should be placed on each major objective and negotiating position that should be adopted in order to achieve the overall trade policy of the United States.

"(b) Advisory Committee for Trade Policy and Negotiations.—

"(1) The President shall establish an Advisory Committee for Trade Policy and Negotiations to provide overall policy advice on matters referred to in subsection (a). The committee shall be composed of not more than 45 individuals and shall include representatives of non-Federal governments, labor, industry, agriculture, small business, service industries, retailers, and consumer interests. The committee shall be broadly representative of the key sectors and groups of the economy, particularly with respect to those sectors and groups which are affected by trade. Members of the committee shall be recommended by the United States Trade Representative and appointed by the President for a term of 2 years. An individual may be reappointed to committee for any number of terms. Appointments to the Committee shall be made without regard to political affiliation.

"(2) The committee shall meet as needed at the call of the United States Trade Representative or at the call of two-thirds of the members of the committee. The chairman of the committee shall be elected by the committee from among its members.

"(3) The United States Trade Representative shall make available to the committee such staff, information, personnel, and administrative services and assistance as it may reasonably require to carry out its activities.

"(c) General Policy, Sectoral, or Functional Advisory Committees.—

"(1) The President may establish individual general policy advisory committees for industry, labor, agriculture, services, investment, defense, and other interests, as appropriate, to provide general policy advice on matters referred to in subsection (a). Such committees shall, insofar as is practicable, be representative of all industry, labor, agricultural, service, investment, defense, and other interests, respectively, including small business interests, and shall be organized by the United States Trade Representative and the Secretaries of Commerce, Defense, Labor, Agriculture, the Treasury, or other executive departments, as appropriate. The members of such committees shall be appointed by the United States Trade Representative in consultation with such Secretaries.

"(2) The President shall establish such sectoral or functional advisory committees as may be appropriate. Such committees shall, insofar as is practicable, be representative of all industry, labor, agricultural, or service interests (including small business interests) in the sector or functional areas concerned. In organizing such committees, the United States Trade Representative and the Secretaries of Commerce, Labor, Agriculture, the Treasury, or other executive departments, as appropriate, shall—

"(A) consult with interested private organizations; and

"(B) take into account such factors as—

"(i) patterns of actual and potential competition between United States industry and agriculture and foreign enterprise in international trade,

"(ii) the character of the nontariff barriers and other distortions affecting such competition,

"(iii) the necessity for reasonable limits on the number of such advisory committees,

"(iv) the necessity that each committee be reasonably limited in size, and

"(v) in the case of each sectoral committee, that the product lines covered by each committee be reasonably related.

"(3) The President—

"(A) may, if necessary, establish policy advisory committees representing non-Federal governmental interests to provide policy advice—

"(i) on matters referred to in subsection (a), and

"(ii) with respect to implementation of trade agreements, and

"(B) shall include as members of committees established under subparagraph (A) representatives of non-Federal governmental interests if he finds such inclusion appropriate after consultation by the United States Trade Representative with such representatives.

"(4) Appointments to each committee established under paragraph (1), (2), or (3) shall be made without regard to political affiliation.

"(d) Policy, Technical, and Other Advice and Information.—Committees established under subsection (c) shall meet at the call of the United States Trade Representative and the Secretaries of Agriculture, Commerce, Labor, Defense, or other executive departments, as appropriate, to provide policy advice, technical advice and information, and advice on other factors relevant to the matters referred to in subsection (a).

"(e) Meeting of Advisory Committees at Conclusion of Negotiations.—

"(1) The Advisory Committee for Trade Policy and Negotiations, each appropriate policy advisory committee, and each sectoral or functional advisory committee, if the sector or area which such committee represents is affected, shall meet at the conclusion of negotiations for each trade agreement entered into under section 1102 of the Omnibus Trade and Competitiveness Act of 1988, to provide to the President, to Congress, and to the United States Trade Representative a report on such agreement. Each report that applies to a trade agreement entered into under section 1102 of the Omnibus Trade and Competitiveness Act of 1988 shall be provided under the preceding sentence not later than the date on which the President notifies the Congress under section 1103(a)(1)(A) of such Act of 1988 of his intention to enter into that agreement.

"(2) The report of the Advisory Committee for Trade Policy and Negotiations and each appropriate policy advisory committee shall include an advisory opinion as to whether and to what extent the agreement promotes the economic interests of the United States and achieves the applicable overall and principal negotiating objectives set forth in section 1101 of the Omnibus Trade and Competitiveness Act of 1988, as appropriate.

"(3) The report of the appropriate sectoral or functional committee under paragraph (1) shall include an advisory opinion as to whether the agreement provides for equity and reciprocity within the sector or within the functional area.

"(f) Application of Federal Advisory Committee Act.—The provisions of the Federal Advisory Committee Act apply—

"(1) to the Advisory Committee for Trade Policy and Negotiations established under subsection (b); and

"(2) to all other advisory committees which may be established under subsection (c); except that the meetings of advisory committees established under subsections (b) and (c) shall be exempt from the requirements of subsections (a) and (b) of sections 10 and 11 of the Federal Advisory Committee Act (relating to open meetings, public notice, public participation, and public availability of documents), whenever and to the extent it is determined by the President or his designee that such meetings will be concerned with matters the disclosure of which would seriously compromise the development by the United States Government of trade policy, priorities, negotiating objectives or bargaining positions with respect to matters referred to in subsection (a), and that meetings may be called of such special task forces, plenary meetings of chairmen, or other such groups made up of members of the committees established under subsections (b) and (c).

"(g) Trade Secrets and Confidential Information.—

"(1) Trade secrets and commercial or financial information which is privileged or confidential, and which is submitted in confidence by the private sector or non-Federal government to officers or employees of the United States in connection with trade negotiations, may be disclosed upon request to—

"(A) officers and employees of the United States designated by the United States Trade Representative;

"(B) members of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate who are designated as official advisers under section 161(a)(1) or are designated by the chairmen of either such committee under section 161(b)(3)(A) and staff members of either such committee designated by the chairmen under section 161(b)(3)(A); and

"(C) members of any committee of the House or Senate or any joint committee of Congress who are designated as advisers under section 161(a)(2) or designated by the chairman of such committee under section 161(b)(3)(B) and staff members of such committee designated under section 161(b)(3)(B), but disclosure may be made under this subparagraph only with respect to trade secrets or commercial or financial information that is relevant to trade policy matters or negotiations that are within the legislative jurisdiction of such committee;

for use in connection with matters referred to in subsection (a).

"(2) Information other than that described in paragraph (1), and advice submitted in confidence by the private sector or non-Federal government to officers or employees of the United States, to the Advisory Committee for Trade Policy and Negotiations, or to any advisory committee established under subsection (c), in connection with matters referred to in subsection (a), may be disclosed upon request to—

"(A) the individuals described in paragraph (1); and

"(B) the appropriate advisory committee established under this section.

"(3) Information submitted in confidence by officers or employees of the United

States to the Advisory Committee for Trade Policy and Negotiations, or to any advisory committee established under subsection (c), may be disclosed in accordance with rules issued by the United States Trade Representative and the Secretaries of Commerce, Labor, Defense, Agriculture, or other executive departments, as appropriate, after consultation with the relevant advisory committees established under subsection (c). Such rules shall define the categories of information which require restricted or confidential handling by such committee considering the extent to which public disclosure of such information can reasonably be expected to prejudice the development of trade policy, priorities, or United States negotiating objectives. Such rules shall, to the maximum extent feasible, permit meaningful consultations by advisory committee members with persons affected by matters referred to in subsection (a).

"(h) Advisory Committee Support.—The United States Trade Representative, and the Secretaries of Commerce, Labor, Defense, Agriculture, the Treasury, or other executive departments, as appropriate, shall provide such staff, information, personnel, and administrative services and assistance to advisory committees established under subsection (c) as such committees may reasonably require to carry out their activities.

"(i) Consultation With Advisory Committees; Procedures; Nonacceptance of Committee Advice or Recommendations.—It shall be the responsibility of the United States Trade Representative, in conjunction with the Secretaries of Commerce, Labor, Agriculture, the Treasury, or other executive departments, as appropriate, to adopt procedures for consultation with and obtaining information and advice from the advisory committees established under subsection (c) on a continuing and timely basis. Such consultation shall include the provision of information to each advisory committee as to—

"(1) significant issues and developments; and

"(2) overall negotiating objectives and positions of the United States and other parties;

with respect to matters referred to in subsection (a). The United States Trade Representative shall not be bound by the advice or recommendations of such advisory committees, but shall inform the advisory committees of significant departures from such advice or recommendations made. In addition, in the course of consultations with the Congress under this title, information on the advice and information provided by advisory committees shall be made available to congressional advisers.

"(j) Private Organizations or Groups.—In addition to any advisory committee established under this section, the President shall provide adequate, timely and continuing opportunity for the submission on an informal basis (and, if such information is submitted under the provisions of subsection (g), on a confidential basis) by private organizations or groups, representing government, labor, industry, agriculture, small business, service industries, consumer interests, and others, of statistics, data and other trade information, as well as policy recommendations, pertinent to any matter referred to in subsection (a).

"(k) Scope of Participation by Members of Advisory Committees.—Nothing contained in this section shall be construed to authorize or permit any individual to participate directly in any negotiation of any matters referred to in subsection (a). To the maximum extent practicable, the members of the committees established under subsections (b) and (c), and other appropriate parties, shall be informed and consulted before and during any such negotiations. They may be designated as advisors to a negotiating delegation, and may be permitted to participate in international meetings to the extent the head of the United States delegation deems appropriate. However, they may not speak or negotiate for the United States.

"(l) Advisory Committees Established by Department of Agriculture.—The provisions of title XVIII of the Food and Agriculture Act of 1977 (7 U.S.C. 2281 et seq.) shall not apply to any advisory committee established under subsection (c).

"(m) Non-Federal Government Defined.—As used in this section, the term 'non-Federal government' means—

"(1) any State, territory, or possession of the United States, or the District of Columbia, or any political subdivision thereof; or

"(2) any agency or instrumentality of any entity described in paragraph (1).".

SEC. 1632. CONGRESSIONAL LIAISON REGARDING TRADE POLICY AND AGREEMENTS.

Section 161 of the Trade Act of 1974 (19 U.S.C. 2211) is amended to read as follows:

"SEC. 161. CONGRESSIONAL ADVISERS FOR TRADE POLICY AND NEGOTIATIONS.

"(a) Selection.—

"(1) At the beginning of each regular session of Congress, the Speaker of the House of Representatives, upon the recommendation of the chairman of the Committee on Ways and Means, shall select 5 members (not more than 3 of whom are members of the same political party) of such committee, and the President pro tempore of the Senate, upon the recommendation of the chairman of the Committee on Finance, shall select 5 members (not more than 3 of whom are members of the same political party) of such committee, who shall be designated congressional advisers on trade policy and negotiations. They shall provide advice on the development of trade policy and priorities for the implementation thereof. They shall also be accredited by the United States Trade Representative on behalf of the President as official advisers to the United States delegations to international conferences, meetings, and negotiating sessions relating to trade agreements.

"(2)(A) In addition to the advisers designated under paragraph (1) from the Committee on Ways and Means and the Committee on Finance—

"(i) the Speaker of the House may select additional members of the House, for designation as congressional advisers regarding specific trade policy matters or negotiations, from any other committee of the House or joint committee of Congress that has jurisdiction over legislation likely to be affected by such matters or negotiations; and

"(ii) the President pro tempore of the Senate may select additional members of the Senate, for designation as congressional advisers regarding specific trade policy matters or negotiations, from any other committee of the Senate or joint committee of Congress that has jurisdiction over legislation likely to be affected by such matters or negotiations.

Members of the House and Senate selected as congressional advisers under this subparagraph shall be accredited by the United States Trade Representative.

"(B) Before designating any member under subparagraph (A), the Speaker or the President pro tempore shall consult with—

"(i) the chairman and ranking member of the Committee on Ways and Means or the Committee on Finance, as appropriate; and

"(ii) the chairman and ranking minority member of the committee from which the member will be selected.

"(C) Not more than 3 members (not more than 2 of whom are members of the same political party) may be selected under this paragraph as advisers from any committee of Congress.

"(b) Briefing.—

"(1) The United States Trade Representative shall keep each official adviser designated under subsection (a)(1) currently informed on matters affecting the trade policy of the United States and, with respect to possible agreements, negotiating objectives, the status of negotiations in progress, and the nature of any changes in domestic law or the administration thereof which may be recommended to Congress to carry out any trade agreement or any requirement of, amendment to, or recommendation under, such agreement.

"(2) The United States Trade Representative shall keep each official adviser designated under subsection (a)(2) currently informed regarding the trade policy matters and negotiations with respect to which the adviser is designated.

"(3)(A) The chairmen of the Committee on Ways and Means and the Committee on Finance may designate members (in addition to the official advisers under subsection (a)(1)) and staff members of their respective committees who shall have access to the information provided to official advisers under paragraph (1).

"(B) The Chairman of any committee of the House or Senate or any joint committee of Congress from which official advisers are selected under subsection (a)(2) may designate other members of such committee, and staff members of such committee, who shall have access to the information provided to official advisers under paragraph (2).

"(c) Committee Consultation.—The United States Trade Representative shall consult on a continuing basis with the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and the other appropriate committees of the House and Senate on the development, implementation, and administration of overall trade policy of the United States. Such consultations shall include, but are not limited to, the following elements of such policy:

"(1) The principal multilateral and bilateral negotiating objectives and the progress being made toward their achievement.

"(2) The implementation, administration, and effectiveness of recently concluded multilateral and bilateral trade agreements and resolution of trade disputes.

"(3) The actions taken, and proposed to be taken, under the trade laws of the United States and the effectiveness, or anticipated effectiveness, of such actions in achieving trade policy objectives.

"(4) The important developments and issues in other areas of trade for which there must be developed proper policy response.

When necessary, meetings shall be held with each Committee in executive session to review matters under negotiation.".

PART 3—ANNUAL REPORTS AND NATIONAL TRADE POLICY AGENDA

SEC. 1641. REPORTS AND AGENDA.

Section 163 of the Trade Act of 1974 (19 U.S.C. 2213) is amended to read as follows:

"**SEC. 163. REPORTS.**

"(a) ANNUAL REPORT ON TRADE AGREEMENTS PROGRAM AND NATIONAL TRADE POLICY AGENDA.—

"(1) The President shall submit to the Congress during each calendar year (but not later than March 1 of that year) a report on—

"(A) the operation of the trade agreements program, and the provision of import relief and adjustment assistance to workers and firms, under this Act during the preceding calendar year; and

"(B) the national trade policy agenda for the year in which the report is submitted.

"(2) The report shall include, with respect to the matters referred to in paragraph (1)(A), information regarding—

"(A) new trade negotiations;

"(B) changes made in duties and nontariff barriers and other distortions of trade of the United States;

"(C) reciprocal concessions obtained;

"(D) changes in trade agreements (including the incorporation therein of actions taken for import relief and compensation provided therefor);

"(E) the extension or withdrawal of nondiscriminatory treatment by the United States with respect to the products of foreign countries;

"(F) the extension, modification, withdrawal, suspension, or limitation of preferential treatment to exports of developing countries;

"(G) the results of actions to obtain the removal of foreign trade restrictions (including discriminatory restrictions) against United States exports and the removal of foreign practices which discriminate against United States service industries (including transportation and tourism) and investment;

"(H) the measures being taken to seek the removal of other significant foreign import restrictions;

"(I) each of the referrals made under section 141(d)(1)(B) and any action taken with respect to such referral;

"(J) other information relating to the trade agreements program and to the agreements entered into thereunder; and

"(K) the number of applications filed for adjustment assistance for workers and firms, the number of such applications which were approved, and the extent to which adjustment assistance has been provided under such approved applications.

"(3)(A) The national trade policy agenda required under paragraph (1)(B) for the year in which a report is submitted shall be in the form of a statement of—

"(i) the trade policy objectives and priorities of the United States for the year, and the reasons therefor;

"(ii) the actions proposed, or anticipated, to be undertaken during the year to achieve such objectives and priorities, including, but not limited to, actions authorized under the trade laws and negotiations with foreign countries;

"(iii) any proposed legislation necessary or appropriate to achieve any of such objectives or priorities; and

"(iv) the progress that was made during the preceding year in achieving the trade policy objectives and priorities included in the statement provided for that year under this paragraph.

"(B) The President may separately submit any information referred to in subparagraph (A) to the Congress in confidence if the President considers confidentiality appropriate.

"(C) Before submitting the national trade policy agenda for any year, the President shall seek advice from the appropriate advisory committees established under section 135 and shall consult with the appropriate committees of the Congress.

"(D) The United States Trade Representative (hereafter referred to in this section as the 'Trade Representative') and other appropriate officials of the United States Government shall consult periodically with the appropriate committees of the Congress regarding the annual objectives and priorities set forth in each national trade policy agenda with respect to—

"(i) the status and results of the actions that have been undertaken to achieve the objectives and priorities; and

"(ii) any development which may require, or result in, changes to any of such objectives or priorities.

"(b) ANNUAL TRADE PROJECTION REPORT.—

"(1) In order for the Congress to be informed of the impact of foreign trade barriers and macroeconomic factors on the balance of trade of the United States, the Trade Representative and the Secretary of the Treasury shall jointly prepare and submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives (hereafter referred to in this subsection as the 'Committees') on or before March 1 of each year a report which consists of—

"(A) a review and analysis of—

"(i) the merchandise balance of trade,

"(ii) the goods and services balance of trade,

"(iii) the balance on the current account,

"(iv) the external debt position,

"(v) the exchange rates,

"(vi) the economic growth rates,

"(vii) the deficit or surplus in the fiscal budget, and

"(viii) the impact on United States trade of market barriers and other unfair practices,

of countries that are major trading partners of the United States, including, as appropriate, groupings of such countries;

"(B) projections for each of the economic factors described in subparagraph (A) (except those described in clauses (v) and (viii)) for each of the countries and groups of countries referred to in subparagraph (A) for the year in which the report is submitted and for the succeeding year; and

"(C) conclusions and recommendations, based upon the projections referred to in subparagraph (B), for policy changes, including trade policy, exchange rate policy, fiscal policy, and other policies that should be implemented to improve the outlook.

"(2) To the extent that subjects referred to in paragraph (1) (A), (B), or (C) are covered in the national trade policy agenda required under subsection (a)(1)(B) or in other reports required by this Act or other law, the Trade Representative and the Secretary of the Treasury may, as appropriate, draw on the information, analysis, and conclusions, if any, in those reports for the purposes of preparing the report required by this subsection.

"(3) The Trade Representative and the Secretary of the Treasury shall consult with the Chairman of the Board of Governors of the Federal Reserve System in the preparation of each report required under this subsection.

"(4) The Trade Representative and the Secretary of the Treasury may separately submit any information, analysis, or conclusion referred to in paragraph (1) to the Committees in confidence if the Trade Representative and the Secretary consider confidentiality appropriate.

"(5) After submission of each report required under paragraph (1), the Trade Representative and the Secretary of the Treasury shall consult with each of the Committees with respect to the report.

"(c) ITC REPORTS.—The United States International Trade Commission shall submit to the Congress, at least once a year, a factual report on the operation of the trade agreements program.".

Subtitle G—Tariff Provisions

PART 1—AMENDMENTS TO THE TARIFF SCHEDULES OF THE UNITED STATES

SEC. 1701. REFERENCE.

Whenever in this part an amendment or repeal is expressed in terms of an amendment to, or repeal of, a schedule, headnote, item, the Appendix, or other provision, the reference shall be considered to be made to a schedule, headnote, item, the Appendix, or other provision of the Tariff Schedules of the United States.

Subpart A—Permanent Changes in Tariff Treatment

SEC. 1711. BROADWOVEN FABRICS OF MAN-MADE FIBERS.

(a) IN GENERAL.—Subpart E of part 3 of schedule 3 is amended by striking out item 338.50 and inserting the following new items with the article description for item 338.60 having the same degree of indentation as the article description for item 338.40:

"	338.60	Containing 85% or more by weight of continuous man-made fibers	17% ad val.	8.5% ad val. (I)	81% ad val.	
		Other:				
	338.70	Weighing not more than 5 oz. per square yard	17% ad val.	8.5% ad val. (I)	81% ad val.	
	338.80	Other	17% ad val.	8.5% ad val. (I)	81% ad val.	".

(b) Staged Rate Reduction.—Any staged rate reduction of a rate of duty set forth in item 338.50 of the Tariff Schedules of the United States (as in effect before the date of enactment of this Act) that was proclaimed by the President before the date of enactment of this Act and would otherwise take effect after the date of enactment of this Act shall apply to the corresponding rates of duty set forth in items 338.60, 338.70, and 338.80 of such Schedules.

SEC. 1712. NAPHTHA AND MOTOR FUEL BLENDING STOCKS.

Part 10 of schedule 4 is amended—

(1) by amending headnote 1 by inserting "motor fuel blending stocks," immediately after "except";

(2) by amending headnote 2—

(A) by striking out "and" at the end of subdivision (a);

(B) by striking out the period at the end of subdivision (b) and inserting "; and"; and

(C) by adding at the end thereof the following:

"(c) 'Motor fuel blending stock' (item 475.27) means any product (except naphthas provided for in item 475.35) derived primarily from petroleum, shale oil, or natural gas, whether or not containing additives, to be used for direct blending in the manufacture of motor fuel.";

(3) by inserting in numerical sequence the following new item with an article description having the same degree of indentation as the article description for item 475.30:

" 475.27	Motor fuel blending stocks	1.25¢ per gal.	2.5¢ per gal.	".

(4) by amending 475.30 by striking out "fuel)" and inserting "fuel or motor fuel blending stocks)"; and

(5) by amending 475.35 by striking out "fuel)" and inserting in lieu thereof "fuel or motor fuel blending stocks)".

SEC. 1713. WATCHES AND WATCH COMPONENTS.

Headnote 4 of subpart E of part 2 of schedule 7 is amended to read as follows:

"4. Special Marking Requirements: Any movement or case provided for in this subpart, whether imported separately or attached to any article provided for in this subpart, shall not be permitted to be entered unless conspicuously and indelibly marked by cutting, die-sinking, engraving, stamping, or mold-marking (either indented or raised), as specified below:

"(a) Watch movements shall be marked on one or more of the bridges or top plates to show—

"(i) the name of the country of manufacture;

"(ii) the name of the manufacturer or purchaser; and

"(iii) in words, the number of jewels, if any, serving a mechanical purpose as frictional bearings.

"(b) Clock movements shall be marked on the most visible part of the front or back plate to show—

"(i) the name of the country of manufacture;

"(ii) the name of the manufacturer or purchaser; and

"(iii) the number of jewels, if any.

"(c) Watch cases shall be marked on the inside or outside of the back case to show—

"(i) the name of the country of manufacture; and

"(ii) the name of the manufacturer or purchaser.

"(d) Clock cases provided for in this subpart shall be marked on the most visible part of the outside of the back to show the name of the country of manufacture.".

SEC. 1714. SLABS OF IRON OR STEEL.

Headnote 3(c) to subpart B of part 2 of schedule 6 is amended by striking out "and not over 6 inches".

SEC. 1715. CERTAIN WORK GLOVES.

(a) Headnote 5(a) to schedule 3 is amended by striking out "(except subpart A)" and inserting in lieu thereof "(except subparts A and C)".

(b) Headnote 1 to subpart C of part 1 of schedule 7 of the Tariff Schedules of the United States is amended—

(1) by striking out "and" at the end of subdivision (b),

(2) by striking out the period at the end of subdivision (c) and inserting in lieu thereof "; and", and

(3) by adding after subdivision (c) the following new subdivision:

"(d) gloves which are—

"(i) other than gloves with fourchettes, and

"(ii) constructed of a textile fabric coated, filled, impregnated, or laminated, in whole or in part, with rubber or plastics and cut-and-sewn,

shall be regarded as gloves of textile materials.".

SEC. 1716. DUTY-FREE IMPORTATION OF HATTER'S FUR.

(a) In General.—Subpart D of part 15 of schedule 1 is amended—

(1) by striking out "use, and carroted furskins" in item 186.20 and inserting in lieu thereof "use",

(2) by striking out "15% ad val." in item 186.20 and inserting in lieu thereof "Free",

(3) by striking out "Free (A,E) 4.8% ad val. (I)" in item 186.20, and

(4) by inserting after item 186.20 the following new item with the article description having the same degree of indentation as the article description in item 186.20:

" 186.22	Carroted furskins	15% ad. val.	Free (A,E) 4.8% ad val. (I)	35% ad val.	".

(b) Staged Rate Reduction.—Any staged rate reduction of a rate of duty set forth in item 186.20 of the Tariff Schedules of the United States that was proclaimed by the President before the date of enactment of this Act and would otherwise take effect after the date of enactment of this Act shall apply to the corresponding rate of duty set forth in item 186.22 of such Schedules.

SEC. 1717. EXTRACORPOREAL SHOCK WAVE LITHOTRIPTERS.

Item 709.15 is amended by inserting "other than extracorporeal shock wave lithotripters," before "and".

SEC. 1718. SALTED AND DRIED PLUMS.

(a) In General.—Subpart B of part 9 of schedule 1 is amended by striking out item 149.28 and inserting in lieu thereof the following items with the article descriptions having the same degree of indentation as the article description in item 149.26:

" 149.27	Soaked in brine and dried	2¢ per lb.	Free (E,I)	2¢ per lb.	
149.29	Otherwise prepared or preserved	17.5% ad val.	Free (E) 5.6% ad val.(I)	35% ad val.	".

(b) Staged Rate Reduction.—Any staged rate reduction of a rate of duty set forth in item 149.28 of the Tariff Schedules of the United States that was proclaimed by the President before the date of enactment of this Act and would otherwise take effect after the date of enactment of this Act shall apply to the corresponding rates of duty set forth in items 149.27 and 149.29 of such Schedules.

SEC. 1719. TELEVISION APPARATUS AND PARTS.

(a) Permanent Treatment.—The headnotes to part 5 of schedule 6 are amended—

(1) by striking out "assembled," in subparagraph (a) of headnote 3 and inserting in lieu thereof "assembled in its cabinet,";

(2) by redesignating headnotes 4, 5, and 6 as headnotes 5, 6, and 7, respectively; and

(3) by inserting after headnote 3 the following new headnote:

"4. Picture tubes imported in combination with, or incorporated into, other articles are to be classified in items 687.35 through 687.44, inclusive, unless they are—

"(i) incorporated into complete television receivers, as defined in headnote 3;

"(ii) incorporated into fully assembled units such as word processors, ADP terminals, or similar articles;

"(iii) put up in kits containing all the parts necessary for assembly into complete television receivers, as defined in headnote 3; or "(iv) put up in kits containing all the parts necessary for assembly into fully assembled units such as word processors, ADP terminals, or similar articles.".

(b) TEMPORARY TREATMENT.—

(1) Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.16	Television picture tubes, color, having a video display diagonal of less than 12 inches (provided for in item 687.35, part 5, schedule 6).	Free		No change	On or before 12/31/90	".

(2) Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.19	Television picture tubes, color, having a video display diagonal of 30 inches and over (provided for in item 687.35, part 5, schedule 6).	Free		No change	On or before 9/30/88	".

SEC. 1720. CASEIN.

(a) HUMAN FOOD AND ANIMAL FEED USE.—Subpart D of part 4 of schedule 1 is amended by adding at the end thereof the following new items with the superior heading having the same degree of indentation as the article description in item 118.45:

"		Casein, caseinates, and dried milk:				
	118.50	Casein	Free		Free	
	118.55	Dried milk (described in items 115.45, 115.50, 115.55, and 118.05) which contains not over 5.5 percent by weight of butterfat and which is mixed with other ingredients, including but not limited to sugar, if such mixtures contain over 16 percent milk solids by weight, are capable of being further processed or mixed with similar or other ingredients and are not prepared for marketing to the retail consumers in the identical form and package in which imported.	1.3¢ per lb.	Free (A,E,I)	5.5¢ per lb.	
	118.60	Other	0.2¢ per lb.	Free (A,E,I)	5.5¢ per lb.	".

(b) INDUSTRIAL USE.—Subpart B of part 13 of schedule 4 is amended by striking out items 493.12, 493.14, and 493.17 and the superior heading thereto.

SEC. 1721. TARIFF TREATMENT OF CERTAIN TYPES OF PLYWOOD.

Headnote 1 of part 3 of schedule 2 is amended—

(1) in paragraph (b) by inserting immediately before the semicolon at the end thereof the following: "or any edge of which has been tongued, grooved, lapped, or otherwise worked";

(2) in paragraph (c) by inserting immediately before the semicolon at the end thereof the following: "or any edge of which has been tongued, grooved, lapped, or otherwise worked"; and

(3) in paragraph (e) by inserting before "chiefly" the following: "other than plywood, wood-veneer panels, or cellular panels,".

SEC. 1722. IMPORTATION OF FURSKINS.

Headnote 4 to subpart B of part 5 of schedule 1 is repealed.

SEC. 1723. GRAPEFRUIT.

Subpart A of part 12 of schedule 1 is amended—

(1) by inserting after item 165.29 the following new items with a superior heading having the same degree of indentation as item 165.25:

"		Grapefruit:				
	165.31	Not concentrated and not made from a juice having a degree of concentration of 1.5 or more (as determined before correction to the nearest 0.5 degree).	20¢ per gal.	Free (E)	70¢ per gal.	
	165.34	Other	35¢ per gal.	Free (E)	70¢ per gal.	";

and

(2) by redesignating items 165.32 and 165.36 as items 165.37 and 165.38, respectively.

SEC. 1724. SILICONE RESINS AND MATERIALS.

Part 4 of schedule 4 is amended—

(1) by amending subpart A—

(A) by striking out "provided for in part 1C" in headnote 1 and inserting ", other than silicones, provided for in part 1", and

(B) by amending headnote 2 to read as follows:

"2. (a) For purposes of this subpart, the term 'synthetic plastics materials'—

"(i) embraces products formed by the condensation, polymerization, or copolymerization of organic chemicals and to which an antioxidant, color, dispersing agent, emulsifier, extender, filler, pesticide, plasticizer, or stabilizer may have been added; and

"(ii) includes silicones (including fluids, resins, elastomers, and copolymers) whether or not such materials are solid in the finished articles.

"(b) The products referred to in subdivision (a) contain as an essential ingredient an organic substance of high molecular weight; and, except as provided in subdivision (a)(ii), are capable, at some stage during processing into finished articles, of being molded or shaped by flow and are solid in the finished article. The term includes, but is not limited to, such products derived from esters of acrylic or methacrylic acid; vinyl acetate, vinyl chloride resins, polyvinyl alcohol, acetals, butyral, formal resins, polyvinyl ether and ester resins, and polyvinylidene chloride resins; urea and amino resins; polyethylene, polypropylene, and other polyalkene resins; siloxanes, silicones, and other organo-silicon resins; alkyd, acrylonitrile, allyl, and formaldehyde resins, and cellulosic plastics materials. These synthetic plastics materials may be in solid, semi-solid, or liquid condition such as flakes, powders, pellets, granules, solutions, emulsions, and other basic crude forms not further processed.",

(C) by inserting after item 445.54 the following new item with the article description having the same degree of indentation as the article description for item 445.54:

"	445.55	Silicone resins and materials	3% ad val.	Free (A,E,I)	25% ad val.	",

and

(D) by redesignating item 445.56 as item 445.60; and

(2) by amending headnote 2 to subpart B by adding at the end thereof the following:

"(c) For purposes of the Tariff Schedules, the term 'rubber' does not include silicones.".

Subpart B—Temporary Changes in Tariff Treatment

SEC. 1731. COLOR COUPLERS AND COUPLER INTERMEDIATES.

Subpart B of part 1 of the Appendix is amended—

(1) by inserting ", but excluding 6,7-dihydroxy-2-naphthalene sulfonic acid sodium salt provided for in item 403.57," after "schedule 4" and before the parenthesis in item 907.10; and

(2) by striking out "9/30/85" in each of items 907.10 and 907.12 and inserting in lieu thereof "12/31/90".

SEC. 1732. POTASSIUM 4-SULFOBENZOATE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	906.26	p-Sulfobenzoic acid, potassium salt (provided for in item 404.28, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1733. 2,2'-OXAMIDOBIS[ETHYL-3-(3,5-DI-TERT-BUTYL-4- HYDROXYPHENYL)PROPIONATE].

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following item:

"	907.09	2,2'-Oxamidobis-[ethyl-3-(3,5-di-tert-butyl-4-hydroxyphenyl) propionate] (provided for in item 405.34, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1734. 2,4-DICHLORO-5-SULFAMOYLBENZOIC ACID.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	906.48	2,4-Dichloro-5-sulfamoylbenzoic acid (provided for in item 406.56, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1735. DERIVATIVES OF N-[4-(2-HYDROXY-3-PHENOXYPROPOXY)PHENYL]ACETAMIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.11	Mixtures containing derivatives of N-[4-(2-hydroxy-3-phenoxypropoxy)phenyl] acetamide (provided for in item 407.19, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1736. CERTAIN KNITWEAR FABRICATED IN GUAM.

(a) IN GENERAL.—Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	905.45	Sweaters that— (i) do not contain foreign materials in excess of the percentage of total value limitation contained in general headnote 3(a), and (ii) are assembled in Guam, exclusively by United States citizens, nationals, or resident aliens, by joining together (by completely sewing, looping, linking, or other means of attaching) at least 5 otherwise completed major knit-to-shape component parts of foreign origin, if entered before the aggregate quantity of such sweaters that is entered during any 12-month period after October 31, 1985, exceeds the duty-free quantity for that period.	Free			On or before 10/31/92	".

(b) DUTY-FREE QUANTITY.—The headnotes to subpart B of part 1 of the Appendix are amended by adding at the end thereof the following new headnote:

"3. For purposes of item 905.45, the term 'duty-free quantity' means—

"(a) for the 12-month period ending October 31, 1986, 161,600 dozen; and

"(b) for any 12-month period thereafter, an amount equal to 101 percent of the duty-free quantity for the preceding 12-month period.".

SEC. 1737. 3,5-DINITRO-O-TOLUAMIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	906.42	3,5-Dinitro-o-toluamide (provided for in item 411.95, part 1C, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1738. SECONDARY-BUTYL CHLORIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.55	Secondary-butyl chloride (provided for in item 429.47, part 2D, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1739. CERTAIN NONBENZENOID VINYL ACETATE-VINYL CHLORIDE-ETHYLENE TERPOLYMERS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following item:

"	907.83	Nonbenzenoid vinyl acetate-vinyl chloride-ethylene terpolymers, containing by weight less than 50 percent derivatives of vinyl acetate (provided for in item 445.48, part 4A, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1740. DUTY-FREE ENTRY OF PERSONAL EFFECTS AND EQUIPMENT OF PARTICIPANTS AND OFFICIALS INVOLVED IN THE 10TH PAN AMERICAN GAMES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	915.20	Personal effects of aliens who are participants in or officials of the Tenth Pan American Games, or who are accredited members of delegations thereto, or who are members of the immediate families of any of the foregoing persons, or who are their servants; equipment for use in connection with such games; and other related articles as prescribed in regulations issued by the Secretary of the Treasury.	Free		Free	On or before 9/30/87	".

SEC. 1741. CARDING AND SPINNING MACHINES.

(a) In General.—Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.03	Carding and spinning machines specially designed for wool, other than machines specially designed for the manufacture of combed wool (worsted) yarns (provided for in item 670.04, part 4E, schedule 6).	Free		No change	On or before 12/31/90	".

(b) Parts.—The headnote to subpart E of part 4 of schedule 6 is amended by striking out "item 912.04" each place it appears and inserting in lieu thereof "item 912.03 or 912.04".

SEC. 1742. DICOFOL AND CERTAIN MIXTURES.

(a) Dicofol.—Item 907.15 of the Appendix is amended to read as follows:

"	907.15	1,1-Bis(4-chlorophenyl)-2,2,2- trichloroethanol (dicofol) (provided for in item 408.28, part 1C, schedule 4).	Free		No change	On or before 12/31/90	".

(b) Mixtures of Dicofol and Application Adjuvants.—Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new items:

"	907.27	Mixtures of 1,1-bis(4-chlorophenyl)-2,2,2-trichloroethanol (dicofol) and application adjuvants (provided for in item 408.36, part 1C, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1743. SILK YARN.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	905.25	Yarns of silk (provided for in item 308.51, part 1D, schedule 3).	Free		No change	On or before 12/31/90	".

SEC. 1744. TERFENADONE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.48	1-(4-(1,1-Dimethylethyl)-phenyl)-4-(hydroxydiphenylmethyl-1-piperidinyl)-1-butanone (provided for in item 406.42, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1745. FLUAZIFOP-P-BUTYL.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.49	Butyl 2-[4-(5-trifluoromethyl-2-pryidinyloxy)-phenoxy]-propanoate (provided for in item 408.23, part 1C, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1746. PARTS OF INDIRECT PROCESS ELECTROSTATIC COPYING MACHINES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.18	Parts, not including photoreceptors or assemblies containing photoreceptors, of indirect process electrostatic copying machines, which machines reproduce the original image onto the copy material by electrostatic transference to and from an intermediate (provided for in item 676.56, part 4G, schedule 6).	Free		No change	On or before 12/31/90	".

SEC. 1747. EXTRACORPOREAL SHOCK WAVE LITHOTRIPTERS IMPORTED BY NONPROFIT INSTITUTIONS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.24	Extracorporeal shock wave lithotripters imported by nonprofit hospitals and research or educational institutions (provided for in item 709.17, part 2B, schedule 7).	Free		No change	On or before 12/31/87	".

SEC. 1748. TRANSPARENT PLASTIC SHEETING.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	915.10	Transparent plastic sheeting containing 30% or more of lead, by weight (provided for in item 774.58, part 12D, schedule 7).	Free		No change	On or before 12/31/90	".

SEC. 1749. DOLL WIG YARNS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	905.30	Grouped filaments and yarns, not textured, in continuous form, colored, of nylon or modacrylic, whether or not curled of not less than 20 denier per filament, to be used in the manufacture of wigs for dolls (provided for in item 309.32 and 309.33, part 1E, schedule 3, or item 389.62, part 7B, schedule 3).	Free		No change	On or before 12/31/90	".

SEC. 1750. 1-(3-SULFOPROPYL) PYRIDINIUM HYDROXIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following item:

"	907.97	1-(3-Sulfopropyl)-pyridinium hydroxide (provided for in item 406.42, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1751. POLYVINYLBENZYLTRIMETHYLAMMONIUM CHLORIDE (CHOLESTYRAMINE RESIN USP).

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.30	Cross-linked polyvinyl-benzyltrimethyl-ammonium chloride (cholestyramine resin USP) (provided for in item 412.71, part 1C, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1752. METHYLENE BLUE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.81	3,7-Bis-(dimethyl-amino)-phenazathionium chloride (methylene blue) (provided for in item 409.74, part 1C, schedule 4.	Free		No change	On or before 12/31/90	".

SEC. 1753. 3-AMINO-3-METHYL-1-BUTYNE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.53	3-Amino-3-methyl-1-butyne (provided for in item 425.52, part 2D, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1754. DICYCLOHEXYLBENZOTHIAZYLSULFENAMIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	906.45	Dicyclohexylben-zothiazyl-sulfenamide (provided for in item 406.39, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1755. D-6-METHOXY-α-METHYL-2-NAPHTHALENEACETIC ACID AND ITS SODIUM SALT.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.39	d-6-Methoxy-α-methyl-2-naphthaleneacetic acid and its sodium salt (provided for in item 412.22, part 1C, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1756. SUSPENSION OF DUTIES ON JACQUARD CARDS AND JACQUARD HEADS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.46	Jacquard cards and jacquard heads for power-driven weaving machines, and parts thereof (provided for in items 670.56 and 670.74, respectively, part 4E, schedule 6).	Free		No change	On or before 12/31/90	".

SEC. 1757. 2,2-BIS(4-CYANATOPHENYL).

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.44	2,2-Bis(4-cyanatophenyl) (provided for in item 405.76, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1758. PHENYLMETHYLAMINOPYRAZOLE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.47	Aminomethylphenylpyrazole (Phenylmethylaminopyrazole) (provided for in item 406.36, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1759. BENZETHONIUM CHLORIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.52	Benzethonium chloride (provided for in item 408.32, part 1C, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1760. MANEB, ZINEB, MANCOZEB, AND METIRAM.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.60	Maneb, zineb, mancozeb, and metiram (provided for in item 432.15, part 2E, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1761. METALDEHYDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.56	Metaldehyde (provided for in item 427.58, part 2D, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1762. PARALDEHYDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	907.57	Paraldehyde, USP grade (provided for in item 439.50, part 3C, schedule 4).	Free		No change	On or before 12/31/90	”.

SEC. 1763. CYCLOSPORINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following item:

“	907.78	Cyclosporine (provided for in item 439.30, part 3C, schedule 4).	Free		No change	On or before 12/31/90	”.

SEC. 1764. TEMPORARY REDUCTION OF DUTIES ON GLASS INNERS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	909.35	Glass inners designed for vacuum flasks or for other vacuum vessels (provided for in items 545.31, 545.34, 545.35, and 545.37, part 3C, schedule 5).	9% ad val.	3.6% ad val. (I) Free (A,E)	55% ad val.	On or before 12/31/90	”.

SEC. 1765. BENZENOID DYE INTERMEDIATES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following items:

“	907.84	p-Toluenesulfonyl chloride (provided for in item 403.05, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.85	6-Hydroxy-2-naphthalenesulfonic acid; 6-Hydroxy-2-naphthalenesulfonic acid, sodium salt; 6-Hydroxy-2-napthalenesulfonic acid, potassium salt; and 6-Hydroxy-2-napthalenesulfonic acid, ammonium salt (provided for in item 403.57, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.86	2,6-Dichlorobenzaldehyde (provided for in item 403.81 part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.87	8-Amino-1-naphthalenesulfonic acid and its salts (provided for in item 404.52, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.88	5-Amino-2-(p-amino-anilino) benzene-sulfonic acid (provided for in item 404.84, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.89	1-Amino-2,4-dibromoanthraquinone; and *α,α,α*-Trifluoro-o-toluidine (provided for in item 404.88, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.90	1-Amino-8-hydroxy-3,6-naphthalene-disulfonic acid; 4-Amino-5-hydroxy-2,7-naphthalene-disulfonic acid, monosodium salt (H acid, monosodium salt); and 2-Amino-5-nitrophenol (provided for in item 404.92, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.91	1-Amino-4-bromo-2-anthraquinone-sulfonic acid (Bromamine acid); 1-Amino-4-bromo-2-anthraquinone-sulfonic acid (Bromamine acid), sodium salt; 6-Amino-4-hydroxy-2-naphthalene-sulfonic acid (Gamma acid); 3,3′-Dimethoxy-benzidine (o-Dianisidine); 3,3′-Dimethoxy-benzidine dihydrochloride (o-Dianisidine dihydrochloride); and 4-Methoxyaniline-2-sulfonic acid (provided for in item 405.07, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.92	N-(7-Hydroxy-1-naphthyl)-acetamide (provided for in item 405.28, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.93	N,N-Bis(2-cyanoethyl)-aniline (provided for in item 405.60, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.94	6-(3-Methyl-5-oxo-1-pyrazolyl)-1,3-naphthalene-disulfonic acid (Amino-J-pyrazolone) (CAS No. 7277-87–4); and 3-Methyl-1-phenyl-5-pyrazolone (Methyl-phenyl-pyrazolone) (provided for in item 406.36, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.95	2-Amino-N-ethyl-benzenesulfonanilide (provided for in item 406.49, part 1B, schedule 4).	Free		No change	On or before 12/31/90	
	907.96	m-Sulfamino-pyrazolone m-Sulfamido-phenylmethyl-pyrazolone) (provided for in item 406.56, part 1B, schedule 4).	Free		No change	On or before 12/31/90	”.

SEC. 1766. TUNGSTEN ORE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	911.96	Tungsten ore (provided for in item 601.54, part 1, schedule 6).	Free		No change	On or before 12/31/90	”.

SEC. 1767. CHLOR AMINO BASE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.07	4-Chloro-2,5-dimethoxy aniline (CAS No. 6358-64-1) (provided for in item 405.01, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1768. NITRO SULFON B.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.01	2-[(3-Nitrophenyl)-sulfonyl]-ethanol (CAS No. 41687-30-3) (provided for in item 406.00, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1769. 4-CHLORO-2-NITRO ANILINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new items:

"	908.02	4-Chloro-2-nitro aniline (CAS No. 89-63-4) (provided for in item 404.88, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1770. AMINO SULFON BR.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.03	3-(4′-aminobenz-amido) phenyl-beta-hydroxy-ethyl sulfone (CAS No. 20241-68-3) (provided for in item 406.00, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1771. ACET QUINONE BASE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.04	2,5-Dimethoxy-acetanilide (CAS No. 3467-59-2) (provided for in item 405.34, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1772. DIAMINO PHENETOLE SULFATE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.05	3,4-Diamino phenetole dihydrogen sulfate (CAS No. 85137-09-3) (provided for in item 405.09, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1773. CERTAIN MIXTURES OF CROSS-LINKED SODIUM POLYACRYLATE POLYMERS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.72	Mixtures of two or more organic compounds containing one or more cross-linked sodium polyacrylate polymers (provided for in item 430.20, part 2D, schedule 4).	Free		No change	On or before 10/31/87	".

SEC. 1774. N-ETHYL-O-TOLUENESULFONAMIDE AND N-ETHYL-P-TOLUENESULFONAMIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.07	N-Ethyl-o-toluene-sulfonamide, and N-Ethyl-p-toluene-sulfonamide (provided for in item 409.34, part 1C, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1775. SETHOXYDIM.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	906.36	Mixtures of 2-[1- (ethoxyimino)-butyl]-5-[2-(ethylthio)-propyl]-3-hydroxy-2-cyclohexen-1-one (sethoxydim) and application adjuvants (provided for in item 407.19, part 1B, or item 430.20, part 2D of schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1776. 3-ETHYLAMINO-P-CRESOL.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	906.34	3-Ethylamino-p- cresol (provided for in item 404.96, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1777. ROSACHLORIDE LUMPS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.11	1-Amino-2-chloro-4-hydroxyanthraquinone (provided for in item 405.07, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1778. C-AMINES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	906.59	2-Amino-5-chloro-4-methyl-benzenesulfonic acid; and 2-amino-5-chloro-4-ethylbenzenesulfonic acid (provided for in item 404.88 and 404.90, respectively, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1779. DIAMINO IMID SP.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	906.60	4,11-Diamino-1H-naphth[2,3-f]isoindole-1,3,5,10(2H)-tetrone (CAS No. 128-81-4) (provided for in item 406.42, part 1B, schedule 4).	Free		No change	On or before 12/31/90	".

SEC. 1780. CERTAIN STUFFED TOY FIGURES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.32	Stuffed or filled toy figures of animate objects (except dolls), not having a spring mechanism and not exceeding 25 inches in either length, width, or height (provided for in items 737.30 and 737.40, part 5E, schedule 7).	Free		No change	On or before 12/31/90	".

SEC. 1781. KITCHENWARE OF TRANSPARENT, NONGLAZED GLASS CERAMICS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	909.15	Kitchenware of glass-ceramics, nonglazed, greater than 75 percent by volume crystalline, containing lithium aluminosilicate, having a linear coefficient of expansion not exceeding 10×10^{-7} per Kelvin within a temperature range of 0° C to 300° C, transparent, haze-free, exhibiting transmittances of infrared radiations in excess of 75 percent at a wavelength of 2.5 microns when measured on a sample 3 mm. in thickness, and containing beta-quartz solid solution as the predominant crystal phase (provided for in item 534.97, part 2C, schedule 5).	Free		No change	On or before 12/31/90	".

SEC. 1782. HOSIERY KNITTING MACHINES AND NEEDLES.

(a) In General.—Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new items:

"	912.28	Needles for knitting machines (provided for in items 670.58 and 670.62, part 4E, schedule 6).	Free		No change	On or before 12/31/90	
"	912.29	Hosiery knitting machines, single cylinder fine gauge and all double cylinder (provided for in items 670.16 and 670.18, part 4E, schedule 6).	Free		No change	On or before 12/31/90	".

(b) Repeal.—Items 912.08 and 912.09 are repealed.

SEC. 1783. CERTAIN BICYCLE PARTS.

(a) Bicycle Tires and Tubes.—Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.01	Bicycle tires and tubes and rim strips, the foregoing of rubber or plastics (provided for in item 732.42, part 5C, schedule 7, and items 772.48 and 772.57, part 12C, schedule 7).	Free		No change	On or before 12/31/90	".

(b) Generator Lighting Sets.—Item 912.05 of the Appendix is amended by striking out "6/30/86" and inserting in lieu thereof "12/31/90".

(c) Bicycle Chains.—Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.06	Bicycle chains (provided for in items 652.13 and 652.15, part 3F, schedule 6)	Free		No change	On or before 12/31/90	".

(d) Other Bicycle Parts.—Item 912.10 of the Appendix is amended—

(1) by inserting "front and rear derailleurs, shift levers, cables and casings for derailleurs," immediately after "drum brakes,",

(2) by striking out "multiple free wheel sprockets" and inserting in lieu thereof "free wheel sprockets",

(3) by inserting "and" after "frame lugs,",

(4) by striking out ", including cable or inner wire for caliper brakes and casing therefor, whether or not cut to length, and parts of bicycles consisting of sets of steel tubing cut to exact length and each set having the number of tubes needed for the assembly (with other parts) into the frame and fork of one bicycle", and

(5) by striking out "6/30/86" and inserting in lieu thereof "12/31/90".

(e) Caliper Brake Cable or Inner Wire and Casing.—Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.12	Cable or inner wire for caliper brakes and casing therefor, whether or not cut to length (provided for in items 642.08, 642.11, 642.14, 642.16, 642.18, 642.19, 642.23, and 657.25, parts 3B and 3G, schedule 6, and items 771.55 and 772.65, parts 12B and 12C, schedule 7)	Free		No change	On or before 12/31/90	".

(f) Exception to Customs Exemption Applicable to Foreign Trade Zones.—Section 3(b) of the Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act, 19 U.S.C. 81c(b)), is amended by striking out "June 30, 1986" and inserting in lieu thereof "January 1, 1991".

SEC. 1784. 1,2-DIMETHYL-3,5-DIPHENYLPYRAZOLIUM METHYL SULFATE (DIFENZOQUAT METHYL SULFATE).

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	907.24	1,2-Dimethyl-3,5-diphenylpyrazolium methyl sulfate (difenzoquat methyl sulfate) (provided for in item 408.19, part 1C, schedule 4)	Free		No change	On or before 12/31/90	”.

SEC. 1785. TRIALLATE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	907.64	S-(2, 3, 3′-trichlorallyl)-diisopropyl-thiocarbamate (provided for in item 425.36, part 2D, schedule 4)	Free		No change	On or before 12/31/90	”.

SEC. 1786. m-NITRO-p-ANISIDINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	906.56	m-Nitro-p-anisidine (provided for in item 405.09, part 1B, schedule 4)	Free		No change	On or before 12/31/90	”.

SEC. 1787. DINOCAP AND MIXTURES OF DINOCAP AND MANCOZEB.

(a) DINOCAP AND APPLICATION ADJUVANTS.—Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new items:

“	907.98	Dinocap (provided for in item 408.16, part 1C, schedule 4)	Free		No change	On or before 12/31/90	
	907.99	Mixtures of dinocap and application adjuvants (provided for in item 408.38, part 1C, schedule 4)	Free		No change	On or before 12/31/90	”.

(b) MIXTURES OF DINOCAP AND MANCOZEB.—Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	907.28	Mixtures of mancozeb and dinocap (provided for in item 408.38, part 1C, schedule 4)	Free		No change	On or before 12/31/90	”.

SEC. 1788. m-NITRO-O-ANISIDINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	906.35	m-Nitro-o-anisidine (provided for in item 405.07, part 1B, schedule 4)	Free		No change	On or before 12/31/90	”.

SEC. 1789. p-NITRO-O-TOLUIDINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	906.37	p-Nitro-o-toluidine (provided for in item 404.88, part 1B, schedule 4)	Free		No change	On or before 12/31/90	”.

SEC. 1790. PHENYLCARBETHOXYPYRAZOLONE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	906.31	Phenylcarbethoxy-pyrazolone (provided for in item 406.39, part 1B, schedule 4)	Free		No change	On or before 12/31/90	”.

SEC. 1791. p-NITRO-O-ANISIDINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	908.14	p-Nitro-o-anisidine (provided for in item 405.07, part 1B, schedule 4)	Free		No change	On or before 12/31/90	”.

SEC. 1792. CARBODIIMIDES.

(a) Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

“	907.70	Bis(o-tolyl) carbodiimide; 2,2′,6,6′-Tetraisopropyldiphenyl carbodiimide; Poly[nitrilo-methanete-traryl-nitrilo [2,4,6-tris(1,-methylethyl)-1,3 phenylene]], 2,6-bis(1-methylethyl) phenyl]-omega-[[[[2,6-bis(1-methylethyl) phenyl]amino] methylene]amino]; and Benezene, 2,4-diisocyanato-1,3,5-tris(1-methylethyl)-homopolymer (provided for in item 405.53, part 1B, schedule 4)	Free		No change	On or before 12/31/90	”.

SEC. 1793. TRIETHYLENE GLYCOL DICHLORIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.73	Triethylene glycol dichloride (provided for in item 428.47, part 2D, schedule 4)	Free		No change	On or before 12/31/90	".

SEC. 1794. MIXTURES OF 5-CHLORO-2-METHYL-4-ISOTHIAZOLIN-3-ONE, 2-METHYL-4-ISOTHIAZOLIN-3-ONE, MAGNESIUM CHLORIDE, STABILIZERS AND APPLICATION ADJUVANTS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.16	Mixtures of 5-chloro-2-methyl-4-isothiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride, stabilizers and application adjuvants (provided for in item 432.28, part 2E, schedule 4)	Free		No change	On or before 12/31/90	"

SEC. 1795. 2-N-OCTYL-4-ISOTHIAZOLIN-3-ONE, AND ON MIXTURES OF 2-N-OCTYL-4-ISOTHIAZOLIN-3-ONE AND APPLICATION ADJUVANTS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.17	2-n-Octyl-4-isothiazolin-3-one, and mixtures of 2-n-octyl-4-isothiazolin-3-one and application adjuvants (provided in items 425.52 and 430.20, part 2D, schedule 4)	Free		No change	On or before 12/31/90	"

SEC. 1796. WEAVING MACHINES FOR FABRICS IN EXCESS OF 16 FEET WIDTH.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	912.48	Power-driven weaving machines for weaving fabrics more than sixteen feet in width, and parts thereof (provided for in item 670.14 and 670.74, part 4E, schedule 6)	Free		No change	On or before 12/31/90	".

SEC. 1797. BARBITURIC ACID.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.50	Barbituric acid (provided for in item 437.36, part 3B, schedule 4)	Free		No change	On or before 12/31/90	".

SEC. 1798. 3-METHYL-5-PYRAZOLONE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	907.46	3-Methyl-5-pyrazolone (provided for in item 425.52, part 2D, schedule 4)	Free		No change	On or before 12/31/90	".

SEC. 1799. 3-METHYL-1-(P-TOLYL)-2-PYRAZOLIN-5-ONE (P-TOLYL METHYL PYRAZOLONE).

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.15	3-Methyl-1-(p-tolyl)-2-pyrazolin-5-one (p-Tolyl methyl pyrazolone) (provided for in item 406.36, part 1B, schedule 4)	Free		No change	On or before 12/31/90	".

SEC. 1800. CERTAIN OFFSET PRINTING PRESSES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	911.93	Offset printing presses of the sheet-fed type weighing 3,500 pounds or more (provided for in item 668.21, part 4D, schedule 6)	No change		10% ad val.	On or before 12/31/90	".

SEC. 1801. FROZEN CRANBERRIES.

Subpart B of part 1 of the Appendix to the Tariff Schedules of the United States is amended by inserting in numerical sequence the following item:

"	903.63	Cranberries, frozen (provided for in item 146.71, part 9B, schedule 1)	Free		No change	On or before 12/31/90	".

SEC. 1802. m-HYDROXYBENZOIC ACID.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"	908.18	m-Hydroxybenzoic acid (provided for in item 404.40, part 1B, schedule 4)	Free		No change	On or before 12/31/90	

SEC. 1803. CERTAIN BENZENOID CHEMICALS.

Subpart B of part 1 of the Appendix is amended—

(1) by inserting in numerical sequence the following new item:

"	908.32	N1,N4,N4-Tris(2-hydroxyethyl)-2-nitro-1,4-phenylenediamine; N1,N4-Dimethyl-N1-(2-hydroxyethyl)-3-nitro-1,4-phenylenediamine; N1,N4-Dimethyl-N1-(2,3-dihydroxypropyl)-3-nitro-1,4-phenylenediamine; and N1-(2-Hydroxyethyl)-3-nitro-1,4-phenylenediamine (provided for in item 405.09, part 1B, schedule 4)	Free		No change	On or before 12/1/90	".

(2) by inserting in numerical sequence the following new item:

"	908.33	N1-(2-Hydroxyethyl)-2-nitro-1,4-phenylenediamine (provided for in item 405.07, part 1B, schedule 4)	Free		No change	On or before 12/1/90	",

and

(3) by inserting in numerical sequence the following new item:

"	908.34	2-Nitro-5-[(2,3-dihydroxy)propoxy]-N-methylaniline; 2-Nitro-5-(2-hydroxy-ethoxy)-N-methylaniline; 4-[(2-Hydroxyethyl)amino]-3-nitrophenol; 4-(2-Hydroxyethoxy)-1,3-phenylenediamine dihydrochloride; and 3-Methoxy-4-[(2-hydroxyethyl)-amino]nitro-benzene (provided for in item 405.09, part 1B, schedule 4)	Free		No change	On or before 12/1/90	".

SEC. 1804. EXTENSION OF CERTAIN SUSPENSION PROVISIONS.

(a) PROVISIONS THAT EXPIRED BEFORE 1987.—Each of the following items are amended by striking out the date in the effective date column and inserting in lieu thereof "12/31/90":

(1) Item 903.65 (relating to cantaloupes).

(2) Items 905.10 and 905.11 (relating to certain wools).

(3) Items 906.10 and 906.12 (relating to needlecraft display models).

(4) Item 907.01 (relating to triphenyl phosphate).

(5) Item 907.14 (relating to isomeric mixtures of ethylbiphenyl).

(6) Item 907.17 (relating to sulfapyridine).

(7) Item 911.25 (relating to synthetic rutile).

(8) Item 911.95 (relating to certain clock radios).

(9) Item 912.07 (relating to machines designed for heat-set, stretch texturing of continuous man-made fibers).

(10) Item 912.20 (relating to certain small toys).

(11) Items 912.30, 912.34, and 912.36 (relating to stuffed dolls, certain toy figures, and skins thereof).

(12) Item 912.45 (relating to umbrella frames).

(13) Item 903.60 (relating to mixtures of mashed or macerated hot red peppers and salt).

(b) PROVISIONS EXPIRING IN 1987 OR LATER.—Each of the following items is amended by striking out the date in the effective date column and inserting in lieu thereof "12/31/90":

(1) Items 903.70 and 903.80 (relating to crude feathers and down).

(2) Item 905.50 (relating to surgical gowns).

(3) Item 906.50 (relating to diphenylguanidine and di-ortho-tolylguanidine).

(4) Item 906.57 (relating to m-toluic acid).

(5) Item 907.13 (relating to menthol feedstocks).

(6) Item 907.19 (relating to sulfathiazole).

(7) Item 907.21 (relating to flecainide acetate).

(8) Item 907.23 (relating to o-Benzyl-p-chlorophenol).

(9) Item 907.31 (relating to B-Naphthol).

(10) Item 907.32 (relating to 3,3′-Diaminobenzidine).

(11) Item 907.33 (relating to acetylsulfaguanidine).

(12) Item 907.34 (relating to 6-Amino-1-naphthol-3-sulfonic acid).

(13) Item 907.35 (relating to 2-(4-Aminophenyl)-6-methylbenzo-thiazole-7-sulfonic acid).

(14) Item 907.36 (relating to sulfamethazine).

(15) Item 907.37 (relating to sulfaguanidine).

(16) Item 907.38 (relating to sulfaquinoxaline and sulfanilamide).

(17) Item 907.63 (relating to nicotine resins).

(18) Item 907.79 (relating to iron-dextran complex).

(19) Item 909.01 (relating to natural graphite).

(20) Item 912.04 (relating to certain narrow weaving machines).

(21) Item 912.11 (relating to certain lace-braiding machines).

(22) Item 905.40 (relating to certain hovercraft skirts).

(23) Item 906.52 (relating to 5-chloro-2-methyl-4-isothiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride and magnesium nitrate).

(c) TECHNICAL AMENDMENTS.—

(1) Item 906.10 is amended—

(A) by striking out "365.78" and inserting in lieu thereof "365.66",

(B) by striking out "365.86" and inserting in lieu thereof "365.89",

(C) by striking out "367.34" and inserting in lieu thereof "367.32",

(D) by striking out "367.60" and inserting in lieu thereof "367.63",

(E) by striking out "386.13" and inserting in lieu thereof "386.12", and

(F) by striking out "386.50" and inserting in lieu thereof "386.53".

(2) Item 906.12 is amended by striking out "383.03, 383.08, 383.20, and 383.50" and inserting in lieu thereof "384.04, 384.09, 384.22, and 384.52".

(3) Item 907.14 is amended by striking out "407.16" and inserting in lieu thereof "407.19".

(4) Item 912.45 is amended by striking out "751.20" and inserting in lieu thereof "751.21".

(5) Item 907.21 is amended by striking out "412.12" and inserting in lieu thereof "412.11".

Subpart C—Effective Dates

SEC. 1831. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in this section, the amendments made by this part shall apply with respect to articles entered, or withdrawn from warehouse for consumption, after September 30, 1988.

(b) RETROACTIVE APPLICATION FOR CERTAIN LIQUIDATIONS AND RELIQUIDATIONS.—

(1) Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the appropriate customs officer after September 30, 1988, and before April 1, 1989, any entry—

(A) which was made after the applicable date and before October 1, 1988, and

(B) with respect to which there would have been no duty or a lesser duty if any amendment made by—

(i) section 1716, 1717, 1719(b)(2), 1731, 1736, 1740, 1742(a), 1747, or 1773,

(ii) subsection (a), (b), (d), or (e) of section 1783, or

(iii) section 1804 (other than section 1804(a)(7) and paragraphs (2) and (10) of section 1804(b)),

applied to such entry,

shall be liquidated or reliquidated as though such amendment applied to such entry.

(2) For purposes of this section—

(A) The term "applicable date" means—

(i) if the amendment described in paragraph (1)(B) is made by section 1717 or 1747, December 31, 1982,

(ii) if such amendment is made by section 1804(a)(1), May 15, 1985,

(iii) if such amendment is made by paragraph (2), (3), (5), or (13) of section 1804(a), June 30, 1985,

(iv) if such amendment is made by section 1773, July 1, 1985,

(v) if such amendment is made by section 1731, 1742(a), or 1804(a)(4), September 30, 1985,

(vi) if such amendment is made by section 1736, October 31, 1985,

(vii) if such amendment is made by section 1716 or by paragraph (6), (9), or (11) of section 1804(a), December 31, 1985,

(viii) if such amendment is made by section 1740, May 31, 1986,

(ix) if such amendment is made by subsection (b), (d), or (e) of section 1783, June 30, 1986,

(x) if such amendment is made by paragraph (8), (10), or (12) of section 1804(a), December 31, 1986,

(xi) if such amendment is made by section 1783(a) or 1804(b) (other than by paragraph (2) or (10) of section 1804(b)), December 31, 1987, or

(xii) if such amendment is made by section 1719(b)(2), the date that is 15 days after the date of enactment of this Act.

(B) The term "entry" includes any withdrawal from warehouse.

(c) Hosiery Knitting Machines and Needles.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the appropriate customs officer after September 30, 1988, and before April 1, 1989—

(1) any entry of an article described in item 912.08 of the Tariff Schedules of the United States (as in effect on September 30, 1985) that was made—

(A) after September 30, 1985, and

(B) before the date that is 15 days after the date of enactment of this Act,

shall be liquidated or reliquidated as though such entry had been made on September 30, 1985; and

(2) any entry of an article described in item 912.09 of such Schedules (as in effect on June 30, 1985) that was made—

(A) after June 30, 1985, and

(B) before the date that is 15 days after the date of enactment of this Act,

shall be liquidated or reliquidated as though such entry had been made on June 30, 1985.

PART II—MISCELLANEOUS PROVISIONS

SEC. 1841. CERTAIN STRUCTURES AND PARTS USED IN THE W.M. KECK OBSERVATORY PROJECT, MAUNA KEA, HAWAII.

The Secretary of the Treasury is authorized and directed to admit free of duty after September 30, 1988, the following articles for the use of the California Association for Research in Astronomy in the construction of the optical telescope for the W.M. Keck Observatory Project, Mauna Kea, Hawaii:

(1) The telescope structure.

(2) The observatory domes, produced by Brittain Steel, Ltd., of Vancouver, British Columbia, Canada.

(3) The primary mirror blanks, produced by the Schott Glassworks, Frankfurt, Federal Republic of Germany.

If the liquidation of the entry of any such article has become final before October 1, 1988, the entry shall, notwithstanding any other provision of law, be reliquidated on October 1, 1988, in accordance with the provisions of this section and the appropriate refund of duty made at the time of such reliquidation.

SEC. 1842. RELIQUIDATION OF CERTAIN ENTRIES AND REFUND OF ANTIDUMPING DUTIES.

(a) In General.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the entries listed in subsection (b) shall be reliquidated on October 1, 1988, without liability of the importer of record for antidumping duties, and if any such duty has been paid, either through liquidation or compromise under section 617 of the Tariff Act of 1930 (19 U.S.C. 1617), refund thereof shall be made on October 1, 1988.

(b) Specific Entries.—The entries referred to in subsection (a) are as follows:

Entry Number:	Date of Entry:
144549	March 26, 1976
150297	April 27, 1976
152729	May 11, 1976
156068	May 26, 1976
161653	June 23, 1976
168759	July 30, 1976
173393	August 25, 1976
175173	September 3, 1976
178811	September 23, 1976
108842	November 18, 1976
113000	December 9, 1976
115229	December 21, 1976
120070	January 17, 1977
120908	January 20, 1977
121403	January 24, 1977
130005	March 10, 1977.

SEC. 1843. RELIQUIDATION OF CERTAIN TUBULAR TIN PRODUCTS.

Notwithstanding any provision of the Tariff Act of 1930 or any other provision of the law to the contrary, the Secretary of the Treasury shall reliquidate on or after October 1, 1988, as free of duty under item 911.12 of the Appendix to the Tariff Schedules of the United States, as in effect at the time of entry, the entries numbered 00329493 (dated March 16, 1979), 00329494 (dated March 13, 1979), 00329495 (dated March 28, 1979), and 00330003 (dated March 21, 1979), made at New York, and covering tubular tin products, if a certificate of actual use (remelt certificate) for the articles covered by the four entries is submitted to the United States Customs Service at the port of entry after September 30, 1988, and before April 1, 1989.

SEC. 1844. CERTAIN EXTRACORPOREAL SHOCK WAVE LITHOTRIPTER IMPORTED FOR USE IN HAWAII.

Notwithstanding any other provision of law—

(1) the entry, or withdrawal from warehouse, for consumption in October 1986 of any extracorporeal shock wave lithotripter exclusively for use in the State of Hawaii shall be free of duty and, upon a request filed with the appropriate customs officer after September 30, 1988, and before April 1, 1989, shall be reliquidated in accordance with the provisions of this section, and

(2) the appropriate refund of any duties paid on such entry or withdrawal shall be made after September 30, 1988.

SEC. 1845. EXTENSION OF THE FILING PERIOD FOR RELIQUIDATION OF CERTAIN ENTRIES.

Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the customs officer concerned after September 30, 1988, and before April 1, 1989, the entry of any article described in item 687.70 of the Tariff Schedules of the United States which was made on or after March 1, 1985, and before November 6, 1986, shall be liquidated or reliquidated as though such entry had been made on November 6, 1986.

Subtitle H—Miscellaneous Customs, Trade, and Other Provisions

PART 1—CUSTOMS PROVISIONS

SEC. 1901. ENFORCEMENT OF THE RESTRICTIONS AGAINST IMPORTED PORNOGRAPHY.

(a) In General.—Section 305 of the Tariff Act of 1930 (19 U.S.C. 1305) is amended as follows:

(1) The second paragraph of subsection (a) is designated as subsection (b) and the following side heading, appropriately indented, is inserted before "Upon" at the beginning of the paragraph: "(b) Enforcement Procedures.—".

(2) The second sentence of subsection (b) (as redesignated by paragraph (1)) is amended to read as follows: "Upon the seizure of such book or matter, such customs officer shall transmit information thereof to the United States attorney of the district in which is situated either—

"(1) the office at which such seizure took place; or

"(2) the place to which such book or matter is addressed;

and the United States attorney shall institute proceedings in the district court for the forfeiture, confiscation, and destruction of the book or matter seized.".

(3) The following new subsections are added at the end thereof:

"(c) Notwithstanding the provisions of subsections (a) and (b), whenever a customs officer discovers any obscene material after such material has been imported or brought into the United States, or attempted to be imported or brought into the United States, he may refer the matter to the United States attorney for the institution of forfeiture proceedings under this section. Such proceedings shall begin no more than 30 days after the time the material is seized; except that no seizure or forfeiture shall be invalidated for delay if the claimant is responsible for extending the action beyond the allowable time limits or if proceedings are postponed pending the consideration of constitutional issues.

"(d) Upon motion of the United States, a court shall stay such civil forfeiture proceedings commenced under this section pending the completion of any related criminal matter.".

(b) Effective Date.—The amendments made by subsection (a) apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 1902. TARE ON CRUDE OIL AND PETROLEUM PRODUCTS.

(a) In General.—Section 507 of the Tariff Act of 1930 (19 U.S.C. 1507) is amended—

(1) by striking out "The Secretary" and inserting in lieu thereof "(a) In General.—The Secretary",

(2) by striking out "in no case shall there be" and inserting in lieu thereof "(except as otherwise provided in this section) there shall not be", and

(3) by adding at the end thereof the following new subsection:

"(b) Crude Oil and Petroleum Products.—In ascertaining tare on imports of crude oil, and on imports of petroleum products, allowance shall be made for all detectable moisture and impurities present in, or upon, the imported crude oil or petroleum products.".

(b) Effective Date.—The amendment made by this section shall apply with respect to articles entered, or withdrawn from warehouse for consumption, after October 1, 1987.

SEC. 1903. ELIGIBLE ARTICLES UNDER THE GENERALIZED SYSTEM OF PREFERENCES.

Section 503(c)(1)(B) of the Trade Act of 1974 (19 U.S.C. 2463(c)(1)(B)) is amended to read as follows:

"(B) watches, except those watches entered after June 30, 1989, that the President specifically determines, after public notice and comment, will not cause material injury to watch or watch band, strap, or bracelet manufacturing and assembly operations in the United States or the United States insular possessions,".

SEC. 1904. CUSTOMS BOND CANCELLATION STANDARDS.

Section 623(c) of the Tariff Act of 1930 (19 U.S.C. 1623(c)) is amended by adding at the end thereof the following new sentence: "In order to assure uniform, reasonable, and equitable decisions, the Secretary of the Treasury shall publish guidelines establishing standards for setting the terms and conditions for cancellation of bonds or charges thereunder.".

SEC. 1905. CUSTOMS SERVICES AT PONTIAC/OAKLAND, MICHIGAN, AIRPORT.

Section 236 of the Trade and Tariff Act of 1984 (19 U.S.C. 586) is amended—

(1) by striking out "and" at the end of subsection (a)(1);

(2) by redesignating paragraph (2) of subsection (a) as paragraph (3);

(3) by inserting after paragraph (1) of subsection (a) the following new paragraph:

"(2) the airport located at Pontiac/Oakland, Michigan, and"; and

(4) by striking out "20" in subsection (c).

SEC. 1906. SENSE OF CONGRESS REQUESTING THE PRESIDENT TO INSTRUCT THE SECRETARY OF THE TREASURY TO ENFORCE SECTION 307 OF THE TARIFF ACT OF 1930 WITHOUT DELAY.

(a) Congressional Findings.—The Congress finds that—

(1) its February 1983 report to the Congress on forced labor in the Union of Soviet Socialist Republics, the Department of State confirmed that Soviet forced labor is used "to produce large amounts of primary and manufactured goods for both domestic and Western export markets", and that such labor is used as an integral part of Soviet national economy;

(2) the Central Intelligence Agency has compiled a list of over three dozen products made by Soviet forced labor and imported by the United States, and that items on the September 27, 1983 list include chemicals, gold, uranium, aluminum, wood products and glassware;

(3) the International Commission on Human Rights has concluded that the Soviet Union "continues the deplorable practice of forced labor in manufacturing and construction projects" and that prisoners "are forced to work under conditions of extreme hardship including malnutrition, inadequate shelter and clothing, and severe discipline";

(4) the Congress is on record as opposing forced labor, having enacted a prohibition (in section 307 of the Tariff Act of 1930 (19 U.S.C. 1307)) on the importation of goods made with such labor and having passed in the Ninety-eighth Congress by unanimous vote a resolution calling such practices morally reprehensible and calling upon the President to express to the Soviet Union the opposition of the United States to such policies;

(5) the prohibition enacted by the Congress declares that "goods, wares, articles, and merchandise mined, produced or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited";

(6) there is ample knowledge of the Soviet forced labor system to require enforcement of the prohibition contained in section 307 of the Tariff Act of 1930 (19 U.S.C. 1307); and

(7) the delay in enforcing the law brings into question the commitment of the United States to protest the inhumane treatment of prisoners in the Soviet Gulag, an estimated ten thousand of whom are political and religious prisoners according to the Department of State.

(b) Sense of Congress.—It is the sense of the Congress that the President should express to the Soviet Union in the firmest possible terms the strong moral opposition of the United States to the slave labor policies of the Soviet Union by every means possible, including refusing to permit the importation into the United States of any products made in whole or in part by such labor.

(c) Presidential Action.—The President is hereby requested to instruct the Secretary of the Treasury to enforce section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) without delay.

SEC. 1907. IMPORT MARKING PROVISIONS.

(a) Increase in Penalty for Violations of Country-of-Origin Marking Requirements.—

(1) Section 304(h) of the Tariff Act of 1930 (19 U.S.C. 1304(h)) is amended to read as follows:

"(h) Penalties.—Any person who, with intent to conceal the information given thereby or contained therein, defaces, destroys, removes, alters, covers, obscures, or obliterates any mark required under the provisions of this Act shall—

"(1) upon conviction for the first violation of this subsection, be fined not more than $100,000, or imprisoned for not more than 1 year, or both; and

"(2) upon conviction for the second or any subsequent violation of this subsection, be fined not more than $250,000, or imprisoned for not more than 1 year, or both.".

(2)(A) The amendment made by paragraph (1) applies with respect to acts committed on or after the date of the enactment of this Act.

(B) The conviction of a person under section 304(h) of the Tariff Act of 1930 for an act committed before the date of the enactment of this Act shall be disregarded for purposes of applying paragraph (2) of such subsection (as added by the amendment made by paragraph (1) of this subsection.

(b) Marking of Containers of Imported Mushrooms.—Imported preserved mushrooms shall not be considered to be in compliance with section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) or any other law relating to the marking of imported articles unless the containers thereof indicate in English the country in which the mushrooms were grown.

(c) Native-American Style Jewelry and Native-American Style Arts and Crafts.—By no later than the date that is 1 year after the date of enactment of this Act, the Secretary of the Treasury shall prescribe and implement regulations under section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) which require, to the greatest extent possible, that all Native-American style jewelry and Native-American style arts and crafts that are imported into the United States have the English name of the country of origin of such jewelry or arts and crafts indelibly marked in a conspicuous place on such jewelry or arts and crafts by a permanent method of marking.

SEC. 1908. DUTY-FREE SALES ENTERPRISES.

(a) Findings.—The Congress finds that—

(1) duty-free sales enterprises play a significant role in attracting international passengers to the United States and thereby their operations favorably affect our balance of payments;

(2) concession fees derived from the operations of authorized duty-free sales enterprises constitute an important source of revenue for the State, local and other governmental authorities that collect such fees;

(3) there is inadequate statutory and regulatory recognition of, and guidelines for the operation of, duty-free sales enterprises; and

(4) there is a need to encourage uniformity and consistency of regulation of duty-free sales enterprises.

(b) In General.—Section 555(b) of the Tariff Act of 1930 (19 U.S.C. 1555(b)) is amended to read as follows:

"(b) Duty-Free Sales Enterprises.—

"(1) Duty-free sales enterprises may sell and deliver for export from the customs territory duty-free merchandise in accordance with this subsection and such regulations as the Secretary may prescribe to carry out this subsection.

"(2) A duty-free sales enterprise may be located anywhere within—

"(A) the same port of entry, as established under section 1 of the Act of August 24, 1912 (37 Stat. 434), from which a purchaser of duty-free merchandise departs the customs territory; or

"(B) 25 statute miles from the exit point through which the purchaser of duty-free merchandise will depart the customs territory.

"(3) Each duty-free sales enterprise—

"(A) shall establish procedures to provide reasonable assurance that duty-free merchandise sold by the enterprise will be exported from the customs territory;

"(B) if the duty-free sales enterprise is an airport store, shall establish and enforce, in accordance with such regulations as the Secretary may prescribe, restrictions on the sale of duty-free merchandise to any one individual to personal use quantities;

"(C) shall display in prominent places within its place of business notices which state clearly that any duty-free merchandise purchased from the enterprise—

"(i) has not been subject to any Federal duty or tax,

"(ii) if brought back into the customs territory, must be declared and is subject to Federal duty and tax, and

"(iii) is subject to the customs laws and regulation of any foreign country to which it is taken;

"(D) shall not be required to mark or otherwise place a distinguishing identifier on individual items of merchandise to indicate that the items were sold by a duty-free sales enterprise, unless the Secretary finds a pattern in which such items are being brought back into the customs territory without declaration;

"(E) may unpack merchandise into saleable units after it has been entered for warehouse and placed in a duty-free sales enterprise, without requirement of further permits; and

"(F) shall deliver duty-free merchandise—

"(i) in the case of a duty-free sales enterprise that is an airport store—

"(I) to the purchaser (or a family member or companion traveling with the purchaser) in an area that is within the airport and to which access to passengers is restricted to those departing from the customs territory;

"(II) to the purchaser (or a family member or companion traveling with the purchaser) at the exit point of a specific departing flight;

"(III) by placing the merchandise within the aircraft on which the purchaser will depart for carriage as passenger baggage; or

"(IV) if the duty-free sales enterprise has made a good faith effort to effect delivery for exportation through one of the methods described in subclause (I), (II), or (III) but is unable to do so, by any other reasonable method to effect delivery; or

"(ii) in the case of a duty-free sales enterprise that is a border store—

"(I) at a merchandise storage location at or beyond the exit point; or

"(II) at any location approved by the Secretary before the date of enactment of the Omnibus Trade Act of 1987.

"(4) If a State or local or other governmental authority, incident to its jurisdiction over any airport, seaport, or other exit point facility, requires that a concession or other form of approval be obtained from that authority with respect to the operation of a duty-free sales enterprise under which merchandise is delivered to or through such facility for exportation, merchandise incident to such operation may not be withdrawn from a bonded warehouse and transferred to or through such facility unless the operator of the duty-free sales enterprise demonstrates to the Secretary that the concession or approval required for the enterprise has been obtained.

"(5) This subsection does not prohibit a duty-free sales enterprise from offering for sale and delivering to, or on behalf of, individuals departing from the customs territory merchandise other than duty-free merchandise, except that such other merchandise may not be stored in a bonded warehouse facility other than a bonded facility used for retail sales.

"(6) Merchandise that is purchased in a duty-free sales enterprise is not eligible for exemption from duty under subpart A of part 2 of schedule 8 of the Tariff Schedules of the United States if such merchandise is brought back to the customs territory.

"(7) The Secretary shall by regulation establish a separate class of bonded warehouses for duty-free sales enterprises. Regulations issued to carry out this paragraph shall take into account the unique characteristics of the different types of duty-free sales enterprises.

"(8) For purposes of this subsection—

"(A) The term 'airport store' means a duty-free sales enterprise which delivers merchandise to, or on behalf of, individuals departing from the customs territory from an international airport located within the customs territory.

"(B) The term 'border store' means a duty-free sales enterprise which delivers merchandise to, or on behalf of, individuals departing from the customs territory through a land or water border by a means of conveyance other than an aircraft.

"(C) The term 'customs territory' means the customs territory of the United States and foreign trade zones.

"(D) The term 'duty-free sales enterprise' means a person that sells, for use outside the customs territory, duty-free merchandise that is delivered from a bonded warehouse to an airport or other exit point for exportation by, or on behalf of, individuals departing from the customs territory.

"(E) The term 'duty-free merchandise' means merchandise sold by a duty-free sales enterprise on which neither Federal duty nor Federal tax has been assessed pending exportation from the customs territory.

"(F) The term 'exit point' means the area in close proximity to an actual exit for departing from the customs territory, including the gate holding area in the case of an airport, but only if there is reasonable assurance that duty-free merchandise delivered in the gate holding area will be exported from the customs territory.

"(G) The term 'personal use quantities' means quantities that are only suitable for uses other than resale, and includes reasonable quantities for household or family consumption as well as for gifts to others.".

(c) Effective Date.—The amendment made by this section shall take effect on the date that is 15 days after the date of enactment of this Act.

SEC. 1909. CARIBBEAN BASIN INITIATIVE.

(a) Findings.—The Congress finds that—

(1) Caribbean and Central American countries historically have had close economic, political, and cultural ties to the United States;

(2) promoting economic and political stability in the Caribbean and Central America is in the national security interests of the United States;

(3) the economic and political stability of the nations of the Caribbean and Central America can be strengthened significantly by the attraction of foreign and domestic investment specifically devoted to employment generation; and

(4) the diversification of the economies and expansion of exports, particularly those of a non-traditional nature, of the nations of the Caribbean and Central America is linked directly to fair access to the markets of the United States.

(b) Intent of the Congress.—The Congress hereby expresses its intention to ensure that—

(1) the trade elements of the Caribbean Basin Initiative be strengthened in a manner consistent with the promotion of economic and political stability in the Caribbean and Central America;

(2) to the extent that Congress imposes changes that are intended to improve the competitive environment for United States industry and workers, such changes do not unduly affect the unilateral duty-free trade system available to the beneficiary countries designated under the Caribbean Basin Economic Recovery Act; and

(3) generic changes in the trade laws of the United States do not discriminate against imports from designated beneficiary countries in relation to imports from other United States trading partners.

(c) Withdrawal or Suspension of Duty-Free Treatment to Specific Articles.—Subsection (e) of section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(e)) is amended to read as follows:

"(e)(1) The President may, after the requirements of subsection (a)(2) and paragraph (2) have been met—

"(A) withdraw or suspend the designation of any country as a beneficiary country, or

"(B) withdraw, suspend, or limit the application of duty-free treatment under this subtitle to any article of any country,

if, after such designation, the President determines that as a result of changed circumstances such country would be barred from designation as a beneficiary country under subsection (b).

"(2)(A) The President shall publish in the Federal Register notice of the action the President proposes to take under paragraph (1) at least 30 days prior to taking such action.

"(B) The United States Trade Representative shall, within the 30-day period beginning on the date on which the President publishes under subparagraph (A) notice of proposed action—

"(i) accept written comments from the public regarding such proposed action,

"(ii) hold a public hearing on such proposed action, and

"(iii) publish in the Federal Register—

"(I) notice of the time and place of such hearing prior to the hearing, and

"(II) the time and place at which such written comments will be accepted.".

SEC. 1910. ETHYL ALCOHOL AND MIXTURES FOR FUEL USE.

(a) In General.—Subsection (b) of section 423 of the Tax Reform Act of 1986 (19 U.S.C. 2703, note) is amended—

(1) by striking out "and 1988" in paragraphs (1) and (2) and inserting in lieu thereof ", 1988, and 1989",

(2) by striking out "an insular possession of the United States or" in paragraph (1)(A),

(3) by striking out "January 1, 1986, or" in paragraph (1)(A) and inserting in lieu thereof "July 1, 1987,",

(4) by inserting "or an insular possession of the United States" after "beneficiary country" in paragraph (1)(B)(ii)(II),

(5) by striking out the period at the end of paragraph (1)(B) and inserting in lieu thereof ", or",

(6) by inserting the following new subparagraph after subparagraph (B) of paragraph (1):

"(C) a distillation facility operated by a corporation which, before the date of enactment of the Omnibus Trade Act of 1987—

"(i) has completed engineering and design of a full-scale fermentation facility in the United States Virgin Islands, and

"(ii) has obtained authorization from authorities of the United States Virgin Islands to operate a full-scale fermentation facility.", and

(7) by striking out "or (B)" in paragraph (2) and inserting in lieu thereof ", (B), or (C)".

(b) Studies.—

(1) The United States International Trade Commission and the Comptroller General of the United States shall each immediately undertake a study regarding whether the definition of indigenous ethyl alcohol or mixtures thereof used in applying section 423 of the Tax Reform Act of 1986 is consistent with, and will contribute to the achievement of, the stated policy of Congress to encourage the economic development of the beneficiary countries under the Caribbean Basin Economic Recovery Act and the insular possessions of the United States through the maximum utilization of the natural resources of those countries and possessions. Each study shall specifically include—

(A) an assessment regarding whether the indigenous product percentage requirements set forth in subsection (c)(2)(B) of such section 423 are economically feasible for ethyl alcohol producers; and

(B) if the assessment under subparagraph (A) is negative, recommended modifications to the indigenous product percentage requirements that—

(i) will ensure meaningful production and employment in the region,

(ii) will discourage pass-through operations, and

(iii) will not result in harm to producers of ethyl alcohol, or mixtures thereof, in the United States; and

(C) an assessment of the effects of imports of ethyl alcohol, and mixtures thereof, from such beneficiary countries and possessions on producers of ethyl alcohol, and mixtures thereof, in the United States.

(2) The United States International Trade Commission and the Comptroller General of the United States shall each submit a report containing the findings and conclusions of the study carried out under this subsection to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate before the 180th day after the date of the enactment of this Act.

SEC. 1911. ENFORCEMENT OF RESTRICTIONS ON IMPORTS FROM CUBA.

The United States Trade Representative shall request that all relevant agencies prepare appropriate recommendations for improving the enforcement of restrictions on the importation of articles from Cuba. Such recommendations should include, but not be limited to, appropriate measures to prevent indirect shipments or other means of circumvention. The United States Trade Representative shall, after considering such recommendations, report to the Congress, within 90 days after the date of enactment of this Act, on any administrative measures or proposed legislation which the United States Trade Representative considers necessary and appropriate to enforce restrictions on imports from Cuba.

SEC. 1912. CUSTOMS FORFEITURE FUND.

Section 613A of the Tariff Act of 1930 (19 U.S.C. 1613b) is amended—

(1) by striking out "beginning on the date of the enactment of this section, and ending on September 30, 1987," in subsection (c) and inserting in lieu thereof "described in subsection (a) for which the fund is available to the United States Customs Service,", and

(2) by striking out "private citizens" in subsection (a)(iii) and inserting in lieu thereof "private persons".

PART 2—MISCELLANEOUS TRADE PROVISIONS

SEC. 1931. TRADE STATISTICS.

(a) Reporting of Import Statistics.—Subsection (e) of section 301 of title 13, United States Code, is amended by striking out the last sentence thereof.

(b) Volumetric Index.—

(1) The Director of the Census, in consultation with the Director of the Bureau of Economic Analysis and the Commissioner of Labor Statistics, shall conduct a study to determine the feasibility of developing, and of publishing, an index that measures the real volume of merchandise trade on a monthly basis, which would be reported simultaneously with the balance of merchandise trade for the United States.

(2) The Director of the Census shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the study conducted under paragraph (1) by no later than the date that is one year after the date of enactment of this Act.

SEC. 1932. ADJUSTMENT OF TRADE STATISTICS FOR INFLATION AND DEFLATION.

Subsection (e) of section 301 of title 13, United States Code, is amended by adding at the end thereof the following new sentence: "The information required to be reported under this subsection shall be reported in a form that is adjusted for economic inflation or deflation (on a constant dollar basis consistent with the reporting of the National Income and Product Accounts), and in a form that is not so adjusted.".

SEC. 1933. COAL EXPORTS TO JAPAN.

It is the sense of the Congress that—

(1) the objectives of the November 1983 Joint Policy Statement on Energy Cooperation, as it relates to United States exports of coal to Japan, have not been achieved;

(2) the President should seek to establish reciprocity with Japan with respect to metallurgical coal exports and steel product imports and should encourage increased purchases by Japan of United States steam coal;

(3) the President should direct the United States Trade Representative, in negotiating a Steel Trade Arrangement with Japan, to take into consideration, consistent with the President's steel program, the amount of coal that Japan purchases from the United States in determining the level of steel, semi-finished steel and fabricated structured steel products that can be imported into the United States; and

(4) the President should report to the Congress by November 1, 1988 regarding the results of the outcome of any negotiation undertaken in response to this section.

SEC. 1934. PURCHASES OF UNITED STATES-MADE AUTOMOTIVE PARTS BY JAPAN.

(a) Findings.—The Congress finds that—

(1) the United States merchandise trade deficit reached the unprecedented level of $170,000,000,000 in 1986;

(2) the United States trade deficit with Japan, which reached $59,000,000,000 in 1986, accounted for approximately one-third of the total deficit;

(3) approximately one-half of the United States trade deficit with Japan was in motor vehicles and equipment;

(4) while Japanese automobile firms based in Japan produced 7,800,000 passenger cars in 1986 and exported 2,300,000 cars to the United States, United States exports of auto parts to Japan were only about $300,000,000 in 1986;

(5) United States automotive parts producers meet increasingly rigorous requirements for quality, just-in-time supply, and competitive pricing in the United States market; and

(6) the market-oriented sector specific (MOSS) talks on auto parts are aimed at overcoming substantial market access barriers and increasing the access of United States auto parts producers to the original and replacement parts market represented by Japanese automobiles produced in Japan, the United States, and third countries.

(b) Sense of Congress.—The Congress—

(1) strongly supports efforts being made by United States negotiators to expand significantly the opportunities for United States automotive parts producers to supply original and replacement parts for Japanese automobiles, wherever those automobiles may be produced; and

(2) determines that success of the MOSS talks will be measured by a significant increase in sales by United States auto parts companies to Japanese vehicle companies and the initiation of long-term sourcing relationships between such companies.

(c) Report on Outcome.—The United States Trade Representative and the Secretary of Commerce shall report to Congress at the conclusion of the MOSS talks on the outcome of the talks and on any agreements reached with Japan with respect to purchases by Japanese firms of United States automotive parts.

SEC. 1935. EFFECT OF IMPORTS ON CRUDE OIL PRODUCTION AND REFINING CAPACITY IN THE UNITED STATES.

The Secretary of Energy shall send to the Secretary of Commerce the results of the study conducted under section 3102 of the Omnibus Budget Reconciliation Act of 1986. Within 180 days of the receipt of the results of such study, the Secretary of Commerce shall report to the President and the Congress recommendations for actions which may be appropriate to address any impact of imports of crude oil and petroleum products on domestic crude oil exploration and production and the domestic petroleum refining capacity.

SEC. 1936. STUDY OF TRADE BARRIERS ESTABLISHED BY AUTO PRODUCING COUNTRIES TO AUTO IMPORTS AND THE IMPACT ON THE UNITED STATES MARKET.

(a) Study.—The United States Trade Representative shall conduct a study of formal and informal barriers which auto producing countries have established toward automobile imports and the impact of such barriers on diverting automobile imports into the United States. The study shall consider the impact of such barriers on automobile imports into the United States in the presence of, and in the absence of, voluntary restraint agreements between the United States and Japan.

(b) Report.—The United States Trade Representative shall include the findings of the study conducted under subsection (a) in the first report that is submitted under section 181(b) of the Trade Act of 1974 (19 U.S.C. 2241) after the date of enactment of this Act.

SEC. 1937. LAMB MEAT IMPORTS.

Within 15 days after the date of the enactment of this Act, the United States International Trade Commission, pursuant to section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)), shall monitor and investigate for a period of 2 years the importation into the United States of articles provided for in item 106.30 of the Tariff Schedules of the United States (19 U.S.C. 1202) (relating to fresh, chilled, and frozen lamb meat). For purposes of any request made under subsection (d) of section 202 of the Trade Act of 1974 (as amended by section 1401 of this Act) within such 2-year period for provisional relief with respect to imports of such articles, the monitoring and investigation required under this section shall be treated as having been requested by the United States Trade Representative under paragraph (1)(B) of such subsection.

PART 3—OTHER PROVISIONS

SEC. 1941. WINDFALL PROFIT TAX REPEAL.

(a) In General.—Chapter 45 of the Internal Revenue Code of 1986 is repealed.

(b) Conforming Amendments.—

(1) Sections 6050C, 6076, 6232, 6429, 6430, and 7241 of the Internal Revenue Code of 1986 are repealed.

(2)(A) Subsection (a) of section 164 of such Code is amended by striking paragraph (4) and redesignating the subsequent paragraphs as paragraphs (4) and (5), respectively.

(B) The following provisions of such Code are each amended by striking "44, or 45" each place it appears and inserting "or 44":

(i) section 6211(a),

(ii) section 6211(b)(2),

(iii) section 6212(a),

(iv) section 6213(a),

(v) section 6213(g),

(vi) section 6214(c),

(vii) section 6214(d),

(viii) section 6161(b)(1),

(ix) section 6344(a)(1), and

(x) section 7422(e).

(C) Subsection (a) of section 6211 of such Code is amended by striking "44, and 45" and inserting "and 44".

(D) Subsection (b) of section 6211 of such Code is amended by striking paragraphs (5) and (6).

(E) Paragraph (1) of section 6212(b) of such Code is amended—

(i) by striking "chapter 44, or chapter 45" and inserting "or chapter 44", and

(ii) by striking "chapter 44, chapter 45, and this chapter" and inserting "chapter 44, and this chapter".

(F) Paragraph (1) of section 6212(c) of such Code is amended—

(i) by striking "of chapter 42 tax" and inserting "or of chapter 42 tax", and

(ii) by striking ", or of chapter 45 tax for the same taxable period".

(G) Subsection (e) of section 6302 of such Code is amended—

(i) by striking "(1) For" and inserting "For", and

(ii) by striking paragraph (2).

(H) Section 6501 of such Code is amended by striking the subsection relating to special rules for windfall profit tax.

(I) Section 6511 of such Code is amended by striking subsection (h) and redesignating subsection (i) as subsection (h).

(J) Subsection (a) of section 6512 of such Code is amended—

(i) by striking "of tax imposed by chapter 41" and inserting "or of tax imposed by chapter 41", and

(ii) by striking ", or of tax imposed by chapter 45 for the same taxable period".

(K) Paragraph (1) of section 6512(b) of such Code is amended—

(i) by striking "of tax imposed by chapter 41" and inserting "or of tax imposed by chapter 41", and

(ii) by striking ", or of tax imposed by chapter 45 for the same taxable period".

(L) Section 6611 of such Code is amended by striking subsection (h) and redesignating subsections (i) and (j) as subsections (h) and (i), respectively.

(M) Subsection (d) of section 6724 of such Code is amended—

(i) by striking clause (i) in paragraph (1)(B) and redesignating clauses (ii) through (x) as clauses (i) through (ix), respectively, and

(ii) by striking subparagraphs (A) and (K) of paragraph (2) and redesignating subparagraphs (B), (C), (D), (E), (F), (G), (H), (I), (J), (L), (M), (N), (O), (P), (Q), (R), (S), and (T) as subparagraphs (A), (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), (L), (M), (N), (O), (P), (Q), and (R), respectively.

(N) Subsection (a) of section 6862 of such Code is amended by striking "44, and 45" and inserting "and 44".

(O) Section 7512 of such Code is amended—

(i) by striking ", by chapter 33, or by section 4986" in subsections (a) and (b) and inserting "or chapter 33", and

(ii) by striking ", chapter 33, or section 4986" in subsections (b) and (c) and inserting "or chapter 33".

(3)(A) The table of contents of subtitle D of such Code is amended by striking the item relating to chapter 45.

(B) The table of contents of subpart B of part III of subchapter A of chapter 61 of such Code is amended by striking the item relating to section 6050C.

(C) The table of contents of part V of such subchapter is amended by striking the item relating to section 6076.

(D) The table of contents of subchapter C of chapter 63 of such Code is amended by striking the item relating to section 6232.

(E) The table of contents of subchapter B of chapter 65 of such Code is amended by striking the items relating to sections 6429 and 6430.

(F) The table of contents of part II of subchapter A of chapter 75 of such Code is amended by striking the item relating to section 7241.

(4)(A) Section 280D of such Code is repealed.

(B) The table of sections for part IX of subchapter B of chapter 1 of such Code is amended by striking the item relating to section 280D.

(5) Paragraph (4) of section 291(b) of such Code is amended to read as follows:

"(4) INTEGRATED OIL COMPANY DEFINED.—For purposes of this subsection, the term 'integrated oil company' means, with respect to any taxable year, any producer of crude oil to whom subsection (c) of section 613A does not apply by reason of paragraph (2) or (4) of section 613A(d)."

(6)(A) Paragraph (3) of section 6654(f) of such Code is amended to read as follows:

"(3) the credits against tax provided by part IV of subchapter A of chapter 1, other than the credit against tax provided by section 31 (relating to tax withheld on wages)."

(B) Subparagraph (B) of section 6655(g)(1) of such Code is amended to read as follows:

"(B) the credits against tax provided by part IV of subchapter A of chapter 1."

(7) Subparagraph (A) of section 193(b)(3) of such Code is amended by striking "section 4996(b)(8)(C)" and inserting "section 4996(b)(8)(C) as in effect before its repeal".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to crude oil removed from the premises on or after the date of the enactment of this Act.

TITLE II—EXPORT ENHANCEMENT

SEC. 2001. SHORT TITLE.

This title may be referred to as the "Export Enhancement Act of 1988".

Subtitle A—Trade and Foreign Policy

PART I—RELATIONS WITH CERTAIN COUNTRIES

SEC. 2101. UNITED STATES-MEXICO FRAMEWORK AGREEMENT ON TRADE AND INVESTMENT.

(a) FINDINGS.—The Congress finds that the Bilateral Framework Agreement on Trade and Investment, entered into by the United States and Mexico on November 6, 1987—

(1) provides a useful vehicle for the management of bilateral trade and investment relations, based on shared principles and objectives;

(2) establishes procedures for consultation by the two countries on matters of bilateral trade and investment, and should facilitate resolution of disputes on these matters; and

(3) has led to negotiations between the two countries on important issues, and should continue to facilitate such negotiations.

(b) FURTHER IMPLEMENTATION OF THE AGREEMENT.—Within the context of the Bilateral Framework Agreement on Trade and Investment, the President is urged to continue to pursue consultations with representatives of the Government of Mexico for the purposes of implementing the Agreement and achieving an expansion of mutually beneficial trade and investment.

SEC. 2102. RELATIONS WITH COUNTRIES PROVIDING OFFENSIVE WEAPONRY TO BELLIGERENT COUNTRIES IN THE PERSIAN GULF REGION.

It is the sense of the Congress that the President should use all available appropriate leverage to persuade all countries to desist from any further transfers of offensive weaponry, such as Silkworm missiles, to any belligerent country in the Persian Gulf region.

PART II—FAIR TRADE IN AUTO PARTS

SEC. 2121. SHORT TITLE.

This part may be referred to as the "Fair Trade in Auto Parts Act of 1988".

SEC. 2122. DEFINITION.

For purposes of this part, the term "Japanese markets" refers to markets, including those in the United States and Japan, where automotive parts and accessories, both original equipment and aftermarket, are purchased for use in the manufacture or repair of Japanese automobiles.

SEC. 2123. ESTABLISHMENT OF INITIATIVE ON AUTO PARTS SALES TO JAPAN.

(a) IN GENERAL.—The Secretary of Commerce shall establish an initiative to increase the sale of United States-made auto parts and accessories to Japanese markets.

(b) FUNCTIONS.—In carrying out this section, the Secretary shall—

(1) foster increased access for United States-made auto parts and accessories to Japanese companies, including specific consultations on access to Japanese markets;

(2) facilitate the exchange of information between United States auto parts manufacturers and the Japanese automobile industry;

(3) collect data and market information on the Japanese automotive industry regarding needs, trends, and procurement practices, including the types, volume, and frequency of parts sales to Japanese automobile manufacturers;

(4) establish contacts with Japanese automobile manufacturers in order to facilitate contact between United States auto parts manufacturers and Japanese automobile manufacturers;

(5) report on and attempt to resolve disputes, policies, or practices, whether public or private, that result in barriers to increased commerce between United States auto parts manufacturers and Japanese automobile manufacturers;

(6) take actions to initiate periodic consultations with officials of the Government of Japan regarding sales of United States-made auto parts in Japanese markets; and

(7) submit annual written reports or otherwise report annually to the Congress on the sale of United States-made auto parts in Japanese markets, including the extent to which long-term, commercial relationships exist between United States auto parts manufacturers and Japanese automobile manufacturers.

SEC. 2124. ESTABLISHMENT OF SPECIAL ADVISORY COMMITTEE ON AUTO PARTS SALES IN JAPAN.

(a) IN GENERAL.—The Secretary of Commerce shall seek the advice of the United

States automotive parts industry in carrying out this part.

(b) Establishment of Committee.—The Secretary of Commerce shall establish a Special Advisory Committee for purposes of carrying out this part.

(c) Functions.—The Special Advisory Committee established under subsection (b) shall—

(1) report to the Secretary of Commerce on barriers to sales of United States-made auto parts and accessories in Japanese markets;

(2) review and consider data collected on sales of United States-made auto parts and accessories in Japanese markets;

(3) advise the Secretary of Commerce during consultations with the Government of Japan on issues concerning sales of United States-made auto parts in Japanese markets;

(4) assist in establishing priorities for the initiative established under section 2123, and otherwise provide assistance and direction to the Secretary of Commerce in carrying out the intent of that section; and

(5) assist the Secretary in reporting, or otherwise report to the Congress as requested, on the progress of sales of United States-made auto parts in Japanese markets.

(d) Authority.—The Secretary of Commerce shall draw on existing budget authority in carrying out this part.

SEC. 2125. EXPIRATION DATE.

The authorities under this part shall expire on December 31, 1993.

Subtitle B—Export Enhancement

PART I—GENERAL PROVISIONS

SEC. 2201. COMMERCIAL PERSONNEL AT THE AMERICAN INSTITUTE OF TAIWAN.

The American Institute of Taiwan shall employ personnel to perform duties similar to those performed by personnel of the United States and Foreign Commercial Service. The number of individuals employed shall be commensurate with the number of United States personnel of the Commercial Service who are permanently assigned to the United States diplomatic mission to South Korea.

SEC. 2202. COUNTRY REPORTS ON ECONOMIC POLICY AND TRADE PRACTICES.

The Secretary of State shall, not later than January 31 of each year, prepare and transmit to the Committee on Foreign Affairs and the Committee on Ways and Means of the House of Representatives, to the Committee on Foreign Relations and the Committee on Finance of the Senate, and to other appropriate committees of the Congress, a detailed report regarding the economic policy and trade practices of each country with which the United States has an economic or trade relationship. The Secretary may direct the appropriate officers of the Department of State who are serving overseas, in consultation with appropriate officers or employees of other departments and agencies of the United States, including the Department of Agriculture and the Department of Commerce, to coordinate the preparation of such information in a country as is necessary to prepare the report under this section. The report shall identify and describe, with respect to each country—

(1) the macroeconomic policies of the country and their impact on the overall growth in demand for United States exports;

(2) the impact of macroeconomic and other policies on the exchange rate of the country and the resulting impact on price competitiveness of United States exports;

(3) any change in structural policies (including tax incentives, regulations governing financial institutions, production standards, and patterns of industrial ownership) that may affect the country's growth rate and its demand for United States exports;

(4) the management of the country's external debt and its implications for trade with the United States;

(5) acts, policies, and practices that constitute significant barriers to United States exports or foreign direct investment in that country by United States persons, as identified under section 181(a)(1) of the Trade Act of 1974 (19 U.S.C. 2241(a)(1));

(6) acts, policies, and practices that provide direct or indirect government support for exports from that country, including exports by small businesses;

(7) the extent to which the country's laws and enforcement of those laws afford adequate protection to United States intellectual property, including patents, trademarks, copyrights, and mask works; and

(8) the country's laws, enforcement of those laws, and practices with respect to internationally recognized worker rights (as defined in section 502(a)(4) of the Trade Act of 1974), the conditions of worker rights in any sector which produces goods in which United States capital is invested, and the extent of such investment.

SEC. 2203. OVERSEAS PRIVATE INVESTMENT CORPORATION.

(a) Reaffirmation of Support for OPIC.—The Congress reaffirms its support for the Overseas Private Investment Corporation as a United States Government agency serving important development assistance goals. In order to enhance the Corporation's ability to meet these goals, the Overseas Private Investment Corporation should increase its loan guaranty and direct investment programs.

(b) Increase in Guaranties and Direct Investments.—

(1) Loan guaranties.—Section 235(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)) is amended—

(A) in paragraph (2) by striking "$750,000,000" and inserting "$1,000,000,000";

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by inserting after paragraph (4) the following:

"(5) Subject to paragraphs (2), (3), and (4), the Corporation shall issue guaranties under section 234(b) having an aggregate contingent liability with respect to principal of not less than $200,000,000 in each fiscal year, to the extent that there are eligible projects which meet the Corporation's criteria for such guaranties.".

(2) Direct investment.—Section 235(b) of the Foreign Assistance Act of 1961 is amended—

(A) by striking the comma after "Act of 1981" and inserting a period; and

(B) by striking "and the Corporation shall use" and all that follows through "funding" and inserting the following:

"The Corporation shall make loans under section 234(c) in an aggregate amount of not less than $25,000,000 in each fiscal year, to the extent that there are eligible projects which meet the Corporation's criteria for such loans".

(c) Operations of the Overseas Private Investment Corporation in the People's Republic of China.—Section 231A(a) of the Foreign Assistance Act of 1961 is amended by adding at the end the following new paragraph:

"(4) In making a determination under this section for the People's Republic of China, the Corporation shall discuss fully and completely the justification for making such determination with respect to each item set forth in subparagraphs (A) through (E) of section 502(a)(4) of the Trade Act of 1974.".

SEC. 2204. TRADE AND DEVELOPMENT PROGRAM.

(a) Reaffirmation of Support for Trade and Development Program.—The Congress reaffirms its support for the Trade and Development Program, and believes that the Program's ability to support high priority development projects in developing countries would be enhanced by an increase in the funds authorized for the Program as well as by a clarification of the Program's status as a separate component of the International Development Cooperation Agency.

(b) Authorization and Uses of Funds; Establishment as Separate Agency.—

(1) Additional uses of funds.—Section 661(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2421(a)) is amended by inserting after the first sentence the following: "Funds under this section may be used to provide support for project planning, development, management, and procurement for both bilateral and multilateral projects, including training activities undertaken in connection with a project, for the purpose of promoting the use of United States exports in such projects.".

(2) Establishment as a separate agency.—Section 661 of that Act is amended—

(A) by redesignating subsection (b) as subsection (d); and

(B) by inserting after subsection (a) the following:

"(b)(1) The purposes of this section shall be carried out by the Trade and Development Program, which shall be a separate component agency of the International Development Cooperation Agency. The Trade and Development Program shall not be an agency within the Agency for International Development or any other component agency of the International Development Cooperation Agency.

"(2) There shall be at the head of the Trade and Development Program a Director. Any individual appointed as the Director on or after January 1, 1989, shall be appointed by the President, by and with the advice and consent of the Senate.

"(3) The Trade and Development Program should serve as the primary Federal agency to provide information to persons in the private sector concerning trade development and export promotion related to bilateral development projects. The Trade and Development Program shall cooperate with the Office of International Major Projects of the Department of Commerce in providing information to persons in the private sector concerning trade development and export promotion related to multilateral development projects. Other Federal departments and agencies shall cooperate with the Trade and Development Program in order for the Program to more effectively provide informational services in accordance with this paragraph.

"(4) The Director of the Trade and Development Program shall, not later than December 31 of each year, submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report on the activities of the Trade and Development Program in the preceding fiscal year.

"(c) The Director of the Trade and Development Program shall, by regulation, establish an advisory board which shall include representatives of the private sector. The purpose of the advisory board shall be to make recommendations to the Director with respect to the Trade and Development Program.".

(3) FUNDING LEVELS.—In addition to funds otherwise available to the President for purposes of section 661 of the Foreign Assistance Act of 1961—

(A) not less than $5,000,000 and not more than $10,000,000 for fiscal year 1988 shall be made available for such purposes, half of which shall be derived from amounts available to carry out section 108 of the Foreign Assistance Act of 1961 for such fiscal year, and half of which shall be derived from amounts available to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for such fiscal year; and

(B) not less than $5,000,000 and not more than $10,000,000 for fiscal year 1989 shall be made available for such purposes, half of which shall be derived from amounts available to carry out section 108 of the Foreign Assistance Act of 1961 for such fiscal year, and half of which shall be derived from amounts available to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for such fiscal year.

(4) ADDITIONAL FUNDING.—(A) In addition to the amounts otherwise available to the President for purposes of section 661 of the Foreign Assistance Act of 1961 (including amounts available under paragraph (3) of this subsection) for fiscal years 1988 and 1989, there are authorized to be appropriated $10,000,000 for each such fiscal year for education and training programs undertaken in connection with projects under section 661 of that Act, including the operating expenses incurred in implementing such programs. Particular emphasis shall be placed on including in such programs nationals from the People's Republic of China and the Republic of China (Taiwan). Assistance may be provided for education and training under this paragraph only if there is a reasonable expectation that such education and training will result in increased exports from the United States and will not have a negative impact on employment in the United States.

(B) Of the funds made available to carry out subparagraph (A), 50 percent of such funds shall be available only for education and training programs administered in the United States by small business concerns as defined under section 3 of the Small Business Act (15 U.S.C. 632).

(c) AUTHORITIES UNDER THE TRADE AND DEVELOPMENT ENHANCEMENT ACT OF 1983.—

(1) TRANSFER OF FUNCTIONS FROM AID TO TDP.—(A) Section 644 of the Trade and Development Enhancement Act of 1983 (12 U.S.C. 635q) is amended—

(i) in subsection (a)(2) by striking "Agency for International Development" and inserting "Trade and Development Program";

(ii) in subsection (a)(3)(A)—

(I) by striking "offered by the Agency for International Development" and inserting "made available under section 645(d) of this Act"; and

(II) by striking "Agency for International Development" and inserting "Trade and Development Program"; and

(iii) in subsection (d)—

(I) by striking "offered by the Agency for International Development" and inserting "made available under section 645(d) of this Act"; and

(II) by striking "subsections (c) and (d) of section 645" and inserting "section 645(c)".

(B) Section 645 of that Act (12 U.S.C. 635r) is amended—

(i) in the section heading by striking "IN THE AGENCY FOR INTERNATIONAL DEVELOPMENT" and inserting "ADMINISTERED BY THE TRADE AND DEVELOPMENT PROGRAM";

(ii) in subsection (a)—

(I) by striking "Administrator of the Agency for International Development shall establish within the Agency" and inserting "Director of the Trade and Development Program shall carry out";

(II) in paragraph (1) by striking "offered by the Agency for International Development" and inserting "made available under subsection (d)";

(III) in paragraph (1) by striking "Agency for International Development" and inserting "Trade and Development Program";

(IV) in paragraph (2) by striking "offered by the Agency for International Development" and inserting "made available under subsection (d)"; and

(V) in paragraph (2) by striking "Agency for International Development" and inserting "Trade and Development Program";

(iii) in subsection (c)—

(I) in paragraph (1) by striking "of the Agency for International Development"; and

(II) in paragraph (2) by striking "Administrator of the Agency for International Development" and inserting "Director of the Trade and Development Program"; and

(iv) by amending subsection (d) to read as follows:

"(d) Funds available to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 may be used by the Director of the Trade and Development Program, with the concurrence of the Secretary of State (as provided under section 531 of the Foreign Assistance Act of 1961), for the purposes for which funds made available under this subsection are authorized to be used in section 644 and this section. The Secretary of State shall exercise his authority in cooperation with the Administrator of the Agency for International Development. Funds made available pursuant to this subsection may be used to finance a tied aid credit activity in any country eligible for tied aid credits under this Act.".

(2) FUNCTIONS OF NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL POLICIES.—Section 646 of the Trade and Development Enhancement Act of 1983 (12 U.S.C. 635s) is amended by adding at the end the following:

"(b) The Trade and Development Program shall be represented at any meetings of the National Advisory Council on International Monetary and Financial Policies for discussion of tied aid credit matters, and the representative of the Trade and Development Program at any such meeting shall have the right to vote on any decisions of the Advisory Council relating to tied aid credit matters.".

(d) ADMINISTRATIVE PROVISIONS.—

(1) PAY OF DIRECTOR OF TDP.—Section 5314 of title 5, United States Code, is amended by adding at the end the following:

"Director, Trade and Development Program.".

(2) TRANSITION PROVISIONS.—(A) The Administrator of the Agency for International Development shall transfer to the Director of the Trade and Development Program all records, contracts, applications, and any other documents or information in connection with the functions transferred by virtue of the amendments made by subsection (c)(1).

(B) All determinations, regulations, and contracts—

(i) which have been issued, made, granted, or allowed to become effective by the President, the Agency for International Development, or by a court of competent jurisdiction, in the performance of the functions transferred by virtue of the amendments made by subsection (c)(1), and

(ii) which are in effect at the time this section takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with the law by the President, the Director of the Trade and Development Program, or other authorized official, by a court of competent jurisdiction, or by operation of law.

(C)(i) The amendments made by subsection (c)(1) shall not affect any proceedings, including notices of proposed rulemaking, or any application for any financial assistance, which is pending on the effective date of this section before the Agency for International Development in the exercise of functions transferred by virtue of the amendments made by subsection (c)(1). Such proceedings and applications, to the extent that they relate to functions so transferred, shall be continued.

(ii) Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this section had not been enacted. Orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Director of the Trade and Development Program or other authorized official, by a court of competent jurisdiction, or by operation of law.

(iii) Nothing in this subparagraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(iv) The Director of the Trade and Development Program is authorized to issue regulations providing for the orderly transfer to the Trade and Development Program of proceedings continued under this subparagraph.

(D) With respect to any function transferred by virtue of the amendments made by subsection (c)(1) and exercised on or after the effective date of this section, reference in any other Federal law to the Agency for International Development or any officer shall be deemed to refer to the Trade and Development Program or other official to which such function is so transferred.

SEC. 2205. BARTER AND COUNTERTRADE.

(a) INTERAGENCY GROUP.—

(1) ESTABLISHMENT.—The President shall establish an interagency group on countertrade, to be composed of representatives of such departments and agencies of the United States as the President considers appropriate. The Secretary of Commerce shall be the chairman of the interagency group.

(2) FUNCTIONS.—It shall be the function of the interagency group to—

(A) review and evaluate—

(i) United States policy on countertrade and offsets, in light of current trends in international countertrade and offsets and the impact of those trends on the United States economy;

(ii) the use of countertrade and offsets in United States exports and bilateral United

States foreign economic assistance programs; and

(iii) the need for and the feasibility of negotiating with other countries, through the Organization for Economic Cooperation and Development and other appropriate international organizations, to reach agreements on the use of countertrade and offsets; and

(B) make recommendations to the President and the Congress on the basis of the review and evaluation referred to in subparagraph (A).

(3) Sharing of information.—Other departments and agencies of the United States shall provide to the interagency group such information available to such departments and agencies as the interagency group may request, except that the requirements, including penalties for violation thereof, for preserving the confidentiality of such information which are applicable to the officials, employees, experts, or consultants of such departments and agencies shall apply in the same manner to each member of the interagency group and to any other person performing any function under this subsection.

(b) Office of Barter.—

(1) Establishment—There is established, within the International Trade Administration of the Department of Commerce, the Office of Barter (hereafter in this section referred to as the "Office").

(2) Director.—There shall be at the head of the Office a Director, who shall be appointed by the Secretary of Commerce.

(3) Staff.—The Secretary of Commerce shall transfer such staff to the Office as the Secretary determines is necessary to enable the Office to carry out its functions under this section.

(4) Functions.—It shall be the function of the Office to—

(A) monitor information relating to trends in international barter;

(B) organize and disseminate information relating to international barter in a manner useful to business firms, educational institutions, export-related Federal, State, and local government agencies, and other interested persons, including publishing periodic lists of known commercial opportunities for barter transactions beneficial to United States enterprises;

(C) notify Federal agencies with operations abroad of instances where it would be beneficial to the United States for the Federal Government to barter Government-owned surplus commodities for goods and services purchased abroad by the Federal Government; and

(D) provide assistance to enterprises seeking barter and countertrade opportunities.

SEC. 2206. PROTECTION OF UNITED STATES INTELLECTUAL PROPERTY.

It is the sense of the Congress that—

(1) the Secretary of State should urge international technical organizations, such as the World Intellectual Property Organization, to provide expertise and cooperate fully in developing effective standards, in the General Agreement on Tariffs and Trade, for the international protection of intellectual property rights; and

(2) development assistance programs administered by the Agency for International Development, especially the reimbursable development program, should, in cooperation with the Copyright Office and the Patent and Trademark Office, include technical training for officials responsible for the protection of patents, copyrights, trademarks, and mask works in those countries that receive such development assistance.

SEC. 2207. REPORT ON WORKER RIGHTS.

The Secretary of State shall conduct an in-depth study with a view to improving the breadth, content, and utility of the annual reports submitted to the Congress pursuant to section 505(c) of the Trade Act of 1974 regarding the status of internationally recognized worker rights in foreign countries. Not later than 6 months after the date of the enactment of this Act, the Secretary shall submit a report to the Congress on the findings of such study and shall include in the report recommendations for upgrading the capacity of the United States Government to monitor and report on other countries' respect for such rights.

SEC. 2208. JAPANESE IMPORTATION OF MANUFACTURED GOODS FROM LESS DEVELOPED COUNTRIES.

(a) Findings.—The Congress finds that—

(1) Japan's merchandise trade surplus rose from $62,000,000,000 in fiscal year 1985 to $101,000,000,000 in fiscal year 1986;

(2) these surpluses pose a grave threat to the free trade system;

(3) Japan's most important contribution to the international trading system would be to commit itself as a nation to import with vigor, just as it has exported with vigor in recent decades;

(4) Japan should particularly increase its imports of manufactured goods; and

(5) Japan's share of the exports of less developed countries has declined from 10.6 percent in 1979 to below 8 percent in 1985.

(b) Sense of Congress.—It is the sense of the Congress that—

(1) by taking its proportionate share of the manufactured exports of developing countries, Japan will promote not only its economic development but the economic conditions conducive to democracy;

(2) expanding markets for the manufactured exports of less developed countries will directly benefit the United States, and, if less developed countries are able to increase exports to Japan, these countries will be able to earn more of the hard currency needed to service their foreign debt obligations and make the investments necessary to chart a course of solid economic growth; and

(3) if less developed countries are able to export manufactured goods to Japan, they will be under less pressure to divert exports to the United States market.

SEC. 2209. JAPAN AND THE ARAB BOYCOTT OF ISRAEL.

It is the sense of the Congress that the United States should encourage the Government of Japan in its efforts to expand trade relations with Israel and to end compliance by Japanese commercial enterprises with the Arab economic boycott of Israel.

SEC. 2210. FACILITATION OF JEWELRY TRADE.

It is the sense of the Congress that the United States should become a party to the Convention on the Control and Marking of Articles of Precious Metals in order to facilitate the efforts of the United States jewelry industry in penetrating foreign markets.

SEC. 2211. LOAN GUARANTEES.

Section 108 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151f) is amended by adding at the end the following:

"(i)(1) To carry out the purposes of subsection (a), in addition to the other authorities set forth in this section, the agency primarily responsible for administering this part is authorized to issue guarantees on such terms and conditions as it shall determine assuring against losses incurred in connection with loans made to projects that meet the criteria set forth in subsection (c). The full faith and credit of the United States is hereby pledged for the full payment and performance of such guarantees.

"(2) Loans guaranteed under this subsection shall be on such terms and conditions as the agency may prescribe, except for the following:

"(A) The agency shall issue guarantees only when it is necessary to alleviate a credit market imperfection.

"(B) Loans guaranteed shall provide for complete amortization within a period not to exceed ten years or, if the principal purpose of the guaranteed loan is to finance the construction or purchase of a physical asset with a useful life of less than ten years, within a period not to exceed such useful life.

"(C) No loan guaranteed to any one borrower may exceed 50 percent of the cost of the activity to be financed, or $3,000,000, whichever is less, as determined by the agency.

"(D) No loan may be guaranteed unless the agency determines that the lender is responsible and that adequate provision is made for servicing the loan on reasonable terms and protecting the financial interest of the United States.

"(E) The fees earned from the loan guarantees issued under this subsection shall be deposited in the revolving fund account as part of the guarantee reserve established under paragraph (5) of this subsection. Fees shall be assessed at a level such that the fees received, plus the funds from the revolving fund account placed in the guarantee reserve, satisfy the requirements of paragraph (5). Fees shall be reviewed every twelve months to ensure that the fees assessed on new loan guarantees are at the required level.

"(F) Any guarantee shall be conclusive evidence that such guarantee has been properly obtained, and that the underlying loan as contracted qualifies for such guarantee. Except for fraud or material misrepresentation for which the parties seeking payment under such guarantee are responsible, such guarantee shall be presumed to be valid, legal, and enforceable.

"(G) The agency shall determine that the standards used by the lender for assessing the credit risk of new and existing guaranteed loans are reasonable. The agency shall require that there be a reasonable assurance of repayment before credit assistance is extended.

"(H) Commitments to guarantee loans may be made by the agency only to the extent that the total loan principal, any part of which is guaranteed, will not exceed the amount specified in annual appropriations Acts.

"(3) To the extent that fees are not sufficient as specified under paragraph (2)(E) to cover expected future liabilities, appropriations are authorized to maintain an appropriate reserve.

"(4) The losses guaranteed under this subsection may be in dollars or in other currencies. In the case of loans in currencies other than dollars, the guarantees issued shall be subject to an overall payment limitation expressed in dollars.

"(5) The agency shall segregate in the revolving fund account and hold as a reserve an amount estimated to be sufficient to cover the agency's expected net liabilities on the loan guarantees outstanding under this subsection; except that the amount held in reserve shall not be less than 25 percent of the principal amount of the agency's outstanding contingent liabilities on such guarantees. Any payments made to discharge liabilities arising from the loan guarantees shall be paid first out of the assets in the revolving fund account and next out of other funds made available for this purpose.".

PART II—ASSISTANCE TO POLAND

SEC. 2221. SHORT TITLE.

This part may be cited as the "American Aid to Poland Act of 1988".

SEC. 2222. FUNDING FOR SCIENCE AND TECHNOLOGY AGREEMENT.

(a) Funding.—For purposes of implementing the 1987 United States-Polish science and technology agreement, there are authorized to be appropriated to the Secretary of State for fiscal year 1988, $1,000,000.

(b) Availability of Funds.—Amounts appropriated under subsection (a) are authorized to remain available until expended.

(c) Definition.—For purposes of this section, the term "1987 United States-Polish science and technology agreement" refers to the draft agreement concluded in 1987 by the United States and Poland, entitled "Agreement Between the Government of the United States of America and the Polish People's Republic on Cooperation in Science and Technology and Its Funding", together with annexes relating thereto.

SEC. 2223. DONATION OF SURPLUS AGRICULTURAL COMMODITIES.

(a) Authority to Donate.—Notwithstanding any other provision of law, the Secretary of Agriculture shall donate, under the applicable provisions of section 416(b) of the Agricultural Act of 1949, for each of the fiscal years 1988 through 1992, 8,000 metric tons of uncommitted stocks of eligible commodities of the Commodity Credit Corporation under an agreement with the Government of Poland that the Government of Poland will sell such commodities and that all the proceeds from such sales will be used by nongovernmental agencies for eligible activities in Poland described in section 416(b)(7)(D)(ii) of that Act (as amended by section 2225 of this Act) that have been approved, upon application, by the joint commission described in section 2226 and by the United States chief of diplomatic mission in Poland.

(b) Definitions.—For purposes of this section—

(1) the term "eligible commodities" has the same meaning as is given such term in section 416(b)(2) of the Agricultural Act of 1949 and, in addition, includes feed grains; and

(2) the term "nongovernmental agencies" includes nonprofit voluntary agencies, cooperatives, intergovernmental agencies such as the World Food Program, and other multilateral organizations.

SEC. 2224. USE OF POLISH CURRENCIES.

(a) Use of Polish Currencies.—Subject to subsection (b), nonconvertible Polish currencies (zlotys) held by the United States on the date of enactment of this Act pursuant to an agreement with the Government of Poland under the Agricultural Trade Development and Assistance Act of 1954 which are not assets of the Commodity Credit Corporation shall be made available, to the extent and in such amounts as are provided in advance in appropriation Acts, for eligible activities in Poland described in section 416(b)(7)(D)(ii) of the Agricultural Act of 1949 (as amended by section 2225 of this Act) and approved, upon application, by the joint commission described in section 2226 and by the United States chief of diplomatic mission in Poland.

(b) Availability of Currencies.—Currencies available under subsection (a) are currencies available after satisfaction of existing commitments to use such currencies for other purposes specified by law.

SEC. 2225. ELIGIBLE ACTIVITIES.

Section 416(b)(7)(D)(ii) of the Agricultural Act of 1949 is amended by adding at the end the following: "In addition, foreign currency proceeds generated in Poland may also be used by such agencies or cooperatives for eligible activities approved by the joint commission established pursuant to section 2226 of the American Aid to Poland Act of 1988 and by the United States chief of diplomatic mission in Poland that would improve the quality of life of the Polish people and would strengthen and support the activities of private, nongovernmental independent institutions in Poland. Activities eligible under the preceding sentence include—

"(I) any project undertaken in Poland under the auspices of the Charitable Commission of the Polish Catholic Episcopate for the benefit of handicapped or orphaned children;

"(II) any project for the reconstruction, renovation, or maintenance of the Research Center on Jewish History and Culture of the Jagiellonian University of Krakow, Poland, established for the study of events related to the Holocaust in Poland; and

"(III) any other project or activity which strengthens and supports private and independent sectors of the Polish economy, especially independent farming and agriculture.".

SEC. 2226. JOINT COMMISSION.

(a) Establishment.—The joint commission referred to in sections 2223 and 2224 and in section 416(b)(7)(D)(ii) of the Agricultural Act of 1949 (as amended by section 2225 of this Act) shall be established under an agreement between the United States Government, the Government of Poland, and nongovernmental agencies (as defined in section 2223) operating in Poland.

(b) Membership.—The joint commission shall be composed of—

(1) appropriate representatives of the Government of Poland;

(2) appropriate representatives of nongovernmental agencies which are parties to the agreement described in subsection (a); and

(3) representatives from the United States diplomatic mission in Poland, which may include a representative of the Foreign Agricultural Service.

SEC. 2227. PROVISION OF MEDICAL SUPPLIES AND HOSPITAL EQUIPMENT TO POLAND.

In addition to amounts authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) for fiscal years 1988 and 1989, there are authorized to be appropriated to carry out that chapter for each such fiscal year $2,000,000, which shall be available only for providing medical supplies and hospital equipment to Poland through private and voluntary organizations, including for the expenses of purchasing, transporting, and distributing such supplies and equipment.

Subtitle C—Export Promotion

SEC. 2301. UNITED STATES AND FOREIGN COMMERCIAL SERVICE.

(a) Establishment.—

(1) In general.—The Secretary of Commerce shall establish, within the International Trade Administration, the United States and Foreign Commercial Service. The Secretary shall, to the greatest extent practicable, transfer to the Commercial Service the functions and personnel of the United States and Foreign Commercial Services.

(2) Assistant Secretary of Commerce and Director General; other personnel.—The head of the Commercial Service shall be the Assistant Secretary of Commerce and Director General of the Commercial Service, who shall be appointed by the President, by and with the advice and consent of the Senate. The Assistant Secretary of Commerce and Director General of the Commercial Service may appoint Commercial Service Officers and such other personnel as may be necessary to carry out the activities of the Commercial Service.

(3) Coordination with foreign policy objectives.—The Secretary shall take the necessary steps to ensure that the activities of the Commercial Service are carried out in a manner consistent with United States foreign policy objectives, and the Secretary shall consult regularly with the Secretary of State in order to comply with this paragraph.

(4) Authority of chief of mission.—All activities of the Commercial Service shall be subject to section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927).

(b) Statement of Purpose.—The Commercial Service shall place primary emphasis on the promotion of exports of goods and services from the United States, particularly by small businesses and medium-sized businesses, and on the protection of United States business interests abroad by carrying out activities such as—

(1) identifying United States businesses with the potential to export goods and services and providing such businesses with advice and information on establishing export businesses;

(2) providing United States exporters with information on economic conditions, market opportunities, the status of the intellectual property system in such country, and the legal and regulatory environment within foreign countries;

(3) providing United States exporters with information and advice on the necessary adaptation of product design and marketing strategy to meet the differing cultural and technical requirements of foreign countries;

(4) providing United States exporters with actual leads and an introduction to contacts within foreign countries;

(5) assisting United States exporters in locating reliable sources of business services in foreign countries;

(6) assisting United States exporters in their dealings with foreign governments and enterprises owned by foreign governments; and

(7) assisting the coordination of the efforts of State and local agencies and private organizations which seek to promote United States business interests abroad so as to maximize their effectiveness and minimize the duplication of efforts.

(c) Offices.—

(1) In general.—The Commercial Service shall conduct its activities at a headquarters office, district offices located in major United States cities, and foreign offices located in major foreign cities.

(2) Headquarters.—The headquarters of the Commercial Service shall provide such managerial, administrative, research, and other services as the Secretary considers necessary to carry out the purposes of the Commercial Service.

(3) District offices.—The Secretary shall establish district offices of the Commercial Service in any United States city in a region in which the Secretary determines that

there is a need for Federal Government export assistance.

(4) FOREIGN OFFICES.—(A) The Secretary may, after consultation with the Secretary of State, establish foreign offices of the Commercial Service. These offices shall be located in foreign cities in regions in which the Secretary determines there are significant business opportunities for United States exporters.

(B) The Secretary may, in consultation with the Secretary of State, assign to the foreign offices Commercial Service Officers and such other personnel as the Secretary considers necessary. In employing Commercial Service Officers and such other personnel, the Secretary shall use the Foreign Service personnel system in accordance with the Foreign Service Act of 1980. The Secretary shall designate a Commercial Officer as head of each foreign office.

(C) Upon the request of the Secretary, the Secretary of State shall attach the Commercial Service Officers and other employees of each foreign office to the diplomatic mission of the United States in the country in which that foreign office is located, and shall obtain for them diplomatic privileges and immunities equivalent to those enjoyed by Foreign Service personnel of comparable rank and salary.

(D) For purposes of official representation, the senior Commercial Service Officer in each country shall be considered to be the senior commercial representative of the United States in that country, and the United States chief of mission in that country shall accord that officer all privileges and responsibilities appropriate to the position of senior commercial representative of other countries.

(E) The Secretary of State is authorized, upon the request of the Secretary, to provide office space, equipment, facilities, and such other administrative and clerical services as may be required for the operation of the foreign offices. The Secretary is authorized to reimburse or advance funds to the Secretary of State for such services.

(F) The authority of the Secretary under this paragraph shall be subject to section 103 of the Diplomatic Security Act (22 U.S.C. 4802).

(d) RANK OF COMMERCIAL SERVICE OFFICERS IN FOREIGN MISSIONS.—

(1) MINISTER-COUNSELOR.—Notwithstanding any other provision of law, the Secretary is authorized to designate up to 8 United States missions abroad at which the senior Commercial Service Officer will be able to use the diplomatic title of Minister-Counselor. The Secretary of State shall accord the diplomatic title of Minister-Counselor to the senior Commercial Service Officer assigned to a United States mission so designated.

(2) CONSUL GENERAL.—In any United States consulate in which a vacancy occurs in the position of Consul General, the Secretary of State, in consultation with the Secretary, shall consider filling that vacancy with a Commercial Service Officer if the primary functions of the consulate are of a commercial nature and if there are significant business opportunities for United States exporters in the region in which the consulate is located.

(e) INFORMATION DISSEMINATION.—In order to carry out subsection (b)(7), to lessen the cost of distribution of information produced by the Commercial Service, and to make that information more readily available, the Secretary should establish a system for distributing that information in those areas where no district offices of the Commercial Service are located. Distributors of the information should be State export promotion agencies or private export and trade promotion associations. The distribution system should be consistent with cost recovery objectives of the Department of Commerce.

(f) AUDITS.—The Inspector General of the Department of Commerce shall perform periodic audits of the operations of the Commercial Service, but at least once every 3 years. The Inspector General shall report to the Congress the results of each such audit. In addition to an overview of the activities and effectiveness of Commercial Service operations, the audit shall include—

(1) an evaluation of the current placement of domestic personnel and recommendations for transferring personnel among district offices;

(2) an evaluation of the current placement of foreign-based personnel and recommendations for transferring such personnel in response to newly emerging business opportunities for United States exporters; and

(3) an evaluation of the personnel system and its management, including the recruitment, assignment, promotion, and performance appraisal of personnel, the use of limited appointees, and the "time-in-class" system.

(g) REPORT BY THE SECRETARY.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to the Congress on the feasibility and desirability, the progress to date, the present status, and the 5-year outlook, of the comprehensive integration of the functions and personnel of the foreign and domestic export promotion operations within the International Trade Administration of the Department of Commerce.

(h) PAY OF ASSISTANT SECRETARY AND DIRECTOR GENERAL.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service.".

(i) DEFINITIONS.—For purposes of this section—

(1) the term "Secretary" means the Secretary of Commerce;

(2) the term "Commercial Service" means the United States and Foreign Commercial Service;

(3) the term "United States exporter" means—

(A) a United States citizen;

(B) a corporation, partnership, or other association created under the laws of the United States or of any State; or

(C) a foreign corporation, partnership, or other association, more than 95 percent of which is owned by persons described in subparagraphs (A) and (B),

that exports, or seeks to export, goods or services produced in the United States;

(4) the term "small business" means any small business concern as defined under section 3 of the Small Business Act (15 U.S.C. 632);

(5) the term "State" means any of the several States, the District of Columbia, or any commonwealth, territory, or possession of the United States; and

(6) the term "United States" means the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

SEC. 2302. COMMERCIAL SERVICE OFFICERS AND MULTILATERAL DEVELOPMENT BANK PROCUREMENT.

(a) APPOINTMENT OF COMMERCIAL SERVICE OFFICERS TO SERVE WITH EXECUTIVE DIRECTORS.—The Secretary of Commerce, in consultation with the Secretary of the Treasury, shall appoint a procurement officer, who is a representative of the International Trade Administration or a Commercial Service Officer of the United States and Foreign Commercial Service, to serve, on a full-time or part-time basis, with each of the Executive Directors of the multilateral development banks in which the United States participates.

(b) FUNCTIONS OF OFFICERS.—Each procurement officer appointed under subsection (a) shall assist the United States Executive Director with respect to whom such officer is appointed in promoting opportunities for exports of goods and services from the United States by doing the following:

(1) Acting as the liaison between the business community and the multilateral development bank involved, whether or not the bank has offices in the United States. The Secretary of Commerce shall ensure that the procurement officer has access to, and disseminates to United States businesses, information relating to projects which are being proposed by the multilateral development bank, and bid specifications and deadlines for projects about to be developed by the bank. The procurement officer shall make special efforts to disseminate such information to small and medium-sized businesses interested in participating in such projects. The procurement officer shall explore opportunities for disseminating such information through private sector, nonprofit organizations.

(2) Taking actions to assure that United States businesses are fully informed of bidding opportunities for projects for which loans have been made by the multilateral development bank involved.

(3) Taking actions to assure that United States businesses can focus on projects in which they have a particular interest or competitive advantage, and to permit them to compete and have an equal opportunity in submitting timely and conforming bidding documents.

(c) DEFINITION.—As used in this section, the term "multilateral development bank" includes the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Inter-American Investment Corporation, the Asian Development Bank, the African Development Bank, and the African Development Fund.

SEC. 2303. MARKET DEVELOPMENT COOPERATOR PROGRAM.

(a) AUTHORITY OF SECRETARY OF COMMERCE.—In order to promote further the exportation of goods and services from the United States, the Secretary of Commerce is authorized to establish, in the International Trade Administration of the Department of Commerce, a Market Development Cooperator Program. The purpose of the program is to develop, maintain, and expand foreign markets for nonagricultural goods and services produced in the United States.

(b) IMPLEMENTATION OF THE PROGRAM.—The Secretary of Commerce shall carry out the Market Development Cooperator Program by entering into contracts with—

(1) nonprofit industry organizations,

(2) trade associations,

(3) State departments of trade and their regional associations, including centers for international trade development, and

(4) private industry firms or groups of firms in cases where no entity described in paragraph (1), (2), or (3) represents that industry,

(in this section referred to as "cooperators") to engage in activities in order to carry out the purpose of the Market Development Cooperator Program set forth in subsection (a). The costs of activities under such a contract shall be shared equitably among the Department of Commerce, the cooperator involved, and, whenever appropriate, foreign businesses. The Department of Commerce shall undertake to support direct costs of activities under such a contract, and the cooperator shall undertake to support indirect costs of such activities. Activities under such a contract shall be carried out by the cooperator with the approval and assistance of the Secretary.

(c) COOPERATOR PARTNERSHIP PROGRAM.—

(1) IN GENERAL.—(A) As part of the Market Development Cooperator Program established under subsection (a), the Secretary of Commerce shall establish a partnership program with cooperators under which a cooperator may detail individuals, subject to the approval of the Secretary, to the United States and Foreign Commercial Service for a period of not less than 1 year or more than 2 years to supplement the Commercial Service.

(B) Any individual detailed to the United States and Foreign Commercial Service under this subsection shall be responsible for such duties as the Secretary may prescribe in order to carry out the purpose of the Market Development Cooperator Program set forth in subsection (a).

(C) Individuals detailed to the United States and Foreign Commercial Service under this subsection shall not be considered to be employees of the United States for the purposes of any law administered by the Office of Personnel Management, except that the Secretary of State may determine the applicability to such individuals of section 2(f) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669(f)) and of any other law administered by the Secretary of State concerning the detail of such individuals abroad.

(2) QUALIFICATIONS OF PARTICIPANTS.—In order to qualify for the program established under this subsection, individuals shall have demonstrated expertise in the international business arena in at least 2 of the following areas: marketing, market research, and computer data bases.

(3) EXPENSES OF THE PROGRAM.—(A) The cooperator who details an individual to the United States and Foreign Commercial Service under this subsection shall be responsible for that individual's salary and related expenses, including health care, life insurance, and other noncash benefits, if any, normally paid by such cooperator.

(B) The Secretary of Commerce shall pay transportation and housing costs for each individual participating in the program established under this subsection.

(d) BUDGET ACT.—Contracts may be entered into under this section in a fiscal year only to such extent or in such amounts as are provided in appropriations Acts.

SEC. 2304. TRADE SHOWS.

(a) AUTHORITY OF THE SECRETARY OF COMMERCE.—In order to facilitate exporting by United States businesses, the Secretary of Commerce shall provide assistance for trade shows in the United States which bring together representatives of United States businesses seeking to export goods or services produced in the United States and representatives of foreign companies or governments seeking to buy such goods or services from these United States businesses.

(b) RECIPIENTS OF ASSISTANCE.—Assistance under subsection (a) may be provided to—

(1) nonprofit industry organizations,

(2) trade associations,

(3) foreign trade zones, and

(4) private industry firms or groups of firms in cases where no entity described in paragraph (1), (2), or (3) represents that industry,

to provide the services necessary to operate trade shows described in subsection (a).

(c) ASSISTANCE TO SMALL BUSINESSES.—In providing assistance under this section, the Secretary of Commerce shall, in consultation with the Administrator of the Small Business Administration, make special efforts to facilitate participation by small businesses and companies new to export.

(d) USES OF ASSISTANCE.—Funds appropriated to carry out this section shall be used to—

(1) identify potential participants for trade show organizers,

(2) provide information on trade shows to potential participants,

(3) supply language services for participants, and

(4) provide information on trade shows to small businesses and companies new to export.

(e) DEFINITIONS.—As used in this section—

(1) the term "United States business" means—

(A) a United States citizen;

(B) a corporation, partnership, or other association created under the laws of the United States or of any State (including the District of Columbia or any commonwealth, territory, or possession of the United States); or

(C) a foreign corporation, partnership, or other association, more than 95 percent of which is owned by persons described in subparagraphs (A) and (B); and

(2) the term "small business" means any small business concern as defined under section 3 of the Small Business Act (15 U.S.C. 632).

SEC. 2305. AUTHORIZATION OF APPROPRIATIONS FOR EXPORT PROMOTION PROGRAMS.

(a) DEFINITION OF EXPORT PROMOTION PROGRAM.—Section 201(d) of the Export Administration Amendments Act of 1985 (15 U.S.C. 4051(d)) is amended—

(1) in paragraph (3) by striking "and" after the semicolon;

(2) in paragraph (4) by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(5) the Market Development Cooperator Program established under section 2303 of the Export Enhancement Act of 1988, and assistance for trade shows provided under section 2304 of that Act.".

(b) AUTHORIZATION OF APPROPRIATIONS.—(1) Section 202 of the Export Administration Amendments Act of 1985 (15 U.S.C. 4052) is amended to read as follows:

"There are authorized to be appropriated to the Department of Commerce to carry out export promotion programs $123,922,000 for the fiscal year 1988, and $146,400,000 for each of the fiscal years 1989 and 1990.".

(2) In addition to funds otherwise available, there are authorized to be appropriated to the Department of Commerce to carry out sections 2303 and 2304 of this Act $6,000,000 for each of the fiscal years 1988, 1989, and 1990.

SEC. 2306. UNITED STATES AND FOREIGN COMMERCIAL SERVICE PACIFIC RIM INITIATIVE.

(a) IN GENERAL.—In order to encourage the export of United States goods and services to Japan, South Korea, and Taiwan, the United States and Foreign Commercial Service shall make a special effort to—

(1) identify United States goods and services which are not being exported to the markets of Japan, South Korea, and Taiwan but which could be exported to these markets under competitive market conditions;

(2) identify and notify United States persons who sell or provide such goods or services of potential opportunities identified under paragraph (1);

(3) present, periodically, a list of the goods and services identified under paragraph (1), together with a list of any impediments to the export of such goods and services, to appropriate authorities in Japan, South Korea, and Taiwan, with a view toward liberalizing markets to such goods and services;

(4) facilitate the entrance into such markets by United States persons identified and notified under paragraph (2); and

(5) monitor and evaluate the results of efforts to increase the sale of goods and services in such markets.

(b) REPORTS TO THE CONGRESS.—The Secretary of Commerce shall report periodically to the Congress on activities carried out under subsection (a).

(c) DEFINITION.—As used in this section, the term "United States person" means—

(1) a United States citizen; or

(2) a corporation, partnership, or other association created under the laws of the United States or any State (including the District of Columbia or any commonwealth, territory, or possession of the United States).

SEC. 2307. INDIAN TRIBES EXPORT PROMOTION.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Commerce is authorized to provide assistance to eligible entities for the development of foreign markets for authentic American Indian arts and crafts. Eligible entities under this section include Indian tribes, tribal organizations, tribal enterprises, craft guilds, marketing cooperatives, and individual Indian-owned businesses.

(b) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—Activities eligible for assistance under this section include, but are not limited to, conduct of market surveys, development of promotional materials, financing of trade missions, participation in international trade fairs, direct marketing, and other market development activities.

(c) ADMINISTRATION OF ASSISTANCE.—Assistance under this section shall be administered by the Secretary of Commerce under guidelines developed by the Secretary. Priority shall be given to projects which support the establishment of long term, stable international markets for American Indian arts and crafts and which are designed to provide the greatest economic benefit to American Indian artisans.

(d) TECHNICAL AND OTHER ASSISTANCE.—The Secretary of Commerce shall provide technical assistance and support services to applicants eligible for and entities receiving assistance under this section for the purpose of helping them in identifying and entering appropriate foreign markets, complying with foreign and domestic legal and banking requirements regarding the export and import of arts and crafts, and utilizing import and export financial arrangements, and shall provide such other assistance as may be necessary to support the development of export markets for American Indian arts and crafts.

(e) LIMITATION ON ASSISTANCE.—No assistance shall be provided under this section in support of any activity which includes the sale or marketing of any craft items other than authentic arts and crafts hand made or hand crafted by American Indian artisans.

SEC. 2308. PRINTING AT OVERSEAS LOCATIONS.

(a) PRINTING IN CONJUNCTION WITH EXPORT PROMOTION PROGRAMS.—Section 201 of the Export Administration Amendments Act of 1985 (15 U.S.C. 4051) is amended by adding at the end the following:

"(e) PRINTING OUTSIDE THE UNITED STATES.—(1) Notwithstanding the provisions of section 501 of title 44, United States Code, and consistent with other applicable law, the Secretary of Commerce, in carrying out any export promotion program, may authorize—

"(A) the printing, distribution, and sale of documents outside the contiguous United States, if the Secretary finds that the implementation of such export promotion program would be more efficient, and if such documents will be distributed primarily and sold exclusively outside the United States; and

"(B) the acceptance of private notices and advertisements in connection with the printing and distribution of such documents.

"(2) Any fees received by the Secretary pursuant to paragraph (1) shall be deposited in a separate account or accounts which may be used to defray directly the costs incurred in conducting activities authorized by paragraph (1) or to repay or make advances to appropriations or other funds available for such activities.".

SEC. 2309. LOCAL CURRENCIES UNDER PUBLIC LAW 480.

Section 108(i) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1708(i)) is amended—

(1) in paragraph (1) by striking "and";

(2) in paragraph (2) by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(3) the terms 'private sector development activity' and 'private enterprise investment' include the construction of low- and medium-income housing and shelter.".

SEC. 2310. OFFICE OF EXPORT TRADE.

Section 104 of the Export Trading Company Act of 1982 (15 U.S.C. 4003) is amended by adding at the end the following: "The office shall establish a program to encourage and assist the operation of other export intermediaries, including existing and newly formed export management companies.".

SEC. 2311. REPORT ON EXPORT TRADING COMPANIES.

Not later than 18 months after the date of the enactment of this Act, the Secretary of Commerce shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate, and to the Committee on Banking, Finance and Urban Affairs, the Committee on Foreign Affairs, and the Committee on the Judiciary of the House of Representatives, on the activities of the Department of Commerce to promote and encourage the formation of new and the operation of existing and new export promotion intermediaries, including export management companies, export trade associations, bank export trading companies, and export trading companies. The report shall include a survey of the activities of export management companies, export trade associations, and those bank export trading companies and export trading companies established pursuant to the amendments made by title II of the Export Trading Company Act of 1982, and pursuant to title III of that Act. The report shall not contain any information subject to the protections from disclosure provided in that Act.

Subtitle D—Export Controls

SEC. 2401. REFERENCE TO THE EXPORT ADMINISTRATION ACT OF 1979.

For purposes of this subtitle, the Export Administration Act of 1979 shall be referred to as "the Act".

PART I—EXPORT CONTROLS GENERALLY

SEC. 2411. EXPORT LICENSE FEES.

Section 4 of the Act (50 U.S.C. App. 2403) is amended by adding at the end the following:

"(g) FEES.—No fee may be charged in connection with the submission or processing of an export license application.".

SEC. 2412. MULTIPLE LICENSE AUTHORITY.

Section 4(a)(2) of the Act (50 U.S.C. App. 2403(a)(2)) is amended—

(1) in subparagraph (A) by striking the period at the end of the first sentence and inserting ", except that the Secretary may establish a type of distribution license appropriate for consignees in the People's Republic of China."; and

(2) in subparagraph (B) in the first sentence by inserting "(except the People's Republic of China)" after "controlled countries".

SEC. 2413. DOMESTIC SALES TO COMMERCIAL ENTITIES OF CONTROLLED COUNTRIES.

Section 5(a)(1) of the Act (50 U.S.C. App. 2404(a)(1)) is amended by inserting after the second sentence the following: "For purposes of the preceding sentence, the term 'affiliates' includes both governmental entities and commercial entities that are controlled in fact by controlled countries.".

SEC. 2414. AUTHORITY FOR REEXPORTS.

Section 5(a) of the Act (50 U.S.C. App. 2404(a)) is amended by adding at the end the following:

"(4)(A) No authority or permission may be required under this section to reexport any goods or technology subject to the jurisdiction of the United States to any country which maintains export controls on such goods or technology cooperatively with the United States pursuant to the agreement of the group known as the Coordinating Committee, or pursuant to an agreement described in subsection (k) of this section. The Secretary may require any person reexporting any goods or technology under this subparagraph to notify the Secretary of such reexports.

"(B) Notwithstanding subparagraph (A), the Secretary may require authority or permission to reexport the following:

"(i) supercomputers;

"(ii) goods or technology for sensitive nuclear uses (as defined by the Secretary);

"(iii) devices for surreptitious interception of wire or oral communications; and

"(iv) goods or technology intended for such end users as the Secretary may specify by regulation.

"(5)(A) Except as provided in subparagraph (B), no authority or permission may be required under this section to reexport any goods or technology subject to the jurisdiction of the United States from any country when the goods or technology to be reexported are incorporated in another good and—

"(i) the value of the controlled United States content of that other good is 25 percent or less of the total value of the good; or

"(ii) the export of the goods or technology to a controlled country would require only notification of the participating governments of the Coordinating Committee.

For purposes of this paragraph, the 'controlled United States content' of a good means those goods or technology subject to the jurisdiction of the United States which are incorporated in the good, if the export of those goods or technology from the United States to a country, at the time that the good is exported to that country, would require a validated license.

"(B) The Secretary may by regulation provide that subparagraph (A) does not apply to the reexport of a supercomputer which contains goods or technology subject to the jurisdiction of the United States.

"(6) Not later than 90 days after the date of the enactment of this paragraph, the Secretary shall issue regulations to carry out paragraphs (4) and (5). Such regulations shall define the term 'supercomputer' for purposes of those paragraphs.".

SEC. 2415. EXPORTS TO COUNTRIES OTHER THAN CONTROLLED COUNTRIES.

(a) COCOM COUNTRIES.—Section 5(b)(2) of the Act (50 U.S.C. App. 2404(b)(2)) is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B), no authority or permission may be required under this section to export goods or technology to a country which maintains export controls on such goods or technology cooperatively with the United States pursuant to the agreement of the group known as the Coordinating Committee or pursuant to an agreement described in subsection (k) of this section, if the export of such goods or technology to the People's Republic of China or a controlled country on the date of the enactment of the Export Enhancement Act of 1988 would require only notification of the participating governments of the Coordinating Committee.

"(B)(i) The Secretary may require a license for the export of goods or technology described in subparagraph (A) to such end users as the Secretary may specify by regulation.

"(ii) The Secretary may require any person exporting goods or technology under this paragraph to notify the Secretary of those exports.

"(C) The Secretary shall, within 3 months after the date of the enactment of the Export Enhancement Act of 1988, determine which countries referred to in subparagraph (A) are implementing an effective export control system consistent with principles agreed to in the Coordinating Committee, including the following:

"(i) national laws providing appropriate civil and criminal penalties and statutes of limitations sufficient to deter potential violations;

"(ii) a program to evaluate export license applications that includes sufficient technical expertise to assess the licensing status of exports and ensure the reliability of end-users;

"(iii) an enforcement mechanism that provides authority for trained enforcement officers to investigate and prevent illegal exports;

"(iv) a system of export control documentation to verify the movement of goods and technology; and "(v) procedures for the coordination and exchange of information concerning violations of the agreement of the Coordinating Committee.

The Secretary shall, at least once each year, review the determinations made under the preceding sentence with respect to all countries referred to in subparagraph (A). The Secretary may, as appropriate, add countries to, or remove countries from, the list of countries that are implementing an effective export control system in accordance with this subparagraph. No authority or permission to export may be required for the export of goods or technology to a country on such list.".

(b) COUNTRIES OTHER THAN COCOM COUNTRIES.—Section 5(b) of the Act (50 U.S.C. App. 2404(b)) is amended by adding at the end the following:

"(3)(A) No authority or permission may be required under this section to export to any country, other than a controlled country, any goods or technology if the export of the goods or technology to controlled countries would require only notification of the participating governments of the Coordinating Committee.

"(B) The Secretary may require any person exporting any goods or technology under subparagraph (A) to notify the Secretary of those exports.".

SEC. 2416. CONTROL LIST.

(a) RESOLUTION OF DISPUTES.—Section 5(c)(2) of the Act (50 U.S.C. App. 2404(c)(2)) is amended by striking the last sentence and inserting the following: "If the Secretary and the Secretary of Defense are unable to concur on such items, as determined by the Secretary, the Secretary of Defense may, within 20 days after receiving notification of the Secretary's determination, refer the matter to the President for resolution. The Secretary of Defense shall notify the Secretary of any such referral. The President shall, not later than 20 days after such referral, notify the Secretary of his determination with respect to the inclusion of such items on the list. Failure of the Secretary of Defense to notify the President or the Secretary, or failure of the President to notify the Secretary, in accordance with this paragraph, shall be deemed by the Secretary to constitute concurrence in the implementation of the actions proposed by the Secretary regarding the inclusion of such items on the list.".

(b) CONDUCT OF LIST REVIEWS.—

(1) CONTROL LIST.—Section 5(c)(3) of the Act is amended to read as follows:

"(3) The Secretary shall conduct partial reviews of the list established pursuant to this subsection at least once each calendar quarter in order to carry out the policy set forth in section 3(2)(A) of this Act and the provisions of this section, and shall promptly make such revisions of the list as may be necessary after each such review. Before beginning each quarterly review, the Secretary shall publish notice of that review in the Federal Register. The Secretary shall provide a 30-day period during each review for comment and the submission of data, with or without oral presentation, by interested Government agencies and other affected or potentially affected parties. After consultation with appropriate Government agencies, the Secretary shall make a determination of any revisions in the list within 30 days after the end of the review period. The concurrence or approval of any other department or agency is not required before any such revision is made. The Secretary shall publish in the Federal Register any revisions in the list, with an explanation of the reasons for the revisions. The Secretary shall use the data developed from each review in formulating United States proposals relating to multilateral export controls in the group known as the Coordinating Committee. The Secretary shall further assess, as part of each review, the availability from sources outside the United States of goods and technology comparable to those subject to export controls imposed under this section. All goods and technology on the list shall be reviewed at least once each year. The provisions of this paragraph apply to revisions of the list which consist of removing items from the list or making changes in categories of, or other specifications in, items on the list.".

(2) LIST OF MILITARILY CRITICAL TECHNOLOGIES.—Section 5(d)(5) of the Act (50 U.S.C. App. 2404(d)(5)) is amended in the first sentence by striking "at least annually" and inserting "on an ongoing basis".

(3) TECHNICAL ADVISORY COMMITTEES.—(A) Section 5(c) of the Act is amended by adding at the end the following:

"(4) The appropriate technical advisory committee appointed under subsection (h) of this section shall be consulted by the Secretary with respect to changes, pursuant to paragraph (2) or (3), in the list established pursuant to this subsection, and such technical advisory committee may submit recommendations to the Secretary with respect to such changes. The Secretary shall consider the recommendations of the technical advisory committee and shall inform the committee of the disposition of its recommendations.".

(c) CONTROL LIST REDUCTION.—

(1) IN GENERAL.—Section 5(c) of the Act (50 U.S.C. App. 2404(c)) (as amended by subsection (b)(3) of this section) is further amended by adding at the end the following:

"(5)(A) Not later than 6 months after the date of the enactment of this paragraph, the following shall no longer be subject to export controls under this section:

"(i) All goods or technology the export of which to controlled countries on the date of the enactment of the Export Enhancement Act of 1988 would require only notification of the participating governments of the Coordinating Committee, except for those goods or technology on which the Coordinating Committee agrees to maintain such notification requirement.

"(ii) All medical instruments and equipment, subject to the provisions of subsection (m) of this section.

"(B) The Secretary shall submit to the Congress annually a report setting forth the goods and technology from which export controls have been removed under this paragraph.".

(2) ELIMINATION OF UNILATERAL CONTROLS.—Section 5(c) of the Act (as amended by subsection (b)(3) and paragraph (1) of this subsection) is further amended by adding at the end the following:

"(6)(A) Notwithstanding subsection (f) or (h)(6) of this section, any export control imposed under this section which is maintained unilaterally by the United States shall expire 6 months after the date of the enactment of this paragraph, or 6 months after the export control is imposed, whichever date is later, except that—

"(i) any such export controls on those goods or technology for which a determination of the Secretary that there is no foreign availability has been made under subsection (f) or (h)(6) of this section before the end of the applicable 6-month period and is in effect may be renewed for periods of not more than 6 months each, and

"(ii) any such export controls on those goods or technology with respect to which the President, by the end of the applicable 6-month period, is actively pursuing negotiations with other countries to achieve multilateral export controls on those goods or technology may be renewed for 2 periods of not more than 6 months each.

"(B) Export controls on goods or technology described in clause (i) or (ii) of subparagraph (A) may be renewed only if, before each renewal, the President submits to the Congress a report setting forth all the controls being renewed and stating the specific reasons for such renewal.".

(3) REVIEW OF CERTAIN LOW TECHNOLOGY ITEMS.—Section 5(c) of the Act (as amended by subsection (b)(3) and paragraphs (1) and (2) of this subsection) is further amended by adding at the end the following:

"(7) Notwithstanding any other provision of this subsection, after 1 year has elapsed since the last review in the Federal Register on any item within a category on the control list the export of which to the People's Republic of China would require only notification of the members of the group known as the Coordinating Committee, an export license applicant may file an allegation with the Secretary that such item has not been so reviewed within such 1-year period. Within 90 days after receipt of such allegation, the Secretary—

"(A) shall determine the truth of the allegation;

"(B) shall, if the allegation is confirmed, commence and complete the review of the item; and

"(C) shall, pursuant to such review, submit a finding for publication in the Federal Register.

In such finding, the Secretary shall identify those goods or technology which shall remain on the control list and those goods or technology which shall be removed from the control list. If such review and submission for publication are not completed within that 90-day period, the goods or technology encompassed by such item shall immediately be removed from the control list.".

SEC. 2417. TRADE SHOWS.

Section 5(e) of the Act (50 U.S.C. App. 2404(e)) is amended by adding at the end the following:

"(6) Any application for a license for the export to the People's Republic of China of any good on which export controls are in effect under this section, without regard to the technical specifications of the good, for the purpose of demonstration or exhibition at a trade show shall carry a presumption of approval if—

"(A) the United States exporter retains title to the good during the entire period in which the good is in the People's Republic of China; and

"(B) the exporter removes the good from the People's Republic of China no later than at the conclusion of the trade show.".

SEC. 2418. FOREIGN AVAILABILITY.

(a) IN GENERAL.—Section 5(f) of the Act (50 U.S.C. App. 2404(f)) is amended to read as follows:

"(f) FOREIGN AVAILABILITY.—

"(1) FOREIGN AVAILABILITY TO CONTROLLED COUNTRIES.—(A) The Secretary, in consultation with the Secretary of Defense and other appropriate Government agencies and with appropriate technical advisory committees established pursuant to subsection (h) of this section, shall review, on a continuing basis, the availability to controlled countries, from sources outside the United States, including countries which participate with the United States in multilateral export controls, of any goods or technology the export of which requires a validated license under this section. In any case in which the Secretary determines, in accordance with procedures and criteria which the Secretary shall by regulation establish, that any such goods or technology are available in fact to controlled countries from such sources in sufficient quantity and of comparable quality so that the requirement of a validated license for the export of such goods or technology is or would be ineffective in achieving the purpose set forth in subsection (a) of this section, the Secretary may not, after the determination is made, require a validated license for the export of such goods or technology during the period of such foreign availability, unless the President determines that the absence of export controls under this section on the goods or technology would prove detrimental to the national security of the United States. In any case in which the President determines under this paragraph that export controls under this section must be maintained notwithstanding foreign availability, the Secretary shall publish that determination, together with a concise statement of its basis and the estimated economic impact of the decision.

"(B) The Secretary shall approve any application for a validated license which is required under this section for the export of any goods or technology to a controlled country and which meets all other requirements for such an application, if the Secretary determines that such goods or technology will, if the license is denied, be available in fact to such country from sources outside the United States, including countries which participate with the United States in multilateral export controls, in sufficient quantity and of comparable quality so that denial of the license would be ineffective in achieving the purpose set forth in subsection (a) of this section, unless the President determines that approving the license application would prove detrimental to the national security of the United States. In any case in which the Secretary makes a determination of foreign availability under this subparagraph with respect to any goods or technology, the Secretary shall determine whether a determination of foreign availability under subparagraph (A) with respect to such goods or technology is warranted.

"(2) FOREIGN AVAILABILITY TO OTHER THAN CONTROLLED COUNTRIES.—(A) The Secretary shall review, on a continuing basis, the availability to countries other than controlled countries, from sources outside the United States, of any goods or technology the export of which requires a validated license under this section. If the Secretary determines, in accordance with procedures which the Secretary shall establish, that any goods or technology in sufficient quantity and of comparable quality are available in fact from sources outside the United States (other than availability under license from a country which maintains export controls on such goods or technology cooperatively with the United States pursuant to the agreement of the group known as the Coordinating Committee or pursuant to an agreement described in subsection (k) of this section), the Secretary may not, after the determination is made and during the period of such foreign availability, require a validated license for the export of such goods or technology to any country (other than a controlled country) to which the country from which the goods or technology is available does not place controls on the export of such goods or technology. The requirement with respect to a validated license in the preceding sentence shall not apply if the President determines that the absence of export controls under this section on the goods or technology would prove detrimental to the national security of the United States. In any case in which the President determines under this paragraph that export controls under this section must be maintained notwithstanding foreign availability, the Secretary shall publish that determination, together with a concise statement of its basis and the estimated economic impact of the decision.

"(B) The Secretary shall approve any application for a validated license which is required under this section for the export of any goods or technology to a country (other than a controlled country) and which meets all other requirements for such an application, if the Secretary determines that such goods or technology are available from foreign sources to that country under the criteria established in subparagraph (A), unless the President determines that approving the license application would prove detrimental to the national security of the United States. In any case in which the Secretary makes a determination of foreign availability under this subparagraph with respect to any goods or technology, the Secretary shall determine whether a determination of foreign availability under subparagraph (A) with respect to such goods or technology is warranted.

"(3) PROCEDURES FOR MAKING DETERMINATIONS.—(A) The Secretary shall make a foreign availability determination under paragraph (1) or (2) on the Secretary's own initiative or upon receipt of an allegation from an export license applicant that such availability exists. In making any such determination, the Secretary shall accept the representations of applicants made in writing and supported by reasonable evidence, unless such representations are contradicted by reliable evidence, including scientific or physical examination, expert opinion based upon adequate factual information, or intelligence information. In making determinations of foreign availability, the Secretary may consider such factors as cost, reliability, the availability and reliability of spare parts and the cost and quality thereof, maintenance programs, durability, quality of end products produced by the item proposed for export, and scale of production. For purposes of this subparagraph, 'evidence' may include such items as foreign manufacturers' catalogues, brochures, or operations or maintenance manuals, articles from reputable trade publications, photographs, and depositions based upon eyewitness accounts.

"(B) In a case in which an allegation is received from an export license applicant, the Secretary shall, upon receipt of the allegation, submit for publication in the Federal Register notice of such receipt. Within 4 months after receipt of the allegation, the Secretary shall determine whether the foreign availability exists, and shall so notify the applicant. If the Secretary has determined that the foreign availability exists, the Secretary shall, upon making such determination, submit the determination for review to other departments and agencies as the Secretary considers appropriate. The Secretary's determination of foreign availability does not require the concurrence or approval of any official, department, or agency to which such a determination is submitted. Not later than 1 month after the Secretary makes the determination, the Secretary shall respond in writing to the applicant and submit for publication in the Federal Register, that—

"(i) the foreign availability does exist and—

"(I) the requirement of a validated license has been removed,

"(II) the President has determined that export controls under this section must be maintained notwithstanding the foreign availability and the applicable steps are being taken under paragraph (4), or

"(III) in the case of a foreign availability determination under paragraph (1), the foreign availability determination will be submitted to a multilateral review process in accordance with the agreement of the Coordinating Committee for a period of not more than 4 months beginning on the date of the publication; or

"(ii) the foreign availability does not exist.

In any case in which the submission for publication is not made within the time period specified in the preceding sentence, the Secretary may not thereafter require a license for the export of the goods or technology with respect to which the foreign availability allegation was made. In the case of a foreign availability determination under paragraph (1) to which clause (i)(III) applies, no license for such export may be required after the end of the 9-month period beginning on the date on which the allegation is received.

"(4) NEGOTIATIONS TO ELIMINATE FOREIGN AVAILABILITY.—(A) In any case in which export controls are maintained under this section notwithstanding foreign availability, on account of a determination by the President that the absence of the controls would prove detrimental to the national security of the United States, the President shall actively pursue negotiations with the governments of the appropriate foreign countries for the purpose of eliminating such availability. No later than the commencement of such negotiations, the President shall notify in writing the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives that he has begun such negotiations and why he believes it is important to national security that export controls on the goods or technology involved be maintained.

"(B) If, within 6 months after the President's determination that export controls be maintained, the foreign availability has not been eliminated, the Secretary may not, after the end of that 6-month period, require a validated license for the export of the goods or technology involved. The President may extend the 6-month period described in the preceding sentence for an additional period of 12 months if the President certifies to the Congress that the negotiations involved are progressing and that the absence of the export controls involved would prove detrimental to the national security of the United States. Whenever the President has reason to believe that goods or technology subject to export controls for national security purposes by the United States may become available from other countries to controlled countries and that such availability can be prevented or eliminated by means of negotiations with such other countries, the President shall promptly initiate negotiations with the governments of such other countries to prevent such foreign availability.

"(C) After an agreement is reached with a country pursuant to negotiations under this paragraph to eliminate or prevent foreign availability of goods or technology, the Secretary may not require a validated license for the export of such goods or technology to that country.

"(5) EXPEDITED LICENSES FOR ITEMS AVAILABLE TO COUNTRIES OTHER THAN CONTROLLED COUNTRIES.—(A) In any case in which the Secretary finds that any goods or technology from foreign sources is of similar quality to goods or technology the export of which requires a validated license under this section and is available to a country other than a controlled country without effective restrictions, the Secretary shall designate such goods or technology as eligible for export to such country under this paragraph.

"(B) In the case of goods or technology designated under subparagraph (A), then 20 working days after the date of formal filing with the Secretary of an individual validated license application for the export of those goods or technology to an eligible country, a license for the transaction specified in the application shall become valid and effective and the goods or technology are authorized for export pursuant to such license unless the license has been denied by the Secretary on account of an inappropriate end user. The Secretary may extend the 20-day period provided in the preceding sentence for an additional period of 15 days if the Secretary requires additional time to consider the application and so notifies the applicant.

"(C) The Secretary may make a foreign availability determination under subparagraph (A) on the Secretary's own initiative, upon receipt of an allegation from an export license applicant that such availability exists, or upon the submission of a certification by a technical advisory committee of appropriate jurisdiction that such availability exists. Upon receipt of such an allegation or certification, the Secretary shall publish notice of such allegation or certification in the Federal Register and shall make the foreign availability determination within 30 days after such receipt and publish the determination in the Federal Register. In the case of the failure of the Secretary to make and publish such determination within that 30-day period, the goods or technology involved shall be deemed to be designated as eligible for export to the country or countries involved, for purposes of subparagraph (B).

"(D) The provisions of paragraphs (1), (2), (3), and (4) do not apply with respect to determinations of foreign availability under this paragraph.

"(6) OFFICE OF FOREIGN AVAILABILITY.—The Secretary shall establish in the Department of Commerce an Office of Foreign Availability, which shall be under the direction of the Under Secretary of Commerce for Export Administration. The Office shall be responsible for gathering and analyzing all the necessary information in order for the Secretary to make determinations of foreign availability under this Act. The Secretary shall make available to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at the end of each 6-month period during a fiscal year information on the operations of the Office, and on improvements in the Government's ability to assess foreign availability, during that 6-month period, including information on the training of personnel, the use of computers, and the use of Commercial Service Officers of the United States and Foreign Commercial Service. Such information shall also include a description of representative determinations made under this Act during that 6-month period that foreign availability did or did not exist (as the case may be), together with an explanation of such determinations.

"(7) SHARING OF INFORMATION.—Each department or agency of the United States, including any intelligence agency, and all contractors with any such department or agency, shall, upon the request of the Secretary and consistent with the protection of intelligence sources and methods, furnish information to the Office of Foreign Availability concerning foreign availability of goods and technology subject to export controls under this Act. Each such department or agency shall allow the Office of Foreign Availability access to any information from a laboratory or other facility within such department or agency.

"(8) REMOVAL OF CONTROLS ON LESS SOPHISTICATED GOODS OR TECHNOLOGY.—In any case in which Secretary may not, pursuant to paragraph (1), (2), (3), or (4) of this subsection or paragraph (6) of subsection (h) of this section, require a validated license for the export of goods or technology, then the Secretary may not require a validated license for the export of any similar goods or technology whose function, technological approach, performance thresholds, and other attributes that form the basis for export controls under this section do not exceed the technical parameters of the goods or technology from which the validated license requirement is removed under the applicable paragraph.

"(9) NOTICE OF ALL FOREIGN AVAILABILITY ASSESSMENTS.—Whenever the Secretary undertakes a foreign availability assessment under this subsection or subsection (h)(6), the Secretary shall publish notice of such assessment in the Federal Register.

"(10) AVAILABILITY DEFINED.—For purposes of this subsection and subsections (f) and (h), the term 'available in fact to controlled countries' includes production or availability of any goods or technology in any country—

"(A) from which the goods or technology is not restricted for export to any controlled country; or

"(B) in which such export restrictions are determined by the Secretary to be ineffective.

For purposes of subparagraph (B), the mere inclusion of goods or technology on a list of goods or technology subject to bilateral or multilateral national security export controls shall not alone constitute credible evidence that a country provides an effective means of controlling the export of such goods or technology to controlled countries.".

(b) TECHNICAL ADVISORY COMMITTEE DETERMINATIONS.—Section 5(h)(6) of the Act (50 U.S.C. App. 2404(h)(6)) is amended by adding at the end the following: "After an agreement is reached with a country pursuant to negotiations under this paragraph to eliminate foreign availability of goods or technology, the Secretary may not require a validated license for the export of such goods or technology to that country.".

(c) TECHNICAL AMENDMENT.—Section 14(a)(8) of the Act (50 U.S.C. 2413(a)(8)) is amended by striking "5(f)(5)" and inserting "5(f)(6)".

SEC. 2419. REVIEW OF TECHNOLOGY LEVELS.

Section 5(g) of the Act (50 U.S.C. 2404(g)) is amended—

(1) by inserting "(1)" immediately before the first sentence; and

(2) by adding at the end the following:

"(2)(A) In carrying out this subsection, the Secretary shall conduct annual reviews of the performance levels of goods or technology—

"(i) which are eligible for export under a distribution license,

"(ii) below which exports to the People's Republic of China require only notification of the governments participating in the group known as the Coordinating Committee, and

"(iii) below which no authority or permission to export may be required under subsection (b)(2) or (b)(3) of this section.

The Secretary shall make appropriate adjustments to such performance levels based on these reviews.

"(B) In any case in which the Secretary receives a request which—

"(i) is to revise the qualification requirements or minimum thresholds of any goods eligible for export under a distribution license, and

"(ii) is made by an exporter of such goods, representatives of an industry which produces such goods, or a technical advisory committee established under subsection (h) of this section,

the Secretary, after consulting with other appropriate Government agencies and technical advisory committees established under subsection (h) of this section, shall determine whether to make such revision, or some other appropriate revision, in such qualification requirements or minimum thresholds. In making this determination, the Secretary shall take into account the availability of the goods from sources outside the United States. The Secretary shall make a determination on a request made under this subparagraph within 90 days after the date on which the request is filed. If the Secretary's determination pursuant to such a request is to make a revision, such revision shall be implemented within 120 days after the date on which the request is filed and shall be published in the Federal Register.".

SEC. 2420. FUNCTIONS OF TECHNICAL ADVISORY COMMITTEES.

(a) CONSULTATION ON REVISIONS OF CONTROL LIST AND ON REGULATIONS.—Section 5(h)(2) of the Act (50 U.S.C. 2404(h)(2)) is amended—

(1) by redesignating clause (E) as clause (F); and

(2) by striking clause (D) and inserting the following: "(D) revisions of the control list (as provided in subsection (c)(4)), including proposed revisions of multilateral controls in which the United States participates, (E) the issuance of regulations, and".

(b) REVIEW OF REGULATIONS.—Section 15(b) of the Act (50 U.S.C. App. 2414(b)) is amended in the third sentence—

(1) by striking "and such other" and inserting "such other"; and

(2) by inserting after "appropriate" the following: ", and the appropriate technical advisory committee".

SEC. 2421. NEGOTIATIONS WITH COCOM.

(a) NEGOTIATING OBJECTIVES.—Section 5(i) of the Act (50 U.S.C. App. 2404(i)) is amended by striking "The President" and inserting

"Recognizing the ineffectiveness of unilateral controls and the importance of uniform enforcement measures to the effectiveness of multilateral controls, the President".

(b) INDUSTRY REPRESENTATIVE TO COCOM.—Section 5(i) of the Act is amended by adding at the end the following:

"For purposes of reviews of the International Control List, the President may include as advisors to the United States delegation to the Committee representatives of industry who are knowledgeable with respect to the items being reviewed.".

SEC. 2422. GOODS CONTAINING MICROPROCESSORS OR CERTAIN OTHER PARTS OR COMPONENTS.

Section 5(m) of the Act (50 U.S.C. 2404(m)) is amended to read as follows:

"(m) GOODS CONTAINING CONTROLLED PARTS AND COMPONENTS.—Export controls may not be imposed under this section, or under any other provision of law, on a good solely on the basis that the good contains parts or components subject to export controls under this section if such parts or components—

"(1) are essential to the functioning of the good,

"(2) are customarily included in sales of the good in countries other than controlled countries, and

"(3) comprise 25 percent or less of the total value of the good,

unless the good itself, if exported, would by virtue of the functional characteristics of the good as a whole make a significant contribution to the military potential of a controlled country which would prove detrimental to the national security of the United States.".

SEC. 2423. FOREIGN POLICY CONTROLS.

(a) DIPLOMATIC ALTERNATIVES.—Section 6(a) of the Act (50 U.S.C. 2405(a)) is amended by adding at the end the following:

"(6) Before imposing, expanding, or extending export controls under this section on exports to a country which can use goods, technology, or information available from foreign sources and so incur little or no economic costs as a result of the controls, the President should, through diplomatic means, employ alternatives to export controls which offer opportunities of distinguishing the United States from, and expressing the displeasure of the United States with, the specific actions of that country in response to which the controls are proposed. Such alternatives include private discussions with foreign leaders, public statements in situations where private diplomacy is unavailable or not effective, withdrawal of ambassadors, and reduction of the size of the diplomatic staff that the country involved is permitted to have in the United States.".

(b) SPARE PARTS.—Section 6 of the Act (50 U.S.C. App. 2405) is amended by adding at the end the following:

"(p) SPARE PARTS.—(1) At the same time as the President imposes or expands export controls under this section, the President shall determine whether such export controls will apply to replacement parts for parts in goods subject to such export controls.

"(2) With respect to export controls imposed under this section before the date of the enactment of this subsection, an individual validated export license shall not be required for replacement parts which are exported to replace on a one-for-one basis parts that were in a good that was lawfully exported from the United States, unless the President determines that such a license should be required for such parts.".

SEC. 2424. EXPORTS OF DOMESTICALLY PRODUCED CRUDE OIL.

(a) TECHNICAL AMENDMENT.—Section 7(d) of the Act (50 U.S.C. App. 2406(d)) is amended by striking paragraph (4).

(b) CRUDE OIL STUDY.—

(1) REVIEW OF EXPORT RESTRICTIONS ON CRUDE OIL.—The Secretary of Commerce, in consultation with the Secretary of Energy, shall undertake a comprehensive review to assess whether existing statutory restrictions on the export of crude oil produced in the contiguous United States are adequate to protect the energy and national security interests of the United States and American consumers. Taking into account exports licensed since 1983 and potential exports of heavy crude oil produced in California, the review shall assess the effect of increased exports of crude oil produced in the contiguous United States on—

(A) the adequacy of domestic supplies of crude oil and refined petroleum products in meeting United States energy and national security needs;

(B) the quantity, quality, and retail price of petroleum products available to consumers in the United States generally and on the West Coast in particular;

(C) the overall trade deficit of the United States;

(D) acquisition costs of crude oil by domestic petroleum refiners;

(E) the financial viability of sectors of the domestic petroleum industry (including independent refiners, distributors, marketers, and pipeline carriers); and

(F) the United States tanker fleet (and the industries that support it), with particular emphasis on the availability of militarily useful tankers to meet anticipated national defense requirements.

(2) PUBLIC HEARING AND COMMENT.—The Secretary of Commerce shall provide notice and a reasonable opportunity for public hearing and comment on the review conducted pursuant to this subsection.

(3) CONSULTATIONS WITH OTHER AGENCIES.—The Secretary of Commerce shall consult with the Secretary of Defense, the Secretary of the Interior, and the Secretary of Transportation, in addition to the Secretary of Energy, in undertaking the review pursuant to this subsection.

(4) FINDINGS, OPTIONS, AND RECOMMENDATIONS.—After taking public comment and consulting with appropriate State and Federal officials, the Secretary of Commerce, in consultation with the Secretary of Energy, shall develop findings, options, and recommendations regarding the adequacy of existing statutory restrictions on the export of crude oil produced in the contiguous United States in protecting the energy and national security interests of the United States and American consumers.

(5) CONSULTATIONS AND REPORT.—In carrying out this subsection, the Secretary of Commerce shall consult with the Committee on Foreign Affairs and the Committee on Energy and Commerce of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs, the Committee on Commerce, Science, and Transportation, and the Committee on Energy and Natural Resources of the Senate. Not later than 12 months after the date of the enactment of this Act, the Secretary shall transmit to each of those committees a report which contains the results of the review undertaken pursuant to this subsection and the findings, options, and recommendations developed under paragraph (4).

SEC. 2425. PROCEDURES FOR LICENSE APPLICATIONS.

(a) REVIEW OF LICENSE APPLICATIONS BY THE SECRETARY OF DEFENSE.—Section 10(g) of the Act (50 U.S.C. App. 2409(g)) is amended—

(1) in paragraph (2)(A) by inserting "and the Secretary" after "to the President";

(2) by inserting before the last sentence of paragraph (2) the following:

"Whenever the Secretary of Defense makes a recommendation to the President pursuant to paragraph (2)(A), the Secretary shall also submit his recommendation to the President on the request to export if the Secretary differs with the Secretary of Defense.";

(3) by adding at the end of paragraph (2) the following: "If the Secretary of Defense fails to make a recommendation or notification under this paragraph within the 20-day period specified in the third sentence, or if the President, within 20 days after receiving a recommendation from the Secretary of Defense with respect to an export, fails to notify the Secretary that he approves or disapproves the export, the Secretary shall approve or deny the request for a license or other authority to export without such recommendation or notification."; and

(4) by striking paragraph (4).

(b) REPORT BY SECRETARIES OF COMMERCE AND DEFENSE.—The Secretary of Commerce and the Secretary of Defense shall each evaluate and, not later than 4 months after the date of the enactment of this Act, shall jointly prepare and submit a report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the review by the Department of Defense, for national security purposes as provided in the Export Administration Act of 1979, of export license applications for exports to countries other than controlled countries under section 5(b)(1) of that Act.

(c) REPORT ON SMALL BUSINESSES.—Section 10(m) of the Act (50 U.S.C. App. 2409(m)) is amended by adding at the end the following: "The Secretary shall, not later than 120 days after the date of the enactment of the Export Enhancement Act of 1988, report to the Congress on steps taken to implement the plan developed under this subsection to assist small businesses in the export licensing application process.".

SEC. 2426. VIOLATIONS.

Section 11(h) of the Act (50 U.S.C. App. 2410(h)) is amended—

(1) in the first sentence—

(A) by inserting "(1)" before "No"; and

(B) by inserting after "violation of" the following: "this Act (or any regulation, license, or order issued under this Act), any regulation, license, or order issued under the International Emergency Economic Powers Act,"; and

(2) by adding at the end the following:

"(2) The Secretary may exercise the authority under paragraph (1) with respect to any person related, through affiliation, ownership, control, or position of responsibility, to any person convicted of any violation of law set forth in paragraph (1), upon a showing of such relationship with the convicted party, and subject to the procedures set forth in section 13(c) of this Act.".

SEC. 2427. ENFORCEMENT.

Section 12(a)(2)(B) of the Act (50 U.S.C. App. 2411(a)(2)(B)) is amended by adding at the end the following: "The Customs Service may not detain for more than 20 days any shipment of goods or technology eligible for export under a general license under section 4(a)(3). In a case in which such detention is on account of a disagreement between the Secretary and the head of any other department or agency with export license authority under other provisions of law concerning the export license requirements for such goods or technology, such disagreement shall be resolved within that 20-day period. At the end of that 20-day period, the Customs Service shall either release the goods or technology, or seize the goods or technology as authorized by other provisions of law.".

SEC. 2428. ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW.

(a) Judicial Review.—(1) Section 13(c) of the Act (50 U.S.C. App. 2412(c)) is amended—

(A) in the last sentence of paragraph (1) by inserting before the period ", except as provided in paragraph (3)";

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following:

"(3) The order of the Secretary under paragraph (1) shall be final, except that the charged party may, within 15 days after the order is issued, appeal the order in the United States Court of Appeals for the District of Columbia Circuit, which shall have jurisdiction of the appeal. The court may, while the appeal is pending, stay the order of the Secretary. The court may review only those issues necessary to determine liability for the civil penalty or other sanction involved. In an appeal filed under this paragraph, the court shall set aside any finding of fact for which the court finds there is not substantial evidence on the record and any conclusion of law which the court finds to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.".

(2) Section 13(d) of the Act (50 U.S.C. App. 2412(d)) is amended—

(A) in the fifth sentence of paragraph (2) by inserting before the period ", except as provided in paragraph (3)"; and

(B) by adding at the end of paragraph (2) the following:

"All materials submitted to the administrative law judge and the Secretary shall constitute the administrative record for purposes of review by the courts.

"(3) An order of the Secretary affirming, in whole or in part, the issuance of a temporary denial order may, within 15 days after the order is issued, be appealed by a person subject to the order to the United States Court of Appeals for the District of Columbia Circuit, which shall have jurisdiction of the appeal. The court may review only those issues necessary to determine whether the standard for issuing the temporary denial order has been met. The court shall vacate the Secretary's order if the court finds that the Secretary's order is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.".

(b) Issuance of Temporary Denial Orders.—Section 13(d)(1) of the Act (50 U.S.C. App. 2412(d)(1)) is amended in the second sentence by striking "60" each place it appears and inserting "180".

SEC. 2429. RESPONSIBILITIES OF THE UNDER SECRETARY OF COMMERCE FOR EXPORT ADMINISTRATION.

Section 15(a) of the Act (50 U.S.C. App. 2414(a)) is amended by inserting "and such other statutes that relate to national security" after "functions of the Secretary under this Act".

SEC. 2430. AUTHORIZATION OF APPROPRIATIONS.

Section 18(b) of the Act (50 U.S.C. App. 2417(b)) is amended—

(1) in paragraph (1)—

(A) by striking "each of the fiscal years 1987 and 1988" and inserting "the fiscal year 1988";

(B) by striking "for each such year" each place it appears; and

(C) by striking "and" after the semicolon; and

(2) by striking paragraph (2) and inserting the following:

"(2) $46,913,000 for the fiscal year 1989, of which $15,000,000 shall be available only for enforcement, $5,000,000 shall be available only for foreign availability assessments under subsections (f) and (h)(6) of section 5, $4,000,000 shall be available only for regional export control assistance centers, and $22,913,000 shall be available for all other activities under this Act; and

"(3) such additional amounts for each of the fiscal years 1988 and 1989 as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs.".

SEC. 2431. TERMINATION DATE.

Section 20 of the Act (50 U.S.C. 2419) is amended by striking "1989" and inserting "1990".

SEC. 2432. MONITORING OF WOOD EXPORTS.

The Secretary of Commerce shall, for a period of 2 years beginning on the date of the enactment of this Act, monitor exports of processed and unprocessed wood to all countries of the Pacific Rim. The Secretary shall include the results of such monitoring in monthly reports setting forth, with respect to each item monitored, actual exports, the destination by country, and the domestic and worldwide price, supply, and demand. The Secretary shall transmit such reports to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

SEC. 2433. STUDY ON NATIONAL SECURITY EXPORT CONTROLS.

(a) Arrangements For and Contents of Study.—

(1) Arrangements for conducting study.—The Secretary of Commerce and the Secretary of Defense, not later than 60 days after the date of the enactment of this Act, shall enter into appropriate arrangements with the National Academy of Sciences and the National Academy of Engineering (hereafter in this section referred to as the "Academies") to conduct a comprehensive study of the adequacy of the current export administration system in safeguarding United States national security while maintaining United States international competitiveness and Western technological preeminence.

(2) Requirements of study.—Recognizing the need to minimize the disruption of United States trading interests while preventing Western technology from enhancing the development of the military capabilities of controlled countries, the study shall—

(A) identify those goods and technologies which are likely to make crucial differences in the military capabilities of controlled countries, and identify which of those goods and technologies controlled countries already possess or are available to controlled countries from other sources;

(B) develop implementable criteria by which to define those goods and technologies;

(C) demonstrate how such criteria would be applied to the control list by the relevant agencies to revise the list, eliminate ineffective controls, and strengthen controls;

(D) develop proposals to improve United States and multilateral assessments of foreign availability of goods and technology subject to export controls; and

(E) develop proposals to improve the administration of the export control program, including procedures to ensure timely, predictable, and effective decisionmaking.

(b) Advisory Panel.—In conducting the study under subsection (a), the Academies shall appoint an Advisory Panel of not more than 24 members who shall be selected from among individuals in private life who, by virtue of their experience and expertise, are knowledgeable in relevant scientific, business, legal, or administrative matters. No individual may be selected as a member who, at the time of his or her appointment, is an elected or appointed official or employee in the executive, legislative, or judicial branch of the Government. In selecting members of the Advisory Panel, the Academies shall seek suggestions from the President, the Congress, and representatives of industry and the academic community.

(c) Executive Branch Cooperation.—The Secretary of Commerce, the Secretary of Defense, the Secretary of State, the Director of the Central Intelligence Agency, and the head of any department or agency that exercises authority in export administration—

(1) shall furnish to the Academies, upon request and under appropriate safeguards, classified or unclassified information which the Academies determine to be necessary for the purposes of conducting the study required by this section; and

(2) shall work with the Academies on such problems related to the study as the Academies consider necessary.

(d) Report.—Under the direction of the Advisory Panel, the Academies shall prepare and submit to the President and the Congress, not later than 18 months after entering into the arrangements referred to in subsection (a), a report which contains a detailed statement of the findings and conclusions of the Academies pursuant to the study conducted under subsection (a), together with their recommendations for such legislative or regulatory reforms as they consider appropriate.

(e) Authorization of Appropriations.—There are authorized to be appropriated $900,000 to carry out this section.

PART II—MULTILATERAL EXPORT CONTROL ENHANCEMENT

SEC. 2441. SHORT TITLE.

This part may be cited as the "Multilateral Export Control Enhancement Amendments Act".

SEC. 2442. FINDINGS.

The Congress makes the following findings:

(1) The diversion of advanced milling machinery to the Soviet Union by the Toshiba Machine Company and Kongsberg Trading Company has had a serious impact on United States and Western security interests.

(2) United States and Western security is undermined without the cooperation of the governments and nationals of all countries participating in the group known as the Coordinating Committee (hereafter in this

part referred to as "COCOM") in enforcing the COCOM agreement.

(3) It is the responsibility of all governments participating in COCOM to place in effect strong national security export control laws, to license strategic exports carefully, and to enforce those export control laws strictly, since the COCOM system is only as strong as the national laws and enforcement on which it is based.

(4) It is also important for corporations to implement effective internal control systems to ensure compliance with export control laws.

(5) In order to protect United States national security, the United States must take steps to ensure the compliance of foreign companies with COCOM controls, including, where necessary conditions have been met, the imposition of sanctions against violators of controls commensurate with the severity of the violation.

SEC. 2443. MANDATORY SANCTIONS AGAINST TOSHIBA AND KONGSBERG.

(a) SANCTIONS AGAINST TOSHIBA MACHINE COMPANY, KONGSBERG TRADING COMPANY, AND CERTAIN OTHER FOREIGN PERSONS.—(1) The President shall impose, for a period of 3 years—

(1) a prohibition on contracting with, and procurement of products and services from—

(A) Toshiba Machine Company and Kongsberg Trading Company, and

(B) any other foreign person whom the President finds to have knowingly facilitated the diversion of advanced milling machinery by Toshiba Machine Company and Kongsberg Trading Company to the Soviet Union,

by any department, agency, or instrumentality of the United States Government; and

(2) a prohibition on the importation into the United States of all products produced by Toshiba Machine Company, Kongsberg Trading Company, and any foreign person described in paragraph (1)(B).

(b) SANCTIONS AGAINST TOSHIBA CORPORATION AND KONGSBERG VAAPENFABRIKK.—The President shall impose, for a period of 3 years, a prohibition on contracting with, and procurement of products and services from, the Toshiba Corporation and Kongsberg Vaapenfabrikk, by any department, agency, or instrumentality of the United States Government.

(c) EXCEPTIONS.—The President shall not apply sanctions under this section—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including exercise of options for production quantities to satisfy United States operational military requirements;

(B) if the President determines that the company or foreign person to whom the sanctions would otherwise be applied is a sole source supplier of essential defense articles or services and no alternative supplier can be identified; or

(C) if the President determines that such articles or services are essential to the national security under defense coproduction agreements; or

(2) to—

(A) products or services provided under contracts or other binding agreements (as such terms are defined by the President in regulations) entered into before June 30, 1987;

(B) spare parts;

(C) component parts, but not finished products, essential to United States products or production;

(D) routine servicing and maintenance of products; or

(E) information and technology.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "component part" means any article which is not usable for its intended functions without being imbedded or integrated into any other product and which, if used in production of a finished product, would be substantially transformed in that process;

(2) the term "finished product" means any article which is usable for its intended functions without being imbedded in or integrated into any other product, but in no case shall such term be deemed to include an article produced by a person other than a sanctioned person that contains parts or components of the sanctioned person if the parts or components have been substantially transformed during production of the finished product; and

(3) the term "sanctioned person" means a company or other foreign person upon whom prohibitions have been imposed under subsection (a) or (b).

SEC. 2444. MANDATORY SANCTIONS FOR FUTURE VIOLATIONS.

The Act is amended by inserting after section 11 the following new section:

"MULTILATERAL EXPORT CONTROL VIOLATIONS

"SEC. 11A. (a) DETERMINATION BY THE PRESIDENT.—The President, subject to subsection (c), shall apply sanctions under subsection (b) for a period of not less than 2 years and not more than 5 years, if the President determines that—

"(1) a foreign person has violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee, and

"(2) such violation has resulted in substantial enhancement of Soviet and East bloc capabilities in submarine or antisubmarine warfare, ballistic or antiballistic missile technology, strategic aircraft, command, control, communications and intelligence, or other critical technologies as determined by the President, on the advice of the National Security Council, to represent a serious adverse impact on the strategic balance of forces.

The President shall notify the Congress of each action taken under this section. This section, except subsections (h) and (j), applies only to violations that occur after the date of the enactment of the Export Enhancement Act of 1988.

"(b) SANCTIONS.—The sanctions referred to in subsection (a) shall apply to the foreign person committing the violation, as well as to any parent, affiliate, subsidiary, and successor entity of the foreign person, and, except as provided in subsection (c), are as follows:

"(1) a prohibition on contracting with, and procurement of products and services from, a sanctioned person, by any department, agency, or instrumentality of the United States Government, and

"(2) a prohibition on importation into the United States of all products produced by a sanctioned person.

"(c) EXCEPTIONS.—The President shall not apply sanctions under this section—

"(1) in the case of procurement of defense articles or defense services—

"(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

"(B) if the President determines that the foreign person or other entity to which the sanctions would otherwise be applied is a sole source supplier of essential defense articles or services and no alternative supplier can be identified; or

"(C) if the President determines that such articles or services are essential to the national security under defense coproduction agreements; or

"(2) to—

"(A) products or services provided under contracts or other binding agreements (as such terms are defined by the President in regulations) entered into before the date on which the President notifies the Congress of the intention to impose the sanctions;

"(B) spare parts;

"(C) component parts, but not finished products, essential to United States products or production;

"(D) routine servicing and maintenance of products; or

"(E) information and technology.

"(d) EXCLUSION.—The President shall not apply sanctions under this section to a parent, affiliate, subsidiary, and successor entity of a foreign person if the President determines that—

"(1) the parent, affiliate, subsidiary, or successor entity (as the case may be) has not knowingly violated the export control regulation violated by the foreign person, and

"(2) the government of the country with jurisdiction over the parent, affiliate, subsidiary, or successor entity had in effect, at the time of the violation by the foreign person, an effective export control system consistent with principles agreed to in the Coordinating Committee, including the following:

"(A) national laws providing appropriate civil and criminal penalties and statutes of limitations sufficient to deter potential violations;

"(B) a program to evaluate export license applications that includes sufficient technical expertise to assess the licensing status of exports and ensure the reliability of end-users;

"(C) an enforcement mechanism that provides authority for trained enforcement officers to investigate and prevent illegal exports;

"(D) a system of export control documentation to verify the movement of goods and technology; and

"(E) procedures for the coordination and exchange of information concerning violations of the agreement of the Coordinating Committee.

"(e) DEFINITIONS.—For purposes of this section—

"(1) the term 'component part' means any article which is not usable for its intended functions without being imbedded in or integrated into any other product and which, if used in production of a finished product, would be substantially transformed in that process;

"(2) the term 'finished product' means any article which is usable for its intended functions without being imbedded or integrated into any other product, but in no case shall such term be deemed to include an article produced by a person other than a sanctioned person that contains parts or components of the sanctioned person if the parts or components have been substantially transformed during production of the finished product; and

"(3) the term 'sanctioned person' means a foreign person, and any parent, affiliate, subsidiary, or successor entity of the foreign person, upon whom sanctions have been imposed under this section.

"(f) Subsequent Modifications of Sanctions.—The President may, after consultation with the Congress, limit the scope of sanctions applied to a parent, affiliate, subsidiary, or successor entity of the foreign person determined to have committed the violation on account of which the sanctions were imposed if the President determines that—

"(1) the parent, affiliate, subsidiary, or successor entity (as the case may be) has not, on the basis of available evidence, itself violated the export control regulation involved, either directly or through a course of conduct;

"(2) the government with jurisdiction over the parent, affiliate, subsidiary, or successor entity has improved its export control system as measured by the criteria set forth in subsection (d)(2);

"(3) the parent, affiliate, subsidiary, or successor entity, has instituted improvements in internal controls sufficient to detect and prevent violations of the export control regime implemented under paragraph (2); and

"(4) the impact of the sanctions imposed on the parent, affiliate, subsidiary, or successor entity is proportionate to the increased defense expenditures imposed on the United States.

Notwithstanding the preceding sentence, the President may not limit the scope of the sanction referred to in subsection (b)(1) with respect to the parent of the foreign person determined to have committed the violation, until that sanction has been in effect for at least 2 years.

"(g) Reports to Congress.—The President shall include in the annual report submitted under section 14, a report on the status of any sanctions imposed under this section, including any exceptions, exclusions, or modifications of sanctions that have been applied under subsection (c), (d), or (f).

"(h) Discretionary Imposition of Sanctions.—If the President determines that a foreign person has violated a regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee, but in a case in which subsection (a)(2) may not apply, the President may apply the sanctions referred to in subsection (b) against that foreign person for a period of not more than 5 years.

"(i) Compensation for Diversion of Militarily Critical Technologies to Controlled Countries.—(1) In cases in which sanctions have been applied against a foreign person under subsection (a), the President shall initiate discussions with the foreign person and the government with jurisdiction over that foreign person regarding compensation on the part of the foreign person in an amount proportionate to the costs of research and development and procurement of new defensive systems by the United States and the allies of the United States to counteract the effect of the technological advance achieved by the Soviet Union as a result of the violation by that foreign person.

"(2) The President shall, at the time that discussions are initiated under paragraph (1), report to the Congress that such discussions are being undertaken, and shall report to the Congress the outcome of those discussions.

"(j) Other Actions by the President.—Upon making a determination under subsection (a) or (h), the President shall—

"(1) initiate consultations with the foreign government with jurisdiction over the foreign person who committed the violation involved, in order to seek prompt remedial action by that government;

"(2) initiate discussions with the governments participating in the Coordinating Committee regarding the violation and means to ensure that similar violations do not occur; and

"(3) consult with and report to the Congress on the nature of the violation and the actions the President proposes to take, or has taken, to rectify the situation.

"(k) Damages for Certain Violations.—(1) In any case in which the President makes a determination under subsection (a), the Secretary of Defense shall determine the costs of restoring the military preparedness of the United States on account of the violation involved. The Secretary of Defense shall notify the Attorney General of his determination, and the Attorney General may bring an action for damages, in any appropriate district court of the United States, to recover such costs against the person who committed the violation, any person that is owned or controlled by the person who committed the violation, and any person who owns and controls the person who committed the violation.

"(3) The total amount awarded in any case brought under paragraph (2) shall be determined by the court in light of the facts and circumstances, but shall not exceed the amount of the net loss to the national security of the United States. An action under this subsection shall be commenced not later than 3 years after the violation occurs, or one year after the violation is discovered, whichever is later.

"(l) Definition.—For purposes of this section, the term 'foreign person' means any person other than a United States person.".

SEC. 2445. ANNUAL REPORT OF DEFENSE IMPACT.

Section 14 of the Act (50 U.S.C. App. 2413) is amended by adding at the end the following new subsection:

"(f) Annual Report of the President.—The President shall submit an annual report to the Congress estimating the additional defense expenditures of the United States arising from illegal technology transfers, focusing on estimated defense costs arising from illegal technology transfers that resulted in a serious adverse impact on the strategic balance of forces. These estimates shall be based on assessment by the intelligence community of any technology transfers that resulted in such serious adverse impact. This report may have a classified annex covering any information of a sensitive nature.".

SEC. 2446. IMPROVED MULTILATERAL COOPERATION.

Section 5(i) of the Act (50 U.S.C. App. 2404) (relating to multilateral export controls), as amended by section 2421 of this Act, is further amended by striking paragraphs (1) through (9) and inserting the following:

"(1) Enhanced public understanding of the Committee's purpose and procedures, including publication of the list of items controlled for export by agreement of the Committee, together with all notes, understandings, and other aspects of such agreement of the Committee, and all changes thereto.

"(2) Periodic meetings of high-level representatives of participating governments for the purpose of coordinating export control policies and issuing policy guidance to the Committee.

"(3) Strengthened legal basis for each government's export control system, including, as appropriate, increased penalties and statutes of limitations.

"(4) Harmonization of export control documentation by the participating governments to verify the movement of goods and technology subject to controls by the Committee.

"(5) Improved procedures for coordination and exchange of information concerning violations of the agreement of the Committee.

"(6) Procedures for effective implementation of the agreement through uniform and consistent interpretations of export controls agreed to by the governments participating in the Committee.

"(7) Coordination of national licensing and enforcement efforts by governments participating in the Committee, including sufficient technical expertise to assess the licensing status of exports and to ensure end-use verification.

"(8) More effective procedures for enforcing export controls, including adequate training, resources, and authority for enforcement officers to investigate and prevent illegal exports.

"(9) Agreement to provide adequate resources to enhance the functioning of individual national export control systems and of the Committee.

"(10) Improved enforcement and compliance with the agreement through elimination of unnecessary export controls and maintenance of an effective control list.

"(11) Agreement to enhance cooperation among members of the Committee in obtaining the agreement of governments outside the Committee to restrict the export of goods and technology on the International Control List, to establish an ongoing mechanism in the Committee to coordinate planning and implementation of export control measures related to such agreements, and to remove items from the International Control List if such items continue to be available to controlled countries or if the control of the items no longer serves the common strategic objectives of the members of the Committee.".

SEC. 2447. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Trade Expansion Act of 1962.—Section 233 of the Trade Expansion Act of 1962 (19 U.S.C. 1864) is amended—

(1) by striking out "(a)"; and

(2) by striking out subsection (b).

(b) Department of Defense Appropriations Act, 1988.—Sections 8124 and 8129 of the Department of Defense Appropriations Act, 1988 (as contained in section 101(d) of Public Law 100-202) are repealed.

Subtitle E—Miscellaneous Provisions

SEC. 2501. TRADING WITH THE ENEMY ACT.

(a) Termination of Office of Alien Property.—(1) The Trading with the Enemy Act is amended by striking subsections (b) through (e) of section 39 (50 U.S.C. App. 39) and inserting the following new subsection:

"(b) The Attorney General shall cover into the Treasury, to the credit of miscellaneous receipts, all sums from property vested in or transferred to the Attorney General under this Act—

"(1) which the Attorney General receives after the date of the enactment of the Export Enhancement Act of 1988, or

"(2) which the Attorney General received before that date and which, as of that date, the Attorney General had not covered into the Treasury for deposit in the War Claims Fund, other than any such sums which the Attorney General determines in his or her discretion are the subject matter of any judicial action or proceeding.".

(2) Subsection (f) of such section is amended—

(A) by striking "(f)" and inserting "(c)"; and

(B) by striking "through (d)" and inserting "and (b)".

(b) REMOVAL OF REPORTING REQUIREMENT.—Section 6 of such Act (50 U.S.C. App. 6) is amended in the next to the last sentence by striking ": *Provided further*," and all that follows through the end of the section and inserting a period.

SEC. 2502. LIMITATION ON EXERCISE OF EMERGENCY AUTHORITIES.

(a) TRADING WITH THE ENEMY ACT.—(1) Section 5(b) of the Trading With the Enemy Act (50 U.S.C. App. 5(b)) is amended by adding at the end the following new paragraph:

"(4) The authority granted to the President in this subsection does not include the authority to regulate or prohibit, directly or indirectly, the importation from any country, or the exportation to any country, whether commercial or otherwise, of publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, or other informational materials, which are not otherwise controlled for export under section 5 of the Export Administration Act of 1979 or with respect to which no acts are prohibited by chapter 37 of title 18, United States Code.".

(2) The authorities conferred upon the President by section 5(b) of the Trading With the Enemy Act, which were being exercised with respect to a country on July 1, 1977, as a result of a national emergency declared by the President before such date, and are being exercised on the date of the enactment of this Act, do not include the authority to regulate or prohibit, directly or indirectly, any activity which, under section 5(b)(4) of the Trading With the Enemy Act, as added by paragraph (1) of this subsection, may not be regulated or prohibited.

(b) INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.—(1) Section 203(b) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)) is amended—

(A) in paragraph (1) by striking "or" after the semicolon;

(B) in paragraph (2) by striking the period and inserting "; or"; and

(C) by adding at the end the following:

"(3) the importation from any country, or the exportation to any country, whether commercial or otherwise, of publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, or other informational materials, which are not otherwise controlled for export under section 5 of the Export Administration Act of 1979 or with respect to which no acts are prohibited by chapter 37 of title 18, United States Code.".

(2) The amendments made by paragraph (1) apply to actions taken by the President under section 203 of the International Emergency Economic Powers Act before the date of the enactment of this Act which are in effect on such date of enactment, and to actions taken under such section on or after such date of enactment.

SEC. 2503. BUDGET ACT.

Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974) which is provided under this title shall be effective for any fiscal year only to the extent or in such amounts as are provided in appropriation Acts.

TITLE III—INTERNATIONAL FINANCIAL POLICY

Subtitle A—Exchange Rates and International Economic Policy Coordination

SEC. 3001. SHORT TITLE.

This subtitle may be cited as the "Exchange Rates and International Economic Policy Coordination Act of 1988".

SEC. 3002. FINDINGS.

The Congress finds that—

(1) the macroeconomic policies, including the exchange rate policies, of the leading industrialized nations require improved coordination and are not consistent with long-term economic growth and financial stability;

(2) currency values have a major role in determining the patterns of production and trade in the world economy;

(3) the rise in the value of the dollar in the early 1980's contributed substantially to our current trade deficit;

(4) exchange rates among major trading nations have become increasingly volatile and a pattern of exchange rates has at times developed which contribute to substantial and persistent imbalances in the flow of goods and services between nations, imposing serious strains on the world trading system and frustrating both business and government planning;

(5) capital flows between nations have become very large compared to trade flows, respond at times quickly and dramatically to policy and economic changes, and, for these reasons, contribute significantly to uncertainty in financial markets, the volatility of exchange rates, and the development of exchange rates which produce imbalances in the flow of goods and services between nations;

(6) policy initiatives by some major trading nations that manipulate the value of their currencies in relation to the United States dollar to gain competitive advantage continue to create serious competitive problems for United States industries;

(7) a more stable exchange rate for the dollar at a level consistent with a more appropriate and sustainable balance in the United States current account should be a major focus of national economic policy;

(8) procedures for improving the coordination of macroeconomic policy need to be strengthened considerably; and

(9) under appropriate circumstances, intervention by the United States in foreign exchange markets as part of a coordinated international strategic intervention effort could produce more orderly adjustment of foreign exchange markets and, in combination with necessary macroeconomic policy changes, assist adjustment toward a more appropriate and sustainable balance in current accounts.

SEC. 3003. STATEMENT OF POLICY.

It is the policy of the United States that—

(1) the United States and the other major industrialized countries should take steps to continue the process of coordinating monetary, fiscal, and structural policies initiated in the Plaza Agreement of September 1985;

(2) the goal of the United States in international economic negotiations should be to achieve macroeconomic policies and exchange rates consistent with more appropriate and sustainable balances in trade and capital flows and to foster price stability in conjunction with economic growth;

(3) the United States, in close coordination with the other major industrialized countries should, where appropriate, participate in international currency markets with the objective of producing more orderly adjustment of foreign exchange markets and, in combination with necessary macroeconomic policy changes, assisting adjustment toward a more appropriate and sustainable balance in current accounts; and

(4) the accountability of the President for the impact of economic policies and exchange rates on trade competitiveness should be increased.

SEC. 3004. INTERNATIONAL NEGOTIATIONS ON EXCHANGE RATE AND ECONOMIC POLICIES.

(a) MULTILATERAL NEGOTIATIONS.—The President shall seek to confer and negotiate with other countries—

(1) to achieve—

(A) better coordination of macroeconomic policies of the major industrialized nations; and

(B) more appropriate and sustainable levels of trade and current account balances, and exchange rates of the dollar and other currencies consistent with such balances; and

(2) to develop a program for improving existing mechanisms for coordination and improving the functioning of the exchange rate system to provide for long-term exchange rate stability consistent with more appropriate and sustainable current account balances.

(b) BILATERAL NEGOTIATIONS.—The Secretary of the Treasury shall analyze on an annual basis the exchange rate policies of foreign countries, in consultation with the International Monetary Fund, and consider whether countries manipulate the rate of exchange between their currency and the United States dollar for purposes of preventing effective balance of payments adjustments or gaining unfair competitive advantage in international trade. If the Secretary considers that such manipulation is occurring with respect to countries that (1) have material global current account surpluses; and (2) have significant bilateral trade surpluses with the United States, the Secretary of the Treasury shall take action to initiate negotiations with such foreign countries on an expedited basis, in the International Monetary Fund or bilaterally, for the purpose of ensuring that such countries regularly and promptly adjust the rate of exchange between their currencies and the United States dollar to permit effective balance of payments adjustments and to eliminate the unfair advantage. The Secretary shall not be required to initiate negotiations in cases where such negotiations would have a serious detrimental impact on vital national economic and security interests; in such cases, the Secretary shall inform the chairman and the ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and of the Committee on Banking, Finance and Urban Affairs of the House of Representatives of his determination.

SEC. 3005. REPORTING REQUIREMENTS.

(a) REPORTS REQUIRED.—In furtherance of the purpose of this title, the Secretary, after consultation with the Chairman of the Board, shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, on or before October 15 of each year, a written report on international economic policy, including exchange rate policy. The Secretary shall provide a written update of developments six months after the initial report. In addition, the Secretary shall appear, if requested, before both committees to provide testimony on these reports.

(b) CONTENTS OF REPORT.—Each report submitted under subsection (a) shall contain—

(1) an analysis of currency market developments and the relationship between the United States dollar and the currencies of our major trade competitors;

(2) an evaluation of the factors in the United States and other economies that underlie conditions in the currency markets, including developments in bilateral trade and capital flows;

(3) a description of currency intervention or other actions undertaken to adjust the actual exchange rate of the dollar;

(4) an assessment of the impact of the exchange rate of the United States dollar on—

(A) the ability of the United States to maintain a more appropriate and sustainable balance in its current account and merchandise trade account;

(B) production, employment, and noninflationary growth in the United States;

(C) the international competitive performance of United States industries and the external indebtedness of the United States;

(5) recommendations for any changes necessary in United States economic policy to attain a more appropriate and sustainable balance in the current account;

(6) the results of negotiations conducted pursuant to section 3004;

(7) key issues in United States policies arising from the most recent consultation requested by the International Monetary Fund under article IV of the Fund's Articles of Agreement; and

(8) a report on the size and composition of international capital flows, and the factors contributing to such flows, including, where possible, an assessment of the impact of such flows on exchange rates and trade flows.

(c) REPORT BY BOARD OF GOVERNORS.—Section 2A(1) of the Federal Reserve Act (12 U.S.C. 225a(1)) is amended by inserting after "the Nation" the following: ", including an analysis of the impact of the exchange rate of the dollar on those trends".

SEC. 3006. DEFINITIONS.

As used in this subtitle:

(1) SECRETARY.—The term "Secretary" means the Secretary of the Treasury.

(2) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

Subtitle B—International Debt

PART I—FINDINGS, PURPOSES, AND STATEMENT OF POLICY

SEC. 3101. SHORT TITLE.

This subtitle may be cited as the "International Debt Management Act of 1988".

SEC. 3102. FINDINGS.

The Congress finds that—

(1) the international debt problem threatens the safety and soundness of the international financial system, the stability of the international trading system, and the economic development of the debtor countries;

(2) orderly reduction of international trade imbalances requires very substantial growth in all parts of the world economy, particularly in the developing countries;

(3) growth in developing countries with substantial external debts has been significantly constrained over the last several years by a combination of high debt service obligations and insufficient new flows of financial resources to these countries;

(4) substantial interest payment outflows from debtor countries, combined with inadequate net new capital inflows, have produced a significant net transfer of financial resources from debtor to creditor countries;

(5) negative resource transfers at present levels severely depress both investment and growth in the debtor countries, and force debtor countries to reduce imports and expand exports in order to meet their debt service obligations;

(6) current adjustment policies in debtor countries, which depress domestic demand and increase production for export, help to depress world commodity prices and limit the growth of export markets for United States industries;

(7) the United States has borne a disproportionate share of the burden of absorbing increased exports from debtor countries, while other industrialized countries have increased their imports from developing countries only slightly;

(8) current approaches to the debt problem should not rely solely on new lending as a solution to the debt problem, and should focus on other financing alternatives including a reduction in current debt service obligations;

(9) new international mechanisms to improve the management of the debt problem and to expand the range of financing options available to developing countries should be explored; and

(10) industrial countries with strong current account surpluses have a disproportionate share of the world's capital resources, and bear an additional responsibility for contributing to a viable long-term solution to the debt problem.

SEC. 3103. PURPOSES.

The purposes of this subtitle are—

(1) to expand the world trading system and raise the level of exports from the United States to the developing countries in order to reduce the United States trade deficit and foster economic expansion and an increase in the standard of living throughout the world;

(2) to alleviate the current international debt problem in order to make the debt situation of developing countries more manageable and permit the resumption of sustained growth in those countries; and

(3) to increase the stability of the world financial system and ensure the safety and soundness of United States depository institutions.

SEC. 3104. STATEMENT OF POLICY.

It is the policy of the United States that—

(1) increasing growth in the developing world is a major goal of international economic policy;

(2) it is necessary to broaden the range of options in dealing with the debt problem to include improved mechanisms to restructure existing debt;

(3) active consideration of a new multilateral authority to improve the management of the debt problem and to share the burdens of adjustment more equitably must be undertaken; and

(4) countries with strong current account surpluses bear a major responsibility for providing the financial resources needed for growth in the developing world.

PART II—THE INTERNATIONAL DEBT MANAGEMENT AUTHORITY

SEC. 3111. INTERNATIONAL INITIATIVE.

(a) DIRECTIVE.—

(1) STUDY.—The Secretary of the Treasury shall study the feasibility and advisability of establishing the International Debt Management Authority described in this section.

(2) EXPLANATION OF DETERMINATIONS.—If the Secretary of the Treasury determines that initiation of international discussions with regard to such authority would (A) result in material increase in the discount at which sovereign debt is sold, (B) materially increase the probability of default on such debt, or (C) materially enhance the likelihood of debt service failure or disruption, the Secretary shall include in his interim reports to the Congress an explanation in detail of the reasons for such determination.

(3) INITIATION OF DISCUSSIONS.—Unless such a determination is made, the Secretary of the Treasury shall initiate discussions with such industrialized and developing countries as the Secretary may determine to be appropriate with the intent to negotiate the establishment of the International Debt Management Authority, which would undertake to—

(A) purchase sovereign debt of less developed countries from private creditors at an appropriate discount;

(B) enter into negotiations with the debtor countries for the purpose of restructuring the debt in order to—

(i) ease the current debt service burden on the debtor countries; and

(ii) provide additional opportunities for economic growth in both debtor and industrialized countries; and

(C) assist the creditor banks in the voluntary disposition of their Third World loan portfolio.

(b) OBJECTIVES.—In any discussions initiated under subsection (a), the Secretary should include the following specific proposals:

(1) That any loan restructuring assistance provided by such an authority to any debtor nation should involve substantial commitments by the debtor to (A) economic policies designed to improve resource utilization and minimize capital flight, and (B) preparation of an economic management plan calculated to provide sustained economic growth and to allow the debtor to meet its restructured debt obligations.

(2) That support for such an authority should come from industrialized countries, and that greater support should be expected from countries with strong current account surpluses.

(3) That such an authority should have a clearly defined close working relationship with the International Monetary Fund and the International Bank for Reconstruction and Development and the various regional development banks.

(4) That such an authority should be designed to operate as a self-supporting entity, requiring no routine appropriation of resources from any member government, and to function subject to the prohibitions contained in the first sentence of section 3112(a).

(5) That such an authority should have a defined termination date and a clear proposal for the restoration of creditworthiness to debtor countries within this timeframe.

(c) INTERIM REPORTS.—At the end of the 6-month period beginning on the date of enactment of this Act and at the end of the

12-month period beginning on such date of enactment, the Secretary of the Treasury shall submit a report on the progress being made on the study or in discussions described in subsection (a) to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate, and shall consult with such committees after submitting each such report.

(d) Final Report.—On the conclusion of the study or of discussions described in subsection (a), the Secretary shall transmit a report containing a detailed description thereof to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate, together with such recommendations for legislation which the Secretary may determine to be necessary or appropriate for the establishment of the International Debt Management Authority.

SEC. 3112. ACTIONS TO FACILITATE CREATION OF THE AUTHORITY.

(a) In General.—No funds, appropriations, contributions, callable capital, financial guarantee, or any other financial support or obligation or contingent support or obligation on the part of the United States Government may be used for the creation, operation, or support of the International Debt Management Authority specified in section 3111, without the express approval of the Congress through subsequent law, nor shall any expenses associated with such authority, either directly or indirectly, accrue to any United States person without the consent of such person. Except as restricted in the preceding sentence, the Secretary of the Treasury shall review all potential resources available to the multilateral financial institutions which could be used to support the creation of the International Debt Management Authority. In the course of this review, the Secretary shall direct—

(1) the United States Executive Director of the International Monetary Fund to determine the amount of, and alternative methods by which, gold stock of the Fund which, subject to action by its Board of Governors, could be pledged as collateral to obtain financing for the activities of the authority specified in section 3111; and

(2) the United States Executive Director to the International Bank for Reconstruction and Development to determine the amount of, and alternative methods by which, liquid assets controlled by such Bank and not currently committed to any loan program which, subject to action by its Board of Governors, could be pledged as collateral for obtaining financing for the activities of the authority specified in section 3111.

The Secretary of the Treasury shall include a report on the results of the review in the first report submitted under section 3111(c).

(b) Construction of Section.—Subsection (a) shall not be construed to affect any provision of the Articles of Agreement of the International Monetary Fund or of the International Bank for Reconstruction and Development or any agreement entered into under either of such Agreements.

SEC. 3113. IMF-WORLD BANK REVIEW.

(a) IMF Review.—The United States Executive Director of the International Monetary Fund shall request the management of the International Monetary Fund to prepare a review and analysis of the debt burden of the developing countries, with particular attention to alternatives for dealing with the debt problem including new lending instruments, rescheduling and refinancing of existing debt, securitization and debt conversion techniques, discounted debt repurchases, and the International Debt Management Authority described in section 3111 no later than 1 year after the date of the enactment of this Act.

(b) World Bank Review.—The United States Executive Director to the International Bank for Reconstruction and Development shall request the management of the International Bank for Reconstruction and Development to prepare a review and analysis of the debt burden of the developing countries, with particular attention to alternatives for dealing with the debt problem including new lending instruments, rescheduling and refinancing of existing debt, securitization and debt conversion techniques, discounted debt repurchases, and the International Debt Management Authority described in section 3111 no later than 1 year after the date of the enactment of this Act.

PART III—REGULATORY PROVISIONS AFFECTING INTERNATIONAL DEBT

SEC. 3121. PROVISIONS RELATING TO THE REGULATION OF DEPOSITORY INSTITUTIONS.

(a) Regulatory Objectives.—It is the sense of the Congress that regulations prescribed by Federal banking regulatory agencies which affect the international assets of United States commercial banks should grant the widest possible latitude to the banks for negotiating principal and interest reductions with respect to obligations of heavily indebted sovereign borrowers.

(b) Flexibility in Debt Restructuring.—It is the intent of the Congress that, in applying generally accepted accounting standards, Federal agencies which regulate and oversee the operations of depository institutions (within the meaning given to such term by clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act) apply to such institutions maximum flexibility in determining the asset value of restructured loans to heavily indebted sovereign borrowers and in accounting for the effects of such restructuring prospectively.

(c) Recapitalization.—It is the intent of the Congress that Federal agencies which regulate and oversee the operations of depository institutions (within the meaning given to such term by clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act) should require depository institutions with substantial amounts of loans to heavily indebted sovereign borrowers to seek, as appropriate, expanded recapitalization through equity financing to ensure that prudent institutional capital-to-total asset ratios are established and maintained.

(d) Reserves for Loan Losses.—It is the intent of the Congress that Federal agencies which regulate and oversee the operations of depository institutions (within the meaning given to such term by clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act) should seek to ensure that appropriate levels of reserves be established by depository institutions engaged in substantial lending to heavily indebted sovereign borrowers in accordance with both the credit and country risks associated with such lending.

(e) Data on Banks Foreign Loan Risks.—Section 913 of the International Lending Supervision Act of 1983 is amended by adding at the end thereof the following new subsection:

"(d) To ensure that Congress is fully informed of the risks to our banking system posed by troubled foreign loans, the Federal banking agencies, before March 31, 1989, and on April 30 of each succeeding year, shall jointly submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and Committee on Banking, Finance and Urban Affairs of the House of Representatives a report that shall include the following:

"(1) The level of loan exposure of those banking institutions under the jurisdiction of each agency which is rated 'value-impaired', 'substandard', 'other transfer risk problems', or in any other troubled debt category as may be established by the banking agencies. This tabulation shall clearly identify aggregate loan exposures of the 9 largest United States banks under the agencies' jurisdiction, the aggregate loan exposures of the next 13 largest banks, and the aggregate exposure of all other such banks which have significant country risk exposures. This tabulation shall include a separate section identifying, to the extent feasible, new bank loans to countries with debt service problems which were made within the past year preceding the date on which the report required under this subsection is due, and shall include the amount of sovereign loans written off or sold by such banks during the preceding year.

"(2) Progress that has been achieved by the appropriate Federal banking agencies and by banking institutions in reducing the risk to the economy of the United States posed by the exposure of banking institutions to troubled international loans through appropriate voluntary or regulatory policies, including increases in capital and reserves of banking institutions.

"(3) The relationship between lending activity by the United States banks and foreign banks in countries experiencing debt service difficulties and exports from the United States and other lending countries to these markets, and the extent to which United States banking institutions can be encouraged to continue to make credit available to finance necessary growth in international trade, and particularly to finance United States exports.

"(4) The response of regulatory agencies in other countries to the international debt problems, including measures which encourage the building of capital and reserves by foreign banking institutions, tax treatment of reserves, encouragement of new lending to promote international trade, and measures which may place United States banking institutions at a competitive disadvantage when compared with foreign banking institutions.

"(5) Steps that have been taken during the previous year by countries experiencing debt service difficulties to enhance conditions for private direct investment (including investment by United States persons) and to eliminate production subsidies, attain price stability, and undertake such other steps as will remove the causes of their debt service difficulties.

Each appropriate Federal banking agency may provide data in the aggregate to the extent necessary to preserve the integrity and confidentiality of the regulatory and examination process.".

SEC. 3122. STUDIES RELATING TO THE REGULATION OF DEPOSITORY INSTITUTIONS.

(a) Regulatory Study Required.—The Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation shall conduct a study to determine the extent of any regulatory obstacle to negotiated reductions in the debt service obligations associated with foreign debt.

(b) Specific Factors To Be Studied.—The study required by subsection (a) shall include an analysis of regulatory and accounting obstacles to various forms of debt restructuring, including negotiated interest reduction, the amortization of loan losses, securitization and debt conversion techniques, and discounted debt repurchases, as well as an analysis of the profitability of commercial bank lending to developing countries during the 10-year period ending on December 31, 1986. The analysis should include an assessment of the impact of the various forms of debt restructuring on the development of a secondary market in developing country debt and on the safety and soundness of the United States banking system.

(c) Report Required.—Within 6 months after the date of the enactment of this Act, the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation shall transmit to the Congress a report containing the findings and conclusions of such agencies with respect to the study required under subsection (a), together with any recommendations concerning legislation which such agencies determine to be necessary or appropriate to remove regulatory obstacles to negotiated reductions in the debt service obligations associated with sovereign debt.

SEC. 3123. LIMITED PURPOSE SPECIAL DRAWING RIGHTS FOR THE POOREST HEAVILY INDEBTED COUNTRIES.

(a) Study Required.—

(1) In general.—The Secretary of the Treasury, in consultation with the directors and staff of the International Monetary Fund and such other interested parties as the Secretary may determine to be appropriate, shall conduct a study of the feasibility and the efficacy of reducing the international debt of the poorest of the heavily indebted countries through a one-time allocation by the International Monetary Fund of limited purpose Special Drawing Rights to such countries in accordance with a plan which provides that—

(A) the allocation be made without regard to the quota established for any such country under the Articles of Agreement of the Fund;

(B) limited purpose Special Drawing Rights be used only to repay official debt of any such country;

(C) the allocation of limited purpose Special Drawing Rights to any such country not be treated as an allocation on which such country must pay interest to the Fund; and

(D) the use of limited purpose Special Drawing Rights by any such country to repay official debt shall be treated as an allocation of regular Special Drawing Rights to the creditor.

(2) Additional factors to be studied.—The study required under paragraph (1) shall include the following:

(A) To the extent the creation and allocation of the limited purpose Special Drawing Rights described in paragraph (1) would require an amendment of the Articles of Agreement of the International Monetary Fund, an assessment of the period of time within which such amendment could be ratified by the member nations, based on discussions with the major members of the Fund.

(B) An assessment of other means for achieving the objectives of principal and interest reduction on official debt of the poorest heavily indebted countries through the use of Special Drawing Rights.

(C) A comparative evaluation of proposals of other members of the International Monetary Fund, the directors and staff of the Fund, and other interested parties.

(D) An analysis of the effect the implementation of the provisions in paragraph (1) would have on bilateral and multilateral lenders, the international monetary system, and such other provisions of this Act as may be appropriate.

(E) A comparative analysis of the available alternatives identified under subparagraph (B) or (C).

(b) Report Required.—Within 3 months after the date of the enactment of this Act, the Secretary of the Treasury shall submit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate containing the findings and conclusions of the Secretary pursuant to the study required under subsection (a), together with—

(1) the recommendation of the Secretary as to which, of all the alternatives for providing relief for the poorest of the heavily indebted countries which were assessed in connection with such study, represents the best available option; and

(2) recommendations for such legislation and administrative action as the Secretary determines to be necessary and appropriate to implement such option.

Subtitle C—Multilateral Development Banks

SEC. 3201. SHORT TITLE.

This subtitle may be cited as the "Multilateral Development Banks Procurement Act of 1988".

SEC. 3202. MULTILATERAL DEVELOPMENT BANK PROCUREMENT.

(a) Executive Directors.—The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank to attach a high priority to promoting opportunities for exports for goods and services from the United States and, in carrying out this function, to investigate thoroughly any complaints from United States bidders about the awarding of procurement contracts by the multilateral development banks to ensure that all contract procedures and rules of the banks are observed and that United States firms are treated fairly.

(b) Officer of Procurement.—

(1) Establishment.—The Secretary of the Treasury shall designate, within the Office of International Affairs in the Department of the Treasury, an officer of multilateral development bank procurement.

(2) Function.—The officer shall act as the liaison between the Department of the Treasury, the Department of Commerce, and the United States Executive Directors' offices in the multilateral development banks, in carrying out this section. The officer shall cooperate with the Department of Commerce in efforts to improve opportunities for multilateral development bank procurement by United States companies.

(b) Multilateral Development Bank Defined.—As used in this section, the term "multilateral development bank" includes the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the InterAmerican Investment Corporation, the Asian Development Bank, the African Development Bank, and the African Development Fund.

Subtitle D—Export-Import Bank and Tied Aid Credit Amendments

SEC. 3301. SHORT TITLE.

This subtitle may be cited as the "Export-Import Bank and Tied Aid Credit Amendments of 1988".

SEC. 3302. PROVISIONS RELATING TO TIED AID CREDIT.

(a) Findings.—The Congress finds that—

(1) negotiations have led to an international agreement to increase the grant element required in tied aid credit offers;

(2) concern continues to exist that countries party to the agreement may continue to offer tied aid credits that deviate from the agreement;

(3) in such cases, the United States could continue to lose export sales in connection with the aggressive, and in some cases, unfair, tied aid practices of such countries; and

(4) in such cases, the Export-Import Bank of the United States should continue to use the Tied Aid Credit Fund established by section 15(c) of the Export-Import Bank Act of 1945 to discourage the use of such predatory financing practices.

(b) Extension of Tied Aid Credit Fund.—Subsections (c)(2) and (e)(1) of section 15 of the Export-Import Bank Act of 1945 (12 U.S.C. 635i-3 (c)(2) and (e)(1)) are each amended by striking out "and 1988" and inserting in lieu thereof "1988, and 1989".

(c) Report.—

(1) In general.—On or before December 31, 1988, the President and Chairman of the Export-Import Bank of the United States, in cooperation with other appropriate government agencies, shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a written report identifying and analyzing the tied aid credit practices of other countries and shall make recommendations for dealing with such practices.

(2) Consultation.—In preparing the report described in paragraph (1), the Export-Import Bank shall consult with appropriate international organizations such as the International Bank for Reconstruction and Development, the International Monetary Fund, and the Development Assistance Committee of the Organization for Economic Cooperation and Development, and with the countries which are party to the Arrangement on Guidelines for Officially Supported Export Credits adopted by the Organization for Economic Cooperation and Development in November 1987.

SEC. 3303. REPORT ON UNITED STATES EXPORTS TO DEVELOPING COUNTRIES.

Within 90 days after the date of the enactment of this Act, the President and Chairman of the Export-Import Bank of the United States shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a written report which contains—

(1) an assessment of the effectiveness of recent program changes in increasing United States exports to developing countries; and

(2) an identification of additional specific policy and program changes which—

(A) would enable the Bank to increase the financing of United States exports to developing countries; and

(B) would encourage greater private sector participation in such financing efforts.

SEC. 3304. AMENDMENTS TO SECTION 2(e) OF THE EXPORT-IMPORT BANK ACT OF 1945.

(a) Time for Determining Supplies.—Section 2(e)(1)(A)(i) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(e)(1)(A)(i)) is amended by striking out "productive capacity is expected to become operative" and inserting in lieu thereof "commodity will first be sold".

(b) Making Comparative Injury Determinations.—Section 2(e)(2) of such Act (12 U.S.C. 635(e)(2)) is amended—

(1) by inserting "short- and long-term" before "injury to United States producers"; and

(2) by inserting "and employment" before "of the same, similar, or competing commodity".

(c) Substantial Injury Defined for Export-Import Bank Determinations.—Section 2(e) of such Act (12 U.S.C. 635(e)) is amended by adding at the end the following:

"(3) Definition.—For purposes of paragraph (1)(B), the extension of any credit or guarantee by the Bank will cause substantial injury if the amount of the capacity for production established, or the amount of the increase in such capacity expanded, by such credit or guarantee equals or exceeds 1 percent of United States production.".

Subtitle E—Export Trading Company Act Amendments

SEC. 3401. SHORT TITLE.

This subtitle may be cited as the "Export Trading Company Act Amendments of 1988".

SEC. 3402. EXPORT TRADING COMPANY ACT AMENDMENTS.

(a) Standards for Determination of Export Trading Company Status.—Section 4(c)(14) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(14)) is amended by inserting after subparagraph (F) the following new subparagraph:

"(G) Determination of status as export trading company.—

"(i) Time period requirements.—For purposes of determining whether an export trading company is operated principally for the purposes described in subparagraph (F)(i)—

"(I) the operations of such company during the 2-year period beginning on the date such company commences operations shall not be taken into account in making any such determination; and

"(II) not less than 4 consecutive years of operations of such company (not including any portion of the period referred to in subclause (I)) shall be taken into account in making any such determination.

"(ii) Export revenue requirements.—A company shall not be treated as operated principally for the purposes described in subparagraph (F)(i) unless—

"(I) the revenues of such company from the export, or facilitating the export, of goods or services produced in the United States exceed the revenues of such company from the import, or facilitating the import, into the United States of goods or services produced outside the United States; and

"(II) at least ½ of such company's total revenues are revenues from the export, or facilitating the export, of goods or services produced in the United States by persons not affiliated with such company.".

(b) Leverage.—Section 4(c)(14)(A) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(14)(A)) is amended by redesignating clauses (v) and (vi) as clauses (vi) and (vii), respectively, and by inserting after clause (iv) the following new clause:

"(v) Leverage.—The Board may not disapprove any proposed investment solely on the basis of the anticipated or proposed asset-to-equity ratio of the export trading company with respect to which such investment is proposed, unless the anticipated or proposed annual average asset-to-equity ratio is greater than 20-to-1.".

(c) Inventory.—Section 4(c)(14)(A)) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(14)) is amended by inserting after subparagraph (G) (as added by subsection (a) of this section) the following new subparagraph:

"(H) Inventory.—

"(i) No general limitation.—The Board may not prescribe by regulation any maximum dollar amount limitation on the value of goods which an export trading company may maintain in inventory at any time.

"(ii) Specific limitation by order.—Notwithstanding clause (i), the Board may issue an order establishing a maximum dollar amount limitation on the value of goods which a particular export trading company may maintain in inventory at any time (after such company has been operating for a reasonable period of time) if the Board finds that, under the facts and circumstances, such limitation is necessary to prevent risks that would affect the financial or managerial resources of an investor bank holding company to an extent which would be likely to have a materially adverse effect on the safety and soundness of any subsidiary bank of such bank holding company.".

Subtitle F—Primary Dealers

SEC. 3501. SHORT TITLE.

This subtitle may be cited as the "Primary Dealers Act of 1988".

SEC. 3502. REQUIREMENT OF NATIONAL TREATMENT IN UNDERWRITING GOVERNMENT DEBT INSTRUMENTS.

(a) Findings.—The Congress finds that—

(1) United States companies can successfully compete in foreign markets if they are given fair access to such markets;

(2) a trade surplus in services could offset the deficit in manufactured goods and help lower the overall trade deficit significantly;

(3) in contrast to the barriers faced by United States firms in Japan, Japanese firms generally have enjoyed access to United States financial markets on the same terms as United States firms; and

(4) United States firms seeking to compete in Japan face or have faced a variety of discriminatory barriers effectively precluding such firms from fairly competing for Japanese business, including—

(A) limitations on membership on the Tokyo Stock Exchange;

(B) high fixed commission rates (ranging as high as 80 percent) which must be paid to members of the exchange by nonmembers for executing trades;

(C) unequal opportunities to participate in and act as lead manager for equity and bond underwritings;

(D) restrictions on access to automated teller machines;

(E) arbitrarily applied employment requirements for opening branch offices;

(F) long delays in processing applications and granting approvals for licenses to operate; and

(G) restrictions on foreign institutions' participation in Ministry of Finance policy advisory councils.

(b) Designation of Certain Persons as Primary Dealers Prohibited.—

(1) General rule.—Neither the Board of Governors of the Federal Reserve System nor the Federal Reserve Bank of New York may designate, or permit the continuation of any prior designation of, any person of a foreign country as a primary dealer in government debt instruments if such foreign country does not accord to United States companies the same competitive opportunities in the underwriting and distribution of government debt instruments issued by such country as such country accords to domestic companies of such country.

(2) Certain prior acquisitions excepted.—Paragraph (1) shall not apply to the continuation of the prior designation of a company as a primary dealer in government debt instruments if—

(A) such designation occurred before July 31, 1987; and

(B) before July 31, 1987—

(i) control of such company was acquired from a person (other than a person of a foreign country) by a person of a foreign country; or

(ii) in conjunction with a person of a foreign country, such company informed the Federal Reserve Bank of New York of the intention of such person to acquire control of such company.

(c) Exception for Countries Having or Negotiating Bilateral Agreements With the United States.—Subsection (b) shall not apply to any person of a foreign country if—

(1) that country, as of January 1, 1987, was negotiating a bilateral agreement with the United States under the authority of section 102(b)(4)(A) of the Trade Act of 1974 (19 U.S.C. 2112(b)(4)(A)); or

(2) that country has a bilateral free trade area agreement with the United States which entered into force before January 1, 1987.

(d) Person of a Foreign Country Defined.—For purposes of this section, a person is a "person of a foreign country" if that person, or any other person which directly or indirectly owns or controls that person, is a resident of that country, is organized under the laws of that country, or has its principal place of business in that country.

(e) Effective Date.—This section shall take effect 12 months after the date of the enactment of this Act.

Subtitle G—Financial Reports

SEC. 3601. SHORT TITLE.

This subtitle may be cited as the "Financial Reports Act of 1988".

SEC. 3602. QUADRENNIAL REPORTS ON FOREIGN TREATMENT OF UNITED STATES FINANCIAL INSTITUTIONS.

Not less frequently than every 4 years, beginning December 1, 1990, the Secretary of the Treasury, in conjunction with the Secretary of State, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission, and the Department of Commerce, shall report to the Congress on (1) the foreign countries from which foreign financial services institutions have entered into the business of providing financial services in the United States, (2) the kinds of financial services which are being offered, (3) the extent to which foreign countries deny national treatment to United States banking organizations and securities companies, and (4) the efforts undertaken by the United States to eliminate such discrimination. The report shall focus on those countries in which there are significant denials of national treatment which impact United States financial firms. The report shall also describe the progress of discussions pursuant to section 3603.

SEC. 3603. FAIR TRADE IN FINANCIAL SERVICES.

(a) DISCUSSIONS.—When advantageous the President or his designee shall conduct discussions with the governments of countries that are major financial centers, aimed at:

(1) ensuring that United States banking organizations and securities companies have access to foreign markets and receive national treatment in those markets;

(2) reducing or eliminating barriers to, and other distortions of, international trade in financial services;

(3) achieving reasonable comparability in the types of financial services permissible for financial service companies; and

(4) developing uniform supervisory standards for banking organizations and securities companies, including uniform capital standards.

(b) CONSULTATION BEFORE DISCUSSIONS.—Before entering into those discussions, the President or his designee shall consult with the committees of jurisdiction in the Senate and the House of Representatives.

(c) RECOMMENDATIONS.—After completing those discussions and after consultation with the committees of jurisdiction, the President shall transmit to the Congress any recommendations that have emerged from those discussions. Any recommendations for changes in United States financial laws or practices shall be accompanied by a description of the changes in foreign financial laws or practices that would accompany action by the Congress, and by an explanation of the benefits that would accrue to the United States from adoption of the recommendations.

(d) CONSTRUCTION OF SECTION.—Nothing in this section may be construed as prior approval of any legislation which may be necessary to implement any recommendations resulting from discussions under this section.

SEC. 3604. BANKS LOAN LOSS RESERVES.

The Federal Reserve Board shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a report on the issues raised by including loan loss reserves as part of banks' primary capital for regulatory purposes by March 31, 1989. Such report shall include a review of the treatment of loan loss reserves and the composition of primary capital of banks in other major industrialized countries, and shall include an analysis as to whether loan loss reserves should continue to be counted as primary capital for regulatory purposes.

TITLE IV—AGRICULTURAL TRADE

SEC. 4001. SHORT TITLE.

This title may be cited as the "Agricultural Competitiveness and Trade Act of 1988".

Subtitle A—Findings, Policy, and Purpose

SEC. 4101. FINDINGS.

Congress finds that—

(1) United States agricultural exports have declined by more than 36 percent since 1981, from $43,800,000,000 in 1981 to $27,900,000,000 in 1987;

(2) the United States share of the world market for agricultural commodities and products has dropped by 20 percent during the last 6 years;

(3) for the first time in 15 years, the United States incurred monthly agricultural trade deficits in 1986;

(4) the loss of $1,000,000,000 in United States agricultural exports causes the loss of 35,000 agricultural jobs and the loss of 60,000 nonagricultural jobs;

(5) the loss of agricultural exports threatens family farms and the economic well-being of rural communities in the United States;

(6) factors contributing to the loss of United States agricultural exports include changes in world agricultural markets such as—

(A) the addition of new exporting nations;

(B) innovations in agricultural technology;

(C) increased use of export subsidies designed to lower the price of commodities on the world market;

(D) the existence of barriers to agricultural trade;

(E) the slowdown in the growth of world food demand in the 1980's due to cyclical economic factors, including currency fluctuations and a debt-related slowdown in the economic growth of agricultural markets in certain developing countries; and

(F) the rapid buildup of surplus stocks as a consequence of favorable weather for agricultural production during the 1980's;

(7) increasing the volume and value of exports is important to the financial well-being of the farm sector in the United States and to increasing farm income in the United States;

(8) in order to increase agricultural exports and improve prices for farmers and ranchers in the United States, it is necessary that all agricultural export programs of the United States be used in an expeditious manner, including programs established under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(9) greater use should be made by the Secretary of Agriculture of the authorities established under section 4 of the Food for Peace Act of 1966 (7 U.S.C. 1707a), the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.), section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), and the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.) to provide intermediate credit financing and other assistance for the establishment of facilities in importing countries to—

(A) improve the handling, marketing, processing, storage, and distribution of imported agricultural commodities and products; and

(B) increase livestock production to enhance the demand for United States feed grains;

(10) food aid and export assistance programs in developing countries stimulate economic activity which causes incomes to rise, and, as incomes rise, diets improve and the demand for and ability to purchase food increases;

(11) private voluntary organizations and cooperatives are important and successful partners in our food aid and development programs; and

(12) in addition to meeting humanitarian needs, food aid used in sales and barter programs by private voluntary organizations and cooperatives—

(A) provides communities with health care, credit systems, and tools for development; and

(B) establishes the infrastructure that is essential to the expansion of markets for United States agricultural commodities and products.

SEC. 4102. POLICY.

It is the policy of the United States—

(1) to provide, through all possible means, agricultural commodities and products for export at competitive prices, with full assurance of quality and reliability of supply;

(2) to support the principle of free trade and the promotion of fair trade in agricultural commodities and products;

(3) to support fully the negotiating objectives set forth in section 1101(b) of this Act to eliminate or reduce substantially constraints on fair and open trade in agricultural commodities and products;

(4) to use statutory authority to counter unfair foreign trade practices and to use all available means, including export promotion programs, and, if necessary, restrictions on United States imports of agricultural commodities and products, in order to encourage fair and open trade; and

(5) to provide for increased representation of United States agricultural trade interests in the formulation of national fiscal and monetary policy affecting trade.

SEC. 4103. PURPOSE.

It is the purpose of this title—

(1) to increase the effectiveness of the Department of Agriculture in agricultural trade policy formulation and implementation and in assisting United States agricultural producers to participate in international agricultural trade, by strengthening the operations of the Department of Agriculture; and

(2) to improve the competitiveness of United States agricultural commodities and products in the world market.

Subtitle B—Agricultural Trade Initiatives

PART 1—GENERAL PROVISIONS

SEC. 4201. LONG-TERM AGRICULTURAL TRADE STRATEGY REPORTS.

(a) CONTENTS.—The Secretary of Agriculture shall prepare annually, and the President shall submit together with the budget for each fiscal year, a Long-Term Agricultural Trade Strategy Report establishing recommended policy goals for United States agricultural trade and exports, and recommended levels of spending on international activities of the Department of Agriculture, for 1-, 5-, and 10-fiscal year periods. In preparing each such report, the Secretary shall consult with the United States Trade Representative to ensure that the report is coordinated with the annual national trade policy agenda included in the annual report for the relevant fiscal year prepared under section 163 of the Trade Act of 1974 (19 U.S.C. 2213). Each such report shall include—

(1) findings with respect to trends in the comparative position of the United States and other countries in the export of agricultural commodities and products, organized by a major commodity group and including a comparative analysis of the cost of production of such commodities and products;

(2) findings with respect to new developments in research conducted by other countries that may affect the competitiveness of United States agricultural commodities and products;

(3) findings and recommendations with respect to the movement of United States agricultural commodities and products in nonmarket economies;

(4) as appropriate, the agricultural trade goals for each agricultural commodity and value-added product produced in the United States for the period involved, expressed in both physical volume and monetary value;

(5) recommended Federal policy and programs to meet such agricultural trade goals;

(6) recommended levels of Federal spending on international programs and activities of the Department of Agriculture to meet such agricultural trade goals;

(7) recommended levels of Federal spending on programs and activities of agencies other than the Department of Agriculture to meet such agricultural trade goals; and

(8) recommended long-term strategies for growth in agricultural trade and exports—

(A) taking into account United States competitiveness, trade negotiations, and international monetary and exchange rate policies; and

(B) including specific recommendations with respect to export enhancement programs (including credit programs and export payment-in-kind programs), market development activities, and foreign agricultural and economic development assistance activities needed to implement such strategies.

(b) Treatment as Annual Budget Submission.—Provisions of each Long-Term Agricultural Trade Strategy Report that relate to recommended levels of spending on international activities of the Department of Agriculture for the upcoming fiscal year shall be treated as the President's annual budget submission to Congress for such activities for such fiscal year, and shall be submitted along with the budget request for other programs of the Department of Agriculture for such fiscal year.

(c) Succeeding Reports.—The Secretary of Agriculture, in each annual Long-Term Agricultural Trade Strategy Report, shall identify any recommendations in such report that might modify the long-term policy contained in any previous report.

(d) Recommendations for Changes In Law.—The President shall include in each annual budget submission recommendations for such changes in law as are required to meet the long-term goals established in the Report.

SEC. 4202. TECHNICAL ASSISTANCE IN TRADE NEGOTIATIONS.

The Secretary of Agriculture shall provide technical services to the United States Trade Representative on matters pertaining to agricultural trade and with respect to international negotiations on issues related to agricultural trade.

SEC. 4203. JOINT DEVELOPMENT ASSISTANCE AGREEMENTS WITH CERTAIN TRADING PARTNERS.

(a) Development of Plan.—With respect to any country that has a substantial positive trade balance with the United States, the Secretary of Agriculture, in consultation with the Secretary of State and (through the Secretary of State) representatives of such country, may develop an appropriate plan under which that country would purchase United States agricultural commodities or products for use in development activities in developing countries. In developing such plan, the Secretary of Agriculture shall take into consideration the agricultural economy of such country, the nature and extent of such country's programs to assist developing countries, and other relevant factors. The Secretary of Agriculture shall submit each such plan to the President as soon as practicable.

(b) Agreement.—The President may enter into an agreement with any country that has a positive trade balance with the United States under which that country would purchase United States agricultural commodities or products for use in agreed-on development activities in developing countries.

SEC. 4204. REORGANIZATION EVALUATION.

The Secretary of Agriculture shall evaluate the reorganization proposal recommended by the National Commission on Agricultural Trade and Export Policy and other proposals to improve management of international trade activities of the Department of Agriculture. To assist the Secretary in the evaluation, the Secretary shall appoint a private sector advisory committee of not less than 4 members, who shall be appointed from among individuals representing farm and commodity organizations, market development cooperators, and agribusiness. Not later than April 30, 1989, the Secretary shall report the findings of the evaluation to Congress, together with the views and recommendations of the private sector advisory committee.

SEC. 4205. CONTRACTING AUTHORITY TO EXPAND AGRICULTURAL EXPORT MARKETS.

(a) In General.—The Secretary of Agriculture may contract with individuals for services to be performed outside the United States as the Secretary determines necessary or appropriate for carrying out programs and activities to maintain, develop, or enhance export markets for United States agricultural commodities and products.

(b) Not Employees of the United States.—Such individuals shall not be regarded as officers or employees of the United States.

SEC. 4206. ESTABLISHMENT OF TRADE ASSISTANCE OFFICE.

(a) Establishment Within the Foreign Agricultural Service.—The Secretary of Agriculture shall establish an office within the Foreign Agricultural Service to carry out the duties described in subsections (b) and (c) under the direction of the Administrator of the Foreign Agricultural Service.

(b) Primary Responsibility.—The office established under subsection (a) shall provide trade assistance and information to persons who are interested in exporting United States agricultural commodities and products or who believe they have been injured by unfair trade practices with respect to trade in agricultural commodities and products.

(c) Duties.—The office established under subsection (a) shall—

(1) compile and make readily available international trade information, including information concerning trade practices carried out by other countries to promote the export of agricultural commodities and products, trade barriers imposed by other countries, unfair trade practices of other countries, and remedies under United States law that might be available to persons injured by unfair trade practices; and

(2) provide information and assistance to persons interested in participating in programs carried out by the Foreign Agricultural Service, the Commodity Credit Corporation, and other agencies with respect to the international marketing and export of domestically produced agricultural commodities and products or who believe they have been injured by unfair trade practices of other countries with respect to trade in agricultural commodities and products.

(d) Report.—

(1) Deadline for submission.—Not later than 60 days after the end of each fiscal year, the Administrator of the Foreign Agricultural Service shall submit a report described in paragraphs (2) and (3) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(2) Contents of each report.—Each such report shall describe—

(A) the type of information that is currently available through the office established by this section; and

(B) the type of assistance provided to persons during the previous fiscal year.

(3) Additional contents for first report.—In the first report submitted under this section, the Administrator shall also—

(A) provide an analysis of the information currently available concerning foreign agricultural trade practices and domestic agricultural trade promotion programs and the methods used to disseminate such information;

(B) provide recommendations with respect to additional information and assistance that should be made available to interested persons; and

(C) provide an analysis of the degree that overlapping information and reports concerning agricultural trade are prepared.

PART 2—FOREIGN AGRICULTURAL SERVICE

SEC. 4211. PERSONNEL OF THE SERVICE.

(a) Increased Level.—To ensure that the agricultural export programs of the United States are carried out in an effective manner, the authorized number of personnel for the Foreign Agricultural Service of the Department of Agriculture (hereinafter in this part referred to as the "Service") shall not be less than 900 full-time employees during each of the fiscal years 1989 and 1990.

(b) Rank of Foreign Agricultural Service Officers in Foreign Missions.—Notwithstanding any other provision of law, the Secretary of State shall, upon the request of the Secretary of Agriculture, accord the diplomatic title of Minister-Counselor to the senior Service officer assigned to any United States mission abroad. The number of Service officers holding such diplomatic title at any time may not exceed eight.

SEC. 4212. AGRICULTURAL ATTACHE EDUCATIONAL PROGRAM.

The Administrator of the Service (hereinafter in this part referred to as the "Administrator") shall establish a program within the Service that directs attaches of the Service who are reassigned from abroad to the United States, and other personnel of the Service, to visit and consult with producers and exporters of agricultural commodities and products and State officials throughout the United States concerning various methods to increase exports of United States agricultural commodities and products.

SEC. 4213. PERSONNEL RESOURCE TIME.

(a) In General.—In planning the overall allocation of personnel resource time of agricultural attaches of the Service, the Administrator shall ensure that the maximum quantity practicable of the overall personnel resource time of agricultural attaches of the Service be devoted to activities designed to increase markets for United States agricultural commodities and products.

(b) Reports.—The Administrator shall submit reports to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that describe the allocation of personnel resource time of agricultural attaches during the 1988 and 1989 fiscal years. The report for fiscal year 1988 shall be submitted not later than September 30, 1988, or 30 days after the date of the enactment of this Act, whichever is later. The report for fiscal year 1989 shall be submitted not later than September 30, 1989.

SEC. 4214. COOPERATOR ORGANIZATIONS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the foreign market development cooperator program of the Service, and the activities of individual foreign market cooperator organizations, have been among the most successful and cost-effective means to expand United States agricultural exports. Congress affirms its support for the program and the activities of the cooperator organizations. The Administrator and the private sector should work together to ensure that the program, and the activities of cooperator organizations, are expanded in the future.

(b) COMMODITIES FOR COOPERATOR ORGANIZATIONS.—The Secretary of Agriculture may make available to cooperator organizations agricultural commodities owned by the Commodity Credit Corporation, for use by such cooperators in projects designed to expand markets for United States agricultural commodities and products.

(c) RELATION TO FUNDS.—Commodities made available to cooperator organizations under this section shall be in addition to, and not in lieu of, funds appropriated for market development activities of such cooperator organizations.

(d) CONFLICTS OF INTEREST.—The Secretary shall take appropriate action to prevent conflicts of interest among cooperator organizations participating in the cooperator program.

(e) EVALUATION.—It is the sense of Congress that the Secretary should establish a consistent, objective means for the evaluation of cooperator programs.

SEC. 4215. AUTHORIZATION OF ADDITIONAL APPROPRIATIONS.

There are authorized to be appropriated for the Service, in addition to any sums otherwise authorized to be appropriated by any provision of law other than this section, $20,000,000 for each of the fiscal years 1988, 1989, and 1990 for market development activities, including—

(1) expansion of the agricultural attache service;

(2) expansion of international trade policy activities of the Service;

(3) enhancement of the Service worldwide market information system;

(4) increasing the number of trade shows and exhibitions conducted by the Service and upgrading the quality of United States representation at trade shows and exhibitions; and

(5) developing markets for value-added beef, pork, and poultry products.

Subtitle C—Existing Agricultural Trade Programs

SEC. 4301. TRIGGERED MARKETING LOANS AND EXPORT ENHANCEMENT.

(a) CERTIFICATION TO CONGRESS.—Notwithstanding any other provision of law, if, before January 1, 1990, a law has not been enacted in accordance with section 151 of the Trade Act of 1974 (19 U.S.C. 2191) that implements an agreement negotiated under the Uruguay round of multilateral trade negotiations conducted under the General Agreement on Tariffs and Trade (hereinafter in this section referred to as "GATT negotiations") concerning agricultural trade, the President, not later than 45 days after such date—

(1) shall submit a report to the Committee on Agriculture, the Committee on Foreign Affairs, and the Committee on Ways and Means of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate describing the status of the GATT negotiations concerning agricultural trade, the progress that has been made to date in the negotiations, the general areas of disagreement, the anticipated date of completion of the negotiations, and the changes in domestic farm programs that are likely to be necessary on conclusion of the negotiations; and

(2) shall certify to Congress whether or not significant progress has been made in the negotiations.

(b) MARKETING LOAN.—

(1) IMPLEMENTATION.—Except as provided in paragraph (2), if the President does not certify that significant progress has been made towards reaching a GATT agreement concerning agricultural trade, the President shall, not later than 60 days before the beginning of the marketing year for the 1990 crop of wheat, instruct the Secretary of Agriculture to permit producers to repay loans made under sections 107D(a), 105C(a), and 201(i) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(a), 1444e(a), and 1446(i)) for each of the 1990 crops of wheat, feed grains, and soybeans at a level that is the lesser of—

(A) the loan level determined for each such crop; or

(B) the prevailing world market price for each such crop, as determined by the Secretary.

(2) WAIVER.—The President may waive the application of paragraph (1) by certifying to Congress that implementation of the marketing loan would harm further negotiations.

(3) DISCONTINUANCE.—If, after the implementation of a marketing loan in accordance with paragraph (1), the President certifies to Congress that substantial progress is being made in the GATT negotiations and that continuation of the marketing loan program implemented in accordance with paragraph (1) would harm such progress, the President may instruct the Secretary of Agriculture to discontinue the marketing loan program.

(c) EXPORT ENHANCEMENT.—

(1) IN GENERAL.—Except as provided in paragraph (4), if the President exercises the authority to waive or discontinue the marketing loan program provided for in paragraph (2) or (3) of subsection (b), the President shall instruct the Secretary of Agriculture to make agricultural commodities and products acquired by the Commodity Credit Corporation equaling at least $2,000,000,000 in value available during the 1990 through 1992 fiscal years to United States exporters of domestically produced agricultural commodities and products for the purpose of making exports of such commodities and products available on the world market at competitive prices.

(2) NONDISPLACEMENT.—Commodities and products made available in accordance with this subsection shall be in addition to, and not in lieu of, other commodities and products made available for the purpose of enhancing the export of United States commodities and products.

(3) USE OF COMMODITY CREDIT CORPORATION.—The Secretary of Agriculture may use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this subsection.

(4) EXCEPTION.—The President may waive the application of paragraph (1) by certifying to Congress that implementation of the export enhancement program provided for by this subsection would be a substantial impediment to achieving a successful agreement under the GATT.

(5) DISCONTINUANCE.—If, after the implementation of paragraph (1), the President certifies to Congress that substantial progress is being made in the GATT negotiations and that continuation of the export enhancement program implemented in accordance with paragraph (1) would harm such progress, the President may, not before 60 days after the consultation required under subsection (d) with respect to such certification, instruct the Secretary of Agriculture to suspend the implementation of such program.

(d) CONSULTATION.—The President may not make a certification to Congress under this section unless the United States Trade Representative—

(1) consults about the certification with—

(A) the Committee on Agriculture, the Committee on Foreign Affairs, and the Committee on Ways and Means of the House of Representatives; and

(B) the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate; and

(2) reports to the President the results of such consultation.

SEC. 4302. PRICE SUPPORT PROGRAMS FOR SUNFLOWER SEEDS AND COTTONSEED.

(a) SUNFLOWER SEEDS.—If producers are permitted to repay loans for the 1990 crop of soybeans under section 201(i) of the Agricultural Act of 1949 (7 U.S.C. 1446(i)) at a level that is less than the full amount of the loan pursuant to section 4301 of this Act, the Secretary shall support the price of sunflower seeds through loans and purchases for the 1990 crop of sunflowers in accordance with section 201(l) of the Agricultural Act of 1949.

(b) COTTONSEED.—If a producer is permitted to repay a loan for the 1990 crop of soybeans under section 201(i) of the Agricultural Act of 1949 (7 U.S.C. 1446(i)) at a level that is less than the full amount of the loan pursuant to section 4301 of this Act, the Secretary shall support the price of the 1990 crop of cottonseed at such level as the Secretary determines will cause cottonseed to compete on equal terms with soybeans on the market. The Secretary shall carry out this subsection using the funds, facilities, and authorities of the Commodity Credit Corporation.

(c) DISCONTINUANCE.—If the marketing loan program for the 1990 crop of soybeans is discontinued under section 4301(b)(3) of this Act, the Secretary shall discontinue the price support programs for sunflower seeds and cottonseed required by this section.

SEC. 4303. MULTIYEAR AGREEMENTS UNDER THE FOOD FOR PROGRESS PROGRAM.

Section 1110 of the Food Security Act of 1985 (7 U.S.C. 1736o) is amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (j) the following:

"(k) In carrying out this section, the President shall, on request and subject to the availability of commodities, approve agreements that provide for commodities to be made available for distribution or sale by recipient countries on a multiyear basis if the agreements otherwise meet the requirements of this section.".

SEC. 4304. TARGETED EXPORT ASSISTANCE.

(a) LEVEL OF PROGRAM.—Section 1124(a) of the Food Security Act of 1985 (7 U.S.C. 1736s(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "1988" and inserting in lieu thereof "1987"; and

(B) by striking out "and" at the end; and

(2) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) for the fiscal year 1988, the Secretary shall use under this section not less than $215,000,000 of the funds of, or commodities owned by, the Corporation, except that the Secretary shall use funds or commodities of the Corporation in excess of $110,000,000 only to the extent appropriations to reimburse the Corporation for such additional expenditures of funds or distribution of commodities are made available in advance to carry out this section; and

"(3) for each of the fiscal years 1989 and 1990, the Secretary shall use under this section not less than $325,000,000 of the funds of, or commodities owned by, the Corporation.".

(b) COUNTERVAILING DUTY ACTION.—Section 1124(b) of such Act is amended—

(1) in paragraph (1), by striking out "Funds" and inserting in lieu thereof "Except as provided in paragraph (3), funds"; and

(2) by adding at the end thereof the following new paragraph:

"(3)(A) Funds or commodities made available for use under this section may be used by the Secretary to assist organizations consisting of producers or processors of United States agricultural commodities in amounts necessary to compensate the organizations for reasonable expenses incurred in defending countervailing duty actions instituted after January 1, 1986, in foreign countries to offset the benefits of the agricultural programs provided for under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.). In no event may such assistance exceed $500,000 for the defense of any one countervailing duty action.

"(B) If the Secretary declines to make funds or commodities available under this paragraph, the Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the reasons for declining to make the funds or commodities available.".

SEC. 4305. EXPORT CREDIT GUARANTEE PROGRAM.

It is the sense of Congress that, to the extent that the Commodity Credit Corporation makes a specified allocation of credit guarantees available under the export credit guarantee program referred to in section 1125 of the Food Security Act of 1985 (7 U.S.C. 1736t) for short-term credit extended to finance the export sales of United States agricultural commodities and products, such allocation should be made on a country-only basis and not on a commodity basis or a commodity and country basis.

SEC. 4306. AGRICULTURAL EXPORT ENHANCEMENT PROGRAM.

(a) PRIORITIES.—Section 1127(b) of the Food Security Act of 1985 (7 U.S.C. 1736v(b)) is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) may consider for participation all interested United States exporters, processors, and users and interested foreign purchasers, and may give priority to sales to countries that have traditionally purchased United States agricultural commodities and products;".

(b) LEVEL OF FUNDING.—Section 1127(i) of such Act is amended—

(1) by striking out "1988" and inserting in lieu thereof "1990"; and

(2) by striking out "$1,500,000,000" and inserting in lieu thereof "$2,500,000,000".

SEC. 4307. AGRICULTURAL ATTACHE REPORTS.

Subsection (b) of section 1132 of the Food Security Act of 1985 (7 U.S.C. 1736x(b)) is amended to read as follows:

"(b) The Secretary shall—

"(1) annually compile the information contained in such reports;

"(2) in consultation with the agricultural technical advisory committees established under section 135(c) of the Trade Act of 1974 (19 U.S.C. 2155(c)), include in the compilation a priority ranking of those trade barriers identified in subsection (a) by commodity group;

"(3) include in the compilation a list of actions undertaken to reduce or eliminate such trade barriers; and

"(4) make the compilation available to Congress, the trade assistance office created under section 4602 of the Agricultural Competitiveness and Trade Act of 1988, the agricultural policy advisory committee, and other interested parties.".

SEC. 4308. DAIRY EXPORT INCENTIVE PROGRAM.

Paragraphs (2) through (3) of section 153(d) of the Food Security Act of 1985 (15 U.S.C. 713a-14(d)) are amended to read as follows:

"(2) If payments in commodities are authorized, such payments shall be made through the issuance of generic certificates redeemable in commodities.

"(3) If generic certificates issued in accordance with the program provided for by this section are exchanged for dairy products owned by the Commodity Credit Corporation, the regulations issued by the Secretary shall ensure that—

"(A) such dairy products, or an equal quantity of other dairy products, will be sold for export by the entity; and

"(B) any such export sales by the entity—

"(i) will be in addition to, and not in place of, export sales of dairy products that the entity would otherwise make under the program or in the absence of the program; and

"(ii) to the extent practicable, will not displace commercial export sales of United States dairy products by other exporters.".

SEC. 4309. BARTER OF AGRICULTURAL COMMODITIES.

In recognition of the importance of barter programs in expanding agricultural trade, it is the sense of Congress that the Secretary of Agriculture should expedite the implementation of section 416(d) of the Agricultural Act of 1949 (7 U.S.C. 1431(d)) and section 1167 of the Food Security Act of 1985 (7 U.S.C. 1727g note and 1736aa), relating to the barter of agricultural commodities.

SEC. 4310. MINIMUM LEVEL OF FOOD ASSISTANCE.

(a) ANNUAL MINIMUM.—It is the sense of Congress that—

(1) the United States should maintain its historic proportion of food assistance constituting one-third of all United States foreign economic assistance; and

(2) accordingly, the total amount of food assistance made available to foreign countries under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.) and section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)) should not be less than one-third of the total amount of foreign economic assistance provided for each fiscal year.

(b) DEFINITION.—For purposes of this section, the term "foreign economic assistance" includes—

(1) assistance under chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.), section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)), or any other law authorizing economic assistance for foreign countries; and

(2) United States contributions to the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, or any other multilateral development bank.

SEC. 4311. FOOD AID AND MARKET DEVELOPMENT.

(a) POLICY STATEMENT.—It is the policy of the United States to use food aid and agriculturally-related foreign economic assistance programs more effectively to develop markets for United States agricultural commodities and products.

(b) REQUIREMENT.—The President (or, as appropriate, the Secretary of Agriculture) shall encourage recipient countries under food assistance agreements entered into under any program administered by the Secretary to agree to give preference to United States food and food products in future food purchases.

Subtitle D—Wood and Wood Products

SEC. 4401. DEVELOPING MARKETS FOR WOOD AND WOOD PRODUCTS UNDER PUBLIC LAW 480.

Section 104(b)(1) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704(b)(1)) is amended by inserting "(including wood and processed wood products of the United States)" after "agricultural commodities" the first place it appears.

SEC. 4402. DEVELOPING MARKETS FOR WOOD AND WOOD PRODUCTS UNDER THE SHORT-TERM AND INTERMEDIATE-TERM EXPORT CREDIT GUARANTEE PROGRAMS.

(a) SHORT-TERM EXPORT CREDIT GUARANTEES.—Section 1125 of the Food Security Act of 1985 (7 U.S.C. 1736t) is amended—

(1) in subsection (b), by inserting ", including wood and processed wood products" after "agricultural commodities and the products thereof"; and

(2) by adding at the end thereof the following:

"(d) For the purpose of this section, the term 'wood and processed wood products' includes but is not limited to logs, lumber (boards, timber, millwork, molding, flooring, and siding), veneer, panel products (plywood, particle board, and fiberboard), utility and telephone poles, other poles and posts, railroad ties, wood pulp, and wood chips.".

(b) INTERMEDIATE-TERM EXPORT CREDIT.—Section 4(b)(1) of the Food for Peace Act of 1966 (7 U.S.C. 1707a(b)(1)) is amended by adding at the end thereof the following: "For the purpose of this paragraph, the term 'agricultural commodities' includes wood and processed wood products, as defined in section 1125(d) of the Food Security Act of 1985 (7 U.S.C. 1736t(d)).".

SEC. 4403. COOPERATIVE NATIONAL FOREST PRODUCTS MARKETING PROGRAM.

The Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.) is amended by adding at the end thereof the following:

"SEC. 15. COOPERATIVE NATIONAL FOREST PRODUCTS MARKETING PROGRAM.

"(a) FINDINGS AND PURPOSES.—

"(1) FINDINGS.—Congress finds that—

"(A) the health and vitality of the domestic forest products industry is important to the well-being of the economy of the United States;

"(B) the domestic forest products industry has a significant potential for expansion in both domestic and foreign markets;

"(C) many small-sized to medium-sized forest products firms lack the tools that would enable them to meet the increasing challenge of foreign competition in domestic and foreign markets; and

"(D) a new cooperative forest products marketing program will improve the competitiveness of the United States forest products industry.

"(2) Purposes.—The purposes of this section are to—

"(A) provide direct technical assistance to the United States forest products industry to improve marketing activities;

"(B) provide cost-share grants to States to support State and regional forest products marketing programs; and

"(C) target assistance to small-sized and medium-sized producers of solid wood and processed wood products, including pulp.

"(b) Program Authority.—

"(1) In general.—The Secretary shall establish a cooperative national forest products marketing program under this Act that provides—

"(A) technical assistance to States, landowners, and small-sized to medium-sized forest products firms on ways to improve domestic and foreign markets for forest products; and

"(B) grants of financial assistance with matching requirements to the States to assist in State and regional forest products marketing efforts targeted to aid small-sized to medium-sized forest products firms and private, nonindustrial forest landowners.

"(2) Interstate cooperative agreements.—Grant agreements shall encourage the establishment of interstate cooperative agreements by the States for the purpose of promoting the development of domestic and foreign markets for forest products.

"(c) Limitations.—

"(1) Cooperation with other federal agencies.—In carrying out this section, the Secretary shall cooperate with Federal departments and agencies to avoid the duplication of efforts and to increase program efficiency.

"(2) Domestic program.—The program authorized under this section shall be carried out within the United States and not be extended to Department of Agriculture activities in foreign countries.

"(d) Authorization for Appropriations.—There are authorized to be appropriated $5,000,000 for each of the fiscal years 1988 through 1991, to carry out this section.

"(e) Program Report.—The Secretary shall report to Congress annually on the activities taken under the marketing program established under this section. A final report including recommendations for program changes and the need and desirability of the reauthorization of this authority, and required levels of funding, shall be submitted to Congress not later than September 30, 1990.".

SEC. 4404. USE OF DEPARTMENT OF AGRICULTURE PROGRAMS.

The Secretary of Agriculture shall actively use Department of Agriculture concessional programs and export credit guarantee programs to promote the export of wood and processed wood products.

Subtitle E—Studies and Reports

SEC. 4501. STUDY OF CANADIAN WHEAT IMPORT LICENSING REQUIREMENTS.

(a) Findings.—Congress finds that—

(1) Canadian importers of wheat or products containing a minimum of 25 percent wheat (except packaged wheat products for retail sale) from the United States must obtain import licenses from the Canadian Wheat Board;

(2) the Canadian Wheat Board requires such importers of United States wheat and wheat products to prove that the wheat or wheat products to be imported are not readily available in Canada before issuance of an import license, and therefore, for all practical purposes, such licenses are not granted by the Canadian Wheat Board;

(3) the licensing requirements of the Canadian Wheat Board's import licensing program result in a trade barrier on the importation of United States wheat and wheat products; and

(4) Canada is a member of the General Agreement on Tariffs and Trade and, under such agreement, member countries should, in general, eliminate import licensing programs that operate as nontariff trade barriers.

(b) Study.—The Secretary of Agriculture shall conduct a study of the Canadian Wheat Board's import licensing program to—

(1) assess the effect of the Canadian Wheat Board's import licensing program referred to in subsection (a) on wheat producers, processors, and exporters in the United States; and

(2) determine—

(A) the nature and extent of the licensing requirements of the Canadian Wheat Board's import licensing program; and

(B) the estimated effect of the Canadian Wheat Board's import licensing program in reducing exports of United States wheat and wheat products to Canada.

(c) Submission of Results.—Not later than 90 days after the date of enactment of this Act, the Secretary shall submit the results of the study conducted under subsection (b) to the United States Trade Representative.

(d) Consultation With Congress.—Not later than 90 days after the results of the study are submitted, the Secretary and the United States Trade Representative shall consult with the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate on the status of efforts to negotiate the elimination of such Canadian licensing requirements.

SEC. 4502. IMPORT INVENTORY.

(a) Compilation and Report on Imports.—The Secretary of Agriculture, in consultation with the Secretary of Commerce, the International Trade Commission, the United States Trade Representative, and the heads of all other appropriate Federal agencies, shall compile and report to the public statistics on the total value and quantity of imported raw and processed agricultural products. The report shall be limited to those statistics that such agencies already obtain for other purposes.

(b) Compilation and Report on Consumption.—The Secretary shall compile and report to the public data on the total quantity of production and consumption of domestically produced raw and processed agricultural products.

(c) Issuing of Data.—The reports required by this section shall be made in a format that correlates statistics for the quantity and value of imported agricultural products to the production and consumption of domestic agricultural products. The Secretary shall issue such reports on an annual basis, with the first report required not later than 1 year after the date of enactment of this Act.

SEC. 4503. STUDY RELATING TO HONEY.

(a) Study.—The Secretary of Agriculture shall conduct a study to determine the effect of imported honey on United States honey producers, the availability of honey bee pollination within the United States, and whether there is reason to believe imports of honey tend to interfere with or render ineffective the honey price support program of the Department of Agriculture.

(b) Report.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall report the results of such study to the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives and to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate.

SEC. 4504. STUDY OF DAIRY IMPORT QUOTAS.

(a) Study.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall conduct a study to determine whether, and to what extent, the price support program for milk established under section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) would be affected by a reduction in, or elimination of, limitations imposed on the importation of certain dairy products under section 22 of the Agricultural Adjustment Act (7 U.S.C. 624), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, as a result of multilateral trade negotiations, including negotiations under the General Agreement on Tariffs and Trade. In conducting this study, the Secretary shall assess the likelihood of other nations' agreeing to reduce or eliminate their domestic dairy price stabilization, export subsidization, or import control programs in such multilateral negotiations.

(b) Report.—The Secretary shall submit a report describing the results of the study, together with any recommendations, to the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate.

SEC. 4505. REPORT ON INTERMEDIATE EXPORT CREDIT.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall submit a report to the Committee on Agriculture and the Committee on Foreign Affairs of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, on the use of authorities established under section 4 of the Food for Peace Act of 1966 (7 U.S.C. 1707a), the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.), section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), and the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), to provide intermediate credit financing and other trade assistance for the establishment of facilities in importing countries—

(1) to improve the handling, marketing, processing, storage, and distribution of imported agricultural commodities and products;

(2) to increase livestock production in order to enhance the demand for United States feed grains; and

(3) to increase markets for United States livestock and livestock products.

SEC. 4506. IMPORTED MEAT, POULTRY PRODUCTS, EGGS, AND EGG PRODUCTS.

(a) Report.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Agriculture shall submit a report to Congress—

(1) specifying the planned distribution, in fiscal years 1988 and 1989, of the resources of the Department of Agriculture available for sampling imported covered products to ensure compliance with the requirements of the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), and the Egg Products Inspection Act (21 U.S.C. 1031 et seq.) that govern the level of residues of pesticides, drugs, and other products permitted in or on such products;

(2) describing current methods used by the Secretary to enforce the requirements of such Acts with respect to the level of residues of pesticides, drugs, and other products permitted in or on such products;

(3) responding to the audit report of the Inspector General of the Department of Agriculture, Number 38002—2—hy, dated January 14, 1987;

(4) providing a summary with respect to the importation of covered products during fiscal years 1987 and 1988 that specifies—

(A) the number of samples of each such product taken during each such fiscal year in carrying out the requirements described in paragraph (1); and

(B) for each violation of such requirements during each such fiscal year—

(i) the covered products with respect to which such violation occurred;

(ii) the residue in or on such product in violation of such requirements;

(iii) the country exporting such product;

(iv) the actions taken in response to such violation and the reasons for such actions; and

(v) the level of testing conducted by the countries exporting such products;

(5) describing any research conducted by the Secretary to develop improved methods to detect residues subject to such requirements in or on covered products; and

(6) providing any recommendations the Secretary considers appropriate for legislation to add or modify penalties for violations of laws, regulations, and other enforcement requirements governing the level of residues that are permitted in or on imported covered products.

(b) Revision.—Not later than November 15, 1989, the Secretary of Agriculture shall revise, as necessary, the report prepared under subsection (a) and submit the revision to Congress.

(c) Definition.—As used in this section, the term "covered products" means meat, poultry products, eggs, and egg products.

SEC. 4507. STUDY OF CIRCUMVENTION OF AGRICULTURAL QUOTAS.

(a) In General.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall conduct a study with respect to—

(1) whether articles containing dairy products (including chocolate in blocks of at least 10 pounds and other such products) are being imported into the United States in such a manner or in such quantities as to circumvent or avoid the limitations imposed on imports of dairy products under section 22 of the Agricultural Adjustment Act (7 U.S.C. 624), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937; and

(2) whether products containing refined sugar are being imported into the United States in such a manner or in such quantities as to circumvent or avoid the limitations imposed on imports of refined sugar and sugar containing products imposed under Federal law.

(b) Requirements.—In conducting the study required under subsection (a), the Comptroller General shall investigate—

(1) the efforts undertaken by the United States Customs Service in the enforcement of the existing quantitative limitations described in subsection (a);

(2) the change in the composition, volume, and pattern of imports containing sugar and imports containing dairy products subsequent to the initial imposition of the quantitative limitations;

(3) the effectiveness of section 22 of the Agricultural Adjustment Act (7 U.S.C. 624), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, in preventing the circumvention or avoidance of the quantitative limitations; and

(4) the use of United States foreign trade zones to circumvent the quantitative limitations.

(c) Report.—On completion of the study required by this section, the Comptroller General shall report the results of the study to the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate.

SEC. 4508. STUDY OF LAMB MEAT IMPORTS.

(a) Study.—The Secretary of Agriculture shall conduct a study of the market for lamb meat products in the United States, focusing on production, demand, rate of return on investment, marketing and trends with respect to the level of imports of live lamb and lamb meat products, and the effects of such imports on the production of lamb meat in the United States.

(b) Report.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives and the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report setting forth the results of such study. If appropriate, the report should include proposals on ways to bring about a long-term increase in per capita consumption of lamb meat products and ways to encourage a more profitable and productive domestic industry to ensure a plentiful and affordable supply of lamb meat.

SEC. 4509. ROSE STUDY.

(a) Study.—Not later than 240 days after the date of enactment of this Act, the United States International Trade Commission shall, pursuant to section 332 of the Tariff Act of 1930 (19 U.S.C. 1332), complete a study with respect to—

(1) competitive factors affecting the domestic rose-growing industry, including competition from imports;

(2) the effect that the European Community's tariff rate for imported roses has on world trade of roses; and

(3) the extent to which unfair trade practices and foreign barriers to trade are impeding the marketing abroad of domestically produced roses.

(b) Report.—The Commission shall report the results of the study conducted in accordance with subsection (a) as soon as the study is completed to—

(1) the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives;

(2) the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate;

(3) the United States Trade Representative;

(4) the Secretary of Commerce; and

(5) the Secretary of Agriculture.

(c) Review.—It is the sense of Congress that the United States Trade Representative, the Secretary of Commerce, and the Secretary of Agriculture, should use all available remedies, programs, and policies within their respective jurisdictions to assist the domestic rose industry to maintain and enhance its ability to compete in the domestic and world market for roses if, after their review of the study and report required by this section, such officials determine that such action is appropriate to counter any adverse effects on the domestic rose industry caused by unfair trade practices of foreign competitors.

Subtitle F—Miscellaneous Agricultural Provisions

SEC. 4601. ALLOCATION OF CERTAIN MILK.

Section 8c(5) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following:

"(K)(i) Notwithstanding any other provision of law, milk produced by dairies—

"(I) owned or controlled by foreign persons; and

"(II) financed by or with the use of bonds the interest on which is exempt from Federal income tax under section 103 of the Internal Revenue Code of 1986;

shall be treated as other-source milk, and shall be allocated as milk received from producer-handlers for the purposes of classifying producer milk, under the milk marketing program established under this Act. For the purposes of this subparagraph, the term 'foreign person' has the meaning given such term under section 9(3) of the Agricultural Foreign Investment Disclosure Act of 1978 (7 U.S.C. 3508(3)).

"(ii) The Secretary of Agriculture shall prescribe regulations to carry out this subparagraph.

"(iii) This subparagraph shall not apply with respect to any dairy that began operation before May 6, 1986.".

SEC. 4602. PAID ADVERTISING FOR FLORIDA-GROWN STRAWBERRIES UNDER MARKETING ORDERS.

The firstproviso of section 8c(6)(I) of the Agricultural Adjustment Act (7 U.S.C. 608c(6)(I)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by striking out "or tomatoes" and inserting in lieu thereof "tomatoes, or Florida-grown strawberries,".

SEC. 4603. APPLICATION OF MARKETING ORDERS TO IMPORTS.

Section 8e of the Agricultural Adjustment Act (7 U.S.C. 608e-1), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) by inserting "(a)" at the beginning of the first sentence; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) The Secretary may provide for a period of time (not to exceed 35 days) in addition to the period of time covered by a marketing order during which the marketing order requirements would be in effect for a particular commodity during any year if the Secretary determines that such additional period of time is necessary—

"(A) to effectuate the purposes of this Act; and

"(B) to prevent the circumvention of the grade, size, quality, or maturity standards of a seasonal marketing order applicable to a commodity produced in the United States by imports of such commodity.

"(2) In making the determination required by paragraph (1), the Secretary, through notice and comment procedures, shall consider—

"(A) to what extent, during the previous year, imports of a commodity that did not meet the requirements of a marketing order applicable to such commodity were marketed in the United States during the period that such marketing order requirements were in effect for available domestic commodities (or would have been marketed during such time if not for any additional period established by the Secretary);

"(B) if the importation into the United States of such commodity did, or was likely to, circumvent the grade, size, quality or maturity standards of a seasonal marketing order applicable to such commodity produced in the United States; and

"(C) the availability and price of commodities of the variety covered by the marketing order during any additional period the marketing order requirements are to be in effect.

"(3) An additional period established by the Secretary in accordance with this subsection shall be—

"(A) announced not later than 30 days before the date such additional period is to be in effect; and

"(B) reviewed by the Secretary on request, through notice and comment procedures, at least every 3 years in order to determine if the additional period is still needed to prevent circumvention of the seasonal marketing order by imported commodities.

"(4) For the purposes of carrying out this subsection, the Secretary is authorized to make such reasonable inspections as may be necessary.".

SEC. 4604. RECIPROCAL MEAT INSPECTION REQUIREMENT.

(a) In General.—Section 20 of the Federal Meat Inspection Act (21 U.S.C. 620) is amended by adding at the end thereof the following new subsection:

"(h)(1) As used in this subsection:

"(A) The term 'meat articles' means carcasses, meat and meat food products of cattle, sheep, swine, goats, horses, mules, or other equines, that are capable of use as human food.

"(B) The term 'standards' means inspection, building construction, sanitary, quality, species verification, residue, and other standards that are applicable to meat articles.

"(2) On request of the Committee on Agriculture or the Committee on Ways and Means of the House of Representatives or the Committee on Agriculture, Nutrition, and Forestry or the Committee on Finance of the Senate, or at the initiative of the Secretary, the Secretary shall, as soon as practicable, determine whether a particular foreign country applies standards for the importation of meat articles from the United States that are not related to public health concerns about end-product quality that can be substantiated by reliable analytical methods.

"(3) If the Secretary determines that a foreign country applies standards described in paragraph (2)—

"(A) the Secretary shall consult with the United States Trade Representative; and

"(B) within 30 days after the determination of the Secretary under paragraph (2), the Secretary and the United States Trade Representative shall recommend to the President whether action should be taken under paragraph (4).

"(4) Within 30 days after receiving a recommendation for action under paragraph (3), the President shall, if and for such time as the President considers appropriate, prohibit imports into the United States of any meat articles produced in such foreign country unless it is determined that the meat articles produced in that country meet the standards applicable to meat articles in commerce within the United States.

"(5) The action authorized under paragraph (4) may be used instead of, or in addition to, any other action taken under any other law.".

(b) Reports.—Section 20(e) of such Act is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(6) the name of each foreign country that applies standards for the importation of meat articles from the United States that are described in subsection (h)(2).".

SEC. 4605. STUDY OF INTERNATIONAL MARKETING IN LAND GRANT COLLEGES AND UNIVERSITIES.

It is the sense of Congress that—

(1) land grant colleges and universities (as defined in section 1404(10) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(10)) should encourage the study and career objective of international marketing of agricultural commodities and products;

(2) because marketing complements production, international agricultural marketing specialists are needed in a globally competitive world; and

(3) enhanced foreign marketing of United States agricultural commodities and products will help relieve stress in the rural economy.

SEC. 4606. INTERNATIONAL TRADE IN EGGS AND EGG PRODUCTS.

(a) Findings.—Congress finds that—

(1) the system of basic and variable levies of the European Community has severely restricted the export of United States eggs and egg products to European Community member countries;

(2) export subsidies of the European Community have caused displacement of United States egg exports in international markets; and

(3) the Secretary of Agriculture is in the process of certifying the Netherland's inspection procedures for egg products for the purpose of importation into the United States of egg products of the Netherlands.

(b) Sense of Congress.—It is the sense of Congress that the United States Trade Representative should enter into negotiations with the European Community concerning—

(1) duties, tariffs, and other means used by the European Community to limit the access of United States eggs and egg products to European Community markets; and

(2) European Community export subsidies that have had the effect of excluding United States eggs and egg products from other world markets.

SEC. 4607. UNITED STATES ACCESS TO THE KOREAN BEEF MARKET.

(a) Findings.—Congress finds that—

(1) the 1986 United States trade deficit with the Republic of Korea was $7,600,000,000;

(2) the Republic of Korea has banned beef imports since May 1985;

(3) this beef import ban is in contravention of Korea's obligations under the General Agreement on Tariffs and Trade and impairs United States rights under such agreement;

(4) Korea imposes an unreasonably high 20 percent ad valorem tariff on meat products; and

(5) if the Korean beef market were liberalized, the United States, due to comparative advantage, could supply a significant portion of the Korean market for beef, thereby increasing profit opportunities for the United States beef industry while benefiting Korean consumers.

(b) Sense of Congress.—It is the sense of Congress that—

(1) the Republic of Korea should take immediate action to fulfill its obligations under the General Agreement on Tariffs and Trade and permit access to its market for United States beef;

(2) the United States should aggressively pursue negotiations to gain access to the Korean market for United States beef;

(3) such negotiations, in addition to elimination of the beef import ban, should address the high tariffs set by the Republic of Korea and the means by which imported beef is distributed in Korea; and

(4) if the Republic of Korea does not show clear evidence that it is engaging in meaningful liberalization of its market for United States beef, the United States should use all available and appropriate means to encourage the Republic of Korea to open its market to United States beef imports.

SEC. 4608. UNITED STATES ACCESS TO JAPANESE AGRICULTURAL MARKETS.

(a) Findings.—Congress finds that—

(1) the United States requested establishment of a panel pursuant to Article XXIII of the General Agreement on Tariffs and Trade (hereinafter in this section referred to as "GATT") to examine Japanese import restrictions on 12 categories of agricultural products;

(2) the GATT panel found that Japanese quantitative restrictions on 10 of the 12 product categories are inconsistent with Article XI of the GATT and recommended that Japan eliminate them or otherwise take action to bring them into conformity with the GATT; and

(3) the rationale behind the GATT panel finding can also be applied to other restrictions that Japan maintains on imports from the United States, including—

(A) a virtual ban on imports of United States rice;

(B) a very restrictive quota on imports of United States beef; and

(C) high tariffs and restrictive quotas on imports of United States citrus.

(b) Sense of Congress.—It is the sense of Congress that—

(1) the Government of Japan should immediately take actions to comply with the findings of the GATT panel report;

(2) the Government of Japan should immediately liberalize its trade policies by lowering high tariffs and removing quotas on agricultural imports from the United States, including those imposed on rice, beef, and citrus, in order to avoid any damage to the

close relations between Japan and the United States; and

(3) the United States should continue efforts to persuade the Government of Japan to remove its trade barriers.

SEC. 4609. SENSE OF CONGRESS RELATING TO SECTION 22.

It is the sense of Congress that—

(1) the amounts of assessments collected under the no-net-cost tobacco program can be an indicator of import injury and material interference with the tobacco price support program administered by the Secretary of Agriculture; and

(2) for purposes of any investigation conducted under section 22(a) of the Agricultural Adjustment Act (7 U.S.C. 624(a)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, with respect to tobacco, or articles containing tobacco, imported into the United States, the International Trade Commission should take into account, as if they are costs to the Federal government, contributions and assessments imposed under sections 106A and 106B of the Agricultural Act of 1949 (7 U.S.C. 1445-1 and 1445-2) in determining whether such imported tobacco or articles containing tobacco materially interfere with the tobacco price support program carried out by the Secretary of Agriculture.

SEC. 4610. TECHNICAL CORRECTIONS TO THE AGRICULTURAL AID AND TRADE MISSION PORTION OF PUBLIC LAW 100-202.

(a) SHORT TITLE FOR AGRICULTURAL AID AND TRADE MISSIONS ACT.—That portion of the joint resolution entitled "Joint resolution making further continuing appropriations for the fiscal year 1988, and for other purposes" approved December 22, 1987, under the heading "Agricultural Aid and Trade Missions Act" is amended by adding at the end the following:

"SEC. 16. SHORT TITLE.

"Section 1 through this section under the heading 'Agricultural Aid and Trade Missions Act' may be cited as the 'Agricultural Aid and Trade Missions Act'.".

(b) CORRECTION OF INTERNAL REFERENCES.—Sections 1 through 7 of that portion of such joint resolution are each amended by striking out "chapter" each place it appears and inserting "Act" in lieu thereof.

(c) ELIMINATION OF SUPERFLUOUS CATCHLINE.—That portion of such joint resolution is amended by striking out "Subtitle E—Public Law 480 and Related Provisions".

(d) CORRECTION OF CROSS REFERENCE.—Section 13 of that portion of such joint resolution is amended by striking out "section 655 of this Act" and inserting "section 12" in lieu thereof.

Subtitle G—Pesticide Monitoring Improvements

SEC. 4701. SHORT TITLE.

This subtitle may be cited as the "Pesticide Monitoring Improvements Act of 1988".

SEC. 4702. PESTICIDE MONITORING AND ENFORCEMENT INFORMATION.

(a) DATA MANAGEMENT SYSTEMS.—

(1) Not later than 480 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall place in effect computerized data management systems for the Food and Drug Administration under which the Administration will—

(A) record, summarize, and evaluate the results of its program for monitoring food products for pesticide residues,

(B) identify gaps in its pesticide monitoring program in the monitoring of (i) pesticides, (ii) food products, and (iii) food from specific countries and from domestic sources,

(C) detect trends in the presence of pesticide residues in food products and identify public health problems emerging from the occurrence of pesticide residues in food products,

(D) focus its testing resources for monitoring pesticide residues in food on detecting those residues which pose a public health concern,

(E) prepare summaries of the information listed in subsection (b), and

(F) provide information to assist the Environmental Protection Agency in carrying out its responsibilities under the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act.

(2) As soon as practicable, the Secretary of Health and Human Services shall develop a means to enable the computerized data management systems placed into effect under paragraph (1) to make the summary described in subsection (c).

(3)(A) Paragraph (1) does not limit the authority of the Food and Drug Administration to—

(i) use the computerized data management systems placed in effect under paragraph (1), or

(ii) develop additional data management systems,

to facilitate the regulation of any substance or product covered under the requirements of the Federal Food, Drug, and Cosmetic Act.

(B) In placing into effect the computerized data management systems under paragraph (1) and in carrying out paragraph (2), the Secretary shall comply with applicable regulations governing computer system design and procurement.

(b) INFORMATION.—The Food and Drug Administration shall use the computerized data management systems placed into effect under subsection (a)(1) to prepare a summary of—

(1) information on—

(A) the types of imported and domestically produced food products analyzed for compliance with the requirements of the Federal Food, Drug, and Cosmetic Act regarding the presence of pesticide residues,

(B) the number of samples of each such food product analyzed for such compliance by country of origin,

(C) the pesticide residues which may be detected using the testing methods employed,

(D) the pesticide residues in such food detected and the levels detected,

(E) the compliance status of each sample of such food tested and the violation rate for each country-product combination, and

(F) the action taken with respect to each sample of such food found to be in violation of the Federal Food, Drug, and Cosmetic Act and its ultimate disposition, and

(2) information on—

(A) the country of origin of each imported food product referred to in paragraph (1)(A), and

(B) the United States district of entry for each such imported food product.

(c) VOLUME DATA.—The Food and Drug Administration shall use the computerized data management systems placed into effect under subsection (a)(1) to summarize the volume of each type of food product subject to the requirements of the Federal Food, Drug, and Cosmetic Act which is imported into the United States and which has an entry value which exceeds an amount established by the Secretary of Health and Human Services. The summary shall be made by country of origin and district of entry. Information with respect to volumes of food products to be included in the summary shall, to the extent feasible, be obtained from data bases of other Federal agencies.

(d) COMPILATION.—Not later than 90 days after the expiration of 1 year after the data management systems are placed into effect under subsection (a) and annually thereafter, the Secretary of Health and Human Services shall compile a summary of the information described in subsection (b) with respect to the previous year. When the Food and Drug Administration is able to make summaries under subsection (c), the Secretary shall include in the compilation under the preceding sentence a compilation of the information described in subsection (c). Compilations under this subsection shall be made available to Federal and State agencies and other interested persons.

SEC. 4703. FOREIGN PESTICIDE INFORMATION.

(a) COOPERATIVE AGREEMENTS.—The Secretary of Health and Human Services shall enter into cooperative agreements with the governments of the countries which are the major sources of food imports into the United States subject to pesticide residue monitoring by the Food and Drug Administration for the purpose of improving the ability of the Food and Drug Administration to assure compliance with the pesticide tolerance requirements of the Federal Food, Drug, and Cosmetic Act with regard to imported food.

(b) INFORMATION ACTIVITIES.—

(1) The cooperative agreements entered into under subsection (a) with governments of foreign countries shall specify the action to be taken by the parties to the agreements to accomplish the purpose described in subsection (a), including the means by which the governments of the foreign countries will provide to the Secretary of Health and Human Services current information identifying each of the pesticides used in the production, transportation, and storage of food products imported from production regions of such countries into the United States.

(2) In the case of a foreign country with which the Secretary is unable to enter into an agreement under subsection (a) or for which the information provided under paragraph (1) is insufficient to assure an effective pesticide monitoring program, the Secretary shall, to the extent practicable, obtain the information described in paragraph (1) with respect to such country from other Federal or international agencies or private sources.

(3) The Secretary of Health and Human Services shall assure that appropriate offices of the Food and Drug Administration which are engaged in the monitoring of imported food for pesticide residues receive the information obtained under paragraph (1) or (2).

(4) The Secretary of Health and Human Services shall make available any information obtained under paragraph (1) or (2) to State agencies engaged in the monitoring of imported food for pesticide residues other than information obtained from private sources the disclosure of which to such agencies is restricted.

(c) COORDINATION WITH OTHER AGENCIES.—The Secretary of Health and Human Services shall—

(1) notify in writing the Department of Agriculture, the Environmental Protection Agency, and the Department of State at the initiation of negotiations with a foreign

country to develop a cooperative agreement under subsection (a); and

(2) coordinate the activities of the Department of Health and Human Services with the activities of those departments and agencies, as appropriate, during the course of such negotiations.

(d) Report.—Not later than one year after the date of the enactment of this Act, the Secretary of Health and Human Services shall report to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Labor and Human Resources of the Senate and the House of Representatives on the activities undertaken by the Secretary to implement this section. The report shall be made available to appropriate Federal and State agencies and to interested persons.

SEC. 4704. PESTICIDE ANALYTICAL METHODS.

The Secretary of Health and Human Services shall, in consultation with the Administrator of the Environmental Protection Agency—

(1) develop a detailed long-range plan and timetable for research that is necessary for the development of and validation of—

(A) new and improved analytical methods capable of detecting at one time the presence of multiple pesticide residues in food, and

(B) rapid pesticide analytical methods, and

(2) conduct a review to determine whether the use of rapid pesticide analytical methods by the Secretary would enable the Secretary to improve the cost-effectiveness of monitoring and enforcement activities under the Federal Food, Drug, and Cosmetic Act, including increasing the number of pesticide residues which can be detected and the number of tests for pesticide residues which can be conducted in a cost-effective manner.

The Secretary shall report the plan developed under paragraph (1), the resources necessary to carry out the research described in such paragraph, recommendations for the implementation of such research, and the result of the review conducted under paragraph (2) not later than the expiration of 240 days after the date of the enactment of this Act to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Labor and Human Resources of the Senate and the House of Representatives.

TITLE V—FOREIGN CORRUPT PRACTICES AMENDMENTS; INVESTMENT; AND TECHNOLOGY

Subtitle A—Foreign Corrupt Practices Act Amendments; Review of Certain Acquisitions

PART I—FOREIGN CORRUPT PRACTICES ACT AMENDMENTS

SEC. 5001. SHORT TITLE.

This part may be cited as the "Foreign Corrupt Practices Act Amendments of 1988".

SEC. 5002. PENALTIES FOR VIOLATIONS OF ACCOUNTING STANDARDS.

Section 13(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(b)) is amended by adding at the end thereof the following:

"(4) No criminal liability shall be imposed for failing to comply with the requirements of paragraph (2) of this subsection except as provided in paragraph (5) of this subsection.

"(5) No person shall knowingly circumvent or knowingly fail to implement a system of internal accounting controls or knowingly falsify any book, record, or account described in paragraph (2).

"(6) Where an issuer which has a class of securities registered pursuant to section 12 of this title or an issuer which is required to file reports pursuant to section 15(d) of this title holds 50 per centum or less of the voting power with respect to a domestic or foreign firm, the provisions of paragraph (2) require only that the issuer proceed in good faith to use its influence, to the extent reasonable under the issuer's circumstances, to cause such domestic or foreign firm to devise and maintain a system of internal accounting controls consistent with paragraph (2). Such circumstances include the relative degree of the issuer's ownership of the domestic or foreign firm and the laws and practices governing the business operations of the country in which such firm is located. An issuer which demonstrates good faith efforts to use such influence shall be conclusively presumed to have complied with the requirements of paragraph (2).

"(7) For the purpose of paragraph (2) of this subsection, the terms 'reasonable assurances' and 'reasonable detail' mean such level of detail and degree of assurance as would satisfy prudent officials in the conduct of their own affairs.".

SEC. 5003. FOREIGN CORRUPT PRACTICES ACT AMENDMENTS.

(a) Prohibited Trade Practices by Issuers.—Section 30A of the Securities Exchange Act of 1934 (15 U.S.C. 78dd-1) is amended to read as follows:

"PROHIBITED FOREIGN TRADE PRACTICES BY ISSUERS

"Sec. 30A. (a) Prohibition.—It shall be unlawful for any issuer which has a class of securities registered pursuant to section 12 of this title or which is required to file reports under section 15(d) of this title, or for any officer, director, employee, or agent of such issuer or any stockholder thereof acting on behalf of such issuer, to make use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to—

"(1) any foreign official for purposes of—

"(A)(i) influencing any act or decision of such foreign official in his official capacity, or (ii) inducing such foreign official to do or omit to do any act in violation of the lawful duty of such official, or

"(B) inducing such foreign official to use his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

in order to assist such issuer in obtaining or retaining business for or with, or directing business to, any person;

"(2) any foreign political party or official thereof or any candidate for foreign political office for purposes of—

"(A)(i) influencing any act or decision of such party, official, or candidate in its or his official capacity, or (ii) inducing such party, official, or candidate to do or omit to do an act in violation of the lawful duty of such party, official, or candidate,

"(B) inducing such party, official, or candidate to use its or his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

in order to assist such issuer in obtaining or retaining business for or with, or directing business to, any person; or

"(3) any person, while knowing that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any foreign official, to any foreign political party or official thereof, or to any candidate for foreign political office, for purposes of—

"(A)(i) influencing any act or decision of such foreign official, political party, party official, or candidate in his or its official capacity, or (ii) inducing such foreign official, political party, party official, or candidate to do or omit to do any act in violation of the lawful duty of such foreign official, political party, party official, or candidate, or

"(B) inducing such foreign official, political party, party official, or candidate to use his or its influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

in order to assist such issuer in obtaining or retaining business for or with, or directing business to, any person.

"(b) Exception for Routine Governmental Action.—Subsection (a) shall not apply to any facilitating or expediting payment to a foreign official, political party, or party official the purpose of which is to expedite or to secure the performance of a routine governmental action by a foreign official, political party, or party official.

"(c) Affirmative Defenses.—It shall be an affirmative defense to actions under subsection (a) that—

"(1) the payment, gift, offer, or promise of anything of value that was made, was lawful under the written laws and regulations of the foreign official's, political party's, party official's, or candidate's country; or

"(2) the payment, gift, offer, or promise of anything of value that was made, was a reasonable and bona fide expenditure, such as travel and lodging expenses, incurred by or on behalf of a foreign official, party, party official, or candidate and was directly related to—

"(A) the promotion, demonstration, or explanation of products or services; or

"(B) the execution or performance of a contract with a foreign government or agency thereof.

"(d) Guidelines by the Attorney General.—Not later than one year after the date of the enactment of the Foreign Corrupt Practices Act Amendments of 1988, the Attorney General, after consultation with the Commission, the Secretary of Commerce, the United States Trade Representative, the Secretary of State, and the Secretary of the Treasury, and after obtaining the views of all interested persons through public notice and comment procedures, shall determine to what extent compliance with this section would be enhanced and the business community would be assisted by further clarification of the preceding provisions of this section and may, based on such determination and to the extent necessary and appropriate, issue—

"(1) guidelines describing specific types of conduct, associated with common types of export sales arrangements and business contracts, which for purposes of the Department of Justice's present enforcement policy, the Attorney General determines would be in conformance with the preceding provisions of this section; and

"(2) general precautionary procedures which issuers may use on a voluntary basis to conform their conduct to the Department of Justice's present enforcement policy regarding the preceding provisions of this section.

The Attorney General shall issue the guidelines and procedures referred to in the preceding sentence in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code, and those guidelines and procedures shall be subject to the provisions of chapter 7 of that title.

"(e) Opinions of the Attorney General.—(1) The Attorney General, after consultation with appropriate departments and agencies of the United States and after obtaining the views of all interested persons through public notice and comment procedures, shall establish a procedure to provide responses to specific inquiries by issuers concerning conformance of their conduct with the Department of Justice's present enforcement policy regarding the preceding provisions of this section. The Attorney General shall, within 30 days after receiving such a request, issue an opinion in response to that request. The opinion shall state whether or not certain specified prospective conduct would, for purposes of the Department of Justice's present enforcement policy, violate the preceding provisions of this section. Additional requests for opinions may be filed with the Attorney General regarding other specified prospective conduct that is beyond the scope of conduct specified in previous requests. In any action brought under the applicable provisions of this section, there shall be a rebuttable presumption that conduct, which is specified in a request by an issuer and for which the Attorney General has issued an opinion that such conduct is in conformity with the Department of Justice's present enforcement policy, is in compliance with the preceding provisions of this section. Such a presumption may be rebutted by a preponderance of the evidence. In considering the presumption for purposes of this paragraph, a court shall weigh all relevant factors, including but not limited to whether the information submitted to the Attorney General was accurate and complete and whether it was within the scope of the conduct specified in any request received by the Attorney General. The Attorney General shall establish the procedure required by this paragraph in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code, and that procedure shall be subject to the provisions of chapter 7 of that title.

"(2) Any document or other material which is provided to, received by, or prepared in the Department of Justice or any other department or agency of the United States in connection with a request by an issuer under the procedure established under paragraph (1), shall be exempt from disclosure under section 552 of title 5, United States Code, and shall not, except with the consent of the issuer, be made publicly available, regardless of whether the Attorney General responds to such a request or the issuer withdraws such request before receiving a response.

"(3) Any issuer who has made a request to the Attorney General under paragraph (1) may withdraw such request prior to the time the Attorney General issues an opinion in response to such request. Any request so withdrawn shall have no force or effect.

"(4) The Attorney General shall, to the maximum extent practicable, provide timely guidance concerning the Department of Justice's present enforcement policy with respect to the preceding provisions of this section to potential exporters and small businesses that are unable to obtain specialized counsel on issues pertaining to such provisions. Such guidance shall be limited to responses to requests under paragraph (1) concerning conformity of specified prospective conduct with the Department of Justice's present enforcement policy regarding the preceding provisions of this section and general explanations of compliance responsibilities and of potential liabilities under the preceding provisions of this section.

"(f) Definitions.—For purposes of this section:

"(1) The term 'foreign official' means any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality.

"(2)(A) A person's state of mind is 'knowing' with respect to conduct, a circumstance, or a result if—

"(i) such person is aware that such person is engaging in such conduct, that such circumstance exists, or that such result is substantially certain to occur; or

"(ii) such person has a firm belief that such circumstance exists or that such result is substantially certain to occur.

"(B) When knowledge of the existence of a particular circumstance is required for an offense, such knowledge is established if a person is aware of a high probability of the existence of such circumstance, unless the person actually believes that such circumstance does not exist.

"(3)(A) The term 'routine governmental action' means only an action which is ordinarily and commonly performed by a foreign official in—

"(i) obtaining permits, licenses, or other official documents to qualify a person to do business in a foreign country;

"(ii) processing governmental papers, such as visas and work orders;

"(iii) providing police protection, mail pick-up and delivery, or scheduling inspections associated with contract performance or inspections related to transit of goods across country;

"(iv) providing phone service, power and water supply, loading and unloading cargo, or protecting perishable products or commodities from deterioration; or

"(v) actions of a similar nature.

"(B) The term 'routine governmental action' does not include any decision by a foreign official whether, or on what terms, to award new business to or to continue business with a particular party, or any action taken by a foreign official involved in the decision-making process to encourage a decision to award new business to or continue business with a particular party.".

(b) Violations.—Section 32(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78ff) is amended to read as follows:

"(c)(1)(A) Any issuer that violates section 30A(a) shall be fined not more than $2,000,000.

"(B) Any issuer that violates section 30A(a) shall be subject to a civil penalty of not more than $10,000 imposed in an action brought by the Commission.

"(2)(A) Any officer or director of an issuer, or stockholder acting on behalf of such issuer, who willfully violates section 30A(a) shall be fined not more than $100,000, or imprisoned not more than 5 years, or both.

"(B) Any employee or agent of an issuer who is a United States citizen, national, or resident or is otherwise subject to the jurisdiction of the United States (other than an officer, director, or stockholder acting on behalf of such issuer), and who willfully violates section 30A(a), shall be fined not more than $100,000, or imprisoned not more than 5 years, or both.

"(C) Any officer, director, employee, or agent of an issuer, or stockholder acting on behalf of such issuer, who violates section 30A(a) shall be subject to a civil penalty of not more than $10,000 imposed in an action brought by the Commission.

"(3) Whenever a fine is imposed under paragraph (2) upon any officer, director, employee, agent, or stockholder of an issuer, such fine may not be paid, directly or indirectly, by such issuer.".

(c) Prohibited Trade Practices by Domestic Concerns.—Section 104 of the Foreign Corrupt Practices Act of 1977 (15 U.S.C. 78dd-2) is amended to read as follows:

"PROHIBITED FOREIGN TRADE PRACTICES BY DOMESTIC CONCERNS

"Sec. 104. (a) Prohibition.—It shall be unlawful for any domestic concern, other than an issuer which is subject to section 30A of the Securities Exchange Act of 1934, or for any officer, director, employee, or agent of such domestic concern or any stockholder thereof acting on behalf of such domestic concern, to make use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to—

"(1) any foreign official for purposes of—

"(A)(i) influencing any act or decision of such foreign official in his official capacity, or (ii) inducing such foreign official to do or omit to do any act in violation of the lawful duty of such official, or

"(B) inducing such foreign official to use his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

in order to assist such domestic concern in obtaining or retaining business for or with, or directing business to, any person;

"(2) any foreign political party or official thereof or any candidate for foreign political office for purposes of—

"(A)(i) influencing any act or decision of such party, official, or candidate in its or his official capacity, or (ii) inducing such party, official, or candidate to do or omit to do an act in violation of the lawful duty of such party, official, or candidate,

"(B) inducing such party, official, or candidate to use its or his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

in order to assist such domestic concern in obtaining or retaining business for or with, or directing business to, any person; or

"(3) any person, while knowing that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any foreign official, to any foreign political party or official thereof, or to any candidate for foreign political office, for purposes of—

"(A)(i) influencing any act or decision of such foreign official, political party, party official, or candidate in his or its official capacity, or (ii) inducing such foreign official, political party, party official, or candidate to do or omit to do any act in violation of the lawful duty of such foreign official, political party, party official, or candidate, or

"(B) inducing such foreign official, political party, party official, or candidate to use his or its influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

in order to assist such issuer in obtaining or retaining business for or with, or directing business to, any person.

"(b) Exception for Routine Governmental Action.—Subsection (a) shall not apply to any facilitating or expediting payment to a foreign official, political party, or party official the purpose of which is to expedite or to secure the performance of a routine governmental action by a foreign official, political party, or party official.

"(c) Affirmative Defenses.—It shall be an affirmative defense to actions under subsection (a) that—

"(1) the payment, gift, offer, or promise of anything of value that was made, was lawful under the written laws and regulations of the foreign official's, political party's, party official's, or candidate's country; or

"(2) the payment, gift, offer, or promise of anything of value that was made, was a reasonable and bona fide expenditure, such as travel and lodging expenses, incurred by or on behalf of a foreign official, party, party official, or candidate and was directly related to—

"(A) the promotion, demonstration, or explanation of products or services; or

"(B) the execution or performance of a contract with a foreign government or agency thereof.

"(d) Injunctive Relief.—(1) When it appears to the Attorney General that any domestic concern to which this section applies, or officer, director, employee, agent, or stockholder thereof, is engaged, or about to engage, in any act or practice constituting a violation of subsection (a) of this section, the Attorney General may, in his discretion, bring a civil action in an appropriate district court of the United States to enjoin such act or practice, and upon a proper showing, a permanent injunction or a temporary restraining order shall be granted without bond.

"(2) For the purpose of any civil investigation which, in the opinion of the Attorney General, is necessary and proper to enforce this section, the Attorney General or his designee are empowered to administer oaths and affirmations, subpoena witnesses, take evidence, and require the production of any books, papers, or other documents which the Attorney General deems relevant or material to such investigation. The attendance of witnesses and the production of documentary evidence may be required from any place in the United States, or any territory, possession, or commonwealth of the United States, at any designated place of hearing.

"(3) In case of contumacy by, or refusal to obey a subpoena issued to, any person, the Attorney General may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, or other documents. Any such court may issue an order requiring such person to appear before the Attorney General or his designee, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district in which such person resides or may be found. The Attorney General may make such rules relating to civil investigations as may be necessary or appropriate to implement the provisions of this subsection.

"(e) Guidelines by the Attorney General.—Not later than 6 months after the date of the enactment of the Foreign Corrupt Practices Act Amendments of 1988, the Attorney General, after consultation with the Securities and Exchange Commission, the Secretary of Commerce, the United States Trade Representative, the Secretary of State, and the Secretary of the Treasury, and after obtaining the views of all interested persons through public notice and comment procedures, shall determine to what extent compliance with this section would be enhanced and the business community would be assisted by further clarification of the preceding provisions of this section and may, based on such determination and to the extent necessary and appropriate, issue—

"(1) guidelines describing specific types of conduct, associated with common types of export sales arrangements and business contracts, which for purposes of the Department of Justice's present enforcement policy, the Attorney General determines would be in conformance with the preceding provisions of this section; and

"(2) general precautionary procedures which domestic concerns may use on a voluntary basis to conform their conduct to the Department of Justice's present enforcement policy regarding the preceding provisions of this section.

The Attorney General shall issue the guidelines and procedures referred to in the preceding sentence in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code, and those guidelines and procedures shall be subject to the provisions of chapter 7 of that title.

"(f) Opinions of the Attorney General.—(1) The Attorney General, after consultation with appropriate departments and agencies of the United States and after obtaining the views of all interested persons through public notice and comment procedures, shall establish a procedure to provide responses to specific inquiries by domestic concerns concerning conformance of their conduct with the Department of Justice's present enforcement policy regarding the preceding provisions of this section. The Attorney General shall, within 30 days after receiving such a request, issue an opinion in response to that request. The opinion shall state whether or not certain specified prospective conduct would, for purposes of the Department of Justice's present enforcement policy, violate the preceding provisions of this section. Additional requests for opinions may be filed with the Attorney General regarding other specified prospective conduct that is beyond the scope of conduct specified in previous requests. In any action brought under the applicable provisions of this section, there shall be a rebuttable presumption that conduct, which is specified in a request by a domestic concern and for which the Attorney General has issued an opinion that such conduct is in conformity with the Department of Justice's present enforcement policy, is in compliance with the preceding provisions of this section. Such a presumption may be rebutted by a preponderance of the evidence. In considering the presumption for purposes of this paragraph, a court shall weigh all relevant factors, including but not limited to whether the information submitted to the Attorney General was accurate and complete and whether it was within the scope of the conduct specified in any request received by the Attorney General. The Attorney General shall establish the procedure required by this paragraph in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code, and that procedure shall be subject to the provisions of chapter 7 of that title.

"(2) Any document or other material which is provided to, received by, or prepared in the Department of Justice or any other department or agency of the United States in connection with a request by a domestic concern under the procedure established under paragraph (1), shall be exempt from disclosure under section 552 of title 5, United States Code, and shall not, except with the consent of the domestic concern, be made publicly available, regardless of whether the Attorney General responds to such a request or the domestic concern withdraws such request before receiving a response.

"(3) Any domestic concern who has made a request to the Attorney General under paragraph (1) may withdraw such request prior to the time the Attorney General issues an opinion in response to such request. Any request so withdrawn shall have no force or effect.

"(4) The Attorney General shall, to the maximum extent practicable, provide timely guidance concerning the Department of Justice's present enforcement policy with respect to the preceding provisions of this section to potential exporters and small businesses that are unable to obtain specialized counsel on issues pertaining to such provisions. Such guidance shall be limited to responses to requests under paragraph (1) concerning conformity of specified prospective conduct with the Department of Justice's present enforcement policy regarding the preceding provisions of this section and general explanations of compliance responsibilities and of potential liabilities under the preceding provisions of this section.

"(g) Penalties.—(1)(A) Any domestic concern that violates subsection (a) shall be fined not more than $2,000,000.

"(B) Any domestic concern that violates subsection (a) shall be subject to a civil penalty of not more than $10,000 imposed in an action brought by the Attorney General.

"(2)(A) Any officer or director of a domestic concern, or stockholder acting on behalf of such domestic concern, who willfully violates subsection (a) shall be fined not more than $100,000, or imprisoned not more than 5 years, or both.

"(B) Any employee or agent of a domestic concern who is a United States citizen, national, or resident or is otherwise subject to the jurisdiction of the United States (other than an officer, director, or stockholder acting on behalf of such domestic concern), and who willfully violates subsection (a), shall be fined not more than $100,000, or imprisoned not more than 5 years, or both.

"(C) Any officer, director, employee, or agent of a domestic concern, or stockholder acting on behalf of such domestic concern, who violates subsection (a) shall be subject to a civil penalty of not more than $10,000 imposed in an action brought by the Attorney General.

"(3) Whenever a fine is imposed under paragraph (2) upon any officer, director, employee, agent, or stockholder of a domestic concern, such fine may not be paid, directly or indirectly, by such domestic concern.

"(h) Definitions.—For purposes of this section:

"(1) The term 'domestic concern' means—

"(A) any individual who is a citizen, national, or resident of the United States; and

"(B) any corporation, partnership, association, joint-stock company, business trust, unincorporated organization, or sole proprietorship which has its principal place of business in the United States, or which is organized under the laws of a State of the United States or a territory, possession, or commonwealth of the United States.

"(2) The term 'foreign official' means any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality.

"(3)(A) A person's state of mind is 'knowing' with respect to conduct, a circumstance, or a result if—

"(i) such person is aware that such person is engaging in such conduct, that such circumstance exists, or that such result is substantially certain to occur; or

"(ii) such person has a firm belief that such circumstance exists or that such result is substantially certain to occur.

"(B) When knowledge of the existence of a particular circumstance is required for an offense, such knowledge is established if a person is aware of a high probability of the existence of such circumstance, unless the person actually believes that such circumstance does not exist.

"(4)(A) For purposes of paragraph (1), the term 'routine governmental action' means only an action which is ordinarily and commonly performed by a foreign official in—

"(i) obtaining permits, licenses, or other official documents to qualify a person to do business in a foreign country;

"(ii) processing governmental papers, such as visas and work orders;

"(iii) providing police protection, mail pick-up and delivery, or scheduling inspections associated with contract performance or inspections related to transit of goods across country;

"(iv) providing phone service, power and water supply, loading and unloading cargo, or protecting perishable products or commodities from deterioration; or

"(v) actions of a similar nature.

"(B) The term 'routine governmental action' does not include any decision by a foreign official whether, or on what terms, to award new business to or to continue business with a particular party, or any action taken by a foreign official involved in the decision-making process to encourage a decision to award new business to or continue business with a particular party.

"(5) The term 'interstate commerce' means trade, commerce, transportation, or communication among the several States, or between any foreign country and any State or between any State and any place or ship outside thereof, and such term includes the intrastate use of—

"(A) a telephone or other interstate means of communication, or

"(B) any other interstate instrumentality.".

(d) INTERNATIONAL AGREEMENT.—

(1) NEGOTIATIONS.—It is the sense of the Congress that the President should pursue the negotiation of an international agreement, among the members of the Organization of Economic Cooperation and Development, to govern persons from those countries concerning acts prohibited with respect to issuers and domestic concerns by the amendments made by this section. Such international agreement should include a process by which problems and conflicts associated with such acts could be resolved.

(2) REPORT TO CONGRESS.—(A) Within 1 year after the date of the enactment of this Act, the President shall submit to the Congress a report on—

(i) the progress of the negotiations referred to in paragraph (1),

(ii) those steps which the executive branch and the Congress should consider taking in the event that these negotiations do not successfully eliminate any competitive disadvantage of United States businesses that results when persons from other countries commit the acts described in paragraph (1); and

(iii) possible actions that could be taken to promote cooperation by other countries in international efforts to prevent bribery of foreign officials, candidates, or parties in third countries.

(B) The President shall include in the report submitted under subparagraph (A)—

(i) any legislative recommendations necessary to give the President the authority to take appropriate action to carry out clauses (ii) and (iii) of subparagraph (A);

(ii) an analysis of the potential effect on the interests of the United States, including United States national security, when persons from other countries commit the acts described in paragraph (1); and

(iii) an assessment of the current and future role of private initiatives in curtailing such acts.

PART II—REVIEW OF CERTAIN MERGERS, ACQUISITIONS, AND TAKEOVERS

SEC. 5021. AUTHORITY TO REVIEW CERTAIN MERGERS, ACQUISITIONS, AND TAKEOVERS.

Title VII of the Defense Production Act of 1950 (50 U.S.C. App. 2158 et seq.) is amended by adding at the end thereof the following:

"AUTHORITY TO REVIEW CERTAIN MERGERS, ACQUISITIONS, AND TAKEOVERS

"SEC. 721. (a) INVESTIGATIONS.—The President or the President's designee may make an investigation to determine the effects on national security of mergers, acquisitions, and takeovers proposed or pending on or after the date of enactment of this section by or with foreign persons which could result in foreign control of persons engaged in interstate commerce in the United States. If it is determined that an investigation should be undertaken, it shall commence no later than 30 days after receipt by the President or the President's designee of written notification of the proposed or pending merger, acquisition, or takeover as prescribed by regulations promulgated pursuant to this section. Such investigation shall be completed no later than 45 days after such determination.

"(b) CONFIDENTIALITY OF INFORMATION.—Any information or documentary material filed with the President or the President's designee pursuant to this section shall be exempt from disclosure under section 552 of title 5, United States Code, and no such information or documentary material may be made public, except as may be relevant to any administrative or judicial action or proceeding. Nothing in this subsection shall be construed to prevent disclosure to either House of Congress or to any duly authorized committee or subcommittee of the Congress.

"(c) ACTION BY THE PRESIDENT.—Subject to subsection (d), the President may take such action for such time as the President considers appropriate to suspend or prohibit any acquisition, merger, or takeover, of a person engaged in interstate commerce in the United States proposed or pending on or after the date of enactment of this section by or with foreign persons so that such control will not threaten to impair the national security. The President shall announce the decision to take action pursuant to this subsection not later than 15 days after the investigation described in subsection (a) is completed. The President may direct the Attorney General to seek appropriate relief, including divestment relief, in the district courts of the United States in order to implement and enforce this section.

"(d) FINDINGS OF THE PRESIDENT.—The President may exercise the authority conferred by subsection (c) only if the President finds that—

"(1) there is credible evidence that leads the President to believe that the foreign interest exercising control might take action that threatens to impair the national security, and

"(2) provisions of law, other than this section and the International Emergency Economic Powers Act (50 U.S.C. 1701-1706), do not in the President's judgment provide adequate and appropriate authority for the President to protect the national security in the matter before the President.

The provisions of subsection (d) of this section shall not be subject to judicial review.

"(e) FACTORS TO BE CONSIDERED.—For purposes of this section, the President or the President's designee may, taking into account the requirements of national security, consider among other factors—

"(1) domestic production needed for projected national defense requirements,

"(2) the capability and capacity of domestic industries to meet national defense requirements, including the availability of human resources, products, technology, materials, and other supplies and services, and

"(3) the control of domestic industries and commercial activity by foreign citizens as it affects the capability and capacity of the United States to meet the requirements of national security.

"(f) REPORT TO THE CONGRESS.—If the President determines to take action under subsection (c), the President shall immediately transmit to the Secretary of the Senate and the Clerk of the House of Representatives a written report of the action which the President intends to take, including a detailed explanation of the findings made under subsection (d).

"(g) REGULATIONS.—The President shall direct the issuance of regulations to carry out this section. Such regulations shall, to the extent possible, minimize paperwork burdens and shall to the extent possible coordinate reporting requirements under this section with reporting requirements under any other provision of Federal law.

"(h) EFFECT ON OTHER LAW.—Nothing in this section shall be construed to alter or affect any existing power, process, regulation, investigation, enforcement measure, or review provided by any other provision of law.".

Subtitle B—Technology

PART I—TECHNOLOGY COMPETITIVENESS

SEC. 5101. SHORT TITLE.

This part may be cited as the "Technology Competitiveness Act".

Subpart A—National Institute of Standards and Technology

SEC. 5111. FINDINGS AND PURPOSES.

Section 1 of the Act of March 3, 1901 (15 U.S.C. 271) is amended to read as follows:

"FINDINGS AND PURPOSES

"SECTION 1. (a) The Congress finds and declares the following:

"(1) The future well-being of the United States economy depends on a strong manufacturing base and requires continual improvements in manufacturing technology, quality control, and techniques for ensuring product reliability and cost-effectiveness.

"(2) Precise measurements, calibrations, and standards help United States industry and manufacturing concerns compete strongly in world markets.

"(3) Improvements in manufacturing and product technology depend on fundamental scientific and engineering research to develop (A) the precise and accurate measurement methods and measurement standards needed to improve quality and reliability, and (B) new technological processes by which such improved methods may be used in practice to improve manufacturing and to assist industry to transfer important laboratory discoveries into commercial products.

"(4) Scientific progress, public safety, and product compatibility and standardization also depend on the development of precise measurement methods, standards, and related basic technologies.

"(5) The National Bureau of Standards since its establishment has served as the Federal focal point in developing basic measurement standards and related technologies, has taken a lead role in stimulating cooperative work among private industrial organizations in efforts to surmount technological hurdles, and otherwise has been responsible for assisting in the improvement of industrial technology.

"(6) The Federal Government should maintain a national science, engineering, and technology laboratory which provides measurement methods, standards, and associated technologies and which aids United States companies in using new technologies to improve products and manufacturing processes.

"(7) Such national laboratory also should serve industry, trade associations, State technology programs, labor organizations, professional societies, and educational institutions by disseminating information on new basic technologies including automated manufacturing processes.

"(b) It is the purpose of this Act—

"(1) to rename the National Bureau of Standards as the National Institute of Standards and Technology and to modernize and restructure that agency to augment its unique ability to enhance the competitiveness of American industry while maintaining its traditional function as lead national laboratory for providing the measurements, calibrations, and quality assurance techniques which underpin United States commerce, technological progress, improved product reliability and manufacturing processes, and public safety;

"(2) to assist private sector initiatives to capitalize on advanced technology;

"(3) to advance, through cooperative efforts among industries, universities, and government laboratories, promising research and development projects, which can be optimized by the private sector for commercial and industrial applications; and

"(4) to promote shared risks, accelerated development, and pooling of skills which will be necessary to strengthen America's manufacturing industries.".

SEC. 5112. ESTABLISHMENT, FUNCTIONS, AND ACTIVITIES.

(a) ESTABLISHMENT, FUNCTIONS, AND ACTIVITIES OF THE INSTITUTE.—Section 2 of the Act of March 3, 1901 (15 U.S.C. 272) is amended to read as follows:

"ESTABLISHMENT, FUNCTIONS, AND ACTIVITIES

"SEC. 2. (a) There is established within the Department of Commerce a science, engineering, technology, and measurement laboratory to be known as the National Institute of Standards and Technology (hereafter in this Act referred to as the 'Institute').

"(b) The Secretary of Commerce (hereafter in this Act referred to as the 'Secretary') acting through the Director of the Institute (hereafter in this Act referred to as the 'Director') and, if appropriate, through other officials, is authorized to take all actions necessary and appropriate to accomplish the purposes of this Act, including the following functions of the Institute—

"(1) to assist industry in the development of technology and procedures needed to improve quality, to modernize manufacturing processes, to ensure product reliability, manufacturability, functionality, and cost-effectiveness, and to facilitate the more rapid commercialization, especially by small- and medium-sized companies throughout the United States, of products based on new scientific discoveries in fields such as automation, electronics, advanced materials, biotechnology, and optical technologies;

"(2) to develop, maintain, and retain custody of the national standards of measurement, and provide the means and methods for making measurements consistent with those standards, including comparing standards used in scientific investigations, engineering, manufacturing, commerce, industry, and educational institutions with the standards adopted or recognized by the Federal Government;

"(3) to enter into contracts, including cooperative research and development arrangements, in furtherance of the purposes of this Act;

"(4) to provide United States industry, Government, and educational institutions with a national clearinghouse of current information, techniques, and advice for the achievement of higher quality and productivity based on current domestic and international scientific and technical development;

"(5) to assist industry in the development of measurements, measurement methods, and basic measurement technology;

"(6) to determine, compile, evaluate, and disseminate physical constants and the properties and performance of conventional and advanced materials when they are important to science, engineering, manufacturing, education, commerce, and industry and are not available with sufficient accuracy elsewhere;

"(7) to develop a fundamental basis and methods for testing materials, mechanisms, structures, equipment, and systems, including those used by the Federal Government;

"(8) to assure the compatibility of United States national measurement standards with those of other nations;

"(9) to cooperate with other departments and agencies of the Federal Government, with industry, with State and local governments, with the governments of other nations and international organizations, and with private organizations in establishing standard practices, codes, specifications, and voluntary consensus standards;

"(10) to advise government and industry on scientific and technical problems; and

"(11) to invent, develop, and (when appropriate) promote transfer to the private sector of measurement devices to serve special national needs.

"(c) In carrying out the functions specified in subsection (b), the Secretary, acting through the Director and, if appropriate, through other appropriate officials, may, among other things—

"(1) construct physical standards;

"(2) test, calibrate, and certify standards and standard measuring apparatus;

"(3) study and improve instruments, measurement methods, and industrial process control and quality assurance techniques;

"(4) cooperate with the States in securing uniformity in weights and measures laws and methods of inspection;

"(5) cooperate with foreign scientific and technical institutions to understand technological developments in other countries better;

"(6) prepare, certify, and sell standard reference materials for use in ensuring the accuracy of chemical analyses and measurements of physical and other properties of materials;

"(7) in furtherance of the purposes of this Act, accept research associates, cash donations, and donated equipment from industry, and also engage with industry in research to develop new basic and generic technologies for traditional and new products and for improved production and manufacturing;

"(8) study and develop fundamental scientific understanding and improved measurement, analysis, synthesis, processing, and fabrication methods for chemical substances and compounds, ferrous and nonferrous metals, and all traditional and advanced materials, including processes of degradation;

"(9) investigate ionizing and nonionizing radiation and radioactive substances, their uses, and ways to protect people, structures, and equipment from their harmful effects;

"(10) determine the atomic and molecular structure of matter, through analysis of spectra and other methods, to provide a basis for predicting chemical and physical structures and reactions and for designing new materials and chemical substances, including biologically active macromolecules;

"(11) perform research on electromagnetic waves, including optical waves, and on properties and performance of electrical, electronic, and electromagnetic devices and systems and their essential materials, develop and maintain related standards, and disseminate standard signals through broadcast and other means;

"(12) develop and test standard interfaces, communication protocols, and data structures for computer and related telecommunications systems;

"(13) study computer systems (as that term is defined in section 20(d) of this Act) and their use to control machinery and processes;

"(14) perform research to develop standards and test methods to advance the effective use of computers and related systems and to protect the information stored, processed, and transmitted by such systems and to provide advice in support of policies affecting Federal computer and related telecommunications systems;

"(15) determine properties of building materials and structural elements, and encourage their standardization and most effective use, including investigation of fire-resisting properties of building materials and conditions under which they may be most efficiently used, and the standardization of types of appliances for fire prevention;

"(16) undertake such research in engineering, pure and applied mathematics, statistics, computer science, materials science, and the physical sciences as may be necessary to carry out and support the functions specified in this section;

"(17) compile, evaluate, publish, and otherwise disseminate general specific and technical data resulting from the performance of the functions specified in this section or from other sources when such data are important to science, engineering, or industry, or to the general public, and are not available elsewhere;

"(18) collect, create, analyze, and maintain specimens of scientific value;

"(19) operate national user facilities;

"(20) evaluate promising inventions and other novel technical concepts submitted by inventors and small companies and work with other Federal agencies, States, and localities to provide appropriate technical assistance and support for those inventions which are found in the evaluation process to have commercial promise;

"(21) demonstrate the results of the Institute's activities by exhibits or other methods of technology transfer, including the use of scientific or technical personnel of the Institute for part-time or intermittent teaching and training activities at educational institutions of higher learning as part of and incidental to their official duties; and

"(22) undertake such other activities similar to those specified in this subsection as the Director determines appropriate.".

(b) OTHER FUNCTIONS OF SECRETARY.—The Secretary of Commerce is authorized to—

(1) conduct research on all of the telecommunications sciences, including wave propagation and reception, the conditions which affect electromagnetic wave propagation and reception, electromagnetic noise and interference, radio system characteristics, operating techniques affecting the use of the electromagnetic spectrum, and methods for improving the use of the electromagnetic spectrum for telecommunications purposes;

(2) prepare and issue predictions of electromagnetic wave propagation conditions and warnings of disturbances in such conditions;

(3) investigate conditions which affect the transmission of radio waves from their source to a receiver and the compilation and distribution of information on such transmission of radio waves as a basis for choice of frequencies to be used in radio operations;

(4) conduct research and analysis in the general field of telecommunications sciences in support of assigned functions and in support of other Government agencies;

(5) investigate nonionizing electromagnetic radiation and its uses, as well as methods and procedures for measuring and assessing electromagnetic environments, for the purpose of developing and coordinating policies and procedures affecting Federal Government use of the electromagnetic spectrum for telecommunications purposes;

(6) compile, evaluate, publish, and otherwise disseminate general scientific and technical data resulting from the performance of the functions specified in this section or from other sources when such data are important to science, engineering, or industry, or to the general public, and are not available elsewhere; and

(7) undertake such other activities similar to those specified in this subsection as the Secretary of Commerce determines appropriate.

(c) DIRECTOR OF INSTITUTE.—(1) Section 5 of the Act of March 3, 1901 (15 U.S.C. 274) is amended to read as follows:

"SEC. 5. The Director shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall have the general supervision of the Institute, its equipment, and the exercise of its functions. The Director shall make an annual report to the Secretary of Commerce. The Director may issue, when necessary, bulletins for public distribution, containing such information as may be of value to the public or facilitate the exercise of the functions of the Institute. The Director shall be compensated at the rate in effect for level IV of the Executive Schedule under section 5315 of title 5, United States Code. Until such time as the Director assumes office under this section, the most recent Director of the National Bureau of Standards shall serve as Director.".

(2) Section 5315 of title 5, United States Code, is amended by striking "National Bureau of Standards" and inserting in lieu thereof "National Institute of Standards and Technology".

(d) ORGANIZATION PLAN.—(1) At least 60 days before its effective date and within 120 days after the date of the enactment of this Act, an initial organization plan for the National Institute of Standards and Technology (hereafter in this part referred to as the "Institute") shall be submitted by the Director of the Institute (hereafter in this part referred to as the "Director") after consultation with the Visiting Committee on Advanced Technology, to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate. Such plan shall—

(A) establish the major operating units of the Institute;

(B) assign each of the activities listed in section 2(c) of the Act of March 3, 1901, and all other functions and activities of the Institute, to at least one of the major operating units established under subparagraph (A);

(C) provide details of a 2-year program for the Institute, including the Advanced Technology Program;

(D) provide details regarding how the Institute will expand and fund the Inventions program in accordance with section 27 of the Act of March 3, 1901; and

(E) make no changes in the Center for Building Technology or the Center for Fire Research.

(2) The Director may revise the organization plan. Any revision of the organization plan submitted under paragraph (1) shall be submitted to the appropriate committees of the House of Representatives and the Senate at least 60 days before the effective date of such revision.

(3) Until the effective date of the organization plan, the major operating units of the Institute shall be the major operating units of the National Bureau of Standards that were in existence on the date of the enactment of this Act and the Advanced Technology Program.

SEC. 5113. REPEAL OF PROVISIONS.

The second paragraph of the material relating to the Bureau of Standards in the first section of the Act of July 16, 1914 (15 U.S.C. 280), the last paragraph of the material relating to Contingent and Miscellaneous Expenses in the first section of the Act of March 4, 1913 (15 U.S.C. 281), and the first section of the Act of May 14, 1930 (15 U.S.C. 282) are repealed.

SEC. 5114. REPORTS TO CONGRESS; STUDIES BY THE NATIONAL ACADEMIES OF ENGINEERING AND SCIENCES.

The Act of March 3, 1901 (15 U.S.C. 271 et seq.) is amended—

(1) by redesignating section 23 as section 31; and

(2) by adding after section 22 the following new sections:

"REPORTS TO CONGRESS

"SEC. 23. (a) The Director shall keep the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives fully and currently informed with regard to all of the activities of the Institute.

"(b) The Director shall justify in writing all changes in policies regarding fees for standard reference materials and calibration services occurring after June 30, 1987, including a description of the anticipated impact of any proposed changes on demand for and anticipated revenues from the materials and services. Changes in policy and fees shall not be effective unless and until the Director has submitted the proposed schedule and justification to the Congress and 30 days on which both Houses of Congress are in session have elapsed since such submission, except that the requirement of this sentence shall not apply with respect to adjustments which are based solely on changes in the costs of raw materials or of producing and delivering standard reference materials or calibration services.

"STUDIES BY THE NATIONAL RESEARCH COUNCIL

"SEC. 24. The Director may periodically contract with the National Research Council for advice and studies to assist the Institute to serve United States industry and science. The subjects of such advice and studies may include—

"(1) the competitive position of the United States in key areas of manufacturing and emerging technologies and research activities which would enhance that competitiveness;

"(2) potential activities of the Institute, in cooperation with industry and the States, to assist in the transfer and dissemination of new technologies for manufacturing and quality assurance; and

"(3) identification and assessment of likely barriers to widespread use of advanced manufacturing technology by the United States workforce, including training and other initiatives which could lead to a higher percentage of manufacturing jobs of United States companies being located within the borders of our country.".

SEC. 5115. TECHNICAL AMENDMENTS.

(a) AMENDMENTS TO ORGANIC ACT.—(1) Except as provided in paragraph (2), the Act of March 3, 1901 (15 U.S.C. 271 et seq.) is amended by striking "National Bureau of Standards", "Bureau" and "bureau" wherever they appear and inserting in lieu thereof "Institute".

(2) Section 31 of such Act, as so redesignated by section 5114(1) of this part, is amended by striking "National Bureau of Standards" and inserting in lieu thereof "National Institute of Standards and Technology".

(b) AMENDMENTS TO STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980.—(1) Section 8(b) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 5122 of this part, is amended by striking "Director" and inserting in lieu thereof "Assistant Secretary".

(2) Sections 11(e) and 17(d) and (e) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 5122(a)(1) of this part, are amended—

(A) by striking "National Bureau of Standards" wherever it appears and inserting in lieu thereof "National Institute of Standards and Technology"; and

(B) by striking "Bureau" wherever it appears and inserting in lieu thereof "Institute".

(c) AMENDMENTS TO OTHER LAWS.—References in any other Federal law to the National Bureau of Standards shall be deemed to refer to the National Institute of Standards and Technology.

Subpart B—Technology Extension Activities and Clearinghouse on State and Local Initiatives

SEC. 5121. TECHNOLOGY EXTENSION ACTIVITIES.

(a) TECHNOLOGY CENTERS AND TECHNICAL ASSISTANCE.—The Act of March 3, 1901, as amended by this part, is further amended by adding after section 24 the following new sections:

"REGIONAL CENTERS FOR THE TRANSFER OF MANUFACTURING TECHNOLOGY

"SEC. 25. (a) The Secretary, through the Director and, if appropriate, through other officials, shall provide assistance for the creation and support of Regional Centers for the Transfer of Manufacturing Technology (hereafter in this Act referred to as the 'Centers'). Such centers shall be affiliated with any United States-based nonprofit institution or organization, or group thereof, that applies for and is awarded financial assistance under this section in accordance with the description published by the Secretary in the Federal Register under subsection (c)(2). Individual awards shall be decided on the basis of merit review. The objective of the Centers is to enhance productivity and technological performance in United States manufacturing through—

"(1) the transfer of manufacturing technology and techniques developed at the Institute to Centers and, through them, to manufacturing companies throughout the United States;

"(2) the participation of individuals from industry, universities, State governments, other Federal agencies, and, when appropriate, the Institute in cooperative technology transfer activities;

"(3) efforts to make new manufacturing technology and processes usable by United States-based small- and medium-sized companies;

"(4) the active dissemination of scientific, engineering, technical, and management information about manufacturing to industrial firms, including small- and medium-sized manufacturing companies; and

"(5) the utilization, when appropriate, of the expertise and capability that exists in Federal laboratories other than the Institute.

"(b) The activities of the Centers shall include—

"(1) the establishment of automated manufacturing systems and other advanced production technologies, based on research by the Institute, for the purpose of demonstrations and technology transfer;

"(2) the active transfer and dissemination of research findings and Center expertise to a wide range of companies and enterprises, particularly small- and medium-sized manufacturers; and

"(3) loans, on a selective, short-term basis, of items of advanced manufacturing equipment to small manufacturing firms with less than 100 employees.

"(c)(1) The Secretary may provide financial support to any Center created under subsection (a) for a period not to exceed six years. The Secretary may not provide to a Center more than 50 percent of the capital and annual operating and maintenance funds required to create and maintain such Center.

"(2) The Secretary shall publish in the Federal Register, within 90 days after the date of the enactment of this section, a draft description of a program for establishing Centers, including—

"(A) a description of the program;

"(B) procedures to be followed by applicants;

"(C) criteria for determining qualified applicants;

"(D) criteria, including those listed under paragraph (4), for choosing recipients of financial assistance under this section from among the qualified applicants; and

"(E) maximum support levels expected to be available to Centers under the program in the fourth through sixth years of assistance under this section.

The Secretary shall publish a final description under this paragraph after the expiration of a 30-day comment period.

"(3) Any nonprofit institution, or group thereof, or consortia of nonprofit institutions, including entities existing on the date of the enactment of this section, may submit to the Secretary an application for financial support under this subsection, in accordance with the procedures established by the Secretary and published in the Federal Register under paragraph (2). In order to receive assistance under this section, an applicant shall provide adequate assurances that it will contribute 50 percent or more of the proposed Center's capital and annual operating and maintenance costs for the first three years and an increasing share for each of the last three years. Each applicant shall also submit a proposal for the allocation of the legal rights associated with any invention which may result from the proposed Center's activities.

"(4) The Secretary shall subject each such application to merit review. In making a decision whether to approve such application and provide financial support under this subsection, the Secretary shall consider at a minimum (A) the merits of the application, particularly those portions of the application regarding technology transfer, training and education, and adaptation of manufacturing technologies to the needs of particular industrial sectors, (B) the quality of service to be provided, (C) geographical diversity and extent of service area, and (D) the percentage of funding and amount of in-kind commitment from other sources.

"(5) Each Center which receives financial assistance under this section shall be evaluated during its third year of operation by an evaluation panel appointed by the Secretary. Each such evaluation panel shall be composed of private experts, none of whom shall be connected with the involved Center, and Federal officials. An official of the Institute shall chair the panel. Each evaluation panel shall measure the involved Center's performance against the objectives specified in this section. The Secretary shall not provide funding for the fourth through the sixth years of such Center's operation unless the evaluation is positive. If the evaluation is positive, the Secretary may provide continued funding through the sixth year at declining levels, which are designed to ensure that the Center no longer needs financial support from the Institute by the seventh year. In no event shall funding for a Center be provided by the Department of Commerce after the sixth year of the operation of a Center.

"(6) The provisions of chapter 18 of title 35, United States Code, shall (to the extent not inconsistent with this section) apply to the promotion of technology from research by Centers under this section.

"(d) There are authorized to be appropriated for the purposes of carrying out this section, a combined total of not to exceed $40,000,000 for fiscal years 1989 and 1990. Such sums shall remain available until expended.

"ASSISTANCE TO STATE TECHNOLOGY PROGRAMS

"SEC. 26. (a) In addition to the Centers program created under section 25, the Secretary, through the Director and, if appropriate, through other officials, shall provide technical assistance to State technology programs throughout the United States, in order to help those programs help businesses, particularly small- and medium-sized businesses, to enhance their competitiveness through the application of science and technology.

"(b) Such assistance from the Institute to State technology programs shall include, but not be limited to—

"(1) technical information and advice from Institute personnel;

"(2) workshops and seminars for State officials interested in transferring Federal technology to businesses; and

"(3) entering into cooperative agreements when authorized to do so under this or any other Act.".

(b) TECHNOLOGY EXTENSION SERVICES.—(1) The Secretary shall conduct a nationwide study of current State technology extension services. The study shall include—

(A) a thorough description of each State program, including its duration, its annual budget, and the number and types of businesses it has aided;

(B) a description of any anticipated expansion of each State program and its associated costs;

(C) an evaluation of the success of the services in transferring technology, modernizing manufacturing processes, and improving the productivity and profitability of businesses;

(D) an assessment of the degree to which State services make use of Federal programs, including the Small Business Innovative Research program and the programs of the Federal Laboratory Consortium, the National Technical Information Service, the National Science Foundation, the Office of Productivity, Technology, and Innovation, and the Small Business Administration;

(E) a survey of what additional Federal information and technical assistance the services could utilize; and

(F) an assessment of how the services could be more effective agents for the transfer of Federal scientific and technical information, including the results and application of Federal and federally funded research.

The Secretary shall submit to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, at the time of submission of the organization plan for the Institute under section 5112(d)(1), the results of the study and an initial implementation plan for the programs under section 26 of the Act of March 3, 1901, and under this section. The implementation plan shall include methods of providing technical assistance to States and criteria for awarding financial assistance under this section. The Secretary may make use of contractors and experts for any or all of the studies and findings called for in this section.

(2)(A) The Institute shall enter into cooperative agreements with State technology extension services to—

(i) demonstrate methods by which the States can, in cooperation with Federal agencies, increase the use of Federal technology by businesses within their States to improve industrial competitiveness; or

(ii) help businesses in their States take advantage of the services and information offered by the Regional Centers for the Transfer of Manufacturing Technology created under section 25 of the Act of March 3, 1901.

(B) Any State, for itself or for a consortium of States, may submit to the Secretary an application for a cooperative agreement under this subsection, in accordance with procedures established by the Secretary. To qualify for a cooperative agreement under this subsection, a State shall provide adequate assurances that it will increase its spending on technology extension services by an amount at least equal to the amount of Federal assistance.

(C) In evaluating each application, the Secretary shall consider—

(i) the number and types of additional businesses that will be assisted under the cooperative agreement;

(ii) the extent to which the State extension service will demonstrate new methods to increase the use of Federal technology;

(iii) geographic diversity; and

(iv) the ability of the State to maintain the extension service after the cooperative agreement has expired.

(D) States which are party to cooperative agreements under this subsection may provide services directly or may arrange for the provision of any or all of such services by institutions of higher education or other nonprofit institutions or organizations.

(3) In carrying out section 26 of the Act of March 3, 1901, and this subsection, the Secretary shall coordinate the activities with the Federal Laboratory Consortium; the National Technical Information Service; the National Science Foundation; the Office of Productivity, Technology, and Innovation; the Small Business Administration; and other appropriate Federal agencies.

(4) There are authorized to be appropriated for the purposes of this subsection $2,000,000 for each of the fiscal years 1989, 1990, and 1991.

(5) Cooperative agreements entered into under paragraph (2) shall terminate no later than September 30, 1991.

(c) Federal Technology Transfer Act of 1986.—Nothing in sections 25 or 26 of the Act of March 3, 1901, or in subsection (b) of this section shall be construed as limiting the authorities contained in the Federal Technology Transfer Act of 1986 (Public Law 99-502).

(d) Non-energy Inventions Program.—The Act of March 3, 1901, as amended by this part, is further amended by adding after section 26 the following new section:

"NON-ENERGY INVENTIONS PROGRAM

"Sec. 27. In conjunction with the initial organization of the Institute, the Director shall establish a program for the evaluation of inventions that are not energy-related to complement but not replace the Energy-Related Inventions Program established under section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (Public Law 93-577). The Director shall submit an initial implementation plan for this program to accompany the organization plan for the Institute. The implementation plan shall include specific cost estimates, implementation schedules, and mechanisms to help finance the development of technologies the program has determined to have potential. In the preparation of the plan, the Director shall consult with appropriate Federal agencies, including the Small Business Administration and the Department of Energy, State and local government organizations, university officials, and private sector organizations in order to obtain advice on how those agencies and organizations might cooperate with the expansion of this program of the Institute.".

SEC. 5122. CLEARINGHOUSE ON STATE AND LOCAL INITIATIVES.

(a) Clearinghouse.—The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended—

(1) by redesignating sections 6 through 19 as sections 7 through 20, respectively; and

(2) by inserting after section 5 the following new section:

"SEC. 6. CLEARINGHOUSE FOR STATE AND LOCAL INITIATIVES ON PRODUCTIVITY, TECHNOLOGY, AND INNOVATION.

"(a) Establishment.—There is established within the Office of Productivity, Technology, and Innovation a Clearinghouse for State and Local Initiatives on Productivity, Technology, and Innovation. The Clearinghouse shall serve as a central repository of information on initiatives by State and local governments to enhance the competitiveness of American business through the stimulation of productivity, technology, and innovation and Federal efforts to assist State and local governments to enhance competitiveness.

"(b) Responsibilities.—The Clearinghouse may—

"(1) establish relationships with State and local governments, and regional and multistate organizations of such governments, which carry out such initiatives;

"(2) collect information on the nature, extent, and effects of such initiatives, particularly information useful to the Congress, Federal agencies, State and local governments, regional and multistate organizations of such governments, businesses, and the public throughout the United States;

"(3) disseminate information collected under paragraph (2) through reports, directories, handbooks, conferences, and seminars;

"(4) provide technical assistance and advice to such governments with respect to such initiatives, including assistance in determining sources of assistance from Federal agencies which may be available to support such initiatives;

"(5) study ways in which Federal agencies, including Federal laboratories, are able to use their existing policies and programs to assist State and local governments, and regional and multistate organizations of such governments, to enhance the competitiveness of American business;

"(6) make periodic recommendations to the Secretary, and to other Federal agencies upon their request, concerning modifications in Federal policies and programs which would improve Federal assistance to State and local technology and business assistance programs;

"(7) develop methodologies to evaluate State and local programs, and, when requested, advise State and local governments, and regional and multistate organizations of such governments, as to which programs are most effective in enhancing the competitiveness of American business through the stimulation of productivity, technology, and innovation; and

"(8) make use of, and disseminate, the nationwide study of State industrial extension programs conducted by the Secretary.

"(c) Contracts.—In carrying out subsection (b), the Secretary may enter into contracts for the purpose of collecting information on the nature, extent, and effects of initiatives.

"(d) Triennial Report.—The Secretary shall prepare and transmit to the Congress once each 3 years a report on initiatives by State and local governments to enhance the competitiveness of American businesses through the stimulation of productivity, technology, and innovation. The report shall include recommendations to the President, the Congress, and to Federal agencies on the appropriate Federal role in stimulating State and local efforts in this area. The first of these reports shall be transmitted to the Congress before January 1, 1989.".

(b) Definition.—Section 4 of such Act is amended by adding at the end thereof the following new paragraph:

"(13) 'Clearinghouse' means the Clearinghouse for State and Local Initiatives on Productivity, Technology, and Innovation established by section 6.".

(c) Conforming Amendment.—Section 10(d) of such Act, as so redesignated by section 5122(a)(1) of this part, is amended by striking "6, 8, 10, 14, 16, or 17" and inserting in lieu thereof "7, 9, 11, 15, 17, or 18".

Subpart C—Advanced Technology Program

SEC. 5131. ADVANCED TECHNOLOGY.

(a) Advanced Technology Program.—The Act of March 3, 1901, as amended by this part, is further amended by adding after section 27 the following new section:

"ADVANCED TECHNOLOGY PROGRAM

"Sec. 28. (a) There is established in the Institute an Advanced Technology Program (hereafter in this Act referred to as the 'Program') for the purpose of assisting United States businesses in creating and applying the generic technology and research results necessary to—

"(1) commercialize significant new scientific discoveries and technologies rapidly; and

"(2) refine manufacturing technologies.

The Secretary, acting through the Director, shall assure that the Program focuses on improving the competitive position of the United States and its businesses, gives preference to discoveries and to technologies that have great economic potential, and avoids providing undue advantage to specific companies.

"(b) Under the Program established in subsection (a), and consistent with the mission and policies of the Institute, the Secretary, acting through the Director, and subject to subsections (c) and (d), may—

"(1) aid United States joint research and development ventures (hereafter in this section referred to as 'joint ventures') (which may also include universities and independent research organizations), including those involving collaborative technology demonstration projects which develop and test prototype equipment and processes, through—

"(A) provision of organizational and technical advice; and

"(B) participation in such joint ventures, if the Secretary, acting through the Director, determines participation to be appropriate, which may include (i) partial start-up funding, (ii) provision of a minority share of the cost of such joint ventures for up to 5 years, and (iii) making available equipment, facilities, and personnel,

provided that emphasis is placed on areas where the Institute has scientific or technological expertise, on solving generic problems of specific industries, and on making those industries more competitive in world markets;

"(2) enter into contracts and cooperative agreements with United States businesses, especially small businesses, and with independent research organizations, provided that emphasis is placed on applying the Institute's research, research techniques, and expertise to those organizations' research programs;

"(3) involve the Federal laboratories in the Program, where appropriate, using among other authorities the cooperative research and development agreements provided for under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980; and

"(4) carry out, in a manner consistent with the provisions of this section, such other cooperative research activities with joint ventures as may be authorized by law or assigned to the Program by the Secretary.

"(c) The Secretary, acting through the Director, is authorized to take all actions necessary and appropriate to establish and operate the Program, including—

"(1) publishing in the Federal Register draft criteria and, no later than six months after the date of the enactment of this section, following a public comment period, final criteria, for the selection of recipients of assistance under subsection (b) (1) and (2);

"(2) monitoring how technologies developed in its research program are used, and reporting annually to the Congress on the extent of any overseas transfer of these technologies;

"(3) establishing procedures regarding financial reporting and auditing to ensure that contracts and awards are used for the purposes specified in this section, are in accordance with sound accounting practices, and are not funding existing or planned research programs that would be conducted in the same time period in the absence of financial assistance under the Program.

"(4) assuring that the advice of the Committee established under section 10 is considered routinely in carrying out the responsibilities of the Institute; and

"(5) providing for appropriate dissemination of Program research results.

"(d) When entering into contracts or making awards under subsection (b), the following shall apply:

"(1) No contract or award may be made until the research project in question has been subject to a merit review, and has, in the opinion of the reviewers appointed by the Director and the Secretary, acting through the Director, been shown to have scientific and technical merit.

"(2) In the case of joint ventures, the Program shall not make an award unless, in the judgment of the Secretary, acting through the Director, Federal aid is needed if the industry in question is to form a joint venture quickly.

"(3) No Federal contract or cooperative agreement under subsection (b)(2) shall exceed $2,000,000 over 3 years, or be for more than 3 years unless a full and complete explanation of such proposed award, including reasons for exceeding these limits, is submitted in writing by the Secretary to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives. The proposed contract or cooperative agreement may be executed only after 30 calendar days on which both Houses of Congress are in session have elapsed since such submission. Federal funds made available under subsection (b)(2) shall be used only for direct costs and not for indirect costs, profits, or management fees of the contractor.

"(4) In determining whether to make an award to a particular joint venture, the Program shall consider whether the members of the joint venture have made provisions for the appropriate participation of small United States businesses in such joint venture.

"(5) Section 552 of title 5, United States Code, shall not apply to the following information obtained by the Federal Government on a confidential basis in connection with the activities of any business or any joint venture receiving funding under the Program—

"(A) information on the business operation of any member of the business or joint venture; and

"(B) trade secrets possessed by any business or any member of the joint venture.

"(6) Intellectual property owned and developed by any business or joint venture receiving funding or by any member of such a joint venture may not be disclosed by any officer or employee of the Federal Government except in accordance with a written agreement between the owner or developer and the Program.

"(7) The Federal Government shall be entitled to a share of the licensing fees and royalty payments made to and retained by any business or joint venture to which it contributes under this section in an amount proportional to the Federal share of the costs incurred by the business or joint venture as determined by independent audit.

"(8) If a business or joint venture fails before the completion of the period for which a contract or award has been made, after all allowable costs have been paid and appropriate audits conducted, the unspent balance of the Federal funds shall be returned by the recipient to the Program.

"(9) Upon dissolution of any joint venture or at the time otherwise agreed upon, the Federal Government shall be entitled to a share of the residual assets of the joint venture proportional to the Federal share of the costs of the joint venture as determined by independent audit.

"(e) As used in this section, the term 'joint research and development venture' has the meaning given to such term in section 2(a)(6) of the National Cooperative Research Act of 1984 (15 U.S.C. 4301(a)(6)).".

(b) VISITING COMMITTEE ON ADVANCED TECHNOLOGY.—Section 10 of the Act of March 3, 1901, is amended to read as follows:

"VISITING COMMITTEE ON ADVANCED TECHNOLOGY

"SEC. 10. (a) There is established within the Institute a Visiting Committee on Advanced Technology (hereafter in this Act referred to as the 'Committee'). The Committee shall consist of nine members appointed by the Director, at least five of whom shall be from United States industry. The Director shall appoint as original members of the Committee any final members of the National Bureau of Standards Visiting Committee who wish to serve in such capacity. In addition to any powers and functions otherwise granted to it by this Act, the Committee shall review and make recommendations regarding general policy for the Institute, its organization, its budget, and its programs within the framework of applicable national policies as set forth by the President and the Congress.

"(b) The persons appointed as members of the Committee—

"(1) shall be eminent in fields such as business, research, new product development, engineering, labor, education, management consulting, environment, and international relations;

"(2) shall be selected solely on the basis of established records of distinguished service;

"(3) shall not be employees of the Federal Government; and

"(4) shall be so selected as to provide representation of a cross-section of the traditional and emerging United States industries.

The Director is requested, in making appointments of persons as members of the Committee, to give due consideration to any recommendations which may be submitted to the Director by the National Academies, professional societies, business associations, labor associations, and other appropriate organizations.

"(c)(1) The term of office of each member of the Committee, other than the original members, shall be 3 years; except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Any person who has completed two consecutive full terms of service on the Committee shall thereafter be ineligible for appointment during the one-year period following the expiration of the second such term.

"(2) The original members of the Committee shall be elected to three classes of three members each; one class shall have a term of one year, one a term of two years, and the other a term of three years.

"(d) The Committee shall meet at least quarterly at the call of the Chairman or whenever one-third of the members so request in writing. A majority of the members of the Committee not having a conflict of interest in the matter being considered by the Committee shall constitute a quorum. Each member shall be given appropriate notice, whenever possible, not less than 15 days prior to any meeting, of the call of such meeting.

"(e) The Committee shall have an executive committee, and may delegate to it or to the Secretary such of the powers and functions granted to the Committee by this Act as it deems appropriate. The Committee is authorized to appoint from among its members such other committees as it deems necessary, and to assign to committees so appointed such survey and advisory functions as the Committee deems appropriate to assist it in exercising its powers and functions under this Act.

"(f) The election of the Chairman and Vice Chairman of the Committee shall take place at each annual meeting occurring in an even-numbered year. The Vice Chairman shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vice chairmanship, the

Committee shall elect a member to fill such vacancy.

"(g) The Committee may, with the concurrence of a majority of its members, permit the appointment of a staff consisting of not more than four professional staff members and such clerical staff members as may be necessary. Such staff shall be appointed by the Director, after consultation with the Chairman of the Committee, and assigned at the direction of the Committee. The professional members of such staff may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and the provisions of chapter 51 of title 5 of such Code relating to classification, and compensated at a rate not exceeding the appropriate rate provided for individuals in grade GS-18 of the General Schedule under section 5332 of title 5 of such Code, as may be necessary to provide for the performance of such duties as may be prescribed by the Committee in connection with the exercise of its powers and functions under this Act.

"(h)(1) The Committee shall render an annual report to the Secretary for submission to the Congress on or before January 31 in each year. Such report shall deal essentially, though not necessarily exclusively, with policy issues or matters which affect the Institute, including the Program established under section 28, or with which the Committee in its official role as the private sector policy advisor of the Institute is concerned. Each such report shall identify areas of research and research techniques of the Institute of potential importance to the long-term competitiveness of United States industry, in which the Institute possesses special competence, which could be used to assist United States enterprises and United States industrial joint research and development ventures.

"(2) The Committee shall render to the Secretary and the Congress such additional reports on specific policy matters as it deems appropriate.".

(c) NATIONAL ACADEMIES OF SCIENCES AND ENGINEERING STUDY OF GOVERNMENT-INDUSTRY COOPERATION IN CIVILIAN TECHNOLOGY.—(1) Within 90 days after the date of enactment of this Act, the Secretary of Commerce shall enter into contracts with the National Academies of Sciences and Engineering for a thorough review of the various types of arrangements under which the private sector in the United States and the Federal Government cooperate in civilian research and technology transfer, including activities to create or apply generic, nonproprietary technologies. The purpose of the review is to provide the Secretary and Congress with objective information regarding the uses, strengths, and limitations of the various types of cooperative technology arrangements that have been used in the United States. The review is to provide both an analysis of the ways in which these arrangements can help improve the technological performance and international competitiveness of United States industry, and also to provide the Academies' recommendations regarding ways to improve the effectiveness and efficiency of these types of cooperative arrangements. A special emphasis shall be placed on discussions of these subjects among industry leaders, labor leaders, and officials of the executive branch and Congress. The Secretary is authorized to seek and accept funding for this study from both Federal agencies and private industry.

(2) The members of the review panel shall be drawn from among industry and labor leaders, entrepreneurs, former government officials with great experience in civilian research and technology, and scientific and technical experts, including experts with experience with Federal laboratories.

(3) The review shall analyze the strengths and weaknesses of different types of Federal-industry cooperative arrangements in civilian technology, including but not limited to—

(A) Federal programs which provide technical services and information to United States companies;

(B) cooperation between Federal laboratories and United States companies, including activities under the Technology Share Program created by Executive Order 12591;

(C) Federal research and technology transfer arrangements with selected business sectors;

(D) Federal encouragement of, and assistance to, private joint research and development ventures; and

(E) such other mechanisms of Federal-industry cooperation as may be identified by the Secretary.

(4) A report based on the findings and recommendations of the review panel shall be submitted to the Secretary, the President, and Congress within 18 months after the Secretary signs the contracts with the National Academies of Sciences and Engineering.

Subpart D—Technology Reviews

SEC. 5141. REPORT OF PRESIDENT.

The President shall, at the time of submission of the budget request for fiscal year 1990 to Congress, also submit to the Congress a report on—

(1) the President's policies and budget proposals regarding Federal research in semiconductors and semiconductor manufacturing technology, including a discussion of the respective roles of the various Federal departments and agencies in such research;

(2) the President's policies and budget proposals regarding Federal research and acquisition policies for fiber optics and optical-electronic technologies generally;

(3) the President's policies and budget proposals, identified by agency, regarding superconducting materials, including descriptions of research priorities, the scientific and technical barriers to commercialization which such research is designed to overcome, steps taken to ensure coordination among Federal agencies conducting research on superconducting materials, and steps taken to consult with private United States industry and to ensure that no unnecessary duplication of research exists and that all important scientific and technical barriers to the commercialization of superconducting materials will be addressed; and

(4) the President's policies and budget proposals, identified by agency, regarding Federal research to assist United States industry to develop and apply advanced manufacturing technologies for the production of durable and nondurable goods.

SEC. 5142. SEMICONDUCTOR RESEARCH AND DEVELOPMENT.

(a) SHORT TITLE.—This section may be cited as the "National Advisory Committee on Semiconductor Research and Development Act of 1988".

(b) FINDINGS AND PURPOSES.—(1) The Congress finds and declares that—

(A) semiconductor technology is playing an ever-increasing role in United States industrial and commercial products and processes, making secure domestic sources of state-of-the-art semiconductors highly desirable;

(B) modern weapons systems are highly dependent on leading edge semiconductor devices, and it is counter to the national security interest to be heavily dependent upon foreign sources for this technology;

(C) governmental responsibilities related to the semiconductor industry are divided among many Federal departments and agencies; and

(D) joint industry-government consideration of semiconductor industry problems is needed at this time.

(2) The purposes of this section are—

(A) to establish the National Advisory Committee on Semiconductors; and

(B) to assign to such Committee the responsibility for devising and promulgating a national semiconductor strategy, including research and development, the implementation of which will assure the continued leadership of the United States in semiconductor technology.

(c) CREATION OF COMMITTEE.—There is hereby created in the executive branch of the Government an independent advisory body to be known as the National Advisory Committee on Semiconductors (hereafter in this section referred to as the "Committee").

(d) FUNCTIONS.—(1) The Committee shall—

(A) collect and analyze information on the needs and capabilities of industry, the Federal Government, and the scientific and research communities related to semiconductor technology;

(B) identify the components of a successful national semiconductor strategy in accordance with subsection (b)(2)(B);

(C) analyze options, establish priorities, and recommend roles for participants in the national strategy;

(D) assess the roles for government and national laboratories and other laboratories supported largely for government purposes in contributing to the semiconductor technology base of the Nation, as well as to access the effective use of the resources of United States private industry, United States universities, and private-public research and development efforts; and

(E) provide results and recommendations to agencies of the Federal Government involved in legislative, policymaking, administrative, management, planning, and technology activities that affect or are part of a national semiconductor strategy, and to the industry and other nongovernmental groups or organizations affected by or contributing to that strategy.

(2) In fulfilling this responsibility, the Committee shall—

(A) monitor the competitiveness of the United States semiconductor technology base;

(B) determine technical areas where United States semiconductor technology is deficient relative to international competition;

(C) identify new or emerging semiconductor technologies that will impact the national defense or United States competitiveness or both;

(D) develop research and development strategies, tactics, and plans whose execution will assure United States semiconductor competitiveness; and

(E) recommend appropriate actions that support the national semiconductor strategy.

(e) MEMBERSHIP AND PROCEDURES.—(1)(A) The Committee shall be composed of 13 members, 7 of whom shall constitute a quorum.

(B) The Secretary of Defense, the Secretary of Commerce, the Secretary of Energy, the Director of the Office of Science and Technology Policy, and the Director of the National Science Foundation, or their designees, shall serve as members of the Committee.

(C) The President, acting through the Director of the Office of Science and Technology Policy, shall appoint, as additional members of the Committee, 4 members from outside the Federal Government who are eminent in the semiconductor industry, and 4 members from outside the Federal Government who are eminent in the fields of technology, defense, and economic development.

(D) One of the members appointed under subparagraph (C), as designated by the President at the time of appointment, shall be chairman of the Committee.

(2) Funding and administrative support for the Committee shall be provided to the Office of Science and Technology Policy through an arrangement with an appropriate agency or organization designated by the Committee, in accordance with a memorandum of understanding entered into between them.

(3) Members of the Committee, other than full-time employees of the Federal Government, while attending meetings of the Committee or otherwise performing duties at the request of the Chairman while away from their homes or regular places of business, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

(4) The Chairman shall call the first meeting of the Committee not later than 90 days after the date of the enactment of this Act.

(5) At the close of each fiscal year the Committee shall submit to the President and the Congress a report on its activities conducted during such year and its planned activities for the coming year, including specific findings and recommendations with respect to the national semiconductor strategy devised and promulgated under subsection (b)(2)(B). The first report shall include an analysis of those technical areas, including manufacturing, which are of importance to the United States semiconductor industry, and shall make specific recommendations regarding the appropriate Federal role in correcting any deficiencies identified by the analysis. Each report shall include an estimate of the length of time the Committee must continue before the achievement of its purposes and the issuance of its final report.

(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out the purposes of this section such sums as may be necessary for the fiscal years 1988, 1989, and 1990.

SEC. 5143. REVIEW OF RESEARCH AND DEVELOPMENT PRIORITIES IN SUPERCONDUCTORS.

(a) National Commission on Superconductivity.—The President shall appoint a National Commission on Superconductivity to review all major policy issues regarding United States applications of recent research advances in superconductors in order to assist the Congress in devising a national strategy, including research and development priorities, the development of which will assure United States leadership in the development and application of superconducting technologies.

(b) Membership.—The membership of the National Commission on Superconductivity shall include representatives of—

(1) the National Critical Materials Council, the National Academy of Sciences, the National Academy of Engineering, the National Science Foundation, the National Aeronautics and Space Administration, the Department of Energy, the Department of Justice, the Department of Commerce (including the National Institute of Standards and Technology), the Department of Transportation, the Department of the Treasury, and the Department of Defense;

(2) organizations whose membership is comprised of physicists, engineers, chemical scientists, or material scientists; and

(3) industries, universities, and national laboratories engaged in superconductivity research.

(c) Chairman.—A representative of the private sector shall be designated as chairman of the Commission.

(d) Coordination.—The National Critical Materials Council shall be the coordinating body of the National Commission on Superconductivity and shall provide staff support for the Commission.

(e) Report.—Within 6 months after the date of the enactment of this Act, the National Commission on Superconductivity shall submit a report to the President and the Congress with recommendations regarding methods of enhancing the research, development, and implementation of improved superconductor technologies in all major applications.

(f) Scope of Review.—In preparing the report required by subsection (e), the Commission shall consider addressing, but need not limit, its review to—

(1) the state of United States competitiveness in the development of improved superconductors;

(2) methods to improve and coordinate the collection and dissemination of research data relating to superconductivity;

(3) methods to improve and coordinate funding of research and development of improved superconductors;

(4) methods to improve and coordinate the development of viable commercial and military applications of improved superconductors;

(5) foreign government activities designed to promote research, development, and commercial application of improved superconductors;

(6) the need to provide increased Federal funding of research and development of improved superconductors;

(7) the impact on the United States national security if the United States must rely on foreign producers of superconductors;

(8) the benefit, if any, of granting private companies partial exemptions from United States antitrust laws to allow them to coordinate research, development, and products containing improved superconductors;

(9) options for providing income tax incentives for encouraging research, development, and production in the United States of products containing improved superconductors; and

(10) methods to strengthen domestic patent and trademark laws to ensure that qualified superconductivity discoveries receive the fullest protection from infringement.

(g) Sunset.—The Commission shall disband within a year of its establishment. Thereafter the National Critical Materials Council may review and update the report required by subsection (e) and make further recommendations as it deems appropriate.

Subpart E—Authorization of Appropriations

SEC. 5151. AUTHORIZATION OF APPROPRIATIONS FOR TECHNOLOGY ACTIVITIES.

(a) Authorization of Appropriations.—There are authorized to be appropriated for fiscal year 1988 to the Secretary of Commerce to carry out activities performed by the Institute the sums set forth in the following line items:

(1) Measurement Research and Technology: $41,939,000.

(2) Engineering Measurements and Manufacturing: $40,287,000.

(3) Materials Science and Engineering: $23,521,000.

(4) Computer Science and Technology: $7,941,000.

(5) Research Support Activities: $19,595,000.

(6) Cold Neutron Source Facility: $6,500,000 (for a total authorization of $13,000,000).

(7) Programs established under sections 25, 26, and 27 of the Act of March 3, 1901 and section 5121 of this part: $5,000,000.

(b) Limitations.—Notwithstanding any other provision of this or any other Act—

(1) of the total of the amounts authorized under subsection (a), $2,000,000 is authorized only for steel technology;

(2) of the amount authorized under paragraph (1) of subsection (a) of this section, $3,550,000 is authorized only for the purpose of research in process and quality control;

(3) of the amount authorized under paragraph (2) of subsection (a) of this section, $3,710,000 is authorized only for the Center for Building Technology, $5,662,000 is authorized only for the Center for Fire Research, and the two Centers shall not be merged;

(4) of the amount authorized under paragraph (3) of subsection (a) of this section, $1,500,000 is authorized only for the purpose of research to improve high-performance composites; and

(5) of the amount authorized under paragraph (5) of subsection (a) of this section, $7,371,000 is authorized only for technical competence fund projects in new areas of high technical importance, and $1,091,000 is authorized only for the Postdoctoral Research Associates Program and related new personnel.

(c) Transfer.—(1) Funds may be transferred among the line items listed in subsection (a) of this section so long as the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such subsection and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives are notified in advance of any such transfer.

(2) In addition, the Secretary of Commerce may propose transfers to or from any line item exceeding 10 percent of the amount authorized for the line item in subsection (a) of this section, but a full and complete explanation of any such proposed transfer and the reason for such transfer must be transmitted in writing to the President of the Senate, the Speaker of the House of Representatives, and the appropriate authorizing committees of the Senate and House of Representatives. The proposed transfer may be made only when 30 calendar days have passed after the transmission of such written explanation.

(d) COLD NEUTRON SOURCE FACILITY.—In addition to any sums otherwise authorized by this part, there are authorized to be appropriated to the Secretary of Commerce for fiscal years 1988, 1989, and 1990 such sums as were authorized but not appropriated for the Cold Neutron Source Facility for fiscal year 1987. Furthermore, the Secretary may accept contributions for funds, to remain available until expended, for the design, construction, and equipment of the Cold Neutron Source Facility, notwithstanding the limitations of section 14 of the Act of March 3, 1901 (15 U.S.C. 278d).

(e) EMPLOYEE BENEFIT ADJUSTMENTS.—In addition to any sums otherwise authorized by this part, there are authorized to be appropriated to the Secretary of Commerce for fiscal year 1988 such additional sums as may be necessary to make any adjustments in salary, pay, retirement, and other employee benefits which may be provided for by law.

(f) AVAILABILITY.—Appropriations made under the authority provided in this section shall remain available for obligation, for expenditure, or for obligations and expenditure for periods specified in the Acts making such appropriations.

SEC. 5152. STEVENSON-WYDLER ACT AUTHORIZATIONS.

Section 19 (a) and (b) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 5122(a)(1) of this part, is amended to read as follows:

"(a)(1) There is authorized to be appropriated to the Secretary for the purposes of carrying out sections 5, 11(g), and 16 of this Act not to exceed $3,400,000 for the fiscal year ending September 30, 1988.

"(2) Of the amount authorized under paragraph (1) of this subsection, $2,400,000 is authorized only for the Office of Productivity, Technology, and Innovation; $500,000 is authorized only for the purpose of carrying out the requirements of the Japanese technical literature program established under section 5(d) of this Act; and $500,000 is authorized only for the patent licensing activities of the National Technical Information Service.

"(b) In addition to the authorization of appropriations provided under subsection (a) of this section, there is authorized to be appropriated to the Secretary for the purposes of carrying out section 6 of this Act not to exceed $500,000 for the fiscal year ending September 30, 1988, $1,000,000 for the fiscal year ending September 30, 1989, and $1,500,000 for the fiscal year ending September 30, 1990.".

Subpart F—Miscellaneous Technology and Commerce Provisions

SEC. 5161. SAVINGS PROVISION AND USER FEES.

The Act of March 3, 1901 (15 U.S.C. 271 et seq.), as amended by this part, is further amended by adding after section 28 the following new sections:

"SAVINGS PROVISION

"SEC. 29. All rules and regulations, determinations, standards, contracts, certifications, authorizations, delegations, results and findings of investigations, or other actions duly issued, made, or taken by or pursuant to this Act, or under the authority of any other statutes which resulted in the assignment of functions or activities to the Secretary, the Department, the Director, or the Institute, as are in effect immediately before the date of enactment of this section, and not suspended by the Secretary, the Director, the Institute or the courts, shall continue in full force and effect after the date of enactment of this section until modified or rescinded.

"USER FEES

"SEC. 30. The Institute shall not implement a policy of charging fees with respect to the use of Institute research facilities by research associates in the absence of express statutory authority to charge such fees.".

SEC. 5162. MISCELLANEOUS AMENDMENTS TO THE STEVENSON-WYDLER ACT.

(a) INVENTION MANAGEMENT SERVICES.—The first sentence of section 14(a)(4) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 5122(a)(1) of this part (15 U.S.C. 3710c) is amended by striking out "shall" and inserting in lieu thereof "may", and by striking out "such invention performed at the request of the other agency or laboratory" and inserting in lieu thereof "any invention of the other agency".

(b) FEDERAL LABORATORY CONSORTIUM.—Section 11(e)(7)(A) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 5122(a)(1) of this part (15 U.S.C. 3710) is amended by striking out "0.005 percent of that portion of the research and development budget of each Federal agency that is to be utilized by" and inserting in lieu thereof "0.008 percent of the budget of each Federal agency from any Federal source, including related overhead, that is to be utilized by or on behalf of".

SEC. 5163. MISCELLANEOUS TECHNOLOGY AND COMMERCE PROVISIONS.

(a) ASSESSMENT OF EMERGING TECHNOLOGIES.—The Board of Assessment of the National Institute of Standards and Technology shall include, as part of its annual review, an assessment of emerging technologies which are expected to require research in meteorology to keep the Institute abreast of its mission, including process and quality control, engineering databases, advanced materials, electronics and fiber optics, bioprocess engineering, and advanced computing concepts. Such review shall include estimates of the cost of the required effort, required staffing levels, appropriate interaction with industry, including technology transfer, and the period over which the research will be required.

(b) SMALL BUSINESS PLAN.—The Director of the National Institute of Standards and Technology shall prepare a plan detailing the manner in which the Institute will make small businesses more aware of the Institute's activities and research, and the manner in which the Institute will seek to increase the application by small businesses of the Institute's research, particularly in manufacturing. The plan shall be submitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives not later than 120 days after the date of the enactment of this Act.

(c) NATIONAL TECHNICAL INFORMATION SERVICE.—(1) Section 11 of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 5122(a)(1) of this part, is amended by inserting at the end the following new subsection:

"(h) None of the activities or functions of the National Technical Information Service which are not performed by contractors as of September 30, 1987, shall be contracted out or otherwise transferred from the Federal Government unless such transfer is expressly authorized by statute, or unless the value of all work performed under the contract and related contracts in each fiscal year does not exceed $250,000.".

(2) The Secretary of Commerce shall report the Secretary's recommendations for improvements in the National Technical Information Service (including methods for automating document distribution and inventory control), and any statutory changes required to make such improvements, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives by January 31, 1989.

(3) Section 11(d) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 5122(a)(1) of this part, is amended—

(A) by striking "and" at the end of paragraph (4);

(B) by striking the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(6) maintain a permanent archival repository and clearinghouse for the collection and dissemination of nonclassified scientific, technical, and engineering information.".

(d) FELLOWSHIP PROGRAM.—There is established within the Department of Commerce a Commerce, Science, and Technology Fellowship Program with the stated purpose of providing a select group of employees of the executive branch of the Government with the opportunity of learning how the legislative branch and other parts of the executive branch function through work experiences of up to one year. The Secretary of Commerce shall report to the Congress within six months after the date of enactment of this Act on the Department of Commerce's plans for implementing such Program by March 31, 1989.

SEC. 5164. METRIC USAGE.

(a) FINDINGS.—Section 2 of the Metric Conversion Act of 1975 is amended by adding at the end thereof the following new paragraphs:

"(3) World trade is increasingly geared towards the metric system of measurement.

"(4) Industry in the United States is often at a competitive disadvantage when dealing in international markets because of its nonstandard measurement system, and is sometimes excluded when it is unable to deliver goods which are measured in metric terms.

"(5) The inherent simplicity of the metric system of measurement and standardization of weights and measures has led to major cost savings in certain industries which have converted to that system.

"(6) The Federal Government has a responsibility to develop procedures and techniques to assist industry, especially small business, as it voluntarily converts to the metric system of measurement.

"(7) The metric system of measurement can provide substantial advantages to the Federal Government in its own operations.".

(b) POLICY.—Section 3 of the Metric Conversion Act of 1975 is amended to read as follows:

"SEC. 3. It is therefore the declared policy of the United States—

"(1) to designate the metric system of measurement as the preferred system of weights and measures for United States trade and commerce;

"(2) to require that each Federal agency, by a date certain and to the extent economically feasible by the end of the fiscal year 1992, use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms, such as when foreign competitors are producing competing products in non-metric units;

"(3) to seek out ways to increase understanding of the metric system of measurement through educational information and guidance and in Government publications; and

"(4) to permit the continued use of traditional systems of weights and measures in nonbusiness activities.".

(c) IMPLEMENTATION.—The Metric Conversion Act of 1975 is further amended by redesignating section 12 as section 13, and by inserting after section 11 the following new section:

"SEC. 12. (a) As soon as possible after the date of the enactment of this section, each agency of the Federal Government shall establish guidelines to carry out the policy set forth in section 3 (with particular emphasis upon the policy set forth in paragraph (2) of that section), and as part of its annual budget submission for each fiscal year beginning after such date shall report to the Congress on the actions which it has taken during the previous fiscal year, as well as the actions which it plans for the fiscal year involved, to implement fully the metric system of measurement in accordance with that policy. Such reporting shall cease for an agency in the fiscal year after it has fully implemented its efforts under section 3(2). As used in this section, the term 'agency of the Federal Government' means an Executive agency or military department as those terms as defined in chapter 1 of title 5, United States Code.

"(b) At the end of the fiscal year 1992, the Comptroller General shall review the implementation of this Act, and upon completion of such review shall report his findings to the Congress along with any legislative recommendations he may have.".

PART II—SYMMETRICAL ACCESS TO TECHNOLOGICAL RESEARCH

SEC. 5171. SYMMETRICAL ACCESS TO TECHNOLOGICAL RESEARCH.

(a) Section 502 of the Foreign Relations Authorization Act, Fiscal Year 1979 (22 U.S.C. 2656b) is amended by adding at the end the following new paragraph:

"(5) Federally supported international science and technology agreements should be negotiated to ensure that—

"(A) intellectual property rights are properly protected; and

"(B) access to research and development opportunities and facilities, and the flow of scientific and technological information, are, to the maximum extent practicable, equitable and reciprocal.".

(b) Section 503(b) of the Foreign Relations Authorization Act, Fiscal Year 1979 (22 U.S.C. 2656c(b)) is amended—

(1) by striking "Congress" and inserting in lieu thereof "the Speaker of the House of Representatives and the Committees on Foreign Relations and Governmental Affairs of the Senate";

(2) by inserting "information and" before "recommendations";

(3) by striking "and" at the end of paragraph (1);

(4) by striking the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(5) by adding at the end the following new paragraph:

"(3) equity of access by United States public and private entities to public (and publicly supported private) research and development opportunities and facilities in each country which is a major trading partner of the United States.".

(c) Section 503 of the Foreign Relations Authorization Act, Fiscal Year 1979 (22 U.S.C. 2656c) is amended by adding at the end the following new subsection:

"(d)(1) The information and recommendations developed under subsection (b)(3) shall be made available to the United States Trade Representative for use in his consultations with Federal agencies pursuant to Executive orders pertaining to the transfer of science and technology.

"(2) In providing such information and recommendations, the President shall utilize information developed by any Federal departments, agencies, or interagency committees as he may consider necessary.".

(d) Section 504(a) of the Foreign Relations Authorization Act, Fiscal Year 1979 (22 U.S.C. 2656d(a)) is amended to read as follows:

"(a)(1) In order to implement the policies set forth in section 502 of this title, the Secretary of State (hereafter in this section referred to as the "Secretary") shall have primary responsibility for coordination and oversight with respect to all major science or science and technology agreements and activities between the United States and foreign countries, international organizations, or commissions of which the United States and one or more foreign countries are members.

"(2) In coordinating and overseeing such agreements and activities, the Secretary shall consider (A) scientific merit; (B) equity of access as described in section 503(b); (C) possible commercial or trade linkages with the United States which may flow from the agreement or activity; (D) national security concerns; and (E) any other factors deemed appropriate.

"(3) Prior to entering into negotiations on such an agreement or activity, the Secretary shall provide Federal agencies which have primary responsibility for, or substantial interest in, the subject matter of the agreement or activity, including those agencies responsible for—

"(A) Federal technology management policies set forth by Public Law 96-517 and the Stevenson-Wydler Technology Innovation Act of 1980;

"(B) national security policies;

"(C) United States trade policies; and

"(D) relevant Executive orders,

with an opportunity to review the proposed agreement or activity to ensure its consistency with such policies and Executive orders, and to ensure effective interagency coordination.".

PART III—NATIONAL CRITICAL MATERIALS COUNCIL

SEC. 5181. THE NATIONAL FEDERAL PROGRAM PLAN FOR ADVANCED MATERIALS RESEARCH AND DEVELOPMENT.

The National Critical Materials Council shall prepare the national Federal program plan for advanced materials research and development under section 205(a)(1)(A) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1251) and shall submit such plan to Congress not later than 180 days after the date of the enactment of this Act. The plan shall be submitted to the Committee on Science, Space, and Technology, as well as other appropriate committees, of the House of Representatives, and to the Committee on Governmental Affairs, as well as other appropriate committees, of the Senate.

SEC. 5182. PERSONNEL MATTERS.

(a) REQUIREMENT TO INCREASE STAFF.—Not later than 30 days after the date of the enactment of this Act, the Executive Director of the National Critical Materials Council shall increase the number of employees of the Council by the equivalent of 5 full-time employees over the number of employees of the Council on the date of the enactment of this Act.

(b) QUALIFICATIONS OF STAFF.—Not less than the equivalent of 4 full-time employees appointed pursuant to subsection (a) shall be permanent professional employees who have expertise in technical fields that are relevant to the responsibilities of the National Critical Materials Council, such as materials science and engineering, environmental matters, minerals and natural resources, ceramic or composite engineering, metallurgy, and geology.

SEC. 5183. AUTHORITY TO ACCEPT SERVICES AND PERSONNEL FROM OTHER FEDERAL AGENCIES.

Section 210(4) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "reimbursable" and inserting in lieu thereof "nonreimbursable".

SEC. 5184. AUTHORIZATION OF APPROPRIATIONS.

Section 211 of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "1990" and inserting in lieu thereof "1992".

Subtitle C—Competitiveness Policy Council Act

SEC. 5201. SHORT TITLE.

This subtitle may be cited as the "Competitiveness Policy Council Act".

SEC. 5202. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) efforts to reverse the decline of United States industry has been hindered by—

(A) a serious erosion in the institutions and policies which foster United States competitiveness including a lack of high quality domestic and international economic and scientific data needed to—

(i) reveal sectoral strengths and weaknesses;

(ii) identify potential new markets and future technological and economic trends; and

(iii) provide necessary information regarding the competitive strategies of foreign competitors;

(B) the lack of a coherent and consistent government competitiveness policy, including policies with respect to—

(i) international trade, finance, and investment,

(ii) research, science, and technology,

(iii) education, labor retraining, and adjustment,

(iv) macroeconomic and budgetary issues,

(v) antitrust and regulation, and

(vi) government procurement;

(2) the United States economy benefits when business, labor, government, academia, and public interest groups work together cooperatively;

(3) the decline of United States economic competitiveness endangers the ability of the United States to maintain the defense industrial base which is necessary to the national security of the United States;

(4) the world is moving rapidly toward the creation of an integrated and interdependent economy, a world economy in which the policies of one nation have a major impact on other nations;

(5) integrated solutions to such issues as trade and investment research, science, and technology, education, and labor retraining and adjustments help the United States compete more effectively in the world economy; and

(6) government, business, labor, academia, and public interest groups shall cooperate to develop and coordinate long-range strategies to help assure the international competitiveness of the United States economy.

(b) Purpose.—It is the purpose of this subtitle—

(1) to develop recommendations for long-range strategies for promoting the international competitiveness of the United States industries; and

(2) to establish the Competitiveness Policy Council which shall—

(A) analyze information regarding the competitiveness of United States industries and business and trade policy;

(B) create an institutional forum where national leaders with experience and background in business, labor, government, academia, and public interest activities shall—

(i) identify economic problems inhibiting the competitiveness of United States agriculture, business, and industry;

(ii) develop long-term strategies to address such problem; and

(C) make recommendations on issues crucial to the development of coordinated competitiveness strategies;

(D) publish analysis in the form of periodic reports and recommendations concerning the United States business and trade policy.

SEC. 5203. COUNCIL ESTABLISHED.

There is established the Competitiveness Policy Council (hereafter in this subtitle referred to as the "Council"), an advisory committee under the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 5204. DUTIES OF THE COUNCIL.

The Council shall—

(1) develop recommendations for national strategies and on specific policies intended to enhance the productivity and international competitiveness of United States industries;

(2) provide comments, when appropriate, and through any existing comment procedure, on—

(A) private sector requests for governmental assistance or relief, specifically as to whether the applicant is likely, by receiving the assistance or relief, to become internationally competitive; and

(B) what actions should be taken by the applicant as a condition of such assistance or relief to ensure that the applicant is likely to become internationally competitive;

(3) analyze information concerning current and future United States economic competitiveness useful to decisionmaking in government and industry;

(4) create a forum where national leaders with experience and background in business, labor, academia, public interest activities, and government shall identify and develop recommendations to address problems affecting the economic competitiveness of the United States;

(5) evaluate Federal policies, regulations, and unclassified international agreement on trade, science, and technology to which the United States is a party with respect to the impact on United States competitiveness;

(6) provide policy recommendations to the Congress, the President, and the Federal departments and agencies regarding specific issues concerning competitiveness strategies;

(7) monitor the changing nature of research, science, and technology in the United States and the changing nature of the United States economy and its capacity—

(A) to provide marketable, high quality goods and services in domestic and international markets; and

(B) to respond to international competition;

(8) identify—

(A) Federal and private sector resources devoted to increased competitiveness; and

(B) State and local government programs devised to enhance competitiveness, including joint ventures between universities and corporations;

(9) establish, when appropriate, subcouncils of public and private leaders to develop recommendations on long-term strategies for sectors of the economy and for specific competitiveness issues;

(10) review policy recommendations developed by the subcouncils and transmit such recommendations to the Federal agencies responsible for the implementation of such recommendations;

(11) prepare, publish, and distribute reports containing the recommendations of the Council; and

(12) publish their analysis and recommendations in the form of an annual report to the President and the Congress which also comments on the overall competitiveness of the American economy.

SEC. 5205. MEMBERSHIP.

(a) Composition and Representation.—

(1) The Council shall consist of 12 members, of whom—

(A) four members shall be appointed by the President, of whom—

(i) one shall be a national leader with experience and background in business;

(ii) one shall be a national leader with experience and background in the labor community;

(iii) one shall be a national leader who has been active in public interest activities; and

(iv) one shall be a head of a Federal department or agency;

(B) four members shall be appointed by the majority leader and the minority leader of the Senate, acting jointly, of whom—

(i) one shall be a national leader with experience or background in business;

(ii) one shall be a national leader with experience and background in the labor community;

(iii) one shall be a national leader with experience and background in the academic community; and

(iv) one shall be a representative of State or local government; and

(C) four members shall be appointed by the Speaker, the minority leader of the House of Representatives, acting jointly, of whom—

(i) one shall be a national leader with experience and background in business;

(ii) one shall be a national leader with experience and background in the labor community;

(iii) one shall be a national leader with experience and background in the academic community; and

(iv) one shall be a representative of State or local government.

(2) In addition to the head of a Federal department or agency appointed in accordance with subsection (a)(1)(A)(iv), other Federal officials may participate on an exofficio basis as requested by the Council.

(3) All members of the Council shall be individuals who have a broad understanding of the United States economy and the United States competitive position internationally.

(4) Not more than 6 members of the Council shall be members of the same political party.

(b) Initial Appointments.—The initial members of the Council shall be appointed within 30 days after January 21, 1989.

(c) Vacancies.—

(1) A vacancy on the Council shall be filled in the same manner in which the original appointment was made.

(2) Any member appointed to fill a vacancy on the Council occurring before the expiration of the term for which the predecessor of such member was appointed shall be appointed only for the remainder of such term.

(3) A member of the Council may serve after the expiration of the term of such member until the successor of such member has taken office.

(d) Removal.—Members of the Council may be removed only for malfeasance in office.

(e) Conflict of Interest.—

(1) A member of the Council may not serve as an agent for a foreign principal.

(2) Members of the Council shall be required to file a financial disclosure report under title II of the Ethics in Government Act of 1978 (Public Law 95-521), except that such reports shall be held confidential and exempt from any law otherwise requiring their public disclosure.

(3) Members of the Council shall be deemed to be special Government employees, as defined in section 202 of title 18, United States Code, for purposes of sections 201, 202, 203, 205, and 208 of such title.

(f) Compensation.—

(1) Each member of the Council who is not employed by the Federal Government or any State or local government—

(A) shall be compensated at a rate equal to the daily equivalent of the rate for GS-18 of the General Schedule pursuant to section 5332 of title 5, United States Code, for each day such member is engaged in duties as a member of the Council; and

(B) shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from the usual place of residence of such member, in accordance with section 5703 of such title.

(2) Each member of the Council who is employed by the Federal Government or any State or local government shall serve on the Council without additional compensation, but while engaged in duties as a member of the Council shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from the usual place of residence of such member, in accordance with subchapter I of chapter 57 of title 5, United States Code.

(g) Quorum.—

(1) In general.—Seven members of the Council constitute a quorum, except that a lesser number may hold hearings if such action is approved by a two-thirds vote of the entire Council.

(2) Initial organization.—The Council shall not commence its duties until all the nongovernmental members have been appointed and have qualified.

(h) Chairperson.—The Council shall elect, by a two-thirds vote of the entire Council, a chairperson from among the nongovernmental members.

(i) Meetings.—The Council shall meet at the call of the chairperson or a majority of the members.

(j) Policy Actions.—Except as provided in subsection (g), no action establishing policy shall be taken by the Council unless approved by two-thirds of the entire membership of the Council.

(k) Alternate Members.—

(1) Each member of the Council shall designate one alternate representative to attend any meeting that such member is unable to attend.

(2) In the course of attending any such meeting, an alternate representative shall be considered a member of the Council for all purposes, except for voting.

(l) Experts and Consultants.—The Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay for GS-16 of the General Schedule.

(m) Details.—Upon request of the Council, the head of any other Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Council to assist the Council in carrying out its duties under this subtitle.

SEC. 5206. EXECUTIVE DIRECTOR AND STAFF.

(a) Executive Director.—

(1) The principal administrative officer of the Council shall be an Executive Director, who shall be appointed by the Council and who shall be paid at a rate not to exceed GS-18 of the General Schedule.

(2) The Executive Director shall serve on a full-time basis.

(b) Staff.—(1) Within the limitations of appropriations to the Council, the Executive Director may appoint a staff for the Council in accordance with the Federal civil service and classification laws.

(2) The staff of the Council shall be deemed to be special government employees as defined in section 202 of title 18, United States Code, for purposes of title II of the Ethics in Government Act of 1978 and sections 201, 202, 203, 205, 207, and 208 of title 18, United States Code.

SEC. 5207. POWERS OF THE COUNCIL.

(a) Hearings.—The Council may, for the purpose of carrying out the provisions of this subtitle, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Council considers appropriate. The Council may administer oaths or affirmations to witnesses appearing before the Council.

(b) Information.—

(1)(A) Except as provided in subparagraph (B), the Council may secure directly from any Federal agency information necessary to enable the Council to carry out the provisions of this subtitle. Upon request of the chairman of the Council, the head of such agency shall promptly furnish such information to the Council.

(B) Subparagraph (A) does not apply to matters that are specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified pursuant to such Executive order.

(2) In any case in which the Council receives any information from a Federal agency, the Council shall not disclose such information to the public unless such agency is authorized to disclose such information pursuant to Federal law.

(d) Consultation With the President and the Congress.—No later than 60 days after the initial members are appointed to the Council, the Council shall submit a report to the President, the Senate Governmental Affairs Committee, and the appropriate committees of the House of Representatives and of the Senate, that proposes the type and scope of activities the Council shall undertake, including the extent to which the Council will coordinate activities with other advisory committees relating to trade and competitiveness in order to maximize the effectiveness of the Council.

(e) Gifts.—The Council may accept, use, and dispose of gifts or donations of services or property.

(f) Use of the Mails.—The Council may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(g) Administrative and Support Services.—The Administrator of General Services shall provide to the Council, on a reimbursable basis, such administrative and support services as the Council may request.

(h) Subcouncils.—

(1) The Council may establish, for such period of time as the Council determines appropriate, subcouncils of public and private leaders to analyze specific competitive issues.

(2) Any such subcouncil shall include representatives of business, labor, government, and other individuals or representatives of groups whose participation is considered by the Council to be important to developing a full understanding of the subject with which the subcouncil is concerned.

(3) Any such subcouncil shall include a representative of the Federal Government.

(4) Any such subcouncil shall assess the actual or potential competitiveness problems facing the industry or the specific policy issues with which the subcouncil is concerned and shall formulate specific recommendations for responses by business, government, and labor—

(A) to encourage adjustment and modernization of the industry involved;

(B) to monitor and facilitate industry responsiveness to opportunities identified under section 5208(b)(1)(B);

(C) to encourage the ability of the industry involved to compete in markets identified under section 5208(b)(1)(C); or

(D) to alleviate the problems in a specific policy area facing more than one industry.

(5) Any discussion held by any subcouncil shall not be considered to violate any Federal or State antitrust law.

(6) Any discussion held by any subcouncil shall not be subject to the provisions of the Federal Advisory Committee Act, except that a Federal representative shall attend all subcouncil meetings.

(7) Any subcouncil shall terminate 30 days after making recommendations, unless the Council specifically requests that the subcouncil continue in operation.

(i) Applicability of Advisory Committee Act.—The provisions of subsections (e) and (f) of section 10, of the Federal Advisory Committee Act shall not apply to the Council.

SEC. 5208. ANNUAL REPORT.

(a) Submission of Report.—The Council shall annually prepare and submit to the President, the Senate Governmental Affairs Committee, and the appropriate Committees of the House of Representatives and the Senate a report setting forth—

(1) the goals to achieve a more competitive United States economy;

(2) the policies needed to meet such goals;

(3) a summary of existing policies of the Federal Government or State and local governments significantly affecting the competitiveness of the United States economy; and

(4) a summary of significant economic and technological developments, in the United States and abroad, affecting the competitive position of United States industries.

(b) Contents of Report.—The report submitted under subsection (a) shall—

(1) identify and describe actual or foreseeable developments, in the United States and abroad, which—

(A) create a significant likelihood of a competitive challenge to, or of substantial dislocation in, an established United States industry;

(B) present significant opportunities for United States industries to compete in new geographical markets or product markets, or to expand the position of such industries in established markets; or

(C) create a significant risk that United States industries shall be unable to compete successfully in significant markets;

(2) specify the industry sectors affected by the developments described in the report under paragraph (1); and

(3) contain a statement of the findings and recommendations of the Council during the previous fiscal year, including any recommendations of the Council for (a) such legislative or administrative actions as the Council considers appropriate, and (B) including the elimination, consolidation, reorganization of government agencies especially such agencies that specifically deal with research, science, technology, and international trade.

(c) Report by Congressional Committees.—The Council shall consult with each committee to which a report is submitted under this section and after such consultation, each such committee shall submit to its respective House a report setting forth the views and recommendations of such committee with respect to the report of the Council.

SEC. 5209. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each of the fiscal years 1989 and 1990 such sums as may be necessary not to exceed $5,000,000 to carry out the provisions of this subtitle.

SEC. 5210. DEFINITIONS.

For purposes of this subtitle—

(1) the term "Council" means the Competitiveness Policy Council established under section 5203;

(2) the term "member" means a member of the Competitiveness Policy Council;

(3) the term "United States" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, American Samoa, and any other territory or possession of the United States; and

(4) the term "agent of a foreign principal" is defined as such term is defined under subsection (d) of the first section of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611) subject to the provisions of section 3 of such Act (22 U.S.C. 613).

Subtitle D—Federal Budget Competitiveness Impact Statement

SEC. 5301. PRESIDENT'S ANNUAL BUDGET SUBMISSION.

Subsection (a) of section 1105 of title 31, United States Code, is amended by inserting at the end thereof the following new paragraph:

"(26) an analysis, prepared by the Office of Management and Budget after consultation with the chairman of the Council of

Economic Advisers, of the budget's impact on the international competitiveness of United States business and the United States balance of payments position and shall include the following projections, based upon the best information available at the time, for the fiscal year for which the budget is submitted—

"(A) the amount of borrowing by the Government in private credit markets;

"(B) net domestic savings (defined as personal savings, corporate savings, and the fiscal surplus of State and local governments);

"(C) net private domestic investment;

"(D) the merchandise trade and current accounts;

"(E) the net increase or decrease in foreign indebtedness (defined as net foreign investment); and

"(F) the estimated direction and extent of the influence of the Government's borrowing in private credit markets on United States dollar interest rates and on the real effective exchange rate of the United States dollar.".

SEC. 5302. ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.

Subsection (e) of section 301 of the Congressional Budget Act of 1974 (2 U.S.C. 632(e)) is amended by striking out "and" at the end of paragraph (8), by striking out the period and by inserting "; and" at the end of paragraph (9), and by inserting at the end thereof the following new paragraph:

"(10) an analysis, prepared after consultation with the Director of the Congressional Budget Office, of the concurrent resolution's impact on the international competitiveness of United States business and the United States balance of payments position and shall include the following projections, based upon the best information available at the time, for the fiscal year covered by the concurrent resolution—

"(A) the amount of borrowing by the Government in private credit markets;

"(B) net domestic savings (defined as personal savings, corporate savings, and the fiscal surplus of State and local governments);

"(C) net private domestic investment;

"(D) the merchandise trade and current accounts;

"(E) the net increase or decrease in foreign indebtedness (defined as net foreign investment); and

"(F) the estimated direction and extent of the influence of the Government's borrowing in private credit markets on United States dollar interest rates and on the real effective exchange rate of the United States dollar.".

SEC. 5303. EFFECTIVE DATE.

The amendment made by section 5301 shall be effective for fiscal years 1989, 1990, 1991, and 1992, and shall be fully reflected in the budgets submitted by the President as required by section 1105(a) of title 31, United States Code, for each such fiscal year, and the amendment made by section 5302 shall be effective for fiscal years 1989, 1990, 1991, and 1992.

Subtitle E—Trade Data and Studies

PART I—NATIONAL TRADE DATA BANK

SEC. 5401. DEFINITIONS.

For purposes of this subtitle—

(1) the term "Committee" means the Interagency Trade Data Advisory Committee;

(2) the term "Data Bank" means the National Trade Data Bank;

(3) the term "Executive agency" has the same meaning as in section 105 of title 5, United States Code;

(4) the term "export promotion data system" means the data system known as the Commercial Information Management System which is maintained and operated by the United States and Foreign Commercial Service and is established as part of the Data Bank under section 3816;

(5) the term "international economic data system" means the data system established as part of the Data Bank under section 5406 which contains data useful to policymakers and analysis concerned with international economics; and

(6) the term "Secretary" means the Secretary of Commerce.

SEC. 5402. INTERAGENCY TRADE DATA ADVISORY COMMITTEE.

(a) Establishment.—There is established the Interagency Trade Data Advisory Committee.

(b) Membership.—The Committee shall consist of—

(1) the United States Trade Representative;

(2) the Secretary of Agriculture;

(3) the Secretary of Defense;

(4) the Secretary of Commerce;

(5) the Secretary of Labor;

(6) the Secretary of the Treasury;

(7) the Secretary of State;

(8) the Director of the Office of Management and Budget;

(9) the Director of Central Intelligence;

(10) the Chairman of the Federal Reserve Board;

(11) the Chairman of the International Trade Commission;

(12) the President of the Export-Import Bank;

(13) the President of the Overseas Private Investment Corporation; and

(14) such other members as may be appointed by the President from full-time officers or employees of the Federal Government.

(c) Chairman.—The Secretary of Commerce shall be Chairman of the Committee.

(d) Designees.—Any member of the Committee may appoint a designee to serve in place of such member on the Committee.

SEC. 5403. FUNCTIONS OF THE COMMITTEE.

The Committee shall advise the Secretary of Commerce, as appropriate, on the establishment, structure, contents, and operation of a National Trade Data Bank in accordance with section 5406 in order to assure the timely collection of accurate data and to provide the private sector and government officials efficient access to economic and trade data collected by the Federal Government for purposes of policymaking and export promotion.

SEC. 5404. CONSULTATION WITH THE PRIVATE SECTOR AND GOVERNMENT OFFICIALS.

The Secretary shall regularly consult with representatives of the private sector and officials of State and local governments to assess the adequacy of United States trade information. The Secretary shall seek recommendations on how trade information can be made more accessible, understandable, and relevant. The Secretary shall seek recommendations as to what data should be included in the export promotion data system in the Data Bank.

SEC. 5405. COOPERATION AMONG EXECUTIVE AGENCIES.

Each executive agency shall furnish to the Secretary such information for inclusion in the National Trade Data Bank as the Secretary, in consultation with the Advisory Committee, considers necessary to the operation of the Data Bank.

SEC. 5406. ESTABLISHMENT OF THE DATA BANK.

(a) Establishment.—Within 2 years after the date of the enactment of this Act, the Secretary of Commerce shall establish the Data Bank. The Secretary shall manage the Data Bank. The Data Bank shall consist of two data systems, to be designated the International Economic Data System, as described in subsection (b) and the Export Promotion Data System, as described in subsection (c).

(b) International Economic Data System.—The International Economic Data System shall include current and historical information determined by the Secretary to be useful (after the consultation required by section 5404) to policymakers and analysts concerned with international economics and trade and which shall include data compiled or obtained by appropriate executive agencies. Such information shall not identify parties to transactions. Such information may include data for the United States and countries with which the United States has important economic relations including—

(1) data on imports and exports, including—

(A) aggregate import and export data for the United States and for each foreign country;

(B) industry-specific import and export data for each foreign country;

(C) product and service specific import and export data for the United States;

(D) market penetration information; and

(E) foreign destinations for exports of the United States;

(2) data on international service transactions;

(3) information on international capital markets, including—

(A) interest rates; and

(B) average exchange rates;

(4) information on foreign direct investment in the United States economy;

(5) international labor market information, including—

(A) wage rates for major industries;

(B) international unemployment rates; and

(C) trends in international labor productivity;

(6) information on foreign government policies affecting trade, including—

(A) trade barriers; and

(B) export financing policies;

(7) import and export data for the United States on a State-by-State basis aggregated at the product level including—

(A) data concerning the country shipping the import, the State of first destination, and the original port of entry for imports of goods and, to the extent possible, services; and

(B) data concerning the State of the exporter, the port of departure, and the country of first destination for export of goods and, to the extent possible, services; and

(8) any other economic and trade data collected by the Federal Government that the Secretary determines to be useful in carrying out the purposes of this subtitle.

(c) Export Promotion Data System.—The export promotion data system shall include data and information collected by the Federal Government on the industrial sectors and markets of foreign countries which are determined by the Secretary (after consultation required by section 5404) to be of the greatest interest to United States business firms that are engaged in export-related activities and to Federal and State agencies that promote exports, while providing for the confidentiality of proprietary business information, and shall be designed to use the most effective means of disseminating data and information electronically through the Department, or Department-designated offices, or through other available data bases in an accurate and timely manner. Such data system shall monitor, organize, and disseminate selected information on—

(1) specific business opportunities in foreign countries;

(2) specific industrial sectors within foreign countries with high export potential such as—

(A) size of the market;

(B) distribution of products;

(C) competition;

(D) significant applicable laws, regulations, specifications, and standards;

(E) appropriate government officials; and

(F) trade associations and other contact points; and

(3) foreign countries generally, such as—

(A) the general economic conditions;

(B) common business practices;

(C) significant tariff and trade barriers; and

(D) other significant laws and regulations regarding imports, licensing, and the protection of intellectual property;

(4) export financing information, including the availability, through public sources of funds for United States exporters and foreign competitors;

(5) transactions involving barter and countertrade; and

(6) any other similar information, that the Secretary determines to be useful in carrying out the purposes of this subtitle.

SEC. 5407. OPERATION OF THE DATA BANK.

The Secretary shall manage the Data Bank to provide the most appropriate data retrieval system or systems possible. Such system or systems shall—

(1) be designed to utilize data processing and retrieval technology in monitoring, organizing, analyzing, and disseminating the data and information contained in the Data Bank;

(2) use the most effective and meaningful means of organizing and making such information available to—

(A) United States Government policymakers;

(B) United States business firms;

(C) United States workers;

(D) United States industry associations;

(E) United States agricultural interests;

(F) State and local economic development agencies; and

(G) other interested United States persons who could benefit from such information;

(3) be of such quality and timeliness and in such form as to assist coordinated trade strategies for the United States; and

(4) facilitate dissemination of information through nonprofit organizations with significant outreach programs which complement the regional outreach programs of the United States and Foreign Commercial Service.

SEC. 5408. INFORMATION ON THE SERVICE SECTOR.

(a) SERVICE SECTOR INFORMATION.—The Secretary shall ensure that, to the extent possible, there is included in the Data Bank information on service sector economic activity that is as complete and timely as information on economic activity in the merchandise sector.

(b) SURVEY.—The Secretary shall undertake a new benchmark survey of service transactions, including transactions with respect to—

(1) banking services;

(2) information services, including computer software services;

(3) brokerage services;

(4) transportation services;

(5) travel services;

(6) engineering services;

(7) construction services; and

(8) health services.

(c) GENERAL INFORMATION AND INDEX OF LEADING INDICATORS.—The Secretary shall provide—

(1) not less than once a year, comprehensive information on the service sector of the economy; and

(2) an index of leading indicators which includes the measurement of service sector activity in direct proportion to the contribution of the service sector to the gross national product of the United States.

SEC. 5409. EXCLUSION OF INFORMATION.

The Data Bank shall not include any information—

(1) the disclosure of which to the public is prohibited under any other provision of law or otherwise authorized to be withheld under other provision of law; or

(2) that is specifically authorized under criteria established by statute or an Executive order not to be disclosed in the interest of national defense or foreign policy and are in fact properly classified pursuant to such Executive order.

SEC. 5410. NONDUPLICATION.

The Secretary shall ensure that information systems created or developed pursuant to this subtitle do not unnecessarily duplicate information systems available from other Federal agencies or from the private sector.

SEC. 5411. COLLECTION OF DATA.

Except as provided in section 5408, nothing in this subtitle shall be considered to grant independent authority to the Federal Government to collect any data or information from individuals or entities outside of the Federal Government.

SEC. 5412. FEES AND ACCESS.

The Secretary shall provide reasonable public services and access (including electronic access) to any information maintained as part of the Data Bank and may charge reasonable fees consistent with section 552 of title 5, United States Code.

SEC. 5413. REPORT TO CONGRESS.

(a) INTERIM REPORT.—Not more than 1 year after the date of enactment of this Act, the Secretary after consultation with the Advisory Committee shall submit a report to the Governmental Affairs Committee and the Banking, Housing, and Urban Affairs Committee of the Senate, other appropriate committees of the Senate, and the House of Representatives describing actions taken pursuant to this subtitle, particularly—

(1) actions taken to provide the information on services described in section 5408; and

(2) actions taken to provide State-by-State information as described in section 5406(b)(7).

(b) FINAL REPORT.—Not more than 3 years after the date of enactment of this Act, the Secretary after consultation with the Advisory Committee shall submit a report to the Governmental Affairs Committee and the Banking, Housing, and Urban Affairs Committee of the Senate, other appropriate committees of the Senate, and the House of Representatives—

(1) assessing the current quality and comprehensiveness of, and the ability of the public and of private entities to obtain access to trade data;

(2) describing all other actions taken and planned to be taken pursuant to this subtitle;

(3) including comments by the private sector and by State agencies that promote exports on the implementation of the Data Bank;

(4) describing the extent to which the systems within the Data Bank are being used and any recommendations with regard to the operation of the system; and

(5) describing the extent to which United States citizens and firms have access to the data banks of foreign countries that is similar to the access provided to foreign citizens and firms.

PART II—STUDIES

SEC. 5421. COMPETITIVENESS IMPACT STATEMENTS.

(a) The President or the head of the appropriate department or agency of the Federal Government shall include in every recommendation or report made to the Congress on legislation which may affect the ability of United States firms to compete in domestic and international commerce a statement of the impact of such legislation on—

(1) the international trade and public interest of the United States, and

(2) the ability of United States firms engaged in the manufacture, sale, distribution, or provision of goods or services to compete in foreign or domestic markets.

(b) This section provides no private right of action as to the need for or adequacy of the statement required by subsection (a).

(c) This section shall cease to be effective six years from the date of enactment.

SEC. 5422. STUDY AND REPORT BY THE ADVISORY COUNCIL ON FEDERAL PARTICIPATION IN SEMATECH.

(a) STUDY AND REPORT.—Not later than February 1, 1989, and annually thereafter for each fiscal year in which appropriated funds are expended for Sematech the Advisory Council on Federal Participation in Sematech established under section 273(a) of the National Defense Authorization Act for fiscal years 1988 and 1989 (15 U.S.C. 4603(a); Public Law 100-180) shall conduct a study and submit a report to the Governmental Affairs Committee and the Armed Services Committee of the Senate and to appropriate committees of the House of Representatives concerning Federal participation in Sematech. The study and report shall be conducted under the direction of the Under Secretary of Commerce for Economic Affairs.

(b) COUNCIL RECOMMENDATIONS AND REPORT.—The Council shall include in the report submitted under subsection (a) the following:

(1) identification of potential sources of Federal funding from department and agency budgets for Sematech and recommendations concerning methods and terms of Federal financial participation in Sematech, including grants, loans, loan guarantees, and contributions in kind. The feasibility of methods of Federal recoupment shall also be considered;

(2) definition and assessment of continued Federal participation in Sematech including, but not limited to, issues of technology research and development, civilian and defense industrial base objectives and initia-

tives, and commercialization. The report shall include a summary of the most recent plans, milestones, and cost estimates for Sematech, including any changes and alterations, and shall comment on Sematech's accomplishments and shortfalls in the preceding fiscal year;

(3) coordination of inter-agency participation, including all matters pertaining to Federal funding and decisionmaking, and other issues regarding Federal participation in Sematech; and

(4) any other issues and questions the Council deems appropriate shall be considered.

SEC. 5423. IMPACT OF NATIONAL DEFENSE EXPENDITURES ON INTERNATIONAL COMPETITIVENESS.

(a) Findings.—The Congress finds that the ability of United States industries to compete in world markets may be adversely affected by the following factors:

(1) The allocation of intellectual resources between the private and public sectors.

(2) The distribution of innovative research and development between commercial and noncommercial applications.

(3) The number of scientific advances which are ultimately commercialized.

(4) The cost of capital which is affected by many factors including the budget deficit and defense spending.

(b) Sense of Congress.—It is the sense of Congress that the President should evaluate the impact on United States competitiveness of—

(1) the defense spending by foreign countries, particularly Japan's expenditure of 1 percent of its gross national product for defense compared to the expenditure of the United States of 6 percent of its gross national product, and

(2) the other factors listed in subsection (a).

TITLE VI—EDUCATION AND TRAINING FOR AMERICAN COMPETITIVENESS

SEC. 6001. SHORT TITLE.

This title may be cited as the "Education and Training for a Competitive America Act of 1988".

SEC. 6002. FINDINGS AND PURPOSE.

(a) Findings.—The Congress finds that—

(1) the relationship between a strong and vibrant educational system and a healthy national economy is inseparable in an era in which economic growth is dependent on technology and is imperiled by increased foreign competition;

(2) our Nation's once undisputed pre-eminence in international commerce is facing unprecedented challenges from competitor nations who have given priority to the relationship between education and economic growth in areas such as high technology industries;

(3) our standing in the international marketplace is being further eroded by the presence in the workforce of millions of Americans who are functionally or technologically illiterate or who lack the mathematics, science, foreign language, or vocational skills needed to adapt to the structural changes occurring in the global economy;

(4) our competitive position is also being eroded by declines in the number of students taking advanced courses in mathematics, science, and foreign languages and by the lack of modern technical and laboratory equipment in our educational institutions;

(5) restoring our competitiveness and enhancing our productivity will require that all workers possess basic educational skills and that many others possess highly specific skills in mathematics, science, foreign languages, and vocational areas; and

(6) our Nation must recognize the substantial impact that an investment in human capital will have on increasing productivity.

(b) Purpose.—It is therefore the purpose of this title to establish programs designed—

(1) to enhance ongoing efforts in elementary and secondary education;

(2) to improve our productivity and competitive position by investing in human capital;

(3) to assist out-of-school youth and adults who are functionally illiterate in obtaining the basic skills needed for them to become productive workers in a competitive economy;

(4) to help educational institutions prepare those engaged in work relating to mathematics, science, and foreign languages by improving and expanding instruction in those areas and by modernizing laboratory and technical equipment;

(5) to enhance the skills of workers affected, or about to be affected, by economic change, in order to prevent dislocation within existing industries and to strengthen emerging domestic industries; and

(6) to accomplish such purposes without impairing the availability of funds to carry out existing programs that address the needs of dislocated workers, such as previously authorized education programs.

SEC. 6003. DEFINITIONS.

As used in this title—

(1) The term "foreign language instruction" means instruction in critical foreign languages as defined by the Secretary.

(2) The term "institution of higher education" has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965.

(3) The terms "local educational agency" and "State educational agency" have the same meaning given such terms under section 198 of the Elementary and Secondary Education Act of 1965.

(4) The term "Secretary" means the Secretary of Education.

(5) The term "State" means any of the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

SEC. 6004. GENERAL PROVISIONS.

(a) Grant Requirements.—The Secretary shall ensure, with respect to grants provided under subtitles A and B, that—

(1) services assisted by funds received under such grants shall be made available to historically underrepresented and underserved populations of students, including females, minorities, handicapped individuals, individuals with limited English proficiency, and migrant students;

(2) the terms "training" and "instruction" are interpreted to include training and instruction through telecommunications technologies, including the full range of current and new technologies that can be used for educational purposes, such as television broadcasts, closed circuit television systems, cable television, satellite transmissions, computers, VHS, laser discs, and audio by discs, tapes, or broadcast, and such other video and telecommunications technologies that alone or in combination can assist in teaching and learning; and

(3) where appropriate, programs funded under subtitles A and B shall be coordinated with other federally funded education and training programs.

(b) Additional Eligible Institutions.—For purposes of any program authorized by subtitle A or B, institutions eligible to participate shall include any accredited proprietary institution providing a program of less than six months duration that is otherwise eligible to participate in any program under subtitle A or B.

(c) Budget Limitation.—The Secretary may not make grants or enter into contracts under subtitle A, B, or C except to such extent, or in such amounts, as may be provided in appropriation Acts.

Subtitle A—Elementary and Secondary Education

CHAPTER 1—MATHEMATICS AND SCIENCE

SEC. 6005. MATHEMATICS AND SCIENCE EDUCATION REAUTHORIZED.

Section 203(b) of the Education for Economic Security Act is amended to read as follows:

"(b) There are authorized to be appropriated $175,000,000 for the fiscal year 1988 to carry out the provisions of this title.".

CHAPTER 2—ADULT LITERACY

SEC. 6011. WORKPLACE LITERACY PARTNERSHIPS GRANTS.

(a) Establishment of Grant Program.—The Adult Education Act is amended by inserting after section 315 the following new section:

"BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR WORKPLACE LITERACY

"Sec. 316. (a) Grants for Exemplary Demonstration Partnerships for Workplace Literacy.—(1) Subject to subsection (b), the Secretary may make demonstration grants to exemplary education partnerships for workplace literacy to pay the Federal share of the cost of adult education programs which teach literacy skills needed in the workplace through partnerships between—

"(A) business, industry, or labor organizations, or private industry councils; and

"(B) State educational agencies, local educational agencies, institutions of higher education, or schools (including employment and training agencies or community-based organizations).

"(2) Grants under paragraph (1) may be used—

"(A) to fund 70 percent of the cost of programs which meet the requirements of paragraph (3); and

"(B) for administrative costs incurred by State educational agencies and local educational agencies in establishing programs funded under subparagraph (A).

"(3) Programs funded under paragraph (2)(A) shall be designed to improve the productivity of the work force through improvement of literacy skills needed in the workplace by—

"(A) providing adult literacy and other basic skills services and activities;

"(B) providing adult secondary education services and activities which may lead to the completion of a high school diploma or its equivalent;

"(C) meeting the literacy needs of adults with limited English proficiency;

"(D) upgrading or updating basic skills of adult workers in accordance with changes in workplace requirements, technology, products, or processes;

"(E) improving the competency of adult workers in speaking, listening, reasoning, and problem solving; or

"(F) providing education counseling, transportation, and nonworking hours child care services to adult workers while they participate in a program funded under paragraph (2)(A).

"(4) An application to receive funding for a program out of a grant made to a partnership under this subsection shall—

"(A) be submitted jointly by—

"(i) a business, industry, or labor organization, or private industry council; and

"(ii) a State educational agency, local educational agency, institution of higher education, or school (including an area vocational school, an employment and training agency, or community-based organization);

"(B) set forth the respective roles of each member of the partnership;

"(C) contain such additional information as the Secretary may require, including evidence of the applicant's experience in providing literacy services to working adults;

"(D) describe the plan for carrying out the requirements of paragraph (3); and

"(E) provide assurances that the applicant will use the funds to supplement and not supplant funds otherwise available for the purpose of this section.

"(b) Grants to States.—(1) Whenever in any fiscal year, appropriations under subsection (c) are equal to or exceed $50,000,000, the Secretary shall make grants to States which have State plans approved by the Secretary under section 306 to pay the Federal share of the cost of adult education programs which teach literacy skills needed in the workplace through partnerships between—

"(A) business, industry, or labor organizations, or private industry councils; and

"(B) State educational agencies, local educational agencies, institutions of higher education, or schools (including employment and training agencies or community-based organizations).

"(2) Grants under paragraph (1) may be used—

"(A) to fund 70 percent of the cost of programs which meet the requirements of paragraph (4);

"(B) for administrative costs incurred by State educational agencies and local educational agencies in establishing programs funded under subparagraph (A); and

"(C) for costs incurred by State educational agencies in obtaining evaluations described in paragraph (3)(A)(iii).

"(3) A State shall be eligible to receive its allotment under subsection (e) if it—

"(A) includes in a State plan submitted to the Secretary under section 306 a description of—

"(i) the requirements for State approval of funding of a program;

"(ii) the procedures under which applications for such funding may be submitted; and

"(iii) the method by which the State shall obtain annual third-party evaluation of student achievement in, and overall effectiveness of services provided by, all programs which receive funding out of a grant made to the State under this section; and

"(B) satisfies the requirements of section 306(a).

"(4) The program requirements set forth in subsection (a)(3), shall apply to the program authorized by this subsection.

"(5) An application to receive funding for a program from a grant made to a State under paragraph (1) shall contain the same information required in subparagraphs (A) through (E) of subsection (a)(4).

"(6) If a State is not eligible for a grant under paragraph (1) of this subsection, the Secretary shall use the State's allotment under paragraph (7) to make direct grants to applicants in that State who are qualified to teach literacy skills needed in the workplace.

"(7)(A) The Federal share of expenditures for programs in a State funded under this subsection shall be paid from a State's allotment under this paragraph.

"(B) From the sum appropriated for each fiscal year under subsection (c) for any fiscal year in which appropriations equal or exceed $50,000,000, the Secretary shall allot—

"(i) $25,000 to each of American Samoa, Guam, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands; and

"(ii) to each remaining State an amount which bears the same ratio to the remainder of such sum as—

"(I) the number of adults in the State who do not have a certificate of graduation from a school providing secondary education (or its equivalent) and who are not currently required to be enrolled in schools in the State, bears to

"(II) the number of such adults in all States;

except that no State shall receive less than $125,000 in any fiscal year.

"(C) At the end of each fiscal year, the portion of any State's allotment for that fiscal year which—

"(i) exceeds 10 percent of the total allotment for the State under paragraph (2) for the fiscal year; and

"(ii) remains unobligated;

shall be reallocated among the other States in the same proportion as each State's allocation for such fiscal year under paragraph (2).

"(c) Authorization of Appropriations.—(1) There are authorized to be appropriated $30,000,000 for the fiscal year 1988, $31,500,000 for the fiscal year 1989, and such sums as may be necessary for the fiscal year 1990 and each succeeding fiscal year ending prior to October 1, 1993, to carry out the provisions of this section.

"(2) Amounts appropriated under this subsection shall remain available until expended.".

(b) Definitions.—Section 303 of the Adult Education Act is amended by adding at the end the following new subsections:

"(k) The term 'community-based organization' has the meaning given such term in section 4(5) of the Job Training Partnership Act (21 U.S.C. 1501 et seq.).

"(l) The term 'private industry council' means the private industry council established under section 102 of the Job Training Partnership Act (21 U.S.C. 1501 et seq.).".

SEC. 6012. ENGLISH LITERACY GRANTS.

(a) Establishment of Grant Program.—The Adult Education Act is amended by inserting after section 316 (as added by section 6011) the following new section:

"ENGLISH LITERACY PROGRAM GRANTS

"Sec. 317. (a) Grants to States.—(1) The Secretary may make grants to States which have State plans approved by the Secretary under section 306 for the establishment, operation, and improvement of English literacy programs for individuals of limited English proficiency. Such grants may provide for support services for program participants, including child care and transportation costs.

"(2) A State shall be eligible to receive a grant under paragraph (1) if the State includes in a State plan submitted to the Secretary under section 306 a description of—

"(A) the number of individuals of limited English proficiency in the State who need or could benefit from programs assisted under this chapter;

"(B) the activities which would be undertaken under the grant and the manner in which such activities will promote English literacy and enable individuals in the State to participate fully in national life;

"(C) how the activities described in subparagraph (B) will serve individuals of limited English proficiency, including the qualifications and training of personnel who will participate in the proposed activities;

"(D) the resources necessary to develop and operate the proposed activities and the resources to be provided by the State; and

"(E) the specific goals of the proposed activities and how achievement of these goals will be measured.

"(3) The Secretary may terminate a grant only if the Secretary determines that—

"(A) the State has not made substantial progress in achieving the specific educational goals set out in the application; or

"(B) there is no longer a need in the State for the activities funded by the grant.

"(b) Set-Aside for Community-Based Organizations.—A State that is awarded a grant under subsection (a) shall use not less than 50 percent of funds awarded under the grant to fund programs operated by community-based organizations with the demonstrated capability to administer English proficiency programs.

"(c) Report.—A State that is awarded a grant under subsection (a) shall submit to the Secretary a report describing the activities funded under the grant for each fiscal year covered by the grant.

"(d) Demonstration Program.—The Secretary, subject to the availability of funds appropriated pursuant to this section, shall directly, and through grants and contracts with public and private nonprofit agencies, institutions, and organizations, carry out a program—

"(1) through the Adult Education Division to develop innovative approaches and methods of literacy education for individuals of limited English proficiency utilizing new instructional methods and technologies; and

"(2) to designate the Center for Applicable Linguistics of the Office of Educational Research and Improvement as a national clearinghouse on literacy education for individuals of limited English proficiency to collect and disseminate information concerning effective approaches or methods, including coordination with manpower training and other education programs.

"(e) Evaluation and Audit.—The Secretary shall evaluate the effectiveness of programs conducted under this section. Programs funded under this section shall be audited in accordance with chapter 75 of title 31, United States Code.

"(f) Authorization of Appropriations.—(1) There are authorized to be appropriated $25,000,000 for the fiscal year 1988 to carry out this section.

"(2) Funds appropriated pursuant to this section shall remain available until expended.

"(3) Funds appropriated under this subsection may be combined with other funds made available for the State by the Federal Government for literacy training for individuals with limited English proficiency.

"(4) Not more than 10 percent of funds available under this section shall be used to carry out the purposes of subsection (d).".

(b) Definitions.—Section 303 of the Adult Education Act (20 U.S.C. 1201 et seq.) (as amended by section 6011) is amended by adding at the end the following new subsections:

"(m) The term 'individual of limited English proficiency' means an adult or out-of-school youth who has limited ability in speaking, reading, writing, or understanding the English language and—

"(1) whose native language is a language other than English; or

"(2) who lives in a family or community environment where a language other than English is the dominant language.

"(n) The term 'out-of-school youth' means an individual who is under 16 years of age and beyond the age of compulsory school attendance under State law who has not completed high school or the equivalent.

"(o) The term 'English literacy program' means a program of instruction designed to help limited English proficient adults, out-of-school youths, or both, achieve full competence in the English language.

"(p) The term 'community-based organization' means a private organization which is representative of a community or significant segments of a community and which provides education, vocational education, job training, or internship services and programs and includes neighborhood groups and organizations, community action agencies, community development corporations, union-related organizations, employer-related organizations, tribal governments, and organizations serving Native Alaskans and Indians.".

SEC. 6013. LITERACY COORDINATION.

(a) Federal Literacy Office.—The Adult Education Act is amended by inserting after section 317 (as added by section 6012) the following new section:

"COORDINATION OF LITERACY PROGRAMS

"Sec. 318. (a) Federal Literacy Coordination Office.—The Adult Education Division shall serve as the Federal literacy coordination office.

"(b) Duties.—The Secretary, through the Division, shall—

"(1) coordinate Federal literacy programs, including grant programs administered under this chapter and other grant programs funded under the Adult Education Act (20 U.S.C. 1201 et seq.); and

"(2) provide information and guidance to States with respect to the establishment of State and local volunteer programs relating to literacy.

"(c) State Literacy Coordination.—To the extent practicable, each State agency designated under section 306(b)(2) that receives funds under section 316 or section 317 shall—

(1) designate area offices for coordination of literacy programs, distributed throughout the State so that persons in all areas of the State have access to literacy programs;

"(2) train personnel who will operate the area offices;

"(3) determine curricula and materials for literacy programs;

"(4) oversee area offices;

"(5) provide assistance to area offices;

"(6) conduct programs to recruit volunteers and participants;

"(7) coordinate the programs described in paragraph (6) with existing literacy programs; and

"(8) allocate funds to area offices.".

SEC. 6014. APPLICABILITY PROVISION.

The amendments made by this chapter shall not take effect if the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 is enacted prior to the enactment of this Act.

CHAPTER 3—FOREIGN LANGUAGES

Subchapter A—Foreign Language Assistance

SEC. 6021. SHORT TITLE.

This subchapter may be cited as the "Foreign Language Assistance Act of 1988".

SEC. 6022. FINDINGS.

The Congress finds that the economic and security interests of this Nation require significant improvement in the quantity and quality of foreign language instruction offered in the Nation's elementary and secondary schools, and Federal funds should be made available to assist the purpose of this subchapter.

SEC. 6023. PROGRAM AUTHORIZED.

(a) General Authority.—The Secretary shall make grants to State educational agencies whose applications are approved under subsection (b) to pay the Federal share of the cost of model programs, designed and operated by local educational agencies, providing for the commencement or improvement and expansion of foreign language study for students.

(b) Application.—Any State educational agency desiring to receive a grant under this subchapter shall submit an application therefor to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No application may be approved by the Secretary unless the application—

(1) contains a description of model programs which—

(A) are designed by local educational agencies and are available without regard to whether students attend the schools operated by such agency and if the local educational agency determines to do so, are available to residents of the community,

(B) represents a variety of alternative and innovative approaches to foreign language instruction, and

(C) are selected on a competitive basis by the State educational agency;

(2) provides assurances that all children aged 5 through 17 who reside within the school district of the local educational agency shall be eligible to participate in any model program funded under this section (without regard to whether such children attend schools operated by such agency);

(3) provides assurances that the State will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources; and

(4) provides that the local educational agency will provide standard evaluations of the proficiency of participants at appropriate intervals in the program which are reliable and valid, and provide such evaluations to the State educational agency.

(c) Federal Share.—(1) The Federal share for each fiscal year shall be 50 percent.

(2) The Secretary may waive the requirement of paragraph (1) for any local educational agency which the Secretary determines does not have adequate resources to pay the non-Federal share of the cost of the project.

(d) Participation of Private Schools.—(1) To the extent consistent with the number of children in the State or in the school district of each local educational agency who are enrolled in private elementary and secondary schools, such State or agency shall, after consultation with appropriate private school representatives, make provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate and which meet the requirements of this section. Expenditures for educational services and arrangements pursuant to this subsection for children in private schools shall be equal (taking into account the number of children to be served and the needs of such children) to expenditures for children enrolled in the public schools of the State or local educational agency.

(2) If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation of children from private schools as required by paragraph (1), or if the Secretary determines that a State or local educational agency has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children which shall be subject to the requirements of this subsection. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with paragraphs (3) and (4) of section 557(b) of the Education Consolidation and Improvement Act of 1981.

SEC. 6024. ALLOTMENT.

(a) General Rule.—(1) From the sums appropriated to carry out this subchapter in any fiscal year, the Secretary shall reserve 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(2) From the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school age population of the State bears to the school age population of all States, except that no State shall receive less than an amount equal to one-half of 1 percent of such remainder.

(b) Availability of Funds.—The allotment of a State under subsection (a) shall be made available to the State for 2 additional years after the first fiscal year during which the State receives its allotment under this section if the Secretary determines that the funds made available to the State during the first such year were used in the manner required under the State's approved application.

SEC. 6025. DEFINITIONS.

(a) General Rule.—For the purpose of this subchapter, the term "foreign language instruction" means instruction in critical foreign languages as defined by the Secretary.

(b) Special Rule.—For the purpose of section 6024—

(1) the term "school age population" means the population aged 5 through 17; and

(2) the term "States" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 6026. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $20,000,000 for the fiscal year 1988 to carry out this subchapter.

Subchapter B—Presidential Award for Languages

SEC. 6027. PRESIDENTIAL AWARDS.

(a) General Authority.—The President is authorized to make Presidential Awards for Teaching Excellence in Foreign Languages to elementary and secondary school teachers of foreign languages who have demonstrated outstanding teaching qualifications in the field of teaching foreign languages.

(b) SELECTION PROCEDURES.—The President is authorized to make 104 awards under subsection (a) of this section. In selecting elementary and secondary school teachers for the award authorized by this section, the President shall select at least one elementary school teacher and one secondary school teacher from each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 6028. ADMINISTRATIVE PROVISIONS.

The President shall carry out the provisions of section 6027, including the establishment of the selection procedures, after consultation with the Secretary of Education, other appropriate officials of Federal agencies, and representatives of professional foreign language teacher associations.

SEC. 6029. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—There are authorized to be appropriated $1,000,000 for fiscal year 1988 to carry out the provisions of this subchapter.

(b) USE OF FUNDS.—Amounts appropriated pursuant to subsection (a) shall be available for making awards under section 6027, for administrative expenses, for necessary travel by teachers selected under section 6027, and for special activities related to carrying out the provisions of this subchapter.

CHAPTER 4—SCIENCE AND MATHEMATICS ELEMENTARY AND SECONDARY BUSINESS PARTNERSHIPS

SEC. 6031. PROGRAM AUTHORIZED.

(a) ESTABLISHMENT OF PROGRAM.—Title III of the Education for Economic Security Act (20 U.S.C. 3981 et seq.) is amended—

(1) by inserting after the title heading the following:

"PART A—HIGHER EDUCATION PARTNERSHIPS"; and

(2) by adding at the end the following new part:

"PART B—ELEMENTARY AND SECONDARY EDUCATION PARTNERSHIPS

"PURPOSE

"SEC. 321. It is the purpose of this part to supplement State and local resources to—

"(1) improve the quality of instruction in the fields of mathematics and science in elementary and secondary schools;

"(2) furnish additional resources and support for the acquisition of equipment, and instructional and reference materials and improvement of laboratory facilities in elementary and secondary schools; and

"(3) encourage partnerships in science and mathematics education between the business community, museums, libraries, professional mathematics and scientific associations, private nonprofit organizations, appropriate State agencies and elementary and secondary schools.

"PROGRAMS AUTHORIZED

"SEC. 322. (a) GRANTS.—The Secretary may make grants to States to pay the Federal share of the cost of the programs described in section 324.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out this chapter $20,000,000 for fiscal year 1988.

"AMENDMENT TO STATE APPLICATION

"SEC. 323. (a) APPLICATION.—A State shall be eligible to receive a grant under this part if—

"(1) the State submits to the Secretary as part of its application under section 209 such information and assurances as the Secretary may require at such time as the Secretary shall establish; and

"(2) the Secretary approves such application.

"(b) APPLICATION REQUIREMENTS.—The Secretary shall require each application to include—

"(1) a description of the State's procedures relating to the use of funds from grants received under this part, including the approval process for local applications;

"(2) an assurance that not more than 1 percent of the amount received shall be used for administrative expenses; and

"(3) an assurance that the State will, to the extent possible, assist local school districts in economically depressed areas to obtain matching funds from business concerns.

"ELIGIBLE PROGRAMS

"SEC. 324. (a) IN GENERAL.—A State may use funds from grants received in any fiscal year under this part for elementary and secondary programs described in this section. The State educational agency shall administer such funds, which shall be awarded to such programs on a competitive basis.

"(b) USE OF FUNDS.—Funds from grants received under this part may be used for the following:

"(1) IMPROVEMENT OF ELEMENTARY AND SECONDARY RESOURCES.—Such funds may be used for acquisition of equipment, instructional and reference materials, and partnership in education programs designed to—

"(A) improve instruction in mathematics and science education at the elementary and secondary level;

"(B) improve laboratory facilities, classroom and library resources in elementary and secondary mathematics and science education; and

"(C) attract matching dollars and in kind contributions of equipment, learning resources or shared time from business concerns, libraries, museums, nonprofit private organizations, professional mathematics and scientific associations, and appropriate State agencies.

"(2) ADVANCED PLACEMENT PROGRAMS.—(A) Such funds may be used for advanced placement programs operated by local educational agencies that are designed to allow qualified secondary students to attend college preparatory schools, colleges, or universities on a part-time or full-time basis with respect to science and mathematics instruction.

"(B) A local educational agency that receives funds from a grant under this part for an advanced placement program described in subparagraph (A) shall allocate to such program a percentage of funds received from the State on a per student basis according to—

"(i) the number of students participating in the program; and

"(ii) the instruction time such students receive under the program.

"LOCAL APPLICATIONS

"SEC. 325. (a) ELIGIBILITY.—An applicant that desires to receive a grant under this part shall submit an application to the State educational agency, at such time, and in such manner, as the State may require. Such application may take the form of an amendment to an assessment submitted by the local educational agency under section 210, if appropriate.

"(b) REQUIREMENTS FOR APPLICATION.—The State shall require each application to include—

"(1) a description of the activities for which assistance under this part is sought;

"(2) assurances that not more than 5 percent of the amount received by the applicant in any fiscal year shall be expended on administrative expenses;

"(3) if the funds are to be used for improvement of elementary and secondary resources as described in subsection (b)(1)—

"(A) an estimate of the amount to be spent on equipment, facilities improvement, library resources, and classroom instructional material;

"(B) an estimate of the number of elementary and secondary students who will be aided by activities and expenditures under the grant;

"(C) assurances that—

"(i) except as provided in subsection (c), a minimum of 25 percent of the funds for each project will be supplied by business concerns within the community;

"(ii) no stipend shall be paid directly to employees of a profitmaking business concern;

"(iii) provision shall be made for the equitable participation in the project of children who are enrolled in private elementary and secondary schools; and

"(iv) consideration will be given to programs and activities designed to meet the needs of educationally disadvantaged and other traditionally underserved populations; and

"(4) if the funds are to be used for advanced placement programs as described in subsection (b)(2), a commitment as to the percentage of funds received from the State on a per student basis that shall be used by the local educational agency to defray costs of the advanced placement program.

"(c) WAIVER.—The State may waive or reduce the amount of matching funds required under subsection (b)(3)(C)(i) if the State determines that—

"(1) substantial need exists in the area served by the applicant for a grant under this part; and

"(2) the required amount of matching funds cannot be made available.

"(d) JOINT APPLICATIONS.—A regional consortium of applicants in 2 or more local school districts may file a joint application under subsection (a).

"SUBMISSION OF APPLICATIONS

"SEC. 326. An applicant within a State that desires to receive a grant under this chapter shall submit an application prepared in accordance with section 325 to the State educational agency for approval. Each application with respect to funds for improvement of elementary and secondary resources under section 324(b)(1) shall be submitted jointly by the local educational agency and each business concern or other party that is to participate in the activities for which assistance is sought.

"APPROVAL OF APPLICATIONS

"SEC. 327. (a) CRITERIA.—The State shall establish criteria for approval of applications under this section. Such criteria shall include—

"(1) consideration of the local district's need for, and inability to locally provide for, the activities, equipment, library and instructional materials requested;

"(2) the number and nature of elementary and secondary students who will benefit from the planned program; and

"(3) the expressed level of financial and in-kind commitment from other parties to the program.

"(b) APPROVAL PROCEDURES.—The State shall adopt approval procedures designed to ensure that grants are equitably distributed among—

"(1) rural, urban, and suburban areas; and

"(2) small, medium, and large local educational agencies.

"COMPUTATION OF GRANT AMOUNTS

"SEC. 328. (a) PAYMENTS TO GRANTEES.—

"(1) PAYMENT BY STATE.—The State shall pay to the extent of amounts received by it from the Secretary under this part, to each applicant having an application approved under section 327, the Federal share of the cost of the program described in the application.

"(2) AMOUNT.—(A) Except as provided in subparagraph (B), the Federal share for each fiscal year shall be 75 percent.

"(B) In the case of an applicant that receives a waiver under section 325(c), the Federal share for each fiscal year may be as much as 100 percent.

"(3) NON-FEDERAL SHARE.—The non-Federal share of payments under this part may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

"(b) PAYMENTS TO STATES.—Except as provided in subsection (c), each State shall receive under this part the greater of—

"(1) an amount equal to its share of funds appropriated under chapter 1 of the Education Consolidation and Improvement Act; or

"(2) $225,000.

"(c) REDUCTION FOR INSUFFICIENT FUNDING.—If sums appropriated to carry out this part are not sufficient to permit the Secretary to pay in full the grants which States may receive under subsection (b), the amount of such grants shall be ratably reduced.".

(b) CONFORMING AMENDMENTS.—

(1) TITLE HEADING.—The title heading of such title is amended to read as follows:

"TITLE III—PARTNERSHIPS IN EDUCATION FOR MATHEMATICS, SCIENCE, AND ENGINEERING".

(2) REFERENCES.—Part A of such title (as redesignated by subsection (a)) is amended by striking out "title" each place such term appears and inserting in lieu thereof "part".

CHAPTER 5—EDUCATIONAL PARTNERSHIPS

SEC. 6041. SHORT TITLE.

This chapter may be cited as the "Educational Partnerships Act of 1988".

SEC. 6042. PURPOSE.

It is the purpose of this chapter to encourage the creation of alliances between public elementary and secondary schools or institutions of higher education and the private sector in order to—

(1) apply the resources of the private and nonprofit sectors of the community to the needs of the elementary and secondary schools or institutions of higher education, as the case may be, in that community designed to encourage excellence in education;

(2) encourage business to work with educationally disadvantaged students and with gifted students;

(3) apply the resources of communities for the improvement of elementary and secondary education or higher education, as the case may be; and

(4) enrich the career awareness of secondary or postsecondary school students to exposures to the private sector and their work.

SEC. 6043. PROGRAM AUTHORIZED.

(a) GRANTS TO ELIGIBLE PARTNERSHIPS.—The Secretary may make grants to eligible partnerships to pay the Federal share of the costs of the activities described in section 6144.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993 to carry out the provisions of this chapter.

SEC. 6044. AUTHORIZED ACTIVITIES.

An eligible partnership may use payments received under this chapter in any fiscal year for—

(1) model cooperative programs designed to apply the resources of the private and nonprofit sectors of the community to the elementary and secondary schools of the local educational agency or institutions of higher education in that community;

(2) projects designed to encourage business concerns and other participants in the eligible partnership, to work with educationally disadvantaged students and with gifted students in the elementary and secondary schools of local educational agencies or institutions of higher education;

(3) projects designed to apply the resources of the community to the elementary and secondary schools of the local educational agency or institutions of higher education in that community to improve the education of students in such schools;

(4) projects which are designed to address the special educational needs of gifted and talented children in the elementary and secondary schools of such agencies which are conducted with the support of the private sector;

(5) projects designed to enrich the career awareness of secondary or postsecondary school students through exposure to officers and employees of business concerns and other agencies and organizations participating in the eligible partnership for education;

(6) projects for statewide activities designed to carry out the purpose of this chapter, including the development of model State statutes for the support of cooperative arrangements between the private sector and the elementary and secondary schools or institutions of higher education within the State;

(7) special training projects for staff designed to develop skills necessary to facilitate cooperative arrangements between the private and nonprofit sectors and the elementary and secondary schools of local educational agencies or institutions of higher education;

(8) academic internship programs, including where possible academic credit, involving activities designed to carry out the purpose of this chapter; and

(9) projects encouraging tutorial and volunteer work in the elementary and secondary schools of local education agencies or institutions of higher education by personnel assigned from business concerns and other participants in the eligible partnership.

SEC. 6045. APPLICATION.

(a) IN GENERAL.—An eligible partnership which desires to receive a grant under this chapter shall submit an application to the Secretary, at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require. Each such application shall—

(1) describe the activities for which assistance under this chapter is sought;

(2) provide assurances that the eligible partnership will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources;

(3) provide assurances that the eligible partnership will take such steps as may be available to it to continue the activities for which the eligible partnership is making application after the period for which assistance is sought;

(4) provide assurances—

(A) that the educational partnership will disseminate information on the model program for which assistance is sought; and

(B) that not more than 1 percent of the grant in any fiscal year may be expended for the purpose described in subparagraph (A); and

(5) provide such additional assurances as the Secretary determines to be essential to ensure compliance with the requirements of this chapter.

(b) JOINT APPLICATION.—A consortium of eligible alliances may file a joint application under the provisions of subsection (a) of this section.

SEC. 6046. APPROVAL OF APPLICATION.

(a) IN GENERAL.—The Secretary shall approve applications in accordance with uniform criteria established by the Secretary.

(b) RESTRICTION.—The Secretary may not approve an application if the State educational agency for the State in which the institution is located, or, in the case of a consortium of institutions, in which any institution in the consortium is located, notifies the Secretary that the application is inconsistent with State plans for elementary and secondary education in the State.

SEC. 6047. COMPUTATION OF GRANT AMOUNTS.

(a) COMPUTATION.—

(1) IN GENERAL.—The Secretary shall pay to each eligible partnership having an application approved under section 6046 the Federal share of the cost of the activities described in the application.

(2) FEDERAL SHARE.—The Federal share shall be—

(A) 90 percent for the first year for which an eligible partnership receives assistance under this chapter;

(B) 75 percent for the second such year;

(C) 50 percent for the third such year; and

(D) 33⅓ percent for the fourth such year.

(3) NON-FEDERAL SHARE.—The non-Federal share of payments under this chapter may be in cash or in kind fairly evaluated, including planned equipment or services.

(b) RESTRICTION.—The total amount of funds paid under this chapter during any fiscal year to eligible partnerships in any single State may not be greater than the greater of—

(1) an amount equal to 15 percent of the funds appropriated under this chapter for that fiscal year; or

(2) $1,000,000.

SEC. 6048. EVALUATION AND DISSEMINATION.

(a) ANNUAL EVALUATION.—The Secretary shall conduct an annual evaluation of grants made under this chapter to determine—

(1) the type of activities assisted under this chapter;

(2) the impact upon the educational characteristics of the elementary and secondary schools and institutions of higher education from activities assisted under this chapter;

(3) the extent to which activities assisted under this chapter have improved or expanded the nature of support for elementary and secondary education in the community or in the State; and

(4) a list of specific activities assisted under this chapter which show promise as model programs to carry out the purpose of this chapter.

(b) DISSEMINATION OF INFORMATION.—The Secretary shall disseminate to State and local educational agencies and other participants in the eligible alliance program information relating to the activities assisted under this chapter.

SEC. 6049. DEFINITIONS.

As used in this chapter—

(1) The term "elementary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(2) The term "eligible partnership" means—

(A) a local educational agency or an institution of higher education, or both, and

(B) business concerns, community-based organizations, nonprofit private organizations, museums, libraries, educational television and radio stations, and if the State agrees to participate, appropriate State agencies.

(3) The term "institution of higher education" has the same meaning given that term by section 481(a)(1) of the Higher Education Act of 1965.

(4) The term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

CHAPTER 6—STAR SCHOOLS PROGRAM

SEC. 6051. PROGRAM AUTHORIZED.

The Education for Economic Security Act is amended by adding at the end thereof the following new title:

"TITLE IX—STAR SCHOOLS PROGRAM

"SHORT TITLE

"SEC. 901. This title may be cited as the 'Star Schools Program Assistance Act'.

"STATEMENT OF PURPOSE

"SEC. 902. It is the purpose of this title to encourage improved instruction in mathematics, science, and foreign languages as well as other subjects such as vocational education through a star schools program under which demonstration grants are made to eligible telecommunications partnerships to enable such eligible telecommunications partnerships to develop, construct, and acquire telecommunications audio and visual facilities and equipment, to develop and acquire instructional programming, and obtain technical assistance for the use of such facilities and instructional programming.

"PROGRAM AUTHORIZED

"SEC. 903. (a) GENERAL AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this title, to make grants to eligible telecommunications partnerships for the Federal share of the cost of the development, construction, and acquisition of telecommunications facilities and equipment, of the development and acquisition of instructional programming, and of technical assistance.

"(b) AUTHORIZATION OF APPROPRIATIONS.—(1) There is authorized to be appropriated $100,000,000 for the period beginning October 1, 1987, and ending September 30, 1992.

"(2) No appropriation in excess of $20,000,000 may be made in fiscal year 1988, and no appropriation in excess of $37,500,000 may be made in any of the fiscal years 1989 through 1992 pursuant to paragraph (1) of this subsection.

"(3) Funds appropriated pursuant to this subsection shall remain available until expended.

"(c) LIMITATIONS.—(1)(A) A demonstration grant made to an eligible telecommunications partnership under this title may not exceed $10,000,000.

"(B) An eligible telecommunications partnership may receive a grant for a second year under this title, but in no event may such a partnership receive more than $20,000,000.

"(2) Not less than 25 percent of the funds available in any fiscal year under this Act shall be used for the cost of instructional programming.

"(3) Not less than 50 percent of the funds available in any fiscal year under this Act shall be used for the cost of facilities, equipment, teacher training or retraining, technical assistance, or programming, for local educational agencies which are eligible to receive assistance under chapter 1 of title I of this Act.

"(d) FEDERAL SHARE.—(1) The Federal share for any fiscal year shall be 75 percent.

"(2) The Secretary may reduce or waive the requirements of the non-Federal share required under paragraph (1) of this subsection upon a showing of financial hardship.

"ELIGIBLE TELECOMMUNICATIONS PARTNERSHIPS

"SEC. 904. (a) GENERAL RULE.—In order to be eligible for demonstration grants under this title, an eligible telecommunications partnership shall consist of—

"(1) a public agency or corporation established for the purpose of developing and operating telecommunications networks to enhance educational opportunities provided by educational institutions, teacher training centers, and other entities, except that any such agency or corporation shall represent the interests of elementary and secondary schools which are eligible to participate in the program under chapter 1 of title I of this Act; or

"(2) a partnership which includes 3 or more of the following, and at least one of which shall be an agency described in subparagraph (A) or (B), and which will provide a telecommunications network:

"(A) a local educational agency, which has a significant number of elementary and secondary schools which are eligible for assistance under chapter 1 of title I of this Act or elementary and secondary schools operated for Indian children by the Department of the Interior eligible under section 1005(d) of this Act,

"(B) a State educational agency, or a State higher education agency,

"(C) an institution of higher education,

"(D) a teacher training center which—

"(i) provides teacher preservice and inservice training, and

"(ii) receives Federal financial assistance or has been approved by a State agency, or

"(E)(i) a public agency with experience or expertise in the planning or operation of a telecommunications network,

"(ii) a private organization with such experience, or

"(iii) a public broadcasting entity with such experience.

"(b) SPECIAL RULE.—An eligible telecommunications partnership must be organized on a statewide or multistate basis.

"APPLICATIONS

"SEC. 905. (a) APPLICATION REQUIRED.—Each eligible telecommunications partnership which desires to receive a demonstration grant under this title may submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS OF APPLICATION.—Each such application shall—

"(1) describe the telecommunications facilities and equipment and technical assistance for which assistance is sought which may include—

"(A) the design, development, construction, and acquisition of State or multistate educational telecommunications networks and technology resource centers;

"(B) microwave, fiber optics, cable, and satellite transmission equipment;

"(C) reception facilities;

"(D) satellite time;

"(E) production facilities;

"(F) other telecommunications equipment capable of serving a wide geographic area;

"(G) the provision of training services to elementary and secondary school teachers (particularly teachers in schools receiving assistance under chapter 1 of title I of this Act in using the facilities and equipment for which assistance is sought; and

"(H) the development of educational programming for use on a telecommunications network;

"(2) describe, in the case of an application for assistance for instructional programming, the types of programming which will be developed to enhance instruction and training;

"(3) demonstrate that the eligible telecommunications partnership has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the telecommunications partnership will increase the availability of courses of instruction in mathematics, science, and foreign languages, as well as the other subjects to be offered;

"(4) describe the teacher training policies to be implemented to ensure the effective use of the telecommunications facilities and equipment for which assistance is sought;

"(5) provide assurances that the financial interest of the United States in the telecommunications facilities and equipment will be protected for the useful life of such facilities and equipment;

"(6) provide assurances that a significant portion of the facilities, equipment, technical assistance, and programming for which assistance is sought will be made available to elementary and secondary schools of local educational agencies which have a high percentage of children counted for the purpose of chapter 1 of title I of this Act;

"(7) describe the manner in which traditionally underserved students will participate in the benefits of the telecommunications facilities, equipment, technical assistance, and programming assisted under this Act;

"(8) provide assurances that the applicant will use the funds to supplement and not supplant funds otherwise available for the purpose of this title; and

"(9) provide such additional assurances as the Secretary may reasonably require.

"(c) APPROVAL OF APPLICATION; PRIORITY.—The Secretary shall, in approving applications under this title, give priority to applications which demonstrate that—

"(1) a concentration and quality of mathematics, science, and foreign language resources which, by their distribution through the eligible telecommunications partnership, will offer significant new educational opportunities to network participants, particularly to traditionally underserved populations and areas with scarce resources and limited access to courses in mathematics, science, and foreign languages;

"(2) the eligible telecommunications partnership has secured the direct cooperation and involvement of public and private educational institutions, State and local government, and industry in planning the network;

"(3) the eligible telecommunications partnership will serve the broadest range of institutions, including public and private elementary and secondary schools (particularly schools having significant numbers of children counted for the purpose of chapter 1 of title I of this Act, programs providing instruction outside of the school setting, institutions of higher education, teacher training centers, research institutes, and private industry;

"(4) a significant number of educational institutions have agreed to participate or will participate in the use of the telecommunications system for which assistance is sought;

"(5) the eligible telecommunications partnership will have substantial academic and teaching capabilities including the capability of training, retraining, and inservice upgrading of teaching skills;

"(6) the eligible telecommunications partnership will serve a multistate area; and

"(7) the eligible telecommunications partnership will, in providing services with assistance sought under this Act, meet the needs of groups of individuals traditionally excluded from careers in mathematics and science because of discrimination, inaccessibility, or economically disadvantaged backgrounds.

"(d) GEOGRAPHIC DISTRIBUTION.—In approving applications under this title, the Secretary shall assure an equitable geographic distribution of grants.

"DISSEMINATION OF COURSES AND MATERIALS UNDER THE STAR SCHOOLS PROGRAM

"SEC. 906. (a) REPORT.—Each eligible telecommunications partnership awarded a grant under this Act shall report to the Secretary a listing and description of available courses of instruction and materials to be offered by educational institutions and teacher training centers which will be transmitted over satellite, specifying the satellite on which such transmission will occur and the time of such transmission.

"(b) DISSEMINATION OF COURSES OF INSTRUCTION.—The Secretary shall compile and prepare for dissemination a listing and description of available courses of instruction and materials to be offered by educational institutions and teacher training centers equipped with satellite transmission capabilities, as reported to the Secretary under subsection (a) of this section.

"(c) DISSEMINATION TO STATE EDUCATIONAL AGENCIES.—The Secretary shall distribute the list required by subsection (b) of this section to all State educational agencies.

"DEFINITIONS

"SEC. 907. As used in this title—

"(1) the term 'educational institution' means an institution of higher education, a local educational agency, and a State educational agency;

"(2) the term 'institution of higher education' has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

"(3) the term 'local educational agency' has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

"(4) the term 'instructional programming' means courses of instruction, and training courses, and materials for use in such instruction and training which have been prepared in audio and visual form on tape, disc, film, or live, and presented by means of telecommunications devices;

"(5) the term 'public broadcasting entity' has the same meaning given that term in section 397 of the Communications Act of 1934;

"(6) the term 'Secretary' means the Secretary of Education;

"(7) the term 'State educational agency' has the same meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965; and

"(8) the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.".

SEC. 6052. APPLICABILITY PROVISION.

The amendment made by this chapter shall not take effect if the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 is enacted prior to the enactment of this Act.

CHAPTER 7—PROJECTS AND PROGRAMS DESIGNED TO ADDRESS SCHOOL DROPOUT PROBLEMS AND TO STRENGTHEN BASIC SKILLS INSTRUCTION

Subchapter A—Assistance to Address School Dropout Problems

SEC. 6061. SHORT TITLE.

This subchapter may be cited as the "School Dropout Demonstration Assistance Act of 1988".

SEC. 6062. PURPOSE.

The purpose of this subchapter is to reduce the number of children who do not complete their elementary and secondary education by providing grants to local educational agencies to establish and demonstrate—

(1) effective programs to identify potential student dropouts and prevent them from dropping out;

(2) effective programs to identify and encourage children who have already dropped out to reenter school and complete their elementary and secondary education;

(3) effective early intervention programs designed to identify at-risk students in elementary and secondary schools; and

(4) model systems for collecting and reporting information to local school officials on the number, ages, and grade levels of the children not completing their elementary and secondary education and the reasons why such children have dropped out of school.

SEC. 6063. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subchapter $50,000,000 for the fiscal year 1988.

SEC. 6064. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) ALLOTMENT TO CATEGORIES OF LOCAL EDUCATIONAL AGENCIES.—From the amount appropriated under section 6063 for any fiscal year, the Secretary shall allot the following percentages to each of the following categories of local educational agencies:

(1) Local educational agencies administering schools with a total enrollment of 100,000 or more elementary and secondary school students shall be allotted 25 percent of the amount appropriated.

(2) Local educational agencies administering schools with a total enrollment of at least 20,000 but less than 100,000 elementary and secondary school students shall be allotted 40 percent of the amount appropriated.

(3) Local educational agencies administering schools with a total enrollment of less than 20,000 elementary and secondary school students shall be allotted 30 percent of the amount appropriated. Grants may be made under this paragraph to intermediate educational units and consortia of not more than 5 local educational agencies in any case in which the total enrollment of the largest such local educational agency is less than 20,000 elementary and secondary students. Such units and consortia may also apply in conjunction with the State educational agency. Not less than 20 percent of funds available under this paragraph shall be awarded to local educational agencies administering schools with a total enrollment of less than 2,000 elementary and secondary school students.

(4) Community-based organizations shall be allotted 5 percent of the amount appropriated. Grants under this category shall be made after consultation between the community-based organization and the local educational agency that is to benefit from such a grant.

(b) SPECIAL TREATMENT OF EDUCATIONAL PARTNERSHIPS.—(1) The Secretary shall allot 25 percent of the funds available for each category described in paragraphs (1), (2), and (3) of subsection (a) of this section to educational partnerships.

(2) Educational partnerships under this subsection shall include—

(A) a local educational agency; and

(B) a business concern or business organization, or, if an appropriate business concern or business organization is not available, one of the following: any community-based organization, nonprofit private organization, institution of higher education, State educational agency, State or local public agency, private industry council (established under the Job Training Partnership Act), museum, library, or educational television or broadcasting station.

(c) AWARD OF GRANT.—From the amount allotted for any fiscal year to a category of local educational agencies under subsection (a), the Secretary shall award as many grants as practicable within each such category to local educational agencies and educational partnerships whose applications have been approved by the Secretary for such fiscal year under section 6065 and whose applications propose a program of sufficient size and scope to be of value as a demonstration. The grants shall be made under such terms and conditions as the Secretary shall prescribe consistent with the provisions of this subchapter.

(d) USE OF FUNDS WHEN NOT FULLY NEEDED FOR EDUCATIONAL PARTNERSHIPS.—(1) Whenever the Secretary determines that the full amount of the sums made available under subsection (b) in each category for educational partnerships will not be required for applications of educational partnerships, the Secretary shall make the amount not so required available to local educational agencies in the same category in which the funds are made available.

(2) In order to transfer funds under this subsection, the Secretary shall use a peer review process to determine that such excess funds are not needed to fund educational partnerships and shall prepare a list of the categories in which additional funds are available, and the reasons therefor, and make such list available to local educational agencies upon request. The Secretary may use the peer review process to determine grant recipients of funds transferred in accordance with this subsection.

(e) USE OF FUNDS WHEN NOT FULLY ALLOTTED TO CATEGORIES UNDER SUBSECTION (a).—(1) Whenever the Secretary determines that the full amount of the sums allotted under any category set forth under subsection (a) will not be required for applications of the local educational agencies in the case of categories (1) through (3), the Secretary shall make the amount not so required available to another category under subsection (a). In carrying out the provisions of this subsection, the Secretary shall assure that the transfer of amounts from one category to another is made to a category in which there is the greatest need for funds.

(2) In order to transfer funds under this subsection, the Secretary shall use a peer review process to determine that such excess funds are not needed to fund projects in particular categories and shall prepare a list of the categories in which funds were not fully expended and the reasons therefor, and make such list available to local educational agencies and educational partnerships, upon request. The Secretary may use the peer review process to determine grant recipients of funds transferred in accordance with this subsection.

(f) Federal Share.—(1) The Federal share of a grant under this subchapter may not exceed—

(A) 90 percent of the total cost of a project for the first year for which the project receives assistance under this subchapter, and

(B) 75 percent of such cost for the second such year.

(2) The remaining cost of a project that receives assistance under this subchapter may be paid from any source other than funds made available under this subchapter, except that not more than 10 percent of the remaining cost in any fiscal year may be provided from Federal sources other than this subchapter.

(3) The share of payments from sources other than funds made available under this subchapter may be in cash or in kind fairly evaluated, including plant, equipment or services.

SEC. 6065. APPLICATION.

(a) In General.—(1) A grant under this subchapter may be made only to a local educational agency or an educational partnership which submits an application to the Secretary containing such information as may be required by the Secretary by regulation.

(2) Applications shall be for a 1-year period.

(b) Contents of Application.—Each such application shall—

(1) provide documentation of—

(A) the number of children who were enrolled in the schools of the applicant for the 5 academic years prior to the date application is made who have not completed their elementary or secondary education and who are classified as school dropouts pursuant to section 4141(b)(5) of the Drug-Free Schools and Communities of 1986; and

(B) the percentage that such number of children is of the total school-age population in the applicant's schools;

(2) include a plan for the development and implementation of a dropout information collection and reporting system for documenting the extent and nature of the dropout problem;

(3) include a plan for coordinated activities involving at least 1 high school and its feeder junior high or middle schools and elementary schools for local educational agencies that have feeder systems;

(4) include a plan for the development and implementation of a project including activities designed to carry out the purpose of this subchapter, such as—

(A) implementing identification, prevention, outreach, or reentry projects for dropouts and potential dropouts;

(B) addressing the special needs of school-age parents;

(C) disseminating information to students, parents, and the community related to the dropout problem;

(D) as appropriate, including coordinated services and activities with programs of vocational education, adult basic education, and programs under the Job Training Partnership Act;

(E) involving the use of educational and telecommunications and broadcasting technologies and educational materials for dropout prevention, outreach, and reentry;

(F) providing activities which focus on developing occupational competencies which link job skill preparation and training with genuine job opportunities;

(G) establishing annual procedures for—

(i) evaluating the effectiveness of the project; and

(ii) where possible, determining the cost-effectiveness of the particular dropout prevention and reentry methods used and the potential for reproducing such methods in other areas of the country;

(H) coordinating, to the extent practicable, with other student dropout activities in the community; or

(I) using the resources of the community and parents to help develop and implement solutions to the local dropout problem; and

(5) contain such other information as the Secretary considers necessary to determine the nature of the local needs, the quality of the proposed project, and the capability of the applicant to carry out the project.

(c) Priority.—The Secretary shall, in approving applications under this section, give priority to applications which both show the replication of successful programs conducted in other local educational agencies or the expansion of successful programs within a local educational agency and reflect very high numbers or very high percentages of school dropouts in the schools of the applicant in each category described in section 6064(a).

(d) Special Consideration.—The Secretary shall give additional special consideration to applications that include—

(1) provisions which emphasize early intervention services designed to identify at-risk students in elementary or early secondary schools; and

(2) provisions for significant parental involvement.

SEC. 6066. AUTHORIZED ACTIVITIES.

(a) In General.—Grants under this subchapter shall be used to carry out plans set forth in applications approved under section 6065. In addition, grants may be used for educational, occupational, and basic skills testing services and activities, including, but not limited to—

(1) the establishment of systemwide or school-level policies, procedures, and plans for dropout prevention and school reentry;

(2) the development and implementation of activities, including extended day or summer programs, designed to address poor achievement, basic skills deficiencies, language deficiencies, or course failures, in order to assist students at risk of dropping out of school and students reentering school;

(3) the establishment or expansion of work-study, apprentice, or internship programs;

(4) the use of resources of the community, including contracting with public or private entities or community-based organizations of demonstrated performance, to provide services to the grant recipient or the target population;

(5) the evaluation and revision of program placement of students at risk;

(6) the evaluation of program effectiveness of dropout programs;

(7) the development and implementation of programs for traditionally underserved groups of students;

(8) the implementation of activities which will improve student motivation and the school learning environment;

(9) the provision of training for school staff on strategies and techniques designed to—

(A) identify children at risk of dropping out;

(B) intervene in the instructional program with support and remedial services;

(C) develop realistic expectations for student performance; and

(D) improve student-staff interactions;

(10) the study of the relationship between drugs and dropouts and between youth gangs and dropouts, and the coordination of dropout prevention and reentry programs with appropriate drug prevention and community organizations for the prevention of youth gangs;

(11) the study of the relationship between handicapping conditions and student dropouts;

(12) the study of the relationship between the dropout rate for gifted and talented students compared to the dropout rate for the general student enrollment;

(13) the use of educational telecommunications and broadcasting technologies and educational materials designed to extend, motivate, and reinforce school, community, and home dropout prevention and reentry activities; and

(14) the provision of other educational, occupational and testing services and activities which directly relate to the purpose of this subchapter.

(b) Activities for Educational Partnerships.—Grants under this subchapter may be used by educational partnerships for—

(1) activities which offer jobs and college admissions for successful completion of the program for which assistance is sought;

(2) internship, work study, or apprenticeship programs;

(3) summer employment programs;

(4) occupational training programs;

(5) career opportunity and skills counseling;

(6) job placement services;

(7) the development of skill employment competency testing programs;

(8) special school staff training projects; and

(9) any other activity described in subsection (a).

SEC. 6067. DISTRIBUTION OF ASSISTANCE; LIMITATION ON COSTS.

(a) Distribution of Assistance.—The Secretary shall ensure that, to the extent practicable, in approving grant applications under this subchapter—

(1) grants are equitably distributed on a geographic basis within each category set forth in section 6064(a);

(2) the amount of a grant to a local educational agency for a fiscal year is proportionate to the extent and severity of the local school dropout problem;

(3) not less than 30 percent of the amount available for grants in each fiscal year is used for activities relating to school dropout prevention; and

(4) not less than 30 percent of the amount available for grants in each fiscal year is used for activities relating to persuading school dropouts to return to school and assisting former school dropouts with specialized services once they return to school.

(b) Administrative Costs.—Not more than 5 percent of any grant made under this subchapter may be used for administrative costs.

Subchapter B—Assistance to Provide Basic Skills Improvement

SEC. 6071. SHORT TITLE.

This subchapter may be cited as the "Secondary Schools Basic Skills Demonstration Assistance Act of 1988".

SEC. 6072. PURPOSE.

It is the purpose of this subchapter to provide assistance to local educational agencies with high concentrations of children from low-income families to improve the achievement of educationally disadvantaged children enrolled in the secondary schools of such agencies.

SEC. 6073. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subchapter $200,000,000 for fiscal year 1988.

SEC. 6074. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) General Authority.—From the amount appropriated under section 6073 for any fiscal year the Secretary shall make grants to local educational agencies in accordance with the provisions of this subchapter.

(b) Community-Based Organizations Rule.—Each local educational agency may carry out the activities described in section 6075 in cooperation with community-based organizations.

(c) Eligible Students.—Secondary school students who meet the requirements of part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 other than the requirement of attendance in the designated school attendance area shall be eligible to participate in programs and activities assisted under this subchapter.

SEC. 6075. AUTHORIZED ACTIVITIES.

(a) In General.—Funds made available under this subchapter may be used—

(1) to initiate or expand programs designed to meet the special educational needs of secondary school students and to help such students attain grade level proficiency in basic skills, and, as appropriate, learn more advanced skills;

(2) to develop innovative approaches—

(A) for surmounting barriers that make secondary school programs under this subchapter difficult for certain students to attend and difficult for secondary schools to administer, such as scheduling problems; and

(B) for courses leading to successful completion of the general educational development test or of graduation requirements;

(3) to develop and implement innovative programs involving community-based organizations or the private sector, or both, to provide motivational activities, pre-employment training, or transition-to-work activities;

(4) to provide programs for eligible students outside the school, with the goal of reaching school dropouts who will not reenter the traditional school, for the purpose of providing compensatory education, basic skills education, or courses for general educational development;

(5) to use the resources of the community to assist in providing services to the target population;

(6) to provide training for staff who will work with the target population on strategies and techniques for identifying, instructing, and assisting such students;

(7) to provide guidance and counseling activities, support services, exploration of postsecondary educational opportunities, youth employment activities, and other pupil services which are necessary to assist eligible students; or

(8) to recruit, train, and supervise secondary school students (including the provision of stipends to students in greatest need of financial assistance) to serve as tutors of other students eligible for services under this subchapter and under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, in order to assist such eligible students with homework assignments, provide instructional activities, and foster good study habits and improved achievement.

(b) Limitation.—Not more than 25 percent of amounts available to a local educational agency under this subchapter may be used by such agency for noninstructional services such as those described in subsections (a)(3), (a)(5), and (a)(7).

SEC. 6076. APPLICATION.

(a) In General.—(1) A grant under this subchapter may be made only to a local educational agency which submits an application to the Secretary containing or accompanied by such information as the Secretary may reasonably require.

(2) Applications shall be for a 1-year period.

(b) Contents of Application.—Each such application shall include—

(1) a description of the program goals and the manner in which funds will be used to initiate or expand services to secondary school students;

(2) a description of the activities and services which will be provided by the program (including documentation to demonstrate that the local educational agency has the qualified personnel needed to develop, administer, and implement the program under this subchapter);

(3) a list of the secondary schools within the local educational agency in which programs will be conducted and a description of the needs of the schools, in terms of achievement levels of students and poverty rates;

(4) an assurance that programs will be operated in secondary schools with the greatest need for assistance, in terms of achievement levels and poverty rates;

(5) an assurance that parents of eligible students will be involved in the development and implementation of programs under this subchapter;

(6) a statement of the methods which will be used—

(A) to ensure that the programs will serve eligible students most in need of the activities and services provided by this subchapter; and

(B) an assurance that services will be provided under this subchapter to special populations, such as individuals with limited English proficiency and individuals with handicaps;

(7) an assurance that the program will be of sufficient size, scope, and quality to offer reasonable promise of success;

(8) a description of the manner in which the agency will provide for equitable participation of private school students under provisions applicable to chapter 1 of title I of the Elementary and Secondary Education Act of 1965, relating to participation of children enrolled in private schools;

(9) a description of the methods by which the applicant will coordinate programs under this subchapter with programs for the eligible student population operated by community-based organizations, social service organizations and agencies, private sector entities, and other agencies, organizations, and institutions, and with programs conducted under the Carl D. Perkins Vocational Education Act, the Job Training Partnership Act, and other relevant Acts; and

(10) such other information as the Secretary may require to determine the nature and quality of the proposed project and the applicant's ability to carry out the project.

(c) Approval of Applications.—(1) The Secretary shall, in approving applications under this section, give special consideration to programs that—

(A) demonstrate the greatest need for services assisted under this subchapter on their numbers or proportions of secondary school children from low-income families and numbers or proportions of low-achieving secondary school children; and

(B) offer innovative approaches to improving achievement among eligible secondary school children and offer approaches which show promise for replication and dissemination.

(2) The Secretary shall ensure that programs for which applications are approved under this section are representative of urban and rural regions in the United States.

(d) Administrative Costs.—Not more than 5 percent of any grant under this subchapter may be used for administrative costs.

Subchapter C—General Provisions

SEC. 6081. GENERAL PROVISIONS.

(a) Definition of School Dropout.—The Secretary shall, not later than 60 days after the date of the enactment of this chapter, establish a standard definition of a school dropout, after consultation with pertinent organizations and groups.

(b) Timely Award of Grants.—To the extent possible, for any fiscal year the Secretary shall award grants to local educational agencies and educational partnerships under this subchapter not later than June 30 preceding such fiscal year.

(c) Grants Must Supplement Other Funds.—A local educational agency receiving Federal funds under this chapter shall use such Federal funds only to supplement the funds that would, in the absence of such Federal funds, be made available from non-Federal sources or under provisions of Federal law other than this chapter for activities described in subchapter A or subchapter B of this chapter, as the case may be.

(d) Evaluation.—The Secretary shall evaluate programs operated with funds received under this chapter, and shall issue a report at the end of the grant period, but in no case later than January 30, 1991.

(e) Coordination and Dissemination.—The Secretary shall require local educational agencies receiving grants under this chapter to cooperate with the coordination and dissemination efforts of the National Diffusion Network and State educational agencies.

(f) Audit.—The Comptroller General shall have access for the purpose of audit and examination to any books, documents, papers, and records of any local educational agency or educational partnership receiving assistance under this chapter that are pertinent to the sums received and disbursed under this chapter.

(g) Withholding Payments.—Whenever the Secretary, after reasonable notice and opportunity for a hearing to any local educational agency or educational partnership, finds that the local educational agency or educational partnership has failed to comply substantially with the provisions set forth in its application approved under section 6075 or section 6076, the Secretary shall withhold payments under this chapter in accordance with section 453 of the General Education Provisions Act until the Secretary is satisfied that there is no longer any failure to comply.

SEC. 6082. DEFINITIONS.

(a) As used in this title—

(1) The term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which has a proven record of providing effective educational or related services to individuals in the community.

(2) The term "basic skills" includes reading, writing, mathematics, and computational proficiency as well as comprehension and reasoning.

CHAPTER 8—MISCELLANEOUS

SEC. 6091. DRUG-FREE SCHOOLS PROGRAM.

(a) Within State Allocations.—The second sentence of section 4124 of the Drug-Free Schools and Communities Act of 1986 is amended to read as follows: "From such sum, the State educational agency shall distribute funds for use among areas served by local or intermediate educational agencies or consortia on the basis of the relative enrollments in public and private, nonprofit schools within such areas.".

(b) Effective Date.—(1) The amendment made by subsection (a) of the Act shall take effect October 27, 1986.

(2) Notwithstanding paragraph (1), a State educational agency may allot fiscal year 1987 funds to local and intermediate educational agencies and consortia under section 4124(a) of the Drug-Free Schools and Communities Act of 1986 on the basis of their relative numbers of children in the school-aged population.

Subtitle B—Technology and Training

CHAPTER 1—TRANSFER OF EDUCATION AND TRAINING SOFTWARE

SEC. 6101. SHORT TITLE.

This chapter may be cited as the "Training Technology Transfer Act of 1988".

SEC. 6102. FINDINGS AND PURPOSE.

(a) Findings.—The Congress finds and declares that—

(1) Federal agencies, particularly the Department of Defense, have made extensive investments of public funds in the development of education and training software;

(2) much knowledge and education and training software, especially computer programs and videodisc systems, is directly transferable to the private sector or could be transferable to the private sector after conversion;

(3) the transfer of education and training software to the public and private sector could properly augment existing Federal programs for the training of new industrial workers or the retraining of workers whose jobs have been disrupted because of technological developments, foreign trade, and changes in consumer requirements; and

(4) the transfer of education and training software to the public and private sector would be especially beneficial to small business concerns which lack the resources to develop such software independently.

(b) Purpose.—Therefore, it is the purpose of this chapter to facilitate the transfer of education and training software from Federal agencies to the public and private sector and to State and local governments and agencies thereof, including educational systems and educational institutions, in order to support the education, training, and retraining of industrial workers, especially workers in small business concerns.

SEC. 6103. OFFICE OF TRAINING TECHNOLOGY TRANSFER.

(a) Office Established.—There is established in the Office of Educational Research and Improvement of the Department of Education an Office of Training Technology Transfer. The Office shall be headed by a Director, who shall be appointed by the Secretary of Education. The Director shall be compensated at the rate provided for GS-16 of the General Schedule under section 5332 of title 5, United States Code.

(b) Personnel.—To carry out this chapter, the Director may appoint personnel in accordance with the civil service laws, and may compensate such personnel in accordance with the General Schedule under section 5332 of title 5, United States Code.

SEC. 6104. FUNCTIONS OF THE OFFICE.

(a) Clearinghouse Required.—(1) The Director shall compile and maintain a current and comprehensive clearinghouse of all knowledge and education and training software developed or scheduled for development by or under the supervision of Federal agencies. The clearinghouse shall include, with respect to each item of education and training software listed in the clearinghouse—

(A) a complete description of such software, including the purpose, content, intended academic level or competency level, date of development, imbedded learning and instructional strategies, and mode of presentation of such software;

(B) a description of each type of computer hardware which is compatible with such software and of any other equipment required to use such software;

(C) a specification of any patent, copyright, or proprietary interest affecting the copying, conversion, or transfer of such software; and

(D) information with respect to any conversion or transfer of such software pursuant to this chapter.

(2) In compiling the clearinghouse required by this subsection, the Director shall—

(A) consult with and utilize fully the resources of all Federal agencies engaged in the collection and dissemination of information concerning education and training software; and

(B) request the participation and cooperation of entities in the legislative and judicial branches of Government.

(b) Dissemination Required.—(1) The Director shall disseminate widely and on a regular basis the clearinghouse required by subsection (a) and any revisions thereof in order to enable all potential commercial users and public interest users of education and training software to receive ample notice that Federal agencies have developed such software, or have scheduled such software for development. In carrying out the preceding sentence, the Director shall—

(A) utilize all interagency and intergovernmental communication mechanisms, including the National Center for Research in Vocational Education, the National Occupational Information Committee, State educational agencies, State occupational information coordinating committees, State job training coordinating councils, private industry councils, State economic development agencies, regional educational laboratories, and the Small Business Administration; and

(B) encourage the participation of independent private sector organizations, including organizations representing State and local educational agencies, educational institutions, technical and professional organizations, and trade associations.

(2) The Director shall develop and distribute, in conjunction with the dissemination of the clearinghouse required under subsection (a), detailed instructions and procedures for securing copies, including such rights thereto as may be required, of education and training software listed in such clearinghouse and guidelines for cooperative agreements between commercial users and public interest users under subsection (d).

(c) Consultation; Public Interest User.—(1) The Director shall advise, consult with, and may provide grants to any prospective public interest user of a education and training software listed in the clearinghouse required under subsection (a) and shall assist such user in securing the transfer of such software from the Federal agency which developed such software at a cost to the public interest user based upon the ability of such user to pay for such transfer. In providing such assistance, the Director shall encourage such public interest user to obtain such software by working with the Training Technology Transfer Officer of such agency. If an agency has not established procedures for the transfer of education and training software, the Director shall negotiate the transfer of such software upon application by such user.

(2) The Director, to such extent and in such amounts as provided in advance by appropriation Acts, may enter into contracts with any qualified agency having expertise in the field of education and qualified private sector business concerns for the conversion of education and training software in order to adapt such software to the requirements of a public interest user.

(d) Consultation; Commercial User.—(1) The Director shall advise and consult with any prospective commercial user of an education and training software listed in the clearinghouse required under subsection (a)(1). The Director may sell or lease such training software, including exclusive or nonexclusive rights in copyrights or patents pertaining thereto, to a commercial user for a price or fee which reflects a reasonable return to the Government.

(2) The Director may waive purchase prices or lease fees for a commercial user of training software, may negotiate reduced purchase prices or lease fees for such commercial user, or may negotiate exclusive sale or lease agreements or other terms favorable to such commercial user if such commercial user agrees to enter into a cooperative agreement with a public interest user or a group of public interest users in accordance with this section. Under the preceding sentence, the Director may not waive such prices or fees, negotiate reduced prices or fees, or negotiate exclusive agreements or favorable terms for a commercial user unless such cooperative agreement—

(A) provides for the conversion of the education and training software by the commercial user in order to meet the specific needs of the public interest user or group of public interest users;

(B) provides that such conversion will be performed without charge to the public interest user or group of users; and

(C) is acceptable to the Director.

(3) In negotiating terms for the sale or lease of education and training software pursuant to subsection (b), the Director shall give preferential consideration to cooperative agreements which—

(A) will result in enhancing the employment potential and potential earnings of the maximum number of individuals;

(B) encourage and promote multiple uses of education and training software converted pursuant to this section by users with similar education needs; and

(C) provide beneficial uses of education and training software for businesses.

(4) Any education and training software converted pursuant to subsection (b) shall be listed in the clearinghouse required by subsection (a)(1) and shall be available for transfer to any other public interest user.

(e) Study Required.—(1) The Director shall study the effectiveness of transfers and conversions of education and training software pursuant to this chapter, and shall analyze national needs for methods to convert education and training software which are in addition to the method provided in subsection (d)(2).

(2) The Director shall submit to the Congress a report that—

(A) describes the study and analysis conducted as required by paragraph (1); and

(B) contains recommendations of the Director concerning whether the public interest is served through the program of grants and contracts to public interest users to support conversion of education and training software.

(3) The Director shall submit the report required by subparagraph (A) before the expiration of the two-year period beginning on the date of enactment of this Act.

SEC. 6105. ADMINISTRATIVE PROVISIONS.

(a) In General.—In carrying out this chapter, the Director is authorized—

(1) to promulgate such rules, regulations, procedures, and forms as may be necessary to carry out the functions of the Office, and delegate authority for the performance of any function to any officer or employee of the Office under the direction and supervision of the Director;

(2) to utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal agencies and of State, local, and private agencies and instrumentalities, with or without reimbursement therefor;

(3) to enter into agreements with other Federal agencies as may be appropriate;

(4) to accept voluntary and uncompensated services, without regard to the provisions of section 1342 of title 31, United States Code;

(5) to request such information, data, and reports from any Federal agency as the Director may from time to time require and as may be produced consistent with other law; and

(6) to use the facilities of the Office of Educational Research and Improvement.

(b) Specific Delegation of Clearinghouse and Dissemination Functions.—The Director shall enter into interagency agreements with the National Technical Information Service of the Department of Commerce to perform on a reimbursable basis the functions specified in sections 6104(a) and 6104(b) of this Act.

SEC. 6106. COORDINATION WITH FEDERAL AGENCIES.

(a) Use of Federal Programs.—In carrying out this chapter, the Director shall utilize, to the fullest possible extent, all existing Federal programs to promote the identification, conversion, and transfer of knowledge and education and training software in accordance with this chapter.

(b) Education and Training Software Transfer Officer.—The head of each Federal agency which develops knowledge for or uses education and training software shall designate, from the officers and employees of the agency, an education and training software transfer officer. The education and training software transfer officer of an agency shall—

(1) supply information to the Office of Education Software Transfer for inclusion in the clearinghouse;

(2) receive and process inquiries and requests from prospective users of knowledge and education and training software employed by such agency;

(3) promote direct contact between prospective users of knowledge and education and training software and personnel of the agency;

(4) facilitate the prompt transfer for knowledge and education and training software to public interest users; and

(5) refer requests for education and training software from commercial users to the Office of Training Software Transfer for the negotiation of the purchase or lease of such software.

(c) Cooperation of Federal Agencies.—

(1) In general.—All Federal agencies shall cooperate with the Director in the implementation of this chapter. If the head of a Federal agency finds that such agency is unable to cooperate with the Director for reasons of national security, or for any other reason, such agency head shall report such finding to the Secretary. The Secretary shall report to the Congress by July 1 of each year all such findings received by the Secretary during the preceding 12-month period.

(2) Cooperation with exchange center.—The Director shall cooperate with the Federal Software Exchange Center of the National Technical Information Service to facilitate the transfer of education and training software between Federal agencies.

(3) Availability of federal services, equipment, personnel, and facilities.—Upon request of the Director, the head of each Federal agency shall promptly make the services, equipment, personnel, facilities, and information of the agency (including suggestions, estimates, and statistics) available to the Office to the greatest extent practicable.

(d) Equity Rule.—In carrying out the purposes of this chapter, the Director shall consider special equity concerns, including psychological, physiological, sociological, and socioeconomic factors, which could prevent some persons from benefiting from new technological developments, and shall, to the extent possible, ensure that such persons benefit from software transfer activities under this chapter.

SEC. 6107. DEFINITIONS.

For the purpose of this chapter—

(1) the term "commercial user" means any individual, corporation, partnership, or other legal entity which operates for profit and which uses or intends to use the education and training software of a Federal agency;

(2) the term "community-based organizations" has the same meaning as in section 2704(5) of the Job Training Partnership Act;

(3) the term "conversion" means the process whereby education and training software is modified and revised to meet the needs of a commercial user or a public interest user;

(4) the term "Director" means the Director of the Office of Training Technology Transfer established pursuant to section 6103;

(5) the term "Federal agency" has the meaning given to the term "agency" in section 551(1) of title 5, United States Code;

(6) the term "National Occupational Information Coordinating Committee" means the National Occupational Information Coordinating Committee established under section 422(a) of the Carl D. Perkins Vocational Education Act;

(7) the term "Office" means the Office of Training Technology Transfer established pursuant to section 6103;

(8) the term "private industry council" means a private industry council established under section 102 of the Job Training Partnership Act;

(9) the term "public interest user" means—

(A) any nonprofit entity which—

(i) provides job training, vocational education or other educational services, including public school systems, vocational schools, private preparatory schools, colleges, universities, community colleges, private industry councils, community-based organizations, and State and local governments and agencies thereof; and

(ii) which uses or intends to use the education and training software of a Federal agency; or

(B) any Federal agency which uses or intends to use the education and training software of another Federal agency;

(10) the term "small business concern" has the same meaning as in section 3 of the Small Business Act;

(11) the term "State job training coordinating council" means a State job training coordinating council established under section 122 of the Job Training Partnership Act;

(12) the term "State occupational information coordinating committee" means a State occupational information coordinating committee established under section 422(b) of the Carl D. Perkins Vocational Education Act;

(13) the term "education and training software" means computer software which is developed by a Federal agency to educate and train employees of the agency and which may be transferred to or converted for use by a public interest user or a commercial user and includes software for computer based instructional systems, interactive video disc systems, microcomputer education devices, audiovisual devices, and programmed learning kits, and associated manuals and devices if such manuals and devices are integrally related to a software program;

(14) the term "transfer" means the process whereby education and training software is made available to a commercial user or a public interest user for the training of the employees of such user, with or without the conversion of such software.

CHAPTER 2—INSTRUCTIONAL PROGRAMS IN TECHNOLOGY EDUCATION

SEC. 6111. PURPOSE.

It is the purpose of this chapter to assist educational agencies and institutions in developing a technologically literate population through instructional programs in technology education.

SEC. 6112. TECHNOLOGY EDUCATION DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—Subject to the availability of funds for purposes of this chapter, the Secretary of Education shall establish a program of grants to local educational agencies, State educational agencies, consortia of public and private agencies, organizations and institutions, and institutions of higher education to establish not more than 10 demonstration programs in technology education for secondary schools, vocational educational centers and community colleges.

(b) USES OF GRANT FUNDS.—(1)(A) Funds made available under this chapter may be used to develop a model demonstration program for technology education which, to the extent practicable, address the components described in paragraphs (2) through (12).

(B) To the extent feasible, the Secretary shall give priority under subparagraph (A) to model demonstration programs which address the largest number of components described in paragraphs (2) through (12).

(2) Educational course content based on—

(A) an organized set of concepts, processes, and systems that is uniquely technological and relevant to the changing needs of the workplace; and

(B) fundamental knowledge about the development of technology and its effect on people, the environment, and culture.

(3) Instructional content drawn from introduction to technology education courses in 1 or more of the following areas—

(A) communication—efficiently using resources to transfer information to extend human potential;

(B) construction—efficiently using resources to build structures on a site;

(C) manufacturing—efficiently using resources to extract and convert raw or recycled materials into industrial and consumer goods; and

(D) transportation—efficiently using resources to obtain time and place utility and to attain and maintain direct physical contact and exchange among individuals and societal units through the movement of materials, goods, and people.

(4) Assisting students in developing insight, understanding, and application of technological concepts, processes, and systems.

(5) Educating students in the safe and efficient use of tools, materials, machines, processes, and technical concepts.

(6) Developing student skills, creative abilities, confidence, and individual potential in using technology.

(7) Developing student problem solving and decisionmaking abilities involving technological systems.

(8) Preparing students for lifelong learning in a technological society.

(9) Activity oriented laboratory instruction which reinforces abstract concepts with concrete experiences.

(10) An institute for the purpose of developing teacher capability in the area of technology education.

(11) Research and development of curriculum materials for use in technology education programs.

(12) Multidisciplinary teacher workshops for the interfacing of mathematics, science, and technology education.

(13) Optional employment of a curriculum specialist to provide technical assistance for the program.

(14) Stressing basic remedial skills in conjunction with training and automation literacy, robotics, computer-aided design, and other areas of computer-integrated manufacturing technology.

(15) A combined emphasis on "know-how" and "ability-to-do" in carrying out technological work.

(c) LIMITATION ON FEDERAL ASSISTANCE.—Federal assistance to any program or project under this chapter shall not exceed 65 percent of the cost of such program in any fiscal year. Not less than 10 percent of the cost of such program shall be in the form of private sector contributions. Non-Federal contributions may be in cash or in kind, fairly evaluated, including facilities, overhead, personnel, and equipment.

SEC. 6113. APPLICATIONS FOR GRANTS.

(a) IN GENERAL.—A local educational agency, a State educational agency, a consortium of public and private agencies, organizations, and institutions, or an institution of higher education which desires to receive a grant under this chapter shall submit an application to the Secretary. Applications shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe.

(b) CONTENTS OF APPLICATION.—An application shall include—

(1) a description of a demonstration program designed to carry out the purpose described in section 6111;

(2) an estimate of the cost for the establishment and operation of the program;

(3) a description of policies and procedures for the program that will ensure adequate evaluation of the activities intended to be carried out under the application;

(4) assurances that Federal funds made available under this chapter will be so used as to supplement and, to the extent practicable, increase the amount of State and local funds that would be in the absence of such Federal funds be made available for the uses specified in this chapter, and in no case supplant such State or local funds;

(5) a provision for making such reports, in such form and containing such information, as the Secretary may require; and

(6) a description of the manner in which programs under this chapter will be coordinated, to the extent practicable, with programs under the Job Training Partnership Act, the Carl D. Perkins Vocational Education Act, and other Acts related to the purposes of this chapter.

(c) GEOGRAPHIC DISTRIBUTION.—In making grants under this chapter, the Secretary shall consider the equitable geographic distribution of such grants.

SEC. 6114. NATIONAL DISSEMINATION OF INFORMATION.

The Secretary shall disseminate the results of the programs and projects assisted under this chapter in a manner designed to improve the training of teachers, other instructional personnel, counselors, and administrators.

SEC. 6115. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $2,000,000 for fiscal year 1988 and such sums as may be necessary for each of fiscal years 1989 through 1993 to carry out the provisions of this chapter.

SEC. 6116. DEFINITIONS.

As used in this chapter, the term "technology education" means a comprehensive educational process designed to develop a population that is knowledgeable about technology, its evolution, systems, techniques, utilization in industry and other fields, and social and cultural significance.

CHAPTER 3—REPLICATION OF TECHNICAL EDUCATION PROGRAMS

SEC. 6121. REPLICATION MODELS FOR TECHNICAL EDUCATION PROGRAMS DESIGNED TO IMPROVE THE QUALITY OF EDUCATION FOR AMERICA'S TECHNICALLY TRAINED WORKFORCE.

(a) IN GENERAL.—The Secretary, through the National Diffusion Network established under section 583(c) of the Education Consolidation and Improvement Act of 1981 (20 U.S.C. 3851), in addition to its duties under such Act—

(1) shall gather, organize, and disseminate information on innovative programs at institutions of postsecondary education and secondary schools designed to—

(A) enhance the development of technical skills needed to improve the competitiveness of American industry;

(B) encourage the development of higher skills among individuals facing or likely to face job dislocation;

(C) encourage the acquisition of basic literacy skills among youth as well as adults; or

(D) involve the business community in the planning and offering of employment opportunities to the trained workforce;

(2) shall gather, organize, and disseminate information on consultative and collaborative efforts by elementary education, secondary education, postsecondary education, business, labor, local, State and Federal governments designed to—

(A) improve the efficiency, productivity, and competitiveness of American business; or

(B) enhance the international competitiveness of American business (such as international trade education and foreign language training for business);

(3) in carrying out the activities described in paragraphs (1) and (2), shall produce a catalog of exemplary consultative and collaborative efforts which have the highest probability of being replicated; and

(4) may provide technical assistance to any institution or entity to facilitate the gathering of information for replication models.

(b) CONFORMING RULE.—Any program of replication shall conform to the provisions of subsection (a) if such program—

(1) is being conducted by the National Diffusion Network on the date of the enactment of this chapter; and

(2) has the same purpose as the programs described in such subsection.

CHAPTER 4—VOCATIONAL EDUCATION PROGRAMS

SEC. 6131. ADULT TRAINING, RETRAINING, AND EMPLOYMENT DEVELOPMENT.

(a) IN GENERAL.—Part C of title III of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2371 et seq.) is amended—

(1) by inserting after the part heading the following:

"Subpart 1—Basic Program";

(2) by striking out "this part" each place such term appears in sections 321 through 324 and inserting in lieu thereof "this subpart"; and

(3) by adding at the end the following new subpart:

"Subpart 2—Special Program

"FINDINGS AND PURPOSE

"SEC. 326. (a) FINDINGS.—The Congress finds that—

"(1) technological change, international competition, and the demographics of the Nation's workforce have resulted in increases in the numbers of experienced adult workers who are unemployed, who have been dislocated, or who require training, retraining, or upgrading of skills,

"(2) the individuals who are entering and reentering the labor market are less educated, trained, or skilled and are disproportionately employed in low-wage occupations and require additional training, and

"(3) these needs can be met by education and training programs, especially vocational programs, that are responsive to the needs of individuals and the demands of the labor market.

"(b) PURPOSE.—It is the purpose of this part to (1) provide financial assistance to States to enable them to expand and improve vocational education programs designed to meet current needs for training, retraining, and employment development of adults who have completed or left high school and are preparing to enter or have entered the labor market, including workers who are 55 years of age and older, in order to equip adults with the competencies and skills required for productive employment, and (2) to ensure that programs are available which are relevant to the labor market needs and accessible to all segments of the population.

"AUTHORIZATION OF GRANTS AND USES OF FUNDS

"SEC. 327. (a) GRANTS TO STATES.—The Secretary shall make grants in proportion to the amount received under section 101 to States for programs, services, and activities authorized by this part.

"(b) STATE ADMINISTRATION.—(1) Grants to States under this part shall be made to the board established under section 111 to serve as the grant recipient and catalyst to public-private training partnerships.

"(2)(A) Such board shall make awards on the basis of application from educational institutions (e.g. community colleges, vocational schools, service providers under the Job Training Partnership Act (29 U.S.C. 49 et seq.), four-year colleges, universities, and community based organizations) which link up with one or more private companies in order to train people for jobs in high growth fields.

"(B) The board shall establish criteria for application, application content and criteria, and procedures for the awarding of grants under this section.

"(3) Business must be actively involved in the planning, designing, operating, and monitoring of the education and training programs so that they will meet their needs.

"(4) Training can include entry level training, employee upgrading, retraining, and customized training.

"(5) Grants shall not be awarded for more than 50 percent of the costs. The remainder must come from the private sector in either cash or related equipment and services which would be at least equivalent to the Federal grant portion.

"(c) ELIGIBLE PROGRAMS.—Programs eligible for funding by the State, and designed cooperatively between education institutions and one or more businesses, may include—

"(1) institutional and worksite programs tailored to meet the needs of an industry or group of industries for skilled workers, technicians or managers, or to assist their existing workforce to adjust to changes in technology or work requirements;

"(2) quick-start, customized training for workers in new and expanding industries, or for workers for placement in jobs that are difficult to fill because of a shortage of workers with the requisite skills;

"(3) shared programs between educational institutions and businesses, where a work experience is provided by the business subsequent to the classroom training to reinforce the classroom or workshop training;

"(4) cooperative education programs with public and private sector employers and economic development agencies, including seminars in institutional or worksite settings, designed to improve management and increase productivity;

"(5) entrepreneurship training programs which assist individuals in the establishment, management, and operation of small business enterprises;

"(6) recruitment, job search assistance, counseling, remedial services, and information and outreach programs designed to encourage and assist males and females to take advantage of vocational education programs and services, with particular attention to reaching women, older workers, individuals with limited English proficiency, the handicapped, and the disadvantaged; and

"(7) related instruction for apprentices in apprenticeship training programs.

"(d) REQUIREMENTS.—In making grants under this part, the Secretary shall require each State, in its State plan (or an amendment to such plan), to assure that programs—

"(1) are designed with the active participation of the State council established pursuant to section 112;

"(2) make maximum effective use of existing institutions, are planned to avoid duplication of programs or institutional capabilities, and to the fullest extent practicable are designed to strengthen institutional capacity to meet the education and training needs addressed by this part;

"(3) assure the active participation by public and private sector employers and public and private agencies working with programs of employment and training and economic development; and

"(4) where appropriate, involve coordination with programs under the Rehabilitation Act of 1973 and the Education of the Handicapped Act.

"COORDINATION WITH THE JOB TRAINING PARTNERSHIP ACT

"SEC. 328. (a) REQUIREMENTS FOR INCLUSION IN STATE PLAN.—Each State receiving grants under this part shall include in the State plan methods and procedures for coordinating vocational education programs, services, and activities funded under this part to provide programs of assistance for dislocated workers funded under title III of the Job Training Partnership Act.

"(b) CONSULTATION WITH STATE JOB TRAINING COORDINATING COUNCIL.—(1) The State board shall consult with the State job training coordinating council (established under section 122 of the Job Training Partnership Act) in order that programs assisted under this part may be taken into account by such council in formulating recommendations to the Governor for the Governor's coordination and special services plan required by section 121 of such Act.

"(2) The State board shall also adopt such procedures as it considers necessary to encourage coordination between eligible recipients receiving funds under this part and the appropriate administrative entity established under the Job Training Partnership Act in the conduct of their respective programs, in order to achieve the most effective use of all Federal funds through programs that complement and supplement each other, and, to the extent feasible, provide an ongoing and integrated program of training and services for workers in need of such assistance.".

(2) The table of contents at the beginning of such Act is amended—

(1) by inserting after the item relating to part C the following:

"Subpart 1—Basic Program"; and

(2) by inserting after the item relating to section 323 the following:

"Subpart 2—Special Program

"Sec. 326. Findings and purpose.

"Sec. 327. Authorization of grants and uses of funds.

"Sec. 328. Coordination with the Job Training Partnership Act.".

(b) AUTHORIZATION OF APPROPRIATIONS.—(1) Subparagraph (A) of section 3(b)(3) of the Carl D. Perkins Vocational Education Act is amended to read as follows:

"(3)(A)(i) There are authorized to be appropriated $35,000 for the fiscal year 1985, such sums as may be necessary for each of the fiscal years 1986 and 1987, and $25,000,000 for each of the fiscal years 1988 and 1989 to carry out subpart 1 of part C of title III, relating to the basic program for adult training, retraining, and employment development.

"(ii) There are authorized to be appropriated $25,000,000 for each of the fiscal years 1988 and 1989 to carry out subpart 2 of such part, relating to the special program for adult training, retraining, and employment development.".

(2) Subparagraph (B) of such section is amended by striking out "subparagraph (A)" and inserting in lieu thereof "subparagraph (A)(i)".

SEC. 6132. AUTHORIZATION OF ADDITIONAL USES OF VOCATIONAL EDUCATION FUNDS.

Section 251(a) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2341) is amended—

(1) by striking out "and" at the end of paragraph (23);

(2) by striking out the period at the end of paragraph (24) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraphs:

"(25) pre-employment skills training; and

"(26) school-to-work transition programs.".

SEC. 6133. EDUCATION FOR EMPLOYMENT DEMONSTRATION PROGRAM.

From the sums available to the Secretary for national programs under the Carl D. Perkins Vocational Education Act, the Secretary shall conduct a demonstration program with secondary school students designed to provide participating students with the skills needed for employment or further education by forming partnerships with business and industry for purpose of incorporating into school curriculums—

(1) practical applications of academic subjects;

(2) career exploration;

(3) instruction relating to job seeking skills, career choices, and use of information relating to the labor market; and

(4) a school monitored work experience program, designed to equip each high school graduate with a resume as well as a diploma.

SEC. 6134. INDUSTRY-EDUCATION PARTNERSHIP AUTHORIZATION.

(a) PROGRAM AUTHORIZED.—Section 343 of the Carl D. Perkins Vocational Education Act is amended by adding at the end thereof the following new subsection:

"(d)(1) Funds made available pursuant to section 3(b)(5)(B) of this Act may be used, in accordance with this part, to provide vocational education to individuals in order to assist their entry into, or advancement in, high technology occupations or to meet the technological needs of other industries or businesses.

"(2) Special consideration shall be given to individuals described in paragraph (1) who have attained 55 years of age.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 3(b)(5) of such Act is amended—

(1) by inserting "(A)" after the paragraph designation; and

(2) by adding at the end thereof the following new subparagraph:

"(B) There are authorized to be appropriated an additional $10,000,000 for each of the fiscal years 1988 and 1989 to carry out part E of title III, for workers described in section 343(d).

SEC. 6135. DEMONSTRATION PROGRAM FOR TECHNOLOGICAL LITERACY.

(a) ESTABLISHMENT.—The Secretary shall establish demonstration programs in vocational training centers and community colleges for purposes of providing modular training in basic skills with the objective of rendering participants technologically literate. Such programs shall—

(1) stress techniques and methods that offer basic remedial skills in conjunction with training in automation literacy, robotics, computer-aided design, and other areas of computer-integrated manufacturing technology; and

(2) be designed to foster flexibility and assist workers in meeting the challenge of a changing workplace.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 for fiscal year 1988 for purposes of carrying out this section. Amounts appropriated pursuant to this subsection shall remain available until expended.

CHAPTER 5—ACCESS DEMONSTRATION PROGRAMS

SEC. 6141. PURPOSE.

It is the purpose of this chapter to support training programs for secondary school personnel, including guidance counselors, in order to increase the opportunities of secondary school students in rural sections of the Nation for continued education.

SEC. 6142. PROGRAM AUTHORIZED.

(a) GRANTS TO ELIGIBLE ENTITIES.—The Secretary may make grants to institutions of higher education, private nonprofit agencies and organizations, including regional educational laboratories, public agencies, State educational agencies, or combinations thereof within particular regions of the United States to support the development of training programs for secondary school personnel, including guidance counselors. The Secretary may not make a grant under the preceding sentence to any nonpublic agency unless such agency has extensive experience in providing educational assistance to State and local educational agencies.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for fiscal year 1988 for purposes of carrying out this chapter.

SEC. 6143. APPLICATIONS.

(a) SUBMISSION OF APPLICATIONS.—An eligible entity which desires to develop and operate a program described in section 6142(a) shall submit an application to the Secretary.

(b) REVIEW OF APPLICATIONS.—Each application submitted under subsection (a) shall be reviewed by peers, including educators and researchers, to determine the quality of the proposed program and its relationship to the demonstrated needs of the region to be served.

(c) SOLICITATION OF ALTERNATIVE PROPOSALS.—If, based upon a review under subsection (b), the Secretary determines that a proposed program would not best serve the needs of the students of the region to be served, the Secretary may solicit proposals from other eligible entities located in the region.

(d) CONTENT OF APPLICATIONS.—Each application for assistance under this section shall—

(1) contain assurances that—

(A) the eligible entity shall provide technical assistance to appropriate educational agencies; and

(B) information developed as a result of the applicant's research and development activities, including new educational methods, practices, techniques, and products, will be appropriately disseminated;

(C) all rural students in all States within the region will have access to and information about the access program;

(2) contain a description of—

(A) the rural secondary school population within the region served by the eligible entity, including estimates of the number of high school graduates who—

(i) attend institutions of higher education, including an estimate of the number who attend out-of-state institutions;

(ii) attend trade schools;

(iii) enter military service;

(B) services available within each of the States in the region that exist to provide secondary school students with information and training relating to higher education and self-employment; and

(C) activities provided—

(i) to train designated school personnel to advise and establish community partnership programs; and

(ii) to provide technical assistance; and

(3) demonstrate that—

(A) the eligible entity has engaged in sufficient study and analysis to ensure that the services to be offered by the proposed program will increase the number of secondary school students entering institutions of higher education and increase their awareness of and opportunities for financial assistance;

(B) In the case of an eligible entity other than a State educational agency or local educational agency, State and local educational agencies were involved in planning the proposed programs and that services available from such agencies are incorporated into the proposed program; and

(C) the program will probably be funded by State or other sources after the expiration of funding under this chapter.

(e) REPORT.—

(1) PROGRAM EFFECT.—The Office of Educational Research and Improvement shall submit a report to the Congress on the effect of programs funded under this chapter, including recommendations of the eligible entities.

(2) The report required by paragraph (1) shall be submitted not later than November 30, 1989.

SEC. 6144. DEFINITIONS.

As used in this chapter:

(1) The term "regional educational laboratory" means a regional educational laboratory supported by the Secretary under section 405(d)(4)(A)(i) of the General Education Provisions Act (20 U.S.C. 1221e(d)(4)(A)(i)).

(2) The term "eligible entity" means any entity or combination of entities described in section 6142(a).

Subtitle C—Higher Education

CHAPTER 1—STUDENT LITERACY CORPS

SEC. 6201. STUDENT LITERACY CORPS.

Title I of the Higher Education Act of 1965 is amended by adding the following new part at the end thereof:

"PART D—STUDENT LITERACY CORPS

"SEC. 141. PURPOSE.

"It is the purpose of this part to provide financial assistance to institutions of higher education to promote the development of literacy corps programs to be operated by institutions of higher education in public community agencies in the communities in which such institutions are located.

"SEC. 142. LITERACY CORPS PROGRAM.

"From the amount appropriated pursuant to section 146 for any fiscal year, the Secretary is authorized, in accordance with the provisions of this part, to make grants to institutions of higher education for not to exceed 2 years to carry out literacy corps programs.

"SEC. 143. USES OF FUNDS.

"(a) IN GENERAL.—Funds made available under this part may be used for—

"(1) grants to institutions of higher education for—

"(A) the costs of participation of institutions of higher education in the literacy corps program for which assistance is sought; and

"(B) stipends for student coordinators engaged in the literacy corps program for which assistance is sought; and

"(2) technical assistance, collection and dissemination of information, and evaluation in accordance with section 145.

"(b) LIMITATIONS.—(1) No grant under this part to an institution of higher education may exceed $50,000.

"(2) No institution of higher education may expend more than $25,000 of a grant made under this part in the first year in which the institution receives such a grant.

"SEC. 144. APPLICATIONS.

"(a) APPLICATION REQUIRED.—Each institution of higher education desiring to receive a grant under this part shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS OF APPLICATION.—Each such application shall—

"(1) contain assurances that the institution will use the grant in accordance with section 143;

"(2) contain adequate assurances that—

"(A) the institution has established 1 or more courses of instruction for academic credit which are designed to combine the training of undergraduate students in various academic departments such as social sciences, economics, and education with experience as tutors;

"(B) such individuals will be required, as a condition of receiving credit in such course, to perform not less than 6 hours of voluntary, uncompensated service each week of the academic term in a public community agency as a tutor in such agency's educational or literacy program;

"(C) such tutoring service will be supplementary to the existing instructional services, offered in a structured classroom setting, and furnished under the supervision of qualified personnel; and

"(D) the institution will locate such tutoring services in one or more public community agencies which serve educationally or economically disadvantaged individuals; and

"(3) demonstrate that the institution of higher education has participated, prior to applying for a grant under this subtitle, in community service activities, including—

"(A) the use of a portion of its allotment under part C of title IV of the Higher Education Act of 1965 for work study for community service learning under section 443(b)(2)(A); or

"(B) the conduct of a cooperative education program; and

"(4) contain such other assurances as the Secretary may reasonably require.

"(c) WAIVER.—The Secretary may, upon request of an institution of higher education which does not meet the requirements of clause (3) of subsection (b), grant a waiver of the requirement under such clause if the institution of higher education provides assurances that—

"(1)(A) the institution of higher education has conducted another significant program which involves community outreach and service; or

"(B) its failure to engage in community service related programs or activities prior to making application under this part will not impede the ability of the institution to engage in the outreach efforts necessary to carry out the requirements of this part; and

"(2) the institution will use a portion of its allotment under part C of title IV of the Higher Education Act of 1965 for community service learning programs pursuant to section 443(b)(2)(A) of that Act if the institution receives an allotment under such part C.

An institution of higher education may apply for a waiver as part of the application described in subsection (b).

"SEC. 145. TECHNICAL ASSISTANCE AND COORDINATION CONTRACT.

"To the extent that funds are available therefor pursuant to section 146, the Secretary may, directly or by way of grant, contract, or other arrangement—

"(1) provide technical assistance to grant recipients under this part;

"(2) collect and disseminate information with respect to programs assisted under this part; and

"(3) evaluate such programs and issue reports on the results of such evaluations.

"SEC. 146. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out the provisions of this part $10,000,000 for fiscal year 1988, and $10,000,000 for each succeeding fiscal year thereafter ending prior to October 1, 1991, except that no funds are authorized to be appropriated for this part for more than 2 fiscal years.

"SEC. 147. DEFINITIONS.

"For the purpose of this part—

"(1) the term 'public community agency' means an established community agency with an established program of instruction such as elementary and secondary schools, Head Start centers, prisons, agencies serving youth, and agencies serving the handicapped, including disabled veterans;

"(2) the term 'institution of higher education' has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965; and

"(3) the term 'Secretary' means the Secretary of Education.".

CHAPTER 2—SPECIAL RESEARCH FACILITIES

SEC. 6211. AGRICULTURE, STRATEGIC METALS, MINERALS, FORESTRY, AND OCEANS COLLEGE AND UNIVERSITY RESEARCH FACILITIES AND INSTRUMENTATION MODERNIZATION PROGRAM.

Title VII of the Higher Education Act of 1965 is amended by adding new part J:

"PART J—AGRICULTURE, STRATEGIC METALS, MINERALS, FORESTRY, AND OCEANS COLLEGE AND UNIVERSITY RESEARCH FACILITIES AND INSTRUMENTATION MODERNIZATION PROGRAM

"PROGRAM AUTHORITY

"SEC. 795. (a) PURPOSE.—It is the purpose of this section to help revitalize college and university academic research programs that specialize in agricultural, strategic metals and minerals, energy, forestry and wood products, and oceanic research by assisting colleges and universities in repair and renovation of their research laboratories and other research facilities and upgrading or replacing outmoded research equipment and instrumentation currently in use at such facilities for agricultural, strategic metals, minerals, energy, forestry, and oceans research.

"(b) FINANCIAL ASSISTANCE AUTHORIZED.—The Secretary shall, from the sums available to carry out this section in any fiscal year, establish and carry out a new College and University Research Facilities and Instrumentation Modernization Program for agriculture, strategic metals, minerals, energy, forestry, and oceanic research that will provide assistance for the replacement, repair, or renovation of such institutions' obsolete laboratories, other research facilities, and outmoded equipment and instrumentation. No funds made available under this section may be used for the construction of new facilities.

"(c) PROGRAM REQUIREMENTS.—The College and University Research Facilities and Instrumentation Modernization Program for agriculture, strategic metals, minerals, energy, forestry, and oceans shall be carried out through projects which involve the replacement, repair, or renovation of specific research facilities and research equipment or instrumentation at colleges and universities. Funds shall be awarded competitively, on the basis of specific proposals submitted by colleges and universities, in accordance with regulations prescribed by the Secretary. The Secretary shall consult with the Secretaries of Agriculture, Interior, Energy, and Commerce and shall obtain their recommendations regarding final proposal funding should they wish to provide such. In no case should this language be construed as granting these Secretaries final authority over funding or the right to hold up funding of acceptable projects.

"(d) MATCHING REQUIREMENTS.—Any participating college or university must provide an amount not exceeding 50 percent of the costs involved from other non-Federal public or private sources.

"(e) SELECTION CRITERIA.—The criteria for making an award to any college or university under this part, shall include—

"(1) the quality of the research and training to be carried out in the facility or facilities involved;

"(2) the congruence of the institution's research activities to be supported with funds awarded under this part with the future research needs of the Nation, especially as they relate to improving the Nation's trade and competitiveness position;

"(3) the contribution which the project will make toward meeting national, regional, and State research and related training needs, especially as those needs are related to improving the Nation's trade and competitiveness position; and

"(4) an analysis of the age and condition of existing research facilities and equipment.

"(f) SET-ASIDE.—At least 20 percent of the amount available under this section in any fiscal year shall be available only for awards to colleges and universities that received less than $10,000,000 in total Federal obligations for research and development (including obligations for the university research laboratory modernization program) in each of the two preceding fiscal years.

"(g) CONSULTATIONS FOR RULEMAKING.—In prescribing regulations and conducting the program under this section, the Secretary shall consult with other agencies of the Federal Government concerned with research, including the Departments of Energy, Agriculture, Interior, and Commerce.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 1988 and such sums as may be necessary for each of the 3 succeeding fiscal years to carry out this section.".

CHAPTER 3—MINORITY SCIENCE AND ENGINEERING IMPROVEMENT

SEC. 6221. MINORITY SCIENCE AND ENGINEERING IMPROVEMENT.

Section 1047 of title X of the Higher Education Act of 1965 is amended by adding at the end thereof the following:

"(c) ADDITIONAL AUTHORIZATION.—In addition, there are authorized to be appropriated $7,500,000 for fiscal year 1988 and such sums as may be necessary for each of the 3 succeeding fiscal years for the purpose of funding new activities, consistent with the purposes of sections 1021 and 1031, which are specifically aimed at increasing the participation of minority students in scientific and engineering research careers.".

CHAPTER 4—TECHNOLOGY TRANSFER CENTERS

SEC. 6231. TECHNOLOGY TRANSFER CENTERS.

Title XII of the Higher Education Act of 1965 is amended by adding at the end thereof the following:

"TECHNOLOGY TRANSFER CENTERS

"SEC. 1211. (a)(1)(A) Except as provided in subparagraph (B), there are authorized to be appropriated $15,000,000 for fiscal year 1988 and such sums as may be necessary for each of the 3 succeeding fiscal years to develop, construct, and operate regional technology transfer centers. The Secretary shall establish such regional centers—

"(i) to promote the study and development of programs and depositories necessary to further the transfer of technology relevant to a respective region's economy;

"(ii) to assist in developing incubator facilities to encourage new economic initiatives;

"(iii) to provide technical assistance linking university expertise and private sector resources to solve technical, marketing, and manufacturing problems associated with technology-transfer and start-up businesses; and

"(iv) to ensure consideration of the economic development needs of rural as well as urban areas within the region.

"(B) The Secretary shall reserve not less than $3,000,000 of amounts appropriated pursuant to subparagraph (A) for the purpose of carrying out the Training Technology Transfer Act of 1988.

"(2) In carrying out the requirements of this section, regional technology-transfer centers are authorized—

"(A) to build on or, where needed, develop telecommunications systems to link the centers and their affiliates with industrial users;

"(B) to build on or develop necessary computer networks and data bases; and

"(C) to utilize or help develop regional and national libraries.

"(b) Financial assistance to each center shall be awarded competitively. Such financial assistance shall be awarded for the establishment or operation of such centers.

"(c) Each regional center established shall be operated by an appropriately qualified college or university within the region, a consortium of such schools within the region, or a university-related research park or center, and such regional center shall, where deemed necessary, establish one or more affiliate centers at colleges and universities based in other States within the region.

"(d) In establishing such centers, the institutions applying shall show in their application—

"(1) how the center will facilitate the economy of the region;

"(2) that the center's mission is compatible with the economic development plans of States in the region; and

"(3) that appropriate consultation with the relevant State agencies concerned with economic development has taken place.

"(e)(1) Such center also may be operated by a consortium composed of an entity or entities described in subsection (c), and an existing campus-based research entity, or other State and local agencies, nonprofit agencies, interstate higher education organizations, or, where appropriate, for-profit agencies. The Secretary, through regulation, shall determine a mechanism for assessing the percentage of operating costs paid by other members of a technology transfer consortium arrangements.

"(2) For purpose of paragraph (1), the term 'existing campus-based research facilities includes agricultural research facilities, mining and minerals research facilities; forestry and wood-products research facilities, solar renewable energy research facilities, high technology facilities, and manufacturing technology research facilities.

"(f) Each such center shall establish a Board to advise the center on policy. Such board shall be—

"(1) representative of the States involved in the region; and

"(2) consist of representatives for urban areas, rural areas, ethnic concerns, business, labor, and education.

"(g)(1) Grants for each center shall be awarded for a 5-year period. Before the end of such period, the Secretary shall conduct a competition for the award of grants for the succeeding 5-year period.

"(2) For the fourth and fifth year of each such 5-year period, and during any renewal of the grant for succeeding 5-year periods, 50 percent of the cost of the activities for which assistance is awarded shall be provided from non-Federal sources.

"(h) Funding for affiliate centers authorized in subsection (c) shall be provided by the regional center and the college or university operating the affiliate center, with funding levels to be reached by the 2 entities in a scope-of-work agreement negotiated between the 2 entities. Should the affiliate center wish, its operations and funding support can be a consortia, as specified in subsection (e).

"(i)(1) The Secretary, after consultation with the Departments of Agriculture, Energy, Commerce, and Interior shall publish, for public comment, a proposed list of priorities for the establishment of regional technology transfer centers and shall propose the regional composition of such centers, keeping in mind that satellite and telecommunications technology enables regions to contain noncontiguous States.

"(2) The Secretary shall publish the final list of regions and priorities along with the public's comments. In establishing such regions, the Secretary may designate a State or a portion of a State as a region.".

CHAPTER 5—LIBRARY TECHNOLOGY ENHANCEMENT

SEC. 6241. LIBRARY TECHNOLOGY ENHANCEMENT.

Section 201(b) of the Higher Education Act of 1965 is amended by adding at the end thereof the following:

"(5) There are authorized to be appropriated to carry out the purposes of part D an additional $2,500,000 for fiscal year 1988 and such additional sums as may be necessary for each of the 3 succeeding fiscal years. Activities supported by funds appropriated pursuant to this paragraph shall be activities that will enable libraries to participate more fully in the initiative funded under the Education and Training for American Competitiveness Act of 1987.".

CHAPTER 6—INTERNATIONAL BUSINESS EDUCATION PROGRAM

SEC. 6261. CENTERS FOR INTERNATIONAL BUSINESS EDUCATION AUTHORIZED.

Title VI of the Higher Education Act of 1965 is further amended—

(1) by redesignating sections 612 and 613 as sections 613 and 614, respectively; and

(2) by inserting after section 611 the following new section:

"CENTERS FOR INTERNATIONAL BUSINESS EDUCATION

"SEC. 612. (a) The Secretary is authorized to make grants to institutions of higher education, or combinations of such institutions, to pay the Federal share of the cost of planning, establishing and operating centers for international business education which—

"(1) will be national resources for the teaching of improved business techniques, strategies, and methodologies which emphasize the international context in which business is transacted,

"(2) will provide instruction in critical foreign languages and international fields needed to provide understanding of the cultures and customs of United States trading partners, and

"(3) will provide research and training in the international aspects of trade, commerce, and other fields of study.

In addition to providing training to students enrolled in the institution of higher education in which a center is located, such centers shall serve as regional resources to businesses proximately located by offering programs and providing research designed to meet the international training needs of such businesses.

"(b) Each grant made under this section may be used to pay the Federal share of the cost of planning, establishing or operating a center, including the cost of—

"(1) faculty and staff travel in foreign areas, regions, or countries,

"(2) teaching and research materials,

"(3) curriculum planning and development,

"(4) bringing visiting scholars and faculty to the center to teach or to conduct research, and

"(5) training and improvement of the staff, for the purpose of, and subject to such conditions as the Secretary finds necessary for, carrying out the objectives of this section.

"(c)(1) Programs and activities to be conducted by centers assisted under this section shall include—

"(A) interdisciplinary programs which incorporate foreign language and international studies training into business, finance, management, communications systems, and other professional curricula;

"(B) interdisciplinary programs which provide business, finance, management, communications systems, and other professional training for foreign language and international studies faculty and advanced degree candidates;

"(C) evening or summer programs, including, but not limited to, intensive language programs, available to members of the business community and other professionals which are designed to develop or enhance their international skills, awareness, and expertise;

"(D) collaborative programs, activities, or research involving other institutions of higher education, local educational agencies, professional associations, businesses, firms, or combinations thereof, to promote the development of international skills, awareness, and expertise among current and prospective members of the business community and other professionals;

"(E) research designed to strengthen and improve the international aspects of business and professional education and to promote integrated curricula; and

"(F) research designed to promote the international competitiveness of American businesses and firms, including those not currently active in international trade.

"(2) Programs and activities to be conducted by centers assisted under this section may include—

"(A) the establishment of overseas internship programs for students and faculty designed to provide training and experience in international business activities, except that no Federal funds provided under this section may be used to pay wages or stipends to any participant who is engaged in compensated employment as part of an internship program; and

"(B) other eligible activities prescribed by the Secretary.

"(d)(1) In order to be eligible for assistance under this section, an institution of higher education, or combination of such institutions, shall establish a center advisory council which will conduct extensive planning prior to the establishment of a center concerning the scope of the center's activities and the design of its programs.

"(2) The Center Advisory Council shall include—

"(A) one representative of an administrative department or office of the institution of higher education;

"(B) one faculty representative of the business or management school or department of such institution;

"(C) one faculty representative of the international studies or foreign language school or department of such institution;

"(D) one faculty representative of another professional school or department of such institution, as appropriate;

"(E) one or more representatives of local or regional businesses or firms;

"(F) one representative appointed by the Governor of the State in which the institution of higher education is located whose normal responsibilities include official oversight or involvement in State-sponsored trade-related activities or programs; and

"(G) such other individuals as the institution of higher education deems appropriate.

"(3) In addition to the initial planning activities required under subsection (d)(1), the center advisory council shall meet not less than once each year after the establishment of the center to assess and advise on the programs and activities conducted by the center.

"(e)(1) The Secretary shall make grants under this section for a minimum of 3 years unless the Secretary determines that the provision of grants of shorter duration is necessary to carry out the objectives of this section.

"(2) The Federal share of the cost of planning, establishing and operating centers under this section shall be—

"(A) not more than 90 per centum for the first year in which Federal funds are furnished,

"(B) not more than 70 per centum for the second such year, and

"(C) not more than 50 per centum for the third such year and for each such year thereafter.

"(3) The non-Federal share of the cost of planning, establishing, and operating centers under this section may be provided either in cash or in-kind assistance.

"(f)(1) Grants under this section shall be made on such conditions as the Secretary determines to be necessary to carry out the objectives of this section. Such conditions shall include—

"(A) evidence that the institution of higher education, or combination of such institutions, will conduct extensive planning prior to the establishment of a center concerning the scope of the center's activities and the design of its programs in accordance with subsection (d)(1);

"(B) assurance of ongoing collaboration in the establishment and operation of the center by faculty of the business, management, foreign language, international studies and other professional schools or departments, as appropriate;

"(C) assurance that the education and training programs of the center will be open to students concentrating in each of these respective areas, as appropriate; and

"(D) assurance that the institution of higher education, or combination of such institutions, will use the assistance provided under this section to supplement and not to supplant activities conducted by institutions of higher education described in subsection (c)(1).".

SEC. 6262. AUTHORIZATION OF APPROPRIATIONS.

Section 614 of the Act (as redesignated by section 6261 of this Act) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 614. (a) There are authorized to be appropriated $5,000,000 for the fiscal year 1988 and for each of the 3 succeeding fiscal years to carry out the provisions of section 612.

"(b) There are authorized to be appropriated $5,000,000 for fiscal year 1987, and such sums as may be necessary for the 4 succeeding fiscal years, to carry out the provisions of section 613.".

SEC. 6263. CONFORMING AMENDMENT.

Section 613 of the Act (as redesignated by section 6261 of this Act) is amended by striking out "part" each time it appears and inserting in lieu thereof "section".

CHAPTER 7—ADDITIONAL HIGHER EDUCATION PROVISIONS

SEC. 6271. RONALD E. McNAIR POST-BACCALAUREATE ACHIEVEMENT PROGRAM.

Section 417D(d)(6) of the Act is amended by striking out "in no case" and all that follows through the period and inserting in lieu thereof the following: "if—

"(A) the funds so allocated equal or exceed $168,800,000 but are less than $215,000,000 funds allocated to projects authorized under this subsection may not exceed—

"(i) $1,000,000 in the fiscal year 1988,

"(ii) $2,000,000 in the fiscal year 1989,

"(iii) $3,000,000 in the fiscal year 1990, and

"(iv) $4,000,000 in the fiscal year 1991, and

"(B) the funds so allocated equal or exceed $215,000,000 funds allocated to projects authorized under this subsection may not exceed $5,000,000.".

SEC. 6272. UNITED STATES INSTITUTE OF PEACE.

Section 25 of the Higher Education Technical Amendments Act of 1987 is amended by striking out "Section 1703" and inserting in lieu thereof "Section 1705(b)(3)".

Subtitle D—Employment and Training for Dislocated Workers

SEC. 6301. SHORT TITLE.

This title may be cited as the "Economic Dislocation and Worker Adjustment Assistance Act".

SEC. 6302. AMENDMENT TO TITLE III OF THE JOB TRAINING PARTNERSHIP ACT.

(a) IN GENERAL.—Title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.) is amended to read as follows:

"TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

"DEFINITIONS

"SEC. 301. (a) DISLOCATED WORKERS.—(1) For purposes of this title, the term 'eligible dislocated workers' means individuals who—

"(A) have been terminated or laid off or who have received a notice of termination or layoff from employment, are eligible for or have exhausted their entitlement to unemployment compensation, and are unlikely to return to their previous industry or occupation;

"(B) have been terminated or have received a notice of termination of employment, as a result of any permanent closure of or any substantial layoff at a plant, facility, or enterprise;

"(C) are long-term unemployed and have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individuals reside, including older individuals who may have substantial barriers to employment by reason of age; or

"(D) were self-employed (including farmers and ranchers) and are unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters, subject to regulations prescribed by the Secretary.

"(2) For purposes of this title, the term 'additional dislocated worker' means a displaced homemaker as that term is defined in section 4(29) of this Act.

"(3) The Secretary shall establish categories of self-employed individuals and of economic conditions and natural disasters to which paragraph (1)(D) applies.

"(b) ADDITIONAL DEFINITIONS.—For the purposes of this title—

"(1) The term 'labor-management committees' means committees voluntarily established to respond to actual or prospective worker dislocation, which ordinarily include (but are not limited to) the following—

"(A) shared and equal participation by workers and management;

"(B) shared financial participation between the company and the State, using funds provided under this title, in paying for the operating expenses of the committee;

"(C) a chairperson, to oversee and guide the activities of the committee, (i) who shall be jointly selected by the labor and management members of the committee, (ii) who is not employed by or under contract with labor or management at the site, and (iii) who shall provide advice and leadership to the committee and prepare a report on its activities;

"(D) the ability to respond flexibly to the needs of affected workers by devising and implementing a strategy for assessing the employment and training needs of each dislocated worker and for obtaining the services and assistance necessary to meet those needs;

"(E) a formal agreement, terminable at will by the workers or the company management, and terminable for cause by the Governor; and

"(F) local job identification activities by the chairman and members of the committee on behalf of the affected workers.

"(2) The term 'local elected official' means the chief elected executive officer of a unit of general local government in a substate area.

"(3) The term 'service provider' means a public agency, private nonprofit organization, or private-for-profit entity that delivers educational, training, or employment services.

"(4) The term 'substate area' means that geographic area in a State established pursuant to section 312(a).

"(5) The term 'substate grantee' means that agency or organization selected to administer programs pursuant to section 312(b).

"(6) The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"ALLOTMENT

"SEC. 302. (a) ALLOTMENT OF FUNDS.—From the funds appropriated pursuant to section 3(c) for any fiscal year, the Secretary shall—

"(1) allot 80 percent of such funds in accordance with the provisions of subsection (b); and

"(2) reserve 20 percent for use under part B of this title, subject to the reservation required by subsection (e) of this section.

"(b) ALLOTMENT AMONG STATES.—(1) Subject to the provisions of paragraph (2), the Secretary shall allot the amount available in each fiscal year under subsection (a)(1) on the basis of the following factors:

"(A) One-third of such amount shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all the States.

"(B) One-third of such amount shall be allotted among the States on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States. For purposes of this paragraph, the term 'excess number' means the number which represents unemployed individuals in excess of 4.5 percent of the civilian labor force in the State.

"(C) One-third of such amount shall be allotted among the States on the basis of the relative number of individuals who have been unemployed for 15 weeks or more and who reside in each State as compared to the total number of such individuals in all the States.

"(2) As soon as satisfactory data are available under section 462(e) of this Act, the Secretary shall allot amounts appropriated to carry out part B and this part for any fiscal year to each State so that—

"(A) 25 percent of such amount shall be allotted on the basis of each of the factors described in subparagraphs (A), (B), and (C) of paragraph (1), respectively, for a total of 75 percent of the amount allotted; and

"(B) 25 percent of such amount shall be allotted among the States on the basis of the relative number of dislocated workers in such State in the most recent period for which satisfactory data are available under section 462(e) and, when available, under section 462(f) of this Act.

"(c) Reservations for State Activities and for Substate Grantees in Need.—(1) The Governor may reserve not more than 40 percent of the amount allotted to the State under section 302(a)(1) for—

"(A) State administration, technical assistance, and coordination of the programs authorized under this title;

"(B) statewide, regional, or industrywide projects;

"(C) rapid response activities as described in section 314(b);

"(D) establishment of coordination between the unemployment compensation system and the worker adjustment program system; and

"(E) discretionary allocation for basic readjustment and retraining services to provide additional assistance to areas that experience substantial increases in the number of dislocated workers, to be expended in accordance with the substate plan or modification thereof.

"(2) In addition, the Governor may reserve not more than 10 percent of the amount allotted to the State under section 302(a)(1) for allocation among substate grantees. The amount so reserved shall be allocated on the basis of need and distributed to such grantees not later than 9 months after the beginning of the program year for which the allotment was made.

"(d) Within State Distribution.—The Governor shall allocate the remainder of the amount allotted to the State under this part to substate areas for services authorized in this part, based on an allocation formula prescribed by the Governor. Such formula may be amended by the Governor not more than once for each program year. Such formula shall utilize the most appropriate information available to the Governor to distribute amounts to address the State's worker readjustment assistance needs. Such information shall include (but is not limited to)—

"(1) insured unemployment data;

"(2) unemployment concentrations;

"(3) plant closing and mass layoff data;

"(4) declining industries data;

"(5) farmer-rancher economic hardship data; and

"(6) long-term unemployment data.

"(e) Reservation for the Territories.—Not more than 0.3 percent of the amounts appropriated pursuant to section 3(c) and available under subsection (a)(2) of this section for any fiscal year shall be allocated among the Commonwealth of the Northern Mariana Islands and the other territories and possessions of the United States.

"RECAPTURE AND REALLOTMENT OF UNEXPENDED FUNDS

"Sec. 303. (a) General Reallotment Authority.—For program years beginning July 1, 1989, and thereafter, the Secretary shall, in accordance with the requirements of this section, reallot to eligible States the funds allotted to States from funds appropriated for such program year that are available for reallotment.

"(b) Amount Available for Reallotment.—The amount available for reallotment is equal to—

"(1) the amount by which the unexpended balance of the State allotment at the end of the program year prior to the program year for which the determination under this section is made exceeds 20 percent of such allotment for that prior program year; plus

"(2) the unexpended balance of the State allotment from any program year prior to the program year in which there is such excess.

"(c) Method of Reallotment.—(1) The Secretary shall determine the amount that would be allotted to each eligible State by using the factors described in section 302(b) to allocate among eligible States the amount available pursuant to subsection (b) of this section.

"(2) The Secretary shall allot to each eligible high unemployment State the amount determined for that State under the procedure in paragraph (1) of this subsection.

"(3) The Secretary shall, by using the factors described in section 302(b), allot to eligible States the amount available that remains after the allotment required by paragraph (2) of this subsection.

"(d) State Procedures With Respect to Reallotment.—The Governor of each State shall prescribe uniform procedures for the expenditure of funds by substate grantees in order to avoid the requirement that funds be made available for reallotment under subsection (b). The Governor shall further prescribe equitable procedures for making funds available from the State and substate grantees in the event that a State is required to make funds available for reallotment under such subsection.

"(e) Definitions.—(1) For the purpose of this section, an eligible State means a State which has expended at least 80 percent of its allotment for the program year prior to the program year for which the determination under this section is made.

"(2) For the purpose of this section, an eligible high unemployment State means a State—

"(A) which meets the requirement in subsection (c)(1), and

"(B) which is among the States which has an unemployment rate greater than the national average unemployment for the most recent 12 months for which satisfactory data are available.

"(3) For purposes of this section, funds awarded from discretionary funds of the Secretary shall not be included in calculating any of the reallotments described in this section.

"PART A—STATE DELIVERY OF SERVICES

"STATE PLAN

"Sec. 311. (a) State Plan Required.—In order to receive an allotment of funds under section 302(b), the Governor of a State shall submit to the Secretary, on a biennial basis, a State plan describing in detail the programs and activities that will be assisted with funds provided under this title. The State plan shall be submitted on or before the first day of May immediately preceding the program year for which funds are first to be made available under this title. Such plan shall include incentives to provide training of greater duration for those who require it, consistent with section 106(g).

"(b) Contents of Plan.—Each State plan shall contain provisions demonstrating to the satisfaction of the Secretary that the State will comply with the requirements of this title and that—

"(1) services under this title—

"(A) will, except as provided in paragraph (4), only be provided to eligible dislocated workers;

"(B) will not be denied to an eligible dislocated worker displaced by a permanent closure or substantial layoff within the State, regardless of the State of residence of such worker; and

"(C) may be provided to other eligible dislocated workers regardless of the State of residence of such worker;

"(2) the State will designate or create an identifiable State dislocated worker unit or office with the capability to respond rapidly, on site, to permanent closures and substantial layoffs throughout the State in order to assess the need for, and initially to provide for, appropriate basic readjustment services;

"(3) the State unit will—

"(A) make appropriate retraining and basic readjustment services available to eligible dislocated workers through the use of rapid response teams, substate grantees, and other appropriate organizations;

"(B) work with employers and labor organizations in promoting labor-management cooperation to achieve the goals of this title;

"(C) operate a monitoring, reporting, and management system which provides an adequate information base for effective program management, review, and evaluation; and

"(D) provide technical assistance and advice to substate grantees;

"(4) the State will provide to additional dislocated workers (as defined in section 301(a)(2)) the services available under this title to eligible dislocated workers only if the Governor of such State determines that such services may be provided to additional dislocated workers without adversely affecting the delivery of such services to eligible dislocated workers;

"(5) the State unit will exchange information and coordinate programs with—

"(A) the appropriate economic development agency, for the purpose of developing strategies to avert plant closings or mass layoffs and to accelerate the reemployment of affected individuals;

"(B) State education, training, and social services programs; and

"(C) all other programs available to assist dislocated workers (including the Job Service and the unemployment insurance system);

"(6) the State unit will disseminate throughout the State information on the availability of services and activities under this title;

"(7) any program conducted with funds made available under this title which will provide services to a substantial number of members of a labor organization will be established only after full consultation with such labor organization;

"(8) the State will not prescribe any standard for the operation of programs under this part that is inconsistent with section 106(g);

"(9) the State job training coordinating council has reviewed and commented in writing on the plan; and

"(10) the delivery of services with funds made available under this title will be integrated or coordinated with services or payments made available under chapter 2 of title II of the Trade Act of 1974 and provided by any State or local agencies designated under section 239 of the Trade Act of 1974.

"(c) Review and Approval of State Plans.—The Secretary shall review any plan submitted under subsection (a), and any comments thereon submitted by the State job training coordinating council pursuant to subsection (b)(9), and shall notify a State as to any deficiencies in such plan within 30 days after submission. Unless a State has been so notified, the Secretary shall approve the plan within 45 days after submission. The Secretary shall not finally disapprove the plan of any State except after notice and opportunity for a hearing.

"(d) Modifications—Any plan submitted under subsection (a) may be modified to describe changes in or additions to the programs and activities set forth in the plan, except that no such modification shall be effective unless reviewed and approved in accordance with subsection (c).

"(e) Complaint, Investigation, Penalty.—(1) Whenever the Secretary receives a complaint or a report from an aggrieved party or a public official that a State is not complying with the provisions of the State plan required by this section, the Secretary shall investigate such report or complaint.

"(2)(A) Whenever the Secretary determines that there has been such a failure to comply and that other remedies under this Act are not available or are not adequate to achieve compliance, the Secretary may withhold an amount not to exceed 10 percent of the allotment of the State for the fiscal year in which the determination is made for each such violation.

"(B) No determination may be made under this paragraph until the State affected is afforded adequate notice and opportunity for a hearing.

"(f) Special Rule.—The provisions of section 102(h) and 105(d), relating to cases in which a service delivery area is a State, shall apply to this title.

"SUBSTATE GRANTEES

"Sec. 312. (a) Designation of Substate Areas.—(1) The Governor of each State shall, after receiving any recommendations from the State job training coordinating council, designate substate areas for the State.

"(2) Each service delivery area within a State shall be included within a substate area and no service delivery area shall be divided among two or more substate areas.

"(3) In making designations of substate areas, the Governor shall consider—

"(A) the availability of services throughout the State;

"(B) the capability to coordinate the delivery of services with other human services and economic development programs; and

"(C) the geographic boundaries of labor market areas within the State.

"(4) Subject to paragraphs (2) and (3), the Governor—

"(A) shall designate as a substate area any single service delivery area that has a population of 200,000 or more;

"(B) shall designate as a substate area any two or more contiguous service delivery areas—

"(i) that in the aggregate have a population of 200,000 or more; and

"(ii) that request such designation; and

"(C) shall designate as a substate area any concentrated employment program grantee for a rural area described in section 101(a)(4)(A)(iii) of this Act.

"(5) The Governor may deny a request for designation under paragraph (4)(B) if the Governor determines that such designation would not be consistent with the effective delivery of services to eligible dislocated workers in various labor market areas (including urban and rural areas) within the State, or would not otherwise be appropriate to carry out the purposes of this title.

"(6) The designations made under this section may not be revised more than once each two years, in accordance with the requirements of this section.

"(b) Designation of Substate Grantees.—A substate grantee shall be designated, on a biennial basis, for each substate area. Such substate grantee shall be designated in accordance with an agreement among the Governor, the local elected official or officials of such area, and the private industry council or councils of such area. Whenever a substate area is represented by more than one such official or council, the respective officials and councils shall each designate representatives, in accordance with procedures established by the Governor (after consultation with the State job training coordinating council), to negotiate such agreement. In the event agreement cannot be reached on the selection of a substate grantee, the Governor shall select the substate grantee.

"(c) Eligibility.—Entities eligible for designation as substate grantees include—

"(1) private industry councils in the substate area;

"(2) service delivery area grant recipients or administrative entities;

"(3) private nonprofit organizations;

"(4) units of general local government in the substate area, or agencies thereof;

"(5) local offices of State agencies; and

"(6) other public agencies, such as community colleges and area vocational schools.

"(d) Functions of Substate Grantees.—The substate grantee shall be responsible for providing, within such substate area, services described in section 314 (c), (d), and (e) pursuant to an agreement with the Governor and in accordance with the State plan under section 311 and the substate plan under section 313. The substate grantee may provide such services directly or through contract, grant, or agreement with service providers.

"(e) Applicability of General Administrative Provisions to Substate Grantees.—The requirements of parts C and D of title I of this Act that apply to an administrative entity or a recipient of financial assistance under this Act shall also apply to substate grantees under this title.

"SUBSTATE PLAN

"Sec. 313. (a) General Rule.—No amounts appropriated for any fiscal year may be provided to a substate grantee unless the Governor (after considering the recommendations of the State job training coordinating council) has approved a substate plan, or modification thereof, submitted by the substate grantee describing the manner in which activities will be conducted within the substate area. Prior to the submission to the Governor, the plan shall be submitted for review and comment to the other parties to the agreement described in section 312(b).

"(b) Contents of Substate Plan.—The substate plan shall contain a statement of—

"(1) the means for delivering services described in section 314 to eligible dislocated workers;

"(2) the means to be used to identify, select, and verify the eligibility of program participants;

"(3) the means for implementing the requirements of section 314(f);

"(4) the means for involving labor organizations in the development and implementation of services;

"(5) the performance goals to be achieved consistent with the performance goals contained in the State plan pursuant to section 311(b)(8);

"(6) procedures, consistent with section 107, for selecting service providers which take into account past performance in job training or related activities, fiscal accountability, and ability to meet performance standards;

"(7) a description of the methods by which the substate grantee will respond expeditiously to worker dislocation where the rapid response assistance required by section 314(b) is inappropriate, including worker dislocation in sparsely populated areas, which methods may include (but are not limited to)—

(A) development and delivery of widespread outreach mechanisms;

(B) provision of financial evaluation and counseling (where appropriate) to assist in determining eligibility for services and the type of services needed;

(C) initial assessment and referral for further basic adjustment and training services; and

(D) establishment of regional centers for the purpose of providing such outreach, assessment, and early readjustment assistance;

"(8) a description of the methods by which the other parties to the agreement described in section 312(b) may be involved in activities of the substate grantee;

"(9) a description of training services to be provided, including—

"(A) procedures to assess participants' current education skill levels and occupational abilities;

"(B) procedures to assess participants' needs, including educational, training, employment, and social services;

"(C) methods for allocating resources to provide the services recommended by rapid response teams for eligible dislocated workers within the substate area; and

"(D) a description of services and activities to be provided in the substate area;

"(10) the means whereby coordination with other appropriate programs, services, and systems will be effected, particularly where such coordination is intended to provide access to the services of such other systems for program participants at no cost to the worker readjustment program; and

"(11) a detailed budget, as required by the State.

"(c) Plan Approval.—The Governor shall approve or disapprove the plan of a substate grantee in the manner required by section 105(b) (1), (2), and (3). If a substate grantee fails to submit a plan, or submits a plan that is not approved by the Governor in accordance with such section, the Governor may direct the expenditure of funds allocated to the substate area until such time as a plan is submitted and approved or a new substate grantee is designated under section 312.

"(d) By-Pass Authority.—If a substate grantee fails to expend funds allocated to it in accordance with its plan, the Governor may, subject to appropriate notice and opportunity for comment in the manner required by section 105(b) (1), (2), and (3), direct the expenditure of funds in accordance with the substate plan until—

"(1) the substate grantee corrects the failure,

"(2) the substate grantee submits an acceptable modification to its plan pursuant to subsection (a), or

"(3) a new substate grantee is designated under section 312.

"USE OF FUNDS; SERVICES TO BE PROVIDED

"Sec. 314. (a) In General.—Funds allotted under section 302 may be used—

"(1) to provide rapid response assistance in accordance with subsection (b);

"(2) to deliver, coordinate, and integrate basic readjustment services and support services in accordance with subsection (c);

"(3) to provide retraining services in accordance with subsection (d);

"(4) to provide needs-related payments in accordance with subsection (e); and

"(5) to provide for coordination with the unemployment compensation system in accordance with subsection (f).

"(b) Rapid Response Assistance.—(1) The dislocated worker unit required by section 311(b)(2) shall include specialists who may use funds available under this title—

"(A) to establish on-site contact with employer and employee representatives within a short period of time (preferably 48 hours or less) after becoming aware of a current or projected permanent closure or substantial layoff in order to—

"(i) provide information on and facilitate access to available public programs and services; and

"(ii) provide emergency assistance adapted to the particular closure or layoff;

"(B) to promote the formation of labor-management committees, by providing—

"(i) immediate assistance in the establishment of the labor-management committee, including providing immediate financial assistance to cover the start-up costs of the committee;

"(ii) a list of individuals from which the chairperson of the committee may be selected;

"(iii) technical advice as well as information on sources of assistance, and liaison with other public and private services and programs; and

"(iv) assistance in the selection of worker representatives in the event no union is present;

"(C) to collect information related to—

"(i) economic dislocation (including potential closings or layoffs); and

"(ii) all available resources within the State for displaced workers,

which information shall be made available on a regular basis to the Governor and the State job training coordinating council to assist in providing an adequate information base for effective program management, review, and evaluation;

"(D) to provide or obtain appropriate financial and technical advice and liaison with economic development agencies and other organizations to assist in efforts to avert worker dislocations;

"(E) to disseminate information throughout the State on the availability of services and activities carried out by the dislocated worker unit or office; and

"(F) to assist the local community in developing its own coordinated response and in obtaining access to State economic development assistance.

"(2) In a situation involving an impending permanent closure or substantial layoff, a State may provide funds, where other public or private resources are not expeditiously available, for a preliminary assessment of the advisability of conducting a comprehensive study exploring the feasibility of having a company or group, including the workers, purchase the plant and continue it in operation.

"(c) Basic Readjustment Services.—Funds allotted under section 302 may be used to provide basic readjustment services to eligible dislocated workers. Subject to limitations set forth in subsection (e) and section 315(a), the services may include (but are not limited to)—

"(1) development of individual readjustment plans for participants in programs under this title;

"(2) outreach and intake;

"(3) early readjustment assistance;

"(4) job or career counseling;

"(5) testing;

"(6) orientation;

"(7) assessment, including evaluation of educational attainment and participant interests and aptitudes;

"(8) determination of occupational skills;

"(9) provision of future world-of-work and occupational information;

"(10) job placement assistance;

"(11) labor market information;

"(12) job clubs;

"(13) job search;

"(14) job development;

"(15) supportive services, including child care, commuting assistance, and financial and personal counseling which shall terminate not later than the 90th day after the participant has completed other services under this part, except that counseling necessary to assist participants to retain employment shall terminate not later than 6 months following the completion of training;

"(16) prelayoff assistance;

"(17) relocation assistance; and

"(18) programs conducted in cooperation with employers or labor organizations to provide early intervention in the event of closures of plants or facilities.

"(d) Retraining Services.—(1) Funds allotted under section 302 may be used to provide training services under this part to eligible dislocated workers. Such services may include (but are not limited to)—

"(A) classroom training;

"(B) occupational skill training;

"(C) on-the-job training;

"(D) out-of-area job search;

"(E) relocation;

"(F) basic and remedial education;

"(G) literacy and English for non-English speakers training;

"(H) entrepreneurial training; and

"(I) other appropriate training activities directly related to appropriate employment opportunities in the substate area.

"(2) No funds under this part may be expended to provide wages for public service employment.

"(e) Needs-Related Payments.—(1) Funds allocated to a substate grantee under section 302(d) may be used pursuant to a substate plan under section 313 to provide needs-related payments to an eligible dislocated worker who does not qualify or has ceased to qualify for unemployment compensation, in order to enable such worker to participate in training or education programs under this title. To be eligible for such payments, an eligible dislocated worker who has ceased to qualify for unemployment compensation must have been enrolled in training by the end of the 13th week of the worker's initial unemployment compensation benefit period, or, if later, the end of the 8th week after an employee is informed that a short-term layoff will in fact exceed 6 months.

"(2) The level of needs-related payments shall be made available at a level not greater than the higher of—

"(A) the applicable level of unemployment compensation; or

"(B) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget.

"(f) Coordination With Unemployment Compensation.—Funds allocated to a State under section 302 may be used for coordination of worker readjustment programs and the unemployment compensation system, consistent with the limitation on administrative expenses in section 315. Each State shall be responsible for coordinating the unemployment compensation system and worker readjustment programs within such State.

"LIMITATIONS ON USES OF FUNDS

"Sec. 315. (a) Use of Funds for Retraining Services.—(1) Not less than 50 percent of the funds expended under this title by any substate grantee shall be expended for retraining services specified under section 314(d).

"(2) A substate grantee may apply to the Governor for a waiver of the requirement in paragraph (1). Such waiver may not permit less than 30 percent of the funds to be spent for such retraining services. The waiver may be granted in whole or in part if the substate grantee demonstrates that the worker readjustment program in the area will be consistent with the principle that dislocated workers be prepared for occupations or industries with long-term potential. The Governor shall prescribe criteria for the demonstration required by the previous sentence.

"(3) An application for such a waiver shall be submitted at such time and in such form as the Governor may prescribe. The Governor shall provide an opportunity for public comment on the application.

"(b) Needs-Related Payments and Supportive Services Limitation.—Not more than 25 percent of the funds expended under this title by any substate grantee or by the Governor may be used to provide needs-related payments and other supportive services.

"(c) Administrative Cost Limitation.—Not more than 15 percent of the funds expended under this title by any substate grantee or by the Governor may be expended to cover the administrative cost of programs under this title. For purposes of this subsection, administrative cost does not include the cost of activities under section 314(b).

"RETRAINING SERVICES AVAILABILITY

"SEC. 316. (a) ALTERNATIVE METHODS OF PROVIDING RETRAINING SERVICES.—A substate grantee may provide retraining services described in section 314(d) to an eligible dislocated worker—

"(1) by beginning such services promptly upon the worker's application for the program under this title;

"(2) by deferring the beginning of such services and providing the worker with a certificate of continuing eligibility in accordance with subsection (b) (1) and (2); or

"(3) by permitting the worker to obtain such services from a service provider using such certificate in accordance with subsection (b)(3).

"(b) CERTIFICATION OF CONTINUING ELIGIBILITY.—(1) A substate grantee may issue to any eligible dislocated worker who has applied for the program authorized in this part a certificate of continuing eligibility. Such a certificate of continuing eligibility may be effective for periods not to exceed 104 weeks. No such certificate shall include any reference to any specific amount of funds. Any such certificate shall state that it is subject to the availability of funds at the time that any such training services are to be provided. Acceptance of such a certificate shall not be deemed to be enrollment in training.

"(2) Any individual to whom a certificate of continuing eligibility has been issued under paragraph (1) of this subsection shall remain eligible for the program authorized under this part for the period specified in the certificate, notwithstanding section 301(a), and may use the certificate in order to receive the retraining services, subject to the limitations contained in the certificate.

"(3) A substate grantee may provide training services through systems that permit eligible dislocated workers to use certificates of continuing eligibility to seek out and arrange their own retraining with service providers approved by that substate grantee. Retraining provided pursuant to the certificate shall be conducted under a grant, contract, or other arrangement between the substate grantee and the service provider.

"FUNCTIONS OF STATE JOB TRAINING COORDINATING COUNCIL

"SEC. 317. For purposes of this title, the State job training coordinating council shall—

"(1) provide advice to the Governor regarding the use of funds under this title, including advice on—

"(A) the designation of substate areas and substate grantees, and the procedures for the selection of representatives within such areas under section 312; and

"(B) the methods for allocation and reallocation of funds, including the method for distribution of funds reserved under section 302(c)(2) and funds subject to reallocation under section 303(d);

"(2) submit comments to the Governor and the Secretary on the basis of review of the State and substate programs under this title;

"(3) review, and submit written comments on, the State plan (and any modification thereof) before its submission under section 311;

"(4) review, and submit written comments on, each substate plan submitted to the Governor under section 313; and

"(5) provide advice to the Governor regarding performance standards.

"PART B—FEDERAL RESPONSIBILITIES

"FEDERAL ADMINISTRATION

"SEC. 321. (a) STANDARDS.—The Secretary shall promulgate standards for the conduct and evaluation of programs under this title.

"(b) BY-PASS AUTHORITY.—In the event that any State fails to submit a plan that is approved under section 311, the Secretary shall use the amount that would be allotted to that State to provide for the delivery in that State of the programs, activities, and services authorized by this title until the State plan is submitted and approved under that section.

"FEDERAL DELIVERY OF DISLOCATED WORKER SERVICES

"SEC. 322. (a) GENERAL AUTHORITY.—The Secretary shall, with respect to programs required by this title—

"(1) distribute funds to States in accordance with the requirements of section 302;

"(2) provide funds to exemplary and demonstration programs on plant closings and worker dislocation;

"(3) otherwise allocate discretionary funds to projects serving workers affected by multi-State or industry-wide dislocations and to areas of special need in a manner that efficiently targets resources to areas of most need, encourages a rapid response to economic dislocations, and promotes the effective use of funds;

"(4) monitor performance and expenditures and annually certify compliance with standards prescribed by the Secretary under section 106(g);

"(5) conduct research and serve as a national clearinghouse for gathering and disseminating information on plant closings and worker dislocation; and

"(6) provide technical assistance and staff training services to States, communities, businesses, and unions, as appropriate.

"(b) ADMINISTRATIVE PROVISIONS.—The Secretary shall designate or create an identifiable dislocated workers unit or office to coordinate the functions of the Secretary under this title.

"ALLOWABLE ACTIVITIES

"SEC. 323. (a) CIRCUMSTANCES AND ACTIVITIES FOR USE OF FUNDS.—Amounts reserved for this part under section 302(a)(2) may be used to provide services of the type described in section 314 in the following circumstances:

"(1) mass layoffs, including mass layoffs caused by natural disasters or Federal actions (such as relocations of Federal facilities) when the workers are not expected to return to their previous occupations;

"(2) industrywide projects;

"(3) multistate projects;

"(4) special projects carried out through agreements with Indian tribal entities;

"(5) special projects to address national or regional concerns;

"(6) demonstration projects, including the projects described in section 324;

"(7) to provide additional financial assistance to programs and activities provided by States and substate grantees under part A of this title; and

"(8) to provide additional assistance under proposals for financial assistance that are submitted to the Secretary and approved by the Secretary after consultation with the Governor of the State in which the project is to operate.

"(b) USE OF FUNDS IN EMERGENCIES.—Amounts reserved for this part under section 302(a)(2) may also be used to provide services of the type described in section 314 whenever the Secretary (with agreement of the Governor) determines that an emergency exists with respect to any particular distressed industry or any particularly distressed area to provide emergency financial assistance to dislocated workers. The Secretary may make arrangements for the immediate provision of such emergency financial assistance for the purposes of this section with any necessary supportive documentation to be submitted at a date agreed to by the Governor and the Secretary.

"(c) STAFF TRAINING AND TECHNICAL ASSISTANCE.—(1) Amounts reserved for this part under section 302(a)(2) may be used to provide staff training and technical assistance services to States, communities, businesses and labor organizations, and other entities involved in providing adjustment assistance to workers. Applications for technical assistance funds shall be submitted in accordance with procedures issued by the Secretary.

"(2) Not more than 5 percent of the funds reserved for this part in any fiscal year shall be used for the purpose of this subsection.

"(d) TRAINING OF RAPID RESPONSE STAFFS.—Amounts reserved for this part under section 302(a)(2) shall be used to provide training of staff, including specialists, providing rapid response services. Such training shall include instruction in proven methods of promoting, establishing, and assisting labor-management committees.

"DEMONSTRATION PROGRAMS

"SEC. 324. (a) AUTHORIZED PROGRAMS.—From the amount reserved for this part under section 302(a)(2) for the fiscal years 1989, 1990, and 1991, not less than 10 percent of such amount shall be used for demonstration programs. Such demonstration programs may be up to three years in length, and shall include (but need not be limited to) at least two of the following demonstration programs:

"(1) self-employment opportunity demonstration program;

"(2) public works employment demonstration program;

"(3) dislocated farmer demonstration program; and

"(4) job creation demonstration program.

"(b) EVALUATION AND REPORT.—The Secretary shall conduct or provide for an evaluation of the success of each demonstration program, and shall prepare and submit to the Congress a report of the evaluation not later than October 1, 1992, together with such recommendations, including recommendations for legislation, as the Secretary deems appropriate.".

SEC. 6303. AUTHORIZATION OF APPROPRIATIONS.

Section 3(c) of the Job Training Partnership Act is amended to read as follows:

"(c) There are authorized to be appropriated to carry out title III—

"(1) $980,000,000 for fiscal year 1989; and

"(2) such sums as may be necessary for each succeeding fiscal year.".

SEC. 6304. CONFORMING AMENDMENTS.

(a) PERFORMANCE STANDARDS.—Section 106 of the Job Training Partnership Act is amended—

(1) in subsection (e)—

(A) by inserting "and subsection (g)" after "subsection";

(B) by inserting after "State" the following: "and in substate areas"; and

(2) in subsection (g)—

(A) by inserting "(1)" after "(g)"; and

(B) by adding at the end thereof the following new paragraph:

"(2) Any performance standard that may be prescribed under paragraph (1) of this subsection shall make appropriate allowance for the difference in cost resulting from serving workers receiving needs-related payments under section 314(e).".

(b) STATE JOB TRAINING COORDINATING COUNCIL.—Section 122(a)(3) of the Job Training Partnership Act is amended to read as follows:

"(3) The State job training coordinating council shall be composed as follows:

"(A) Thirty percent of the membership of the State council shall be representatives of business and industry (including agriculture, where appropriate), including individuals who are representatives of business and industry on private industry councils within the State.

"(B) Thirty percent of the membership of the State council shall be—

"(i) representatives of the State legislature, and State agencies and organizations, such as the State educational agency, the State vocational education board, the State advisory council on vocational education, the State board of education (when not otherwise represented), State public assistance agencies, the State employment security agency, the State rehabilitation agency, the State occupational information coordinating committee, State postsecondary institutions, the State economic development agency, State veterans' affairs agencies or equivalent, and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the State; and

"(ii) representatives of the units or consortia of general local government in the State who shall be nominated by the chief elected officials of the units or consortia of units of general local government, and the representatives of local educational agencies who shall be nominated by local educational agencies.

"(C) Thirty percent of the membership of the State council shall be representatives of organized labor and representatives of community-based organizations in the State.

"(D) Ten percent of the membership of the State council shall be appointed from the general public by the Governor of the State.".

(c) TABLE OF CONTENTS.—The table of contents of such Act is amended by striking out the portion pertaining to title III and inserting the following:

"TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

"Sec. 301. Definitions.
"Sec. 302. Allotment.
"Sec. 303. Recapture and reallotment of unexpended funds.

"PART A—STATE DELIVERY OF SERVICES

"Sec. 311. State plan.
"Sec. 312. Substate grantees.
"Sec. 313. Substate plan.
"Sec. 314. Use of funds; services to be provided.
"Sec. 315. Limitations on uses of funds.
"Sec. 316. Retraining services availability.
"Sec. 317. Functions of State job training coordinating council.

"PART B—FEDERAL RESPONSIBILITIES

"Sec. 321. Federal administration.
"Sec. 322. Federal delivery of dislocated worker services.
"Sec. 323. Allowable activities.
"Sec. 324. Demonstration programs.".

SEC. 6305. TRANSITION PROVISIONS.

(a) GENERAL RULE.—Except as otherwise provided in this section, the amendments made by sections 6302 and 6304 shall be effective for program years beginning on or after July 1, 1989.

(b) PROGRAM YEAR 1988-1989.—The Secretary of Labor and Governors shall, during the program year beginning July 1, 1988, continue to administer title III of the Job Training Partnership Act in the same manner as such title was administered during prior program years, except to the extent necessary to provide for an orderly transition to and implementation of the amendments made by this subtitle. The Secretary and Governors may, for such purposes, use funds appropriated for fiscal year 1989 or any preceding fiscal year to carry out appropriate transition and implementation activities. Such activities may include—

(1) activities to prevent disruption in the delivery of services to program participants; and

(2) planning for and implementation of such amendments.

(c) STATE JOB TRAINING COORDINATING COUNCIL.—A State job training coordinating council shall comply with the changes in membership required by the amendment made by section 6304(b) not later than January 1, 1989. Upon certification by the Governor to the Secretary that such changes in membership have been accomplished, such council shall begin to perform the functions specified by section 317 of the Job Training Partnership Act (as amended by this subtitle).

(d) SUBSTATE AREAS AND GRANTEES.—The designation of substate areas and substate grantees required by the amendment to title III of such Act shall be completed not later than March 1, 1989.

(e) LIMITATION ON CARRY-OVER OF FUNDS.—The provisions of section 303 of such Act (as amended) shall apply to the program year beginning July 1, 1988, except that, for such program year—

(1) subsection (b)(1) of such section shall be applied by substituting "30 percent" for "20 percent"; and

(2) subsection (e) of such section shall be applied by substituting "70 percent" for "80 percent".

(f) REGULATIONS.—The Secretary of Labor shall prescribe such regulations as may be required to implement the amendments made by this subtitle not later than November 1, 1988.

SEC. 6306. STUDIES.

(a) DATA ON DISPLACED FARMERS AND RANCHERS.—Section 462 of such Act is amended by adding at the end the following new subsection:

"(f)(1) The Secretary shall develop, in coordination with the Secretary of Agriculture, statistical data relating to permanent dislocation of farmers and ranchers due to farm and ranch failures. Among the data to be included are—

"(A) the number of such farm and ranch failures;

"(B) the number of farmers and ranchers displaced;

"(C) the location of the affected farms and ranches;

"(D) the types of farms and ranches involved; and

"(E) the identification of farm family members, including spouses, and farm workers working the equivalent of a full-time job on the farm who are dislocated by such farm and ranch failures.

"(2) The Secretary shall publish a report based upon such data as soon as practicable after the end of each calendar year. Such report shall include a comparison of data contained therein with data currently used by the Bureau of Labor Statistics in determining the Nation's annual employment and unemployment rates and an analysis of whether farmers and ranchers are being adequately counted in such employment statistics. Such report shall also include an analysis of alternative methods for reducing the adverse effects of displacements of farmers and ranchers, not only on the individual farmer or rancher, but on the surrounding community.".

(b) FAILURE TO PROVIDE INTERNATIONALLY RECOGNIZED WORKER RIGHTS.—(1) The Secretary of Labor shall conduct a study, in consultation with the Secretary of State, to identify the extent to which countries recognize and enforce, and the producers fail to comply with, internationally recognized worker rights. A report on the study conducted under this subsection shall be submitted to Congress biennially.

(2) As used in this Act, the term "internationally recognized worker rights" includes—

(A) the right of association;

(B) the right to organize and bargain collectively;

(C) the right to be free from the use of any form of forced or compulsory labor;

(D) a minimum age for the employment of children; and

(E) acceptable conditions of work with respect to minimum wages, maximum hours of work, and occupational safety and health.

(c) ADDITIONAL STUDIES.—The National Commission for Employment Policy shall conduct research related to the provisions of this title. Such research shall include examinations of—

(1) the role of the employment services in implementing programs to enhance services provided under this title, and

(2) alternative techniques for managing production cutbacks without permanently reducing workforces.

A report on the research conducted under this subsection shall be submitted to the Congress not later than 18 months after the date of enactment of this Act.

SEC. 6307. JOB BANKS.

(a) AMENDMENT.—Title V of the Job Training Partnership Act is amended by adding at the end thereof the following new section:

"STATE JOB BANK SYSTEMS

"SEC. 505. (a)(1) The Secretary shall carry out the purposes of this section with sums appropriated pursuant to paragraph (2) for any fiscal year.

"(2) There are authorized to be appropriated to carry out this section $50,000,000 for fiscal year 1989 and such sums as may be necessary for each succeeding fiscal year.

"(b) The Secretary shall make such sums available through the United States Employment Service for the development and implementation of job bank systems in each State. Such systems shall be designed to use computerized electronic data processing and telecommunications systems for such purposes as—

"(1) identifying job openings and referring jobseekers to job openings, with continual updating of such information;

"(2) providing information on occupational supply and demand; and

"(3) utilization of such systems by career information delivery systems (including career counseling programs in schools).

"(c) Wherever possible, computerized data systems developed with assistance under this section shall be capable of utilizing software compatible with other systems (including management information systems and unemployment insurance and other income maintenance programs) used in the administration of employment and training programs. In developing such systems, special consideration shall be given to the advice and recommendations of the State occupational information coordinating committees (established under section 422(b) of the Carl D. Perkins Vocational Education Act), and other users of such systems for the various purposes described in subsection (b) of this section.".

(b) Clerical Amendment.—The table of contents of such Act is amended by inserting after the item relating to section 504 the following:

"Sec. 505. State job bank systems.".

Subtitle E—National Science Foundation University Infrastructure

SEC. 6401. SHORT TITLE.

This subtitle may be cited as the "National Science Foundation University Infrastructure Act of 1988".

SEC. 6402. NATIONAL SCIENCE FOUNDATION ACADEMIC RESEARCH FACILITIES MODERNIZATION PROGRAM.

(a) Purpose.—It is the purpose of this section to assist in modernizing and revitalizing the Nation's research facilities at institutions of higher education, independent nonprofit research institutions and research museums through capital investments.

(b) Establishment of Program.—To carry out this purpose, the National Science Foundation shall establish and carry out an Academic Research Facilities Modernization Program, under which awards shall be made to institutions of higher education, independent nonprofit research institutions and research museums, and consortia thereof, for the repair, renovation, or replacement (as appropriate) of such institutions' obsolete laboratories and other research facilities.

(c) Projects and Funding.—(1) The Academic Research Facilities Modernization Program established by the National Science Foundation pursuant to subsection (b) shall be carried out, through projects—

(A) which involve the repair, renovation, or replacement (as appropriate) of specific research facilities at the eligible institutions or consortia thereof involved, and

(B) for which funds are awarded in response to specific proposals submitted by such eligible institutions or consortia thereof in accordance with regulations prescribed by the Director of the Foundation, pursuant to subsection (d), with the objective of carrying out the purpose of this section.

(2) The regulations so prescribed shall contain such terms, conditions, and guidelines as may be necessary in the light of that objective, but shall in any event provide that—

(A) funds to carry out the program will be awarded to an institution after a comprehensive review using established Foundation procedures, and

(B) the funds so awarded to any eligible institution or consortia thereof will be in an amount equal to not more than 50 percent of the cost of the repair, renovation, or replacement involved (with the funds required to meet the remainder of such cost being provided by the institution involved or consortia thereof or from other non-Federal public or private sources).

(d) Criteria for Awards.—(1) Annually, or prior to the issuance of a program announcement for solicitation of proposals for the award of funds to any institution or consortia thereof for a project under the National Science Foundation Academic Research Facilities Modernization Program, the National Science Foundation shall publish in the Federal Register interim guidelines for public review and comment for a period of 60 days. Such guidelines shall include (but not be limited to) the following:

(A) specific definitions for the terms: facilities, instrumentation, equipment, repair, renovation, and replacement;

(B) specific selection criteria to be used in evaluating the scientific merit of proposals and, in making awards to an institution or to consortia thereof, including an analysis of the age and condition of existing research facilities; and

(C) specific provisions for matching the Federal grant pursuant to subsection (b).

(2) Final guidelines shall be published in the Federal Register 60 days following the close of the comment period incorporating such appropriate revisions as may arise from comments received during the review period. The guidelines, at a minimum, shall include selection criteria for the following:

(A) the quality of the research and training to be carried out in the facility or facilities involved;

(B) the congruence of the institution's research and training activities with the future research needs of the Nation and the training and research mission of the National Science Foundation;

(C) the contribution which the project will make toward meeting national, regional, and the institution's research and related training needs; and

(D) the need for the proposed repair, renovation, or replacement (as appropriate) based on an analysis of the age and condition of existing research facilities and equipment.

(e) Distribution of Funds.—Awards made under the National Science Foundation Academic Research Facilities Modernization Program shall not exceed $5,000,000 to any institution or consortium over any period of 5 years for the repair, renovation, or replacement (as appropriate) of academic research facilities.

(f) Consultations.—In prescribing criteria and conducting the program under this section, the Director of the National Science Foundation shall consult with the Secretary of Education and other related agencies.

(g) Reservations for Certain Institutions.—(1) At least 15 percent of the amount which is appropriated pursuant to this section in any fiscal year shall be available only for awards to universities, colleges, and research museums that received less than $10,000,000 in total Federal obligations for research and development (including obligations for the activities authorized in this section and section 6403) in each of the two preceding fiscal years.

(2) Of the amounts appropriated under this section in each fiscal year at least 10 percent of the funds shall be reserved for institutions of higher education servicing a substantial percentage of students who are Black Americans, Native Americans, Hispanic Americans, Alaskan Natives (Eskimos or Aleut), Native Hawaiian, American Samoan, Micronesian, Guamanian (Chamorro), Northern Marianian, or Palauan.

(3) Requirements of paragraph (2) may be satisfied by considering the funds awarded under paragraph (1) to the institutions described in paragraph (2).

(h) Authorization of Appropriations.—There are authorized to be appropriated $85,000,000 for fiscal year 1989 to carry out the National Science Foundation Academic Research Facilities Modernization Program. Such sums shall be available for that Program every year thereafter subject to the authorizations and appropriations of activities for the National Science Foundation.

SEC. 6403. NATIONAL SCIENCE FOUNDATION COLLEGE SCIENCE INSTRUMENTATION PROGRAM.

(a) Purpose.—It is the purpose of this section to assist in revitalizing the Nation's academic instructional instrumentation at colleges.

(b) Establishment of Program.—To carry out this purpose, the National Science Foundation shall establish and carry out the College Science Instrumentation Program, under which awards are made only to two-year and community colleges and four-year, non-Ph.D. degree-granting institutions or consortia thereof for the purchase of instructional instrumentation.

(c) Projects and Funding.—(1) The College Science Instrumentation Program established by the National Science Foundation pursuant to subsection (b) shall be carried out, through projects—

(A) which involve the purchase and replacement (as appropriate) of specific instructional instrumentation at the institutions involved, and

(B) for which funds are awarded in response to specific proposals submitted by such institutions or consortia thereof on a competitive basis in accordance with regulations prescribed by the Director of the Foundation with the objective of carrying out the purposes of this Act.

(2) The regulations so prescribed shall contain such terms, conditions, and guidelines as may be necessary in the light of that objective, but shall in any event provide that—

(A) funds to carry out the program will be awarded to an institution or consortia thereof after a comprehensive review using established Foundation procedures, and

(B) the funds so awarded to any academic institution will be in an amount equal to not more than 50 percent of the cost of the purchase and replacement involved (with the funds required to meet the remainder of such cost being provided by the institution involved or from other non-Federal public or private sources).

(d) Criteria for Awards.—The National Science Foundation will evaluate proposals on the basis of the following criteria:

(1) Performance competence.—This criterion relates to the capacity of the investigator or investigators, the technical soundness of the proposed approach, the adequacy of the institutional resources available, and the proposed recent research/science education performance.

(2) Intrinsic merit.—This criterion relates to the quality, currency, and significance of the scientific content and related instructional activity of the project within the context of undergraduate science, mathematics, and engineering education.

(3) Utility or relevance.—This criterion relates to the impact the project will have at the proposing institution, and the relevance of the project in the local context.

(4) Effect on the infrastructure of science and engineering.—This criterion relates to the potential of the proposed project to contribute to better understanding or improvement of the quality, distribution, effectiveness of the Nation's scientific and engineering research, education, and manpower base.

(e) Consultations.—In prescribing regulations and conducting the program under this section, the Director of the National Science Foundation shall consult with the Secretary of Education and other related agencies.

(f) Authorization of Appropriations.—Such sums shall be available for the College Science Instrumentation Program subject every year to the authorizations and appropriations for the National Science Foundation.

TITLE VII—BUY AMERICAN ACT OF 1988

SEC. 7001. SHORT TITLE.

This title may be cited as the "Buy American Act of 1988".

SEC. 7002. AMENDMENTS TO THE BUY AMERICAN ACT.

Title III of the Act of March 3, 1933 (41 U.S.C. 10a-10d), is amended—

(1) by redesignating sections 4 and 5 as sections 5 and 6, respectively; and

(2) by inserting after section 3 the following new section:

"Sec. 4. (a) A Federal agency shall not award any contract—

"(1) for the procurement of an article, material, or supply mined, produced, or manufactured—

"(A) in a signatory country that is considered to be a signatory not in good standing of the Agreement pursuant to section 305(f)(3)(A) of the Trade Agreements Act of 1979; or

"(B) in a foreign country whose government maintains, in government procurement, a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harm to United States businesses, as identified by the President pursuant to section 305(g)(1)(A) of such Act; or

"(2) for the procurement of a service of any contractor or subcontractor that is a citizen or national of a foreign country identified by the President pursuant to section 305(f)(3)(A) or 305(g)(1)(A) of such Act, or is owned or controlled directly or indirectly by citizens or nationals of such a foreign country.

"(b) The prohibition on procurement in subsection (a) is subject to sections 305(h) and 305(j) of such Act and shall not apply—

"(1) with respect to services, articles, materials, or supplies procured and used outside the United States and its territories;

"(2) notwithstanding section 305(g) of such Act, to an eligible product of a country which is a signatory country unless that country is considered to be a signatory not in good standing pursuant to section 305(f)(3)(A) of such Act; or

"(3) notwithstanding section 305(g) of such Act, to a country that is a least developed country (as that term is defined in section 308(6) of that Act).

"(c) Notwithstanding subsection (a) of this section, the President or the head of a Federal agency may authorize the award of a contract or class of contracts if the President or the head of the Federal agency—

"(1) determines that such action is necessary—

"(A) in the public interest;

"(B) to avoid the restriction of competition in a manner which would limit the procurement in question to, or would establish a preference for, the services, articles, materials, or supplies of a single manufacturer or supplier; or

"(C) because there would be or are an insufficient number of potential or actual bidders to assure procurement of services, articles, materials, or supplies of requisite quality at competitive prices; and

"(2) notifies the Committee on Governmental Affairs of the Senate, as well as other appropriate Senate committees, and the appropriate committees of the House of Representatives, of such determination—

"(A) not less than 30 days prior to the date of the award of the contract or the date of authorization of the award of a class of contracts; or

"(B) if the agency's need for the service, article, material, or supply is of such urgency that the United States would be seriously injured by delaying the award or authorization, not more than 90 days after the date of such award or authorization.

"(d) The authority of the head of a Federal agency under subsection (c) shall not apply to contracts subject to memorandums of understanding entered into by the Department of Defense (or any military department) and a representative of a foreign country (or agency or instrumentality thereof). In the case of any such contracts, any determinations and notice required by subsection (c) shall be made by—

"(1) the President, or

"(2) if delegated, by the Secretary of Defense or the Secretary of the Army, Navy, or Air Force, subject to review and policy guidance by the organization established under section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872(a)).

"(e) The authority of the head of a Federal agency under subsection (c) or (d) of this section may not be delegated.

"(f) Nothing in this section shall restrict the application of the prohibition under section 302(a)(1) of the Trade Agreements Act of 1979.

"(g)(1) For purposes of this section with respect to construction services, a contractor or subcontractor is owned or controlled directly or indirectly by citizens or nationals of a foreign country if—

"(A) 50 percent or more of the voting stock of the contractor or subcontractor is owned by one or more citizens or nationals of the foreign country;

"(B) the title to 50 percent or more of the stock of the contractor or subcontractor is held subject to trust or fiduciary obligations in favor of one or more citizens or nationals of the foreign country;

"(C) 50 percent or more of the voting stock of the contractor or subcontractor is vested in or exercisable on behalf of one or more citizens or nationals of the foreign country;

"(D) the case of a corporation—

"(i) the number of its directors necessary to constitute a quorum are citizens or nationals of the foreign country; or

"(ii) the corporation is organized under the laws of the foreign country or any subdivision, territory, or possession thereof; or

"(E) in the case of a contractor or subcontractor who is a participant in a joint venture or a member of a partnership, any participant of the joint venture or partner meets any of the criteria in subparagraphs (A) through (D) of this paragraph.

"(2)(A) For purposes of this section, except as provided in paragraph (1), a determination of whether a contractor or subcontractor is a citizen or national of a foreign country or is owned or controlled directly or indirectly by citizens or nationals of a foreign country shall be made in accordance with policy guidance prescribed by the Administrator for Federal Procurement Policy after conducting one or more public hearings at which interested parties may present comments. Sections 556 and 557 of title 5, United States Code, shall not apply to the conduct of any such hearing.

"(B) The Administrator shall include in the policy guidance prescribed under subparagraph (A) definitions, procedures, standards, and rules that, to the extent the Administrator considers appropriate and consistent with the applicability of such policy guidance to all services (other than construction services), is the same as or similar to the definitions, procedures, standards, and rules that the Administrator has developed and issued for the administration of section 109 of the Treasury, Postal Service, and General Government Appropriations Act, 1988 (101 Stat. 1329-434).

"(C) The policy guidance required by subparagraph (A) shall be prescribed not later than 180 days after the date of enactment of this subsection.

"(3)(A) The Administrator for Federal Procurement Policy shall conduct an assessment of the current rules under this Act for making determinations of country of origin and alternatives to such rules. Such assessment shall identify and evaluate (i) reasonable alternatives to such rules of origin, including one or more alternative rules that require a determination on the basis of total cost, and (ii) the specific cost factors that should be included in determining total cost.

"(B) In conducting the analysis, the Administrator shall consult and seek comment from representatives of United States labor and business, other interested United States persons, and other Federal agencies. The Administrator shall hold public hearings for the purpose of obtaining such comment, and a transcript of such hearings shall be appended to the report required by subparagraph (C).

"(C) A report on the results of the analysis shall be submitted to the appropriate committees of the House of Representatives and to the Committee on Governmental Affairs and other appropriate committees of the Senate not later than 18 months after the date of enactment of this subsection. Such report shall include proposed policy guidance or any recommended legislative changes on the factors to be used in making determinations of country of origin.

"(h) As used in this section—

"(1) the term 'Agreement' means the Agreement on Government Procurement as defined in section 308(1) of the Trade Agreements Act of 1979;

"(2) the term 'signatory' means a party to the Agreement; and

"(3) the term 'eligible product' has the meaning given such term by section 308(4) of the Trade Agreements Act of 1979 (19 U.S.C. 2518(4)).".

SEC. 7003. PROCEDURES TO PREVENT GOVERNMENT PROCUREMENT DISCRIMINATION.

Section 305 of the Trade Agreements Act of 1979 (19 U.S.C. 2515) is amended by adding at the end thereof the following:

"(d) Annual Report on Foreign Discrimination.—

"(1) Annual report required.—The President shall, no later than April 30, 1990, and annually on April 30 thereafter, submit to the appropriate committees of the House of Representatives and the Committee on Governmental Affairs of the Senate, as well as other appropriate Senate committees, a report on the extent to which foreign countries discriminate against United States products or services in making government procurements.

"(2) IDENTIFICATIONS REQUIRED.—In the annual report, the President shall identify (and continue to identify subject to subsections (f)(5) and (g)(3)) any countries, other than least developed countries, that—

"(A) are signatories to the Agreement and not in compliance with the requirements of the Agreement;

"(B)(i) are signatories to the Agreement; (ii) are in compliance with the Agreement but, in the government procurement of products or services not covered by the Agreement, maintain a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harm to United States businesses; and (iii) whose products or services are acquired in significant amounts by the United States Government; or

"(C)(i) are not signatories to the Agreement; (ii) maintain, in government procurement, a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harm to United States businesses; and (iii) whose products or services are acquired in significant amounts by the United States Government.

"(3) CONSIDERATIONS IN MAKING IDENTIFICATIONS.—In making the identifications required by paragraph (1), the President shall—

"(A) use the requirements of the Agreement, government procurement practices, and the effects of such practices on United States businesses as a basis for evaluating whether the procurement practices of foreign governments do not provide fair market opportunities for United States products or services;

"(B) take into account, among other factors, whether and to what extent countries that are signatories to the Agreement, and other countries described in paragraph (1) of this subsection—

"(i) use sole-sourcing or otherwise noncompetitive procedures for procurements that could have been conducted using competitive procedures;

"(ii) conduct what normally would have been one procurement as two or more procurements, to decrease the anticipated contract values below the Agreement's value threshold or to make the procurements less attractive to United States businesses;

"(iii) announce procurement opportunities with inadequate time intervals for United States businesses to submit bids; and

"(iv) use specifications in such a way as to limit the ability of United States suppliers to participate in procurements; and

"(C) use any other additional criteria deemed appropriate.

"(4) CONTENTS OF REPORTS.—The reports required by this subsection shall include, with respect to each country identified under subparagraph (A), (B), or (C) of paragraph (1), the following:

"(A) a description of the specific nature of the discrimination, including (for signatory countries) any provision of the Agreement with which the country is not in compliance;

"(B) an identification of the United States products or services that are affected by the noncompliance or discrimination;

"(C) an analysis of the impact of the noncompliance or discrimination on the commerce of the United States and the ability of United States companies to compete in foreign government procurement markets; and

"(D) a description of the status, action taken, and disposition of cases of noncompliance or discrimination identified in the preceding annual report with respect to such country.

"(5) INFORMATION AND ADVICE FROM GOVERNMENT AGENCIES AND UNITED STATES BUSINESSES.—In developing the annual reports required by this subsection, the President shall seek information and advice from executive agencies through the interagency trade organization established under section 242(a) of the Trade Expansion Act of 1962, and from United States businesses in the United States and in countries that are signatories to the Agreement and in other foreign countries whose products or services are acquired in significant amounts by the United States Government.

"(6) IMPACT OF NONCOMPLIANCE.—The President shall take into account, in identifying countries in the annual report and in any action required by this section, the relative impact of any noncompliance with the Agreement or of other discrimination on United States commerce and the extent to which such noncompliance or discrimination has impeded the ability of United States suppliers to participate in procurements on terms comparable to those available to suppliers of the country in question when seeking to sell goods or services to the United States Government.

"(7) IMPACT ON PROCUREMENT COSTS.—Such report shall also include an analysis of the impact on United States Government procurement costs that may occur as a consequence of any sanctions that may be required by subsection (f) or (g) of this section.

"(e) CONSULTATION.—No later than the date the annual report is submitted under subsection (d)(1), the United States Trade Representative, on behalf of the United States, shall request consultations with any countries identified in the report to obtain their compliance with the Agreement or the elimination of their discriminatory procurement practices unless the country is identified as discriminatory pursuant to section 305(d)(1) in the preceding annual report.

"(f) PROCEDURES WITH RESPECT TO VIOLATIONS OF THE AGREEMENT.—

"(1) INITIATION OF DISPUTE SETTLEMENT PROCEDURES.—If, within 60 days after the annual report is submitted under subsection (d)(1), a signatory country identified pursuant to subsection (d)(1)(A) has not complied with the Agreement, then the United States Trade Representative shall promptly request proceedings on the matter under the formal dispute settlement procedures provided under the Agreement unless such proceedings are already underway pursuant to the identification of the signatory country under section 305(d)(1) as not in compliance in a preceding annual report.

"(2) SETTLEMENT OF DISPUTES.—If, before the end of a year following the initiation of dispute settlement procedures—

"(A) the other participant to the dispute settlement procedures has complied with the Agreement,

"(B) the other participant to the procedures takes the action recommended as a result of the procedures to the satisfaction of the President, or

"(C) the procedures result in a determination requiring no action by the other participant,

the President shall take no action to limit Government procurement from that participant.

"(3) SANCTIONS AFTER FAILURE OF DISPUTE RESOLUTION.—If the dispute settlement procedures initiated pursuant to this subsection with any signatory country to the Agreement are not concluded within one year from their initiation or the country has not met the requirements of paragraph (2)(A) or (2)(B), then—

"(A) from the end of such one year period, such signatory country shall be considered as a signatory not in good standing of the Agreement and the prohibition on procurement contained in section 4 of the Act of March 3, 1933, shall apply to such country; and

"(B) on the day after the end of such one year period, the President shall revoke the waiver of discriminatory purchasing requirements granted to that signatory country pursuant to section 301(a) of this Act.

"(4) WITHHOLDING AND MODIFICATION OF SANCTIONS.—If the President determines that imposing or continuing the sanctions required by subparagraph (A) or (B) of paragraph (3) would harm the public interest of the United States, the President may, to the extent necessary to apply appropriate limitations that are equivalent, in their effect, to the noncompliance with the Agreement by that signatory country—

"(A) withhold the imposition of either (but not both) of such sanctions;

"(B) modify or restrict the application of either or both such sanctions, subject to such terms and conditions as the President considers appropriate; or

"(C) take any combination of the actions permitted by subparagraph (A) or (B) of this paragraph.

"(5) TERMINATION OF SANCTIONS AND REINSTATEMENT OF WAIVERS.—The President may terminate the sanctions imposed under paragraph (3) or (4), reinstate the waiver of discriminatory purchasing requirements granted to that signatory country pursuant to section 301(a) of this Act, and remove that country from the report under subsection (d)(1) of this section at such time as the President determines that—

"(A) the signatory country has complied with the Agreement;

"(B) the signatory country has taken corrective action as a result of the dispute settlement procedures to the satisfaction of the President; or

"(C) the dispute settlement procedures result in a determination requiring no action by the other signatory country.

"(g) PROCEDURES WITH RESPECT TO OTHER DISCRIMINATION.—

"(1) IMPOSITION OF SANCTIONS.—If, within 60 days after the annual report is submitted under subsection (d)(1), a country that is identified pursuant to subparagraph (B) or (C) of such subsection has not eliminated their discriminatory procurement practices, then, on the day after the end of such 60-day period—

"(A) the President shall identify such country as a country that maintains, in government procurement, a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harm to United States businesses; and

"(B) the prohibition on procurement contained in section 4 of the Act of March 3, 1933, shall apply to such country.

"(2) WITHHOLDING AND MODIFICATION OF SANCTIONS.—If the President determines that imposing or continuing the sanction required by paragraph (1) would harm the public interest of the United States, the President may, to the extent necessary to impose appropriate limitations that are equivalent, in their effect, to the discrimination against United States products or services in government procurement by that country, modify or restrict the application of such sanction, subject to such terms and conditions as the President considers appropriate.

"(3) Termination of sanctions.—The President may terminate the sanctions imposed under paragraph (1) or (2) and remove a country from the report under subsection (d)(1) at such time as the President determines that the country has eliminated the discrimination identified pursuant to subsection (d)(2) (B) or (C).

"(h) Limitations on Imposing Sanctions.—

"(1) Avoiding adverse impact on competition.—The President shall not take any action under subsection (f) or (g) of this section if the President determines that such action—

"(A) would limit the procurement or class of procurements to, or would establish a preference for, the products or services of a single manufacturer or supplier; or

"(B) would, with respect to any procurement or class of procurements, result in an insufficient number of potential or actual bidders to assure procurement of services, articles, materials, or supplies of requisite quality at competitive prices.

"(2) Advice from U.S. agencies and businesses.—The President, in taking any action under this subsection to limit government procurements from foreign countries, shall seek the advice of executive agencies through the interagency trade organization established under section 242(a) of the Trade Expansion Act of 1962 and the advice of United States businesses and other interested parties.

"(i) Renegotiation To Secure Full and Open Competition.—The President shall instruct the United States Trade Representative, in conducting renegotiations of the Agreement, to seek improvements in the Agreement that will secure full and open competition consistent with the requirements imposed by the amendments made by the Competition in Contracting Act (Public Law 98-369; 98 Stat. 1175).

"(j) Federal Register Notices of Actions.—

"(1) Notices required.—A notice shall be published in the Federal Register on the date of any action under this section, describing—

"(A) the results of dispute settlement proceedings under subsection (f)(2);

"(B) any sanction imposed under subsection (f)(3) or (g)(1);

"(C) any withholding, modification, or restriction of any sanction under subsection (f)(4) or (g)(2); and

"(D) the termination of any sanction under subsection (f)(5) or (g)(3).

"(2) Publication of determinations lifting sanctions.—A notice describing the termination of any sanction under subsection (f)(5) or (g)(3) shall include a copy of the President's determination under such subsection.

"(k) General Report on Actions Under This Section.—

"(1) Advice to the congress.—The President shall, as necessary, advise the Congress and, by no later than April 30, 1994, submit to the the appropriate committees of the House of Representatives, and to the Committee on Governmental Affairs and other appropriate committees of the Senate, a general report on actions taken pursuant to this section.

"(2) Contents of report.—The general report required by this subsection shall include an evaluation of the adequacy and effectiveness of actions taken pursuant to subsections (e), (f), and (g) of this section as a means toward eliminating discriminatory government procurement practices against United States businesses.

"(3) Legislative recommendations.—The general report may also include, if appropriate, legislative recommendations for enhancing the usefulness of this section or for other measures to be used as means for eliminating or responding to discriminatory foreign government procurement practices.".

SEC. 7004. SUNSET PROVISION.

The amendments made by this title shall cease to be effective on April 30, 1996, unless the Congress, after reviewing the report required by section 305(k) of the Trade Agreements Act of 1979, and other relevant information, extends such date. After such date, the President may modify or terminate any or all actions taken pursuant to such amendments.

SEC. 7005. CONFORMING AMENDMENTS.

(a) Definition of Federal Agency.—The first section of the Act of March 3, 1933 (41 U.S.C. 10c), is amended—

(1) by striking out the period at the end of paragraph (b) and inserting a semicolon; and

(2) by adding at the end thereof the following:

"(c) The term 'Federal agency' has the meaning given such term by section 3 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C 472), which includes the Departments of the Army, Navy, and Air Force.

(b) Amendments to Section 2.—Section 2 of such Act (41 U.S.C. 10a) is amended by striking out "department or independent establishment" and inserting "Federal agency".

(c) Amendments to Section 3.—Section 3 of such Act (41 U.S.C. 10b) is amended—

(1) by striking out "department or independent establishment" in such subsection and inserting "Federal agency"; and

(2) by striking out "department, bureau, agency, or independent establishment" in subsection (b) and inserting "Federal agency".

(d) Additional Conforming Amendments.—Section 633 of the Act of October 29, 1949 (41 U.S.C. 10d) is amended by striking out "department or independent establishment" and inserting "Federal agency".

(e) Section 301 Waiver Authority.—Section 301 of the Trade Agreements Act of 1979 is amended by adding at the end thereof the following:

"(d) Limitations on Waiver Authority Not Effective Unless Provision Amended.—The authority of the President under subsection (a) to waive any laws, regulation, procedure, or practice shall be effective notwithstanding any other provision of law hereafter enacted (excluding the provisions of and amendments made by the Buy American Act of 1988) unless such other provision specifically refers to and amends this section.".

(f) Effective Date.—The amendments made by this section shall take effect upon enactment.

TITLE VIII—SMALL BUSINESS

SEC. 8001. SHORT TITLE.

This title may be cited as the "Small Business International Trade and Competitiveness Act".

SEC. 8002. DECLARATION OF POLICY.

Section 2 of the Small Business Act (15 U.S.C. 631) is amended by redesignating subsections (b) through (e) as subsections (c) through (f), respectively, and by inserting after subsection (a) the following:

"(b)(1) It is the declared policy of the Congress that the Federal Government, through the Small Business Administration, acting in cooperation with the Department of Commerce and other relevant State and Federal agencies, should aid and assist small businesses, as defined under this Act, to increase their ability to compete in international markets by—

"(A) enhancing their ability to export;

"(B) facilitating technology transfers;

"(C) enhancing their ability to compete effectively and efficiently against imports;

"(D) increasing the access of small businesses to long-term capital for the purchase of new plant and equipment used in the production of goods and services involved in international trade;

"(E) disseminating information concerning State, Federal, and private programs and initiatives to enhance the ability of small businesses to compete in international markets; and

"(F) ensuring that the interests of small businesses are adequately represented in bilateral and multilateral trade negotiations.

"(2) The Congress recognizes that the Department of Commerce is the principal Federal agency for trade development and export promotion and that the Department of Commerce and the Small Business Administration work together to advance joint interests. It is the purpose of this Act to enhance, not alter, their respective roles.".

SEC. 8003. CHANGES IN EXISTING SMALL BUSINESS ADMINISTRATION INTERNATIONAL TRADE OFFICE.

Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following:

"(b) The Office, working in close cooperation with the Department of Commerce and other relevant Federal agencies, Small Business Development Centers engaged in export promotion efforts, regional and local Administration offices, the small business community, and relevant State and local export promotion programs, shall—

"(1) assist in developing a distribution network for existing trade promotion, trade finance, trade adjustment, trade remedy assistance and trade data collection programs through use of the Administration's regional and local offices and the Small Business Development Center network;

"(2) assist in the aggressive marketing of these programs and the dissemination of marketing information, including computerized marketing data, to the small business community; and

"(3) give preference in hiring or approving the transfer of any employee into the Office or to a position described in paragraph (8) below to otherwise qualified applicants who are fluent in a language in addition to English. Such employees shall accompany foreign trade missions if designated by the director of the Office and shall be available as needed to translate documents, interpret conversations and facilitate multilingual transactions including providing referral lists for translation services if required.";

(2) in subsection (c), as redesignated, by redesignating paragraphs (1) through (3) as (6) through (8), respectively, and by insert-

ing the following before paragraph (6), as redesignated:

"(1) in cooperation with the Department of Commerce, other relevant agencies, regional and local Administration offices, the Small Business Development Center network, and State programs, develop a mechanism for (A) identifying sub-sectors of the small business community with strong export potential; (B) identifying areas of demand in foreign markets; (C) prescreening foreign buyers for commercial and credit purposes; and (D) assisting in increasing international marketing by disseminating relevant information regarding market leads, linking potential sellers and buyers, and catalyzing the formation of joint ventures, where appropriate;

"(2) in cooperation with the Department of Commerce, actively assist small businesses in the formation and utilization of export trading companies, export management companies and research and development pools authorized under section 9 of this Act;

"(3) work in conjunction with other Federal agencies, regional and local offices of the Administration, the Small Business Development Center network, and the private sector to identify and publicize existing translation services, including those available through colleges and universities participating in the Small Business Development Center Program;

"(4) work closely with the Department of Commerce and other relevant Federal agencies to—

"(A) collect, analyze and periodically update relevant data regarding the small business share of United States exports and the nature of State exports (including the production of Gross State Produce figures) and disseminate that data to the public and to Congress;

"(B) make recommendations to the Secretary of Commerce and to Congress regarding revision of the SIC codes to encompass industries currently overlooked and to create SIC codes for export trading companies and export management companies;

"(C) improve the utility and accessibility of existing export promotion programs for small businesses; and

"(D) increase the accessibility of the Export Trading Company contact facilitation service;

"(5) make available to the small business community information regarding conferences on exporting and international trade sponsored by the public and private sector."; and

(3) by adding after subsection (c), as redesignated, the following new subsections:

"(d) The Office shall work in cooperation with the Export-Import Bank of the United States, the Department of Commerce, other relevant Federal agencies, and the States to develop a program through which export specialists in the regional offices of the Administration, regional and local loan officers, and Small Business Development Center personnel can facilitate the access of small businesses to relevant export financing programs of the Export-Import Bank of the United States and to export and pre-export financing programs available from the Administration and the private sector. To accomplish this goal, the Office shall work in cooperation with the Export-Import Bank and the small business community, including small business trade associations, to—

"(1) aggressively market existing Administration export financing and pre-export financing programs;

"(2) identify financing available under various Export-Import Bank programs, and aggressively market those programs to small businesses;

"(3) assist in the development of financial intermediaries and facilitate the access of those intermediaries to existing financing programs;

"(4) promote greater participation by private financial institutions, particularly those institutions already participating in loan programs under this Act, in export finance; and

"(5) provide for the participation of appropriate Administration personnel in training programs conducted by the Export-Import Bank.

"(e) The Office shall—

"(1) work in cooperation with other Federal agencies and the private sector to counsel small businesses with respect to initiating and participating in any proceedings relating to the administration of the United States trade laws; and

"(2) work with the Department of Commerce, the Office of the United States Trade Representative, and the International Trade Commission to increase access to trade remedy proceedings for small businesses.

"(f) The Office shall report to the Committees on Small Business of the House of Representatives and the Senate on a annual basis as to its progress in implementing the requirements under this section.

"(g) The Office, in cooperation, where appropriate, with the division of Economic Research of the Office of Advocacy, and with other Federal agencies, shall undertake studies regarding the following issues and shall report to the Committees on Small Business of the House of Representatives and the Senate, and to other relevant Committees of the House and Senate within 6 months after the date of enactment of the Small Business International Trade and Competitiveness Act with specific recommendations on—

"(1) the viability and cost of establishing an annual, competitive small business export incentive program similar to the Small Business Innovation Research program and alternative methods of structuring such a program;

"(2) methods of streamlining trade remedy proceedings to increase access for, and reduce expenses incurred by, smaller firms;

"(3) methods of improving the current small business foreign sales corporation tax incentives and providing small businesses with greater benefits from this initiative;

"(4) methods of identifying potential export markets for United States small businesses; maintaining and disseminating current foreign market data; and devising a comprehensive export marketing strategy for United States small business goods and services, and shall include data on the volume and dollar amount of goods and services, identified by type, imported by United States trading partners over the past 10 years; and

"(5) the results of a survey of major United States trading partners to identify the domestic policies, programs and incentives, and the private sector initiatives, which exist to encourage the formation and growth of small business.".

SEC. 8004. AUTHORIZATION OF APPROPRIATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631) is amended by adding the following at the end of subsection (z): "There are hereby authorized to be appropriated to the Administration for each of fiscal years 1988 and 1989, $3,500,000 to carry out the provisions of section 22 of this Act and section 8011 of the Small Business International Trade and Competitiveness Act, of which $350,000 is authorized to reimburse volunteers in the Service Corps of Retired Executives for their expenses in performing onsite counselling to actual or potential small business exporters, in participating in training sessions for such small businesses, and in preparing materials for use at such training sessions or during counselling.".

SEC. 8005. EXPORT FINANCING PROVIDED BY THE ADMINISTRATION.

Section 7(a)(14) of the Small Business Act (15 U.S.C. 636(a)(14)) is amended to read as follows:

"(14)(A) The Administration under this subsection may provide extensions and revolving lines of credit for export purposes and for pre-export financing to enable small business concerns, including small business export trading companies and small business export management companies, to develop foreign markets. No such extension or revolving line of credit may be made for a period or periods exceeding 18 months. A bank or participating lending institution may establish the rate of interest on extensions and revolving lines of credit as may be legal and reasonable.

"(B) When considering loan or guarantee applications, the Administration shall give weight to export-related benefits, including opening new markets for United States goods and services abroad and encouraging the involvement of small businesses, including agricultural concerns, in the export market.

"(C) The Administration shall aggressively market its export financing program to small businesses.".

SEC. 8006. SMALL BUSINESS DEVELOPMENT CENTERS.

(a) AUTHORIZATION OF APPROPRIATION.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding the following at the end of subsection (z): "There are hereby authorized to be appropriated to the Administration for each of the fiscal years 1988 and 1989, $5,000,000 to carry out the provisions of section 21(a)(6).".

(b) SBDC INFORMATION DISSEMINATION AND SERVICE DELIVERY.—Section 21 of the Small Business Act (15 U.S.C. 648) is amended—

(1) in subsection (a)(1), by inserting after "enterprises;" the following: "management and technical assistance regarding small business participation in international markets, export promotion and technology transfer;";

(2) in subsection (a), by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively, and by inserting the following after paragraph (1):

"(2) The Small Business Development Centers shall work in close cooperation with the Administration's regional and local offices, the Department of Commerce, appropriate Federal, State and local agencies and the small business community to serve as an active information dissemination and service delivery mechanism for existing trade promotion, trade finance, trade adjustment, trade remedy and trade data collection programs of particular utility for small businesses.";

(3) by adding at the end of subsection (a) the following new paragraph:

"(6) Any applicant which is funded by the Administration as a Small Business Development Center may apply for an additional grant to be used solely to assist—

"(A) with the development and enhancement of exports by small business concerns; and

"(B) in technology transfer,

as provided under subparagraphs (B) through (G) of subsection (c)(3). Applicants for such additional grants shall comply with all of the provisions of this section, including providing matching funds, except that funding under this paragraph shall be effective for any fiscal year to the extent provided in advance in appropriations Acts and shall be in addition to the dollar program limitations specified in paragraphs (4) and (5). No recipient of funds under this paragraph shall receive a grant which would exceed its pro rata share of a $15,000,000 program based upon the populations to be served by the Small Business Development Center as compared to the total population of the United States. The minimum amount of eligibility for any State shall be $100,000.";

(4) in subsection (c)(3), by striking subparagraph (B) and by inserting the following new subparagraph (B):

"(B) assisting in technology transfer, research and development, including applied research, and coupling from existing sources to small businesses, including—

"(i) working to increase the access of small businesses to the capabilities of automated flexible manufacturing systems;

"(ii) working through existing networks and developing new networks for technology transfer that encourage partnership between the small business and academic communities to help commercialize university-based research and development and introduce university-based engineers and scientists to their counterparts in small technology-based firms; and

"(iii) exploring the viability of developing shared production facilities, under appropriate circumstances;";

(5) in subsection (c)(3), by redesignating subparagraphs (C) through (H) as subparagraphs (H) through (M), respectively, and by inserting the following new subparagraphs after subparagraph (B):

"(C) in cooperation with the Department of Commerce and other relevant Federal agencies, actively assisting small businesses in exporting by identifying and developing potential export markets, facilitating export transactions, developing linkages between United States small business firms and prescreened foreign buyers, assisting small businesses to participate in international trade shows, assisting small businesses in obtaining export financing, and facilitating the development or reorientation of marketing and production strategies; where appropriate, the Small Business Development Center may work in cooperation with the State to establish a State international trade center for these purposes;

"(D) assisting small businesses in developing and implementing marketing and production strategies that will enable them to better compete within the domestic market;

"(E) developing a program in conjunction with the Export-Import Bank and local and regional Administration offices that will enable Small Business Development Centers to serve as an information network and to assist small business applicants for Export-Import Bank financing programs, and otherwise identify and help to make available export financing programs to small businesses;

"(F) working closely with the small business community, small business consultants, State agencies, universities and other appropriate groups to make translation services more readily available to small business firms doing business, or attempting to develop business, in foreign markets;

"(G) in providing assistance under this subsection, applicants shall cooperate with the Department of Commerce and other relevant Federal agencies to increase access to available export market information systems, including the CIMS system;";

(6) in subsection (c), by adding the following new paragraphs:

"(5) In any State (A) in which the Administration has not made a grant pursuant to paragraph (1) of subsection (a), or (B) in which no application for a grant has been made by a Small Business Development Center pursuant to paragraph (6) of such subsection within 60 days after the effective date of any grant under paragraph (a)(1) to such center, the Administration may make grants to a non-profit entity in that State to carry out the activities specified in paragraph (6) of subsection (a). Any such applicants shall comply with the matching funds requirement of paragraph (4) of subsection (a). Such grants shall be effective for any fiscal year only to the extent provided in advance in appropriations Acts, and each State shall be limited to the pro rata share provisions of paragraph (6) of subsection (a).

"(6) In performing the services identified in paragraph (3), the Small Business Development Centers shall work in close cooperation with the Administration's regional and local offices, the local small business community, and appropriate State and local agencies.

"(7) The Deputy Associate Administrator of the Small Business Development Center program, in consultation with the Small Business Development Centers, shall develop and implement an information sharing system which will—

"(A) allow Small Business Development Centers participating in the program to exchange information about their programs; and

"(B) provide information central to technology transfer."; and

(7) by redesignating subsections (d) through (k) as subsections (e) through (l), respectively, and inserting the following new subsection after subsection (c):

"(d) Where appropriate, the Small Business Development Centers shall work in conjunction with the relevant State agency and the Department of Commerce to develop a comprehensive plan for enhancing the export potential of small businesses located within the State. This plan may involve the cofunding and staffing of a State Office of International Trade within the State Small Business Development Center, using joint State and Federal funding, and any other appropriate measures directed at improving the export performance of small businesses within the State.".

SEC. 8007. CAPITAL FORMATION.

(a) LOAN LIMITATIONS.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking "and" at the end of clause (i) of paragraph (2)(B) and by adding after clause (ii) the following new clauses:

"(iii) not less than 85 per centum of the financing outstanding at the time of disbursement if such financing is a loan under paragraph (16) and is less than $1,176,470; and

"(iv) less than 85 per centum of the financing outstanding at the time of disbursement if such financing is a loan under paragraph (16) and exceeds $1,176,470;";

(2) by amending paragraph (3) to read as follows:

"(3) No loan shall be made under this subsection—

"(A) if the total amount outstanding and committed (by participation or otherwise) to the borrower from the business loan and investment fund established by this Act would exceed $750,000, except as provided in subparagraph (B);

"(B) if the total amount outstanding and committed (on a deferred basis) solely for the purposes provided in paragraph (16) to the borrower from the business loan and investment fund established by this Act would exceed $1,000,000, such amount to be in addition to any financing solely for working capital, supplies, or revolving lines of credit for export purposes up to a maximum of $250,000; and

"(C) if effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate basis if the amount would exceed $350,000.";

(3) by adding the following new paragraphs after paragraph (15):

"(16)(A) The Administration may guarantee loans under this paragraph to assist any eligible small business concern in an industry engaged in or adversely affected by international trade in the financing of the acquisition, construction, renovation, modernization, improvement or expansion of productive facilities or equipment to be used in the United States in the production of goods and services involved in international trade, if the Administration determines that the appropriate upgrading of plant and equipment will allow the concern to improve its competitive position. Each such loan shall be secured by a first lien position or first mortgage on the property or equipment financed by the loan. The lender shall agree to sell the loan in the secondary market as authorized in sections 5(f) and 5(g) of this Act within 180 days of the date of disbursement.

"(B) A small business concern shall be considered to be engaged in or adversely affected by international trade for purposes of this provision if such concern is, as determined by the Administration in accordance with regulations that it shall develop—

"(i) in a position to significantly expand existing export markets or develop new export markets; or

"(ii) adversely affected by import competition in that it is—

"(I) confronting increased direct competition with foreign firms in the relevant market; and

"(II) can demonstrate injury attributable to such competition.

"(17) The Administration shall authorize lending institutions and other entities in addition to banks to make loans authorized under this subsection."; and

(4) by redesignating the existing paragraph (16) as paragraph (18).

(b) DEVELOPMENT COMPANY LIMITS.—Section 502(2) of the Small Business Investment Act of 1985 (15 U.S.C. 636(a)(3)) is amended by striking "$500,000" and by inserting in lieu thereof "$750,000".

(c) REPORT.—The Administrator of the Small Business Administration shall report to the Committees on Small Business of the

House of Representatives and the Senate within 6 months after the date of enactment of this title as to the viability of creating cooperative Federal-State guarantee programs, particularly for purposes of export financing, to encourage States to coinsure Federal loans, thus permitting the Federal Government to reduce its exposure.

SEC. 8008. SMALL BUSINESS INNOVATION RESEARCH.

Section 6 of Public Law 97-219, as amended by Public Law 99-443, is further amended by adding the following at the end of subsection (a): "The report also shall include the Comptroller General's recommendations as to the advisability of amending the Small Business Innovation Research program to—

"(1) increase each agency's share of research and development expenditures devoted to it by 0.25 per centum per year, until it is 3 per centum of the total extramural research and development funds, and targeting a portion of the increment at products with commercialization or export potential;

"(2) make the Small Business Innovation Research program permanent with a formal congressional review every 10 years, beginning in 1993;

"(3) allocate a modest but appropriate share of each agency's Small Business Innovation Research fund for administrative purposes for effective management, quality maintenance, and the elimination of program delays; and

"(4) include within the Small Business Innovation and Research program all agencies expending between $20,000,000 and $100,000,000 in extramural research and development funds annually.".

SEC. 8009. GLOBALIZATION OF PRODUCTION.

Within one year after the date of enactment of this Act, the Administrator of the Small Business Administration shall submit a written report to the Committees on Small Business of the House of Representatives and the Senate, prepared by the Administration in conjunction with the Bureau of Census and in cooperation with other relevant agencies, that would—

(1) analyze to the extent possible the effect of increased outsourcing and other shifts in production arrangements on small firms, particularly manufacturing firms, within the United States subcontractor tier and to the extent that such data is not available determine methods by which such data may be collected;

(2) assess the impact of specific economic policies, including, but not limited to, procurement, tax and trade policies, in facilitating outsourcing and other international production arrangements; and

(3) make recommendations as to changes in Government policy that would improve the competitive position of smaller United States subcontractors, including recommendations as to incentives which could be provided to larger corporations to maximize their use of United States subcontractors and assist these subcontractors in changing production and marketing strategies and in obtaining new business in domestic and foreign markets.

SEC. 8010. SMALL BUSINESS TRADE REMEDY ASSISTANCE.

Not later than December 1, 1988, the Comptroller General of the United States shall conduct a study and submit a report to the Committee on Governmental Affairs and the Committee on Small Business of the Senate, as well as to other appropriate committees of the Senate, and to the Committee on Small Business and the Committee on Ways and Means of the House of Representatives on the costs incurred by small businesses in pursuing rights and remedies under the trade laws. Such report shall include an analysis of—

(1) the costs incurred by small businesses (and trade associations whose membership is primarily small business) in pursuing investigations under the trade remedy laws, including—

(A) antidumping investigations and proceedings under title VII of the Tariff Act of 1930;

(B) countervailing duty investigations and proceedings under section 303 or title VII of the Tariff Act of 1930;

(C) unfair trade practice investigations under section 337 of the Tariff Act of 1930;

(D) investigations under chapter 1 of title III of the Tariff Act of 1974;

(E) import relief investigations under chapter 1 of title II of the Trade Act of 1974;

(F) market disruption investigations under section 406 of the Trade Act of 1974; and

(G) national security relief investigations under section 232 of the Trade Expansion Act of 1962;

(2) the extent of assistance and information provided by the Trade Remedy Assistance Office of the United States International Trade Commission;

(3) the ability of small businesses to generate the information and resources needed for such investigations; and

(4) the costs and benefits to the Federal Government of either—

(A) providing reimbursement to small businesses for legal expenses incurred in pursuing trade remedies; or

(B) providing direct legal assistance to small businesses.

SEC. 8011. NATIONAL SEMINAR ON SMALL BUSINESS EXPORTS.

(a) SEMINAR.—The Administration shall conduct a National Seminar on Small Business Exports within one year following enactment of this Act in order to develop recommendations designed to stimulate exports from small companies. The Seminar shall build upon the information collected by the Administration through previously conducted regional small business trade conferences.

(b) ASSISTANCE BY EXPERTS.—For the purpose of ascertaining facts and developing policy recommendations concerning the expansion of United States exports from small companies the Seminar shall bring together individuals who are experts in the fields of international trade and small business development and representatives of small businesses, associations, the labor community, academic institutions, and Federal, State and local governments.

(c) RECOMMENDATIONS CONCERNING UTILITY OF INTERNATIONAL CONFERENCE.—The Seminar shall specifically consider the utility of, and make recommendations regarding, a subsequent International Conference on Small Business and Trade that would—

(1) help establish linkages between United States small business owners and small business owners in foreign countries;

(2) enable United States small business owners to learn how others organize themselves for exporting; and

(3) foster greater consideration of small business concerns in the GATT.

SEC. 8012. TRADE NEGOTIATIONS.

It is the sense of the Congress that the interests of the small business community have not been adequately represented in trade policy formulation and in trade negotiations. Therefore, it is the sense of the Congress that the Administrator of the Small Business Administration should be appointed as a member of the Trade Policy Committee and that the United States Trade Representative should consult with the Small Business Administration and its Office of Advocacy in trade policy formulation and in trade negotiations.

Further, it is the sense of the Congress that the United States Trade Representative would better serve the needs of the small business community with full-time staff assistance with responsibilities for small business trade issues.

Further, it is the sense of the Congress that the United States Trade Representative should appoint a special trade assistant for small business.

SEC. 8013. PROMULGATION OF REGULATIONS.

Notwithstanding any law, rule, or regulation, the Small Business Administration shall promulgate final regulations to carry out the provisions of this title within six months after the date of enactment of this title.

SEC. 8014. EFFECTIVE DATE.

This title shall become effective on the date of its enactment.

TITLE IX—PATENTS

Subtitle A—Process Patents

SEC. 9001. SHORT TITLE.

This subtitle may be cited as the "Process Patent Amendments Act of 1988".

SEC. 9002. RIGHTS OF OWNERS OF PATENTED PROCESSES.

Section 154 of title 35, United States Code, is amended by inserting after "United States" the following: "and, if the invention is a process, of the right to exclude others from using or selling throughout the United States, or importing into the United States, products made by that process,".

SEC. 9003. INFRINGEMENT FOR IMPORTATION, USE, OR SALE.

Section 271 of title 35, United States Code, is amended by adding at the end the following new subsection:

"(g) Whoever without authority imports into the United States or sells or uses within the United States a product which is made by a process patented in the United States shall be liable as an infringer, if the importation, sale, or use of the product occurs during the term of such process patent. In an action for infringement of a process patent, no remedy may be granted for infringement on account of the noncommercial use or retail sale of a product unless there is no adequate remedy under this title for infringement on account of the importation or other use or sale of that product. A product which is made by a patented process will, for purposes of this title, not be considered to be so made after—

"(1) it is materially changed by subsequent processes; or

"(2) it becomes a trivial and nonessential component of another product.".

SEC. 9004. DAMAGES FOR INFRINGEMENT.

(a) LIMITATIONS AND OTHER REMEDIES.—Section 287 of title 35, United States Code, is amended—

(1) in the section heading by striking "**Limitation on damages**" and inserting "**Limitation on damages and other remedies**";

(2) by inserting "(a)" before "Patentees"; and

(3) by adding at the end the following:

"(b)(1) An infringer under section 271(g) shall be subject to all the provisions of this title relating to damages and injunctions except to the extent those remedies are modified by this subsection or section 9006 of the Process Patent Amendments Act of 1988. The modifications of remedies provided in this subsection shall not be available to any person who—

"(A) practiced the patented process;

"(B) owns or controls, or is owned or controlled by, the person who practiced the patented process; or

"(C) had knowledge before the infringement that a patented process was used to make the product the importation, use, or sale of which constitutes the infringement.

"(2) No remedies for infringement under section 271(g) of this title shall be available with respect to any product in the possession of, or in transit to, the person subject to liability under such section before that person had notice of infringement with respect to that product. The person subject to liability shall bear the burden of proving any such possession or transit.

"(3)(A) In making a determination with respect to the remedy in an action brought for infringement under section 271(g), the court shall consider—

"(i) the good faith demonstrated by the defendant with respect to a request for disclosure,

"(ii) the good faith demonstrated by the plaintiff with respect to a request for disclosure, and

"(iii) the need to restore the exclusive rights secured by the patent.

"(B) For purposes of subparagraph (A), the following are evidence of good faith:

"(i) a request for disclosure made by the defendant;

"(ii) a response within a reasonable time by the person receiving the request for disclosure; and

"(iii) the submission of the response by the defendant to the manufacturer, or if the manufacturer is not known, to the supplier, of the product to be purchased by the defendant, together with a request for a written statement that the process claimed in any patent disclosed in the response is not used to produce such product.

The failure to perform any acts described in the preceding sentence is evidence of absence of good faith unless there are mitigating circumstances. Mitigating circumstances include the case in which, due to the nature of the product, the number of sources for the product, or like commercial circumstances, a request for disclosure is not necessary or practicable to avoid infringement.

"(4)(A) For purposes of this subsection, a 'request for disclosure' means a written request made to a person then engaged in the manufacture of a product to identify all process patents owned by or licensed to that person, as of the time of the request, that the person then reasonably believes could be asserted to be infringed under section 271(g) if that product were imported into, or sold or used in, the United States by an unauthorized person. A request for disclosure is further limited to a request—

"(i) which is made by a person regularly engaged in the United States in the sale of the same type of products as those manufactured by the person to whom the request is directed, or which includes facts showing that the person making the request plans to engage in the sale of such products in the United States;

"(ii) which is made by such person before the person's first importation, use, or sale of units of the product produced by an infringing process and before the person had notice of infringement with respect to the product; and

"(iii) which includes a representation by the person making the request that such person will promptly submit the patents identified pursuant to the request to the manufacturer, or if the manufacturer is not known, to the supplier, of the product to be purchased by the person making the request, and will request from that manufacturer or supplier a written statement that none of the processes claimed in those patents is used in the manufacture of the product.

"(B) In the case of a request for disclosure received by a person to whom a patent is licensed, that person shall either identify the patent or promptly notify the licensor of the request for disclosure.

"(C) A person who has marked, in the manner prescribed by subsection (a), the number of the process patent on all products made by the patented process which have been sold by that person in the United States before a request for disclosure is received is not required to respond to the request for disclosure. For purposes of the preceding sentence, the term 'all products' does not include products made before the effective date of the Process Patent Amendments Act of 1988.

"(5)(A) For purposes of this subsection, notice of infringement means actual knowledge, or receipt by a person of a written notification, or a combination thereof, of information sufficient to persuade a reasonable person that it is likely that a product was made by a process patented in the United States.

"(B) A written notification from the patent holder charging a person with infringement shall specify the patented process alleged to have been used and the reasons for a good faith belief that such process was used. The patent holder shall include in the notification such information as is reasonably necessary to explain fairly the patent holder's belief, except that the patent holder is not required to disclose any trade secret information.

"(C) A person who receives a written notification described in subparagraph (B) or a written response to a request for disclosure described in paragraph (4) shall be deemed to have notice of infringement with respect to any patent referred to in such written notification or response unless that person, absent mitigating circumstances—

"(i) promptly transmits the written notification or response to the manufacturer or, if the manufacturer is not known, to the supplier, of the product purchased or to be purchased by that person; and

"(ii) receives a written statement from the manufacturer or supplier which on its face sets forth a well grounded factual basis for a belief that the identified patents are not infringed.

"(D) For purposes of this subsection, a person who obtains a product made by a process patented in the United States in a quantity which is abnormally large in relation to the volume of business of such person or an efficient inventory level shall be rebuttably presumed to have actual knowledge that the product was made by such patented process.

"(6) A person who receives a response to a request for disclosure under this subsection shall pay to the person to whom the request was made a reasonable fee to cover actual costs incurred in complying with the request, which may not exceed the cost of a commercially available automated patent search of the matter involved, but in no case more than $500.".

(b) Technical Amendment.—The item relating to section 287 of title 35, United States Code, in the table of sections for chapter 29 of such title is amended to read as follows:

"287. Limitation on damages and other remedies; marking and notice.".

SEC. 9005. PRESUMPTION IN CERTAIN INFRINGEMENT ACTIONS.

(a) Presumption That Product Made by Patented Process.—Chapter 29 of title 35, United States Code, is amended by adding at the end the following:

"§295. Presumption: Product made by patented process

"In actions alleging infringement of a process patent based on the importation, sale, or use of a product which is made from a process patented in the United States, if the court finds—

"(1) that a substantial likelihood exists that the product was made by the patented process, and

"(2) that the plaintiff has made a reasonable effort to determine the process actually used in the production of the product and was unable so to determine,

the product shall be presumed to have been so made, and the burden of establishing that the product was not made by the process shall be on the party asserting that it was not so made.".

(b) Conforming Amendment.—The table of sections for chapter 29 of title 35, United States Code, is amended by adding after the item relating to section 294 the following:

"295. Presumption: Product made by patented process.".

SEC. 9006. EFFECTIVE DATE.

(a) In General.—The amendments made by this subtitle take effect 6 months after the date of enactment of this Act and, subject to subsections (b) and (c), shall apply only with respect to products made or imported after the effective date of the amendments made by this subtitle.

(b) Exceptions.—The amendments made by this subtitle shall not abridge or affect the right of any person or any successor in business of such person to continue to use, sell, or import any specific product already in substantial and continuous sale or use by such person in the United States on January 1, 1988, or for which substantial preparation by such person for such sale or use was made before such date, to the extent equitable for the protection of commercial investments made or business commenced in the United States before such date. This subsection shall not apply to any person or any successor in business of such person using, selling, or importing a product produced by a patented process that is the subject of a process patent enforcement action commenced before January 1, 1987, before the International Trade Commission, that is pending or in which an order has been entered.

(c) Retention of Other Remedies.—The amendments made by this subtitle shall not deprive a patent owner of any remedies available under subsections (a) through (f) of section 271 of title 35, United States Code, under section 337 of the Tariff Act of 1930, or under any other provision of law.

SEC. 9007. REPORTS TO CONGRESS.

(a) Contents.—The Secretary of Commerce shall, not later than the end of each

1-year period described in subsection (b), report to the Congress on the effect of the amendments made by this subtitle on those domestic industries that submit complaints to the Department of Commerce, during that 1-year period, alleging that their legitimate sources of supply have been adversely affected by the amendments made by this subtitle.

(b) WHEN SUBMITTED.—A report described in subsection (a) shall be submitted with respect to each of the five 1-year periods which occur successively beginning on the effective date of the amendments made by this subtitle and ending five years after that effective date.

Subtitle B—Foreign Filing

SEC. 9101. INCREASED EFFECTIVENESS OF PATENT LAW.

(a) SHORT TITLE.—This section may be cited as the "Patent Law Foreign Filing Amendments Act of 1988".

(b) FILING OF APPLICATIONS IN FOREIGN COUNTRIES.—(1) Section 184 of title 35, United States Code, is amended—

(A) in the third sentence by—

(i) striking out "inadvertently"; and

(ii) inserting "through error and without deceptive intent" after "filed abroad"; and

(B) by adding at the end thereof the following new paragraph:

"The scope of a license shall permit subsequent modifications, amendments, and supplements containing additional subject matter if the application upon which the request for the license is based is not, or was not, required to be made available for inspection under section 181 of this title and if such modifications, amendments, and supplements do not change the general nature of the invention in a manner which would require such application to be made available for inspection under such section 181. In any case in which a license is not, or was not, required in order to file an application in any foreign country, such subsequent modifications, amendments, and supplements may be made, without a license, to the application filed in the foreign country if the United States application was not required to be made available for inspection under section 181 and if such modifications, amendments, and supplements do not, or did not, change the general nature of the invention in a manner which would require the United States application to have been made available for inspection under such section 181.".

(2) Section 185 of title 35, United States Code, is amended by inserting immediately before the period in the last sentence the following: ", unless the failure to procure such license was through error and without deceptive intent, and the patent does not disclose subject matter within the scope of section 181 of this title.".

(3) Section 186 of title 35, United States Code, is amended by inserting "willfully" after "whoever", the second place it appears.

(c) REGULATIONS.—The Commissioner of Patents and Trademarks shall prescribe such regulations as may be necessary to implement the amendments made by this section.

(d) EFFECTIVE DATE.—(1) Subject to paragraphs (2), (3), and (4) of this subsection, the amendments made by this section shall apply to all United States patents granted before, on, or after the date of enactment of this section, to all applications for United States patents pending on or filed after such date of enactment, and to all licenses under section 184 granted before, on, or after the date of enactment of this section.

(2) The amendments made by this section shall not affect any final decision made by a court or the Patent and Trademark Office before the date of enactment of this section with respect to a patent or application for patent, if no appeal from such decision is pending and the time for filing an appeal has expired.

(3) No United States patent granted before the date of enactment of this section shall abridge or affect the right of any person or his successors in business who made, purchased, or used, prior to such date of enactment, anything protected by the patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased, or used, if the patent claims were invalid or otherwise unenforceable on a ground obviated by this section and the person made, purchased, or used the specific thing in reasonable reliance on such invalidity or unenforceability. If a person reasonably relied on such invalidity or unenforceability, the court before which such matter is in question may provide for the continued manufacture, use, or sale of the thing made, purchased, or used as specified, or for the manufacture, use, or sale of which substantial preparation was made before the date of enactment of this section, and it may also provide for the continued practice of any process practiced, or for the practice of which substantial preparation was made, prior to the date of enactment of this section, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before such date of enactment.

(4) The amendments made by this section shall not affect the right of any party in any case pending in court on the date of enactment of this section to have its rights or liabilities—

(A) under any patent before the court, or

(B) under any patent granted after such date of enactment which is related to the patent before the court by deriving priority rights under section 120 or 121 of title 35, United States Code, from a patent or an application for patent common to both patents,

determined on the basis of the substantive law in effect before the date of enactment of this section.

Subtitle C—Patent Term Extension

SEC. 9201. PATENT TERM EXTENSION.

(a) GENERAL RULE.—Except as provided in subsection (b), the term of United States Patent number 3,674,836 issued for the drug Lopid shall be extended in accordance with section 9202 for 3 years and 6 months from the date of its expiration.

(b) CONDITIONS.—

(1) No extension of the term of the patent described in subsection (a) may be made unless there has been submitted for the drug Lopid a supplemental new drug application under section 505 of the Federal Food, Drug, and Cosmetic Act for the approval of an expansion of the permitted indications and usage in the labeling of the drug.

(2) If the Secretary of Health and Human Services makes a final determination, after the date of the enactment of this Act, disapproving the first supplemental new drug application submitted under section 505 of the Federal Food, Drug, and Cosmetic Act for the approval of an expansion of the permitted indications and usage in the labeling of the drug Lopid—

(A) no extension shall be granted for the term of the patent under subsection (a) if the final determination of disapproval is issued before the date the term of the patent is extended under subsection (a), and

(B) if an extension has been granted under subsection (a) before the final determination of disapproval is issued, the extension shall be terminated as of the date of such disapproval.

The Secretary shall promptly notify the Commissioner of Patents and Trademarks of such a disapproval.

SEC. 9202. PROCEDURE.

(a) NOTICE.—To receive the patent term extension under section 9201(a), the owner of record of the patent shall notify the Commissioner of Patents and Trademarks before January 4, 1989, of the identity of the supplemental new drug application required under section 9201(b)(1).

(b) EXTENSION.—On receipt of the notice under subsection (a), the Commissioner shall, in accordance with section 9201, promptly issue to the owner of record of the patent a certificate of extension, under seal, stating the fact and length of the extension and indicating that such extension is limited to the subject matter of claim 1 (insofar as claim 1 is needed to cover the compound described in claim 6 and additionally insofar as claim 1 is needed to cover the pharmaceutically acceptable salts of the compound described in claim 6) and claim 6 of the patent. Such certificate shall be recorded in the official file of the patent extended and such certificate shall be considered as part of the original patent, and an appropriate notice shall be published in the Official Gazette of the Patent and Trademark Office. If the extension of the term of the patent is to be terminated under section 9201(b), the Commissioner shall promptly issue a certificate of termination of extension, under seal, stating the fact that the patent term extension is terminated, effective on the date of the final determination that the supplemental new drug application under section 505 of the Federal Food, Drug, and Cosmetic Act was disapproved. Such certificate shall be recorded in the official file of the patent and such certificate shall be considered as a part of the original patent, and an appropriate notice shall be published in the Official Gazette of the Patent and Trademark Office.

TITLE X—OCEAN AND AIR TRANSPORTATION

Subtitle A—Foreign Shipping Practices

SEC. 10001. SHORT TITLE.

This subtitle may be cited as the "Foreign Shipping Practices Act of 1988".

SEC. 10002. FOREIGN LAWS AND PRACTICES.

(a) DEFINITIONS.—For purposes of this section—

(1) "common carrier", "marine terminal operator", "non-vessel-operating common carrier", "ocean common carrier", "person", "shipper", "shippers' association", and "United States" have the meanings given each such term, respectively, in section 3 of the Shipping Act of 1984 (46 App. U.S.C. 1702);

(2) "foreign carrier" means an ocean common carrier a majority of whose vessels are documented under the laws of a country other than the United States;

(3) "maritime services" means port-to-port carriage of cargo by the vessels operated by ocean common carriers;

(4) "maritime-related services" means intermodal operations, terminal operations,

cargo solicitation, forwarding and agency services, non-vessel-operating common carrier operations, and all other activities and services integral to total transportation systems of ocean common carriers and their foreign domiciled affiliates on their own and others' behalf;

(5) "United States carrier" means an ocean common carrier which operates vessels documented under the laws of the United States; and

(6) "United States oceanborne trade" means the carriage of cargo between the United States and a foreign country, whether direct or indirect, by an ocean common carrier.

(b) Authority To Conduct Investigations.—The Federal Maritime Commission shall investigate whether any laws, rules, regulations, policies, or practices of foreign governments, or any practices of foreign carriers or other persons providing maritime or maritime-related services in a foreign country result in the existence of conditions that—

(1) adversely affect the operations of United States carriers in United States oceanborne trade; and

(2) do not exist for foreign carriers of that country in the United States under the laws of the United States or as a result of acts of United States carriers or other persons providing maritime or maritime-related services in the United States.

(c) Investigations.—(1) Investigations under subsection (b) of this section may be initiated by the Commission on its own motion or on the petition of any person, including any common carrier, shipper, shippers' association, ocean freight forwarder, or marine terminal operator, or any branch, department, agency, or other component of the Government of the United States.

(2) The Commission shall complete any such investigation and render a decision within 120 days after it is initiated, except that the Commission may extend such 120-day period for an additional 90 days if the Commission is unable to obtain sufficient information to determine whether a condition specified in subsection (b) of this section exists. Any notice providing such an extension shall clearly state the reasons for such extension.

(d) Information Requests.—(1) In order to further the purposes of subsection (b) of this section, the Commission may, by order, require any person (including any common carrier, shipper, shippers' association, ocean freight forwarder, or marine terminal operator, or any officer, receiver, trustee, lessee, agent or employee thereof) to file with the Commission any periodic or special report, answers to questions, documentary material, or other information which the Commission considers necessary or appropriate. The Commission may require that the response to any such order shall be made under oath. Such response shall be furnished in the form and within the time prescribed by the Commission.

(2) In an investigation under subsection (b) of this section, the Commission may issue subpoenas to compel the attendance and testimony of witnesses and the production of records or other evidence.

(3) Notwithstanding any other provision of law, the Commission may, in its discretion, determine that any information submitted to it in response to a request under this subsection, or otherwise, shall not be disclosed to the public.

(e) Action Against Foreign Carriers.—(1) Whenever, after notice and opportunity for comment or hearing, the Commission determines that the conditions specified in subsection (b) of this section exist, the Commission shall take such action as it considers necessary and appropriate against any foreign carrier that is a contributing cause to, or whose government is a contributing cause to, such conditions, in order to offset such conditions. Such action may include—

(A) limitations on sailings to and from United States ports or on the amount or type of cargo carried;

(B) suspension, in whole or in part, of any or all tariffs filed with the Commission, including the right of an ocean common carrier to use any or all tariffs of conferences in United States trades of which it is a member for such period as the Commission specifies;

(C) suspension, in whole or in part, of the right of an ocean common carrier to operate under any agreement filed with the Commission, including agreements authorizing preferential treatment at terminals, preferential terminal leases, space chartering, or pooling of cargo or revenues with other ocean common carriers; and

(D) a fee, not to exceed $1,000,000 per voyage.

(2) The commission may consult with, seek the cooperation of, or make recommendations to other appropriate Government agencies prior to taking any action under this subsection.

(3) Before a determination under this subsection becomes effective or a request is made under subsection (f) of this section, the determination shall be submitted immediately to the President who may, within 10 days after receiving such determination, disapprove the determination in writing, setting forth the reasons for the disapproval, if the President finds that disapproval is required for reasons of the national defense or the foreign policy of the United States.

(f) Actions Upon Request of the Commission.—Whenever the conditions specified in subsection (b) of this section are found by the Commission to exist, upon the request of the Commission—

(1) the collector of customs at any port or place of destination in the United States shall refuse the clearance required by section 4197 of the Revised Statutes (46 App. U.S.C. 91) to any vessel of a foreign carrier that is identified by the Commission under subsection (e) of this section; and

(2) the Secretary of the department in which the Coast Guard is operating shall deny entry, for purposes of oceanborne trade, of any vessel of a foreign carrier that is identified by the Commission under subsection (e) of this section to any port or place in the United States or the navigable waters of the United States, or shall detain any such vessel at the port or place in the United States from which it is about to depart for any other port or place in the United States.

(g) Report.—The Commission shall include in its annual report to Congress—

(1) a list of the twenty foreign countries which generated the largest volume of oceanborne liner cargo for the most recent calendar year in bilateral trade with the United States;

(2) an analysis of conditions described in subsection (b) of this section being investigated or found to exist in foreign countries;

(3) any actions being taken by the Commission to offset such conditions;

(4) any recommendations for additional legislation to offset such conditions; and

(5) a list of petitions filed under subsection (c) of this section that the Commission rejected, and the reasons for each such rejection.

(h) The actions against foreign carriers authorized in subsections (e) and (f) of this section may be used in the administration and enforcement of section 13(b)(5) of the Shipping Act of 1984 (46 App. U.S.C. 1712(b)(5)) or section 19(1)(b) of the Merchant Marine Act, 1920 (46 App. U.S.C. 876).

(i) Any rule, regulation or final order of the Commission issued under this section shall be reviewable exclusively in the same forum and in the same manner as provided in section 2342(3)(B) of title 28, United States Code.

SEC. 10003. MOBILE TRADE FAIRS.

(a) Section 212(B)(c) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1122b(c)), is amended to read as follows:

"(c) In addition to any amounts appropriated to carry out trade promotion activities, the President may use foreign currencies owned by or owed to the United States to carry out this section.".

(b) For one year after the date of enactment of this Act, a vessel that is undergoing repair or retrofitting for use solely for mobile trade fair purposes is deemed to be out of commission under section 3302(e) of title 46, United States Code, during the repair or retrofitting.

Subtitle B—International Air Transportation

SEC. 10011. MAXIMUM PERIOD FOR TAKING ACTION WITH RESPECT TO COMPLAINTS.

Section 2(b)(2) of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. App. 1159b(b)(2)) is amended—

(1) in the third sentence by striking out "but in no event may" and all that follows through "180 days" and inserting in lieu thereof "but the aggregate period for taking action under this subsection may not exceed 90 days"; and

(2) by inserting after the third sentence the following new sentence: "However, if on the last day of such 90-day period, the Secretary finds that—

"(A) negotiations with the foreign government have progressed to a point that a satisfactory resolution of the complaint appears imminent;

"(B) no United States air carrier has been subject to economic injury by the foreign government or an instrumentality of the foreign government (including a foreign air carrier) as a result of the filing of the complaint; and

"(C) public interest requires additional time before the taking of action with respect to the complaint;

the Secretary may extend such 90-day period for not to exceed an additional 90 days.".

SEC. 10012. VIEWS OF THE DEPARTMENT OF COMMERCE AND OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE.

Section 2(b) of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. App. 1159b(b)) is amended—

(1) by redesignating paragraph (3), and any references thereto, as paragraph (4);

(2) by striking out the last sentence of paragraph (2); and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) In considering any complaint, or in any proceedings under its own initiative, under this subsection, the Secretary shall—

"(A) solicit the views of the Department of State, the Department of Commerce, and the Office of the United States Trade Representative; and

"(B) provide any affected air carrier or foreign air carrier with reasonable notice and such opportunity to file written evidence and argument as is consistent with acting on the complaint within the time limits set forth in this subsection.".

SEC. 10013. REPORTING ON ACTIONS TAKEN WITH RESPECT TO COMPLAINTS.

Section 2 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. App. 1159b) is amended by adding at the end thereof the following new subsection:

"(e) Not later than the 30th day after taking action with respect to a complaint under this section, the Secretary of Transportation shall report to the Committee on Public Works and Transportation of the House Representatives and the Committee on Commerce, Science, and Transportation of the Senate on actions that have been taken under this section with respect to the complaint.".

The CHAIRMAN. No amendments to the bill being in order, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Gray of Illinois] having assumed the chair, Mr. Beilenson, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4848) to enhance the competitiveness of American industry, and for other purposes, pursuant to House Resolution 491, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MICHEL. I am, in its present form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Michel moves to recommit the bill, H.R. 4848, to the Committee on Ways and Means with instructions to report the bill back to the House forthwith with the following amendment:
>
> "Strike out section 1910 (entitled Ethyl Alcohol and Mixtures for Fuel Use);
>
> "And redesignate succeeding sections accordingly."

Mr. GIBBONS. Mr. Speaker, pursuant to clause 4 of rule XVI, I demand an hour of debate, equally divided, on the motion to recommit.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. Michel] will be recognized for 30 minutes, and the gentleman from Florida [Mr. Gibbons] will be recognized for 30 minutes.

The Chair recognizes the minority leader, the distinguished gentleman from Illinois [Mr. Michel].

Mr. MICHEL. Mr. Speaker, let me first thank the distinguished gentleman from Florida [Mr. Gibbons] for his procedural demand for an hour's debate in order that we might have a little bit of an elongated discussion on this issue. I think most of the Members deferred taking time during the course of general debate in order that we might consolidate that debate here in consideration of the motion to recommit.

This motion does one thing. It strikes the section dealing with ethanol from the bill. Everything else in the measure would remain intact. The ethanol provision in the bill in essence allow five trading companies an exemption from current law, which requires that any ethanol coming into the United States duty free from the Caribbean must have been produced with Caribbean Basin sugar cane.

These five plants, some of which are to be constructed and three of which are foreign owned, would be dehydration plants only, which means that all they do is dry out the ethanol. As such, they contribute very little to the Caribbean economy. Estimates are that the plants would contribute only 10 cents per gallon and 4 workers per million gallons produced to those economies in the Caribbean, compared to $1.50 per gallon and 410 workers per millon for a full fermentation facility.

When we enacted the Caribbean Basin Initiative, we intended their products would receive that free treatment if the production of those products significantly benefits their economies. We did not intend to allow them to receive such favorable treatment when they simply serve as little more than a way station for products produced elsewhere. Not only does the ethanol provision run contrary to the CBI Program, it also runs contrary to the overall intent of this trade bill before us today.

What it does is allow ethanol produced in Europe with subsidized wine to be shipped duty free into the United States through the Caribbean. In a bill that is designed to protect U.S. producers against unfair trade practices, what we are doing is not only condoning the importing of subsidized ethanol from Europe, where there are many restrictions against our own agricultural products, but we are actually subsidizing that ethanol ourselves by permitting it to enter duty free. In a sense we are providing jobs for Europeans at the expense of jobs for Americans.

□ 1615

And the cheap European ethanol will adversely impact on our own domestic ethanol producers and will hurt our farmers by displacing markets for domestic corn. It appears from this provision that we are more interested in subsidizing Italian grape farmers that American corn farmers.

Mr. Speaker, yesterday I received a letter from the Deputy Secretary of Agriculture, Peter Meyers, in which he said the following:

> The competitive situation facing U.S. ethanol producers has only been exacerbated by the current drought in the Midwest and Southeast. To allow ethanol produced in CBI countries from subsidized European wine alcohol to undercut domestic ethanol prices would only worsen the eonomic conditions facing this industry.

Mr. Speaker, I will of course include the full text of the letter under my reservation to revise and extend my remarks, but in conclusion the ethanol provisions in a sense represent a sweetheart arrangement for a few select companies. They do very little to benefit the Caribbean nations, and they continue to be opposed by the administration. If allowed to remain in the bill, they could lead to a doubling of ethanol imports into this country during the next 2 years.

I would have to ask my colleagues if that is really what we intended in this trade bill.

I think not, and I would hope that there would be other Members, as I am sure there are on both sides of the aisle, who feel just as strongly as I do who will support my motion to recommit. Obviously, if we have a sufficient number, that will be deleted from the bill forthwith, and then of course the bill would be substantially changed for this Member to be able to vote, as he indicated earlier, in support of the measure.

But, Mr. Speaker, I would ask for my colleagues' support for this motion to recommit.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. Matsui].

Mr. MATSUI. Mr. Speaker, I would like to thank the gentleman from Illinois [Mr. Rostenkowski], the chairman of the Ways and Means Committee.

I would like to first of all say that when Congress passed the CBI legislation the stated intent was to bring political and economic stability to that particular region. And the provision regarding the ethanol would merely contribute to that particular effort.

I am somewhat surprised that the maker of the motion to recommit does not support this provision because President Reagan, the Republican President, was the one and is the one who supports CBI.

I would have to also say to the gentleman that with respect to the flooding of the market he knows and everyone else knows that the maximum run out of ethanol that can come in from the Caribbean countries as a result of the formula that was agreed upon by all parties is a little over 2 percent.

The reason that we are having opposition now is because one company has a virtual monopoly in ethanol in the United States, and they want to maintain, unfortunately, that monopoly. And as a result of that we are finding on the coastal counties in the Southwest and Southeast of the United States that they do not have enough ethanol in order to promote gasahol, and there has been a short supply, for example, on the west coast to the east coast, the Southwest, and many regions of this country.

Mr. Speaker, as a result of that I think it is important that we have an additional supply of ethanol even though it is only 2 to 2½ percent of the entire market, and that undoubtedly will be from the Caribbean countries.

And I might also point out one other aspect, if I may, just to the gentleman from Illinois. Last time when this trade bill came before this body the gentleman was quoted as saying in the closing statement, "I am confident that we can sustain the President's position and that, if we come right back with this very same bill; that is, the omnibus trade bill minus the layoff and plant-closing provisions, it would whistle right through the House of Congress and be signed into law."

I am wondering why now the gentleman raises another issue, and perhaps, if he is successful on his motion to recommit, is he going to find a third or fourth issue so that he will never have to vote for this omnibus trade bill?

I would only hope that the Members of this body vote against the motion to recommit because we want to preserve democracy in the Caribbean Basin, but second, we want a stable and steady supply of ethanol in the United States so that we can look for alternative sources of energy.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume just to respond briefly to the gentleman from California [Mr. MATSUI].

Yes, the gentleman quoted me verbatim, and it would not be this gentleman's intention to prolong consideration of the trade bill. But it is a very cantankerous provision, and I am sure that when the vote is cast that it will be quite evident why it is a subject for discussion at a time like this.

So, limited as we are sometimes on motions, or attempts to amend or one motion to recommit, those of us in the minority from time to time have got to take advantage of what little there is in the parliamentary procedure here to give us an opportunity to air our views.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, I thank the gentleman from Illinois [Mr. MICHEL], the minority leader for yielding this time to me.

Mr. Speaker, one of the most difficult things for a Member of Congress to explain to a constituent is why we would pass a law such as the Caribbean Basin Initiative which, in fact, will cost American jobs. The Caribbean Basin Initiative, as we passed it, allows those countries to export to the United States with special trade treatment to send their products in, and in fact it opens up the opportunity that those products might displace American workers from their jobs. Congress decided, and the President signed the law that this was the policy we should follow for a very important reason.

Mr. Speaker, it is because the Caribbean is our neighbor. Their security economically, militarily and politically is our concern, and we are willing to run the risk as a nation that we may lose American jobs. We may displace some American workers if on the other side of the equation the Caribbean grows in strength.

That is the nature of America. It is the nature of our foreign policy. Some people shake their heads and say, "Why would you do that when people are out of work in this country?"

But, Mr. Speaker, we made the commitment. We should stick by the commitment.

But let me tell my colleagues of the House about an old saying. The good samaritan never goes unpunished.

Well, it has happened here today. No sooner had the ink dried on the Caribbean Basin Initiative then five ethanol trading companies put their lawyers to work, searched through the bill, and guess what they found? They found a loophole large enough in the Caribbean Basin Initiative to drive through tankers of ethanol into the United States. Had this ethanol been manufactured in the Caribbean, it would have been in total compliance with the law. But instead they found that, if they could buy a product 90 percent complete—such as spoiled Spanish wine—take it to a Caribbean country for a minute part of the manufacturing process just long enough to have it stamped "Caribbean" and send it into the United States, it qualified for the Caribbean Basin Initiative, and it came in duty free.

So for the last several years we have had this ongoing battle of how to stop these sharpies with their lawyers who found the loophole in the CBI from using what was our good intention to, in fact, make millions of dollars of profit at the expense of American workers, American farmers and American coal miners.

So now we have before us today a trade bill. Why are we debating it? Because of a legitimate national concern that our trade balance is awful.

Mr. Speaker, we have lost jobs overseas. We are making a conscious, bipartisan effort to bring those jobs back to America. But, as you read this trade bill, you will find one section, only one in the entire bill, that has exactly the opposite effect.

The ethanol provisions, which these five companies have managed to shove into the trade bill, will increase our trade deficit, will cost us American jobs, will penalize the American farmers, will put coal miners out of work, and this is all in the name of a trade bill to help our economy. By providing this special trade treatment for five companies, but allowing these five companies a special privilege to import their ethanol to the United States duty free, we threaten American workers' jobs in the ethanol industry.

I stand before you readily admitting that I represent a part of Illinois where more than half of the ethanol in America is produced. I have looked into the eyes of these workers, these men and women who go to work each day in this industry, and told them that I would come to Congress and represent them. I have told them they should support a trade bill because it is good for America. But, Mr. Speaker, I cannot tell them that this provision is good for America or good for those workers. In fact it will cost them their jobs.

And let me tell you something further. I just returned from my district this weekend. My colleagues should see the impact of the drought on corn farmers in Illinois and across the Nation. They are in for a tough year. We will spend days and weeks devising a Federal program to help them. And yet this bill that we are being asked to vote for today penalize those drought-stricken farmers as much as the searing Sun. What it will do is to bring imported ethanol into the United States at their expense.

Now those who support it say, "Oh, it is only a marginal amount. It is only 9 percent. Isn't that something you can live with?"

We cannot live with 1 percent, Mr. Speaker, if it means that someone is taking a loophole in the law, taking advantage of it, penalizing American workers and farmers.

Who are these five companies that could twist this Congress and its trade bill into such pitiful contortions? Who are these five companies that can subvert the CBI, put Americans out of work and take income from our farmers?

Quite simply, these companies are the smooth operators who are canny enough to find that loophole in the law and turn it into millions of dollars of profit, shrewd enough to stretch the loophole to the breaking point so that we find ourselves in a trade bill designed to help America's economy doing just the opposite.

One of my colleagues has suggested that this section of the Caribbean Basin Initiative is a good one, and I do not quarrel with that, but this provision which these companies are using will allow these Caribbean nations to be treated as little more than economic serfs, little more than colonial plantations, because we are not creating jobs in these countries as we should. They are not taking sugarcane from Jamaica or any other country in the Caribbean to make the ethanol. They are buying tanker loads of spoiled Spanish wine and European commodities and turning this into ethanol in the Caribbean countries. Instead of using Caribbean sugar and creating hundreds of jobs to bolster the struggling economies in the Caribbean, these five companies will exploit not only the Caribbean, but the compassionate goals of the CBI and this Congress.

If my colleagues want to vote for a real helping hand for the Caribbean, vote for the Michel-Durbin motion to recommit. If my colleagues want to vote for helping American workers keep their jobs rather than exporting employment to Europe and Brazil, vote for the Michel-Durbin motion to recommit. If my colleagues want to give American struggling farmers a helping hand as they face the dispair of this drought, vote for the Michel-Durbin motion to recommit.

And if my colleagues want to tell these five companies to find some other get-rich-quick loophole to make their millions, vote for the Michel-Durbin motion to recommit.

Mr. MATSUI. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I find it hard to understand the gentleman's statement regarding the Caribbean Initiative and the ethanol coming into the country, 2 percent having an effect on the farmers that are involved in the drought because there is going to be a shortage of grain. That means there is going to be a shortage of ethanol. That means that markets will be short, and we might as well have the importation of ethanol in order to have a steady supply, a stable supply for various people that use ethanol in the United States. This will mean a stabilized price, and obviously it will mean a stable supply.

Mr. DURBIN. Mr. Speaker, I am glad my colleague has given me an opportunity to expound on that point. If the price of corn goes up, the price of ethanol goes up. If the five companies that want this loophole are able to export more cheaply, they will drive America's domestic ethanol producers out of the market to their benefit.

What the gentleman has stated is a 3 percent of the market, which I think understates the situation. In fact, he is allowing these importers to undercut our domestic ethanol industry when it is the most vulnerable. With high oil prices and high corn prices they are struggling to survive, and what he is doing in supporting this provision is a death blow to this industry. To say it is only 3 percent or 6 percent belies the fact that we are sacrificing American jobs and American farm income for what? For Europeans and Brazilian bank accounts to be swelled with the profits of these countries, not to create jobs in the Caribbean which the CBI was designed to do.

□ 1630

Mr. MATSUI. Mr. Speaker, if the gentleman will yield further, I think the gentleman's statement just makes the point. We want to keep a steady supply and a steady price of ethanol. Unfortunately, what is being looked for is some excess profits out of it.

Mr. DURBIN. Let me tell the gentleman that he is wrong. This year it is estimated that we will harvest some 5 billion bushels of corn in America as compared to a projected harvest of 7 billion bushels. The drought has cost us 2 billion bushels. We have a 2.4 billion bushel carryover from last year. There is an adequate supply to meet our need.

What the gentleman would prefer doing is rather than to help the American corn farmers who are struggling in this drought, this gentleman would rather see that these companies have an opportunity to bring in spoiled Spanish wine and Brazilian ethanol to go through the final distillation process in the Caribbean.

I would rather see American workers and farmers profit from the trade bill than foreign companies exporting into the United States.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. ANTHONY].

Mr. ANTHONY. Mr. Speaker, the previous speakers have used words such as "sweetheart arrangement" and "sharpies."

I think it would be helpful if we could go back and review some of the reasons why we are here.

There was a Communist buildup in Grenada. The Reagan administration decided to invade Grenada, talking about how we need to bolster the democracies in the CBI countries. We did that. The administration proposed to help our friends in the Caribbean, sent Chairman ROSTENKOWSKI and a delegation down into that area to determine what would be the best way to help. That piece of legislation was passed. As we know, on this floor, there were crippling amendments one after another to try to protect the domestic industry. As a result, that piece of legislation really left very little. There was an ability for processors, yes, to bring in some spoiled wine and do a distillation process; in addition to using the base stock in Jamaica. It is not a correct statement to say that those companies are not attempting to buy and lease and to put sugarcane into production and market so they can use it there.

What this fight really boils down to is two big companies versus the fear of some imports. Let us get down to the bottom line and let us make our vote based on the realities of the situation.

In 1987 there was less than 3 percent imports, according to the U.S. Customs data, from the CBI countries. That was 29 million gallons, compared to 850 million gallons in the United States.

Now, come, come; 3 percent, that is no fear of a multitude of loss of jobs or the death blow of a domestic industry.

Look at 1988. Because of the confusion we have thrown into our good friends in the Caribbean, through April 1988 there have only been 4.2 million gallons imported.

Come, come. That is no fear for any industry in Illinois to think about that this is a death blow, I say to my good friend, the gentleman from Illinois [Mr. DURBIN].

What you have to do is go back and look at the compromise that was struck in the trade bill. It is a fair compromise. One, it only applies to December 31, 1989. It imposes a volume cap of 20 million gallons per facility, so 100 would be the maximum. They do not have the capacity nor the ability to reach the maximum between now and the deadline.

What did we request? I do not have ethanol production in my district. I have very little corn production in my district. I do not know who to believe.

H.R. 4848 is landmark legislation which will help American industry and enhance trade. I strongly support the bill and urge its passage.

The bill should be approved as is and the motion to recommit regarding ethanol and the Caribbean soundly rejected.

Mr. Speaker, I oppose the Republican leader's recommittal motion because I am a friend of American ethanol producers and corn growers. The greatest threats to U.S. ethanol do not lie in the Caribbean but are:

The lack of reliable supply;

Industry concentration; and

Lost credibility and overreaching.

A pressing need for U.S. ethanol is to increase market share in areas such as the southeast coastal States, the Southwest, and California. Historically underserved, these areas are also hardest hit when the largest producers make corn sweeteners instead of ethanol. Unfortunately, the current drought will only exacerbate this situation.

Second, because the ethanol industry tends to be dominated by a handful of large companies, the interests of these giants may not always coincide with small producers, and corn of CBO ethanol is a prime example of overreaching and possible loss in credibility. When Congress enacted the President's CBI program, CBI governments and U.S. companies were urged to look seriously at ethanol investments. With strong United States backing several projects were begun.

Almost from the inception of the CBI, the domestic industry has predicted demise and doom. Yet, U.S. production has more than doubled—from 420 million to more than 850 million gallons today.

At various times, we have been told that CBI nations were poised to export as much as 200 million gallons per year to the United States. But U.S. Customs data shows only 39 million gallons of ethanol from the region last year—less than 3 percent of the U.S. market. Regardless of the facts, the domestic industry lobbied hard to have the CBI ethanol rules changed and the 1986 Tax Reform Act did so. Promoted as encouraging new and "real" investments, the changes have actually cost jobs, retarded new investments, and threatened existing projects.

Finally, Mr. Speaker, I feel strongly about this matter because I have visited first hand CBI ethanol manufacturing and agricultural facilities needlessly put at risk unless we act.

The trade bill provision on this matter is a temporary compromise until we can fashion a reasonable long-term policy on this matter. In essence it returns to the status quo, with protections built in for domestic industry and requires GAO and the International Trade Commission to gether the facts.

With all due respect to the distinguished Republican leader, a policy based on facts will further, not hinder, our mutual goals.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I might consume.

I just want to make it absolutely clear, there is talk that this is an administrative proposal. Nothing could be further from the truth, because the President, as a matter of fact, in his veto message cited this as one of those visions for which he was willing to veto the legislation. So I am not opposing my own administration in offering the motion to recommit to delete this provision, but am looking out for those corn farmers and producers basically—yes, it is a parochial interest out in the Midwest area where we produce a lot of corn and have always been attempting to find a market for it.

Further down the road if perchance we were to have problems in the Persian Gulf and a restriction on oil imports, admittedly first it would be a beefing up of domestic production of oil, but as an alternative source there is nothing wrong with ethanol and if we got to some terrible bind at some future time we might do like Brazil did and mandate 10 percent ethanol and 20 percent to the degree that we would produce it self-sustaining from our own shores without going abroad for that kind of energy power.

So there is good and sufficient reason why we are talking about keeping an ethanol industry alive in this country without giving these kind of special concessions to those who would fatten up Europe, frankly, rather than the Caribbean area, which simply skims off the top a very little bit in the process.

Mr. Speaker, I am happy at this time to yield 5 minutes to the gentleman from Minnesota [Mr. FRENZEL], one of my opponents who happens to be on my side, who obviously has some differing views.

Mr. FRENZEL. Mr. Speaker, the ethanol grandfather in the trade bill is one of the very important points in the trade bill. When this Congress and this administration jointly established the Caribbean Basin Initiative it was the hope that we could put jobs and investment into the Caribbean area. One of the things that was supposed to be undertaken down there was the production of ethanol. That has been a sugar-producing area. As everybody knows, the U.S. sugar buying program is down because of the way we sustain a high domestic sugar price. It means that we are not able to buy sugar abroad the way we used to do.

Now, the hard thing for the people in the Caribbean to do is to get the sugar properties so that they can plan them long term so that they could meet the ultimate domestic content, local content rule, that is in our trade bill. At the moment, they cannot do that because the sugar acreages are committed to other purposes. For the long term, they can acquire those properties and will be able to meet a higher level of local content.

In the meantime, Mr. Speaker, the threat that the gentleman from Illinois speaks of is not a powerhouse. In 1985, imports were 12.4 million gallons, against U.S. production of 625 million. That is 2 percent.

In 1986, imports doubled and they became 3 percent.

In 1987, imports were up to 29 million gallons. That is 3 percent of the 850 million that we produced here.

Our Government tells us that we have got a 1 billion gallon market in this country. We have not ever been able to fill that amount, and so those people who want to protect this industry are trying to protect it from nothing. It cannot produce what we need to produce to create the market for ethanol. If those people really want the market, they ought to get some of the imported stuff in here so that we can create the market that they can fill with their later production.

Mr. Speaker, I note that the Archer Daniels Co., which is pretty much the whole show in the United States with respect to ethanol, has already stopped shipping to Western States, California, Washington, and even Colorado. That means that we do not have the product. We need this product from the Caribbean.

In addition, we have made a pledge to the Caribbean that we are going to help them lift themselves by their own bootstraps.

This is only one tiny little portion of the Caribbean Basin Initiative. It is not the most important thing we are doing there. It is something on which people in the Caribbean are hanging their hats for future jobs, future sugar acreage and future prosperity and a future role in the national security of our country.

If we accept the Michel motion to recommit, we are going to snuff that out and we are going to dry up ethanol supplies.

Even under the provision in this bill, that grandfather is only extended for six companies for 1½ years. We expect to have a full report after the year and a half that is provided for the trade bill. Then we will have a better idea of what is the effect on the local corn producers in the United States, what is the need for local content within the Caribbean.

I believe on the basis of that report, we will be able to legislate in a way that is equitable both to U.S. producers and to our needs and intentions in the Caribbean; but for now, I would urge the rejection of the Michel motion.

It is important to the Caribbean Basin, I think it is also important for the use of ethanol and the building of a domestic market which is going to benefit our domestic corn growers over the long haul that that motion be rejected. I urge that the House do so.

Mr. GIBBONS. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, to ask for recommittal on this important trade bill on the basis of the ethanol issue in the Caribbean would be unthinkable.

The chairman of our committee asked for a delegation, and I headed that delegation to the CBI area last year. We visited some of the ethanol plants. We tried to make an analysis of what is the best approach on this troublesome issue.

When we passed the bill in 1986, we did grant an exemption to three different companies. Two later did not qualify, one did.

It was not our intent to exclude other companies or to show favoritism or to grant anybody a loophole. When we examined it by personal inspection last year, we thought the fair thing would be to extend it to two other companies. There are a total of approximately five now that would be eligible for this temporary exemption. They ought to be granted it.

The amount of ethanol, compared with the productive capacity in this country, is so small that we ought not to hesitate a minute to advance this important program. The ethanol program has got difficulties right now. We do not know just how it is going to operate. We ought not to be having impediments thrown into its path. We ought to go ahead and say to these countries down there that we will cooperate with you.

Now, Mr. Speaker, I take this time also to appeal to this House to consider that we need to pass the CBI legislation. We have an important package that has been prepared, a bill sitting in our committee. Once we can get these trade bills out of the way, it is the intent of the chairman of both the Trade Subcommittee and the full Ways and Means Committee to advance the CBI Program. If we come in here today and pass legislation that curtails expansion of the CBI, I think that would be a clear signal that this administration does not really want to cooperate with us.

This is a very small item.

Now, I come from grain country. I do not want to hurt the grain people in my area. I do not think this bill would, but I think we could hurt the national interests of the United States if we do not pass meaningful CBI legislation this year or just as soon as we can.

So I not only ask not to recommit, I ask this Congress and my own committee to pass the CBI legislation. It needs action. It is crying for passage and we ought not to be doing anything of a negative nature.

Mr. ANTHONY. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Arkansas.

Mr. ANTHONY. Mr. Speaker, I thank the gentleman for yielding.

I wanted to make two points. One is that the agreement struck requires the ITC and the GAO to do an independent study. Then the Members do not have to worry in the future about competing special interests in terms of taking care of their politics back home.

But to the gentleman from Texas, I would like to let the gentleman know that the Texas Corn Growers Association has written to the chairman of the Finance Committee saying that they do not believe that this compromise would be damaging to them nor to their interests, and in fact have gone on record saying that they are in favor of the compromise and that they think it would help to expand and stabilize the market.

Mr. PICKLE. Well, Mr. Speaker, I am glad the gentleman made that point.

□ 1645

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I rise in support of this legislation.

Mr. Speaker, this country is obviously in trouble in the trade area with over $170 billion trade deficits in both 1986 and 1987 causing extensive damage to the fabric of our Nation's economy. Two years ago we became the world's largest debtor nation. We are beginning to mortgage our children's and our grandchildren's futures. What we need today is action on an American trade policy. Inaction is the best recipe for continued erosion of our Nation's productive capabilities and at worst a prescription for irreversible decline.

I rise to support H.R. 4848, the Omnibus Trade Act. I would like to commend the 10 committees, their chairmen and scores of subcommittees for putting together this landmark piece of legislation and conference report. This bill represents the most comprehensive effort to reform and modernize our trade laws and practices in years.

There are no simple answers to the trade issue. Free trade with no restrictions is a goal we all seek. But the fact is that our farmers and business people have faced an increasing barrage of protectionism from other countries in the form of unfair dumping, excessive tariffs, and artificial import barriers.

The question is, Are we going to stand by and permit this to continue, or are we going to take tough action to make clear to others that these barriers to free trade must be removed?

There has been a renaissance in our Nation's thinking about trade over the last 3 years, not only in Congress but with the administration, labor, business, and education. Recordbreaking deficits have forced the trade issue to the front burner and it's hot; so hot that we need a coordinated response to the trade deficit that will cool these skyrocketing deficits.

America has undergone a painful crash course in international trade and finance over the last few years. We all have become aware of the impact on foreign trade on our everyday lives. Even the President has taken action—finally admitting the problem will not simply disappear by itself—by penalizing the Japanese for allegedly breaking a semiconductor price-fixing agreement made in 1986.

American business also has responded to the problem by taking bold new steps to improve productivity and enhance international competitiveness. Across the Nation we find new approaches to increasing competition including improving management techniques, business-labor-education partnerships, retraining programs and greater use of technology. Even foreign governments have reluctantly begun to assume some of the responsibility for the trade imbalances and are at least demonstrating a willingness to work to restore integrity to the international trading system.

While the administration cites the above as "encouraging" and "good news" these initial steps are not sufficient in and of themselves. America needs a comprehensive trade policy to coordinate the complex ties of export enhancement, multilateral negotiations, fiscal and monetary policy, agricultural competitiveness, and marketing strategies. The list goes on and on.

We must have a higher vision of the decisions to be made in these areas and a road map as to where we are headed, what we hope to achieve, and why. We must be sure that in repairing the tire we do not destroy the car; that the left hand does not demolish what the right so carefully built up.

It is for these reasons that I have long advocated the adoption of a comprehensive trade policy. Whether it was the Comprehensive Trade Policy Reform Act of 1985, 1986, or 1987, I do believe that we need some kind of overall policy direction. The problem is too complex and difficult for a quick fix or a barrier to be raised here or there. We must make a long-term commitment to becoming more productive, opening foreign markets and improving our ability to bargain with other nations. The process has just begun and it will tap all of our Nation's resources, patience and perseverance.

The bill before us is by no means perfect and I have particular concerns about some of its provisions as I am sure many Members will. This comprehensive trade legislation, which renews the measures approved by the House last year, provides an excellent starting point for a new bipartisan effort to enhance America's ability to compete. We can not afford another day of allowing the administration to maintain its 7-year policy of malign neglect.

This trade legislation takes major strides to ensuring American exporters equal treatment in foreign protectionist markets by creating a more level playing field for international competition. The current trade laws have proven obsolete and inadequate in response to unfair trade practices abroad.

I would like to highlight several agriculture provisions which I sponsored and which I believe will strengthen the ability of American farmers to market their products abroad.

Title IV of this bill contains a number of provisions designed to enhance the competitiveness of U.S. agricultural products and expand market opportunities abroad. These provisions will improve the effectiveness and efficiency of many existing market development and trade programs administered by the Department of Agriculture. Another provision under this title would also make significant improvements in Federal pesticide monitoring activities to ensure that American consumers have access to a safe food supply and American farmers compete on a level playing field.

I would like to take a moment to highlight several provisions that I sponsored in the legislation before us today.

1. MARKETING ORDERS

The conference agreement provides for the continuous orderly marketing of commodities by permitting expanded inspections on fruit and vegetable imports. It is designed to help ensure that poor quality produce is kept off supermarket shelves and that imported fruits and vegetables comply with the same quality standards required of domestic produce.

Briefly, the legislation provides for an additional period—not to exceed 35 days—during which marketing order requirements could be in effect if the Secretary of Agriculture determines it is necessary to prevent circumvention of a marketing order by imports. Upon request, the Secretary would be required to review such additional period every 3 years.

This provision is not protectionist and does not discriminate against foreign growers. It is GATT compatible since the same inspection obligation is required of domestic and foreign commodities. It merely allows imports to be inspected if they are found to be circumventing U.S. quality standards.

2. PESTICIDE MONITORING

The conference agreement contains a provision that I sponsored with Mr. DINGELL and several other colleagues to improve the Food and Drug Administration's [FDA] pesticide monitoring and inspection operations.

Inadequacies in FDA's pesticides inspection activities intensify U.S. consumers' concern about whether imported produce is safe to eat. On numerous occasions, the General Accounting Office [GAO] has documented the severe inadequacies in FDA's pesticides program. According to GAO, FDA tests less than 1 percent of all food shipments and uses laboratory methods that can only detect one-half of the pesticides available on world markets. Furthermore, GAO found that the average violation rate among imports was twice that of domestic products and that shipments containing illegal pesticides are often marketed and consumed, rather than being reexported or destroyed. GAO also found that financial penalties are frequently not imposed when shipments which violate U.S. standards are detected.

The provision included in the conference agreement is designed to enable FDA to target its limited resources to the types of crops, countries of origin, and specific pesticides where violations most often occur.

3. IMPORTED MEAT AND POULTRY PRODUCTS

The conference agreement also contains a provision to improve the inspection of imported meat, poultry, and egg products. This provision builds on recommendations from a February 1987 Office of Inspector General [OIG] audit which identified significant defiencies in imported meat inspection processes. Under the provision, the Secretary is required to report to Congress on action it will take to improve the inspection processes in response to the OIG audit.

4. ROSE STUDY

The conference agreement requires the ITC to conduct a study on how rose imports, the EC's tariff rate for imported roses, and other competitive factors have impacted the U.S. rose growing industry.

The problem confronting domestic rose growers has continued to worsen. Major foreign producers—Colombia, Mexico, Guatamala, Ecuador, and the Netherlands—are selling roses in the United States at prices that are unfairly based on dumping and foreign government subsidies.

Unlike other U.S. fresh-cut flower growers, however, rose growers have been denied relief as the result of repeated negative injury determinations from the ITC. Nonetheless, the import share of the U.S. rose market continues to expand. Imports of hybrid tea roses, the principal variety of rose imports, captured 44 percent of the domestic market in 1987, up from 31 percent 3 years earlier.

Significantly, import duties on roses in the European Community—24 percent for 6 months and 16 percent for the other 6 months—compared with a year-round rate of 8 percent in the United States, have the effect of diverting foreign roses to the United States—which without the high EC duties, would go to the EC market.

The agreement, therefore, directs ITC, notwithstanding its negative determinations in the past, to make a competitive study of the effects of imports, dumping and foreign government subsidies upon domestic rose growers.

Although it was deleted during the conference, the Gephardt amendment was necessary to open our eyes by raising the debate on improving the enforcement of trade laws in situations when other nations engage in unfair trade practices by raising barriers and invoking tariffs.

What did the Gephardt amendment really accomplish? It sent a clear signal to our trading partners around the world that the situation has become intolerable for our Nation. Everyone proclaims they are for free trade but not protectionism. Now we must put into place a system of checks and balances to ensure a fair international trading market.

Today, the Congress must stop the wildfire growth of our trade deficit with a real and pragmatic solution. Leadership is what our Nation has been lacking in international trade for the past 7 years and leadership is exactly what the Congress will be providing in passage of H.R. 4848. This type of omnibus trade measure displays the leadership our Nation is seeking in international trade.

I urge Members from both sides of the aisle to support this important piece of legislation. Unless we as a body take this leadership role in advancing America's trade policy, our economy will soon be outpaced by leaner, more foreward looking competitors. The challenge that lies ahead is our greatest opportunity for bipartisanship in the Congress and the executive branch in working together. We must create the climate that will allow domestic and international economic growth and prosperity over the long haul. Let's put H.R. 4848 into law and begin to pry open the foreign markets of the world in order that our Government will provide our good products, crops, and technologies with open markets overseas.

Mr. GIBBONS. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. GUARINI].

Mr. GUARINI. Mr. Speaker, I rise in opposition to this motion to recommit with instructions.

From listening to some of the agruments of our opponents, there seems to be some misunderstanding on the nature of this provision. It truly is innocuous in many ways; there are no loopholes, from my reading of it, and there are adequate safeguards.

Passage of this motion will allow the deletion of a critical provision which provides only temporary relief for the Caribbean Basin ethanol producers. It goes to the essence of our CBI efforts to give vital economic help to our good neighbors.

The 1986 Tax Reform Act imposed a very onerous feedstock requirement on Caribbean Basin ethanol producers, and it had a chilling effect on production. This requirement runs counter to U.S. foreign policy and economic interests. Our Caribbean Basin Initiative has seen limited success, but ethanol is one industry whose establishment was clearly motivated by the CBI and by legislation that this House passed. By allowing this amendment, we are driving a fledgling industry into extinction, thereby defeating our own interests. We are sending a negative message regarding the sincerity of our support for economic development in the region of the Caribbean which is so important to the security interests of the United States.

CBI ethanol imports pose no threat to U.S. domestic industry. In 1987, imports of CBI ethanol were less than 3 percent of U.S. production. Furthermore, domestic production is not meeting increasing U.S. demand, and CBI imports actually help stabilize our supply that we have within our own country. Therefore, it does not hurt our domestic industry but more or less does help our supply.

The ethanol provision is vital and reasonable. It applies only through December 31, 1989, and it imposes a volume cap limited to 20 million gallons per facility. No way would this hurt the United States that has such a huge demand, for there is also a requirement for the International Trade Commission, as stated by the gentleman from Arkansas [Mr. ANTHONY] just a few moments ago, and the GAO [the General Accounting Office], to study how current law impacts on the economic development of the CBI countries and to assess the effect that ethanol imports have on the U.S. producers.

We can act on this study at an adequate time in the near future. We must have the facts before us before we can make a sensible value judgment.

Mr. Speaker, I urge the Members to vote against the motion to recommit with instructions.

Mr. MICHEL. Mr. speaker, I yield 3 minutes to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Speaker, I rise at this time in support of the motion to recommit the trade bill with instructions to strike the ethanol provisions.

I supported passage of the conference agreement on H.R. 3, the original trade bill, because I believed the legislation, overall, offered our farmers and ranchers greater opportunity in the world marketplace despite certain objectionable provisions in the bill.

This motion to recommit gives us the opportunity to remove the most objectionable of those provisions and correct a problem for agriculture that runs counter to the overall intent of this protrade legislation.

The objectionable provision the motion would strike would allow certain companies to transship alcohol through the Caribbean for the sole purpose of exploiting the region's duty-free status.

The provision, if left in the bill, would weaken the economic incentive to establish a sugar-based ethanol industry in the Caribbean Basin by eliminating the requirement for the use of local feedstock for five trading companies. As a result, these companies are allowed to purchase heavily subsidized wine alcohol from Europe, send it to the Caribbean and then transship it to the United States for the purpose of exploiting the Caribbean Basin Initiative duty-free status.

Very little economic benefit for the Caribbean is derived from this process, and there are grave consequences for both American producers and farmers in lost markets and for the Federal Government in uncollected tariff revenues.

The beneficiaries are the European countries that are supplying the subsidized ethanol. They gain enormous economic benefit from avoidance of duty.

I am concerned that this provision will affect the growing ethanol industry in Nebraska and across rural America. The increased use of ethanol can help reduce our oil imports. As the dangerous situation in the Persian Gulf continues to grow, Congress should not forget the implications of ethanol for future U.S. energy security.

Six million bushels of corn are used each year to supply the Nebraska gasohol market. At this point, there are two proposed new ethanol plants in my State that would consume another 15 million bushels of corn a year.

Unless we can kill this provision by agreeing to Mr. MICHEL's motion, we may hinder these plans and seriously undercut our efforts to promote the development and use of gasohol.

I urge my colleagues to support this motion.

Mr. GIBBONS. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, anybody is free to quote the administration in any position on this issue. I know I have watched them. They have been all over the map. The time of reckoning is here.

Six months after the Caribbean Basin Initiative was passed, I was confronted by an industry in this country that said there was all this terrible ethanol going to come in from South America, or from Central America, because of a shortcut type of arrangement. I called a committee hearing, called witnesses from the administration, and found out that the administration had licensed the plant, had issued a written statement saying that the plant met the conditions of the Caribbean Basin Initiative. We dismissed the hearing and went on.

Mr. Speaker, five of those plants are to be built under this legislation. They will be limited to no more than 20 million gallons apiece, which is just less than rice or peanuts as far as the supply of ethanol in this country is concerned. It would be around 2 percent of the whole marketplace, hardly enough to wreck the price or the supply situation.

Second, the administration participated with us on reaching this temporary solution to the problem. They sat right there in the room with us. They were there. They did not object to the decisions, and we made what is in effect a temporary decision.

Mr. Speaker, let us now take the argument that this is subsidized ethanol or subsidized alcohol or subsidized input into the process. If that is so, then we have adequate laws in the United States to prevent that and to put on a countervailing duty against any subsidy that takes place here. The subsidy argument is wholly without merit. It just has no merit at all. It should be dismissed by any reasonable or rational person.

It is no real threat to the farmers of this country. It is less than 2 percent. It is limited. It is temporary. It is only doing justice to a program that has already begun.

Unfortunately the people in the Caribbean, everytime they find something they can do and begin to make a little money out of it, they run into opposition in the United States from one of our own interests here. We knew that was going to happen, but I did not think it would be on ethanol. Ethanol, I think, as all of you should know, is a highly subsidized product in the United States. None of us in this Chamber ought to complain about any foreign subsidy, because that is actionable, but for the highly subsidized ethanol industry to come in here and complain about 2-percent penetration is just plain ridiculous.

Mr. Speaker, the motion to recommit should be on all rational considerations voted down.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to make the point that we are not out here with any dilatory tactic to delay passage of this trade bill. The text of my motion to recommit is one that is with instructions to report the bill back to the House forthwith with the following amendment, and obviously that simply means that if the motion to recommit were to be adopted, the distinguished chairman would be obliged under that vote to report it back forthwith minus the ethanol provision. There would be no delaying tactic here other than time consumed in taking the vote.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, I thank the gentleman for yielding and for making that point.

Mr. Speaker, for those Members who are curious, this motion to recommit is self-executing. It would remove the ethanol provision. The bill would be back on the floor immediately. There would be no delay in consideration of the bill as amended. I might also say to the gentleman, my colleague, from Arkansas, who earlier mentioned the Texas corn growers somehow liked these ethanol provisions, I might tell him and all of my colleagues that the National Corn Growers and the American Farm Bureau support the Michel-Durbin motion to recommit, and the reason we support it is fairly obvious. If we go along with the ethanol provisions in this bill for these five companies, we will displace desperately needed markets for American corn, up to 10 percent of the 1988 corn crop which could be displaced by this action in the trade bill. We will also eliminate a market for 250,000 tons of U.S. coal. We will lose 500 jobs in America's ethanol industry, 3,000 jobs indirectly related, and will dump 200 million gallons of highly subsidized European wine alcohol into the American market.

Mr. Speaker, let me also add that if this imported ethanol does not pay a duty, the taxpayers will pay the difference, $120 million in lost tariff revenues that we otherwise would have collected.

Mr. Speaker, I ask my colleagues to join me in making this a clean trade bill, one that helps workers and farmers. Vote for the motion to recommit.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I am happy to yield to the gentleman.

Mr. GIBBONS. Mr. Speaker, evidently the gentleman did not hear my remarks. If there is any subsidy in any of this, it can all be handled by the countervailing-duty laws that we have on the books, and that I hate to tell my friend is just a fallacious, factless argument. If there is any subsidy, they can be knocked out by countervailing duties.

Mr. DURBIN. Mr. Speaker, let me tell the gentleman that with this provision for 200 million gallons of imported ethanol we will lose 60 cents a gallon or $120 million in U.S. tariff revenues to our Treasury.

Mr. GIBBONS. If there is any subsidy in it, it will not come in except without an offsetting duty that will wipe out the subsidy, so the gentleman should just not, in all accuracy, use the subsidy argument.

Mr. DURBIN. I will suggest to the gentleman that it will cost us jobs, cost farmers income, and I urge my colleagues to support the motion to recommit.

Mr. MICHEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. Mr. Speaker, I thank the gentleman, the distinguished Republican leader, for yielding.

Mr. Speaker, I thank the distinguished Republican leader for his creative work on this very important substitute amendment.

Mr. MICHEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Speaker, at the start of the 100th session of Congress, the editorial writers and pundits predicted that the big issue in Congress would be trade. They were right. For the past year, the headlines and the backroom conversations around Capitol Hill have been about trade.

Today, Mr. Speaker, we take up H.R. 4848, an omnibus trade bill. A bill which could well be described as the new and improved H.R. 3 because it is improved from the product first considered in this Chamber last spring. And, Mr. Speaker, I am pleased to be able to rise in support of H.R. 4848.

First, Mr. Speaker, as you know, the President vetoed the H.R. 3, the omnibus trade bill. I had opposed this bill last spring when it came before the House because on balance the protectionist provisions outweighed the pro-trade provisions and I feared we were heading straight into a trade war. These included the Gephardt amendment which would have mandated retaliation against nations with large trade surpluses. This amendment would have been the first shot in an international trade war which would have crippled the economy in the Pacific Northwest. A second antitrade amendment was the so-called private rights of action. This amendment would have allowed one U.S. company to sue another if the latter company bought goods which were found to have been dumped by a foreign nation. The message here was that companies better not buy foreign goods or they leave themselves open to potential lawsuits. A third sneaky amendment was the so-called scoff-law amendment. This amendment would have barred importers who made half a dozen clerical errors on Customs service forms from bringing goods into the United States. Finally, there was the Bryant amendment which called for complete disclosure by foreign investors. While the goal sounds good, the results would have dried up capital investment in the United States.

As a member of the Foreign Affairs Committee's Subcommittee on International Economic Policy and Trade, I helped write key provisions of H.R. 3 which were designed to help promote exports. Chief among these were provisions which would help U.S. exporters compete overseas by making the Federal Government a source of assistance rather than a source of obstruction. This meant expanding our foreign commercial service and providing better data to our exporters. It also meant reforming our export control laws. These tired and outmoded regulations which stop our technology based industries from competing in the international marketplace. According to the National Academy of Sciences, U.S. export control laws cost our exporters $9 billion in new sales each year. Some of the companies losing markets are located in the first district and amendments I drafted will help them regain lost markets.

As a member of the conference committee working on H.R. 3, I did my best to help eliminate the protectionist provisions and keep the proexport provisions in the final bill. When the conference was over, the protectionist provisions were gone and the proexport provisions so important to the Pacific Northwest remained and I voted for the bill when it was returned to the House.

Mr. Speaker, when the President's veto was sustained in the Senate, a wide spectrum of organizations and individuals called for a new stripped down trade bill. The chairman of the Ways and Means Committee introduced H.R. 4848. This bill contains all of the provisions in H.R. 3 except those identified by the President in his veto message.

H.R. 4848 is a protrade bill. It is not a protectionist bill. It contains important provisions necessary for our businesses to operate in the international economy like the harmonized customs system. It contains provisions which allow our Government to continue to negotiate trade agreements. And it contains important provisions which will help retain displaced workers. The bill also contains important provisions to help teach our children foreign languages, as well as math and science skills.

Mr. Speaker, today we also took up a plant closing bill. The news media report that the Democratic leadership intends to hold this trade bill hostage to the fate of that bill. Mr. Speaker, this is an unwise idea. Each bill should stand on its own merits. We know that a trade bill with a plant closing provision will be vetoed and that veto will be sustained in the Senate. Let us move this bill now. It should not be held hostage.

Mr. Speaker, I have gone from being a critic of this bill because it was overtly protectionist to a supporter because it is now protrade. Mr. Speaker, I urge my colleagues to support H.R. 4848 and I urge the President to sign it into law.

Mr. MATSUI. Mr. Chairman, I raise in opposition of the motion to recommit the Omnibus Trade Act of 1988 with instruction to strike the ethanol provision.

When Congress approved the CBI, the stated intent was to bring political and economic stability to the region. As a member of the Ways and Means Committee, I had an opportunity to listen and participate in the process of creating the CBI. The production of the Caribbean ethanol is within the scope of our intentions. Yet, even when Caribbean ethanol was in production, not one Caribbean country had a surplus balance of trade.

U.S. investors and CBI countries, in reliance on the CBI Act invested several million dollars in the ethanol industry. Many of these facilities are not just distillation towers. Rather these facilities own and operate sugarcane fields and have constructed full fermentation facilities.

Caribbean ethanol production brings jobs and therefore economic stability to the region. For example, the Petrojam project alone has provided 2,500 jobs in Jamaica and 1,500 in Belize. When completed the Petrojam project will employ, both directly and indirectly, approximately 12,000 people. This is very significant in the case of Jamaica and other Caribbean countries.

Caribbean Basin ethanol imports accounted for less than 4 percent of U.S. consumption in 1987. In 1987 there was a shortage of ethanol in the coastal States. According to Alcohol Update, and Alcohol Week, industry journals, "as many as 100 to 200 million gallons of ethanol production may be forced to shut down by late summer because of the drought." But more importantly, CBI ethanol could substantially boost the domestic industry market share in coast gasoline markets where sales have been historically low because of the lack of supply from the Midwest. Supply interruptions and shortages erode market confidence to the detriment of U.S. agriculture.

Many domestic ethanol industry supporters have acknowledged that ethanol supplies from the CBI would be a valuable complement to Midwestern gain ethanol supplies. For example, Texas Corn Growers Association, by letter from Carl King to Senator BENTSEN.

Washington Post editorials of May 13, 1988, and May 31, 1988, support the retention of the ethanol provisions in the omnibus trade bill. Moreover, the editorials point that "The domestic ethanol producers want to keep the ethanol market for themselves. American corn producers are in a strange state of mind. While they adamantly insist on open markets abroad for their grain, the simultaneously insist, equally adamant, on closing their market here against even the faintest hint of competition." They can't meet demand in the United States much less in coastal States. They can't have it both ways. I urge you to reject the recommittal motion.

The ethanol amendment in the trade bill is limited and reasonable. It applies on through December 31, 1989. It imposes a volume cap of 20 million gallons per facility. Currently, only one facility is in operation. It requires an ITC and GAO study on the impact of CBI ethanol producers on the domestic industry. By its terms, the ethanol provision in the trade bill does not permanently change current law.

I urge my colleagues to vote "no" on the motion to recommit.

Mr. MICHEL. Mr. Speaker, I have no further requests for time other than to thank the distinguished gentleman from Florida for making the request initially, and obviously the distinguished chairman, the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. Speaker, I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER. The question is on the motion to recommit offered by the gentleman from Illinois [Mr. MICHEL].

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. MICHEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 183, nays 237, not voting 11, as follows:

[Roll No. 230]

YEAS—183

Alexander
Annunzio
Applegate
Armey
Badham
Ballenger
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boland
Boulter
Broomfield
Brown (CO)
Bruce
Buechner
Bunning
Burton
Callahan
Clay
Coats
Coble
Coleman (MO)
Conte
Coughlin
Craig
Dannemeyer
Daub
Davis (IL)
DeWine
Dickinson
DioGuardi
Dorgan (ND)
Dornan (CA)
Dreier
Durbin
Early
Eckart
Edwards (OK)
Emerson
English
Evans
Gallegly
Gallo
Gekas
Gephardt
Gingrich
Glickman
Goodling
Grandy
Gray (IL)
Gunderson
Hamilton
Hammerschmidt
Hastert
Hatcher
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hubbard
Hunter
Hyde
Inhofe
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kasich
Kastenmeier
Kolter
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Lott
Lowery (CA)
Lujan
Luken, Thomas
Lukens, Donald
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCloskey
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Mollohan
Moorhead
Morrison (WA)
Mrazek
Murphy
Myers
Nagle
Obey
Oxley
Packard
Parris
Pashayan
Penny
Perkins
Porter
Pursell
Quillen
Rahall
Ray
Regula
Rhodes
Ridge
Roberts
Rogers
Roukema
Rowland (CT)
Russo
Saiki
Saxton
Schaefer
Schneider
Schuette
Sensenbrenner
Sharp
Shaw
Sikorski
Skaggs
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Stallings
Stangeland
Sundquist
Swindall
Tallon
Tauke
Taylor
Torricelli
Traficant
Traxler
Upton
Volkmer
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Williams
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Young (FL)

NAYS—237

Ackerman
Akaka
Andrews
Anthony
Archer
Aspin
Atkins
AuCoin
Baker
Barnard
Bartlett
Barton
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brown (CA)
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clement
Clinger
Coelho
Coleman (TX)
Collins
Combest
Conyers
Cooper
Courter
Coyne
Crane
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dowdy
Downey
Dwyer
Dymally
Dyson
Edwards (CA)
Erdreich
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Gonzalez
Gordon
Gradison
Grant
Gray (PA)
Green
Gregg
Guarini
Hall (OH)
Hall (TX)
Hansen
Harris
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Hoyer
Huckaby
Hughes
Hutto
Ireland
Jacobs
Jenkins
Jones (TN)
Kanjorski
Kaptur
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowry (WA)
Lungren
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCurdy
McHugh
McMillen (MD)
Mfume
Miller (CA)
Miller (WA)
Mineta
Moakley
Montgomery
Moody
Morella
Morrison (CT)
Murtha
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Pepper
Petri
Pickett
Pickle
Price
Rangel
Ravenel
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schulze
Schumer
Shays
Shumway
Shuster
Sisisky
Slaughter (NY)
Smith (FL)
Smith (NJ)
Smith (TX)
Solarz
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Studds
Stump
Sweeney
Swift
Synar
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Towns
Udall
Valentine
Vander Jagt
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Yatron
Young (AK)

NOT VOTING—11

Anderson
Biaggi
Boggs
Brooks
Cheney
Espy
Livingston
MacKay
Mica
Spence
Stratton

□ 1719

Ms. SLAUGHTER of New York and Messrs. BARTLETT, BATES, TOWNS, RITTER, MILLER of California, STOKES, and LELAND changed their vote from "yea" to "nay."

Mrs. VUCANOVICH and Messrs. SMITH of New Hampshire, HENRY, SKAGGS, PURSELL, MACK, and KOLTER changed their vote from "nay" to "yea".

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GIBBONS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device and there were—yeas 376, nays 45, not voting 10, as follows:

[Roll No. 231]

YEAS—376

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Bunning
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Coyne
Craig
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans
Fascell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)

Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—45

Badham
Bateman
Buechner
Burton
Courter
Crane
Dannemeyer
Daub
DeLay
DeWine
Dornan (CA)
Dreier
Fawell
Gephardt
Gradison
Green
Hunter
Kemp
Kolbe
Kyl
Lewis (CA)
Lightfoot
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
Michel
Mrazek
Oberstar
Obey
Packard
Petri
Shumway
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Stump
Tauke
Vucanovich
Walker
Weber
Wortley

NOT VOTING—10

Anderson
Biaggi
Boggs
Cheney
Espy
Livingston
MacKay
Mica
Spence
Stratton

□ 1739

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4848, the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Foorida?

There was no objection.

VACATION SPECIAL ORDER AND REINSTITUTION OF SPECIAL ORDER FOR TODAY

Mr. UPTON. Mr. Speaker, I ask unanimous consent to vacate my special order of 60 minutes reserved for this evening and, instead, ask unanimous consent for a special order of 5 minutes for this evening.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON HUMAN RESOURCES AND INTERGOVERNMENTAL RELATIONS OF COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TOMORROW DURING THE 5-MINUTE RULE

Mr. WEISS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Human Resources and Intergovernmental Relations of the Committee on Government Operations be permitted to sit tomorrow during the 5-minutes rule.

Mr. Speaker, I have cleared this request with the ranking minority member.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

REPORT ON RESOLUTION DIRECTING THE PRESIDENT TO PROVIDE CERTAIN DOCUMENTS CONCERNING ASSISTANCE FOR CENTRAL AMERICA

Mr. FASCELL, from the Committee on Foreign Affairs, submitted a privileged report (Rept. No. 100-773) on the resolution (H. Res. 473) directing the President to provide certain documents to the House of Representatives concerning the assistance for Central America provided for in Public Law 100-276, approved April 1, 1988, which was referred to the House Calendar and ordered to be printed.

APPOINTMENT OF CONFEREES ON H.R. 1807 CAPITAL OWNERSHIP DEVELOPMENT REFORM ACT OF 1987

Mr. LaFALCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1807) to amend the Small Business Act to reform the Capital Ownership Development Program, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. DANNEMEYER. Mr. Speaker, reserving the right to object, has this request been cleared with the minority?

Mr. LaFALCE. Mr. Speaker, if the gentleman will yield, yes, the request has been cleared with the minority.

Mr. DANNEMEYER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York? The Chair hears none, and appoints the following conferees: Messrs. LaFalce, Smith of Iowa, Mavroules, Skelton, Hayes of Illinois, Conyers, Torres, McDade, Conte, Broomfield, and Gallo.

And as additional conferees from the Committee on Armed Services solely for consideration of titles VI and VII of the Senate amendment: Messrs. Aspin, McCurdy, and Dickinson.

And as additional conferees from the Committee on Government Operations solely for consideration of titles VI and VII of the Senate amendment: Messrs. Brooks, Kleczka, and Horton.

□ 1745

EMERGENCY MEDICAL SERVICES WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 539) designating the week beginning September 18, 1988, as "Emergency Medical Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, as one of 218 cosponsors of House Joint Resolution 539 I want to express my appreciation to the sponsor of the bill to designate September 18, 1988, as "Emergency Medical Service Week."

With the frequency of travel, the growing number of older residents, the increasing number of cars on the road, the increase in the amount of violence and crime, and other aspects of living in the world as it is today, we owe a debt of gratitude to those assisting emergency medical service teams who serve the public in saving lives.

Though we have made great strides in medical equipment and technology, without the men and women who make up these emergency teams—physicians, surgeons, nurses, paramedics, educators and administrators—we would not be able to manage these emergencies in the prompt, efficient manner that we do today.

I am pleased to mention that in my State of Maryland, the State maintains the University of Maryland Medical System Corp., which includes the shock trauma unit, the Maryland Institute for Emergency Medical Services Systems [MIEMSS], Poison and Drug Information Center, Sudden Infant Death Syndrome Institute and other such education and research institutions.

The effect of this resolution will be to educate the public about accident prevention and precautions. I urge swift passage of this legislation.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 539

Whereas the members of emergency medical services teams devote their lives to saving the lives of others;

Whereas emergency medical services teams consist of emergency physicians, nurses, emergency medical technicians, paramedics, educators, and administrators;

Whereas the people of the United States benefit daily from the knowledge and skill of these trained individuals;

Whereas advances in emergency medical care increase the number of lives saved every year;

Whereas the professional organizations of providers of emergency medical services promote research to improve emergency medical care;

Whereas the members of emergency medical services teams work together to improve and adapt their skills as new methods of emergency treatment are developed;

Whereas the members of emergency medical services teams encourage national standardization of training and testing of emergency medical personnel and reciprocal recognition of training and credentials by the States;

Whereas the designation of Emergency Medical Services Week will serve to educate the people of the United States about accident prevention and what to do when confronted with a medical emergency; and

Whereas it is appropriate to recognize the value and the accomplishments of emergency medical services teams by designating Emergency Medical Services Week: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 18, 1988, is designated as "Emergency Medical Services Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL POW/MIA RECOGNITION DAY

Mr. **DYMALLY**. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 453) designating September 16, 1988, as "National POW/MIA Recognition Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

Mrs. **MORELLA**. Reserving the right to object, Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN].

Mr. **GILMAN**. Mr. Speaker, I am pleased to rise in support of House Joint Resolution 453, which will proclaim September 16, 1988, as a day of remembrance for our brave American heroes still missing in Southeast Asia. The distinguished gentleman from New York, the subcommittee chairman, Mr. SOLARZ, is to be commended for his diligence in keeping this issue alive in this Chamber and before the eyes of the Nation. I also commend our colleague from California, the chairman of our House Task Force on POW's and MIA's Mr. LAGOMARSINO, and the gentleman from New York [Mr. SOLOMON] for the leadership they have rendered on this issue.

Mr. Speaker, this is the 16th consecutive year that I have supported this legislation in the House. I am hopeful that 1988 will prove to be the last year that this legislation will be warranted. Hopefully, within the next 12 months, we will finally have achieved a full accounting of the last of our 2,399 missing heroes.

In this Chamber, many of our colleagues have joined with us shoulder to shoulder in fighting on behalf of our POW's and MIA's for the past 16 years. During the decade and a half since the end of American involvement in Indochina, we have endured just about every type of adversary possible on the political battlefront: an apathetic public; disinterested bureaucracts; uncaring administrations, and general public unawareness.

During the past 8 years, however, we have been blessed with an administration that has not tried to sweep the POW/MIA issue under the rug. The issue is now afforded, the top priority status that it has long deserved.

Regrettably, the progress made under our hard-nosed approach has been slow and long in coming. But, there is no doubt that progress is indeed being made.

Just this week, another 25 sets of remains, which appear to be of missing Americans, have been repatriated by the Hanoi Government. In recent years, hundreds of other sets of remains have been returned, ending years of uncertainty and doubt on the part of loved ones. Several years ago, American teams were finally allowed to personally make onsite inspections of known crash sites. Of course, none of us will rest until all Americans are accounted for.

We are convinced and grateful that the Defense Intelligence Agency is working diligently on a 24-hour basis to resolve this issue. We are grateful that the White House has not allowed this issue to die. We are especially grateful to the National League of Families for keeping the flames of hope lit since the early 1970's, and for never wavering for a minute in their diligence and determination to keep this issue alive. We also thank the VFW which never once wavered in its support for their missing brothers in arms. The American Legion, the National Committee for POW/MIA Rights, and many other groups throughout the nation that have fought for our POW's and MIA's are deserving of our credit.

One of the most bittersweet burdens to carry on this issue is the change in attitude of many Americans. While 10 years ago we were concerned about their apathy, today there is cause for concern because well-meaning Americans—with big hearts and compassion as wide as the prairies—do not understand the complexity of the issue.

It is heart rendering to receive letters from school children not old enough to remember our Vietnam experience first hand who question why we simply don't send some marines over to free our American prisoners.

Mr. Speaker, I know that you agree that if it were that easy very few in this Chamber would oppose its implementation.

But in reality, the only viable means of bringing our American heroes home is by way of government-to-government negotiations. There is simply no viable way that we can pinpoint Americans in a jungle-infested, mountainous area larger than Texas without tipping our hands to the Communists.

Sending any "Rambo" type operation to Southeast Asia would only initiate an endless cat-and-mouse game with no result in the end.

Instead of supporting any idealistic paramilitary action Americans everywhere should be united behind our administration in its hard-nosed negotiations. The economies of the Communist nations of Southeast Asia are in the stone age. As they become more and more desperate to become a part of our 20th century, our hand is strengthened at the bargaining table.

And this, Mr. Speaker, underscores the importance of the resolution before us. It is more important than ever that we let the Communists of Southeast Asia know that we Americans remember. It is important too to let them know that we are united. And it is important to let them know that we are impatient—that we want a full accounting and that we want it now.

National POW/MIA Remembrance Day, which will be approved for September 16 if we approve House Joint Resolution 453, will be an appropriate time for schools throughout our nation to hold educational programs on our involvement in Southeast Asia, and on the importance of remembering our missing Americans. It would be an appropriate day for our veterans organizations to hold commemorative services in honor of our missing Americans. It would be an appropriate time to pay homage to General John Vessey, who as President Reagan's special envoy on this issue, has displayed a quiet raw courage that has made us all proud to be Americans.

Equally important, is using POW/MIA Remembrance Day to let our fellow Americans know that we can not forget.

Accordingly, Mr. Speaker, let us celebrate September 16, 1988, as a solemn day of determination and unity, to all to get behind our Government's efforts and to reunite all Americans in our resolve to achieve a full and final accounting.

We can do no less for those who gave so much.

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I think the gentleman from New York [Mr. GILMAN] is quite right when he says we must keep this issue before us.

Mr. Speaker, I yield to the gentleman from California [Mr. LAGOMARSINO] who is the chairman of the POW/MIA task force.

Mr. LAGOMARSINO. Mr. Speaker, as the chairman of the House Task Force on the Missing in Action, I ask my colleagues to join me in supporting House Joint Resolution 453, which designates September 16, 1988, as National POW/MIA Recognition Day. This National Day of Remembrance is a very important signal to the Vietnamese and the rest of the world that we continue to care about the fate of our missing servicemen in Indochina and will not let this issue die. I commend Chairman DYMALLY, ranking member Mrs. MORELLA, Chairman SOLARZ, POW/MIA task force cochairmen GILMAN and SOLOMON, Chairman MONTGOMERY and all who have worked on this issue.

I believe that greater progress toward bringing our brave missing servicemen home can be made, despite the numerous obstacles we have yet to surmount, so long as we provide the same solid determination we have already demonstrated. Patience is a difficult but necessary factor when dealing with the Vietnamese. However, I believe our patience and determination is beginning to pay off. The path ahead of us is clear and there is reason to hope for progress. As Senator JEREMIAH DENTON told the participants of the POW/MIA Recognition Day Program at the Capitol in 1986, the worst feeling a family endures is that of "not knowing"—not knowing if their brother, son, or father is dead or alive, in captivity or in hiding. President Reagan has taken the lead on this issue, making the resolution of these questions a top national priority. I know the House task force, Asia-Pacific Subcommittee Chairman SOLARZ and I have joined the President, the League of Families, VFW, American Legion, and others, in our commitment to these missing servicemen's proud but longing families.

This National POW/MIA Recognition Day will provide concerned citizens with a foundation from which to hold programs and awareness projects on behalf of America's POW/MIA's in Southeast Asia. Through this special day, America will officially broadcast its will to remain steadfast with our courageous POW/MIA's and their families and will keep the faith. We will use the symbol of this Friday in September to underscore our commitment and reaffirm that "we will not forget." I urge my colleagues to join me in supporting this resolution and keeping the POW/MIA issue at the forefront of public concern on this special day and the days that follow until there is the fullest possible accounting for our missing servicemen.

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I thank the gentleman from California [Mr. LAGOMARSINO] for his remarks and also for chairing the House Task Force on the POW/MIA's.

Mr. Speaker, I yield to the gentleman from Mississippi [Mr. MONTGOMERY] who chairs our Committee on Veterans' Affairs.

□ 1800

Mr. MONTGOMERY. Mr. Speaker, I thank the gentlewoman for yielding to me.

Mr. Speaker, I rise in support of this joint resolution which designates September 16, 1988, as "National POW/MIA Recognition Day."

I commend the gentleman from California and the gentlewoman from Maryland for giving us the opportunity to vote on this resolution, as well as the gentleman from New York [Mr. SOLARZ], the gentleman from California [Mr. LAGOMARSINO] and the gentleman from New York [Mr. GILMAN].

Mr. Speaker, as you know, for many years I have worked on the MIA issue and tried very hard. In fact, I just returned from a recent trip to Hanoi which was my ninth trip into North Vietnam. We were working on this issue of the MIA's. We tried to point out to the Hanoi government, as we have done in the past, that it is very, very important that we get all the information that government has about those Missing-in-Action. We are entitled to that information. We brought them files. We showed them copies of Americans that we need answers for, and I do hope that the Hanoi government will move forward on this.

We are entitled to these answers. I think this resolution fits right in to show the leadership in North and South Vietnam that we are concerned and we do want something done about the Missing-in-Action.

Mr. GILMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I want to commend the distinguished gentleman, the chairman of our Veterans' Affairs Committee, the gentleman from Mississippi [Mr. MONTGOMERY] for his continuous long devoted efforts in attempting to achieve a full accounting.

I recall when Chairman MONTGOMERY established the Select Committee on Missing-in-Action back in the middle 1970's, and some of us served with him. We made several trips to Hanoi and conducted numerous hearings in an attempt to achieve a full accounting. Despite the fact that that committee closed up shop back in the late 1970's, Chairman MONTGOMERY has continued in his efforts to help bring about a final accounting. For that I know our hearts go out to Chairman MONTGOMERY for his continual diligent efforts in this direction.

Mrs. MORELLA. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Speaker, just last weekend I met with my Vietnam veteran groups back in Berrien County, the home county where I am from in St. Joe and Benton Harbor. We had people from all over southwestern Michigan come to this meeting that I attended.

I would also like to commend the chairman of the Veterans' Affairs Committee, the gentleman from Mississippi [Mr. MONTGOMERY]. I had an extensive chat with him just last week about this as well.

These MIA's should not be forgotten. In my meetings just last week with the State Department officials, I know that we have a delegation right now tonight in Hanoi trying to find out just where the remains are and what the status of these fine gentlemen that served our country so well are. With more than 2,400 still missing in action, I think this Nation needs to make every effort to get to the bottom of the mystery that still haunts us.

Mr. Speaker, I rise in very strong support of this measure, as a cosponsor of House Joint Resolution 453, to keep the pressure on as these men should never be forgotten.

Mrs. MORELLA. Mr. Speaker, further reserving the right to object, it is a privilege for me to speak in support of House Joint Resolution 453, a bill to designate September 16, 1988, as "National POW/MIA Recognition Day."

At least 72,000 veterans of America's wars live in the Eighth Congressional District of Maryland, which I represent. Some of these veterans served their country as prisoners of war, and this resolution recognizes our debt of gratitude to these service members and civilian personnel, especially those who served in Indochina.

We also remember by this resolution those who are listed as missing in action from the Vietnam conflict. It is my hope that we will settle this issue with speed and consideration for the men and their families who have waited many years for them.

Mr. Speaker, I urge my colleagues to support this resolution which designates September 16, 1988, "National POW/MIA Recognition Day."

Mr. SOLARZ. Mr. Speaker, I want to thank my distinguished colleague, Mr. DYMALLY, for bringing this important resolution to the floor in such an expeditious manner.

For the past several years, National POW/MIA Recognition Day has been commemorated across the Nation, with appropriate ceremonies and activities on the local, State, and national levels. This year, veterans groups and family organizations have asked the Congress to designate September 16 as National POW/MIA Recognition Day.

This resolution, which is noncontroversial and has tremendous bipartisan support, underscores our debt to American servicemen who fought bravely for our country, yet tragically remain unaccounted for in Indochina. The resolution also supports the firm commitment of the President to resolving this issue as a matter of the highest national priority. In addition, the resolution recognizes the sacrifice made by those who were imprisoned in Indochina as well.

By adopting this resolution, we also recognize and honor the families of missing Americans for their continued sacrifices and courage. The loyalty and valor of America's servicemen and women is truly one of our greatest resources and sources of pride of the American people.

POW/MIA Recognition Day increases public awareness in the United State that our Government will never cease its efforts on behalf of the POW/MIA's until we receive the fullest possible accounting for the 2,398 missing men in Indochina. We consider this to be a fundamentally humanitarian issue of great concern to all Americans.

Furthermore, the adoption of the resolution will send a clear signal to the Governments of Vietnam and Laos that the Congress and the American people are unified in the urgency we place on resolving this lingering issue.

Since August of last year, when Presidential Emissary General John Vessey met with Vietnamese Foreign Minister Thach in Hanoi, we have made some progress on this issue, which we hope will be expanded significantly in the near future. Today in Hanoi, the Vietnamese are repatriating 25 remains of missing Americans. This is the fifth time since the Vessey mission that remains have been returned.

I am encouraged by these positive developments, and I am sure that by adopting the resolution we are considering, we let the Vietnamese and Lao know the great importance we attach to the fullest possible accounting of the sons, brothers, fathers, and husbands who remain missing.

Mr. MINETA. Mr. Speaker, today the House of Representatives will consider House Joint Resolution 453, a resolution designating September 16 of this year as National POW/MIA Recognition Day.

This resolution pays tribute to the servicemen, servicewomen, and civilian personnel who answered their country's call during the conflict in Southeast Asia. Perhaps more importantly, it sends an important reminder to the American people and a critical message to the Governments of Vietnam and Laos: American MIA's have not and will not be forgotten by this or any Congress.

The wounds of the Vietnam war are not healing easily. Pressing for a resolution to the MIA issue is a positive way to continue our Nation's healing process as we search for answers to unresolved questions and seek to ensure that future generations will be able to live in peace.

Mr. SOLOMON. Mr. Speaker, as the ranking member of the Committee on Veteran's Affairs, I rise in strong support of House Joint Resolution 453, designating September 16, 1988, as "National POW/MIA Recognition Day," and I am honored to be a cosponsor of this legislation.

For each of the past 15 years legislation such as this has reminded us here in the Congress that we can not rest until this issue is resolved. Young Americans went to Southeast Asia to protect the freedom and democracy that we enjoy today. Many of them gave their lives, others returned with disabilities that they continue to fight. We owe them our gratitude for their service and I am happy that in recent years we have shown them the appreciation they truly deserve.

We have not and will not forget these young men who never returned, however. This legislation recognizes these men and also the anguish that their families and friends continue to suffer in not knowing their fate.

We can be proud of the strong efforts President Reagan has made to account for these men. We must continue, however, to work to resolve this issue and to account for those men still missing in action.

I urge my colleagues to join me in supporting House Joint Resolution 453, and through it, our missing soldiers and their families.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 453

Whereas the United States has fought in many wars;

Whereas thousands of Americans who served in those wars were captured by the enemy or are missing in action;

Whereas many American prisoners of war were subjected to brutal and inhuman treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war, and many such prisoners of war died from such treatment;

Whereas many Americans are still listed as missing and unaccounted for, and the uncertainty surrounding their fates has caused their families to suffer acute hardship; and

Whereas the sacrifices of American prisoners and Americans missing in action and their families are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 16, 1988, is designated as "National POW/MIA Recognition Day". The President is authorized and requested to issue a proclamation calling upon the people of the United States to recognize that day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LYME DISEASE AWARENESS WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 569) designating June 12 through 18, 1988, as "Lyme Disease Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I yield to the gentleman from New York [Mr. DIOGUARDI], a very special colleague of ours who is the chief sponsor of House Joint Resolution 569 designating July 24 through 30, 1988, as "Lyme Disease Awareness Week."

Mr. DIOGUARDI. Mr. Speaker, I thank the gentlewoman for yielding.

Lyme disease is a bacterial disease transmitted by the pinhead size "deer tick." Reported cases of the disease are on the rise. In 1976, there were three diagnosed cases of Lyme disease. Last year Westchester County, NY, alone, which I represent, reported 545 cases of Lyme disease.

The disease is often called the great imitator because its symptoms mimic other diseases, like rheumatoid arthritis. Its capacity to imitate other ailments frequently leads to its being misdiagnosed. While we know of the reported cases, there could be many more cases that go unreported due to the unique imitating nature of Lyme disease.

Lyme disease can be prevented by taking certain precautions and, if transmitted, its impact can be easily minimized by medication if diagnosed early. Left untreated, the disease can produce chronic debilitating side effects.

The key to conquering Lyme disease is to raise public awareness. By passing House Joint Resolution 569 and establishing the week of July 24 as "Lyme Disease Awareness Week," the House is taking a giant step toward bringing Lyme disease under control.

Mrs. MORELLA. Further reserving the right to object, Mr. Speaker, I think it is important that we do call attention to this disease. It is becoming more and more prevalent and people know so little about it, so I thank the gentleman from New York for sponsoring the resolution.

Mr. HOCHBRUECKNER. Mr. Speaker, as the Member of Congress representing the area with the most cases of Lyme disease in the country, I am delighted that the House has approved legislation designating the week of July 24 through 30 as "Lyme Disease Awareness Week."

Lyme disease is a bacterial infection that is spread by a very small tick, called the northern deer tick. Most of the reported cases in the United States have come from New York State. However, Lyme disease is no longer thought to be a regional problem of a few northeastern coastal States. It has become one of the fastest growing infectious diseases in the United States with more than 6,000 cases diagnosed in 35 States. In fact, many scientists believe that if it were not for AIDS, Lyme disease would be the No. 1 new disease facing us today.

Lyme disease is sometimes called the Great Imposter because it can mimic the symptoms of other diseases. It may go untreated because its symptoms are sometimes mistaken for those of other illnesses, such as ringworm, arthritis or heart disease. Symptoms of Lyme disease in its early stages include a characteristic rash at the site of the tick bite, headaches, fever, and swollen glands. Left untreated, Lyme disease can cause partial facial paralysis, meningitis, encephalitis, an abnormal slowing of the heartbeat, severe depression, arthritis of the joints, memory loss, chronic fatigue and numbness or shooting pains in the arms and legs. Because Lyme disease was only first recognized in the United States in 1975, physicians who do not see many cases of the disease may have difficulty in diagnosing and treating it. However, with proper diagnosis and early treatment, Lyme disease is curable.

As early treatment of Lyme disease is the key to warding off its worst effects and as there is no vaccine for Lyme disease, the best defense against it is prevention. Prevention depends upon public awareness of the dangers of this tick-borne disease. For this reason, I prepared a brochure entitled "Lyme Disease: A Long Island Challenge," and mailed it to 153,000 of my constituents. The purpose of my mailing was to increase the public's awareness about preventing Lyme disease and recognizing the early symptoms of it. I am greatly pleased by the results of the distribution of this information. Already two people have contacted me to let me know that because they received my mailing on Lyme disease they recognized the symptoms of the disease. Their physicians tested and confirmed the presence of the Lyme spirochete in their blood. Clearly, this mailing has achieved the goal of public education.

Congressman DIOGUARDI and I have been busy educating our colleagues about the dangers of Lyme disease. I am delighted that 218 Members have joined us in cosponsoring legislation to designate "Lyme Disease Awareness Week." I want to thank them for their support in bringing this disease to the attention of the American public. Senator MOYNIHAN introduced the companion legislation in the Senate and has garnered the support of 56 of his colleagues. The Senate is expected to approve this legislation tomorrow. Mr. Speaker, it is hoped that the designation of the week July 24 through 30 as "Lyme Disease Awareness Week" will help to make the general public and health care professionals more knowledgable of Lyme disease and its debilitating side effects.

LYME DISEASE: A LONG ISLAND CHALLENGE

DEAR FRIEND: Lyme disease, a bacterial infection spread by very small ticks, is a serious public health concern for eastern Long Island. More than 60% of the cases reported to the New York State Department of Health came from Suffolk County. Moreover, most of the nearly 6,000 officially recorded cases in the United States have come from New York State.

Lyme disease is sometimes called the "Great Imposter" because it can mimic symptoms of other diseases. You may not know if you have been bitten by the Deer Tick because it is so tiny, and the symptoms of Lyme disease may not be easily recognizable. The disease may go untreated because its symptoms may be mistaken for another illness. Physicians may have difficulty in diagnosing Lyme disease. However, with proper diagnosis and early treatment, Lyme disease is easily curable. Lyme disease is not fatal.

As the tick season draws near, I want to share important information with you about how this disease is spread, what to do if you are bitten by a tick, and how Lyme disease can be treated. I hope you will find this information to be useful. In addition, the Suffolk County Department of Health has put together an informative booklet on Lyme disease. I would be happy to send you a copy of this free booklet. Please contact my Centereach office at (516) 689-6767.

Sincerely,

GEORGE HOCHBRUECKNER,
Member of Congress.

SUFFOLK COUNTY REPORTS MOST CASES OF LYME DISEASE

Lyme disease is the most common disease transmitted by ticks in the United States. It was originally discovered in Sweden at the turn of the century, and first recognized as a distinct disease in the United States in 1975 when a cluster of cases occurred near Old Lyme, Connecticut. Thirty-two States are now reporting cases of the disease. More cases of Lyme disease have been reported from Suffolk County than from anywhere else in the world.

Lyme disease, caused by a corkscrew-shaped bacteria, is spread in our region by the Northern Deer Tick. This tiny tick lives in brush and trees along shores and in woodlands. Despite its name, the deer tick will feed on almost any mammal. In fact, the most common animal host for this tick is not the deer but the common field mouse. In some areas of Suffolk County, virtually 100% of deer ticks carry the spirochete responsible for Lyme disease.

RECOGNIZING THE 3 STAGES OF LYME DISEASE

The First Stage: After a tick bite, which frequently goes unnoticed, the earliest evidence of infection is usually the development of a skin rash at or near the bite. This rash can migrate to other parts of the body to form satellite rashes. This rash occurs in two-thirds to three-quarters of the patients who acquire Lyme disease. Although it can vary in its appearance, the rash usually takes one of three forms: a uniformly red area; a "bull's eye"; and a red rim with a clearing center. The rash is usually a couple of inches in diameter and can expand to encompass an entire torso, arm or leg. Although usually painless, it may cause itching or be mildly painful. The rash typically begins within days or weeks after the tick bite. However, it is important to remember that most victims of this disease never realize thay have been bitten by a tick. The rash may last only a few days, or it may persist for a month or more. Physicians who are not familiar with Lyme disease sometimes mistake it for another type of insect bite, or as evidence of some other disorder, such as ringworm. The rash may often go unobserved when it occurs on the back or scalp.

The early stage of Lyme disease is frequently accompanied by flu-like symptoms: aches and pains, fever, headaches and severe fatigue. It is easy to treat Lyme disease in its early stage. The rash is a definitive sign of Lyme disease. If you develop what you think could be Lyme disease, consult your physician promptly. Your physician can determine if you have Lyme disease and can begin appropriate treatment. If not treated, the rash and all other symptoms usually disappear, but other more serious health problems develop later as the disease progresses.

The Second Stage: This stage has been characterized by acute neurological disorders. In those individuals who do not recognize the rash or who go untreated, the spirochete spreads throughout the body to produce a wide variety of problems. Acute neurologic abnormalities or acute cardiac abnormalities occur four to six weeks after infection in up to 20% of patients. The neurologic disorders associated with Lyme disease are:

Bell's palsy, a weakness on one side of the face characterized by the inability to smile or close one's eye on the affected side;

Meningitis, the inflamation of the sheaths covering the brain and spinal cord;

Encephalitis, the inflamation of the brain tissue; and

In rare cases, dysfunction of one or more of the 12 cranial nerves resulting in hearing loss, blindness, and a change in or loss of smell and taste.

Another possible secondary stage manifestation is slowing of the heartbeat known as heart block. This abnormal slowing of the heartbeat causes dizziness or fainting. Very rarely, inflammation of the heart muscle (myocarditis) occurs, impairing the ability of the heart to effectively pump blood throughout the body. However, even in this event, Lyme disease is not fatal.

The Third Stage: This is perhaps the most insidious stage of all. It is most easily recognized by the onset of arthritis, which mainly affects large joints, especially the knee. However, arthritis can affect smaller joints such as those of the wrist and hands. Arthritis occurs in about 50% to 60% of the patients who go untreated. For some, this may be the first warning of Lyme disease. Another aspect of late Lyme disease is a syndrome characterized by chronic severe fatigue, short-term memory loss, and dysfunction of peripheral nerves (numbness or shooting pains in the arms and legs).

TREATMENT OF LYME DISEASE

Lyme disease can be successfully treated at any stage. The earlier the disease is determined and treated the better the chances are for an uncomplicated recovery. Antibiotics are the treatment of choice for Lyme disease. The best way for a physician to diagnose Lyme disease is to see the rash. In the absence of this rash, diagnosing Lyme disease can prove difficult.

LYME DISEASE HOTLINES

If you would like additional information on Lyme disease, please call one of the following Lyme Disease Hotlines:

Suffolk County Department of Health at 348-2755 or the County Office of Health Education at 348-2836.

S.U.N.Y. at Stony Brook Lyme Disease Clinic calls are accepted between 1:30 PM and 5:00 PM weekdays at 444-3808. For immediate medical information call 444-2344.

Southhampton Hospital Hotline at 232-1450. For immediate medical information call 283-2600.

LYME DISEASE PREVENTION

Avoid brushing against plants and trees.

Avoid touching wild animals.

Check pets regularly for ticks; tick collars may help reduce the number of parasites pets carry.

If you live in or travel to areas known to be infested, check clothing and yourself carefully, especially legs, arms, head, neck, and ears for ticks or signs of rash.

RECOGNIZING THE CARRIER TICK

The Lyme disease carrying deer tick, Ixodes dammini, is brown or black. The deer tick has been described as being "the size of a period in a story on a newspaper page." Its maximum diameter ranges to about one-sixteenth of an inch across. Nymph stage deer ticks are smaller still and are the most active of all deer tick and the most likely to bite and transmit the disease.

Tick season: Deer ticks are most prevalent in summer and fall. Peak activity occurs during July.

REMOVING TICKS

Directly grasp any tick with tweezers, as close to the skin as possible.

Firmly but slowly pull the tick straight out.

Do not twist, jerk, or crush the tick.

If the tick is stubborn and refuses to loosen its grip, smother it in petroleum jelly. This cuts off the tick's oxygen supply. The tick becomes distressed and will loosen its grip of its own choice to move away to seek oxygen.

If the mouth or head of the tick breaks off and remains beneath the skins, consult your physician.

Never kill a tick that is burrowing into the skin.

Save the tick after removal in a jar for positive identification.

Wash your hands. Douse the tick bite area with an antiseptic.

Special thanks to Dr. Raymond Dattwyler, head of the Lyme Disease Clinic at University Hospital, Stony Brook, for his assistance in the preparation of this report to increase Lyme Disease awareness.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 569

Whereas Lyme disease is spread by the tick species Ixodes Dammini by means of the bacterium Burrelia Burgdorferi;

Whereas these ticks are no larger than the head of a pin;

Whereas these ticks can be carried by domestic animals such as cats, dogs, and horses;

Whereas these ticks can be transferred from domestic animals to humans;

Whereas Lyme disease started in southeastern Connecticut and has spread to 32 States;

Whereas the Center for Disease Control has reported 6,000 cases of Lyme disease since 1982;

Whereas Lyme disease is easily treated in its early stages by an oral vaccine administered by a physician (penicillin and erythromycin for young children and tetracycline for persons allergic to penicillin);

Whereas the early symptoms of Lyme disease are a rash, mild headaches, a slight fever, and swollen glands;

Whereas Lyme disease often mocks rheumatoid arthritis and heart disease;

Whereas if left untreated, Lyme disease can cause severe depression, brain disorders, and even death;

Whereas the best cure for Lyme disease is prevention;

Whereas prevention of Lyme disease depends upon public awareness; and

Whereas education is essential to making the general public and health care professionals more knowledgeable of Lyme disease and its debilitating side effects: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 12 through 18, 1988, is designated as "Lyme Disease Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

AMENDMENT OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DYMALLY: Page 2, line 3, strike "June 12 through 18, 1988," and insert "July 24 through 30, 1988,".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California [Mr. DYMALLY].

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. DYMALLY: Amend the title so as to read: "joint resolution designating July 24 through 30, 1988, as 'Lyme Disease Awareness Week'.".

The title amendment was agreed to.

A motion to reconsider was laid on the table.

NATIONAL WEEK OF RECOGNITION AND REMEMBRANCE FOR THOSE WHO SERVED IN THE KOREAN WAR

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 318) to designate the week of July 25-31, 1988, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Reserving the right to object, Mr. Speaker, I yield to the gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. Mr. Speaker, as the House of Representatives moves to consideration of Senate Joint Resolution 318 designating a national week of recognition and remembrance for those who served in the Korean war, the feelings of this Member are best summed up as ones of elation, gratitude, and great pride. As one of the three original cosponsors of this long overdue legislation and as a Korean war veteran, I rise in support of House Joint Resolution 568 and to express my gratitude to all of those who are responsible for moving this legislation forward.

Just 2 weeks from today, on July 27, 1988, countless Americans will celebrate the 35th anniversary of the cease-fire agreement that brought to a close the active combat of the Korean war; 5.7 million American servicemen and women saw service during the Korean war—more than 54,000 of whom made the ultimate sacrifice. These brave men and women, their families and their friends, made many sacrifices in a successful effort to preserve for the Korean people the ideals which form the very foundation upon which our great Nation is built—namely, freedom and self determination.

Until October 12, 1986, this group of American patriots were labeled "The Forgotten Veterans." More than 30 years after the end of the Korean war, this group of veterans remained as the only such group not to be honored with a memorial in our Nation's capital in recognition of their service and their sacrifices. It was on that date that the House of Representatives, by a vote of 406 to 0, agreed to H.R. 2205, legislation which authorized the design and construction of such a memorial. I am pleased to report that to date, nearly $2 million has been received from private sources for that purpose.

The passage of Senate Joint Resolution 318 is the logical next step in our efforts to address this Nation's 35-year-old oversight. A "National Week of Recognition and Remembrance for Those Who Served in the Korean War" will also help to focus the Nation's attention on the effort to fund the construction of the Korean War Veterans Memorial. I urge passage of this legislation and commend it to my colleagues and to the Nation.

Mrs. MORELLA. Further reserving the right to object, Mr. Speaker, I associate myself with the remarks of the gentleman from Virginia. Members may recall that my husband is a veteran of the Korean war, too.

Mrs. BENTLEY. Mr. Speaker, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Speaker, I, too, would like to associate myself with the remarks of the gentleman from Virginia.

My husband also is a veteran of the Korean war. They have had some strong feelings that they have really been forgotten, so I appreciate this very much, and thank the gentlewoman from Maryland.

Mr. FLORIO. Mr. Speaker, as the author of the House companion to Senate Joint Resolution 318, I am pleased that we are considering this important resolution. I thank the committee and the 220 cosponsors for their assistance in bringing this resolution to the floor to call attention to the contributions made by those who served in the Korean war.

My resolution designates the week of July 25 to July 31, 1988, as "National Week of Recognition and Remembrance for Those Who Served in the Korean War." It is an effort to express our appreciation to those brave individuals who participated in this war to ensure freedom and independence for the Republic of Korea.

I was joined in introducing House Joint Resolution 568 by my colleagues, STAN PARRIS and MARY ROSE OAKAR as well as Senator ARMSTRONG. This year marks the 35th anniversary of the armistice agreement which was signed on July 27, 1953, to end the Korean war. It is fitting that we take this opportunity to call attention to a war that has, for the most part, been known as America's "Forgotten War."

Mr. Speaker, over 5.7 million American service men and women were involved in the Korean war. Our casualties were staggering. During this period 54,246 died, 103,284 were wounded, and 8,177 were missing or taken prisoners of war. As of today, 329 prisoners of war remain unaccounted for.

And yet, there are no national memorials to those who served in Korea, nor days of honor set aside to remember them. Despite this, we should never forget the sacrifices that were made by those brave men and women who answered their Nation's call and proudly served their country and democracy.

In 1986, I authored the law which directs that a national memorial be built in Washington, DC, to do honor to those who served in Korea. A special site on the Mall has been selected and solicitations for designs and funding are progressing.

A series of events are now being planned by the Korean War Veterans Memorial Advisory Group in conjunction with veterans organizations including the Korean War Veterans Association during the week of July 25. These events are intended to call attention to the sacrifices made by those who served in Korea. Importantly, this resolution calls on all agencies to fly their flags at half mast during the week of July 25 in order to honor those who made the ultimate sacrifice and lost their lives in Korea, fighting for their country and for freedom.

I urge my colleagues to support this important resolution.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 318

Whereas on June 25, 1950, the Communist army of North Korea invaded and attacked South Korea, initiating the Korean War;

Whereas the week of July 25-31, 1988, includes July 27, the 35th anniversary of the cease fire agreement that ended the active combat of the Korean War;

Whereas the Korean War was brought to an end primarily through the efforts of the United States Armed Forces;

Whereas for the first and only time in history a United Nations Command was created, with the United States as the executive agent, to repel this invasion and preserve liberty for the people of the Republic of Korea;

Whereas, in addition to the United States and the Republic of Korea, twenty other member nations provided military contingents to serve under the United Nations banner;

Whereas, after 3 years of active hostilities, the territorial integrity of the Republic of Korea was restored, and the freedom and independence of its people are assured even to this date;

Whereas over 5.7 million American servicemen and women were involved directly or indirectly in the war;

Whereas American casualties during that period were 54,246 dead, of which 33,629 were battle deaths, 103,284 wounded, 8,177 listed as missing or prisoners of war, and 329 prisoners of war are still unaccounted for;

Whereas, although the Korean War has been known as America's "Forgotten War", this nation should never forget the ultimate sacrifice made by those who fought and died in Korea for the noble and just cause of freedom;

Whereas the Congress and the President of the United States have enacted a law authorizing the establishment of a Korean War memorial in the Nation's Capitol to recognize and honor the service and sacrifice of those who participated in the Korean War;

Whereas increasing numbers of Korean War veterans are setting aside July 27, the anniversary date of the Armistice, as a special day to remember those with whom they served and to honor those who made the supreme sacrifice in a war to preserve the ideals of freedom and independence; and

Whereas on this significant anniversary of the cease fire which started the longest military armistice in modern history, it is right and appropriate to recognize, honor, and remember the service and sacrifice of those who endured the rigors of combat and the extremes of a hostile climate under the most trying conditions and still prevailed to preserve the independence of a free nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of July 25-31, 1988, is designated as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities, and to urge the departments and agencies of the United States and interested organizations, groups and individuals to fly the American flag at half staff on July 27, 1988 in honor of those Americans who died as a result of their service in Korea.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the several joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM THURSDAY, JULY 14, 1988, TO TUESDAY, JULY 26, 1988, AND ADJOURNMENT OF THE SENATE FROM THURSDAY, JULY 14, 1988, OR FRIDAY, JULY 15, 1988, TO MONDAY, JULY 25, 1988

Mr. FOLEY. Mr. Speaker, I offer a privileged concurrent resolution (H.

Con. Res. 335) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. Con. Res. 335

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, July 14, 1988, it stand adjourned until 12 o'clock meridian on Tuesday, July 26, 1988, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first, and that when the Senate adjourns on Thursday, July 14, 1988, or on Friday, July 15, 1988, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand adjourned until 10 o'clock ante meridiem on Monday, July 25, 1988, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

Sec. 2. The Speaker of the House and the majority leader of the Senate, acting jointly after consultation with the minority leader of the House and the minority leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1815

DROUGHT CONDITIONS IN MICHIGAN'S FOURTH CONGRESSIONAL DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. Upton] is recognized for 5 minutes.

Mr. UPTON. Mr. Speaker, I would like to take this opportunity to inform my colleagues of the extent of this year's drought in southwestern Michigan and to provide them with some suggestions which the farmers that I represent have given me for effective relief legislation.

My district, Michigan's Fourth Congressional District, has an extremely diverse agriculture base. Farmers grow everything from apples to zucchini, produce everything from wheat to wine and raise all types of livestock and poultry. This diverse commodity base produces a strong and resilient agricultural economy even in some trying times, but this year's drought is going to put an unprecedented strain on the rural economy of southwestern Michigan.

I would urge Members, particularly on the Committee on Agriculture, that are this week considering a markup on drought legislation, to take the time and to study very carefully legislation that will provide some relief. It was only yesterday that we heard from the USDA on the number of acres that were planted, and it will not be until early next month that we will know what the yields on those acreages will produce.

In recent weeks I have seen firsthand the devastating effects of the drought on farmers of southwestern Michigan. Last Friday I spent the day visiting a number of farms in different counties throughout my district. I talked with more than 100 farmers, and my agricultural advisory committee as well, growing all kinds of crops and raising a variety of animals who shared with me their concerns and suggestions on how to deal with this unprecedented disaster. No portion of the Fourth District's agriculture base or its rural economy will escape the effects of the drought and the heat. Every crop has been damaged. Annual crops like corn and soybeans will be devastated this year; perennial crops like apples, cherries and blueberries will suffer damage that will last for years to come. I talked with a number of blueberry farmers who are losing their blueberry bushes by the row, and it will take them 8 years to come back. That is how long it takes a new blueberry bush to mature.

Livestock, dairy, and poultry farmers right now are experiencing higher grain costs, and they worry about running out of feed in the months to come. Even farmers who irrigate are finding their water sources running dry and themselves running ragged from around-the-clock moving and maintenance of normally supplemental irrigation systems. One of my farmers, Bob Thompson, from Vicksburg, MI, said that if one more person congratulated him on having irrigation he was going to commit assault and battery.

Some of my hog farmers in Cass County, MI, the largest hog-producing county in the State of Michigan, are being absolutely devastated. Why? Their hogs are getting dust pneumonia. When driving by one of these farms, there is actually an 8-foot cloud of dust hanging over that farm, and the hogs have no escape at all.

The entire rural community in southwestern Michigan is bracing for hard times. Implement dealers and Main Street businesses are already seeing less business from farmers worried about crop losses. Lenders are noting an increased demand for short-term money, and many short-term loans are being extended. However, without additional funds in the pockets of farmers, many of these notes will not be paid.

I am encouraged by recent congressional efforts to enact fair, comprehensive and effective emergency relief measures. Clearly Federal drought relief legislation is needed, but the task will be difficult, and we must be careful in crafting a legislative proposal. Assistance should be offered, but it must not bloat the budget deficit. In addition, it must be carefully targeted to farmers who experience crop and income losses of the magnitude which can only be offset by Federal help.

The farmers with whom I visited were as interested in fair and efficient Federal assistance as they were in receiving some Federal help. They repeatedly emphasized that Congress should not change the basic provisions of the 1985 farm bill. The farm bill is working as it was intended, and it should not be altered at this time.

Drought relief legislation should be just that, relief for losses caused by lack of rainfall this year.

The recommendations are these: They have urged that any program Congress devises should, first, supplement, not replace, existing disaster relief programs such as Federal crop insurance. The crop insurance program has been expanded in recent years with the purpose of providing help at just such times as these. Any new Federal aid should not penalize the cautious and prudent farmer who purchased crop insurance this spring.

They also agreed that aid should go fairly to all affected farmers.

Many of the farmers I have spoken to believe that if growers of program crops are going to receive assistance, nonprogram crop producers should be helped to the same extent.

Livestock producers emphasized that the present emergency feed assistance programs (the EFAP and EFP programs) are of limited help to farmers who do not grow their own grain. These programs need to be made available to all livestock producers in counties with reduced feed stocks.

A helpful suggestion was that relief efforts be coordinated and centralized in one agency to reduce paperwork, duplication, and confusion. New disaster legislation could include a provision to set up emergency response committees in each affected county, composed of the ASCS director and the ASCS county committee, and representatives from the Cooperative Extension Service, FmHA, commercial lenders, crop insurance, and a State agriculture department official. At least one person must be familiar with the major nonprogram crops grown in each county.

Finally, everyone emphasized that Congress must take the time to carefully outline its intent, especially if it approves, as expected, a new disaster payment program. As you recall, in 1986 Congress passed a disaster payment program to help farmers who suffered losses from drought and flooding that year. That program has been plagued by inadequate monitoring, insufficient funds, and loose bookkeeping. Some Michigan farmers received payments for 1986 disaster losses only last week, nearly 2 years after the floods which caused their losses. We cannot be satisfied with a program that pays farmers 2 years late, and we must devise sufficient appropriations authority to cover the full amount of relief assistance.

Michigan's Fourth District farmers believe we need legislation to help farmers cope with the production and economic losses caused by this year's heat and drought. I offer my colleagues their suggestions on how to devise a legislative package that is compassionate, yet fair, efficient and timely. Thank you for giving them the attention they are due.

KIDNAPED: HOME EQUITY LOAN SAFEGUARDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, the Federal Reserve recently conducted a survey revealing that home equity loans now account for more than $75 billion of total consumer debt. Three million homeowners have obtained these loans. The House of Representatives has acknowledged the growing use of home equity loans and has attempted to address the problems that consumers encounter with them.

On June 20, 1988, the House passed H.R. 3011, the Home Equity Loan Consumer Protection Act of 1987, under suspension of the rules. This passage indicates that these consumer protection provisions have widespread support in the House. The bill was also incorporated in its entirety in the Depository Institutions Act of 1988, legislation which addresses the restructuring of the banking industry.

Like the House, the Senate has shown interest in home equity protections by attaching provisions its bank restructuring bill. Unfortunately, it appears that these worthy provisions are, in a sense, being held hostage by the Senate.

As reported in Congressional Quarterly (June 25, 1988), Senate Banking Committee aides have indicated that no separate home equity legislation will likely be considered by the Senate until the House acts on the bank restructuring issue. While I am well aware of the Congress' efforts to address the possibility of restructuring the banking industry, home equity consumer protection legislation should certainly not be held for ransom. The victims of this kind of political maneuvering are, of course, the consumers.

Home equity loans have become increasingly popular in this decade. According to the Federal Reserve, 1 percent of the home equity loans which exist today were established in 1982, while 76 percent were established in 1986 and 1987. The lines of credit for these loans generally average about half of the homeowner's equity, though lenders usually allow as much as 70 to 80 percent.

A situation which has concerned me for some time now is that Americans seem to have developed a tendency toward accumulating debts. The most frequent use for home equity loans is to pay off other debts, such as credit card debts or automobile loans. I am concerned that consumers are not always fully aware of the dangers of being debt-ridden. For this reason, it is vitally important that lenders clearly and accurately disclose the terms of home equity loans to consumers. The homes of the borrowers are the collateral for these loans, and losing one's house is a possibility which creditors often neglect to discuss with borrowers.

The Home Equity Consumer Protection Act which was passed by the House contains several consumer safeguards which deserve further mention. The bill generally prohibits creditors from unilaterally changing the terms of the loans. Creditors may call in loans only under the following circumstances; fraud or material misrepresentation on the part of the consumer; failure by the consumer to meet the repayment terms of the account agreement; or any other action or failure to act by the consumer which adversely affects the creditor's security interest for the loan or rights in such security. Further, lenders offering variable rate home equity loans are required to use a rate index which is publicly available and not under the control of the lender.

The House deserves praise for its speedy consideration and passage of this much needed legislation. The fact that H.R. 3011 has been included in the Depository Institutions Act of 1988, as well as the fact that it was able to stand on its own merits, reveals the strength of this proposal. It is my sincere hope that the Senate will recognize the importance of these provisions and will give H.R. 3011 a chance to become law on its own.

Consumers should not have to depend upon the passage of a much broader, more complex, and more controversial bill for home equity loan safeguards. There is nothing to lose and a large amount of consumer protection to gain in passing this bill, as the actions of the House confirm.

WATSONVILLE ELKS LODGE CELEBRATES 75TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I am pleased to bring to the attention of my colleagues the upcoming 75th anniversary celebration of the Watsonville Lodge of the Benevolent and Protective Order of Elks.

The Elks have been one of the outstanding community groups in the Watsonville area, providing assistance to numerous causes and helping to improve the quality of life in the area. I would like to describe for the House some of their contributions.

The Elks provide major support to Scouting and athletics programs, including baseball, football, and basketball. They are very active in the local Drug Awareness Program and have worked with local school administrators in making drug-awareness presentations at each of the 21 local elementary schools. They also provide financial support for Elks Therapy Programs for children with physical disorders. In addition, Watsonville Elks members contribute annually to the Elks National Foundation, which awards college scholarships to worthy high school graduates. They also participate in programs offered to veterans in the Veterans' Administration hospital in Palo Alto, such as fishing trips, dinners, and entertainment.

Mr. Speaker, the officers and members of the Watsonville Lodge of Elks deserve our commendations and support. In 75 years, they can truly say and their predecessors have made a difference, and I am confident that they will continue for another 75 years to make the same kind of outstanding contribution to the lives of the people of Watsonville and, through their national Elks activities, the entire country.

JUDICIAL REVIEW BILL FOR VETERANS INTRODUCED

The SPEAKER pro tempore. Under a previous order of the House, the gentlemen from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, today, at the request of the American Legion, Representative GERALD SOLOMON, ranking minority member of the Veterans' Affairs Committee, and I are introducing a bill to provide for judicial review of rulemaking by the Veterans' Administration, to provide for the payment of reasonable fees to attorneys, and for other purposes. Neither of us has endorsed this legislation nor any other judicial review measure.

There are other pending bills that would provide judicial review for veterans in one fashion or another—H.R. 639, S. 2292, and the bill that was approved by the Senate on Monday, S. 11. I had previously given notice that, should the Senate approve a judicial review bill this session, I would schedule hearings and, following those hearings, would provide an opportunity for a judicial review to be considered by our committee.

To fulfill that commitment, I have scheduled a hearing for September 8 at 9:30 a.m. in room 334 of the Cannon House Office Building.

The Veterans' Affairs Committee, in the 99th Congress, held extensive hearings on the issue of judicial review of veterans' claims. Therefore, to expedite consideration of pending measures, we will hear from a limited number of expert witnesses.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MacKAY] is recognized for 5 minutes.

Mr. MacKAY. Mr. Speaker, due to a previous commitment, I missed several votes. Had I been able to vote, I would have voted against the motion to recommit H.R. 4800 and for final passage of H.R. 4800.

I appreciate having this opportunity to state my position on these measures.

SOCIAL SECURITY LAW ABOUT TO BE AMENDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, there are a number of high-visibility events occurring in the next few weeks, and for that reason the populace of the country as a whole and even the Members of this House and the other body are likely to forget that there is a very important process going forward in one of the conference committees.The Social Security law is about to be amended. A conference committee of the House and Senate are meeting to consider amendments to the Social Security law. Most people would say, "How can you do anything to the Social Security law and it not be a big event and all America not be watching?"

We are not watching because we call it welfare reform. Most people do not realize that welfare reform is an amendment of the Social Security law, that aid to dependent children is covered under the Social Security Act, that welfare is a part of a set of programs which were developed during the New Deal era to allow people to survive in America no matter what their condition, no matter what their set of circumstances might be. This

Government committed itself to help people survive, and it did that in many ways, not just the provision of old-age pensions. It did it in many ways. We have survivor insurance for young people whose parents were on Social Security and deceased; we have aid to dependent children. Aid to dependent children is the target of the present reform process.

We are going to amend the Social Security law in that area. It is a very important process going forward, the House and the Senate meeting in conference to consider H.R. 1720, which was passed by the House as its version of how the Social Security Act should be amended with respect to aid to dependent children, and the Senate bill, S. 1511, which was passed in the Senate.

These bills are radically different, radically different not only in the amount of money that will be made available to implement the program, with the House being almost twice the amount as the Senate, but also step by step in each central provision the Senate bill represents a far different concept with respect to reform than the House bill.

It is very important that we take a close look at what is developing and what is likely to develop in the conference committee process. In addition to the Senate bill being regressive and punitive and oppressive, in addition to the Senate bill wiping out benefits that have existed for 50 years, and ignoring major problems that exist with respect to Social Security, the social security of children, the Senate bill also has another important force behind it. The President of the United States keeps making it quite clear that he will veto any bill that is not to his liking. He is very concerned about even more punitive measures than the Senate bill has. He wants to spend even less money than the Senate bill has.

Mr. Speaker, this H.R. 1720, which many of us reluctantly voted for because we felt that there has to be reform, at least this represents an approach which has a humane intent at the center of it, an approach which will emphasize jobs, an approach which will emphasize education and provide the money for jobs, training, and education. We voted for H.R. 1720, and H.R. 1720 is in danger of being wiped out completely and S. 1511 instead will be the replacement.

S. 1511 has another very important factor going for it. The House of Representatives voted last week by a substantial margin to instruct the conferees to accept the amount of money in the Senate bill as the amount of money that would be attached to the ultimate welfare reform bill, so we have President Reagan, and we have the majority of the House, even those Members who voted for 1720, who decided that they wanted to save money above all.

We have a thousand ways to save money in this Congress, but we do not look to those ways. We have a $1 billion ship in the Persian Gulf that shoots down the wrong planes, and we could save money by bringing them home. We could also save our own foreign policy. We have FBI agents who are cruising libraries looking for spies. We could save money by taking the FBI agents out of the libraries; we could take the same FBI agents and assign them to the Pentagon and more rapidly end the corruption and the waste there which is a multibillion-dollar corruption and waste.

We can save billions of dollars, but we do not prefer to look at those obvious ways of saving money. We do not prefer to look where the money really is. We are not as smart as Willie Sutton when he was asking why he robbed banks. He said, "That is where the money is." We do not look in the Congress to the places where the money really is. We look instead at those programs where people have no power. The people who have no power will be closely scrutinized. They will be investigated again and again, but where the money really is in the Pentagon; for example, we have to have a blunder; we have to stumble upon the fact that there is massive corruption in the Pentagon, that they are selling plans and secrets on a wholesale basis.

Somebody stumbled into that, and an investigation got going. What they have revealed already is what has been happening in the Pentagon to waste our money which has been going on since the very beginning of this administration, and that a very high-level person is probably connected with it.

We are willing to put all of these things together and recognize that if we want to save money, take the FBI agents and put them on the trail of the people who are selling Pentagon secrets, take them out of the libraries. The FBI agents in the libraries cannot really discover much, because all of the material in the libraries is available to the public. The libraries purchase that material on the open market, so the Russians or whoever wants to get our secrets, technological secrets, whatever the FBI has determined they are looking for, can go and buy them on the open market.

It appears also that they can go also and buy our secrets, our most cherished secrets in the Pentagon, on some kind of market, black market, consultant underground market, and that is where the FBI should stop the flow of our secrets and save us money in the process.

The whole bidding process, the whole corruption that goes on every time there is an obvious scandal, we hear speeches being made by the people in charge that we definitely need reform. They are now trying to get ahead of everybody else and say, "We always told you we need reform." It is impossible with these processes to be constructed as they are and there not be waste and there not be corruption, but we are not preoccupied with that in Congress. We do not have any bill to deal with that. There has been no aggressive attack. We do not even use the right language. Nobody calls it stealing.

Over and over again we hear them talk about the misconduct in the Pentagon. Nobody has talked about a threat to national security because of their selling secrets to each other. They are not necessarily going to confine their selling to the people who are most patriotic. They will sell to the highest bidder.

We are in the process of not speaking and acting honestly about the things that we say we consider most important.

□ 1830

Saving money is most important. When the welfare reform bill is on, we want to squeeze it down to the last penny and save every penny. But we are not concerned about saving money when it comes time to look at where the money really is, in the Pentagon.

We had a base closing bill which was debated for quite a long time because in 10 years we have not closed a single military base where we obviously could save money. But when it comes to people who are poor, the recipients of AFDC who have no power, we are ready to beat up on them and squeeze as much as we can out of them.

The people who were the target of this amendment to the Social Security Act, the dependent children, are grossly discriminated against. What we have not talked about as we consider this welfare reform amendment to Social Security is the fact that there are nearly 7 million children who are recipients of Aid to Dependent Children and who have in the last 10 years received a cut in their allocations in terms of buying power, of the money they receive, and they have gone down 33 percent, that is 7 million children who are covered by Aid to Dependent Children in the Social Security law.

On the other hand, here is another group of children who are covered by the Social Security law, those children covered in the Social Security law in the Survivors' Benefits Insurance Program. They are the same American children as the children covered in the Aid to Dependent Children law. They have received increases in the last 10 years up 53 percent. It has gone up 53 percent so that now the children who are covered under the Social Security Survivors' Insurance are getting more than $350 a month, about $390 a month average for children under the

Social Security Survivors' Insurance law, while on the other hand under the Aid to Dependent Children they receive an average across the country of $150; $150 versus $390. These are the same children. They are all Americans. What is the difference?

Most of the children under the Aid to Dependent Children are children who are black, or Hispanic, minority children. They have no power. They have no power.

I think the first step in any welfare reform which generally is interested in justice would be to address itself to the discrepancy between the amount of money received by children in one part of the Social Security Act and the amount of money received by children in another part of the Social Security Act. But this is not on the agenda, gets no consideration whatsoever.

As we go to the Democratic Convention also it might be interesting to note that in the platform of the Democratic Party there is not much attention being paid to what is happening to welfare reform. Not much attention is being paid to some other issues that relate very directly to the ability of poor people to survive.

On the minimum wage bill, we have been talking behind the scenes for quite a number of weeks about a minimum wage bill that would increase the minimum wage just 50 cents between now and January 1989. For this paltry 50 cent increase we are not able to guarantee enough votes to guarantee passage.

If we really want to talk about welfare reform, let us look at the fact that once we put people to work, and that is the theme of welfare reform, let us put people to work, get them off the welfare rolls, would they then make enough to survive? The minimum wage is not enough to survive. The minimum wage does not bring home enough for a parent with a child to survive.

We also have a bill called the ABC bill, which is for day care, a massive day care bill which would actually provide child care for those women who do want to go out and work, but do not have anywhere to leave their child. We have a parental leave bill which has completely disappeared. There is no discussion of it now anywhere in any significant circles in terms of putting it on the floor of the House, and yet that would provide mothers with an opportunity after children are born or when children are sick to be able to take care of them better.

Of course we have a plant closing bill that does at least begin to talk about treating people humanely when you throw them out of work. But in general, there are a number of issues that relate to the survival of the people on the bottom who need help from their Government which are not being discussed at all. No, instead we are focusing on H.R. 1720 and S. 1551 which are talking about ways in which we can squeeze this group of people who receive aid to dependent children. How can we squeeze them and show the public that we are saving money? How can we perpetrate in essence a fraud on the public, because if we really wanted to save money, there are other places to save money. But this group has a great emotional attachment to them. Everybody wants to see people get off welfare and go to work. Everybody wants to see that happen.

The Governors of the States of this country have talked for quite a long time now and they have pushed very hard to get welfare reform as a priority on the agenda of the Congress and the President. They have worked very hard. In fact, H.R. 1720 represents the best of the thinking of the Governors of the country. They pushed very hard because it is a highly visible political issue and they want to save money.

If they really wanted to save money and have more money for their States, again the Governors ought to organize their own committee to oversee the way in which the Pentagon contracts are awarded, or I can give them 15 or 16 other places in our Government and our bureaucracy where they can look for where the money is to save really large amounts of money. The Governors know this is a highly charged and emotional issue. You can win votes by screaming about putting people to work who are on welfare.

Let us take a look step by step at what is happening between H.R. 1720 and S. 1511. Let us look at the benefit improvements first.

At the start of the 100th Congress we were told that there was an emerging consensus on welfare reform, and in that consensus liberals would accept more draconian working requirements and conservatives would accept improvements in the criminally low AFDC benefits that are offered in most States. Let me repeat that. There are criminally low AFDC benefits offered in most States. Human beings cannot survive on the money offered in most States per child. That is the reason why we have the great discrepancy between the children on AFDC who receive an average of $150 a month, and the children who are on Social Security survivors' benefits. The Social Security survivors' benefits are paid directly by the Federal Government at a level which has been determined will guarantee the survival of a child, provide enough food, clothing and shelter. We do not care what happens to the 7 million children across the States who are being forced to survive on criminally low benefits.

The conservatives said that they did care, they would be willing to yield. As the process has progressed, however, the already stringent work requirements have gotten worse. The liberals, in other words, have agreed to more draconian work requirements, but the promised benefit improvements have gone from the meager to the meaningless. The conservatives, in other words, have not yielded at all in terms of steps to increase the amount of money that children have to survive on.

It is not clear that any bill enacted this year will not include any significant benefit improvement at all. They will not be in any bill enacted this year. Any bill enacted this year will have the worst kinds of draconian work measures and the least benefits, because it is under the pressure that I talked about before. It is under the pressure of the White House. Our President says he will not sign a bill unless it has draconian, the most punitive work requirements, and also has the cheapest price tag. That is the kind of pressure that the conference committee is laboring under.

They also have a vote which was taken in the House which says we want to come back closer to the Senate figure, regardless of what that means in terms of human misery. The whole process, the whole discussion of a national minimum benefit, a benefit similar to the one in the survivors' insurance section of the Social Security Act, has been dismissed.

When the House welfare reform bill was first introduced and discussions first started, it included a provision which established a national minimum AFDC benefit level that all States would be required to meet. This is needed to not only address the dramatic erosion in benefits—the benefits have dropped an average of 33 percent in value since 1970, as I said before—but also the wide disparity in benefits from one State to another. A mother with two children in Tennessee receives $4.54 a day, $6.48 a day in Kentucky, and $12.26 a day in Kansas. However, the Federal poverty guidelines say that a mother needs, in order to take care of a child, $24.25 a day. That is necessary in order to meet the minimum needs of the child, $24.25 a day, versus what Tennessee gives at $4.50, Kentucky at $6.48 a day, and Kansas, the most liberal I have cited here, $12.26 a day.

A national minimum benefit would still give States wide latitude in setting their own benefit levels, but it would assure that no State fails to meet the minimum basic needs of families with children who depend on AFDC benefits to survive.

My colleagues know we have children out there who are wards of the Government and they are receiving not enough food to provide for their proper growth and development, and they become various kinds of problems later on. The idea of a national benefit is not a wild, radical idea that has just been proposed. During the 1970's, President Nixon pressed for and he won enactment of a national minimum benefit for food stamps and SSI for the elderly and the disabled in response to widespread concern about the inadequacies of these benefits in some States. That was under President Nixon in 1970.

Those folks who say that poor people, certain categories of people who have no one else to go to except to the present Democratic Party platform and who look to the Democrats for progress should take note. There have been some unusual things happening for the people on the bottom in prior administrations that were not necessarily voted in by those people. In 1979 the House passed a $3 billion AFDC benefits improvement bill that would have set a minimum AFDC benefit. Though it had the support of such conservatives in the Senate as JOHN DANFORTH and then Senate majority leader Howard Baker, the bill was not acted on by the Senate. In 1979 I think my colleagues know the Democrats were in control of the Senate.

This Congress was supposed to be the Congress in which the bold step would be taken and a minimum benefit would become law. That was one of the ways they sold the whole idea of beginning the discussions of the welfare reform legislation. But it did not even make it out of subcommittee. The provision was deleted from H.R. 1720 and was replaced by some modest financial incentives to encourage States to at least make sure that AFDC benefits did not erode any further and kept pace with inflation. So the child who must survive in Tennessee on $4.54 a day will receive, if this legislation passes, some assurances that the $4.54 a day, which is already way behind the $24.25 a day that is necessary, will be increased in accordance with inflation.

The Senate, on the other hand, did not even try to include this token effort. Although many Senators talked a great deal about how shamefully low AFDC benefits are, they did nothing in their bills to address this problem. So you have a pressure on in the conference where even this protection for that erosion of the $4.54 a day will not be guaranteed because of the fact that the Senate bill, the cheaper bill, is the one that is likely to be the model and have most of its features retained after the conference effort is over.

Let us talk about another issue, coverage of the unemployed two-parent family. We talked about this for quite a number of years. In 24 States, unemployed two-parent families cannot receive any AFDC benefits no matter how poor they are.

□ 1845

The only way these families can get any help at all from the Government meeting their needs is for the father to leave home and for the family to break up. In communities across the Nation, fathers who are laid off from their jobs and cannot find work after they have used up their 26 weeks of unemployment benefits, have been forced to abandon their wives and children in order to have their wives and children fed. Everyone from Stuart Butler of the rightwing Heritage Foundation to the National Council of Catholic Bishops agree that this is a destructive antifamily policy which must be changed. In the 1979 benefits bill and again in 1985 and 1986, the House passed legislation requiring all States to extend AFDC to unemployed two-parent families without controversy.

The Senate and the White House at that time refused to go along. The welfare reform bill passed by the House last year again called for extended AFDC assistance to all two-parent families leaving it up to the States to decide how poor they must be to qualify for aid or how much aid they could receive.

The Senate welfare reform requires States to extend AFDC to unemployed two-parent families for just 6 months, just 6 months of the year and only if one of the parents "works off the benefits in a workfare job."

States that now offer unemployed parent benefits without any work requirements would also be required to force all of their unemployed parent recipients to work off their benefits.

The Senate bill, in other words, does not improve the benefits. It is worse than current law. It is more punitive than current law.

Let us take a look at mandatory work requirements. Under current law, all able bodied mothers of children ages 6 and up must participate in a job training program or they must work off their benefits in a workfare job in order to receive aid to dependent children. Most do not; most of the able bodied mothers of children ages 6 and up do not participate in such a program. Why? It is not because they are lazy, it is because the Federal Government and the State governments have refused to provide enough money to serve even a majority of the mandatory participants. In many States, even those who actively seek job training cannot get help.

The House bill changes this law to require that mothers of children ages 3 and up and even down to age 1 if the State wants to do it, must participate in training or take a workfare job for up to 20 hours a week in order to receive AFDC or for their children to receive Federal help. Mothers of school-age children will be required to participate full time.

At the same time, however, the House recognizes the fact that as of right now and in the past, the problem has been that there has been no money for job training or for jobs, workfare jobs for these participants. The House bill provides unlimited matching funds to the States for training and work programs.

That is for every AFDC recipient, the mother has to go to work, there will be a program, there will be an education program, there will be a job training program paid for on an entitlement basis, that is going to be provided.

The Senate bill, on the other hand, expands the mandatory participation requirement still more. Mothers of preschool children and those down to age 1, if the State wishes, will be required to participate for up to 24 hours a week in a training program or a workfare job and full time in an education program. But unlike the House bill, the Senate bill sharply limits what can be spent on education and training programs to between $500 million and $1 billion while at the same time imposing participation quotas on every State. Every State must have a certain number of people participating; requiring the States to enroll up to 22 percent of their mandatory participants and 100 percent of their unemployed parent participants in training activities or workfare jobs by 1993.

What the Senate bill means is that fewer resources will have to be spread over many more people; fewer dollars must serve many more people and that insures that no recipient will get the kind of meaningful education or training that they need to find work.

There are jobs available, jobs are available for people with certain skills, who have certain kinds of education and training. But in this Senate bill the money will not be provided.

Reluctantly I voted for H.R. 1720. When it passed the House I saw the opportunity to have a back-door jobs bill.

We had been unable in the last 7 years to get a meaningful job bill passed; but this could be a back-door jobs bill. We could provide jobs to people through this entitlement provision. It would allow for the financing of education programs, job training programs and even some on-the-job training programs. That would be getting through the back door of welfare reform what we have always felt was necessary and will be very useful, the Job Training Program.

Now the Senate has wiped out that provision.

There will be no significant amount of money, no impetus for job training programs.

Mandatory participation is based on a self-serving lie. We continue to put forward and perpetrate this lie that the unemployed do not want to work and will not work unless they are forced to do so. Half of the AFDC recipients stay on welfare for less than 2 years; less than one-sixth stay on for the 8 years which is often cited.

Many of those on it, if provided with a job will be happy to get off, as has been demonstrated in case after case when jobs are provided.

By forcing the AFDC recipient, the poorest of the poor, to work off their benefits, we require them to do something we do not ask anyone else who gets Federal help to do. We spend more on direct payments to farmers to keep them afloat than we do on AFDC benefits, but we do not ask farmers to work off their benefits. We are going to spend $15 billion, almost twice the amount of money we spend on AFDC, to bail out the Texas savings and loan industry but we are not going to ask the bankers to work off the money. When we, in fact, do not even require convicts in Federal prisons to work off all the money we spend for their room and board. But we want money which goes to children, the parents of those children to work off the benefits.

Mandatory participation will harm those whom AFDC is designed to help: children. It is not possible to punish parents who refuse to work. The myth that you can take away a portion of the benefits which are provided for the parent taking care of the children and not hurt the children is just that, a myth. It is not possible to punish parents who refuse to work by cutting welfare benefits and not also hurting their children. For political reasons we continue to pretend that when a parent is santioned and monthly benefits are cut, it really does not affect the children because the grant is only reduced by the amount of need that is supposed to go to the parent. This is idiocy. If you cut aid to a household you hurt everyone in it.

A sanctioned parent who decides whether the child gets food or not, a sanctioned parent does not suddenly stop eating. That parent will not deny herself food. The likelihood is that for the duration of the sanctions that parent will give less food to the child.

A sanction does not stop a landlord from evicting the entire family when they do not have the money to pay the rent. The entire family goes.

As a result, the children definitely suffer. The children will go hungry, the children will be denied necessary shelter and will be denied clothing. Whatever that money was to buy, the parent is not going to just cut—will not abide by the rules and only cut what they were losing as a result of sanctions.

In most cases, these sanctions will be imposed for no good reasons.

The theory is that benefits will be cut only when someone absolutely refuses to participate. But in the real world, they are more often imposed as a result of misunderstandings, letters lost in the mail and other bureaucratic foulups.

For example, since just 1985, 30 percent of the people required to participate in New York City's welfare work program have been sanctioned. Of this 30 percent, 98 percent of those sanctioned were later put back on the rolls because they admitted they had made an error.

The sanctions were unjustified or the sanctions were as a result of an error.

Hearings were held and they determined in those hearings that the bureaucracy was at fault and not the people who had been sanctioned.

The Senate welfare bill also does not offer any meaningful training. Mandatory participation might be acceptable if meaningful job training and education programs were going to be offered. It is now clear, however, that any reform bill enacted this year will not offer that kind of help. Instead, it is going to hurt the AFDC recipients by not giving their parents the training.

Take education, for example; lack of education is the greatest obstacle to self-sufficiency for most welfare recipients. In New York City, an estimated 17 percent of AFDC recipients read at or below eighth grade level, one-third read below the fifth grade level, but only a fraction of those who want to enroll in an education program are able to do so.

At this time there are enormous waiting lists of welfare recipients who want to enroll in educational programs but the money is not there to provide for the programs.

Though education is definitely the greatest need, we all admit, from liberals to conservatives, we all understand it is the greatest need of welfare recipients, this is the problem which receives the least attention from New York and almost every other State in the Nation.

The House bill tries to correct this problem. It tries to correct this inexcusable lack of attention to education. It requires that States offer every participant who does not have a high school diploma the opportunity to participate in an educational program which addresses their educational needs before they are required to enroll in any other program.

In other words, education needs must be met first. You cannot pretent that there are jobs out there which exist for a person who cannnot qualify for those jobs. You must meet their educational needs first and the House bill requires this and provides the money for it.

The Senate bill, on the other hand, differs little from the present law. It requires that States offer some kind of educational service to participants without a diploma but only if the participant is under age 22. Most adult welfare recipients are not under age 22.

In requiring that this be offered, it is only if the State has an available slot in an existing educational program.

Even then, only if the State decides that it is appropriate for these people to go to school. And if a participant does not do well in school, the State can force them to drop out and take a workfare job or do something else instead.

In other words, under the Senate bill, a State can offer educational services to only 25 participants at a time and still comply with the law. Someone who cannot even read or write can be forced, through this method, into a workfare job for years while they are waiting for an educational slot to become available, to become vacant.

Let us take a look at the workfare program, what they call community work experience.

Under current law, States can force AFDC receipients to work off their benefits in unpaid government jobs for as long as they remain on welfare. Only nine States now have such programs. However, we only have nine States for one important reason: They find it does not work. It does not help anyone find a real job.

All of the research on this workfare program, community work experience program, all the research tells us that the program does nothing to help get people off welfare. States have tried it and they have abandoned it.

In many cases, workfare assignments are demeaning make work jobs such as handing out flyers on street corners, filling soap dispensers and wandering around parking lots washing cars. In many cases, they are more effective at humiliating people rather than building the skills they need to find a job.

In other cases, the State and local governments have used the workfare program to displace and to undercut the wages of State and local government employees by forcing the workfare participants to perform jobs usually performed by civil servants and for which they should be paid a regular salary, such as in New York City where the civil service jobs of pest control aides and custodians are now being done for free by workfare participants.

The best example of the fundamental unfairness of workfare is the case of one Michigan man who lost his job making $13,000 a year as a dog catcher. When the Michigan city had to make a budget cut, he lost his job but he got his job back under CETA for $9,000 a year and then after CETA was eliminated, he was ordered to do the same job once again under the workfare progam and this time $6,000 was his annual welfare payment.

In other words, this man is now doing the same work he has always done, only now he is receiving less than half the pay. He went from $13,000 a year down to $6,000 under workfare. We should take a close look at what we are doing and consider the words, "involuntary servitude" when we have programs of this kind.

We can enslave our own population when we have programs of this kind.

The House bill reforms workfare to eliminate some of these abuses in the program and it tries to insure that it is only used in ways which help recipients to build skills that they will need to get a real job, an ongoing regular job.

□ 1900

Dead end, make work jobs are prohibited. Every workfare assignment must develop marketable skills or be integrated into a regular training program which does provide for those skills.

In the House bill, only those recipients who really need some kind of work experience would be assigned to workfare. Those who already have some work experience but need job training or education or help in locating a real job could not be forced into a workfare assignment, but instead job training and education or job placement would be provided.

Workfare assignments would no longer be open ended and would be limited to a maximim of 3 months for 30 hours a week or 6 months if the number of hours of work was based on the size of the grant in the House bill.

The weak protections against the use of workfare to steal the jobs of regular workers would be significantly strengthened along the lines of the kind of protections which now govern work experience and on-the-job training provided under the Job Training Partnership Act. Equal pay would have to be paid for equal work. If an AFDC recipient was assigned to do exactly the same job being done by a regular employee, he would have to be paid the same wages.

The Senate bill, on the other hand, takes a completely different approach. Rather than reforming the one program we know does not help AFDC recipients achieve self-sufficiency, it expands this program; it expands workfare. Whereas only nine States have found that it works and found that it is worth keeping and a minority of counties and cities in other States now use it, the Senate bill would essentially require every State, every county and every city to immediately establish large workfare programs.

There would be no limitations on these workfare programs. Workfare assignments would not have to develop any skills. They could be any dead-end, make-work assignment the bureaucrats can think of. The jobs could go on forever; there would be no time limits. An AFDC recipient could take a job from a regular civil servant. They would not have to be given equal pay. They could sit side by side with a regular government employee doing exactly the same work but get far less in wages.

Mr. Speaker, there are numerous organizations that supported H.R. 1720, the bill that passed the House, and those organizations are opposed to S. 1511. Those organizations are opposed to a conference process which is going to guarantee that S. 1511 is the kind of bill we get. We are going to get the provisions of S. 1511 and not the provisions of H.R. 1720.

The organizations I refer to include these: ACORN; AFSCME; American Civil Liberties Union; American Friends Service Committee; Catholic Charities; United Church of Christ, Office for Church in Society; U.S. Catholic Conference; Women's Economic Agenda Project of California; Women's Equity Action League; and the YWCA. The list goes on and on. Numerous organizations have recognized that some reform might be useful, that some changing of the Social Security Act would be in order. Reluctantly, they went along with H.R. 1720.

They accepted the fact that it did not really live up to the promises of providing more benefits in exchange for accepting more punitive work requriements. They went along with it. They went along with the fact that the child care provisions were not as strong as they wanted them to be. They went along with the fact that the education provisions were not as strong as they wanted them to be. The benefits were far too little. The total amount of money available, even in the House bill, was far too little, but they went along with it. They tried to cooperate.

But now we see a far more regressive bill in S. 1511, and while we are sleeping, while we are off at the Democratic Party Convention, while we are praising the Democratic Party as being the party of the people, the party for justice, all of these abuses are going to be codified, and all of these abuses are going to be, for the first time in 50 years, placed in the Social Security Act. We are going to lose benefits and provisions for assistance that have been available for people for 50 years in a process that goes on without our attention. We must strive in every way possible to avoid the passage of any welfare reform bill in this Congress.

This Congress should not go along with a process which guarantees that the most regressive kind of bill is the only bill we are going to be able to get. With the President pressuring us and insisting he will veto any bill that does not have the most punitive work measures and supporting one with the least amount of money, we are bound to get a bill very close to S. 1511. We should not turn our backs on the people who make up a large constituency of the Democratic Party. We should not turn our backs on the people for whom the Social Security Act was written. People in dire need should not be pushed around and moved toward a new kind of involuntary servitude.

We do not want the Social Security Act to be multilated in that manner, and the best way to avoid that is to stop the process. Let us not have a welfare reform bill in this Congress. Let us wait for a new administration. Let us think more about the problems we have not dealt with and the gross discrimination about 7 million children, for we provide far less for them in our Social Security Act than we provide for others. Let us think more about the fact that our minimum wage is far too low. People can survive better on welfare than they can on minimum wage because the minimum wage is too low.

Let us consider the problem of homelessness, because there is not enough affordable housing, and people on welfare or on minimum wage cannot afford the housing that exists. There are numerous questions that ought to be woven into the process of considering a humane and legitimate amendment of the Social Security Act.

Mr. Speaker, we have not done that. S. 1511 is a horror. It is a disaster. We should strive not to have the imprimatur of the President or this present administration on any welfare bill that sets back so many people for so many years. We should strive to just not have any welfare bill passed in this Congress.

WHO MAKES AMERICA'S POLICY? THEM OR US?

The SPEAKER pro tempore (Mr. LOWRY of Washington). Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, this past weekend I was walking in the final Independence Day parade in my district when it suddenly occurred to me that the recent rash of articles in newspapers and magazines showing the Japanese flag firmly planted in America's heartland could change this.

In the Independence Day parades we carry the Stars and Stripes very proudly. Everybody does. I usually have one in each hand and wave it with great enthusiasm, and I am very proud of the freedom of America.

But the stories that began to hit me have showed the Japanese flag flying over American territory, and I really refused to believe or to think that there is a possibility that the Stars and Stripes might soon be in a secondary position to the Rising Sun.

We won the war. We fought that battle before, and we won.

Recently my friend, Marvin Wolf, who is the author of the very excellent book, "The Japanese Conspiracy," from which I have read sections on the floor from time to time over recent weeks, sent me a cartoon from the Los Angeles Times which I would like to share with the Members, because it vividly portrays the Japanese influence in our country. This is the cartoon from the March 27 issue of the Los Angeles Times. It is entitled "Morning in America," and it shows the White House and the buildings of downtown Washington flying the Japanese flag, the Rising Sun. I never thought that I would see the Rising Sun over buildings in Washington. Even the very suggestion flabbergasts me.

My shock did not end. The current copy of International Business shows the New York skyline with a Rising Sun and with the headline, "Good Morning, New Tokyo," rather than "Good Morning, New York."

Once again, I never thought that our major city, New York, would have the Rising Sun flying over it, much less to be named after the capital of Japan. That anyone could even suggest this really amazes me.

On May 9, the prestigious weekly magazine, U.S. News & World Report, had on its cover an outline of the State of Tennessee with Rising Sun flags coming up over the State. Again, even though we have heard of such things, it was a shock to see this, to see Rising Suns over America.

And while we are talking about Tennessee, Mr. Speaker, I would like to refer to an article that appeared in today's issue of the New York Times about military procurement of microwave ovens, and how, in the military procurement legislation, the House and Senate negotiators agreed last week to a sentence referring to that, and it tells about Senator Albert Gore, a Tennessee Democrat, who has the town of Lebanon, TN, in his district and in his State, of course. And it is pointed out there that these microwave ovens are manufactured by none other than Toshiba Corp. or by a subsidiary of the Toshiba Corp., the giant electronics firm that incurred the wrath of Congress last year when one of its other subsidiaries illegally sold sensitive submarine technology to the Soviet Union. And, of course, in retaliation to that, the House version of the bill included a permanent ban on the sale of Toshiba consumer products at stores on American military bases. The Senate version had none of this, and in the compromise between the Senate and the House, Senator Gore requested and won permission to allow these microwave ovens made by a subsidiary of Toshiba, whose other subsidiary sold our secrets to the Soviet Union, to be sold. They were allowed to continue to sell microwave ovens to our military. That is rather interesting.

The article referred to follows:

Gore Wins an Exception

Tucked away in the fine print of the military legislation that House and Senate negotiators agreed to last week is a curious sentence dealing with military procurement of microwave ovens.

No, the microwaves are not destined to become a component of President Reagan's system for a defense against attacking missiles. But thanks to the efforts of Senator Albert Gore, a Tennessee Democrat, they will remain a component of the economy of the tiny town of Lebanon in his home state.

The ovens are manufactured there by a subsidiary of the Toshiba Corporation, the giant Japanese electronics firm that incurred the wrath of Congress last year when one of its other subsidiaries illegally sold sensitive submarine technology to the Soviet Union. In retaliation, the House version of the bill included a permanent ban on the sale of Toshiba consumer products at stores on American military bases. The Senate version had no such provision.

Toshiba and its subsidiaries sell an estimated $23 million a year in consumer goods to the American military. Mr. Gore, a member of the Senate Armed Services Committee, persuaded House and Senate negotiators to exempt the microwaves from the ban, arguing that as many as one-third of the ovens produced in Lebanon were sold to stores on military bases and that 200 jobs in the small town would be lost if it were allowed to take effect.

Mr. Speaker, I have referred to this subject on the floor from time to time, and we know that newspapers and magazines in the United States have been running various stories for months about Japan and our trade deficit and the Japanese public relations invasion of our country. But an example of how far-reaching the public relations has become is the printing of that much heralded book, "A Day in the Life of America." Five major American companies, including United Airlines, Eastman Kodak, Merrill Lynch, Hertz, and Apple Computer, paid the bulk of the expenses of that project. Two hundred of our best photographers accepted an assignment for April 26, 1986, to—and I quote too—"capture America on film during the course of a single day." I would certainly think that if we could take the pictures, someone in America could print the book.

I was stunned when I looked inside the cover. Here is the cover right here. I was stunned when I looked in that cover and saw that the book had been printed in Japan, that we could not even produce a book on our life in the United States. Surely we are not that impoverished in our printing processes.

There is just one more irony in the stories we are reading. A recent spate of books—including Marvin Wolf's "The Japanese Conspiracy," Clyde Prestowitz's "Trading Places," and Martin and Susan Tolchin's "Buying Into America" has outlined in detail what the problem really is. Pat Choate's recent article in the Washington Post—"Money Talks: How Foreign Firms Buy U.S. Clout" graphically describes what is happening.

Spelled out in each one of the stories and books is the method Japan, its government, and industries have used to target our industries and dominate us economically.

The bottom line is money which is important to international relations. You know, my mother always taught me that whoever controls the purse strings calls the tune.

One article from the June 11 Business Week points out that the Japanese are aggressively pressing their point and outflanking us with a huge expenditure of money.

If my colleagues will look over there to the cover of Business Week, it says, "Japanese Influence in America."

It estimates they are spending as much as $310 million for what the Japanese call their "softside" activities: the systematic coordinated long-term objectives.

To put this context and examine the issue we must first define policy to fully understand the implications of the Japanese economic invasion. I liked it up in good old Webster's dictionary, which is a standard for the American people.

Webster's definition of policy is: First, a definite course or method of action; and second, a high-level overall plan embracing the general goals and acceptable procedures especially of a governmental body. So from that definition, the Japanese have definite goals and procedures.

We have been told not to be concerned about policy because this was the free market in operation and—it was just business.

But there are serious implications to each purchase and investment.

We must ask with each activity—what does this mean to policy—who sets it—and what does it mean to the American way of life? What does it mean to pulling our political strings? How do they influence our policy?

Lester Thurow, dean of the Sloan School of Management at Massachusetts Institute of Technology is quoted in the June 11 Business Week: "They've learned how to play us like a violin." He further states, "Japan's decisionmaking will rise as their investments go from passive to active." What does this mean as they become more active?

The Business Week article "Japan's Clout in the U.S." spells out the Japanese intentions.

The article states: "Their effort goes beyond specific political objectives. Japan wants to help shape the American agenda and to reinforce the notion that America's economic problems are mainly homegrown. Most of all, Japan wants to maintain a political and economic status quo to prevent surprises from threatening its economic stake."

The article quotes Bernard Karsh, director of the Center for East Asian Studies at the University of Illinois and a Japan-watcher for 30 years—"They're interested in creating an environment in which they can make money." He further states, "I see this as a major effort to come in and stay, to legitimate their presence."

Chalmers Johnson is a well-known Washington figure and a Japan expert at the University of California at San Diego. Business Week quotes him that "Japan has undue influence in the U.S."

Perhaps it is said best by Pat Choate, Washington vice president for policy analysis at TRW, Inc. that, "In the marketplace of ideas the Japanese seek people who will amplify their view and then they pour in money. They dominate the advisor corps."

Clearly, they are implying that our tradition of free exchange of ideas and speech is being endangered.

We need to ask ourselves, "Who makes policy when foreign investors buy control of a bank?" Bank boards set the policy for banks—so what does this mean for opportunities for Americans? What are the restrictions placed on the loans?

We all have at one time or another said, "If I can only get my banker to go along with me—or I could get a bank loan I could solve my problem." What will we need to do to get along with our banker?

The same questions can be asked when a foreign investor is our landlord. One result of having foreign landlords, is the price of real estate is forced up. Americans are dropping out of the bidding for landmark buildings in our major cities.

In many areas the price of homes is skyrocketing so many young Americans cannot afford to buy a home.

A prime example of what happens was featured this weekend on "20/20." They featured the mayor of Honolulu on a story of how the Japanese are buying Hawaii. The mayor was concerned that the working man and woman could no longer afford to buy a home because the price of housing has been driven so high there by those from Japan.

The program interviewed a young couple earning over $50,000 who were giving up hope on ever buying a house because the cheapest house they found—which was extremely small—was $350,000. They could no longer afford to purchase a home.

We must ask ourselves when a foreign country sets up an educational foundation what happens. According to Stephen Bosworth, former United States Ambassador to the Philippines and chairman of the United States Japan Foundation says "It's the normal way that nations attempt to shape our policies."

The article also explains that the Japan Ministry of International Trade and Industry [MITI] "is also becoming a much more active player inside the United States in part the ministry operates through the Japan External Trade Organization [JETRO] which once concentrated exclusively on promoting Japanese exports. Now a major JETRO focus is collecting information in Washington, wooing prominent journalists, and hosting elegant receptions at top flight hotels."

According to Business Week:

> The lesson is that Japan's economic prowess, both in import and investment, does not exist in a vacuum. As it makes itself felt in U.S. social and political agendas, it can have a subtle but important impact on the big policy questions facing the United States.
>
> What is well-founded criticism and what is simply anti-Japanese? What constitutes protectionism? What is dumping? What are the effects of Japanese investment?
>
> On issues such as these, the Japanese are learning to shape the debate. And that will test the character and integrity of America's institutions far more than any way of imports ever did.

Perhaps some people agree with the Washington Post article "America's Asian Destiny" which ran on the Fourth of July, the day we celebrate our Independence—the article suggested we should turn from our friends in Europe to Japan and Asia.

It states that "through complex interactions with the rest of American society, these newcomers can help shift the nation from its traditional European moorings toward a more multiracial and multicultural identity."

The article suggests we are synthesizing a business ethos bred in Asia with the American entrepreneurial spirit.

Although they have much to offer, God forbid—we make the business ethos of Toshiba a standard for America's way of doing business.

All of these articles have one thing in common. They paint a picture of America in decline. One even had a headline where we were viewed as a sick relative and must be helped out of our problems.

Well, we might be under a planned aggressive economic attack but when we are challenged and the gauntlet is thrown down—the American people will respond.

Incidentally, in a recent poll, 59 percent of the American people believe the economic threat posed by economic powers such as Japan and West Germany is a greater threat to the national security of the United States than the military might of the Soviet Union.

The poll was conducted by the respected polling firm of Marttila & Kiley, Inc. along with Robert Teeter's firm Market Opinion Research, the Daniel Yanelovich Group, Inc. and the Public Agenda Foundation. Some of the firms do political polling and some do not, but all the firms involved have established national reputations for excellence in public opinion polling.

I am just going to read a few of the quotes from the cover story in Business Week at this point, and this one here says:

Some of the credits and the reason that when Japan's lobbyists talk Washington does not just listen is due to the fact that the lobbyists represent at least 155 Japanese interests, more than all Canadian and British interests combined, and that they spent last year $50 million, not counting the millions spent for services other than lobbying; for instance, for advice, for speeches and for background papers. And it points out that Tokyo has hired some of the biggest names in town. In addition to Jim Lake, who is now an adviser on Vice President BUSH's campaign, these include former Democratic National Chairman Robert Strauss, former House Budget Committee Chairman Jim Jones and Stanton Anderson, a former White House aide and Deputy Assistant Secretary of State.

And it goes on to say that much of what Japan's lobbyists do is traditional door opening, and it discusses some of those doors opened, but then it gets down specifically to the Toshiba case. It says that this is perhaps the singlemost dramatic example of how Japan deployed its political clout.

> When Toshiba Corp. faced congressional wrath last year over a subsidiary's illegal sale of high-tech milling equipment to the Soviets, it enlisted Jones, former Representative Michael D. Barnes, GOP power lawyer Leonard Garment, former Deputy Trade Representative William Walker, and a host of others. These lobbyists spoke with then-Defense Secretary Caspar W. Weinberger as well as Secretary of State George Shultz and Commerce's Baldrige to discuss the issue. Toshiba's $3 million campaign paid off: House-Senate conferees watered down the sanctions in the final trade bill, which, despite President Reagan's veto, will probably be enacted this summer.

Of course, it was voted through the House today, and it goes on and on, and it points out how they have spent, for instance, on one festival alone in Los Angeles to develop the good relationship $1.2 million, and it goes on to another quote that bothers me a great deal.

It says when a Washington problem arises, these regional networks, the regional networks of Japan's business associates, are in place to help Japan, and, quoting again Pat Choate, it says the Japanese Government and Japanese companies are infinitely more effective in lobbying in this town, meaning here, than our United States companies.

Mr. Speaker, I include for the RECORD that entire article, but I want to pick out one or two more quotes from it. The Defense Department has also become an important advocate for Japan within the government because of Tokyo's contributions of money and technology to United States defense efforts.

I really find that rather interesting. What a statement, when we know how much money our Defense Department is spending to keep, to protect, the Far East, to protect Japan, to protect Korea. And then it says their contributions of money and technology when it is our technology for the most part that is being taken away from here and used and developed over there.

One key Defense official, Jim Howard, even plans to leave the government in August to set up a center for the study of Japan at Vanderbilt University. At the same time that he has been negotiating with the Japanese Government and defense companies on such sensitive issues as the new FSX jet fighter, he has been approaching Japanese companies for funding for his center.

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Now, that is wrong. That is very wrong. I say that Mr. Auer ought to be bounced out of the Government right now.

Vanderbilt says Auer won pledges from two Japanese companies. Auer says the grants are not final yet and that there is nothing inappropriate about his effort.

Well, I think it is very inappropriate that he should even ask any company of another nation to contribute to his center when he is still working for the U.S. Government.

But such activity, Business Week goes on to say, exemplifies the increasing controversy surrounding Japanese influence buying, indeed some believe the sharp increase in the Japanese presence in the Capitol could backfire.

This is really what we are building up to. It could backfire.

One senior White House trade official is quoted here as saying that the Japanese have far too many lobbyists in Washington. They have grossly overdone their presence.

That is a very significant statement, in my opinion, pointing out the attitude that many of us are getting very disturbed about what is happening here.

This article goes on to point out that for their part some Japanese officials wonder if they are really getting their money's worth, and Japan's diplomats are also warning of a backlash.

"Lobbyists are not interested in Japan but in their own careers," says Taizo Watanabe, the No. 2 official at the Japanese Embassy in Washington.

"This kind of big spending on lobbyists has adverse effects."

Well, I hope the effects are adverse.

"That's a minority view, however." Business Week goes on. "Most Washington observers believe deft representation of Japanese interests has helped prevent resentment of Japan's trading practices from coalescing into a policy that could hurt Japan. 'The defect in Washington is not so much the presence of lobbyists as the absence of a coherent American policy,' says Wolff. As long as the policy is confused, Japan lobbyists won't have trouble finding work."

Mr. Speaker, I think that says a lot. It says we must get our policy straight.

I think that our action today on the trade bill is helpful.

I want to also point out that we may be an easy going people, but a sickly uncle we are not. What has happened to us can be changed.

It has cost the Japanese dearly—$300 million to start with for their PR invasion to gain a foothold on economic policy objectives. As far as I know, Congress still, regardless of the pressure outlined in these articles, represents the American voter, those Americans who hold the American dream.

We are assured the Japanese are being helpful, but too many articles quote authorities saying we must lower our standard of living and forget the American dream.

I might remind you that the dream has been with us since the first pilgrim stepped on Plymouth Rock. It has been the spirit and strength of this country.

Ultimately the American people must determine who makes policy for this country.

It is what the Lost Angeles cartoon "Morning In America" points out, and is it the International Business Publication by inference calling New York the new Tokyo? I do not think it is either one, but it is up to the American people as to who makes the policy. Them or us.

Mr. Speaker, I include the full text of the articles referred to, as follows:

[From the Washington Post, July 4, 1988]

AMERICA'S ASIAN DESTINY

(By Joel Kotkin and Yoriko Kishimoto)

As we celebrate the country's 212th birthday, it is time we Americans finally declare our independence from Europe and end our two-century-old fixation with western civilization.

The fact is that the long ear of Europe's predominance in culture and in trade is now coming to an end. Without its empires, Europe's share of world commerce—36 percent in 1900—has shrunk to a fraction of that percentage as the economic center of gravity has shifted to the nations bordering the Pacific.

This shift in economic power has already led to a dramatic realignment of America's economy away from the Atlantic toward the Pacific. In 1960, America's trade with Asia was less than half its trade with Europe; by 1995, according to the President's Commission on Industrial Competitiveness, our trade with Asia could be twice that with countries across the Atlantic.

America's population is also being deEuropeanized. Europe today accounts for barely one of every 10 legal immigrants to the United States. The key urban "melting pots" of contemporary America are located not along the Atlantic seaboard, but in south Florida with its links to the Afro-Hispanic Caribbean basin, the Texas-Mexico border region and the western states abutting the Pacific Rim.

Over the next few decades, this new immigrant wave, the largest since the massive migration from Europe at the turn of the century, could transform the racial and historical identity of the country. The United States is becoming a "world nation," with ethnic ties to virtually every race and region on the planet. The Population Reference Bureau now projects that by the end of America's third century, most Americans will be descended at least in part from non-Europeans.

Ever since World War II, the United States has defined itself as a defender of "western civilization." Politically, the "East" was portrayed first as the Soviet Union and later as the People's Republic of China as well. In this struggle between East and West, European concerns generally overshadowed all others: Europe was the prime focus of American investment, trade and cultural interests. Our obsession with Europe led to a costly commitment of American defense resources. In 1986 for instance, the United States allocated an estimated $134 billion for the conventional defense of Eruope, nearly half again as much as the Europeans spent on their own defense and three times the American military expenditure in Asia.

Perhaps appropriate at one time, such commitments are now-increasingly out of date. Bereft of their overseas empires, Europeans today are pooling their resources under the umbrella of the European Community. Aready the majority of the community's trade is intra-regional—as well as increasingly with the Soviet-dominated side of the continent. Furthermore, in the Gorbachev era, European attitudes towards the Soviet Union itself are changing, sometimes at the expense of the United States.

This process likely will accelerate with the scheduled integration of the Common Market economies in 1992. A unified European economic bloc is likely, as The Economist noted in 1986, to take on a distinctly "merchantilist flavour" that would create obstacles to further American economic interests.

Despite these trends, Eurocentric views continue to proliferate among American political, media and intellectual circles. A mood bordering on hysteria characterizes many of the recent books and media reports about Korea or Japanese economic penetration, but no comparable level of hostility accompanies European trade surpluses, themselves often products of si-military merchantilist trade practices. Such attitudes reflect a growing sentiment, in liberal and conservative camps alike, that Japan, along with other ascendent Asian nations, has replaced the Soviet Union as the prime threat to both the nation and the West.

The rapid economic growth in the Pacific basin is already influencing the flow of American exports, increasingly the focus of our evolving economy. Between 1980 and 1986, for instance, American exports to Europe's four largest economies—West Germany, France, Italy and the United Kingdom—dropped 7 percent while those to Japan rose 21 percent. Markets in other parts of Asia, notably China, as well as in such developing nations as Brazil expanded even more rapidly.

With their rapidly falling birthrates, the European countries simply do not offer future growth markets for American business. During the next 30 years, for instance, Europe's population will stagnate while that in Asia will grow by some 50 percent.

Yet even today, too many American businessmen continue to act as if the world economy was still dictated by the Anglo-American, the European and the white man. A recent Inc. magazine subscriber survey of small and mid-size firms showed these non-European markets held relatively little appeal among those interested in foreign sales. In fact, by far the most popular locale for overseas expansion was Great Britain, almost twice as popular as Japan, the world's second largest capitalist marketplace and for over 20 years the top purchaser of American goods after Canada.

Although trade barriers are still too high in some Asian countries, American companies often do not respond even when invited into these burgeoning markets. A 1987 mailing by the Taiwanese government concerning market opportunities to 2,000 firms in New York State, for instance, received only 15 responses. And when the U.S. Census Bureau's Center for International Research published a report on consumer trends in China, only a handful of Americans paid the $500 fee for the information, whereas more than 700 Japanese companies signed on for the study.

To succeed in our third century, American entrepreneurs must reasses such attitudes. Long accustomed to seeing Asian countries merely as sources for cheap labor and materials, the United States is in danger of conceding these markets to others, most notably Japan. India, for instance, represents a market larger than Spain's and its middle class, although a mere 7 percent of its population, is already more numerous than the entire population of France. Yet over the past two decades America's share of India's imports has dropped from 27 to 10 percent while Japan increased its share from less than 5 percent to 7.5 percent.

Much the same process is taking place in other key developing nations such as Korea, Taiwan and Malaysia, where Japanese companies have established themselves as dominant suppliers of both components and technology for industries ranging from autos and televisions to computers. Similarly the Japanese have snatched roughly one-third of all imports into China, more than the share of the United States and the European community combined. One joint venture between China and Hitachi, for instance, already accounts for 27 percent of China's total domestic television production.

By refusing to adjust to the post-European world, American businessmen, like our political leadership, could be surrendering the keys to their own future.

Still there exist within the United States many of the elements that can lead to renewed American preeminence in the post-European era. From its beginning, the United States has always been something of a "world nation," drawing upon immigrants from various nations. Today this "asylum for mankind" as patriot Tom Paine described America during the Revolution, possesses greatest appeal in precisely those parts of the world—Asia and Latin America—that increasingly count as our most important markets and political partners.

Through their complex interactions with the rest of American society, these newcomers can help shift the nation from its traditional European moorings toward a more multiracial and multicultural identity. Already Asian-Americans have become prominent leaders and managers within the nation's most important and promising high-tech companies. By synthesizing a business ethos bred in Asia with the American entrepreneurial spirit, these new Americans are helping their countrymen mount an effective economic response to competition from across the Pacific.

In a future shaped by nations of Asia and the Third World, all Americans must learn to regard these histories and cultures as equally as relevant as those originating on the European continent. This notion may offend those who perceive it as a threat to our American traditions and "western" values. Yet if the United States is to remain a great country, this very openness may prove to be our greatest asset.

Throughout our history, the United States has been repeatedly enriched by the movement of capital, people and ideas into our broad continent. America's technological supremacy, for instance, has its roots in the movement of scientists, inventors and technicians from Europe. In more recent times, Asians have become the most prominent source of new technological talent. Taiwan alone has sent nearly 100,000 students to the United States for graduate degrees. Of the 10,000 who earned PhDs, as many as four in five have chosen to remain.

The history of America's popular culture—now our second largest export after aerospace—also reflects our adaptability. American literature, after laboring under what Emerson called "our long apprenticeship" to Europe, began to blossom only when writers consciously severed their stylistic links to the mother continent. Similarly, American music achieved its 20th-century ascendency largely from the influence of predominately Afro-American jazz, blues and, more recently, rock and roll. Hollywood, arguably America's most powerful international influence, was created largely by immigrants and outsiders, most notably Jews from Eastern Europe.

It is not surprising, then, that in fashion, in lifestyle, in the world of new trends and ideas, it is California—the most multiethnic, Pacific-oriented region of the nation—that increasingly dominates foreign images of America abroad. Across the industrialized world, the attitudes and lifestyles of the younger generation reflect not so much the influence of traditional Anglo-America but, as Kenichi Ohmae has put it, "the Californianization of the Free World."

To many, these developments suggest a crude rejection of our past, a slipping of standards and a harbinger of decline. But in reality the emergence of a post-European American identity reflects a fundamental reaffirmation of our national uniqueness and the heritage of our founders. Unlike many of America's intellectual and political leaders today, the leading figures of the early republic saw its destiny as something greater than a mere national aggrandizement or the westward expansion of European civilization.

During this celebration of our founders' greatest achievement, it is time to recognize that what John Adams called the "grand scheme" now has passed through its European epoch and entered a period of closer collaboration with Asia, Latin America and other parts of the world. Though owing much to Europe, the destiny of the United States now lies outside the mother continent. Rather than identify ourselves merely as Europe's offspring, we must begin to see as Walt Whitman recognized over a century ago, that "America is the race of races."

[From Business Week, July 11, 1988]

WHEN JAPAN'S LOBBYISTS TALK, WASHINGTON DOESN'T JUST LISTEN

When one of lobbyist James H. Lake's Japanese clients has a problem, Lake knows what to do. He picks up the phone and arranges to break bread with his friend Clayton Yeutter, the U.S. Trade Representative. During a six-month period last year, Lake met or spoke with Yeutter or his deputies 12 times on behalf of Mitsubishi Electric Corp. Just one of Lake's several Japanese clients, Mitsubishi Electric paid more than $129,000 to his firm, Robinson, Lake, Lerer & Montgomery.

So it's not surprising that Democrats reacted with outrage when Lake, a top spokesman for President Reagan's 1980 and 1984 campaigns, signed on as a senior adviser for George Bush's Presidential effort while maintaining his relationship with the Japanese. "It is offensive and disgusting that Bush would take a man who continues to receive large fees" from Japanese companies, huffs United Auto Workers President Owen F. Bieber. Lake dismisses the concerns, saying: "It's a political season."

Unparalleled access. That's the way things are done in Washington these days. Armed with fistfuls of dollars and deeply concerned about anti-Japanese sentiment, Japanese companies, trade associations, and government agencies are snapping up lobbying talent, including many former Administration officials and former congressmen. High-ranking Democrats and Republicans alike have jumped at Tokyo's largesse. In the process, Japan has bought access unparalleled for a foreign power.

The Japanese are also quickly learning how to use that access to get their way. When Congress got down to writting a trade bill last year, a Japan-bashing mood on Capitol Hill seemed certain to produce tough, retaliatory legislation. But by the time the bill made it to President Reagan's desk, most of the provisions Tokyo found offensive had been stripped away or watered down.

Some of the credit goes to the lobbyists representing at least 155 Japanese interests—more than all Canadian and British interests combined. Pat Choate, vice-president of TRW Inc., who is writing a book on the subject, estimates that Washington representatives will receive a staggering $50 million from Japan this year, not counting millions spent for services other than lobbying—for advice, speeches, and background papers. Tokyo has hired some of the biggest names in town. In addition to Lake, these include former Democratic National Chairman Robert S. Strauss, former House Budget Committee Chairman James R. Jones (D-Okla.), and Stanton Anderson, a former White House aide and Deputy Assistant Secretary of State.

Big-league stakes. Much of what Japan's lobbyists do is traditional door opening. For example, when Toyota Motor Corp. wanted U.S. approval for a controversial special trade zone in Kentucky where auto parts could be shipped duty-free, it turned to Republican Party Chairman Frank J. Fahrenkopf Jr., whose law firm has a Toyota contract. Fahrenkopf set up a meeting for Toyota executives with the late Commerce Secretary Malcolm Baldrige. Commerce later approved the zone.

Many of Japan's efforts involve beltway battles that are obscure to the average American but that carry high economic stakes. Senators Strom Thurmond (R-S.C.) and Frank H. Murkowski (R-Alaska) have questioned whether Japanese lobbyists—some of whom enjoy ties with top White House officials—blocked the promotion of Commerce Deputy Undersecretary J. Michael Farren to be undersecretary earlier this year. Farren, with several years of negotiating experience, had been tough on opening up Japan's multibillion-dollar construction market. After he found his promotion blocked, Farren resigned and the two governments quickly settled the dispute.

The Toshiba case is perhaps the single most dramatic example of how Japan deployed its political clout. When Toshiba Corp. faced congressional wrath last year over a subsidiary's illegal sale of high-tech milling equipment to the Soviets, it enlisted Jones, former Representative Michael D. Barnes, GOP power lawyer Leonard Garment, former Deputy Trade Representative William Walker, and a host of others. These lobbyists spoke with then-Defense Secretary Caspar W. Weinberger as well as Secretary of State George Shultz and Commerce's Baldrige to discuss the issue. Toshiba's multi-million-dollar campaign paid off: House-Senate conferees watered down the sanctions in the final trade bill, which, despite President Reagan's veto, will probably be enacted this summer.

Representative John Bryant (D-Tex.) is clear about what happened on Capitol Hill. "Toshiba was able to purchase access to those who were writing the legislation," says Bryant, whose amendment requiring foreign investors to register was deleted from the final trade bill. "They won, but what they did was very offensive." Bryant's outrage rings a bit hollow on Capitol Hill, where deals and compromises brokered with lobbyists are a way of life. But the Japanese have become skilled at bringing pressure from the states on Washington. Toshiba was able to dodge the sanctions largely because its customers throughout the U.S. deluged their congressmen with warnings that a cut-off of Toshiba components would cripple them.

In fact, across the country, state and local political leaders are fighting to defend their Japanese investors. Governors made 36 visits to Japan in a single year, from mid-1986 to mid-1987, according to the National Governors Assn. Mayors, chamber of commerce presidents, and even rotary clubs have been invited on trips to Japan by Japanese companies and foundations.

From Los Angeles to Boston, networks of Japanese organizations are wooing state and regional political leaders. In Illinois, where Mitsubishi Corp. is opening a $650 million auto plant with Chrysler Corp., Mitsubishi executives became a driving force behind the month-long Festival of Japan. Working through the Chicago Japanese Chamber of Commerce and the Japan-America Society, in cooperation with the Japanese consul-general, they raised $1.2 million for the festival. The highlight of the event: a visit by Prime Minister Noboru Takeshita to meet Illinois Governor James R. Thompson and other luminaries.

Local contracts. In the Southeast, Japan's regional effort is assisted by former Georgia Governor George Busbee, a founder of the Japan/U.S. Southeast Assn., which groups top Japanese and Southeastern political and business leaders. When a Washington problem arises, these regional networks are in place to help Japan. Says TRW's Choate: "The Japanese government and Japanese companies are infinitely more effective in lobbying in this town [than U.S. companies]."

Japan's lobbyists have also learned how to exploit Washington turf battles. They lean the positions of the various agencies, knowing that a decision often must reflect a consensus among several departments. For example, the knowledge that Commerce was planning to propose a sanction could be relayed to another agency, such as Treasury, known to oppose the action. "Then they sit back and let the interagency process eat itself up," says a former Commerce trade negotiator.

Within the government, Japan's lobbyists often find they are on favorable ground because the Administration tends to place political or military interests above trade. When Prime Minister Takeshita made his first visit to Washington in January, talks between the U.S. and Japan over opening up Japan's construction market were floundering. The U.S. was threatening retaliation. Takeshita brought a new proposal to resolve the issue, but U.S. trade officials found it inadequate. Nevertheless, the State Dept. was determined to create a positive climate and applauded the Japanese proposal. "The State Dept. tends to lose sight of larger U.S. interests," says Alan Wolff, a former U.S. trade negotiator who now represents American semiconductor manufacturers.

The Defense Dept. has also become an important advocate for Japan within the government becasue of Tokyo's contributions of money and technology to U.S. defense efforts. One key Defense official, James E. Auer, even plans to leave the government in August to set up a center for the study of Japan at Vanderbilt University. At the same time that he has been negotiating with the Japanese government and defense companies on such sensitive issues as the new FSX jet fighter, he has been approaching Japanese companies for funding for his center. Vanderbilt says Auer has won pledges from two Japanese companies. Auer says the grants aren't final yet and that there is nothing inappropriate about his effort.

But such activities exemplify the increasing controversy surrounding Japanese influence-buying. Indeed, some believe the sharp increase in the Japanese presence in the capital could backfire. "The Japanese have far too many lobbyists in Washington," says one senior White House trade official. "They've grossly overdone their presence."

Minority view. For their part, some Japanese officials wonder if they're really getting their money's worth. And Japan's diplomats are also warning of a backlash. "Lobbyists are not interested in Japan but in their own careers," says Taizo Watanabe, the No. 2 official at the Japanese embassy in Washington. "This kind of big spending on lobbyists has adverse effects."

That's a minority view, however. Most Washington observers believe deft representation of Japanese interests has helped prevent resentment of Japan'a trading practices from coalescing into a policy that could hurt Japan. "The defect in Washington is not so much the presence of lobbyists [as] the absence of a coherent American policy," says Wolff. As long as the policy is confused, Japan's lobbyists won't have trouble finding work.

(By Steven J. Dryden and Douglas Harbrecht in Washington.)

THE DAIRY TERMINATION PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 60 minutes.

Mr. JEFFORDS. Mr. Speaker, title I of the Food Security Act of 1985 authorized an innovative new program to address the chronic overproduction problems of the dairy industry—a program that, in the end, fully proved its worth and should be retained as an option should future problems arise.

Commonly known as the whole-herd buyout, this Dairy Termination Program [DTP] successfully eliminated Government-purchased surplus dairy inventories, reduced overall cow numbers and national milk production by 16 billion pounds—milk equivalent—strengthened prices for farmers and reduced taxpayer costs by 50 percent.

In dollars and cents, the program saved taxpayers nearly $6 billion in Government outlays compared to the cost of the existing program and cost $1.4 billion less than the Senate alternative. Moreover, it resulted in $6.6 billion more in farm income nationally for the dairy industry. The income of an average farmer producing 1 million pounds of milk yearly was $60,000 higher than it would have been under the Senate proposal.

In short, the Dairy Termination Program achieved its goal of reducing national milk production in a way that saved money for both taxpayers and farmers. And it accomplished this goal without putting thousands of dairy farmers through the agony of forced liquidation and bankruptcy.

Before the buyout was enacted, congressional conferees charged with finalizing the Food Security Act—the 1985 farm bill that established national agriculture and nutrition policy until 1990—were faced with two very different and competing proposals for the Dairy Program. The House had proposed the DTP along with a new support price formula based on the costs of production and other factors, including productivity gains. The Senate and the administration proposals, on the other hand, contained price support cuts of up to one dollar per year based upon a supply-demand adjuster formula.

In finalizing the farm bill, the conference committee eventually accepted the House's DTP, coupled with the Senate's price cuts based upon the estimated amount of surplus dairy products the Government expected to purchase yearly through its Commodity Credit Corporation [CCC]. However, these price cuts were less strident than those contained in the Senate bill; they were capped at 50 cents per year and limited to 1988, 1989, and 1990.

That the approach finally chosen for the National Dairy Program—specifically, the Dairy Termination Program—has succeeded is reflected in the statistics. Although the DTP was only an 18-month program, the Government expects that it will have saved taxpayers $5.7 billion during the 5-year life of the 1985 farm bill (1986-90). The Government's dairy program costs were cut by 50 percent between 1986 and 1987 and, for the first time in this decade, are expected to decrease during the remaining life of the farm bill.

The Dairy Termination Program also proved to be $1.4 billion cheaper than the costs that would have been incurred under the Senate price-cut proposal. And, most importantly, it reduced taxpayer costs below what they would have been under the Senate proposal without a devastating effect on farmers' income. During the life of the 1985 farm bill, dairy farm income nationally is expected to be $6.6 billion higher than it would have been under the Senate bill. And this higher income is coming from the marketplace, not the Government.

Given its proven success, this supply management program should be retained as an option to correct future overproduction problems—and certainly retained for the life of the current farm bill. With the advent of new technologies such as bovine Somatotropin [bST] that likely will boost per cow milk production dramatically, it is critical that the U.S. Department of Agriculture and Congress use successful supply management programs, such as the DTP, to rectify supply-demand imbalances before those imbalances get out of control and result in unmanageable and costly Government purchases.

Rapid productivity increases that are likely to occur with bST and other new techniques are almost certain to render support price cuts an ineffective tool for addressing production increases in a timely and acceptable manner. Moreover, continuous price cuts affecting the dairy industry could prevent farmers from realizing any benefit from bST, since increased productivity would immediately be offset by lower milk prices.

A supply management program such as the DTP would be far more effective than price cuts in addressing overproduction problems. In this report, however, the following modifications are recommended for any future buyout programs, either before 1990 or afterwards, under a new national farm bill:

First, future buyouts should be structured to remove herds only in those areas that are overproducing.

Second, consideration should be given to a buyout under which the USDA would set a bid price to prevent the unfairness created by the past program, where accepted bids ranged from $3.50 per hundredweight to $22.50 per hundredweight.

Third, a heifer buyout should be studied as an option for achieving small reductions of up to 1 billion pounds of production.

Fourth, exports of dairy cattle under the Export Enhancement Program, which was established in the 1985 farm bill, should be encouraged in conjunction with any buyout program. Every effort should be made to alert dairy cattle exporters and cooperators in advance of a buyout so that the export potential can be maximized.

Fifth, beef producers, feedlot operators, and the futures markets should be made well aware of provisions in the program that protect the beef industry from buyout beef from entering the market.

Sixth an alternative to hot face branding should be used in the future to identify cattle that have been contracted for export or slaughter.

In addition to these recommendations, changes should be made to the Government's authority to implement price cuts and to the level of Government purchases at which such cuts are "triggered."

USDA's authority to implement further price cuts under the 1985 farm bill should be made discretionary, not mandatory, as under current law, so that the Secretary can consider whether sufficient supplies of Government-purchased dairy products are available for nutrition program donations before cutting the support price. In addition, authority should be granted to raise the price support in accordance with increases in the cost of production.

The trigger level of Government purchases at which these price cuts occur also should be raised from 5 to 7 billion pounds, as was originally recommended by the House when the 1985 farm bill was considered. This increased trigger level would prevent a reduction in the dairy industry's capacity to produce milk below the level needed to supply the commercial markets and the Government-supported feeding programs.

In order to assess the effectiveness of the DTP, it is useful to provide some background on the operation of the dairy price support program. The term "surplus," when referring to the dairy program, can be very misleading. One billion pounds of surplus is equivalent to about 3 days of national consumption. Press reports of dairy surpluses conjure up images of millions of tons of unneeded product rotting in Government warehouses or in Government storage caves. Although such surpluses did exist in the early 1980's, that is no longer the case. What many people fail to realize is that the dairy program is designed to operate at a surplus level. When such is the case, the school lunch program and numerous other nutrition programs benefit with needed milk and milk products. Primarily, however, Government surplus purchases provide a balancing wheel effect during short periods. The DTP brought CCC purchases back down to the level necessary to serve its primary function while also providing reasonable supplies for the food and nutrition programs.

[Tables and charts not reproducible in RECORD.]

Tables 1 and 2 break down CCC dairy product bonus donations by category. As these tables show, the Dairy Program subsidizes numerous nutrition programs with no net reimbursement from the Treasury. Approximately 3.5 billion pounds—milk equivalent of cheese, butter, and nonfat dry milk—of milk, valued at about $37 million, is used in just two of these programs: school lunch and elderly nutrition. Since these are protected programs under Gramm-Rudman, Congress would most likely require USDA to purchase these milk products on the open market, at substantially higher cost, if CCC stocks were not available.

In addition to these programs, additional commodity surpluses are provided to other domestic feeding programs, the Public Law 480 Food-for-Peace Program for less developed countries, and the Temporary Emergency Food Assistance Program [TEFAP] for the poor and the homeless. Without the dairy surplus, the commodities provided to these programs would not be available or, again, they would need to be purchased on the open market at higher cost.

At a hearing on October 21, 1987, Assistant Secretary for Food and Consumer Services John Bode announced that some TEFAP distributions would be discontinued on May 1, 1988. Although some modifications have been made to this proposal, distribution of the most important TEFAP commodity, cheese, stopped on May 1. Numerous press articles have described the situation and legislation pending in Congress would provide $140 million for the purchase of cheese on the open market.

Table 3 shows how quickly dairy stocks have been depleted under the 1985 farm bill. From a high of over 2.7 billion pounds of uncommitted stocks in fiscal year 1983, supplies have dropped steadily to their 1987 level of about 250 million pounds. USDA estimates no uncommitted inventories at the end of 1988. This means that dairy products are available to balance short and flush periods.

In addition to providing needed products for the poor, the Dairy Purchase Program stabilizes consumer prices by providing a balancing wheel to even out supplies between the spring "flush period" and the fall "dry period." Unfortunately, cows do not produce at the same level at all times. Production increases dramatically when most cows freshen—have a calf—in the spring. Butter, cheese, and nonfat dry milk are purchased by the Government during the flush period and distributed throughout the year to the nutrition programs or sold back into the market when supplies are tight in the fall. In addition to preventing shortages in the fall, this balancing wheel tends to keep farm income and consumer prices stable. The program's balancing function helps ensure that consumers have an adequate supply of dairy products throughout the year and that producers are protected from price reductions in the spring. This balancing function is the primary reason that the Federal Government became involved in the Dairy Program in the 1930's.

An examination of the events of the mid-1970's illustrates the importance of the dairy program in protecting consumers from rapid price fluctuations. In a misguided effort to cut inflation, the Nixon administration cut support prices drastically just as feed prices were escalating. As producers were forced out of business, supplies tightened and consumer prices shot up by 45 percent. Reacting to potential shortages of dairy products, the administration relaxed import restrictions. Imports surged while American dairy farm income, which had been rising, fell sharply. When domestic supply and demand finally came back into balance, consumer prices never dropped back to their previous levels, even though farm prices stayed low.

The exact size of the effective surplus level—net CCC purchases—is a matter of debate. The farm bill approved by the House in 1985 (H.R. 2100) contained a 7.5 billion pound acceptable CCC purchase level, over which the Secretary was required to reduce the support price within a certain discretionary range provided in the bill. However, under pressure from the administration and the Senate, the conference committee agreed to the Senate's 5 billion pound level. It is clear that a 5 billion pound CCC purchase level is not sufficient to supply the level of dairy products used in traditional feeding programs and provide adequate supplies for distribution under the TEFAP Program, yet this level is used in the 1985 farm bill as the trigger point for potential price support cuts on January 1, 1989 and January 1, 1990.

As grain prices fell throughout 1983, it became clear that milk prices set under the 1981 farm bill were too high. Government purchases rose sharply in both 1982 and 1983 because supports were kept at $13.10 even though the cost of feed fell sharply. The temporary 50 cent assessment established in 1981, while cutting program costs, did nothing to discourage production because the underlying support price remained in place and grain prices continued to fall.

Dairy program costs reached an all-time high of $2.5 billion in fiscal year 1983. CCC stocks also reached their high water mark of 16.6 billion pounds milk equivalent in that year. A record high 12 percent of all milk production was purchased by CCC in fiscal year 1983 (see table 4). Short-term corrections were desperately needed as the press highlighted growing stockpiles of dairy products rotting in government warehouses which eroded taxpayer confidence in the dairy program.

The 1983 Dairy and Tobacco Adjustment Act instituted a temporary, farmer-financed diversion program coupled with a phased reduction in support prices. This short-term program reduced costs and surplus purchases, but reductions were only temporary since it did not address the root cause of the problem: cow numbers.

With a program length of only 15 months, no farmer participating in the diversion program had the incentive to reduce herd size. Farmers instead reduced production primarily by reducing feed and using more milk on the farm. As a result, both cow numbers and production per cow escalated as farmers bred heifers to freshen at the end of the program and also increased feeding (see appendix B).

One bright spot in the otherwise gloomy surplus picture, however, was an unexpected growth in consumption. An industry-financed promotion program, authorized in the 1983 bill, demographics and shifts in consumer tastes combined to push annual consumption growth over 3 percent, where it remained through 1987. But consumption increases were barely enough to cover the growth in production per cow, and with cow numbers rising, it became clear that the 1985 farm bill would require fundamental program changes.

The administration and Senate proposals called for price cuts based upon a supply demand adjuster. If net CCC removals were projected to be above 10 billion pounds, the Secretary was required to cut support prices $1. A 50-cent cut would be mandatory if purchases were to be above 5 billion pounds. Since estimates of CCC purchases under the Senate bill were estimated at over 10 billion pounds milk equivalent from 1985–88, support prices would have been cut in all probability to $10.60 on January 1, 1987, or $9.60 on January 1, 1988, and $8.60 on January 1, 1989, see estimates in appendix A.

The House bill sought to get at the underlying cause of the problem: cow numbers. Requiring the slaughter or export of entire herds removed the capacity of the industry to produce more milk, overcoming the key problem that plagued the diversion program. Moreover, the DTP would be more effective at reducing the national surplus than a program of rapid price support cuts.

Under the price cut scenario, farmers forced out of business by price cuts would put their cows up for auction, and remaining farmers squeezed by lower farm income would buy these cows in order to boost income. Thus in the short run, without the DTP, production would remain stable or temporarily increase even though many farmers would go out of business. Since the price cuts contained in the Senate bill would not have adequately reduced CCC purchases for at least 2 years, the industry shakeout would have been drawn out and painful. Under the DTP, the painfil industry realignment that would have taken several years was accomplished in 18 months. Fewer farmers were forced to leave the industry, and those that chose to quit dairying were allowed to leave with dignity.

A beef purchase program, funded by the assessment on dairy farmers, was used to eliminate negative impacts of buyout cattle entering the market all at once. USDA was required to purchase enough additional red meat to ensure that no additional product was offered in the market. A national beef promotion program was also authorized in the House bill to assist beef producers by stimulating consumption. As a major factor in the beef market, the dairy industry will contribute significantly to this promotion effort.

The House bill provided for an assessment to cover the entire cost of the buyout program, including payments to participating producers and money for the red meat purchase program. Since cow numbers would be significantly reduced, the House bill did not call for further support price cuts below the $11.60 level in effect in 1985. Support prices had already been reduced from $13.49 to $11.60 between October, 1982 and October, 1985.

In conference with the Senate, a compromise was reached. The Senate agreed to accept the DTP in exchange for built-in price cuts triggered by a supply-demand adjuster. The program cost would be split between dairy producers, through an assessment, and the Federal Government. The Secretary would be required to implement the DTP and would have standby authority to use future buyouts or diversion programs as alternatives to further cuts in the support price. Significantly, the House 7.5 billion pound trigger was abandoned in favor of the Senate's 5 billion pound trigger for future price cuts or supply management programs.

Conferees originally settled on a 50-cent assessment to cover the cost of the DTP. This was later reduced to 40 cents in anticipation of further assessments due to a possible Gramm-Rudman sequestration. The 40-cent assessment was in effect from April 1, 1986, through December 31, 1986, while an additional Gramm-Rudman assessment of 12 cents lasted from March 1 until September 30, 1986. A 25-cent assessment followed from January 1, 1987, through September 30, 1987. Dairy farmers contributed a total of $670 million in assessments to fund the buyout program, over one-third of its $1.7 billion cost.

Table 5 compares the cost of the Dairy Termination Program vis-a-vis the 1985 baseline and the Senate proposal. Over the 5-year life of the program, the DTP is projected to cost $1.4 billion less than the Senate proposal and $5.7 billion less than the cost estimate for the existing program. At the same time, milk prices for those farmers choosing to remain in dairying will average $1.19 higher than they would have under the Senate plan (see appendix A). Cow numbers would have been significantly higher, and Government purchases would average 5 billion pounds a year higher than under the DTP.

USDA announced regulations governing the DTP in January, 1986. A 25-day signup period, from February 10 to March 7, provided farmers with an opportunity to meet with their accountants and county extension agents to decide whether or not to participate in the program. On March 28, 1986 USDA notified farmers that all bids of $22.50 per hundredweight or less would be accepted into the program. A farmer's production base was calculated as the average annual production over the previous 3 years. Once accepted, a farmer was under a binding contract to participate in the program. Farmers accepted into the program could elect to receive payment in a lump sum, over 3 years or over the entire 5-year contract period.

During the 18-month period ending September 30, 1987, USDA contracted for the slaughter or export of approximately 1.5 million cows, calves and heifers from 14,000 dairy farms. Although the program was designed to remove 12 billion pounds of production, recent estimates put that number closer to 16 billion pounds of production removed during the 18-month period.

Under the DTP contract, farmers are not allowed to use their farm for any commercial milk production for 5 years. Beef or other farming operations are allowed, as long as no milk is produced on the premises for commercial use. There have been concerns raised about leased facilities or facilities that have been foreclosed upon being resold and resuming commercial milk production. The Farmers Home Administration has agreed to include a covenant on deeds of foreclosed DTP farms that are resold from its inventories that clearly states that dairy production during the contract period is not allowed. The House Subcommittee on Livestock, Dairy and Poultry is currently exploring alternatives to ensure that the intent of the 1985 farm bill is not circumvented on properties held by the Farm Credit System and commercial banks. Future DTP programs should contain provisions to require that financial institutions or lessors consent to program participation.

The USDA regulation that required hot face branding of dairy cattle created considerable controversy. Responding to pressure from dairy farmers, animal rights groups and Congress, USDA changed this requirement to allow freeze branding on the face of animals in the program.

The Dairy Termination Program was designed to bring production under control without causing mass dislocation in the dairy industry. This orderly reduction of the dairy industy's capacity to produce milk was accomplished while keeping dairy product prices below the Consumer Price Index for all food items, in contrast to the experience of the 1970's.

The cost of the dairy program dropped from $2.3 billion in fiscal year 1986 to $1.2 billion in fiscal year 1987. Even more significant, however, are the USDA projections of dairy program costs in future years. For the first time in more than a decade, program costs are not projected to increase in the out years. In fact, costs will hold steady at around $1.2 billion in fiscal year 1988 and drop in fiscal year 1989 (see table 6). As explained earlier, this cost is not a windfall or subsidy to farmers. Instead, it represents the value of Government-purchased dairy products for TEFAP and other nutrition programs. The bottom line is that the dairy program subsidizes food and nutrition programs by over one billion dollars per year.

Government purchases have been reduced from a high of 16.6 billion pounds in fiscal year 1983 to 5.4 billion pounds in fiscal year 1987. This low purchase level allowed USDA to clear out all uncommitted inventories that have accumulated from previous years (see table 3). USDA estimates that all dairy products purchased in 1988 will be used in one of the various commodity distribution programs.

Despite the virtual elimination of surplus dairy production, consumer prices remained well below the Consumer Price Index for food and nonfood items (see figure 1). This is in marked contrast to Government policies in the 1970's, when support prices were reduced too quickly, causing disorder in the industry and sharp increases in consumer prices.

A May 1988 report by the General Accounting Office [GAO] called into question the effectiveness of the DTP, entitled "Dairy Termination Program: A Perspective on Its Participants and Milk Production," it concluded that although the DTP temporarily leveled off production, it did not effectively correct supply-demand imbalances. The study further concludes that 26 percent would have left dairying without the program.

Several points should be made in connection with this report. First, although the industry has increased production above prebuyout levels, reduced Government purchase levels in 1986 and 1987 allowed USDA to clear out all uncommitted inventories. As discussed earlier, surplus production has been eliminated since all dairy products currently produced is dedicated to established nutrition programs.

Second, the GAO report did not discuss the alternatives facing Congress. The Senate bill, which was the alternative, would have cost about $1.4 billion more than the DTP and produced massive surpluses between 1986 and 1988 (see appendix A). The DTP removed surplus production and inventories in less than 2 years; the Senate bill would have taken 4 years and cost over a billion dollars more.

Third, the GAO report contains the results of a survery of buyout participants showing that 26 percent would have left dairying even without the buyout. However, GAO does not mention what would have happened to their cows. These farmers would have sold them to neighboring farmers, having little effect on overall production. In contrast, the DTP removed them from the national milking herd permanently. In addition, the program was designed to help those choosing to leave the dairy business by preventing them from having to go through bankruptcy.

GAO plans to complete a follow-up report to study the costs and benefits of the DTP. This report should confirm the true benefits of the DTP: higher farm income, lower Government purchases and costs, fewer bankruptcies and foreclosures, and milk prices to consumers that remain below the Consumer Price Index for food and nonfood items.

As discussed earlier, the DTP cut the taxpayer cost of the dairy program in half and cost $1.4 billion less than the Senate/administration proposal over the 5-year life of the 1985 farm bill.

The DTP removed milk from a glutted commercial market immediately. The resulting tight supply situation caused the Minnesota-Wisconsin price, upon which farm prices and commercial prices are based, to rise above the Federal minimum support price. This situation provided strong prices to farmers in commercial markets and boosted farm income in 1987 to its highest level since 1982.

Under the Senate-administration bill, the supply-demand correction achieved in 15 months under the buyout program would have taken about 4 years. During those 4 years, continued overproduction and weak markets would push prices down to the support price, which would have been cut each year from 1987–90. From 1986–89, the all milk price received by the farmer would have dropped $2.89 under the Senate bill, compared to $.98 under the DTP bill (see appendix A).

House Agriculture Committee economists estimate that the combination of tight markets and higher prices under the 1985 farm bill provided dairy farmers with $6.6 billion more than the Senate bill during the life of the farm bill (see table 7). For an average family farm producing 1 million pounds of milk annually, this means almost $60,000 more income during the life of the farm bill. Significantly, this higher income comes from the commercial marketplace, not the Federal Government.

As was mentioned previously, the 1985 farm bill included strong measures to protect beef producers from downward pressure on beef prices due to the DTP. USDA was required to purchase and remove from the market excess beef attributed to the DTP. This purchase program was announced to the industry at the time the bill passed and as USDA issued regulations for implementing the DTP. Unfortunately, this informtion did not reach beef producers, feed lot owners or the futures market.

The beef purchase program removed 400 million pounds of red meat from the market, which represented all cows removed from production under the DTP. An additional benefit to beef producers resulted from this program since about 65,000 head of cattle were exported, not slaughtered, under the DTP. Due to these exports, USDA bought roughly 16 million pounds of red meat above what was attributable to the DTP.

Despite these facts, and despite the steps Congress took to protect the beef industry, beef prices dropped substantially in early 1986. Beef producers maintained that the DTP was solely responsible for this price decline and sought compensation from Congress for their losses during this period.

A study by the General Accounting Office, released in November 1987, concluded that low consumption and weaker than anticipated beef markets, combined with unwarranted concerns about the DTP, caused an overreaction in the futures markets that drove the beef price decline. It also concluded that better communication between USDA and the Commodity Futures Trading Commission could have helped reduce market disruption. Another study by the Congressional Research Service—86–160 ENR—reached many of the same conclusions. Some Members of Congress also observed that the beef industry should have better informed the markets about the provisions to protect the beef industry, particularly since industry representatives helped draft these portions of the legislation.

As figure 2 indicates, beef prices were lower in 1985, before the DTP, than at any time during or after the DTP. The present outlook for the beef industry remains very favorable, although the 1988 drought has added new complications to the picture. The DTP deserves some of the credit for this optimistic long-range outlook for the beef industry. Some 1.2 million dairy cattle that would have otherwise been competing in beef markets during the life of the farm bill have been removed. One Congressman with beef interests noted:

> I'll have to admit that I'm better off than I was prior to the Dairy Termination Program—warts and all.

The Export Enhancement Program for dairy cattle was authorized in the 1985 farm bill. Originally designed to counter European Community agricultural export subsidies for commodities, it was expanded to dairy cattle. This provided dairy farmers participating in the buyout with an alternative to slaughtering their cows. It was intended to provide additional income for DTP participants, alleviate pressure on the beef markets and provide poorer countries with productive dairy cows to help meet domestic nutritional needs.

Approximately 65,000 head of DTP cattle were exported instead of slaughtered. These cows would have produced about 750 million pounds of milk per year. Unfortunately, the EEP was not used in conjunction with the buyout. Use of the EEP could have boosted cow exports considerably higher than the 65,000 exported through normal channels without the use of EEP bonuses. In any subsequent buyout, every effort should be made by USDA to encourage DTP participants to make use of the Export Enhancement Program. USDA should also expand the EEP to Mexico and other nations where the United States has a geographical advantage over the EEC and other exporting nations.

A productive dairy animal is worth considerably more in the export market than it is at the slaughterhouse. During the DTP, farmers who sold animals for export were able to boost their income above the slaughter price.

An export program also benefits the beef industry by permanently removing beef from the American market. The 65,000 head exported in conjunction with the buyout removed 21 million pounds of beef from the American market. More aggressive use of the EEP in future buyouts could boost export numbers and help allay beef industry concerns about beef prices.

Finally, during implementation of the DTP, concerns were raised about the possibility of exports to Canada being reimported to the United States circumventing the intent of the DTP. USDA closely monitored the DTP for these types of abuses and reported that swapping was not a problem. However, under a more aggressive export program, it would be important to put safeguards in place to guard against reimportation.

As originally drafted in the House Agriculture Committee, the DTP contained a provision allowing the Secretary of Agriculture to consider regional demand and supply when accepting bids. This would have helped address major regional differences in surplus production, since most surplus production and sales to the CCC are concentrated in certain geographic regions of the country. The regional buyout provision was dropped as a compromise with representatives of milk deficit regions that would have been prevented from fully participating in the program.

Thus, a major problem with the implementation of the DTP concerns its impact on regional production. As the program was designed by USDA, all bids above the selected level of $22.50 per hundred pounds of base were accepted, regardless of herd size or location. As appendix C, table C-1 illustrates, some regions of the country lost a higher percentage of cows than others.

Some regions of the country that had achieved a reasonable balance prior to the DTP are now experiencing tight milk supplies. Some of the regions that had the highest DTP participation rates also had low sales to CCC and high class I utilization. At the same time, regions like the Pacific continue to increase production and sell large quantities of surplus product to the CCC (see appendix C, table C-2). One unintended impact of the DTP was an uneven reduction in production capacity throughout the country that allowed certain regions to quickly boost production to pre-DTP levels even though they are selling to the Government. It was particularly troublesome that cow numbers in the surplus Pacific region were reduced only 2.7 percent while the deficit Mississippi region saw cow numbers drop by 17.2 percent.

First, the DTP successfully reduced both CCC purchases and program costs while preserving farm income. By allowing farmers who chose to go out of business some time for transition, it also substantially reduced the number of bankruptcies. The buyout should be retained as an option for keeping overproduction in check.

Second, technological changes in the dairy industry will inexorably result in rapid increases in output per cow. Bovine somatotropin [bST], embryo sexing, pest control and numerous other technologies hold the potential for increasing productivity in an industry that is already among the most productive in the world, according to the Bureau of Labor Statistics. Consumption will not keep pace with these increases in output and surplus purchases are likely to grow.

Third, these rapid productivity increases will make price cuts a counterproductive method of balancing supply and demand. Dairy producers will end up realizing little or no economic benefit from the productivity improvements because farm prices will fall to offset the production increases. Economic hardship for farmers will result, particularly small family farmers slow to implement productivity improvements.

Fourth, the trigger level for the 1989 and 1990 price cuts should be raised to 7.5 billion pounds, as recommended by the House in 1985. This would prevent a short run reduction in the dairy industry's capacity to produce milk below the level needed to supply the commercial markets and feeding programs. The 1989 and 1990 price cuts should be at the discretion of the Secretary, not mandatory as under current law, to allow the Secretary to consider whether sufficient supplies will be available before cutting the support price. The Secretary should be given authority to increase support price levels to match increases in the cost of production.

Fifth, the following modifications to the original DTP should be made to improve implementation of a followup DTP:

Regional differences in production should be taken into account when USDA decides which bids to accept into the program. Those regions that have been rapidly increasing production, combined with growing sales to CCC, should logically more productive capacity under future buyout programs.

Another modification that should be considered is a suggested bid price. USDA could set a suggested bid price and invite farmers to participate in the program at that price, although higher and lower bids would be allowed. In oversubscribed areas, bids could be accepted at lower prices and then by lottery drawing. This system would eliminate inequities in producer payments that occurred under the original DTP. It would also allow USDA to more accurately project program costs before taking bids and would facilitate analysis of the budgetary impacts of avoided surplus purchases versus a DTP.

Another option that should be studied is a heifer buyout program to achieve smaller reductions in production at lower cost than an entire herd buyout program. This might be more attractive for reductions of less than 1 billion pounds.

The export potential was not used effectively during the DTP. The Export Enhancement Program should be geared up prior to the commencement of the DTP in order to make better use of this option. The beef purchase program costs could be reduced while DTP participant income is increased under an aggressive export program.

Every effort should be made to make beef producers, feed lot operators, and the futures industry understand that the beef purchase component of the program will prevent additional beef from entering the market. In fact, in the long run, beef producers will benefit from fewer dairy cows entering the market.

Efforts should be made to find an acceptable substitute for face branding.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. UPTON) to revise and extend their remarks and include extraneous material:)

Mr. BATEMAN, for 5 minutes, today.

Mr. DORNAN of California, for 60 minutes, on August 2, 3, and 10.

(The following Members (at the request of Mr. OWENS of New York) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. MACKAY, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, on July 26, 28, and August 1.

Mr. WALGREN, for 60 minutes, on July 26.

(The following Member (at the request of Mrs. BENTLEY) to revise and extend his remarks and include extraneous material:)

Mr. BRYANT, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. UPTON) and to include extraneous matter:)

Mr. LIGHTFOOT.

Mr. RITTER in three instances.

Mr. BUECHNER.

Mr. CONTE.

Mr. CLINGER.

Mr. SOLOMON.

Mr. MCDADE.

Mr. HORTON.

Mr. HYDE.

Mr. JEFFORDS.

Mr. YOUNG of Alaska.

Mr. COUGHLIN.

Mr. BEREUTER.

Mr. DANNEMEYER.

Mr. GILMAN in two instances.

Mr. FAWELL.

Mr. BURTON of Indiana.

Mr. MICHEL.

Mr. DAVIS of Illinois.

Mr. BOEHLERT.

Mr. ARMEY.

Mr. WELDON.

Mr. LUJAN.

Mrs. MORELLA.

Mr. WEBER.

(The following Members (at the request of Mr. OWENS of New York) and to include extraneous matter:)

Mr. WYDEN.
Mr. SKELTON.
Mr. STARK.
Mr. FAZIO.
Mr. RODINO in the two instances.
Mr. MONTGOMERY.
Mr. MURTHA.
Mrs. COLLINS.
Mr. LIPINSKI.
Mr. ATKINS.
Mrs. SCHROEDER.
Mr. RODINO.
Mr. SCHUMER.
Mrs. BOXER.
Mr. TORRES.
Mr. MAZZOLI.
Mr. HAMILTON.
Mr. SOLARZ.
Mr. HERTEL.
Mr. SLATTERY.
Mr. MARKEY.
Mr. MORRISON of Connecticut.
Mr. MANTON.
Mr. FLORIO.
Mr. TRAFICANT.
Mr. BATES.
Mr. WOLPE.
Mr. ECKART.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2344. An act to provide for the reauthorization of appropriations for the Office of Government Ethics, and for other purposes; jointly, to the Committees on the Judiciary and Post Office and Civil Service.

ADJOURNMENT

Mrs. BENTLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 36 minutes p.m.), the House adjourned until tomorrow, Thursday, July 14, 1988, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3993. A letter from the Director, Administration and Management, Office of the Secretary of Defense, transmitting a report on real and personal property of the Department as of September 30, 1987, pursuant to 10 U.S.C. 2701(b); to the Committee on Armed Services.

3994. A letter from the Administrator, Agency for International Development, transmitting the Agency's determination that it is in the national interest to continue to support the American Institute for Free Labor Development Programs in Panama, pursuant to 22 U.S.C. 2151u(e); to the Committee on Foreign Affairs.

3995. A letter from the Director of Administration and Management, Department of Defense, transmitting notice of a proposed new Federal records system submitted by the Defense Communications Agency, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3996. A letter from the Executive Secretary, Federal Deposit Insurance Corporation, transmitting notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3997. A letter from the Executive secretary, Federal Deposit Insurance Corporation, transmitting notice of an altered Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3998. A letter from the Secretary of Health and Human Services, transmitting the 12th annual report on the Child Support Enforcement Program, for the period ending September 30, 1987, pursuant to 42 U.S.C. 652(a)(10); to the Committee on Ways and Means.

3999. A letter from the Acting Under Secretary, International Affairs and Commodity Programs, Department of Agriculture, transmitting the fourth quarterly commodity and country allocation table showing current programing plans for food assistance for fiscal year 1988, pursuant to 7 U.S.C. 1736b(a); jointly, to the Committees on Agriculture and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operation. H.R. 4054. A bill to amend the Inspector General Act of 1978 to establish offices of inspector general in certain departments, and for other purposes; with an amendment (Rept. 100-771). Referred to the Committee of the Whole House on the State of the Union.

Mr. McCLOSKEY: Committee on Post Office and Civil Service. H.R. 4478. A bill to amend title 39 of the United States Code to designate as nonmailable matter solicitations for the purchase of products or services which are provided either free of charge or at a lower price by the Federal Government and solicitations which are offered in terms implying any Federal Government connection or endorsement unless such matter contains conspicuous notice that the products or services offered are provided free of charge by the Federal Government or that the Federal Government does not endorse the products or services offered, and for other purposes; with amendments (Rept. 100-772, Pt. 1). Ordered to be printed.

Mr. FASCELL: Committee on Foreign Affairs. House Resolution 473. Resolution directing the President to provide certain documents to the House of Representatives concerning the assistance for Central America provided for in Public Law 100-276, approved April 1, 1988 (Adverse Rept. 100-773). Referred to the House Calendar.

Mr. DINGELL: Committee on Energy and Commerce. Senate Concurrent Resolution 95. Concurrent resolution to express the sense of the Congress with respect to the denial of health insurance coverage for disabled adopted children (Rept. 100-774). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

H.R. 4338. Referred to the Committee on Rules for a period ending not later than August 5, 1988 for consideration of such provisions of the amendment recommended by the Committee on Merchant Marine and Fisheries printed on page 16, lines 10 through 25 as fall within the jurisdiction of the Committee on Rules pursuant to clause 1(q), rule X.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WHITTEN:

H.R. 5026. A bill making dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes; to the Committee on Appropriations.

H.R. 5027. A bill making emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes; to the Committee on Appropriations.

By Mr. NIELSON of Utah:

H.R. 5028. A bill to increase the amounts authorized for the Colorado River storage project, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

H.R. 5029. A bill to increase the amounts authorized to be appropriated for the Colorado River storage project, to settle Ute Indian water rights, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ATKINS (for himself, Mr. JEFFORDS, and Mr. ANDREWS):

H.R. 5030. A bill to require the Secretary of Education to make grants to assist in the establishment and improvement of programs in elementary and secondary schools in the United States to use volunteers and to establish a national center for leadership in school volunteer and partnership programs; to the Committee on Education and Labor.

By Mr. BATES (for himself, Mr. DIOGUARDI, Mrs. BENTLEY, Mr. FRANK, Mr. FLAKE, Mr. LAGOMARSINO, Mr. GREEN, Mr. PACKARD, Mr. HUNTER, Mr. CRANE, Mr. DYMALLY and Mr. MRAZEK):

H.R. 5031. A bill to amend the Rural Electrification Act of 1936; to the Committee on Agriculture.

By Mr. BOEHLERT (for himself and Mr. STOKES):

H.R. 5032. A bill to amend the Clean Air Act to better control sources of acid deposition, to assist States with the costs of controlling such sources, and for other purposes; jointly, to the Committees on Energy and Commerce and Science, Space and Technology.

By Mrs. BOXER (for herself, Mr. LEVINE of California, Mr. STUDDS, Mr. MARKEY, Mr. BROWN of California, Mr. WEISS, Mr. BLAZ, and Mr. LIPINSKI):

H.R. 5033. A bill to amend the Motor Vehicle Information and Cost Savings Act to improve consumer information and fuel efficiency with respect to passenger automobiles, light trucks, and tires, to amend the Internal Revenue Code of 1986 to impose a tax on noncomplying manufacturers—in lieu of the penalty—and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. BUECHNER (for himself, Mr. Roe, and Mr. Houghton):

H.R. 5034. A bill to provide for the grant of permanent resident alien status to certain nurses granted visas under the Immigration and Nationality Act, and for other purposes; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. COYNE (for himself and Mr. Schultze):

H.R. 5035. A bill to authorize States to validate former taxes in certain cases; to the Committee on Ways and Means.

By Mr. GEJDENSON (for himself, Mr. Evans, and Mr. Jontz):

H.R. 5036. A bill to direct the Chief Medical Director of the Veterans' Administration to develop standard criteria for the treatment and diagnosis of post-traumatic-stress disorder [PTSD] and the training of those who counsel and treat the victims of PTSD, establish PTSD treatment teams at Veterans' Administration medical centers, and hire additional personnel to treat victims of PTSD; to the Committee on Veterans' Affairs.

By Mr. MAZZOLI (for himself, Mr. Frank, Mr. Schumer, Mr. Morrison of Connecticut, Mr. Berman, Mr. Bryant, Mr. Swindall, Mr. Fish, Mr. McCollum, and Mr. Slaughter of Viginia):

H.R. 5037. A bill to amend the Immigration and Nationality Act to extend for 2 years the authorization of appropriations for refugee asisstance, and for other purposes; to the Committee on the Judiciary.

By Mr. MOLLOHAN (for himself, Mr. Rahall, Mr. Staggers, and Mr. Wise):

H.R. 5038. A bill providing emergency advances to the black lung disability trust fund and for Trade Adjustment Assistance for the fiscal year ending September 30, 1988; jointly, to the Committees on Appropriations and Ways and Means.

By Mr. MONTGOMERY (for himself and Mr. Solomon) (both by request):

H.R. 5039. A bill to amend title 38, United States Code, to provide for judicial review of rulemaking by the Veterans' Administration, to provide for the payment of reasonable fees to attorneys, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. UDALL:

H.R. 5040. A bill to establish a standard nuclear reactor program to develop an inherently safe and economic nuclear reactor, and for other purposes; jointly, to the Committees on Interior and Insular Affairs; Energy and Commerce; and Science, Space, and Technology.

By Mr. WOLPE (for himself, Mr. Bonker, Mr. Lent, Mr. Quillen, Mr. Anderson, Mr. Fields, and Mr. Torricelli):

H.R. 5041. A bill to amend the Export Administration Act of 1979 to restrict the export of certain petroleum products from certain oil refineries; to the Committee on Foreign Affairs.

By Mr. LIGHTFOOT (for himself, Mr. Hatcher, Mr. Robert F. Smith, Mr. Stenholm, Mr. Johnson of South Dakota, Mr. de la Garza, Mr. Roth, Mr. Evans, Mr. Panetta, Mr. Sundquist, Mr. McEwen, Mrs. Lloyd, Mr. Schuette, Mr. Tauke, Mr. Bruce, Mr. Weber, Mr. Jones of North Carolina, Mr. Lagomarsino, Mr. Campbell, Mr. Volkmer, Mr. Solomon, Mr. Tallon, Mr. Leach of Iowa, Mr. Coleman of Missouri, Mr. Gunderson, Ms. Kaptur, Mr. Roe, Mr. Rose, Mr. Grandy, Mr. Espy, Mr. Roberts, Mr. Emerson, Mr. Bevill, Mrs. Martin of Illinois, and Mr. Horton):

H.J. Res. 610. Joint resolution designating the week of November 6 through 12, 1988, as "National Farm Broadcasters Week"; to the Committee on Post Office and Civil Service.

By Mr. FOLEY:

H. Con. Res. 335. Concurrent resolution providing for a conditional adjournment of the Congress; considered and agreed to.

By Mr. ATKINS:

H. Con. Res. 336. Concurrent resolution expressing the sense of the Congress concerning His Majesty King Bhumibol Adulyadej of Thailand; to the Committee on Foreign Affairs.

By Mr. McCANDLESS:

H. Con. Res. 337. Concurrent resolution expressing the sense of the Congress that the United States Government should not make reparations on account of the Iranian air disaster before the American hostages being held in Beirut, Lebanon, are released; to the Committee on Foreign Affairs.

By Mr. GEPHARDT:

H. Res. 496. Resolution electing Representative Payne to the Committee on Public Works and Transportation; considered and agreed to.

By Mr. BONIOR of Michigan (for himself and Mr. Edwards of Oklahoma):

H. Res. 497. Resolution condemning the Government of Nicaragua's antidemocratic actions, calling for compliance with the Esquipulas II and Sapoa accords, and urging both sides to the Nicaraguan conflict to return to negotiations; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

437. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to emergency preparedness at commercial nuclear powerplants; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 81: Mr. Hall of Ohio.

H.R. 123: Mr. Dowdy of Mississippi.

H.R. 778: Mr. Flippo.

H.R. 1028: Mr. Holloway, Mr. Schulze, Mr. Roe, Mr. Baker, Mr. Hamilton, Mr. Smith of New Jersey, Mr. Emerson, Mr. Robinson, Mr. Bennett, Mr. Darden, Mr. Applegate, Mr. Smith of Florida, Mr. Ballenger, and Mr. Upton.

H.R. 1213: Mr. Schuette and Mr. Fawell.

H.R. 1395: Mr. Tallon.

H.R. 1503: Mr. Holloway.

H.R. 1892: Mr. Schuette.

H.R. 1990: Mr. Borski.

H.R. 2091: Mr. Borski.

H.R. 2228: Mr. Davis of Michigan.

H.R. 2532: Mr. Williams.

H.R. 2621: Mr. Stark.

H.R. 2930: Mr. Ackerman and Mr. Mineta.

H.R. 2940: Mrs. Bentley.

H.R. 3112: Mr. Gephardt, Mr. Scheuer, Mr. Mfume, and Mr. Walgren.

H.R. 3174: Mrs. Morella.

H.R. 3397: Mr. Hughes, Mrs. Morella, and Mr. Fish.

H.R. 3455: Mr. Borski.

H.R. 3485: Mr. Smith of New Hampshire.

H.R. 3506: Mr. Edwards of Oklahoma.

H.R. 3507: Mr. Towns and Mr. Edwards of Oklahoma.

H.R. 3508: Mr. Edwards of Oklahoma.

H.R. 3509: Mr. Barton of Texas, Mr. Borski, Mrs. Boxer, Mr. Bates, Mr. Wolpe, Mr. Andrews, Mr. Oberstar, Mr. Bilirakis, Mr. MacKay, Mr. Upton, Mr. Ray, Mr. Evans, Mr. Lancaster, Mr. Thomas A. Luken, Mr. Burton of Indiana, Mr. Houghton, Mr. Waxman, Mr. Conyers, Mr. Dixon, Mr. Frost, Mr. Jontz, Mr. McEwen, Mr. Markey, and Mr. Campbell.

H.R. 3510: Mr. Barton of Texas, Mr. Borksi, Mrs. Boxer, Mr. Bates, Mr. Wolpe, Mr. Andrews, Mr. Oberstar, Mr. Bilirakis, Mr. MacKay, Mr. Upton, Mr. Ray, Mr. Evans, Mr. Lancaster, Mr. Thomas A. Luken, Mr. Burton of Indiana, Mr. Houghton, Mr. Waxman, Mr. Conyers, Mr. Dixon, Mr. Frost, Mr. Jontz, Mr. McEwen, Mr. Markey, and Mr. Campbell.

H.R. 3511: Mr. Chapman.

H.R. 3704: Mr. Atkins.

H.R. 3723: Mr. Stangeland, Mr. Lewis of Florida, and Mr. McEwen.

H.R. 3726: Mr. Skaggs, Mr. Hansen, and Mr. Clarke.

H.R. 3812: Ms. Slaughter of New York, Mr. Owens of Utah, and Mr. de Lugo.

H.R. 3844: Mr. Payne.

H.R. 3877: Mr. Gunderson.

H.R. 3907: Mr. Dornan of California and Mr. Dannemeyer.

H.R. 4015: Mrs. Saiki and Mr. Skaggs.

H.R. 4037: Mr. Rose.

H.R. 4089: Mr. Berman and Mr. Smith of New Hampshire.

H.R. 4189: Mr. Traxler, Mr. Rahall, Mr. Bonker, Mr. Moody, Mrs. Patterson, Ms. Slaughter of New York, and Mr. Weldon.

H.R. 4205: Mr. Herger.

H.R. 4361: Mr. Morrison of Washington, Mr. Barnard, Mr. Rose, Mr. Florio, and Mr. Borski.

H.R. 4424: Mr. Owens of Utah.

H.R. 4451: Mr. Atkins, Mr. Weiss, and Mr. Beilenson.

H.R. 4454: Mr. Beilenson.

H.R. 4483: Mr. DeFazio, Mr. Goodling, Mr. Towns, Mr. Lagomarsino, Mr. Roe, Mr. Davis of Illinois, Mr. Biaggi, and Mr. Fauntroy.

H.R. 4484: Mr. DeFazio, Mr. Goodling, Mr. Towns, Mr. Frost, Mr. Gray of Illinois, Mr. Evans, Mrs. Johnson of Connecticut, and Mr. Rangel.

H.R. 4485: Mr. DeFazio, Mr. Towns, and Mr. Frost.

H.R. 4498: Mr. Atkins, Mr. Kleczka, Mr. Rowland of Connecticut, and Mr. Akaka.

H.R. 4542: Mr. Marlenee and Mr. Akaka.

H.R. 4603: Mr. Horton, Ms. Kaptur, Mr. Pepper, Mrs. Bentley, and Mr. Lott.

H.R. 4619: Mr. Johnson of South Dakota.

H.R. 4708: Mr. Flake, Mr. Fauntroy, and Mr. Saxton.

H.R. 4758: Mr. Lehman of Florida and Mr. Hastert.

H.R. 4767: Mr. Clay.

H.R. 4829: Mr. Lewis of Florida, Mr. Penny, Mr. DeWine, Mr. Atkins, Mr. Owens of New York, and Mr. Chapman.

H.R. 4842: Mr. Coleman of Missouri.

H.R. 4862: Mr. McGrath.

H.R. 4902: Mr. Atkins, Mr. Neal, and Mr. Ridge.

H.R. 4919: Mr. Lowry of Washington and Mr. Miller of Washington.

H.R. 4921: Mr. Lipinski.

H.R. 4929: Mr. Lujan, Mr. Dornan of California, Mr. Lagomarsino, Mr. Roe, and Mr. Upton.

H.R. 4932: Mr. Konnyu, Mr. Fuster, Mrs. Boxer, Mr. Hyde, and Mr. Bustamante.

H.R. 4955: Mr. Manton and Mr. Nichols.

H.R. 4979: Mr. Fuster, Mr. Matsui, Mrs. Collins, Mr. Blaz, and Mr. Biaggi.

H.R. 5000: Mr. Henry, Mr. Solarz, Mr. Scheuer, and Mr. Weiss.

H.J. Res. 13: Mr. Inhofe.

H.J. Res. 374: Mr. Rhodes.

H.J. Res. 518: Mr. Berman, Mr. Rowland of Georgia, Ms. Snowe, Mr. Walgren, Mr. Bustamante, Mr. Boulter, Mr. Sunia, Mr. Dwyer of New Jersey, Mr. Rhodes, Mr. Moorhead, Mr. Fuster, Mr. Kasich, Mr. Hayes of Louisiana, Mr. Solarz, Mr. Saxton, Mr. St Germain, Mr. Scheuer, Mr. Gray of Illinois, and Mr. Green.

H.J. Res. 526: Mr. Young of Florida.

H.J. Res. 528: Mr. Hall of Ohio.

H.J. Res. 539: Mr. Archer, Mr. Barnard, Mr. Bateman, Mrs. Byron, Mr. Coble, Mrs. Kennelly, Mr. Kildee, Mr. Michel, Mr. Russo, Mr. Sabo, Ms. Snowe, Mr. Mica, and Mr. Hastert.

H.J. Res. 551: Mr. Bennett, Mr. Biaggi, Mr. Bliley, Mr. Boucher, Mr. Bruce, Mr. Chappell, Mr. Dwyer of New Jersey, Mr. Flake, Mr. Grant, Mr. Gray of Pennsylvania, Mr. Harris, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Lagomarsino, Mr. Lantos, Mr. McDade, Mrs. Meyers of Kansas, Mrs. Morella, Mr. Mrazek, Mr. Murphy, Mr. Neal, Ms. Oakar, Ms. Pelosi, Mr. Rahall, Mr. Rangel, Mr. Rose, Mr. Rowland of Georgia, Ms. Slaughter of New York, Mr. Valentine, and Mr. Wilson.

H.J. Res. 554: Mr. Rahall, Mr. Atkins, and Mr. Leland.

H.J. Res. 568: Mr. de Lugo, Mr. Chapman, Mr. Dyson, Mr. Traxler, Mr. de la Garza, Mr. Dymally, Mr. Weiss, Mr. Foglietta, Mr. Ford of Tennessee, Mr. Fuster, Mr. Robinson, Mr. Skelton, Mr. Slattery, Mr. Staggers, Mr. Jones of Tennessee, Mr. Perkins, Mr. Wilson, Mr. Rose, Mr. Sunia, Mr. Conte, Mr. Davis of Michigan, Mr. McDade, Mr. McEwen, Mr. Flippo, Mrs. Byron, Mr. Torricelli, Mr. Sabo, Mr. Schaefer, Mr. Hutto, Mr. Pickett, Mr. Alexander, Mr. Hunter, Mr. Hyde, Mr. Kemp, Mr. Solarz, Mr. Lungren, Mr. Molinari, Mr. Coughlin, Mr. Fawell, Mr. Packard, Mr. Pashayan, Mr. Crane, Mr. Quillen, Mr. Schuette, Mr. Ravenel, Mr. LaFalce, Mr. Green, Mr. Roberts, Mr. Rinaldo, Mr. Hammerschmidt, Mr. Smith of New Jersey, Mr. Denny Smith, Mr. Robert F. Smith, Mr. Gunderson, Mr. Spence, Mr. Tauke, Mr. Taylor, Mr. Young of Alaska, Mr. Stangeland, Mr. Hopkins, Mr. AuCoin, Mr. Brown of California, Mr. Gingrich, and Mr. Kastenmeier.

H.J. Res. 572: Mr. Coble, Mr. Fuster, Mr. Hayes of Louisiana, Mr. Valentine, Mr. Kolbe, Mr. Wolf, Mr. Volkmer, Mr. Sundquist, Mr. Green, Mr. Davis of Michigan, Mr. Spratt, Mr. Conte, Mr. Kostmayer, Mr. Clinger, Mr. Clarke, Mr. Bonior of Michigan, Mr. Borski, Mr. Dicks, Mr. Bliley, Mr. Fawell, Mr. Skelton, Mr. Matsui, Mr. Price of North Carolina, Mr. Bosco, Mr. Weber, Mr. Biaggi, Mr. Bonker, Mr. Brown of California, Mr. Perkins, Mr. Wortley, Mr. Yatron, Mr. Robinson, Mr. Rose, Mr. Solarz, Mr. Tauzin, Mr. Pepper, and Mr. Skaggs.

H.J. Res. 596: Mr. Waxman, Mr. Rhodes, Mr. Murtha, Mr. Kanjorski, Mr. Leach of Iowa, Mr. Dixon, Mr. Gallegly, Mr. Green, Mr. Roe, Mr. Hughes, Mr. Hunter, Mr. Mrazek, Mr. Dannemeyer, Mr. Goodling, Mr. Matsui, Ms. Pelosi, Mr. Levine of California, Mr. McDade, and Mr. Packard.

H. Con. Res. 263: Mr. Brown of Colorado.

H. Con. Res. 276: Mr. Brennan, Mr. Hamilton, Mr. McHugh, Mr. Hopkins, and Mr. AuCoin.

H. Con. Res. 297: Mr. Bustamante, Mr. Dwyer of New Jersey, Mr. Leland, and Mr. DioGuardi.

H. Con. Res. 314: Mr. Mrazek, Mr. de la Garza, Mr. Roe, Ms. Pelosi, Mr. Fields, Mrs. Morella, Mr. Sunia, Mr. Atkins, Mr. Lowry of Washington, Mr. Horton, Mr. Sikorski, Mr. Wortley, Mr. Clinger, Mr. Fazio, and Mr. McMillen of Maryland.

H. Res. 411: Mr. Bustamante, Mr. Fish, and Mrs. Meyers of Kansas.

H. Res. 467: Mr. Schuette and Mr. Kolbe.

PETITIONS, ETC.

Under clause 1 of rule XXII,

212. The SPEAKER presented a petition of the Denton County Commissioners Court, Denton, TX, relative to the Clean Air Act; which was referred to the Committee on Energy and Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1516

By Mr. YOUNG of Alaska:

—At Section 302(b) delete the following:

"Chichagof..338,359"

and insert the following:

"Lisianski ....28,365"

—At Section 302(b) delete the following:

"Chuck River..125,574"

and insert the following:

"Chuck River..74,942"

—At Section 302(b) delete the following:

"Kadashan...33,641"

and insert the following:

"Kadashan...25,487"

—At Section 302(b) delete the following:

"Yakutat Forelands ....232,962"

and insert the following:

"Yakutat Forelands ....134,822"

—At Section 302(b) delete the following:

"South Kuiu..190,301"

"South Kuiu..60,652"

SENATE—*July 13, 1988*

(Legislative day of Friday, July 8, 1988)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable JOHN BREAUX, a Senator from the State of Louisiana.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Oh Lord, thou hast searched me, and known me. Thou knowest my downsitting and mine uprising, thou understandest my thought afar off. Thou compassest my path and my lying down, and art acquainted with all my ways. For there is not a word in my tongue, but, lo, O Lord, thou knowest it altogether.—Psalm 139:1-4.

Almighty God, infinite, eternal and unchangeable, we have no secrets from Thee. We are like an open book. You know the end from the beginning and everything in between in microscopic detail.

You know, Lord, what goes on in the mind of a politician who must do business as usual, with national conventions and election imminent, and the White House and majority at risk.

Infuse Your servants, the Senators, with right motives, right thoughts, right attitudes and right words when so much of such great significance is at issue.

In the name of Him who is truth incarnate. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER.** The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 13, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN BREAUX, a Senator from the State of Louisiana, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. **BREAUX** thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The **ACTING PRESIDENT** pro tempore. Under the standing order, the majority leader is recognized.

THE CHAPLAIN'S PRAYER

Mr. **BYRD.** Mr. President, I found the prayer of the Chaplain to be very reflective, and I appreciated his quotations from the Scriptures. We are all very well aware that the party conventions are coming. I hope we will keep our minds and our hearts above those, at least at times.

We are going to be discussing them a great deal, and they are going to impinge upon our lives a great deal in the next few weeks. But there is something more important than political conventions, even to politicans.

I like particularly the Scriptures that the Chaplain quoted. They bring us back to that reflective mood that makes us think of the higher things, the things that are so important to a great nation like America.

The Chaplain was telling us, as the psalmist said, to "Be still and know that I am God, 'the God' which stilleth the noise of the seas."

Mr. President, Edwin Markham is one of my favorite poets, and a particular verse of his comes to mind as I have listened to the Chaplain's prayer:

Once, suddenly, I found myself alone,
Out in the void of a great city, filled
With tremblings and the cry of many fears.
Making escape out of the human deep,
I climbed heart-troubled to the leafy hills;
And stretching on a bank above a stream,
I gazed up to the dome of the high boughs,
And wondered over life and life's alarms,
And as I lay there asking for a sign,
I saw a spider flash his filmy ropes
Across the dome; saw him, with rapturous fall,
Drop on a silver cable to the void,
And hang serenely in the rosy beams
Of sunset—hang all still and unafraid.
And lo, a courage came upon my soul,
With long, long thoughts of this adventurer,
This little dweller in the floorless air,
Held in the peace that folds the earth and stars.

I think it would be good for all of us if we could go to the hills and have the Chaplain go with us. We could forget about the political conventions just for a little while if we could sit and gaze upons God's great creation and reflect upon Him and how, if we trust in Him, we, too, could have "the peace that folds the Earth and stars."

Mr. President, I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The **ACTING PRESIDENT** pro tempore. The Republican leader, Mr. DOLE, is recognized.

JOHN KERRY TO THE RESCUE

Mr. **DOLE.** Mr. President, from time to time, each of us has done something to "save" one of our Senate colleagues—to make sure his interests are represented on the floor, to see to it that a vote is extended, or in many other ways. But yesterday, one of our ranks, Senator JOHN KERRY of Massachusetts, literally saved his colleague, CHIC HECHT.

By administering the "Heimlich" maneuver, Senator KERRY was able to dislodge a piece of food that Senator HECHT was choking on. Evidently, it was the first time that Senator KERRY had ever used this rescue technique—but he obviously learned the technique well. I might also add, that my chief of staff, Sheila Burke, who is a registered nurse, helped in the aftermath.

Mr. President, I know Senator HECHT has thanked Senator KERRY profusely. But I think all of us here can offer not only our thanks—but tell him how proud we are of his heroic efforts to aid our friend, CHIC HECHT.

BICENTENNIAL MINUTE

JULY 13, 1912: SENATE INVALIDATES LORIMER ELECTION

Mr. **DOLE.** Mr. President, 76 years ago today, on July 13, 1912, the Senate invalidated the 1909 election of Senator William Lorimer of Illinois. This was not the first Senate election invalidated, but it was the last under the old system by which State legislatures elected Senators.

The U.S. Constitution had left it entirely up to the State legislatures to decide the manner in which they would select Senators. This created a chaotic situation in many States, where often the two houses of the State legislature could not agree how to proceed, and for whose Congresses, Senate seats remained vacant. In such an unsettled situation, corruption was inevitable, and reformers charged that some Senators had brought their elections by bribing State legislators.

In 1909, a split within the Republican Party divided the Illinois Legislature. After 94 fruitless ballots, the legislature finally elected William Lor-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

imer to the Senate. Known as the "Blond Boss," the former U.S. Representative had been instrumental in selecting three Chicago mayors, two Illinois Governors, and one U.S. Senator. Immediately after he took his Senate oath in June 1909, opponents petitioned the Senate to deny Lorimer his seat because of his alleged efforts to bribe State legislators. Eighteen months later, a Senate committee recommended that Lorimer keep his seat, concluding he had been unaware of his aides corrupt actions.

The recommendation sparked an explosion of national indignation. In spite of this uproar, the Senate, in the final hours of the 61st Congress, exonerated Lorimer. When the new Senate convened in April 1911, a greater number of Progressive Reformers had joined its ranks. Presented with additional evidence, the Senate renewed its investigation and, in July 1912, voted 55 to 28 that Lorimer was not entitled to his seat.

Shortly after the Lorimer case, the States ratified the 17th amendment to the Constitution, which by providing for direct election of U.S. Senators, was designed to rid our political system of the type of behavior that Lorimer's election had symbolized.

Mr. President, I reserve the remainder of my time.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to exceed the hour of 10 a.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. PROXMIRE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

BICENTENNIAL COIN MINT

Mr. PROXMIRE. Mr. President, I understand that an action that we took last night can be reconsidered and tabled and finally completed with respect to the moratorium on the FSLIC extension period.

Senator GARN is in a position now to go ahead, so I move that we reconsider the action that we took last night.

Mr. GARN. Mr. President, on H.R. 3251, I move to table that motion to reconsider.

The motion to lay on the table was agreed to.

WHAT HAPPENED TO THE HERO OF THE HOLOCAUST?

Mr. PROXMIRE. Mr. President, the most terrible, heartbreaking story of man's gross inhumanity to man occurred in this century. It was the murder of virtually all of Europe's 6 million Jews by the Nazis under Adolph Hitler. All of these innocent people were slaughtered, not because of any crime they committed, not even because they posed the remotest threat to the power of the Nazis, but simply because of their religion. This was genocide pure and simple. It was the reason for this country's long declared ratification of the Genocide Treaty.

These European Jews were killed because they belonged to the Jewish faith. They were starved to death. They were worked to death. They were tortured to death. They were shot to death. They were burned to death in huge incinerators. They were gassed to death in numerous gas chambers. All of this took place in planned, premeditated mass killings of hundreds day after day, month after month for years. If there is a more monstrous story of sheer evil in human history, this Senator has not heard it.

In this ocean of surpassing cruelty and hate, one supreme hero stands out. That hero was a gallant, young Swede named Raoul Wallenberg. In mid-1944, U.S. agents approached Wallenberg in Stockholm. They asked him to go to Hungary to provide Swedish passports to Jews to save them from certain death. In a July 5, 1988, column in the New York Times A.M. Rosenthal discusses the story of Wallenberg.

Wallenberg was a member of a prominent Swedish family. He had also been a student at the University of Michigan. He could look forward to a productive and prosperous life in Sweden. The American request to Wallenberg to go behind the Nazi German lines and help Jews escape looked like a sure invitation to death. But Wallenberg accepted. As Rosenthal writes:

> Wallenberg saved thousands of Jews. He gave them Swedish identification papers, hid them in houses hung with Swedish flags. He marched into the midst of killers, and said "Ich bin Wallenberg," as if that were armor against hell.

In January 1945, the Russians entered Budapest. It seemed that the terrible nightmare of Jewish extermination was ending. The Nazis were losing. The war was ending. Wallenberg went to meet Soviet officials to get help for the Jews. He disappeared. What happened to this remarkable young Swedish hero? Until 1957, the Soviets stonewalled on Wallenberg. Then the Soviets said yes, he had been their prisoner. But he died in prison in 1947. That was the official Moscow line. But our intelligence told us something else. Reports persisted that Wallenberg was alive. Credible observers insisted that they had seen him after 1947; in fact, years after 1957. There is even a hope and prayer that this remarkable hero of the Holocaust is still living.

If the Soviets are keeping the fate of Wallenberg a mystery, why are they doing it? Hitler was their enemy as well as ours. Why wouldn't the Soviets recognize the astonishing heroism of this young Swede? Why not join in honoring the man who served against the common enemy with such noble courage? Rosenthal contends that once the Moscow officials decided on this course of stonewall denial, they could not reveal the truth without admitting their lies. Rosenthal's special reason for this theory is that the man who signed the original note declaring that Wallenberg had died in prison in 1947 was Andrei Gromyko. Rosenthal asserts that the facts available now establish clearly that the Gromyko note was false. But Gromyko has been the supreme survivor in the Soviet Union. As Rosenthal writes:

> There sits Andrei Gromyko at the Party conference, face of stone. Fifty years of obedience to Soviet czars behind him, removal from office ahead, but still a force and still the key to a mystery within a mystery that haunts history and millions of people around the world.

Because Gromyko was one of those who chose Gorbachev to lead the country, Gorbachev may continue to conceal the truth about the fate of Wallenberg. Rosenthal expresses the hope that Gorbachev may decide the time has come to let the full truth about Wallenberg's fate be told. Let us hope so. Here is one of the truly great stories of superhuman courage in the face of the most diabolical, all-consuming evil. It is a story that fully and truthfully told could inspire generations of people throughout the world to find the courage in their hearts to face the most fearsome kind of oppression to save that most precious of all values: human life.

Mr. President, there is also an action this U.S. Senate can and should take within the next few weeks. It is an action that Raoul Wallenberg, wherever he is, would warmly applaud. We have acted at long, long last to ratify the Genocide Convention. That treaty would make the terrible Holocaust, that Raoul Wallenberg so bravely fought, an international crime. But President Reagan cannot deposit our ratification of that treaty until the Congress has enacted the enabling legislation that makes genocide a Federal crime in the United States. The House of Representatives has already overwhelmingly passed that enabling legislation. President Reagan has pleaded with us to pass the legislation. Now it is up to us. What are we waiting for?

Mr. President, I ask unanimous consent that the column to which I referred by A.M. Rosenthal in the July 5 New York Times be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 5, 1988]

THE CONNECTION

(By A.M. Rosenthal)

There sits Andrei Gromyko at the Party conference, face of stone. Fifty years of obedience to Soviet czars behind him, removal from office ahead, but still a force and still the key to a mystery within a mystery that haunts history and millions of people around the world.

Soon Mr. Gromyko will lose the title of President that was his reward for serving Josef Stalin, serving Nikita Khrushchev, serving Mikhail Gorbachev and all the Soviet rulers between. Mr. Gorbachev wants the presidency to be strengthened and given to him.

Mr. Gromyko will take with him a professional lifetime of secrets about Soviet governments. But the one secret that arouses the most passion and emotion and a restless, ceaseless search for an answer has to do not with the use of power but simply with the life, work and fate of one good man named Raoul Wallenberg.

One day in June 1944, American representatives in Stockholm approached this young Swede, then about 32. They asked him if he would do something that would put his life in daily peril. They asked him to go to Budapest and try to save Jews from the Germans and the Hungarian Fascists.

Wallenberg came from a well-known Swedish family. he studied at the University of Michigan and entered the family business. He was an eager, bright young man, pleasant and fairly ordinary.

Other fairly ordinary young men were slaughtering hundreds of thousands of Hungarian Jews, in the streets, in the fields, in the camps. Those ordinary young Germans had guns and furnaces. Wallenberg had only a post as an attaché from neutral Sweden, some money from Jews abroad and overarching courage.

Wallenberg saved thousands of Jews. He gave them Swedish identification papers, hid them in houses hung with Swedish flags. He marched into the midst of the killers, and said "Ich bin Wallenberg," as if that were armor against Hell.

Hundreds of thousands of Jews were murdered by the Germans, but for those he saved, for their descendants and many who just know his story, his name is blessed.

In January 1945, the Russians entered Budapest. On January 17, Wallenberg went to meet Soviet officers to get aid for the Jews; he disappeared.

For 12 years, the Soviet Union denied he was a prisoner. Then in 1957, Moscow said yes, he had been imprisoned by the Soviet Union since the day he vanished, but according to an official note, he had died in prison in 1947. His body and all papers had disappeared and nobody was alive who could give further testimony.

The man who signed that note was Andrei Gromyko, then a deputy foreign minister. It was not the truth. Raoul Wallenberg was seen by Soviet prisoners for years after 1947. And reports of his still being alive in one camp or another continued even long after the Gromyko letter.

Some of the reports may be wrong. But Wallenberg students and historians—there are Wallenberg committees all over the world—are convinced that he lived years after Mr. Gromyko said he was long dead.

The mystery within a mystery: What happened to Wallenberg, and why has Moscow hidden the truth for 43 years?

Possibly the Russians seized him because Moscow was paranoid about all foreigners in the war zone and kept him because he might be useful some day. Then the Wallenberg story became an embarrassment to the Soviet state and its top officials. One official, Andrei Gromyko stayed in high position from regime to regime.

There was hope when Mr. Gorbachev came to power that he would order the full story told at once or at least when Mr. Gromyko left office.

But here is something new. It was revealed at the historic Communist Party meeting that Mr. Gromyko is one of four top "conservative' Politburo members who helped Mr. Gorbachev achieve power.

Westerners think of the Soviet drama as between hard-liners and reformers, bad guys and good guys. Mr. Gorbachev knows he was chosen by the orthodox Communists like Mr. Gromyko, as well as the reformers, to lead the country out of chaos.

He is not the head of a faction. To remain in power, he has to represent old-timers and new-timers. So he may not be eager to call a man important to his own Politburo constituency a liar while taking his job away.

But still—perhaps one day Mr. Gorbachev will decide that it would be in the interest of Soviet esteem around the world to allow the full story to be told. That would be the best monument to Raoul Wallenberg, that ordinary, good young Swede. His mourners everywhere could rest at last.

EPA—A CABINET-LEVEL DEPARTMENT

Mr. HEINZ. Mr. President, I rise to express my support for S. 2576, the bill that would raise the status of the Environmental Protection Agency—EPA—to a Cabinet-level department.

Perhaps more than any other Federal agency, EPA bears responsibility for protecting and improving the quality of life of every American citizen. Since its creation in 1970, when EPA dealt with such pressing national issues, as raw sewage and industrial wastes in our rivers and lakes, the number and significance of environmental problems have grown significantly. EPA's domestic regulatory efforts range from designing radon control to automobile emission standards, to chemical and powerplant waste management.

On the basis of the range and complexity of these national issues alone, EPA warrants a Cabinet-level status that will place environmental concerns directly before the President of the United States.

Consider the profound significance of the environment and our protection efforts on the health, security and even survival of our citizens.

There is an established tie between the health of our environment and the health of our citizens, Mr. President. If CFC's are not regulated, for example, and there is even a modest growth in their use, EPA estimates that over the next four generations of Americans, the resultant depletion of the ozone layer will cause 153 million cases of skin cancer, over 3 million deaths, and over 18 million cases of cataracts.

A comparably alarming statistic is the effect of lead in our air and drinking water. Despite a 94-percent reduction in lead air emissions over the last decade, the Public Health Service estimates that almost one in five urban preschool children have high levels of lead in their blood, which causes lower IQ's and developmental problems. EPA estimates that over 42 million Americans have excess lead in their drinking water, causing hypertension among 130,000 middle-aged men, lowering the intelligence of 240,000 children, and increasing the risk of miscarriage and problem pregnancies among 680,000 women.

Obviously, an efficient, effective EPA can mean the difference between sickness and health, even life and death. Yet the agency too often finds its prerogatives given a low priority by other agencies. In Pennsylvania, for example, the Army appears to have given secondary consideration to environmental concerns when they buried a wide variety of substances—including hazardous ones—in property later sold to Fairview Township. The Army failed to inform the EPA or local officials of the potential danger of their dumping, and for 7 years Marsh Run Park was used by 600 children as a soccer field. When EPA finally was appraised of the danger, they withheld the information from the public.

It is hard to avoid drawing the inference that EPA was at best "going along to get along" with the Secretary of Defense, and at worst, intimidated by the Cabinet-ranked department. Equal status could prevent future Marsh Runs.

Mr. President, the EPA's role as environmental watchdog has expanded in another critical direction over the past 18 years. Issues like global warming, ozone depletion, biological diversity, or pesticide-contamination in the food chain have now become international issues requiring Presidential commitment and involvement that can be supported only by a Cabinet-level Department of Environmental Protection. For example, the felling of virgin rain forests in the Amazon contribute to global warming, which can ultimately hurt farmers in my home State of Pennsylvania and throughout America. With only Agency status behind it, the EPA can do little more than point a warning finger; with a Cabinet position, it could shake a Federal stick in international negotiations on global warming.

The EPA deserves credit for almost two decades of progress in cleaning up our environment. Despite substantial growth in our economy and the number of automobiles, air and water pollution are down on average some 40 percent since 1970. For example, industrial water pollutants have decreased by roughly 70 percent.

What is frightening, Mr. President, is the changing nature of the enemy in our battle for the environment. It is now international in scope and more subtle in substance. Ten years ago we fought uncontrolled air pollution that made people sick and darkened noontime skies. Today, we face threats we cannot see, smell, nor in some circumstances, abate or mitigate, especially without full national and international cooperation. We cannot see the depletion of the ozone layer or the buildup of toxics in the food chain, for example. Yet these silent killers stalk every nation on Earth.

I look forward to working with the cosponsors of this bill and my colleagues on the Government Affairs Committee to make EPA a Cabinet-level department and to ensure that environmental issues are placed directly before the President and receive the priority policy position they deserve.

Mr. President, I ask our colleagues support of this legislation in order that we may make the agenda of environmental protection one that is closer to every President.

Mr. President, I yield the floor.

CHILD CARE

Mr. REID. Mr. President, in my home State of Nevada, as in States throughout our Nation, many single mothers cannot afford to work. A job is something of a luxury for them. The reason? They cannot afford adequate care for their children.

As a result, these families languish on welfare, bound to that dependence on public help because they do not have the resources to help themselves. It is a tragic cycle out of which they cannot break.

For instance, divorce, which now affects about half of all marriages in our country, often plunges custodial mothers into poverty. The income of these mothers drops by an average of 70 percent when divorce occurs.

And the number of single-parent families in Nevada, a sparsely populated State, numbered 23,000 in 1980. It is expected to double again by 1990. This is an issue that women understand.

What are we doing for these women—these children? What are we doing for these families? How are we going to protect the legions of children who go home to empty houses after school each day—latchkey children?

Are we going to do something or are we going to do nothing? that is our choice. Nothing has not worked. So, Mr. President, let us do something.

How are we helping our families to provide for the basic necessities of life—food, shelter, and an education—when they cannot decide whether to heat or eat?

Fortunately, the tide is beginning to change. Mr. President, this is an economic issue. It affects our criminal justice system. It affects our welfare system. It affects our educational system. We in Congress are talking about providing help for our families through child care programs and through revamping our current welfare system.

That is why I so proudly supported the Family Security Act, which now is in conference between the House and Senate. That bill, Mr. President, provides child care for help for job training recipients and continues that child care support throughout the first 9 months of their new jobs.

Mr. President, that is considered a crucial time for these people—a person coming off welfare into a new job will sink or swim in those first 9 months of that new job.

That is also why I cosponsored both the Act for Better Child Care, sponsored by Senator DODD of Connecticut, and the Child Care Services Improvement Act, sponsored by Senator HATCH of Utah. Either bill could help provide child care for families who qualify and who are beyond the welfare and job training stages.

Both bills cannot become law. But they should serve as a foundation on which Congress can pass child care legislation. This would help those families who are considered "on the fringe," financially. They are the ones we want to help. They are the ones who need our help.

But, Mr. President, we cannot do anything for these families, for these children, until legislation passes through this Congress.

For too long, our children have become victims of child carelessness. It is time now that we began looking at a national attitude—a national policy—of child care. It is an economic issue that affects all America.

I yield the floor.

Mr. HEINZ addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania.

HUNGER PREVENTION ACT OF 1988

Mr. HEINZ. Mr. President, I wish to bring to the attention of the Senate S. 2560, the Hunger Prevention Act of 1988 of which I am privileged to be a cosponsor. This legislation addresses the critical and perplexing problem of hunger.

Mr. President, who among us does not respond with real outrage and genuine compassion to photographs of young children, their bellies distended with hunger, waiting silently for a meager handout of rice or grain? I think every one of us are shocked when we read tragic stories of aged men and women foraging through rubbage piles for their daily meal or dying alone and hungry without the strength to search. When we hear or see those kinds of images, we say that must be Africa, or it must be Southeast Asia, or underdeveloped countries surely. We do not normally think of that as America.

We confidently recall to memory the classic images of Norman Rockwell with a family sitting around a laden Thanksgiving table. That is our image of America.

Mr. President, while they do not suffer the extremes of hunger and malnutrition that plague other nations, for almost 1 in every 10 of our citizens, this Rockwell image is not America. We do not need satellite television or four-color magazine spreads to experience the effects of hunger on the very young and very old. It takes only a city street or a rural town, two eyes—and the willingness to see that even in this land of plenty, the shadow of hunger is a daily companion for millions.

A recent national study by the Harvard University Physician's Task Force on Hunger revealed that 20 million Americans go hungry each month. This same report looked at 17 national and regional studies, each of which documents an increase in domestic hunger since 1958.

In my home State of Pennsylvania, the Association of Regional Food Banks released its annual survey last month, documenting increasing demands for emergency food. Examining soup kitchens and food pantries across the State, the study revealed growing hunger in Pennsylvania. Together, these feeding centers served over 1,300,000 meals in 1987, a 26-percent increase over the previous year. The lines grow longer and the fight to fill empty plates grows harder, the survey found.

Half of those eating in these emergency programs were children, Mr. President, or parents in families with children. Another 27 percent were aged. Children who go hungry may suffer stunted growth, anemia and are more likely to have other major health problems. Older Americans become more vulnerable to crippling chronic diseases or complications when basic dietary needs go unmet.

A study by the United Way in Erie County found that 25,000 county residents—fully 9 percent—forsake meals at some time during each month.

Despite the hard numbers to the contrary, there are those who would deny an empty stomach exists in any State of this Union. Others avoid exploring the full extent of hunger by pointing to existing relief programs. But Americans are going hungry and the programs we have need help.

Mr. President, the Temporary Emergency Food Assistance Program [TEFAP] is one such program. TEFAP is vital because it meets emergency needs. Forty-one percent of TEFAP participants receive food stamps. TEFAP enables these families to bridge the food stamp gap from month to month.

But TEFAP distributes surplus commodities, and the Department of Agriculture reports that these surpluses are dwindling while donations of cheese, honey and rice have stopped. A major drought this summer will not help.

The Hunger Prevention Act confronts the dual threats of growing hunger and shrinking surpluses with sound immediate and long-term solutions.

First, S. 2560 reauthorizes the TEFAP program for 2 years. To circumvent the shortage of surplus commodities, the Secretary of USDA will be required to spend $145 million on the purchase of high-protein foods. The distribution system throughout the country will continue to operate as currently designed.

Incorporated into this bipartisan package is S. 1483, legislation I introduced last year to authorize USDA demonstrations in each region to test the effectiveness of distributing commodities directly through food banks.

For more than 3 years now, Mr. President, I have urged my colleagues to address the need for food bank assistance. I want to thank the chairman and ranking member of the Agriculture Committee for having listened and incorporating my suggestions into the bill before us today.

Nineteen million Americans—including almost 1 million in Pennsylvania—depend at least in part on the Federal Food Stamp Program for the bread, milk, meat, and other provisions they need to feed themselves and their families. S. 2560 improves the Food Stamp Program by recalculating the basis for the benefit, adding as much as $5 a month for a family of four.

This legislation recognizes the special nutritional needs of low-income children by adding 3 cents per meal for school breakfasts. The school breakfast program provides a healthy start for 45,000 Pennsylvania children each school day—and studies show that current funding falls short of providing adequate levels of protein.

Mr. President, passage of S. 2560 tells the hungry of America that we have not turned our eyes away from their need. It is a commitment to future generations of strong, alert and healthy children. And it is a clear statement that an empty plate has no place on our table of plenty.

MOYNIHAN AMENDMENT TO H.R. 4800, HUD-INDEPENDENT AGENCIES APPROPRIATIONS, FISCAL YEAR 1989

Mr. WARNER. Mr. President, I regret that I had to oppose the amendment offered by my Environment and Public Works Committee colleagues, particularly the chairman of the Infrastructure Subcommittee, my friend Senator MOYNIHAN.

Mr. President, there is much to commend this amendment. There can be little doubt that the Environmental Protection Agency [EPA] needs this money for its programs, and even less doubt that the States could put this money to immediate use for Clean Water Act construction grants and for non-point-source pollution.

Indeed, in years past and again this year, I and others have written to the chairman and ranking member of the HUD-Independent Agencies Subcommittee, Senators PROXMIRE and GARN, to register our strong support for funding for these important programs.

I will ask unanimous consent that the RECORD include a copy of a letter dated April 11, 1988, cosigned by myself and by my colleagues Senators TRIBLE, SARBANES, MIKULSKI, HEINZ, and SPECTER—the Senators representing the Chesapeake Bay States.

However, I am concerned that $300 million is an excessive amount to transfer from the NASA budget to that of the EPA. I recognize that the Commonwealth of Virginia may well support an amendment to add funds to the EPA budget for these programs, and I do support a more modest effort which was offered by Senator DURENBERGER which would come from sums appropriated to EPA.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
April 11, 1988.

Hon. WILLIAM PROXMIRE,
Chairman, Subcommittee on HUD-Independent Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We would like to join some of our colleagues from the Great Lakes region and other parts of the country in requesting an increase for important Clean Water Act programs in the fiscal year 1989 appropriations bill for the U.S. Environmental Protection Agency [EPA].

As you fully appreciate, the success of the Chesapeake Bay cleanup effort is dependent upon effective national programs to combat water pollution. In this regard, we would request that the Subcommittee provide: (i) at least $25 million for the emerging national nonpoint source pollution program at EPA; (ii) an additional $12.9 million for section 106 Clean Water Act grants to States to bring the program up to its full authorization level.

The nonpoint source pollution control program was one of the most important new elements of the 1987 Clean Water Act Amendments which were enacted with overwhelming bipartisan support. The 1987 amendments sought to focus, for the first time, both Federal and State nonpoint source control programs throughout the Nation.

Mr. Chairman, nonpoint source pollution is a major threat to our Nation's waters. Indeed, recent information from EPA suggests that fully 76 percent of the pollution loadings to our lakes, 65 percent to our rivers and streams, and 45 percent to our coastal bays and estuaries stems from nonpoint sources. In our own Chesapeake Bay watershed, nonpoint sources contribute about 67 percent of the nitrogen and 39 percent of the phosphorus which, in excess, fuel the growth of algae and lead to the loss of vital oxygen needed to support living resources.

As you know, the new law authorized $400 million over four years to address nonpoint source pollution, including $70 million for fiscal year 1988 and $100 million for fiscal year 1989. As of yet, however, no funds have been appropriated for this vitally important program.

Our request of at least $25 million for nonpoint source pollution in fiscal year 1989 reflects, in our view, a modest but significant step toward resolving this national problem. As required under the act, many States throughout the country, including our own in the Chesapeake Bay watershed, will soon be submitting aggressive nonpoint source management plans to EPA. States therefore will be ready to implement specific management plans and abate nonpoint sources of pollution.

We believe it is essential that the Federal Government live up to its responsibilities under the act and provide adequate funds to help implement these management strategies. We believe that a proper signal from Congress needs to be given to complement aggressive State programs.

Section 106 Clean Water Act grants to States are one of the principle mechanisms for implementing the expanded requirements of 1987 amendments. As you appreciate, these funds are used for a range of important State activities, including emerging toxicant control programs, discharge permitting, and enforcement of water pollution control laws.

Mr. Chairman, you and your subcommittee have always acknowledged the importance of section 106 grants to our Nation's water quality. This year, given the host of new Clean Water Act responsibilities, these funds are even more critical. Because of these pressing needs, we would ask that the subcommittee increases the administration's request of $62.1 million to the full authorization level of $75 million for fiscal year 1989. This request reflects a $12.9 million increase for section 106.

Literally hundreds of millions of new State dollars have been devoted to the Chesapeake Bay cleanup effort in recent years. Similar commitments have been made for our Nation's Great Lakes and other bays, sounds and estuaries throughout the country. At the same time, however, Federal funding for our Nation's water pollution control programs has declined significantly.

It is therefore to your Subcommittee that we now turn for assistance. Your approval of the funding levels referenced above would help to ensure the success of many regional cleanup efforts throughout the Nation.

With kind regards, we are
Sincerely,
Paul S. Trible,
John Warner,
Paul S. Sarbanes,
Barbara A. Mikulski,
John Heinz,
Arlen Specter,
Senators.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum is noted. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATOR ROBERT C. BYRD

Mr. FORD. Mr. President, 14 years have now gone by since I first met Sen. Robert C. Byrd. He then was majority whip as he had been for some 4 years—winner in somewhat of an upset selection in his party caucus. From what I had been told, I was led to expect a hard worker, master parliamentarian—a man steeped in the institution of the Senate. These qualities I found.

From what I was told, I was led to expect a man whom it would be hard to get to know—a man, perhaps, of little warmth and emotion. Happily, over the years, I found these observations to be far off the mark and found instead a real understanding. We met as strangers but, from my perspective, we came to this day as friends.

All of us know the qualities that Robert C. Byrd has shown in his rise over the decades to this present position as the Senate majority leader. He has taken, with skill, advantage of his opportunities by hard work. More than this, he proves for me the adage—"a wise man will make more opportunities than he finds." All of us have witnessed in him that fact on the floor.

We can cite many incidences of Robert Byrd's superior qualities. I have worked with him, and sometimes against him, in many real struggles. But I would dwell on just two that, for me, set out the qualities of the man.

The INF Treaty was an emotional vote for me.

I think if there ever was one individual that I have read of in history and had the opportunity to serve with, no one is superior to our majority leader, Mr. Byrd, in his firmness as it relates to the U.S. Senate, its constitutional role, and what the responsibility of this body should be. I think if there was any doubt in anyone's mind as to his love and belief in what this Senate was organized for, its responsibility under the Constution, he settled those doubts in his handling of the treaty.

We were forced by the majority leader not to be stampeded or rushed into consideration of this treaty, that the legislative process of this body would be followed. The majority leader said we will do it in the way the Senate was intended to do it. And, as a result of that, many changes were made. It was even sent back to be renegotiated to clear up some items. The majority leader, doing what was right, even though being pushed and sometimes coerced, would not allow this Senate to be stampeded into making mistakes.

The INF Treaty was but one of the many successes of Robert C. Byrd. However, the score of a person's qualities may not be as much in how successes are handled but in how one handles defeat.

After over two decades of Senate control, the Democratic Party was defeated in the 1980 landslide. The party lost control of the Senate. We had become a party lacking in unity, to put it mildly. Robert Byrd shook off the defeat, rebuilt the party in the Senate, gave it purpose and reunited it as it had not been since the early sixties.

The Democratic Party is better for this effort, the Senate is better, the Nation is better. Thank you, Mr. Leader, you were great. You validate the observation of Melville: "He who has never failed sometime, that man can never be great. Failure is the test of greatness."

Mr. President, tributes are usually given on the departure of a colleague. Happily, this is not so in this instance. Robert Byrd will be in the Senate in 1989 and, hopefully, in the years to come. Robert Byrd's presence and influence will remain in this Chamber as long as there is a U.S. Senate.

DEATH OF JACK O'NEALE

Mr. REID. Mr. President, I rise today with sadness in my heart due to the death of a close friend's father, Mr. Jack O'Neale. But my sadness is lessened somewhat by the knowledge that our efforts here in Congress helped make Jack's last days happier.

It was almost a year ago that I stood on this floor and introduced a bill to recognize the contributions made by merchant mariners in World War II by granting them veterans' status. Jack O'Neale was a merchant marine whose ship was captured by the Japanese just after Pearl Harbor was attacked. He spent 4 years in the terrible military prisons of Shanghai. When the war ended he returned home, his health broken by those years of imprisonment. And yet he was not eligible for any Government medical care, because he was not considered to be a veteran. He had served his country and his country had turned its back on him.

Prodded by the courts and pressured by Congress, the military early this year granted veterans' status to the merchant seamen of World War II. This act of justice and fairness meant a great deal to Jack O'Neale and his family, and I would like to read the letter his son sent me which describes just how much it meant.

June 27, 1988.

Hon. Harry Reid,
U.S. Senator, Hart Senate Office Building, Washington, DC.

Dear Senator Reid: We buried Jack O'Neale last Tuesday. He lies, now at rest, in the Willamette National Cemetery.

Jack, my father, spent the last week of his life in the Veterans' Hospital in Portland, Oregon. Despite the highly skilled care, and caring, provided there, his body was so ravaged by the infirmities begun in a World War II prison camp in China that it could struggle no longer.

Dad was able to be admitted to the Veterans' Hospital only because he had been declared a veteran this year, thanks in no small part to your efforts on behalf of those who, like him, were Merchant Mariners. Dad was captured by the Japanese hours after Pearl Harbor when his ship, the *President Harrison,* with the crew placed under Coast Guard authority, was attempting retrieval of American military personnel from China. After his repatriation, in November, 1945, Dad was given an Honorable Discharge backdated as of December 8, 1941.

His new Honorable Discharge, showing full wartime service, arrived in the mail the day before the funeral.

At the funeral, we were touched by the presence of many ex-prisoners of war, ex-Merchant Mariners, and some who were both, most of them in their 60's and 70's. The family will always treasure the Flag that draped Dad's coffin, provided by the United States in final and belated recognition of his service. We are pleased that, before he died, Dad was presented with the WWII Victory Medal. Even though his victory came more than forty years after the country's, the presentation meant a lot to him. He was buried with it.

Nothing more can be done for Jack O'Neale.

Something can be done for those ex-Merchant Mariners who still survive. To see those brave and good men rise, supported by their canes and walkers, to salute the Flag of the country that they love, makes one wonder why that country has served them so much less than they served it. Their service was not showy: it consisted largely of danger without glamor, hardship without recognition, and privation without reward. They served as they did, not because it was good for them, but because it was necessary for their country.

One can only hope that recognition, at the very least, will at last come to them while it might still do some of them some tangible good.

Margaret, Dad's widow, and his other children have asked me to convey to you our heart-felt gratitude for your concern and for working for the benefit of these whose sacrifices for their country have been ignored these many years. They should be ignored no longer.

Thank you and God bless you.

Sincerely,

L.J. O'Neale.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Has morning business been closed, Mr. President?

The PRESIDING OFFICER. Morning business is closed.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES, BOARDS, COMMISSIONS, CORPORATIONS, AND OFFICES APPROPRIATIONS ACT, FISCAL YEAR 1989

The PRESIDING OFFICER. The clerk will report H.R. 4800.

The legislative clerk read as follows:

A bill (H.R. 4800) making appropriations for the Department of Housing and Urban Development, and for sundry Independent Agencies, Boards, Commissions, Corporations, and Offices, for the fiscal year ending September 30, 1989, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the Senate will now vote on H.R. 4800 without any intervening debate, motion, or action of any kind.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Connecticut [Mr. Dodd] is necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. Helms] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 86, nays 11, as follows:

[Rollcall Vote No. 247 Leg.]

YEAS—86

Adams
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Grassley
Harkin
Hatch
Hatfield
Hecht
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Weicker
Wilson
Wirth

NAYS—11

Armstrong
Conrad
Gramm
Heflin
Humphrey
Proxmire
Roth
Symms
Trible
Wallop
Warner

NOT VOTING—3

Biden
Dodd
Helms

So the bill (H.R. 4800), as amended, was passed.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I move that the Senate insist on its amendments to H.R. 4800, and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the presiding officer [Mr. Sanford] appointed Mr. Proxmire, Mr. Stennis, Mr. Leahy, Mr. Johnston, Mr. Lautenberg, Ms. Mikulski, Mr. Inouye, Mr. Garn, Mr. D'Amato, Mr. Domenici, Mr. Grassley, Mr. Nickles, and Mr. Hatfield conferees on the part of the Senate.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 4867, the Interior and related agencies appropriations bill.

The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4867) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

Bureau of Land Management

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau of Land Management, **[$500,959,000]** *$510,595,000,* of which not to exceed $1,000,000 to be derived from the special receipt account established by section 4 of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–6a(i)), **[$70,000,000]** *$75,000,000* for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1988, and $23,000,000 for the Automated Land and Mineral Record System Project shall remain available until expended: *Provided,* That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau of Land Management or its contractors: *Provided further,* That in fiscal year 1989 all but $742,000 of receipts, and thereafter all receipts from fees established by the Secretary of the Interior for processing of actions relating to the administration of the General Mining Laws shall be available for program operations in Mining Law Administration by the Bureau of Land Management to supplement funds otherwise available, to remain available until expended.

CONSTRUCTION AND ACCESS

For acquisition of lands and interests therein, and construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, **[$5,431,000]** *$2,631,000,* to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976 (31 U.S.C. 6901–07), $105,000,000, of which not to exceed $400,000 shall be available for administrative expenses. *The Payments in Lieu of Taxes Act (31 U.S.C. 6901(2)) is amended by deleting the phrase "existing in the State of Alaska on the date of enactment of this Act" from the definition of a unit of Government.*

LAND ACQUISITION

For expenses necessary to carry out the provisions of sections 205, 206, and 318(d) of Public Law 94–579 including administrative expenses and acquisition of lands or waters, or interest therein, **[$11,640,000]** *$12,020,000,* to be derived from the Land and Water Conservation Fund, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; **[$61,445,000]** *$59,141,000,* to remain available until expended: *Provided,* That the amount appropriated herein for road construction shall be transferred to the Federal Highway Administration, Department of Transportation: *Provided further,* That 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land grant fund and shall be transferred to the General Fund in the Treasury in accordance with the provisions of the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 per centum of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315, et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $8,506,000, to remain available until expended: *Provided*, That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under sections 209(b), 304(a), 304(b), 305(a), and 504(g) of the Act approved October 21, 1976 (43 U.S.C. 1701), and sections 101 and 203 of Public Law 93-153, to be immediately available until expended: *Provided*, That notwithstanding any provision to the contrary of subsection 305(a) of the Act of October 21, 1976 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that subsection, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to subsection 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this or subsequent appropriations Acts by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such forfeiture, compromise, or settlement are used on the exact lands damage to which led to the forfeiture, compromise, or settlement: *Provided further*, That such moneys are in excess of amounts needed to repair damage to the exact land for which collected.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing law, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $25,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau of Land Management; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: *Provided*, That appropriations herein made for Bureau of Land Management expenditures in connection with the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands (other than expenditures made under the appropriation "Oregon and California grant lands") shall be reimbursed to the General Fund of the Treasury from the 25 per centum referred to in subsection (c), title II, of the Act approved August 28, 1937 (50 Stat. 876), of the special fund designated the "Oregon and California land grant fund" and section 4 of the Act approved May 24, 1939 (53 Stat. 754), of the special fund designated the "Coos Bay Wagon Road grant fund": *Provided further*, That appropriations herein made may be expended for surveys of Federal lands of the United States and on a reimbursable basis for surveys of Federal lands of the United States and for protection of lands for the State of Alaska: *Provided further*, That an appeal of any reductions in grazing allotments on public rangelands must be taken within thirty days after receipt of a final grazing allotment decision. Reductions of up to 10 per centum in grazing allotments shall become effective when so designated by the Secretary of the Interior. Upon appeal any proposed reduction in excess of 10 per centum shall be suspended pending final action on the appeal, which shall be completed within two years after the appeal is filed: *Provided further*, That appropriations herein made shall be available for paying costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Bureau: *Provided further*, That notwithstanding section 5901(a) of title 5, United States Code, the uniform allowance for each uniformed employee of the Bureau of Land Management shall not exceed $400 annually.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For expenses necessary for scientific and economic studies, conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; for the general administration of the United States Fish and Wildlife Service; and for maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge; and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408, [$350,251,000] *$360,400,000, to remain available for obligation until September 30, 1990*, of which $5,000,000, to carry out the purposes of 16 U.S.C. 1535, shall remain available until expended; and of which [$6,523,000] *$6,811,000* shall be for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976 (90 Stat. 2921), to compensate for loss of fishery resources from water development projects on the Lower Snake River, and which shall remain available until expended[: *Provided*, That none of the funds provided herein may be used for the planning, implementation, or financing of agreements or arrangements with entities for the management of United States Fish and Wildlife Service wildlife refuges, exclusive of waterfowl production areas, except for agreements or arrangements existing as of the date of enactment of this Act;] *and of which $1,500,000 shall remain available until expended for the development and installation of displays, exhibits, films, and other educational material for an ecological center, which will display the interdependency of fish and wildlife habitat upon each other and the need for informed public stewardship of these resources, including man's impact on freshwater and coastal streams, and which will be located on non-Federal land and be constructed by non-Federal participants.*

CONSTRUCTION AND ANADROMOUS FISH

For construction and acquisition of buildings and other facilities required in the conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, and the acquisition of lands and interests therein; [$23,756,000] *$25,294,000*, to remain available until expended, of which $2,000,000 shall be available for expenses to carry out the Anadromous Fish Conservation Act (16 U.S.C. 757a-757g).

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, [$50,809,000] *$61,849,000*, to be derived from the Land and Water Conservation Fund, to remain available until expended.

The Secretary may acquire lands and waters or interests therein subject to the interest of the State of California, including the public trust, in lands including submerged lands which are now or at any time have been below the highest high water mark of the Sacramento River and/or its tributaries, in the event the boundary of said river has been artificially raised, or said lands are now or at any time have been below the ordinary high water mark of the Sacramento River, if said river and/or its tributaries is in its natural state; and further subject to any adverse claim based upon the assertion that (i) any portion of said lands is not now or has not at any time been below the highest high water mark of the Sacramento River and/or its tributaries, in the event the boundary of said river has been artificially raised, or is not now and has not at any time been below the ordinary high water mark, if said river and/or its tributaries is in its natural state; (ii) some portion of said lands has been created by artificial means or has accreted to such portion so created; or (iii) some portion of said lands has been brought within the boundaries thereof by an avulsive movement of the Sacramento River and/or its tributaries, or has been formed by accretion to any such portion.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), [$7,645,000] *$5,645,000.*

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 160 passenger motor vehicles, of which 153 are for replacement only (including 46 for police-type use); not to exceed $400,000 for payment, at the discretion of the Secretary, for information, rewards, or evidence concerning violations of laws administered by the United States Fish and Wildlife Service, and miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate; repair of damage to public roads within and adjacent to reservation areas caused by operations of the United States Fish and Wildlife Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the United States Fish and Wildlife Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided,* That the United States Fish and Wildlife Service may accept donated aircraft as *new, or* replacements for existing aircraft: *Provided further,* That hereafter the Columbian White Tail Deer Refuge shall be known as the Julia Butler Hansen Refuge for the Columbian White Tail Deer.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not to exceed [$424,000] *$442,000* for the Roosevelt Campobello International Park Commission and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93–408, [$742,181,000] *$746,024,000,* without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), of which not to exceed $52,200,000 to remain available until expended is to be derived from the special fee account established pursuant to title V, section 5201, of Public Law 100–203: *Provided,* [That of the funds appropriated from the General Fund of the Treasury, $56,733,000 shall be for interpretation and visitor services, $269,392,000 shall be for maintenance, and $77,726,000 shall be for resources management: *Provided further,*] That the National Park Service shall not enter into future concessionaire contracts, including renewals, that do not include a termination for cause clause that provides for possible extinguishment of possessory interests excluding depreciated book value of concessionaire investments without compensation: *Provided further, That $85,000 shall be available to assist the town of Harpers Ferry, West Virginia, for police force use: Provided further, That the National Park Service shall continue its review of the proposal to acquire property in and around Natchez, Mississippi for the Mississippi River National Park and for the terminus of the Natchez Trace Parkway. For such purposes, up to $500,000 is authorized to be expended from available funds: Provided further,* That funds appropriated to the National Park Service may be used for the purchase or hire of personnel services without regard to personnel laws as contained in title V of the United States Code, only to provide for the orderly transition from regional finance offices to a central finance office[: *Provided further,* That of the funds provided herein, $250,000 is available for the National Institute for the Conservation of Cultural Property:] *Provided further, That no funds appropriated by this Act shall be available to remove, obstruct, dewater, fill, or otherwise damage the Brooks River fish ladder in the Katmai National Park, Alaska: Provided further, That no funds appropriated by this Act shall be available to conduct wolf research in Denali National Park and Preserve until the National Park Service complies with section 1308(a) of the Alaska National Interest Lands Conservation Act and Personnel Management Letter No. ADO–83–6–(370): Provided further, That the Service shall consider persons for research and research support positions who, by reason of having lived or worked in or near a conservation system unit, have special knowledge or expertise concerning the natural or cultural resources of such unit: Provided further, That where any Federal lands included within the boundary of the Park created by the Act of December 18, 1971 (Public Law 92–207), were legally occupied or utilized on the date of approval of that Act for grazing purposes pursuant to a lease, permit, or license issued or authorized by any department, establishment, or agency of the United States, the person or persons so occupying or utilizing such lands and the heirs of such person or persons shall at that time be entitled to renew said leases, permits, or licenses under such terms and conditions as the Secretary of the Interior may prescribe, for the lifetime of the permittee or any direct descendants (sons or daughters) born on or before the enactment of Public Law 92–207 (December 18, 1971). Such grazing activities shall be subject to the following conditions:*

(a) Grazing will be based on active preference that exists on the date of this Act and no increase in animal unit months will be allowed on park lands.

(b) No physical improvements for stock use will be established on NPS lands without the written concurrence of the Park Superintendent.

(c) Nothing in this section shall apply to any lease, permit, or license for mining purposes or for public accommodations and services or to any occupancy or utilization of lands for purely temporary purposes.

(d) Nothing contained in this Act shall be construed as creating any vested right, title interest, or estate in or to any Federal lands.

(e) The provisions of Public Law 97–341 are hereby repealed.

(f) Grazing will be managed to encourage the protection of the Park's natural and cultural resources values.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, environmental compliance and review, and grant administration, not otherwise provided for, [$14,093,000] *$13,470,000.*

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the provisions of the Historic Preservation Act of 1966 (80 Stat. 915), as amended (16 U.S.C. 470), [$30,000,000] *$30,250,000* to be derived from the Historic Preservation Fund, established by section 108 of that Act, as amended, to remain available for obligation until September 30, 1990: *Provided,* That the Trust Territory of the Pacific Islands is a State eligible for Historic Preservation Fund matching grant assistance as authorized under 16 U.S.C. 470w(2): *Provided further,* That pursuant to section 105(1) of the Compact of Free Association, Public Law 99–239, the Federated States of Micronesia and the Republic of the Marshall Islands shall also be considered States for purposes of this appropriation: *Provided further, That $1,000,000 of the amount appropriated herein shall remain available until expended in the Bicentennial Lighthouse Fund, to be distributed on a matching grant basis after consultation among the National Park Service, the National Trust for Historic Preservation, State Historic Preservation Officers from States with resources eligible for financial assistance, and the lighthouse community. Consultation shall include such matters as a distribution formula, timing of grant awards, a redistribution procedure for grants remaining unobligated longer than two years after the award date, and related implementation policies. The distribution formula for fiscal year 1989 shall include consideration of such factors as—*

(A) the number of lighthouses on or determined to be eligible for listing on the National Register of Historic Places by March 30, 1989;

(B) the number of river lights and number of historic river sites on or determined to be eligible for listing on the National Register by March 30, 1989; and

(C) the availability of matching contributions in the State: Provided further, That no State shall receive more than 15 per centum of the Bicentennial Lighthouse Fund in any one fiscal year, nor more that 10 per centum of the total appropriations to the Fund in any two fiscal year period: Provided further, That only the light station structure, itself, shall be counted in determining the number of properties in each State eligible to participate in the Fund: Provided further, That the Secretary shall allocate appropriate funds from the Bicentennial Lighthouse Fund to be transferred, without the matching requirement, for use by Federal agencies, in cooperative agreements with the National Park Service and the State Office of Historic Preservation in which the property is located, for properties otherwise eligible for the National Register but owned by the Federal Government.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), [$131,809,000] *$119,072,000,* to remain available until expended[, including $2,950,000 to carry out the provisions of sections 302, 303, and 304 of Public Law 95–290]: *Provided,* That for payment of obligations incurred for continued construction of the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93–87, $47,000,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under section 104(a)(8) of Public Law 95–599, as amended, such contract authority to remain available until expended.

LAND AND WATER CONSERVATION FUND
(RESCISSION)

The contract authority provided for fiscal year 1989 by 16 U.S.C. 460l-10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, [$62,206,000] *$63,746,000* to be derived from the Land and Water Conservation Fund, to remain available until expended, including $3,300,000 to administer the State Assistance program: *Provided,* That of the amounts previously appropriated to the Secretary's contingency fund for grants to States, $357,000 shall be available in 1989 for administrative expenses of the State grant program*: Provided further, That $3,000,000 of the funds made available herein shall be available for land acquisition at Congaree Swamp National Monument, South Carolina, subject to enactment of authorizing legislation.*

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

For expenses necessary for operating and maintaining the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, $5,181,000: *Provided,* That contracts *hereafter* awarded for environmental systems, housekeeping, protection systems, and repair or renovation of buildings of the John F. Kennedy Center for the Performing Arts may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

[ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR COMMISSION

[For operation of the Illinois and Michigan Canal National Heritage Corridor Commission, $250,000.

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

[For expenses necessary to pay awards resulting from claims by licensees against the American Revolution Bicentennial Administration and its successors, $4,765,000: *Provided,* That payment of awards shall occur no later than 30 days after enactment of this Act.

[NATIONAL FILM PRESERVATION BOARD

[SALARIES AND EXPENSES

[For necessary expenses of the National Film Preservation Board, $100,000: *Provided,* That the following may be cited as the "National Film Preservation Act of 1988":

SECTION 1. FINDINGS.

[The Congress finds that—

[(1) motion pictures are an indigenous American art form that has been emulated throughout the world;

[(2) certain motion pictures represent an enduring part of our Nation's historical and cultural heritage; and

[(3) it is appropriate and necessary for the Federal Government to recognize motion pictures as a significant American art form deserving of protection.

[SEC. 2. NATIONAL FILM PRESERVATION BOARD.

[The Secretary of the Interior shall establish a National Film Registry for the purpose of registering films that are culturally, historically, or esthetically significant.

[SEC. 3. DUTIES OF SECRETARY OF THE INTERIOR.

[(a)(1) The Secretary, as empowered by the Board, shall by rulemaking in accordance with the requirements of the Administrative Procedures Act (5 U.S.C.)—

[(A) establish criteria for guidelines pursuant to which such films may be included in the National Film Registry;

[(B) establish criteria pursuant to which films may be removed from the National Film Registry; and

[(C) establish criteria and procedures to determine whether a version of a film registered on the National Film Registry has been materially altered (including colorization).

[(2) In addition, the Secretary shall—

[(A) determine, from time to time, in consultation with the Board, which films satisfy the criteria developed pursuant to subparagraph (a)(1)(A) and qualify to be included in the National Film Registry. The Secretary shall not select more than 25 films per year for inclusion in the Registry;

[(B) determine, from time to time, in consultation with the Board and in accordance with criteria established under subparagraph (a)(1)(B), which films, if any, should be removed from the National Film Registry;

[(C) convene, from time to time, a panel of experts solely to advise the Board on a definition of "material alteration" for purposes of subparagraph (a)(1)(C). Such panel shall be comprised of four persons, one representative each from the Motion Picture Association of America and the National Association of Broadcasters, and two representatives of the film guilds representing directors, writers, cinematographers, editors, and set designers;

[(D) provide a seal to indicate that the film has been included in the National Film Registry as an enduring part of our national cultural heritage which seal may be used in the promotion of any version of such film that has not been materially altered; and

[(E) have published in the Federal Register the name of each film whenever it is included in or removed from the National Film Registry.

[(b) Appeals to the Secretary.—The exhibitor or distributor of a film may appeal to the Secretary—

[(1) objecting to a nomination of such film for inclusion in the National Film Registry;

[(2) the failure or refusal of the Secretary to nominate such film for inclusion in the National Film Registry;

[(3) the removal of such film from the National Film Registry; or

[(4) the determination that a version of a film which is included in the National Film Registry has been materially altered.

The Secretary shall refer such appeals to the Board for decisions.

[(c) Registry Collection.—The Secretary shall endeavor to obtain by gift from the owner, a copy of an original version of each film included in the National Film Registry for scholarly research. Such films shall be stored in an appropriate place to be determined by the Secretary, in consultation with the Administrator of General Services.

[SEC. 4. LABELING REQUIREMENTS.

[(a) No person shall knowingly distribute or exhibit to the public a materially altered version of a film included in the National Film Registry unless the version is labeled as required by subsection (b).

[(b)(1) A label for a materially altered version of a film, other than a colorized version, shall consist of a panel card immediately preceding the commencement of the film which bears the following statement:

["Materially edited version of original work; certain creative contributors did not participate in this version of the film.".

Such a label shall appear in a conspicuous and legible type.

[(2) A label for a colorized version of a film shall consist of a panel card immediately preceeding the commencement of the film which bears the following statement:

["Colorized version of original work; certain creative contributors did not participate.".

Such a label shall appear in a conspicuous and legible type.

[(3) A label for a film package of a materially altered film, other than a colorized version, shall consist of—

[(A) an area of a rectangle on the front of the package which bears the following statement:

["Materially edited version of original work; certain creative contributors did not participate in this version of the film."

Such a label shall appear in a conspicuous and legible type in contrast by typography, layout, or color with other printed matter on the package; and

[(B) an area of a rectangle on the side of the package which bears the following statement:

["Materially edited version of original work; certain creative contributors did not participate in this version of the film."

Such a label shall appear in a conspicuous and legible type in contrast by typography, layout, or color with other printed matter on the package.

[(4) A label for a film package of a colorized version of a film shall consist of—

[(A) an area of a rectangle on the front of the package which bears the following statement:

["Colorized version of original work; certain creative contributors did not participate."

Such a label shall appear in a conspicuous and legible type in contrast by typography, layout, or color with other printed matter on the package; and

[(B) an area of a rectangle on the front of the package which bears the following statement:

["Colorized version of original work; See front panel."

Such a label shall appear in a conspicuous and legible type in contrast by typography, layout, or color with other printed matter on the package.

[SEC. 5. MISUSE OF SEAL.

[No person shall knowingly distribute or exhibit to the public a version of a film which bears a seal as described by subparagraph 3(a)(2)(D) of this Act if such film—

[(a) is not included in the National Film Registry; or

[(b) is included in the National Film Registry where such version has been materially altered.

[SEC. 6. REMEDIES.

[The several district courts of the United States are invested with jurisdiction, for cause shown, to prevent and restrain violations of sections 4 and 5 of this Act upon the application of the Commissioner of Patents and Trademarks to the Attorney General of the United States acting through the several United States Attorneys in their several districts. The scope of the relief shall be limited to the prospective application of a label or removal of a seal as appropriate except in cases in which the Commissioner finds a pattern or practice of willful disregard of this Act. In such cases, the United States District Courts are vested with jurisdiction to order civil fines of not more than $10,000 and appropriate injunctive relief.

[SEC. 7. LIMITATIONS OF REMEDIES.

[The remedies under section 6 shall be the exclusive remedies under this Act or any other Federal or State law, regarding the use of a seal as described by subparagraph 3(a)(2)(D) or labeling of materially altered films.

[SEC. 8. NATIONAL FILM PRESERVATION BOARD.

[(a) NUMBER AND APPOINTMENT.—The Secretary shall establish a National Film Preservation Board to be made up of the following members:

[(1) the President of the Academy of Motion Picture Arts and Sciences;

[(2) the President of the Directors Guild of America;

[(3) the President of the Writers Guild of America;

[(4) the President of the National Society of Film Critics;

[(5) the President of the Society for Cinema Studies;

[(6) the President of the American Film Institute;

[(7) the Chairman of the Department of Theatre, Film and Television, College of Fine Arts at the University of California, Los Angeles;

[(8) the Chairman of the Department of Cinema Studies in the Graduate School of Arts and Science at New York University;

[(9) the President of The University Film and Video Association;

[(10) the President of the Motion Picture Association of America;

[(11) the President of the National Association of Broadcasters;

[(12) the President of the Association of Motion Picture and Television Producers; and

[(13) the President of the Screen Actors Guild.

The Secretary shall appoint a member to serve as Chairperson.

[(b) TERM OF OFFICE.—The term of each member of the Board shall be four years from the expiration of his predecessor's term; except that the members first appointed shall serve for terms of one to four years, as designated by the Secretary at the time of appointment, in such manner as to insure that the terms of no more than two of them will expire in any one year. A member whose term has expired shall serve until that member's successor has been appointed.

[A vacancy in the Board shall be filled in the manner in which the original appointment was made. Appointments may be made under this subsection without regard to section 5311(b) of title 5, United States Code. Any member appointed to fill a vacancy before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

[(c) QUORUM.—Seven members of the Board shall constitute a quorum but a lesser number may hold hearings.

[(d) BASIC PAY.—Members of the Board shall serve without pay, except that members of the Board are each authorized to be paid the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day, including traveling time, during which they are engaged in the actual performance of duties of the Board. While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United States Code.

[(e) MEETINGS.—The Board shall meet at least twice each calendar year and the first such meeting shall be within 120 days after the effective date of this section. Meetings shall be at the call of the Chairperson or a majority of its members.

[SEC. 9. STAFF OF BOARD; EXPERTS AND CONSULTANTS.

[(a) STAFF.—The Chairperson of the Board may appoint and fix the pay of such personnel as the Chairperson considers appropriate.

[(b) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The staff of the Board may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of Chapter 51 and subchapter III of Chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS-16 of the General Schedule.

[(c) EXPERTS AND CONSULTANTS.—The Chairperson of the Board may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but as rates for individuals not to exceed the daily equivalent of the maximum rate of basic pay payable for GS-15 of the General Schedule.

[SEC. 10. POWERS OF BOARD.

[(a) IN GENERAL.—The Board may, for the purpose of carrying out its duties, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate, to review nominations of films submitted to the Board for inclusion in the National Film Registry and to consult with the Secretary with respect to the inclusion of such films in the Registry and the removal of any films from the Registry, and those powers defined in section 3. From time to time, the Board may alter the labeling by two-thirds vote of those present.

[(b) NOMINATION OF FILMS.—The Board shall consider, for inclusion in the National Film Registry, nominations submitted by representatives of the film industry, such as the guilds and societies representing actors, directors, screenwriters, producers, and film critics, film preservation organizations and representatives of academic institutions with film study programs. The Board shall not nominate more than twenty-five films a year for inclusion in the Registry.

[SEC. 11. DEFINITIONS.

[As used in sections 1 through 6:

[(1) The term "Secretary" means the Secretary of the Interior.

[(2) The term "film" means a feature-length, theatrical motion picture after its first theatrical release.

[(3) The term "film package" means the original box, carton or container of any kind in which a videotape or disc is offered for sale or rental.

[(4) The term "Board" means the National Film Preservation Board.

[(5) Material alteration shall include fundamental changes in the film such as colorization, substitution of characters' bodies and faces, significant changes in theme, plot and character.

[Excluded from the definition of material alteration are practices such as the insertion of commercials and public service announcements for television broadcast.

[SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

[There is authorized to be appropriated to the Secretary of the Interior for fiscal year 1989 not to exceed $100,000 and for any subsequent fiscal year such sums as may be necessary.

[SEC. 13. EFFECTIVE DATE.

[The effective date is date of enactment of this Act. The provision of this Act shall not apply to any films materially altered prior to said effective date.]

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 360 passenger motor vehicles, of which 290 shall be for replacement only, including not to exceed 290 for police-type use and 26 buses; to provide, notwithstanding any other provision of law, at a cost not exceeding $100,000, transportation for children in nearby communities to and from any unit of the National Park System used in connection with organized recreation and interpretive programs of the National Park Service; options for the purchase of land at not to exceed $1 for each option; and for the procurement and delivery of medical services within the jurisdiction of units of the National Park System: *Provided*, That no funds available to the National Park Service may be used, unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714, to maintain law and order in emergency and other unforeseen law enforcement situations and conduct emergency search and rescue operations in the National Park System: *Provided further*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to add industrial facilities to the list of National Historic Landmarks without the consent of the owner: *Provided further*, That the National Park Service may use helicopters and motorized equipment at Death Valley National Monument for removal of feral burros and horses: *Provided further*, That notwithstanding any other provision of law, the National Park Service may recover unbudgeted costs of providing necessary services associated with special use permits, such reimbursements to be credited to the appropriation current at that time: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

No funds shall be available for the National Park Service to issue any construction permit for the Potomac Greens interchange on the George Washington Memorial Parkway unless an Environmental Impact Statement is conducted. The Environmental Impact Statement shall be commenced promptly and completed and filed within eighteen months of the date on which Public Law 100-202 was enacted. After completion and filing, the EIS shall be transmitted to the appropriate Congressional Committees for a period of 60 days, during which time the National Park Service shall not issue any construction permit for the Potomac Greens interchange on the George Washington Memorial Parkway.

The Environmental Impact Statement shall review the traffic impact of only the proposed 38-acre development opposite Daingerfield Island west of the George Washington Memorial Parkway: *Provided*, That the National Park Service shall review the impact of the planned development on the visual, recreational and historical integrity of the Parkway.

The Environmental Impact Statement shall also provide an evaluation of alternative acquisition strategies to include but not be limited to appraisal estimates for the access rights, the entire 38-acre parcel, that portion of the 38-acre parcel as defined approximately by the historic district boundary line, and any other recommendations by the National Park Service to mitigate the Parkway degradation effects of the proposed development so as to adequately protect and preserve the Parkway. Such appraisals shall be prepared and filed as soon as is reasonably possible. The National Park Service solely shall determine the legal and factual sufficiency of the Environmental Impact Statement and its compliance with the National Environmental Policy Act of 1969.

The Environmental Impact Statement shall be separate from, independent of, and in no way intended to affect or modify any pending litigation. Notwithstanding any other provision of law, no court shall have jurisdiction to consider questions respecting the factual and legal sufficiency of the Environmental Impact Statement under the National Environmental Policy Act of 1969.

[None of the funds in this Act may be used to issue a permit for seismic exploration of Big Cypress National Preserve, Florida, until an environmental impact statement has been completed.]

None of the funds provided in this or any other Act shall be available to prepare a request or study or respond to a request or to cooperate with the Office of Personnel Management or to take any other action to increase special pay provisions for the United States Park Police except as provided for in this Act.

None of the funds provided in this or any other Act shall be available to the National Park Service to investigate, study, plan, or otherwise advance a proposal to restore Hetch Hetchy Valley to a natural condition.

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by law (43 U.S.C. 31, 1332 and 1340); classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; [$448,056,000] *$448,045,000*, of which $58,800,000 shall be available only for cooperation with States or municipalities for water resources investigations: *Provided*, That no part of this appropriation shall be used to pay more than one-half the cost of any topographic mapping or water resources investigations carried on in cooperation with any State or municipality.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the Geological Survey shall be available for purchase of not to exceed 19 passenger motor vehicles, for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Geological Survey appointed, as authorized by law, to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in Public Law 95-224.

MINERALS MANAGEMENT SERVICE

LEASING AND ROYALTY MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; [$170,009,000] *$171,847,000*, of which not less than [$51,567,000] *$53,605,000* shall be available for royalty management activities including general administration: *Provided*, That notwithstanding any other provision of law, funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721 (b) and (d): *Provided further*, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine clean-up activities: *Provided further*, That of the above enacted amounts, $250,000 proposed for data gathering to help determine the boundary between State and Federal lands offshore of Alaska shall be available only if an equal amount is provided by the State of Alaska from State revenues to match the Federal support for this project.

BUREAU OF MINES

MINES AND MINERALS

For expenses necessary for conducting inquiries, technological investigations, and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs; to foster and encourage private enterprise in the development of mineral resources and the prevention of waste in the mining, minerals, metal, and mineral reclamation industries; to inquire into the economic conditions affecting those industries; to promote health and safety in mines and the mineral industry through research; and for other related purposes as authorized by law, [$146,254,000] *$165,167,000*, of which [$84,435,000] *$92,785,000* shall remain available until expended: *Provided*, That none of the funds in this or any other Act may be used for the closure or consolidation of any research centers or the sale of any of the helium facilities currently in operation.

ADMINISTRATIVE PROVISIONS

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided*, That the Bureau of Mines is authorized, during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not to exceed 14 passenger motor vehicles, of which 9 shall be for replacement only; and uniform allowances of not to exceed $400 for each uniformed employee of the Office of Surface Mining Reclamation and Enforcement; [$104,086,000] *$100,837,000*, and notwithstanding 31 U.S.C. 3302, an additional amount, to remain available until expended, equal to receipts to the General Fund of the Treasury from performance bond forfeitures in fiscal year 1989: *Provided*, That notwithstanding any other provision of law, the Secretary of the Interior, pursuant to regulations, may utilize directly or through grants to States, moneys collected in fiscal year 1989 pursuant to the assessment of civil penalties under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: *Provided further*, That the Secretary of the Interior shall abide by and adhere to the terms of the Settlement Agreement in NWR v. Miller, C.A. No. 86-99 (E.D. Ky), and not take any actions inconsistent with the provisions of footnote 3 of the Agreement with respect to any State or Federal program.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out the provisions of title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not more than 21 passenger motor vehicles, of which 15 shall be for replacement only, [$191,154,000] *$201,328,000* to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended: *Provided*, That pursuant to Public Law 97-365, the Department of the Interior is authorized to utilize up to 20 per centum from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts:

Provided further, That of the funds made available to the States to contract for reclamation projects authorized in section 406(a) of Public Law 95-87, administrative expenses may not exceed 15 per centum: *Provided further,* That none of these funds shall be used for a reclamation grant to any State if the State has not agreed to participate in a nationwide data system established by the Office of Surface Mining Reclamation and Enforcement through which all permit applications are reviewed and approvals withheld if the applicants (or those who control the applicants) applying for or receiving such permits have outstanding State or Federal air or water quality violations in accordance with section 510(c) of the Act of August 3, 1977 (30 U.S.C. 1260(c)), or failure to abate cessation orders, outstanding civil penalties associated with such failure to abate cessation orders, or uncontested past due Abandoned Mine Land fees: *Provided further,* That the Secretary of the Interior may deny 50 per centum of an Abandoned Mine Reclamation Fund grant, available to a State pursuant to title IV of Public Law 95-87, in accordance with the procedures set forth in section 521(b) of the Act, when the Secretary determines that a State is systematically failing to administer adequately the enforcement provisions of the approved State regulatory program. Funds will be denied until such time as the State and Office of Surface Mining Reclamation and Enforcement have agreed upon an explicit plan of action for correcting the enforcement deficiency. A State may enter into such agreement without admission of culpability. If a State enters into such agreement, the Secretary shall take no action pursuant to section 521(b) of the Act as long as the State is complying with the terms of the agreement: *Provided further,* That expenditure of moneys as authorized in section 402(g)(3) of Public Law 95-87 shall be on a priority basis with the first priority being protection of public health, safety, general welfare, and property from extreme danger of adverse effects of coal mining practices, as stated in section 403 of Public Law 95-87: *Provided further,* That 23 full-time equivalent positions are to be maintained in the Anthracite Reclamation Program at the Wilkes-Barre Field Office*: Provided further, That notwithstanding any other provision of law, no funds in this, or any other Act, shall be used to alter the allocation formula used in fiscal year 1988 to distribute the Secretary's discretionary share of the Abandoned Mine Reclamation Fund to States pursuant to section 402(g)(3) of Public Law 95-87.*

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For operation of Indian programs by direct expenditure, contracts, cooperative agreements, and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, [$996,024,000] *$980,740,000,* of which not to exceed [$71,004,000] *$68,564,000* for higher education scholarships, adult vocational training, and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall remain available for obligation until September 30, 1990, and of which $25,000,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1988, shall remain available until expended, and the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, 1990: *Provided,* That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs unless the tribe(s) and the Bureau of Indian Affairs enter into a cooperative agreement for consolidated services; and for expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640d-18(a)), $1,997,000, to remain available until expended: *Provided further,* That none of the funds appropriated to the Bureau of Indian Affairs shall be expended as matching funds for programs funded under section 103(b)(2) of the Carl D. Perkins Vocational Education Act[: *Provided further,* That $300,000 of the funds made available in this Act shall be available for cyclical maintenance of tribally owned fish hatcheries and related facilities]: *Provided further, That any savings realized by the Bureau of Indian Affairs from the transfer of fish hatcheries to the United States Fish and Wildlife Service shall be available for cyclical maintenance of tribally owned fish hatcheries and related facilities: Provided further,* That no part of any appropriations to the Bureau of Indian Affairs shall be available to provide general assistance payments for Alaska Natives in the State of Alaska unless and until otherwise specifically provided for by Congress: *Provided further,* That the Secretary shall take no action to close the school or dispose of the property of the Phoenix Indian School until the Congress has specifically approved the school closure or provided for disposition of the property in legislation: *Provided further,* That none of the funds in this Act shall be used by the Bureau of Indian Affairs to transfer funds under a contract with any third party for the management of tribal or individual Indian trust funds until the funds held in trust for such tribe or individual have been audited and reconciled, and the tribe or individual has been provided with an accounting of such funds, and the appropriate committees of the Congress and the tribes have been consulted with as to the terms of the proposed contract or agreement: *Provided further,* That none of the funds in this Act shall be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' higher education grant program that were not in effect on March 1, 1987: *Provided further,* That [$120,000] *$230,000* of the amounts provided for education program management shall be available for a grant to the Close Up Foundation: *Provided further,* That if the actual amounts required in this account for costs of the Federal Employee Retirement System in fiscal year 1989 are less than amounts estimated in budget documents, such excess funds may be transferred to "Construction" and "Miscellaneous Payments to Indians" to cover the costs of the retirement system in those accounts: *Provided further,* That notwithstanding any other provision of law, concurrent with the opening of the Western Cheyenne River Consolidated School the following schools shall be permanently closed: Bridger Day School (Howes, SD); Cherry Creek Day School (Cherry Creek, SD); and the Red Scaffold School (Faith, SD)*: Provided further, That subsection (b) of section 5 of the Cow Creek Band of Umpqua Tribe of Indians Recognition Act (25 U.S.C. 712c) is amended by striking out "Indian individuals" and inserting in lieu thereof "Cow Creek descendants or other Indian individuals": Provided further, That the amounts available for assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall be distributed on the same basis as such funds were distributed in fiscal year 1986: Provided further, That notwithstanding any other provision of law, section 4 of the Act of May 1, 1986 (100 Stat. 404) is amended by deleting the language before the colon and inserting the following in lieu thereof: "The balance of the income derived by the Secretary of the Interior from the interests in the lands identified in section 1 of this Act which were transferred to the Treasury as miscellaneous receipts shall be transferred to and held in trust by the Secretary for use as follows": Provided further, That for the purpose of enabling Indian reservation residents in Arizona who are eligible for General Assistance and who have dependent children to participate and succeed in Job Corps training, the Bureau shall pay general assistance support for the dependent children at the full State AFDC A-2 grant level.*

CONSTRUCTION

For construction, major repair, and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; and construction, repair, and improvement of Indian housing, [$79,136,000] *$78,513,000,* to remain available until expended: *Provided,* That $1,449,000 of the funds appropriated for use by the Secretary to construct homes and related facilities for the Navajo and Hopi Indian Relocation Commission in lieu of construction by the Commission under section 15(d)(3) of the Act of December 22, 1974 (88 Stat. 1719; 25 U.S.C. 640d-14(d)(3)), may be used for counseling, archeological clearances, and administration related to the relocation of Navajo families: *Provided further,* That [$1,100,000] *$1,500,000* of the funds made available in this Act shall be available for rehabilitation of tribally owned fish hatcheries and related facilities: *Provided further,* That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation.

ROAD CONSTRUCTION

Not to exceed 5 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs.

MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals pursuant to Public Laws 98-500, 99-264, and 99-503, including funds for necessary administrative expenses, [$13,952,000] *$13,955,000*, to remain available until expended, of which not to exceed $11,300,000 is made available to the Tohono O'Odham Nation for purposes authorized in the Gila Bend Indian Reservation Lands Replacement Act, Public Law 99-503.

REVOLVING FUND FOR LOANS

During fiscal year 1989, and within the resources and authority available, gross obligations for the principal amount of direct loans pursuant to the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), shall not exceed resources and authority available.

INDIAN LOAN GUARANTY AND INSURANCE FUND

For payment of interest subsidies on new and outstanding guaranteed loans and for necessary expenses of management and technical assistance in carrying out the provisions of the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), $3,370,000, to remain available until expended: *Provided*, That during fiscal year 1989, total commitments to guarantee loans pursuant to the Indian Financing Act of 1974, as amended, may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed resources and authority available.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guarantee and insurance fund) shall be available for expenses of exhibits, and purchase of not to exceed 150 passenger carrying motor vehicles, of which not to exceed 115 shall be for replacement only.

TERRITORIAL AND INTERNATIONAL AFFAIRS

ADMINISTRATION OF TERRITORIES

For expenses necessary for the administration of territories under the jurisdiction of the Department of the Interior, [$82,397,000] *$96,087,000*, of which (1) [$79,371,000] *$93,041,000* shall be available until expended for technical assistance; late charges and payments of the annual interest rate differential required by the Federal Financing Bank, under terms of the second refinancing of an existing loan to the Guam Power Authority, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for support of governmental functions; construction grants to the Government of the Virgin Islands as authorized by Public Law 97-357 (96 Stat. 1709); construction grants to the Government of Guam, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94-241; 90 Stat. 272); and (2) [$3,026,000] *$3,046,000* for salaries and expenses of the Office of Territorial and International Affairs: *Provided*, That the territorial and local governments herein provided for are authorized to make purchases through the General Services Administration: *Provided further*, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or utilized by such governments, shall be audited by the General Accounting Office, in accordance with chapter 35 of title 31, United States Code: *Provided further*, That Northern Mariana Islands Covenant grant funding shall be provided according to those *the* terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands [approved by Public Law 99-396,] except that should the Secretary of the Interior believe that the performance standards of such agreement are not being met, operations funds may be withheld, but only by Act of Congress as required by Public Law 99-396: *Provided further*, That [$540,000] *$710,000* of the amounts provided for technical assistance shall be available for a grant to the Close Up Foundation.

TRUST TERRITORY OF THE PACIFIC ISLANDS

For expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), as amended (90 Stat. 299; 91 Stat. 1159; 92 Stat. 495); grants to the Trust Territory of the Pacific Islands, in addition to local revenues, for support of governmental functions; [$28,434,000] *$18,287,000* [*including $10,304,000 for payment of claims pursuant to the Micronesian Claims Act of 1971*], to remain available until expended: *Provided*, That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with chapter 35 of title 31, United States Code: *Provided further*, That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration: *Provided further*, That all Government operations funds appropriated and obligated for the Republic of Palau under this account for fiscal year 1989, shall be credited as an offset against fiscal year 1989 payments made pursuant to the legislation approving the Palau Compact of Free Association (Public Law 99-658), if such Compact is implemented before October 1, 1989*: Provided further, That any unobligated balances for Palau government operations which remain available on the date of Compact implementation shall be used by the Department of the Interior to reduce the accumulated deficit of the Trust Territory Government.*

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, [$36,160,000] *$30,360,000*, [including $2,500,000 for the Enjebi Community Trust Fund,] to remain available until expended, as authorized by Public Law 99-239: *Provided*, That notwithstanding the provisions of Public Laws 99-500 and 99-591, the effective date of the Palau Compact for purposes of economic assistance pursuant to the Palau Compact of Free Association, Public Law 99-658, shall be the effective date of the Palau Compact as determined pursuant to section 101(d) of Public Law 99-658[: *Provided further*, That if the action entitled Juda, et al. v. The United States, No. 88-1206 (Fed. Cir.) is voluntarily dismissed with prejudice and provided that the People of Bikini accept that the following deposit fully meets the obligation of the United States to assist in the rehabilitation and resettlement of Bikini Atoll, to which the full faith and credit of the United States is pledged pursuant to section 103(l)(1) of Public Law 99-239, such obligation shall be satisfied by the deposit of $90,000,000 into the Resettlement Trust Fund for the People of Bikini established pursuant to Public Law 97-257, and governed pursuant to the terms of such trust instrument, such deposit to be in installments of $5,000,000 on October 1, 1988; $22,000,000 on October 1, 1989; $21,000,000 on October 1, 1990; $21,000,000 on October 1, 1991; and $21,000,000 on October 1, 1992: *Provided further*, That the terms of such Resettlement Trust Fund are hereby modified to provide that corpus and income may be expended for rehabilitation and resettlement of Bikini Atoll, except that the Secretary may approve expenditures not to exceed $2,000,000 in any year from income for construction projects on Kili or Ejit: *Provided further*, That one year prior to completion of the rehabilitation and resettlement program, the Secretary of the Interior shall report to Congress on future funding needs on Bikini Atoll. Unless otherwise determined by Congress, following completion of the rehabilitation and resettlement program, funds remaining in the Resettlement Trust Fund in excess of the amount identified by the Secretary as required for future funding needs shall be deposited in the Treasury of the United States as miscellaneous receipts. Upon completion of those needs, the Resettlement Trust Fund shall be extinguished and all remaining funds shall be deposited in the Treasury of the United States as miscellaneous receipts]: *Provided further, That in full satisfaction of the obligation of the United States to provide funds to assist in the resettlement and rehabilitation of Bikini Atoll by the People of Bikini, to which the full faith and credit of the United States is pledged pursuant to section 103(l) of Public Law 99-239, the United States shall deposit $90,000,000 into the Resettlement Trust Fund for the People of Bikini established pursuant to Public Law 97-257, and governed pursuant to the terms of such trust instrument, such deposit to be in installments of $5,000,000 on October 1, 1988; $22,000,000 on October 1, 1989; $21,000,000 on October 1, 1990; $21,000,000 on October 1, 1991; and $21,000,000 on October 1, 1992: Provided further, That the terms of such Resettlement Trust Fund are hereby modified to provide that corpus and income may be expended for rehabilitation and resettlement of Bikini Atoll, except that the Secretary may approve expenditures not to exceed $2,000,000 in any year from income for projects on Kili or Ejit: Provided further, That one year prior to completion of the rehabilitation and resettlement program, the Secretary of the Interior shall report to Congress on future funding needs on Bikini Atoll. Unless otherwise determined by Congress, following completion of the rehabilitation and resettlement program, funds remaining in the Resettlement Trust Fund in excess of the amount identified by the Secretary as required for future funding needs shall be deposited in the U.S. Treasury as miscellaneous receipts. Upon completion of those needs, the Resettlement Trust Fund shall be extinguished and all remaining funds shall be deposited in the U.S. Treasury as miscellaneous receipts. The payment and use of funds in accordance herewith is for the sole purpose of implementing and fulfilling the terms of the Section 177 Agreement referred* *to in section 462(d) of the Compact of Free Association between the United States and the Republic of the Marshall Islands, including Article VI, section 1, and Articles X and XII, thereof. Payments pursuant hereto shall be made only upon: One, voluntary dismissal with prejudice of Juda et al. v. the United States, No. 88-1206 (Fed. Cir.); and two, submission of written notice to the United States and the Republic of the Marshall Islands, executed by duly-authorized representatives acting on their behalf, that the People of Bikini accept the obligations and undertaking of the United States to make the payments prescribed by this Act, together with the other payments, rights, entitlements and benefits provided for under the Section 177 Agreement, as full satisfaction of all claims of the People of Bikini related in any way to the United States nuclear testing program in accordance with the terms of the Section 177 Agreement.*

DEPARTMENTAL OFFICES

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of the Interior, [$49,580,000] *$48,809,000*, of which not to exceed $10,000 may be for official reception and representation expenses[: *Provided*, That 5 per centum of the sum provided under this head shall not be available until on or after the date that final rules are issued by the National Park Service that require use of seatbelts while traveling on National Park Service roads.]

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $24,686,000.

OFFICE OF INSPECTOR GENERAL

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, [$18,858,000] *$18,649,000*.

CONSTRUCTION MANAGEMENT

For necessary expenses of the Office of Construction Management, $1,800,000.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 11 aircraft, 7 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: *Provided*, That no programs funded with appropriated funds in the "Office of the Secretary", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: *Provided further*, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods or volcanoes; for the prevention, suppression, and control of actual or potential grasshopper and Mormon Cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99-198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95-87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further*, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, U.S.C.: *Provided*, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed [$500,000] *$810,000*; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members: *Provided*, That no funds available to the Department of the Interior are available for any expenses of the Great Hall of Commerce.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902 and D.C. Code 4-204).

SEC. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued by the General Services Administration for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

[SEC. 107. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance changing the name of the mountain located 63 degrees, 04 minutes, 15 seconds west, presently named and referred to as Mount McKinley.]

SEC. 107. No funds made available by this or any other Act shall be expended to exchange lands located within the boundaries of the Lake Mead National Recreation Area in Nevada in township 32 south, range 22 west, Mount Diablo Meridian.

SEC. 108. Notwithstanding any other provisions of law, appropriations in this title shall be available to provide insurance on official motor vehicles, aircraft, and boats operated by the Department of the Interior in Canada and Mexico.

SEC. 109. No funds provided in this title may be used to detail any employee to an organization unless such detail is in accordance with Office of Personnel Management regulations.

SEC. 110. No funds provided in this title may be expended by the Department of the Interior for the conduct of leasing, or the approval or permitting of any drilling or other exploration activity, on lands within the Eastern Gulf of Mexico planning area of the Department of the Interior which lie south of 26 degrees North latitude and east of 86 degrees West longitude.

SEC. 111. No funds provided in this title may be expended by the Department of the Interior for the conduct of leasing, or the approval or permitting of any drilling or other exploration activity within the area identified by the Department of the Interior in the Draft Environmental Impact Statement (MMS 87-0032) for Lease Sale 91 in the Northern California planning area issued December, 1987.

SEC. 112. No funds provided in this title may be expended by the Department of the Interior for the preparation for, or conduct of, preleasing and leasing activities (including but not limited to: calls for information, tract selection, notices of sale, receipt of bids and award of leases) of lands described in, and under the same terms and conditions set forth in section 107 of the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190; or of lands within the 400 meter isobath surrounding Georges Bank, identified by the Department of the Interior as consisting of the following blocks: in protraction diagram NJ 19-2, blocks numbered 12-16, 54-55 and 57-58; in protraction diagram NK 19-5, blocks numbered 744, 788, 831-832, and 1005-1008; in protraction diagram NK 19-6, blocks numbered 489-491, 532-537, 574-576, 578-581, 618-627, 661-662, 664-671, 705-716, 749-761, 793-805, and 969-971; in protraction diagram NK 19-8, blocks numbered 37-40, 80-84, 124-127, and 168-169; in protraction diagram NK 19-9, blocks numbered 13-18, 58-63, 102-105, 107-108, 146-149, 151-152, 191-193, 195-197, 235-237, 240-242, 280-282, 284-286, 324-331, 368-376, 412-420, 456-465, 500-510, 543-554, 587-594, 596-599, 631-637, 640-644, 675-688, 718-733, 762-778, 805-821, 846-865, 887-891, 894-908, 930-950, and 972-994; in protraction diagram NK 19-10, blocks numbered 474-478, 516-524, 560-568, 604-612, 647-660, 692-704, 737-748, 787-792, 830-836, 873-880, 967-968, and 1011-1012; in protraction diagram NK 19-11, blocks numbered 621-632, 665-676, 700, 709-720, 744, 753-764, 785, 797-808, 825-

827, 841-852, 856-860, 869, 890-905, 907-909, 929-931, 941-945, 947-949, 973-975, and 985-989; and in protraction diagram NK 19-12, blocks numbered 452-456, 495-499, 536-537, 539-541, 575-577, 579-582, 617-621, 623-624, 661-662, 664-665, and 705-706.

[SEC. 113. Section 5 of the Outer Continental Shelf Lands Act (43 U.S.C. 1334) is amended by adding at the end the following section:

["(j)(1) Any vessel, rig, platform, or other structure used for the purpose of exploration or production of oil and gas on the Outer Continental Shelf south of 49 degrees North latitude shall be built—

["(A) in the United States either by a United States chartered corporation or by a joint venture between a United States chartered corporation and a foreign corporation, with at least 50 per centum of total person hours expended in the United States; and

["(B) from articles, materials, or supplies at least 50 per centum of which by cost, shall have been mined, produced, or manufactured, as the case may be, in the United States.

["(2) The requirements of paragraph (1) shall not apply to any vessel, rig, platform, or other structure which was built, or for which a building contract has been executed, on or before October 1, 1988, and shall expire with respect to any vessel, rig, platform, or other structure for which either the bidding or award process has commenced on or after September 30, 1992.

["(3) The Secretary may waive—

["(A) the requirement in paragraph (1)(B) whenever the Secretary determines that 50 per centum of the articles, materials, or supplies for a vessel, rig, platform, or other structure cannot be mined, produced, or manufactured, as the case may be, in the United States; and

["(B) the requirement in paragraph (1)(A) upon application, with respect to any classification of vessels, rigs, platforms, or other structures on a specific lease, when the Secretary determines that at least 50 per centum of such classification, as calculated by number and by weight, which are to be built for exploration or production activities under such lease will be built in the United States in compliance with the requirements of paragraph (1)(A).".]

SEC. 113. Notwithstanding any other provision of this Act, nothing in this Act shall be construed to prohibit the approval of permits for the acquisition of geologic and geophysical data in Outer Continental Shelf areas.

SEC. 114. Notwithstanding any other provision of law, the Secretary of the Interior shall transfer to the Housing Authority, Clark County, Nevada, without consideration, all right, title, and interest of the United States approximately eighty acres of land in Clark County, Nevada, described as township 21 south, range 60 east, Mount Diablo Meridian, section 24, north half southwest quarter, Clark County, Nevada, for use as a mobile home park for senior citizens, reserving to the United States all minerals in such land together with right.

SEC. 115. Section 103(h)(2) of the Compact of Free Association Act of 1985 (99 Stat. 1783, 48 U.S.C. 1681) is amended as follows: after the word "firm" insert "or by a grant to the Government of the Republic of the Marshall Islands which may further contract only with a United States firm or a Republic of the Marshall Islands firm, the owners, officers and majority of the employees of which are citizens of the United States or the Republic of the Marshall Islands"; and, after the word "Bikini" insert ", Rongelap, Utrik,".

SEC. 116. The Secretary of the Interior is authorized to guarantee a loan by the Federal Financing Bank to the Government of Guam, in amounts not to exceed $53,000,000, for water system improvements on Guam, provided that the conditions on such loan shall include but not be limited to the following: the Government of Guam shall place water rate-making authority in an independent public utility commission; a source of revenue for payment of the loan shall be identified, with such revenues placed in an escrow account in sufficient amounts to insure timely payment; and, should the Government of Guam default on the loan, the Secretary of the Interior shall deduct such sums as are in arrears from sums normally paid to the Government of Guam under section 1(c) of Public Law 95-348.

SEC. 117. Outer Continental Shelf lease sale 95 (Southern California) shall be conducted no later than August 1, 1989: Provided, That the environmental impact statements prepared for prior lease sales in that area are deemed to satisfy all requirements under 42 U.S.C. 4321-4347 with regard to similar areas in sale 95.

SEC. 118. The limitation of 30 percent for reasonable development costs established under section 504 of Public Law 98-454 (94 Stat. 1782) shall not apply to any funds received by the Government of Guam for lease of lands described in section 818(a)(2) of Public Law 96-418 (94 Stat. 1782) in excess of such percentage: Provided, That any such excess may be used for the development of port facilities on such land, or for the repayment of loans for such development, subject to the prior approval of the Secretary of the Interior.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST RESEARCH

For necessary expenses of forest research as authorized by law, [$139,865,000] *$132,599,000*, to remain available until September 30, 1990, [of which $3,000,000 shall remain available until expended for competitive research grants, as authorized by section 5 of Public Law 95-307].

The Secretary is directed to convey by quitclaim deed, without a requirement for reimbursement, all right, title, and interest of the United States in and to all improvements (1) situated on leased land as recorded in Docket 5191, pages 258-260, Maricopa County, Arizona, and (2) situated on leased land as recorded in Docket 4388, pages 452-455 and Docket 4673, pages 147-148, Maricopa County, Arizona.

The Secretary is further directed, concurrently with conveyances under this section, to relinquish, without a requirement for reimbursement, that certain lease dated October 13, 1962, as amended on May 15, 1963, and that certain related Memorandum of Understanding of like date therewith (collectively referred to herein as the "lease agreement"), which instruments cover and pertain to the real property located on the campus of Arizona State University in Tempe, Arizona: Provided, That the United States is hereby released from any and all liability arising from the future use of the facilities or lands affected by this Act: Provided further, That the Forest Service may continue to occupy the facilities described herein, at no increased expense, until such time as comparable replacement space is available: Provided further, That the Forest Service may not move from the facilities described herein unless the move is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with, and providing technical and financial assistance to States, Territories, possessions, and others; and for forest pest management activities, [$78,143,000] *$82,918,000*, to remain available until expended, as authorized by law: *Provided*, That a grant of $2,800,000 shall be made to the State of Minnesota for the purposes authorized by section 6 of Public Law 95-495[: *Provided further*, That notwithstanding any other provision of law, a grant of $3,600,000 shall be provided to the Washington State Parks and Recreation Commission for construction of the Spokane River Centennial Trail, a grant of $1,350,000 shall be provided to the County of Kootenai, Idaho, for construction of the Idaho Centennial Trail, and a grant of $600,000 shall be provided to the State of Oregon for the Old Columbia River Highway, as authorized by Public Law 99-663 (16 U.S.C. 544j).]

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for reimbursement to other appropriation accounts from which funds were transferred in the preceding fiscal years for forest firefighting and emergency rehabilitation of National Forest System lands, and for administrative expenses associated with the management of funds provided under the heads "Forest Research", "State and Private Forestry", "National Forest System", "Construction", and "Land Acquisition", [$1,309,244,000 *$1,329,018,000* to remain available for obligation until September 30, 1990, and including 65 per centum of all monies received during the prior fiscal year as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 4601-6a).

CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, for construction, [$216,542,000] *$225,997,000*, to remain available until expended, of which [$35,038,000] *$30,000,000* is for construction and acquisition of buildings and other facilities; and [$181,504,000] *$197,541,000* is for construction of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205, *of which $1,250,000 shall be available for the Federal share of road reconstruction for the purpose of improved access to the Monongahela National Forest, West Virginia, which shall be matched on an equal basis by non-Federal participants*: *Provided*, That funds becoming available in fiscal year 1989 under the Act of March 4, 1913 (16 U.S.C. 501), shall be transferred to the General Fund of the Treasury of the United States: *Provided further*, That not to exceed [$64,000,000] *$125,367,000*, to remain available until expended, may be obligated for the construction of forest roads by timber purchasers: *Provided further*, That notwithstanding any other provision of this Act or any other provision of law, there is authorized and appropriated out of the Highway Trust Fund (other than the Mass Transit Account), $5,333,000 of contract authority to be transferred to the Forest Service for road construction to [Forest Development] *State* Road Standards to serve the Mount St. Helens National Volcanic Monument, Washington: *Provided further*, That the funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except the Federal share of the cost of this project shall be 100 per centum, and such funds shall remain available until expended: *Provided further*, That $5,333,000 to be derived from the Highway Trust Fund (other than the Mass Transit Account) as authorized and appropriated above is hereby made available to liquidate the obligations incurred against the contract authority as provided for in this Act.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, [$41,645,000] *$57,734,000* to be derived from the Land and Water Conservation Fund, to remain available until expended [and $600,000 for acquisition of land and interests therein and near the White Salmon National Recreational River, Klickitat County, Washington, as depicted on a map entitled "White Salmon River Acquisitions—1988" on file with the Forest Service, pursuant to the Department of Agriculture Organic Act of 1956 (7 U.S.C. 428(a)), to remain available until expended.]

The following may be cited as the "White Mountain National Forest Boundary Modification Act of 1988".

SECTION 1. For the protection and management of the scenic, natural, recreation and other resource values associated with certain forest lands in the State of New Hampshire, the Secretary of Agriculture (hereafter "Secretary") is authorized and directed to acquire by purchase, exchange, donation or otherwise, all rights, title and interests in those lands now or formerly owned by Diamond International Corporation in the State of New Hampshire, which are generally depicted on maps dated June, 1988 and entitled, "White Mountain National Forest Additions", which maps are on file with the Chief, Forest Service, Washington, D.C. Acquisition under authority of this section shall be completed by the Secretary notwithstanding any other provision or requirement of law or condition precedent. The Secretary may exclude from acquisition such outstanding rights, rights-of-way, easements and other encumbrances deemed acceptable to the Secretary, and may also exclude from acquisition any small or isolated parcels which the Secretary deems are not manageable for Federal purposes. It is the intent of Congress that these acquisitions be completed prior to October 15, 1988.

SEC. 2. Except as provided in section 3 of this Act and subject to the availability of donated or appropriated funds, if by October 1, 1988, the Secretary has not acquired title or a land purchase option or contract to purchase the lands referenced in section 1, less any exclusions, the Secretary is directed to condemn such lands, or portions thereof, commensurate with available funds. Condemnation shall be as soon as possible after October 1, 1988, by a declaration of taking filed in accordance with the Act of February 26, 1931 (40 U.S.C. 258a, as amended). Nothing herein shall preclude an earlier filing of a declaration of taking if the Secretary deems further negotiations for the acquisition of the referenced lands to be futile or if the condemnation is for the purpose of clearing title.

SEC. 3. The Secretary is not required to condemn any lands owned or under option or contract by The Nature Conservancy, the Society for the Protection of New Hampshire Forests, the New Hampshire Retirement System, or the State of New Hampshire or an instrumentality thereof, but the Secretary shall seek to purchase any lands or interests therein which these entities may own within the area depicted on the map referenced in section 1 of this Act. It is the intent of Congress that the Secretary shall cooperate with such entities in the acquisition of lands required by this section.

SEC. 4. The boundaries of the White Mountain National Forest are modified and expanded as indicated on the map dated June, 1988 and entitled "Boundary Modification—White Mountain National Forest".

SEC. 5. The Secretary may correct technical and clerical errors in all maps referenced in this section.

SEC. 6. All lands acquired under authority of or pursuant to this Act shall be administered under the Weeks Act of March 1, 1911 (36 Stat. 961, as amended), and under the laws, rules and regulations pertaining to the National Forest System.

SEC. 7. Of the amount provided under the head "Land acquisition" in the Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes, $5,250,000 shall be available from the Land and Water Conservation Fund, to remain available until expended, for the acquisition of lands and interests therein, and associated administrative costs.

TONGASS TIMBER SUPPLY FUND

For necessary expenses for the Tongass National Forest pursuant to section 705(a) of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 539d(a)), as amended, [$25,264,000] *$40,699,000*, to remain available until expended.

TIMBER ROADS, PURCHASER ELECTION, FOREST SERVICE

(RESCISSION)

Of the funds currently available and unobligated in this account, $40,000,000 is hereby rescinded.

ACQUISITION OF LANDS FOR NATIONAL FORESTS

SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, and Cleveland National Forests, California, as authorized by law, $966,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 per centum of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94-579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

MISCELLANEOUS TRUST FUNDS

For expenses authorized by 16 U.S.C. 1643(b), [$30,000] *$90,000* to remain available until expended, to be derived from the fund established pursuant to the above Act.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed 200 passenger motor vehicles of which ten will be used primarily for law enforcement purposes and of which 190 shall be for replacement only, of which acquisition of 165 passenger motor vehicles shall be from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of 59 aircraft from excess sources; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (b) services pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $100,000 for employment under 5 U.S.C. 3109; (c) uniform allowances for each uniformed employee of the Forest Service, not in excess of $400 annually; (d) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (e) acquisition of land, waters, and interests therein, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); (f) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a note); and (g) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, or National Forest System administration of the Forest Service, Department of Agriculture, without the consent of the House and Senate Committees on Appropriations and the Committee on Agriculture, Nutrition, and Forestry in the United States Senate and the Committee on Agriculture in the United States House of Representatives.

Any appropriations or funds available to the Forest Service may be transferred to the National Forest System appropriation for forest firefighting and the emergency rehabilitation of burned-over lands under its jurisdiction.

The appropriation structure for the Forest Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service may be used to reimburse employees for the cost of State licenses and certification fees pursuant to their Forest Service position and that are necessary to comply with State laws, regulations, and requirements.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Office of International

Cooperation and Development in connection with forest and rangeland research, technical information, and assistance in foreign countries.

Funds previously appropriated for timber salvage sales may be recovered from receipts deposited for use by the applicable national forest and credited to the Forest Service Permanent Appropriations to be expended for timber salvage sales from any national forest, *and for sales preparation of timber sales to replace sales lost to fire or other causes, and sales preparation activities to replace sales inventory on the shelf for any national forest to a level sufficient to maintain new sales availability equal to a rolling five-year average of the total sales offerings, and for design, engineering, construction, and supervision of construction of roads lost to fire or other causes associated with the timber sales programs described above*: *Provided*, That not less than [$37,561,000] *$47,561,000* shall be made available to the Forest Service for obligation in fiscal year 1989 from the Timber Salvage Sales Fund appropriation.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service may be used to provide nonmonetary awards of nominal value to private individuals and organizations that make contributions to Forest Service programs.

Notwithstanding any other provision of the law, none of the funds available under this, or any other Act shall be obligated or expended to adjust annual recreational residence fees except on a four-year phased in basis commencing January 1, 1989.

Funds available to the Forest Service shall be available to conduct a program of not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408.

Notwithstanding the provisions under the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. 6301-6308), the Forest Service is authorized to negotiate and enter into cooperative agreements with the various States, and private, nonprofit organizations to continue the recreation and wildlife and fish Challenge Cost-share Programs.

None of the funds made available to the Forest Service in this Act shall be expended for the construction of the Gasquet-Orleans (G-O) road.

None of the funds made available to the Forest Service in this Act shall be expended for the purpose of issuing a special use authorization permitting land use and occupancy and surface disturbing activities for any project to be constructed on Lewis Fork Creek in Madera County, California, at the site above, and adjacent to, Corlieu Falls bordering the Lewis Fork Creek National Recreation Trail until the studies required in Public Law 100-202 have been submitted to the Congress: *Provided*, That any special use authorization shall not be executed prior to the expiration of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt of the required studies by the Speaker of the House of Representatives and the President of the Senate.

[None of the funds made available to the Forest Service in this Act may be used to adopt or implement any modifications to the final policy for the Small Business Timber Set-Aside Program which was issued by the Forest Service on June 6, 1985, and published in the Federal Register of June 13, 1985, at pages 24788 to 24793, as corrected in the Federal Register of July 9, 1985, at page 27997.]

Notwithstanding any other provision of law, the Secretary of the Treasury is directed to make available to the Secretary of Agriculture, to remain available until expended all National Forest Fund timber receipts received by the Treasury during fiscal year 1988 from the harvesting of National Forest Timber in excess of the National Forest Fund timber receipts contained in the President's Budget proposal for fiscal year 1989: Provided, That such funds shall be made available during fiscal year 1989, and shall be in addition to any funds appropriated in this Act: Provided further, That this transaction will not effect, diminish, or otherwise alter the payments to be made in accordance with the provisions of the Act of May 23, 1908, as amended (16 U.S.C. 500) or the Act of July 10, 1930 (16 U.S.C. 577g): Provided further, That the funds associated with this section shall be scored in a manner consistent with the President's request for fiscal year 1989: Provided further, That funds made available to the Secretary of Agriculture pursuant to this section shall be used for the necessary expenses, including support costs of National Forest Systems programs as follows: 6 per centum for National Forest trail maintenance; 4 per centum for National Forest Trail construction; 23 per centum for wildlife and fish habitat management; 22 per centum for soil, water, and air management; 6 per centum for cultural resource management; 6 per centum for wilderness management; and 33 per centum for timber sales administration and management, including all timber support costs, including advanced preparation work for fiscal year 1990 and fiscal year 1991 timber sale offerings: Provided further, That the Forest Service offers a minimum of an 11.727 billion board feet timber sales program during fiscal year 1989 and that any fiscal year 1989 timber sales resulting from these funds shall be allocated in a manner consistent with the distribution of sales volume in the report accompanying this Act: Provided further, That not later than 30 days after the submission of the President's fiscal year 1990 budget, the Chief of Forest Service shall provide a report to the Committee on the final amount, distribution and expenditure of funds appropriated under this section and shall include an assessment of National Forest resource outputs to be produced in fiscal year 1989, fiscal year 1990, and subsequent years, using funds appropriated under this section, and a comparison of the outputs achieved in fiscal year 1989 and proposed for fiscal year 1990, with the output levels for the program areas listed described in the Forest Service resource management plans in effect at the time of the report required by this section.

Notwithstanding the lack of authorization for payment from appropriated funds in older supplements to cooperative right-of-way construction and use agreements, the Forest Service is authorized and directed to make cash payments in lieu of payment through collection rights where it determines that an unreasonable delay has occurred or is likely to occur before the collection rights can be exercised or offsetting construction performed. In addition, the Service is authorized and directed to make cash payment of excess cost imbalances carried by cooperators which the Government has not repaid within a reasonable time period through the exercise of collection rights or by other means.

Any money collected from the States for fire suppression assistance rendered by the Forest Service on non-Federal lands not in the vicinity of National Forest System Lands shall be used to reimburse the applicable appropriation and shall remain available until expended as the Secretary may direct in conducting activities authorized by 16 U.S.C. 2101 (note), 2101-2110, 1606, and 2111.

Of the funds available to the Forest Service, $2,500 is available to the Chief of the Forest Service for official receptions and representation expenses.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

For necessary expenses of, and associated with, Clean Coal Technology demonstrations pursuant to 42 U.S.C. 5901 et seq., $575,000,000 shall be made available after September 30, 1989, and shall remain available until expended.

[The first paragraph under this head in Public Law 100-202 is amended by striking "and $525,000,000 are appropriated for the fiscal year beginning October 1, 1988" and inserting "$100,000,000 are appropriated for the fiscal year beginning October 1, 1988, and shall remain available until expended, $225,000,000 are appropriated for the fiscal year beginning October 1, 1989, and shall remain available until expended, and $200,000,000 are appropriated for the fiscal year beginning October 1, 1990": *Provided*, That this transfer is made pursuant to section 202(b)(1) of Public Law 100-119 (2 U.S.C. 909).]

For the purposes of the sixth proviso under this head in Public Law 99-190, funds derived by the Tennessee Valley Authority from its power program are hereafter not to be precluded from qualifying as all or part of any cost-sharing requirement, except to the extent that such funds are provided by annual appropriations Acts: *Provided*, That unexpended balances of funds made available in the "Energy Security Reserve" account in the Treasury for The Clean Coal Technology Program by the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in *section 101(d) of* Public Law 99-190, shall be merged with this account.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95-91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, [$357,361,000] *$367,829,000*, to remain available until expended, of which $249,000 is for the functions of the Office of the Federal Inspector for the Alaska Natural Gas Transportation System established pursuant to the authority of Public Law 94-586 (90 Stat. 2908-2909), and pursuant to section 111(b)(1)(B) of the Energy Reorganization Act of 1974, as amended, of the amount appropriated under this head, $3,500,000 shall be available for a grant for an energy center at the University of Oklahoma in Norman, Oklahoma, *and $9,000,000 shall be available for a grant for an energy center at West Virginia University in Morgantown, West Virginia, without section 111(b)(2) of such Act being applicable, and $5,500,000 shall be available for continued construction of DOE Fossil Energy building B26*: *Provided*, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

Of the funds herein provided, [$35,000,000] *$37,900,000* is for implementation of the June, 1984 multiyear, cost-shared magnetohydrodynamics program targeted on proof-of-concept testing: *Provided further*, That 25 *30* per centum private sector cash or in-kind contributions shall be required for obligations in fiscal year 1989, and for each subsequent fiscal year's obligations private sector contributions shall increase by 5 per centum over the life of the proof-of-concept plan: *Provided further*, That existing facilities, equipment, and supplies, or previously expended research or development funds are not cost-sharing for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice: *Provided further*, That cost-sharing shall not be required for the costs of constructing or operating Government-owned facilities or for the costs of Government organizations, National Laboratories, or universities and such costs shall not be used in calculating the required percentage for private sector contributions: *Provided further*, That private sector contribution percentages need not be met on each contract but must be met in total for each fiscal year.

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserve activities, $185,071,000, to remain available until expended.

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, [$371,562,000] *$357,019,000*, to remain available until expended, including, notwithstanding any other provision of law, the excess amount for fiscal year 1989 determined under the provisions of section 3003(d) of Public Law 99-509 (15 U.S.C. 4502): *Provided*, That $200,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99-509 (15 U.S.C. 4507)[: *Provided further*, That notwithstanding section 3003(d)(2) of Public Law 99-509 such sums shall be allocated to the eligible programs in the same amounts for each program as in fiscal year 1988, and of which $10,000,000 shall be available for a grant for the energy demonstration and research facility at Northwestern University designated under this head in Public Law 100-202 and as authorized by section 202 of Public Law 99-412 (42 U.S.C. 8281 note): *Provided further*, That the facility may be expanded to encompass space for life sciences in addition to that for material sciences].

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Economic Regulatory Administration and the Office of Hearings and Appeals, $[21,010,000] *$21,372,000.*

EMERGENCY PREPAREDNESS

For necessary expenses in carrying out emergency preparedness activities, $6,154,000.

STRATEGIC PETROLEUM RESERVE

For expenses necessary to carry out the provisions of sections 151 through 166 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), [$173,421,000] *$174,421,000*, to remain available until expended.

SPR PETROLEUM ACCOUNT

For the acquisition and transportation of petroleum and for other necessary expenses under section 167 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), [$333,555,000] *$242,000,000*, to remain available until expended: *Provided*, That *an additional $91,555,000 shall be made available until expended beginning October 1, 1989: Provided further, That* notwithstanding 42 U.S.C. 6240(d) the United States' share of crude oil in Naval Petroleum Reserve Numbered 1 (Elk Hills) may be sold or otherwise disposed of to other than the Strategic Petroleum Reserve.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, [$62,856,000] *$63,156,000 of which $1,000,000 for ADP operations shall remain available until expended.*

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles, hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign: *Provided*, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further*, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

The Secretary of Energy may transfer to the Emergency Preparedness appropriation such funds as are necessary to meet any unforeseen emergency needs from any funds available to the Department of Energy from this Act.

Notwithstanding 31 U.S.C. 3302, funds derived from the sale of assets as a result of defaulted loans made under the Department of Energy Alcohol Fuels Loan Guarantee program, or any other funds received in connection with this program, shall be credited to the Biomass Energy Development account, and shall be available solely for payment of the guaranteed portion of defaulted loans and associated costs of the Department of Energy Alcohol Fuels Loan Guarantee program for loans guaranteed prior to January 1, 1987.

Unobligated balances available in the "Alternative fuels production" account may be used for payment of the guaranteed portion of defaulted loans and associated costs of the Department of Energy Alcohol Fuels Loan Guarantee program, subject to the determination by the Secretary of Energy that such unobligated funds are not needed for carrying out the purposes of the Alternative Fuels Production program: *Provided*, That the use of these unobligated funds for payment of defaulted loans and associated costs shall be available only for loans guaranteed prior to January 1, 1987: *Provided further*, That such funds shall be used only after the unobligated balance in the Department of Energy Alcohol Fuel Loan Guarantee reserve has been exhausted.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles III and XXIII and sections 208 and 338G of the Public Health Service Act with respect to the Indian Health Service, including hire of passenger motor vehicles and aircraft; purchase of reprints; purchase and erection of portable buildings; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; [$1,016,667,000] *$1,014,536,000*, together with payments received during the fiscal year pursuant to 42 U.S.C. 300cc-2 for services furnished by the Indian Health Service: *Provided*, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86-121 (the Indian Sanitation Facilities Act): *Provided further*, That funds made available to tribes and tribal organizations through grants and contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450), shall remain available until expended: *Provided further*, That $15,000,000 shall remain available until expended, for the Indian Catastrophic

Health Emergency Fund and contract medical care: *Provided further,* That of the funds provided, $2,000,000 shall be used to carry out a loan repayment program under which Federal, State, and commercial-type educational loans for physicians and other health professionals will be repaid at a rate not to exceed $25,000 per year of obligated service in return for full-time clinical service in the Indian Health Service. Each individual participating in this program must sign and submit to the Secretary a written contract to accept repayment of educational loans and to serve for the applicable period of service in the Indian Health Service: *Provided further,* That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further,* That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall be available for two fiscal years after the fiscal year in which they were collected, for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, construction of new facilities, or major renovation of existing Indian Health Service facilities): *Provided further,* That of the funds provided, $2,500,000 shall remain available until expended, for the Indian Self-Determination Fund, which shall be available for the transitional costs of initial or expanded tribal contracts, grants or cooperative agreements with the Indian Health Service under the provisions of the Indian Self-Determination Act: *Provided further,* That funding contained herein, and in any earlier appropriations Acts for scholarship programs under section 103 of the Indian Health Care Improvement Act and section 338G of the Public Health Service Act with respect to the Indian Health Service shall remain available for expenditure until September 30, 1990.

INDIAN HEALTH FACILITIES

For construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of portable buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act and the Indian Health Care Improvement Act, [$64,050,000] *$50,185,000,* to remain available until expended.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem equivalent to the rate for GS-18, and for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902), and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided,* That none of the funds appropriated under this Act to the Indian Health Service shall be available for the initial lease of permanent structures without advance provision therefor in appropriations Acts: *Provided further,* That non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, if such care can be extended without impairing the ability of the facility to fulfill its responsibility to provide health care to Indians served by such facilities and subject to such reasonable charges as the Secretary of Health and Human Services shall prescribe, the proceeds of which, together with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651-53), shall be deposited in the fund established by sections 401 and 402 of the Indian Health Care Improvement Act and in the case of tribally administered facilities, shall be available to the tribal organization without fiscal year limitation: *Provided further,* That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further,* That with the exception of Indian Health Service units which currently have a billing policy, the Indian Health Service shall not initiate any further action to bill Indians in order to collect from third-party payers nor to charge those Indians who may have the economic means to pay unless and until such time as Congress has agreed upon a specific policy to do so and has directed the Indian Health Service to implement such a policy: *Provided further,* That the Secretary of Health and Human Services may authorize special retention pay under paragraph (4) of 37 U.S.C. 302(a) to any regular or reserve officer for the period during which the officer is obligated under section 338B of the Public Health Service Act and assigned and providing direct health services or serving the officer's obligation as a specialist: *Provided further,* That personnel ceilings may not be imposed on the Indian Health Service nor may any action be taken to reduce the full-time equivalent level of the Indian Health Service by the elimination of temporary employees by reduction in force, hiring freeze or any other means without the review and approval of the Committees on Appropriations: *Provided further,* That funds provided in this Act may be used to reimburse the Indian Health Service travel costs of spouses who accompany prospective Indian Health Service medical professional employees to the site of employment as part of the recruitment process: *Provided further,* That section 103(c) of the Indian Self-Determination Act (88 Stat. 2206), as amended by Public Law 100-202 (101 Stat. 1329-246), is amended by inserting after the word "claims" the words "by any person", and is further amended by inserting after the word "performance" the words "prior to, including, or after December 22, 1987," and is further amended by inserting after the word "investigations," the words "an Indian tribe,": *Provided further,* That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to eligibility for the health care services of the Indian Health Service: *Provided further, That notwithstanding any other provision of law, the Secretary is authorized to undertake a demonstration project at Kayenta, Arizona, on the Navajo Indian Reservation, to construct 10 housing units on Federal land, i.e., three one-bedroom, four two-bedroom, and three three-bedroom units, under an agreement with a non-profit, Indian controlled community development corporation, and in return for a Federal grant of $200,000, units which meet or exceed Federal construction standards are to be built, operated, maintained in adequate condition and, for a period of 20 years following completion of construction, offered for rent to Federal employees. First preference for rental is to be given to essential Indian Health Service (IHS) employees as determined in accordance with IHS quarters management policies. Rental rates charged by the owner shall be established by the same method as would be used if the units were federally owned. Navajo Area IHS guidelines for occupant conduct and responsibility in Federal quarters shall apply unless stricter standards are mutually adopted: Provided further, That notwithstanding any other provision of law, there are 170 village built clinics authorized to be operated in Alaska.*

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

INDIAN EDUCATION

For necessary expenses to carry out, to the extent not otherwise provided, the Indian Education Act, [$68,153,000] *$72,297,000,* of which [$49,848,000] *$53,492,000* shall be for part A and [$15,807,000] *$15,307,000* shall be for parts B and C: *Provided,* That the amounts available pursuant to section 423 of the Act shall remain available for obligation until September 30, 1990.

OTHER RELATED AGENCIES

NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Navajo and Hopi Indian Relocation Commission as authorized by Public Law 93-531, [$27,723,000] *$26,473,000,* to remain available until expended, for operating expenses of the Commission: *Provided,* That none of the funds contained in this or any other Act may be used to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further,* That no relocatee will be provided with more than one new or replacement home: *Provided further,* That the Commission shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d-10.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Institute of American Indian and Alaska Native Culture and Arts Development as authorized by Public Law 99-498, [$3,094,000] *$2,849,000,* of which not to exceed $250,000 for Federal matching contributions shall be paid to the Institute endowment fund.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections;

presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed ten years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; [$209,266,000] *$208,734,000*, of which not to exceed $1,206,000 for the instrumentation program shall remain available until expended and, including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: *Provided*, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise, $5,305,000, to remain available until expended.

RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of restoration and renovation of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, [$20,835,000] *$20,735,000*, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or restoration of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

CONSTRUCTION

For necessary expenses for construction, $8,655,000, to remain available until expended: *Provided*, That notwithstanding any other provison of law, the Institution is authorized to transfer to the State of Arizona, the counties of Santa Cruz and/or Pima, a sum not to exceed $150,000 for the purpose of assisting in the construction or maintenance of an access to the Whipple Observatory.

National Gallery of Art

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C 5901-5902); purchase, or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, [$37,831,000] *$38,543,000*, of which not to exceed $2,320,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, [$500,000] *$1,000,000* to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles, and services as authorized by 5 U.S.C. 3109, $4,240,000*: Provided, That appropriations in this account remaining unobligated at the end of fiscal years 1988 and 1989 and which would otherwise be returned to the General Fund of the Treasury, shall be paid to the Endowment challenge fund and shall remain available until September 30, 1990: Provided further, That such sums as are available shall be transferred only to the extent matched on a three-to-one basis by private funds.*

PAYMENT TO ENDOWMENT CHALLENGE FUND

For payment to the Endowment challenge fund for the Woodrow Wilson International Center for Scholars $350,000, to remain available until September 30, 1990: Provided, That such sums shall be transferred only to the extent matched on a three-to-one basis by private funds.

National Foundation on the Arts and the Humanities

National Endowment for the Arts

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and Humanities Act of 1965, as amended, [$141,800,000] *$141,431,000* shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to groups and individuals pursuant to section 5(c) of the Act, and for administering the functions of the Act: *Provided*, That none of the funds available to the National Endowment for the Arts may be used to implement a peer panel review process different from that in place as of December 31, 1987.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $27,200,000, to remain available until September 30, 1990, to the National Endowment for the Arts, of which $18,200,000 shall be available for purposes of section 5(l): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

National Endowment for the Humanities

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, [$125,000,000] *$115,535,000* shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $28,700,000, to remain available until September 30, 1990, of which $16,700,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

Institute of Museum Services

GRANTS AND ADMINISTRATION

For carrying out title II of the Arts, Humanities, and Cultural Affairs Act of 1976, as amended, [$22,620,000] *$21,944,000*, including not to exceed $250,000 as authorized by 20 U.S.C. 965(b): *Provided*, That none of these funds shall be available for the compensation of Executive Level V or higher positions: *Provided further*, That the Museum Services Board shall not meet more than three times during fiscal year 1989.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided*, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses.

Commission of Fine Arts

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $475,000.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99-190 (99 Stat. 1261; 20 U.S.C. 956a), as amended, $5,000,000.

Advisory Council on Historic Preservation

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing an Advisory Council on Historic Preservation, Public Law 89-665, as amended, [$1,774,000] *$1,781,000*: *Provided*, That none of these funds shall be available for the compensation of Executive Level V or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by 5 U.S.C. 3109, $2,962,000.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Franklin Delano Roosevelt Memorial Commission, established by the Act of August 11, 1955 (69 Stat. 694), as amended by Public Law 92-332 (86 Stat. 401), $28,000 to remain available until September 30, 1990.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

SALARIES AND EXPENSES

For necessary expenses, as authorized by section 17(a) of Public Law 92-578, as amended, **[$2,343,000]** *$2,311,000,* for operating and administrative expenses of the Corporation.

PUBLIC DEVELOPMENT

For public development activities and projects in accordance with the development plan as authorized by section 17(b) of Public Law 92-578, as amended, **[$3,175,000]** *$3,095,000,* to remain available until expended.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96-388 as amended, **[$2,244,000]** *$2,209,000: Provided,* That none of these funds shall be available for the compensation of Executive Level V or higher positions.

TITLE III—GENERAL PROVISIONS

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 302. No part of any appropriation under this Act shall be available to the Secretaries of the Interior and Agriculture for use for any sale hereafter made of unprocessed timber from Federal lands west of the 100th meridian in the contiguous 48 States which will be exported from the United States, or which will be used as a substitute for timber from private lands which is exported by the purchaser: *Provided,* That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs.

SEC. 303. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: *Provided,* That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.

SEC. 304. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 305. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 306. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 307. Except for lands described by sections 105 and 106 of Public Law 96-560, section 103 of Public Law 96-550, section 5(d)(1) of Public Law 96-312, and except for land in the State of Alaska, and lands in the National Forest System released to management for any use the Secretary of Agriculture deems appropriate through the land management planning process by any statement or other Act of Congress designating components of the National Wilderness Preservation System now in effect or hereinafter enacted, and except to carry out the obligations and responsibilities of the Secretary of the Interior under section 17(k)(1)(A) and (B) of the Mineral Leasing Act of 1920 (30 U.S.C. 226), none of the funds provided in this Act shall be obligated for any aspect of the processing or issuance of permits or leases pertaining to exploration for or development of coal, *oil, gas,* oil shale, phosphate, potassium, sulfur, gilsonite, or geothermal resources on Federal lands within any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning in Executive Communication 1504, Ninety-sixth Congress (House Document numbered 96-119); or within any lands designated by Congress as wilderness study areas or within Bureau of Land Management wilderness study areas: *Provided,* That nothing in this section shall prohibit the expenditure of funds for any aspect of the processing or issuance of permits pertaining to exploration for or development of the mineral resources described in this section, within any component of the National Wilderness Preservation System now in effect or hereinafter enacted, any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning, within any lands designated by Congress as wilderness study areas, or Bureau of Land Management wilderness study areas, under valid existing rights, or leases validly issued in accordance with all applicable Federal, State, and local laws or valid mineral rights in existence prior to October 1, 1982: *Provided further,* That funds provided in this Act may be used by the Secretary of Agriculture in any area of National Forest lands or the Secretary of the Interior to issue under their existing authority in any area of National Forest or public lands withdrawn pursuant to this Act such permits as may be necessary to conduct prospecting, seismic surveys, and core sampling conducted by helicopter or other means not requiring construction of roads or improvement of existing roads or ways, for the purpose of gathering information about the inventorying of energy, mineral, and other resource values of such area, if such activity is carried out in a manner compatible with the preservation of the wilderness environment: *Provided further,* That seismic activities involving the use of explosives shall not be permitted in designated wilderness areas: *Provided further,* That funds provided in this Act may be used by the Secretary of the Interior to augment recurring surveys of the mineral values of wilderness areas pursuant to section 4(d)(2) of the Wilderness Act and acquire information on other national forest and public land areas withdrawn pursuant to this Act, by conducting in conjunction with the Secretary of Energy, the National Laboratories, or other Federal agencies, as appropriate, such mineral inventories of areas withdrawn pursuant to this Act as the Secretary deems appropriate. These inventories shall be conducted in a manner compatible with the preservation of the wilderness environment through the use of methods including core sampling conducted by helicopter; geophysical techniques such as induced polarization, synthetic aperture radar, magnetic and gravity surveys; geochemical techniques including stream sediment reconnaissance and x-ray diffraction analysis; land satellites; or any other methods the Secretary deems appropriate. The Secretary of the Interior is hereby authorized to conduct inventories or segments of inventories, such as data analysis activities, by contract with private entities deemed by the Secretary to be qualified to engage in such activities whenever the Secretary has determined that such contract would decrease Federal expenditures and would produce comparable or superior results: *Provided further,* That in carrying out any such inventory or surveys, where National Forest System lands are involved, the Secretary of the Interior shall consult with the Secretary of Agriculture concerning any activities affecting surface resources: *Provided further,* That funds provided in this Act may be used by the Secretary of the Interior to issue oil and gas leases for the subsurface of any lands designated by Congress as wilderness study areas, that are immediately adjacent to producing oil and gas fields or areas that are prospectively valuable. Such leases shall allow no surface occupancy and may be entered only by directional drilling from outside the wilderness study area or other nonsurface disturbing methods.

SEC. 308. None of the funds provided in this Act shall be used to evaluate, consider, process, or award oil, gas, or geothermal leases on Federal lands in the Mount Baker-Snoqualmie National Forest, State of Washington, within the hydrographic boundaries of the Cedar River municipal watershed upstream of river mile 21.6, the Green River municipal watershed upstream of river mile 61.0, the North Fork of the Tolt River proposed municipal watershed upstream of river mile 11.7, and the South Fork Tolt River municipal watershed upstream of river mile 8.4.

SEC. 309. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such committees.

SEC. 310. Employment funded by this Act shall not be subject to any personnel ceiling or other personnel restriction for permanent or other than permanent employment except as provided by law.

SEC. 311. Notwithstanding any other provision of law, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Energy, and the Secretary of the Smithsonian Institution are authorized to enter into contracts with State and local governmental entities, including local fire districts, for procurement of services in the presuppression, detection, and suppression of fires on any units within their jurisdiction.

Sec. 312. None of the funds provided by this Act to the United States Fish and Wildlife Service may be obligated or expended to plan for, conduct, or supervise deer hunting on the Loxahatchee National Wildlife Refuge.

Sec. 313. None of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1989 by this or any other Act may be used to implement the proposed jurisdictional interchange program until enactment of legislation which authorizes the jurisdictional interchange.

Sec. 314. The Forest Service and Bureau of Land Management are to continue to complete as expeditiously as possible development of their respective Forest Land and Resource Management Plans to meet all applicable statutory requirements. Notwithstanding the date in section 6(c) of the NFMA (16 U.S.C. 1600), the Forest Service, and the Bureau of Land Management under separate authority, may continue the management of lands within their jurisdiction under existing land and resource management plans pending the completion of new plans. Nothing shall limit judicial review of particular activities on these lands: *Provided, however,* That there shall be no challenges to any existing plan on the sole basis that the plan in its entirety is outdated, or in the case of the Bureau of Land Management, solely on the basis that the plan does not incorporate information available subsequent to the completion of the existing plan: *Provided further,* That any and all particular activities to be carried out under existing plans may nevertheless be challenged.

Sec. 315. (a) From funds appropriated under this Act such sums as are necessary shall be made available to pay forest or wildland firefighters premium pay under the provision of subchapter V of chapter 55 of title 5, United States Code (notwithstanding the limitations of section 5547 of such title), for all premium pay that would have been paid to such forest or wildland firefighter employees, but for the provisions of section 5547 of such title, for all pay periods (and parts thereof) occurring during the fiscal year ending September 30, 1989.

(b) Notwithstanding the provisions of subsection (a), no forest or wildland firefighter employee may be paid premium pay to the extent that the aggregate rate of pay of such employee for the aggregate of all pay periods in any calendar year exceeds the maximum rate for GS-15 as provided under the General Schedule pursuant to subchapter III of chapter 53 of title 5, United States Code.

(c) For purposes of this section, the term "wildland forest firefighter" means any employee of the Department of Agriculture or the Department of the Interior who is assigned to, or in support of, work on forest or wildland wildfire emergencies.

Sec. 316. Section 320 of Pubic Law 98-473 (98 Stat. 1874), is amended by deleting the colon and all that follows the words "quarters of that agency" and inserting a period (.) in place of the colon.

[Sec. 317. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (sequoiadendron giganteum) which are located on National Forest System or Bureau of Land Management lands until an environmental assessment has been completed and the Giant Sequoia Management Implementation Plan is approved. In any event, timber harvest within the identified groves only will be done to enhance and perpetuate giant sequoia. There will be no harvesting of giant sequoia specimen trees.

[Sec. 318. No funds appropriated under this Act shall be expended in any workplace that is not free of illegal use or possession of controlled substances which is made known to the federal entity or official to which funds are appropriated under this Act. Pursuant to this section an applicant for funds to be appropriated under this Act shall be ineligible to receive such funds if such applicant fails to include in its application an assurance that it has, and will administer in good faith, a policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances by its employees.]

Sec. 317. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

Sec. 318. The authority granted to the Secretary of the Interior in section 306(a)(1) of Public Law 98-428 to issue carbon dioxide leases for a period of 5 years from the date of enactment of the Act (September 28, 1984) within Antone Bench and areas 2, 3, 4, and 5, is hereby extended by whatever period of time which may be consumed as a result of delays caused by administrative appeal, protest, or litigation.

Sec. 319. Notwithstanding any other provision of law, for the purposes of section 208 of title 18, United States Code, "particular matter", as applied to employees of the Department of the Interior and the Indian Health Service, shall mean "particular matter involving specific parties".

Sec. 320. Notwithstanding any other provision of law, the Final Environmental Impact Statement issued by the USDA Forest Service concerning the Silver Complex Fire Recovery Project on the Siskiyou National Forest and the Record of Decision accompanying the Environmental Impact Statement shall not be subject to judicial review, and shall be subject only to one level of administrative appeal. Notice of that appeal and appellant's Statement of Reasons shall be submitted simultaneously to the Chief of the Forest Service within 30 days after the publication in the Federal Register of the Notice of Availability of the Final Environmental Impact Statement. The Chief must render his decision within 30 days of receipt of the notice of appeal.

Any decision of a responsible Forest Service official to undertake a specific activity, including but not limited to the preparation, advertisement and sale of timber and the preparation, advertisement and contracting for the construction of related roads within the Silver Complex Fire Recovery Area, as designated on maps dated June, 1988 and entitled "Silver Complex Fire Recovery Area", which maps are on file with the Chief, Forest Service, Washington, DC, shall not be subject to administrative appeal or judicial review.

No funds made available to the Forest Service under this or any other Act may be expended to extend the Bald Mountain Road on the Siskiyou National Forest beyond S.E. ¼, N.W. ¼, of section 21, T. 36 S., R. 10 W., W.M.

Sec. 321. To ensure adequate availability of timber from the Mapleton Ranger District of the Siuslaw National Forest pending completion of the final forest plan pursuant to section 6 of the National Forest Management Act of 1976, Public Law 94-588, 16 U.S.C. 1604, as amended, and notwithstanding the injunctions issued pursuant to the judgment in National Wildlife Federation et al. v. United States Forest Service et al., 592 F. Supp. 931 (D. Ore. 1984) as modified by 801 F. 2d 360 (9th cir. 1986), the Secretary of Agriculture shall determine the potential environmental impact of all prepared timber sales in the Mapleton District that are contemplated by the Draft Environmental Impact Statement of October 1, 1986, concerning the Siuslaw National Forest Plan, and shall characterize each sale's potential environmental impact as minimal, moderate or serious. At such time as insufficient timber previously sold but returned pursuant to default or to the Federal Timber Contract Payment Modification Act of 1984, Public Law 98-478, 16 U.S.C. 618, is available for resale to maintain adequate timber availability in the Mapleton District as determined by the Secretary, and prior to implementation of the final Siuslaw National Forest Plan, the Secretary is authorized to sell other timber in the Mapleton District provided he gives sale priority to those sales with the least potential environmental impact as determined pursuant to this section. Any decision of the Secretary to sell timber pursuant to this section, and all characterizations of potential environmental impact made pursuant to this section, shall not be subject to judicial review. Timber sold pursuant to this section each fiscal year shall not exceed 90 million board feet of chargeable volume.

Sec. 322. In implementing the provisions of this Act, the Director of the Office of Management and Budget and the head of each Federal agency for which funds are appropriated under this Act shall comply with the instructions and the specific allocations and earmarking of funds contained in the joint statement of managers accompanying the conference report of this Act.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator form Louisiana.

Mr. JOHNSTON. Mr. President, the Interior appropriations bill we are considering today totals $10,090,230,000 in budget authority and $9,930,000,000 in outlays. We are essentially in compliance with our 302(b) allocation. The Interior bill receives more requests for project funding——

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. JOHNSTON. Mr. President, the Interior bill receives more requests for projected funding than any other appropriations bill. Over 1,700 requests were received this year, and I would like to thank Senator Byrd, Senator McClure, and all of the Appropriations Committee members for their cooperation in developing the bill which is now before us.

It is indeed a pleasure to work with Senator Byrd, who is the chairman of this subcommittee, and with Senator McClure, who is my long-time colleague, on this bill and on the energy and natural resources bill, and on a host of other matters which we do together.

We have followed a policy of "no new construction starts" in preparing these recommendations. There was simply not enough money to go around and we have chosen to continue and complete ongoing projects rather than to start new construction projects, which is not to say that they are not excellent projects being requested. They really are and we ought to have money to do those in the future, and I hope we will. But for this year, we simply do not.

Mr. President, let me touch on a few of the highlights. The committee-reported bill, in total, is nearly 6 percent larger than last year's. Funding for natural resource programs has been increased by 8 percent, over last year, funding for Indian services goes up by 4 percent and funding for energy programs increases by 4 percent, as well, when you take the strategic petroleum reserve, clean coal, and the Petroleum Overcharge Distribution and Restitution Act numbers out of the equation.

For historic preservation, the recommended bill before you provides $30,250,000, an increase of $2 million over last year.

For land and water conservation fund appropriations, the bill recommends $195 million. This is about $28 million above the House level, and about $25 million above last year's enacted level. The recommendation maintains State grants at last year's level of $20 million.

For the National Park Service, the bill recommends the highest level of funding ever for the operation of the National Park System—over $746 million.

For timber sales, the recommended bill before you would provide a sales level of 11.727 billion-board-feet of timber, an increase of 500 million-board-feet above the budget, and yet recommends a timber road construction appropriation of $181 million, which is about $15,000,000 lower than the President's budget.

Increases of over $50 million above the budget request are provided for multiple use management of our national forests, for activities such as recreation, wilderness, trail maintenance and construction, fish and wildlife, water and air quality, and recreation construction.

For programs in support of our commitment to native Americans and Alaska Natives, the bill recommends an increase of approximately $75,000,000 over the President's request for basic services. This includes education, social services, health, law enforcement, and natural resources.

The bill continues the strategic petroleum reserve fill rate at 50,000 barrels per day.

The bill retains appropriations made last year for clean coal and provides an advance appropriation for $575 million in fiscal year 1990 for a third clean coal solicitation.

The recommendation provides the same funding level as last year for weatherization—$161.4 million—and other State energy conservation grant programs.

In summary, the bill before you is a good bill, balancing the needs funded in the bill against our allocation, and I urge my colleagues to support the committee recommendations.

Mr. President, I ask unanimous consent to submit for the RECORD a summary level table which compares our Senate committee recommendations with those of the House and the President's budget proposals.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
TITLE I - DEPARTMENT OF THE INTERIOR							
BUREAU OF LAND MANAGEMENT							
Management of Lands and Resources							
Energy and Minerals Development							
Oil and gas	46,656	45,020	45,020	45,020	-1,636	—	—
Coal management	13,433	9,834	9,834	9,834	-3,599	—	—
Mining law administration	10,237	11,280	11,280	11,280	+1,043	—	—
Other Mineral Resources							
Minerals material sales	2,384	2,447	2,447	2,447	+63	—	—
Mineral leasing	4,050	3,893	3,893	3,893	-157	—	—
Uranium operations	648	639	639	639	-9	—	—
Geothermal	2,431	1,606	1,606	1,606	-825	—	—
Subtotal, Other Mineral Resources	9,513	8,585	8,585	8,585	-928	—	—
Subtotal, Energy and Minerals Development	79,839	74,719	74,719	74,719	-5,120	—	—
Lands and Realty Management							
Lands, Realty, Rights-of-way							
Rights-of-way	7,869	6,747	6,947	6,747	-1,122	—	-200
Realty operations	15,127	15,457	15,457	15,457	+330	—	—
Withdrawal processing	3,429	1,012	1,012	1,012	-2,417	—	—
Subtotal, Lands, Realty, Rights-of-way	26,425	23,216	23,416	23,216	-3,209	—	-200
Alaska lands	13,929	12,224	12,224	13,724	-205	+1,500	+1,500
Subtotal, Lands and Realty Management	40,354	35,440	35,640	36,940	-3,414	+1,500	+1,300
Renewable Resources Management							
Forest management	7,319	6,716	6,716	6,716	-603	—	—
Wild horse and burro management	14,586	7,364	14,586	13,514	-1,072	+6,150	-1,072
Grazing management	33,596	33,594	33,594	35,094	+1,498	+1,500	+1,500
Soil, water and air management	13,953	13,353	15,283	13,353	-600	—	-1,930
Wildlife Habitat Management							
General	14,029	10,778	13,948	15,896	+1,867	+5,118	+1,948
Threatened and endangered species	4,309	3,961	4,221	5,461	+1,152	+1,500	+1,240
Subtotal, Wildlife Habitat Management	18,338	14,739	18,169	21,357	+3,019	+6,618	+3,188
Recreation Management							
Cultural resources management	6,573	6,193	6,693	6,493	-80	+300	-200
Wilderness management	7,395	7,777	7,777	7,777	+382	—	—
Recreation resources management	9,611	9,984	10,834	10,984	+1,373	+1,000	+150
Subtotal, Recreation Management	23,579	23,954	25,304	25,254	+1,675	+1,300	-50
Subtotal, Renewable Resources Management	111,371	99,720	113,652	115,288	+3,917	+15,568	+1,636
Resource management planning	9,499	9,346	9,346	9,346	-153	—	—
Information and Resource Data Management							
Information systems	13,499	15,507	16,957	15,507	+2,008	—	-1,450
Resource data acquisition	3,250	3,200	3,200	3,200	-50	—	—
ALMRS	13,543	23,000	23,000	23,000	+9,457	—	—
Subtotal, Information & Resource Data Management	30,292	41,707	43,157	41,707	+11,415	—	-1,450

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
Resource Protection and Maintenance							
Fire management	9,424	9,320	9,320	9,320	-104	—	—
Alaska cadastral surveys	15,369	11,472	11,472	15,272	-97	+3,800	+3,800
Other States cadastral surveys	12,393	12,227	12,227	12,227	-166	—	—
Resource protection and law enforcement	3,548	3,518	4,268	3,518	-30	—	-750
Facilities maintenance	14,384	15,745	15,745	15,845	+1,461	+100	+100
Hazardous materials management	5,860	12,388	12,388	12,388	+6,528	—	—
Subtotal, Resource Protection and Maintenance	60,978	64,670	65,420	68,570	+7,592	+3,900	+3,150
Emergency Operations							
Fire presuppression and preparation	24,100	29,000	29,000	29,000	+4,900	—	—
Firefighting	50,249	18,953	40,876	45,876	-4,373	+26,923	+5,000
Fire rehabilitation	3,627	3,000	3,000	3,000	-627	—	—
Subtotal, Emergency Operations	77,976	50,953	72,876	77,876	-100	+26,923	+5,000
General Administration							
Equal employment opportunity	2,227	2,193	2,193	2,193	-34	—	—
General administrative support and aviation	39,948	39,804	39,804	39,804	-144	—	—
Bureauwide fixed costs	46,499	45,935	45,935	45,935	-564	—	—
Subtotal, General Administration	88,674	87,932	87,932	87,932	-742	—	—
General reduction	—	—	-1,783	-1,783	-1,783	-1,783	—
Total, Management of Lands and Resources	498,983	464,487	500,959	510,595	+11,612	+46,108	+9,636
Construction and Access							
Access	1,275	1,338	1,338	1,338	+63	—	—
Construction	2,155	—	4,100	1,300	-855	+1,300	-2,800
General reduction	—	—	-7	-7	-7	-7	—
Total, Construction and Access	3,430	1,338	5,431	2,631	-799	+1,293	-2,800
Payments in Lieu of Taxes							
Payments to local governments	105,000	105,000	105,000	105,000	—	—	—
Land Acquisition							
Bureau of Land Management							
Acquisitions	8,285	—	11,040	11,920	+3,635	+11,920	+880
Acquisition management	600	100	600	100	-500	—	-500
Total, Land Acquisition	8,885	100	11,640	12,020	+3,135	+11,920	+380
Oregon and California Grant Lands							
Construction and acquisition	853	450	450	450	-403	—	—
Maintenance	3,892	3,677	3,677	3,677	-215	—	—
Renewable resource management	52,037	49,476	53,716	51,412	-625	+1,936	-2,304
Planning and data management	1,693	3,831	3,831	3,831	+2,138	—	—
General reduction	—	—	-229	-229	-229	-229	—
Total, Oregon and California Grant Lands	58,475	57,434	61,445	59,141	+666	+1,707	-2,304
Range Improvement Fund							
Improvement to public lands	6,956	6,956	6,956	6,956	—	—	—
Farm Tenant Act lands	950	950	950	950	—	—	—
Administrative expenses	600	600	600	600	—	—	—
Total, Range Improvements	8,506	8,506	8,506	8,506	—	—	—

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
Service Charges, Deposits, and Forfeitures							
Rights-of-way processing	2,100	1,700	1,700	1,700	-400	—	—
Adopt-a-horse program	500	400	400	400	-100	—	—
Repair of damaged lands	650	650	650	650	—	—	—
Cost recoverable realty cases	150	150	150	150	—	—	—
Timber purchaser expenses	1,500	1,400	1,400	1,400	-100	—	—
Copy fees	1,700	1,700	1,700	1,700	—	—	—
Total, Service Charges, Deposits, and Forfeitures	6,600	6,000	6,000	6,000	-600	—	—
Miscellaneous Trust Funds							
Base program	100	100	100	100	—	—	—
Total, Bureau of Land Management	689,979	642,965	699,081	703,993	+14,014	+61,028	+4,912
U.S. FISH AND WILDLIFE SERVICE							
Resource Management							
Fish and Wildlife Enhancement							
Endangered species							
Listing	3,294	3,009	3,259	3,259	-35	+250	—
Consultation	3,032	2,971	3,271	3,271	+239	+300	—
Permits	851	855	855	855	+4	—	—
Recovery	7,528	7,012	8,012	9,012	+1,484	+2,000	+1,000
Grants to States	4,300	—	5,000	5,000	+700	+5,000	—
Non-game management	—	—	500	—	—	—	-500
Subtotal, Endangered species	19,005	13,847	20,897	21,397	+2,392	+7,550	+500
Ecological services	19,791	19,462	20,162	21,603	+1,812	+2,141	+1,441
Environmental contaminants	5,878	5,868	6,868	5,868	-10	—	-1,000
Nationa[illegible]	5,115	5,092	5,092	5,592	+477	+500	+500
Subtotal, Fish and Wildlife Enhancement	49,789	44,269	53,019	54,460	+4,671	+10,191	+1,441
Refuges and Wildlife							
Refuge operations and maintenance	116,326	112,759	115,601	119,800	+3,474	+7,041	+4,199
Law enforcement operations	20,840	21,022	21,522	21,522	+682	+500	—
Migratory bird management	8,562	7,877	7,986	8,486	-76	+609	+500
Subtotal, Refuges and Wildlife	145,728	141,658	145,109	149,808	+4,080	+8,150	+4,699
Fisheries							
Hatchery operations and maintenance	26,240	26,355	28,133	27,768	+1,528	+1,413	-365
Lower Snake River Compensation Fund	6,523	6,811	6,523	6,811	+288	—	+288
Fish and wildlife management	6,032	6,910	7,402	7,402	+1,370	+492	—
Subtotal, Fisheries	38,795	40,076	42,058	41,981	+3,186	+1,905	-77
Research and Development							
Fish and wildlife research center, O & M	47,737	44,225	46,925	48,411	+674	+4,186	+1,486
Technical development	5,734	5,271	5,271	6,871	+1,137	+1,600	+1,600
Cooperative research units	5,713	5,800	5,800	6,800	+1,087	+1,000	+1,000
Subtotal, Research and Development	59,184	55,296	57,996	62,082	+2,898	+6,786	+4,086

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
General Administration							
Central office administration	11,564	11,001	13,901	13,901	+2,337	+2,900	---
Regional office administration	13,361	13,306	13,306	13,306	-55	---	---
Servicewide administrative support	20,556	22,684	22,684	22,684	+2,128	---	---
Engineering services	3,617	3,573	3,573	3,573	-44	---	---
General reduction	---	---	-1,395	-1,395	-1,395	-1,395	---
Subtotal, General Administration	49,098	50,564	52,069	52,069	+2,971	+1,505	---
Total, Resource Management	342,594	331,863	350,251	360,400	+17,806	+28,537	+10,149
Construction and Anadromous Fish							
Construction and rehabilitation							
Line item construction	22,620	7,577	21,314	23,294	+674	+15,717	+1,980
Anadromous fish grants	1,500	---	1,500	1,500	---	+1,500	---
Striped bass study	500	---	500	500	---	+500	---
Capital dev and maint management (advance planning).	442	---	442	---	-442	---	-442
Total, Construction and Anadromous Fish	25,062	7,577	23,756	25,294	+232	+17,717	+1,538
Migratory Bird Conservation Account							
Advance appropriation	1,000	---	---	---	-1,000	---	---
Land Acquisition							
Fish and Wildlife Service							
Acquisitions - Federal refuge lands	49,880	---	47,935	59,015	+9,135	+59,015	+11,080
Acquisition management	1,874	1,874	2,874	2,834	+960	+960	-40
Total, Land Acquisition	51,754	1,874	50,809	61,849	+10,095	+59,975	+11,040
National Wildlife Refuge Fund							
Payments in lieu of taxes	5,645	5,645	7,645	5,645	---	---	-2,000
Total, Fish and Wildlife Service	426,055	346,959	432,461	453,188	+27,133	+106,229	+20,727
NATIONAL PARK SERVICE							
Operation of the National Park System							
Park Management							
Management of park areas	68,606	65,347	69,165	73,620	+5,014	+8,273	+4,455
Concessions management	5,086	5,085	5,085	5,085	-1	---	---
Interpretation and visitor services	72,675	88,649	72,733	72,675	---	-15,974	-58
Visitor protection and safety	66,121	65,935	65,935	66,020	-101	+85	+85
United States Park Police	35,221	39,751	38,871	38,971	+3,750	-780	+100
Maintenance	257,343	245,950	273,392	267,225	+9,882	+21,275	-6,167
Resources management	109,431	123,305	109,926	112,431	+3,000	-10,874	+2,505
Information publications	3,699	3,698	3,698	3,698	-1	---	---
International park affairs	722	476	795	975	+253	+499	+180
Volunteers-in-parks	750	750	750	1,000	+250	+250	+250
Enhanced park operation	15,000	---	---	---	-15,000	---	---
Subtotal, Park Management	634,654	638,946	640,350	641,700	+7,046	+2,754	+1,350
Forest fire suppression and presuppression	11,319	5,819	11,319	11,319	---	+5,500	---
Park Recreation and Wilderness Planning							
Water resources	3,032	2,932	2,932	2,932	-100	---	---
General management plans	1,662	2,264	1,995	2,264	+602	---	+269
Subtotal, Park Recreation & Wilderness Planning.	4,694	5,196	4,927	5,196	+502	---	+269

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

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Statutory or Contractual Aid for Other Activities							
Roosevelt Campobello International Park Commission..	424	424	424	442	+18	+18	+18
Ice Age National Scientific Reserve................	573	573	573	573	—	—	—
Lowell Historic Preservation Canal Commission.......	566	565	565	565	-1	—	—
Mary McLeod Bethune NHS............................	199	199	199	550	+351	+351	+351
Martin Luther King, Jr. Center......................	2,550	199	550	232	-2,318	+33	-318
Johnstown Flood Museum..............................	—	—	1,650	—	—	—	-1,650
Sloss Furnace NHL...................................	—	—	250	—	—	—	-250
Fisk University, Jubilee Hall.......................	168	—	—	—	-168	—	—
Blackstone River Corridor...........................	350	—	325	—	-350	—	-325
Fort Lincoln, Mandan, ND...........................	—	—	—	2,000	+2,000	+2,000	+2,000
William McKinley Monument...........................	925	—	545	—	-925	—	-545
Hawaiian Maritime Museum (Falls of Clyde Home)......	—	—	—	1,000	+1,000	+1,000	+1,000
Balboa Park...	200	—	—	—	-200	—	—
Native Hawaiian culture and arts program............	—	—	1,600	600	+600	+600	-1,000
Subtotal, Statutory or Contractual Aid..........	5,955	1,960	6,681	5,962	+7	+4,002	-719
General Administration							
Central office......................................	7,575	10,064	10,064	10,064	+2,489	—	—
Regional offices....................................	16,096	14,518	14,518	14,518	-1,578	—	—
Automatic data processing...........................	5,727	7,421	7,421	7,421	+1,694	—	—
Service wide administrative support.................	8,408	10,344	10,344	10,344	+1,936	—	—
General services....................................	390	390	390	390	—	—	—
Employee compensation payment.......................	5,720	6,826	6,826	6,826	+1,106	—	—
Unemployment compensation for federal employees.....	7,892	8,350	8,350	8,350	+458	—	—
GSA space rental....................................	14,000	15,500	15,500	15,500	+1,500	—	—
Executive direction.................................	6,517	6,577	6,577	6,577	+60	—	—
Public affairs......................................	1,852	1,857	1,837	1,857	+5	—	+20
Subtotal, General Administration................	74,177	81,847	81,827	81,847	+7,670	—	+20
General reduction..	—	—	-2,923	—	—	—	+2,923
Total, Operation of the National Park System....	730,799	733,768	742,181	746,024	+15,225	+12,256	+3,843
National Recreation and Preservation							
Recreation programs..	616	299	615	615	-1	+316	—
Natural programs...	2,543	569	2,924	3,519	+976	+2,950	+595
National register..	7,818	7,377	8,647	7,477	-341	+100	-1,170
Environmental and compliance review..................	425	425	425	425	—	—	—
Grant administration.......................................	1,533	1,534	1,534	1,434	-99	-100	-100
General reduction..	—	—	-52	—	—	—	+52
Total, National Recreation and Preservation.....	12,935	10,204	14,093	13,470	+535	+3,266	-623
Historic Preservation Fund							
Grants-in-aid..	22,750	—	24,750	24,750	+2,000	+24,750	—
National trust for historic preservation..............	4,500	—	5,250	4,500	—	+4,500	-750
Bicentennial Lighthouse fund............................	1,000	—	—	1,000	—	+1,000	+1,000
Total, Historic Preservation Fund..............	28,250	—	30,000	30,250	+2,000	+30,250	+250
Urban Park Recreation Fund							
Base program (rescission)..............................	-1,900	—	—	—	+1,900	—	—

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
Construction							
Buildings and Utilities							
Emergency and unscheduled (lump sum) projects.......	2,000	2,000	2,000	2,000	---	---	---
Advance planning..................................	3,464	1,316	3,464	1,316	-2,148	---	-2,148
Project planning..................................	10,636	5,053	10,036	13,488	+2,852	+8,435	+3,452
Line item construction projects...................	76,917	6,634	116,392	102,268	+25,351	+95,634	-14,124
Visitors facilities fund..........................	(4,700)	---	---	---	(-4,700)	---	---
General reduction.................................	---	---	-83	---	---	---	+83
Total, Construction............................	93,017	15,003	131,809	119,072	+26,055	+104,069	-12,737
Federal Highway Administration							
Federal-aid highways (liquidation of contract authority) (trust fund)............................	(31,000)	(31,000)	(47,000)	(47,000)	(+16,000)	(+16,000)	---
Land Acquisition and State Assistance							
Assistance to States							
Matching grants...................................	16,567	---	16,700	16,700	+133	+16,700	---
Administrative expenses...........................	3,419	3,383	3,300	3,300	-119	-83	---
National Park Service							
Acquisitions......................................	34,325	6,100	35,965	37,450	+3,125	+31,350	+1,485
Acquisition management............................	6,438	6,296	6,241	6,296	-142	---	+55
Total, Land Acquisition and State Assistance....	60,749	15,779	62,206	63,746	+2,997	+47,967	+1,540
Land and Water Conservation Fund							
(Rescission of contract authority)......................	-30,000	---	-30,000	-30,000	---	-30,000	---
John F. Kennedy Center for the Performing Arts							
Base program..	4,904	5,193	5,181	5,181	+277	-12	---
Illinois and Michigan Canal National Heritage Corridor Commission							
Base program..	250	---	250	---	-250	---	-250
American Revolution Bicentennial Administration							
Base program..	---	---	4,765	---	---	---	-4,765
National Film Preservation Board							
Salaries and expenses................................	---	---	100	---	---	---	-100
Total, National Park Service......................	899,004	779,947	960,585	947,743	+48,739	+167,796	-12,842
GEOLOGICAL SURVEY							
Surveys, Investigations, and Research							
National Mapping, Geography and Surveys							
Primary mapping and revision........................	36,124	35,618	35,618	35,618	-506	---	---
Digital cartography.................................	14,094	13,248	13,998	13,998	-96	+750	---
Small intermediate and special mapping..............	13,533	12,500	13,250	13,375	-158	+875	+125
Advanced cartographic systems.......................	13,217	17,719	17,719	16,219	+3,002	-1,500	-1,500
Earth resources observation system..................	8,634	7,118	8,618	8,618	-16	+1,500	---
Cartographic and geographic information.............	3,830	3,837	3,837	3,837	+7	---	---
Side looking airborne radar.........................	1,500	---	1,500	1,000	-500	+1,000	-500
Subtotal, National Mapping, Geography & Surveys.	90,932	90,040	94,540	92,665	+1,733	+2,625	-1,875

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
Geologic and Mineral Resource Surveys and Mapping							
Earthquake hazards reduction	34,882	32,335	34,835	34,335	-547	+2,000	-500
Volcano hazards	11,560	11,050	11,550	11,800	+240	+750	+250
Landslide hazards	2,209	2,203	2,203	2,203	-6	—	—
National geologic mapping	17,720	17,403	17,903	17,403	-317	—	-500
Deep continental studies	3,077	3,074	3,074	3,074	-3	—	—
Geomagnetism	1,751	1,745	1,745	1,745	-6	—	—
Climate change	1,041	1,037	1,037	1,037	-4	—	—
Coastal erosion	3,500	—	3,700	3,500	—	+3,500	-200
Offshore geologic surveys	25,090	28,193	28,193	26,693	+1,603	-1,500	-1,500
Mineral resource surveys	46,820	46,265	46,265	47,765	+945	+1,500	+1,500
Energy geologic surveys	28,780	24,462	26,462	27,212	-1,568	+2,750	+750
Subtotal, Geologic & Mineral Surveys & Mapping	176,430	167,767	176,967	176,767	+337	+9,000	-200
Water Resources Investigations							
Federal program	72,083	72,138	75,200	76,750	+4,667	+4,612	+1,550
Water resources research institutes	10,841	5,279	10,827	10,841	—	+5,562	+14
Federal-State program	59,644	55,914	58,800	59,300	-344	+3,386	+500
National water quality assessment	7,215	—	—	—	-7,215	—	—
Subtotal, Water Resources Investigations	149,783	133,331	144,827	146,891	-2,892	+13,560	+2,064
General administration	14,388	16,438	16,438	16,438	+2,050	—	—
Facilities	16,214	17,427	17,427	17,427	+1,213	—	—
General reduction	—	—	-2,143	-2,143	-2,143	-2,143	—
Total, Geological Survey	447,747	425,003	448,056	448,045	+298	+23,042	-11
MINERALS MANAGEMENT SERVICE							
Leasing and Royalty Management							
OCS Lands							
Leasing and environmental program	40,070	39,074	39,274	39,074	-996	—	-200
Resource evaluation	23,688	23,022	23,022	23,022	-666	—	—
Regulatory program	29,422	29,200	29,200	29,200	-222	—	—
Subtotal, OCS Lands	93,180	91,296	91,496	91,296	-1,884	—	-200
Royalty Management							
Mineral revenue collection (onshore royalty)	15,829	17,738	17,238	18,238	+2,409	+500	+1,000
Mineral revenue compliance (offshore royalty)	14,912	14,701	14,701	14,701	-211	—	—
Systems development and maintenance	19,199	20,166	19,816	20,666	+1,467	+500	+850
General reduction	—	—	-188	—	—	—	+188
Subtotal, Royalty Management	49,940	52,605	51,567	53,605	+3,665	+1,000	+2,038
General administration							
Executive direction	3,517	3,550	3,550	3,550	+33	—	—
Administration operations	10,086	10,044	10,044	10,044	-42	—	—
General support services	11,994	13,822	13,822	13,822	+1,828	—	—
Subtotal, General administration	25,597	27,416	27,416	27,416	+1,819	—	—
General reduction	—	—	-470	-470	-470	-470	—
Total, Leasing and Royalty Management	168,717	171,317	170,009	171,847	+3,130	+530	+1,838
Payments to States from receipts under Mineral Leasing	—	600	—	—	—	-600	—
Total, Minerals Management Service	168,717	171,917	170,009	171,847	+3,130	-70	+1,838

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
BUREAU OF MINES							
Mines and Minerals							
Information and Analysis							
Mineral commodities	9,758	10,616	10,616	10,616	+858	---	---
International minerals	3,240	3,347	3,347	3,347	+107	---	---
Resource evaluation	12,697	14,833	14,833	16,033	+3,336	+1,200	+1,200
Policy analysis	5,006	4,734	4,734	4,734	-272	---	---
Subtotal, Information and Analysis 1/	30,701	33,530	33,530	34,730	+4,029	+1,200	+1,200
Research							
Health, safety and mining technology	51,100	37,735	45,385	53,685	+2,585	+15,950	+8,300
Minerals and materials science	25,763	23,440	25,940	24,940	-823	+1,500	-1,000
Environmental technology	10,889	9,160	13,110	14,160	+3,271	+5,000	+1,050
Subtotal, Research 2/	87,752	70,335	84,435	92,785	+5,033	+22,450	+8,350
Mineral institutes	8,812	---	5,454	12,012	+3,200	+12,012	+6,558
General administration	18,033	22,340	22,235	24,540	+6,507	+2,200	+2,305
Facilities	1,100	400	600	1,100	---	+700	+500
Total, Bureau of Mines	146,398	126,605	146,254	165,167	+18,769	+38,562	+18,913
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT							
Regulation and Technology							
State regulatory program grants	40,110	41,910	44,910	41,910	+1,800	---	-3,000
Federal Regulatory Programs							
Regulatory program operations 3/	20,523	20,403	20,403	20,403	-120	---	---
Technical services, training and research	13,614	13,532	13,532	13,532	-82	---	---
Kentucky settlements	3,685	4,425	4,425	4,425	+740	---	---
Assessments and collections	10,799	8,764	9,022	8,764	-2,035	---	-258
Subtotal, Federal Regulatory Programs	48,621	47,124	47,382	47,124	-1,497	---	-258
General administration							
Executive direction	1,781	1,769	1,769	1,769	-12	---	---
Administrative support	6,912	5,674	5,674	5,674	-1,238	---	---
General services	4,701	4,589	4,351	4,589	-112	---	+238
Subtotal, General administration	13,394	12,032	11,794	12,032	-1,362	---	+238
General reduction	---	---	---	-229	-229	-229	-229
Total, Regulation and Technology	102,125	101,066	104,086	100,837	-1,288	-229	-3,249
Abandoned Mine Reclamation Fund							
State reclamation program grants	159,660	129,660	149,660	160,000	+340	+30,340	+10,340

1/ FY 1988 appropriated $10,871,000 for minerals information; $19,281,000 for mineral data analysis.

2/ FY 1988 appropriated $37,465,000 for health and safety; $20,433,000 for mining technology; $30,361,000 for minerals and materials.

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
Federal Reclamation Programs							
Fee compliance	5,588	5,548	5,720	5,548	-40	---	-172
Reclamation program operations	13,661	19,055	19,055	19,055	+5,394	---	---
Rural lands reclamation program	15,000	---	12,000	12,000	-3,000	+12,000	---
Subtotal, Federal Reclamation Programs	34,249	24,603	36,775	36,603	+2,354	+12,000	-172
General Administration							
Executive direction	880	872	872	872	-8	---	---
Administrative support	2,312	1,703	1,703	1,703	-609	---	---
General services	2,279	2,256	2,144	2,256	-23	---	+112
Subtotal, General Administration	5,471	4,831	4,719	4,831	-640	---	+112
General reduction	---	---	---	-106	-106	-106	-106
Total, Abandoned Mine Reclamation Fund	199,380	159,094	191,154	201,328	+1,948	+42,234	+10,174
Total, Office of Surface Mining Reclamation and Enforcement	301,505	260,160	295,240	302,165	+660	+42,005	+6,925
BUREAU OF INDIAN AFFAIRS							
Operation of Indian Programs							
Education							
School operations	187,043	187,502	187,462	187,537	+494	+35	+75
Johnson O'Malley educational assistance	20,351	20,400	23,000	20,400	+49	---	-2,600
Continuing education	28,640	24,191	26,761	26,101	-2,539	+1,910	-660
Tribe/Agency operations	---	32,551	32,551	32,664	+32,664	+113	+113
Substance abuse/alcohol programs	2,400	---	---	---	-2,400	---	---
Subtotal, Education	238,434	264,644	269,774	266,702	+28,268	+2,058	-3,072
Indian Services							
Tribal government services	8,976	9,002	9,402	8,143	-833	-859	-1,259
Social services	93,210	88,883	92,883	93,233	+23	+4,350	+350
Law enforcement	4,286	4,029	4,029	4,029	-257	---	---
Self-determination services	52,677	50,149	60,149	62,149	+9,472	+12,000	+2,000
Employment development	2,473	2,227	2,487	2,887	+414	+660	+400
Tribe/Agency operations	153,605	116,336	123,346	122,169	-31,436	+5,833	-1,177
Subtotal, Indian Services	315,227	270,626	292,296	292,610	-22,617	+21,984	+314
Navajo-Hopi settlement program	1,971	1,997	1,997	1,997	+26	---	---
Economic Development and Employment Programs							
Business enterprise development	10,561	3,636	10,811	10,386	-175	+6,750	-425
Road maintenance	1,267	31,064	31,064	31,064	+29,797	---	---
Tribe/Agency operations	27,715	3,538	3,538	3,538	-24,177	---	---
Subtotal, Economic Development & Employment	39,543	38,238	45,413	44,988	+5,445	+6,750	-425
Natural Resources Development							
Natural resources, general	1,887	2,794	2,444	2,119	+232	-675	-325
Agriculture	4,354	3,537	5,752	5,752	+1,398	+2,215	---
Forestry	12,490	9,152	12,302	12,302	-188	+3,150	---
Water resources	9,467	1,069	10,069	10,069	+602	+9,000	---
Wildlife and parks	14,540	10,880	27,297	12,671	-1,869	+1,791	-14,626
Fire suppression	25,000	18,700	25,000	25,000	---	+6,300	---
Minerals and mining	7,883	6,824	7,874	6,824	-1,059	---	-1,050
Irrigation and power	8,015	7,704	7,704	7,704	-311	---	---
Tribe/Agency operations	62,374	59,310	50,620	61,710	-664	+2,400	+11,090
Subtotal, Natural Resources Development	146,010	119,970	149,062	144,151	-1,859	+24,181	-4,911

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
Trust Responsibilities							
Rights protection	12,738	18,761	16,061	11,261	-1,477	-7,500	-4,800
Real estate and financial trust services	17,793	19,309	19,309	19,309	+1,516	---	---
Tribe/Agency operations	24,864	23,627	23,627	23,627	-1,237	---	---
Subtotal, Trust Responsibilities	55,395	61,697	58,997	54,197	-1,198	-7,500	-4,800
Facilities Management	82,141	81,711	82,211	81,711	-430	---	-500
General Administration							
Management and administration	37,469	38,316	38,316	38,316	+847	---	---
ADP services	16,814	19,631	18,631	16,631	-183	-3,000	-2,000
Program management	6,023	5,814	5,934	6,044	+21	+230	+110
Employee compensation payments	11,503	14,962	14,962	14,962	+3,459	---	---
Consolidated training program	840	840	840	840	---	---	---
Tribe/Agency operations	19,386	19,970	19,970	19,970	+584	---	---
Subtotal, General Administration	92,035	99,533	98,653	96,763	+4,728	-2,770	-1,890
Two less work days	---	---	-2,379	-2,379	-2,379	-2,379	---
Total, Operation of Indian Programs	970,756	938,416	996,024	980,740	+9,984	+42,324	-15,284
Construction							
Buildings and utilities	41,160	32,360	32,860	34,180	-6,980	+1,820	+1,320
Fish hatcheries	1,500	---	2,272	1,500	---	+1,500	-772
Irrigation systems	15,488	7,210	21,210	20,010	+4,522	+12,800	-1,200
Housing	22,827	17,223	22,823	22,823	-4	+5,600	---
Land acquisition	2,250	---	---	---	-2,250	---	---
Two less work days	---	---	-29	---	---	---	+29
Total, Construction	83,225	56,793	79,136	78,513	-4,712	+21,720	-623
Road Construction							
Base program	1,000	---	---	---	-1,000	---	---
Miscellaneous Payments to Indians							
White Earth Land Settlement Act (Admin)	500	511	511	511	+11	---	---
Old age assistance	2,140	2,144	2,144	2,144	+4	---	---
Payment to Tohono O'Odham Nation	10,700	11,300	11,300	11,300	+600	---	---
Two less work days	---	---	-3	---	---	---	+3
Total, Miscellaneous Payments to Indians	13,340	13,955	13,952	13,955	+615	---	+3
Trust Funds							
Definite	1,000	---	---	---	-1,000	---	---
Revolving Fund for Loans							
Limitation on direct loans	---	(13,000)	---	---	---	(-13,000)	---
Indian Loan Guaranty and Insurance Fund							
Base program	3,085	3,370	3,370	3,370	+285	---	---
Limitation on guaranteed loans	---	(45,000)	---	---	---	(-45,000)	---
Total, Indian Loan Guaranty and Insurance Fund	3,085	3,370	3,370	3,370	+285	---	---
Total, Bureau of Indian Affairs	1,072,406	1,012,534	1,092,482	1,076,578	+4,172	+64,044	-15,904

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
TERRITORIAL AFFAIRS							
Administration of Territories							
Guam							
Construction grants	4,500	1,700	4,900	4,900	+400	+3,200	---
American Samoa							
Operations grants	20,776	20,776	20,776	20,776	---	---	---
Construction grants	3,450	1,000	3,200	1,700	-1,750	+700	-1,500
Subtotal, American Samoa	24,226	21,776	23,976	22,476	-1,750	+700	-1,500
Northern Marianas							
Covenant grants	34,360	40,150	40,150	40,150	+5,790	---	---
Construction grants	---	---	---	14,000	+14,000	+14,000	+14,000
Subtotal, Northern Marianas	34,360	40,150	40,150	54,150	+19,790	+14,000	+14,000
Virgin Islands							
Grants	2,500	---	1,500	1,500	-1,000	+1,500	---
Construction grants	2,400	1,100	2,100	3,100	+700	+2,000	+1,000
Subtotal, Virgin Islands	4,900	1,100	3,600	4,600	-300	+3,500	+1,000
Territorial Administration							
Office of Territorial Affairs	2,948	3,046	3,026	3,046	+98	---	+20
Technical assistance	5,240	2,200	5,240	5,410	+170	+3,210	+170
Disaster contingency fund	500	---	---	---	-500	---	---
Guam Power Authority loan assistance	1,561	1,505	1,505	1,505	-56	---	---
Subtotal, Territorial Administration	10,249	6,751	9,771	9,961	-288	+3,210	+190
Total, Administration of Territories	78,235	71,477	82,397	96,087	+17,852	+24,610	+13,690
Trust Territory of the Pacific Islands							
Operations							
Trust Territory operations	9,433	---	850	850	-8,583	+850	---
Republic of Palau operations	11,157	---	14,500	14,657	+3,500	+14,657	+157
Subtotal, Operations	20,590	---	15,350	15,507	-5,083	+15,507	+157
Construction							
Capital improvements	5,400	---	---	---	-5,400	---	---
Capitol relocations	2,600	---	---	---	-2,600	---	---
Subtotal, Construction	8,000	---	---	---	-8,000	---	---
Bikini Atoll Rehabilitation Committee	1,000	---	---	---	-1,000	---	---
Indefinite land use claims	---	2,780	2,780	2,780	+2,780	---	---
Micronesian War claims	12,350	---	10,304	---	-12,350	---	-10,304
Total, Trust Territory of the Pacific Islands	41,940	2,780	28,434	18,287	-23,653	+15,507	-10,147

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
Compact of Free Association							
Compact of Free Association	27,320	34,935	26,560	23,260	-4,060	-11,675	-3,300
Enewetak support	1,100	---	1,100	1,100	---	+1,100	---
Enjebi Trust Fund	2,500	---	2,500	---	-2,500	---	-2,500
Bikini resettlement	2,300	---	5,000	5,000	+2,700	+5,000	---
Jaluit Atoll	400	---	---	---	-400	---	---
Kwajalein Atoll	---	---	1,000	1,000	+1,000	+1,000	---
Subtotal, Compact of Free Association	33,620	34,935	36,160	30,360	-3,260	-4,575	-5,800
Total, Territorial Affairs	153,795	109,192	146,991	144,734	-9,061	+35,542	-2,257
DEPARTMENTAL OFFICES							
Office of the Secretary							
Departmental Direction							
Secretary's immediate office	1,709	1,726	1,726	1,726	+17	---	---
Executive Secretariat	458	454	454	454	-4	---	---
Congressional and legislative affairs	1,127	1,227	1,147	1,147	+20	-80	---
Equal opportunity	1,148	1,331	1,331	1,248	+100	-83	-83
Public affairs	843	847	847	847	+4	---	---
Small and disadvantaged business utilization	411	516	410	410	-1	-106	---
Subtotal, Departmental Direction	5,696	6,101	5,915	5,832	+136	-269	-83
Program Direction and Coordination							
A/S Water and science	671	674	674	674	+3	---	---
A/S Land and minerals management	905	928	828	828	-77	-100	---
A/S Fish and wildlife and parks	647	647	647	647	---	---	---
A/S Indian affairs	642	649	649	649	+7	---	---
A/S Territorial and international affairs	544	538	538	538	-6	---	---
A/S Policy, budget and administration	756	964	894	864	+108	-100	-30
Subtotal, Program Direction and Coordination	4,165	4,400	4,230	4,200	+35	-200	-30
Administration							
Environmental project review	2,013	2,008	2,008	2,008	-5	---	---
Acquisition and property management	1,364	1,472	1,330	1,222	-142	-250	-108
Office of personnel	1,640	1,693	1,693	1,693	+53	---	---
Administrative services	1,106	897	897	897	-209	---	---
Library	1,358	1,361	1,361	1,361	+3	---	---
Information resources management	2,896	2,169	2,169	2,069	-827	-100	-100
Management analysis	328	1,638	1,138	1,138	+810	-500	---
Policy analysis	1,863	2,241	1,715	1,715	-148	-526	---
Office of budget	1,509	1,870	1,870	1,870	+361	---	---
Financial management	1·117	1,263	1,113	1,063	-54	-200	-50
Security and drug enforcement	---	636	636	636	+636	---	---
Subtotal, Administration	15,194	17,248	15,930	15,672	+478	-1,576	-258
Hearings and appeals	5,830	5,853	5,853	5,853	+23	---	---
Aircraft services	1,765	1,799	1,799	1,799	+34	---	---
Central services	14,869	16,280	16,080	15,680	+811	-600	-400
General reduction	---	---	-227	-227	-227	-227	---
Total, Office of the Secretary	47,519	51,681	49,580	48,809	+1,290	-2,872	-771

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
Office of the Solicitor							
Legal services	19,629	21,601	21,101	21,101	+1,472	-500	---
General administration	3,424	3,724	3,724	3,724	+300	---	---
Two less pay days	---	---	-139	-139	-139	-139	---
Total, Office of the Solicitor	23,053	25,325	24,686	24,686	+1,633	-639	---
Office of the Inspector General							
Audit	11,888	12,465	12,607	12,607	+719	+142	---
Investigations	2,623	2,920	2,920	2,920	+297	---	---
Administration	3,246	3,431	3,431	3,431	+185	---	---
General reduction	---	---	-100	-309	-309	-309	-209
Total, Office of the Inspector General	17,757	18,816	18,858	18,649	+892	-167	-209
Construction Management							
Salaries and expenses	1,800	1,800	1,800	1,800	---	---	---
Total, Secretarial Offices	90,129	97,622	94,924	93,944	+3,815	-3,678	-980
Grand Total, Department of the Interior	4,395,735	3,972,904	4,486,083	4,507,404	+111,669	+534,500	+21,321
TITLE II - RELATED AGENCIES							
DEPARTMENT OF AGRICULTURE							
FOREST SERVICE							
Forest Research							
Forest protection research	31,490	33,260	33,460	33,260	+1,770	---	-200
Resource analysis research	25,353	23,470	25,983	24,414	-939	+944	-1,569
Timber management research	26,548	24,721	26,850	25,628	-920	+907	-1,222
Forest environment research	29,259	29,080	30,706	30,314	+1,055	+1,234	-392
Forest products and harvesting research	19,860	18,748	20,563	20,180	+320	+1,432	-383
Competitive grants	3,000	---	3,000	---	-3,000	---	-3,000
Research challenge cost share program	---	---	500	---	---	---	-500
Two less work days	---	---	-557	-557	-557	-557	---
FERS reduction	---	---	-640	-640	-640	-640	---
Total, Forest Research	135,510	129,279	139,865	132,599	-2,911	+3,320	-7,266
State and Private Forestry							
Forest Pest Management							
Federal lands	28,464	26,034	31,379	31,379	+2,915	+5,345	---
Cooperative lands	12,577	2,077	12,877	12,877	+300	+10,800	---
Subtotal, Forest Pest Management	41,041	28,111	44,256	44,256	+3,215	+16,145	---
Appalachian integrated pest management	---	---	---	7,000	+7,000	+7,000	+7,000
Fire protection	13,770	3,870	13,870	13,870	+100	+10,000	---
Forest Management and Utilization							
Forest resource management	4,993	---	5,000	5,000	+7	+5,000	---
Wood utilization	1,994	---	1,000	1,000	-994	+1,000	---
Seedlings, nursery and tree improvement	1,798	---	1,800	1,800	+2	+1,800	---
Urban forestry	1,998	---	2,500	2,000	+2	+2,000	-500
Subtotal, Forest Management and Utilization	10,783	---	10,300	9,800	-983	+9,800	-500

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
Special Projects							
Boundary Waters Canoe Area	2,800	2,800	2,800	2,800	---	---	---
Gifford Pinchot Institute	200	---	200	---	-200	---	-200
Lake Tahoe	1,400	---	1,400	1,400	---	+1,400	---
Cache La Poudre River	75	---	---	---	-75	---	---
Grant to Kellogg, ID	6,400	---	---	---	-6,400	---	---
Spokane River Centennial Trail	---	---	3,600	---	---	---	-3,600
Idaho Centennial Trail	---	---	1,350	---	---	---	-1,350
Old Columbia River Highway	---	---	600	---	---	---	-600
New England timber resource analysis	---	---	---	250	+250	+250	+250
Timber Bridge initiative	---	---	---	2,700	+2,700	+2,700	+2,700
Two Forks resource analysis, CO	---	---	---	75	+75	+75	+75
Economic diversification studies	---	---	---	1,000	+1,000	+1,000	+1,000
Subtotal, Special Projects	10,875	2,800	9,950	8,225	-2,650	+5,425	-1,725
Two less work days	---	---	-111	-111	-111	-111	---
FERS reduction	---	---	-122	-122	-122	-122	---
Total, State and Private Forestry	76,469	34,781	78,143	82,918	+6,449	+48,137	+4,775
National Forest System							
Minerals and General Land Activities							
Minerals	26,683	29,611	29,611	27,739	+1,056	-1,872	-1,872
Real estate management	21,834	22,694	27,694	22,694	+860	---	-5,000
Land line location	26,651	29,670	27,345	30,052	+3,401	+382	+2,707
Maintenance of facilities	16,533	16,953	17,653	17,653	+1,120	+700	---
Subtotal, Minerals & General Land Activities	91,701	98,928	102,303	98,138	+6,437	-790	-4,165
Resource Protection and Maintenance							
Fire protection	165,029	154,992	169,284	154,992	-10,037	---	-14,292
Fighting forest fires	125,000	35,000	125,000	125,000	---	+90,000	---
Cooperative law enforcement	9,669	11,245	10,045	11,245	+1,576	---	+1,200
Road maintenance	83,740	68,133	73,000	81,633	-2,107	+13,500	+8,633
Trail maintenance	20,026	15,636	20,859	21,000	+974	+5,364	+141
Subtotal, Resource Protection & Maintenance	403,464	285,006	398,188	393,870	-9,594	+108,864	-4,318
Timber Sales							
Timber resource inventory	16,177	16,907	16,615	17,907	+1,730	+1,000	+1,292
Silvicultural examination	26,619	27,890	27,897	27,890	+1,271	---	-7
Sales preparation	98,432	106,076	107,177	112,376	+13,944	+6,300	+5,199
Harvest administration	44,333	63,099	53,099	63,099	+18,766	---	+10,000
Subtotal, Timber Sales	185,561	213,972	204,788	221,272	+35,711	+7,300	+16,484
Reforestation and Stand Improvement							
Reforestation	47,021	40,290	47,726	47,726	+705	+7,436	---
Stand improvement	26,635	30,350	32,100	32,100	+5,465	+1,750	---
Nurseries	14,667	17,592	15,992	15,992	+1,325	-1,600	---
Subtotal, Reforestation & Stand Improvement	88,323	88,232	95,818	95,818	+7,495	+7,586	---
Recreation Use							
Recreation management	96,945	96,689	112,656	112,656	+15,711	+15,967	---
Wilderness	12,581	12,664	14,664	14,664	+2,083	+2,000	---
Cultural resources	14,216	12,809	15,809	15,809	+1,593	+3,000	---
Subtotal, Recreation Use	123,742	122,162	143,129	143,129	+19,387	+20,967	---
Wildlife and Fish Habitat Management							
Wildlife and fisheries support	29,352	32,280	32,280	35,736	+6,384	+3,456	+3,456
Habitat improvement	18,092	13,117	25,813	32,807	+14,715	+19,690	+6,994
Subtotal, Wildlife & Fish Habitat Management	47,444	45,397	58,093	68,543	+21,099	+23,146	+10,450

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
Range Management							
Range vegetation management	25,670	24,155	27,455	26,933	+1,263	+2,778	-522
Range improvements	1,716	920	1,480	1,872	+156	+952	+392
Wild horse and burro management	286	181	301	181	-105	---	-120
Noxious weed control	1,553	1,069	1,569	1,571	+18	+502	+2
Subtotal, Range Management	29,225	26,325	30,805	30,557	+1,332	+4,232	-248
Soil, Water and Air Management							
Soil, water and air operations	25,677	27,393	27,893	30,599	+4,922	+3,206	+2,706
Soil and water resource improvements	3,291	2,235	8,102	4,235	+944	+2,000	-3,867
Soil and water resource inventories	6,303	4,669	6,169	6,669	+366	+2,000	+500
Subtotal, Soil, Water and Air Management	35,271	34,297	42,164	41,503	+6,232	+7,206	-661
General administration	268,660	275,336	273,104	275,336	+6,676	---	+2,232
Reforestation trust fund transfer	-30,000	-30,000	-30,000	-30,000	---	---	---
Two less work days	---	---	-2,848	-2,848	-2,848	-2,848	---
FERS reduction	---	---	-6,300	-6,300	-6,300	-6,300	---
Total, National Forest System	1,243,391	1,159,655	1,309,244	1,329,018	+85,627	+169,363	+19,774
Construction							
Facilities	27,643	7,125	35,145	30,000	+2,357	+22,875	-5,145
Roads and trails							
Direct road construction	171,764	196,849	166,849	181,449	+9,685	-15,400	+14,600
Trail construction	14,671	---	16,092	16,092	+1,421	+16,092	---
Subtotal, Construction	214,078	203,974	218,086	227,541	+13,463	+23,567	+9,455
Timber receipts transfer to General Fund	(-78,635)	(-79,100)	(-79,100)	(79,100)	(+157,735)	(+158,200)	(+158,200)
Timber purchaser credits	---	(125,367)	(64,000)	(125,367)	(+125,367)	---	(+61,367)
Mount St. Helens (contract authority)	---	---	(5,333)	(5,333)	(+5,333)	(+5,333)	---
Two less work days	---	---	-583	-583	-583	-583	---
FERS reduction	---	---	-961	-961	-961	-961	---
Total, Construction	214,078	203,974	216,542	225,997	+11,919	+22,023	+9,455
Land Acquisition							
Forest Service							
Acquisitions	44,895	---	37,745	52,734	+7,839	+52,734	+14,989
Acquisition management	4,181	3,900	4,500	5,000	+819	+1,100	+500
Total, Land Acquisition	49,076	3,900	42,245	57,734	+8,658	+53,834	+15,489
Timber Roads, Purchaser Election, Forest Service							
Base program (rescission)	-75,000	---	---	-40,000	+35,000	-40,000	-40,000
Timber Salvage Sales							
Base program	37,000	---	---	---	-37,000	---	---
Tongass Timber Supply Fund							
Base program	---	40,699	25,264	40,699	+40,699	---	+15,435
Operation and Maintenance of Recreation Facilities							
Base program	---	31,800	---	---	---	-31,800	---

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
Acquisition of Lands for National Forests, Special Acts							
Base program	966	966	966	966	---	---	---
Acquisition of Lands to Complete Land Exchanges							
Base program	990	335	335	335	-655	---	---
Range Betterment							
Base program	3,605	3,875	3,875	3,875	+270	---	---
Miscellaneous Trust Funds							
Miscellaneous trust fund	90	90	30	90	---	---	+60
Total, Forest Service	1,686,175	1,609,354	1,816,509	1,834,231	+148,056	+224,877	+17,722
DEPARTMENT OF ENERGY							
Clean Coal Technology Reserve							
Case program FY 1988	50,000	---	---	---	-50,000	---	---
Base program FY 1989	(525,000)	525,000	100,000	525,000	+525,000	---	+425,000
Base program FY 1990	---	---	(225,000)	(575,000)	(+575,000)	(+575,000)	(+350,000)
Base program FY 1991	---	---	(200,000)	---	---	---	(-200,000)
Supplemental program FY 1990	---	(575,000)	---	---	---	(-575,000)	---
Supplemental program FY 1991	---	(600,000)	---	---	---	(-600,000)	---
Supplemental program FY 1992	---	(600,000)	---	---	---	(-600,000)	---
Total, Clean Coal Technology Reserve	50,000	525,000	100,000	525,000	+475,000	---	+425,000
Fossil Energy Research and Development							
Coal							
Control Technology and Coal Preparation							
Advanced research	2,042	1,774	1,774	2,274	+232	+500	+500
Coal preparation and analysis	15,785	9,948	18,048	12,453	-3,332	+2,505	-5,595
Flue gas cleanup	14,537	12,961	18,949	13,211	-1,326	+250	-5,738
Gas stream cleanup	9,868	5,405	11,470	11,401	+1,533	+5,996	-69
Waste management technology	1,388	1,399	1,518	1,518	+130	+119	---
Subtotal, Control Technology & Coal Preparation	43,620	31,487	51,759	40,857	-2,763	+9,370	-10,902
Advanced research and technology development	24,937	21,410	24,741	23,092	-1,845	+1,682	-1,649
Coal Liquefaction							
Advanced research	6,132	3,241	5,490	6,241	+109	+3,000	+751
Direct liquefaction	13,424	3,241	17,022	16,235	+2,811	+12,994	-787
Indirect liquefaction	6,583	2,742	6,742	4,742	-1,841	+2,000	-2,000
Support studies and engineering evaluations	990	1,074	2,074	1,574	+584	+500	-500
Subtotal, Coal Liquefaction	27,129	10,298	31,328	28,792	+1,663	+18,494	-2,536
Combustion Systems							
Advanced research	3,351	2,092	3,364	2,462	-889	+370	-902
Atmospheric fluidized beds	2,423	1,735	2,756	3,635	+1,212	+1,900	+879
Pressurized fluidized beds	7,202	7,117	7,253	9,253	+2,051	+2,136	+2,000
Advanced combustion technology	3,486	2,682	6,682	5,182	+1,696	+2,500	-1,500
Alternate fuel utilization	3,705	3,794	6,267	3,794	+89	---	-2,473
EPA LIMB demonstration	5,000	---	---	---	-5,000	---	---
Subtotal, Combustion Systems	25,167	17,420	26,322	24,326	-841	+6,906	-1,996

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
Fuel Cells							
Advanced research	1,547	997	1,597	1,597	+50	+600	---
Phosphoric acid systems	13,200	---	10,000	5,000	-8,200	+5,000	-5,000
Molten carbonate systems	11,100	3,469	7,069	7,069	-4,031	+3,600	---
Advanced concepts	8,353	2,168	8,368	8,368	+15	+6,200	---
Subtotal, Fuel Cells	34,200	6,634	27,034	22,034	-12,166	+15,400	-5,000
Heat engines	17,945	8,998	21,332	24,432	+6,487	+15,434	+3,100
Underground coal gasification	2,777	271	1,503	971	-1,806	+700	-532
Magnetohydrodynamics	35,000	---	35,000	37,900	+2,900	+37,900	+2,900
Surface Coal Gasification							
Advanced research	2,698	694	2,620	2,594	-104	+1,900	-26
Systems for power production	11,176	876	5,176	6,526	-4,650	+5,650	+1,350
Systems for industrial fuel gas production	1,369	848	848	1,248	-121	+400	+400
Systems for synthesis gas production	1,958	1,258	2,464	2,464	+506	+1,206	---
Systems for co-products production	5,292	834	3,634	11,084	+5,792	+10,250	+7,450
Great Plains coal gasification project	500	517	517	517	+17	---	---
Subtotal, Surface Coal Gasification	22,993	5,027	15,259	24,433	+1,440	+19,406	+9,174
Subtotal, Coal	233,768	101,545	234,278	226,837	-6,931	+125,292	-7,441
Petroleum							
Advanced Process Technology							
Advanced exploratory research	3,053	1,716	2,936	3,736	+683	+2,020	+800
Arctic and offshore research	372	452	452	452	+80	---	---
Subtotal, Advanced Process Technology	3,425	2,168	3,388	4,188	+763	+2,020	+800
Enhanced Oil Recovery							
Heavy oil	3,700	3,945	3,945	3,945	+245	---	---
Light oil	9,894	13,038	13,038	16,038	+6,144	+3,000	+3,000
Tar sands	1,941	---	1,041	2,400	+459	+2,400	+1,359
Pilot venture program	1,000	---	---	---	-1,000	---	---
Geosciences	---	---	5,000	---	---	---	-5,000
Subtotal, Enhanced Oil Recovery	16,535	16,983	23,024	22,383	+5,848	+5,400	-641
Oil shale	9,504	1,035	8,330	9,780	+276	+8,745	+1,450
Subtotal, Petroleum	29,464	20,186	34,742	36,351	+6,887	+16,165	+1,609
Gas							
Unconventional gas recovery	10,534	1,734	10,234	16,534	+6,000	+14,800	+6,300
Cooperative R&D ventures	---	9,000	---	---	---	-9,000	---
Equipment not related to construction	480	---	500	500	+20	+500	---
Fossil Energy Construction							
General plant projects	2,250	500	2,250	2,250	---	+1,750	---
Headquarters program direction	14,037	9,707	16,207	16,207	+2,170	+6,500	---
Energy Technology Center program direction	47,811	25,071	50,821	50,821	+3,010	+25,750	---
Use of prior year funds	-6,205	-1,000	-1,000	-1,000	+5,205	---	---
Transfer from Energy Security Reserve	-20,894	---	---	---	+20,894	---	---
Federal Inspector for the Alaska Gas Pipeline	230	249	249	249	+19	---	---
Facilities	15,500	---	8,000	18,000	+2,500	+18,000	+10,000
Employment floors	---	---	1,080	1,080	+1,080	+1,080	---
Total, Fossil Energy Research and Development	326,975	166,992	357,361	367,829	+40,854	+200,837	+10,468

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
Naval Petroleum and Oil Shale Reserves							
Oil Reserves							
Naval petroleum reserves Nos. 1 & 2	150,255	161,616	161,616	161,616	+11,361	---	---
Naval petroleum reserve No. 3	21,740	17,336	17,336	17,336	-4,404	---	---
Program direction (headquarters)	5,458	5,919	5,919	5,919	+461	---	---
Subtotal, Oil Reserves	177,453	184,871	184,871	184,871	+7,418	---	---
Shale oil development program							
Shale reserves development	210	200	200	200	-10	---	---
Use of prior year balance	-18,000	---	---	---	+18,000	---	---
Total, Naval Petroleum and Oil Shale Reserves	159,663	185,071	185,071	185,071	+25,408	---	---
Energy Conservation							
Buildings and Community Systems							
Building systems	10,500	3,497	9,147	9,097	-1,403	+5,600	-50
Community systems	3,700	---	3,100	900	-2,800	+900	-2,200
Technology and consumer products	10,800	4,300	11,350	10,900	+100	+6,600	-450
Analysis and technology transfer	3,000	1,000	2,000	2,750	-250	+1,750	+750
Appliance standards	1,800	1,700	1,700	1,700	-100	---	---
Federal energy management program	1,000	1,000	1,000	1,000	---	---	---
Capital equipment	750	983	1,200	983	+233	---	-217
Program direction	3,090	2,470	3,370	3,370	+280	+900	---
Subtotal, Buildings & Community Systems	34,640	14,950	32,867	30,700	-3,940	+15,750	-2,167
Industrial							
Waste energy reduction	10,924	6,500	12,100	10,750	-174	+4,250	-1,350
Process efficiency	13,600	6,100	10,300	10,400	-3,200	+4,300	+100
Cogeneration	4,200	800	5,000	3,800	-400	+3,000	-1,200
Implementation and deployment	2,300	1,462	3,362	3,162	+862	+1,700	-200
Program direction	2,045	1,590	2,100	2,100	+55	+510	---
Subtotal, Industrial	33,069	16,452	32,862	30,212	-2,857	+13,760	-2,650
Transportation							
Vehicle propulsion R&D	17,500	6,935	14,935	19,435	+1,935	+12,500	+4,500
Alternative fuels utilization	1,200	1,615	2,715	2,235	+1,035	+620	-480
Electric/hybrid vehicle program	14,100	5,568	13,668	13,468	-632	+7,900	-200
Technology assessment and transfer	1,100	991	2,191	2,691	+1,591	+1,700	+500
Advanced materials development	13,500	9,888	15,000	13,500	---	+3,612	-1,500
High temperature materials lab	2,000	2,000	2,000	2,000	---	---	---
Capital equipment	250	---	1,000	---	-250	---	-1,000
Program direction	2,178	1,385	2,280	2,280	+102	+895	---
Subtotal, Transportation	51,828	28,382	53,789	55,609	+3,781	+27,227	+1,820
State/Local Programs							
Energy policy and conservation grants (EPCA)	9,519	---	9,519	9,519	---	+9,519	---
Energy extension service	3,968	---	3,968	3,968	---	+3,968	---
Schools and hospitals	25,156	---	25,156	25,156	---	+25,156	---
Weatherization	161,357	---	161,357	161,357	---	+161,357	---
Program direction	12,095	8,605	10,650	12,650	+555	+4,045	+2,000
Subtotal, State/Local Programs	212,095	8,605	210,650	212,650	+555	+204,045	+2,000
Multi Sector							
Energy conversion and utilization technology	20,825	17,600	24,000	22,300	+1,475	+4,700	-1,700
Inventors program	4,890	4,650	4,850	5,050	+160	+400	+200
National Appropriate Technology Assistance Service	1,400	600	1,400	1,400	---	+800	---
Technology assessment and transfer	---	732	1,132	732	+732	---	-400
Capital equipment	800	100	600	100	-700	---	-500
Program direction	1,088	475	1,175	1,175	+87	+700	---
Subtotal, Multi Sector	29,003	24,157	33,157	30,757	+1,754	+6,600	-2,400

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

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					FY88 Enacted	FY 88	House Bill
Policy and management	1,662	2,386	2,664	2,664	+1,002	+278	---
Facilities	6,000	---	10,000	---	-6,000	---	-10,000
Total, Energy Conservation	368,297	94,932	375,989	362,592	-5,705	+267,660	-13,397
Offsetting Reductions							
Use of nonappropriated escrow funds	-56,780	---	-45,424	---	+56,780	---	+45,424
(Use of prior year balances)	-2,000	-5,573	-4,427	-5,573	-3,573	---	-1,146
Total, Energy Conservation	309,517	89,359	326,138	357,019	+47,502	+267,660	+30,881
Economic Regulation							
Compliance	13,038	12,511	12,511	12,511	-527	---	---
Fuels conversion	585	356	356	356	-229	---	---
Natural gas and electricity operations	2,079	2,265	2,265	2,265	+186	---	---
Program administration	697	712	712	712	+15	---	---
Office of Hearings and Appeals	5,166	4,928	5,166	5,528	+362	+600	+362
Total, Economic Regulation	21,565	20,772	21,010	21,372	-193	+600	+362
Emergency Preparedness							
Emergency preparedness	6,172	6,154	6,154	6,154	-18	---	---
Strategic Petroleum Reserve							
Storage facilities development and operations	151,886	160,021	160,021	160,021	+8,135	---	---
Management	12,276	13,400	13,400	14,400	+2,124	+1,000	+1,000
Total, Strategic Petroleum Reserve	164,162	173,421	173,421	174,421	+10,259	+1,000	+1,000
SPR Petroleum Account							
Petroleum acquisition and transportation	438,744	333,555	333,555	242,000	-196,744	-91,555	-91,555
Base program FY 1990	---	---	---	(91,555)	(+91,555)	(+91,555)	(+91,555)
Energy Information Administration							
National Energy Information System	51,188	52,798	52,798	52,798	+1,610	---	---
Policy and management	10,210	10,058	10,058	10,358	+148	+300	+300
Total, Energy Information Administration	61,398	62,856	62,856	63,156	+1,758	+300	+300
Total, Department of Energy	1,538,196	1,563,180	1,565,566	1,942,022	+403,826	+378,842	+376,456
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
INDIAN HEALTH SERVICE							
Indian Health Services							
Clinical services							
IHS and tribal health delivery							
Hospital and health clinic programs	537,000	556,423	576,204	578,068	+41,068	+21,645	+1,864
Dental health program	28,974	30,318	32,485	30,318	+1,344	---	-2,167
Mental health program	12,466	13,091	13,091	13,091	+625	---	---
Alcoholism program	29,335	30,959	31,159	31,159	+1,824	+200	---
Maintenance and repair	11,359	11,756	11,756	11,756	+397	---	---
Contract care	198,481	208,335	214,454	214,454	+15,973	+6,119	---
Subtotal, Clinical services	817,615	850,882	879,149	878,846	+61,231	+27,964	-303

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
Preventive health							
Sanitation	23,907	24,626	24,654	24,626	+719	---	-28
Public health nursing	14,113	14,467	14,467	14,467	+354	---	---
Health education	4,413	4,651	4,651	4,651	+238	---	---
Community health representative program	27,282	27,282	29,282	29,282	+2,000	+2,000	---
Immunization	395	417	417	417	+22	---	---
Subtotal, Preventative health	70,110	71,443	73,471	73,443	+3,333	+2,000	-28
Urban health projects	9,624	8,662	10,462	8,662	-962	---	-1,800
Indian health manpower	7,646	7,646	7,896	7,896	+250	+250	---
Tribal management	3,094	3,218	3,218	3,218	+124	---	---
Direct operations	41,392	42,471	42,471	42,471	+1,079	---	---
Facilities	---	2,450	---	---	---	-2,450	---
Medicare/Medicaid Reimbursements							
Hospital and clinic accreditation	(62,000)	(66,000)	(66,000)	(66,000)	(+4,000)	---	---
Total, Indian Health Services 1/2/	949,481	986,772	1,016,667	1,014,536	+65,055	+27,764	-2,131
Indian Health Facilities							
Hospitals							
New and replacement	8,064	---	2,700	2,700	-5,364	+2,700	---
Modernization and repair	7,625	---	7,953	3,874	-3,751	+3,874	-4,079
Subtotal, Hospitals	15,689	---	10,653	6,574	-9,115	+6,574	-4,079
Outpatient care facilities	10,416	---	11,397	11,611	+1,195	+11,611	+214
Sanitation facilities	30,000	---	42,000	32,000	+2,000	+32,000	-10,000
Hospital and health clinic programs							
Personnel quarters	6,406	---	---	---	-6,406	---	---
Total, Indian Health Facilities	62,511	---	64,050	50,185	-12,326	+50,185	-13,865
Total, Indian Health Service	1,011,992	986,772	1,080,717	1,064,721	+52,729	+77,949	-15,996
DEPARTMENT OF EDUCATION							
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION							
Indian Education							
Part A-Payments to school districts	49,170	49,848	49,848	53,492	+4,322	+3,644	+3,644
Part B-Special projects for Indian students	11,707	11,807	11,807	11,807	+100	---	---
Part C-Special projects for Indian adults	3,000	3,500	4,000	3,500	+500	---	-500
Gifted and talented	---	---	---	1,000	+1,000	+1,000	+1,000
Administration	2,449	2,498	2,498	2,498	+49	---	---
Total, Indian Education	66,326	67,653	68,153	72,297	+5,971	+4,644	+4,144

2/ 1988 Enacted includes $6,184,000 transferred from Health Resources and Services Administration.

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
OTHER RELATED AGENCIES							
NAVAJO/HOPI INDIAN RELOCATION COMMISSION							
Salaries and Expenses							
Operation of the Commission	25,270	22,973	27,723	26,473	+1,203	+3,500	-1,250
INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT							
Salaries and expenses	---	2,467	3,094	2,849	+2,849	+382	-245
SMITHSONIAN INSTITUTION							
Salaries and Expenses							
Research							
Assistant Secretary for Research	1,259	1,229	1,229	1,229	-30	---	---
Astrophysical Observatory	9,892	10,416	10,416	10,416	+524	---	---
Tropical Research Institute	5,231	5,816	5,716	5,716	+485	-100	---
Environmental Research Center	1,373	1,397	1,413	1,397	+24	---	-16
National Zoological Park	12,979	13,890	13,840	13,840	+861	-50	---
Smithsonian Institution Archives	577	644	644	644	+67	---	---
Smithsonian Institution Libraries	5,070	5,079	5,054	5,054	-16	-25	---
Major scientific instrumentation	525	1,206	1,206	1,206	+681	---	---
Lapse rate	---	---	-143	-143	-143	-143	---
Subtotal, Research	36,906	39,677	39,375	39,359	+2,453	-318	-16
Museums							
Assistant Secretary for Museums	1,083	1,111	1,111	1,111	+28	---	---
National Museum of Natural History	23,728	26,209	26,009	26,009	+2,281	-200	---
National Air and Space Museum	9,005	9,497	9,497	9,497	+492	---	---
National Museum of American History	13,500	14,462	14,312	14,312	+812	-150	---
National Museum of American Art	5,036	5,297	5,297	5,297	+261	---	---
National Portrait Gallery	4,038	4,068	4,068	4,068	+30	---	---
Hirshhorn Museum and Sculpture Garden	3,335	3,409	3,409	3,409	+74	---	---
Center for Asian Art	3,899	4,292	4,242	4,242	+343	-50	---
Archives of American Art	1,038	1,100	1,100	1,100	+62	---	---
Cooper-Hewitt Museum	1,074	1,193	1,193	1,193	+119	---	---
National Museum of African Art	3,385	3,535	3,535	3,535	+150	---	---
Anacostia Neighborhood Museum	929	1,016	1,016	1,016	+87	---	---
Conservation Analytical Laboratory	2,409	2,456	2,456	2,456	+47	---	---
Office of Exhibits Central	1,830	1,882	1,882	1,882	+52	---	---
Traveling Exhibition Service	620	667	667	667	+47	---	---
Lapse rate	---	---	-265	-265	-265	-265	---
Subtotal, Museums	74,909	80,194	79,529	79,529	+4,620	-665	---
Public Service							
Assistant Secretary for Public Service	1,301	1,294	1,294	1,294	-7	---	---
Smithsonian Institution Press	1,192	1,226	1,226	1,226	+34	---	---
Subtotal, Public Service	2,493	2,520	2,520	2,520	+27	---	---
Directorate of International Activities	787	799	784	784	-3	-15	---
Special Programs							
American studies and folklife programs	794	912	912	912	+118	---	---
International environmental science program	750	757	757	757	+7	---	---
Academic and educational programs	888	1,093	1,093	1,093	+205	---	---
Museum Support Center	4,475	4,659	2,419	4,659	+184	---	+2,240
Lapse rate	---	---	-40	-40	-40	-40	---
Subtotal, Special Programs	6,907	7,421	5,141	7,381	+474	-40	+2,240
Administration	21,371	24,312	23,894	23,894	+2,523	-418	---

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
Facilities Services							
Office of Design and Construction	2,250	2,920	2,796	2,620	+370	-300	-176
Office of Protection Services	19,369	20,717	20,717	20,717	+1,348	---	---
Office of Plant Services	36,440	37,654	37,004	37,168	+728	-486	+164
Lapse rate	---	---	-294	-260	-260	-260	+34
Subtotal, Facilities Services	58,059	61,291	60,223	60,245	+2,186	-1,046	+22
Council of American Overseas Research Centers	---	---	100	100	+100	+100	---
Special exhibition	---	---	500	---	---	---	-500
FERS reduction	---	---	-2,800	-2,800	-2,800	-2,800	---
Within-grade pay raises	---	---	---	-2,230	-2,230	-2,230	-2,230
Two less pay days	---	---	---	-48	-48	-48	-48
Total, Salaries and Expenses	201,432	216,214	209,266	208,734	+7,302	-7,480	-532
Construction and Improvements National Zoological Park							
Base program	8,150	5,305	5,305	5,305	-2,845	---	---
Restoration and Renovation of Buildings							
Base program	19,254	20,835	20,835	20,735	+1,481	-100	-100
Construction							
Smithsonian Tropical Research Institute	---	2,750	2,700	2,700	+2,700	-50	---
Fred Lawrence Whipple Observatory	1,315	3,200	3,185	3,185	+1,870	-15	---
Minor construction, alterations and modifications	---	3,200	2,020	2,020	+2,020	-1,180	---
Construction planning	---	1,000	750	750	+750	-250	---
Total, Construction	1,315	10,150	8,655	8,655	+7,340	-1,495	---
Total, Smithsonian Institution	230,151	252,504	244,061	243,429	+13,278	-9,075	-632
NATIONAL GALLERY OF ART							
Salaries and Expenses							
Care and utilization of art collections	13,488	14,136	14,033	14,136	+648	---	+103
Operation and maintenance of buildings and grounds	11,766	11,556	11,381	11,556	-210	---	+175
Protection of buildings, grounds and contents	7,460	7,695	7,695	7,695	+235	---	---
General administration	4,638	5,156	5,156	5,156	+518	---	---
One less work day	---	---	-85	---	---	---	+85
FERS reduction	---	---	-349	---	---	---	+349
Total, Salaries and Expenses	37,352	38,543	37,831	38,543	+1,191	---	+712
Repair, Restoration and Renovation of Buildings							
Base program	---	1,000	500	1,000	+1,000	---	+500
Total, National Gallery of Art	37,352	39,543	38,331	39,543	+2,191	---	+1,212

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to FY88 Enacted	Senate FY 89 compared to FY 88	Senate FY 89 compared to House Bill
WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS							
Salaries and Expenses							
Fellowship program	1,355	1,382	1,382	1,382	+27	—	—
Scholar support	293	299	295	295	+2	-4	—
Public service	1,037	1,096	1,059	1,059	+22	-37	—
General administration	893	865	861	861	-32	-4	—
Building requirements	75	75	75	75	—	—	—
Conference planning	375	568	568	568	+193	—	—
Total, Salaries and Expenses	4,028	4,285	4,240	4,240	+212	-45	—
Endowment Challenge Fund							
Base program	—	350	—	350	+350	—	+350
Total, Woodrow Wilson Center	4,028	4,635	4,240	4,590	+562	-45	+350
NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES							
National Endowment for the Arts							
Grants and Administration							
Grants							
Program Grants							
Art-in-schools	5,300	5,600	5,600	5,900	+600	+300	+300
Dance	8,847	8,600	8,850	8,600	-247	—	-250
Design arts	4,276	4,200	4,200	4,200	-76	—	—
Expansion arts	6,655	6,500	6,500	6,500	-155	—	—
Folk arts	2,982	3,100	3,000	3,200	+218	+100	+200
Inter arts	3,885	4,100	4,000	4,300	+415	+200	+300
Literature	5,100	5,000	5,000	5,000	-100	—	—
Media arts	12,000	11,500	12,000	11,500	-500	—	-500
Museums	11,400	11,100	11,400	11,100	-300	—	-300
Music	12,236	11,800	12,200	11,800	-436	—	-400
Opera/Musical theatre	4,200	4,200	4,200	4,200	—	—	—
Local program	2,340	2,600	2,500	2,600	+260	—	+100
Theatre	10,800	10,500	10,800	10,500	-300	—	-300
Visual arts	6,200	6,100	6,100	6,100	-100	—	—
Advancement	1,000	1,400	1,400	1,200	+200	-200	-200
Challenge	250	300	300	300	+50	—	—
Subtotal, Program Grants	97,471	96,600	98,050	97,000	-471	+400	-1,050
State programs	24,700	25,388	25,310	25,888	+1,188	+500	+578
Subtotal, Grants	122,171	121,988	123,360	122,888	+717	+900	-472
Administrative Areas							
Policy planning and research	1,000	1,100	1,000	1,100	+100	—	+100
Administration	16,140	17,443	17,440	17,443	+1,303	—	+3
Subtotal, Administrative Areas	17,140	18,543	18,440	18,543	+1,403	—	+103
Total, Grants and Administration	139,311	140,531	141,800	141,431	+2,120	+900	-369
Matching Grants							
Matching grants	9,000	9,000	9,000	9,000	—	—	—
Challenge grants	19,420	18,200	18,200	18,200	-1,220	—	—
Total, Matching Grants	28,420	27,200	27,200	27,200	-1,220	—	—
Total, Arts	167,731	167,731	169,000	168,631	+900	+900	-369

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to: FY88 Enacted	FY 88	House Bill
National Endowment for the Humanities							
Grants and Administration							
Grants							
Program Grants							
Public Programs							
Media Grants	8,900	9,400	9,400	8,900	---	-500	-500
Museums and Historical Organizations	8,780	8,340	8,780	8,640	-140	+300	-140
Public humanities projects	2,000	2,500	2,260	2,000	---	-500	-260
Humanities projects in libraries	2,900	2,100	2,900	2,800	-100	+700	-100
Subtotal, Public Programs	22,580	22,340	23,340	22,340	-240	---	-1,000
Education Programs							
Education programs	16,350	16,150	16,350	16,150	-200	---	-200
Fellowships							
Fellowships and seminars	15,560	15,300	15,560	15,300	-260	---	-260
Research grants	16,400	16,400	16,400	16,400	---	---	---
Subtotal, Program Grants	70,890	70,190	71,650	70,190	-700	---	-1,460
State programs	21,300	21,200	25,000	25,000	+3,700	+3,800	---
Office of Preservation	4,500	4,495	12,500	4,495	-5	---	-8,005
Subtotal, Grants	96,690	95,885	109,150	99,685	+2,995	+3,800	-9,465
Administrative Areas							
Administration	15,245	15,850	15,850	15,850	+605	---	---
Total, Grants and Administration	111,935	111,735	125,000	115,535	+3,600	+3,800	-9,465
Matching Grants							
Matching grants	12,000	12,000	12,000	12,000	---	---	---
Challenge grants	16,500	16,700	16,700	16,700	+200	---	---
Total, Matching Grants	28,500	28,700	28,700	28,700	+200	---	---
Total, Humanities	140,435	140,435	153,700	144,235	+3,800	+3,800	-9,465
Institute of Museum Services							
Grants to Museums							
Operating support grants	17,445	17,398	18,000	17,398	-47	---	-602
Conservation grants	3,348	3,178	3,250	3,178	-170	---	-72
Program support	100	250	250	250	+150	---	---
Subtotal, Grants to Museums	20,893	20,826	21,500	20,826	-67	---	-674
Program administration	1,051	1,118	1,120	1,118	+67	---	-2
Total, Institute of Museum Services	21,944	21,944	22,620	21,944	---	---	-676
Total, National Foundation on the Arts and Humanities	330,110	330,110	345,320	334,810	+4,700	+4,700	-10,510

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	———— Senate FY 89 compared to FY88 Enacted	FY 88	———— House Bill
COMMISSION OF FINE ARTS							
Salaries and Expenses							
Base programs..	443	451	475	475	+32	+24	---
National Capital Arts and Cultural Affairs							
Grants...	4,500	---	5,000	5,000	+500	+5,000	---
Total, Commission of Fine Arts..................	4,943	451	5,475	5,475	+532	+5,024	---
ADVISORY COUNCIL ON HISTORIC PRESERVATION							
Salaries and Expenses							
Advisory services..................................	1,719	1,781	1,774	1,781	+62	---	+7
NATIONAL CAPITAL PLANNING COMMISSION							
Salaries and Expenses							
Base program...	2,948	2,962	2,962	2,962	+14	---	---
FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION Salaries and Expenses							
Base program...	28	28	28	28	---	---	---
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION							
Salaries and Expenses							
Salaries and expenses...............................	2,516	2,353	2,343	2,311	-205	-42	-32
Public Development							
Public improvements.................................	3,000	3,095	3,175	3,095	+95	---	-80
Total, Pennsylvania Avenue Development Corporation..................................	5,516	5,448	5,518	5,406	-110	-42	-112
UNITED STATES HOLOCAUST MEMORIAL COUNCIL							
Holocaust Memorial Council..........................	2,171	2,209	2,244	2,209	+38	---	-35
Total, Title II, Related Agencies...............	4,946,925	4,892,070	5,211,715	5,582,826	+635,901	+690,756	+371,111
TITLE I - DEPARTMENT OF THE INTERIOR							
Bureau of Land Management............................	689,979	642,965	699,081	703,993	+14,014	+61,028	+4,912
Fish and Wildlife Service............................	426,055	346,959	432,461	453,188	+27,133	+106,229	+20,727
National Park Service................................	899,004	779,947	960,585	947,743	+48,739	+167,796	-12,842
Geological Survey....................................	447,747	425,003	448,056	448,045	+298	+23,042	-11
Minerals Management Service..........................	168,717	171,917	170,009	171,847	+3,130	-70	+1,838
Bureau of Mines......................................	146,398	126,605	146,254	165,167	+18,769	+38,562	+18,913
Office of Surface Mining Reclamation and Enforcement..	301,505	260,160	295,240	302,165	+660	+42,005	+6,925
Bureau of Indian Affairs.............................	1,072,406	1,012,534	1,092,482	1,076,578	+4,172	+64,044	-15,904
Territorial Affairs..................................	153,795	109,192	146,991	144,734	-9,061	+35,542	-2,257
Secretarial Offices..................................	90,129	97,622	94,924	93,944	+3,815	-3,678	-980
Total, Title I - Department of the Interior.....	4,395,735	3,972,904	4,486,083	4,507,404	+111,669	+534,500	+21,321

INTERIOR SUPPORT TABLE (IN THOUSANDS OF DOLLARS)

	New BA Enacted F.Y. 88	New BA Estimates F.Y. 89	New BA House F.Y. 89	New BA Senate F.Y. 89	Senate FY 89 compared to		
					FY88 Enacted	FY 88	House Bill
TITLE II - RELATED AGENCIES							
Forest Service	1,686,175	1,609,354	1,816,509	1,834,231	+148,056	+224,877	+17,722
Department of Energy	(1,538,196)	(1,563,180)	(1,565,566)	(1,942,022)	(+403,826)	(+378,842)	(+376,456)
Clean Coal Technology	50,000	525,000	100,000	525,000	+475,000	---	+425,000
Fossil Energy	326,975	166,992	357,361	367,829	+40,854	+200,837	+10,468
Naval Petroleum and Oil Shale Reserves	159,663	185,071	185,071	185,071	+25,408	---	---
Energy Conservation	309,517	89,359	326,138	357,019	+47,502	+267,660	+30,881
Economic Regulation	21,565	20,772	21,010	21,372	-193	+600	+362
Emergency Preparedness	6,172	6,154	6,154	6,154	-18	---	---
Strategic Petroleum Reserve	164,162	173,421	173,421	174,421	+10,259	+1,000	+1,000
SPR Petroleum Account	438,744	333,555	333,555	242,000	-196,744	-91,555	-91,555
Energy Information Administration	61,398	62,856	62,856	63,156	+1,758	+300	+300
Indian Health	1,011,992	986,772	1,080,717	1,064,721	+52,729	+77,949	-15,996
Indian Education	66,326	67,653	68,153	72,297	+5,971	+4,644	+4,144
Navajo and Hopi Indian Relocation Commission	25,270	22,973	27,723	26,473	+1,203	+3,500	-1,250
Institute of American Indian and Alaska Native Culture and Arts Development	---	2,467	3,094	2,849	+2,849	+382	-245
Smithsonian	230,151	252,504	244,061	243,429	+13,278	-9,075	-632
National Gallery of Art	37,352	39,543	38,331	39,543	+2,191	---	+1,212
Woodrow Wilson International Center for Scholars	4,028	4,635	4,240	4,590	+562	-45	+350
National Endowment for the Arts	167,731	167,731	169,000	168,631	+900	+900	-369
National Endowment for the Humanities	140,435	140,435	153,700	144,235	+3,800	+3,800	-9,465
Institute of Museum Services	21,944	21,944	22,620	21,944	---	---	-676
Commission of Fine Arts	443	451	475	475	+32	+24	---
National Capital Arts and Cultural Affairs	4,500	---	5,000	5,000	+500	+5,000	---
Advisory Council on Historic Preservation	1,719	1,781	1,774	1,781	+62	---	+7
National Capital Planning Commission	2,948	2,962	2,962	2,962	+14	---	---
Franklin Delano Roosevelt Memorial Commission	28	28	28	28	---	---	---
Pennsylvania Avenue Development Corporation	5,516	5,448	5,518	5,406	-110	-42	-112
Holocaust Memorial Council	2,171	2,209	2,244	2,209	+38	---	-35
Total, Title II - Related Agencies	4,946,925	4,892,070	5,211,715	5,582,826	+635,901	+690,756	+371,111
Grand total	9,342,660	8,864,974	9,697,798	10,090,230	+747,570	+1,225,256	+392,432
Grand total	9,342,660	8,864,974	9,697,798	10,090,230	+747,570	+1,225,256	+392,432
Base program, advance approp., FY 1989	(525,000)	(525,000)	(100,000)	(525,000)	(+525,000)	---	(+425,000)
Base program, advance approp., FY 1990	---	---	(225,000)	(575,000)	(+575,000)	(+575,000)	(+350,000)
Base program, advance approp., FY 1991	---	---	(200,000)	---	---	---	(-200,000)
Supplemental prog., adv. approp., FY 1990	---	(575,000)	---	---	---	(-575,000)	---
Supplemental prog., adv. approp., FY 1991	---	(600,000)	---	---	---	(-600,000)	---
Supplemental prog., adv. approp., FY 1992	---	(600,000)	---	---	---	(-600,000)	---

Mr. JOHNSTON. In summary, Mr. President, the pending bill is a good bill. It is in compliance. We hope and expect that it will pass overwhelmingly.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I thank my colleague and friend, the acting chairman, the Senator from Louisiana, for the comments that he has made and for the work that he has done.

Mr. President, it is rather typical that we go through the entire process of presenting a piece of legislation, entertaining all the discussion and the amendments, and at the end of the process end up by complimenting staff. I want to at the outset compliment staff rather than at the end.

First of all, to identify these persons so that every other Member of the Senate who has a concern can talk to them and not bother me, and second, because they are entitled to the commendation at the beginning when people are listening. This is an extremely complicated piece of legislation. The staff people on both sides of the aisle have an extremely difficult time dealing with all of the very many requests that we have. They do an excellent job. Charley Estes, Don Knowles, Sue Masica, Shannon Skripka, and Dan Jalisbury on the Demoracratic side of the aisle, Jeff Cilek and Dorothy Pastis on the Republican side of the aisle handled masses of detail. They are aided and some would say "and abetted" by other staff people who also are experts in their respective fields and know the detail of this bill is an astounding manner. There really, really is an impressive array of talents and dedication, and capacity on the part of the staff on both sides. I will not go further in talking about staff merits at this time but I think they are entitled to the kind of commendation they very seldom receive.

As I did during the committee action on this bill, let me begin by complimenting the acting chairman and his staff for their hard work on the bill. Senator JOHNSTON is just superb to work with. I very much appreciate the relationship that we have, and the ability we have to resolve very complex issues, and to bring to the floor a bill that both of us can be proud. This is a very difficult budget year. I do not think I have to outline that any further than just to remind folks of that. I know the difficulties that the staff and the acting chairman have had in assembling a bill when the allocation for the subcommittee simply does not meet the requests of the members. Unfortunately, it seems as if the further along the legislative process this bill moves, the more amendments it attracts. I hope the Members understand the acting chairman's budgetary predicament as we proceed today.

According to the Congressional Budget Office, the "current services" base for the subcommittee is $10.3 billion in budget authority. Unfortunately, the allocation we received is $9.95 billion, or about $305 million below our base. I want to emphasize that. This is below where we start. And the result of that is we are not talking about the capacity to add new things. We are not talking about the capacity of meeting new demands. We are not talking about a capacity to do more things for more individual Members. We have less to do with.

That is typical of this subcommittee and the allocation that it gets. But it is particularly difficult this year.

Since the President's budget was released earlier this year, the subcommittee has received over 1,700 requests. That is 1,700 requests from nearly every Member of the Senate. These requests totaled over $2 billion. Simply put, our allocation does not allow us to fund all of these requests.

I want to emphasize that for just a moment, because it is easy to recite that and perhaps people miss its significance. Two years ago, the requests we had from individual Members totaled about 435 individual requests. Today it is 1,700. Five years ago, it was numbered in the dozens, which is another way of saying that as the budgetary pressures have gotten tougher, we have more individual requests, and we may indeed attract more amendments on the floor of people trying to find relief for the things that are important to them in their States and districts, and for this Nation from a budget that simply is not adequate to meet all their requests. Or to put it another way, when the budget was not so constrained, we could meet individual Members' requests, and did, in ways that did not generate the kinds of requests and pressures we are getting today, either in the budget process as we go through this marking up the bill, or on the floor as we receive amendments on the floor.

I know that Members understand that difficulty, and I am very grateful that most of them have approached us with some understanding. Recognizing the plight of the subcommittee, they are pretty philosophical in making their requests. Most of them have not pressed their requests beyond our ability to accommodate, but I think the fact that we have gone from 435 to 1,700 requests illustrates the difficulty in this particular area of the Budget Committee meeting the perceived needs of individual Members and of people and interests in the 50 States.

In an effort to be fair and keep the numbers down, the chairman has developed a "no new starts" policy, which I regret very much but support because there are no other alternatives.

The Senate Budget Committee has informed the committee that the bill before us today complies with the 302(b) allocation provided to the subcommittee. This is a preliminary estimate but I do feel it is accurate. If it turns out that the bill is not in compliance, we will need to make adjustments so we are in compliance with our allocation.

This scoring includes "revenue foregone" of $125 million stemming from the delay of sale 91 in northern California and additional revenue of $235 million from the acceleration of lease sale 95 in southern California.

As the chairman has explained, the committee has included moratoria on the Outer Continental Shelf in the Eastern Gulf of Mexico, in Georges Bank, and off the coast of northern California. This effectively delays sales numbered 116, 91, and 96. As I just mentioned, we are being scored with "revenue foregone" of $125 million from the delay of sale 91. The Department of the Interior anticipates that the other two areas which the committee has delayed will have revenue foregone of $100 million but the Congressional Budget Office does not agree with those revenue estimates and only recognizes the revenue foregone from sale 91.

I regret the adjustments to the sales the committee has proposed but I believe the chairman has done the best job he can in light of the current situation.

Mr. President, I know that we will receive a number of comments, a number of requests, and, I suspect, a number of amendments. We will listen very carefully to each request, as we have done during the process of bringing this bill to the floor. We will try to be as careful as we can in responding to those, but I must underscore what every manager of a bill has said as they bring a bill to the floor this year, and that is that every bill that costs money must somehow find an offset, because there is no room for additions.

Mr. President, I notice Don Knowles on the floor, and he should be included in the accolades I made earlier about the staff. There are others who contribute to the efforts as well.

The staff does an extraordinary job, handling what is, in detail, one of the most complex bills ever to be brought to the floor of the Senate. I think perhaps the DOD bill is the only one that has the same multitude of items as this legislation.

Mr. JOHNSTON. Mr. President, I am glad the Senator from Idaho called attention to the work of the staff on this bill. It really is a monumental task. There have been 1,700 requests, and they have to sift through all those requests, make recommendations, check with the Department of the Interior or the BLM or the Forest Service or Fish and Wildlife or the multitude of Federal agencies, with the multitude of issues involved. The majority and minority staffs do an outstanding job.

The staff of this appropriations subcommittee truly deserves the accolades of professional staff, because they are professional. They are not partisan. They are truly outstanding. One reason why I hope we will be able to get through this bill this morning in record time is that they have done such an extraordinary job, along with my colleague from Idaho.

Mr. President, I am now going to make the usual motion, which is to ask unanimous consent to adopt the committee amendments en bloc; and I want to express to my colleagues that by doing so, the bill and all those amendments will be further amendable.

Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that the bill as thus amended be regarded as original text for the purpose of further amendment, providing that no points of order shall have been considered to have been waived by the agreement to this request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments were agreed to en bloc.

AMENDMENT NO. 2578

(Purpose: Delete committee-reported language accelerating Outer Continental Shelf Lease Sale-95 and provides for offsetting budgetary reductions)

Mr. JOHNSTON. Mr. President, at this time, I want to offer a solution to one of our most difficult problems in the bill, and that was caused by the scoring of the moratorium on lease sale 91 against the committee. We, therefore, had to produce some revenue, and the way we did it was to accelerate lease sale 95 off southern California. In order to do that, we had to take the environmental impact statements already filed, already done on that lease sale, and consider them as adequate for the purpose of the lease sale.

We thought it was proper to do so; but I must tell my colleagues that it was met with extreme cries of protest in California and elsewhere. We were persuaded that it would be better to find another way to deal with that problem.

So, Mr. President, I have an amendment which does that. What the amendment does is to delete the language which would have accelerated Outer Continental Shelf lease sale 95 off southern California and specifies certain reductions and other measures to keep the Interior bill in compliance with the 302(b) allocation.

The effect of the amendment is to reduce each appropriation account in the bill by an amount equal to 2 percent of the President's 1989 budget request for travel, other services, supplies, and equipment. We believe that this 2 percent reduction will not be undue or difficult for the Department.

It also directs that the Minerals Management Service open bids from OCS lease sale 92. This sale was held 30 months ago, in January 1986, but a not-so-temporary restraining order has kept the Service from opening the bids.

This delay has continued, despite the plaintiff's failure—the Village of Akutan—on the merits in all three court appeals to date. The case is now pending in the ninth circuit court, and the only remaining issues relate to the effects on development and production activities if oil is found.

Since the Secretary of the Interior is required by law to prepare another environmental impact statement before these development and production activities may take place, we are not really taking away the plaintiff's rights at all. If oil is found, the plaintiff may sue on those issues, based on the new environmental impact statement.

Directing the Department to open the bids on lease sale 92 is important because this action is estimated to generate approximately $75 million in revenue, which is necessary if we are to keep the Interior bill in compliance with this 302(b) allocation. The alternative to this proposal is to make several very painful, specific reductions in programs such as low income, weatherization, parkland acquisition, construction, and so forth. Because of this lease sale 92, we are able to avoid that.

So, in effect, what we had to do, Mr. President, was produce $110 million. We have done so with lease sale 92, a lease sale already held, which produced $75 million; and the other $35 million is produced by a 2-percent reduction in travel, supplies, and so forth, of the Department of the Interior.

I am very, very pleased, Mr. President, that we were able to work out this amendment in this way because I know how difficult this whole matter was to the State of California and indeed to the whole country.

So, Mr. President, at this time I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposed an amendment numbered 2578.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 66, lines 20-25, delete all text related to "section 117" and insert in lieu thereof:

"SEC. 117. For all agencies funded in this Act, each appropriation in this Act shall be reduced by an amount equal to 2 percentum of the President's fiscal year 1989 Budget Request for object class 21 (travel), object class 25 (other services) object class 26 (supplies and materials) and object class 31 (equipment): *Provided*, That such reductions shall not apply to funds budgeted for self-determination contracts for Indian tribes or for the Strategic Petroleum Reserve: *Provided further*, That notwithstanding any other provisions of law the Minerals Management Service shall award leases consistent with its bid review procedures for Outer Continental Shelf Lease Sale-92 (North Aleutian Basin) in October 1988.

Mr. JOHNSTON. Mr. President, I have just explained this amendment. Senator MCCLURE and I had no particular desire to accelerate lease sale 95 and really did so simply under the pressure of having to produce the money. So I am delighted that we were able to find an alternative and better way to produce this money so that lease sale 95 does not have to be accelerated.

Mr. McCLURE. Mr. President, the Senator is correct that neither the acting chairman of the subcommittee nor I was very anxious to get into this question of OCS sales in California or anywhere else. But it is a perennial friend that comes back in every budgetary cycle. At some time we are going to have to stop doing this. I think the Senator from Louisiana agrees with what I am saying. This is not the way in which resource management decisions ought to be made with respect to something as critical to this Nation as the development of the resources in the Outer Continental Shelf.

I guess I would be less than candid if I did not say in one respect that perhaps the Federal Government asked for this problem, because some years ago, long before my watch—it did not happen on my watch here—the Federal Government asserted its claim to the ownership of the Outer Continental Shelf. In my view, that was an erroneous claim when asserted. That land should have belonged to the States that were involved and the Federal Government should not have asserted the claim which, in my judgment, was ill-founded, but which was found to be well-founded, and, indeed, the Federal Government does exert that ownership and dominion over the area beyond the 3-mile limit.

But, having done that, we now have separated the benefits of resource use in the Outer Continental Shelf from the people who are affected adversely by that activity. And that makes it very easy for local communities and the State affected to be in opposition to Federal activities on the OCS because they do not share in the benefits. They get the burdens, but they do not share equally in the benefits. And the result of that is the political situation we have now in which, in almost every instance, local interests oppose OCS activities and there is no offsetting local interests in seeing that the OCS activities occur.

That has never been more pronounced than it is in California where the State of California operates on the offshore areas within the 3-mile limit and then seeks to deny to the Federal Government the opportunity for the Federal Government to operate on the Outer Continental Shelf outside the 3-mile limit, a very clear illustration of the difficulty when you separate the burdens from the benefits.

But we are dealing with the facts of life. This does come up every time that we have this bill.

The delay in sale 91 is supported by, I think, both candidates for the Presidency of the United States. It is not a partisan issue in that sense, because both of them have indicated that they think that the sale should be delayed. There are differences in their opinions and positions otherwise, but they are in agreement on that. Secretary Hodel has agreed also to the delay. I do not think there is any issue with respect to the delay of sale 91. But that does have budgetary implications in loss of revenue.

The distinguished acting chairman has offered an amendment which would take care of $110 million that $235 million loss of revenue. I have not seen the amendment before it was just offered, but it is one of several ways in which to deal with the loss-of-revenue question. I have not had the opportunity to check the scorekeeping computations that will accompany this amendment. But I can take, on faith, the assertion of the acting chairman that indeed the scorekeeping does come out the way he has described it.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. McCLURE. Yes.

Mr. JOHNSTON. First of all, Mr. President, I want to apologize to my colleague. The amendment is hot out of the typewriter just this morning.

We are advised that the 2-percent cut will be sufficient, but that would be subject to a final signoff by CBO and by the Budget Committee. I might say that, if later in the day, there is an indication that we need a few more dollars or need to increase that by a few more dollars, we could certainly do that in this bill. But I do not expect that to be so.

But it seemed to us that this was the least painful way to handle this with the Aleutian sale and with the cuts in travel and supplies, and so forth.

Mr. McCLURE. Mr. President, I thank the chairman for that response.

Again, I have not had a chance to check the scorekeeping. Off the top of my head, it seems right. But I have had the experience before where something seemed right to me and the CBO and Senate Budget Committee did not agree. And, after all, they must have their pound of flesh in this process and we are bound more or less by what they say; although I resist that, but nevertheless that is our practice.

So based upon the expectation that the scorekeeping will indicate that this is a sufficient offset, I have no objection to the amendment.

Mr. WILSON. Mr. President, I gather, having come to the floor just now, that what is under debate is an amendment offered by the distinguished chairman that will offset the amendment which earlier he offered in committee to advance, to accelerate lease sale 95, is that correct?

Mr. JOHNSTON. The Senator is correct. This restores lease sale 95 back to its original schedule and will also allow the requirement for the additional environmental impact statement to go ahead and still be required.

Mr. WILSON. Mr. President, I am pleased to hear that. It had been my expectation that that would occur. I had prepared an amendment that would have provided a different offset by accelerating a different lease sale, but I am pleased that it will not be required of me to offer that amendment. I think that, candidly, justice has been done here.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 2578) was agreed to.

AMENDMENT NO. 2579

Mr. DOLE. Mr. President, I am going to offer a sense-of-the-Senate resolution. I do this with some trepidation. I do not generally run out here and mess up some appropriation bill, but I think we need to send a signal to Mr. Ortega. It is a very mild signal, and it is one that I hope will have a near unanimous vote in this body. I will get copies to the manager.

Mr. President, I send an amendment to the desk and ask for its immediate consideration and ask that the amendment be read.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself, Mr. MCCAIN, Mr. DOMENICI, Mr. QUAYLE, Mr. KARNES, Mr. COCHRAN, and Mr. WILSON, proposes an amendment numbered 2579.

At the appropriate place in the bill, add the following:

SEC. (a) FINDINGS. The Congress finds that:

(1) The Sandinista regime is a signatory to the Esquipulas II agreement, and has thereby committed itself to policies promoting peace in the region, and democratization in Nicaragua;

(2) That regime nonetheless continues to blatantly violate the provisions of the Esquipulas accord, which it is committed to observe;

(3) Within the past 72 hours, that regime has taken dramatic new steps in brutally suppressing a peaceful demonstration for human rights; jailing without charge more than 40 members of the democratic opposition; closing down two independent media in the country, La Prensa and Catholic Radio; and expelling eight American diplomats, including the American Ambassador to Nicaragua;

(b) It is the sense of the Senate that:

(1) The Senate condemns the continuing suppression of human rights and violations of the Esquipulas accord by the Sandinistas—including the most recent, blatant actions against the internal opposition and the media and the expulsion of the American diplomats—and calls upon all who seek both peace and freedom in Central America to join in that condemnation.

(2) The United States should respond to the continued, blatant violations of the Esquipulas accord by the Sandinista regime by pursuing a policy that includes:

(i) Strengthening the internal democratic opposition and the independent media of Nicaragua.

(ii) Maintaining the democratic resistance—the so-called "freedom fighters" or "contras"—as one of the few "pressure points" on the Sandinistas, by providing the resistance urgently needed humanitarian assistance.

(iii) Forging a unanimous front among the Central American democracies, to pressure the Sandinistas to live up to their obligations under the Esquipulas accords.

(3) The Sandinista regime should understand that its continuing blatant violations of the Esquipulas accord and the human rights of the Nicaraguan people could cause Congress to consider the provision of additional military aid to the resistance.

(4) On the other hand, should the Sandinistas fully comply with the Esquipulas accord and proceed to permit the establishment of a democratic system in Nicaragua, the United States should respond by providing additional economic assistance to the nations of the region, including Nicaragua.

Mr. JOHNSTON. Mr. President, will the Senator yield for a colloquy with me?

Mr. DOLE. I will be happy to yield.

Mr. JOHNSTON. Mr. President, as the Senator from Kansas knows, I have been on his side of the issue on this matter. But I wonder if we could temporarily lay this matter aside to give Senators an opportunity to take a look at it. Perhaps it could be agreed upon. Perhaps it will require a good bit of debate. Maybe not. But I know some time on it would be required for Senators to look at it and in the meantime we could proceed to get the rest of our bill taken care of.

Would the Senator object to that?

Mr. DOLE. I have no objection if I can just make a brief statement first and put some material in the RECORD. I did submit a copy last night to the distinguished majority leader so it is not taking anybody by surprise. We have had a lot of discussion with the Senator from Louisiana, the Senator from Georgia, Senators on both sides.

I do not believe we get into some of the specifics. It is not an amendment. It is a signal to Daniel Ortega. And I think, I would hope, that we might have widespread support and I believe it is important so, if I can just make a brief statement, unless somebody else wants to make a statement? I would be happy to set it aside temporarily and maybe in the next hour or so we can reach some agreement.

Mr. President, I indicated this amendment is offered not just for myself but for Senator MCCAIN, Senator SYMMS, Senator COCHRAN, Senator DOMENICI, Senator QUAYLE, Senator KARNES, Senator WILSON, and perhaps others.

I would also have printed in the RECORD at this point a letter delivered this morning to the Speaker of the House, Speaker JIM WRIGHT, asking his help on the House side. It is a letter signed by 37 Republican Senators. We know that he shared our outrage. We would hope that there can be some House action very quickly and it is our hope, also, today, that we can introduce a specific piece of legislation with specific amounts of money for specific aid, humanitarian; maybe some agreement on military aid. And that will also be done today. So we would hope we would have the sense-of-the-Senate resolution, the letter to the Speaker, and an appropriate amendment introduced spelling out precisely what we have in mind.

So, Mr. President, I ask unanimous consent that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, July 12, 1988.
Hon. JIM WRIGHT,
Speaker, House of Representatives, H204, The Capitol, Washington, DC.

DEAR MR. SPEAKER: You have been deeply involved in Central American issues, and your joint initiative with President Reagan was one of the cardinal events spurring efforts over the past year for a negotiated settlement in the region. You have been strongly supportive of the initiatives of President Arias and the other Central American Presidents, which have led to the Esquipulas agreements.

For those reasons, we are sure you share our outrage at actions by the Sandinistas in recent days to brutally suppress a peaceful demonstration for human rights, jail more than 40 opposition figures, close La Prensa and Catholic Radio, and expel eight American diplomats. These actions blatantly violate the Esquipula accords, and reflect the utter disdain which the Sandinistas have for the peace process which you have done so much to spur.

It is our intention to offer and support legislation that will condemn these Sandinista actions; sustain the democratic resistance through humanitarian aid, so it can continue to serve as one pressure point on the Sandinistas; and keep open the option of resuming military aid at a future date, if Sandinista repression continues and if the President and the Congress, together, believe it is necessary.

We hope that this new and blatant proof of Sandinista tyranny, violations of human rights, and bad faith will lead you to support our legislation or, at a minimum, permit the Members of the House of Representatives the opportunity to make their own judgments on its merits. It seems to us that is the minimum the Congress must do, if we are serious in our protestations of support for democracy and peace in Nicaragua and Central America. We look forward to your early reply, pledging your willingness to permit a House vote on this important legislation.

Sincerely yours,
(Signed by 37 Republican Senators.)

Mr. DOLE. I would just make the following statement.

There is no doubt about it, and we can be on both sides of the aisle, that Daniel Ortega has very little respect for freedom. Many of us have visited there. Many of us have had opportunity to visit with the editor of La Prensa. Many of us visited Cardinal Obando y Bravo. Now they have shut down the La Prensa again for 2 weeks. The Catholic radio station is off the air. There have been all kinds of human rights violations in the past several days. We had violent disruptions of the peace demonstration. They threw more than 40 opposition leaders in jail. They did close down the newspaper, closed down the radio station, threw out our Ambassador and seven of his staff.

There should not be much argument about this amendment. It says what anyone interested in peace in Central America, and democracy in Nicaragua, ought to be saying—that we have just about "had it" with Sandinista repression and violence; and that it is high time for the Sandinistas to live up to their own promises, and give their people the freedom which is their right.

Last year, in the aftermath of the original Esquipulas accord and the resulting negotiations, there were a lot of people standing up in Congress demanding that the United States support the peace process by ending military aid to the Contras; and making the argument that—if we would just end lethal aid—the Communist Sandinistas would not have any excuse for their repression and would have to live up to their commitments.

That was the argument. This is the reality. No aid for the Contras; no pressure on the Sandinistas; and a steadily escalating pattern of human rights violations and an increasingly blatant flaunting of both the letter and the spirit of Esquipulas.

A lot of us are getting very close to throwing in the towel on the Esquipulas process. A lot of us are fed up with broken promises from Managua, ludicrous excuses for Sandinista noncompliance by their sympathizers around the world, and the step-by-step abandonment of the freedom fighters.

It is time for us to draw a line in the sand. It is time to say: enough. It is time to say to Daniel Ortega and his cronies—and to his Moscow and Havana mentors—that, either they live up to the commitments the Sandinistas made at Esquipulas, or we are going to reconsider our own policy of unilateral restraint.

This amendment says three simple things. First, it condemns what the Sandinistas have done. There can hardly be any argument about that.

Second, it calls for an American policy encompassing three simultaneous efforts: To strengthen the internal opposition, to maintain the Contras as a viable force in Nicaragua through humanitarian aid, and to try to forge a united front with the region's democracies. I hope we could hear from Oscar Arias, the President of Costa Rica, in the next few days, to put pressure on Managua to live up to its word.

The amendment also suggests both "carrot" and "stick" to add leverage to that policy; "carrot" in the form of economic aid, if the Sandinistas genuinely comply; "stick" in the form of renewed consideration of military aid if they do not.

I happen to think it is a rational package—and will be spelling out specifics later on—the only one that offers any hope of putting Esquipulas back together again, and getting the Sandinistas to do what they promised their democratic neighbors, and their own people, they would do.

This is sense of the Senate, and I hope it will enjoy wide support.

Very shortly, several of us will be offering a concrete package, based on these same principles and concepts, that will not be sense of the Senate; that will seek to get humanitarian aid flowing now; and put in place a mechanism to provide lethal aid should it be needed. I hope that will enjoy wide support, too—and I am encouraged that support will come from both sides of the aisle.

Mr. President, this is not a partisan matter, and this amendment—and the package we will be introducing later—are not partisan pieces of legislation. We are moving now, because the Sandinista goons have been in the streets of Managua again; because the Sandinista jails are filling up with new political prisoners again; because what little independent media there has ever been in Nicaragua is being closed down again; and because the light of freedom in Nicaragua has been nearly snuffed out again.

That is why we are moving now.

If we wait any longer, we will be too late.

I must say some of my colleagues say, well, this does not do any good. It lets everybody off the hook. Everybody can vote for this. It is not tough enough. We ought to have a specific amendment.

My view is if it sends a signal to Daniel Ortega that even some who have been supporting him are now willing to condemn his actions, it may have the desired effect. Maybe not today but maybe when we vote on the real thing.

I have discussed this with Republicans and Democrats. I am not trying to make it a partisan matter. I am not trying to embarrass anybody.

As I indicated, I would have offered it last night to the HUD appropriation bill but there was indication that many preferred to leave early last night, or to leave earlier than normal last night—so I am offering it to this bill. I apologize to the managers.

Having said that I am certainly willing that the amendment be temporarily set aside.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, first of all, I want to thank very sincerely the distinguished Senator from Kansas for his cooperation on this matter to give us time. I am in very good hopes that we will in fact be able to work this matter out, and in the meantime we can get the rest of our bill put together.

So, Mr. President, I ask unanimous consent that the matter be temporarily laid aside at the call of the Senator from Kansas and, at this time, Mr. President, I would like to offer a package.

Mr. McCLURE. Mr. President, reserving the right to object, and, of course, I shall not object, the distinguished Senator from Kansas did indicate that he was going to offer this amendment yesterday to the appropriations bill. Because the passage of time had signaled last night that, indeed, that opportunity having been missed, he would offer it at the next opportunity, and this bill is it.

I am not certain he may not have also looked at the acting floor manager and the acting chairman of the subcommittee and the ranking member knowing both of us share his feelings, thinking we would be perhaps patsies with respect to this particular amendment and eagerly accept it.

As a matter of fact, for my part, I commend the Senator from Kansas for offering it. I ask unanimous consent that I may be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, again, not to prolong the discussion, but many of us remember that it was just slightly less than a year ago that this peace process was initiated, and that indeed——

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. McCLURE. Yes.

Mr. JOHNSTON. Mr. President, I know I am going to share every word that the Senator says, but I fear that his eloquence is going to spark a long discussion before we get the rest of the bill finished.

The PRESIDING OFFICER. There is a unanimous-consent request.

Mr. McCLURE. I have reserved the right to object, Mr. President, and I do so. I understand what the Senator is saying, but I want to be recorded early in this debate as indicating that many of us were fearful that, indeed, that peace process would not be followed by the Sandinistas. We think the current actions in Nicaragua demonstrate the validity of those concerns on the part of many of us.

If I have any objection or criticism of the resolution at all, it is that it does not call for the immediate reinstitution of military assistance. I assume the distinguished Senator from Kansas is very aware of that and has attempted to craft a sense-of-the-Senate resolution that would have broad support, that would not be seen as confrontational with other elements with other viewpoints in the Senate.

I hope that as we set this aside to consider it, in private consultations, that, indeed, there will be a great coming together of people with all points of view with respect to Nicaragua in support of the sense-of-the-Senate resolution that the Senator from Kansas has offered.

Mr. President, I withdraw my reservation.

Mr. COCHRAN. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I reserve the right to object, and I will not object, but I simply rise to inquire of the distinguished manager of the bill, the Senator from Louisiana, what time today during the session does he anticipate getting back on to this resolution for those of us who would like to participate in the debate of the resolution?

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I am in good hopes that we have the difficult parts of this bill worked out. It is my intention right now to offer a block of 15 amendments, which I intend to offer en bloc. After that, we have a number of amendments which I have been advised of, none of which appear to be real showstoppers.

So with luck, we could finish before the 11:45 recess, which would then put us back on this matter in early afternoon, right after the recess. I think the recess is from 11:45 to 1 o'clock.

Mr. COCHRAN. The point is, Mr. President, if I could inquire further, that this would be the pending amendment at each stage in the proceedings so that as each amendment that is brought up is considered and adopted or rejected, this amendment is the pending amendment.

Mr. JOHNSTON. Actually, the unanimous-consent request was put at the call of the Senator from Kansas.

Mr. COCHRAN. I thank the distinguished Senator for his explanation. I withdraw my reservation.

Mr. WALLOP. Mr. President, reserving the right to object.

Mr. McCLURE. Might I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Under the formulation of the unanimous-consent request that the distinguished Senator from Louisiana has proposed, at the call of the Senator from Kansas, it would become the pending matter. I assume that would not interrupt the discussion of an amendment until it was disposed of, but the Senator from Kansas could, at the end of that discussion, call for the regular order, which would bring his amendment back, the resolution, as the pending matter.

Mr. JOHNSTON. I will be glad to do it any way the Senator from Kansas wishes. I thought that would give him maximum ability to bring it up. I can assure him that I will do nothing to frustrate it. All I want to do is get these other amendments out of the way which I think we can do quickly and then give him the opportunity to bring this back up. If he prefers another way, I will be glad to do that.

Mr. McCLURE. Mr. President, I posed a parlimentary inquiry. Would that be the effect of the unanimous-consent request?

The PRESIDING OFFICER (Mr. SHELBY). The unanimous-consent request stipulated merely that the amendment temporarily be laid aside. That means that any Senator then could call for regular order and bring the amendment back up.

Mr. McCLURE. I am also intrigued by the Parliamentarian's ability to rephrase the request in the language of the Parliamentarian, rather than in the language of the proposer of the request.

It would be temporarily laid aside. As I understood, the Senator had gone further to say at the call of the Senator from Kansas it would come back.

Mr. JOHNSTON. That was the request, Mr. President.

Mr. McCLURE. Which is somewhat different than I understood the Chair to have repeated.

Mr. JOHNSTON. If I may, I ask unanimous consent that the pending amendment be temporarily laid aside at the call of the Senator from Kansas, Mr. DOLE.

The PRESIDING OFFICER. Is there objection?

Mr. WALLOP. Mr. President, reserving the right to object, and I shall not object, I just want to clarify one thing I heard the chairman say. Was it his understanding he would try to accommodate all those amendments between now and 11:45? The Senator from Wyoming has two amendments we are trying to work out with his staff and ours. If we do not, we will not be able to do it by that time. If we can, we certainly will.

Mr. JOHNSTON. Mr. President, we may not be able to do it that quickly, but I hope we can. The staff has been working mightily to get these amendments put in an acceptable form. I just do not think we have any showstoppers. It may take longer than that, but we will certainly accommodate the Senator from Wyoming.

Mr. WALLOP. It would be my desire to have these amendments accepted. If they are not, I do feel compelled to offer them.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Hearing none, without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I am getting ready to offer a package of 15 amendments, but before I do, I might say to all of our colleagues that we are ready to do business and if they have an amendment, I say to my colleagues, now is the time.

Mr. President, I will send to the desk 15 amendments, all of which have been agreed to, which have been cleared on both sides, which are largely technical and noncontroversial in nature and if I may describe these, I think there is absolutely no objection to them.

Mr. McCLURE. Will the Senator yield at that point?

Mr. JOHNSTON. Yes.

Mr. McCLURE. Mr. President, I just want to underscore that, indeed, these 15 amendments have been discussed on this side of the aisle. As the Senator describes each amendment, I may wish to interpose a comment at that point so that we do not aggregate them.

The PRESIDING OFFICER. Has the Senator from Louisiana submitted his amendments?

Mr. JOHNSTON. Let me describe them and go through the point-by-point description with my colleague from Idaho, and then I will offer them en bloc.

AMENDMENT No. 2583

(Purpose: To transfer funds for the operation of the Quinault National Fish Hatchery)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. ADAMS (for himself and Mr. EVANS) proposes an amendment numbered 2583.

On page 9, line 2, delete "$360,400,000" and insert in lieu thereof "$360,654,000".

AMENDMENT No. 2584

(Purpose: To transfer funds for the operation of the Quinault National Fish Hatchery)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. ADAMS (for himself and Mr. EVANS) proposes an amendment numbered 2584.

On page 44, line 6, delete "$980,740,000" and insert in lieu thereof "$980,486,000".

Mr. JOHNSTON. The first amendments would be for Senators ADAMS and EVANS which transfers $254,000 from the Bureau of Indian Affairs to the Fish and Wildlife Service to reflect transfer of the Quinault National Fish Hatchery management from the BIA to the Fish and Wildlife Service.

Mr. McCLURE. Mr. President, we have no objection to those amendments.

Mr. ADAMS. Mr. President, this amendment transfers management authority and control of the Quinault National Fish Hatchery on the Quinault Indian Reservation from the Bureau of Indian Affairs to the U.S. Fish and Wildlife Service. The amendment is budget neutral, and I understand it has been cleared on both sides. I urge its adoption.

Mr. EVANS. Mr. President, I am pleased to join my colleague from Washington State as a cosponsor of this amendment. The amendment transfers management authority for the Quinault Hatchery from the Bureau of Indian Affairs to the U.S. Fish and Wildlife Service. The hatchery transfer was requested by the Quinault Indian nation, a primary beneficiary of the hatchery facility, and I ask unanimous consent that a resolution of the Quinault Business Committee which supports and explains the reasons for the transfer, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION No. 87-14-65 OF THE QUINAULT BUSINESS COMMITTEE

Whereas, Major sources of livelihood of the people of the Quinault Indian Nation is the salmon and steelhead resources of the Nation, and

Whereas, The Quinault Indian Nation manages the resources of its treaty area in conjunction with International Treaties, National Management Plans, and Joint Management Agreements with the State of Washington, and

Whereas, The Quinault Indian Nation recognizes the need to solidify its relationship with the professional Fisheries Service Agency of the Federal Government, and

Whereas, The Quinault Indian Nation supports the transfer of Quinault National Fish Hatchery to the Fish and Wildlife Service, and

Whereas, A part of the infrastructure of Fish and Wildlife Service has been devoted to the professional rearing of salmon, and

Whereas, a large part of this professional service is oriented toward the successful rearing of outmigrant salmon; now therefore be it

Resolved, That the Quinault Indian Nation supports the transfer of the Quinault Nation Fish Hatchery to the Fish & Wildlife service to be operated under a memorandum of agreement with the Quinault Indian Nation.

AMENDMENT NO. 2585

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. BYRD (for himself and Mr. McCLURE) proposes an amendment numbered 2585.

On page 70, line 3, insert the following before the period:

Provided, That appropriations in this account remaining unobligated at the end of fiscal year 1988, both annual and two-year funds, and which would otherwise be returned to the General Fund of the Treasury, shall be merged with and made a part of the fiscal year 1989 National Forest System appropriation, and shall remain available for obligation until September 30, 1990

Mr. JOHNSTON. Mr. President, the amendment will add language making 1988 unobligated balances for the Forest Service available until September 30, 1990.

Mr. McCLURE. Mr. President, this is a good amendment. It is needed, and I urge its adoption.

AMENDMENT NO. 2586

(Purpose: To delete language affecting the peer panel review process of the National Endowment for the Arts)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2586.

On page 104, line 17, linetype beginning with the colon and ending with "1987".

Mr. JOHNSTON. Mr. President, this amendment deletes the language passed by the House which prohibits any change in the peer review process of the National Endowment for the Arts. The thought of any change to the peer review process has been the subject of much controversy, and it was of concern for the integrity of that process that the Senate concurred in the House action.

Mr. President, subsequent to full committee consideration of the Interior bill, we received assurances in writing from the Chairman of the National Endowment for the Arts that NEA would go along with the view that there should be no necessary correlation between artistic rating and share of budget. It is based on these assurances that I offer the amendment before you. The issue would thus be addressed further in conference with the House. It is the understanding of the committee that the Endowment will take no further action to link the percentage of an organization's budget with artistic ranking. Should any efforts contrary to this understanding be undertaken by the Endowment, I would urge the Senate to reconsider its action.

Mr. McCLURE. Mr. President, I support the amendment offered by the Senator from Louisiana.

As the Senator stated, it has never been the Endowment's intent to alter the peer panel process in a way that would disadvantage small and rural arts organizations. In recent years, the NEA has undertaken a number of efforts to help small and rural arts organizations.

The NEA was trying to provide complete information to their panelists in order to assist them in arriving at their funding recommendations. I see no reason why we should restrict the flow of useful information to the panelists. Their job is difficult enough and additional information can only improve the situation.

It is my understanding, however, that the NEA is going to work with the groups so that, if this is done, it will be done in a manner which the groups are comfortable.

For those reasons, Mr. President, I support this amendment and urge its adoption.

AMENDMENT NO. 2587

(Purpose: To clarify appropriation authority for Indian Education)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2587.

On page 98, line 17, after the "Act" and before the comma insert: , as amended by Public Law 100-297

Mr. JOHNSTON. Mr. President, the fourth amendment restores the clause on page 98, line 17, which weas inadvertently deleted during the printing of the bill—a purely technical amendment.

Mr. McCLURE. Mr. President, this is a purely technical amendment. I urge its adoption.

AMENDMENT NO. 2588

(Purpose: To clarify the provision of health care services to non-Indians)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2588.

On page 55, line 22: Linetype the word "and" and insert thereafter the word "or".

On page 55, line 23: Linetype the words "available to" and insert thereafter the words "retained by".

Mr. JOHNSTON. Mr. President, this amendment is technical in nature. The bill before you would allow the Indian Health Service, or its contractors, in certain circumstances, to serve non-Indian patients. In those instances, payment is to be made as prescribed by the Secretary of Health and Human Services. The language as presently constructed requires that these proceeds be deposited into the fund maintained by IHS. For those health services delivered at non-IHS sites, the collections are to be returned to that site. Mr. President, the amendment would eliminate this middle step and allow the funds collected at non-IHS to remain at that site. The effect is simply to expedite the availability of these funds at the non-IHS sites. The bill has been cleared on both sides and I urge its acceptance by the Senate.

Mr. McCLURE. Mr. President, I agree that this amendment is needed. Some might characterize it as being slightly more than technical, but I do believe it is needed and urge its adoption.

AMENDMENT NO. 2589

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2589.

On page 79, line 3, insert the following before the period:

: *Provided further*, That moneys received from the timber salvage sales program in fiscal year 1988 shall be considered as money received for purposes of computing and distributing 25 per centum payments to local governments under 16 U.S.C. 500, as amended

Mr. JOHNSTON. Mr. President, the next amendment was included in last year's appropriation bill and should be included again this year.

It provides that receipts from the sale of timber damaged by fires will be treated in the same manner as other timber receipts for the purpose of calculating the 25-percent fund payment to local communities.

Over 1.2 billion board feet of a salvage timber will be sold in 1989. In some communities, virtually all of the timber sales to be sold in 1989 are salvage sales. Without this language, those communities would receive no 25 percent fund payments in 1989.

Mr. President, this amendment has been cleared on both sides and I urge its adoption.

Mr. McCLURE. Mr. President, I am sorry that his language is necessary. I have thought that it was clear at the outset. I think it should have been, but that removes any possibility that there is any ambiguity. I urge adoption of the amendment.

AMENDMENT NO. 2590

(Purpose: To allow for contingency site acquisition at Kotzebue, Alaska)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. STEVENS (for himself and Mr. MURKOWSKI) proposes an amendment numbered 2590.

On page 94, line 23, after the word "expended", insert the following:

: *Provided*, That the Indian Health Service may hold in reserve a sum not to exceed $600,000 as a contingency for site acquisition at the Kotzebue Hospital

Mr. JOHNSTON. Mr. President, the next amendment, with respect to the Indian Health Service, makes funds available in reserve for the Kotzebue Hospital purchase.

The amendment before the Senate would provide the Indian Health Service with the authority to hold funds in reserve for possible site acquisition at the Kotzebue Hospital in Alaska. The Indian Health Service has developed a land exchange proposal for the site where the new hospital will be built in Kotzebue, with the trading partner receiving in exchange the site of the present hospital.

Before the land exchange can be finalized and executed, however, the trading partner [KIC] is seeking some assurances that it will be compensated in the event full construction funding is not made available by the Congress to IHS. Namely, KIC does not want to be left holding a parcel of land with a half-built hospital on it.

We have worked with the Senator from Alaska to craft this amendment. The amendment provides the necessary authority, and the Indian Health Service will submit a formal reprogramming request to the House and Senate Appropriations Committees, identifying the project source from which the funds will come. I believe this is a fair and sound compromise—one which we can take to conference and work with the House conferees to accept. This amendment has been cleared by both sides, and I urge its adoption.

Mr. McCLURE. Mr. President, I have had an opportunity to analyze the amendment and I have no objection.

It is my understanding that the amendment provides the IHS with the authority to hold funds in reserve for possible site acquisition at the Kotzebue Hospital in Alaska. IHS has developed a land exchange proposal for the site where the new hospital will be built in Kotzebue, with the trading partner receiving in exchange the site of the present hospital.

The subcommittee has worked out language with the Senator from Alaska providing IHS with the authority to propose a reprogramming of these funds if the land exchange is not fair and equitable.

I feel this is a good solution and urge the adoption of the amendment.

AMENDMENT NO. 2591

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. WIRTH (for himself and Mr. ARMSTRONG) proposes an amendment numbered 2591.

On page 19, line 13, delete $63,746,000 and insert in lieu thereof $64,961,000.

Mr. JOHNSTON. Mr. President, the next amendment on behalf of Senators WIRTH and ARMSTRONG provides $1,215,000 for acquisition of a tract of land threatened by development at the Black Canyon of the Gunnison National Monument, CO. This amendment will permit the National Park

Service to honor the land acquisition commitment made in 1984, when the boundary was enlarged.

I know of no objection to this amendment and urge its adoption.

Mr. McCLURE. Mr. President, I have reviewed the amendment. It is a meritorious amendment. That is the Black Canyon of the Gunnison in the State of Colorado. I support the amendment and urge its adoption.

THE BLACK CANYON OF THE GUNNISON NATIONAL MONUMENT

Mr. ARMSTRONG. Mr. President, in 1984 legislation enlarged the Black Canyon of the Gunnison National Monument to protect the canyon's spectacular viewshed. The law directed the National Park Service to purchase scenic easements from the landowners in the expanded area, or to acquire fee title if the scenic easements did not protect the viewshed. Mr. President, today I am offering along with my colleague Senator WIRTH, an amendment to honor that commitment made by the Federal Government to those land owners.

Mr. President, our amendment will protect this beautiful national treasure, while ensuring that the Federal Government accepts its obligation to reimburse private land owners whose land is encumbered by land use restrictions imposed by expansion of the monument.

After nearly 4 years, only one tract has been acquired, and only after a long court battle triggered by the landowner's threat to bulldoze his property if the Federal Government did not meet its obligation. The remaining landowners are still waiting. This amendment will end their long wait.

Recent events have escalated the current situation. After notifying the National Park Service, one of the landowners has begun bulldozing a road through the middle of his land. Other landowners have indicated they will also begin improvements on their land later this summer.

I contacted the Secretary of Interior concerning the Black Canyon. Secretary Hodel expressed his concern about proposed development of the tracts of land, and reported that the National Park Service is proceeding with appraisals of all the tracts in the Black Canyon. He stated "we intend to take action by acquiring property whenever there is a threat of resource-damaging uses." Clearly the action by one of the landowners to develop his property constitutes a substantial threat.

An appropriation needs to be secured this year to settle these land disputes. The National Park Service in Denver reports that they are trying to expedite appraisals. All my colleagues know that appraisals are not valid forever. In as short as 1 year these appraisals will have to at least be updated, and possibly completely redone. Consequently, adequate funding for the land or scenic easement acquisition is necessary this year to protect the scenic value of the Black Canyon of the Gunnison National Monument.

Unfortunately, the tracts at the Black Canyon of the Gunnison are only of few of the thousands of tracts which have been authorized nationally for scenic easement or fee title acquisition, but have not been acquired. The National Park Service reports that 6,902 tracts of land compromising 293,256 acres remain unacquired. Private landowners use of this land is restricted due to Federal legislation, but the landowners are not compensated for their property's loss of use or value.

Although this amendment addresses only what is the tip of a rather large iceberg, it is a start. I intend to further address this situation and look into ways in which those tracts in limbo can be acquired. Government by IOU is bad government. This amendment can begin to halt this trend.

I asked unanimous consent that a letter from the Colorado Environmental Coalition, as well as an article written about the wonderous beauty of the Black Canyon be inserted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COLORADO ENVIRONMENTAL COALITION,
Denver, CO, July 12, 1988.

Senator WILLIAM ARMSTRONG,
Hart Office Building,
Washington, DC.

DEAR SENATOR ARMSTRONG: The Colorado Environmental Coalition supports additions to this year's appropriation bill for adequate funding to insure acquisition of land or scenic easements for the protection of the viewshed at the Black Canyon of the Gunnison National Monument.

The Black Canyon of the Gunnison is one of our nation's most outstanding natural attractions. Maintaining the primitive nature of the viewshed is important to the integrity of the Monument.

We hope that you can secure additional Land and Water Conservation Funds for these lands in order to protect this important resource.

Sincerely yours,

KIRK KOEPSEL,
Public Lands Coordinator.

[From the Christian Science Monitor, June 10, 1988]

THE BLACK CANYON OF THE GUNNISON

(By K.T. Lund)

GUNNISON, CO.—The pinkish "serpent" of stone looks out from its canyon perch. A red-tailed hawk circles nearby while swallows swoop beside it in their quest for insects. For some 2 million years, the serpent in the rock has lived above the roar of the Gunnison River, a half mile below, as it wore away granite and schists to carve a dark canyon—a canyon where the sun shines only a few hours a day in the depth of the gorge.

Although the Grand Canyon is twice as deep, 10 times as long, and 35 times as wide, the Black Canyon of the Gunnison, one of North America's deepest and narrowest canyons, has its own charms that lure 285,000 visitors a year.

The Black Canyon gorge stretches for 100 miles along Colorado's western slope of the Rockies, west of Grand Junction and southeast of Denver. But its wildest and most spectacular gorge lies within 12 miles of the Colorado National Monument, another geological formation.

Today when we visit the canyon, we meet the serpent's gaze from viewpoints along the monument's south and north rim drives. From the park brochure, we discover that some of the world's oldest rocks form the salmon-colored serpent that stretches 2,000 feet up the Painted Wall.

The first Indians and later 16th-century Utes and white explorers had no geological explanation for this phenomenon, so they avoided the mysterious gorge, believing no human being could enter the Black Canyon and return alive.

A government railroad surveyor reinforced this myth in the 1880s, when he was lowered by rope a thousand feet into the canyon. Upon being pulled up, he delcared, "No one can go in there and live."

Not until 1900 did anyone attempt to enter the gorge, and that attempt failed. The four surveyors who ventured there had to inch their way up sheer walls through a 1,500-foot chimney to the canyon rim to escape the impassable river below. In 1901 two surveyors portaged successfully through the gorge and even survived a dive into the river that swept them under a seemingly impassable, 60-foot dam of boulders. Despite their success, few ever raft the gorge, although interpid fishermen scramble down the few precipitious paths of the canyon in their quest for trout. Experienced rock climbers occasionally spend two days and a night climbing the serpent's wall, the highest cliff in Colorado.

To this day, Black Canyon still has much of that wild beauty that repelled so many previously. Each season at the Black Canyon has its own allure, not only for sightseers but also for campers, hikers, or cross-county skiers.

I have camped on the south rim in the late spring when the gambel oak leaves are sprouting and showy daisies carpet the ground. My campsite faced the snowcapped West Elk peaks, part of Colorado's Rocky Mountains, and the red canyon walls, and mesas of the north rim.

During the summer I have camped beneath gnarled junipers or piñon pines at the north rim's more primitive campground. Here mountain chickadees scurry along thousand-year-old juniper trunks, while ground squirrels scold shrilly in their search for piñon nuts. Arrowleaf balsam, ragwort, and groundsel (all pretty yellow flowers despite their names) bloom in the campground meadows, and only an occasional car or transcontinental yet trailing above disturbs the solitude of this less populated rim.

At night the constellation Orion tracts the sky above the serpent's wall, while on the mesas, coyotes, sounding like rowdy teen-agers, hunt for rabbits.

In autumn the rabbit brush blooms in golden splendor while the gamble oaks' leaves turn yellow, red, or burnt orange, only to tarnish brown as the temperatures dip.

In these three seasons I have hiked through the monument's high desert gardens of mountain mahogany, yucca, and prickly pear cactus, while the Gunnison roared dully from the gorge below. This land has changed little since the Utes trapped mule deer on the narrow canyon overlooks, or made juice from the serviceberries for their pemmican.

In winter, human and animal footprints mark the snow trails to the canyon overlooks, and a few brown leaves still cling to the gamble oaks limb deep in snow.

On the south rim of the Park Service plows only two miles of rim road, leaving the other six miles for cross-country skiers. The north rim's gravel access road is inaccessible from late November until April. A cross-country ski track winds close enough to the canyon rim for a glimpse of river below. Snowy canyons, plains, and peaks serve as the skiers backdrop.

After skiing the rim to a high viewpoint, I often picnic beneath a pinon near the canyon's edge and munch my sandwich while watching for the golden eagles that winter in the area. Returning toward evening, I have passed mule deer foraging for grass and porcupines chewing juniper bark.

In all seasons the serpent stares from its wall, oblivious to the passage of humans, who once feared but now applaud the spectacular canyon it guards.

AMENDMENT NO. 2592

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. DOLE, proposes an amendment numbered 2592.

On page 39, line 20, before the period insert ": *Provided further*, That within funds provided under this heading, $250,000 shall be made available for sealing abandoned mine sites in and around the Town of Galena, Kansas".

Mr. JOHNSTON. Mr. President, the next amendment, for Senator DOLE, provides $250,000 to plug abandoned mine shafts in the Galena, KS, area.

Mr. McCLURE. Mr. Chairman, the distinguished minority leader has indicated a problem exists in Galena, KS, that I think the committee discussed but did not resolve.

Apparently there are a number of abandoned mine shafts posing a health and safety threat to that area. I understand the limitations of the subcommittee and have been assured by the minority leader that it is not his desire to plug all shafts but only those shafts in the city which pose a threat. There have been several instances in the past few years where children have wandered in to the abandoned mines and have drowned.

In an effort to keep the funding levels down in this bill, I appreciate the Senator from Kansas' effort to make this a one time expenditure focusing on the shafts with the greatest health and safety threat.

I support the amendment with the limitations described.

Mr. DOLE. Mr. President, I am offering this amendment to the Interior appropriations bill to provide some much needed assistance to the town of Galena, KS. This area of Kansas used to be a major lead and zinc mine area that was actively mined from 1877 to the early 1920's. Because of excavation methods at the time, mine shafts were generally small in size, hand dug and relatively shallow, with none exceeding 300 feet in depth.

Unfortunately, mining activities ceased and when underground support systems were removed, what followed were cave-ins in some areas that have filled with surface waters. Other areas are riffled with shallow, barren exploration shafts that in their uncovered state pose a safety and health hazard to the surrounding coummunity. There are numerous reported incidents of death and injury from people falling into these uncovered shafts. It is a situation that must be remedied immediately.

Mr. JOHNSTON. Mr. President, I understand this is a serious problem and that there are some mine plugging techniques that may be useful in sealing these shafts.

Mr. DOLE. Mr. President, the distinguished Senator is correct. The Bureau of Mines has studied the problem in Galena extensively and has concluded it has the technical ability to administer a mine plugging program that would seal the mines that pose an imminent health and safety threat to the town.

Mr. JOHNSTON. How many mines are there that need to be capped?

Mr. DOLE. There are approximately 50 mines in the town that are very dangerous and must be closed. These are the mines where the accidents have occurred. There has been corrective action taken to remedy the easiest problems in and around the town. Galena simply needs help to finish the job on these more costly shafts.

Mr. JOHNSTON. Is it not unusual for the Bureau of Mines to engage in this type of activity?

Mr. DOLE. Mr. President, the distinguished Senator from Louisiana is correct. However, the Bureau has studied this extensively and has developed cost-effective techniques to seal these shafts. In fact, since this problem was first studied in 1985, the Bureau has developed improved methods at less cost that can be used in Galena. It is my understanding that these mine shafts can be sealed at a cost of $3,000 to $5,000 per shaft. The $250,000 this amendment directs the Bureau to make available will be adequate to seal the most hazardous sites. Mr. President, this would be a one-time request. We would not seek additional Federal funding for this problem in the future.

Mr. JOHNSTON. Mr. President, this is a serious problem; and, with the assurances that the distinguished minority leader has provided, I have no objection to the amendment.

AMENDMENT NO. 2593

(Purpose: This amendment will facilitate the operation of the Forest Service Challenge Grant Program)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2593.

On page 80, line 10, delete the word "agreements" and insert in lieu thereof "arrangements".

Mr. JOHNSTON. Mr. President, this amendment is purely technical; on page 80 line 10, it changes the word "agreements" to "arrangements".

Mr. McCLURE. Mr. President, it is a purely technical amendment. I support it and urge its adoption.

AMENDMENT NO. 2594

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. STEVENS proposes an amendment numbered 2594.

At the end of the bill insert the following new section:

SEC. 323. Subsection (a)(1) of Section 2 of Public Law 94-204 (89 Stat. 1148), as amended by Section 1411(a) of Public Law 96-487 (94 Stat. 2497), is amended by inserting the phrase ", including wildlife," after "resources of lands.".

Mr. STEVENS. Mr. President, I wish to explain one of the amendments presented by the floor manager, my distinguished colleague from the State of Louisiana. This amendment clarifies the language of the Alaska Native Escrow Fund. In 1976, Congress created this account to compensate Alaska Native Corporations for receipts taken by the Government from Federal lands during the unexpectedly long period between the time those lands were withdrawn for selection under the Alaska Native Claims Settlement Act and the time of actual conveyance. The Escrow Fund provision was amended in 1980 by the Alaska National Interest Lands Conservation Act and again in 1986 by section 22 of Public Law 99-396. Both of the amendments reaffirm the initial commitment made by Congress to Alaska Natives.

Unfortunately, certification and distribution of Escrow Fund claims has often times been long delayed, which has caused the Government's interest obligations to compound. For the most part, claimants are rural Alaska Native village corporations with limited financial resources. The amendment before us today should enable the Interior Department to resolve expeditiously outstanding claims. This legislation will resolve any doubt as to the inclusion of wildlife sale proceeds in the Escrow Fund which were derived by the Government from lands later conveyed to Alaskan Natives pursuant to ANCSA. Those proceeds will be established as the measure of the principal of the claims. For the purposes of the Escrow Fund, wildlife taken on such Native lands pertain to those lands.

The Alaska Native Escrow Fund legislation provides the Interior Department with a summary process for approving and distributing readily quantifiable claims. This amendment will place one of the last outstanding Escrow Fund claims in that category and will allow the administration to conclude the distribution process.

Mr. JOHNSTON. Mr. President, the next amendment is on behalf of Senator STEVENS which will clarify that proceeds from "wildlife" on lands withdrawn for native selection in Alaska was intended to be deposited into the Alaska Native Escrow Fund.

When Congress enacted the escrow provision, it recognized that proceeds generated from activities on lands selected by Native individuals or corporations, which accrue between the time of the selection and the time of conveyance, should be provided to the Natives. This amendment clarifies that proceeds from the sale of wildlife taken on lands withdrawn for Native selection should be treated like other proceeds. This would be consistent with other aspects of the Alaska Native Claims Settlement Act and with other interpretations of statutes relating to Indians.

Mr. President, this amendment has been cleared on both sides. I urge its adoption.

Mr. McCLURE. Mr. President, I agree with the description and the necessity for the amendment.

Mr. President, the Alaska Native Claims Settlement Act, provided that any and all proceeds derived from contract, leases, licenses, permits rights-of-way, or easement of lands withdrawn for Native selection shall be deposited in an escrow account.

It is unclear, however, if the act includes resources generated from wildlife activities. The amendment before us makes it clear that wildlife resources shall be deposited in the escrow account.

There is no budgetary impact of this amendment, and I have no objection to its adoption. I support its adoption.

AMENDMENT NO. 2595

(Purpose: Amendment to permit REA Electric Cooperatives to participate in the Clean Coal Technology Program)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2595.

On page 85, line 12, before the period insert the following: Provided further, That for the purposes of the sixth proviso in Public Law 99-190 under this heading, funds provided under Section 306 of Public Law 93-32 shall be considered non-Federal

Mr. JOHNSTON. Mr. President, the next amendment is with respect to the clean coal program.

Public Law 99-190, the fiscal year 1986 continuing resolution, established certain guidelines for the conduct of the Clean Coal Technology Program. One of the stipulations, found under the sixth proviso of that law, was essentially that at least 50 percent of any project's cost must be financed with private funds.

Despite clear report language to the contrary, the Comptroller General has recently ruled in the case of the Tennessee Valley Authority that TVA's revenues are essentially appropriated funds and are therefore not eligible to be used as non-Federal cost sharing for clean coal demonstration projects. Both the House-passed bill and this committee-reported bill contain language which makes it clear that the Tennessee Valley Authority is eligible to participate in clean coal technology demonstrations.

The purpose of my amendment is simply to provide equity for REA electric Cooperatives. Presently, many of these cooperatives borrow money from the Federal financing bank which the Comptroller General might consider appropriated funds and therefore these funds would not be eligible for cost sharing under the sixth proviso of the clean coal legislation. Since the REA's do indeed repay the Federal Financing Bank, it seems appropriate that such moneys should be considered eligible for the purposes of cost sharing; and my amendment simply makes that eligibility explicit. My amendment does not in any way modify authorities of the REA's. The amendment only modifies the earlier clean coal legislation.

Mr. McCLURE. Mr. President, as the Senator from Louisiana stated, the clean coal technology authorization requires a 50-percent cost share with Federal funds and the remainder come from private sources other than appropriated Federal funds.

The amendment simply permits the rural electric systems to participate in the Clean Coal Technology Program using the same procedures that they now use to raise capital when infrastructure investments are required in their generation facilities. As many know, the Comptroller General recently ruled that the Tennessee Valley Authority revenues are appropriated funds and therefore, not eligible to be used as non-Federal cost sharing for clean coal demonstration project. There is concern that since the REA loan levels are established by appropriation law, they cannot be used as a match for the Clean Coal Technology Program. The amendment corrects this deficiency and makes it clear that REA loan levels can be used as a match for the Clean Coal Technology Program.

I have no objections to the amendment.

AMENDMENT NO. 2596

(Purpose: To provide for the reallocation of mineral strip money for economic development purposes by the San Carlos Apache Tribe)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. MCCAIN, proposes an amendment numbered 2596.

On page 47, line 21,: after the word "level", insert the following: : *Provided further,* That notwithstanding any other provision of law, any portion of the funds appropriated under the authority of Public Law 93-530 not yet obligated, but not to exceed $700,000, shall be transferred by the Secretary of the Interior to the governing body of the San Carlos Apache Tribe (hereafter referred to as the "Tribe") by no later than the date that is sixty days after the date of enactment of this Act. Amounts transferred to the Tribe under this proviso shall be used for economic development purposes in accordance with the plan which was adopted by the governing body of the Tribe on April 12, 1988, and any amendment thereto which has been approved by the Secretary of the Interior. The Tribe may expend the amounts transferred under this proviso for the purposes authorized without the prior approval of the Secretary of the Interior. None of the funds transferred to the Tribe may be used to make per capita payments to the members of the Tribe: *Provided further,* That notwithstanding any other provision of law, the funds transferred by this Act to the San Carlos Apache Tribe may be treated as non-Federal, private funds of the Tribe for purposes of any provision of Federal law which requires that non-Federal or private funds be used in a project or for a specific purpose: *Provided further,* That the Federal Government shall have no further obligation to appropriate funds for the purposes identified in Public Law 93-530.

Mr. JOHNSTON. Mr. President, the next amendment, on behalf of Senator MCCAIN, would allow the San Carlos Apache Tribe to use unobligated balances of funds previously appropriated to institute an economic development plan for the tribe.

Mr. President, with the understanding that the tribe will have no further claim on the Federal Treasury in the event the economic development anticipated does not matriculate, there is no objection to the proposed amendment. The amendment has been cleared on both sides and I urge its adoption.

Mr. McCLURE. Mr. President, the amendment offered by the Senator from Arizona permits the reallocation of mineral strip money for tribal economic development purposes.

Congress authorized the Secretary of the Interior to purchase mining claims within the San Carlos mineral strip for the benefit of the San Carlos Apache Tribe. The mineral strip lands were originally within the San Carlos Indian Reservation but were opened for occupation in 1896 under the Federal mineral land laws. Unfortunately, no significant mineral production ever occurred. In 1978, the tribe went to court and subsequently won by arguing that the mineral lands rightfully belong to the tribe. Subsequently, funds were appropriated to purchase those lands.

Although acquisition of the mineral strip lands remains important, it has given way in priority to the greater need to develop a stronger tribal economy and an increased cash-flow. To address these problems, the San Carlos Apache Tribal Council has recently developed and adopted an economic development plan consisting of several projects. These projects include a sawmill, additional recreational facilities a cattle ranch, a tree farm and other important projects.

As I understand the amendment from the Senator from Arizona, he is proposing to transfer $700,000 from unobligated balances stemming from the mining claims to the governing body of the San Carlos Apache Tribe to initiate economic development plan. It is my understanding that the funds are available and this is a one time funding effort for the economic development program.

Mr. McCAIN. Mr. President, I extend my appreciation to the committee for their efforts on behalf of the San Carlos Apache Tribe. The amendment to the Interior appropriations bill would allow the San Carlos Apache Tribe to temporarily reallocate not more than $700,000 from moneys previously appropriated for land acquisition to fund tribal economical development projects.

Mr. President, as is the case with many Indian tribes, the San Carlos Tribe is living under intolerable economic conditions: 64 percent unemployment, 74 percent of families live below the poverty line, and 42 percent of families live in substandard houses. This amendment simply allows any moneys not yet obligated but not to exceed $700,000 to be used to initiate economic projects. These projects are necessary in order to create jobs and to increase the tribal cash flow so that the tribe can better serve its members. In short, since 1974, when Public Law 93-530 was passed, priorities have changed. While the acquisition of lands within the San Carlos mineral strip remains important, the need for jobs and an increased tribal cash flow have become priority one concern. Simply put, further land acquisition will be of no real value to the tribe unless they can strengthen their reservation economy.

In developing an economic plan, the San Carlos Tribe has been mindful of the congressional intent behind the original appropriation. Specifically, the tribe has included within their economic plan a provision that 20 percent of the profits after the fourth year will be used to finance further acquisition of mineral strip lands. I commend the tribe for their efforts to abide by the original intent of the Congress. It is important to note that the tribe recognizes and accepts the risk involved in reallocating these moneys for economic development purposes. And, that they fully understand that the Federal Government has no further obligation to appropriate funds for the purposes identified in Public Law 93-530.

Mr. President, I appreciate the consideration this amendment has been given by the committee. I especially appreciate the support of Senators JOHNSTON and McCLURE and the assistance of their able staff.

AMENDMENT NO. 2597

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2597.

On page 85, line 12, before the period insert the following:

Provided further, That reports on projects selected by the Secretary of Energy pursuant to authority granted under the heading "Clean coal technology" in the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, which are received by the Speaker of the House of Representatives and the President of the Senate prior to the end of the second session of the 100th Congress shall be deemed to have met the criteria in the third proviso of the fourth paragraph under the heading "Administrative provisions, Department of Energy" in the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, upon expiration of 30 calendar days from receipt of the report by the Speaker of the House of Representatives and the President of the Senate.

Mr. JOHNSTON. Mr. President, the next amendment deals with the clean coal project and the so-called lie-before period. There are four projects which are still in negotiation with the Department of Energy under the first round of the Clean Coal Technology Program. These four are Colorado-Ute, TRW, MDNR, and Foster Wheeler.

This amendment makes it clear that, when Congress recesses this October, any pending project agreements which must lie before Congress for 30 days, will in fact only have to wait for 30 days even though the Congress is not in session. Otherwise, some projects might needlessly be delayed for an additional 4 months while Congress is out of session.

This is not a novel approach. The same amendment was adopted in Public Law 100-202 last December. It has been cleared on both sides and I urge its adoption.

THE DOE CLEAN COAL PROGRAM

Mr. FORD. Mr. President, I rise today in support of the Appropriations Committee recommendation to provide $575 million in advance funding for fiscal year 1990 to the Department of Energy Clean Coal Program.

In the 99th Congress, I introduced S. 2541, to provide for a Department of Energy solicitation of retrofit projects funding under the Clean Coal Technology Program. This solicitation became a reality through action of the Appropriations Committee. I would like to make a few points on retrofitting of powerplants with clean coal technologies.

Is the demonstration of retrofit/repower technologies necessary?

Current control technology—scrubbers—are expensive to install, costly to operate and reduce a plant's efficiency.

Current control technology, while addressing one environmental problem, SO_2 emissions, creates another—wet scrubber sludge. Sludge is a byproduct that can cause difficult and expensive disposal problems.

Current control technology does not remove nitrogen oxides, NO_x, a source of growing concern to ozone deterioration.

More than 30 percent of the cost of a new, large conventional coal-fired plant—typically costing $1.5 billion—is for environmental control.

Retrofittable clean coal technologies are projected to be 30 percent less costly than current retrofit technology.

Many clean coal technologies offer the added advantage of nitrogen oxide control, NO_x.

Emerging clean coal technologies can avoid or reduce the sludge problems associated with current technology. In some cases, they can even produce a marketable byproduct.

Clean coal technologies are projected to be less expensive than current control technology.

An adequately funded clean coal program will retain U.S. leadership in the development of clean coal technologies and could expand the market for exports of American coal and "technological know-how."

Because of current excess generating capacity, the United States has a small "window of opportunity" during which we can develop and incorporate these new technologies into the marketplace so that they can be used in supplying new—more cost-effective and environmentally efficient—generating capacity that the country is likely to require as it enters the new century.

Mr. President, I commend the action of the Appropriations Committee and urge my colleagues to support the committee position.

Mr. JOHNSTON. This amendment makes it clear that when Congress recesses this October any pending project amendments must lie before the Congress for 30 days, and will in fact only have to wait for 30 days even though the Congress is not in session. Otherwise some projects might needlessly be delayed for an additional 4-month period while the Congress is out of session.

MR. McCLURE. Mr. President, I am familiar with the amendment the Senator from Louisiana is offering and I support it. There have been other specific projects in clean coal technology programs that have been before the Congress for 30 days. There were not any adverse impacts for those projects. I think it only makes sense to allow these additional four projects which are coming off the B list to also lie before the Congress for 30 days, and I agree with the definition as set forth by the distinguished Senator from Louisiana.

AMENDMENT NO. 2600

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. MCCLURE proposes an amendment numbered 2600.

On line 7, page 43 before the " : " insert: : *Provided further*, That notwithstanding any other provisions of law, appropriations for the Office of Surface Mining Reclamation and Enforcement may, hereafter, provide for the travel and per diem expenses of State and tribal personnel attending OSMRE sponsored training.

Mr. JOHNSTON. Mr. President, the final amendment en bloc is with respect to the Office of Surface Mining training program. During the Interior Subcommittee's hearings on the fiscal year 1989 budget for the Office of Surface Mining we discussed the training program for that agency. As my colleagues who were at that hearing will recall, we spent a great deal of time putting together a training program for the mine inspectors.

Unfortunately, States either do not have adequate funds to provide for comparable training programs for their inspectors or they prohibit the use of State funds to travel outside the States. Since it is impractical for OSM to bring the training program to all States, it only makes sense to allow OSM to reimburse State and providence inspectors for their expenses.

In an effort to provide the State inspectors the same training program as Federal employees, I am offering bill language allowing OSM to pay travel and per diem for State and tribal personnel attending OSM-sponsored training. No additional funds are provided for this purpose. In the longrun, since this language would eliminate the expense of OSM bringing training programs to all States, I believe there is no budgetary impact for fiscal year 1989.

Mr. McCLURE. Mr. President, I am familiar with the amendment, and I support it. I urge its adoption.

Mr. JOHNSTON. Mr. President, if there are no questions on this block of amendments, I ask that the amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, the distinguished floor manager of the bill had earlier referred to this as a list of 15. I think there are 16 amendments.

Mr. JOHNSTON. The Senator is correct.

Mr. McCLURE. That package that has just now been sent to the desk includes those 16 amendments previously described.

Mr. JOHNSTON. The Senator is correct.

Mr. McCLURE. Mr. President, may we withhold?

Mr. President, we have an objection on this side of the aisle with respect to the adoption en bloc. Perhaps we can withhold until we can check and see what that is, and perhaps resolve that objection.

Mr. JOHNSTON. Mr. President, I ask that the block of 16 amendments therefore be laid aside while we consider other business.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2580

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2580.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the Bill insert the following new section:

"Sec. . Revenues received by the Department of Energy from the sale of assets related to the terminaiton of the Baca Geothermal Demonstration Powerplant Project shall be retained by the Department for use to clean out the Hulin Well in the State of Louisiana.

Mr. JOHNSTON. The amendment I am offering permits the Department of Energy to retain revenues from the sales of its assets at the Baca geothermal well and to use these moneys to work over the Hulin geopressure well in Vermilion Parish, LA. The total receipts in the Baca well are $4.4 million. It is necesary to use these receipts to clean out the Hulin well because pressures are mounting dangerously at that site. A blowout of the Hulin well could result in salt water damage to the surrounding farmland and would contamiante surface water flowing in the nearby Vermilion Bay. More importantly, the cost to repair this well as well after a blowout would be several times the $4.4 million proposed in this amendment. I believe the amendment has been cleared on both sides. So in the interest of saving economy, I urge its adoption.

Mr. McCLURE. Mr. President, we are familiar with the necessity and it is an urgent matter. It involves also the Baca geothermal well. We are very much in support of the amendment and urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. JOHNSTON.]

The amendment (No. 2580) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2581

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2581. On page 114, linetype lines 9 through 12.

Mr. JOHNSTON. This amendment strikes House bill language in section 310 relating to employment ceilings. While the committee has no specific objection to the House-passed language, linetyping the language at this point could put us in a more favorable conference position in the conference committee.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. McCLURE. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. JOHNSTON].

The amendment (No. 2581) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, pending the passage of those amendments en bloc for which we are seeking a clearance, I urge my colleagues to come over. I am informed that there are a number of amendments which will be proposed. We are ready to do business at this time.

Mr. McCLURE. Mr. President, with respect to the amendment that was in the package dealing with the Black Canyon of the Gunnison National Monument land acquisition, I ask unanimous consent that Senator ARMSTRONG from Colorado be listed as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2582

Mr. JOHNSTON. Mr. President, I will shortly send an amendment to the desk, which has been cleared on both sides, on behalf of Senator EXON, which makes $637,000 available for research at Lincoln, NE. It is within available funds. It is actually an increase of $224,000 of authority available.

I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. EXON, proposes an amendment numbered 2582.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 67, at the end of line 19 strike the period and insert the following: ", of which $637,000 shall be available for research at Lincoln, Nebraska."

Mr. JOHNSTON. Mr. President, I have explained the amendment.

Mr. McCLURE. Mr. President, I want to stress that this amendment is within available funds, so the increase of the earmark which occurs under the amendment does not increase the appropriation in the bill.

I want those who read the RECORD and others who may be watching these proceedings to understand that the adoption of this amendment does not increase the amount of funds appropriated.

With that explanation and that understanding, I have no objection to the amendment and urge its adoption.

Mr. EXON. Mr. President, I rise to voice some very deep reservations about the appropriations bill before us. I do so because of the impact it will have on certain timber research throughout the United States, especially research now being conducted in Lincoln, NE.

When the administration submitted its proposed budget for 1989, it included deep cuts in this area. The impact on the research being done in Lincoln, NE, alone came to about a $224,000 cut.

Mr. President, I oppose that cut because I know that the research being done there is very important. The focus of the work which would be discontinued in Lincoln is shelterbelt research and I believe it should go on.

In recent years, this body has placed a good deal of emphasis on conservation. Therefore, I was quite disappointed to learn that the Senate had not reversed the President's cut in shelterbelt research. Shelterbelts are an important component of conservation in the Midwest. They help hold soil in place by reducing wind erosion and provide excellent wildlife habitat. They are extremely important in the Great plains for obvious reasons.

The Senate appropriations bill does reverse some of the President's deep cuts—the Senate provided an increase of $907,000. Unfortunately, none of the funds from that increase are headed to Nebraska for shelterbelt research. I cannot sit idly by and watch the shelterbelt research in Lincoln go down the tubes.

The Senate is well on its way to enacting seperate funding bills this year rather than catchall spending measures as has been done in the past. I am pleased to see us pursue that course and I do not want to hold up the process. At the same time, I feel strongly about the research going on in Lincoln.

Therefore, I am offering an amendment which rectifies this situation. My amendment would ensure that the research currently going on in Lincoln would continue.

As I have stated, I believe the research in Lincoln is very important for all of the Midwest. This amendment would not increase the overall spending in the bill. Rather, it ensures that the work carried out in Lincoln will be continued from funds already available in the appropriations measure. I urge my colleagues to approve this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2582) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. I ask unanimous consent that the name of the distinguished Senator from Alaska [Mr. MURKOWSKI] be added as a cosponsor of the Kotzebue Hospital purchase amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, with respect to the block of 16 amendments previously described, I ask unanimous consent that we delete from that list the third from last amendment, which relates to the West Delta Field study, requiring a report on the West Delta Field study; that all other amendments be considered and voted on en bloc, but numbered separately in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The RECORD reflects conformity with the above order.)

The PRESIDING OFFICER. Is there further debate on the amendments? If not, the question is on agreeing to the amendments en bloc.

The amendments were agreed to en bloc.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I will not put the request now, but I will be asking for an additional 15 minutes for the Democratic conference—in other words, an additional 15 minutes for a recess, from 1 o'clock to 1:15.

Mr. McCLURE. Mr. President, if the majority leader will give me a few moments to check with the minority leader, the distinguished Senator from Kansas, I will appreciate it.

FORESTRY COMPETITIVE GRANTS RESEARCH PROGRAM

Mr. COCHRAN. Mr. President, I rise today to make a few brief remarks in support of the Forestry Competitive Grants Research Program. I considered offering an amendment to fund this program for the next year, but I recognize the constraints on the committee and instead will focus my efforts in conference to continue funding for this program.

Congress had a number of objectives when it first funded the Forest Competitive Research Grants Program in 1985. Among these objectives were the expansion of the forestry and wood utilization research community by attracting scientists from nontraditional disciplines to this research, and the training of a new generation of talented scientists who would further pursue their interests in basic forest biology and forest products research. By structuring and managing the program on a competitive basis, with peer review of proposals, Congress also established a system whereby innovative proposals would be encouraged and only the very best of these would be funded.

During the program's first 3 years, research proposals, representing many disciplines and research organizations, both public and private, totaled almost 1,200. Of this number, 459 were judged worthy of funding and 160 were funded. The average award was reduced from the requested level of $192,000 to $121,000 so that a larger number of proposals could be explored.

Remarkable progress has been made with this program since the first projects were funded in October 1985. Teams of scientists have addressed many of the basic problems that constrain forest productivity and the full and efficient utilization of wood and fiber; projects that would not have been possible without the funding support from the Forestry Competitive Grants Program.

Regrettably, however, funding levels to support this ambitious and innovative program have declined significantly, from $8 million in fiscal year 1985 to $3 million in 1988. Elimination of funds for this program, as the bill now before us reflects for fiscal year 1989, would not only preclude the inception of new projects, but will result in the premature termination of many of the promising and productive ongoing projects.

The loss of this program will aggravate a problem in the natural resource area that is already serious. Funding levels, traditionally inconsistent with the size and importance of forest resource and the demand for answers to complex questions, continue to decline in real dollar terms. The number of university and Forest Service scientists has been reduced 14 percent and 26 percent respectively since 1981. Productive science relies upon dependable and sustained support for its success.

Of particular importance in the context of the Competitive Grants Program in forestry is that the forestry research community is in a deficit position with respect to fundamental knowledge of basic plant processes and material properties. Without advances in this body of knowledge, the forest industry will be hard pressed to realize significant production effectiveness. In that regard, this program has been productive in fulfilling this critical need by providing support for innovative basic research in forest biology, biotechnology, and wood utilization; technologies which are necessary to make the United States more competitive in world markets.

I encourage USDA to include, in its Competitive Grants Research Program budget submission for next year, funding for the Forestry Competitive Grants Research Program.

Mr. President, while I am not going to offer my amendment, I urge the managers on the part of the Senate to show its support for the Competitive Grants Program by receding to the House position on this program in conference.

I hope that the managers on the part of the Senate, during our conference with the House, will seriously consider agreeing to including some funds for this program in the final version of the conference report.

This program has proved to be very helpful in supporting forestry research, grants which are made to individual research institutions that conduct new ways to utilize wood products, to improve the productivity of all privately owned forests throughout the Southeast and other parts of the country. They have been very valuable contributions to our scientific efforts in the area of forestry.

Some years ago, this program was funded in the Interior appropriations bill, and now there has been some discussion about the appropriate place for the funds for this program—whether it should be in the Agriculture appropriations bill or in this Interior appropriations bill. I hope we will not become tangled up over a disagreement on where the funds ought to go and not fund the program at all. That is my concern.

The House put the money in this bill, and this is where the program has been funded for the last several years. It is a Department of Agriculture administered program, and that is one of the problems, I guess, in trying to make this kind of decision.

So I hope that careful consideration can be given by our managers in conference, to look very carefully before we just reject out of hand the inclusion of funds for this program in this bill.

Mr. JOHNSTON. Mr. President, the Senator from Mississippi [Mr. COCHRAN] is a very valued member of the Appropriations Committee.

I happen to be familiar with the research he is speaking of, and I share his enthusiasm for it. He knows about the problems we have with the dollar amounts in this bill; and were it not for those contraints, we would already have accepted that amendment on the Senate floor.

But we will certainly look at that matter within the constraints that we have in the conference, and it would be my hope that it could be done. I do not want to make any commitment that it will be done because that would be beyond my control and under not only others' control but under other circumstances which may intervene.

Let me just say to him that I am very sympathetic to that program. I know the Senator from Idaho can speak for himself, but I also know that he is and we will look at it carefully in conference.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I thank the distinguished manager of the bill. I hope we can work out some appropriate level of funding for this program. One way to solve the problem, too, is for the Department of Agriculture in its next year's budget to make the request for funds for this cooperative research program. I hope we can look forward to the Department's cooperation in that effort, too.

I thank the distinguished chairman for his assurances.

AMENDMENT NO. 2598

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. HATFIELD proposes an amendment numbered 2598.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 119, line 16, delete "S.E. ¼, N.W. ¼" and insert in lieu thereof the following: "S.W. ¼, N.E. ¼".

Mr. JOHNSTON. Mr. President, this amendment, on behalf of Mr. HATFIELD, is a technical amendment which simply corrects an incorrect description of the extension of the Bald Mountain Road.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, this has been cleared on this side of the aisle. I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment (No. 2598) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

ORDER FOR RECESS UNTIL 1:15 P.M. TODAY

Mr. BYRD. Mr. President, I ask unanimous consent to recess until 1:15 today rather than 1 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank all Senators and I thank the Republican leadership.

The PRESIDING OFFICER. The Senator from Louisiana.

AMENDMENT NO. 2599

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

> The Senator from Louisiana [Mr. Johnston] for himself, Mr. McClure, Mr. Simpson, Mr. Wallop, Mr. Warner, and Mr. Ford proposes an amendment numbered 2599.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 36, line 14, add the following new paragraph:
>
> There is hereby established a Fellowship in Congressional Operations Program for employees of the National Park Service. The Director of the National Park Service shall design and administer the program, within available funds, to improve mutual understanding and cooperation between Service employees, and members and Committees of Congress. The program is dedicated to the memory of Pietro Antonio (Tony) Bevinetto, and Service employees participating in the program shall be known as "Bevinetto Fellows".

Mr. JOHNSTON. Mr. President, this amendment is submitted on behalf of myself, Senators McClure, Simpson, Wallop, and Warner. It is a memorial to one of the most beloved staff members who ever worked on the Energy Committee or any other committee, that is Tony Bevinetto, who worked so faithfully, so efficiently, and so well as a staff member.

What the amendment does is to establish a fellowship in congressional operations for employees of the National Park Service. This fellowship will be dedicated to the memory of Pierto Antonio (Tony) Bevinetto and is designed to improve mutual understanding and cooperation in between the National Park System and the Congress. Tony came to what at that time was the Interior Committee back in 1979 having previously worked for the National Park Service.

He thought so much of his time in the Park Service and on the Hill and we thought so much of him. I know the Park Service wants to do this, and we think it would be a fitting memorial to Tony.

Mr. President, knowing of Tony's longstanding affection for this institution and for our Nation's public lands, I cannot think of a more appropriate memorial to this unique individual served as a professional staff member on the Energy and Natural Resources Committee since 1979. Before that, he was a legislative assistant to our former colleague Senator Cliff Hansen of Wyoming. During his tenure in the Senate, Tony was the key staff member for issues related to public lands, national parks, wilderness, wild and scenic rivers, trails and a whole host of other recreation related programs. He came to us from the National Park Service where he served in many capacities, including as assistant park superintendent at the Grand Teton National Park.

Tony was perfect for the job. For in carrying out his daily tasks, he brought together his love and respect for the outdoors with his love and respect for the Senate and the people with whom he worked. It was a very special union that served the country and the Senate well for almost 12 years, and will endure for generations to come as people come and enjoy the many magnificent places that Tony played a role in protecting and enhancing.

To those of us who knew him, Mr. President, Tony will always be remembered as a person with very special qualities. He was a professional in the best sense of that word. He did his work in a bipartisan and evenhanded manner. Everybody got a fair shake from Tony. He took great pride in always seeing both sides on an issue and of being certain that the big kids as he often referred to Senators, got all the facts.

Tony also had a marvelous sense of humor that he lavishly and unselfishly shared with everyone. He was just one of those people who made folks laugh and feel at ease in almost any situation. He enjoyed hearing a good story almost as much as he enjoyed telling one. His humor and good nature were infectious and you could not help but feel better after a visit with Tony.

Most importantly, Mr. President, Tony was one of those rare human beings that everyone just seemed to like. During his entire career as a Senate staff member, I never heard one person say anything bad about Tony. Given the pivotal role he played over the years in formulating and staffing so many contentious and controversial issues, that is truly a remarkable achievement and demonstrates his ability to diplomatically deal with very diverse individuals and subject matters.

Mr. President, future recipients of the Bevinetto fellowship should be honored and challenged to receive an award that is dedicated to such an outstanding and distinguished individual. I know that it will be difficult to fill Tony's shoes; however, in trying, the Bevinetto fellows will continue the work that Tony made in protecting America's outdoors for future generations and in solidifying relations betwen the executive and legislative branches.

I would simply say on behalf of all of us on that committee that we will greatly miss Tony Bevinetto, and this small token of naming this program after him is one way to keep the memory of his good work alive.

Mr. McCLURE. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON. I would be happy to yield to the Senator from Idaho.

Mr. McCLURE. My understanding of the intent of this amendment is that the "Bevinetto Fellow" shall be assigned by the Director of the National Park Service and be accepted by a committee or a Member's personal office to an assignment in either the U.S. Senate or House of Representatives for a period of up to 1 year.

In order to qualify for this prestigious program the fellow must have demonstrated strong leadership and management skills in a variety of assignments. In other words the fellow would already have a minimum of 5 years of permanent experience with the National Park Service and have already attained the GS-12 level of middle management. The "Bevinetto Fellow" would have unlimited potential to move into higher management positions in the Service.

Mr. JOHNSTON. The Senator is correct.

Mr. McCLURE. I thank the Senator for his response. I would just comment further that this permanent fellowship program will undoubtedly provide the opportunity to strengthen and broaden the experience and knowledge base of the selectee, as well as develop the candidates political sensitivity and understanding of congressional operations.

This unique opportunity should afford the "Bevinetto Fellow" opportunity for reassignment to a management position in which the Service can utilize his or her expertise.

Mr. JOHNSTON. I thank the Senator for his question and comments.

Mr. McCLURE. I appreciate the comments of the Senator and thank him for his sponsorship of this amendment.

Mr. President, there is no way adequately to describe in words the real impact that Tony Bevinetto had upon the process and the people who were involved in that process with whom he worked. The establishment of a "Bevinetto Fellowship" within the Department of the Interior in the National Park Service is the kind of action that would really have pleased Tony.

I think it will attract and perpetuate the professional development of the best of the people in the National Park Service.

It will be a prestigious opportunity for them to participate in both the learning and contributing capacity, and I think it is a very, very fine tribute to Tony Bevinetto and will strengthen the National Park Service and strengthen the administration of the activities of the National Park Service as the Park Service persons who participate in the fellowship program interact with the legislative branch that we have an opportunity to interact further with the executive branch in that regard.

I think it is the kind of thing that would have pleased Tony and I think wherever Tony is looking down on these proceedings he will have a little smile on his face as we proceed to the adoption of this amendment, and I urge its adoption.

The **PRESIDING OFFICER**. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I note that the Senate approved the establishment of the permanent, high-level management training program for employees of the National Park Service dedicated to the memory and in the name of my old friend, Tony Bevinetto.

I think it is a remarkably fitting tribute to Tony, one in which he would have taken great pride and one in which I am sure his family does take great pride.

The reason it is fitting is because of his long-time commitment and his long-time devotion to the National Park Service, to the people who used it, to the people who managed it, to the treasure that it represented to all Americans.

If Tony has time in all of his new surroundings, looking down on us, I know he will smile and appreciate enormously the generosity of spirit that brought it to the attention of the two managers of the bill to name this program in his honor.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment (No. 2599) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Senator FORD be added as a cosponsor.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I rise to commend the Appropriations Committee for the work that it has done in bringing this bill to the floor today. I am happy to report that this bill contains a number of items of special importance to California—items that I have expressed a strong interest in—and I want to thank the committee for being so accommodating to my requests for land acquisition appropriations.

One item in this bill deserves particular attention. I have been supporting land acquisition appropriations for the Santa Monica Mountains National Recreation Area ever since I became a member of this institution in 1982. In fact, it was during my first year as a Senator that Congress first decided to make money available for this purpose.

In the past, those of us who have supported funding for the Santa Monica Mountains have had to rely on a House/Senate conference committee to provide funding because this body has never before approved an appropriation for this project.

I have been grateful for the support of the conference committees in the years past. The only thing that has been disappointing is that heretofore, we have never had any funding support for this project originate out of this body.

Now, for the first time ever in this bill, $6 million is specifically targeted for land acquisition at the Santa Monica Mountains.

The comparable figure in the House version of this bill is $13 million. While I recognize that the committee is operating under severe budget constraints, I would encourage the conferees for this bill to move toward the House figure in the forthcoming conference to the extent that funds become available for this purpose.

There are several other land acquisition items in this bill that are worthy of mention. Once again, the committee has included funding for one of my favorite endangered species projects—the Carrizo Plain land acquisition project in southern San Joaquin Valley.

And for the second year in a row, money is made available for the acquisition of beautiful property in the Toiyable National Forest near Lake Tahoe. This property—known as the Hope Valley project—is destined for urban encroachment from the rapidly expanding Lake Tahoe area unless action is taken now to preserve it as part of our National Forest System.

With the exception of the San Francisco Bay National Wildlife Refuge—where the House appropriated $3 million and this bill provides $2 million—we are in agreement with the House version on a number of other important projects: $1.3 million for the Chuckwalla Bench Area of Critical Environmental Concern; $1 million for the Desert Tortoise Natural Area; and $2 million each for the Sacramento River and San Joaquin River National Wildlife Refuges. I am pleased to know that funds for these projects will all be included in the fiscal year 1989 Interior appropriations bill.

One item that was not included in this bill, and something that I strongly urge the conferees to defer to the House on, is an appropriation for additional operating expenses for the Golden Gate National Recreation Area. Because of its location and the recreational resources it has to offer, GGNRA has become the most heavily visited park in the country.

While the number of park acres has increased to accommodate the increased level of park visitation, the park's operations budget has not kept pace with these changes. I strongly urge the Senate conferees to defer to the House recommendation of $700,000 for operating expenses and $919,000 for new construction. These funds will permit GGNRA to continue to offer the popular programs and services that have made this park world famous.

Turning to appropriations for the Timber Sale Program, I would just like to register my support for the committee's adoption of the administration's recommendation for a 11.2-billion-board-feet program. This will allow a sale program of at least 1.8 billion board-feet in California.

This sale program will continue to be a crucial part of California's efforts to recover from the devastating fires of 1987. The 1.8 billion board-feet slated for sale next year will allow for a salvage sale of approximately 300 to 400 million board-feet of burnt timber that should be left over from the Salvage Sale Program already underway this year.

As many of my colleagues from the timbered States already know, if this burnt timber is not salvaged quickly, it will be lost forever. So I am pleased to see that the committee has provided the necessary funds to complete the ongoing Salvage Sale Program.

Finally, I would like to commend the committee for taking action to reject a certain budget request. It is not often that I oppose funding items for California in this particular bill, and I am particularly delighted that in the one instance that I find myself in this unique position, the committee is in agreement with my views.

The budget request I refer to is the $600,000 that was requested by Interior Secretary Hodel for the purposes of studying his proposal to dismantle the Hetch Hetchy Reservoir located in the Yosemite National Park.

I have spoken out on previous occasions against the Secretary's proposal, and I am pleased to report that it now appears to have finally died a quiet, but deserved death.

Even though the thought of restoring this once pristine valley to its original splendor has some aesthetic appeal, the practical consequences of such an action are mind-boggling.

The cost to the Federal Government of such a project is conservatively estimated at $3 billion. The Energy Department has calculated that it would cost in excess of $100 million a year to replace the electricity that would be lost from the Hetch Hetchy power system. And perhaps most importantly in this time of drought, the water supply loss to San Francisco, San Jose, and other bay area communities is unacceptable.

The Hetch Hetchy Reservoir will not be dismantled for these and many other reasons. It makes no sense to even spend moneys to study this idea, especially when funds are so scarce. I commend the committee for showing good wisdom in rejecting this study money request.

In conclusion, Mr. President, I commemorate the committee for bringing this bill to the floor in such a timely fashion and look forward to a successful conference with the House.

The PRESIDING OFFICER. The majority leader.

ORDER FOR RECESS UNTIL 1:30 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the recess be extended to 1:30 p.m. rather than 1:15 today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. The time of 11:45 having arrived, the Senate will now stand in recess until 1:30 p.m.

Thereupon, at 11:45 p.m., the Senate recessed until 1:30 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Fowler].

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. I note that the committee provided no money in the National Park Service budget for the expansion of the Stones River Battlefield near Murfreesboro, TN. Major parts of the important battle that took place there occurred on land that lies adjacent to, but which is not currently within, the military park. The acquisition and improvement of this land is essential to preserve its historic significance. I know that the committee's decision to withhold funding for the expansion of the park was based on budget constraints and does not reflect negatively on the merits of the proposal. As the Senator is aware, the House has provided adequate funds for the expansion. Would the Senator please give every consideration to retaining this appropriation in the final conference report?

Mr. JOHNSTON. We understand that this is a fine proposal, and the Senator is correct in stating that our decision to withhold funding this year was based solely on budget limitations. I assure the Senator that during conference deliberations we will give every consideration to retaining the House appropriation.

Mr. SASSER. Mr. President, I had considered offering an amendment to the Interior appropriations bill that would have prohibited the Office of Surface Mining from implementing a permit fee system that would have placed an unfair burden on many of our Nation's coal operators.

I understand, however, that a hearing was held yesterday by the House Subcommittee on Mining and Natural Resources during which coal operators were able to voice their concerns about the proposed OSM fee schedule, and during which OSM expressed a willingness to work with the operators to eliminate certain unfair and overly burdensome aspects of the system. There has also been an agreement to extend the comment period on the proposed fee system for 60 days.

Because of the apparent willingness of OSM to work with coal operators on this matter, I have decided to withhold my amendment at this time. I do so on the assumption that the operator's concerns will receive due consideration and that the permit fee system will be fair and equitable.

Mr. JOHNSTON. I thank the Senator from Tennessee for withholding his amendment. I have also been assured that the comment period on the proposed new fees will be extended, and I understand that OSM has shown a willingness to respond to coal operator's concerns about the system. I am confident that this matter can be resolved administratively.

Mr. SANFORD. Mr. President, I rise in support of H.R. 4867, the fiscal year 1989 Interior appropriations bill. The Appropriations Committee has produced a balanced, well-crafted bill. I would particularly like to commend the distinguished Senator from Louisiana, Senator Johnston, and the able Senator from Idaho, Senator McClure, for their excellent work on this bill in the Interior Appropriations Subcommittee.

I am aware that the committee had many difficult decisions to make this year. I am very pleased that the committee was able to include $860,000 to complete planning and design work on several projects within the Great Smoky Mountains National Park that are especially important to North Carolina.

As my colleagues know, the Great Smoky Mountains have always been near and dear to this Senator's heart. I have long felt that we should preserve and protect much of the park in its natural state, and I still hope we can achieve such protection for the park during this Congress. However, we must also allow for responsible development within those areas of the park that are not suitable for wilderness designation.

Mr. President, many North Carolinians believe that our side of the park has been somewhat neglected over the years. For example, they point to the fine visitors center at Sugarlands in Tennessee, and compare that center to the Oconaluftee Center in North Carolina. At present, the Oconaluftee facility is clearly inadequate to serve the millions of visitors passing through it each year.

For decades, North Carolina has sought an upgraded Oconaluftee Visitors Center. I am very pleased that this bill includes funding that will go a long way toward making this project a reality. The bill also includes funding to complete preliminary work for important day use facilities in the Deep Creek and Laurel Branch areas. Both these areas clearly will benefit from the new facilities. The latter area is particularly important, since it is the site of the ill-fated "road to nowhere," which was never completed due to environmental concerns and massive cost overruns. The new project will help make that "road to nowhere" into a "road to somewhere."

I thank my colleagues on the Appropriations Committee for their support of these projects, and look forward to working with them to benefit the Smokies in the future.

While I believe this is in general a very good bill, Mr. President, I am concerned about one provision dealing with the acquisition of the beautiful Panthertown Valley tract in western North Carolina. I would like to engage in a brief colloquy with the distinguished floor manager, the Senator from Louisiana, at this time.

Mr. JOHNSTON. I would be pleased to engage in a colloquy with the Senator from North Carolina.

Mr. SANFORD. As my good friend from Louisiana knows, I have been interested for some time in assuring that the Panthertown Valley area will be preserved for the enjoyment of the public, as an addition to the Nantahala National Forest. The deep canyons, scenic waterfalls, and diverse wildlife characterizing this area make it one of the most exceptional natural areas in the Eastern United States. I was very pleased that Congress appropriated funds to acquire this property last year. Unfortunately, we were not able to complete the transaction last year. The property's current owner, Duke Power, is interested in selling the property to the Forest Service, and negotiations are proceeding in that regard.

Six million dollars remain in the land acquisition account for Panthertown, and the House has appropriated the additional $2 million that should ensure that the property will be acquired. Unfortunately, the Senate bill includes no such funding. In fact, report language in the bill now calls for $4.1 million of the fiscal year 1988 Panthertown funds to be reprogrammed into timber accounts.

It is my understanding that the committee chose to take this action only because of emergency conditions within the timber program, which will not be able to meet its 1988 board-foot targets without additional funding. It is my further understanding that the committee's action resulted from an administration request, and that the committee does not fully agree with the source of the funds to be reprogrammed. Is that the understanding of the distinguished floor manager?

Mr. JOHNSTON. The Senator is correct. The committee recognizes the need to provide additional funding for the timber program, due to the unexpected fire damage which occurred in the fall and winter in many national forests. However, the committee in no way wishes to imply a decreased commitment to the Panthertown project, and does not wish to delay the acquisition of Panthertown Valley if such delay can possibly be avoided.

Mr. SANFORD. I thank my distinguished colleague. It is my further understanding that the committee wishes to review the replenishment of funding for Panthertown in conference, and is not in any way ruling out either the restoration of the $4.1 million proposed for reprogramming, or the approval of the additional $2 million needed to complete the acquisition. Would my good friend from Louisiana agree?

Mr. JOHNSTON. The committee does intend to revisit this issue in conference, and has not ruled out the approval of sufficient funding to complete the Panthertown acquisition in 1989. I assure the Senator that the committee will do all it can to avoid delaying this project.

Mr. SANFORD. I thank the Senator. As always, I appreciate the courtesy and the hard work of my distinguished colleague.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EVANS. If I may, I would like to ask a clarifying question of the distinguished chairman of the Interior Appropriations Subcommittee concerning the funding provided for construction at the Mount St. Helens National Volcanic Monument.

Mr. JOHNSTON. I would be pleased to answer any questions the Senator from Washington might have.

Mr. EVANS. The Interior appropriations bill contains $1,920,000 for construction of facilities at the Mount St. Helens National Volcanic Monument. I would like to clarify that that funding is intended to be used solely to initiate construction of the Coldwater/Johnston recreational facility. This facility will be located on top of Johnston Ridge and will provide a spectacular view of the volcanic crater at Mount St. Helens. Initiating this project at this time is important as the State of Washington is scheduled to complete by 1992 its reconstruction of the Spirit Lake Memorial Highway, which will provide the primary access to this facility and the west side of the monument. This project has strong support from both the State and the local governments. Importantly, this project is the last remaining major recreational facility identified as a high priority in the Mount St. Helens comprehensive management plan that has yet to be initiated.

It is my understanding that the committee intends that the $1,920,000 be used only for the Coldwater/Johnston recreational complex, but I wanted to clarify that point and request that the conference report reflect that intention.

Mr. JOHNSTON. The Senator from Washington is correct that it is the committee's intention that the funds appropriated for construction at Mount St. Helens be used solely for the Coldwater/Johnston recreational complex and I would be happy to ensure that the conference report makes that intent clear.

Mr. RUDMAN. I wonder if the Senator from Vermont and I might engage the Senator from Louisiana in a discussion of a provision in the Interior appropriations bill being considered today? I am referring to page 69 of the committee report commissioning a study by the Forest Service of timberland resources in northern New England and New York. While we understand the House has not agreed to this provision, and that the Forest Service has not been involved in the drafting of this proposal, we wanted to have an opportunity to provide for the record on behalf of the Senators from northern New England our views of how the study should be conducted.

Mr. JOHNSTON. I will be happy to accommodate the Senator from New Hampshire and Vermont.

Mr. RUDMAN. As the Senator from Louisiana knows, changes in the forest land ownership in northern New England and New York are leading to increased subdivisions and development of large tracts of forest land and it has been suggested that a similar situation may occur in the State of Maine at some time in the future. Loss of the traditional economic and recreational uses of these lands, which constitute the most extensive region of undeveloped forest land in the Eastern United States, will accelerate unless prompt regional conservation action is taken. Concern over this situation led Senators HUMPHREY, LEAHY, STAFFORD, COHEN, MITCHELL, and I, to request funding to commission a Forest Service study of these timberlands. Based on these concerns, does the Senator agree that the purpose of the study is to document the resources and changes in the northern forest lands of Maine, New Hampshire, Vermont, and New York, and to develop comprehensive strategies to conserve these lands and the natural resource economy and way of life they represent?

Mr. JOHNSTON. I agree with the Senator.

Mr. RUDMAN. Does the Senator concur that the following items be included in the study:

First, an assessment of the resources of the area, including timber, fish and wildlife, biological diversity, water and air quality, lakes, streams and rivers, recreation, and other forest uses;

Second, an assessment, for the region and each State, of population and demographics, employment and economic growth, traditional land ownership patterns and other factors that influence the area;

Third, an analysis of historical and projected land and resource ownership, management, and uses;

Fourth, an assessment of probable impacts of current and changing land and resource ownership, management and use on traditional land use patterns including economic stability and employment, public recreational use of private lands, natural integrity, and local culture and quality of life.

Mr. JOHNSTON. I concur with the Senator.

Mr. RUDMAN. We expect the study will examine alternative strategies to protect the long-term natural integrity and traditional uses of these lands for a perpetual supply of timber, public access for recreation, preservation of biological diversity and critical natural areas and will propose comprehensive strategies, appropriate to each State and the region, for long-term conservation. We also expect the Forest Service will conduct the study in cooperation with the States, nonprofit organizations, industries, landowners, and other interested groups and individuals in the region and carefully review and utilize existing State research efforts.

Mr. LEAHY. Recently, the Governors from Vermont, New Hampshire, and Maine agreed to form a Governor's task force on northern forest lands. The task force, consisting of conservationists, public officials, landowners, economists, community development and recreation organizations and representatives of the timber industry, will be appointed to inventory large land holdings important to the economic base, public recreation and the character of the region, and, in cooperation with the landowners, to identify means of encouraging the continued public availability of these resources. Does the Senator agree that the Forest Service should include the recommendations of the task force in their study?

Mr. JOHNSTON. I agree with the Senator and encourage the Forest Service to work with the Governor's task force in conducting the study.

Mr. RUDMAN. Finally, in conducting the study, I understand the committee expects the Forest Service to consider the following factors as they affect each State and the region: the traditional patterns of private and public land ownership, existing research and policies, existing private ownership, the economic dependency of the region upon the forest industry and the importance of recreation, wildlife and public access.

Mr. JOHNSTON. The Senator is correct.

Mr. RUDMAN. I thank my friend from Louisiana for his time and assistance.

Mr. MITCHELL. Mr. President, with the other Senators whose States would be included in the U.S. Forest Service study described on page 69 of the committee report, I have a few comments to make on the proposed study.

Before doing so, I want to commend the Senators from Vermont and New Hampshire for their leadership in proposing this study and moving it through the committee.

I also want to express my appreciation to the leadership of the Interior Subcommittee, Senator BYRD, Senator JOHNSTON and Senator MCCLURE, for agreeing to include Maine in the study.

To begin with, I want to express my agreement with the comments of the distinguished floor manager, Senator JOHNSTON, and my colleagues, Senator RUDMAN and Senator LEAHY, as to the manner in which the proposed study will be conducted.

In particular, I refer to Senator RUDMAN's point that the Forest Service is to conduct the study, "in cooperation with the States, nonprofit organizations, industries, landowners and other interested groups and individuals in the region."

I wholeheartedly agree. If this study is to be conducted in a meaningful manner, in a way that will generate strategies that will be accepted across the region, it's imperative that the views of local interests and their ongoing activities to assemble information and data on the resources of the area be considered by the Forest Service.

To that point, Mr. President, I ask unanimous consent that a letter from Charles Pray, the president of Maine's Senate, outlining some of the steps taken to address both development pressures and to the continued health and productivity of the Maine forest be included in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF MAINE,
Augusta, ME, July 1, 1988.

Hon. GEORGE J. MITCHELL,
176 Russell Senate Office Building, Washington, DC.

DEAR SENATOR MITCHELL: I am writing regarding legislation proposed by your colleagues, U.S. Senators Warren Rudman and Patrick Leahy, to provide for a study of forest lands in Maine, New Hampshire, and Vermont. I share your concerns about development pressures in Maine, and applaud you for including Maine in this important study.

While I understand the need for this study, I do have some reservations about directions it may take. There are concerns in our state that this legislation could lead to the purchase of economically viable forest land in Maine by the federal government. I do not believe such a purchase is in the state's best interest.

Maine has a strong multi-use land concept which recognizes that the primary utilization of the forest is the harvesting of pulp and paper. The Maine State Legislature has been very sensitive to both development pressures and to the continued health and productivity of the Maine forest. Among measures we have taken to address development are recently enacted "growth management" legislation, legislation to insure the preservation of agricultural land in the state, a $35 million public land acquisition bond, tax incentives like the "tree growth" tax to insure the future viability of timberland in the state, and the establishment of the "Forests for the Future" program.

As you know, our state's economy is dependent upon the availability of natural resources. I am concerned that a significant federal purchase, while limiting development, may also result in the loss of forest lands which are vital to the health of the Maine economy.

As the State of Maine has been consistently active in growth management and resource protection, I would suggest that the study include input from appropriate state agencies, legislators, and members of the general public. The participation of these interests may prove useful in the deliberations of this important study group.

Again, I am pleased that you included Maine in this important legislation, but am concerned about a possible threat to our working forest—the mainstay of our economy.

Thank you for your consideration. I look forward to hearing from you soon.

Sincerely yours,

CHARLES P. PRAY,
President of the Senate.

Mr. MITCHELL. In addition, I think it's important to state our intention that the consideration and inclusion of State and local governments, the private sector, and public interest groups should not end with data collection and assessment.

In formulating comprehensive strategies appropriate to each State and the region for long-term conservation of these forest lands, the Forest Service must recognize and distinguish the important roles to be played by all of these entities for any strategy to be successful.

In other words, it needs to be clearly understood from the beginning that this proposed study is not intended to serve as a blueprint for Federal action.

It is instead to serve as a launching point for a concerted and cooperative effort, involving all levels of government and all interested parties, on a consensus approach to preserve these critical forest lands and the way of life they represent.

Mr. President, it's entirely proper for any study of the forest land in northern New England to include Maine. Maine is the most heavily forested State in the Nation. Some 17 million acres, or 83 percent of the State can be classified as forest.

Maine's forest has and, into the foreseeable future, will continue to play a major role in my State's economy and way of life.

Thousands of jobs are generated in the forest from two major components of Maine's economy: the forest products industry and the recreation and tourism industry. These forests are also utilized by thousands of Maine people for a variety of recreation activities.

But recently, development, in the form of the subdivision of large tracts of forest land, the influx of visitors to the woods, and the steady creep of "civilization" into the forest in ways which appear to threaten their traditional ownership, management and use is emerging as a cutting issue in my State.

These same development pressures have focused the attention of New York, Vermont, and New Hampshire on the need to develop an agenda for the future of the forest land and lies behind the strong public support for this study.

It's hoped that a regional study, encompassing all of the northern New England States will facilitate the formulation of a regional strategy addressing the critical preservation of valuable forest land.

That is to be encouraged. This study has my strong support.

I again congratulate the Senators from Vermont and New Hampshire for proposing it. I thank the floor manager for his thoughtful consideration of Maine's interest in funding it.

Mr. COHEN. Mr. President, I would like to take this opportunity to make a few comments about what the State of Maine would like to gain from the forest study authorized and funded in the bill under consideration. I also want to commend my friend and colleague from New Hampshire, Senator RUDMAN, for his foresight and persistence in having this language included in the bill. He has served the interests of his State well, since there are obvious changes going on in New Hampshire that will affect the character of the land and the ability of that State's residents to pursue traditional commercial and recreational uses of that land.

It is entirely possible that similar changes will occur on Maine's vast acres of woodlands in the future, and I hope the Forest Service will be able to determine the probability of such changes and how they might affect Maine's undeveloped lands. There is a good deal of information that can be gathered that will help all Maine residents determine how best to conserve and manage our land in the future, so that we do not have to react to events in a crisis mode. Events in other forested States in the Northeast have provided us an important lesson, and we should take advantage of this opportunity to learn from it.

However, there are a number of significant differences between Maine and the other States regarding forest lands that should be discussed here so that my colleagues and the Forest Service understand the importance of proceeding with care, rather than jumping to conclusions that make more sense for other States.

One obvious difference, as can be seen by a cursory look at the map, is size. Maine encompasses 33,215 square miles, or about 20 million acres. Approximately 80 percent of the State is forested, but a very small portion, less than 5 percent, is owned by the Federal Government.

With these figures in mind, it is not difficult to understand how economically dependent Maine is on a healthy and productive forest. Timber and forest products make up our largest industry, providing direct employment for some 45,000 Maine workers, with indirect benefits for thousands more in other sectors of the economy.

At the same time, the Maine woods provide an unparalleled recreational opportunity for both Maine residents and out-of-State visitors. Fishing, camping, hunting, trapping, snowmobiling, and hiking are some of the traditional uses of Maine's vast undeveloped lands. It is very important that the special quality of the Maine woods that delights so many people is maintained.

Since most of Maine's forest lands are privately owned, it has been up to the landowners, large and small, to allow the public access for recreation. Generally, that relationship has been a successful but unusual one that must be thoroughly reviewed by the Forest Service. In a woodlands survey conducted last year, it was found that almost 98 percent of the 10.3 million acres surveyed were open to the public. Sixty-four percent were accessible free of charge, while 33 percent were accessible for a nominal fee.

Maine's private landowners are proud of their longstanding tradition of allowing for public access to private lands. For their part, Maine residents believe very strongly in their traditional right of access to the Maine woods, regardless of ownership. This is a balance that should be reviewed carefully by the Forest Service.

In addition, the State of Maine has a long tradition of protecting lands for public uses while allowing a number of activities to occur on that land simultaneously. Last November, the voters in Maine overwhelmingly approved a $35 million State bond issue for land acquisition. The State has established the Land for Maine's Future Board, which is now in the process of reviewing the resources at stake and the land available for acquisition to determine its priorities for expansion of the Public Land Program. When the Forest Service conducts its review in Maine, I hope that it will review the information already in the State's possession in order to gain a full understanding of Maine's activities in this area.

Finally, I would like to say a word about the issue of future Federal land acquisition which will no doubt be debated while the Forest Service conducts its study in Maine, and after it releases its report next year.

The Forest Service is directed, in the Interior appropriations bill, to issue a report "describing resource trends and implications." I hope that the Forest Service will pay particular attention to the differences among the States as it conducts its study, and will delineate the differences where they occur. If there are trends common to other regions of the Northeast that do not exist in Maine, or if different historical and traditional land use patterns emerge, they should be noted. If there are regional trends that can be identified, then the Forest Service should note them. It is very important that we in Maine truly understand the changes that might be facing us, and with the Forest Service's help, we can move forward to maintain traditional commercial and recreational uses of the land.

There are a number of options for protecting our forest resource, with Federal land acquisition being just one of them. It is extremely important that the Forest Service recognize the significant changes that would occur should the Federal Government acquire large parcels of land in Maine, and to assess the situation accurately, it is necessary that the Service include State, local, private, and public interests in the development of strategies for the future.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter I received from Governor McKernan, outlining some of his concerns on this issue.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF MAINE,
OFFICE OF THE GOVERNOR,
Augusta, ME, June 21, 1988.

Hon. WILLIAM S. COHEN,
U.S. Senator,
Washington, DC.

DEAR BILL: This letter is in regard to legislation which would authorize the U.S. Forest Service to conduct a study of the forest lands of northern New England and New York. I appreciate your efforts to postpone a final decision on whether Maine should be included in this study until my administration could fully assess the impact of this proposal.

Any federal initiatives to provide additional information on our forest lands and their management throughout the region will enable us to make well-informed decisions about future practices, and, therefore, I support the inclusion of Maine in this study. However, in the short amount of time that has elapsed since this issue was raised, numerous concerns have been raised as to the scope of the proposed study, and the eventual impact such a study would have on Maine. These concerns persist.

Specifically, I am concerned that Congress take a cautious approach in authorizing such a study so as to ensure that any federal effort not duplicate the work which the State is in the process of conducting. Maine has initiated and, in some instances, begun implementation of the findings of studies similar to those suggested in the draft legislation, including the Forests For the Future Report and the Commission on Outdoor Recreation Report. In addition, work has begun on an inventory for land acquisition through the Land for Maine's Future board, and increased state protection against uncontrolled development has been afforded thorough passage of growth management legislation earlier this year. Both initiatives help address some of the issues that have driven the proposed federal study. Should you decide to support the inclusion of Maine in this study, I hope language could be developed to make sure the Forest Service carefully reviews the State's efforts and utilizes our findings.

A second concern I have relates not to the study itself, but to the eventual action that might be taken once such a study is completed. As you know, Maine has a very different pattern of land use and ownership than New York, Vermont, and New Hampshire, and what may be applicable to other parts of this region may be not be appropriate for Maine. In fact, a review of the remarks made by Representative Bruce F. Vento, as reprinted on page E 1459 of the May 10, 1988, issue of the CONGRESSIONAL RECORD, indicates that the relationship in Maine between developers, large landowners, and the public may not be fully understood by other policy-makers. The fact that such people may be making decisions on Maine's forests in years to come based on the needs of other northeastern states is, I believe, a cause for concern.

An increase in acreage under the U.S. Forest Service could pose a potential problem for Maine, since a larger proportion of Maine's economy is based upon the working forest than any other state. Should the study lead to proposals to increase the land in Maine under the U.S. Forest Service, many issues would still have to be resolved to ensure that both our wood products industries and the natural resource areas available for public use continues to coexist.

By supporting this study, I am supporting an effort to obtain additional information on our forests. My support should not be taken as a blanket endorsement for expanding the acreage in Maine under the Forest Service, as I believe it would be premature to make a decision in this regard at this time. Having expressed these concerns, I hope that you will continue to work to ensure a productive and protected forest for Maine's future.

Sincerely,

JOHN R. MCKERNAN, Jr.,
Governor.

Mr. COHEN. Mr. President, this is an issue that must be debated in Maine, and I believe it is moving to the forefront of the general consciousness of many Maine citizens. I hope that the forestry study authorized in this bill will promote this discussion, so that I and other members of the Maine delegation can gather input that will help us in our decisionmaking.

We will be working with the Governor of Maine and members of his administration as the forest study progresses, and I trust we will be able to arrive at a solution that makes sense for Maine.

LAC VIEUX DESERT

Mr. RIEGLE. I am deeply concerned that no provisions have been made for the Lac Vieux Desert [LVD] Band of Lake Superior Chippewas of Michigan in either the House or the Senate appropriations bill under the New Tribes Category.

As the distinguished manager knows, legislation clarifying the status of LVD as a federally recognized tribe has been passed by the House of Representatives, and companion legislation has been unanimously reported by the Senate Select Committee on Indian Affairs. I anticipate action by the full Senate in the near future, and I know of no opposition to this legislation from the administration.

So, we are confronted with a situation in which LVD will receive Federal recognition but will be unable to receive Federal funds.

It is my hope, then, that when the distinguished manager takes this bill to conference that some provision—either a specific earmark for the Tribe under the New Tribe Category or report language directing the Bureau of Indian Affairs to use available funds—will be made to assure that funds are available to LVD when it receives Federal recognition.

Mr. JOHNSTON. I thank the Senator from Michigan for bringing this matter to my attention. I am informed that LVD may be granted Federal recognition even before we complete our conference with the House on this legislation, and I share the Senator's concerns given this situation.

Please be assured that we will attempt to resolve this problem in conference and to provide Lac Vieux Desert with the funding it will need.

LOWELL NATIONAL HISTORIC PARK AND LOWELL HISTORIC PRESERVATION COMMISSION

Mr. KENNEDY. Mr. President, my colleague from Massachusetts and I would like to ask the Senator from Louisiana about the Lowell Historic Preservation Commission and the Lowell National Historic Park. Specifically, we want to address the funding levels for these projects in the Senate Interior appropriations bill.

Recently, we were in Lowell to celebrate the 10th anniversary of the park and Commission. It is remarkable what Lowell has accomplished in one decade. The city was one of the premier beneficiaries of the Industrial Revolution in the 19th century. It fell victim to urban blight and unemployment during the Great Depression that lasted into the 1970's. But it is now in the midst of a remarkable recovery.

Mr. KERRY. In fact when I lived in Lowell in the 1970's, the unemployment rate was 13 percent. Today, however, the unemployment rate has dropped an impressive 10 points.

Mr. KENNEDY. Senator KERRY is correct. Since the establishment of the Lowell National Historic Park and Lowell Historic Preservation Commission in 1978, the city has undergone a remarkable transformation that has shed nationwide attention on it as a model for successful revitalization through public-private partnerships.

Mr. KERRY. For that reason, the park and Commission must continue to make progress. Last October, the President signed into law Public Law 100-134, which extended the authorization of the Lowell Historic Preservation Commission for an additional 7 years. The act also increased the Commission's authorization ceiling by $12 million and the ceiling of the National Park Service by $1.3 million.

Mr. KENNEDY. Currently, Lowell is working to complete two important pieces of historic restoration—the reconstruction of Boott Mill and the Canalway revitalization. These projects need adequate funding to meet their timetable. I would like to request that the Senator from Louisiana provide some assurance to us that he will support full funding on the Lowell projects during the conference committee deliberations on the Interior Appropriations bill.

Mr. JOHNSTON. I wish to assure both of the Senators from Massachusetts that we support completion of the historic restoration underway by the Lowell Historic Preservation Commission and the Lowell National Historic Park. I would like to ask specifically about the projects and funding levels that the Senators from Massachusetts are seeking for Lowell.

Mr. KENNEDY. Both the Senate and the House bills contain operating funds for the Commission and the park. This funding is essential in order for the staffing and operations of these entities. In addition, the Senate bill contains $1.3 million in funding for one of the most important park projects—the Boott Mill Complex. However, the Senate bill does not contain any money for the Commission to continue its work on the Canalway restoration and other historic projects. The House bill contains $2.95 million, which would be shared between the Commission and the park. These funds would be divided as follows: $1.3 million for the park and $1.65 million for the Commission. This would be adequate funding to continue work on the historic projects at the Commission and the park.

I wish to ask the Senator from Louisiana if he will agree to adopt the House level of funding during the conference committee consideration of the bill.

Mr. JOHNSTON. I recognize the importance of providing funding for both the Commission and the park. I will take their needs into consideration during the conference committee.

Mr. KENNEDY. I thank the Senator from Louisiana.

Mr. KERRY. I too thank the Senator from Louisiana. Not only has he supported Lowell over the years, but he has also recognized the essential contribution that the renaissance of Lowell has made in providing a blueprint for all States on historic preservation and economic revitalization, and demonstrating that they go hand in hand.

SALEM NATIONAL HISTORIC MARITIME SITE

Mr. KENNEDY. Mr. President, I would like to ask the Senator from Louisiana about the Salem Maritime National Historic Site.

Mr. JOHNSTON. I would be pleased to discuss the Salem Maritime Historic Site with the Senator from Massachusetts.

Mr. KENNEDY. The city of Salem has been organizing a revitalization of its historic community. The plan is based on a maritime theme with the focus on the Salem National Historic Site. The city officials and business people have been working with the National Park Service to begin the project with the restoration of the Maritime Site.

Established in 1938, the Salem Maritime National Historic Site is the oldest site in the National Park Service. It has vast significance in terms of preservation and interpretation of the history of maritime shipping and commerce. It is important for the resources of the site to be prudently managed, so that the 800,000 annual visitors to the park can appreciate its historic significance.

I would like to thank the Senator from Louisiana for recognizing the importance of this project. The Senate bill contains $750,000 for the Salem project. $500,000 of the funds will be used to acquire property at the Maritime Site, which is being held by the National Park Foundation until the National Park Service obtains the funds. One building that will be acquired was the subject of legislation recently enacted into law (Public Law 100-349), which expanded the boundaries of the site to enable the Park Service to acquire the building.

The remaining $250,000 is designated for staff to oversee the archives that will be on display at the site. Although there is a need for these staff positions, the National Park Service and the city of Salem have decided that it is more important, at this time, to begin the planning of the revitalization project. Funding is needed for several projects including a general management plan at the site, a historic structures report, a Salem regional survey, a cultural resources survey, an archeological survey for Winter Island, and a transportation survey.

The House bill contains $600,000 for these planning projects in addition to $500,000 for property acquisition. These funds would provide an adequate level for Salem to begin the planning and initial phases of historic restoration. I would like to urge the Senator from Louisiana to adopt the House level during conference on the Interior appropriations bill.

Mr. JOHNSTON. I thank the Senator from Massachusetts for his explanation of the Salem revitalization project. He may be assured that this important project will receive the careful consideration of the conference committee.

Mr. KENNEDY. I thank the Senator from Louisiana.

CMA

Mr. HARKIN. Mr. President, every car owner who lives in a Northern region of this country is all too familar with rock salt. While this commonly used deicer has been essential to maintaining public safety during the winter months, the damage to cars, bridges, and other equipment can be substantial.

That is why I have become a strong proponent of the development and use of calcium magnesium acetate [CMA]. CMA is a new alternative to rock salt which, while more expensive, does not produce some of the very negative side effects that rock salt carries with it.

In addition to the corrosion problems I just mentioned, the runoff of the salt brine greatly increases the quantity of sodium in the soil along the roadside, causing considerable damage to plant life. It also adversely affects the structure of the soil itself.

Over the last several years, the Department of Transportation and a number of States have been examining the use of CMA, including field tests, and have been very favorably impressed.

The Highway Reauthorization Act of 1987 contained a sense of the Senate provision which promotes the use of CMA and urges the States and local governments to consider not only the initial cost of the rock salt, but also the cost of corrosion, the damage to equipment and the environmental effects of rock salt compared to the alternatives.

As we consider the Interior appropriations bill, I am struck with the thought that there are very few places where the concerns over the environmental effects of rock salt should be greater than in our national parks and our national forests.

I would like to take this opportunity to urge the National Park Service and the Forest Service, USDA to conduct studies of the damages caused by rock salt use in our national parks and forests and to examine the feasibility of using calcium magnesium acetate as an alternative material.

Mr. JOHNSTON. I am quite familiar with Mr. HARKIN's long and tireless promotion of CMA, and I commend him for his efforts. I share his concern about the detrimental side effects of rock salt, and I agree that it would be prudent and worthwhile for the National Park Service and the Forest Service, USDA to study the possible use of CMA.

PLASTICS

Mr. HARKIN. One of the most impressive technical advances since World War II has come in the area of plastics. Today, plastics are found in every aspect of American life, from the home to the workplace. However, we are increasingly aware that, despite the virtually innumerable beneficial features of plastics, these products are not without undesirable side effects. Chief among these are the large quantities of petroleum used in the manufacture of plastics and the virtual indestructibility of plastic wastes.

A large part of the plastic used today could be produced using cornstarch. And doing so would not only reduce our dependence on foreign oil, but could also considerably improve the economic health of rural America. Further, plastics made with cornstarch can be biodegradable. Plastic companies market products such as garbage bags, touting their strength and indestructibility. However, our streets, our fields and even our national parks and forests are suffering from the burden of plastic discards—bottles, bags, cups, wrappers, sacks, you name it. Not only do they blight the beauty of our nature, but in far too many instances, entanglement in or ingestion of plastics kills birds, fish and other wildlife.

At this time, the technology does not exist to make all plastics degradable, nor would it be prudent to do so. There are, however, many products which can and should be made from biodegradable plastics—especially products such as packaging materials and plastic bags which are used temporarily and then discarded.

I would urge that the National Park Service to conduct a study, funded by existing appropriations, to identify the types of disposable plastic items that are used by the National Park Service and are sold in our national parks and to determine the feasibility of substituting agricultural commodity based biodegradable plastic items for such plastic items that are not biodegradable. A similar or combined effort should be initiated to examine the same problem in our national forests.

Mr. JOHNSTON. Mr. President, I commend the Senator from Iowa for all his work to promote the development and use of biodegradable plastics. I think his suggestion that the National Park Service and the Forest Service, USDA study the possibility of using biodegradable plastics is an excellent one, and I join in urging these agencies to conduct such studies from within available funds.

THE SANDY HOOK UNIT OF GATEWAY NATIONAL RECREATION AREA

Mr. BRADLEY. Mr. President, I have a number of questions which I would like to address to the acting chairman of the Subcommittee on Interior and the acting floor manager of the Interior appropriations bill, Senator JOHNSTON. As we know, I have for the past 2 years sought a small amount of funding—approximately $1 million—to restore the most basic infrastructures at the Park Services' Sandy Hook unit in New Jersey. I am talking about money for a second water well and for improved bathrooms, not a small consideration for the over 2 million people who visit the beautiful beaches at Sandy Hook every year. The existing facilities, built as temporary areas a decade ago, are simply a disgrace. I believe my concern and the conditions which exist in Sandy Hook are well known to my colleagues on the Appropriations Committee.

Mr. JOHNSTON. The Senator from New Jersey is correct. I am well aware of his interest. And I am aware of the poor conditions at Sandy Hook. Let me assure the Senator that I have worked to provide this basic funding for this park unit. Yet, once again, I must acknowledge that the almost overwhelming budget pressures—of which we are all aware—have prevented this worthwhile project from going forward. My colleague, Senator BRADLEY, is an outspoken advocate for our National Park System and I am very aware of his acute interest in Sandy Hook and other green areas in New Jersey.

Mr. BRADLEY. I thank my colleague for his comments and wish to acknowledge his outstanding efforts on behalf of our Park System. Am I correct in my understanding that the Senate Appropriations Committee has included funding for beach replenishment to protect the public access to Sandy Hook?

Mr. JOHNSTON. The Senator is correct; $6.5 million was included in the Department of Defense appropriations bill for this purpose.

Mr. BRADLEY. Am I correct also in my belief that the House included a similar sum for the same purpose in their Interior appropriations bill?

Mr. JOHNSTON. That also is correct.

Mr. BRADLEY. Presuming that the Senate language prevails in the conference with the House—and I am sure my colleagues will work to this end—the House Appropriations Committee provision would appear to be redundant and unnecessary. Is that not so?

Mr. JOHNSTON. The Senator from New Jersey is right on both counts: We will work to see the adoption of Senate language and, if adopted, there would appear to be no immediate need for the House funding.

Mr. BRADLEY. I thank my colleague for his comments and ask if, perhaps, this House funding does not present an opportunity for us to meet some of Sandy Hook's pressing needs? Would it be possible, when the Interior appropriations bill is conferenced with the House, for my colleagues to press to retain about $1 million of the House funding to be redirected to the demands for infrastructure development at Sandy Hook that I have been seeking these past few years?

Mr. JOHNSTON. I think this suggestion has great merit. Senator BRADLEY can be confident that my staff and I will make every effort to provide for some of Sandy Hook's well-known needs out of any unused funding.

Mr. BRADLEY. Mr. President, my colleague is as usual gracious and able. Sandy Hook's millions of visitors thank him for his pledge of assistance, and I am also grateful for the Senate's attention to Sandy Hook's needs. Knowing of his great ability, I also feel confident that we will have an outcome that will permit these basic and essential projects to move forward at long last.

INDIAN CONTRACTORS

Mr. CRANSTON. Mr. President, a provision was enacted last year in the fiscal year 1988 continuing resolution, Public Law 100-202, that extended Federal Tort Claims Act [FTCA] coverage to Indian contractor[s] with respect to medical liability. That provision amended section 103(c) of the Indian Self-Determination Act [ISDA], Public Law 93-638, by adding a new sentence:

> For purposes of section 224 of the Public Health Service Act . . . with respect to claims for personal injury, including death, resulting from the performance of medical, surgical, dental, or related functions . . . a tribal organization or Indian contractor carrying out a contract, grant agreement, or cooperative agreement under sections 103 or 104(b) of this Act is deemed to be part of the Public Health Service in the Department of Health and Human Services while carrying out any such contract or agreement and its employees (including those acting on behalf of the organization or contractor as provided in section 2671 of title 28) are deemed employees of the Service while acting within the scope of their employment in carrying out the contract or agreement.

Mr. President, our unique history in California makes this provision extending Federal Tort Claims Act coverage to Indian contractors of critical importance to native Americans in my home State. Regrettably, many native California Indians are not members of federally recognized tribes because the Senate failed to ratify certain treaties negotiated between the U.S. Government and native California Indians during the 1850's. Nevertheless, these native California Indians are recognized as Indians individually, are eligible for health care services from the Indian Health Service [IHS] and can act as Indian contractors. Indeed, such Indian contractors currently serve more than 30,000 native Americans living in California.

The Senate Appropriations Committee reported bill contains the provisions of the House passed measure which would make certain technical amendments to the Federal Tort Claims Act, consistent with changes made in last years continuing resolution, Public Law 100-202. In so doing, the committee continued to retain the Indian contractor language enacted in the fiscal year 1988 continuing resolution—a provision of great importance to a large number of California native Americans.

At this time Mr. President, I would like to call on the floor manager of H.R. 4867, the Senator from Louisiana [Mr. JOHNSTON], to help me clarify one point. It is my understanding that the term Indian contractor as used in section 103(c) of the Indian Self-Determination Act refers at a minimum to health organizations, as exist in my home State of California, which are governed by Indians eligible for services under the Indian Self-Determinations Act, Public Law 93-638. The primary purpose of these health organizations is to carry out contracts under section 103. Further, these health organizations are selected and identified as such by a resolution of an Indian tribe.

Mr. JOHNSTON. Mr. President, I thank the Senator from California [Mr. CRANSTON] for his remarks clarifying congressional intent with regard to use of the term "Indian contractor" in section 103(c) of the Indian Self-Determination Act. I concur with his statement.

Mr. CRANSTON. I thank the Senator from Louisiana [Mr. JOHNSTON]. I would like to stress, Mr. President, that the intended effect of the amendment to ISDA contained in the fiscal year 1988 continuing resolution was to relieve tribal organizations and Indian contractors of a substantial financial burden—a total of approximately $480,000 in California—in the form of premiums for medical malpractice insurance. As I am sure my colleagues would agree, such funds can be better spent on the provision of health care services to American Indians and Alaskan Natives.

Unfortunately, it seems that despite a clear congressional mandate, the Indian Health Service has informed many Indian contractors in California that they must renew their medical malpractice insurance policies, even though section 103(c) of the ISDA now makes that completely unnecessary. In a letter dated April 15, 1988, I was joined by 22 other members of the California delegation in requesting that the Secretary of Health and Human Services, Otis R. Bowen, instruct IHS to take immediate action to implement the Indian contractor provision enacted in the fiscal year 1988 continuing resolution. Furthermore, we requested a report on the status of the Department's implementation of the amendment to section 103(c) of the Indian Self-Determination Act.

On June 14, 1988, Secretary Bowen advised us that the Department of Health and Human Services and the Department of Justice are still reviewing the issue. I am greatly concerned, Mr. President, that the failure of IHS to implement the provisions of section 103(c) of the ISDA may force already underfunded Indian health clinics to expend needlessly hundreds of thousands of dollars to purchase liability insurance.

Finally, I ask unanimous consent that the full text of the April 15 California delegation letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, April 15, 1988.

Hon. OTIS R. BOWEN,
Secretary of Health and Human Services, Washington, DC.

DEAR MR. SECRETARY, We are writing regarding a provision in the FY 1988 Continuing Resolution (Public Law 100-202) concerning coverage of a tribal organization or Indian contractor under the Federal Tort Claims Act. As you know, that provision amended section 103(c) of the Indian Self-Determination Act (ISDA) by adding a new sentence stating: For purposes of section 224 of the Public Health Service Act . . . with respect to claims for personal injury, including death, resulting from the performance of medical, surgical, dental, or related functions, . . . a tribal organization or Indian contractor carrying out a contract, grant agreement, or cooperative agreement under sections 103 or 104(b) of this Act is deemed to be part of the Public Health Service in the Department of Health and Human Services while carrying out any such contract or agreement and its employees (including those acting on behalf of the organization or contractor as provided in section 2671 of title 28) are deemed employees of the Service while acting within the scope of their employment in carrying out the contract or agreement.

Effective December 22, 1987, the provision extends Federal Tort Claims Act coverage to Indian tribal organizations and contractors carrying out contracts to provide health-care services under the ISDA. The new provision gives the organizations' and contractors' employees legal representation and protection from liability for malpractice and negligence claims on the same basis as IHS employees. In California, the effect is to relieve Indian contractors of a substantial financial burden—a total of approximately $480,000—in the form of premiums for medical malpractice insurance. These funds could better be spent on the provision of health-care services to California Indians.

However, we have been advised that, contrary to the clear letter and intent of that law, the Indian Health Service is informing many Indian contractors in California that they must renew their medical malpractice insurance policies, even though section 103(c) of the ISDA now makes that totally unnecessary.

We also understand that the California Rural Indian Health Board, on behalf of 25 federally recognized tribes, has recently submitted to you a Petition for Rulemaking urging the repeal of the requirements in existing regulations that are contrary to section 103(c). Those regulations require ISDA contracts to include a provision making the contractors responsible for indemnifying the federal government with respect to malpractice claims arising in connection with contract performance. We fully support the general trust of that petition.

We urge you to instruct the IHS to take immediate action to implement the new provision. We see no reason for the underfunded tribes in California to spend needlessly hundreds of thousand of dollars to purchase liability insurance to which they are entitled under the Federal Tort Claims Act.

We would appreciate a prompt report on the status of the Department's implementation of the amendment to section 103(c) of the ISDA.

Sincerely,

Don Edwards, Alan Cranston, Matthew Martinez, Ronald V. Dellums, George Miller, Mervyn Dymally, Augustus F. Hawkins, George E. Brown, Jr., Doug Bosco, Pete Stark, Julian Dixon, Howard L. Berman, Robert Matsui, Robert Lagomarsino, Esteban Torres, Tom Lantos, Edward R. Roybal, Barbara Boxer, Richard Lehman, Jerry Lewis, Vic Fazio, Norman Y. Mineta, Pete Wilson.

Mr. CHAFEE. Mr. President, on behalf of Senator PELL and myself I would like to engage the distinguished floor managers of the Department of the Interior appropriations bill, H.R. 4867, in a short colloquy.

The Interior appropriations bill passed by the House of Representatives includes an appropriation of $325,000 to continue operations of the Blackstone River Valley National Heritage Corridor Commission. Last year Congress appropriated $350,000 for the Commission, funding which is presently being used to plan and design the corridor, and bring this unique type of urban park into existence.

The Blackstone River Valley National Heritage Corridor Act, passed by Congress and signed into law by the President in 1986, authorizes the National Park Service to join a cooperative effort of Rhode Island and Massachusetts to showcase the history and culture of 46 miles of the Blackstone River between Worcester, MA, and Slater's Mill in Pawtucket, RI. The Blackstone River Valley is the birthplace of the American industrial revolution. This is where we fought an economic battle that changed the world.

In order for the Commission to continue the important work of planning the corridor, I would ask the distinguished floor managers if they would give us an assurance that when the Interior appropriations bill is in conference, that they will consider acceding to the House regarding the Blackstone River Valley National Heritage Corridor.

Mr. JOHNSTON. Mr. President, I thank my colleagues from Rhode Island for bringing this to my attention. It is my understanding that the $325,000 for the Blackstone River Valley National Heritage Corridor would enable the commission to continue its efforts to produce a high quality land management plan, and lay the ground work for the building of visitor centers and other components of this national heritage corridor.

I can assure my colleagues from Rhode Island that I will consider acceding to the House regarding the Blackstone River Valley provision during the House-Senate conference on this bill.

Mr. McCLURE. I also will give every consideration to retaining this important provision in the conference report of the Interior appropriations bill.

Mr. PELL. I thank the distinguished Senators from Louisiana and Idaho for their consideration, and would like to emphasize that the Blackstone Corridor Act represents an important step toward preserving the birthplace of the American industrial revolution, and is a matter of great importance to the State of Rhode Island.

Mr. CHAFEE. Mr. President, I thank the distinguished floor managers of the bill for their consideration of this matter.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2601

(Purpose: to make quartz mineral within the Ouachita National Forest a saleable mineral)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk, on behalf of Mr. BUMPERS, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. BUMPERS, proposes an amendment numbered 2601.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill add the following new section:

SEC. . (a) Subject to valid existing rights, on the date of enactment of this section deposits of quartz mineral within the Ouachita National Forest in the State of Arkansas shall no longer be subject to location and entry under the General Mining Law of 1872 (17 Stat. 91), as amended, and all such deposits shall hereafter be disposed of under the same conditions as are applicable to common varieties of mineral materials on such lands under the Materials Act of 1947 (61 Stat. 681), as amended: *Provided*, That fifty percent of the moneys received pursuant to this section shall be paid by the Secretary of the Treasury to the State of Arkansas, to be expended as the State may prescribe for the benefit of the public schools and public roads of the counties in which the Ouachita National Forest is situated.

(b) The Secretary of Agriculture shall prescribe rules and regulations for the disposal of quartz mineral from the Ouachita National Forest.

Mr. BUMPERS. Mr. President, my amendment would make quartz mineral within the Ouachita National Forest in Arkansas a "salable mineral" under the Common Varieties of Mineral Materials Act. The amendment would authorize the Forest Service to handle the dispositions of quartz crystal in the same manner as it now handles deposits of sand, stone, gravel, pumice, pumicite, cinders, and petrified wood. This approach would greatly simplify the current management situation with respect to quartz in the Ouachita Forest and would enhance the ability of the Federal Government to collect revenues based on the fair market value of this mineral.

Background: The Ouachita contains large deposits of quartz, a silica based mineral which is valued for its esthetic qualities and for certain industrial applications. Small mining operations have existed on and near the national forest for many years. Recently however, the market for quartz crystals has expanded and values for certain crystals have increased dramatically. The best quality quartz, which sold for around $30 a pound in 1985, now commands prices of about $100 a pound.

It is my understanding that this new market for cyrstals is attributable to "new age" beliefs which assign metaphysical qualities and special healing properties to crystals. In the Ouachita Forest, where the quartz crystal formations are reputed to be the best in the world, the result has been an onslaught of new mining activity. In the past 2 to 3 years there has been a 300 percent increase in mining activities on the forest. Unfortunately, the Forest Service and Bureau of Land Management are hampered in their ability to consistently regulate this mining activity because of widely differing laws applicable to lands within the forest.

The Ouachita National Forest, created by a proclamation of President Theodore Roosevelt in 1907, consists of approximately 1.3 million acres in western Arkansas. Unlike most forests in the Southern and Eastern parts of the United States, which are made up of lands acquired by the Federal Government under the authority of the Weeks Act (36 Stat. 961, as amended), the Ouachita consists of intermingled "acquired land" and land reserved from the public domain. On the acquired lands—approximately 600,000 acres—deposits of quartz crystals are leasable minerals. On the public domain lands, however, quartz crystal is treated as a locatable mineral subject to the mining law of 1872.

The "rush" for quartz crystal on the Ouachita National Forest shares many of the elements of the gold rushes of the past: A rapid increase in mining activity, an increase in the number of people in the area, an increase in the size and nature of impacts, more operations in environmentally sensitive areas, a significant increase in unauthorized activity.

Several thousand mining claims have been filed on the forest in the past 3 years. As the claims are not commodity specific, the agencies do not know how many are for quartz crystal. However, they have estimated that up to 2,000 claims have been filed for quartz. At the same time, on the same forest, quartz has been leased competitively for bonus bids approaching $300 per acre. The management regime makes no sense and is becoming an untenable situation for the Federal land managers. In addition, State and local residents who treasure the scenic beauty of the Ouachita Forest are becoming increasingly concerned about mining activity on public domain lands.

I have introduced legislation, S. 2227, which would establish a competitive leasing system for quartz in the Ouachita National Forest. However, my informal discussions with mining experts at the BLM and the Forest Service have led me to consider the simpler approach of making quartz a salable mineral. Under a leasing approach three agencies are involved: BLM issues the leases, Forest Service manages the surface, and MMS administers the royalties. The advantage of salable versus leasable disposition is that the Secretary of Agriculture exercises authority for mineral material disposals on national forest lands, whether public domain or acquired, thus streamlining the process because no Department of the Interior involvement is required. This approach is advantageous for the miner, as he would be able to enjoy "one-stop" permitting and processing at the local district rangers office. The Forest Service has the authority to require bonding and reclamation to protect surface values and with its onsite personnel will be in a better position to monitor mining operations than the Department of the Interior. Competitive sales of quartz-crystal rich lands ought to bring in as much revenue as would rents and royalties from leasing, and could produce revenues sooner than leasing.

Existing mining claims and existing leases would be grandfathered under applicable law. However, the Forest Service would be encouraged to provide claim holders with the opportunity to voluntarily convert claims in exchange for assured rights under the salable program.

Mr. JOHNSTON. Mr. President, I congratulate the Senator on his amendment. It addresses a specific problem in a creative manner, and I know of no objection.

I urge adoption of the amendment.

Mr. President, this amendment has been cleared on both sides.

Mr. McCLURE. Mr. President, I wonder if the Senator can withhold this amendment briefly. We are checking it. It has not been fully cleared on this side.

Mr. JOHNSTON. Mr. President, I ask that the amendment be withdrawn at this point.

Mr. McCLURE. I thank the Senator.

The PRESIDING OFFICER. The Senator has a right to withdraw the amendment.

AMENDMENT NO. 2602

(Purpose: To provide $2 million from the Land and Water Conservation Fund for acquisition of lands and interests therein along the Eleven Point Wild and Scenic River near Green Springs, MO)

Mr. BOND. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] proposed an amendment numbered 2602.

Mr. BOND. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 71, line 23, after "expended" insert "of which $2,000,000 shall be for acquisition of lands and interests therein along the Eleven Point Wild and Scenic River near Green Springs, Missouri".

Mr. BOND. Mr. President, this amendment would provide $2 million from the land and water conservation fund for the acquisition of 6,900 acres of privately owned land, known as Green Spring, located on the Eleven Point Wild and Scenic Riverway in southern Missouri. Funding for this purchase was included in the House version of the Department of the Interior appropriations bill but was left out of the Senate bill, which is why this amendment is necessary.

There are several compelling reasons for the purchase of this tract of land. First, it is the last remaining privately owned property within the boundary of the Eleven Point Wild and Scenic Riverway. The Eleven Point was one of the original eight rivers designated for protection by the Wild and Scenic Rivers Act of 1968. Since then, the U.S. Forest Service has been able to acquire all the property within the 44-mile river corridor with the exception of Green Spring. As a result, inclusion of this property within the protected area is considered a very high priority by the Forest Service.

Second, Green Spring is one of the most beautiful and pristine areas of Missouri, Mr. President. It is the second largest spring in the State, generating an average flow of over 200 million gallons a day and providing almost 50 percent of the water which runs through the Eleven Point River. It is a unique and special natural resource which should be preserved in its current state.

This tract also contains 10 miles of river frontage within the scenic corridor. It is one of the most popular recreation areas along the river, utilized by thousands of Missourians every year for boating, camping, and hiking.

Another important consideration is the amount of funding already available for the purchase. The U.S. Forest Service cost estimate of the property is $4.6 million. Through previous appropriations, $1.6 million is already available from the land and water conservation fund. In addition, a total of $1 million in private contributions has been pledged toward the purchase. However, these offers are only good for a limited period of time—one expires in 1989 and the other in 1990. If the additional $2 million in Federal funds is not provided, we will lose the private donations as well.

I would hope that my amendment would be accepted by the floor managers so that the Forest Service may take advantage of this once-in-a-lifetime opportunity to include this special part of Missouri in the National Wild and Scenic Rivers System.

Mr. JOHNSTON. Mr. President, this is an excellent acquisition, and I certainly would be for it, but budgetary constraints prohibited us from including it in the bill.

As the Senator knows, we are at our allocation at this point. This project is in the House bill and will be in conference. I wonder if he would permit us to consider this matter in conference, look at it in a sympathetic way, because it is a good acquisition, and we would like to do it if we could find room for it. Would he permit us to do that in conference.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. McCLURE. Mr. President, I, too, would like to indicate to the Senator from Missouri that I am sympathetic. It is on a question of budget limitations. Since it is in the House bill, this would be one of the items in conference. I assure the Senator from Missouri that we will give it sympathetic attention.

I cannot go the other step that I know the Senator would like and guarantee that we will take it in conference, because we, obviously, will have to negotiate a series of priorities between the House and the Senate versions when we get to conference. That being the nature of the dilemma we have, unless there is an increase in the allocation of this subcommittee, something will have to give. But since it is in the House bill, we have an opportunity to enter into negotiation in the conference, and I guarantee that will be done in good faith.

Mr. BOND. Mr. President, with the assurances of my distinguished friends, the chairman and the ranking member, that they will attempt to negotiate on this matter—I have the greatest confidence in their negotiating skills, and I appreciate their interest and attention to the project—and in order to expedite consideration of this bill, I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. The Senator has the right to withdraw his amendment, and it is withdrawn.

Mr. JOHNSTON. Mr. President, I appreciate the cooperation of the Senator from Missouri. That will make us work all the harder to try to find the money in conference for the project.

Mr. McCLURE. Mr. President, I would like to discuss several issues posed by the language included in the committee report which accompanies H.R. 4867. I am specifically referring to the section which directs appropriations within the Bureau of Mines to the mineral institute and the $2 million appropriated for a new mining center. It is my understanding that the subcommittee has directed the Bureau of Mines to conduct a competitive process to determine which institution or institutions shall receive this funding. Would the Senator please tell me what the major criteria for this competition should be?

Mr. JOHNSTON. I would be glad to. As the language states, we expect the participating center to focus on the development of new, innovative technologies applying to the developments in electronics and other high-technology areas with the technologies for the mining industry. We are looking for a center which would marry modern technology with the basic industry of mining. We expect the Bureau of Mines to develop a rigorous competitive process based in significant part on the ability of the selected center to produce major advances in mining technology.

Mr. McCLURE. I also understand that the subcommittee wants the Bureau of Mines to select a proposal which has significant state and industrial participation. Does the subcommittee intend the industrial participation to be limited to the mining industry?

Mr. JOHNSTON. No. It is our intention that the industrial participation should include the mining industry, but should also include other industries which would help advance the technology now used in mining, including, for example, the electronics and aerospace industries.

Mr. McCLURE. Finally, the report language specifies that funding should be limited to no more than six universities, while allowing other universities to participate at their own expense. I interpret this to mean that the subcommittee intends for a small consortium which would effectively focus these revenues on advancing mining technology. Is that understanding correct?

Mr. JOHNSTON. Yes, it is.

Mr. McCLURE. Would it be the intent of the Senator from Louisiana to include this in the conference report?

Mr. JOHNSTON. Yes, it is.

Mr. McCLURE. I thank the Senator.

NATIONAL ACADEMY OF SCIENCES REVIEW OF LAND ACQUISITION CRITERIA

Mr. JOHNSTON. Mr. President, I would like to engage the distinguished ranking member, Senator McClure, in a discussion concerning the land acquisition criteria used by agencies funded in this bill.

Specifically, I would like to know if the senior Senator from Idaho would agree that, of the land acquisition management funding included in the bill, $350,000 shall be made available to the National Research Council of the National Academy of Sciences to review the criteria used by the Bureau of Land Management, the Fish and Wildlife Service, the National Park Service, and the Forest Service to acquire lands and interests in lands and waters. The study would evaluate the degree to which agencies have explicit criteria, and the degree to which these are followed. It would also evaluate the probable effectiveness of those criteria, and other criteria, in preserving ecological resources, or in achieving other objectives of the agency.

Mr. McCLURE. I agree with the acting chairman and acting floor manager, Senator Johnston, that $350,000 of the funds included in the 1989 Interior bill shall be available to the National Academy of Sciences for such a review of the land acquisition criteria and issues related thereto.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2603

Mr. WALLOP. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the Wallop amendment.

The bill clerk read as follows:

The Senator from Wyoming [Mr. Wallop] proposes an amendment numbered 2603.

Mr. WALLOP. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Provided, that (1) amounts covered into the special account established under section 4 of the Land and Water Conservation Fund Act of 1965, as amended, for the National Park Service during the fiscal year ending September 30, 1990, and each fiscal year thereafter, shall be allocated among park system units in accordance with clause (ii), and notwithstanding any other provision of law, such amounts shall be available, without further appropriation, for obligation or expenditure by the Director of the Naitonal Park Service to be used as follows:

(1) In the case of receipts from entrance fees collected at units of the national park system: for resource protection, research, and interpretation at units of the national park system.

(2) In the case of receipts from user fees collected at units of the national park system: for resource protection, research, interpretation, and maintenance at units of the national park system.

(ii)(1) Half of the funds made available to the Director of the National Park Service under clause (i) in such fiscal year shall be allocated amoung units of the national park system in accordance with paragraph (2) and half small be allocated in accordance with paragraph (3). Amounts allocated to a unit for any fiscal year and expended in that fiscal year shall remain available for expenditure at that unit until expended.

(2) The fraction allocated to each unit under this paragraph for each fiscal year shall be determined by dividing the operating expenses at that unit during the prior fiscal year by the total operating expenses at all units during the prior fiscal year.

(3) The fraction allocated to each unit under this paragraph for each fiscal year shall be determined by dividing the fees collected under this section at that unit during the prior fiscal year by the total fees collected under this section at all units during the prior fiscal year.

Mr. WALLOP. Mr. President, the purpose of the amendment which I offer today is to assure that a commitment we made to the American people is kept inviolate by making park entrance fees permanent and indefinite, not subject to further appropriation.

It is true that under the bill before the Senate today the National Park Service budget is the highest in its history and that 100 percent of the entrance fee moneys are to be used for park operational needs, with the funding level of each park maintained at least at the same level of funding as in fiscal year 1988. This bill also maintains an incentive to collect fees. For these I am grateful.

However, in the legislation which passed last December making the fee system permanent, we not only allowed for higher fees but we also increased the share of revenues the parks can keep and we set forth specific guidelines to be followed. The law was clear that the money to be distributed to units of the National Park System to be available for resource protection, research, interpretation, and maintenance activities related to resource protection was to be distributed in the following manner: parks charging entrance fees would be able to keep at least half the money they collected. The other half would be divided among all parks, with each park's share proportional to the size of its budget, and the Director of the National Park Service was to have the discretion to direct 10 percent of the fee revenue to parks as he saw fit.

There were sound and cogent reasons for setting this formula. We believed that because the American people have a great appreciation for their national parks that they would be willing to shoulder an increase in park fees if, and only if, they were confident that the fees they pay go back to the collecting park and to the Park Service. In addition, we felt it important to provide some flexibility for the Service in distributing fee receipts so that they could determine were the maximum benefits would lie with regard to research, interpretation, and resource management, and so forth. Though the majority of the revenues was to go to those parks that collect the fees, we recognized that those parks not collecting fees often had very critical needs also and so they too were made a part of the distribution system. We made this promise and commitment to Americans and we must keep it.

My home State of Wyoming boasts 7 of the 337 units in the National Park system, including 2 of the 49 national parks—Yellowstone and Grand Teton. These are two of the most popular parks in the United States and two parks most in need of the revenue that would come from an increase in park fees. Fees are also being collected at Devil's Tower National Monument and at Fort Laramie National Historic Site. At the other units—Bighorn Canyon National Recreational Area, Fossil Butte National Monument, and John D. Rockefeller Memorial Parkways—no entrance fees are collected. With such treasures as these in Wyoming it is important to me personally to see that money is appropriated to the parks as required by the formula.

But this issue transcends the interests of any one State. Congress made a commitment to the American people. We must not allow that commitment to go down the tubes because it is easier to let this problem slide by. Because of the various allocations made by the Appropriations Committee it is not possible to fix the formula in fiscal year 1989. The bill before us gives the Park Service a record high budget and maintains incentives to collect fees so this is a good year of transition. My amendment takes care of the problem in the future by ensuring that revenues are consistent with our commitment.

This amendment is consistent with the original intent of the Senate. Fees were to be assessed and collected in one fiscal year and disbursed in the next without further appropriation because we wanted to ensure that fee revenue dollars were supplemental in nature and would not be used as an offset. We felt that if they were not subject to the appropriation process we could more safely guarantee that they would be a supplement.

My amendment simply fulfills that intent by making revenues from Park Service entrance fees a permanent and indefinite appropriation and reclarifies the formula which Congress set forth in the original legislation on this matter.

Mr. President, I have cleared this with both our side and the distinguished subcommittee chairman and acting chairman of the committee. This would in effect reinstate for next year, not this year, the formula by which the entrance fees to national parks were distributed.

Mr. JOHNSTON. Mr. President, this is an excellent amendment.

The Senate will recall that we recently raised the fees at national parks. We were concerned at that time that those fee increases might be used to reduce the deficit instead of going to national parks for the needs of national parks.

We really wanted to make this direct spending and send the money directly to the National Park Service, but we were not able to at that time because of the brooding on the presence of the Budget Act.

We are now able to do that in this amendment. We carried out what we wanted at the time we increased the fees.

It really is an excellent amendment, and I congratulate the Senator from Wyoming for proposing it.

Mr. McCLURE. Mr. President, I concur in the comments made by the distinguished manager of the bill and I, too, want to commend the Senator from Wyoming for raising it.

It is not only a question of desirable policy from my standpoint but it also carries out what I think was a kind of tentative understanding between the authorizing committee in the House and the appropriations process in which we were very reluctant to have us do certain things without giving the authorizing committee opportunity to act. They have since acted. While they were unable to get the automatic permanent appropriation that the Senator now seeks here that was certainly what they were seeking at the time.

I think this is a demonstration of good faith on the part of the Senate appropriations process and we will take it to conference with the other body. I support the amendment.

Mr. WALLOP. Mr. President, I thank both the distinguished floor manager and the minority manager. I think it does two things. It fulfills the commitment that we all made to the American people when we passed the park fees legislation. But I also want to, before I go any further, say to them both that I genuinely thank them because they have done, within the appropriating process, a sufficient amount of allocating to take care of these funds had this formula been in effect. I think it is only fair to the people. But it was not an easy job for them. I think the parks are well funded under this mechanism that has been presented to us. This only assures that in the future that formula works.

I thank them both and ask for the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. WALLOP].

The amendment (No. 2603) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. I thank both Senators.

AMENDMENT NO. 2604

(Purpose: To reduce certain appropriations for consulting services)

Mr. PRYOR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arkansas (Mr. PRYOR) proposes an amendment numbered 2604.

Mr. PRYOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

SEC. . (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government received appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

Mr. PRYOR. Mr. President, I rise today to offer an amendment to the Department of Interior appropriations bill to reduce expenditures for consulting services. As many of my colleagues know, I have pledged to offer similar amendments to each and every appropriations bill which comes before the Senate.

On June 22, I offered a similar amendment to the Treasury, Postal appropriations bill on the Senate floor. I was pleased that after some discussion and modification the amendment was accepted. On July 7, the distinguished ranking members of the Foreign Operations Appropriation Subcommittee accepted my amendment also. I believe that these amendments are an important first step in requiring accountability in this area of invisible government procurement.

All of us are concerned with the procurement scandal unfolding over in the Pentagon. But I want to assure my colleagues that the buddy system which is at work in the defense industry is well entrenched in the civilian agencies as well.

At a June 13 hearing of the Federal Services Subcommittee—which I chair—the Office of Management and Budget [OMB] testified that Federal agencies spent up to $26 billion in fiscal year 1987 on consultant services. These same agencies only reported spending $243 million for the same time period. The agencies are obviously using a narrow definition of consultants.

In fact, within this appropriations bill, the Department of Interior reported spending only $765,000 on consulting services for fiscal year 1987. When I asked GAO to determine how much Interior actually spent on consultants for fiscal year 1987, GAO informed me that Interior spent $62,737,000.

In some cases, I believe agencies are underreporting to avoid the scrutiny that should accompany consultant contracts. What is ironic about this effort to avoid scrutiny is that the inspectors general are not checking up on these contracts, even though required by law to do so.

Title 31, United States Code, section 1114, requires the inspectors general to perform an evaluation of how agencies are monitoring consultant services and to ensure that the data the agencies are reporting on consultant spending is accurate. The inspector general at the Department of Interior wrote to me on June 6 and informed me that the Interior IG had not performed an audit or assessment of Interior's management of consultant services in the last 5 years. This is contrary to title 31. In effect, this means that for the past 5 years, no one has been checking to make sure that consulting contracts offered by Interior are in compliance with Federal procurement regulations.

I ask unanimous consent to have printed in the RECORD a letter I recently received from Joseph R. Wright, Jr., chairman of the Presidents' Council on Integrity and Efficiency, and Deputy Director of the Office of Management and Budget, acknowledging the poor job that the inspectors general are doing in this area. Mr. Wright was apparently unaware of this problem until I asked GAO to determine the extent of compliance with section 1114.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 22, 1988.

Hon. DAVID PRYOR,
U.S. Senate, Washington, DC.

DEAR SENATOR PRYOR: As a follow-up to the hearing you held last week, I have informed the Inspectors General of our discussions on consultant services, and have asked them to see to it that they carry out their responsibilities under Section 1114(b) of P.L. 97-258 (see enclosure).

We intend to make sure that the IG's and agency procurement officials improve their management and control of this area—but I would again ask for your help in getting funds for our proposed new budget and management information system so we can have the information necessary to track consultant expenditures and provide the President and the Congress the necessary reports on how funds are being spent in this area.

You will also see these expenditures analyzed in each agency's annual report under the Financial Managers Integrity Act, and we will include a separate section devoted to consultant services in the "management report" the President sends to the Congress every year with his budget.

If you have any questions, or suggestions, on our plan to follow-up on the points brought out in the recent hearing, please let me know.

Sincerely,

JOSEPH R. WRIGHT, Jr.,
Chairman, President's Council on Integrity and Efficiency and Deputy Director.

PRESIDENT'S COUNCIL ON INTEGRITY AND EFFICIENCY

Memorandum for Members of the President's Council on Integrity and Efficiency.

From: Joseph R. Wright, Jr., Chairman.

Subject: Advisory and Assistant Services.

I testified yesterday before Senator Pryor's Subcommittee on Federal Services, Senate Governmental Affairs Committee on the subject of advisory and assistance services. I said:

We are not doing a good job of reviewing this area;

There is too little competition and there are too many follow-on contracts;

No good management information and financial accounting system exists to tell us how much we are spending; and,

Some of the IG's are not carrying out their responsibilities under Section 1114(b) of P.L. 97-258 to evaluate agency controls over consultant services (see attachment).

I told Senator Pryor that I would take a number of steps to tighten up our oversight and also said I would report back to the Committee in 90 days on areas of consulting services that need more careful review and where some savings could be made. I am asking Dick Kusserow to develop a PCIE task force to work with Al Burman at OMB, the Acting Administrator of the Office of Federal Procurement Policy, to see that this job gets done. I made the following additional commitments:

To require the agencies to include in their annual report to the President under the Federal Managers' Financial Integrity Act an update of their compliance with Circular No. A-120, with attention to the quality of data they provide to the Federal Procurement Data System;

To include a chapter in the President's annual Management Report on agency progress in this area; and,

To task the IG's to review agency controls, assess the accuracy of data, and review a sample of advisory and assistance services contracts to see that they are well justified and meet the criteria set by Circular No. A-120.

We need to give much more emphasis to this area and work together to see that some real improvements are made.

Mr. PRYOR. Mr. President, I asked the General Accounting Office [GAO] to calculate the savings that would accrue from my amendment. GAO determined, using these agencies' fiscal year 1987 expenditures, that if my amendment becomes law, it will save the taxpayers an estimated $7.8 million. While this is certainly a meaningful effort at deficit reduction, the Department of the Interior would still have $54 million left to spend on consulting services.

This amendment uses both a Cabinet Council on Management and Administration [CCMA] study and the new OMB Circular A-120, to establish the universe of contracts we are limiting. I asked GAO to use the CCMA study to produce estimated figures for agency expenditures within this appropriation function for these kinds of contracts in fiscal year 1987.

I should note that GAO supplied two sets of figures. One set includes everything that could be construed as consultant services. In this category, which includes some unknown level of consultant activity such as contracts for technical representatives and quality control studies, I am requiring that agencies limit their spending to 95 percent of what they spent in fiscal year 1987, a 5-percent savings.

The second category, which GAO, OMB, and I all agree consists of consultant contracts, involves management and professional services, special studies and analyses, technical assistance and management reviews of program-funded organizations. Here I am requiring the agencies to limit their spending to 85 percent of what they spent in fiscal year 1987, a 15-percent savings. Also, I should note that the agencies, with OMB's guidance, will be required under my amendment to calculate their own fiscal year 1987 cost data, to which the cuts will be applied.

Mr. President, some have questioned whether this formula actually will produce savings. In order to respond objectively, I asked the Congressional Budget Office [CBO] to do a formal cost estimate of my amendment. CBO's conclusion is that the savings are real. I ask unanimous consent that the CBO response be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 27, 1988.

Hon. DAVID PRYOR,
U.S. Senate,
Washington, DC.

DEAR SENATOR: As you requested, the Congressional Budget Office has reviewed your draft amendment (to be offered to appropriations bills) to reduce the amount spent on consulting services. At this time, CBO cannot estimate the amount of the reduction because of lack of adequate data on spending for consulting services. However, if the amount of the reduction could be estimated, then CBO would be able to score the amount of the savings to the relevant appropriations bill. Or, if the amount of the reduction was actually stated in the amendment, CBO would be able to score the savings in that case as well.

The amendment directs that agencies receiving appropriations should not obligate and spend more than a certain amount on consulting services. Section (a) of the amendment defines the amounts as a percentage of actual spending in 1987. To ensure that the agencies would not spend the amounts saved on consulting services on other items, the amendment states the following:

"(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any . . . agency . . . for fiscal year 1989 is reduced by an amount equal to" a percentage of the amount spent in 1987.

CBO cannot score the budget impact of this amendment because we do not have the necessary data on the amounts spent on consulting services during 1987. Although limited data are available on certain types of consultant spending, we would have to wait until the Office of Management and Budget (OMB) has collected consulting spending data from all affected agencies before estimating the amounts the amendment proposes to reduce.

However, if these amounts were known, the next question would be: is the language sufficient to guarantee that someone will take the action presumably intended by the amendment and reduce accordingly the amount appropriated for each account? CBO expects that the language is sufficient to achieve the desired reduction in appropriation levels.

Rather than stating simply that the "amount of funds appropriated . . . is reduced," the language would be stronger if it gave specific directions to a specific entity to achieve the reductions. However, based on past experience with similar language reducing consultant spending, we expect that OMB would implement the reduction mandated by the amendment.

For example, Section 515 of the Treasury appropriations bill for 1985 (included in Public Law 98-473) directed that of the total amount of budget authority provided for each account, 10 percent of the amount that would be spent on consultants "shall be placed in reserve" and "shall not be available for obligation." Although Section 515 did not specify who should implement this, OMB decided to show the amount of 1985 spending "reduced pursuant to P.L. 98-473" in many accounts throughout the 1986 budget appendix.

Your amendment goes further than Section 515 because it not only directs that amounts obligated for consultants be reduced, but also directs that the appropriation level be reduced accordingly. We expect that once OMB determines the correct amounts, it will inform agencies that their budget authority, as provided in appropriation acts, is reduced as directed by section (c), in effect rescinding the necessary amounts.

If you wish further details on this issue, we will be pleased to provide them.

Sincerely,

JAMES L. BLUM,
Acting Director.

Mr. PRYOR. I hope my colleagues will join me in supporting this effort. In doing so I believe we will restore some modest control to an area of procurement that has taken on a life of its own.

Mr. President, this is the fifth in a series of amendments that I have been offering to each of the respective appropriation bills, attempting not only to define but also to establish a baseline for the use of consulting services. I believe we are expending throughout the federal system over $20 billion each year for consulting services. About half of those contracts are sole source without competition. A great many of these contracts, Mr. President, have add ons which increase the original cost of the contract. Perhaps a fourth to maybe even a third of these consulting agreements, Mr. President, were not even solicited originally by the agency itself.

Yesterday, for example, from the Department of Transportation budget, we extracted estimated $35 million in savings for the taxpayers by limiting consulting services. Last night, on an amendment that was accepted by the managers of the bill, we saved some $56 million in the Housing and Urban Development and related agencies appropriation bill.

Mr. President, the particular matter before us now is the Department of Interior and related agencies bill. According to a General Accounting Office report, which was sent to me several weeks ago, under this appropriations function for the 1987 baseline year, some $64,173,000 was expended for consulting contracts and outside services for studies, reports and analyses, et cetera.

In this amendment, Mr. President, I am taking 15 percent, of the category 4 consultation services using the fiscal year 1987 baseline; of the category 7, I am taking 5 percent of that particular category. The sum total savings to the taxpayer in this particualr appropriation would be an estimated $7,880,150. This does not seem like a large sum of money, but the real purpose is, once again, to define consulting services, to bring these contracts out in the sunshine and have the agencies prioritize their needs for these services.

In conclusion, Mr. President, the office of the Deputy Inspector General from the Department of Interior wrote me recently and said, and I quote from paragraph 2, Mr. President:

> The Department of the Interior's Office of Inspector General has not performed an audit of Interior's use of consultants in the last 5 years; therefore, we have not assessed Interior's management of consultant services. However, we plan to begin a limited scope review of the Department's use of consulting services on or about July 6, 1988.

This is pretty well true throughout the Federal system of government, that is the inspectors general are not complying with the present law mandating them to monitor these contracts.

Mr. President, I think this is a good amendment. It is a solid amendment. I hope it will be adopted or, better than that, accepted by the managers of the legislation.

(Mr. ADAMS assumed the chair.)

Mr. JOHNSTON. Mr. President, I have watched with interest and approval what the Senator from Arkansas has done on this matter of consultants. I think he has uncovered a real stash, honey stash, in the Federal Government involving billions of dollars—I think he says something in the neighborhood of $20 billion—which is sort of a shadow government of its own not subject to very much control, not subject apparently in many instances to competitive bids, and a matter of great concern to all of us.

Now, in the Department of the Interior, frankly, we need to learn more about these consultants. I will assure the Senator from Arkansas between here and the conference we will look very carefully at this matter. In the meantime, I would be delighted to accept this amendment, take it to conference and work on it in conference. If, indeed, it appears to be the kind of problem there that we think it may be, this may survive in exactly the form as submitted. So we are glad to accept the amendment.

Mr. PRYOR. Mr. President, I would like to respond to my good friend from Louisiana, my neighbor from Louisiana, and thank him for his generous remarks and also for giving his blessing to this amendment.

Mr. President, I do not know what is going to happen to these amendments that I have offered and which have been accepted to the respective appropriation bills. I hope that they are seriously considered by the conference committees. In this strange and wonderful institution in which we serve, I do not know if conferences know how to deal with a reduction in funding. Most of the issues involve whether or not to increase the funding for a department of Government, or to increase the moneys we appropriate for a function of Government.

I just hope very sincerely that the distinguished Senator from Louisiana, my friend, and also the Senator from Idaho, if they both decide to accept this particular proposal, will fight for it. If they do we can save the taxpayers some real dollars.

Mr. McCLURE. Mr. President, we have no objection and urge its adoption.

Mr. PRYOR. Mr. President, I thank the Senator from Idaho.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. PRYOR].

The amendment (No. 2604) was agreed to.

Mr. PRYOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. JOHNSTON. Mr. President, I will soon put in a motion to recess for 30 minutes because we have a number of amendments to be cleared during that period of time. We hope we can return at that time and quickly dispose of the other matters in this bill.

I might tell my colleagues, Mr. President, it is my desire to work out the amendments in the next 30 minutes, come in and finish the bill, and then move on to the matter of the Contras. In the meantime, perhaps that matter can be worked out.

I hope we can be allowed to do that at the end of this bill so that we can, in effect close off further amendments, finally, on this bill.

So, I ask any Senators who have amendments to please come to us and try to work them out within the next 30 minutes because the train is just about ready to leave the station.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, before the conductor of the train calls for all aboard and the train leaves the station, I wonder if it might be possible to get some reading from the Appropriations Committee members here if additional appropriation bills will be coming forward this afternoon? I will have amendments to those bills as I have had on this.

Is that within the realm of possibility? I would just like a little notice, if we could give that notice at this time? Is this a possibility?

Mr. BYRD. Yes, that is a possibility.

Mr. PRYOR. Of other appropriation bills? I thank the leader very much.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, we have on our prior notification list some 10 or 12 Senators who may wish to offer amendments. I just want to say to them by way of this statement that they should be here to offer those amendments. The Senator from Louisiana is correct. I think we are closing in on this bill. There are three or four amendments that I know of that we have already discussed with the sponsors and I think we are in a position to take those amendments. There are some 8 or 10 other Senators who may have amendments who have not yet come to the floor and have not yet discussed them with us. I hope that they will do so. I think we can clear them expeditiously if they can be cleared at all, and I would urge that they do that. I think the Senators know who they are because they have already been in contact with the staff at some time in the past with respect to possible amendments.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. HEINZ. Will the Senator yield?

Mr. JOHNSTON. Yes, I will yield.

Mr. HEINZ. I thank the Senator for yielding. I appreciate what the Senator from Idaho has said. I have discussed an amendment with him. I understand it is acceptable to the managers. I also understand we are about to recess. If I am correct in that, although I do not ask unanimous consent, it is my intention to be here so I can get recognition when the recess ends and we go back into session.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, if I may ask the Senator to see if we can work that out and do it the first matter after the recess.

RECESS

Mr. JOHNSTON. Mr. President, I move the Senate stand in recess until the hour of 3 p.m.

The motion was agreed to and, at 2:12 p.m., the Senate recessed until 2:59 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. FORD].

MORNING BUSINESS

Mr. BYRD. Mr. President, I understand that some Senators wish to speak out of order on morning business matters. I ask unanimous consent that there be a period for morning business, not to extend beyond 10 minutes, and that Senators may speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TERRY STEINBACH

Mr. BOSCHWITZ. Mr. President, I rise today to salute a native Minnesotan who distinguished himself last night in front of a national audience, and brought great credit to himself and to his hometown in southwestern Minnesota.

Over the years, Minnesota has produced a great number of outstanding athletes, in a variety of sports. However, when most people think of Minnesota athletes, they think of hockey players. It is pretty cold up our way in the wintertime.

But the truth is, Mr. President, that despite our cool climate, Minnesota is a tremendous hotbed of baseball. And it was with great pride last night that Minnesotans watched as fully one-third of the starting American League team in baseball's All-Star Game consisted of Minnesota-born players.

At second base was Paul Molitor, a native of St. Paul, who played at Cretin High School and the University of Minnesota. In the outfield was Dave Winfield, also from St. Paul and an outstanding baseball and basketball player at the University of Minnesota.

Catching for the American League was the young man about whom I would like to say a few more words, Terry Steinbach.

Mr. President, in the southern part of Minnesota there exists one of the most charming small towns to be found anywhere, the town of New Ulm. The town has deep German roots, and it is reflected in their architecture, their values, and their way of life.

New Ulm also is a hotbed of baseball. Over the years, their high school and American Legion baseball teams have performed with distinction in local, State, and national competition. In fact, I believe that at one time the University of Minnesota baseball team had three Steinbach brothers, all from New Ulm, playing at the same time. And today, everyone connected with baseball in New Ulm is swelling with pride over Terry Steinbach.

For those distinguished Senators who may have missed the All-Star Game last night, let me tell you about Terry Steinbach. In his first at-bat—his first ever at-bat in an All-Star Game—he hit a home run. Later, his sacrifice fly drove in another run, and those two runs were all the American League needed to post a 2-to-1 victory. For his performance, Terry was named the game's Most Valuable Player, and Mr. President, if you would have opened a window last night and listened carefully, you could almost hear the cheering all the way from New Ulm.

The road to the All-Star Game has not been an easy one for Mr. Steinbach. In the minor leagues he was forced to learn a new position. This year, he suffered a broken bone in his face, and had to recover from that injury.

Last night, all the hard work paid off; and, Mr. President, it is with great pride in Terry, in the people of New Ulm, and in the State of Minnesota that I salute his accomplishment.

TONY BEVINETTO

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, many glowing and eloquent, appropriate remarks have already been made on the Senate floor in tribute to the life and memory of Tony Bevinetto, whom all of us on the Energy Committee came to know and love from 1979, when he joined the committee, until his death.

Some of us went to Alaska just exactly a year ago this coming August. Tony was on the trip. Although he had been fighting what looked like overwhelming odds for years and as close as I had been to him on the committee, I had never heard him complain. As a matter of fact, his condition was totally new to me. I had no idea until I found out when we got back from Alaska he was going to check back into the Michael Reese Hospital in Chicago, but that is the kind of guy Tony Bevinetto was. We called him a sweet little guy. He was small of stature but so was James Madison. And Tony was one of the few people I knew whose integrity was never questioned in the committee. If Tony said a bill had been cleared, nobody on that committee ever questioned whether or not it had been cleared. He was instrumental in the Alaskan lands bill, surface mining, the Channel Islands, the Great Basin National Park, all the wilderness legislation for the national forests of Colorado, Washington, Oregon, Wyoming, California, Arizona, New Mexico, Utah, and my own State of Arkansas, numerous measures designating historic sites and monuments, bills protecting cultural resources, and countless land conveyances and boundary adjustment proposals.

He leaves a legacy for all of us because of his devotion to the resources of this country and because of his integrity, and not least of all because of his fine humor. He was a gentle person and cared deeply about his family and his friends and his colleagues.

I have never known anybody who did not like him and respect him and have the highest praise for his 12 years on Capitol Hill. Even though he was on the other side of the aisle from me, I never hesitated to call on him and rely on his unique understanding of the issues before the Energy Committee. We are going to all miss him and think about him often in the days to come. I wish his wife Elsie and his daughters Kirsten and Libby the best and thank them for sharing Tony with us.

I yield the floor, Mr. President.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AMENDMENT NO. 2605

(Purpose: To require a comprehensive and systematic accounting and reconciliation of the grant program for abandoned mine reclamation under the Surface Mining Control and Reclamation Act of 1977)

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] for himself and Mr. SPECTER proposes an amendment numbered 2605.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) No funds appropriated by this Act may be used by the Secretary of the Interior for the purpose of reconciling the Abandoned Mine Reclamation Fund unless the Secretary of the Interior, from existing funds, conducts a thorough accounting and reconciliation of the Abandoned Mine Reclamation Fund, under Title IV of the Surface Mining Control and Reclamation Act of 1977, for the period from fiscal year 1977 through fiscal year 1988. This accounting and reconciliation shall determine, by State, the source of all contributions to the fund and shall denote all fund disbursements by purpose and fiscal year including letter of credit grants to States.

(b) Funds authorized as grants to States shall be reconciled according to—

(1) the Surface Mining Control and Reclamation Act of 1977, including the fifty percent State share; and

(2) the formula for allocation of the discretionary share as expressed by the Office of Surface Mining and Reclamation during each relevant fiscal year under review.

(c) The report required by this section shall be presented to the appropriate committees of the Congress prior to June 1, 1989. The findings of the Secretary under this section shall not be used to amend or revise State allocations during fiscal year 1989.

Mr. HEINZ. Mr. President, earlier this year I was informed by the Office of Surface Mining that my State was having its abandoned mine reclamation grant reduced significantly because OSM had reconciled its accounts and claimed that my State, and others, had received an excess of funds in the previous year. I wrote to the Secretary of the Interior last February, asking him to allow the States to review this reconciliation and to challenge OSM's evidence.

I never had an answer to that letter, and no evidence that my State, or any State, received too much funding has ever surfaced. There is good reason for this: there was no reconciliation. It is all a sham.

Changes in the "discretionary" grant formula, based on flawed data, are robbing residents in a dozen States of an effective reclamation program. Pennsylvania's abandoned mine lands will ultimately cost $15 billion to completely reclaim. A number of my constituents have perished when coal waste piles have given way under them, or when mines have subsided—taking them down a yawning shaft. If these mines had been properly reclaimed, their lives would have been spared.

So, Mr. President, the Senate should expect a high degree of competency in the agency responsible for high-risk abandoned mines. We should be able to rely—absolutely—on the integrity of the allocation process by which reclamation grants are made.

The General Accounting Office is completing its review of OSM's accounting procedures. They found that this so-called reconciliation amounted to a few staff in Denver changing incorrect data elements in OSM's system. They did not correct all the flawed data elements nor did they attempt to correct the data in previous years on which the 1987 data was based. When this terribly flawed computer system produced the 1988 State discretionary grants, any unexplained reduction or increase was dubbed the result of reconciliation. OSM cannot prove that any State actually received, as was alleged, too little or too much in previous years.

The amendment I am offering would bar the use of funds in the bill for any further reconciliation unless it is a true reconciliation; one that determines the amount States should have received for each year that a specific formula was in place, and the amount that was actually allocated. Incredibly, OSM is unable to do this at present.

GAO has found that the most fundamental accounting procedures have been ignored by OSM. Virtually all data elements in their system are flawed. The data has not been validated, and GAO found that data entries in the system contained, in their words, "gross errors." These errors remain in the OSM system and, unless we take action, will be applied to the 1989 grants.

I asked GAO if they could not perform a reconciliation of OSM's discretionary grants. Because the data presently in the system is so flawed, GAO would be required to completely rebuild OSM's allocation system from scratch. Such a request would be tantamount to asking GAO to take control of all data storage and computer systems at OSM. GAO simply does not have the resources to serve as OSM's personal accountant.

GAO has found that OSM conducted no reconciliation, and operates a flawed system on which the health and safety of coal-State residents depend. My amendment will correct OSM's accounting deficiencies, and ensure that AML discretionary grants are made on a fair, and accurate, basis.

I ask unanimous consent that my letter to Secretary Hodel dated February 16, 1988, be printed in the RECORD.

There being no objection the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON GOVERNMENTAL AFFAIRS, SUBCOMMITTEE ON GOVERNMENT EFFICIENCY, FEDERALISM, AND THE DISTRICT OF COLUMBIA,
Washington, DC, February 16, 1988.

Hon. DONALD P. HODEL,
Secretary, U.S. Department of the Interior, Washington, DC.

DEAR MR. SECRETARY: I am writing to express my deep concern over the recent update of the Abandoned Mine Land inventory conducted by the Office of Surface Mining, and the recent withholding of funds to Pennsylvania.

Because of OSM's plan to close the inventory after 1987, states evidently packed the inventory with land, some of which may or may not actually contain priority one and two sites. One state increased its share of the inventory by one thousand percent. I do not believe the OSM has verified more than a small percentage of the land involved, and further believe that a thorough investigation would find much of the land ineligible for priority one or two status. Thus, the Department should conduct a careful review of the inventory, and allow for an annual update of the inventory. Failure to update the inventory will lock in forever a seriously flawed compilation of abandoned mine land.

Secondly, OSM is alleging that the Commonwealth of Pennsylvania has been overpaid by more than $3 million in AML funds. The Commonwealth has informed me that they have found no such overpayments. Nevertheless, OSM is withholding the alleged overpayment from Pennsylvania's FY88 AML allocation. This loss of funds, which Pennsylvania has not been allowed to appeal, is terribly unfair. I urge the Department to provide this money to the Commonwealth, and to provide Pennsylvania an opportunity to challenge the allegation.

I believe these matters to be very urgent. The cost to reclaim Pennsylvania's priority one and two sites is in excess of $2 billion. These lands pose a severe health hazard to my constituents, and the Department's recent actions guarantee that these hazards will not be reclaimed for years to come.

Please let me know the Department's intentions in this matter. Because this Subcommittee may hold hearings on the AML inventory later this year, a timely response would be appreciated. If you have questions or problems with my request, please contact me or have a staff member contact Andrew McElwaine at the Subcommittee on Government Efficiency at 224-4508.

With warm regards,
Sincerely,

JOHN HEINZ,
Ranking Minority Member.

Mr. HEINZ. Mr. President, the amendment would require that before the Office of Surface Mining takes any action that would deny States reimbursement because of calculations that they had made, or which they claim they have made, which would appear to suggest that States—Pennsylvania and others—had been in some way overcompensated under the Abandoned Mine Reclamation Program, that they do a thorough check of their information—a reconciliation, if you will—so that they do not make such claims based on flawed, faulty, or nonexistent data.

This is an issue that has been in controversy for quite some time between a number of States, Pennsylvania and others, and the Office of Surface Mining, regarding their accounting for the discretionary grant formula money in that program which is used to clear up abandoned mine lands. Our evidence is that the accounting system that the Office of Surface Mining is using is doubly flawed.

In February of this year, I wrote to Secretary Hodel, asking him to look into this. I regret to announce that despite repeated telephone calls, we have never received a response.

We met, finally, with one of the OSM staff members a few weeks ago. We were given a lot of information, very little of which, it turns out, proved to be accurate—at least based on a General Accounting Office analysis.

As a result, this amendment which I have described has become necessary. We have tried to work this out administratively. So far, we have not been able to do so. In our State, we have been penalized some $3 million, and we are being threatened to be penalized another $3 million based on flawed data in the abandoned mine reclamation accounting system which, to my mind, is an inaccurate term. It does not account and it is no system.

So, I have discussed this amendment with the managers of the bill. It is my understanding it is acceptable on both sides and I thank the managers for their cooperation in this matter.

Mr. McCLURE. Mr. President, the Senator from Pennsylvania is correct. This has been discussed. I have no objection to the amendment.

Mr. President, the amendment before the Senate directs the Department of the Interior to conduct a thorough accounting and reconciliation of the abandoned mine reclamation fund. The reconciliation shall determine, by State, the sources of all contributions to the fund and shall denote all fund disbursements by purpose and fiscal year.

I am a little concerned about the response the Senator from Pennsylvania will receive from this study. The amendment is asking the Office of Surface Mining to account for funds in a manner which they should already be doing. It may be more beneficial to bring in the General Accounting Office to work with the Office of Surface Mining in this effort, but I do not object to the amendment from the Senator from Pennsylvania.

RECONCILIATION OF ABANDONED MINE LAND DISCRETIONARY FUNDS

Mr. SPECTER. Mr. President, I strongly support the amendment offered by Senator HEINZ, of which I am a cosponsor, regarding the Office of Surface Mining's [OSM] accounting procedures.

OSM, using flawed accounting procedures, is denying the Commonwealth of Pennsylvania and other States their proper allocation of abandoned mine funds. This is no trivial matter. Abandoned mine funds, paid for by a fee on coal production, are used to remove life threatening conditions resulting from abandoned mines. Ultimately, $15 billion will have to be spent in Pennsylvania to remedy this situation. Incorrect reductions, therefore, cannot be tolerated.

OSM claimed that a so-called reconciliation of their accounts shows that Pennsylvania and other States have received an excess of funds in fiscal year 1988, thus necessitating a reduction in their allocations.

The General Accounting Office, however, reviewed OSM's accounting procedures and found that this reconciliation was based on flawed data in both fiscal year 1988 and previous years. This resulted in explaining indefensible funding reductions as reconciliation. Yet, OSM cannot prove that any State received an incorrect allocation in prior years.

The pending amendment prohibits the use of funds for any additional incorrect reconciliations and requires correct accountings of abandoned mine land grants. This action will prevent this injustice from occurring for fiscal year 1989 grants, and allow for a correction of prior errors to the benefit of abandoned mine reclamation and public health and safety.

I urge my colleagues to join us in support of this important amendment.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, this amendment requires the Office of Surface Mining to conduct a reconciliation of funds provided to States from abandoned mine reclamation funds.

The Senator from Pennsylvania has otherwise correctly described this amendment. We find it to be a good amendment and we will accept it for the majority.

The PRESIDING OFFICER. Is there further debate?

Mr. HEINZ. Mr. President, I ask unanimous consent that Senator SPECTER be a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment (No. 2605) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2606

Mr. McCLURE. Mr. President, I send an amendment to the desk on behalf of Senator HECHT, Senator REID, and Senator SYMMS and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE), for Mr. HECHT (for himself, Mr. REID, and Mr. SYMMS) proposed an amendment numbered 2606.

Mr. McCLURE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On Page 10, line 20 of the bill, insert the following before the period:

": *Provided*, That of the funds provided to the United States Fish and Wildlife Service under the heading 'Construction and Anadromous Fish' in Public Law 100-71, $1,200,000 shall be expended for the lease or purchase of water rights, from willing sellers, for the benefit of Stillwater Wildlife Management Area, Nevada: *Provided further*, that the lease or purchase shall be carried out pursuant to the statutory and procedural requirements of the laws of the State of Nevada, and the Secretary shall proceed with any such lease or purchase pursuant to this appropriation if and only if the Secretary receives certification from the State of Nevada that the transfer of water rights and associated change of use for the beneficial use of Stillwater Wildlife Management Area is approved by the State of Nevada: *Provided further*, That notwithstanding any other provision of this Act, the Secretary shall continue to pursue a comprehensive settlement of water rights disputes on the Carson and Truckee Rivers among the affected parties: *Provided further*, That Stillwater Wildlife Management Area is to be considered a high priority wetland for purposes of this Act and shall be fully considered by the Secretary for funding of any future projects undertaken pursuant to the North American Waterfowl Management Plan."

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, this amendment takes care of a problem that is being created at the Stillwater Wildlife Management Area in Nevada as the Government seeks to make certain that there is enough water in the Pyramid Lake to take care of some threatened and endangered species in Pyramid Lake. In doing so they deprive the wildlife management area of the water essential for the wildlife in the area.

Senator HECHT and the others who are cosponsors of the amendment seek to provide money to buy water from willing sellers of water, ranchers in the area, to provide water to the wildlife management area.

The amendment does require an offset so it does not add money to the total of the bill.

Mr. HECHT. Mr. President, the amendment which I have proposed, along with my junior colleague from Nevada, Senator REID, and the Senator from Idaho, Senator SYMMS, is a nonpartisan, budget-respecting, proenvironment provision that I sincerely believe every Senator ought to be able to support.

My original intent was to earmark $3 million of the $25 million set aside by the Appropriations Committee for the North American Waterfowl Management Plan, and use the earmarked money to buy water rights for the Stillwater National Wildlife Refuge. I want to make it very clear that I recognize the importance of the North American Waterfowl Management Plan, and the fact that many people have worked long and hard for many years to make it a reality. My original approach would have required Senators from other States to go along with the destruction of their own State's fish and wildlife resources so that my State's wildlife can be assisted. Clearly, this is not the best way to help our Nation's wildlife.

Instead, the floor managers and I have come to an equitable solution that will be very helpful to Stillwater. There are three aspects to the revised amendment which I have just proposed.

First, $1.2 million that had been appropriated for flood control work at Stillwater in fiscal year 1987, will now be spent on water rights acquisition. It makes no sense to spend money to build dikes when there is no water to put behind them. Second, the amendment makes it clear that Congress recognizes Stillwater National Wildlife Refuge to be a high-priority wetland, which means it will be eligible to be considered for a fair share of the $25 million in the Senate bill. The biologists at the Interior Department who best understand national fish and wildlife priorities are also in the best position to make that determination, and my amendment allows them to use their best judgment. Third, my amendment makes it clear that Stillwater is to be considered in any future projects undertaken as part of the North American Waterfowl Management Plan.

I am therefore pleased that the amendment before us not only allows Stillwater to begin acquiring water rights now, but much more importantly, makes sure that Stillwater National Wildlife Refuge will receive the sort of attention from the Congress and the Interior Department in the future, that will be necessary if this important beginning is going to lead to a successful long-term solution to the refuge's very serious problems.

The amendment is necessary because the Interior Department is responding to the perceived needs of one endangered and one threatened species of fish at Pyramid Lake in Nevada, by diverting 47,000 acre-feet of water away from the area where the refuge is located, and sending it off to Pyramid Lake. This means the already water-starved refuge will surely be destroyed.

Mr. President, there can be no doubt that this is a worthy project, and there can be no doubt that Stillwater National Wildlife Refuge should qualify as a high-priority wetland and therefore be eligible for its share of the money the Appropriations Committee has set aside for this purpose.

Stillwater is home to two endangered species: the bald eagle and the peregrine falcon. The golden eagle also uses the refuge. Without my amendment, these birds will be badly hurt, and five other species of birds that live at the refuge may also be harmed so badly that they themselves may need to be added to the endangered species list.

Stillwater is one of the most important wildlife refuges along the Pacific Flyway. Up to one-half of the Pacific Flyway's fall canvasback ducks breed in Stillwater. The refuge produces about 7,000 young redhead ducks each year. Fully 75 percent of Nevada's fall ducks, 65 percent of the tundra swans, and one-half of the Canada geese rely on Stillwater. Altogether, 19 species of ducks, 38 species of shorebirds, 8 species of hawks, 3 species of falcons, and both the bald and golden eagles rely on Stillwater.

This August, Stillwater will be officially recognized as 1 of only 13 reserves in the Western Hemispheric shorebird reserve network, in recognition of the fact that hundreds of thousands of shorebirds also use Stillwater. Another wildlife area, Grays Harbor in Washington State, may soon be designated a national wildlife refuge by a bill that just passed the Senate. Protecting shorebirds is one of the main reasons for designating Grays Harbor as a wildlife refuge. What sort of message will we send the people of other countries who are trying to protect their own environment, if we establish a new national wildlife refuge to protect internationally migratory shorebirds, and simultaneously allow an existing national wildlife refuge, which protects the very same wildlife, to be destroyed?

Stillwater will be utterly destroyed by the same Federal Government that is supposed to protect it. Over a period of 4 years, 18,000 acres of Stillwater's life-giving wetlands will simply dry up and blow away. The remaining 7,000 acres will be transformed into a toxic and putrid deathtrap. That's 25,000 acres of the best and most significant wildlife habitat in Nevada that will be lost forever. As far as I can determine, this will be the largest single loss of wetlands in the history of our country.

Congress cannot sit back and just watch this environmental disaster take place. My amendment will not completely solve the problem, but I believe it will prevent the refuge from being destroyed, it will give Stillwater the recognition it deserves and needs, and it will provide time for private conservation organizations, State and local governments, and the Federal Government to arrive at a cooperative and well-thought-out, long-term plan to restore the refuge. Without my amendment, and the life-giving water it will provide, there won't be anything left to protect later.

Already, in recent years, migratory waterfowl have died in the thousands, and fish that use the refuge have died in the millions. Young birds have hatched deformed, poisoned in their eggs by the high concentration of chemicals already in the water. Without my amendment, things will only get worse.

The Interior Department agrees that my amendment will benefit the fish and wildlife resources of the refuge. The National Rifle Association supports the objective of this amendment, as do the National Audubon Society, the National Wildlife Federation, Defenders of Wildlife, and the Wilderness Society. Ducks Unlimited, the Environmental Defense Fund, the National Wildlife Refuge Association, the Pacific Flyways Council, and the Wildlife Society also support what I am trying to do with this amendment. The combined membership of these groups is approximately 9 million voting Americans. The broad base of support for Stillwater National Wildlife Refuge should encourage all Senators, regardless of party or philosophy, to support this provision.

My amendment will not make the Interior bill exceed the Appropriations Committee's funding recommendation, nor will it deprive the fish of Pyramid Lake in any way. Mr. President, I thank the managers of the bill for their cooperation, and I encourage the Senate to accept my amendment.

Mr. President, I ask unanimous consent that a number of letters in support of water rights acquisition money for Stillwater National Wildlife Refuge be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF FISH AND GAME,
Sacramento, CA, April 12, 1988.

Mr. DONALD P. HODEL,
Secretary, Department of the Interior, Interior Building, C Street NW Washington, DC.

DEAR SECRETARY HODEL: The Pacific Flyway Council, whose membership is composed of state fish and wildlife directors of the 11 western states met in Louisville, Kentucky, March 20, 1988 to deliberate recommendations concerning migratory birds and their attendant habitat within the Pacific Flyway.

As a result of the deliberations the Pacific Flyway Council again adopted for your consideration a resolution entitled "Wetland Habitat Protection of Nevada's Lahontan Valley" (copy attached). This resolution reiterates that the Department of the Interior, through its Bureau of Reclamation—Mid-Pacific Region, continues to ignore its legal responsibilities to wetlands and migratory birds as delineated by the various international migratory bird treaties, congressional and executive mandates and the Federal Public Trust Doctrine.

Your thoughtful and serious consideration of this resolution is requested.

Sincerely,

PETER BONTADELLI,
Chairman, Pacific Flyway Council.

RESOLUTION OF THE PACIFIC FLYWAY COUNCIL—WETLAND HABITAT PROTECTION OF NEVADA'S LAHONTAN VALLEY

Whereas, the historical wetland acres in Nevada's Lahontan Valley have decreased in size some 81 percent since the turn of the century because of water and land use conversions primarily for agriculture; and

Whereas, the remaining wetland acres support the largest portion of wetland-associated wildlife resources in the state, including 75 percent of Nevada's fall duck population, 65 percent of the state's Tundra swan population, 50 percent of the state's Canada goose population and 50 percent of the Pacific Flyway's fall canvasback population; and

Whereas, the major cause of the loss of thousands of acres of Lahontan Valley wetland habitat has been water diversion developments for the Newlands Reclamation Project; and

Whereas, to date the federal government has failed to provide mitigation for the loss of wetland habitat attributable to the development and operation of the Newlands Reclamation Project; and

Whereas, the Bureau of Reclamation's recently released Final Environmental Impact Statement, Operating Criteria and Procedures (FEIS OCAP) for the Newlands Project fails to recognize the federal government's legal responsibility to the maintenance and protection of the Lahontan Valley wetlands; and

Whereas, the avowed purpose of the FEIS OCAP is to decrease water consumption in the Newlands Project by reducing diversion inflows and improving irrigation efficiency in order to allocate more water to Pyramid Lake; and

Whereas, the net result will be continued deterioration of Lahontan Valley wetlands due to reduced inflows and a diminishment in water quality; and

Whereas, the remaining wetlands of Lahontan Valley are without certified prime water rights to protect and maintain viable wetlands and associated wildlife values at current levels; now therefore, be it

Resolved, That the Pacific Flyway Council strongly reqeusts the Secretary of the Interior to meet his legal responsibilities for the protection and maintenance of the Lahontan Valley wetlands and their associated migratory birds by preparation of the required Fish and Wildlife Coordination Act Report to accurately address wetland/wildlife impacts of the proposed OCAP and to describe the necessary mitigation to offset the impacts; and be it further

Resolved, That the Pacific Flyway Council requests the Secretary of the Interior to consider the purchase and transfer of prime water rights from the Carson-Truckee watersheds to the Lahontan Valley wetlands as the primary mitigation strategy and that the accompanying cost be solicited through congressional appropriation.

NATIONAL AUDUBON SOCIETY,
NATIONAL CAPITAL OFFICE,
Washington, DC, July 8, 1988.

DEAR SENATOR: The National Audubon Society, The National Wildlife Federation, The Wilderness Society, and Defenders of Wildlife urge you to vote for a floor amendment to be offered by Senator Chic Hecht to the Interior appropriations bill, which may be brought up on Monday July 11th, or later in the week. The amendment, co-sponsored by Senators Harry Reid and Steve Symms, provides $3 milion to the Fish and Wildlife Service to purchase water rights for the Stillwater National Wildlife Refuge in Nevada. These monies are desperately needed to address an emergency situation that threatens the very existence of the refuge and its wildlife.

The critical nature of the Stillwater situation has been understood only recently, making it difficult for the appropriations committee to consider fully the $3 million request. The purchase of these water rights for Stillwater will not settle the complex and long-standing water issues in the area, but if Congress does not act now to help solve this problem, the refuge and its surrounding wetlands will dry up and thousands of birds will die.

The Stillwater wetlands, located in the arid Great Basin 50 miles east of Reno, provide essential habitat for birds migrating along the Pacific Flyway. The refuge is one of the most important shorebird reserves in the Western Hemisphere. Thousands of dowitchers, sandpipers, phalaropes, and stilts feed and rest there in transit to and from their breeding areas. Swans and pelicans nest in the area. Two species of ducks which are suffering severe declines nationwide, the canvasback and redhead, also breed at Stillwater; in some years over half of the nation's canvasbacks nest there.

Over the years, Stillwater has become increasingly poisoned with naturally-occurring arsenic and boron which are concentrated in waste irrigation water, the refuge's main water supply. This situation will be further aggravated next year, when what little clean water available to the refuge will be used to implement the recovery plan for the endangered cui-ui fish at Pyramid Lake, upstream from the refuge. Biologists estimate that some 18,000 acres of wetlands in the Stillwater area will dry up as a result. The little habitat that remains will become too toxic to support healthy wildlife populations.

The $3 million that Senator Hecht is requesting would buy 3,000 to 4,000 acre/feet of clean water, which would be used to dilute the current inflows of waste irrigation water. This fresh inflow is needed to prevent the refuge from becoming so contaminated that an expensive clean-up is required, like the one on-going as Kesterson National Wildlife Refuge in California.

The undersigned organizations would appreciate your support of Senators Hecht, Reid, and Symms in their effort to save this important national wildlife refuge.

Sincerely,

CYNTHIA R. LENHART,
National Audubon Society
(For Lynn A. Greenwalt, National Wildlife Federation; William C. Reffalt, The Wilderness Society; John M. Fitzgerald, Defenders of Wildlife.)

DUCKS UNLIMITED INC.,
NATIONAL HEADQUARTERS,
Long Grove, IL, May 31, 1988.

Hon. ROBERT C. BYRD,
Chairman, Subcommittee on Interior Appropriations, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR BYRD: As you may be aware, the Stillwater National Wildlife Refuge in Nevada is under threat of significant depletion or even elimination due to a possible diversion of vital water supplies into Pyramid Lake. This devastation of critical wetlands must not be allowed to occur.

Ducks Unlimited's single purpose is to preserve, restore and maintain the waterfowl habitat on the North American continent. We are interested in not only breeding habitats, but also those habitats required for migration and wintering. We recognize the Stillwater National Wildlife Refuge and associated Lahontan Valley wetlands as the most important wetlands habitat in Nevada, and one of the most critical areas in the entire Pacific flyway, wintering up to 33 percent of the flyway's canvasbacks, 50 percent of the state's Canada geese, 65 percent of the State's tundra swans and containing 25 percent of the bald eagle wintering habitat in the state. In addition, as breeding habitat the area produces up to 7000 redhead ducks annually and provides wetland habitat for the largest concentration of nongame birds in the state, including up to 8000 American avocets, 7000 black-necked stilts and 80,000 dowitchers. As a demonstration of our recognition of the critical importance of this area, we have expended in excess of $36,000 to maintain and restore Stillwater, and are presently negotiating for the expenditure of much more. The Lahontan Valley wetlands have been reduced by 82 percent from their original acreage. Further reductions are unconscionable.

Therefore, Ducks Unlimited encourages you to add $3 million to the Department of Interior's 1989 budget so that the U.S. Fish and Wildlife Service can acquire from willing sellers water rights necessary to maintain the integrity and productivity of this critical wetlands ecosystem. The Land and Water Conservation Fund has more than sufficient authorization to cover this appropriation, and this project represents exactly the kind of endeavor the Fund was intended to make possible.

I appreciate your consideration of and favorable response to this request.

Sincerely,

MICHAEL E. BERGER, Ph.D.,
Director of Government Relations.

NATIONAL WILDLIFE REFUGE
ASSOCIATION,
Montrose, CO, June 30, 1988.

Hon. CHIC HECHT,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR HECHT: Thank you for the copy of your letter of May 26, 1988 to the Honorable James McClure requesting funds for the acquisition of water rights for the Stillwater National Wildlife Refuge.

This Association is "Dedicated to the preservation and perpetuation of the National Wildlife Refuge System." We have watched with dismay as many wildlife refuges, especially in the western states, have dried up or become dumping grounds for contaminated water, rendering them inhospitable or lethal to migrating or nesting waterfowl and shorebirds. The acquisition of a substantial amount of water by purchase of water rights from willing sellers is an excellent solution to the lack of clean water at many refuges. We enthusiastically support your request for $3 million for the Stillwater Refuge in FY 1989 for this purpose.

In this period of extreme drought, remaining waterfowl habitat must be protected and improved to avoid decimation of dangerously low numbers of some species. We applaud your interest in securing safe nesting and resting areas for wildlife in the Stillwater National Wildlife Refuge.

Sincerely yours,

CHARLES A. HUGHLETT,
President.

THE WILDLIFE SOCIETY,
Bethesda, MD, June 15, 1988.

Hon. ROBERT BYRD,
Chairman, Subcommittee on Interior and Related Agencies, Dirksen Office Building, Washington, DC.

DEAR CHAIRMAN BYRD: I am writing to you on behalf of The Wildlife Society to request $3 million from the Land and Water Conservation Fund, to purchase water rights from willing sellers for the improvement of water quality at the Stillwater National Wildlife Refuge in Nevada. The Wildlife Society is an international association of professional wildlife managers working in the public and private sectors to promote the wise stewardship of natural resources.

Implementation of the proposed Permanent Operating Criteria and Procedures

(OCAP) for the Newlands Project in Northwestern Nevada, designed to protect the endangered cui-ui fish of Pyramid Lake, would drastically affect the Stillwater National Wildlife Refuge. This important remnant of Pacific Flyway wetland habitat is vital to the survival of a variety of waterfowl and shorebird populations.

The inflow of waste irrigation water, coupled with the absence of recognized water rights, has placed Stillwater on the brink of a situation alarmingly similar to that which occurred at Kesterson National Wildlife Refuge. Implementation of the OCAP would result in greatly increased levels of toxicity at Stillwater and the loss of approximately 18,000 acres of prime wetlands.

The $3 million that we are requesting would be used to purchase approximately 3,000-10,000 acre/feet of clean water, to be administered by the U.S. Fish and Wildlife Service, to dilute the current inflows of waste irrigation water. Prompt action is essential to prevent further deterioration of Stillwater and a costly future clean-up.

While the Society recognizes the need for a long-term strategy to deal with the problems of water rights and acquisition, a federal appropriation from the Land and Water Conservation Fund for FY 89 is necessary to begin addressing this critical situation.

Thank you for your attention and consideration in this request.

Sincerely,

Thomas M. Franklin,
Field Director.

Environmental Defense Fund,
Oakland, CA, June 13, 1988.

Hon. Robert Byrd,
Chairman, Subcommittee on the Interior, Committee on Appropriations, U.S. Senate, Washington, DC.

Dear Mr. Chairman: We write to you at this time in support of the May 27th letter from Senators Reid and Hecht to your subcommittee requesting a $3 million appropriation from the Land and Water Conservation Fund for FY 1989, to be available until expended, for the acquisition of water rights from willing sellers for the benefit of the Stillwater National Wildlife Refuge, Nevada.

Stillwater's importance as a critical inland link in the Pacific Flyway cannot be overstated, and the Senators' request provides an excellent overview of the immediate need for water-rights acquisitions. Based, however, on our long-term advocacy of such acquisitions for both the Stillwater wetlands and Pyramid Lake, we would urge that they be limited to the purchase of active water rights. In this manner, the immediate needs of Stillwater, the long-term needs of Pyramid Lake, and the related environmental interests of the Pyramid Lake Paiute and Fallon Paiute-Shoshone Tribes will each be taken into account. A few brief paragraphs may help to explain.

Active Water Rights as discussed in the Senators' letter, implementation of the recently-issued Operating Criteria and Procedures (OCAP) for the Newlands Reclamation Project, which were designed to protect the federally endangered cui-ui fish of Pyramid Lake, are expected, absent other measures being taken, to result in the loss of thousands of acres of "some of the best and most important fish and wildlife habitat along the Pacific Flyway." Fortunately, this "painful environmental choice" (to quote a recent New York Times article) can be avoided with the proposed water-rights acquisitions, which provide a means through which the needs of both resources can begin to be met. Such a strategy depends, however, on the acquisition of active water rights—those that are currently employed, for example, in an active farming operation—if their purchase is not simply to perpetuate the current dilemma. (If inactive water rights are acquired for the benefit of Stillwater, their subsequent activation will lead to an increase in total diversions and a corresponding reduction in Pyramid Lake inflows. Acquisition of active water rights will hold total diversions constant, thus benefiting the wetlands without further harm to the Lake.)

The Fallon Paiute-Shoshone Tribes. The wetlands in and around Stillwater are part of the ancestral hunting and burial grounds of the present-day Fallon Paiute-Shoshone Tribes. Absent other measures being taken, numerous sites of archeological, cultural, and religious significance will be de-watered and exposed as a consequence of implementation of the final OCAP. Water-rights acquisitions for Stillwater will help to preserve these sites, as well as some 500 acres of on-Reservation wetlands currently maintained by the Tribe. (Ultimately, funds targeted directly to the maintenance and rehabilitation of on-Reservation wetlands and fulfillment of the Tribe's agricultural water-rights claims would provide more immediate assistance in the Tribe's long-term development efforts.)

The Pyramid Lake Paiute Tribe. Pyramid Lake has long been the focus of the Pyramid Lake Tribe's heritage, culture, and economic livelihood. In addition to the endangered cui-ui, the Lake is home to the threatened Lahontan cutthroat trout (a world-renowned freshwater trophy fish) and, at the Anaho Island National Wildlife Refuge, the largest breeding colony of white pelicans in North America (who, it should be stressed, depend on the Stillwater wetlands as their principal food source). The final OCAP, which provide only a minimum threshold of protection for the cui-ui, provide little (if any) assurance as to the recovery of either fish species, or the continued viability of the habitat or food resources upon which the white pelicans depend. The acquisition of active water rights for the Stillwater wetlands will begin to provide at least some protection for the white pelicans, without harming the equally-important resource values at Pyramid Lake. (Ultimately, water-rights acquisitions targeted directed to Pyramid Lake would contribute to the recovery and de-listing of the cui-ui, the long-term viability of what was once a world-renowned cutthroat trout fishery, and an assured breeding habitat at Anaho Island.)

The Environmental Defense Fund has long advocated the acquisition of water rights as a principal means of protecting the values inherent in both the Stillwater wetlands and Pyramid Lake, taking due account of the needs and concerns of the Pyramid Lake and Fallon Tribes, upstream municipalities, and the region's agricultural communities. Successful conclusion of ongoing settlement negotiations being conducted by Senator Reid, in which a combination of federal, state, and private water-rights acquisitions will play a crucial role, should further these goals. As suggested by the National Audobon Society in a recent letter to your subcommittee, a Land and Water Conservation Fund appropriation for FY 1989 can be viewed as a critical first step in these efforts. The Environmental Defense Fund concurs with that view, and therefore supports the requested $3 million appropriation for the acquisition of active water rights from willing sellers for the direct benefit of the Stillwater National Wildlife Refuge and the indirect benefit of Pyramid Lake, the Pyramid Lake Tribe, and the Fallon Tribes.

Under separate cover, we are sending you several documents which we believe may be useful to you as you deliberate further on this matter. We appreciate your assistance, and would be happy to provide any additional information that you or members of your subcommittee might require.

Sincerely,

W.R. Zach Willey, Ph.D.,
Senior Economist.
David Yardas,
Staff Analyst.
Deborah Moore,
Staff Scientist.

Nevada Organization for Wildlife,
Reno, NV, May 2, 1988.

Senator Chic Hecht,
U.S. Senate,
Washington, DC.

Dear Senator Hecht: I wish to thank you for your information letter of April 21st relative to your briefing the USDI concerning the OCAP in the Newlands Project.

As we are all aware, the wetlands of Lahonton Valley are in dire jeopardy due in large part to the proposed OCAP. It is the contention of our Board of Directors that the principal cause for the threat to these naturally occurring wetlands is due to actions; past, present and proposed, of the U.S. Dept. of the Interior. And it is furthermore our contention this same department is lawfully mandated to protect and preserve these same wetlands.

Relative to the request by USDI to utilize 1.2 million dollars of already appropriated funds for improvements (?) to Sheckler Reservoir and diking et al. to Stillwater, the following comments are offered for your consideration. The source of the 1.2 million dollars being used is questioned, as to our knowledge these funds, and perhaps others related thereto, were destined for use by USFWS for other purposes. Since the Bureau of Reclamation is the sponsoring agency, it should behoove them to develop their own fundings.

Sheckler Reservoir is not a natural wetland and is in no jeopardy, therefore, is not qualified for wetland preservation. Proposed funding for diking and water delivery systems to Stillwater (or the Carson Lake area for that matter) should await the initial ingredient, namely a firm water supply to preserve these areas. Therefore, we strongly urge you to request federal funding adequate to purchase firm, prime water rights adequate to supply, preserve, and protect our natural wetlands. This includes the Stillwater Marsh Complex and the Carson Lake Complex as well as lesser wetland areas in the valley. Thus our response to your request is to state unequivocally that the USDI should be informed they are 1) responsible for the problem, and 2) the U.S. Congress should immediately develop funding adequate to purchase the necessary prime water rights to preserve and protect all of the naturally occurring wetlands in Lahonton Valley.

I thank you for giving me the opportunity to address this problem and extend to you our support in your endeavors to correct the same problems.

Sincerely,

Robert Summer,

Member, Board of Directors, N.O.W. and Member, Lahonton Valley Wetlands Coalition.

NEVADA WATERFOWL ASSOCIATION,
Reno, NV, May 3, 1988.
Senator CHIC HECHT,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR HECHT: As President of the Nevada Waterfowl Association, I am writing you concerning the reappropriation of 1.2 million dollars by the Department of the Interior for physical improvements to the Stillwater Wildlife Management Area and Sheckler Reservoir. It is our impression that this is not a new source of funds but represents part of the 2.36 million dollars which was appropriated for repair of flood damage to the Stillwater area in 1987.

We have reviewed the proposed new projects and have determined that two of the planned dikes will be constructed on areas which will no longer have water as a result of the implementation of the proposed OCAP. Additionally, a ditch which is proposed as part of the project will divert water away from a productive existing wetland and deliver it to the Stillwater area. None of these projects will provide any additional water to the Lahontan Valley wetlands or reduce the impact of the new OCAP upon those wetlands, and in some cases, may actually hasten the rate at which the contaminant levels in the water become toxic. In a time of tight fiscal budgets, expenditures such as these, which provide little or no benefit, should be changed.

It is for these reasons, and the fact that the Lahontan Valley wetlands are the most important wetlands in the State of Nevada, that the Nevada Waterfowl Association strongly urges you to seek whatever means possible to reallocate the 1.2 million dollars toward the purchase of water rights for those wetlands. This would provide a starting point for an action which will have long lasting benefits for this irreplaceable resource. In addition, we would encourage you to draft or support legislation which would provide federal funds on an annual basis for the purchase of water rights to maintain a minimum of 32,000 acres of wetlands in the Lahontan Valley.

We would like to express our appreciation for the efforts you have put forth in seeking a solution to this problem.

Sincerely,

RICK HEANEY,
President, Nevada Waterfowl Association.

THE NATURE CONSERVANCY,
GREAT BASIN FIELD OFFICE,
Salt Lake City, UT, May 12, 1988.
Mr. SCOTT CAMERON,
Legislative Assistant, Senator Chic Hecht's Office, U.S. Senate, Washington, DC.

DEAR SCOTT: Thank you for our good visit recently. Both Robert and I appreciated having a chance to brainstorm about our Nevada projects and the Stillwater situation in particular.

You should know we are supportive of the Senator's efforts to secure funds for water rights purchases and of the reprogramming of the $1.2 million you mentioned. In addition, over the coming weeks we hope to be probing deeper into the Stillwater situation in the hope of developing the comprehensive plan you spoke of. I tend to agree that we may not have time to wait for a total negotiated settlement. In the interim we need to act fast to preserve what we can, while we can.

Thank you for your continued support and interest in the Conservancy's work. I look forward to staying in touch.

Sincerely yours,

DAVE LIVERMORE,
Director, Great Basin Field Office.

LAHONTAN AUDUBON SOCIETY, INC.,
Reno, NV, April 29, 1988.
Hon. CHIC HECHT,
U.S. Senate, Washington, DC.

DEAR SENATOR HECHT: I am writing regarding the Stillwater National Wildlife Refuge, and the pending appropriation of 1.2 million dollars to be spent by the U.S. Fish and Wildlife Service on "improvements" there. The critical need at the refuge is for water, not for structures and changes to channel the non-existent or toxic water that will remain after the proposed OCAP is implemented. We feel that the money will be wasted if used as proposed. This money should be used in a way that would do the most good—to purchase water rights. The money would be much better spent this way, and would be an indication that the federal government is interested in a long-term solution, rather than just a band-aid approach.

Also, we want to express our strong support for the concept of a negotiated settlement in the Northern Nevada water situation, and we encourage your office to assist in this direction. Obviously, the proposed OCAP is not the answer, nor is a court settlement. Only when the involved parties reach a negotiated settlement can any measure of success be achieved.

Again, we emphasize the need for immediate action to save the wetlands of the Lahontan Valley, and urge your influence in the wise expenditure of this 1.2 million dollars. Stillwater must have water rights!

Sincerely,

CONNIE L. DOUGLAS,
President.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the Senator from Idaho has correctly described the amendment. It does not cost money.

Mr. REID. Mr. President, there is no bigger problem facing the citizens of northwestern Nevada than the problem of water. The demands on the Truckee-Carson River system have grown dramatically during this century, the water supply has not.

The meager water supply from these two small desert rivers is no longer sufficient to meet the needs of cities of Reno, Sparks, and Carson City, as well as commercial agriculture demands and the needs of the fish and waterfowl at Pyramid Lake and other wetlands and wildlife areas.

Even without the devastation of this year's drought, the Truckee-Carson River system still falls short of meeting the demands for water by at least 100,000 acre feet, or 360 billion gallons, a year. Over the years, this shortfall has led to numerous law suits and court decrees. Sometimes one group of water users prevailed and other times a different group won a case. The result has been a mishmash of court decrees mandating how the water can be used. In the end, no one is satisfied and hostility has continued to grow.

Upon coming to the Senate, I made it one of my top priorities to see if I could help bring the various water users on the Truckee-Carson system together to negotiate an agreement on water distribution that could replace the tangle of court decrees and bring the legal wars to an end. Over the last year and one-half, I and my staff have spent hundreds of hours working with the major water users on the system. We have made progress, but there is still a long way to go and the outcome is still doubtful.

In the meantime, the Department of Interior, under court order, developed a plan for dividing the water in the lower Truckee-Carson system between the agricultural users in the Newlands project, the first Bureau of Reclamation agricultural irrigation project in the West, and the endangered cui ui fish in the lower Truckee River and Pyramid Lake. In doing this the Federal court system has recognized the responsibility of the Federal Government in this problem. It was, afterall, the Federal Government that built the irrigation system for the Newlands project and diverted water to its use. The Department of Interior has now devised a plan which significantly reduces the water for the Newlands project.

Unfortunately, this plan also has the side effect of drying up some 18,000 acres of wetlands at the end of the river system. These wetlands are not only an important habitat for many species of fish and waterfowl indigenous to Nevada, but are also a link in the Pacific flyway and a vital stopover for several additional species of migratory waterfowl.

In part, the negotiations I have been conducting are aimed at getting additional water supplies to help maintain a viable wetlands in Lahontan Valley. In the meantime, my colleague from Nevada has proposed an appropriation of $1.2 million to purchase existing water from the system explicitly for the wetlands use. I don't want to leave anyone with the impression that this solves the wetlands problem. This will only purchase enough water to protect a few hundred acres of wetlands out of the 18,000 that will be endangered under the Department of Interior plan. But to the extent that it will serve as a symbol that the Federal Government recognizes its responsibility to assist in mitigating the wetlands' problems it is valuable and I urge my colleagues to support it.

Mr. JOHNSTON. Mr. President, we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2606) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 2607

Mr. McCLURE. Mr. President, I send an amendment to the desk on behalf of Senator STEVENS of Alaska and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. MCCLURE] for Mr. STEVENS proposes an amendment numbered 2607.

Mr. McCLURE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 97, line 7: after the word "person" but before the quotation mark, insert the following ":, whether or not such person is an Indian or Alaska native or is served on a fee basis or under other circumstances as permitted by Federal law, or regulations, for medical services provided in Alaska."

On page 97, line 10: after the quotation mark following the comma following the word "tribe" insert the following ": and is further amended by deleting the period after the word "agreement" and adding the words" : *Provided*, That such employees in Alaska shall be deemed to be acting within the scope of their employment in carrying out such contract or agreement when they are required, as a term of employment, to perform medical, surgical, dental or related functions at a facility in Alaska other than the facility operated pursuant to such contract or agreement."

The PRESIDEING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, this deals with the question of tort liability of certain personnel who work for the Indian Health Service in the State of Alaska and would correct a possible ambiguity that deals with the extension of the services in Alaska by Indian Health Service contract personnel or contract facilities to people of non-Indian ancestry or registration.

We have carefully reviewed the amendment. I see no fault in it. I support the amendment and urge its adoption.

Mr. STEVENS. Mr. President, I send to the desk two unprinted amendments and ask for their consideration.

These amendments would further clarify congressional intent regarding the coverage of the Federal Tort Claims Act in the provision of health services by tribal contractors when administering Federal health programs in Alaska.

We have attempted to do this in the bill before you, but concerns have been raised that services to non-Indians or non-Natives may be outside the scope of such contracts. An additional concern is the applicability of the language to non-Indians and non-Alaska Natives who are treated at a non-IHS facility in Alaska by employees of a contract health care provider. The most common example in this case is when, as a condition for maintaining staff privileges at a non-IHS facility when the base clinic does not offer a full range of hospital services, contractor physicians are required by the non-IHS facility to provide limited services to non-Indians at the facility. When an Indian Health Service physician handles such cases, he or she is covered by the Federal Tort Claims Act. It is only fairness that we seek in extending such coverage to employees of firms that contract with IHS for the provision of such health care services.

Another example is where tribal contractors, under Public Law 93-630, have established contractual arrangements for sharing health personnel with other health providers. The IHS has similar arrangements. This arrangement facilitates the provision of health care to Alaska natives who do not live near the tribal contractor hospital. The contractive physician should be covered by the Federal Tort Claims Act under such circumstances.

I want to thank my good friend from Idaho for all the assistance he, Senator JOHNSTON, and their staffs have provided in this legislation. This particular bill is of substantial importance to Alaskans because of the dramatic presence that the BIA, IHS, Park Service, Forest Service, Fish and Wildlife, and the BLM have in Alaska. Unfortunately, as hard as they have worked on this bill and as much help as their people have lent, there always seem to be a few issues that Alaskans raise at the last minute. In fact, I received five letters yesterday alone on matters that pertain to this bill—to raise those issues now, after the bill has gone through subcommittee and full committee, simply isn't fair to the floor managers or the Senate.

However, many of these issues are meritorious, and deserve the Senate's consideration. But it simply isn't possible to give technical and complicated issues the attention they warrant during the time the floor managers are trying to move their bill through the Senate. Consequently, I ask my good friends from Louisiana and Idaho if they will indulge me and lend their considerable skills to try and resolve some of these last-minute items during conference.

Mr. President, as I indicated, this is clarifying language. I urge adoption of the amendments. Since this is new language from what the House passed, we will have to work with the House conferees to gain final approval.

The question is on agreeing to the amendment.

The amendment (No. 2607) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EVANS. Mr. President, I have discussed a matter of great importance to the Quileute Tribe, that of developing a water supply system, with my colleague Mr. JOHNSTON. We recommend that $75,000 be made available to the Quileute Tribe to determine the feasibility of, and for the engineering and design, including drilling test wells, for the construction of a domestic water supply system. These funds should be provided from appropriations for sanitation facilities to be constructed by the Indian Health Service. This appropriation will improve the water quality at Lapush, WA, which is so poor that bottled water is delivered for human consumption.

Mr. JOHNSTON. Mr. President, I concur with this recommendation and I will urge the conferees on the Interior appropriations bill to address these vital needs of the Quileute Tribe. I understand the Senator from Washington does not seek additional funds for this project beyond the amount provided in the bill for sanitation facilities and that other similar projects are funded by this bill.

Mr. ADAMS. Mr. President, finding a new source of domestic water is extremely important and essential to meeting the basic human needs of the Quileute Tribe, and I am happy to support the request of my colleague from Washington. I thank the distinguished Senator from Louisiana for his remarks clarifying congressional intent that the Indian Health Service will utilize existing funds within the fiscal year 1989 Indian Health Service budget for this project.

Mr. JOHNSTON. I thank the Senator from Washington [Mr. ADAMS]. Mr. President, the two Senators from the State of Washington are highly desirous of finding a new source of water for the Quileute Tribe and their request does not adversely affect any other projects or programs which are presently considered within the Senate Interior appropriations report. Therefore, I am prepared to give my assurance to the Senators from Washington that I will work in conference to support their request.

Mr. EVANS. I thank my distinguished colleague Senator ADAMS for his support and gratefully extend my appreciation to Senator JOHNSTON and his fine staff for their assistance in securing this commitment on behalf of the Quileute Tribe.

AMENDMENT NO. 2608

Mr. JOHNSTON. Mr. President, earlier today we adopted a series of amendments en bloc except for the West Delta amendment which we held out.

I ask the Chair if that West Delta amendment is still at the desk.

All right. I am advised that this is the appropriate amendment so I now submit that amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 2608.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add a new section as follows:

SEC. . Within currently available funds, the Secretary of the Interior is directed immediately to appoint and compensate an independent third party factfinder mutually agreed upon by the Secretary and the Governor of Louisiana, to make all appropriate factual findings relating to past drainage occurring on Louisiana State Lease numbers 10087, 10088, and 10187, and Federal Lease numbers OCS-G 5668 and OCS-G 5669 in the field on West Delta Blocks 17 and 18. Such factual findings shall include—

(a) whether drainage of either United States or State hydrocarbons has occurred in such field during the time period starting April 7, 1986 and ending on the date that the factfinding proceeding is completed;

(b) the areas or reservoirs from which the drainage occurred;

(c) the quantity of recoverable hydrocarbons, determined on a volumetric basis, originally in place within such areas or reservoirs prior to any production therefrom;

(d) the respective percentages of such recoverable hydrocarbons within the Federal and State portions of such areas or reservoirs;

(e) the total accumulated volume of any net drainage, including the value thereof (together with a description of the method for determining such value) and all production costs incurred during that period;

(f) the net dollar impact to the United States, United States lessees, the State of Louisiana, and the State lessees that has resulted from any such drainage;

(g) the proper allocation of production from the field from all time periods starting April 7, 1986; and

(h) the proper prospective allocation of production from the field.

Within 90 days of the date of enactment of this Act, the third party factfinder shall submit a written report containing the factual findings required by this section to the Secretary, the Governor of Louisiana, and the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate.

Mr. JOHNSTON. Mr. President, the next amendment is an amendment requiring that within available funds the Secretary of the Interior appoint and compensate an independent third party factfinder to prepare a report on past drainage of oil and gas in the West Delta field in offshore Louisiana.

The reason for this, Mr. President, is that there is a present dispute between the State and the Department of the Interior as to the extent of drainage on a field which lies astride the dividing line between Federal and State lands in Louisiana. This provides for the appointment of an independent third party finder of fact, which we hope will resolve this dispute, all within available funds.

Mr. McCLURE. Mr President, I have no objection to the amendment, but I do want to note at this time that this may be involved, or get us involved in a discussion of the meaning of the HE distributions, and I would not want the adoption of the amendment to prejudge the issues with respect to the meaning of the HE distributions. I would understand that the Senator from Louisiana does not mean to prejudge any of those issues.

Mr. JOHNSTON. The Senator is correct. This really relates to the factual issue of drainage, and we hope that by appointing a third party we can reach a common ground. There really is no intent at all for it to deal with the HE interpretations.

Mr. McCLURE. Our adoption of the amendment calling for the study on drainage is not intended to prejudge any issue with respect to what the HE settlement means with respect to drainage?

Mr. JOHNSTON. The Senator is correct.

Mr. McCLURE. With that understanding, I have no objection to the amendment.

The distinguished Senator from Oklahoma [Mr. NICKLES] had a question about that which can now be clarified with the following colloquy.

Mr. NICKLES. I would like to clarify a matter regarding the amendment requiring an independent factfinding and report relating to the West Delta Field. Am I correct in my understanding that this report is not intended to serve as the basis for requiring any additional payments by the Federal lessee on the West Delta Field as a result of past production from that field?

Mr. JOHNSTON. That is correct. The amendment is straightforward in merely requiring a factfinding and report by a third party with respect to past drainage on the West Delta Field. It is not my intention in offering the amendment that the report lead to additional payments by the Federal lessee due to past production on that field. Furthermore, the amendment does not require that any compensation be paid by the Federal lessee, nor does it mandate any future action by the Congress or the administration, other than the factfinding and report required by its plain terms.

Mr. McCLURE. That is my understanding of the amendment as well.

Mr. NICKLES. On this basis, I will withdraw my objections to the amendment.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 2608) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Louisiana.

AMENDMENT NO. 2609

(Purpose: to make quartz mineral within the Ouachita National Forest a saleable mineral)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. BUMPERS proposes an amendment numbered 2609.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill add the following new section:

SEC. . (a) Subject to valid existing rights, on the date of enactment of this section deposits of quartz mineral within the Ouachita National Forest in the State of Arkansas shall no longer be subject to location and entry under the General Mining Law of 1872 (17 Stat. 91), as amended, and all such deposits shall hereafter be disposed of under the same conditions as are applicable to common varieties of mineral materials on such lands under the Materials Act of 1947 (61 Stat. 681), as amended: *Provided*, That fifty percent of the moneys received pursuant to this section shall be paid by the Secretary of the Treasury to the State of Arkansas, to be expanded as the State may prescribe for the benefit of the public schools and public roads of the countries in which the Ouachita National Forest is situated.

(b) The Secretary of Agriculture shall prescribe rules and regulations for the disposal of quartz mineral from the Ouachita National Forest.

Mr. JOHNSTON. Mr. President, this is an amendment on behalf of Senator BUMPERS previously offered and withdrawn in order to have some questions about it cleared up.

As I previously explained, it makes the mineral quartz to be treated as a salable mineral under the Mineral Materials Act similar to other nonenergy minerals such as gravel.

It has now been cleared.

Mr. BUMPERS. Mr. President, my amendment would make quartz mineral within the Ouachita National Forest in Arkansas a "salable mineral" under the Common Varieties of Mineral Materials Act. The amendment would authorize the Forest Service to handle the dispositions of quartz crystal in the same manner as it now handles deposits of sand, stone, gravel, pumice, pumicite, cinders, and petrified wood. This approach would greatly simplify the current management situation with respect to quartz in the Ouachita Forest and would enhance the ability of the Federal Government to collect revenues based on the fair market value of this mineral.

BACKGROUND

The Ouachita contains large deposits of quartz, a silica based mineral which is valued for its esthetic qualities and for certain industrial applications. Small mining operations have existed on and near the National Forest for many years. Recently however, the market for quartz crystals has expanded and values for certain crystals have increased dramatically. The best quality quartz, which sold for around $30 a pound in 1985, now commands prices of about $100 a pound.

It is my understanding that this new market for crystals is attributable to new age beliefs which assign metaphysical qualities and special healing properties to crystals. In the Ouachita Forest, where the quartz crystal formations are reputed to be the best in the world, the result has been an onslaught of new mining activity. In the past 2 to 3 years there has been a 300-percent increase in mining activites on the forest. Unfortunately, the Forest Service and Bureau of Land Management are hampered in their ability to consistently regulate this mining activity because of widely differing laws applicable to lands within the forest.

The Ouachita National Forest, created by a proclamation of President Theodore Roosevelt in 1907, consists of approximately 1.3 million acres in western Arkansas. Unlike most forests in the Southern and Eastern parts of the United States, which are made up of lands acquired by the Federal Government under the authority of the Weeks Act (36 Stat. 961, as amended), the Ouachita consists of intermingled "acquired land" and land reserved from the public domain. On the acquired lands—approximately 600,000 acres—deposits of quartz crystals are leasable minerals. On the public domain lands, however, quartz crystal is treated as a locatable mineral subject to the mining law of 1872.

The rush for quartz crystal on the Ouachita National Forest shares many of the elements of the gold rushes of the past: A rapid increase in mining activity; an increase in the number of people in the area; an increase in the size and nature of impacts; more operations in environmentally sensitive areas; and a significant increase in unauthorized activity.

Several thousand mining claims have been filed on the forest in the past 3 years. As the claims are not commodity specific, the agencies do not know how many are for quartz crystal. However, they have estimated that up to 2,000 claims have been filed for quartz. At the same time, on the same forest, quartz has been leased competitively for bonus bids approaching $300 per acre. The management regime makes no sense and is becoming an untenable situation for the Federal land managers. In addition, State and local residents who treasure the scenic beauty of the Ouachita Forest are becoming increasingly concerned about mining activity on public domain lands.

I have introduced legislation, S. 2227, which would establish a competitive leasing system for quartz in the Ouachita National Forest. However, my informal discussion with mining experts at the BLM and the Forest Service have led me to consider the simpler approach of make quartz a salable mineral. Under a leasing approach three agencies are involved; BLM issues the leases, Forest Service manages the surface, and MMS administers the royalties. The advantage of salable versus leasable disposition is that the Secretary of Agriculture exercises authority for mineral material disposals on National Forest lands, whether public domain or acquired, thus streamlining the process because no Department of the Interior involvement is required. This approach is advantageous for the miner, as he would be able to enjoy one-stop permitting and processing at the local district rangers office. The Forest Service has the authority to require bonding and reclamation to protect surface values and with its onsite personnel will be in a better position to monitor mining operations than the Department of the Interior. Competitive sales of quartz-crystal rich lands ought to bring in as much revenue as would rents and royalties from leasing, and could produce revenues sooner than leasing.

Existing mining claims and existing leases would be grandfathered under applicable law. However, the Forest Service would be encouraged to provide claim holders with the opportunity to voluntarily convert claims in exchange for assured rights under the salable program.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2609) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. While I understand that budget constraints prevent us from funding every proposal, I am very concerned that land acquisition funds for the Wayne National Forest have been deleted from this bill. As you know, the House of Representatives recommended an appropriation of $1 million for the Wayne Forest.

The Wayne National Forest faces increasing pressures due to the large amount of authorized but unacquired land within its boundaries. It is composed of hundreds of scattered blocks of land, and comprises little more than 20 percent of the area within its established boundary, the smallest proportion of any National Forest. Future acquisition is necessary to consolidate these isolated tracts into a unified forest which can be feasibly managed.

While I am very pleased that the committee has recommended $3 million for land acquisition in the Cuyahoga Valley National Recreation Area, I believe that Ohio's only National Forest merits our continued support for its expansion and improved management.

I would like to respectfully request that the distinguished floor manager of this bill, Senator JOHNSTON, support the House position on his matter when the bill goes to conference.

Mr. JOHNSTON. I assure my distinguished colleague from Ohio, Senator METZENBAUM, that I will make every effort to support your position in conference, and that if these funds are included in the final bill, it will be due to Senator METZENBAUM's strong support for the Wayne National Forest.

Mr. METZENBAUM. I thank the Senator from Louisiana for his assurances.

Mr. HEINZ. Mr. President, I would like to engage the distinguished managers of the Interior and related agencies appropriation in a brief colloquy regarding certain Department of Energy research and development programs which Senator SPECTER and I strongly support.

The House-passed version of H.R. 4867 contains an increase of $3.9 million above the request for acid rain control related procurements for surface control, engineering development, and engineering design in the control technology and coal preparation program. The House also approved $5 million above the request for flue-gas clean up to support acid rain control related procurements on fundamental investigations and scale up tests of duct injection systems.

These two appropriations taken together will allow an innovative program of research into low-cost sulfur emissions control technologies to enter a second year. The ultimate product of this work, which could be commercialized in the next decade will be a competitive method of emissions control, one which can be retrofitted to existing boilers. This alternative to scrubbers will provide a cost-effective method of reducing emissions, help to reduce energy costs, and enhance U.S. reliance on its most abundent energy source—namely coal.

I believe that the House-passed levels for these two items are essential to the Nation's energy future. For that reason I urge the managers to accept the House action in conference.

Mr. SPECTER. I join Senator Heinz in urging my colleagues to favorably consider these two appropriations in conference. We recognize the constraints that the distinguished managers labored under; not every program could receive full support. Nevertheless, when H.R. 4867 reaches conference, we believe that the Senate should recede to the House for this important retrofit program.

Mr. JOHNSTON. I thank my colleagues for bringing their concerns to us. The program in question is a comprehensive retrofit project which was originally funded in last year's continuing resolution. It is one we might like to support, but to do so will, most likely, require an adjustment in the outlay ceiling for the bill. This question will be addressed in conference and, if we are able to, we will try to assist the Senators.

Mr. McCLURE. We certainly appreciate the contributions that retrofit technologies can make to the control of sulfur emissions. When we reach conference, we will have an opportunity to review this project, and possibly assist the Senators from Pennsylvania. At this point, however, we do not know what our final allocation will be but we will consider the projects.

Mr. SPECTER. I thank my friends, and look forward to working with them when the bill goes to conference.

Mr. HEINZ. I appreciate the Senators' attention to this matter, which is of the utmost importance to the future of American coal.

Mr. JOHNSTON. Mr. President, I am advised that the Contra matter will not be brought up before 5 o'clock. It is an informal arrangement that that will not be brought up before 5 o'clock.

It would be my hope that any further amendments to this bill be considered and disposed of at this time.

I might alert the following Senators who I believe have amendments: Senator Melcher may have an amendment. Senator Sanford may have an amendment. Senator Weicker may have an amendment. Senator Kerry we would be ready to handle Senator Kerry's amendment at this point. I do not know whether there are further amendments.

But at sometime between now and 5 o'clock, Mr. President, if there are no further amendments, I would want to move that we close further amendments other than the Contra amendment. So I would hope that all Senators if they have amendments would promptly come because the door is about to close.

Mr. McCLURE. Will the Senator yield?

Mr. JOHNSTON. Yes.

Mr. McCLURE. If I understand it, the Senator identified Senators Kerry, Melcher, Sanford, and Weicker as having possible amendments. I also have on my list of Senators who possibly have amendments Senator Nickles, Senator Metzenbaum, Senator Wallop, Senator Evans, and Senator Exon who have approached staff. I do not know whether they intend to offer those amendments or not, but I do urge, if they intend to offer the amendments, that they would let us know.

Mr. JOHNSTON. Mr. President, I appreciate my colleague pointing out the interest of other Senators. I would say the time for those Senators to come to the floor is now because we will not promptly shut the door, but the door, we hope, will shut sometime soon.

Mr. KASTEN. I would like to discuss a technical mistake affecting an important facility in my State. This issue concerns the funding for the Ice Age Scientific Reserve's proposed visitors facility and Ice Age Trail.

The Wisconsin delegation requested an appropriation of $500,000 for the construction of a visitors facility on the Chippewa Unit of the Ice Age Scientific Reserve. We intended this to be in addition to the base for the Scientific Reserve.

The Senate Bill contains $500,000 for the Ice Age Scientific Reserve and an addition of $73,000 for the Ice Age Trail.

The House included the base funding for the Ice Age Scientific Reserve ($573,000) and the additional $500,000 for the visitors facility. This is what we sought in the appropriations bill. It is my hope that in conference we can secure the full funding for the base of operations of the Ice Age Scientific Reserve, the Chippewa visitors facility, as well as operation of the Ice Age Trail.

Mr. JOHNSTON. I am aware of this concern of the Senator from Wisconsin. For several years he and Senator Proxmire have led the efforts to construct the Ice Age Trail and operate the Scientific Reserve. I recognize how important this issue is in Wisconsin, and the importance to the Nation.

I appreciate the Senator's withholding offering a correcting amendment at this time. I will take this issue to conference with the House and will give serious consideration to securing funding for both the base for the reserve and the visitor's facility.

Mr. PROXMIRE. I appreciate the assistance of the Senator from Louisiana. His commitment to work to resolve this issue is most reassuring. I want to emphasize how important this issue is in Wisconsin, and that the Ice Age Scientific Reserve, Visitors Facility, and Ice Age Trail are key components of a major recreation, scientific, and wildlife feature of Wisconsin.

Mr. McCLURE. I support this agreement. I believe both programs should be supported and recognize the House contains sufficient funding for both of these provisions. I look forward to working to approve these funds.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. Mr. President, I take the floor for a couple of minutes to thank the distinguished chairman of the committee, the Senator from Louisiana, Senator Johnston, for all of his great help on this piece of legislation for my State of Colorado. I think that the appropriation bill that has been crafted here reflects a whole new set of priorities in the way in which we look at public lands, in the way in which we think about optimizing the economic capacity of our public lands.

Historically, we have looked at those public lands predominantly from the perspective of extraction—What can we take away from those public lands? How much mining? How much timbering? Those have been historic priorities in the view of public lands in Colorado, the Rocky Mountain region, and the West.

Those priorities today are changing and are changing very dramatically. Those changes are reflected in this piece of legislation. No longer are we committing our scarce public resources just to timber, just to cut roads, just for mining, but we are now looking at how we might manage our public resources for other economic returns.

For example, how do we best manage our national forests, say, for the economic return of skiing? How do we best manage those for other recreation values, for water quality and the resulting fish habitat and for game habitat areas that the Senator from Wyoming has been so instrumental in working on?

How do we manage them for long-term recreation values? We found hundreds of thousands, millions of people coming into the Rocky Mountain regions, using our public lands and wanting those public lands to be preserved. They are only going to be preserved if and when we continue to have the set of values reflected in this appropriations bill.

There are a whole variety of projects in this bill that reflect the work that has been done by an awful lot of people in my State of Colorado and we culminate that in the very productive piece of legislation that we have in front of us.

I would like to close by once again thanking Senator JOHNSTON and his very able staff for their wonderful help to those of us in the State of Colorado.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENT NO. 2611

Mr. WALLOP. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] proposes an amendment numbered 2611.

Mr. WALLOP. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

LEGISLATIVE PROVISION FOR DISTRIBUTION OF LATE PAYMENT INTEREST

SEC. . For Fiscal Year 1988 and each fiscal year thereafter, for the purposes of any law authorizing the leasing and extraction of oil, gas, coal, or any other mineral from the Outer Continental Shelf or from any interest in land owned by the United States, regardless of the source or origin of the United States' ownership, any interest paid to the United States under any law, regulation, or other authority which arises from or accrues with rspect to late payment of royalties, rents, bonuses, or other payments due to the United States for any period, and received after the date of enactment of this provision, shall be paid or distributed to the same recipients and in the same manner as the royalties, rents, bonuses, or other payments in connection with which such interest was paid. The Secretary of the Interior shall not recover or recoup any portion of late payment interest paid to the United States before the enactment of this provision which was paid or distributed to any State or other recipient of federal mineral lease revenues, except for amounts paid in connection with royalties or other revenues subsequently determined to be not owing to the United States.

Mr. WALLOP. Mr. President, this is an amendment which I have cleared with the respective managers of the bill on both sides of the aisle. In essence, what it does is it puts in the statute the current practice of the Department of Interior of sharing on the formula basis, the royalty formula basis, the late payment interest that the Department collects.

We have checked. There is no budgetary impact to this. It assures the States that for those revenues they have been paying, that they will not find some sudden late recoupment and it assures them that until such time as the Congress acts to change it, they can rely on their fair share on the interest payments for the late royalty payments that come to them.

While Congress specifically provided for the sharing of interest for onshore oil and gas leases on public domain lands, it did not do the same for Outer Continental Shelf [OCS] leases. In the Federal Oil and Gas Royalty Management Act [FOGRMA], Congress amended the Mineral Lands Leasing Act of 1920 to include interest within the scope of revenues to be shared with the States. However, FOGRMA did not include sharing interest payments accruing on royalties from leased minerals other than oil and gas.

I offer this amendment because I believe that equity calls for sharing with the States, and other recipients, late payment interest. Interest attributable to payments is collected by the Federal Government to compensate for the loss of the use of those funds during the period for which the payments are due but not paid. Because the interest is collected on the total amount owed prior to any distribution, the Federal Government is collecting interest on the portion ultimately distributed to the State as well as on the portion retained in the Treasury. Because the State involved also suffers a loss of the use of funds, they should share in late payment interest. This amendment, Mr. President, would accomplish just that.

Specifically, my amendment would enable the Secretary to share with States and other recipients of Federal mineral lease revenues whatever late payment interest the Federal Government receives, after the date of enactment regardless of the type of mineral, category of land or leasing authority, interest assessment or accural authority, and production period involved. Coverage includes late payment interest paid in connection with leases within the 8(g) zone of the OCS, as well as on all onshore Federal leases. Because my amendment is prospective, it would not require the Department of Interior to undertake an expensive and time-consuming examination of past disbursements.

Nonetheless, there have been past instances where the Department has distributed a portion of late payment interest received to various States as a result of inadvertent misunderstanding of the applicable law. This provision would insulate such disbursements so that late payments interest previously shared will not be recouped from States or other recipients unless it is found to have been paid in connection with overpayments to the Federal Government. It makes a commitment to the States that they can rely on the stability of this share of the interest payments from the late royalty payments. Wyoming thanks you and so too will all the States affected.

Mr. President, I thank the managers. I thank in particular their staffs for working with me to achieve this.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I compliment the distinguished Senator from Wyoming for finding a way to solve the problem of a latent ambiguity which really is not and should not be a problem. But this removes any possibility that it be a problem.

I think it is a very constructive amendment and I urge its adoption and commend the Senator for bringing it to the floor.

Mr. WALLOP. I thank the Senator.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I want to join the comments of my colleague from Idaho. This is an excellent amendment and we are pleased to accept it.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2611) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2612

Mr. McCLURE. Mr. President, I send an amendment to the desk on behalf of Senators EVANS and ADAMS and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE], for Mr. EVANS (for himself and Mr. ADAMS) proposes an amendment numbered 2612.

On page 94, line 23, after the word "expended", insert the following: "*Provided further*, That of funds appropriated in the fiscal year 1987 continuing resolution for the construction of detoxification facilities for Indian youth, not to exceed $600,000 shall be made available for planning, and design of a youth alcohol and substance abuse treatment facility by the Inland Tribal Consortium, to be located in the state of Washington".

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I permitted the clerk to read the amendment because it is short and it does, indeed, explain the purpose of the amendment. It takes some money that has previously been appropriated for alcohol and substance abuse treatment facilities and recognizes the fact that that money has not been expended even though appropriated and available because there is not an appropriate facility available for that purpose at this time. Therefore, to take from that money that would have been used for this program, not to exceed $600,000, to begin the planning and design of such a treatment facility by the Inland Tribal Consortium.

Mr. EVANS. Mr. President, this amendment directs the Indian Health Service to make available from funds appropriated in the fiscal year 1987 continuing resolution for the construction of detoxification facilities for Indian youth, $600,000 for the planning, design and construction of a youth alcohol and substance abuse treatment facility by the Inland Tribal Consortium of Idaho, Oregon, and Washington.

This amendment will allow the Inland Tribal Consortium to initiate a vital program which is authorized under Public Law 99-570, the Omnibus Anti-Drug Abuse Act, and will effectively serve the needs of more than 30 tribes in the States of Washington, Oregon, and Idaho as a regional treatment center for Indian youth. I urge my colleagues to support this amendment.

Mr. ADAMS. Mr. President, I am pleased to join my colleague from Washington State as a cosponsor of this amendment.

The amendment will utilize existing funds which were appropriated in the fiscal year 1987 continuing resolution for the construction of detoxification facilities for Indian youth. The $600,000 to be made available by this amendment will be used for the planning and design of a youth alcohol and substance abuse treatment facility by the Inland Tribal Consortium in the State of Washington. This is a collaborative effort of seven tribes in the plateau region of the Northwest to provide for the treatment needs of their children and families.

The Inland Tribal Consortium intends to develop this facility to serve the tribes in the States of Washington, Oregon, and Idaho as a regional center under Public Law 99-570, the Omnibus Anti-Drug Abuse Act. This is a worthy and cost-effective effort because seven of the largest tribes in the Northwest are working together to prevent and treat the devastating effects of alcoholism and substance abuse among Indian youth.

Mr. McCLURE. Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the amendment is a good one, and we accept it.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2612) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I ask unanimous consent that the record reflect that Senator MURKOWSKI, the junior Senator from Alaska, is a cosponsor with Senator STEVENS of the clarifying amendment to section 14 note of the Alaska Native Claims Settlement Act regarding the Alaska Native escrow fund which was earlier adopted by the Senate in block with 15 other committee amendments to the Department of the Interior and related agencies appropriations bill, amendment number 2594.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I wonder if the distinguished floor managers of the bill will turn to page 6 and 7? I do not have an amendment to offer on this, but I would like to clarify a couple of points dealing with wild horse and burro management.

I visited with Bob Burford, the director of the Bureau of Land Management, last week. He told me we have 43,000 wild horses on the public lands and that the BLM has started a sanctuary program to try to relocate some of these wild horses. They have one, I believe, in North Dakota. I understand that the Senator from Arizona [Mr. DECONCINI] has inserted some report language on the sanctuary program here.

Mr. McCLURE. Will the Senator yield for just a moment?

Mr. BUMPERS. Yes.

Mr. McCLURE. I would not interrupt except I want the record precise on this. The sanctuaries they now have, which they are advocating, are in South Dakota.

Mr. BUMPERS. It is not North Dakota.

Mr. McCLURE. It is not North Dakota. The reason I mention that is there was a very unhappy experience with the wild horse and burro program in South Dakota——

Mr. BUMPERS. That is what concerned me. We lost 100 horses there.

Mr. McCLURE. That is correct.

Mr. BUMPERS. Can the Senator tell me what happened to the 100 horses that died there?

Mr. McCLURE. If the Senator will yield, I think it is plain that there was very bad management in the supervision and care of those horses. That particular incident has happily been closed but unhappily was not closed soon enough.

Mr. BUMPERS. Do we only have one sanctuary for wild horses right now?

Mr. McCLURE. If the Senator will yield, we have one which, under agreement with the State of South Dakota, should be able to receive horses either this week or next, or begin to receive horses. There should be another one very soon under the same program with the same group of people managing them. There are others in the proposal stage, but those are the ones that are current.

Mr. BUMPERS. I see the committee has increased the appropriations of this program $6,150,000, and that is highly commendable. I personally appreciate that.

On page 7, second paragraph, here is the reading of the report language:

> In order to provide a basis for comparison and evaluation, the Committee directs the Bureau to place at least two demonstration sanctuaries in operation in fiscal year 1989. In selecting these sanctuaries, the Bureau shall choose proposals located in different geographical locations which offer differing climatic conditions. The sanctuaries chosen should also be managed by different organizations.

I do not mind saying, I have come over here to put in a pitch for the Pine Ridge Indians and the Pine Ridge Indian Reservation in South Dakota. They do not have a proposal pending. There is already one sanctuary in South Dakota and, incidentally, that is where the Pine Ridge Indians got the idea that they could place 500 to 1,500 horses in a sanctuary on the reservation, and perhaps even use it as a tourist attraction as well as an agency to put horses out for adoption. They have 18,000 acres available for this, and they tell me it is knee deep in grass. They also understand that BLM now pays $1 a head, to the sanctuary that is in existence right now in South Dakota.

These people feel they can make a little money on that basis, maybe draw a few tourists, and maybe do something in a very unique way to alleviate the grinding poverty that the people on that reservation, as well as others, continue to experience.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BUMPERS. I will be happy to yield.

Mr. McCLURE. Mr. President, the particular language that is referred to by the Senator is in the report at the request and insistence of our colleague from Arizona, Senator DECONCINI, because there are other proposals, not necessarily in Arizona, but probably in the State of Colorado, that are also being reviewed by the department. I think the suggestion that the Senator from Arkansas has made is an excellent one. If, indeed, it can be found and if, indeed, the BLM can satisfy themselves that their statutory responsibilities of supervision can be discharged in agreement with the tribe, I urge them to do so.

I note for the Senator that just the pasturing charge which he makes reference to, as expensive as it is, does not yield itself directly to the kind of solution the Senator is seeking because in order for the department to accept the tribe as a contractor, they have to go out with an RFP and submit it through the competitive bidding process, which the tribe would only be one of the potential bidders.

The sanctuary program, as it is negotiated with the State of South Dakota, however, enabled them to do that without its going through a regular RFP contracting process. That same process may be available in dealing with the tribe. I certainly will work with the Senator and anyone else who is interested in trying to determine whether or not this is an option that is available and could be followed. It seems to me it has a great deal of promise.

Mr. BUMPERS. Mr. President, I thank the Senator very much for his comments and his spirit of cooperation on this. One of my primary concerns was the language in the report about different climatic conditions in different geographical locations. I hope that I will be a conferee when we go to conference with the House on this. I want to make sure that the Pine Ridge Indian Reservation will not be prejudiced as a result of a sanctuary already in existence in the same State.

I did not get an opportunity, and I probably should have contacted the Senator from Arizona on this, and will before we go to conference, to try to get his acquiescence in possibly changing this a little to make sure—not to change the thrust of it—but to make sure the Pine Ridge Indian Reservation, if they choose to do this, will not be prejudiced by the fact there is already a sanctuary in South Dakota.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BUMPERS. I will be happy to yield.

Mr. McCLURE. I think it would be fair to say the only way in which they will be affected by this language is that it does require different geographical climatic conditions for at least one other.

There is nothing that limits the Secretary's authority or the Director of the Bureau of Land Management's authority to establish sanctuaries, but I think it is fair to say the Director of the Bureau of Land Management has had some unfortunate experience in dealing with wild horses and burros after they leave the jurisdiction and control of the Bureau of Land Management. That is what happened in North Dakota. So they are very cautious as they move into this sanctuary program to see that it works well, that they, indeed, will be able to supervise it appropriately and that they do not again run into an unfortunate situation in which people who are responsible for the care and maintenance of these wild horses and burros do not do as was done in the situation in North Dakota.

There is nothing in the law which limits the opportunity of the Secretary, acting through the Director of the Bureau of Land Management, to enter into the sanctuary agreements.

I think you will find that Mr. Burford is very receptive and anxious to find a program that does work, and that if there are sponsors of other sanctuaries that look like responsible sponsors, he is going to try to find a way to make that money available for the sanctuaries. I really believe that this language does not prevent him from dealing with the tribe, if indeed they wish to enter into such a proposal with the Bureau of Land Management, with the exception they are constrained by the total amount of money which is available. Until they have found another sanctuary in a place other than South Dakota, it might be a little more difficult to locate the second one in South Dakota other than the pending one in South Dakota.

Mr. BUMPERS. I thank the Senator very much.

The PRESIDING OFFICER. The Senator from Arkansas still has the floor.

Mr. BUMPERS. Mr. President, I yield the floor.

Mr. JOHNSTON. Mr. President, I simply wanted to say to my friend from Arkansas that I hope he will be able to join us on the conference committee. To me it sounds like an excellent proposal for this Indian reservation, and we will certainly work with him to see that it gets full consideration.

Mr. BUMPERS. I thank the Senator.

AMENDMENT NO. 2613

Mr. KERRY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], for himself and Mr. KENNEDY, proposes an amendment numbered 2613.

Mr. KERRY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 87, line 18, after the parenthesis insert the following,

: *Provided further*, That pursuant to section 111(b)(1)(B) of the Energy Reorganization Act of 1974, as amended, of the amount appropriated under this head, $4,900,000 shall be available for a grant for an energy and natural resources technology development center at Brandeis University in Waltham, Massachusetts without section 111(b)(2) of such Act being applicable

On page 87, line 16, linetype "200,000,000" and insert in lieu thereof 197,100,000.

Mr. KERRY. Mr. President, this is an amendment that I believe is cleared with both sides. It represents a project which the Senate supported last year. Unfortunately, we were not able to maintain it in conference. It has the ability to provide significant energy development and energy conservation production for the United States, a project at Brandeis. It is not a new one. We have scaled down the level. The university is going to pick up all the operating costs.

The distinguished chairman has told me that we have agreed on an area for transfer, $2.9 million in funds from a surplus account in schools and hospitals and $2 million from the energy conservation program. I thank the distinguished chairman for what I know has been a very difficult process, but I am very appreciative of his support for this measure.

Mr. JOHNSTON. Mr. President, we would have considered this amendment in committee. It is in that gray area between no new starts and cuts. We did in fact enact it here last year only to lose it in conference. So in that sense it is a replay of last year and not new. It is an excellent project. I think the Senator understands the difficulty it may face in conference, but nevertheless we are willing to take this to conference. I am glad to join with him and accept it at this point.

I am advised that the $2 million is from the energy conservation program direction.

Mr. KERRY. That is correct. If I may add, I offer this on behalf of myself and Senator KENNEDY. It is our perception that we would have a better time this year with the conference. I thank the Senator.

Mr. McCLURE. Mr. President, we have no objection to the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2613) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote by which the amendment was agreed to.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, my list shows that only three Senators have an interest in further amendments. They are Senators MELCHER, METZENBAUM, and EVANS. I will soon, in consort with the distinguished ranking minority member, ask for a hotline if there is any further interest in amendments, and if not, we would like to propound at some time a unanimous consent arrangement, then go to third reading, with the exception of the Contra amendment. So I put Senators on notice—I think this is about the eighth time we have put Senators on notice—that we are ready to do business and, if they really are serious about amendments, to come to the floor. We are ready. So I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. MIKULSKI). Without objection, it is so ordered.

AMENDMENT NO. 2614

(Purpose: To earmark $5,000,000 in existing funds, currently available to the Department of Energy, for new steelmaking research and development initiatives as authorized by law, and to provide that any additional existing funds shall only be obligated on a year-by-year basis)

Mr. JOHNSTON. Madam President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. METZENBAUM (for himself and Mr. HEINZ) proposes an amendment numbered 2614.

Mr. JOHNSTON. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 87, line 18, after "(15 U.S.C. 4507)" insert ": *Provided further,* That the Secretary of Energy may use up to $5,000,000 for new steelmaking research and development initiatives as authorized by law: *Provided further,* That any such funds shall be made available from prior appropriations for the steel initiative under this head: *Provided further,* That existing funds otherwise made available for the steel initiative for multi-year contracts may be approved for more than one fiscal year but shall only be obligated on a year-by-year basis."

Mr. JOHNSTON. Madam President, this amendment on behalf of Senator METZENBAUM deals with the steel initiative amendment. It is the committee's understanding that more than $9 million in prior appropriated funds for the steel initiative remains unobligated. The steel industry and the Department of Energy quite frankly have gotten off to a slow start on this important program. Senator METZENBAUM's amendment would authorize the Secretary of Energy to use up the $5 million of available funds if he so chooses for steel research concepts which were not authorized at the time of the original appropriation. I believe the amendment has been cleared on both sides. No objection has been lodged to it.

Mr. METZENBAUM. Madam President, this amendment will enable the Department of Energy to expand its R&D efforts on behalf of the American steel industry. It is a first step in creating a lasting government-private sector partnership to develop advanced steelmaking technologies.

In 1986 Congress established a steel R&D program at the Department of Energy. This program has been funded annually as a line item in appropriations bills but it has never been authorized. And, unfortunately, DOE has only recently begun to promote this program.

In order to expand the steel R&D program, I, along with Senator HEINZ, introduced a bill to authorize a 5-year steel R&D program at the Department of Energy. Our bill revises the current cost-sharing requirements to allow universities and independent laboratories to participate. Under the current program, these valuable research resources have been ignored. In addition, it requires DOE to develop a management plan to prioritize R&D proposals.

Madam President, the purpose of my amendment is to provide funding for our bill and to allocate existing funds more effectively. This amendment would permit DOE to make available from existing funds up to $5 million for new steelmaking R&D initiatives authorized by Congress. It further requires DOE to fund multiyear steel R&D efforts on a year-by-year basis. Year-by-year funding will allow DOE to fund more projects at one time.

Madam President, a strong steel industry is vital to the United State's economic and national security. But without a coordinated, long-term, R&D effort, we will not have a first-rate steel industry. We need to renew our commitment to develop the technologies which can put the American steel industry back on top.

This amendment is an important step in extending federally supported steelmaking research into the next decade. I urge my colleagues to support it.

Mr. McCLURE. Madam President, under existing authority the Interior Appropriations Committee initiated a steel research plan in fiscal year 1986. At that time, the plan was commonly known as the "Keyworth Initiative," named after the President's Science Adviser, Mr. George Keyworth. It was the intent of the subcommittee to direct the DOE to implement a research and development initiative at the National Laboratories to achieve advanced, energy efficient process technologies. Simply put, the plan was designed to have national labs work in conjunction with industry in order to find a way to "leapfrog" current technology.

"Leapfrogging" technology means throwing out the blast furnaces and the coke ovens so this Nation's steel industry can become competitive again. I believe the Senator from Ohio was a supporter of that funding which has amounted to $9 million over the past few fiscal years.

I have only one reservation about the amendment; perhaps two. One is the "Keyworth Initiative" money was to involve industry and industry has not stepped forward to be involved in full measure as we had hoped they would. Second, it requires matching money. The amendment offered by the Senator from Ohio could free a portion of that money from those restrictions of the industry participation and of matching funding.

Madam President, I hope either industry steps forward and comes up with matching funds, and we move the "Keyworth Initiative" forward, as Dr. Keyworth had in mind at the time this was done initially, or that we rescind the funds and bring that particular initiative to an end—one or the other. But I will not object to the adoption of this amendment at this time. Perhaps it will produce something good in terms of basic fundamental research and understanding of new technologies in the steel industry.

We have no objection to the amendment.

Mr. HEINZ. Madam President, I want to join with the Senator from Ohio in support of this amendment to provide partial funding for the Steel Technology Competitiveness and Energy Conservation Act. Senator METZENBAUM and I introduced this bill on June 6 as a timely means of assisting the steel industry in its effort to restore competitiveness. Over the past two decades, hundreds of steel mills have shut down and hundreds of thousands of workers—over 56 percent of the industry—lost their jobs as our industry suffered a serious depression and major structural change. Approximately one-fifth of the industry filed for bankruptcy.

With so much of the industry in debt, adequate R&D investment was an impossibility. The American Iron and Steel Institute for years has estimated that the industry needs to spend $2 to $3 billion per year to stay competitive. In this decade the actual level has been closer to half of that. Research and developments efforts have fallen off at the same time our foreign competitors were improving their productivity through investment in the latest production techniques, often financed by Government subsidies. One of the ironies of our lagging investment effort is that we have become increasingly dependent on Japanese and German technology.

It is true, nevertheless, that despite losses of $12 billion in the 1980's, American steel makers still managed to invest $4.3 billion in new equipment between 1982 and 1986, although, as I noted, this rate is far below what is needed to remain competitive. At present, most American steel is continuously cast, creating a higher quality product while using a third less energy. The industry's resources, however, are not enough to realize the modernization and productivity increases necessary for the steel industry's long-term survival. The time has come for the Federal Government to demonstrate its commitment to American steel. It is time to forge a stronger Government-private sector partnership to enhance R&D efforts.

In fiscal year 1986, Congress began the necessary steps in that direction by approving a limited program to provide Federal funding for steelmaking technology research and development through the Department of Energy. This program, known as the "Steel Initiative," teamed the resources of the Department of Energy's national laboratories with the talents of industry and university researchers. The Steel Initiative, however, will terminate at the end of this fiscal year.

The continuation and strengthening of this initiative is crucial if our steel industry is to regain its technological and innovative edge. The amendment my colleague from Ohio and I are offering will help to continue the earlier initiative and thereby encourage long-term, high-risk research which would not normally be supported by a basic industry. Our bill, S. 2470, authorizes $10 million in 1989, $12 million in 1990, and $15 million for each of the fiscal years 1991 through 1993 to the Department of Energy. $3 million for each fiscal year 1989 through 1991 would also be authorized to the National Bureau of Standards to provide the necessary technical support. It is my hope that the Energy Committee will consider this proposal soon.

Today's amendment is an interim step. It would allocate $5 million in unspent funds specifically for this initiative.

The need for modernization of the domestic steel industry is no longer a subject for debate. It is an absolute necessity. President Reagan's own Steel Advisory Committee found that "modernization and increased productivity were essential to the survival of the American steel industry." The strength of our economic and national security is directly tied to the viability of our steel industry. We cannot assume that foreign steel suppliers will meet our demands in times of crisis, and we cannot allow ourselves to lose our basic capacity in this basic industry.

Furthermore, many other secondary and tertiary jobs depend on the steel industry. A National Academy of Sciences study found that for every steelworker, there are four other American workers whose jobs rely on a steady supply of steel.

The issue of steel modernization effects more than jobs and trade. Since the steel industry is extremely energy intensive, further improvements in technology would inevitably mean increased energy conservation through more efficient methods of steel production. Reduction of energy expenditures, of course, would undoubtedly result in further lowering the cost of American steel on the world market.

There are many steps in the steel making process in which new technology could conserve energy. For example, installation of a continuous caster can reduce energy expenditures by as much as 30 percent. Many American factories are held back by an energy-inefficient coking and smelting process. A direct steelmaking process and improved steelrolling machines could cut energy-related production costs to a fraction of what they are today.

Madam President, this amendment will assist the American steel industry in regaining its competitive and technological edge. With the help of the steel initiative, American steel will once again enter the ring of competition with a fighting chance.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Ohio [Mr. METZENBAUM].

The amendment (No. 2614) was agreed to.

Mr. JOHNSTON. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2615

Mr. JOHNSTON. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for Mr. EXON, proposes an amendment numbered 2615.

Mr. JOHNSTON. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 106, at the end of line 14, insert before the period the following: ": *Provided further*, That the Institute of Museum Services shall develop and implement a plan, by which, within three fiscal years, each state shall receive, at a minimum, one-half of one per centum of the grant funds available, provided that each state submits at least one qualified application: *Provided further*, That the director of the Institute of Museum Services shall submit to the chairmen of the Committees on Appropriations of the Senate and House of Representatives report detailing the reasons for a judgment that the application or applications of a museum or museums from a particular state were deemed not qualified, causing that state to fall below the one-half of one per centum criteria"

Mr. JOHNSTON. Madam President, this amendment on behalf of Senator EXON provides the Institute of Museum Services develop and implement over a 3-year period a plan under which each State would receive a minimum one-half of 1 percent of the grants made available to the institute, provided that an application has been received from the State. The amendment also directs IMS to report to the Congress if an application is deemed not qualified.

Madam President, the idea behind this amendment is to help smaller States which need help on museum sciences. We think this is an excellent amendment.

Mr. EXON. Madam President, this is an amendment to that portion of this bill concerning the Institute of Museum Services. That agency receives almost $22 million in funding in this bill. The great majority of that funding is used for grant programs to support our Nation's museums.

This amendment is being offered because I have become increasingly concerned about the manner in which this program is being administered. Let me explain.

Nebraska is a small State in population but it does contain within its borders several museums of high quality. In Omaha, there is the Henry Doorly Zoo and the Joslyn Art Museum. Lincoln boasts the University of Nebraska State Museum, the Sheldon Art Gallery, and the Nebraska State Historical Museum. There are other fine institutions, such as the Stuhr Museum, throughout the State. Nebraska is rightfully proud of these fine additions to their State which add greatly to its high quality of life. I am sure that each State can proudly point to its own similar institutions.

Last year, the IMS awarded almost $20 million in grants to support museums. That agency found it appropriate to provide less than $65,000, less than one-third of 1 percent, of that funding to Nebraska museums. This year, 12 Nebraska museums applied for funding from the IMS only to find that only one grant request for $5,000 had been allowed. The program distributed over $17 million nationwide. Although each of the museums that I mentioned earlier in this statement requested funding, not one was deemed worthy of support. Over the 2-year period, Nebraska museums have received less than 0.19 of a percent of the IMS's funding.

The IMS does not dispute that many Nebraska museums are worthy of support. It merely claims that the lack of funding is due to the failure of those institutions to prepare competitive applications. To understand that answer, Madam President, you must realize that grant applications to the IMS are scored by a panel of peers. Now I believe that the Nebraska museums that submitted applications for funding made every effort to submit the highest quality and best prepared applications possible. The answer of the IMS can only be disappointing and discouraging to them.

I have, for the past year, attempted to work with the IMS to resolve this problem, with no apparent success. Something is wrong with a program that year after year fails miserably to equitably distribute its funding. I cannot accept that a decisionmaking process that systematically eliminates applications from a particular geographical area is appropriate. The assistance being provided by the IMS should be available to all areas, with each museum being given an equal opportunity to receive funding. The record of the IMS does not reflect that it is concerned with that goal.

The IMS further seems to have little concerns for helping those worthy museums that are most in need of support. For the past several years, Nebraska's economy has been struggling through difficult times. No doubt, its museums have felt the crunch of decreased financial resources. Yet, the IMS apparently has no concern over those difficulties. No effort has been made to help those museums most in need of support. Instead, the museums that are able to spend the most in an effort to receive a grant are at an obvious advantage. Anyone who reviews the list of museums that did receive funding will find that many of the most successful and financially sound museums in the Nation are included. This is clearly a case of the rich getting richer and the poor getting poorer.

This amendment would merely require that the IMS in administering its programs treat our Nation's museums fairly. It requires the IMS to give no less than one-half of 1 percent of its grant funding for museums to each State over a 3-year period. It is not my intent to micro manage this agency and the amendment is tailored to give the IMS flexibility in reaching that goal.

I urge the Senate to adopt this amendment. I have a table that shows where the grant awards from the general operating support funds for this year were awarded on a State-by-State basis. My colleagues will find that, as can be expected, some States do well and others not so well. Nevada and North Dakota received no funding at all. Our support programs such as this one should be operated in a fair and equitable manner and it is evident that the IMS has failed in that regard. As such, this amendment is a modest effort at improving that program.

I ask unanimous consent to have printed in the RECORD the table to which I referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State by State comparison of general operating support grants from the institute of Museum Services for 1988

Alabama	$198,920
Alaska	51,158
Arizona	237,902
Arkansas	63,754
California	1,732,311
Colorado	127,945
Connecticut	323,747
Delaware	252,537
Florida	288,393
Georgia	163,285
Hawaii	47,647
Idaho	63,070
Illinois	723,719
Indiana	344,717
Iowa	127,211
Kansas	345,612
Kentucky	75,000
Louisiana	96,512
Maine	227,011
Maryland	330,893
Massachusetts	1,333,755
Michigan	639,736
Minnesota	255,127
Mississippi	80,000
Missouri	226,632
Montana	175,732
Nevada	0
Nebraska	5,000
New Hampshire	181,659
New Jersey	41,953
New Mexico	158,693
New York	2,286,792
North Carolina	436,066
North Dakota	0
Ohio	640,561
Oklahoma	71,553
Oregon	174,290
Pennsylvania	1,623,845
South Carolina	110,000
Rhode Island	127,672
South Dakota	137,294
Tennessee	269,268
Texas	352,090
Utah	91,024
Vermont	137,404
Virginia	456,755
Washington	525,670
Washington, DC	75,000
West Virginia	26,602
Wisconsin	249,088
Wyoming	75,000

Mr. McCLURE. Madam President, I know that the Institute of Museum Services does not like the direction that this amendment takes. I understand exactly what the Senator from Nebraska is attempting to do, and I do not want to fly under any false colors here.

I suspect that there will be strong resistance from the House conferees when we get to the conference. But, with the understanding of the managers of the bill that it has an uncertain future—and I do not want to indicate by that that we are going to jettison the amendment when we walk out the door, which is sometimes the case, but, in honesty, I want people to understand that this has an uncertain future in conference—I have no objection to the amendment.

Mr. EXON. Madam President, I am somewhat disturbed by the statements made by my friend and colleague from Idaho. I appreciate his forthright attitude.

It might well be that a rollcall vote will be necessary to establish whether the Senate feels it is necessary to be fair in this measure. I was trying to expedite things, and I am not particularly encouraged by the statement made by the Senator from Idaho.

I simply say that if Idaho had been treated as have several States, including the State of Nebraska with $5,000 and the State of Nevada with zero and the State of North Dakota with zero, I imagine that the Senator from Idaho would feel a little more strongly about this than he does. I do not know how Idaho was treated, but I suspect that Idaho was treated a little better than some of us who do not happen to have members from a particular State on the Appropriations Committee.

So I advise, in answer to the remarks made by the Senator from Idaho, that I will be following this with keen interest, and I will alert the members of the Nebraska delegation on the House side.

I believe that the intent of this amendment is not to try to dictate, other than to say that a minuscule, minimum amount should be provided in each instance of the States, which I think the review group should not object to on the merits. I am not trying to be unreasonable, and I think the Senator from Idaho knows that. The Senator from Louisiana indicated that he thought it was a reasonable amendment.

So I hope the Senator will take this up with great deliberation and see if the House of Representatives will understand the fairness of the measure put forth by the Senator from Nebraska.

Mr. JOHNSTON. Madam President, I do not understand my colleague from Idaho to exhibit a lack of enthusiasm for the amendment but, rather, I think he stated what is the fact, and that is that we may run into trouble with the House Members in conference.

We will do our best, but I urge my friend from Nebraska to work his magic not only on his own delegation but also on the members of the conference committee. We have many items here, and they can be very tough in their bargaining over there.

Any help we can get from the Senator from Nebraska, particularly on this amendment, will be greatly appreciated and may be necessary to ensure a fair consideration by the House Members in the conference.

Mr. EXON. Madam President, I thank my friend from Louisiana.

I simply say that I do not know whether the same caveat has been placed on other amendments that have been taken as has been placed on the amendment I have offered.

I guess anything is at risk, as we understand that, during the conference procedure. I simply emphasize that I feel very strongly about this and will be doing everything I can to assist my colleagues who will be serving on the conference committee to make proper explanation of this in the House, in the hope that they would see the reasonableness of it.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2615) was agreed to.

Mr. JOHNSTON. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Madam President, I wonder if I might engage the acting chairman of the subcommittee and the Senator from Alaska in a brief colloquy concerning funding for the timber program in Alaska's Tongass National Forest.

Mr. STEVENS. I would be pleased to discuss this program, which I know has been a matter of some interest to the Senator from Wisconsin.

Mr. JOHNSTON. I would be pleased to respond to any comments from either the Senator from Wisconsin or the Senator from Alaska.

Mr. PROXMIRE. I am concerned that funding for the timber program in the Tongass National Forest is adjusted so that spending more accurately reflects the anticipated timber product and pulp demand from the Tongass, and reduces backlogs of Tongass timber investment made in excess of market demand since 1981.

Mr. STEVENS. My concern is that Congress assures an adequate supply of timber to the Tongass timber industry. In the past, investments in this program have not always reflected market demand or the needs of the southeast Alaska timber industry. This has contributed to increases in the cost of doing business on the Tongass. In the future, Federal spending on the Tongass Timber Program must provide an adequate timber supply to the timber industry at reasonable costs.

I would also note that the Forest Service has made substantial changes in its administration of the Tongass to deal with these concerns. One of my principal concerns is that now they are underestimating timber demand levels for the future.

Mr. JOHNSTON. During our conference with the House, I expect the committee to address the concerns of both Senators. The committee has reported the President's recommendations for Tongass spending for fiscal year 1989. However, the committee has received conflicting statements of the amount of timber available for sale, and the quantity of unharvested volume available under all contracts. I hope to resolve them for fiscal year 1989 in conference.

Mr. PROXMIRE. The Forest Service has provided the Congress with conflicting information. These discrepancies significantly affect the level of funding necessary to make adquate supplies available to industry consistent with market demand and sound resource management in fiscal year 1989 and future years. Congress should fund the Tongass Timber Program to offer and administer Tongass timber sales at no greater level than necessary for meeting anticipated demand for timber products and pulp from the national forest. To do this, we must reduce the backlog of fully prepared timber to be offered or sold. We must reduce the timber industry's backlog of timber under contract but unharvested. And most important, we must reduce the backlog of added investments in road construction and precommercial thinning created by the Forest Service since 1981.

Mr. STEVENS. I would agree with my colleague, Mr. PROXMIRE, that the inventory of timber readily available to the timber industry should play a significant role in determining the level of Federal expenditures for the Tongass Timber Program. However, Congress must continue to invest in marginal timberlands to ensure an adequate supply of timber to the Tongass dependent timber industry in southeast Alaska.

I have not yet reached agreement with the Senator from Wisconsin on the appropriate volume of timber inventories under contract for all Tongass timber purchasers. I was just in southeast Alaska, around the Ketchikan area, during the Fourth of July recess, and spoke to several industry people who were very concerned about the availability of timber. One or two of Alaska's mills have enough under contract to last them several years. Many others could run out in the next year if they are unable to purchase timber from small timber harvesters or more is not available for them to purchase. However, I believe we have reached agreement on how to treat this inventory volume in setting the timber preparation level for next year.

Mr. JOHNSTON. In agreeing to the President's budget proposal for fiscal 1989, the committee understood that it was recommending funding for the Tongass Timber Program sufficient for the Forest Service to maintain an adequate supply of timber under contract and prepared for harvest. The information provided to the committee has not always been consistent and clear.

Mr. PROXMIRE. The Forest Service indicates that there is currently 565 million board feet [mmbf] fully prepared for harvest in the two long-term sale areas. The volume available at the beginning of fiscal year 1989 will depend upon the volume harvested this year, which the Forest Service currently estimates at 210 mmbf, and the new volume prepared during this year, which is scheduled to be 260 mmbf.

Mr. STEVENS. Madam President, if the Senator from Wisconsin will yield, I point out that the two long-term sale holders report a harvest of 162 mmbf as of May of this fiscal year, and expect to reach nearly 300 mmbf by October.

Mr. PROXMIRE. I thank the Senator. In addition, there will be 84 mmbf available for sale to short-term timber purchasers at the beginning of fiscal year 1989. At that time, there will be an estimated 211 mmbf to 478 mmbf of unharvested timber under contract by short-term timber purchasers.

Mr. JOHNSTON. Last year, we were faced with a similar debate with the House over the funding level for the Tongass Timber Program. To resolve it, we worked out a procedure which should be applied again this year. The most difficult step is arriving at some agreement on the volume of timber which should be under contract and ready for harvest at the beginning of the fiscal year.

Once this issue is resolved, it is a simple calculation to add the volume of timber under contract and currently available for harvest and the volume prepared but unsold and from this total subtract the estimated harvest level. Comparing this to the target for inventory volume indicates how much new timber should be prepared for harvest.

Mr. PROXMIRE. I commend my distinguished colleagues, Mr. STEVENS and Mr. JOHNSTON, for their efforts to restructure the Tongass timber budget. I would note that the calculation just referred to requires an accounting of the unharvested timber volume made available for harvest in past fiscal years which is carried forward from one year to the next. This is estimated at 930 mmbf to 1.4 billion board feet last year. I agree that we should provide timber from the Tongass, while protecting scenic vistas, providing dispersed and developed recreation, preserving existing fish and wildlife habitat quality, and maintaining both local subsistence opportunities and water quality.

Under current law, the Forest Service is not accountable to the Congress and the American people for the funding of the Tongass National Forest. As evidenced by the General Accounting Office report—GAO-RCED-88-54—requested by Mr. STEVENS and myself, since 1981 the Forest Service consistently spent more Federal money than necessary for meeting the actual needs of the southeast Alaska timber industry.

For example, the funds provided by section 705(a) of the Alaska Lands Act resulted in the preparing of timber for sale well beyond anticipated market demand, constructing of 364 miles of surplus roads, and unnecessary precommercial thinning of 43,000 acres of cut over lands. It is my intent that the Forest Service lay out new timber sales along the unutilized or underutilized road systems built since 1981. Moreover, the Forest Service has consistently carried over unexpended balances of funds from prior fiscal years without apparent justification.

Clearly, the carryover function may have legitimate uses in the timber program; however, the Tongass Timber Program's carryover practices are not easily explained and the sums actually carried over each year have grown consistently since 1984. This practice increases the apparent demand for future funds and distorts Congress' ability to determine needs and budget priorities.

Mr. STEVENS. I agree with my colleague that the Tongass Timber Program deserves a careful review, although I am not sure that I can agree with the figures he has cited for road miles and acres of precommercial thinning. Let me point out that the GAO study took a snapshot of a time period during which the industry was in deep recession. The industry has now rebounded.

The implications of asserting that there are surplus miles of road in the Tongass are unclear. For example, increasing the return in timber per mile of road means either larger clearcuts or increasing the number of entries scheduled for a road system. In addition, I understand precommercial thinning to be an essential part of the intensive management plan for the Tongass, contributing to the supply of timber late in the 110-year harvest rotation. However, I intend to cooperate fully with Mr. PROXMIRE in exploring the implications of the concerns he has raised. I also agree with my colleague that the Forest Service's carryover practices deserve additional scrutiny.

Mr. JOHNSTON. I want to commend my colleagues, Mr. PROXMIRE and Mr. STEVENS, for their efforts to assist the committee in reaching a consensus on the controversy concerning the management of the Tongass National Forest. Because of their efforts and interests the committee has made substantial progress this year in understanding this complex and contentious matter.

In making its recommendation, the committee has tried to follow the following principles: To offer and administer Tongass timber sales at no greater level than to meet anticipated demands for Tongass National Forest timber; to reduce the backlog of fully prepared timber volume to be offered or sold to the degree practicable; to reduce the industry's inventory of timber under contract and unharvested to the degree practicable; and to reduce the average unit costs of supplying timber to reasonable levels to the degree practicable.

I want to take this opportunity to emphasize the committee's concern over the quality of information provided to Congress by the Forest Service. The committee urges the Forest Service to continue to work with interested groups to review and refine the assumptions underlying the Tongass Timber Program and the quantity of timber readily available to the timber industry.

Mr. JOHNSTON. Madam President, I note for the record that both Senators SHELBY and HEFLIN have a strong interest in the House-passed funding of $250,000 for the Sloss Furnaces national historic landmark in Birmingham, AL for historic preservation and interpretation.

I note that interest so that the record will be clear as to that, and we are similarly alerted for the conference.

Madam President, that leaves all amendments taken care of, except that there may be some on behalf of Senator MELCHER and there may be one on behalf of Senator EVANS.

I am not ready to say, "Going, going, gone, sold American," but we are very close to that. I think those are the last amendments to be considered.

At this point, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Madam President, I ask unanimous consent that the following amendments constitute the sole remaining amendments to be offered on this bill: An amendment by Mr. MELCHER on IHS, an amendment by Mr. MELCHER on Indian arts, an amendment by Mr. MELCHER on MHD, an amendment by Mr. MELCHER on Dull Knife, an amendment by Mr. MELCHER on Northern Cheyenne, an amendment by Mr. MELCHER on tort claims, an amendment by Mr. EVANS on hatchery research center, an amendment by Mr. NICKLES, and an amendment by Mr. DOLE which has already been offered, and an amendment which I am prepared to offer to that amendment.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. JOHNSTON. Madam President, reserving the right to object, I just inquire whether germane amendments to those will be required?

Mr. BYRD. I would hope not, and that an amendment to the Nickles amendment be in order.

Mr. McCLURE. Germane?

Mr. BYRD. A germane amendment to the Nickles amendment be in order, germane and relevant.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Madam President, I do not believe I will object, but I think the distinguished majority leader indicated the Dole amendment which is pending and there would be an amendment to that amendment. I think after having discussed with the majority leader there is not going to be any problem, but I am wondering as a matter of insurance if we might add one additional Dole sense-of-the-Senate amendment in case we cannot agree on the other. I do not think it will be offered.

Mr. BYRD. Could we both?

Mr. DOLE. Yes.

Mr. BYRD. Possibly the addition of a sense of the Senate of the amendment by Mr. DOLE and one by Mr. BYRD.

Mr. JOHNSTON. Madam President, reserving the right to object, and I shall not object, just simply to make clear, in reserving these amendments they need not necessarily come up and there is no time reserved for them. It is simply that all other amendments are not permitted other than these.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Madam President, I think I would strike the reference to relevancy and leave the word "germane" in the request.

The PRESIDING OFFICER. Is there objection to the majority leader's unanimous consent request?

Mr. BYRD. And that any technical amendments be included in the agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2616

(Purpose: To amend the 1989 Interior appropriations bill)

Mr. MELCHER. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 2616.

At the appropriate place in the bill add the following:

From the unobligated amount of previous appropriations available for irrigation construction for the Northern Cheyenne Reservation, the Secretary of the Interior shall transfer $34,000 to the Northern Cheyenne Tribe as a grant for the Dull Knife Memorial College.

Mr. MELCHER. Madam President, this amendment is one that I offer on behalf of the Dull Knife Memorial College. It is a tribally controlled community college on the Northern Cheyenne Reservation in Montana.

What the amendment accomplishes is this: It authorizes the transfer of $34,000 from an irrigation construction account for the Northern Cheyenne Reservation and transfers that money to the tribe as a grant for Dull Knife Memorial College.

It has been cleared by the tribe. This is what they request.

The point is that there is a shortage in the college funds and the irrigation fund simply cannot be used at this time.

I believe the amendment has been cleared by both sides.

I ask for its immediate adoption.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. McCLURE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Madam President, we accept this amendment which transfers $34,000 to the Northern Cheyenne tribe.

Mr. McCLURE. Madam President, I will not object to the amendment at this time. I do want to say to the Senator from Montana that we have not had an adequate opportunity to look into the merits of this transfer. I will not object to the amendment. That will give us the opportunity, as we go to conference, to check into the background and the merits of the transfer of funds and I would at least have an open mind with respect to it. I do not know of any reason to object. I simply have not had the opportunity to check. I have no objection to the amendment at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. MELCHER].

The amendment (No. 2616) was agreed to.

Mr. McCLURE. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2617

(Purpose: To transfer certain appropriated funds to the Institute of American Indian and Alaskan Native Culture and Arts Development for renovation of a building that is to be used as a museum)

Mr. MELCHER. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. MELCHER], for himself, Mr. INOUYE, Mr. BINGAMAN, and Mr. DOMENICI, proposes an amendment numbered 2617.

Mr. MELCHER. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 48, line 16, delete the period after the word "Reclamation" and insert the following:

Provided, further, That $332,000 of the funds appropriated under this heading, shall be transferred to the Institute of American Indian and Alaskan Native Culture and Arts Development if the Institute enters into an agreement before September 30, 1989, for the lease of (with an option to purchase) a building in Santa Fe, New Mexico, which has space suitable for use as a museum, classrooms, a cultural research and exchange center, and a retail gift shop, which shall remain available to the Institute until expended for the renovation of such building and for the relocation of the collection of the museum of the Institute to such building.

Mr. MELCHER. Madam President, I am offering this amendment on behalf of myself, Senator INOUYE, Senator BINGAMAN and Senator DOMENICI. The amendment assists the newly established Institute of American Indian Arts in Santa Fe. This spring the Institute of American Indian Arts was changed from the Bureau of Indian Affairs school to an independent, nonprofit, federally chartered college similar to Howard University. Control was transferred from the Bureau of Indian Affairs to a board of trustees appointed by the President. This transfer was accomplished as a result of legislation which I and others sponsored to save the school and develop the world-class educational institution dedicated to American Indian arts.

It is necessary to provide some opportunity for the board of trustees to get going on collecting the funds and getting the school in operation. The new board of trustees is charged with raising the money actually to develop the school, although the core funds will continue to be provided by the Federal Government through the Bureau of Indian Affairs budget.

I believe the amendment is very much needed and very appropriate at this time. It would simply get the school going.

Madam President, I am very pleased to propose two amendments on behalf of myself, Senator INOUYE, Senator BINGAMAN and Senator DOMENICI to assist the newly established Institute of American Indian Arts in Santa Fe.

This spring the Institute of American Indian Arts was changed from a Bureau of Indian Affairs School to an independent non-profit federally chartered college, similar to Howard University. Control was transferred from the Bureau of Indian Affairs to a Board of Trustees, appointed by the President. This transfer was accomplished as a result of legislation which I sponsored to save the school and develop a world-class educational institution dedicated to American Indian arts. This was necessary because the school, established 1962, had been run into the ground and was on the brink of closure.

The new Board of Trustees, on which I have the privilege of serving as one of the four non-voting congressional members, faces a huge task to realize the goals of the legislation. Although the core funding will continue to be provided by the Federal Government through the Bureau of Indian Affairs budget, the new Board of Trustees is charged with raising the money to develop the school. I am confident that, given time, the Board will be able to develop a school which will be recognized throughout the United States and the world as an institute of higher education in native American arts. However, it does take time to gear up for the massive fundraising campaign which will be necessary. For the most part, the Board can afford the time to build the Institute.

There is one area, however, in which the Institute cannot afford to wait. This involves a priceless collection of art and other objects which has been accumulated since the Institute was started. Pursuant to the enabling legislation, this collection is to be the focal point for a world class scholarly cultural research center. This collection has not been completely inventoried, but is estimated to be worth millions of dollars. It is a unique and amazing legacy of American Indian art.

The problem is that the collection is in danger of being lost and is unusable. It is currently stored on the grounds of the Santa Fe Indian School in an old WW II "bathhouse," a decrepit building which lacks fire protection, and cannot be readily accessed by students or scholars. Because of the dreadfully inadequate facility, the collection cannot be insured. The situation is so bad that the Board of Trustees, at its first meeting, declared the situation an emergency.

My amendment would enable the Board of Trustees to take immediate steps to transfer the collection to a building in Santa Fe which would be suitable for a museum, cultural research center, classrooms and a retail shop and which is currently available on a lease-purchase basis. The purpose of my amendment is to assist the Institute in transferring the collection and to make necessary renovations. The Board will still have to raise the funds to purchase the facility, as envisioned in the legislation, but the modest amount of funding provided under this amendment would enable them to immediately start on the museum and cultural research and exchange center mandated by the enabling legislation.

My amendment would transfer $332,000 from the BIA construction funds intended for facilities improvement and repair to BIA buildings to the Institute to be used for expenses associated with transferring the museum collection, provided that the Institute enters into a lease-purchase agreement in an appropriate facility. The $332,000 in my amendment would include $32,000 previously appropriated to install a fire suppression system in the building where the collection is currently housed. My second amendment would clarify that the Institute, as a Federal entity, is covered under the Federal Tort Claims Act, a provision which should have been included in the authorizing legislation, but as an oversight was not.

Madam President, this is a very modest amendment, yet it would make a world of difference to the future of the Institute of the American Indian. The Institute has identified a suitable building in Santa Fe which would be available for $5,000 per month which can be accommodated in the Institute's operating budget. Additionally, all the rental would go toward the purchase price which is approximately $1.5 million. This is a good opportunity for the Board to immediately take steps to comply with the enabling legislation and start building the Institute. I urge the Senate to accept the amendment.

I believe it has been cleared on both sides.

Mr. JOHNSTON. Madam President, will the Senator yield?

Mr. MELCHER. Yes, I am delighted to yield.

Mr. JOHNSTON. Madam President, I am pleased to tell the Senator that we have now cleared his amendment.

Mr. MELCHER. I thank the Senator.

Mr. BINGAMAN. Mr. President, I rise in support of the amendments offered by my friend and colleague, Senator MELCHER, which would provide urgently needed assistance to the Institute of American Indian and Alaska Native Culture and Arts Development.

For more than two decades, the Institute has sought to fulfill its congressionally mandated commitment to preserve and foster traditional Native American art and culture while also encouraging the evolution of contemporary and personal artistic expression. As a Federal institution, the Institute's unique ability to combine an unwavering education to Indian education, heritage, and culture has gained it an international reputation.

Now, as a newly chartered nonprofit institution with a Presidentially appointed Board of Trustees, the Institute has the potential for even greater achievement. But the Board, though possessing the dedication and commitment needed to lead the Institute into a new era of artistic and cultural growth, is faced with very serious challenges.

Upon assuming control of the Institute in June 1988, the Board discovered that the school suffered seriously from administrative neglect. I am pleased that the Appropriations Committee agrees with Senator MELCHER and myself that we in the Federal Government must work with the Board to rectify this unfortunate situation and that it has agreed to the adoption of these critical amendments.

These amendments alone will not solve the Institute's problems, but they will do much to preserve and enhance the continued viability of this important institution because they will help preserve one of the school's most valuable resources—its priceless collection of Indian art.

The Institute's art collection, which is one of the finest collections of modern and traditional Indian art in the Nation, has not been completely cataloged or valued in recent years and it is not insured. An old bathhouse, lacking in fire protection and sufficient security, serves as the Institute's museum and storage facility. It is a small structure without space for classrooms, which are essential to education and research efforts, and without adequate exhibit space.

These conditions are shameful and must be swiftly remedied. These amendments are a start. Through a small set-aside—$332,000—from the Bureau of Indian Affairs general facilities' improvement and rehabilitation funds, the Institute's Board will be able to begin efforts to safeguard the museum's collection. It is my understanding that the funds will be available to the Institute only if it enters into an agreement to lease facilities for a suitable museum, classroom, and cultural research and exchange center in Santa Fe, NM, where the Institute is now located. I further understand that this transfer from the Bureau's general funds to the Institute will in no way affect the transfer of any Federal funds for construction, repair and improvement of tribal irrigation and power systems, facilities, or housing.

With this understanding, I wholeheartedly support these amendments. To allow for the continued endangerment of this fine institution would be a shame, not only for the students whose artistic and educational opportunities would be stemmed, but for this Nation as a whole, which has been deeply enriched by the Institute's existence. I urge my colleagues to join us in support of these amendments. Thank you.

Mr. McCLURE. Madam President, we have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana [Mr. MELCHER].

The amendment (No. 2617) was agreed to.

AMENDMENT NO. 2618

(Purpose: To clarify that the Institute of American Indian and Alaskan Native Culture and Arts Development is a Federal entity for purposes of the Federal Tort Claims Act)

Mr. MELCHER. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. MELCHER], for himself, Mr. INOUYE, Mr. BINGAMAN, and Mr. DOMENICI, proposes an amendment numbered 2618.

Mr. MELCHER. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 100, on line 2, delete the period after the word "fund" and insert the following:

Section 1513 of the Higher Education Amendments of 1986 (20 U.S.C. 4420) is amended—

(1) by striking out "The Institute" and inserting in lieu thereof "(a) TAX STATUS.—The Institute",

(2) by inserting "; TORT LIABILITY" after "STATUS" in the section heading, and

(3) by adding at the end thereof the following new subsection:

"(b) TORT LIABILITY.—

"(1) The Institute shall be subject to liability relating to tort claims only to the extent a Federal agency is subject to such liability under chapter 171 of title 28, United States Code.

"(2) For purposes of chapter 171 of title 28, United States Code, the Institute shall be treated as a Federal agency (within the meaning of section 2671 of such title).

"(3) For purposes of chapter 171 of title 28, United States Code, the President of the Institute shall be deemed the head of the Agency."

Mr. MELCHER. Madam President, this amendment is also cosponsored by Senator Inouye, Senator Bingaman, and Senator Domenici and it has to do with the Institute in Santa Fe. What this amendment would accomplish is to clarify that the Institute, as a Federal entity, is covered under the Federal Tort Claims Act, a provision which should have been included in the authorizing legislation but, as an oversight, was neglected and not in the authorizing legislation.

Madam President, this is a very modest amendment, yet it would make a world of difference to the future of the Institute of American Indian Arts. The Institute has identified a suitable building in Santa Fe which would be available for $5,000 per month which can be accommodated in the Institute's operating budget. Additionally, all the rental would go toward the purchase price, which is approximately $1.5 million.

This is a good opportunity for the board to get going. This second amendment would permit some savings since the Institute would be treated under the Federal Tort Claims Act which would save them some money in insurance premiums.

I ask for the adoption of this amendment.

Mr. JOHNSTON. Madam President, would the Senator yield?

Mr. MELCHER. Yes.

Mr. JOHNSTON. As I understand it, the amendment pending before the Senate would treat the Institute of American Indian and Alaskan Native Culture and Arts Development as any other Federal agency in its coverage under the Federal Tort Claims Act. Thus, the Institute's liability relating to tort claims would be the same as that applicable for other Federal agencies.

Am I correct about the effect of this amendment?

Mr. MELCHER. The Senator is absolutely correct.

Mr. JOHNSTON. Madam President, it is a good amendment and we will accept it.

Mr. McCLURE. Madam President, we have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana [Mr. Melcher].

The amendment (No. 2618) was agreed to.

Mr. JOHNSTON. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2619

(Purpose: To delay the implementation of a certain rule affecting the provision of health services by the Indian Health Service)

Mr. MELCHER. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. Melcher], for himself, Mr. Inouye, and Mr. Daschle, proposes an amendment numbered 2619.

Mr. MELCHER. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 98, on line 12, after the word "Alaska" insert following:

Sec. . (a) The final rule published in the Federal Register on September 16, 1987, by the Health Resources and Services Administration of the Public Health Service of the Department of Health and Human Services, relating to eligibility for the health care services of the Indian Health Service, shall not take effect before the day that is three years after the date of enactment of this Act, and no action may be taken before such day to implement or administer such rule or to prescribe any other rule or regulation that has a similar effect.

(b) During the 3-year period described in subsection (a), the Indian Health Service shall provide services pursuant to the criteria for eligibility for Indian Health Services in effect prior to September 15, 1987.

(c)(1) The Office of Technology Assessment, acting in consultation with the Indian Health Service, shall conduct a study to determine the impact of the final rule described in subsection (a) and of any other proposed rules which would change the eligibility criteria for the services of the Indian Health Service.

(2) The study conducted under paragraph (1) shall include—

(A) full participation and consultation with Indian and Alaskan Native tribal governments, and representatives of urban Indian health care programs;

(B) statistics for each of the service areas of the Indian Health Service on the number of Indians who are currently eligible for the services of the Indian Health Service;

(C) statistics for each of the service areas of the Indian Health Service on the number of Indians who would be eligible for such services if the final rule described in subsection (a) or any alternative rules changing eligibility were implemented;

(D) consideration of the financial impact of such final rule or any other proposed rule on the contract health care budget and on the clinical services budget of the Indian Health Service;

(E) consideration of the health status, cultural, social, and economic impact on Indian reservations and urban Indian populations of such final rule or any other rule changing the eligibility criteria;

(F) consideration of the alternatives, if any, that would be available to those Indians who would not be eligible for such services by reason of any such final rule; and

(G) consideration of the program changes that the Indian Health Service would be required to make if the eligibility requirements for such services that were in effect on September 15, 1987, were modified.

(3) By no later than the date that is 2 years after the date of enactment of this Act, the Office of Technology Assessment shall submit to the Congress a report on the study conducted under paragraph (1).

(4) Before submitting to the Congress the report on the study conducted under paragraph (1), the Office of Technology Assessment shall provide Indian tribes, Alaska Native villages, and urban Indian health care programs an opportunity to comment on the report and shall incorporate the comments on such Indian groups into the report.

(d) The provisions of this section shall take effect on the date of enactment of this Act.

Mr. MELCHER. Madam President, I am offering this amendment on behalf of myself and Senators Inouye and Daschle. What the amendment would accomplish is to simply delay the implementation of a rule which the Department of Health and Human Services has promulgated to change the criteria under which Indians are eligible to receive health care from the Indian Health Service. This amendment is absolutely essential because, under the proposal that HHS has made, about 125,000 Indians would become ineligible for Indian health services. Most of these people could not afford any alternative health care.

In addition, the proposed rule would cause an unknown increase in the Indian Health Service contract's health care budget which is already seriously underfunded.

We have held hearings on this proposition. The tribes are unanimous in asking that the implementation of the rule be delayed until they can have some input in it. The contract hospitals are unanimous, also, in saying they do not know where they come out on this. They would like to see a delay, also, until further study can be given to the matter.

I ask the chairman and ranking member of the subcommittee to accept the amendment. I think they have had time to review it, and I understand it can be accepted.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Madam President, I wonder if the Senator from Montana might entertain a different thought, and allow the committee to approach the problem the way we did. There is a 1-year delay contained in the bill. Recognizing that this bill is a 1-year bill, we are dealing with an appropriation bill that deals with 1 year, and we ought not attempt to extend beyond the period for which the appropriation is made. The distinguished Senator from Alaska came to us with exactly the same request that is now pending in the amendment offered by the Senator from Montana and, after we discussed the matter with him in those terms, saying, "Hey, this is a 1-year bill, we ought not to be taking actions that extend beyond the parameters of the bill," he agreed to accept that along with the assurance that if, during that 1 year we find that we still have not resolved the problem and it still needs further moratoria for next year, that we would, again, entertain that kind of action again next year.

I wonder if that might not satisfy the requirements of the Senator from Montana.

Mr. MELCHER. I understand exactly what my friend from Idaho is saying. I happen to agree with it. I think a long period of time should be covered in authorizing legislation rather than appropriations bills.

I believe what the Senator is suggesting is that the language of the amendment be changed to be limited to 1 year, the prohibition against using any funds.

Mr. McCLURE. The bill as before us already has the 1-year moratoria in it. I would suggest the Senator withdraw the amendment with the assurance that if we need it next year we will entertain it again next year.

Mr. MELCHER. Might I inquire of the Senator if it is actually in the bill or if it is just reported out?

Mr. McCLURE. I believe it is in the bill language.

Mr. JOHNSTON. Madam President, it is my understanding it is in the bill as part of the administrative provisions. On page 97, lines 10 through 15 of the bill the language is required.

Mr. MELCHER. Might I inquire again, the reference? Page 97?

Mr. JOHNSTON. Madam President, the language reads:

> *Provided further,* That none of the funds made available to the Indian Health Service in the act shall be used to implement the final rule published in the Federal Register on September 16, 1987 by the Department of Health and Human Services relating to eligibility for the health care services of the Indian Health Service.

Mr. MELCHER. Madam President, do I have the floor?

The PRESIDING OFFICER. The Senator from Montana.

Mr. JOHNSTON. I yield the floor, Madam President.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. MELCHER. Madam President, and my colleagues, we will review the amendment we have offered. While it is true that this proviso contained in the bill would delay the implementation of the final rule that I referred to, the rule appropriately identified here which was published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, there are other points that we add in the amendment that I have offered that we may want to pick up.

I will withdraw the amendment at this point and present it shortly in a modified form.

The PRESIDING OFFICER. Is there objection? Without objection, the request of the Senator is agreed to.

AMENDMENT NO. 2620

(Purpose: To provide additional appropriations for the magnetohydrodynamics program)

Mr. MELCHER. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

> The Senator from Montana [Mr. MELCHER] for himself, Mr. BAUCUS and Mr. GORE, proposes an amendment numbered 2620.
>
> On page 87, line 11, strike out "357,019,000" and insert in lieu thereof "$354,019,000". On page 85, line 20 strike "$367,829,000" and insert in lieu thereof "$370,829,000". On page 86, line 10, strike "$37,900,000" and insert in lieu thereof "$40,900,000".

Mr. MELCHER. Madam President, I am offering this amendment on behalf of myself, Senator BAUCUS and Senator GORE, to restore the amount of funding recommended by the Interior Subcommittee for magnetohydrodynamics or the MHD Program under the Fossil Energy Research and Development Program in the Department of Energy.

I would like to point out the advantages of MHD power generation. MHD is a process which converts thermal energy directly to electric power by burning coal 50 percent more efficiently than any existing technology. That is, each ton of coal burned in an MHD facility would produce 50 percent more power than coal burned in a conventional plant that we now use. Any grade of U.S. coal can be utilized and the technology can be adapted to upgrade existing power plants.

MHD also represents the best technology for addressing the environmental concerns associated with burning coal for electric power generation. Experiments performed at DOE's MHD coal-fired test facility at the University of Tennessee have demonstrated that the MHD technology reduces: (1) sulfur dioxide emissions to ⅐th of the EPA requirement; (2) nitrogen oxides to ⅓ of the EPA requirement; (3) particulates to ⅔ of the EPA requirement.

So, all in all, the reduction in sulfur dioxide emission, reduction in nitrogen oxide emissions, reduction in emissions of particulates are dramatically lower than the EPA requirements call for. Carbon dioxide, a major cause to the "greenhouse effect" on the ozone layer, would be reduced by 35 percent in an MHD powerplant. These are highly significant results showing that MHD offers a sound high technology solution to the environmental problems which are of concern to the Nation.

In short, MHD is the best near-term solution for burning coal cleaner to address environmental problems associated with coal-fired electrical generation and for an energy policy which is concerned about more efficient coal useage.

We are moving very close to the commercial application of the MHD technology. It is imperative that Congress provide the necessary funding for commercialization and the MHD retrofit of existing powerplants planned for the early 1990's. According to the subcommittee and industry, $40.9 million is necessary in fiscal year 1989. This would support the critical elements of the testing: The power train testing at the DOE component development integration facility in Montana; the environmental and bottoming cycle work at the DOE CFF facility in Tennessee; and the very important diagnostic instrumentation and modeling at Mississippi State University.

Madam President, the industrial contractors who are cost-sharing this program in Massachusetts, California, Ohio, Pennsylvania, Mississippi, Montana, and Tennessee, are also doing development work preparing the equipment to be tested at the Government facilities. All this activity will provide the data needed to design and construct the commercial retrofit.

Approximately 25 percent of the amount appropriated by Congress is provided, or met, in a cost-sharing program by private entities. The amount appropriated, which we are suggesting should be $40.9 million, which is also the amount that the subcommittee and industry find necessary, will be matched by a $10 million cost-sharing of funds by private industry.

Madam President, my amendment will restore the MHD appropriations to the essential level recommended by the subcommittee by transferring $3 million from the energy conservation program element earmarked in report language for the Stirling engine program to the Fossil Energy Research and Development Program for MHD. This is what the subcommittee wisely recommended, but which was changed in full committee. I would like to bring it back to where it was as the subcommittee approved it.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Madam President, the subcommittee recommended to the full Committee on Appropriations the level of funding; that is, $40.9 million in MHD as proposed by the Senator from Montana. We did so because with the full funding, we actually save money in the long run because of the program economics in conducting the program at the faster pace, which the $40.9 million would permit.

As I understand it, a deletion of $3 million would delay the program for about 1 year.

So, therefore, we recommended to the full committee the higher level of funding, and we did not have funding for the Stirling engine even though we have had Stirling engine money in for some years and have spent over $140 million total on the Stirling engine which, indeed, did seem to offer great promise technologically.

We had very high hopes for it. However, it has not, up to this point, received any takers, as far as its commercialization is concerned, even though a number of working models have been made.

Nevertheless, Madam President, with that recommendation to the full committee, we had a rather extended debate in the full committee on this matter and it was the will of the full committee, even though a formal vote was not taken, I think it is safe to say it was a consensus, if a divided consensus, that the Stirling engine be funded for 1 additional year and, hence, the amendment in the full committee.

On the one hand, Madam President, I am here to state what our recommendations from the subcommittee were, and that is in favor of the Senator from Montana. On the other hand, I am here to defend the action of the full committee, which is in favor of the Senator from New York [Mr. D'AMATO] whom I see has just arrived on the floor.

At this point, I will, therefore, Madam President, step off this arena and let these two titans fight this matter out on their own.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Madam President, I am thankful to the senior Senator from Montana for his amendment. I will be brief. I will not take much time.

I join my colleague from Montana in offering this amendment. The amendment would simply restore the level of funding appropriated by the subcommittee.

But this is not a simple amendment.

The long term implications range from the environmental concerns of acid rain and our commitment to Canada to global warming and the depletion of the ozone to international competitiveness and the United States' race with the Russians in developing and marketing MHD technology.

I am speaking today on the topic of magnetohydrodynamics, MHD, that you have heard me speak about previously.

I am revisiting this topic because this issue is of key national importance. You might think of MHD as a Montana project and it is. But it is also a national project with diagnostic testing in Mississippi, the construction of super-conducting magnets in California and other testing in Massachusetts, Pennsylvania, Tennessee, and Florida.

All these States have roles in developing MHD technology. But MHD has even a broader role: Namely, to provide a power generation technology for the nineties and on into the next century.

MHD technology generates electricity through high temperature, 5000 degrees F, gases flowing through a super-conducting magnetic field. MHD is a technology that has applications in central power generation plants from 200 MWe to over 1000 MWe and pulse power that can be used for military purposes or for seismic or geological exploration. Combined with a nuclear-powered heat source, MHD is being evaluated for space power needs. So MHD for power production is a versatile technology.

That is one reason it is so important to this Nation's energy needs. But MHD technology has much broader benefits.

The environmental benefits of MHD as a central power generating facility or for retrofitting current powerplants are significant.

Compared to the allowable emissions using high sulphur coal, MHD will emit about ⅓ the particulate, ⅙ the SO2, ⅓ the NOx, less than 1/10 the hydrocarbons, with 35 percent less carbon monoxide, and ⅙ less carbon dioxide. In these days of national and international concern with acid rain and global warming, the environmental benefits of MHD are indeed significant.

There is also another national interest of vital importance.

It is estimated that Russia has a 10-year lead in MHD technology. They have larger plants with more operating time than we, and are building plants that will provide 500 MWe to their load base. The Soviet's expect to operate commerical-size MHD plants by the mid 1990's. Furthermore, it is very likely that under Gorbachev, Russia will market MHD powerplants worldwide.

Not only Soviets, but the Italians, Israelis, Australians, Indians, Japanese, and the People's Republic of China all have active MHD programs. The Italians in particular have an aggressive program to modernize older plants by adding MHD units to existing installations.

MHD is a high technology that we must accelerate in order to attain competitiveness in the world market. It is a technology that is exportable.

We need to continue our national commitment.

So with all these pluses for MHD why am I revisiting with you on this issue? In the past it has been Congress' foresight, and particularly the Senate's direction, that has enabled MHD to remain as an energy technology option for the United States. We cannot let this support falter. We need to complete our job of making MHD a competitive, flexible and exportable technology all of which can be done with improved environmental benefits.

That is why I have joined my colleague from Montana to urge you to support this amendment.

Madam President, I would like printed in the RECORD some additional materials on environmental benefits of MHD and an article from the June 23 edition of the Energy Daily. I thank the subcommittee chairman and the ranking minority member for their continued support of MHD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MHD INDUSTRIAL FORUM,
Washington, DC, June 30, 1988.

Hon. MAX BAUCUS,
U.S. Senate,
Washington, DC.

DEAR SENATOR: I am enclosing an article that appeared in the June 23, 1988 edition of the Energy Daily.

You will note that the reported "snag" in the Soviet Union's MHD program is caused by a deficiency in Soviet superconducting magnet design capability. Their problems are not related to MHD technology and the Soviets expect to start-up a 500-MW MHD plant in 1992.

The Soviet MHD activity was described by representatives of the U.S.S.R. MHD project at the "26th Symposium on the Engineering Aspects of MHD" last week in Nashville, Tennessee. Considered the most important MHD conference, it attracts scientists, engineers, and energy officials from around the world. According to the Soviets, their MHD topping cycle activity has been delayed because of their inability to construct a superconducting magnet. However, they continue to operate the MHD bottoming cyle unit completed last summer.

The story confirms what my colleagues and I have been telling the Congress and the DOE. The Soviet Union's MHD development progress is much further ahead than ours and they will be operating commercial sized MHD plants in the mid-1990's. Furthermore, it is very likely that under Gorbachev they shall be marketing MHD powerplants and components world wide.

There is an irony in the Energy Daily story. Superconducting magnet technology is well developed in the United States and poses no threat to our MHD program. In fact, basic MHD technology in the United States is much superior to the Soviet's in areas such as electrodes, coal combustors, seed regeneration and power conditioning.

Nonetheless, as they have done so often in other areas, the Soviets will be satisfied to use less than perfect technology providing it is adequate to meet their goals; in this instance, a 500-MW MHD plant to be followed by a 1,000-MW MHD plant.

The United States has an excellent opportunity to overtake and surpass the Soviet Union in MHD while the Soviets are developing a superconducting magnet design and construction capability. To achieve this, the United States must at least maintain the present DOE/industry proof-of-concept (POC) program, which will provide the engineering data base required to retrofit an MHD unit to an existing commercial power plant in the early 1990's. In light of this unique opportunity, I encourage you to support the Senate fiscal year 1989 MHD appropriation level of $37.9 million.

Thank you for your consideration.

Respectfully yours,

VINCENT J. COATES, Jr.

P.S.: I also am enclosing data from a recent University of Tennessee study showing the impact MHD could have on reducing CO_2 emissions, a major contributor to the "greenhouse effect". This unique opportunity highlights the urgent need for a fiscal year 1989 MHD Appropriation level of $37.9 million as recommended by the Senate Appropriations Committee.

[From the Energy Daily, June 23, 1988]

SNAGS IN SOVIET MHD PROGRAM

(By Paul Remezis)

NASHVILLE, TN.—The Soviet Union's magnetohydro-dynamics (MHD) program, which is considered to be the most advanced in the world, has been seriously delayed by problems with low temperature superconducting magnets. The Soviets have been unable to manufacture superconducting coils for the magnet to be used in the 600-megawatt Ryazan MHD plant, Valentin Kovbasyuk, head of the MHD division of the Institute for High Temperatures in Moscow, said. Kovbasyuk is attending an MHD symposium here this week.

Earlier this year, Soviet scientists designed a replacement magnet that uses superconducting plates instead of coils. A decision by the Soviet government on whether to continue work on the Ryazan project is expected by the end of the year.

The plant, which is the centerpiece of the Soviet program and the largest MHD plant anywhere in the world, was due to be fully operational by this year. But technical problems have delayed the start-up until at least 1992.

The Ryazan plant was designed to demonstrate the MHD technology in a simple form and to lead the way to a massive coal-based MHD program. Plans have been drawn up for a giant new powerplant in the Moscow region, with four separate 1,000-megawatt MHD coal-fired units. But it appears that this project will be shelved until Ryazan's problems are solved.

This year, for the first time, opposition to the MHD program has surfaced in the Soviet Union. Rival engineering groups, which favor combined cycle gas turbine-steam generators for the next generation of power technology, have used the problems at Ryazan to attack the MHD effort.

The problems that MHD is encountering in the Soviet Union could cast a shadow over all MHD work, observed Susan Wu, a consultant for Engineering Research & Consulting, Inc. in Tullahoma, Tennessee. "We have to make clear that their problem is with the magnet, not with the MHD itself," she emphasized.

U.S. experts conceded only recently that the Soviets have a 10-year lead on the U.S. in MHD technology. But they add that they began to suspect problems two years ago, when Soviet scientists began to sound vague about their progress at Ryazan.

They also think that the same problems will not surface in the U.S. program. "We would have no trouble building such a superconducting magnet," said Peter Marston, head of the magnet group at the Massachusetts Institute of Technology plasma fusion center.

DATA FROM THE UNIVERSITY OF TENNESSEE ON POC PROGRAM

MHD power generation is a method of producing electric power by using a high temperature gas to replace the rotating equipment used in conventional plants.

DOE's *Second Report to the Congress on Emerging Clean Coal Technologies* in May 1987, stated the technical, economic and environmental benefits of MHD power generation as well as the cost and other advantages that would derive through retrofittng existing power plants with MHD retrofit units. The report concluded that "the construction of MHD retrofit power plants appears to be a natural progression in MHD development after the satisfactory completion of the Proof of Concept program."

During 1987 DOE awarded four major multi-year contracts (Table 2) to implement this Proof of Concept Phase [POC] of MHD development. The POC implemented the DOE "Redirected MHD Program" plan formulated by DOE in consultation with industry and submitted to Congress in 1984.

Table 1 shows the funding level industry considers necessary to complete the POC program on schedule in 1992, while satisfying the requirement of Public Law 99-190 that cost-sharing increase each year.

Table 1

Fiscal year:	*Millions*
1988	$35.0
1989	40.9
1990	43.0
1991	40.0
1992	29.0
Total	187.9

The impact of maintaining the current year's $35 million budget in FY 89 instead of increasing it to $40.9 million is shown in Table 2. Note it will add an additional $28 million to the cost of the POC program and will add one year to the schedule shown in Figure 1.

TABLE 2.—FISCAL YEAR 1989 FUNDING LEVELS

	Prime contractor	$40,900,000	$35,000,000
Topping cycle	TRW, California & CDIF, Montana.	$28.0	$22.6
Bottoming cycle	Babcock & Wilcox, Ohio & CFF, University of Tennessee Space Institute.	11.4	11.0
Seed recovery/ regeneration.	Babcock & Wilcox, Ohio.	.2	.2
Retrofit conceptual design.	Westinghouse, Pennsylvania & MHD Development Corp., Montana (1 contract each).	.4	.4
Program support and HQ costs.		.9	.8

Table 2 assumes that the Seed Recovery/Regeneration and the Retrofit Conceptual Design contracts, now in progress, would not be affected and would be completed on schedule. Also, that the hardware design and fabrication for the bottoming cycle would be unaffected since they are relatively low cost items and work is well underway. A reduced budget in FY 89 would delay the installation and checkout of this hardware at the Coal Fired Flow Facility [CFFF] and would extend the Bottoming Cycle program one year. A significant cost item in FY 89 Topping cycle program is the purchase and fabrication of hardware needed for components to be tested in the Component Development and Integration Facility [CDIF]. If the FY 89 budget were to be less than the proposed $40.9 M level, the fabrication of hardware would have to be postponed until FY 90. This would delay the completion of the Topping Cycle Program until 1993 and add $28 million to the POC development program.

In spite of DOE's three year delay in starting the POC program, the private sector has continued to meet its obligations. There is wide-spread concern as to the government's reliability as a partner. More delay will only contribute further to this attitude. More importantly, it will delay the U.S. program at a time that the Soviet Union expands its lead in MHD technology and other countries increase their activity.

Mr. BAUCUS. In summary, MHD is a new, emerging clean coal technology this country needs. We all know that various other countries have been much more aggressive in developing new energy technologies. We Americans have to be even more aggressive than we have been in the past in developing our own national energy policy through technology advancement. MHD is one such technology.

What is MHD? MHD very simply is a process where coal gas is heated to very high temperatures; it is ionized; it is shot through a magnetic field, and the result is the generation of electrical power. It then is added on to conventional power generation. The net result is much more efficient use of coal. That is what MHD is.

Second, it is exceedingly important because, not only is it more efficient, but it generates per unit of output much less noxious fumes and gases. That is, environmentally it is a very admirable technology. MHD emits one-third less the particulate compared with conventional-powered plants; one-sixth the amount of SO_2; one-third the amount of NO_x; less than one-tenth the hydrocarbons; with 35-percent less carbon monoxide and less than one-fifth the carbon dioxide compared with conventional coal-fired plants. Major advances.

In these days of global warming, of stratopheric ozone depletion, with working out agreements with Canada to try to cut down acid rain, we all know we have to develop new technologies to make the air more clean. Beyond the environmental benefits of MHD, we need to remain competitive with the various other countries who are aggressively developing MHD technology. The Soviet Union has a 10-year lead in MHD technologies. Other countries, too, are developing MHD. Besides the Soviets, the Italians, Israelis, Australians, Indians, Japanese, Peoples' Republic of China all have very active MHD programs.

You may hear the argument, with a pure laissez-faire marketplace idea, the Government should not be involved. The point is, Madam President, we are in a race for economic development, for the development of new technology with other countries. Seventy-five percent of the economy in the world today does not know what laissez-faire, free market means because they are countries actively promoting and developing their technologies.

I suggest the Senator from Montana has an excellent amendment. It restores the previous level—that is all it does—so that we Americans can compete with other countries in developing new, emerging technology.

For the life of me, I do not understand the opposition to it because it is clear this technology, among some other technologies, has to be developed so we can compete with other countries. I yield the floor.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Let me attempt to briefly respond to the Senator from Montana. We had attempted to, I believe, in the entire committee, forge a compromise as it related to the Stirling engine and to this coal program that the Senator from Montana talked about.

The fact of the matter is, the administration has not asked for one penny. The committee saw fit to put some $40 million in. The fact of the matter is that we struck what I thought was a rather fair bargain by seeing to it that for the last time, some $3 million would be invested in a program that this country has already invested $141 million in. We wanted to give them at least one opportunity to see whether or not that $141 million could result in something positive not only for the Stirling engine, but as it related to the United States of America being paid back on the investment that it has made for many, many years.

When we are asking for a reduction of a program that will still permit $37 million, as it relates to taking $3 million that will kill a program and add back $3 million, I want to suggest that at the very least I think that our colleagues who offer this amendment should have talked to us instead of zeroing out a program. This is the question of the death of one program as opposed to an enrichment beyond that which is contained in the Senate bill and $5 million more than that which is contained in the House and $40 million over and above that which was requested in the budget.

Mr. MELCHER. Will the Senator yield?

Mr. D'AMATO. Certainly, for a question.

Mr. MELCHER. I thank my colleague for yielding. He just asked why would we not come and say something to the Senator from New York about this amendment we are offering?

Mr. JOHNSTON. Mr. President, will the Senator yield? I hate to interrupt him, but I think I may have a solution to the problem.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from New York retains the floor.

Mr. D'AMATO. I will be happy to yield.

Mr. MELCHER. Might I just clarify this point? The amendment was made in the full Committee on Appropriations by the Senator from New York taking the money out of MHD for Stirling without any notice, any discussion with myself or my colleague, Senator BAUCUS, or others who are interested in MHD.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. D'AMATO. Certainly.

Mr. JOHNSTON. I think, Madam President, we can find a way to accommodate both Stirling engine and MHD by transferring this $3 million from another account, that is, $1 million from coal liquefaction and $2 million from surface coal gasification.

I tell my colleagues that it is going to be a tough conference, and we will take the matter to conference, but I think by putting in this amendment we can serve both parties. So if the Senators would give us just a few moments, we will prepare that amendment, if that meets with the satisfaction of everyone. As I understand it, the only number that has to go up is the MHD number, which we would bring up to the $40.9 million, which was in the original subcommittee position. We will prepare that amendment.

I yield the floor.

UNANIMOUS-CONSENT AGREEMENT—DOD AUTHORIZATION CONFERENCE REPORT

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. DASCHLE). The majority leader.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate considers the Defense Department authorization conference report, H.R. 4264, it be considered under the following time limitation: 5 hours for debate under the control of Mr. QUAYLE, 1 hour under the control of Mr. WARNER, 1 hour under the control of Mr. NUNN, making a total overall of 7 hours, and if there is a motion to recommit, the time for debate on that motion to recommit come out of the 7 hours.

The PRESIDING OFFICER. Is there an objection?

Mr. QUAYLE. Reserving the right to object, could we have the motion to recommit with instructions?

Mr. BYRD. Motion to recommit with instructions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. I thank all Senators.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

The Senate continued to consider the bill (H.R. 4867).

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I send a modification of my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] modifies amendment 2620 as follows: On page 86, line 10, strike "$37,900,000" and insert in lieu thereof "$40,900,000".

The PRESIDING OFFICER. Is there an objection to the modification?

Hearing no objection, the amendment is so modified.

The amendment, as modified, is as follows:

On 86, line 10, strike "$37,900,000" and insert in lieu thereof "$40,900,000".

Mr. MELCHER. Mr. President, I think this is a very fine resolution of the problem with which we were confronted—a reduction in MHD funding between the subcommittee action and the full committee action. I am very pleased with it and I thank the chairman of the subcommittee and the ranking member and the Senator from Iowa for his assistance and suggestions in this matter.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I, too, thank the Senator from Louisiana. I think it is a good solution, and I appreciate the senior Senator from Montana bringing up this amendment. I thank all Senators.

Mr. JOHNSTON. I thank the Senators.

Mr. President, the Senator from Idaho, the ranking minority member, is presently off the floor. I am highly confident he will approve of this maneuver, but I would like to get his OK before we finally approve the amendment. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Idaho.

Mr. McCLURE. Mr. President, I have been advised that there is an agreement as to how this funding for the MHD program can be restored without taking it out of the Stirling engine program, and I say that because the Senator from New York, now on the floor, was very insistent in the committee that the Stirling engine be funded. I take the time of the Senate at this point only to indicate once again what he promised us in the committee: only one more time. Is that not correct?

Mr. D'AMATO. Let me say, Mr. President, to the managers of the bill that I have indicated—and I mean to keep that commitment—that this Senator will not ask for any further consideration. They have run it out. I think this will give them ample opportunity, this additional year and this funding of $3 million, and this is the last of it. I hope they can make it pay because we have invested over $140 million. But that is correct. For the record, let me say this is the last time this Senator will press this. Indeed, I think we have taken it far enough.

Mr. McCLURE. Mr. President, I thank the Senator from New York for that statement, which is precisely what he said to us in the committee and he said it in private conversations outside. But as the Senator from New York knows, the Senator from Idaho believes the Stirling program has matured to the point where if it cannot be commercialized now, it will never be commercialized, or at least not in the immediate future. This amount of money that we included in the bill as a result of the efforts of the Senator from Iowa and the Senator from New York is certainly going to give them 1 more year in which to achieve that success in the commercial marketplace which has eluded them up until now.

That was the judgment of the committee. I support that judgment as the compromise that is always reached as we try to bring these to a conclusion.

I also say to my friend from Montana, the Senator knows that I believe the MHD Program ought to have more private sector participation than it has had. It, too, has had the investment of an awful lot of money over a long period of time, and there are certain periods in our history when we need to recognize that we have done about as much as we can do by Government research. If it cannot move into the private sector and be commercialized, we are not going to advance it by the continuation of Federal expenditures.

Now, that can be said in a lot of different places. It is certainly not true of every place that we spend research money, but I think it is equally applicable to both the Stirling engine and the MHD Program.

Mr. HARKIN. Will the Senator yield on that point?

Mr. McCLURE. I will be happy to yield.

Mr. HARKIN. I appreciate the Senator's comments and essentially agree with his view of the agreement that was reached on the committee level.

This Senator raised at the committee level also the prospect of taking a very hard look at the Turbine Program next year.

Now, those two, the Stirling Program and the Turbine Program, have been going down the same track all these years, but the focus seems to be on Stirling. Yet it is the Stirling engine that has met every one of the performance criteria. It is the one that has met every one of the points of performance along the way, and not the turbine, and yet the turbine is still being funded. No one is saying anything about it.

Mr. McCLURE. Mr. President, I think the Senator from Iowa has put his finger on a very real situation that does exist. But he also points to facts that distinguish the two programs. Yes, indeed, we will take a look at the Turbo Program again next year and look at the progress that has been made in the year to determine whether or not we should go forward.

But I will point out that the very difference the Senator put his finger on is perhaps the justification for treating the two programs differently. The Stirling Program has met all of its targets. There is no more real development work to be done. It simply is a matter now of persuading someone in the private sector that they ought to take this proven program and move it on the Turbine Program. On the other hand we continue to run through a series of developmental problems with respect to materials. Because it has not met its targets, because of those materials problems, it perhaps is not yet as mature as is the Stirling Program and therefore may need some extension. I will not disagree with the Senator, however, that we ought to look at it carefully. I agree with him fully on that.

Mr. HARKIN. I thank the Senator. I do not mean to get into a long, drawn-out debate on this issue. I think I basically agree with what the Senator has said, although I find it somewhat curious that we have a program that cannot meet its goals and we continue to fund it. As we say, that is the end of it.

Mr. McCLURE. I think that is precisely what we do with the research moneys; that we try to take one of these programs and move it to the point where it can fly on its own, and expect it to while those others that cannot fly on their own we continue to try, if it has enough promise, to provide some funding.

Mr. HARKIN. There are programs in terms of cost sharing with private industry to get certain technologies moving in the marketplace that we believe will be in our national interests, our economic interests, our national security interests, savings of fuel, providing fuel convertibility, and all of those things.

I would point out to the Senator that several years ago, well it may be now 10 or a dozen years ago, we funded a lot of cost sharing with private aircraft engine manufacturers to manufacture the quiet engine. I am sorry I cannot remember the exact name of it. But the superquiet jet engine. The engine was built, it is being used, and they are flying them on 757's at international airports. It meets all the noise requirements, and that money is being paid back to the Government. I do not think that is such a bad arrangement. That is what I see maybe as the next step in the Stirling. If private industry can take the technology and move it we might want to do a little bit of cost sharing if in fact they will pay back to the Government any investment the Government has done.

So I agree with the Senator that the basic research is over with but there still is a gap between the research and real commercialization, getting it into that marketplace out there. We have done it in the past with a number of other things that have proven out. This may be one where we might want to look at it from that aspect next year and the year after.

Mr. McCLURE. Mr. President, I think it is fair to say that the success of the Stirling engine will be written in the ability of the private sector to assimilate what has been done in the research program, and to put it into commercial application. If a year from now we see no prospect of that being done any more than we can see it at this moment, this Senator is going to be very skeptical about continuing Federal participation in the program. But I think the arrangement which has been worked out satisfies what the committee says. It is not an act which I originally supported but the majority of the committee did support it. I think this carries out what the committee set out to do. It does so in an acceptable manner.

I urge the adoption of the amendment, as modified.

Mr. HARKIN. Mr. President, I want to add my thanks to the distinguished chairman, Senator JOHNSTON, for reaching this agreement. And also I thank my colleague from Montana who reached this agreement. I also thank the distinguished majority leader for helping us out in this regard.

I think it is a good compromise and one that we can all live with. Again, I thank Senator JOHNSTON for his help in this matter.

Mr. JOHNSTON. Mr. President, I thank the distinguished Senator from Iowa, and I also urge him to use all of his contacts and influence with the House counterparts on the conference committee because this is sure to be a contentious issue there. I want to alert him to that. We will need all the help we can get on the issue.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Montana [Mr. MELCHER].

The amendment (No. 2620), as modified, was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I understand with the passage of this amendment that constitutes all of the amendments that the distinguished Senator from Montana, Mr. MELCHER, has, and the other amendments we can take off the list. Is that correct?

Mr. MELCHER. If the Senator will yield, Mr. President, that is correct. I reviewed the one on the Indian Health Service regulations, and having withdrawn the amendment I do not wish to offer any portion of it as I had earlier proposed. I think it is better off just leaving the language that is in the bill now as it refers to the IHS regulations.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the unanimous-consent agreement be so modified to exclude the Melcher IHS and the Melcher northern Cheyenne amendments from the list. Excuse me, nothern Cheyenne has been agreed to. So no further Melcher amendments will be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, before the distinguished majority leader brings up his amendment, I would simply like to put Senators on notice that Senator NICKLES, who has a reservation, will bring up in due course an amendment relating to the lease-sale in Florida. We hope to ask for a time agreement of 1 hour equally divided at a later time after we have spoken to all parties. But I would like to take this means of asking Senators if that is suitable. It relates to the prohibition of drilling on an area already leased off the Florida coast, approximately 90 miles from Dry Tortugas.

So that amendment will be coming up later. I understand at the present time we will move to Contra, and then there is the Evans amendment. So there are only two further amendments. There are only two non-Contra, nonleadership amendments in order, and those are the Evans Hatchery Research Center amendment and the Nickles offshore leasing amendment.

SMALL TRIBES CORE MANAGEMENT FUNDING

Mr. INOUYE. Mr. President, I have discussed a matter of great importance to many of the small tribes of this country, with my colleague, Senator JOHNSTON. We recommend that $1 million be restored to the Small Tribes Core Management Program within the Bureau of Indian Affairs which will retain those program activities at the same level as in fiscal year 1988. In fiscal year 1988, the Small Tribes Core Management funding was $3,800,000 and the President's request is for $2,800,000 which was further recommended by the Senate. We are convinced that last year's funding level is a much more accurate representation of the need. There are many small tribes who receive relatively small amounts of program funding out of this account to manage their tribes, however, this limited funding does make a great difference in enabling tribes to provide a vital service in carrying on the central business of the tribal government.

Mr. JOHNSTON. Mr. President, I concur with this recommendation and will urge the conferees on the Interior appropriations bill to address this important issue. I understand that the Senator from Hawaii does not seek additional funds for this project beyond the amount provided in the bill for Indian services. There are a number of differences between the House and Senate regarding Indian affairs that will need to be resolved in conference. I will work with the conferees to see if we can address small tribes core management grants in the reallocation of funds.

Mr. INOUYE. I thank the distinguished Senator for clarifying congressional intent to wisely utilize and extend appropriations to those projects most in need.

WATERFOWL HUNTING REGULATIONS

Mr. DURENBERGER. Mr. President, in reviewing the report accompanying the fiscal year 1989 Interior appropriations bill it is unclear whether additional funds will be made available to enable the Fish and Wildlife Service to procure a helicopter to enforce waterfowl hunting regulations in the Lower Mississippi River Valley. The aircraft is needed to improve the Service's ability to prevent massive illegal duck kills similar to that which occurred earlier this spring.

As the distinguished chairman and ranking member may recall, the illegal killings provoked quite an outcry from sportsmens groups and environmental organizations. One group in particular—the Izaak Walton League—went so far as to establish a helicopter fund to help finance the Service's purchase of a helicopter to enforce current waterfowl hunting regulations. To date, over $200,000 has been raised, but I am told that the cost of the helicopter is $650,000. If we have to rely on private contributions to finance the entire cost, purchase of the helicopter may come too late to halt a repeat of this past springs illegal hunting.

My question to the ranking member is whether he would be willing to help us find a way to assign one of the aircraft available to the U.S. Department of the Interior to the Fish and Wildlife Service for management and enforcement related to wintering waterfowl. I imagine that this assignment could be limited to the wintering season if the Secretary is pressed for the use of the aircraft.

Mr. McCLURE. Mr. President, as the Senator knows from previous correspondence, the committee was not able to earmark $1 million for the purchase of the helicopter at issue here. The committee reported bill includes a provision adopted specifically at the request of the Senator which permits the Service to accept the donation of a new aircraft this year.

In the meantime, I think it is reasonable to pursue the Senator's suggestion. While I know that the Secretary has definite plans for the aircraft he has available this year, it may be possible for him to assign one on a part-time basis to the Service for the purposes outlined by the distinguished senior Senator from Minnesota. I will work with the Senator and see if we can't accommodate his needs in the future.

Mr. DURENBERGER. Mr. President, I thank the Senator for his willingness to consider this matter. It had been my hope that the Department would not need a new helicopter to enforce hunting regulations in winter nesting sites, but that appears to be the case. And it is unfortunate that raising funds from private sources for the helicopter has proven to be such a difficult undertaking. But those are facts. Without this helicopter, we can expect continued illegal killings of waterfowl at winter nesting sites. I stand ready to work with the committee to find a sufficient response to this tragic problem.

Mr. ADAMS. Mr. President, today as the Senate considers the proposed 1989 Interior appropriations bill, I hope that my colleagues will give careful consideration to the effect of Forest Service funding on the future of our ancient forests. These once vast tracts of huge trees are rapidly diminishing in the face of continue harvesting by the Forest Service and private logging companies.

Our national forests were intended to be managed under a philosophy of multiple use, in which timber harvesting is balanced with other programs, such as recreation, land acquisition, and wildlife enhancement. However, Forest Service budgets have emphasized timber harvests, often to the detriment of the noncommodity programs. I think it is time to instill balance to this budget, in order to reflect true multiple use.

I recently joined with 32 of my Senate colleagues in expressing concern over this historic imbalance in the Forest Service budget. Specifically, we urged a cut in the road construction budget to favor the noncommodity programs. Unfortunately, the Senate Appropriations Committee approved only a minimal cut in the forest road budget.

The need to protect our ancient forests is not based solely on their magnificent beauty, but also in their value to the surrounding ecosystem. Old growth supports a wide variety of life beneath its multilayered canopy, including such species as the spotted owl, the goshawk, and the fisher. We owe it to future generations to ensure that significant portions of these ancient forests are preserved for their enjoyment and use. I would hope that my colleagues will recognize this obligation and fulfill it by urging the Forest Service to reduce its timber harvest levels.

Mr. DOLE addressed the Chair.

The **PRESIDING OFFICER**. The Republican leader.

AMENDMENT 2579

Mr. **DOLE**. Mr. President, under the unanimous-consent agreement I think it is now in order for me to call up the Dole amendment.

The **PRESIDING OFFICER**. The Republican leader has the right.

The amendment is now pending.

Mr. BYRD addressed the Chair.

The **PRESIDING OFFICER**. The majority leader.

AMENDMENT NO. 2621 TO AMENDMENT NO. 2579

BACKSLIDING IN MANAGUA

Mr. **BYRD**. Mr. President, I am very troubled by the latest reports from Nicaragua about suppression of freedom of the press and persecution of political opposition groups. The Nicaraguan Government is playing fast and loose with its pledge of support for the peace plan. This is disturbing. It is exasperating. As a result of these disturbing reports of Sandinista police beating political demonstrators and the closing of La Prensa and the Catholic Radio, I am going to offer an amendment which condemns these actions and puts the Sandinistas on notice to abide by the provisions of the Esquipulas accords which they signed on August 7, 1987. The amendment I shall offer indicates disappointment over the Government of Nicaragua's disregard for these commitments.

Mr. President, I understand and I share Senator Dole's, and other Senators' concern over the course of events in Nicaragua.

The amendment I will offer puts the Government of Nicaragua on notice that they must followthrough on the promises they made to the other Central American nations in the Esquipulas accord. I fully agree with the action taken by the President in withdrawing the credentials of the Nicaraguan diplomatic personnel from the United States as an appropriate response to the unjustified expulsion of United States diplomats from Nicaragua.

Mr. President, if the Sandinista government continues to walk away from the provisions that they agreed to nearly a year ago in Guatemala City, reconsideration of our present policy will be inevitable, not only by the United States, but also, by the other four partners in those accords. We have not reached that point yet, but the events of the last few days are not encouraging. As section (4) of my amendment states, "the Sandinistas should understand that blatant violations of the Esquipulas accord and the human rights of the Nicaraguan people could cause Congress to consider the provision of additional humanitarian and other appropriate assistance, including military aid, if conditions should so warrant." The Sandinistas cannot play both sides of the street forever.

Thus, I fully share the legitimate concerns underlying the Dole amendment. It is right for the Congress to express our distress with the Sandinista actions of the past few days, and it is my hope that my amendment will encourage the Government of Nicaragua to rethink those actions and comply with the provisions of the Esquipulas accords.

Mr. President, I send to the desk an amendment which I offer on behalf of myself and Senators Dodd, Sasser, Sanford, Nunn, Graham, Boren, Kerry, Harkin, and Inouye.

The **PRESIDING OFFICER**. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd], for himself, Mr. Dodd, Mr. Sasser, Mr. Sanford, Mr. Nunn, Mr. Graham, Mr. Boren, Mr. Kerry, and Mr. Inouye, and others, proposes an amendment numbered 2621 to the Dole amendment numbered 2579:

Strike all after the word Sec. and insert the following:

(a) Findings.—The Congress finds that:

(1) The Sandinistas are a signatory to the Esquipulas II agreement, and have thereby committed themselves to policies promoting peace in the region, and democratization in Nicaragua;

(2) The Sandinistas nonetheless have violated the provisions of the Esquipulas accord, which they are committed to observe;

(3) Within the past 72 hours, the Sandinistas have taken dramatic new steps in brutally suppressing a peaceful demonstration for human rights; jailing without charge more than 40 members of the democratic opposition; closing down two independent media in the country, La Prensa and Catholic Radio; and expelling eight American diplomats, including the American Ambassador to Nicaragua;

(b) It is the sense of the Senate that:

(1) The Senate condemns the recent blatant actions by the Sandinistas against the internal opposition and the media and the expulsion of the American diplomats, and calls upon all who seek both peace and freedom in Central America to join in that condemnation.

(2) The Senate supports the action taken by the President in withdrawing the credentials of Nicaraguan diplomatic personnel accredited to the United States as an appropriate response to the unjustified expulsion of United States diplomats from Managua.

(3) The United States should respond to these blatant violations of the Esquipulas accord by the Sandinistas by pursuing a policy that includes:

(i) Strengthening democracy and the independent media of Nicaragua, including the immediate reopening of La Prensa and Catholic Radio;

(ii) Maintaining the democratic opposition as one aspect of an overall policy toward the Sandinistas, by continuing to provide that opposition with assistance; and

(iii) Supporting the efforts of the Central American democracies, through the provisions agreed to in the Esquipulas II accords, signed by the five Central American Presidents on August 7, 1987, with the purpose that the Sandinistas comply with the obligations they agreed to under those accords.

(4) The Sandinistas should understand that blatant violations of the Esquipulas II accord and the human rights of the Nicaraguan people could cause Congress to consider the provision of additional humanitarian and other appropriate assistance, including military aid, if conditions should sc warrant.

(5) Should the Sandinistas comply with the Esquipulas II accord and proceed to permit the establishment of a democratic system in Nicaragua, the United States should consider responding by providing additional economic assistance to the nations of the region, including Nicaragua.

Mr. **BYRD**. Mr. President, I yield the floor.

The **PRESIDING OFFICER**. The Republican leader.

Mr. **DOLE**. Mr. President, I have listened very carefully to the distinguished majority leader, and I commend him for his statement and for this indication that he is disturbed and troubled by Sandinista actions. I believe that nearly every Member of the Senate will vote for this resolution.

I want to make it clear that there is a statement on the possibility of military aid in the resolution. There is a recognition, I believe, on the part of Senators of both sides of the aisle and both sides of the issue in the past—who now believe that it is time for

Daniel Ortega to understand that we are serious about freedom, we are serious about human rights, we are serious about freedom of the press.

We do not believe that you should be jailed because you are in an opposition party, or that you should be jailed because you take part in a peaceful demonstration.

We do not know why it is necessary to shut down the newspaper La Prensa just because it reported the demonstration, or why it is necessary to shut down Catholic Radio on a permanent basis for the same reason.

At noon today, I had the privilege of meeting with Ambassador Melton, along with the Senator from Oklahoma [Mr. NICKLES], the Senator from Arizona [Mr. MCCAIN], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Indiana [Mr. QUAYLE]. We asked Ambassador Melton what was causing the problem, what was troubling the Sandinistas, why did they violate the accords they had signed now. I think it is fair to say, without repeating precisely what he said, that his view was that it is a basic difference in how we view human rights and freedom, and how the Communist Sandinistas do.

So I commend the distinguished majority leader. I believe the fact that he has offered a substitute which many on both sides of the aisle would support will send a much stronger message to Daniel Ortega than a closer, divided vote on the original amendment offered by this Senator.

Daniel Ortega should understand that there is going to be a strong bipartisan vote for this resolution.

Some may fear it does not mean anything in substance; it is only a sense of the Senate.

But in my view, it means a great deal. It means that we are going to go on record stating that we are condemning the Nicaraguan Government and its ledership for actions they have taken, and that we believe in maintaining the democratic opposition, and that under certain conditions the Congress would consider military aid.

And it serves notice to Daniel Ortega and his cronies, in strong terms, that we will not abandon the Contras—and if Sandinista violations of Esquipulas and human rights continue—we will reconsider a resumption of lethal aid.

As I indicated, I expect this resolution will get wide, bipartisan support. I hope Commandante Ortega knows how to count, and pays close attention to some of the names of those who will vote for this amendment. If he does, and if he is as smart as he is sometimes clever, he's going to realize he is on the wrong path. And unless he gets off that path quickly, he and his Communist comrades may face some pretty tough times ahead.

To me, that sends a much stronger signal than having a 51-to-49 vote on some sense-of-the-Senate resolution.

I must say there are not that many changes in this amendment and the original amendment. I believe that it is an important step in the right direction. It will send a strong signal, and I can also indicate the administration would support this resolution because they supported the original resolution.

I thank the distinguished majority leader for his support, but, more importantly, for his efforts in statesmanship to send an appropriate signal to the Government of Nicaragua.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I wish to join with my colleagues, the majority leader, Senator BYRD, and Senator DOLE, for maybe bringing together, hopefully, a bipartisan direction toward Nicaragua, because we really have not had it in this body. We have been much more bipartisan in the Senate than in the House. But we really do need a bipartisan solution and direction toward the problems that we have today in Nicaragua, and we have serious problems.

A lot of people have talked about, well, wait a minute, the peace accords and Mr. Arias received his Nobel Peace Prize award, but it left a lot to be desired. They said, yes, United States, we want you to quit contributing to outside forces, contributing to governments, but it did not say anything about the Soviet Union contributing to the Sandinistas.

It was a flawed agreement in this Senator's opinion but yet it was an agreement, and it was an agreement where the Government of Nicaragua, the Sandinistas signed, and said, yes, we are going to bring freedom, we are going to allow the press to operate. They did shut down the press. La Prensa was shut down. They said, we are going to allow the radio to operate. They just shut down the radio, the Catholic radio. They shut it down indefinitely. They were going to allow peaceful demonstrations. They did not allow peaceful demonstrations. As a matter of fact, a few days ago they severely crushed a demonstration with thousands of people. They jailed many leaders. Why? Because they were expressing opposition to the way their government is being run.

There is no freedom in Nicaragua today. That is the result of this idea of give peace a chance. We have given peace a chance and the leadership of the Communist government of Nicaragua has basically crushed whatever glimpse of freedom there has been.

Some people say, well, would you not know that Mr. Ortega and the Sandinistas have blown it again. They would do this now that we are considering appropriations bills. You would think they would know better.

Mr. President, that is the type of government that we have in Nicaragua. I think they are just showing their true colors. Their true colors are they are a Communist government that cares very little about freedom. They want to suppress freedom.

I think we need to stand up. I personally think we need a lot more than the sense of the Senate. But maybe the sense of the Senate is a step in the right direction. Maybe we can redirect and work together in a bipartisan fashion in both the House and Senate, work with this administration instead of against this administration, in formulating a package that will work and put some pressure on the Government, the unelected government of the Sandinistas and help provide and restore some level of freedom for the people of Nicaragua.

So at least maybe this is a step in the right direction. I hope that soon we will be having a package that will include economic aid and also military aid if this type of activity continues as we see it today in Nicaragua.

Mr. HUMPHREY and Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. HUMPHREY. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Which Senator first sought recognition?

The PRESIDING OFFICER. The Chair was not clear. The Chair is intending to rotate. The Republican leader presented his message. The Senator from Oklahoma then succeeded the Republican leader. So in an effort to rotate from side to side the Chair is calling on the Senator from Tennessee.

Mr. HUMPHREY. Parliamentary inquiry, Mr. President. What rule of the Senate requires rotation among speakers?

The PRESIDING OFFICER. There is no rule. The Chair was unclear as to who was seeking recognition first.

Mr. SASSER addressed the chair.

Mr. BYRD. Mr. President, who has the floor?

The PRESIDING OFFICER. The Chair called upon the Senator from Tennessee.

Mr. SASSER. Mr. President, I yield to the distinguished majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for his comments with reference to the amendment. I share with him the hope that Mr. Ortega will get a message out of this. I hope it will be a beneficial one for everybody concerned.

I hope that we will have some impact on his further thinking and actions.

I ask for the yeas and nays on the amendment.

The **PRESIDING OFFICER.** Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. **HUMPHREY** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Tennessee retains the floor.

Mr. **HUMPHREY.** Mr. President, will the Senator from Tennessee yield for one moment?

Mr. **SASSER.** Mr. President, I do not choose to yield at the present time.

Mr. President, I am pleased to join with the distinguished majority leader in offering the amendment before us. It is an expression of the continuing concern of the Congress and the American people that the peace process in Nicaragua is at a very critical stage indeed.

Surely the recent actions of the Sandinista Government deserve to be condemned, and they should be condemned.

They simply cannot close down La Prensa, close down the Catholic radio station for reporting that a peaceful demonstration was ruthlessly put down by the Sandinista policemen. They cannot clamp down on peaceful demonstrations by the internal opposition and throw accredited diplomats of the United States out or Nicaragua without an appropriate response.

This resolution offered today by the distinguished majority leader, myself, and others, I believe is the right approach of the U.S. Senate to take. The Sandinistas must know that their actions are being condemned by a wide majority of the Congress and they must understand that if their repression and antidemocratic actions continue, then the prospects for funding the Contras will be substantially improved.

Two years ago, after meeting with the Presidents of the regional Democracies, I announced that I would support placing military aid to the Contras in escrow as an incentive for encouraging the peace process, the carrot-and-stick approach, if you will, holding military aid in the balance to encourage the Sandinista Government to reform itself and move down the road of respecting the human rights and the economic rights of its citizens.

We were unable to fashion a bipartisan approach at that time, and I felt that that was clearly a sad day for American foreign policy and certainly a sad day for our efforts to bring peace and security and respect for democracy to the troubled isthmus of Central America.

I was particularly pleased last year when the Central American Presidents embraced the Arias peace plan. I have felt, along with the majority of the citizens of this country, if polls are to be believed, that the Arias plan offered what could be the last hope for ending the conflict in Nicaragua and for turning that country to a path towards democracy.

I still support the Arias plan.

I firmly believe the only way to ensure a durable peace in Central America is to support the efforts of the Central American Presidents themselves.

But having said that, I think we need to be honest with ourselves. The Sandinistas in recent weeks are proving to be less than full partners with the spirit embodied in the Arias plan.

So the Senate today is embarking on the right course by passing this resolution, and I earnestly hope and do believe it will be passed by an overwhelming margin, perhaps even a unanimous vote.

I would state for the record, and hopefully it would be noticed by the present Government in Managua, that if the Sandinistas continue to drag their feet, continue in their efforts to repress their own people, continue to impede the peace process, this is one Senator who would have to reconsider his position on restoring military aid to the Contras.

Now, I do not want to be misunderstood. I still do not believe that military aid to the Contras is the best policy for the United States, either for the United States or for the democracies in Central America. I, frankly, do not believe that the Contras can ever hope to win a military victory in Nicaragua. And, even if they were to win, there is really no plan with which they could hope to govern their own country.

But if the Sandinistas continue to reaffirm that they are antidemocratic, they continue to be repressive, they continue to adhere to the Marxist-Leninist doctrine, if they do that, they will give us no alternative, in the final analysis, but to consider refunding the Contras—and with military aid.

That may be the only language, in the final analysis, that the Sandinistas understand. They should know that, while we may not believe the Contra policy is the best approach—at least many of us do not and a substantial majority of the American people do not—but, in spite of that, we will support the Contras, even militarily, if we are left with no other alternative.

It appears the Sandinistas are narrowing those alternatives left to the United States rather precipitously with their actions of the past few days. Their actions are shredding any chance for peace in Central America.

They must reconsider their positions, that is the Sandinista rulers of Nicaragua. They must return to the spirit of the Arias peace initiative. They must give their own people—and I will say the internal opposition in Nicaragua has been substantially strengthened over the past few months—they must give their own people the opportunity to build a democracy, to build an economic structure that will sustain the people and sustain a freely elected government.

Mr. President, let me add that I strongly support the belief that the time has come for the United States to enter into bilateral negotiations with the Sandinistas. If we can talk to the Soviet Union about our mutual security interests and make substantial progress in doing so—who would have ever thought, just a few weeks ago, that the chairman of the Joint Chiefs of Staff would be attending a barbecue in his native State of Oklahoma with his counterpart from the Soviet defense establishment? If we can talk to the Soviet Union about our mutual security interests, then certainly I think we can talk to a country which is in our own back yard.

Mr. President, the failure of the administration to agree to bilateral negotiations with the Government of Nicaragua, I think, has been an impediment to securing a substantial and lasting peace that serves the interests, not just of the people of Central America, but the interests of the people of the United States.

For example, how can we be assured there will be no Soviet bases in Nicaragua without direct talks on that subject? How can we eliminate the Soviet and Cuban advisers in Nicaragua? How can we assure that the Sandinistas will not attempt to destabilize their neighbors?

I would submit that the only way to gain these assurances is to meet with the Sandinistas around the negotiating table and work out the national security concerns of the United States of America.

So, Mr. President, I believe that we must extend the olive branch and offer to enter into bilateral negotiations. That is the carrot. But unless this Sandinista government changes its ways, then we are going to have to reconsider military aid to the Contras. And that is the stick. And the stick can be made very, very persuasive indeed. So the choice is theirs. The choice is that of the Sandinista rulers in Managua. For their own sake, they should think long and hard about the choice.

Mr. President, I will be glad to yield the floor at this juncture.

Mr. **HUMPHREY** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from New Hampshire.

Mr. **HUMPHREY.** Mr. President, while the Senator from Tennessee remains, I wonder if I might address a few thoughts in his direction.

First, I must say that I am just astounded that, having suffered being spat in the face by Daniel Ortega, the Senator from Tennessee now proposes to have a barbecue, a picnic. This seems hardly the time to be sitting down, when Mr. Ortega has just spat in our faces, and may I say spat with special vehemence and accuracy into the faces of Senators, surprisingly, on that side of the aisle we have trusted him all of these months and who relied upon his honor to such an extent that the Contras are in the field without any further material support from this country.

I must say that I am astounded to hear the Senator suggest that we ought to have a barbecue after Daniel Ortega has just spat in our faces.

Mr. **SASSER**. If the Senator will yield, I think he misunderstood. I was not suggesting a barbecue. I was simply saying that if the United States and the Soviet Union can sit down and discuss their mutual security interests and make such progress that we get to the point that the Chairman of the Joint Chiefs of Staff can usher the chief of the Soviet defense establishment not only to a barbecue in Oklahoma but to show him how United States naval air power operates off of a United States carrier and other things, this should give us some indication that there is some merit, on occasion, in two sovereign nations discussing their mutual security interests and, at some juncture, if the Sandinistas behave themselves, we might give that some consideration. But not at the present time. That is the point.

Mr. **HUMPHREY**. I am glad the Senator clarified that because I think the timing could not be worse.

But, in any event, I do want to compliment the Senator for one of the things he said. If I correctly heard him, he reiterated his support, announced earlier, reiterated his support today for placing in escrow funds for military assistance to the Contras. Did I correctly understand the Senator from Tennessee on that point?

Mr. **SASSER**. I will say to my friend from New Hampshire that what I indicated was that some 2 years ago I took the position that we should have military aid placed in escrow contingent on the Sandinistas' restoring human rights and moving down the path to democracy in Nicaragua. That was a plan offered in a spirit of bipartisanship.

I might also say that a number of our colleagues on the other side of the aisle sought initially to embrace that program, but it was frowned upon by the administration and then we went down the road of a bitter partisan dispute on how to deal with the problem of Nicaragua.

I have always felt that, in the matter of Nicaragua, we would be better served if we would deal with it in a bipartisan fashion and if this Congress and this Nation could speak with one voice on that whole issue.

Mr. **HUMPHREY**. The Senator still supports the position originally taken that we ought to place funds in escrow to be used in the event the Sandinistas do not comply with their promises? Is that still the Senator's position?

Mr. **SASSER**. Well, that was a proposal that was offered 2 years ago.

Mr. **HUMPHREY**. The Senator no longer holds that position?

Mr. **SASSER**. Well, I think it was worthy of consideration at that time. Frankly, I think it is worthy of consideration at the present time.

Mr. **HUMPHREY**. I commend the Senator.

Mr. **SASSER**. But a lot of water has gone over the dam since that occasion. I do think that, if we had had the wisdom, if this body had had the wisdom to adopt that program 2 years ago, we might very well have found that we would be further down the road to democracy in Nicaragua and the whole region would be much more stabilized than it is today.

Mr. **HUMPHREY**. I agree with the Senator and if he still holds that view, I encourage him tonight to offer an amendment to this pending resolution that would express the Senate's intent to pursue just such a course. I would be happy to support the Senator in such an amendment and I would ask him to offer such an amendment. I think he would be well advised.

Mr. President, I have a good deal more to say on this but I am going to yield the floor because the Senator from Arizona is waiting for the floor. I had wanted to ask some questions about the intent of the language—ask the majority leader some questions about his legislative intent, but he has left the floor for the moment and I will defer on that procedure until later in the evening.

I yield the floor, Mr. President.

The **PRESIDING OFFICER**. The Senator from Arizona.

Mr. **McCAIN**. Thank you, Mr. President. First of all, I would like to thank my colleague from New Hampshire who has been very involved in this issue for many years. I would also like to thank my colleague from Tennessee, who I think made a very important statement, one which I think is, indeed, thoughtful. I know that he is very aware of the situation as it exists in Central America. I had the privilege of traveling with him. I know he has literally agonized over this issue over a long period of time.

I do share his view that unless there is some change in the present conduct of this Congress and this Nation, we must consider seriously a return to lethal assistance to the resistance in Central America.

I would also like to thank the majority leader, and his able staff, who I think have crafted a resolution which will receive overwhelming support from this body. It is of utmost importance at this point, particularly given the heightened political sensitivities of this week before the Democratic Convention in Atlanta, that we show the Sandinistas that this body is able to send a near unanimous message to them that their present behavior is totally unacceptable to the U.S. Senate, the U.S. Congress, and the American people.

Mr. President, I have talked to some of my colleagues who feel strongly on one side of this issue, who feel that this resolution is not strong enough; that we do not condemn the Sandinistas enough and perhaps more importantly, that it does not call for an immediate resumption of lethal aid to the resistance. I have talked to other colleagues who taken a different position on this issue in the past and, indeed, they feel that the language is too strong, that perhaps any reference to resumption of lethal aid would be damaging and, indeed, foolhardy to include in this resolution.

I say to both that I think we have found the proper language to convey our message and at the same time carry out the important goal of sending a near unanimous resolution to the Sandinista government.

Mr. President, unfortunately this issue is not going away. I personally have been dealing with this issue for only about 5 years now. There are Members of this body who have been dealing with it since 1979, when the Sandinistas came to power with the assistance of the U.S. Government and with the approval of Members of both Houses of Congress. They received millions of dollars of U.S. aid and immediately betrayed not only the people of the United States and this Congress, which is not very important, but, more importantly, they betrayed the people of Nicaragua to whom they had made solemn commitments of peace, freedom, and democracy.

This issue is not going away, Mr. President, I am pessimistic. I am pessimistic and have been for a long time. I do not believe that the Sandinistas are going to fulfill the commitments they made as far back as 1979 or those that they made at the Esquipulas agreements to which they are solemn signatories. I will again remind my colleagues of the provisions of that agreement, which they were solemn signatories to, later on in my remarks.

I think they are going to continue to oppress the Nicaraguan people. I think they are going to continue to export subversion and terror into El Salvador, and possibly Honduras, Guatemala, and Costa Rica as well. And I believe that the small progress made in Nicaragua was made only because of the pressure brought about by a viable military force in the field—the resistance fighters, some call Contras, I call them freedom fighters, within Nicaragua—that brought the Sandinistas to the negotiating table and led to the signing of the Arias peace agreement.

That black day in February, when the Congress of the United States decided that they would cut off all aid to the Contras, was the day that the Esquipulas peace negotiations began to unravel. I think historians will judge me correct.

I am not saying that this Congress, at this moment, should automatically renew lethal aid to the Contras. But what I am saying to my colleagues and friends is that over the next weeks and few months that lie ahead, unless there is a rapid and dramatic change in Sandinista behavior, this body, the American people, and the American Government, owe it to those freedom fighters, and to the people of Central America, to provide them with the wherewithal to regain freedom and democracy.

Mr. President, let me just read very briefly the Sandinista actions since June.

On the 1st day of June, after the suspension of 20 newscasts in May, Radio Catholica protests Sandinista sanctions against Nicaragua's media outlets. Radio Catholica's news broadcasts are suspended for 10 days.

On the 4th of June, Radio Corporation's news broadcasts are suspended for failure to abide by legal provisions governing Nicaragua's media including failure to—and get this quote, Mr. President, "to provide truthful reports within a coherent context."

The Sandinista government, which is committed to freedom of the press, decides to shut down a radio station because, in their view, "criticisms of or critical commentaries on public offices as well as information on such offices should aim to achieve constructive ends based on proven facts presented in an objective manner and after having informed the people involved."

On the 8th day of June, 15 opposition leaders are arrested by the Sandinistas as they walk toward Nicaragua's Assembly Building. That seems to me to be a pretty serious crime.

On the 14th of June 1988, President Arias, analyzing the most recent failed round of talks between the Sandinistas and the resistance, called the Nicaraguan Government intransigent, adding that, "if there is no willingness, flexibility, and greater tolerance, peace will be difficult to achieve." President Arias also states that there has been no real progress on democratization in Nicaragua and says there must be real separation between the government and the army; the government and the parties; and among all three. Otherwise there is no real democracy.

On the 16th of June, President Ortega calls the Nicaraguan resistance proposal that President Arias act as guarantor in future cease-fire talks, "a clear maneuver by the Yankee administration to try to manipulate President Arias and to kill the Sapoa agreements." In a separate interview, Ortega refers to COSEP, which is a prominent opposition group, as "right-wing proyankee fascists who are the workers' enemy." On the 20th of June, Cardinal Obando y Bravo says the appointment of Arias as a guarantor deserves serious consideration.

On the 22nd of June, opposition parties ranging from the conservatives to the communists call on the Sandinistas to amend new economic laws and state that the government's refusal to discuss constitutional and legal changes with the opposition "has hindered the process of national reconciliation."

On June 25th, the president of the liberal party protests the arrests of three party members "on charges of political activism." Let me repeat that my friends, "on charges of political activism." In the telegram to Ortega, he asks Ortega, "Where are the Esquipulas agreements? Where is the respect for the law that you so widely proclaim? Who rules this country, state security or Nicaraguan civil law?"

On July 10th, using clubs and teargas, Sandinista police break up a government-approved opposition demonstration in Nandaime. 43 protesters are arrested, including a number of opposition leaders. Sandinista police state that the protesters, "provoked the confrontation by violating a prior agreement not to taunt police with anti-government slogans."

Mr. President, I think our sympathy should go out to those police because people were taunting them with anti-government slogans, so naturally it seems only fair that they should club and tear-gas those protestors. On June 11 the Sandinistas closed Radio Catholica indefinitely and La Prensa is closed for 15 days. The Sandinistas also expel the U.S. Ambassador and seven other U.S. Embassy officials.

Mr. President, the expulsion of our Ambassador, although regrettable, is something that I think should not be a diversion from the serious crimes that are being committed as we speak. Those of us who have had the pleasure of meeting Mrs. Violeta Chamorro, who is the widow of the slain publisher, Pedro Chamorro, who was slain by the Somocistas, and Mr. Chamorro, was made a national martyr, Mrs. Chamorro—who was an original director of the Sandinista directorate—I believe is a symbol, a symbol of freedom of the press, not only to the people of Nicaragua, but to the people of the world.

I wish that Mrs. Chamorro could have the opportunity to tell us of the conditions regarding basic freedoms throughout Nicaragua, as she has to me, and to others who visit that unhappy nation. She will tell you, I say to my friends, that everywhere the Sandinistas' activities reach, it permeates and pervades the entire Nicaraguan society.

Why would the Sandinistas at this time, Mr. President, choose to club and gas demonstrators, to shut down Catholica Radio, shut down La Prensa and basically abrogate every commitment they have ever made? Why would they do this 1 week before the National Democratic Convention?

In my view, they wanted to show the Nicaraguan people that they are capable of perpetrating any outrage; they are capable of denying any basic freedom, and it does not make any difference to them what the American people think of these outrages.

I do not know how one can draw any other conclusion. If there is no reversal of Sandinista behavior, we have a number of choices: we can live with the Sandinista expansionism and, by the way, I think it is important to note that despite all our relations with Gorbachev and Détente II that there has been no cessation; in fact, there has been an increase in military supplies and equipment that have poured into Managua.

We can live with that situation, continuing subversion of an increasingly unstable neighbor in El Salvador, or we can aid the Contras, if there is no reversal of Sandinista behavior or, Mr. President, we will be faced over time with the most unacceptable of all options, in my view, and that is the use of United States forces in order to preserve United States national security interests in that hemisphere.

No one in this body, certainly this Member, wants to see that option being exercised, and we never ever want to see all of the other options foreclosed which would leave us with only that option.

Let me add a word about President Arias. President Arias received the applause of the entire world at the completion of the Esquipulas agreements, the so-called Arias peace plan. President Arias has been strangely silent of late.

I hope that President Arias understands the urgency of this situation, the total abrogation of the Arias peace plan, and immediately call for a convocation of the five Central American Presidents so that they can at least address this issue. I believe he has that obligation, since President Arias has consistently spoken against the United States military aid to the Contras and at the same time has simply, to my knowledge, only written a letter to Mr. Gorbachev asking him not to send military equipment to Managua and, obviously, we know what Mr. Gorbachev's response has been.

I think it is incumbent upon that Nobel Peace Prize winner to increase his activities and even review his position concerning lethal aid to the Contras unless the Sandinista government decides to come into compliance with the so-called Arias peace plan.

Mr. President, let me quote one part of that which the Sandinista government signed:

> The governments commit themselves to promote an authentic pluralistic and participatory process that includes the promotion of social justice, respect for human rights, total integrity of states, the right of all nations to freely determine * * *

et cetera, et cetera, and, of course, that includes freedom of the press and complete political pluralism.

I do not think any objective observer believes that there has been anything but an abrogation and, indeed, a cynical oppression of the Nicaraguan people in the intervening months since the lethal aid to the Contras was voted down by the Congress of the United States.

Mr. ARMSTRONG. Mr. President, will the Senator yield for a question about the peace plan?

Mr. McCAIN. I will be more than happy to yield to my friend from Colorado.

Mr. ARMSTRONG. In fact, I have two questions I would like to address to the Senator. Before I do so, I want to compliment him for a thoughtful statement here today and, more important, for his leadership in this matter.

I recall vividly and, in fact, I have often quoted in this Chamber and, on a number of occasions, in other places his stirring remarks on one occasion when the issue of funding the democratic resistance in Nicaragua was under consideration in this Chamber. He stood over in the leader's place on that occasion, and I remember vividly his characterization of the action of the House in denying such aid in terms of "that dishonorable act," and in that I think he is eminently correct. He has been a leader in this all along. I was intrigued by his comments about the Arias peace plan.

We will celebrate or at least commemorate the first anniversary of that plan on August 7. I do not want to put words in his mouth, but does the distinguished Senator think it has had a fair trial? Is that long enough to determine whether or not the Arias peace plan is going to work?

Mr. McCAIN. First, I want to thank my friend for his kind remarks concerning my statement on this issue, but I also want to make it clear the leadership in this area has been exerted by my friend from Colorado, as well as many others. I am flattered by his remarks.

I think it is interesting my colleague from Colorado brought up the point about the upcoming anniversary on August 7 of the so-called Arias peace plan because the original Arias peace plan called for full implementation as of November 7, 1987. Then that was extended another month to January. Then, of course, the time for completion of that has faded into the historical dust bin.

Mr. ARMSTRONG. Basically, none of the objectives of that plan have been realized?

Mr. McCAIN. Not that I know of, except in El Salvador and Guatemala and to some degree Honduras, where I think an honest, good-faith effort has been made to comply, especially by President Duarte who, as the Senator knows, invited back the opposition leaders and declared an amnesty. One of the amnesties he declared was an odious one because it had to do with killers of the American military men.

Clearly, in Guatemala, there have been substantial and sincere efforts. But as far as Nicaragua is concerned, frankly, I would be very interested to hear of any progress, not just progress, but any compliance that has taken place, as far as the Arias peace plan is concerned.

Mr. ARMSTRONG. So much for the Arias peace plan. I wonder if the Senator remembers the 1979 OAS peace plan. I wonder if the Senator, or others—I know the Senator from Arizona remembers—but I wonder if other Senators remember the August 1981 Enders plan. That is when Assistant Secretary of State Thomas Enders went to Managua and promoted the idea that the United States would offer economic assistance to Nicaragua and would withhold our support of the democratic resistance if, in fact, the Sandinistas, the Government in Nicaragua would cooperate and if we could have some assurance of progress in these areas of human rights, and so on. I wonder how many Senators remember that?

I am sure the Senator from Arizona remembers that in October 1982, we had the San Jose plan. We have not heard much about that in quite a long time. Then in January 1983, we had the Contadora plan. Why, we heard so much crowing about the Contadora plan I thought, for heaven's sake, that peace was going to break out all over Central America.

But the truth of the matter is that after all these plans had been propounded and enacted and praised throughout this Chamber and around the country by a lot of people who were eager to believe that peace was at hand, that in Nicaragua people who care about freedom were out there in the jungle fighting and dying, being chased into refugee camps, displaced and those who were still within the country were being imprisoned, their civil rights and human rights abused; they were being tortured, the free economy was being shut down, the newspapers were being shut down, the religious radio stations were being shut down, and the free elections never came. And then after all of these things happened and after we just got to the point where anybody who was paying close attention would have some doubt at least as to whether any of these peace plans were going to work, then we got the Reagan-Wright peace plan. Does the Senator remember that? Does the Senator remember that? And then last but not least, the Arias peace plan.

I hope my friend will forgive me for interrupting his train of thought, but the point he was making was so valid I just wanted to amplify it and emphasize it. It is not for any lack of patience in this Chamber that we have come to this point. It is not because Senators or Members of the House or Americans generally have been reluctant to give peace a chance, although that is what we have been urged to do. We have given peace so many chances that we have convinced a lot of people that we are not serious about freedom.

I do not want to carry on further. In due course I am going to seek recognition and have a few observations to make, but I just wanted to compliment the Senator and to put in perspective his thoughtful remarks in the context of all the peace plans in which so many people have invested so much hope in these last few years.

Mr. McCAIN. I thank my colleague. I think his words are important.

Let me say, when he reminded me of the so-called Reagan-Wright peace plan, there was one foolish, rather new Senator—this one by name—who embraced that idea and even urged my colleagues to do the same. And much to my astonishment and dismay—in fact I believe the dismay of all of us—within about 72 hours that plan was abandoned by one of the progenitors of that plan, the Speaker of the House, in favor of the so-called Arias plan, which we all know had one critical item missing from it that was an integral part of the Wright-Reagan plan. The element addressed the issue which we have still not addressed of the Soviet and Cuban military buildup in Managua which will continue to destabilize and continue to pose a severe threat to the United States national security if something is not done about it. So I appreciate my colleague reminding me of that rather painful experience. Indeed, "give peace a chance" is a phrase we hear.

I am glad to yield back.

Mr. ARMSTRONG. Will the Senator yield for one additional question?

Mr. McCAIN. I will be glad to yield.

Mr. ARMSTRONG. Would my friend from Arizona care to speculate as a person who is really an authority on the problem, who knows the personalities of the people involved, who knows the situation on the ground, would the Senator from Arizona care to speculate on the possible response to Commandante Ortega when he learns that the Senate of the United

States on this occasion in response to the closing of La Prensa, in response to the shutdown of the radio station, in response to the fact that a bunch of people have been clubbed and gassed and jailed, can the Senator tell us what possible reaction we might expect from the Communist government in Nicaragua? Do you suppose this will cause them to reform? Do you suppose they will be impressed?

Mr. McCAIN. Let me respond to my friend. I have had the experience of meeting with Commandante Ortega on several occasions, a couple of times under rather bizarre circumstances. One time my friend, Senator COCHRAN, and I and others were down there. The commandante's ego was a bit bruised because our distinguished Republican leader had published an open letter in the Miami Herald the day before which asked some rather, I think, sincere and important questions. Mr. Ortega was offended by them, so we spent about 45 minutes shouting back and forth surrounded by about 80 of the, I must in all candor say, not totally unbiased press corps that inhabits one hotel down there in Managua.

On another occasion we went to some sugar refinery way out in the country, to which, by the way, we drove for an hour and a half, but the commandante had a helicopter trip, and we met him there. We watched him go through some phony exchange with some of the so-called workers. Meanwhile, those on our staff who spoke Spanish were standing in the background and the people were coming up and voicing bitter complaints to them. I have had several other occasions meeting with Commandante Ortega and his brother and his other friends.

In all seriousness, I say to my friend that Commandante Ortega, if he receives this resolution, that is by an overwhelming margin supported by this Senate, knowing full well what we are going to say today as well—he has, by the way, excellent advisers, lawyers from New York, plenty of Americans who give them excellent advice and counsel occasionally—if Commandante Ortega believes that this is a precursor to the resumption of lethal aid to the freedom fighters, I think he is going to pay attention. I say, as a precursor, unless he decides to abide by the agreements that he committed to and signed.

If, however, Commandante Ortega views this as some kind of cosmetic resolution for which there will be no followthrough, that the U.S. people and this Senate and the House will be caught up in the election and a frenzy of activities, then of course I think he will do nothing.

But let me also say to my friend from Colorado—and I have taken way too much of this body's time, so I will try to wrap up, although I have a lot more to say—what we need on this issue and why I am encouraged by this resolution. I believe this resolution is going to be overwhelmingly supported. If we are ever going to adequately address this issue, it must be done in a bipartisan fashion. The most tragic legacy of the Vietnam war in my view is the total breakdown of bipartisanship. We must, Republicans and Democrats, liberals and conservatives alike, join together to address this and other foreign policy issues, but particularly this one. Otherwise, we send mixed signals. We send signals of encouragement to Commandante Ortega. They will wait and see the results of the election in November before doing anything, and then of course count on the divisions that exist within our society and within our Government and use it to great advantage.

So I hope—and perhaps it is a false hope, perhaps it is false optimism—that by passing this resolution by an overwhelming margin—and I am pleased to see the variety of cosponsors that are available for this resolution—if there is compliance on the part of the Sandinistas, so that all of a sudden they find themselves on the road to Damascus and decide to comply with the solemn treaties that they have signed in the past and the commitments they make, we will join together in an economic aid package to that free society and that free nation in Nicaragua to help them out of the terrible, deplorable economic conditions in which they exist today.

However, I hope this body also would commit itself that if the Sandinistas fail to comply, if the Sandinistas continue to oppress and repress and club and gas, and stifle any semblance of freedom, that we would join together in aiding those who are seeking freedom and fulfillments of the promises that have been made to them time after time after time, as my colleague from Colorado so graphically demonstrated.

So, Mr. President, I hope that this body will in almost unanimous fashion join in approving this resolution. I am grateful for the efforts of our majority leader and others who have played a role in shaping what I think is a careful compromise and reminding my colleagues that this is the first step. After this resolution is passed, then it is up to the Sandinistas. They can comply. They can provide democracy and freedom in their country to the people who have suffered so much, or they can be liable to further action on the part of the Congress and the people of the United States.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senator from Connecticut.

Mr. DODD. Mr. President, very briefly, this amendment or substitute that has been offered, will be offered—I do not know if it has been submitted. Parliamentary inquiry. Has the amendment been sent to the desk?

The PRESIDING OFFICER. The amendment is pending. It has been sent to the desk.

Mr. DODD. I commend the majority leader. He asked a group of us to gather to take a look at some possible language. In fact, this Senator drafted a resolution not entirely dissimilar from the one we are considering. We tried to put some language together that would join in as strong a manner as possible the sense of outrage of all of us in this body over what happened in Nicaragua in the last 72 or so hours. And clearly, regardless of where one comes down on the issue of how you deal with the problem of Central America—and there is division in this body over that question—what message ought to emanate from this body today is the sense of outrage we feel about what has happened with La Prensa, with the Catholic radio station, and the use of heavy-handed tactics with regard to a demonstration. I said yesterday and I will say it again today, democracy, freedom of speech, freedom of the press are not sometime things. You commit to them. You have to stick with them. They are messy. They are cumbersome. They are troublesome for anybody. We feel it in our own country. Only a few short years ago we saw the streets of this very city aflame. And there were some who suggested that we ought to take strong tactics, and deal with those particular problems. But if Nicaragua is going to commit itself to democracy it is going to have to live with it, with all of its warts, and troubles that are associated with it.

So today regardless of the speeches that are made about what we ought to do next or whether or not mistakes were made here or there or other courses of action might have been followed along the way, I think we would dilute the message if we overconcentrated, if you will, our attention and time on that aspect of it, and make sure that what we send forth today is that resounding note of our collective sense regardless of what other views we may have on how best to approach this problem down the road over the events that have occurred. My hope is that will have some positive effect. Maybe it would not, but certainly we have an obligation to try.

So this resolution, this substitute that has been offered I would hope despite the fact people on this side—there is language in here that I think maybe invites options that we ought to be a little bit more careful before we delve into them—and I know there are Members on the other side who feel we have not gone far enough on this resolution; that we ought to be invoking military aid this afternoon. But putting aside the questions of what you want to do next, whether or not you think every word in here is satisfactory to you, in terms of your own particular agenda for Central America, I hope the message would be one of condemnation for what has occurred, and hope that that message is received in the spirit in which it is offered.

I say to my good friend from Arizona regarding President Arias, having spoken with him yesterday for almost an hour on the phone, that he is deeply upset, outraged over what has occurred, as late as last weekend called for a further effort to get the various parties back together, and is scheduling a meeting of the five Central American Presidents to see if they cannot get this effort back on track again.

So I indicate that I think you will see some activity from President Arias on those particular points. My hope is that this particular sense-of-the-Senate resolution will assist him and others in that particular effort.

Again, I commend Senator BYRD, Senator BOREN, Senator NUNN, Senator KERRY, Senator HARKIN, and Senator KENNEDY, and others who were in that room working up the language of this resolution. I hope it will enjoy the kind of strong bipartisan support that the Senator from Arizona has indicated.

Mr. President, I yield the floor.

Mr. HARKIN and Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to first thank the distinguished minority leader, Senator DOLE. He got all of this started this morning. A number of us joined him. Because of that, and the seriousness of the situation in Central America, we now have a bipartisan policy statement. I think it is good that for the first time we have a very broad-based bipartisan policy statement on what is going on in Nicaragua. I think the very big difference between what is going on there now and what is going on here now in the United States Senate is very simpy that it is broad based in bipartisan support here, number one; second, and more important, is that for the first time this United States Senate is blaming only the Sandinista Communists for what is going on there. We no longer are complaining about it being our problem or the freedom fighters have caused it.

We are saying as I view it unequivocally, Daniel Ortega, fellow commandantes of his and the Communist regime there, one, you are violating the Central American peace plan. And we are not saying that the freedom fighters are, or that America should not be involved. We are saying loud and clear you are, Daniel Ortega, you and your regime are violating the peace plan, the plan you invited the world to support; the plan that many here said let America support. Remember, let us try peace. We are now saying to them, you are violating it.

Second, and equally as important we are saying you, Daniel Ortega, and your regime are violating the human rights of your people. We are not talking about freedom fighters, that you might want to take something out on. We are saying you are violating the basic human rights of your men and women of the Catholic Church, of the priest that runs the radio station, of the people that run the newspaper. They are not Americans. They are not freedom fighters. They are Nicaraguans, and you are violating their rights, and violating the treaty that you heralded as the peace plan we ought to try.

And I conclude, and I hope this is true, and I hope they think it is true, that is Daniel Ortega and his cohorts, that we here are about to be rightfully provoked into doing something about it. We are not doing anything about it tonight except saying what I have just described, but I hope they understand that with this bipartisan broad base of support that is going to say to them, you are doing what the Senator from New Mexico just accused you of, I hope they believe that they are about to provoke us, and hopefully a lot of other freedom-loving countries and people, into doing something about it.

Thank you, Mr. President.

Mr. ARMSTRONG and Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HARKIN. Mr. President—

The PRESIDING OFFICER. The Chair recognized the Senator from Colorado. He spoke to the Senator from Iowa. He sought recognition first, and he has the floor.

Mr. ARMSTRONG. Mr. President, the most important aspect of the interesting and thoughtful statement the Senator from New Mexico has made is this: We are not really doing anything tonight. We are expressing an opinion. It may be an opinion that is broadly shared. It may be an opinion which will be unanimously or nearly unanimously endorsed, as the Senator suggested. But we are not really doing anything. That is the characteristic response of the Senate to this particular problem, not only tonight, but over and over and over again. In fact, while I do not really disapprove of a lot of what I have heard or what is in the resolution, it has a strikingly familiar tone. You know, Mr. President, I do not remember exactly who said it. It was probably either Albert Schweitzer or Casey Stengel who said, "Put your money where your mouth is." And he should have been talking about Central America, because that is really the question. Will we when the time comes? It will not be tonight. But it will be very, very soon. Will we put our money where our mouth is?

The reason the Communist government of Nicaragua has felt free to abuse the rights of their citizens, to run roughshod over every kind of solemn treaty undertaking that there is, not just once but repeatedly, the reason the Communist government of Nicaragua has felt at liberty to break promises and then make the same promises again and break them again is precisely because they do not think this body will ever buckle down and put our money where our mouth is.

You know, Mr. President, you can learn a lot around here if you just read the CONGRESSIONAL RECORD. It is amazing. How familiar what has been said here tonight is if you read statements of Members of this body in the past. "Give peace a chance." "By gosh, we ought to have the decency, the fairness, the broadmindedness, the humanitarianism, the tolerance to give peace a chance."

Here is what one of our colleagues said on April 23, 1985:

> The Sandinistas need to know that our patience is not endless. If we stop the aid, if we provide a so-called cooling off period, we expect results.

By gosh, that was a little over 3 years ago.

Another Member, same month, same CONGRESSIONAL RECORD, same day:

> The Nicaraguan representative said—and this has been carried publicly in our newspapers—that his government would accept without any amendments whatsoever the recommendations of the Contadora countries and the Canadians.

That was another one of the promises they broke.

Another Member said:

> But here is the point I am trying to make: If we would take off the military support, he cannot have us as the whipping boys over there, and then those people, with their empty stomachs, those people who are upset with living conditions where poverty is so rampant, will attempt to overthrow any government, and the process from within is the one we must attempt to manifest now.

I am not sure what that statement means. But I think what it means is if we take our aid away from the democratic resistance, that then the world would come down hard if the Communist government did not behave.

That was 3 years ago, and what I am going to be fascinated by is in a few days when this Chamber has the opportunity to vote on the aid package, the real money, that Senator DOLE and others will propose—I believe it to be about $40 million with half to go to humanitarian aid and half to be war supplies to help the democratic resistance fight the civil war that is underway in that tragic country—I am going to be interested to see how these Members measure up to what they said 3 years ago.

Last year, in September 1987, about a month after that famous President Arias peace plan was announced, we heard the same kind of thing. Another of our colleagues said: "President Arias has asked that we first give peace a chance." There is a resonant phrase—"give peace a chance." How could anybody be against that?

Yet, after all that has happened, all the broken promises, all the treasury, all the malfeasance, all the brutality, all the violation of human rights, how can anybody be naive to fall for a slogan?

I quote:

> President Arias has asked that we first give peace a chance before voting on further Contra military aid. He has been joined in this sentiment by Presidents Cerezo of Guatemala and Duarte of El Salvador.
>
> I believe we should heed this request by these distinguished democratic Central American leaders. They have agreed on a bold and far-reaching plan seeking to find a just peace for their people. They deserve an unencumbered chance to fully pursue this courageous effort to bring peace to Central America.

Mr. President, I submit that they have had a chance. They have had a good chance. They have had a year. They have had 2 years. They have had nearly a decade. The first promises of free elections, free union movement, freedom of the press, freedom of worship, and freedom to travel and a free economy were made not just a year ago but a decade ago, in 1979.

Another of our colleagues, on October 7 of last year, said:

> The Arias peace plan seems to be working, so far. The Sandinistas are complying, not because they are genuine democrats, they are not; but because they know compliance is their only hope of stopping the Contra war.
>
> The Arias plan is now forcing a modest democratic opening in Nicaragua, whether the Sandinistas want it or not. That opening will become increasingly difficult for the Sandinistas to close.

Mr. President, I invite every Member to listen carefully to the next observation which our colleague made on October 7, 1987: "If they do"—referring back to the suggestion that it will be difficult for them to close the opening—"they risk the wrath of President Arias and those Western European social democrats, some of whom have been supporting them."

It is going to be interesting to me, in a few days, to see how that Member will vote on the question of putting our money where our mouth is.

In February of this year, we had the last series of votes of real aid—not talk, but real aid, support, blankets, boots, and war supplies—for people fighting in the jungle and some of them dying in the cause of freedom and free elections in their country. We voted it down in February, and we voted it down last year.

In fact, the last time we voted for aid in this body was more than 2 years ago, in 1986. We debated it in February of this year.

That is almost verbatim what he has said in this Chamber again tonight: That if something does not happen pretty soon, by gosh, sooner or later we will have to start thinking about this matter.

Another of our colleagues said:

> I urge my colleague to give that peace agreement a fighting chance. It is true that the Sandinistas might renege on that agreement if aid is terminated, but it is far from certain. They would run some significant risks if they did so. Deprived of the Contras as an excuse for noncompliance, they would be faced with universal opposition in this country and abroad. Their isolation in the region would severely handicap any real chance for economic recovery and stability.
>
> Therefore, while the Sandinistas might prefer to walk away from the peace agreement and go their own way, there would be substantial costs in doing so.

I have a lot more, but I think you get the point.

I am not raising these issues to criticize or ridicule my colleagues. I think history has clearly proven that they were wrong and those of us who were skeptical of the promises of the Communist government were right.

That is not to say, however, even though I believe they were deeply and tragically mistaken—it is not to say that they were wrong to have hoped for peace, wrong to believe that a negotiated settlement would succeed. The error—and it was an error, in my opinion, of the head and not of the heart—was to believe that, absent pressure, the Communist government could be counted on to bargain in good faith with the democratic elements within Nicaragua; because at the point when many of our colleagues were speaking, progress was being made.

A plan, which I did not mention—it was not the OAS plan or the San Jose plan or the Contadora plan or the Arias plan, but what might be called the American plan—was working; and that was that we would furnish aid—material, concrete aid, not in huge amounts but enough to keep them going—to the democratic resistance.

Under the pressure of a well-organized, highly motivated resistance force, gradually, against every desire and wish, the Communist government was being brought to the bargaining table. Just as they got there, just as, finally, this policy was beginning to succeed, what did we do? We cut off the aid; and we said to anybody who was paying attention, as certainly Commandante Ortega was, "If you just hold out for a while, we will permit the democratic resistance to collapse." That, in fact, is exactly what has happened.

Mr. President, I think that as we vote for this, unanimously or overwhelmingly, or however, we are going to vote for it—and I will vote for it. I am not going to vote for it in the expectation that it will be taken too seriously in most quarters, but simply as an expression of how I feel about it. But I think as Senator troop to vote for this sense-of-the-Senate resolution, they should ask themselves, to whom is it addressed? If it is addressed to the republics of Central America, to the other governments in the region, I think we must face up to the fact that they are not going to take it very seriously. They have not taken anything else we have said very seriously. The only thing they have accorded much weight to was when we were actually sending support—blankets, boots, war supplies, and whatnot—to the democratic resistance. So if we think we are going to impress Guatemala, Honduras, Costa Rica, Panama, the Soviet Union, Cuba, or anybody else with words, we are long past that point, it seems to me.

Mr. GRAMM. Mr. President, will the Senator yield?

Mr. ARMSTRONG. Let me finish a point, and then I will yield for a question or a comment or for any purpose.

If we are trying to impress the general public here at home by going on record as committed to this, I say to my colleagues forget it. They are not going to be impressed, either. The truth of the matter is that most of the people of the country are about as cynical of congressional action on this particular matter as are the governments and presidents of Central America.

If it is our intention with the resolution to impress the democratic resistance, the freedom fighters, I suggest that it is far too late. They believe we have sold them out, and they have said so in the bluntest and frankest terms, privately and publicly. They think we have proven to be faithless supporters, and that is exactly what they have said.

If we think we are going to impress Commandante Ortega, that, in my opinion, is a joke; it is a farce; it is so far-fetched as to be absolutely incredible.

So I do not know exactly why we are doing this. I guess the reason we are doing it—I think this is an accurate summation of why we are doing it—is that it is the only thing we can do tonight; because if we brought up the vote on the money on the eve of a national political convention, somehow it would politicize the issue. I do not buy that for a minute. I do not think all the people who care about democracy and freedom in Central America are on this side of the aisle. I think there are some on both sides of the aisle who are ready to stand up and be counted tonight. It does not matter whether that vote occurs tonight or the first week after the recess, when I guess it is scheduled to occur.

So, if what we are doing is screwing up our courage and calling up our reservoir of energy, then maybe it will serve some worthwhile purpose. The final purpose, when we get to it, will still be, will we put our money where our mouth is, or are we going to just make a pious declaration and then see what happens?

Mr. President, one of the most successful Presidents we ever had also had a saying. It was not "Put your money where your mouth is." It was, "Speak softly and carry a big stick."

For a long time we have been doing exactly the opposite with tragic consequences in Central America.

I say, Mr. President, it is about time for Senators to begin to do the opposite, to not make too many more of these high-sounding wordy statements of purpose and policy and do something for Heaven's sake, and I will be glad when that moment comes and we can vote to give some aid to people who are fighting for freedom.

Mr. GRAMM. Mr. President, will the distinguished Senator yield?

Mr. ARMSTRONG. Of course, I am happy to yield.

Mr. GRAMM. Mr. President, I would like to first say to the distinguished Senator from Colorado that I am proud to serve in the Senate with him.

Second, I would like to say that if this rather glib resolution has no other result than calling the Senator from Colorado to the floor, then I think it has done a great service.

In fact, I was hit, as if by a revelation, as if by a bolt of lightning, with a rather startling idea as I listened to the Senator's account of all the peace plans since 1979, of all the empty promises, of all the lies that the Communists have told and that have been believed by many Members of this body and by many people throughout the Nation. It suddenty struck me as if by a bolt of lightning that perhaps the Communist Sandinistas in Nicaragua want, not peace but victory.

Does the distinguished Senator from Colorado think that is possible?

Mr. ARMSTRONG. Mr. President, I do not want to give a cynical response. But I must say I think the Senator is correct. I think it is most improbable that in the final analysis the Communist government in Nicaragua will willingly negotiate away those aspects of their system which are essential to maintaining them in power. I do not believe for a minute that a free election would maintain the Ortega brothers and their associates in positions of power, responsibility, and dominance in Nicaragua. I do not think they think that either.

So I have always thought whether it was President Arias, or whoever it was, that the notion that somehow a negotiation would produce that result was at least very optimistic and probably unrealistic, but I am willing to try. I remain willing to try.

But I am not willing to disarm the only coherent force in Nicaragua that is ready to stand up and be counted for freedom and send them to the negotiating table disarmed and vulnerable before their enemies.

Mr. WILSON. Mr. President, will the Senator yield?

Mr. ARMSTRONG. Of course, I am happy to yield.

Mr. WILSON. Mr. President, I would be pleased to address the question to my friend from Colorado.

Let me first echo the commendation that has been addressed by the Senator from Texas. I think that while we are all accustomed to hearing the Senator from Colorado speak with clarity and force, I think he has been particularly insightful and the homework he has done recalling all too many hours on this floor when we have heard good intentions expressed repeatedly seemingly in ignorance of everything that has transpired in the years before.

But that brings me to the point occasioned by the question from our friend from Texas. I wondered if I might share briefly an experience that I had when I traveled to Nicaragua in 1983 and discovered to my surprise that I was the first Senator to travel to Nicaragua in the then term of our then ambassador, Ambassador Quinten, who had been there 19 months, and he, at my request, arranged an audience for me with then Commandante Ortega. This was before he was Presidente Ortega, a significant point I think you will see because when I entered a large board room I found what I thought to be a somewhat comic scene. On one side of a lengthy board tabel about 40 people sat and stood around Commandante Ortega who was backed by television cameras and klieg lights, and I entered with our Ambassador and interpreter. After a time the lights, the cameras went out, the crowd diminished. There were only about a dozen people left. At the time it grew smaller.

For about an hour I engaged in what I will dignify as a dialog with Commandante Ortega. Let me just capsulate. Repeatedly I asked him when the Sandinista regime would honor the pledge they had made in the celebrated telegram to the OAS in July of 1979 in which they promised the restoration of human rights and specifically the conduct of free elections. It was on that point that I pressed him repeatedly saying, "When, Senor Comandante, can we expect the Sandinista regime to honor its pledge to hold free elections?"

Well, he visited with me about Sandino, about what occurred in 1909 at great length. Finally, and it was clear that the interview had to come to an end. I said in all respects this is not 1909, it is not even 1979. It is 1983. And I asked when, after 4 years, is this regime going to honor its pledge to hold free elections?

Finally, he said to me, and in commendable candor, I think, "We will never do anything that in any way prejudices or jeopardizes our revolution."

I said, "You are telling me that you are not prepared to hold free elections?"

And, of course, they never have.

What they have done instead was to conduct a sham that has transformed Comandante Ortega into Presidente Ortega.

That conversation occurred in 1983. As the Senator from Colorado points out, this is 1988, almost a full decade after that telegram, that pledge, that promised to restore human rights, to hold elections while we see how they have kept faith with that pledge.

I would simply say that I agree with my friend from New Mexico. The most significant thing about this rather bland undertaking before us, which I assume we will all vote for, is that it does mark the first time that there seems to be some progress. At least it is the first time that virtually everyone had joined in condemnation of this Sandinista regime for what has been repeated violations of human rights that have been chronicled year after year. Along with the statements that our friend from Colorado read from the CONGRESSIONAL RECORD, there will also be found statements from other Senators and insertions in the RECORD of independent human rights organizations reporting on the incredible atrocities in violations committed by this regime.

But if revelation has come to the Senator from Texas, let us celebrate that relevation seems to have come to a number of others as well.

And it is far more important that that revelation be genuine and that it be sustained and that the skepticism that has not been universal become universal and that in fact it not be skepticism but rather acceptance of the fact that this regime has repeatedly trampled on human rights.

This is not the first time La Prensa has been closed. It is probably the dozenth time. It is not the first time that there has been interference with religious freedom. Indeed some may have forgotten the hectoring of the Pope on his visit, the censorship of the mass on television by Cardinal Obando y Bravo, the humiliation of the young priest, the monsignor, who was his communications officer.

Mr. President, I will not take more time. I thank my friend from Colorado. I agree with him. This is pretty bland stuff but at least it is progress, at least in terms of what seems to be a general understanding that this is intolerable conduct, we have to mark it as progress.

Mr. ARMSTRONG. Mr. President, I really appreciate and am grateful for the comments of the Senator from California, and I really think we all in this body owe him a debt of gratitude for his clear vision of what is going on in that region of the world and his travels to that troubled country and for his willingness to stand up and be counted not just tonight when it is easy, but on a lot of occasions when it has not been that easy to do.

Mrs. KASSEBAUM. Mr. President, I wonder if the Senator from Colorado will yield for a comment on his remarks briefly?

Mr. ARMSTRONG. Of course, I would be very pleased to yield.

Mrs. KASSEBAUM. Mr. President, I fully support the resolution which condemns the Nicaraguan Government's decision to close down Radio Catolica and La Prensa and expel our Ambassador and seven other United States diplomats.

When the Sandinistas signed the Central American peace accord in August 1987 they promised democracy and freedom to the Nicaraguan people. Among the limited measures they undertook to demonstrate their sincerity were the reopenings of the Catholic radio station and the opposition newspaper La Prensa, as well as the easing of restrictions on the political opposition.

Once again Mr. President, we are watching a Sandinista promise be rescinded. It is quite clear that the Sandinista definition of democracy and openness is a convenient one. The newspaper La Prensa can publish only as long as the Government can tolerate it. The Catholic radio can broadcast until the Government says otherwise. And, the Nicaraguan people can speak out against Government policies until the Government decides to use force and arrests to break up demonstrations.

This is not freedom, nor is it democracy. It is blatant repression. Nicaragua is a society that continues to be arbitrarily controlled by the whims of its Government.

By expelling our Ambassador and seven other members of our diplomatic team, the Sandinistas appear to be scrambling for a scapegoat for the discontent among the Nicaraguan people. Instead of heeding their own citizens' calls for more openness and more responsive policies, the Nicaraguan Government, instead, has clamped down further and chosen to blame the United States. These are policies the Sandinista government will not be able to sustain because the protests are coming from the Nicaraguan people.

It is urgent Mr. President that we openly demonstrate our support for those in Nicaragua who are struggling for more openness and democracy. We must continue to support the Nicaraguan people's efforts to impress upon the Sandinistas that the only solution to their problems is a negotiated agreement with the Nicaraguan opposition which will ensure the transition to a pluralistic society.

It is also important that our policy be a regional policy. We must work with our Central American allies in our efforts to support the calls for democracy from Nicaragua. We must also be sensitive to the economic needs of our allies as they continue their own struggles to foster democracy and development.

This week's opposition rallies in Nicaragua underscore that time is running out on the repressive policies of the Sandinista government. I urge that we join unanimously in supporting the democratic hopes of the Nicaraguan people by condemning the repressive actions of the Sandinista government.

I wish to say to the Senator from Colorado, whose comments I always find very thoughtful and informative, that I do not agree with him, however, that this sense-of-the-Senate resolution has no importance. As a matter of fact, I think, Mr. President, that joining together unanimously, the United States Senate in a resolution condemning the repression of the Sandinista government is an important message and the Sandinista government will only ignore it at their own risk, if indeed that is what they choose to do, and there are those who may laugh and they may do such.

But I think nevertheless it is an important message that we send at this time, condemning them for repression, recognizing that they cannot simply try and pretend that they are going to practice an openness only at their own convenience.

I think it is a very important time for us to stand united, and that is what we are doing with this message.

True it will take further action and that we will be addressing at a later time, I hope with our allies, because they are very important in this effort as well.

I will not speak any longer, Mr. President. I appreciate the Senator from Colorado yielding, but I do think that it does have some merit.

Mr. ARMSTRONG. Mr. President, I am going to yield the floor in just a moment. Before I do I have one last point to make, and I want to just reply to this extent to the Senator from Kansas.

I have seen it happen around here over and over again, that at a critical moment the Senator from Kansas will arise and in a few words sum up a point that is of extraordinary importance, and she has done it again here this evening.

There really is some value despite my concerns, despite the characterization by the Senator from California that this is bland, and it really is, and despite my heartfelt wish that we were voting on real substance, there is nonetheless value in, as the Senator from Arizona said, developing a bipartisan consensus to condemn the repression of the Communist Government in Nicaragua. No doubt about it.

But that brings me to the final point I want to make, and that is, between now and whenever we get around to voting on the Dole proposal for some financial support for a freedom-fighter movement that is just hanging on by their fingernails, I cannot help wondering what will happen in Nicaragua. And I want to ask Senators right now before it happens, if it happens, if somehow the underlying situation will be different if they let La Prensa start publishing again. I do not think that is going to change a thing. And I hope they let Mrs. Chamorro begin publishing La Prensa again. But it is a fact that they have turned that press off and on so many times that I am not going to be persuaded the situation is different just because they let a few more issues of La Prensa come out while one of the parties holds a national political convention and we are in recess. That does not change a thing. The same with the Catholic Radio station.

It would take a far more fundamental change than just a few cosmetic determinations to make a big difference. My fear is that when we come back, say, a week from Monday or a week from Tuesday or a week from Wednesday, or whenever this matter is before us, then, in fact, some minor accommodation of that kind will be made and there will be, at that point, even after all the years of unfaithfulness and betrayal of trust and lies, that there will be some Members of this body who will be so eager to believe that there is an easy way out of this situation that they will stand up and say, "No, I don't think we ought to have any aid for the democratic resistance because La Prensa is back in business and they turned the radio station back on."

I would like to see them let a few thousand of the political prisoners out of their jails. I would like to see them set a firm date for free elections. I would like to see them stop the brutal repression of the free economic movement of the Chamber of Commerce which I visited when I was there. I would like to see them do something about the union movement. I would like to see them begin to keep, just begin to keep, some of the promises that they have made over and over again.

If they do that, then that is progress. But if it is just cosmetics, then I say we ought to vote for the Dole proposal to give some substantial financial aid to the democratic resistance in Nicaragua.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I rise in opposition to the resolution of the Senator from Kansas [Mr. DOLE] and in support of the Byrd substitute.

Mr. President, I believe that the Nicaraguan Government's closing of La Prensa and Radio Catolica must be condemned, but I do not believe that resumption of military assistance to the Contras is neither an answer to this problem nor an option for United States policy.

One point I believe needs to be made unmistakably clear. The Contra war, from its very beginning, has never been designed to promote either democracy or political reconciliation in Nicaragua. Furthermore, resumption of the war will kill the peace process and bring a permanent end to this process begun last August when the five Central American Presidents signed a peace accord in Guatemala City.

I repeat. This amendment condemns the Sandinistas and calls for their renewed commitment to the Esquipulas and Sapoa accords. It is not a call for military aid to the Contras.

As an ardent supporter of the Central American peace process, I am offended by the Sandinistas' behavior over the past few days. The closing of the press and the radio cannot be justified and represents a backward step, a reversal of the progress made in the past year in the area of an opening of a political space in Nicaragua and a winding down of the conflict there.

But approval of military aid and resumption of the war will only ensure that the progress made so far, that hopes for a political opening and reforms, not just in Nicaragua but, indeed, in all of Central America, will be permanently destroyed.

Many on the other side, some who have spoken recently, place total responsibility on the Sandinistas for a failure to reach a cease-fire and to ensure democratic reforms in Nicaragua.

The fact is I believe that Sandinista actions in the last few days have harmed the process. But the Contras and the Reagan administration, led by Secretary Elliott Abrams, have worked to kill the peace process.

That is not just my view. It is a conclusion taken from the Contras themselves.

Let me alert my colleagues to a Newsday article of July 5. That article states that a leader of the Nicaraguan Contras reported that the rebel negotiating team broke off ceasefire talks with the Sandinista government last June to provoke a crisis that would force the United States to resume a more active role in Central American diplomacy and, if possible, to force a resumption of United States military aid to the Contras.

The Contra official said, and I quote: "So long as we are talking, we had no chance for a revival of military aid. Now we may."

This view is seconded by the recently ousted chief Contra negotiator, Jaime Morales. Morales, as is reported in a July 18 Newsweek, charges that the Contra leadership sabotaged peace talks in the latest round which ended on June 9.

For the failure of the peace talks, Morales blames the Contra leaders' "devotion and submission to foreign interests"—that is, the United States.

So, here we have it—in the words of the Contras themselves—it was the Contras, not the Sandinistas, who were responsible for the collapse of the latest round of the peace talks just a month ago. Despite this fact, some of my colleagues are pressing the Senate to reward the Contras and to resume the Nicaraguan civil war.

One other fact that renewed aid to the Contras would have us forget is that the ultimate outcome of the internal power struggle within the Contras is a likely victory for Enrique Bermudez and the hardliners. The final outcome will occur in the next Contra assembly to be held in the Dominican Republic at the end of this month.

Informed observers predict that Contra hardliners, Enrique Bermudez and Artistedes Sanchez, will succeed in ousting Adolfo Calero, plus coleaders Pedro Joaquin Chamorro and Azucena Ferrey.

Bermudez, a former colonel in Somoza's hated National Guard, is a favorite of the CIA and represents the worst in the Contras.

Again, please, do not take my word for it. Listen to Jaime Morales, chief Contra negotiator until April of this year, who in a June 22 open letter, has the following to say about Mr. Bermudez and Mr. Sanchez:

> They have been revealed shamefully and publicly as agents of foreign interests . . . . Their greatest weakness can be found in the area of human rights, ... They are the last remainders, as the most advanced and unconditional disciples of the "Argentine Colonels" who trained a small group of the Contras in 1981. [These colonels] were the experts in the "missing," whose orphans, widows, and mothers filled and overfilled the monumental Plaza de Mayo in Buenos Aires.

In an earlier section of the open letter, Morales is more explicit in his characterization of Bermudez and Sanchez, calling them "representatives of the most reactionary, belligerent and fascist sector."

I repeat, a former chief Contra negotiator calls the new Contra leaders—Enrique Bermudez, a former colonel in the National Guard of Somoza, and Aristedes Sanchez—the ones about to hold the real power in the Contra directorate, "representatives of the most reactionary, belligerent and fascist sector."

Before placing blame for failure to reach a permanent cease-fire and to bring about essential democratic reforms in Nicaragua, we cannot just look at events of the past few days. We must consider all the facts.

True, the Sandinistas suppressed an opposition demonstration this Sunday. That must be condemned.

True, the Nicaraguans closed La Prensa for 15 days and for an undetermined amount of time ended broadcasts of Radio Catolica. This must be condemned, and in clear and unequivocal language, we must call upon the Nicaraguan Government to fulfill the commitments it made in the Esquipulas and Sapoa accords to "guarantee unrestricted freedom of expression" and specifically, to restore to La Prensa its rights to print and to Radio Catolica its right to broadcast.

I might also point out that this was not in the original Dole sense-of-the-Congress resolution. It is the sense-of-Congress resolution that was substituted by Senator BYRD which calls upon the Nicaraguan Government to restore to La Prensa and Radio Catolica their rights to print and to broadcast. I think that is a revealing difference between these two approaches.

But we must also reaffirm our support for both the Nicaraguan Government and the Contras to abide by the ceasefire and to resume negotiations for lasting peace and democracy in Nicaragua.

It is clear that it was the Contras, urged by the administration, who sabotaged the latest round of the peace talks in early June.

Mr. JOHNSTON. Mr. President, would the Senator yield for just a moment to let me ascertain what the schedule might be for the night?

Mr. HARKIN. I would ask unanimous consent to yield to the Senator without yielding my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. I thank the Senator very much.

Mr. President, I wanted to speak to the majority leader to get some idea about how long this debate might go on and then, perhaps, get a unanimous consent with respect to the other parts of the Interior bill.

I wonder how many Senators there are who wish to speak on this and how long they might want.

Mr. QUAYLE. Mr. President, I would like about 10 minutes.

Mr. HUMPHREY. Mr. President, if the Senator would yield, I want to say in answer, in all due respect, this Member objects to the unanimous-consent agreement. It is an important issue. Senators deserve a chance to talk at whatever length they desire. I do not intend to say a good deal. I think it has been largely said, but what is the big rush? This is an important matter. This is just a collection of mewling words. It does not mean a whole lot, but we ought to have a chance to discuss it without restriction.

Mr. JOHNSTON. That is helpful to know that the Senator would want to do that. Frankly, I would hope to suggest that the debate go on into the night and perhaps have the vote tomorrow. If that is agreeable with the majority leader.

I just wanted to ascertain that. But the Senator would want to talk at some length, I would gather?

Mr. HUMPHREY. No, this Senator does not intend to speak at great length but will object to any attempt to limit debate. I can understand the discomfort on that side of the aisle about the issue being discussed tonight. The Senators have been affronted by Comrade Ortega once again, they are embarrassed, they would just as soon it not be discussed. If it must be discussed, they want to limit the debate. I object.

Mr. JOHNSTON. I was not asking for a limit of debate. I simply wanted to find out if the Senator wanted to speak at length. The Senator may or may not wish to speak at length, as I gather.

Mr. HUMPHREY. I misunderstood the Senator, in which case I apologize. I thought you were seeking a time agreement.

In any event, I would object to such an agreement or limiting speakers to some list.

Mr. JOHNSTON. No; I was not asking that. I am just asking for information.

Did the Senator from Mississippi wish to speak as well?

Mr. COCHRAN. Mr. President, if the Senator would yield, I do want to speak on this issue for 3 or 4 minutes. I have been here on the floor since about 5:40 seeking recognition to speak. But I have only about 3 or 4 minutes of remarks to make on the issue. And, for clarification, it was not my interpretation that you were going to seek any kind of agreement on time for individual Senators or in total to discuss this, but it was simply to try to give Senators some indication of whether we might reach a vote later in the evening on this issue?

Mr. JOHNSTON. That is right. If the Senator would yield; frankly we have a couple of other amendments. The question is about what time in the evening would we be able, finally, to adjourn if everyone has his say to the fullest extent.

Mr. COCHRAN. I thank the Senator.

Mr. BOREN. Mr. President, I would like to speak for 5 or 6 minutes on this, 4 or 5 minutes; a short period of time.

Mr. JOHNSTON. Is there no one else who wanted to speak, other than those?

Mr. HUMPHREY. Mr. President, if the Senator will yield for the purpose he stated, and I apologize for the misunderstanding of his intent, but out of courtesy to our colleagues who are wondering when and if a vote would come, I would state for my part I do not intend to speak for more than 10 minutes.

Mr. JOHNSTON. I thank the Senator and I yield.

The **PRESIDING OFFICER** (Mr. Dixon). The Senator from Idaho.

Mr. HARKIN. Mr. President, it is clear that it was the Contras who sabotaged the Arias peace talks in early June.

It is the Nicaraguan Government which has called for a continuing cease-fire and it is the Contras who refused to formally extend the cease-fire.

Furthermore, I believe a thorough investigation must be initiated into the efforts of this administration and the U.S. Embassy to undermine the peace process and cease-fire negotiations and to provoke disturbances inside Nicaragua. I think a number of questions need to be answered.

For instance, ought we not look into the claim of the former Contra negotiator Jaime Morales, that it was the Contras who sabotaged the latest round of the cease-fire talks? Is it a mere coincidence that the United States has supported the most militaristic faction of the Contras headed by former National Guard Col. Enrique Bermudez, who has been the most consistent opponent of a negotiation resolution of the civil war?

Was it not Bermudez who undercut Alfredo Cesar who, according to observers, had reached an informal agreement on a cease-fire and democratization before the last round of negotiations broke down on June 9? And yet it was Bermudez who undercut this informal agreement that had been reached between Alfredo Cesar and the Sandinista government.

I also believe the role of the United States in protecting ex-Somocista Enrique Bermudez against the civilian leaders of the Nicaraguan resistance should be examined.

We ought to consider all of the facts. The Washington Times of May 17 reports that the CIA subverted a motion made by the majority of the Nicaraguan resistance directorate to remove Enrique Bermudez as the Contra military commander. According to the conservative Washington Times, a proposal to fire Bermudez was put on the table at the directorate meeting by Pedro Joaquin Chamorro. I would also say it is the same Chamorro of the family that runs La Prensa. He put a proposal on the table to fire Enrique Bermudez.

Pro-Bermudez director Aristedes Sanchez stepped out of the room and telephoned a CIA official in Washington. Moments later the CIA official phoned the room where the directors were meeting; asking the call be put on a speaker phone so that all present could hear it. The CIA official launched into what several rebels called a tirade that lasted 20 to 30 minutes.

The CIA official called the proposal imbecilic and stupid and said the U.S. Government would abandon all attempts to help the insurgents if it were passed.

Mr. President, let us look into all the facts. I am as strong as anyone in condemning the Sandinista government breaking up demonstrations of last Sunday and its closing La Prensa and Radio Catolico. But we ought to look at what led up to these events.

We must look into the fact that throughout the history of the Contras, CIA operatives on the ground and Elliott Abrams' shop in Washington have directed the Contras and called the shots. Hard liner Bermudez has remained their main man through it all. Bermudez's objections to the Sapoa Agreement fit neatly with Abrams' expressed view, and it is Abrams, Bermudez and company who are sabotaging implementation of Sapoa and attempts to foster a permanent end to the fighting in Nicaragua.

Also, Mr. President, I think we have to look at some other things that happened just prior to the events that took place in Nicaragua this week.

We must examine the role played by U.S. Ambassador Richard Melton, who formerly served as an assistant to Abrams as head of the Office of Central American Affairs at State.

What activities, Mr. President, have U.S. Embassy personnel engaged in Nicaragua? What were two Embassy officials doing at the anti-Sandinista demonstration in Nandaine on Sunday? What was Ambassador Melton doing at last week's rally of the private enterprise group, COSEP, where the group's leader called for the Sandinista government to be replaced with a different government to deal with Nicaragua's economic problems?

Is this a common activity of all of our Ambassadors around the globe? Do our Ambassadors in other countries go to meetings of the opposition there and support opposition meetings that call for the removal of the Government in those country—of governments with which we have diplomatic relations?

Mr. HUMPHREY. Will the Senator yield? The Senator asked a question.

Mr. HARKIN. When I finish my statement I will.

Was this a practice of Mr. Melton's predecessor? The answer is no. He did not engage in such activities, but Ambassador Melton has.

Again, we have to be asking these questions: What were U.S. Embassy personnel doing at these demonstrations and at this meeting of COSEP last week?

Again, I believe the activities of our Embassy personnel in Nicaragua, led by Ambassador Melton, represents the cynical approach of this administration to the peace process and to the Nicaraguan Government.

Here is the basis of this cynical approach. If the Sandinistas begin to open up the political process, then the United States Embassy begins to promote insurrection, distortion, and chaos; it does not promote constructive democratic activities that will lead to democratic openings in Nicaragua. It only promotes disruption and disorder.

On the other hand, if the Sandinistas close down the political space, then the administration will use that to promote military aid to the Contras.

Again, I think this reveals the cynicisim attitude of Elliott Abrams and others in this administration toward the Guatemala peace accords. In fact, Mr. Abrams and others have been more interested in resuming military aid and in resuming the war than in promoting real democracy in Nicaragua.

Mr. President, while I support this amendment and am a cosponsor, I do not believe that it is a call to put the Senate on record in support of resumption of military assistance to the Contras which would restart the war and kill the peace process. Continued conflict, continued war and a resumption of military aid are the real motives of Colonel Bermudez and his boss, Elliott Abrams.

I support this amendment because it rightfully condemns the Nicaraguans for reneging on their commitments under the Esquipulas and Sapoa accords to guarantee freedom of expression and calls upon them to restore publication and broadcast opposition press and media which, again, I point out was not in the original Dole amendment.

Mr. President, before I conclude my remarks, I just want to respond to a couple of other points that were raised earlier. We hear talk about Nicaragua not abiding by the Esquipulas accords. In regard to what happened over the weekend, that is absolutely true. But the Esquipulas accords is a regional agreement signed by all the governments in Central America. They are all committed to abide by the Esquipulas accords.

I point out that Honduras is required by the Esquipulas accords to remove all insurgent forces—the Contras—from their territory. The Esquipulas accords mandate that, yet the Hondurans have not done so.

Again, I am trying to put this all in balance to show how there is more to this than meets the eye.

I also point out the civil war continues in El Salvador and Guatemala. Negotiations between Government and representation in El Salvador and Guatemala are stalled and going nowhere. Despite a pledge of reconciliation by the Salvadorans, right-wing death squads in El Salvador are on the rise. Death squad activities and killings continue in El Salvador. Recently, Jorge Seano, the ruling judge in the kidnaping-for-hire case, was gunned down right outside his house by right-wing death squads.

Well, I do not hear any discussion on the Senate floor about backward steps being taken in El Salvador and whether it is complying with the Esquipulas accords. Again, I point out it is a regional accord which applies to all of the countries in the region, not just to Nicaragua.

Last, I want to point out something I pointed out time and time again in debates that keep coming up all the time; that the Sandinistas agreed in their letter to the OAS in 1979 to promote democracy, an open political system, reforms, and a mixed economy in Nicaragua. That is all true. They did agree to do that.

The fact is the revolution was won by the Nicaraguan people over the hated Somoza National Guard on July 19, 1979. Somoza had laid waste to one whole nation of Nicaragua. He emptied every bomb he had, shot every bullet, laid waste to entire communities with indiscriminate bombing using weapons supplied to him by the United States. It was United States made bombs, United States guns, United States trained National Guardsmen that laid waste to the entire countryside of Nicaragua.

The revolution, however, overthrew Somoza. "Well," someone just said on the other side, "we gave them hundreds of millions of dollars in aid after that." The fact is we gave the Sandinista government—or the interim junta for it was not really a government at that time—$115 million, of which $55 million went to the private sector and about $60 million went to the government to help it reconstruct its country. But $55 million, almost half the money of $115 million went into private hands, the private sector that then took the money and took it outside the country, probably to Miami. It was not "hundreds of millions of dollars"; it was $115 million, about which half went to the private sector.

The second point that needs to be clarified deals with the promise of reforms that they made in the Sandinistas' letter to the OAS.

The revolution, I pointed out, succeeded July 19, 1979. The country was laid to waste. There were really not too many people who knew how to run a government there. The whole infrastructure was shot. There was no economy. Somoza cleaned out the treasury. The entire economic infrastructure had broken down because of the Somoza bombing and the firepower of the Somoza national guard.

It takes time to rebuild a country after that kind of devastation. Yet 1½ years later—1 year and about 9 months later, to be exact—the Reagan administration started supporting Enrique Bermudez and a handful of national guardsmen who wanted to overturn the revolution of just 1 year and 9 months before. I point out that after our revolution succeeded in this country, it took us almost 7 years before we had a constitution.

But we gave the Nicaraguans just 1 year and 9 months. Then we condemned the Nicaraguans for not accomplishing the reforms they promised in their letter to the OAS.

In 1981, 1 year and 9 months after the Nicaraguan revolution, the United States Government started funding Bermudez and the Contras. Now we are right back where we started after all this time and money, and after all the Nicaraguan lives lost, the United States is again supporting Bermudez who is back in charge of the Contras. That says something about Reagan administration policy.

Now, 8 years later, the Arias peace plan has been introduced and the Esquipulas accords have been signed. But rather than promoting the peace accords, rather than supporting the more moderate Contra leaders who were trying to reach a cease-fire agreement, the Reagan administration tilts toward Bermudez and Sanchez and the real hard-liners, the old colonels and others in the national guard. That is a dead-end policy.

Yes, there can be a bipartisan approach to the Central American situation. That bipartisan approach must support and strengthen the Guatemala accords, not in trying to undermine, subvert it, and not in trying to rearm the Contras and resume the war. A bipartisan policy must recognize that there is a regional and negotiated solution to the problems in Central America. These problems will not be solved by the Contras. We must recognize the legitimate aspirations of the Nicaraguan people and move forward with the other countries in that region to ensure that democratic reforms are not subverted by actions taken by our CIA, by the Contras, or by those who would have the Contras resume their military activities.

The time is long past for us to begin bilateral talks with the Nicaraguan Government on regional security issues.

It is this Senator's opinion and strong feeling that military aid will not be resumed to the Contras unless the Sandinistas accept Soviet bases in Nicaragua, export their revolution beyond their boundaries into other countries, subvert the Esquipulas accords, and become a real military threat in the region. If that were to happen, then this Senator would favor military aid in that region, perhaps not to the Contras but our own military, because these actions would indeed represent a threat to the U.S. security interests in the region.

But to fund the Contras and to resume military aid to the Contras is not the path to take. It will only cause more death and destruction. It will only cause what small gains are being made in Guatemala to go down in flames. It will exacerbate the situation in Honduras and put Arena and the rightwing death squads back in power in El Salvador.

So, Mr. President, I thank the distinguished majority leader for reworking the Dole amendment; I thank the distinguished chairman of the Intelligence Committee, and others, in seeing that there is a commonsense, moderate, middle-ground approach to saying to the Sandinistas, that we condemn their closing of Radio Catolica and La Prensa, and call upon them to reopen now. But this amendment does not call for a renewal of any kind of military aid to the Contras based upon those actions.

Mr. President, I ask unanimous consent that three articles, one from Newsweek of July 17, 1988, entitled "Contra Power Struggle;" another from the Washington Times of May 17, 1988; and a third from Newsday of July 5, 1988, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From Newsweek, July 18, 1985]

CONTRA POWER STRUGGLE

Top contra rebels expect a bitter battle for control at their assembly in the Dominican Republic this month. They predict efforts to oust the best-known contra leader, Adolfo Calero, plus coleaders pedro Joaquín Chamorro and Azucena Ferry. Calero's departure would increase the influence of hard-liners Aristedes Sánchez and Enrique Bermúdez as contra strategy waivers between combat and negotiation with Nicaragua's Sandinista leaders.

The contra's ousted chief negotiator, Jaime Morales Carazo, charges that the contra leadership has sabotaged peace talks by switching positions. In a report on the collapsed talks, Morales condemns the leaders' "devotion and submission to foreign interests"—the United States. He says the CIA phoned a top-level contra meeting to threaten a cutoff of all aid if military boss Bermúdez, an agency favorite, was forced out. The internal feuding "could be entitled 'Bay of Pigs II,' but carried out by the pigs themselves," says Morales.

Contra supporters in the administration are quietly pushing a new $30 million aid package in the Senate, including up to $9 million in lethal aid to be held in "escrow" until September when Congress can reassess the situation and vote again. Democrats will try to avoid controversy by delaying the bill past their convention.

The contra connection is a tough assignment at the CIA. Since Alan Fiers left in March as chief of its Central American task force, the agency is into its fourth replacement.

[From the Washington Times, May 17, 1988]

COMPROMISE PROPOSAL OFFERED TO KEEP BERMÚDEZ, LET DISSIDENT OFFICERS RETURN

(By Glenn Garvin)

MIAMI.—Nicaraguan Resistance leader Azucena Ferrey flew to Honduras yesterday with a compromise proposal to try to heal the rift that has shattered the U.S.-backed rebel army and alienated its allies.

Resistance officials here would not disclose exact details, but the plan would apparently maintain military chief Enrique Bermúdez in power, while allowing young battlefield commanders who have been trying to depose him to return to their comrades without penalty.

In Honduras, diplomatic sources said Mr. Bermúdez spent a second day negotiating with dissident fighters at the Yamales base camp near the Nicaraguan border yesterday. The situation was described as quiet.

The Honduran military was said to be strongly backing Mr. Bermúdez with a threat to cut off food to rebels in the camp. The U.S. Embassy, shorn of much of the leverage it had before the House of Representatives rejected further military aid to the resistance Feb. 3, continued to act as broker in the situation.

Although the official U.S. position remained hopeful of a solution, some pessimism was voiced about reviving the insurgency as a combat force. Diplomats said backing Mr. Bermúdez was the only possible way of restoring unity.

Nicaraguan rebel officials in Miami said the CIA intervened directly over the weekend when the five-member resistance directorate was considering firing Mr. Bermúdez. The CIA threatened to cut off all aid to the rebels if Mr. Bermúdez were removed, and a CIA official delivered a long tongue-lashing to rebel officials that infuriated them.

After the CIA intervention, the directorate dropped the proposal to fire Mr. Bermúdez and went to work instead on the compromise proposal that Miss Ferrey carried to Honduras yesterday.

But several rebel officials on both sides of the split said they were not optimistic the compromise would work. They said it will have to be approved by Mr. Bermudez, by the dissidents, by Honduran authorities, and by CIA officials in Honduras.

"It's not going to be easy to get any of them to approve it, much less all of them," said one official.

Mr. Bermudez has insisted that the dissidents must be demoted. The dissidents have said they would not return unless Mr. Bermudez is removed. Honduran authorities have expelled several dissident officers, and their permission is necessary before the officers can return to their troops.

The expulsions were carried out at the request of CIA officials who have been backing Mr. Bermudez. Over the weekend the CIA took an even more direct hand in rebel affairs after agency officials learned that the insurgency's political directorate was considering a proposal to fire Mr. Bermudez.

Several sources here contributed to the following account, though none would identify the CIA participant:

The proposal was made on Saturday, in writing by director Pedro Joaquin Chamorro. A pro-Bermudez director, Aristides Sanchez, left the room ostensibly to make a photocopy of the proposal. Instead, he telephoned a CIA official in Washington to warn him of what was happening.

Moments later, the CIA official phoned the room where the directors were meeting. Asking that the call be put on a speaker phone so that all present could hear it, the CIA official launched into what several rebels called "a tirade" that lasted 20 to 30 minutes.

The CIA official called the proposal "imbecilic" and "stupid" and said the U.S. government would abandon all attempts to help the insurgents if it were passed. The CIA officials was particularly abusive toward Mr. Chamorro, accusing him of wanting to sell out the rebel movement to Nicaragua's Marxist government.

Mr. Chamorro finally left the room as the stream of insults continued. At the end of the call, another director, Adolfo Calero, angrily told the CIA official his call was "an indignity . . . we reject it."

When Mr. Chamorro and other directors complained to Mr. Sanchez that he should not have called the CIA, he replied: "They are the ones that put up the money, they are the ones that have chosen us."

Mr. Chamorro tried to press ahead with his proposal after the CIA call, but the other directors quickly moved to end the meeting.

Word of the phone call quickly spread through rebel ranks here, and most resistance officials were livid when they heard the story.

"I love your country, I love it more than some Americans do," said one rebel official yesterday. "But there are some guys here who think they can buy you and own you. They think you are a puppet." Several Nicaraguans in exile here "had tears in their eyes, they were so enraged," according to one official.

Mr. Chamorro refused to comment yesterday on the CIA phone call, but several of his friends said he told them he has decided he will not run for re-election to the resistance directorate when new elections are held next month.

The military split, and the CIA phone call, eclipsed most other discussion here yesterday. Most officials had nothing to say about talks between rebel official Roberto Ferrey and Nicaragua's Assistant Foreign Minister Victor Hugo Tinoco.

Mr. Tinoco came here to try to work out a time and place for the next round of cease-fire talks between the rebels and Nicaragua's ruling Sandinista National Liberation Front. Late yesterday afternoon there was no word on the progress of the talks, although one resistance official said the insurgents were prepared to soften their opposition to holding truce negotiations again in Managua, the Nicaraguan capital.

The rebels also issued a communique yesterday, denouncing "the most recent attacks by the Marxist-Leninist Managua regime against freedom of expression." The communique was prompted by an announcement in Nicaragua that the Sandinistas are restricting news reporting on the military draft.

The Sandinistas practiced a similar, limited censorship of the Nicaraguan news media between 1980 and 1982. From 1982 to 1986, all news had to be reviewed by Sandinista censors before it could be disseminated, and by 1986 all non-government news outlets had been closed down.

Censorship was lifted, and some opposition radio stations and newspapers permitted to reopen last year as part of the Central American regional peace plan. But two weeks ago, Interior Minister Tomas Borge punched an opposition radio station manager in the mouth, then suspended newscasts at the station. Most opposition leaders had been expecting some new type of censorship in the wake of the incident.

[From Newsday July 5, 1988]

Contra Peace-Talks Ploy Disclosed

(By Roy Gutman)

Guatemala City.—A leader of the Nicaraguan contras says the rebel negotiating team deliberately broke off ceasefire talks with the Sandinista government last month to provoke a crisis that would force the United States to resume a more active role in Central American diplomacy and, if possible, to bring about a resumption of U.S. military aid to the contras.

The rebel official, who asked not to be identified by name, said last week that the Reagan administration's response, sending Secretary of State George Shultz to the region, was exactly what the contra leadership had hoped it would be.

Shultz ended a tour of the four nations surrounding Nicaragua Friday by promising to visit again at the beginning of August and to assume a new "more visible" role in negotiations between the contras and the Sandinistas. In a series of meetings with rebel leaders here Thursday night, Shultz and his aides also discussed the possibility of an administration drive for resumption of U.S. economic and military aid for the contra force.

Indeed, Shultz told reporters on Friday that he viewed a renewal of military aid as "potentially possible" as part of a new U.S. diplomatic initiative in Central America. Contra leader Adolfo Calero told reporters that a figure of $30 million was under consideration—of which $7 million would be held in escrow for possible disbursement as military aid should the Sandinistas not negotiate in good faith. Shultz' spokesman, Charles Redman, told reporters that various ideas were discussed but that no dollar figure had been given.

In order to convince Congress to renew aid, however, the administration will have to demonstrate that the Sandinistas engaged in bad faith at the ceasefire talks. The contra leader's assertion seemed to undermine the credibility of that argument.

"We broke off the . . . talks. They were strangling us," he told a reporter a few hours after the contra civilian and military leaders had met with Shultz. "So long as we were talking, we had no chance for a revival of military aid. Now we may."

The official said the rebel leaders had broken off the talks because they felt completely isolated in the negotiations, with no support from any quarter.

The official, who spoke in the presence of three other contra leaders, has played a key leadership role in the movement for many years and took part in the latest round of talks, which ended in Managua on June 9.

It was not clear why the contra official decided to reveal his group's strategy. But a State Department official who follows developments in Central America very closely speculated that the contras feel their plight is so desperate and the demise of their movement so certain that they were willing to reveal information that would embarrass the administration and ultimately hurt their own cause.

"They forced the administration to send Shultz to Central America and to make a new request for aid to Congress, but the administration can't deliver," the official said. "So if they [the contras] go down, they want to make sure the administration goes with them."

As a result of the contras' decision to break off the talks, Shultz suddenly was inundated by demands that he dispatch an envoy to the region. The secretary sent Max Kampelman, the State Department counsellor, to Central America two weeks ago, and based on the bleak report filed by the veteran arms control negotiator, decided to travel to the area himself.

Although Shultz stressed at every point that his reengagement in Central American affairs was centered on concern for the fragile state of democracy in the region, the focus that emerged from his trip was the potential battle in Congress over contra aid.

But the disclosure by the contra leader renewed the question of the administration's credibility in pursuing that goal.

Shultz, in several meetings with reporters on his three-day tour, blamed the breakdown on the Sandinistas, who he said treated the rebel representatives "very badly" during the talks in Managua. He said they had planted listening devices in their rooms, had prevented them from holding political meetings with leaders of the internal opposition and had threatened their safety.

Shultz seemed surprised when a reporter informed him during an airborne press conference Friday that the contra leader had claimed the rebels deliberately precipitated a crisis. Shultz told reporters he did not "sense anything other than a feeling that has been expressed to me by our ambassadors in Central America, by people who made representations within those countries by the contras, that it would be a good idea to come."

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN Mr. President, this has been a long day and many of us have been very busy throughout the day working on various matters. This appropriations bill was one. In addition, our Agriculture Committee has been working to develop drought relief legislation to aid our farmers who have been harmed by that disaster.

As I came to the floor this evening to discuss this resolution, I could not help wondering who in Nicaragua is concerned about the disaster there. Is the government there taking any action, making any legitimate move toward providing relief to the human suffering that is occurring throughout that country? It occurred to me what a striking difference we observe between our democratic system and theirs. Not only are hopes and aspirations being frustrated by the Communist regime in Nicaragua; people who protest, who speak out, who plead for change and reform are actually punished and clubbed. The newspaper, because it reports those events, is closed. The radio station that broadcasts hope and religious faith is shut down.

I think it is altogether fitting, Mr. President, that tonight, even though we have had a long day and are working hard on many issues before this Senate, we condemn in the strongest possible language through this resolution the actions of the Communist regime in Nicaragua.

Nicaragua is a legitimate disaster area in many ways. Economically it is a basket case. It is a political disaster area. I think it is clear to us all that the experiment in communism in Nicaragua has failed. It has failed miserably.

It is not only time to give peace a chance. It is time to give democracy a chance. We need to continue to keep the pressure on this regime to institute genuine democratic reforms, and if it refuses to do so, as it has continued to do, then we must increase pressure for change to a government that will institute democratic reforms. I think that is the signal we are sending tonight; that we are tired of the Communist resistance there to those who want to have real and genuine change economically and politically so they can enjoy a higher and better standard of living and greater individual freedom. That is the message this Senate is sending.

I was disappointed that the distinguished Senator from Iowa suggested that it was our Ambassador's fault that the Communist regime was brutally putting down protests by the Nicaraguan people against the conditions under which they are living. I do not think that is borne out by the facts. As a matter of fact, some of us had a chance to meet with Ambassador Melton today and he told us unequivocally his instructions to his Embassy staff were to stay away from the demonstrations, stay away from that activity, so we would not be accused of creating the protests or fomenting "insurrection," to use the word of the Senator from Iowa.

So I reject that as a basis for those activities. I think they came about because of the frustration of the people in continuing to have to deal with the atrocities of that Communist regime. It is time in my judgment that we consider other actions, not just passage of this resolution. I would like for our administration, Mr. President, not only to expel their Ambassador and the same number of Embassy staff as were expelled from our Embassy in Nicaragua, but seriously to consider severing diplomatic ties with the Sandinista regime in Nicaragua. I think the time has come for us to take a fresh look at current policies, a fresh look at the old ways of doing things. It may very well be, if we try some new things, we will see that we have greater success.

I thank the Chair.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I first want to commend my colleague from Mississippi for the remarks he just made. It is with interest that I listened to the way he referred to the Government of Nicaragua. He did not call them the Sandinista government. He did not call them the current government. He did not call them the Marxist government. He referred to the Government of Nicaragua, the current government, as the Communist Government of Nicaragua. I think he is exactly right, Mr. President, in that assessment.

I think it is time all of us stand up and call a spade a spade. We are dealing with a Communist dictatorship in Nicaragua. Anybody that does not believe that simply has not looked at what is going on, has not opened their eyes to see what is going on there. What in the world would you call it? They have block captains in the neighborhood that spy on their neighbors. If they are not politically reliable, if they voice democratic ideals, they do not even get ration cards to get food. If that is not the kind of tight control practiced by a dictatorship that stifles any kind of free expression, I do not know what it is. They officially in their government document say that the army is not the army of the people of Nicaragua. It is the arm of the Sandinista Marxist-Communist political party. If that is not a one-party rule by what in essence is a Communist Party even controlling the military force of that country officially, I do not know what in the world we call that government that does not deserve to be called by any other name than what it is, a Communist dictatorship that is threatening not only internal freedom within that country in trying to completely centralize total control in that country, but it is also a government which threatens its neighbors.

The level of economic difficulty in Nicaragua can be charted. The level of successful activity by the democratic resistance can be charted. When you chart the success of the democratic resistance in Nicaragua, they were achieving tremendous success last December, they were moving in ways and hitting targets that showed massive popular support. They were moving thousands of people, 6,000 and 7,000 people in military maneuvers hundreds of miles across Nicaragua, coming in sometimes from four or five or six different routes to hit targets and striking with total surprise, indicating not only their military strength, Mr. President, but, more importantly, the fact that the people in the region were supporting them. They were hiding them, they were helping them, and they were not reporting their movements to the government.

When you look at the level of success of the democratic resistance, it is no coincidence, Mr. President, that you will find that as they were succeeding, the level of guerrilla activity trying to disrupt the democratically elected centralist government, Duarte Government in El Salvador, diminished. The level of activity of the Communist guerrillas in Guatemala trying to destabilize the democratically elected government of President Cerezo diminished.

It is also no coincidence that after the pressure was let off, after this Congress sent a signal that the pressure was off, the level of insurgent Communist activity against the two democratically elected governments of El Salvador and Guatemala began to increase again markedly.

Mr. President, when are we going to open our eyes? When are we going to understand that we are not having another debate about the Vietnam war? We are not talking about an area of the world thousands of miles from our shores. We are talking about our own neighborhood. We are talking about a land mass that is connected on up that is massed with Mexico which is experiencing its own great political difficulties and with our own border areas in the United States. We are talking about a government that has built a military force that is several times the combined military force of all of the other countries in the region. We are talking about a direct correlation between destabilizing activities.

I have heard it said, how could we say that a small country of 2 to 3 million people could constitute a national security threat to the United States? Mr. President, ask yourself this: If we allow that movement to go forward, if the pressure is taken off, and if the regions neighboring El Salvador, Guatemala, and other countries are destabilized, if that begins to move through our whole region, think what it would do to the United States of America? We have been able to play a role in world affairs because we have never had to look north or south, across either border, with any concern about our own national security. We have been able to provide a blance of power in the Middle East, or in Europe when the situation demanded it or in the Far East when the situation demanded it because we were secure here at home. We wisely had a doctrine that we followed for many years called the Monroe Doctrine that said we are going to look at the security of our hemisphere, our own neighborhood because we realized we could not be a force in the rest of the world if we allowed our neighborhood to be destabilized.

Mr. President, we have heard the urgings of those who have said take the pressure off. It is all our fault for putting pressure on the Communist Government of Nicaragua. If we just take all the pressure off, why they would not even need an army anymore. It is because we are putting on this pressure that they build up their army. It is because we are putting on this pressure that they have denied human freedoms. It is because we are putting on this pressure that they refuse to make agreements about when they are going to hold free elections.

So, Mr. President, the majority in Congress heeded those words. Take the pressure off the Sandinista Communist Government of Nicaragua. Take it off. They will start to diminish their armies. Why, they will no more be a threat. Why, they will show their good will by restoring human rights, by entering into agreements, and by moving toward political pluralism.

Well, Mr. President, we have had the answer to those who have led us down the path of taking the pressure off in the name of moving the peace process forward. We took the pressure off and what have they done? In the last quarter all of our instruments indicate that the flow of Soviet materials into Nicaragua have not reduced. They have not diminished. They have increased. That was their answer to our taking the pressure off. We took the pressure off, if they agreed to amend their constitution to do away with the use of the army as an arm of the Communist Party. No. They refused to talk about it. We took the pressure off, if they set dates for free elections. No. They refused to even talk about talks with the democratic resistance. We took the pressure off, and they closed La Prensa. We took the pressure off, and they closed the Catholic Radio. We took the pressure off, and when those brave people peacefully dared to assemble in that country, dared to peacefully assemble to express their views that the Sandinistas promised to honor the agreement, we took the pressure off and they answered us; they rounded them up and put them in prison. They still have not released the political prisoners they said they would release. They have shown their true colors, Mr. President. It is time we all own up to it.

Those that have been on both sides of the issue before, it is time for us to say we have tried removing the pressure and all we have done is harm the cause of peace, increase the military threat to the region, increase the destabilizing pressure on the neighboring countries, and make it more likely in the long run that our own national security interests will certainly suffer.

Mr. President, I said on that sad day in which the Congress I think sent the wrong signal that I hoped I would be proven wrong. I hoped in fact the Sandinistas would take our gesture of good will of taking the pressure off and move in the other direction. But I said, Mr. President, I was afraid to stand and we would look back years from now and say on that day one of the gravest foreign policy mistakes ever made in this country was made by the Congress of the United States. I said I was afraid that we would see trouble increasing throughout our region and that by our action that day we were increasing the chances that young Americans some day might have to engage in military combat even in their own hemisphere.

I said I thought it was far better to keep the pressure on, keep the peace process moving, give the tools to the local people down there who love democracy and who wanted to fight for themselves so that we could reduce the possibility that the young people, like the young people here in the Chamber tonight who serve the Senate, those young people would not some day have to go in and fight that fight, allow the people in the area to fight their own fight for themselves.

Mr. President, what we have seen is a purely irrelevant response to removing the pressure.

I have never seen a Communist government that voluntarily yielded power, voluntarily moved to democratic pluralism completely, on their own, out of the goodness of their heart, giving up the domination of the Communist Party, without some kind of pressure being applied.

Mr. President, I think we have seen what is happening. I think this resolution is an appropriate response. I hope the Sandinista government will read it for what many of us believe it says, and that is that if they continue down this path, they will have proven, once and for all, that they will never move toward democracy without pressure being applied, and they will leave us no choice but to resume the kind of pressure—even military pressure, if necessary—in terms of aid to the people there, to fight their own battle for freedom, which many of us feel is absolutely necessary if we are going to make progress in the talks and have democracy in that country and have a permanent change, not a cosmetic change, in the system, with free elections.

You cannot have a government that, for public relations, opens La Prensa and then closes it the next week. We cannot let them get by with a few cosmetic actions, as in the past, lulling us into a false sense of security. This is so clear, Mr. President, what is happening.

The committee has been taking testimony to determine, to the best of our ability, whether anything had been done improperly by our Ambassador or by the other six diplomatic personnel involved in the expulsion. Were they engaged in espionage, in intelligence collection, in efforts to directly stir up dissent against the Government of Nicaragua in an inappropriate way that goes beyond the bounds of diplomatic activity? I can speak only for myself, and without divulging classified information, that I did not hear one shred of evidence, one word of evidence, that our Ambassador or any of those six diplomatic personnel who were wrongly expelled by the Government of Nicaragua had done anything improper or along the lines suggested by the Nicaraguan Government in taking that action.

Mr. President, it is time for us to send a signal to help the peace process, to take an action that will assure that some day young Americans will not have to go into that area and lay down their lives. It is time for us to move forward, to demonstrate in that country and that region of Central America that all of us really cherish as friends and as neighbors. We can do that by sending a strong message, a strong condemnation of what has been done: If you continue down this path, you court the real possibility that we will return the real pressure that will force you to make some changes.

The language of the resolution is clear. I commend the majority leader for offering this substitute. I appreciate that the leader on the other side of the aisle has brought this matter to the floor.

Now is the time, whether as Democrats or as Republicans, as Americans, for all the values we hold dear, an understanding that pressure will be necessary to bring peace—let us open our eyes and stop engaging in wishful thinking. We have tried good faith and goodwill and we have removed the pressure, and they sent us an answer in closing La Prensa, in closing Catholic Radio, in rounding up and arresting innocent civilians who were expressing their political thoughts, and they threw out the Ambassador of this country. They have sent us their thanks. They have sent us their answer. Let us open our eyes and ears and see their answer for what it is.

Mr. BYRD. Mr. President, we have had a good deal of debate on both sides already on this amendment. I wonder if we could expect a vote on the adoption of the amendment by, say, 8 o'clock—15 minutes from now.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. McCLURE. Mr. President, how many on this side of the aisle seek time to speak?

Mr. HUMPHREY. Mr. President, this Senator has been waiting about 2 hours to speak, and I do not wish to be limited. I do not desire to speak for more than 6 or 8 minutes. I do not wish to be limited.

Mr. BYRD. The Senator has that right.

Mr. President, I ask unanimous consent that Mr. MELCHER be recognized for 5 minutes, Mr. SIMON for 5 minutes, Mr. THURMOND for 1 minute, Mr. QUAYLE for 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. BYRD. I thank the Chair.

Mr. THURMOND. Mr. President, I rise in strong support of the resolution offered by the distinguished minority leader—Senator DOLE.

Mr. President, it is ironic that while Mr. Ortega and other Nicaraguan leaders have committed themselves to a peace accord, they are—at the same time—blatantly violating the accord.

Just within the past few days, the Ortega regime has brutally suppressed a peaceful rally, and jailed more than 40 members of the democratic opposition, without informing them of their charges. In addition, they have just expelled eight American diplomats, including our own Ambassador to Nicaragua.

Mr. President, the actions of the Sandinistas very clearly violate the written accord. The members of the democratic opposition should know, that we—in the U.S. Senate—condemn these acts of suppression. If Mr. Ortega is a man of integrity, then he should abide by the accord.

Mr. President, these acts of the Nicaraguan Government show the real character and integrity of the Ortega regime—in form they say they are for democracy, while in substance they are a repressive, Communist regime.

Accordingly, we should not hesitate to provide the military and humanitarian assistance the democratic opposition needs.

I urge adoption of the resolution.

I commend the able minority leader, Senator DOLE, and the able majority leader, Senator BYRD, for their support of this resolution.

There is no question in my mind that Nicaragua has now become a complete satellite of the Soviet Union. There is no question in my mind that they are bringing repression and suffering to their people.

Mr. HUMPHREY. Mr. President, the events of the past two days in Nicaragua should come as no surprise to any Senator. On February 4, 1988, the Senate voted on the President's request for $36.25 million in additional aid—$32,650,000 of which was nonlethal. The vote came 1 day after the House defeated the package. The Senate voted for the package 51 to 48.

The Sandinista government in Nicaragua is a Communist dictatorship. Communist dictatorships have no respect for freedom of expression. They have no respect for a free press or for peaceful demonstrations. They have no respect for fundamental human rights.

And they have no respect for their own promises to reform. So let no Member of this body be shocked by the closing of Radio Catolica. Let no Member be stunned by the closing of La Prensa, or the jailing of opposition leaders, or the disbanding of a peaceful demonstration, or the expulsion of the American Ambassador and seven U.S. officials. These actions are fully consistent with the policies of a Communist dictatorship.

Tragically, there are those in this Congress who expect the Communist Sandinistas to do something they have never done: Tell the truth and stick with their important commitments. And so every time another peace process appears there are those who leap to the defense of the deceitful, cynical dictatorship in Managua. In the face of perfidy, many in Congress mumble about "giving peace a chance."

Well, the absence of combat does not alone define peace. Peace also means justice. Peace also means human rights. Rights such as free speech and the right of assembly, both of which were again mauled by Daniel Ortega in recent days.

> The Contras do not advance our foreign policy concerns in the region. We want peace, democracy, and economic development in Central America. The peace process is our best hope.

This is nothing new, but ironically and tragically Ortega and company have been generously rewarded by the U.S. Congress which has suspended all military aid to the Nicaraguan resistance.

Mr. President, the Communist Sandinistas have been in the business of lying and breaking promises since day one of their regime.

On July 12, 1979, the Sandinista junta sent a letter to the Secretary General of the Organization of American States that promises: "Full respect for human rights in our country" and the installation of a "broad-based, democratic government."

On August 21, 1979, the Sandinista junta enacted the "statute on the rights and guarantees of Nicaraguans." Let me list a few of the rights guaranteed back in 1979, that have been violated by the most recent actions of the "Communistas":

> Everyone has the right to freedom of expression.
>
> The right of peaceful assembly is recognized.
>
> No one shall be subject to coercive measures that might impair his freedom of thought, conscience and religion.
>
> Freedom of information is one of the fundamental principles of authentic democracy.

But we do not need to go back to 1979 to find Sandinista promises. Last August, the five Central American Presidents signed a sweeping accord in Guatemala City.

The leaders guaranteed political groups with "broad access to communication media, full exercise of the rights of association and the right to manifest publicly the exercise of their right of free speech, be it oral, written or televised, as well as freedom of movement by members of political parties in order to proselytize."

On the day that agreement was signed, this Senator appeared on the television program "Nightline" to express concerns with the terms of the Guatemala City Agreement.

I was specifically concerned with the Sandinista record of ignoring and blatantly violating previous agreements.

Sure enough, Mr. President, within a week the Sandinistas were violating the very letter of the Guatemala City accord.

In the months that followed, opposition leaders were arrested, peaceful protests were disbanded, and efforts to reopen radio Catolica were stalled.

That record has continued. The five Central American Leaders met in San Jose, Costa Rica on January 16, 1988, to reaffirm their commitments to fulfill their obligations under the Guatemala City accord.

They specifically noted the provisions of the Guatemala City accord calling for "total feeedom of the press," and "political pluralism." As expected, these words were ignored.

In fact Violetta Chamorro, the widow of the assassinated owner of La Prensa, wrote to Costa Rica's President Arias that "the Sandinista regime has entered into a phase of total indifference to the points stipulated in the Esquipulas II—Guatemala City accord."

On March 23, 1988, The Sandinistas signed the Sapoa Agreement with leaders of the Nicaraguan resistance. In that agreement, the Sandinistas pledge once again to "guarantee unrestricted freedom of expression."

The incidents of the past 2 days, are yet the most recent evidence that the Sandinistas have no intention to guarantee "unrestricted freedom of expression." Anyone who believes at this juncture that the Sandinistas intend to honor such commitments is a fool.

Mr. President, how many more promises is this Congress willing to tolerate? How many more times can the United States and the international community be lied to? How much longer are we willing to reward Ortega's crimes by prohibiting further military aid to the Nicaraguan resistance?

Mr. President, this amendment is very straightforward. It condemns the outright abrogation by the Communist Sandinistas of commitments they have made again and again.

This amendment also condemns the expulsion of the American Ambassador from Nicaragua. I urge my colleagues to overwhelmingly adopt this amendment.

Mr. President, the Senator from Oklahoma has done this body a good service in the forthrightness and the clarity of his remarks. I believe his analysis of the situation is right on target. I hope that the feeling with which he spoke is infectious in this body, because the time is long past due for us to take really firm action in dealing with Nicaragua and the Communist menace in that capital.

The Senator from Oklahoma focused on the real concern, and that is the concern that Senators rightly have about committing this Nation to a course of action that might some day, somehow, lead to the spilling of the blood of our young people in Nicaragua. What a horror that would be—though I must say I can think of worse horrors. It is a horror that I want at almost all costs to avoid, and particularly I say that as one who has a son who in perhaps 10 or 15 years might be involved in such a struggle. I think other Senators, likewise, have a personal concern. We do not want the spilling of American blood in Nicaragua.

What is the best course? To continue burying our heads in the sand, to continue deluding ourselves about that which is so patently self-evident about the things going on in Nicaragua—the insincerity, the cynicism, the dishonesty of this Communist regime in Managua? Is that the way to prevent the spilling of American blood in Central America? Of course not.

We need to face the facts, as the Senator from Oklahoma has correctly faced them. I hope the members of his party who are predominantly those who have opposed action by Congress and by the United States will follow the lead of the Senator from Oklahoma.

Unfortunately, I cannot say I have much hope on that score for the Senator from Iowa, whose remarks preceded those of the Senator from Oklahoma. The Senator from Iowa is one of the leading advocates around here for finding the United States to blame, to blame the United States for a perfidy of the Communists in Nicaragua.

This evening, he gave another example and all but blamed the American Ambassador to Nicaragua for fomenting revolution in that country, for attending a gathering, a public gathering, of persons who wanted to express opposition to Sandinista policies.

I remind the Senator from Iowa and others that just a few weeks ago President Reagan met in Moscow with opponents, shall we say, of Soviet policies—refuseniks who expressed their opposition to Soviet policies by seeking to emigrate, to vote with their feet. If I am not mistaken, the Secretary of State and the Ambassador in that country have on other occasions met with refuseniks and met with those who have expressed public and private opposition to the Soviet regime.

Does the Senator from Iowa object to that? I would certainly hope not.

I would certainly encourage this administration to continue in its efforts to meet with opposition leaders and opposition groups in countries where there is no real freedom of expression, no real freedom to gather in public, and no real freedom of press. I think that is a fine tradition. It ought to be continued.

And I am really just shocked at coming from the mouth of the Senator from Iowa, from whom I expect apologies for the Sandinistas, to hear him blame the American Ambassador or at last accuse the American Ambassador of improper conduct, for having attended a rally of those who were opposed to the evil policies of the Communists in Nicaragua.

Mr. President, just a few months ago a Senator in this body following the refusal of the House to vote material assistance to the freedom fighters in Nicaragua, a Member of this body said that to quote him—

> We want peace, democracy and economic development in Central America. The peace process is our best hope,

that Senator said.

Obviously, the peace process is not our best hope for if that is our best hope it is hopeless in Central America.

Ortega has spat in our face once again. Shall we call it dew? Shall we call it raindrops? That is all this resolution does in reality. The resolution is nothing but words. It is not statute. It is in no way binding. And the fact it is about to be adopted unanimously is pretty strong proof to this Senator that it is a mighty weak cup from which we are all prepared to drink.

This resolution reminds this Senator of the mewlings that come from a box of newborn kittens. It is nothing, but I suppose it is the best we can do. I hope that in the future in the next few weeks, the majority leader will continue the leadership that he has shown on this issue tonight with the Senator from Oklahoma and present to this body something binding with a date certain and hopefully that something will include military assistance to these young men and women whom we originally encouraged to go into the field to fight against this Communist regime and who are now twisting in the wind, thanks to having been forsaken by this Congress.

Mr. President, the resolution was awfully weak stuff. It says among other things that it is the sense of the Senate that the United States should respond to these blatant violations of the Esquipulas accord by the Sandinistas by pursuing a policy that includes maintaining the democratic opposition as one aspect of an overall policy toward the Sandinistas, by continuing to provide that opposition with assistance—continuing to provide the opposition with what assistance? They are practically starving in the field. And what do we mean by assistance?

Do we mean more Band-Aids? Do we mean more boxes of corn flakes and bottles of aspirin and maybe Christmas cards? Is that what we mean by assistance? It is not well defined either here or in the debate. It is meaningless.

The resolution furthermore says that:

> The Sandinistas should understand that blatant violations of the Esquipulas II accord and the human rights of the Nicaraguan people could . . .

How is this for equivocation? Here is a resolution which is not binding and the best we can say is if the Sandinistas continue the blatant human rights violations and continue to break those promises that the Senate could, maybe, could, cause Congress to consider the provision of additional humanitarian and other appropriate assistance. Whatever that is, including military aid, and more qualifications, if conditions should so warrant.

We are falling all over ourselves with ifs, ands, buts, and maybes, and qualifications; with weak-kneed language. This is no more than the shaking of a weak, limp-wristed finger at the Communists. It is almost nothing, but it seems to be the best we can do on this evening.

I hope it is followed up with something stronger. Otherwise, we will be the laughing stock of the world, and the laughing stock of history, and we will be richly deserving of that judgment.

I yield the floor.

The **PRESIDING OFFICER**. The Senator from New Hampshire yields the floor.

The Senator from Indiana is recognized for 10 minutes.

Mr. **QUAYLE**. Mr. President, I seek recognition.

The **PRESIDING OFFICER**. The Senator from Indiana has it for 10 minutes.

Mr. **QUAYLE**. Thank you, Mr. President.

Mr. President, it has been said about this resolution that perhaps it does not mean that much because it appears that there will be a unanimous vote on this resolution. And quite frankly, when you read the resolution, you can interpret it in many ways. No one is going to say that they do not object to and want to condemn the closing of La Prensa and the Catholic radio station and the demonstration last week.

But I do believe that having witnessed the legislative process that what we are beginning to see here is a turn of attitude in this body and hopefully in the Congress about the Communist Sandinistas. I would try to characterize the feeling of many in this body and perhaps since the denial of military assistance to the democratic resistance that we are going to place our faith and our confidence in the peace process and trust in the Sandinista government.

I really believe that those who have opposed the aid to the democratic resistance are beginning to lose their patience with the Communist Sandinista government, Ortega, and others that control that government and beginning to see that what in fact has been said by many that they are really not genuinely interested in the Arias peace plan, the implementation of democracy, pluaralism as they have stated, that as a classical Marxist-Leninist government they will never negotiate themselves out of power. They will never change from that ideology they are committed to to seek democratic principles despite the rhetoric.

We are beginning to see a realization sink in this body and I do believe for that reason alone this resolution cannot be written off as not meaningful.

It is the beginning of a legislative process and I believe a beginning of the resumption of assistance to the Contras in Nicaragua, and I do believe that eventually sometime later on this year when we get the real aid package on the floor it eventually will be passed.

It will be passed because Senators and eventually a majority in the House of Representatives will say enough is enough, that we have been pulled around enough by the Communist Sandinistas in Nicaragua. They have not lived up to their pledges. They have lied to us. They have been deceitful. And even though we would like to pursue another alternative, those alternatives will be closed.

But it will be the role of many to try to say, well, it is really not the Communist Sandinistas' fault; let us try to figure out and look at the totality of the situation and perhaps it is somehow the fault of America and the democratic resistance.

I think that argument is beginning to fall on deaf ears, Mr. President. I believe that argument is beginning to fall on deaf ears because of reality of what is going on down there.

We have all read in the press reports about the closing of the La Prensa and the Catholic radio station and the demonstration last weekend, but we have not read in the press reports about four individuals who have recently been sentenced from 3 to 16 years for passing on public information like what the growth of the Sandinista GNP is, passing on public information which has always been passed on with conversations with people of our Embassy. Four individuals, Mr. President, have been sentenced for 3 to 16 years for passing on public information, a violation of supposedly state secrets, public information. We have not read about that. But that is the type of tyranny and repression that goes on in this government.

Now let us look at the facts of the situation and the false reed of hope that many place their votes on the negotiated process, the Arias plan.

Under the plan, the Sandinistas agreed to promote "an authentic pluralistic participatory democratic process." That was last year.

Mr. President, let me just cite a few facts in reality of what has happened after that pledge was made.

The Government-organized mobs broke windows and vandalized opposition party coordinator offices, January 22, 1988. The Government abolished the Ministry of Justice, transferring prosecutorial functions to the Interior Ministry and National Policy, thus increasing the arbitrary power of police courts.

The Sandinista soldiers killed two labor organizers in El Tuma on March 6 of this last year. The Government refused permission for an opposition rally in San Ramon on April 17. Thirty labor leaders were arrested while trying to visit striking workers on May 4.

The government refused the democratic coordinator opposition group to hold a march in Jinotepe and a planned demonstration by the Liberal Constitutional Party was canceled by Sandinista officials at the last moment in Matagalpa on May 8.

Eight members of a confederation of labor unification cooperative were arrested and beaten in San Jacinto on May 15. After refusing to renounce their union affiliation, they were sentenced by the police to 6 months prison.

Fifteen opposition party leaders representing nine opposition parties were arrested June 8 while walking to the National Assembly to present a petition to repeal the Sandinista media law used to harass independent radio stations.

That is the promise looking at the reality. The promises do not match the reality.

Freedom of the press under the Arias plan the Sandinistas agreed to guarantee "unrestricted freedom of expression" in Nicaragua by guaranteeing "* * * complete freedom for television, radio and the press * * * freedom for all ideological groups to open and maintain in operation communications media—without prior censorship."

That is the promise. That is the promise that many in this body believed or at least hoped would transpire. Many of us argued that that would not happen under a Communist government; that by their own doctrine and ideology they cannot allow these things to happen.

So let us look at the realities.

Government-organized mobs attacked La Prensa offices March 3.

La Prensa on March 28 was forced to suspend publication when government refused its request to buy foreign newsprint. On April 12 Sandinistas refused to let donated foreign newsprint into the country. Only after international pressure did Sandinistas permit La Prensa to buy additional government-controlled newsprint.

April 29 Interior Minister Tomas Borge berated director of Radio Corporacion for covering a labor hunger strike and struck the director in the mouth.

Radio Mundia, which was covering labor unrest, was sabotaged May 3.

Interior Ministry on May 8 suspended three news programs covering labor unrest.

I could go on and on and on.

Again, Mr. President, the promise does not bear out the factual situation. But how long do we have to go on before we realize the true identity of this government? If this government was just another government that was going to be a dictatorship and was going to be oppressive on its own people, I suppose you could say, "Well, that is their problem. What is our interest?"

Well, our interest is that by its own statements and its own commitment to its own principle of Leninism and the ideology that this government does not intend and it stated it will go beyond its borders; that they will go beyond its borders when they can consolidate the power in their own country. And they have the plans to do it. We know of those plans. Major Miranda, who defected, laid them out for us and told of the buildup of potentially several hundred thousand soldiers to control a couple million people—several hundred thousand to control just people in Nicaragua. Nobody believes that statement either, Mr. President.

So what we have is a situation that hopefully we are beginning to see some reality in the Congress—the reality that the pursuance of support and confidence in Daniel Ortega and the Communist Sandinistas living up to their promises of the Arias plan and others simply are not bearing fruit.

This is the beginning of the dawn of realism of what is going on in Nicaragua. I predict that sometime this year we will, in fact, see—notwithstanding all the protestations that "Oh, boy, let's slow down; let's wait and see"—that we will see a resumption of assistance to the democratic resistance, as it should be.

With that, Mr. President, and with that hope and that expectation, I think that we should draw strong support for this resolution.

Quite frankly, I see very little difference between the Byrd resolution and the Dole resolution. I think they both are on mark. This is a beginning. We cannot overnight change attitudes and change votes. The legislative process is slow. This is a beginning. I hope that those who read and listen to the debate, and particularly those in the area, will take heart and heed what I think the Senate and the Congress is about to do.

I yield the floor.

Several Senators addressed the Chair.

The **PRESIDING OFFICER** (Mr. Exon). The Senator from Illinois.

Mr. **SIMON**. Mr. President, I am going to vote for the Byrd substitute. It seems to me that it is more moderate in terms of committing us to what we might do and, at the same time, expresses outrage at what has happened in Nicaragua.

I do not see this in the same light as some of my colleagues who are also going to be voting for this. The Sandinistas have violated civil liberties. No question about it. Anyone who thinks they are Boy Scouts is not living with reality. And those who say the Contras have been cruel and too much, to a great extent, have represented the old military dictatorship, of course, are correct, too.

To those who want to move back to military assistance—and I certainly do not—I think we have to ask: Are the Sandinistas worse than some governments that we are assisting around the world? And the answer is, bad as they are, they are not as bad as some governments we are supporting elsewhere.

Second, we ought to be asking the neighboring countries in Central America that oppose communism, what we ought to be doing. Instead, we blunder and use a meat ax approach when we ought to be using the scalpel.

The third thing that is wrong with our preoccupation right here on the floor with Nicaragua is Nicaragua has 3 million people today. Mexico, right next to us, has 70 million people. If Mexico reaches the point of zero population growth by the year 2000, Mexico will eventually taper off at 175 million people. If that does not happen until the year 2020, Mexico will have 270 million people. Mexico, from any point of view—strategic, humanitarian, any point of view—is infinitely more important than Nicaragua.

But we are preoccupied with Nicaragua when we ought to be paying much more attention to Mexico and working with her to try to ameliorate some of the problems that are in Mexico.

But there is finally, Mr. President, one fundamental question that we have not paid attention to, a policy decision that I hope one of these days we will debate in some substance here on the floor of the Senate, and that is a very basic question:

Should we try to overthrow governments we do not happen to like? And I think it is clearly in the national interest that we avoid that. Let the people of other countries determine what governments they want to have—with one exception. And that is when there is an outright invasion, such as in Afghanistan, there we ought to help the people who have had their rights trampled upon. But otherwise let us let the people within a country determine what they want. But at the same time stand up for human rights.

One of the things that has happened in South America today, for example, is that you have only three dictatorships left. Much of the credit has to go, and I think history will record that credit, going to Jimmy Carter for standing up for human rights. It is a very interesting thing to run into small villages anywhere on the face of the Earth and you will find people know about Jimmy Carter and human rights. I think we would be much more effective as a nation, politically, if we were to adopt a very simple policy: We are not going to try to overthrow governments we do not like.

That is true in Nicaragua. It is true elsewhere on the face of the Earth.

Let us use economic pressure where nations do not pay attention to basic human rights, but let us not try to use the weapons of war and violence to overthrow governments we do not like.

The Byrd substitute seems to me to be a reasonable compromise. I think the language is better than the Dole language, which clearly implies we are going to move in the direction of military assistance to the Contras once again. I think that would be a great mistake, and I hope we vote for the Byrd substitute.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I intend to speak for maybe a couple of minutes and just make a couple of points.

First, I was listening in my office to the very powerful and persuasive speech by the senior Senator from Oklahoma and chairman of the Intelligence Committee. He is not on the floor now but I want the RECORD to show that his works were heard and greatly appreciated.

Mr. President, it is amazing how we speak in euphemisms around this place. We do not like to use the word Communists. Somehow we are very sensitive about using it. We think people might think we are buffoons or McCarthyites or something, if we use that phrase. But the Government of Nicaragua is, in fact, a Commuinist government and it is time that it is called by that name.

We call it the Sandinista government, leftist government, whatever. It is a Communist government, admittedly so, strongly supported by the Soviet Union. It is engaged in a tremendous military buildup and with a stated policy of expanding its revolution beyond its own borders.

The second point that I would like to make is that the policy that the United States now has in place with respect to Nicaragua is not the policy of the President of the United States. It is not a policy that was created by the executive branch. It has not come out of the State Department. But, rather, it is a policy fashioned in the Congress of the United States.

Mr. President, when the Congress of the United States does something of significance, we must assume responsibility for the consequences of our actions. This is said to be a deliberative body, but this is not just a debating society. We do at times make real decisions and those decisions do have consequences.

The policy now in place with respect to Nicaragua is Congress' policy and we have the responsibility for the consequences of that policy. In my judgment the policy that we have put in place with respect to Nicaragua is a catastrophe. It is clearly contrary to the best interests of our country.

This particular resolution does not change that policy. It is simply a statement of principle. My hope is that the time will soon come when we will change the policy, when we will resume aid to the Contras.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I wonder if we might be able to ascertain about when we might be able to vote on this agreed-to amendment. Senator MELCHER had, I think, 5 minutes. The Senator from Florida had 2 minutes. Did any other Senators have——

Mr. HATFIELD. I would like about 10 minutes.

Mr. JOHNSTON. Ten minutes to the Senator from Oregon.

Do we know of any other speakers?

Mr. HATFIELD. I may not use it all, but I would like to have the freedom and the flexibility for that.

Mr. JOHNSTON. Mr. President, I thank my colleagues. I will say we are going to try to finish the bill tonight. Senator PRYOR wants 1 hour.

We are not running on a time agreement now, but we do want to try to finish the bill tonight. So I would urge my colleagues, if they had a speech on their heart and have not reserved time yet, they might consider not doing so.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I find myself in a rather difficult dilemma. It appears that everyone has come to an agreement except me, the Senator from Oregon. I suppose that one can get to the point in life where everyone else is out of step—maybe that is a dangerous position to be in. But I struggle to try to find the distinction between these proposals. It just is not there. Let me read, if I may, the Republican version of this resolution, proposed by the minority leader.

> The Sandinista regime should understand that its continuing blatant violations of the Esquipulas Accord and the human rights of the Nicaraguan people could cause Congress to consider the provision of additional military aid to the resistance.

Now the Democratic version:

> The Sandinistas should understand that blatant violations of the Esquipulas II Accord and the human rights of the Nicaraguan people could cause Congress to consider the provision of additional humanitarian and other appropriate assistance, including military aid, if conditions should so warrant.

What is the difference?

Take out the words "regime" and "continuing" and add a little language about humanitarian assistance as well as military assistance—and they are just the same.

The bottom line: Under certain circumstances, military aid to the Contras is appropriate. That's the message we are sending.

I have opposed Contra aid from the very beginning. I agree with the Senator from Missouri, who says that this policy in Nicaragua is a catastrophe.

I have felt that from the beginning, and I care not whether the President is a Democrat or Republican—this policy that we have been following in Nicaragua has been wrong, wrong, wrong.

Mr. President, our great political system, as I used to teach the system in classes, has a way to renew itself with hope when there are policies that have been found to be bankrupt, as in the case of Nicaragua. One of the great parts of our political system is that every 4 years there is a Presidential election. During that campaign, it is hoped that the "out" party will offer an alternative to a policy that the "in" party has been following.

There are a substantial number of people in this country who have been hoping that the Democrats would come up, in 1988, with an alternative policy. They have been so quick to criticize the Republicans who have held office for the last 8 years. They have a chance to offer an alternative.

I have secretly hoped that somehow we would at least have a public debate on the Central American policy and some of the other war and peace issues we face. But every one of the issues that the Reagan administration has won on war and peace, including nerve gas, MX missiles, SDI, every one of them, including Contra aid, has been delivered by a substantial portion of the Democratic Party.

During every one of the votes in here, including the tie vote the Vice President had to cast to break twice on nerve gas, the Senate was under the Republican control, 53 to 47. But we had five to six dissident Republicans who could have transferred the control on those issues to the minority party had they held together with an alternative position and a foreign policy.

Mr. President they could not get themselves together even to play the loyal opposition. I thought when the Democrats took control of the Senate, 55 to 45, our dissident number, the Republican lepers from this side of the aisle who were willing to cast their vote on those peace issues with the loyal opposition, could create a coalition. I thought there would be enough to hold. We could not They could not.

Now let us not play the word game in an attempt to communicate to the American people that we have modified the resolution enough to make a difference. What was the wrong resolution offered by my side of the aisle to begin with, from my perspective, is still wrong with the Democrat's resolution.

We are sending the signal that military aid can come out of this Congress. Mr. President, I think military aid to the Contras is wrong, wrong, wrong. I had hope that we would have some kind of a challenge to this wrong Republican administration policy from the loyal opposition.

I am disappointed. I am disappointed in my colleagues for railing against the policy and then supporting it and affirming it by this kind of a pusillanimous resolution.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. How much time does Mr. GRAHAM want?

Mr. GRAHAM. Three minutes.

Mr. BYRD. I ask unanimous consent that Mr. GRAHAM have for not to exceed 3 minutes. Are there any other speakers?

Mr. McCLURE. Not that I know of.

Mr. BYRD. I ask unanimous consent that following the speeches of those who have times that have been ordered, the vote occur on the amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Montana.

Mr. MELCHER. Mr. President, I join with those parts of this amendment that deplore the actions of the Nicaraguan Government. I oppose their action against free press, against freedom of assembly and I am against their action in jailing without charging members of the opposition parties in Nicaragua.

I also deplore Nicaragua's expulsion of our Ambassador and his staff. I believe Ortega leads his people further into misery. I believe Ortega's buildup of armaments is a further invitation to misery for his people. The Soviet collaboration in providing armaments to Nicaragua should be opposed directly by us. President Reagan should directly inform Gorbachev of our strenuous objections and make that one of the bargaining points between the Soviets and ourselves.

Having said all that, I do not believe sending armaments to the Contras solves the problem. We spent $1 billion dollars on the Contras with little results, other than further complicating the miserable lives of the Nicaraguan people where war has become their lot for almost a decade.

This amendment holds some threat of renewing U.S. armament shipments to the Contras. I do not believe under circumstances that I can see now that I would vote for that. I would continue to oppose it.

This amendment also holds out a carrot of increased foreign aid to Central American countries, including Nicaragua, if the Guatemalan accords are observed.

I do not believe I can foresee the circumstances where I could agree to such additional foreign aid, other than humanitarian aid such as food, medical supplies, and the necessities of life because we have been spending a great deal of money in Central America.

I believe we have spent too much money over the years that has been out of balance with our needs here at home. After all, the problems of Central America have not been helped out very much by the $2 to $3 billion that has flowed into Central American countries, most of it for military-type action, over the past several years.

What we have seen develop in Nicaragua and what we have seen develop in Central America has been a sort of miserable life for the people. Our part in funding the Contras has not produced the peace that we sought; our part in applying extra foreign aid to other Cental American countries has been out of proportion to the good it has done for our purposes to bring stability and peace to the region. Our money, much of it for armaments, has not bought peace.

The very pressing needs we have here at home causes me to say that I would hope with the passage of this amendment, the sense-of-the-Senate resolution, that it does not lead us any closer to reopening the gates of the Treasury to funding the Contras, nor would I want to see a buildup in increased foreign aid to Central American countries until we have addressed our own pressing problems right here at home.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I support the resolution which will shortly be voted on, but I recognized it is just a preliminary chapter. This is much in the nature of cocking the pistol for the act which we will take some time in the future. I suggest that our pistol, however, has one blank cylinder, and that blank represents a recognition of the role of United States-Soviet Union bilateral relations in this issue. We have tended to view this question as if it was a question of the United States as a guarantor as an interested observer of negotiations among five Central American countries and, that certainly is an important part of the total fabric of this question.

It is, in fact, the violations of those accords that have brought us to this specific evening's debate. But I suggest, Mr. President, that there is another issue, and that is the issue of the great importance that the United States should attach to the relationship and the role of the Soviet Union in this total question of the threat of Nicaragua.

Since 1979, the best estimates are that the Soviet Union has supplied over $2 billion of military hardware to the Sandinistas. Since August of 1987, since the signing of the Guatemalan accords, the Soviet Union has provided over $200 million of military equipment.

More military equipment was provided in the first quarter of 1988 than in the first quarter of 1987. So there has been no cessation of Soviet support of the military aims, objectives, and capabilities of the Sandinistas since the signing of the Guatemala accord.

What are the Soviets' intentions? With the Senator from Idaho and the Senator from Louisiana and other Members of this body, we met in the Kremlin with the Soviet military and political leaders and asked, "What do you intend to do in light of the United States termination of lethal aid to the Contras? Do you intend to parallel our action in your restraint in arming the Sandinistas?" What was the answer? The answer was, "No."

Mr. President, I suggest that when we come back with our cocked pistol to begin to fire a live round of ammunition, one of those live rounds needs to be targeted at a demand that we place the highest priority in the United States-Soviet negotiations at the next summit or prior thereto on the Soviet intentions in this region, which is critical to our national security.

Some have said this should be inappropriate, off the agenda, not the kind of question for United States-Soviet discussion. I suggest that if it is not appropriate to discuss Soviet regional intentions in our backyard, what else is an appropriate agenda item for the United States to be discussing with the Soviet Union? This is right in terms of the United States national interests. It is also right in the interests of the Central American governments struggling to achieve peace and democracy.

Mr. President, I close by quoting an article which appeared in the New York Times March 13 in the form of a letter from Oscar Arias, President of Costa Rica, to Mikhail Gorbachev. I quote a portion:

> The arms coming from the Soviet Union to Central America defy reason and betray our efforts for peace. Arms add to intolerance, deepen present grievances and make agreement more distant.
>
> Let us build that world of peace which we so deeply need to free ourselves from misery and oppression. Central America is capable of solving its own problems. Central American wants to be free. We need democracy for reconciliation. We need to silence the weapons that you supply.

I thank the Chair.

CONDUCT OF U.S. DIPLOMATS BEYOND REPROACH

Mr. **DOLE**. Mr. President, I have already spoken several times on this general subject over the past 24 hours. I do not want to speak at any length now. I look forward to a very strong vote for this resolution.

But I want to add one brief comment. Several moments ago, I heard one Senator imply that the Sandinistas may have somehow been justified in their action in expelling our Ambassador and seven other American diplomats; that the activity of our diplomats with the opposition groups in Nicaragua—including attending the rally broken up by Sandinista goons—was somehow inappropriate.

Mr. President, let me set the record straight. I spoke to Ambassador Melton today, as I mentioned earlier. We reviewed the activities of the Embassy—the Ambassador and his staff.

It is absolutely clear they were there doing their jobs; professionally; capably; very well.

They were doing just what they should be doing; what our diplomats must do, especially in these closed, tyrannical societies.

If the Senator believes our diplomats in Managua should stay away from the opposition, maybe he also thinks our diplomats in Moscow should stay away from refuseniks.

Maybe he believes our diplomats in South Africa should stay away from Bishop Tutu and Alan Boesak and other opponents of apartheid.

Maybe he thinks we did exactly the right thing in Iran back in the seventies, when we talked only to the Shah and stayed miles away from the opposition.

Mr. President, Ambassador Melton and his staff deserve commendation—for their professionalism and their courage. They deserve our thanks; not our criticism.

And I want the record to show that they have the praise, and the thanks, of this Senator.

SANDINISTAS REVEL THEIR TRUE COLORS

Mr. **HEFLIN**. Mr. President, I rise today in support of the Byrd amendment expressing the sense of the Senate relative to the recent abuses by the Sandinista government in Nicaragua. I must say that I have not been surprised by the events which have occurred in Nicaragua in the last 3 days. In my mind, it was only a matter of time before the Marxist Ortega dictatorship began again to show its true colors.

While I believe the Byrd amendment adequately expresses the sense of the Senate and the sentiments of the people of the United States in the face of such outrageous actions by the Sandinista government—namely, the expulsion of the American Ambassador to Nicaragua and seven other American diplomats, the recent arrests of peaceful Nicaraguan demonstrators, and the closing down of two independent media sources in the country, La Prensa and Catholic Radio—in my judgment the time for words, declarations, and sense of the Senate resolutions regarding continued violations by the Sandinista government is over.

Although the amendment now before the Senate offers a needed bipartisan statement that I hope Mr. Ortega will heed, now is also the time for actions. Words will not help the Nicaraguan freedom-fighters in their battle for democracy, for freedom of the press, or for the freedom to demonstrate. Words will not help the Contras to demand concessions from the Marxist Nicaraguan government. It is time for the U.S. Congress to act, and to provide both humanitarian and adequate military assistance to the Contras, thus enabling them the means to demand peace with democracy from the Communist Ortega dictatorship.

For the past year, those who oppose providing aid to the freedom-fighters of Nicaragua have argued that the United States should give peace a chance. They have stated that the Arias peace plan was working. They have claimed that the Sandinistas were making democratic reforms in Nicaragua. This, Mr. President, has not been the case. Time and time again Daniel Ortega and his Sandinista government have been given the chance by the United States and other Central American nations to institute democratic freedoms, and each time they have ignored these opportunities.

As I said earlier this year, on February 2, 1988:

> The Sandinistas have had their chance to show a commitment to democracy and to peace in Central America . . . While receiving United States Assistance (in 1980), the Sandinistas began to aid the leftist guerrillas in El Salvador. While receiving United States taxpayer dollars, the Sandinistas announced that national elections would not be held until 1985. During the assessment period of Nicaraguan compliance with the Arias Peace Plan (last year), Daniel Ortega announced Nicaragua's plans for a 600,000 man army, to be equipped with Soviet assistance. During this same assessment period, the Sandinistas continued to aid the leftist guerrillas of El Salvador. And during the assessment period, citizens who met to oppose the Sandinistas were arrested, beaten, and disbanded.

I repeat, now that the Sandinistas have had their chance to establish democracy and peace in Nicaragua—and they have spurned and ignored that chance on every occasion.

And throughout the time when the Sandinistas were supposed to be instituting democratic reforms and observing the Arias peace plan, they have been receiving millions of dollars—based on unclassified estimates that I have $160 million so far this year, alone—worth of military aid from the Kremlin with which to continue suppressing the Nicaraguan people, and with which to spread dissent and communism to the fledgling democratic-minded nations in Central America.

In light of this repeated Sandinistas history of oppression, violence, dictatorship, and military armament, I believe that the only real solution to this problem is to aid the Contras. If they have the strength, if they are adquately armed, if they pose an adequate threat to the Sandinistas, the Nicaraguan freedom-fighters will prevent Daniel Ortega and his henchmen from consolidating power and will force Ortega to institute democratic reforms. If the Contras can negotiate from a position of strength, they can represent the freedom loving people of Nicaragua, obtain freedom, and even prevent the continued Soviet buildup of arms in Nicaragua.

Thus, as I have also said on many occasions, the Contras must not be abandoned under any circumstance and should be provided with adequate military and humanitarian assistance. It was the strength of the Contras that brought the Sandinistas to the bargaining table in the first place, and it is only through the continued existence and future strength of the Contras that true democratic reform and peace will accomplished.

In the future, Mr. President, I look forward to working with each of my colleagues to formulate a bipartisan package that will provide adequate assistance to the Contras.

Mr. **ADAMS**. Mr. President, I obviously agree with the general thrust of this amendment. The behavior of the Sandinistas over the past few weeks—indeed, over the past few years—has been totally unacceptable and indefensible. There is no question about that, no debate about it, no disagreement. And if this amendment simply said that, I would vote for it and cosponsor it. If this amendment called for additional diplomatic steps in response to these latest outrages, I would vote for it and cosponsor it.

But the amendment goes beyond that. It calls for a continuation of "assistance" to the "democratic opposition." I read the term "democratic opposition." I read the term "democratic opposition" as a code word for the Contras; and I understand "continuation of assistance" to refer to the package of assistance which the Senate approved in March of this year. I opposed that package last March and I continue to oppose it now. As a result, I cannot support this language. In addition, I am bothered by the explicit promise in the amendment, and in the debate we have had on it, which suggests that we will provide additional military assistance to the Contras in the future.

Mr. President, the issue is not whether or not we oppose the action of the Sandinistas—we all do. The issue really is whether or not we think that the Contras constitute a viable means of opposing the Sandinistas. I simply do not think the Contras are a pragmatic or moral mechanism to moderate the Sandinistas. They are not the moral equivalents of our Founding Fathers—they are the moral equivalent of the Sandinistas. Holding out the hope that we will give them more aid simply holds out the certainty that the Sandinistas will be unable and unwilling to moderate their action. It also means that our country will continue a policy which has not worked in the past and will not work in the future.

Let me make one final point: the demonstrations which took place in Nicaragua this past week, and which were used as an excuse for the latest Sandinista repressions, took place after the Contras were removed from the field. They took place because the people of Nicaragua were free to express their opposition to the Sandinistas without aligning themselves with "tools" or "puppets" of the American Government. By reducing our presence, we increase the possibility of truly indigenous opposition. This amendment, in effect, reverses the progess that has been made by the people of Nicaragua and, in its place, again substitutes a Contra force which has never been able to gain the support of the people. The existence of opposition to the Sandinistas does not indicate the presence of support for the Contras. And an increase in aid to the Contras may, I fear, decrease the possibility of opposition to the Sandinistas.

Mr. President, I know many of my colleagues will vote for this amendment as a way of expressing opposition to the Sandinistas. But it is more than that—it expresses support for the Contras. I do not support the Contras, I never have, I don't think I ever will. As a result, neither can I support this amendment.

Mr. DURENBERGER. Mr. President, I rise today to comment on the pending amendment dealing with recent events in Nicaragua. As my colleagues are aware, the Sandinista government instituted a series of repressive measures this week. Radio Catolica and La Prensa were ordered to close. An opposition demonstration was broken up with force. Opposition leaders were arrested. And eight United States diplomats were given 72 hours to leave Nicaragua, including recently arrived Ambassador Richard Melton.

All friends of democracy deplore and condemn these actions. Clearly the forces of confrontation and repression are in the ascendency in Managua. And clearly the prospects for Sandinista observance of the democratization provisions of the Arias plan are dim—at best.

The amendment before this body expresses our outrage at the most recent manifestations of the Sandinista preference for dictatorship over democracy. It is important for the Sandinistas—and the world—to know the Senate continues to watch Central America very closely.

This amendment condemns the latest Sandinista violations of the Esquipulas agreement. It also makes a simple statement of fact: If Sandinista repression continues, it could cause Congress to reconsider the provision of military aid to the resistance in Nicaragua. I don't support my colleagues in their efforts to provide lethal aid. But we have frequently seen Congress willing to reconsider the contra aid issue after Sandinista actions. I am reminded of the 1985 visit of Daniel Ortega to Moscow which led the House to reverse its position on humanitarian aid.

The Sandinistas surely must know that the decision of Congress to end military aid can be reversed. This body approved an aid package with a military component by the narrowest margin the day after the House rejection. While I did not—and do not—support military aid to the contras, it is clear that the question could be revisted if Sandinista repression continues to escalate. The resolution before us, supported by the proponents and opponents of contra aid like, communicates that clear political reality.

The amendment also lays out a welcome carrot, stating that compliance with the Arias plan by Nicaragua should lead to direct United States aid. I would be pleased for this body to go on the record stating its willingness to support economic aid to Nicaragua if concrete progress toward democracy is achieved.

The amendment supports the basic elements of United States policy toward Nicaragua. First, we should strengthen the internal opposition. I have long been an advocate of strengthening the peaceful internal opposition in Nicaragua. I have argued many times on this floor that United States policy has focused for too long on the armed peasants and ignored the democrats inside Nicaragua who have been the overlooked "freedom fighters."

The amendment also calls for a united front with the democracies in Central America to pressure the Sandinistas to live up to the obligations in the Esquipulas accords. For many years. I have argued that it is the countries in the region that must work out regional problems—and the Arias plan has the unanimous support of the fledgling Central America democracies.

I am pleased that the Senate will speak with one voice on this important issue. The Sandinistas must know that we will not ignore their continuing and flagrant violations of the Esquipulas accord they chose to sign. The genuine democrats in Nicaragua need to know that we stand with their valiant efforts to achieve the freedom their country has so rarely known. And the people of El Salvador, Guatemala, Honduras, and Costa Rica need to know the United States Senate has not and will not turn away from the struggle for democracy in the region. I urge my colleagues to support this amendment and yield the floor.

Mr. LEAHY. Mr. President, I share the anger and disappointment of the sponsors of this resolution with recent events in Nicaragua. The Nicaraguan Government's suppression of a public demonstration for human rights, the arrest and imprisonment of 40 members of the political opposition, and the closing down of La Prensa and Catholic Radio, are violations of a central provision of the Esquipulas II agreement. In that agreement, the Nicaraguan Government joined their Central American neighbors in a commitment to freedom of the press, respect for human rights, and a process of democratization.

These actions by the Nicaraguan Government cannot be justified. While I have often voiced my opposition to the Reagan administration's disastrous, unworthy Contra policy, and while it is no secret that the administration and the Contra leadership want the peace process to fail, there is no excuse for the Sandinistas to continue to deny basic human rights to the Nicaraguan people.

I do not agree with every word of this resolution. Nevertheless, I am going to join other opponents of the administration's Contra war policy in voting for it because I believe it is critical that Sandinista leaders understand how gravely they are jeopardizing the hopes for peace in their battered country. There will be no lasting peace unless each of the five Central

American governments that agreed to seek a political settlement follow through with their commitment to democracy and a respect for human rights.

At the same time, I want to make it absolutely clear that my vote should not be construed as an endorsement of renewed military aid to the Contras. Some might read an implied threat in this resolution to do that. If so, it does not represent my views. From its inception by the Reagan administration, I have opposed and fought this senseless policy of trying to destroy the Sandinistas by arming and bankrolling the Contra war. I have never believed that peace and democracy will come to Nicaragua through a policy of confrontation and support for an armed insurgency.

The Contra policy has achieved the opposite of what was intended, at great cost in human life. We must support Costa Rican President Oscar Arias' lead in taking another course. That course is using diplomatic leverage and economic incentives, not more bloodshed, to get the peace process back on track.

The PRESIDING OFFICER (Mr. Levin). All time having been exhausted on the Byrd-Dole amendment, the vote will now occur on that amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. Stennis] is necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. Helms], the Senator from South Dakota [Mr. Pressler] and the Senator from South Carolina [Mr. Thurmond] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 91, nays 4, as follows:

[Rollcall Vote No. 248 Leg.]

YEAS—91

Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stevens
Symms
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—4

Adams
Hatfield
Matsunaga
Proxmire

NOT VOTING—5

Biden
Helms
Pressler
Stennis
Thurmond

So the amendment (No. 2621) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

POSITION ON VOTE

Mr. THURMOND. Mr. President, I was necessarily absent from this last vote. As soon as I was notified of the vote, I returned and missed the vote by 2 minutes. Had I been here, I would have voted "aye." I previously spoke on behalf of the resolution.

POSITION ON VOTE

Mr. PRESSLER. Mr. President, I was necessarily absent from this last vote. As soon as I was notified of the vote, I returned. Had I been here, I woud have voted "aye."

AMENDMENT NO. 2579, AS AMENDED

The PRESIDING OFFICER. The question now occurs on agreeing to the Dole amendment, as amended.

The amendment (No. 2579) as amended, was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2639

Mr. JOHNSTON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. Johnston], for Mr. Evans, proposes an amendment numbered 2639.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert at the end of title I the following new section:

Sec. . The U.S. Fish and Wildlife Service shall conduct a study to review alternative sites for a replacement facility for the National Fisheries Research Center. This study shall be completed no later than March 31, 1989. Such study shall include, but not be limited to, the following criteria in consideration of its site recommendation: the costs of all anticipated construction needs, the cost of all relocation expenses of personnel and facilities, the quality and quantity of a fresh water source and all associated construction and operating costs. The study shall also compare the sites in terms of the availability and access to related research facilities, academic institutions, cooperative fish and wildlife programs and other governmental agencies doing comparable research. The study shall also include an analysis of the need for the replacement facility. The U.S. Fish and Wildlife Service shall submit such report to the Committees on Appropriation of the Senate and House of Representatives.

Mr. JOHNSTON. Mr. President, this is the Evans amendment from the list of agreed-upon amendments. It has now been agreed upon.

The amendment specifies guidelines for the conduct of a replacement fish research lab and for the need for such a replacement facility. The committee-reported bill includes $200,000 for such a study, and this amendment clarifies how such a study shall be conducted.

Mr. McCLURE. Mr. President, this amendment has been reviewed carefully on both sides of the aisle. We have no objection to the amendment and urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2639) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, am I correct that the only further amendment in order is an amendment by the Senator from Oklahoma [Mr. Nickles]?

The PRESIDING OFFICER. There is also a possible amendment by the Senator from Kansas.

Mr. JOHNSTON. Or a germane amendment to it. Is that correct?

The PRESIDING OFFICER. There is a second-degree amendment in order to the amendment of the Senator from Oklahoma, and there is an amendment which is listed by the Senator from Kansas.

Mr. JOHNSTON. I believe that is only a standby amendment—not to speak for the Senator from Kansas. I think this will be the last amendment.

The Senator from Kansas is here. There was a reserved amendment for the Senator from Kansas.

Mr. McCLURE. And for the Senator from West Virginia.

Mr. JOHNSTON. I ask unanimous consent that those two amendments, by the Senator from Kansas and the Senator from West Virginia, be expunged from the Record.

Mr. DOLE. Be canceled.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. McCLURE. Mr. President, I have discussed a possible time limit with the distinguished Senator from Oklahoma. I believe it may be possible for us to get a limitation of 40 minutes, equally divided.

Mr. NICKLES. That is fine.

Mr. CHILES. We need at least 30 minutes on this side.

Mr. JOHNSTON. On this side we will need 30 minutes.

Mr. NICKLES. We would like to have equal time.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that there be 1 hour allowed on this amendment, equally divided, to be under the control of the Senator from Oklahoma [Mr. Nickles] and the Senator from Florida [Mr. Chiles], and that no second-degree amendment be in order. It is in order now.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. NICKLES. I yield.

Mr. BYRD. I ask unanimous consent that upon the disposition of this amendment, the Senate go immediately, without further intervening action, motion, or debate, to third reading, with paragraph 4 of rule XII waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2640

(Purpose: To strike section 110 dealing with leasing of lands within the Eastern Gulf of Mexico planning area)

Mr. NICKLES. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. Nickles] proposes an amendment numbered 2640:

On page 61, line 23, strike:

", or the approval or permitting of any drilling or other exploration activity,".

Mr. NICKLES. Mr. President, I will try not to take all the time, and maybe we can yield back time. I regret that I must bring up this amendment at 9 o'clock at night. I would like to dispose of it as rapidly as possible. I will keep my remarks very brief, and maybe we can save some time.

Mr. President, this amendment deletes a few significant words that were inserted into the appropriation bill during full committee consideration. These words constitute legislation on an appropriation bill. They constitute legislation dealing with moratoria, and we have had moratoria dealing with offshore leasing in the past.

My colleagues may say that maybe it has been done before. But this is the first time we have ever had moratoria dealing with or prohibiting drilling on an existing lease. Actually, what we are talking about in this case are leases that were granted back in 1984 and 1985. Leases were granted at that time to nine different companies. Now we are in the process of saying that even though those leases have been granted, even though there have been extensive environmental studies that have gone on for years—3 or 4 years—we are going to tell those companies that they cannot drill.

The whole purpose of a lease is getting the right or permit to be able to find out whether or not there are actually recoverable amounts of oil or gas or other minerals on that property. We are taking that right away, even though the lessees have complied with the many environmental study requirements imposed on them by the Government and paid a great sum of money in lease bonuses.

In this case, these 9 companies paid $108 million for those leases. By leaving this committee amendment in this appropriation bill, we are going to deny those companies that right. That is basically confiscation of their property rights.

One of the reasons why we should support these lessees by striking this language, is that the Government would be liable in a court action not only to pay back the $108 million in lease bonuses, but perhaps another $100 million as well. According to a report from the Department of the Interior, the companies involved have including the bonuses, invested between $128 million to $165 million on these leases, plus interest expense estimated at between $45 million and $54 million. So the Federal Government could be liable for in excess of $200 million if the committee amendment is not stricken.

Basically, the committee amendment would take away a valuable property right of companies that entered into a lease. The companies certainly were in compliance with all applicable laws, and certainly were in compliance with all the applicable environmental regulations.

I think it would be a very serious mistake if we allow this committee amendment to stand. We have had moratoria on OCS leases before. That is not what we are debating tonight. My amendment would not affect the language in this bill that imposes moratoria on OCS leasing by the Department. These OCS leasing moratoria state to the oil companies: "You can't develop a lease off certain tracts of land because it is environmentally sensitive." In other words, "You can't lease; you can't enter into a contract with the Government to find out what is there." However, my amendment would strike the committee amendment restricting drilling leases already entered into by the Department of the Interior.

The Congress has never before, in the case of an existing lease, an existing contract between a person and the Government, passed language that says, "Well, now, you cannot fulfill that lease even if you have gone through all the environmental impact statements and studies." Moreover, in this case, the lessees have been conducting environmental studies for 3 or 4 years.

The Department of the Interior basically says that those environmental studies have been satisfactorily completed. The studies are complete and yet we, the Congress, are about to enact legislation that would deny those companies the contractural rights to go forward and drill exploratory wells unless we pass my amendment.

I think that would be a serious mistake.

Mr. President, I ask unanimous consent that a letter by the Department of the Interior be printed in the Record stating the administration's very strong opposition to this language that is now in the appropriation bill.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The Secretary of the Interior,
Washington, July 5, 1988.

Hon. Robert J. Dole,
Minority Leader, Committee on Appropriations, U.S. Senate, Washington, DC.

Dear Senator Dole: I am writing to express my strong opposition to the unprecedented action the Senate Appropriations Committee has taken in the fiscal year 1989 Interior and Related Agencies appropriations to prohibit the approval or permitting of any drilling or other exploration activity in a portion of the eastern Gulf of Mexico. For the first time ever, the committee included a prohibition on approval or permitting of exploration plans as part of a package of moratorium actions directed against the OCS program. The moratorium on the approval of exploration plans applies to the area south of 26 degrees N. latitude and east of 86 degrees W. longitude in the eastern Gulf of Mexico.

It would be impossible to overemphasize the grave implications of this action. If this provision remains in the bill, it will be the first time ever that a moratorium has been used to deny the rights of an oil and gas lessee to undertake exploration to determine the value of that lease. Denial of the approval of an exploration plan through an appropriations moratorium rather than the regulatory procedures of the Outer Continental Shelf (OCS) Lands act is bad energy policy, bad economic policy, and—pehaps most significant in the long run—an act of bad faith on the part of the Federal Government. The latter is particularly troubling since this Nation relies on the private sector to bear the majority of the costs to locate and produce our domestic oil and gas resources.

> A total of 73 leases were awarded in the area south of 26 degrees in the eastern Gulf of Mexico offshore Florida to high bidders in lease sales held during 1984 and 1985 for a total of about $108 million. This is an area where the Congress previously imposed specific study requirements for collection of 3 years of physical oceanographic and biological resource data. All study requirements have been met. A single exploration plan of the Unocal Corporation has recently been approved by the Gulf of Mexico Regional Director of the Minerals Management Service.
>
> If Congress enacts this moratorium on the approval of exploration plans, it tells the domestic oil and gas industry that OCS leases no longer carry with them rights that leases can rely upon. This extends the already high risks of finding oil and gas in frontier areas into a whole new dimension. The possible future consequences are many and should be considered very carefully as the Interior and Related Agencies appropriations are debated for final action.
>
> This action sends a clear signal to private industry that the Federal Government can no longer be considered a trustworthy partner. The industry may be expected to increasingly shift exploration activities overseas where the atmosphere is more conducive to conducting business. This will accelerate the already serious problems associated with imported oil. Energy import costs, mostly for oil, added about $44 billion to the Nation's balance of payments deficit in 1987 and are also a matter of serious concern for national security interests.
>
> Although the companies expect some level of uncertainty in the costs and timing of exploration based on reasonable environmental concerns, they are dependent upon contractual integrity when making investments. America is already the most explored area in the world, and there are strong incentives for companies to invest in less explored parts of the world which offer greater prospects of large oil and gas finds. If companies cannot invest in OCS frontier area prospects without reasonable assurance of an opportunity to explore and develop them, the trend toward foreign investments will accelerate, the domestic oil and gas industry will be weakened, the trade deficit will be increased, and national security expenditures, which are already substantial for the protection of Middle Eastern supply routes, also could be increased.
>
> There are Federal court precedents which indicate that the Federal Government may be liable for reimbursement of substantial costs when there is unreasonable delay in the opportunity to explore. As an illustration of the possible liability, we estimate that companies have already incurred costs ranging from $128 to $165 million to acquire and perform preliminary evaluations of leases.
>
> The national economy and national defense will remain dependent upon petroleum fuels for many years. The national interest in avoiding further acceleration of our dependence upon imported oil requires your most thoughtful consideration. I hope you will act in the national interest to defeat the passage of this new and dangerous type of moratorium on Federal offshore oil and gas activity.
>
> Sincerely,
>
> *Don Hodel.*

Mr. NICKLES. I will not read the entire letter. It is signed by the Secretary of the Interior, Don Hodel, dated July 5, 1988. But let me read just a couple of the important points.

Mr. Hodel, in the first paragraph, says:

> I am writing to express my strong opposition to the unprecedented action the Senate Appropriations Committee has taken in the Fiscal Year 1989 Interior and Related Agencies appropriations to prohibit the approval or permitting of any drilling or other exploration activity in a portion of the Eastern Gulf of Mexico.
>
> It would be impossible to overemphasize the grave implications of this action. If this provision remains in the bill, it will be the first time ever that a moratorium has been used to deny the rights of an oil and gas lessee to undertake exploration to determine the value of that lease.

Mr. President, I am going to skip a majority of this three-page letter. A significant consequence, the Secretary says, is that:

> The industry may be expected to increasingly shift exploration activities overseas where the atmosphere is more conducive to conducing business.

Surely that will be the case. If we end up encouraging industry to pay millions of dollars, in this case around $200 million to develop leases and then we say, "Well, we are sorry, we really did not mean it even though that is what we agreed to several years ago," certainly the industry will go overseas. They will be looking at other places to invest their money.

Mr. President, I might just mention this as a caveat. We have had a lot of people talking about a negative trade deficit. The negative trade deficit dealing just with oil alone was $44 billion last year. This kind of exploration moratoria language will make it that much more difficult to do any offshore drilling. I am very concerned that if we allow it here, it might happen in other places.

In other words, we could just continue to curtail OSC drilling off the Outer Continental Shelf and I think that that would be a serious, serious mistake. A drilling moratorium would make us that much more dependent on expensive foreign sources, foreign sources that many times are not very reliable.

So, Mr. President, I said I would keep my remarks short. I will. I hope that we will have the common sense not to put in this kind of drilling moratorium language that is presently in the bill. I hope that my colleagues will support me in striking these few words which basically have the effect of saying, "Even though you complied with the lease, even though you paid your money, we are going to deny you the ability to drill on that land or on those waters." That would be a serious mistake.

I reserve the remainder of my time.

Mr. JOHNSTON. Mr. President, will the Senator yield me 4 minutes?

Mr. NICKLES. I am happy to yield.

Mr. JOHNSTON. Mr. President, I believe the Senator from Oklahoma is correct in his amendment for two principal reasons.

First of all, this is an existing lease which oil companies have paid for. We are not dealing here with the question of whether we are going to lease in the future. We have already agreed to that. We have gone further than we have ever gone in this committee by agreeing to a total moratorium as requested in both California and Florida.

This situation is different because it is a lease already granted and they are rights already acquired, and frankly, in my opinion, it would be a prohibited taking contrary to the Constitution if this is allowed to go through for which the lessees will be able to sue in court and get what may be an enormous judgment against the United States.

So reason No. 1 is that these are an existing lease. The implications of this are that other potential lessees who go to bid on future leases are likely to pay less money because they will in effect be buying a pig in the poke because they will never know whether the Congress, once they pay their money for that lease, is going to come in and stop drilling as they would but for this amendment.

The second reason is there is no environmental study which details any problem at all with these leases. The closest land to these leases are the Dry Tortugas and the Florida Keys some 50-plus miles away. It is even farther, I think, well over 100 miles from the mainland of Florida.

There have been so many environmental studies on this that I really cannot read them all. Their description is 11 pages, single spaced, everything from the Distribution of Demersal Fishes and Penaid Shrimp of Soft Bottoms of the Continental Shelf, to the Benthic Methodological References and Taxonomic References.

I am not sure what these studies really showed or proved other than there was no valid reason not to drill.

So, I mean if we are going to stop drilling, we ought to do so with an existing lease. We ought to do so for a valid reason. There is no valid reason as these studies here demonstrated will indicate.

I think the Senator from Oklahoma is correct. Frankly, the only reason that Senator McCLURE and I did not put up the amendment is that we thought frankly we could not win and we thought it better not to bring it up. That is the only reason we did not bring it up because the Senator from Oklahoma is surely correct on this.

I think we will really regret as a country the fact that we do not pass the amendment if we do not tonight, and I hope we do, if this becomes law, because indeed it will affect the future value of leases all over the country, billions of dollars worth of leases.

Keep in mind, Mr. President, we have been drilling offshore Louisiana, off the richest estuary in the country, one of the richest estuaries in the world, for over four decades. There are billions of barrels of oil that have been produced there. So far as we know not a dead shrimp yet, and all of a sudden we get 50 miles from the nearest island, a small island, Dry Tortugas, and all of a sudden it suddenly becomes so dangerous that we have to stop an existing lease when we have 5 feet of studies that show that it is OK to drill.

I just do not know why that is that we would come to that conclusion.

The PRESIDING OFFICER. Who yields time?

If no one yields time, the time will be deducted equally.

Mr. CHILES. Mr. President, I yield myself 5 minutes.

Mr. President, I find this debate very interesting, hearing all of these talks about how dangerous this precedent is to allow a 1-year moratorium because that is what the thrust of the amendment does, and I see the letter from Secretary Hodel and he says "My strong opposition to the unprecedented action in the bill relating to agency appropriations to exclude prohibition for approval of permitting as part of the package for 1 year" and he describes the place.

The interesting thing I think is Secretary Hodel and President Reagan and the now Governor of Florida have agreed to a 6-month moratorium on this same area, the same leases, the same provisions that we are talking about, have agreed to 6 months. That happens to end right after November, right after the elections. But that is all right to have a 6-month moratorium but to have 1 year, it wrecks the world. My gosh, it is disastrous.

And yet, is there going to be any drilling now off of California? No. A little political sensitive now; not going to have that; not going to do that.

And we were not going to have anything off of Florida for 6 months, until after November. And yet the Secretary will write a letter like this and say, "I am urging the President to veto the bill if you have a moratorium for 1 year."

Now, it looks like there ought to be a little bit of logic and reason to this. If a year is dangerous, if a year does all of this, what is the difference between 6 months? What is the difference between the President and the Secretary of the Interior being able to do it, with the Governor of Florida holding a nice big press conference, big thing, big victory that we have had and yet, if the Senator from Florida, with his able colleague, Senator GRAHAM, want to say a year "Wait a minute; that is a disaster."

Now, the House of Representatives has provided for a 1-year moratorium. I did not see the pillars fall when that happened. It was a pretty unanimous vote. But now it is 1 year.

Mr. President, I am very interested in seeing this stack here. I am delighted that it got brought in, because this is what the State is talking about and why they want additional time. The State has asked for additional time so that they will be able to analyze these studies.

Now it gives you some idea—and I did not realize how complicated it was before, but I thank you for bringing this in, because now I understand why they need time.

Do you think they could look at this in even 6 months and look at all that material and try to analyze it?

Now, let us look at that material. All that does not exactly cover this lease. This covers all they wanted to drill.

Mr. JOHNSTON. Will the Senator yield?

Mr. CHILES. No, not now.

This covers all they wanted to drill. Based on the studies, they have already agreed to withdraw a lot of the areas They were going to drill in sort of the live coral reefs that we had in the keys. They were going to drill in some of the best marine fisheries that we had.

But finally, when we got the last moratorium and the study, they have agreed to do that.

Now, the State has been in negotiating out where they can drill. We are not trying to say there should not be any offshore drilling off of Florida. We already allow leases. We want to allow some more. Senator GRAHAM can speak to that. He has been Governor of Florida and has been negotiating with them during part of that time.

But we are saying, "Don't drill in our most sensitive areas. Give us a chance to analyze this." That is what we are talking about, a 1-year moratorium.

So, you know, it is kind of like we have agreed on what our profession is. The profession has been agreed on. We are haggling about the price, whether it is 6 months or 1 year.

Now, if 6 months is good for the Secretary and good for the President and good for the Governor and will terminate right after the election, we are simply saying, "Let's make it a year. Let's give us time to be able to study and analyze it."

That is what the State is asking for, to look at this data and determine if there are some of the areas here that should be excluded.

Now, as to the oil companies and their compensation, when the oil companies bought these leases, they knew that a moratorium was in effect. They took it under that provision.

We have asked the Congressional Research Service. We have asked our attorneys to tell us where there is a problem in this, in a moratorium. They do not see any problem.

And if there is not a problem in 6 months, why should there be a problem in a year? Also, the legislation provides that the leases extend another year. So all of the leases extend. We are simply saying, "Give us the time to analyze this data."

It is shaky. You can tell that. It is shaky. Give us the time to analyze this shaky data and study it. Let us have a year to do that. Let us recognize that if the sauce is good enough for 6 months for the President, let the ganders have a little bit. Let us say that we ought to have a year to look at this. Let us go just a little beyond this election. Let us go into next year. Give us a chance to soberly look at this data and this material. That is what we are asking.

Mr. McCLURE. Mr. President, will the Senator from Oklahoma yield me 5 minutes?

Mr. NICKLES. Certainly.

Mr. McCLURE. I thank the Senator for yielding.

Mr. President, I asked that these be brought in because I knew exactly what we were going to be confronted with: "Give us time to study."

Mr. President, these are the studies. As far as the time is concerned, some of these studies go back prior to 1975.

Mr. CHILES. Which ones?

Mr. McCLURE. The State of Florida says, "Gee, that is not enough time. We have to have more time."

Mr. President, it has been studied. It has been analyzed. It has been restudied. It has had specialized studies.

If this is not enough studies for the State of Florida, then I submit to you the issue is not whether it is studied. The issue is whether or not they are permitted to drill.

Mr. President, I join with the Senator from Oklahoma and commend him for raising the issue. I say that advisedly, because, indeed, it is a tough issue.

But the Senator from Florida very rightly said that in California they have a 1-year moratorium. In California, off the coast of California, if there is a lease, they can drill on it. That is the difference. They are asking for something in Florida that has never been granted before, that is not granted by this legislation to California or to anywhere else off the coast of the United States.

And they do it because they say, "We have to study." Are they slow learners? What is it about this that makes it so difficult for them to read what has been around for over a decade?

Mr. President, I think it is time for us to recognize that the issue is not studies. The issue is not the opportunity to understand the impact. We understand the impact.

The question is whether or not this country is going to have any kind of an orderly offshore, Outer Continental Shelf oil program.

It has been troublesome to the Senator from Louisiana and to the Senator from Idaho that we have had these constant moratoria that come in on an appropriations bill, not through the regular oversight committees nor the review of the Outer Continental Shelf Program, but with constant moratoria that keep getting lobbed through the transom at the last minute, disrupting what is an orderly Outer Continental Shelf leasing program.

Yes, this bill does have in it, unfortunately, moratoria on further leasing off the coast of California with respect to Pacific sales and in general. It has in it prohibitions on further leasing in the very area where these studies indicate that the leases that have already been held can be drilled upon safely.

Mr. President, it is time for us to recognize that we have an energy problem in this country that is compounded by an economic problem in our balance of payments. There have been a number of people who have been suggesting that, indeed, we ought to do something about the balance of payments. Right now, energy imports amount to about $45 billion a year. By the mid-1990's, it will be $120 billion a year—$120 billion a year for one economic value, and that is imported energy.

Mr. President, if you do not want that to happen—and I submit that it is bad for this Nation to have it happen—then we must get on with the orderly development of resources that we have, including those that have been studied so well for so long.

I hope the Senate will agree with the amendment that the Senator from Oklahoma has offered and we can then attempt to resolve this rather narrow issue about drilling upon the leases that have already been entered into between the Government and those who bid on and receive the leases on this particular tract of land.

I thank the Senator for yielding time.

I yield back the remainder of my time.

The **PRESIDING OFFICER** (Mr. CONRAD). Who yields time?

Mr. **NICKLES**. Mr. President, how much time is remaining on both sides?

The **PRESIDING OFFICER**. The Senator from Oklahoma controls 14 minutes and 14 seconds. The Senator from Florida controls 22 minutes and 59 seconds.

Who yields time? The Senator from Florida?

Mr. **GRAHAM**. I request such time as may be necessary for the Senator from Florida.

The **PRESIDING OFFICER**. The Senator from Florida is recognized.

Mr. **GRAHAM**. Mr. President, it seems to be a dance to see whether GRAMM or GRAHAM goes first. I am pleased to go first in order to place this issue in some perspective.

As my colleague indicated, I have some considerable personal involvement with the issue of negotiating with the Department of Interior over Outer Continental Slope gas leases affecting the State of Florida and I would submit that our State has taken a very reasonable position. We have not adopted a position of no drilling, nowhere, at any time. We have, I believe appropriately, suggested that there should be environmental standards commensurate with both the environmental and economic risk of drilling in our particular circumstances. Applying those standards, oil and gas leases have been granted with State approval and State approval of the subsequent drilling permits.

Mr. President, Members of the Senate, I want to point out that there has been one consistent exception to that rule and that is drilling south of the 26th latitude. The geography is the 26th latitude runs approximately across the southern tip of the peninsula. It includes Everglades National Park, Florida Bay, and the Florida Keys.

Did Jim Watt suggest that we ought to lease south of the 26th latitude in an area that includes the second-largest national park in the continental United States; includes substantial Federal interest in and around the Florida Keys; includes some of the unique environmental treasures, not only of the United States, but of the world, Mr. President?

No. Jim Watt said we shall not attempt to lease south of the 26th latitude.

Did his successor, Judge Clarke, say that we should lease in this peculiarly sensitive area? No. Judge Clarke said we should not lease south of the 26th latitude.

It has only been in the current administration, the Department of Interior, that we have had that suggestion. When that suggestion was made, Mr. President, this Congress, on October 19, 1983—and that date is significant, October 19, 1983—placed in the Interior appropriations bill, the predecessor of the very bill that we are now debating, this language:

> No exploratory drilling tests will be approved by the Department of Interior until the Department of Interior has accumulated 3 years' worth of physical and oceanographic and biological resource data.

That language was placed in the 1984 Interior appropriations bill to cover the area south of the 26th latitude. It was not until 3 months later, Mr. President, that leases were actually granted in this area. So that any company which bid on those leases, did so with the knowledge, first, that there were going to be 3 years of scientific data to be accumulated before drilling could be permitted; and, second, that if the environmental data indicated in was inappropriate, that that would be taken into account as to whether drilling permits would be granted.

There has been a mistaken impression here that because one is granted a lease that they are also automatically entitled to a drilling permit. As we all know, the drilling permit does not come until a second phase and the State has the opportunity of demonstrating that the drilling permit is inconsistent with the coastal zone management plan. The State's real interest does not get protected, it does not get involved in the decisionmaking process, Mr. President, until after the lease is granted but before the permit to actually drill.

In this case, Congress had imposed an additional requirement of 3 years of accumulated study.

All right, 3 years pass and the studies, all the boxes that you see, were submitted. Those boxes were then opened. There are actually documents inside there, Mr. President. There are papers, there are words, there are thoughts, there is data. They were submitted to a panel of 30 scientists who represented all the disciplines who were appropriate to analyze this data. And here is what the scientists said:

> While the information collected and presented for these reports is very comprehensive, it is not sufficient to characterize or predict the impacts of potential oil and gas activities on the valued ecosystem components.

It goes on:

> Most of the reviewers felt that the studies did not provide the type of information nor detail to determine the potential for impact of oil and gas activities on live bottom habitats, communities, or integral and valued species on the southwest Florida shelf ecosystem in general.

That must have been persuasive. As my colleague the senior Senator from Florida has pointed out, the Secretary of the Interior and Governor of Florida have already signed an agreement to extend this period through until the last quarter of 1988 in recognition of the fact that the studies were incomplete and had not been properly analyzed.

What we are suggesting, Mr. President, is that the wisdom of the Appropriations Committee should be ratified by the full Senate. That wisdom was that we should allow for the next fiscal year as a period in which to complete the adequate studies before drilling permits are granted in this uniquely sensitive area.

There is not taking issue here. These leases were acquired with clear knowledge of the conditions that would have applied in any place in the Outer Continental Shelf and the special provisions which just 3 months before the leases were actually signed were imposed by this Congress.

Mr. President, I share the same concern about a strong America, a strong independent energy policy for America; as any Member of this body. And I would submit the attitude and the actual practice of the State of Florida as an example of a cooperative relationship between the Federal Government and a State, in terms of trying to play our part in achieving that goal. But, Mr. President, just as this country is fortunate to be the trustee of many beautiful areas that are not just parochial in interest, not just of interest to Americans, but are world treasures, one area of this United States of America which fits that definition, that in fact has been placed by the United Nations as one of the biospheres in the entire planet Earth, is the Everglades system, which is contained in this area south of the 26th latitude.

Many of you have had the opportunity to visit that great national park. Many of you have had an opportunity to visit the Florida coast. I think that that personal experience would lead you to concur, that these are truly world treasures and deserve the special attention, prudence, thoughtful studies which this Congress has mandated and which this Congress, by defeating this amendment, will see are carried forth to their full conclusion.

Mr. President, I urge that the amendment as offered by the Senator from Oklahoma be defeated; this Congress continue with the wise policy that was started in 1984, the Interior appropriations bill, and that we see that we achieve an energy-independent American through an intelligent policy which will continue to support all of the needs of this Nation and fulfill our trusteeship responsibility to future generations.

Thank you, Mr. President.

Mr. NICKLES. Mr. President, I yield the Senator from Texas, Senator GRAMM, 10 minutes.

Mr. President, might I inquire, how much time do I have remaining?

The PRESIDING OFFICER (Mr. ADAMS). The Senator has 14 minutes and 14 seconds.

Mr. NICKLES. I yield the Senator 10 minutes.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President let me try to clarify a few things. No. 1, we are not talking about some garden spot that is just right off the shore of Florida. We are talking about an area where the nearest point to the mainland is between 110 and 130 miles.

Second, Mr. President, we are not talking about the Federal Government coming in and trampling on States' rights. First of all, these are Federal waters, and the Department of the Interior has gone to extraordinary lengths to accommodate the concerns of the State of Florida. In fact, in the Department's whole drilling program, the Department has provided a buffer zone of about 30 miles around Florida. They have set up all kinds of exemptions, all aimed at dealing with legitimate concerns that had been expressed.

Mr. President, saying we will have a moratorium on leasing is not anything new. I have to admit that in most cases I do not think it is good public policy but that is a prerequisite for congressional action.

Since 1982, in the Interior appropriations bill, we have had moratoria on OCS leases. In fact, we have moratoria on leases in this bill.

It is one thing, Mr. President, to say by law that we will not allow the Federal Government to lease property. That may be wise or unwise, but that is legitimate public policy. It is quite another thing to say that on areas we leased 4 years ago, we are now going to come in after the fact and pass a law that says even though you paid money for this lease, we are not going to allow you to explore or drill on it.

That is why the proposal that we seek to strike in this amendment is a totally unique proposal. What the language in the bill is saying is that we are not going to allow you to drill on property you have already acquired. We have never done that before.

I hear this issue expressed in two ways: One is that this is not a taking provision and the other is that this is only a 1-year moratorium.

Mr. President, in 1984 and 1985, nine companies paid $108 million for the right to drill on property over 100 miles from the shore of Florida. They were told that if you buy the right to drill, you must perform studies for 3 years, and if you comply with all these requirements, you will be allowed to drill. That they have faithfully done. The evidence is right there. In fact, the evidence is stacked so high that it possibly could fall on the head of and kill the distinguished Senator from Idaho right here on the Senate floor.

The companies have complied with the provisions. The studies have been completed. Nowhere in the studies was it indicated that they could not produce oil without endangering the environment.

In my State, we have oil rigs right off of the beaches. These leases are 100 miles from the coast of Florida.

The companies complied with the law. They did all the studies; they crossed all the t's; they dotted all the i's. Now after having invested their money in 1984, two companies want to go ahead and drill on their leases. The provision in the bill says, "No, we are going to have a moratorium for a year."

We are setting a precedent here which will likely lead to a moratorium next year and the year after.

Mr. President, even if this were only a one-time moratorium, this is a taking of property. The companies signed a contract with the U.S. Government. In fact, one of the points made by the Secretary of the Interior is not just that this is bad policy, and I quote from the same letter the distinguished Senator from Oklahoma was quoting from, not just "bad energy policy," not just "bad economic policy," but also "an act of bad faith on the part of the Federal Government."

My colleagues may want to not lease land for drilling.

But we do not have the right to abrogate contracts. We do not have the right to come in and say, "After paying $108 million for the right to drill, after you have done all these studies for 3 years, after you tied up your money; oh, by the way, we changed our mind."

Interestingly enough, Mr. President, we all know that if this provision is enacted, the companies are going to go to court. They are going to sue the Federal Government, and they are going to win. As a result, what we are really doing here is violating the Budget Act because we are taking their property, providing a vehicle for them to go to court and to claim and to receive damages.

In fact, there would be a Budget Act point of order if we were voting here to give them their money back. We were quick to take their money; we signed a contract with them. Now they want us to live up to our end of the bargain. We should honor our contract.

Our amendment, seeking to strike this provision in the bill is supported by the chairman and the ranking member of the subcommittee. The amendment simply says the Federal Government will live up to its end of the bargain.

Let me summarize in the time I have left. First, it is not a question of not having enough time to read all those papers. The studies represented there were done in 1983, 1987, 1975, 1986, 1987, 1982, 1984, 1986, 1975, 1983, 1985, 1986, 1987, 1985. The list goes on and on.

Second, we are not talking about trampling on States' rights. This is Federal property 100 miles away from the mainland.

No. 3, we are not talking about the Department of Interior being unreasonable. They have granted a 30-mile buffer around Florida. They have set up all kinds of special provisions trying to be reasonable.

But the final point (that ought to mean this amendment ought to pass 98 to 2) is that we signed a contract. The Federal Government took $108 million and signed a contract that said, "You comply with these provisions and at the end of 3 years, you can drill."

It is the end of 3 years. The companies have fulfilled their study requirements. Now they want us to live up to our commitment.

Mr. President, by voting for this amendment, we say that the word of the Federal Government is good. We say that we are not going to abrogate a contract. I believe that we have gone as far as any reasonable person could request to ensure that the environment is not endangered and what is at stake here is the good faith of the Federal Government. I think that is a very serious issue. Abrogating contracts is something that we ought not to be doing.

I urge my colleagues to vote for this amendment, and I yield back the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. I think we can close this debate, as far as this Senator from Florida is concerned. There are just a couple of points I would like to make. One, we talk about how far this is. We are talking about something that is approximately 25 miles from Dry Tortugas and about 45 miles off of the Key West. So you can say 100 miles off the coast of Florida, but we still think Key West is part of the sovereign State of Florida. We claim it. We think it is a great and beautiful area. We are not that far.

The one point the Senator from Florida has not heard anyone speak about who talks about being for this amendment is why it is all right to have a 6-month delay but it is not all right to have a year delay, and why the President and the Secretary of Interior can, with big fanfare with the Governor of Florida, grant a 6-month delay which ends right after the November election; that is all right.

No one has said the oil companies are going to sue. We have abrogated the full faith and credit of the Government. It does not all come tumbling down, but suddenly with a year it does.

There is something just a little wrong with this, when you think about this, Mr. President. Something smells like politics in this.

What we are saying is, if 6 months is all right, let us have a year. Let us go into the next administration when there will be a new Secretary of Interior, where there will be a chance to look at this and Florida will have chance to analyze the study.

I cannot see any difference. No one has talked about the oil companies suing. Remember, they took these leases subject to the moratorium that was there. We are simply saying that 1 year should be fine as long as 6 months is.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, just to alert our colleagues, I will yield the remainder of my time in just a moment. I have a couple of very quick comments. We heard a little discrepancy on how close the proposed drilling areas are to the Florida coast. There are two proposed areas right now. They are actually 100 miles from the Florida mainland, although my colleagues may have difficulty seeing it on this map.

The Senator from Florida was correct when he said that in the area that is open to leasing, the closest lease would be about 45 miles, as he mentioned, from the Key West area, and maybe 25 miles at the closest point. But the two areas where there are leases where companies proposing doing drilling are actually in the far western portion of this entire area, and that is I believe 100 miles from the mainland.

Also, the Department of the Interior, I believe, has tried to bend over backward to accommodate the State of Florida. They have actually taken this entire border area and said this will not be leased. So that is an expansion from what Senator JOHNSTON talked about. The entire coastal buffer zone is 30 miles, but the Department of the Interior expanded the buffer zone off Florida's southwest coast, taking into account the fact it is environmentally sensitive. I believe the Senator from Florida, previously the Governor of Florida, talked about consistency. The Department has repeatedly worked with the State of Florida to provide opportunities for input and active participation in the environmental studies.

Mr. President, we have been on this now for 40 minutes. We have an hour equally divided. I am ready to yield the remainder of my time if the opponents of the amendment are as well.

Mr. CHILES. We are ready to yield back our time.

Mr. NICKLES. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Oklahoma.

Mr. McCLURE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. INOUYE] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 37, nays 59, as follows:

[Rollcall Vote No. 249 Leg.]

YEAS—37

Armstrong
Bentsen
Bingaman
Boren
Breaux
Burdick
Cochran
Conrad
Dixon
Domenici
Fowler
Garn
Gramm
Grassley
Hatch
Hecht
Heflin
Humphrey
Johnston
Karnes
Kassebaum
Lugar
McClure
McConnell
Melcher
Murkowski
Nickles
Pell
Quayle
Rudman
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Wallop

NAYS—59

Adams
Baucus
Bond
Boschwitz
Bradley
Bumpers
Byrd
Chafee
Chiles
Cohen
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dodd
Dole
Durenberger
Evans
Exon
Ford
Glenn
Gore
Graham
Harkin
Hatfield
Heinz
Hollings
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McCain
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pressler
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Simon
Stafford
Trible
Warner
Weicker
Wilson
Wirth

NOT VOTING—4

Biden
Helms
Inouye
Stennis

So the amendment (No. 2640) was rejected.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEFLIN. Mr. President, I support the Senate Appropriations Committee's recommendation contained in its version of H.R. 4867, which would provide $575 million in advance funding for fiscal year 1990 to the Department of Energy [DOE] Clean Coal Program. Unlike the Senate committee bill, the House-passed version of this bill recommends that $425 million of previously appropriated clean coal moneys be reallocated to later fiscal years—$255 million for fiscal year 1990 and $200 million for fiscal year 1991.

The unique Federal and private partnership created by the DOE Clean Coal Program has the potential of yielding important national benefits because it can allow us to continue to use our most abundant fossil fuel source—coal—to produce the electricity needed for our industries and populace in both a cost-effective and environmentally acceptable manner.

Our generation has witnessed amazing technological advances that have improved the quality of life and helped to resolve troubling issues of our times. The DOE Clean Coal Program will facilitate technological advances in the combustion of coal that can reconcile and address the equally important national goals of maintaining the integrity of our environment and striving for energy independence. With technological advances, coal can be burned cleanly and efficiently; these seemingly opposite interests may be served if we move hand-in-hand with industry to demonstrate emerging clean coal technologies.

An appealing trend contained in the Clean Coal Program is that industry has demonstrated a strong interest in cost-sharing clean coal demonstration projects. On May 23, 1988, private industry submitted 54 proposals for cost-shared demonstration projects in response to DOE's second clean coal solicitation. Even though Congress authorized DOE to provide up to 50 percent of project cost, many project sponsors offered to shoulder over one-half of project cost. The average, non-Federal share of project costs for the 54 proposals was approximately 59 percent. This means that of the $5.3 billion of proposed project costs, industry has signaled its willingness to put up $3.1 billion to assure the demonstration of innovative clean coal technologies.

Another welcomed sign of industry's interest in the Clean Coal Program is that even though DOE has only $536 million available for cost-sharing, over $2 billion in Federal cost sharing was requested by the 54 project sponsors.

Clearly, U.S. industry stands ready to shoulder its share of the burden of demonstration emerging technologies that can greatly benefit our environment, our ratepayers, our coal industry and other industries that utilize electric power. Mr. President, industry alone cannot assure that the promising new clean coal technologies needed will be commercially incorporated in a timely fashion. The rapid and widespread commercialization of these most important technologies is wholly dependent upon a sustained Federal Government role in their development, demonstration, and commercial deployment.

Mr. President, I also favor the Clean Coal Program because I feel advances in this technology will make available the use of all ranks—grades—of coal. It will preserve and increase the number of jobs in the mining and mining support industries. This program's research will allow this Nation to achieve superiority in an industry in which the United States possesses the greatest amount of known resources. Moreover, this program will move this Nation from the grips of foreign oil dependence. It would also be a model for other nations as we move into the future.

Mr. President, industry is ready, willing, and able to move forward with clean coal technology. We, the Members of the Senate, the House of Representatives and the executive branch of the Federal Government should be just as enthusiastic to join forces.

VOYAGEURS NATIONAL PARK

Mr. DURENBERGER. Voyageurs National Park is Minnesota's only national park. Established by Congress in 1975, the park is a wonderful nature and recreational attraction yet an underutilized economic resource. The potential for the park as a catalyst for economic growth through recreation is great. The area is beginning to realize this potential. But more needs to be done.

Last year, I sought money for the Kettle Falls Hotel renovation, but due to tight resources Congress was unable to provide the needed money. Although we face similar fiscal constraints this year, I urge the Senate Interior Appropriations conferees to follow the House's lead and appropriate $480,000 for phase II construction of Kettle Falls Hotel. This money will go toward access trails to the hotel as well as other essential facilities to the hotel's operation.

Mr. JOHNSTON. I understand the importance of completing the Kettles Falls Hotel and what it will mean to Voyageurs National Park and northern Minnesota. Accordingly, I will make sure that every consideration is given the funds recommended by the House for the project.

Mr. McCLURE. Completing the historic Kettles Falls, a place of memories and stories of the great logging days at the turn of the century, will not only enhance Voyageurs National Park, but revive the memories of those days of Paul Bunyon and the lumberjack. Depending on the final allocation of the subcommittee, I will make sure the project receives every consideration and that the $480,000 be appropriated for the hotel.

Mr. DURENBERGER. I thank my esteemed colleagues for their willingness to help on this matter and their recognition of the historic and recreational value the Kettles Falls Hotel serves.

WETLANDS PROTECTION

Mr. DURENBERGER. Wetlands are being lost at a tremendous rate. The loss is due to urban expansion, pollution, and we all know about the drought that is racking the Upper Midwest of this country. The result of the loss is seen in many ways, but most ominously in the decline in the Nation's waterfowl population.

It for this reason that I rise to commend my colleagues for their foresight and commitment to wetlands protection. They have made the wise decision to allocate funds for purchase and management of high priority wetlands. For this I thank the leaders, Senators JOHNSTON and McCLURE and other members of the Senate Interior Appropriations Subcommittee.

It is within this framework that I urge the leaders to direct the Fish and Wildlife Service to purchase those precious wetlands that are within the authorized boundaries of Minnesota Valley National Wildlife Refuge. This refuge is in the critical Central Mississippi Flyway, the primary flyway for the waterfowl in the United States. In addition, the wetlands of the refuge are critically located as a stopping and refueling point for weary waterfowl as they fly from Canada to the points south.

Finally, the refuge, because it is located within a major urban center, that of Minneapolis-St. Paul, its wetlands are threatened by loss due to expansion and needs further protection.

Thus, to me and the outdoorsmen of the Upper Midwest, the wetlands of the Minnesota National Wildlife Refuge are high priority wetlands and deserve to be purchased from the funds set aside so wisely by the Interior Appropriations Subcommittee. The House has appropriated $500,000 for land acquisition for the refuge and I urge the Senate Interior Appropriation conferees to accept the House's recommendation.

Mr. McCLURE. I am aware of the importance of the Minnesota Valley National Wildlife Refuge. Depending on the final allocation of the subcommittee, I will make sure the project receives every consideration and that $500,000 be appropriated for wetlands acquisition within the refuge.

Mr. JOHNSTON. Coming from a State where most of the waterfowl from the Upper Midwest winter, I am aware how important the wetlands of the refuge are to waterfowl migration. Accordingly, I will give this project every consideration in conference with the House.

Mr. DURENBERGER. On a similar topic, having spoken of the importance of wetlands and their complexity, it is time that people are fully educated of their importance. For this reason, I urge the Senate Interior Appropriation leaders to direct the Fish and Wildlife Service to allocate funds for a Wetlands Interpretative Center in Fergus Falls, MN. Fergus Falls is the heart of the North American Prairie Pothole country so it is fitting that an educational and learning center would be well-placed in this very fine community.

Mr. McCLURE. I understand your desire to provide a wetlands learning center and your expression that Fergus Falls is a good site for such a center. I will certainly give it consideration at the appropriate time.

Mr. JOHNSTON. Wetlands come in many shapes, sizes, and ecology and the Prairie Pothole wetlands are among the most important. They are the key breeding grounds for most of the Nation's waterfowl. Accordingly, I, will give this project serious consideration.

THE NAVAJO INDIAN IRRIGATION PROJECT

Mr. BINGAMAN. Mr. President, as the Senate considers H.R. 4867, the Department of the Interior appropriation bill, I would like to bring one of its most vital provisions to the attention of my colleagues: The Navajo Indian irrigation project.

Congress authorized the Navajo Indian irrigation project [NIIP] in 1962 when the Navajo Tribe, the State of New Mexico, and the Federal Government reached a crucial water supply agreement. Under the agreement, the Navajo Tribe agreed to relinquish valuable water rights, and the Federal Government made a firm commitment to construct a project that would irrigate 110,630 acres of land and provide for 508,000 acre feet of water. The Federal Government still has a statutory obligation to complete construction of this project.

Despite the Federal Government's responsibility, the inspector general of the Department of the Interior 3 months ago recommended that we discontinue funding of NIIP because he thought its costs were too high. He suggested that we offer the Navajo Tribe a cash settlement in exchange for the cutoff in funding.

I and other Members of the House and Senate vigorously protested the inspector general's recommendation. I am pleased that the members of the Appropriations Committee also agreed that it must be rejected.

The economic and social benefits that flow from the Federal Government's commitment to the project are indeed many—both to the Navajo people and this country generally. As NIIP thrives, so too will the Navajo Tribe's related farm operation—the Navajo Agriculture Products Industry [NAPI]—which uses water provided by NIIP. Intergration of the two projects will draw more and more agriculture-related industries to the reservation. More and more Navajos will find employment, and more and more economic growth will occur. Currently, more than 500 Navajos are employed by NIIP and NAPI, and the potential for increased employment is real and imminent.

Today, the Federal investment in NIIP—and the vital water it ensures—has enabled the Navajo Tribe to join with a national food processing company and distributor in breaking ground for a food-processing plant on the reservation. The plant is a key component of a $12 million venture that should create at least 600 new jobs for members of the Navajo Tribe.

The new venture is unique among the series of ventures recently launched in the Navajo Nation as a result of a job-generating campaign being waged by the Navajo tribal government with the assistance of the Federal Government. Its financing is a cooperative effort between the Navajo Nation and the city of Farmington, NM. As such, it is a major advance in joint economic development by an Indian nation and one of its border towns. The venture will be financed by Industrial Revenue Bonds issued by the city of Farmington.

Part of the venture includes the growing of fresh fruits and vegetables on Navajo farmland. Produce such as potatoes, broccoli, cauliflower, strawberries, and raspberries will be grown and processed from the Navajo-Farmington area and will reach markets throughout the United States, Puerto Rico, and the Pacific Basin.

Such a venture has great potential for the Navajo people, the State of New Mexico, and this country generally. I applaud the diligence and work of the Navajo Tribe and the city of Farmington, and I am pleased that the Senate acknowledges the importance of this project and the importance of the Federal Government's commitment to the Navajo people.

NEW ENGLAND AND NEW YORK FOREST STUDY

Mr. HUMPHREY. Mr. President, over 1.1 million acres of forest land in northern New Hampshire, Vermont and Maine were recently put up for sale by a large timber company. Although conservation groups were seeking to reach an agreement to purchase the majority of this land, 90,000 acres of unique forest land in Vermont and New Hampshire were recently bought by a private developer. This sale reflects a growing trend to develop forest holdings within New England. I am deeply concerned that sales such as these will permanently change the character and the economic base of the Northeast.

The committee report accompanying the Interior appropriations bill directs the Forest Service to spend $250,000 "to analyze the current changes in forest land resources" in northern New England and New York. Senator RUDMAN, Senator LEAHY and Senator STAFFORD joined me in requesting this study, and I am pleased that the Appropriations Committee included this recommendation within their report.

I urge the Forest Service to work with interested groups within the affected States in compiling data and making recommendations in regard to these lands. I look forward to the results of this study, expected within 1 year.

Mr. President, a report entitled "A Challenge For New England: Changes In Large Forest Land Holdings" by Perry Hagenstein, prepared for "The Fund For New England," concludes:

> Without some immediate attention to the probable development of some of the forest land and much of the lakeshore in far northern New England over the next several years, the chance to retain the extensive forest zone in northern New England will gradually dwindle. The path to action that will maintain the integrity of the large holdings is certain to be long and to require innovative approaches. The tools that have been used to deal with small tracts—conservation easements, acquisitions, separation and purchase of development rights, zoning—may have to be modified. . .

This conclusion is right on target. The unique problem facing New England—large forest land owners selling off their holdings—demands a creative, regional approach. Our intent is that the Forest Service consider the changing land-use trends in the region and suggest methods of preserving the resources in order to maintain the character of northern New England and New York.

In 1911, a New Hampshire native, Congressman John Weeks, successfully enacted a law which led to the creation of the White Mountain National Forest and other forest preserves. The Weeks Act was a turning point for the forests of New England and the Appalachian region. A major reason for the success of the Weeks Act was the broad range of support offered by citizens groups and businesses within New Hampshire and the rest of New England.

Over 75 years have passed since the White Mountain National Forest of New Hampshire and Maine was recognized and preserved as a national treasure under the Weeks Act. Once again, the citizens of New Hampshire and New England face a watershed in terms of their forest land. The next few decades may witness the sale of tens of millions of acres of forest land in the Northeast. This land is uniquely beautiful with its snow-capped mountain peaks, wild rivers, still lakes and abundant fish and wildlife.

Mr. President, it is my hope that our children will have the opportunity to enjoy the beauty of the forests of New England. The integrity of this region depends on wise choices and a coordinated effort. If we do not act soon, we may lose the opportunity forever.

PRESIDENT'S LETTER ON CLEAN COAL TECHNOLOGY

Mr. BYRD. Mr. President, today I received a letter from President

Reagan praising the position of the Senate with respect to the Clean Coal Technology Program funding in this fiscal year 1989 Department of the Interior and related agencies appropriation bill. The letter also expresses serious concern about the decision of the House not to fund advance appropriations for this program.

I share the President's concerns about the impact the House action would have on our ability to deal with the acid rain problem in an efficient and effective manner and the impact on our long-term energy security as well. Also, I believe that the House action violates the President's commitment to the Canadians and will hurt United States' industrial competitiveness in world markets because present methods of reducing SO_2 and NO_x emissions are costly indeed. High domestic electric rates mean higher prices for American products.

Mr. President, I submit a copy of the President's letter for inclusion in the Record so that my colleagues will fully appreciate the degree of his commitment to the Clean Coal Technology Program.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The White House,
Washington, DC, July 13, 1988.

Hon. Robert C. Byrd,
Majority Leader, U.S. Senate,
Washington, DC.

Dear Senator Byrd: As the Congress considers the Interior and Related Agencies Appropriations Bill (H.R. 4867), I want to emphasize the importance of clean coal technologies.

The increased use of coal in an environmentally acceptable manner will improve our energy security and enhance our economic competitiveness. The Department of Energy Clean Coal Technology Program is a critical element in the achievement of these objectives. Moreover, an aggressive program to demonstrate new clean coal technologies may enable us to make progress in the effort to reduce acid rain, a major concern to both the United States and Canada.

New cost-effective clean coal technologies will benefit the environment and provide more reliable, economical electricity from coal, enhancing the economic vitality of our basic industries and ensuring low-cost power to consumers.

My Fiscal Year 1989 budget proposed $1.775 billion in new funds for the Clean Coal Technology Program over the period of FY 1990 through FY 1992. This request for advance appropriations, together with funds previously appropriated, would enable the United States to fulfill its commitment to Canada for a five-year, $2.5 billion innovative program to combat acid rain.

The House of Representatives did not act on my request for new funds. In addition, the House stretched out the availability of the $525 million of funds previously appropriated for FY 1989. This action undermines our efforts to address the acid rain problem in a responsible manner and could reduce our longer-term energy security. The Senate Appropriations Committee corrected this situation with its action on the bill.

Favorable action by the Congress this year is necessary to allow the Federal Government and private industry to move forward in partnership to bring new clean coal technologies to the marketplace. I urge the Senate to ensure adequate funding for this important program as provided by the Senate Appropriations Committee.

Sincerely,

Ronald Reagan.

Mr. **FORD.** Mr. President, the Senate is not in order.

The **PRESIDING OFFICER.** The Senate will be in order.

Under the previous order of the Senate, the clerk will read the bill for the third time.

Mr. **DOLE.** Mr. President, may we have order?

The **PRESIDING OFFICER.** The point of order is well taken. The Senate will be in order. Senators will please take their seats.

Mr. **BYRD.** Mr. President, this will be the last rollcall vote of the day. We will probably have a fairly early vote tomorrow.

The **PRESIDING OFFICER.** The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. **JOHNSTON.** Mr. President, I request the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

CONGRATULATIONS TO SENATOR BENTSEN

Mr. **DOLE.** Mr. President, I want to extend hearty congratulations to our colleague from Texas, Senator Bentsen, on behalf of everyone on this side of the aisle.

(Applause, Senators rising.)

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

The Senate continued with the consideration of H.R. 4867.

Mr. **BYRD.** Mr. President, I think Senators should know that there will be an early rollcall vote tomorrow. I believe that the distinguished Republican leader and I, having discussed this matter with the Senator from Indiana—we are talking about the DOD conference report. I understand that there will be a motion made to recommit that conference report early.

Mr. **WARNER.** That is correct.

Mr. **DOLE.** That is the hope. I have not discussed this with the Senator from Indiana.

In addition to the early vote, we might be able to leave earlier tomorrow. Is that a possibility?

Mr. **BYRD.** Yes. We hope to be able to finish our work earlier tomorrow—say, about 3 or 4 o'clock, instead of 6 or 7.

Does the Senator plan to make that motion early?

Mr. **QUAYLE.** Yes, I do. But I would like to converse with the minority leader and the chairman of the Armed Services Committee about a possible option. I do intend to offer a motion to recommit, and it will be offered early.

Mr. **BYRD.** 9:30?

Mr. **QUAYLE.** It can be offered by 9:30.

Mr. **BYRD.** I think we ought to count on a rollcall vote on 9:30 tomorrow.

Mr. **QUAYLE.** That is one I want to talk about.

Mr. **BYRD.** I want to let Senators know.

I suggest that Senators be prepared for an early vote.

I yield the floor.

The **PRESIDING OFFICER.** Under the previous order of the Senate, the bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **CRANSTON.** I announce that the Senator from Hawaii [Mr. Inouye] and the Senator from Mississippi [Mr. Stennis] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. **SIMPSON.** I announce that the Senator from North Carolina [Mr. Helms] is necessarily absent.

The **PRESIDING OFFICER** (Mr. Wirth). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 92, nays 4, as follows:

[Rollcall Vote No. 250 Leg.]

YEAS—92

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Hollings
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—4

Gramm
Humphrey
Proxmire
Roth

NOT VOTING—4

Biden
Helms
Inouye
Stennis

So the bill (H.R. 4867), as amended, was passed.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes thereon and that the Chair be authorized to appoint the conferees to serve as managers on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. Wirth] appointed Mr. Byrd, Mr. Johnston, Mr. Leahy, Mr. DeConcini, Mr. Burdick, Mr. Bumpers, Mr. Hollings, Mr. Reid, Mr. Stennis, Mr. McClure, Mr. Stevens, Mr. Garn, Mr. Cochran, Mr. Rudman, Mr. Weicker, Mr. Nickles, and Mr. Hatfield conferees on the part of the Senate.

TONY BEVINETTO

Mr. HECHT. Mr. President, I want to pay tribute today to a man, a friend, who has been of great service to the people of Nevada, Tony Bevinetto. Over the course of my years in the Senate, Tony has been helpful on quite a few pieces of legislation that are important to Nevada. Nevada is 87 percent federally owned, which represents the greatest faction of Federal ownership in any of the contiguous 48 States. It is also a State which is growing very quickly, and so has a continuing need for Federal land.

With Nevada's vital interest in public lands issues, it was a great source of satisfaction for me to know that Tony Bevinetto was there to help with relevant legislation. Tony was the man with the answers. Tony had the institutional memory. Tony's wealth of experience made him an invaluable guide in that arcane but crucially important area of turning a bill into a law. Tony was a master of that art. He could show you what legislative approaches had been successful in the past, and steer you away from paths that would likely lead to legislative oblivion.

Tony was a professional, he was a friend, he was a fellow westerner, he was a great resource for the people of Nevada and their Senator, and he will very definitely be missed.

CONGRESSIONAL BUDGET OFFICE REPORT—S. 1544

Mr. JOHNSTON. Mr. President, on June 29, 1968, the Committee on Energy and Natural Resources filed the report to accompany S. 1544, a bill to amend the National Trails System Act, to provide for cooperation with State and local governments for the improved management of certain Federal lands, and for other purposes.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask unanimous consent that it be printed in the Record in full at this point.

U.S. Congress,
Congressional Budget Office,
Washington, DC, June 29, 1988.

Hon. J. Bennett Johnston, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has reviewed S. 1544, the National Trails System Improvements Act of 1988, as ordered reported by the Senate Committee on Energy and Natural Resources, May 18, 1988. Enactment of this legislation could result in some costs to the federal government. While we do not have sufficient information to quantify these costs, we do not expect them to be significant. The bill would result in no costs for state or local governments.

S. 1544 would amend the National Trails System Act to provide that the United States would retain any interest it may have in abandoned railroad rights-of-way. The bill would apply prospectively, and only to those cases where it is determined that the federal government has a property interest in an abandoned right-of-way.

Such lands located within a conservation system unit or a national forest would be added to those systems. The bill would authorize the Secretary of the Interior to manage other rights-of-way that are determined to be suitable for public recreational trails or for other recreational use. Alternatively, the Secretary would have the authority to transfer such land to a state or local government or other entity to manage for public recreational purposes should they apply for such a transfer, or sell a segment meeting certain criteria. The proceeds of sales would be credited to the Land and Water Conservation Fund.

The precise budgetary impact of this bill is difficult to determine because it gives substantial discretion to the Secretary to determine the disposition of affected land, because there is little information available as to what lands would be affected, and because there are unresolved legal questions regarding the government's interest in abandoned rights-of-way. Federal costs would increase to the extent that agencies would be responsible for managing additional public lands, but these costs would be at least partially offset by the proceeds of any sales. Also, many of the actions authorized by S. 1544 can be carried out under existing law. As a result, the budget impact of this bill is not likely to be significant.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

James L. Blum,
Acting Director.

STENNIS TRIBUTE DINNER, JUNE 23, 1988

Mr. WARNER. Mr. President, on June 23, 1988, the President of the United States, Members of Congress, the Governor of Mississippi, and many friends gathered to pay tribute to a great statesman, the President pro tempore of the Senate, the chairman of the Senate Appropriations Committee, our beloved friend John Stennis.

Heartfelt thoughts were expressed which should be shared by others. The American people should have the benefit of reading the comments which so clearly show the extraordinary regard and esteem in which the President and our Senate colleagues hold the senior Senator from Mississippi.

I therefore ask unanimous consent that a complete transcript of the proceedings of the Stennis tribute be printed in the Congressional Record.

There being no objection, the proceedings were ordered to be printed in the Record, as follows:

Stennis Tribute Dinner—June 23, 1988

Dr. Halverson. Let us pray. Almighty God, our Father, in this quiet moment as this significant meeting opens, we ask for a fresh awareness of Your presence. Deliver us from the secularism that opening prayers at functions like this are simply ceremonial.

This evening we celebrate a truly great American—a national leader, a statesman, a southern gentleman. We celebrate his integrity, his commitment to truth and justice, his giant influence in the affairs of the nation and the world. We praise and thank you, gracious God, for Senator John C. Stennis; for the privilege of knowing him, for his partnership in the leadership of the nation, for his many years of faithful, influential service in public affairs. make him aware of the respect, the admiration, the affection, the honor in which he is held by all of us and millions who cannot be here tonight. Bless him, Lord, with a very special measure of grace.

Heavenly Father we do not take lightly our blessings, the friendship at these tables, the good food. Thank you for the farmers who produced it, the industry which processed it, those who prepare and serve it. Save us from ever presuming on these common benefits. Grant that we who always have more than enough of everything we need, may be sensitive, compassionate, and responsive to those who are homeless and hungry, forgotten and dispossessed. We ask this in His name whose unconditional love reaches everyone and never fails. Amen.

Dr. Donald Zacharias. Welcome to the "Celebration of a Legend" in American political history. As president of Mississippi State University, I'm honored to host you at the dinner in celebration that each of you has made possible through your contributions. We are grateful to President Reagan, Members of the United States Senate, and especially to the four Senators who are seated at the head table and all of the people in Mississippi and Washington who guided our planning for making this event such a wonderful celebration. Because each person here has such a unique level of prominence in this entire affair and deserves a special introduction, we will simply say "thank you" to everybody who's here. Thank you for being and sharing this evening with the senator and we will omit any formal introductions. I think we would be here for most of the evening if we did that one thing alone. We will concentrate our attention on the man we honor and the University, and the state, and the nation that he loves.

Celebrations like this are important for what they mean in the life of the country or an organization. They let us pause for a few minutes and remember what is right and special about the people who serve in our government. For each of us, John C. Stennis symbolizes something uniquely valuable in public life.

During my first meeting with the Senator shortly after I became president of Mississippi State, I knew immediately why people recognized him as a national leader. In a brief talk with me in my office he revealed the qualities that we admire in leaders of all levels of our society. He was caring, analytical, unselfish, and humorous, and most of all, he was likeable. He represents for you and me a model of integrity and likeableness. Your contribution, let me say, to the Stennis Institute at Mississippi State University will help its faculty and its director, Dr. Charles Washington, instill and reinforce those values in state and local and national leaders, in our teachers and in our students. Just as we benefited for decades from the leadership of Senator Stennis so future generations will benefit from your generosity.

Now, no man of achievement stands alone. Senator Stennis, we honor you tonight because we see in you qualities we want in our lives and in every alumnus and legislator and citizen. Your life reflects the influence of parents, schools, churches, universities, your family and your friends. We join you tonight in celebrating America and its universities and its corporations, its state and local leaders, it's hard working men and women of every walk of life and its vision for the future. You've shown us how to live with today's challenges and tomorrow's triumphs. Because you have served your nation so well, life is better for each of us. Thank you for what you've done.

We have received telegrams from all the former presidents living, but I have one that I want to read particularly because I think it symbolizes the sentiment. Let me read it. It's very brief. The telegram says "I recall vividly a telephone conversation I had as President with John Stennis. I thanked him for the indispensable roll he had played in helping us to get a defense appropriation bill through the Senate. And he replied, 'thank you Mr. President, but to be frank, I didn't do it for you I did it for my country.' That is the essence of the man you honor tonight. Whatever he has done in public life, he has done for his country and that is why he is one of the greatest men of any party to have served in the United States Senate." Signed Richard Nixon.

And now its my special honor to present the Governor of the state of Mississippi, the honorable Ray Mabus.

Governor RAY MABUS: Mr. President, Senator Stennis, honored guests, Mississippians, and Americans, it's an impossible privilege to try to do justice to Senator John C. Stennis or to his career. No amount of time, however extensive, would be sufficient to recount his accomplishments, or to adequately express how the people of Mississippi feel about him. Given that, I assure you I will be brief; no matter how long it takes.

Despite his long tenure, the essence of John Stennis has not changed. He is honest, straightforward, unpretentious and always mindful of the people back home. To those of us in politics who suffer the slings and arrows of what we sometimes feel to be an overly enthusiastic press, let me read you what two newspapers, known for their objectivity but not for any propensity to fawn over elected officials, have said about the person, the man from Kemper county.

In 1982 the Washington Post wrote "no one in the Senate questions Stennis' integrity or contribution to that body. The possessor of a tremendous booming voice, a Phi Beta Kappa key, and a universal reputation for fair-mindedness, has long been one of his dominating features. A senator's senator, an advisor to presidents, a man of enormous power and influence.

And the New York Times, three years later, in 1985 said, "He is the undisputed patriarch of the Senate, a teacher to younger members, and a conscience for the entire institution. He seldom makes national headlines but he wields considerable influence in the Senate itself and that influence comes from the quality of his personal judgement." That sort of praise is earned slowly, carefully, sometimes painfully over many years. Senator, it is not only your press that we in public service envy, what would any of us give for a career that saw you win a senate seat in 1947 and then, because of the quality of service you gave, not be challenged for re-election for 35 years. And then when that challenge came, to win going away.

The stories that were to come from a lifetime of service are legion and legend. And let me share just a few with you. Upon taking office, Senator Stennis set a goal for himself. It has become classic for its simplicity and directness. The senator said, and all Mississippians know this, "I want to plow a straight furrow right down to the end of my row." As Mississippi's new junior senator in 1948 and Senator Stennis only had to remain a junior senator for thirty years—he found the move from DeKalb to Washington to his liking with one notable exception. The Memphis Commercial Appeal reported that the main thing Stennis found wrong with Washington was the lack of good cornbread. Senator that's a sentiment that all Mississippians can share and understand.

As a new senator, John Stennis showed proper respect for his seniors and he waited for several months before making his maiden floor speech. He explained the delay to friends by saying he didn't want to "pop off", but instead to know fully what he was talking about. I think there's a message there for most of us.

One of the many hallmarks of his career has been his steadfast support for farmers and agriculture. He spoke forcefully and eloquently against federal cuts in agricultural assistance in that first year in the Senate saying "the substance of our good earth is going to the far horizons. It is vital that we concern ourselves thoughtfully and wisely to the replenishment of our acres and to the support of the men, women, boys, and girls who husband them." At times, his diligence on the subject of agriculture as it pertains to Mississippi required a more personal touch. For instance, there was a time when the senator fired off a letter to Secretary of Defense Forestall. He complained that army policy was working to the disadvantage of sweet potato growers in Mississippi and other southern states. I'm happy to report that generations of soldiers have now had the opportunity to develop a taste for Mississippi sweet potatoes. He has something in common with you, Mr. President. In the early 1960's, Senator Stennis made his mark in the movies. Actually, Charles Lawton chose Senator Stennis as the model for a U.S. Senator as he prepared for an upcoming role. Lawton's part lasted for only one movie. John Stennis' part on the great national stage has lasted for more than four decades.

His career began early at Mississippi State University. Senator Stennis' sense of politics was acute even then. As the great New York Times editor Turner Catledge, tells it, Mr. Stennis, a classmate of Catledge's, was one of the few students at Mississippi State to possess a suit. And that suit made Mr. Stennis a very popular man. He loaned it out judiciously. And in the process acquired some of his very first political IOU's. Don't scoff. He was elected cheerleader because of it.

If I may be allowed one personal moment, I am truly a child of the Stennis era. I was born a year after he went to the United States Senate. He and my father are almost exact contemporaries, having been born less than a year apart in almost identical towns in Mississippi. They shared other things as well—absolute honesty and courage. As a small boy, I can remember how proud my father was of Senator Stennis being the first Democrat to stand up to and expose the bullying and fraudulent Joe McCarthy.

In 1973 John Stennis was mugged and shot and was rushed to emergency surgery here in Washington. At exactly the same hour in Boston I was undergoing emergency surgery for appendicitis. He, in his seventies, got out of the hospital before I did in my twenties. And finally, last year, as the Democratic nominee for Governor, my wife and I came to Washington. Senator Stennis graciously consented to see me and we visited for more than an hour. Then to my surprise and to my utter delight he came to a function for me. I introduced him to Julie and he raised himself out of his wheelchair by his arms to speak to her. When she insisted that he sit back down, he replied; "I never sit while being introduced to a lady." That is John Stennis. It's not a coincidence that his office is adorned with plaques reading "Look ahead" and "Mississippi comes first." These are philosophies he takes very seriously and the citizens of Mississippi and the citizens of America are the beneficiaries.

Long ago, Senator Stennis said something that I and other admirers of him would do well to live by. He said "making a living is the main problem of virtually all Mississippians and I will never forget it. Every legislative problem must be looked at from the point of view." Senator Stennis, you have plowed a straight furrow and we love you for it. Thank you.

Senator STEVENS. As the senator from Alaska, John, I bring you greetings from the north. Robert Service, the great bard from my part of the world was looking for you, John, when he wrote these words in the law of the Yukon. "Send not your foolish and feeble, send me your strong and your sane—strong for the red rage of battle. Send me men girt for combat. Men who are grit to the core, swept as the panther in triumph, fierce as the bear in defeat, sired of a bulldog parent, steeled in the furnace heat.

Send me the best of your breeding, lend me your chosen ones. Them, I will take to my bosom; them, I will call my sons."

I'm sure the Mississippians here, are glad that Robert Service's words did not lure you north, John. But you're made of the stuff Alaskans admire and we'd gladly claim you as our own.

You've seen Washington grow from a small town emerging from the war with few sky scrapers and life at a much slower pace. To where we are now in this new city, new buildings on Capitol Hill, like Dirksen, Hart, Rayburn; sky scrapers dotting the skyline and life moving at a much faster pace. There were only 96 senators when you got here, John. Hawaii and Alaska were still fighting for statehood. But as time went on and your seniority meant you could choose the committees you want, you choose Appropriations, where the money is and Armed Services, where the power is. You're the last senator, John Stennis, that will ever serve on both committees, both of those committees, at the same time. It's true the senate has changed the rules, we can no longer serve on those two committees. Senator Stennis is the last. And I'll tell you, as one Scotsman to another, you couldn't have chosen better assignments. And we couldn't have found a better person to serve on those committees all these years.

John Stennis, you've been an inspiration to new senators for four decades. You've always been there when our nation's defense forces needed help, needed encouragement, and advice. You've now trained a legion of lieutenants, John Stennis, and I'm proud to be one of them. As a Republican, I've sat by your side now for seventeen years and I'm honored to join those who honor you tonight. God bless you always, my friend. Thank you very much.

Senator JOHNSTON: Mr. President, Senator Stennis, distinguished friends: When I came to the Senate 16 years ago; green, naive, untutored, ignorant, and the number of those who can recognize that quality are growing in number all the time, I looked around for a role model, a person whose qualities, I thought I could best emulate when I would strive to be the best Senator I could. And you will not be surprised to learn that I chose John Stennis. Why did I choose John Stennis and why did a whole host of other Senators similarly situated throughout the decades choose John Stennis?

Well, in my case, it was not because of only what he's contributed to the national defense, although there are only a hand-full in the history of this nation who have done as much. It was not because of his skill as a legislator or his skill as an orator although few could stand on that senate with that huge voice and that great intellect and that great power and skill, and an intuitive skill as a legislator that John Stennis could. That wasn't really the reason.

The reason was because of the remarkable quality of John C. Stennis' character. Here is a man who, himself, defines the word integrity. In the Senate, to be a man of integrity means someone whose word you can count on. But to say that for John Stennis is just to begin the litany of his qualities.

He is a man without duplicity, without a shred of artifice. He is a loyal and forgiving friend, without at the same time, in any way, compromising his own principles. The Senate is very much a men's club, although we have two very distinguished women, Nancy and Barbara. But in this men's club which is very much like a boy's summer camp—Really, we eat together, we joke together—in all of those 16 years, I have never heard one curse word or one dirty joke out of the mouth of John Stennis. And he could do this without being self-righteous or goody-goody. And believe me that is an accomplishment.

He is a man who is courageous without being combative, who has never in the 16 years that I have seen him claimed credit for anything. In the United States Senate, do you know what that means? That is a unique quality. Real humility without, at the same time, failing to recognize his own self worth. He's dignified without being stiff, patriotic without being chauvinistic; and he has a deep and abiding and securing faith in God without a shred of hypocrisy.

Yes, Virginia, there are a few heroes left in America and we honor one tonight.

Senator WARNER. Mr. President, Senator Stennis, the many friends of John Stennis who gathered here tonight. First, I would like to ask you to join me in paying recognition to the four horsemen that made this dinner possible: Gray Armistead, K.K. Bigelow, Powell Moore, and Skip Walton. Let's give them all a hand.

One of Senator Stennis' great friends was Carl Hayden, and he coined that immortal phrase which said that all members of the Senate fall into one of two categories: show horses or work horses. They'll debate for long in which I fall, but John Stennis falls in as a work horse. And seeing Bob Byrd out here and others tonight, John Stennis leaned over and told the President; "Mr. President, you'll not have the opportunity to raise that great continuing resolution again because we're going to pass those appropriations bills. Now, that's a work horse.

Much has been said about, and properly so, of our guest of honor's love for his native state. But in the two decades that I've been privileged to know him and consider him as really, I say this with all humility, as a second father, he has sat me literally on his knee and told me many stories about his other state, Virginia, which he loves so dearly. Indeed, the phrase has been coined that Virginia is for lovers. John Stennis' affair with that great state began in 1924 when as a young man he walked into the dean of the University of Virginia law school, his office, and in a brief conversation, convinced the dean to take him without even filing an application. My how things have changed! He went on to distinguish himself for the law review and Phi Beta Kappa. But his classmates remember him for the only man in his class, so far as I know, the only man in the history of the University of Virginia, including this humble student, who memorized every single word in the United States Constitution and he knows it by heart to this day.

Throughout his career, his heroes have been the founding fathers. He has gone back into Virginia, where many lived to visit their birthplaces, their homes, study their history. As a matter of fact, just a few weeks ago Senator Stennis returned to George Washington's birthplace and indeed where George Washington's mother is buried. Tonight I picked a quote by General Washington later president who said "Every nomination that I make for public office, I have endeavored as far as my own knowledge extended where information could be obtained to make fitness of character my primary object." John Stennis, you passed George Washington's test.

Now, he has returned again and again to our beloved state but the man, perhaps, that he admires the most is Thomas Jefferson. John Stennis visited Monticello before it was restored. And he told me of his love for that great statesman. I draw on another quote which Jefferson said: "God grant that only men of principle be our principal men." That's the man we honor tonight, John Stennis.

And now, ladies and gentlemen, it is my privilege to introduce my friend, my colleague, the chairman of the Senate Armed Services Committee, the Senator from Georgia, the senior senator, Sam Nunn.

Senator NUNN. Thank you very much, John Warner, my good friend, you handled the microphone this evening very well, John. I didn't have to put my hand over it a single time.

Mr. President, friends of John Stennis, it has been said that great men are like eagles, they do not flock together. You find them one at a time, soaring alone, using their skill and their strengths to reach new heights and to seek new horizons. Such a man and such an eagle is John Stennis.

He is a man, gentle and courteous in conduct but tough and strong in conviction and in character. He is a man of singular purpose and broad vision—yet sensitive, and understands of the needs of others.

For the last forty years John Stennis has personified the highest ideals of honor and integrity within the United States Senate. Those of us who serve with him treasure his steadfast leadership, his fearless courage, his kindness towards others, his unselfish devotion to public service, and his unshakable faith in God. And in government of, by and for the people. We, the people has special meaning for John Stennis.

Long ago, Senator Stennis said of another Senator who had performed his duties well under great pressure, quoting him, "he had the moral fiber, the legal training, and the sense of devotion to duty. More than that, he had a great spiritual reservoir that came to his rescue and served as a solid, strong foundation for him all the way through." End quote. That statement would apply even more to John Stennis, himself.

He has plowed his furrow straight across 60 years of public life. Despite great physical pain at times and even the loss of his beloved Miss Coy who sustained him and strengthened him through 54 years of marriage, John Stennis' career in the Senate and particularly his leadership of the Armed Services Committee were an inspiration to me when I decided to run for the United States Senate. From my first days in the Senate, he has been a patient mentor, a strong and valuable ally, most of all, a cherished friend. As chairman of the Armed Services Committee, he set a standard that all of his successors strive to meet. For me, no higher honor has come my way than serving in the United States Senate with this soaring eagle. When John Stennis returned to the Senate after recovering from a gunshot wound, our late colleague Senator "Scoop" Jackson said of him, "The Senate is now whole again." It's hard for me to imagine the United States Senate next January without John Stennis at his desk. Very difficult. The Senate and the Nation will miss him but his legacy of integrity, of devoted service to his country will inspire the Senate and the Nation for generations to come.

Our next speaker tonight is a man who has much in common with our honoree. First, both men have reached their prime in government service at an age that, frankly, most of us will be sitting on our porch thinking only of what time we should feed the dog. The second thing they have in common, both have built a reputation in public service of holding to their firm convictions through thick and thin regardless of what might appear to be the expedient thing to do. Third, both displayed great, great courage recovering from life threatening gun shot wounds. Fourth, both are devoted to our nation's security. So I think it is particularly appropriate that our tribute tonight is really lead by our commander-in-chief. This president, like seven other presidents from both political parties, has shown his special appreciation for the leadership and the wise counsel of John Stennis. His presence here tonight befits the way in which Ronald Reagan has brought so much to the office he now holds. He has enlivened us all with his wit, his warmth, his grace, and his sense of optimism that have been so meaningful to this nation for the last seven years. Ladies and gentlemen, it is my high honor and great privilege to present to you the President of the United States.

President REAGAN. I want to thank you especially for extending your gracious southern hospitality to this fellow who happened to be raised up north in Illinois. In fact, being here with all you southerners, would you be surprised if it reminded me of a story?

It has to do with a yankee who was driving through the deep south in Mississippi and there was a car on the road with a native son driving, and there was an accident—they collided. The cars were pretty much wrecked but both got out and, fortunately, neither one was seriously injured. And the hometowner, the constituent of our guest of honor, said "wait a minute," he said, "you look a little shaken up . . . just a second." He went back to his wrecked car and came back with a bottle of bourbon and said "take this; it will settle your nerves." So he took a shot and tried to give it back. And he said "No, no, go on. Go ahead, take another one. Go ahead." About two or three drinks later the yankee said "Hey look, wait a minute, southern hospitality is alright, but here you haven't had a drop. You take one." He says "No, I'm just gonna stand here and wait til the police come."

While we're all sorry to see Senator Stennis leave Washington, I want you to know that I have a special reason. You see, Senator, your one of the few fellows left in this town who calls me "Kid." But Senator Stennis, honored guests, and ladies and gentlemen, this gathering tonight truly is a celebration and the man we honor is no ordinary individual.

The life and career of John Stennis are legendary in his home state of Mississippi and here in Washington where he has served, as you have been told several times tonight, with quiet dignity for forty-one years. Forty-one years, consider that if you will.

Senator Stennis has served in the senate for one fifth of the life of this nation. Probably half of the people in this room tonight had not even been born when John Stennis came to Washington and I suppose there are plenty in the other half who'd hardly care to admit it. Over four decades of service in the United States Senate, a period during which this country has undergone tremendous challenge and change.

The humble man who came to Washington from a small town in Mississippi has made an impression on American government that is difficult to measure and hard to fully describe. He has demonstrated for all of us that one man committed to God and country, willing to work hard and sacrifice personal gain and comfort, can make a difference.

Mississippi can take pride in the accomplishments of John Stennis, but he is a United States Senator and so we celebrate his contribution to all of America. Tangible evidence of the difference between or the difference Senator Stennis has made abounds. Our strong and able military, represented so splendidly here tonight, owes much of its strength to this man who has always been an unwavering advocate of peace through strength.

As chairman of the Senate Armed Services Committee in the 70's, Senator Stennis led some of the most crucial legislative battles in history on behalf of our national defense. Back home in Mississippi, the economic opportunities that Senator Stennis has helped to bring about are beyond counting. Today, there is room for even more economic growth in Mississippi, as there is in all the 50 states. But now Mississippi fully shares in the economic life of the nation.

And yet John Stennis' greatest contribution to American government has been his abiding example of integrity in public service. From the time he was elected to serve the people of Kemper County in the Mississippi House of Representatives in 1928, until this moment, six decades later, Senator Stennis has been under the oath of public office. And for these six decades he has done that oath constant honor.

Here in Washington John Stennis established his reputation early in his Senate career, always recognizing the effectiveness of the Senate is harmed when members fail to uphold the highest standards. It's no wonder the Senate looked to John Stennis as a leader when the Select Committee on Standards and Conduct was formed in 1965. And now, I'd like to add a personal note.

Life has not always been easy for Senator Stennis. We all recall his remarkable recovery from gun shot wounds in 1973. His sense of purpose, his commitment to duty would not allow him to stop or even slow down. Then there was heart surgery in 1983. And then in 1984 there was more surgery, radical surgery.

I remember visiting Senator Stennis at Walter Reed Army Medical Center just days after the removal of his left leg. I admit I felt great pain for him, this fiercely independent man forced to undergo such a life altering operation. I went to Walter Reed to encourage Senator Stennis but when I left, it was I who had been strengthened. For even then, from his hospital bed, John Stennis talked of the future of this nation. His determination to return to his post was evident in everything he said. It was December 4th when I made that visit to Walter Reed and just over a month later, I stood inside the Capitol to take the oath of office for the second term of president and yes, there was John Stennis, in the front row.

Senator, when I consider your career there's a certain comparison that comes to my mind. In troubled places, you've brought calm resolve, like one of the many great fighting ships you've done so much to obtain for the Navy; serene, self-possessed but like a ship of the line, possessed of a high sense of purpose. That is John Stennis. And Senator if you think I'm leading up to something, I am Senator Stennis, and ladies and gentlemen, it's my honor to announce tonight that as an expression of the nation's gratitude for the public service of the man we honor tonight, the Navy's next nuclear-powered aircraft carrier CVN-74 will be christened the USS John C. Stennis.

Senator, you have devoted your life to the service of our nation. I can do no more tonight than say on behalf of the American people thank you for your dedicated service. God's speed in your further endeavors. And God bless you.

Senator STENNIS. President Reagan, ladies and gentlemen, friends all, let me warmly and deeply thank you for the fine things that you've had to say. Really at the time you said them, I was almost overcome. And I had this thought that I want to share with you.

Even though this applause, these words of compliment were truthfully said by the talk of the person, and they meant every word they said with the deepest of feelings and I appreciate it with all of my capacity, but I believe the biggest thing about it is that they are heartily expressing at the same time their interest in and respect for the free government that we have. I mean every word of that because, one reason, I've had cause for several years to remember almost everyday that we had to count our blessings, and count our shortcomings, too, and, be firmer and more demanding and determined with ourselves to live up to the spirit and the words of our great constitution * * * like it or not at that moment, in particular. And I want you to understand this, although I am very appreciative of every word you said about me; but those good things let us emphasize that as to our form of government and what my friends and I are going to do to see that it does meet these graver problems that we are confronted with. And I use that time that's already been brought out of how long I've been there, 40 odd years, I've used some of that time to try to comprehend more depth in the better way so far as I was concerned, the unmistakable duties of anyone holding an office of trust to make it work or change it around to better meet the occasion and let that be the object of both our affection and our appreciation.

It's a mighty good tonic to the person that receives your cheers, ovations; I don't want you to discount it but let's go back and repeatedly emphasize over and over the large and small things and let that that are needed to make our system work. And then do our share, the very best we can in bringing about results that we believe in, that we think are necessary and that we think we can live by. That's not an uncertain feeling with me. I have assurances of faith, that we are going to meet that demand and it is a demand on us. May I say that I'm not entitled to as much credit as my friends here have given me tonight, even though I appreciate it deeply. I was just trying to do what looked like to be the duty and keep it up the best I could.

May I have an indulgent word here, just a minute? It's a little unusual. During these testimonies here tonight, my thoughts went back to my mother and father. I was the youngest child (these have a general meaning or I wouldn't bring them up) and think of my three sisters and my three brothers who've all passed away, but they were here tonight, in part. They were not saints, but some of those good things you said about me fit them better. And anyway that's where I got my start. That's where I got my sense of direction. And I say that all in the same spirit of love and all in the same spirit of being thankful and trying to point out as a man and a woman does to their own children, that those paths that we think should be cultivated.

Now, let me thank you again for every word that's been said. Let me share with you something that I have now. Things like this are an encouragement to me and they're a part of our personnel and a part of our life. I have four type written pages here that I'm not going to read. Just want to give this illustration.

I ran for the United States Senate in 1947, more on a hope with a little prayer for light and guidance, virtually no money, didn't require it in those days. And my wife, I want to mention her especially too, getting down to the work part, the planning part, the encouraging part day by day. She was not only an inspiration, an encouragement to me, she did good for all and I pay tribute to her tonight in a semi-political meeting for having done her part. She always did.

But back to the point here. This friend that I'm going to quote to you now is an old timer. He's constable or was in one of our countries where I was circuit judge and I kept order and quiet in the court and took police in door by door sometimes. So I had him in charge of the main courtroom door, assigned him his duties and gave him notice on the wall that said when court would open. So two days or three after that election in '47, I got a card from him—a postal card, (think it just cost them one penny then to send them.) We've had a serious time here and good time tonight and this is my small contribution to the good time.

He says "Dear Judge Stennis," he didn't believe in switching over overnight, you know, he said "I am very sorry that you did not receive all of the votes which were cast in my home box." Now, that's very carefully worded. "In fact, though, judge, you did get them all except a few nutty ones." Now, some of you writers try to improve on that as being expressive. "And also, you lost some of the old sore-heads." Now, that's good English too. "We are happy that you were elected. Now, we want you to try for Mr. Truman's place. You can win it. You just round up the votes in the rest of the country and me and L.M. Prichard will round them up in Oktibbeha County."

Well, I didn't hold anymore court there but as long as he lived, I would drive by the courthouse when I went through Starkville and get someone to go in and see if my old friend was there, and if so I'd get him to come out or I'd go in to see him.

Let me close with a thought, of all of our duties and privileges that relate to our constitutional form of government amend it if you want to—for principle, and that we have an obligation there and it yearns for it; if it doesn't get it, it seeks a substitute, and there's where the trouble is. Whatever I've been able to do in the Senate is due largely to three things. One is the help and assistance of a fine group of staff. A splendid group, I think anyone to go the road to be an effective Senator these days with that volume of complicated matters, they must have that staff. And I pay special tribute to them. I want to mention, too, the eternal principles of our obligation to try to make it stand up and go through whatever comes in our form of government. I've made a study, a study—not of reading a book, but made a study of the way the pioneers met their almost unconquerable agencies lines against them back when they laid the foundation for our great system. And we must train ourselves to set aside some of our energy, knowledge, and know-how and keep on making our system work. May God help us as we go. Thank you again.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 5:18 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the bill (S. 1630) to provide for retirement and survivors' annuities for bankruptcy judges and magistrates, and for other purposes, with amendments; it insists upon its amendments to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. RODINO, Mr. KASTENMEIER, Mr. SYNAR, Mr. MOORHEAD, and Mr. HYDE as managers of the conference on the part of the House.

The message also announced that the house has passed the bill (S. 2385) to amend title III of the Public Health Service Act to revise and extend the programs of assistance for primary health care and the program of health services for the homeless, and for other purposes, with amendments; it insists upon its amendments to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DINGELL, Mr. WAXMAN, Mr. HALL of Texas, Mr. LENT, and Mr. MADIGAN as managers of the conference on the part of the House.

The message further announced that the House has passed the following bills, in which it requests the concurence of the Senate:

H.R. 3361. An act to amend the Public Health Service Act to establish within the National Institutes of Health a National Institute on Deafness and Other Communications Disorders;

H.R. 4833. An act to amend the Public Health Service Act to revise and extend the programs of nurse education established in title VIII of such Act, and for other purposes; and

H.R. 4861. An act to amend title 38, United States Code, to authorize appropriations for grants for State veterans' cemeteries.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4861. An act to amend title 38, United States Code, to authorize appropriations for grants for State veterans' cemeteries; to the Committee on Veterans' Affairs.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent:

H.R. 4833. An act to amend to Public Health Service Act to revise and extend the programs of nurse education established in title VIII of such act, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3554. A communication from the Chief, Insurance and Employee Benefits Directorate of MWR Operations, Air Force Military Personnel Center, transmitting, pursuant to law, the annual report on the Air Force Nonappropriated Fund (AFNAF) Retirement Plan for Civilian Employees for fiscal year 1987; to the Committee on Armed Services.

EC-3555. A communication from the Assistant Comptroller-Insurance, Headquarters, Army and Air Force Exchange Service, transmitting, pursuant to law, reports on the Retirement Annuity Plan for Employees of the Army and Air Force Exchange Service and the Supplemental Deferred Compensation Plan for Members of the Executive Management Program for calendar year 1987; to the Committee on Armed Services.

EC-3556. A communication from the Chairman of the Securities and Exchange Commission, transmitting a draft of proposed legislation for comprehensive regulation of margins for securities and related futures equity index products; to the Committee on Banking, Housing, and Urban Affairs.

EC-3557. A communication from the Chairman of the Securities and Exchange Commission, transmitting a draft of proposed legislation to provide the Commission with regulatory authority over equity and derivative equity instruments—stocks, options, stock index futures, and options on stock index futures; to the Committee on Banking, Housing, and Urban Affairs.

EC-3558. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to repeal the Fish and Seafood Promotion Act of 1986; to the Committee on Commerce, Science, and Transportation.

EC-3559. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 to terminate the Essential Air Service Program, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-3560. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Urban Mass Transportation Act of 1964 to provide authorizations for appropriations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-3561. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, for the information of the Senate, comments on the provisions of H.R. 4639 which would extend to students from the Federated States of Micronesia and the Republic of the Marshall Islands eligibility for certain student assistance programs; to the Committee on Energy and Natural Resources.

EC-3562. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the sixth biennial report on research activities of relevance to the Clean Air Act for 1986-1987; to the Committee on Environment and Public Works.

EC-3563. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, an interim report entitled "Development of Prospective Payment Methodology for Outpatient Surgical Services"; to the Committee on Finance.

EC-3564. A communication from the Acting Secretary of State, transmitting, pursuant to law, the thirty-sixth report on the extent and disposition of United States contributions to international organizations; to the Committee on Foreign Relations.

EC-3565. A communication from the Assistant Secretary of State (Legislative Affairs) and the Assistant Secretary of the Treasury (Legislative Affairs), transmitting, pursuant to law, a report on progress toward achieving the goal of human rights under title VII of the International Financial Institutions Act; to the Committee on Foreign Relations.

EC-3566. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to July 7, 1988; to the Committee on Foreign Relations.

EC-3567. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, a report on the interagency task force studying the feasibility of developing an automated system; to the Committee on Governmental Affairs.

EC-3568. A communication from the Administrator, Health Care Financing Administration, of the Department of Health and Human Resources, transmitting, pursuant to law, copies of a report of a proposed Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3569. A communication from the Actuaries and Consultants of the Sacramento Farm Credit Union Employee's Retirement Plan, transmitting, pursuant to law, the 1987 Annual Pension Report on the Plan; to the Committee on Governmental Affairs.

EC-3570. A communication from the Secretary of Interior, transmitting, pursuant to law, the semiannual report on the operations of the Office of the Inspector General for the period from October 1, 1987 through March 31, 1988; to the Committee on Governmental Affairs.

EC-3571. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-199 adopted by the Council on June 28, 1988; to the Committee on Governmental Affairs.

EC-3572. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-200 adopted by the Council on June 28, 1988; to the Committee on Governmental Affairs.

EC-3573. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-196 adopted by the Council on June 28, 1988; to the Committee on Governmental Affairs.

EC-3574. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-197 adopted by the Council on June 28, 1988; to the Committee on Governmental Affairs.

EC-3575. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-198 adopted by the Council on June 28, 1988; to the Committee on Governmental Affairs.

EC-3576. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-195 adopted by the Council on June 28, 1988; to the Committee on Governmental Affairs.

EC-3577. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-194 adopted by the Council on June 28, 1988; to the Committee on Governmental Affairs.

EC-3578. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-193 adopted by the Council on June 28, 1988; to the Committee on Governmental Affairs.

EC-3579. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-192 adopted by the Council on June 28, 1988; to the Committee on Governmental Affairs.

EC-3580. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the sixth annual report under the Paperwork Reduction Act entitled "Managing Information Resources"; to the Committee on Governmental Affairs.

EC-3581. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Contracts Between PSI Associates, Inc. and the Department of Human Services"; to the Committee on Governmental Affairs.

EC-3582. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Review of Drug Related Cash and Property Forfeited to the District of Columbia"; to the Committee on Governmental Affairs.

EC-3583. A communication from the Assistant Secretary of the Interior (Indian Affairs), transmitting, pursuant to law, proposed plan for the use and distribution of the Choctaw and Chickasaw judgement funds; to the Select Committee on Indian Affairs.

EC-3584. A communication from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting, pursuant to law, a report on the suspension of deportation of certain aliens under sections 244(a)(1) and 244(a)(2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC-3585. A communication from the Counsel to the Pacific Tropical Botanical Garden, transmitting, pursuant to law, the annual audit report of the Pacific Tropical Botanical Garden for calendar year 1987; to the Committee on the Judiciary.

EC-3586. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the Patent and Trademark Office in the Department of Commerce, and for other purposes; to the Committee on the Judiciary.

EC-3587. A communication from the Acting Assistant Attorney General (Legislative Affairs), transmitting, pursuant to law, a report entitled "Report on Missing Children: Progress in the 80's"; to the Committee on the Judiciary.

EC-3588. A communication from the Secretary to the Railroad Retirement Board, transmitting, pursuant to law, the 17th actuarial valuation of the railroad retirement system; to the Committee on Labor and Human Resources.

EC-3589. A communication from the Secretary of Labor, transmitting, pursuant to law, reports required under the Fair Labor Standards Act; to the Committee on Labor and Human Resources.

EC-3590. A communication from the Administrator of Veterans Affairs, transmitting, pursuant to law, a report on the activities of the Veterans Administration for the fiscal year ended September 30, 1987; to the Committee on Veterans' Affairs.

EC-3591. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, the annual report covering sales and barter activities from October 1, 1986 through September 30, 1987; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3592. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report of financial statements of the Commodity Credit Corporation for 1987 and 1986; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3593. A communication from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting, pursuant to law, a notice of leasing systems in the Western Gulf of Mexico; to the Committee on Energy and Natural Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-577. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Armed Services.

"RESOLUTION

"Whereas, The Secretary of Defense has been empowered traditionally to provide for the religious and spiritual needs of members of the armed forces by appointing military chaplains; and

"Whereas, There exists an imbalance in the representation of various religious faiths among chaplains of the armed forces as compared to the representation of those faiths among members of the armed forces as a whole; and

"Whereas, This body is concerned that the men and women from this Commonwealth who serve with commitment and gallantry in the armed forces of this Nation should have the religious and spiritual needs which arise during the course of their military service served by a chaplain of their faith; therefore be it

"Resolved, That the Senate of Pennsylvania memorialize Congress to pass legislation which requires the Secretary of Defense to implement actions to appoint military chaplains in representative proportion to the different faiths represented among the total membership of the armed forces; and be it further

"Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress, to each member of Congress from Pennsylvania and to all members of the respective armed services committees of each house of Congress."

POM-578. A resolution adopted by the House of Representatives of the Commonwealth of Pennsylvania; to the Committee on Banking, Housing, and Urban Affairs:

"RESOLUTION No. 275

"Whereas, The General Assembly of the Commonwealth of Pennsylvania recently enacted Act 27 of 1988 to regulate corporations and protect shareholders from abusive takeover tactics; and

"Whereas, The House of Representatives of the United States Congress is currently considering H.R. 2172, which would preempt the states from regulating corporate takeover and, therefore, abrogate many of the provisions of Act 27 of 1988; therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania memorialize the House of Representatives of the United States Congress to defeat the enactment of H.R. 2172; and be it further

"Resolved, That copies of this resolution be transmitted to the Speaker of the United States House of Representatives and to each member of the United States House of Representatives from Pennsylvania."

POM-579. A resolution adopted by the House of Representatives of the Commonwealth of Pennsylvania; to the Committee on Commerce, Science, and Transportation:

"RESOLUTION No. 277

"Whereas, The Federal Commercial Motor Vehicle Safety Act of 1986 (Public Law 99-570, 100 Stat. 3207-170) was enacted to control the incidence of traffic accidents and highway violations involving commercial motor vehicles; and

"Whereas, Farmers who use vehicles registered in Pennsylvania as farm vehicles would need to undergo relicensing as commercial motor vehicle operators; and

"Whereas, Most farm-related vehicles are used on the farm or generally travel no more than 25 miles on public highways; and

"Whereas, Farmers may be required under this act to carry huge amounts of bond or liability insurance relative to their use of highways; therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania memorialize the Congress of the United States to enact legislation which exempts from the commercial motor vehicle licensing standards of the Commercial Motor Vehicle Safety Act of 1986 any operator of a farm vehicle classified as such by any state; and be it further

"Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania; and be it further

"Resolved, That a copy of this resolution be immediately transmitted to the United States Secretary of Transportation, in order to assist him in the promulgation of Federal regulations, exempting certain classes of vehicle operators or vehicles."

POM-580. A resolution adopted by the House of Representatives of the State of Oklahoma; to the Committee on the Environment and Public Works:

"RESOLUTION No. 1073

"Whereas, falling domestic oil and gas exploration, production, and reserves, coupled with an alarming increase in the importation of foreign crude oil and products, indicates an increasing dependence on foreign sources of supply; and

"Whereas, this dramatic increase in imports underscores the strategic role that oil plays in America's energy equation; and

"Whereas, current oil production from Alaska's North Slope presently accounts for twenty to twenty-five percent (20-25%) of the total daily production, but next year would begin the decline of the Prudhoe Bay production, with rapid decline expected in the early 1990's; and

"Whereas, new discoveries are urgently needed to replace rapidly depleting reserves, and the addition of a major new North Slope oil field would significantly reduce our nation's dependence on foreign sources of supply, thereby enhancing economic and military security; and

"Whereas, available geological and geophysical data indicates that the coastal plain of the 18 million acre area of the Arctic National Wildlife Refuge may hold discoveries of oil and gas that could surpass Prudhoe Bay and is known as this country's most promising major undeveloped onshore prospect; and

"Whereas, opening the coastal plain to further oil and gas exploration, development, and production will generate increased employment and business opportunities for all citizens of the State of Oklahoma and the nation; and

"Whereas, the Congress of the United States has reserved the right to decide whether the coastal plain will be opened to further oil and gas exploration, development, and production.

"Now, therefore, be it resolved by the House of Representatives of the 2nd Session of the 41st Oklahoma Legislature;

"That the Oklahoma House of Representatives hereby urges the Congress of the United States to open the coastal plain of the Arctic National Wildlife Refuge in Alaska for exploration and development of oil and gas resources.

"That copies of this resolution be distributed to the President of the United States, the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives, members of the Oklahoma Congressional Delegation, the Governor of Alaska, and the South/West Energy Council."

POM-581. A resolution adopted by the House of Representatives of the Commonwealth of Pennsylvania; to the Committee on Finance:

"HOUSE RESOLUTION No. 270

"Whereas, In the next few weeks Congress will be presented with a historic opportunity to provide this nation with financial protection against the cost of long-term care; and

"Whereas, The measure under consideration, H.R. 3436, would take a giant step toward ending the terrible plight of the one million Americans who are pauperized each year trying to meet the costs of a catastrophic illness; and

"Whereas, H.R. 3436 would provide a long-term home-care benefit under the Medicare program for chronically ill or other disabled persons of all ages who need it and would provide a system of quality assurance for home care services; and

"Whereas, It is difficult to think of a more important issue currently confronting our nation; therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania memorialize the Congress of the United States to favorably consider H.R. 3436, which would provide comprehensive home health care for Americans of all ages; and be it further

"Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-582. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Foreign Relations:

"RESOLUTION

"Whereas the boundaries of the state are a vital concern of the government of the state; and

"Whereas the sovereignty of a state within the federal system of the United States requires that a state government have complete and unambiguous jurisdiction over an area determined by well-defined geographical boundary lines; and

"Whereas whenever the boundaries of a state are to be altered, the state has an essential and overriding interest in the determination of the boundary; and

"Whereas Alaska is unique among the 50 states because it is the only state with the potential for having boundaries with more than one foreign country; and

"Whereas boundaries between a foreign country and a state are, and should be, coterminous with the national boundaries of the United States and the foreign country; and

"Whereas negotiations are underway between the U.S. Department of State and the government of the Soviet Union over setting the boundaries between the United States and the Soviet Union; and

"Whereas at least seven rounds of boundary negotiations between the United States and the Soviet Union have occurred since 1981; and

"Whereas although the U.S. negotiation delegations have included representatives of various federal agencies, the Department of State has never allowed or offered to invite a representative of the state to join the U.S. delegation to the boundary negotiations or formally solicited the input or advice of the state about the content of strategy of the negotiations; and

"Whereas the negotiations involve important economic issues dealing with the petroleum, fishery, and other resources of the state and affecting the welfare and prosperity of the people of the state;

"Be it Resolved that the Alaska State Legislature petitions the U.S. Department of State to include a representative of the state, appointed by the governor, on all delegations that negotiate the boundaries between the state and the Soviet Union or Canada, including delegations that conduct preparatory deliberations and studies; and be it

"Further Resolved that the Alaska State Legislature respectfully requests that the Alaska delegation in Congress intercede on behalf of the state to secure a representative of the state on all boundary delegations that negotiate the boundaries of the state.

"Copies of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; to the Honorable Jim Wright, Speaker of the U.S. House of Representatives; to the Honorable George P. Shultz, Secretary of the U.S. Department of State; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

POM-583. A resolution adopted by the Board of Commissioners of the City of Shawnee, Oklahoma favoring a Constitutional amendment to exempt certain interest income from taxation and directing distribution; to the Committee on the Judiciary.

POM-584. A resolution adopted by the Common Council of the City of Buffalo, New York favoring a national day care policy; to the Committee on Labor and Human Resources.

POM-585. A petition from a citizen of Springfield, Illinois, praying for a redress of grievances; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations, with an amendment in the nature of a substitute:

S. 1268: A bill to amend the Foreign Agents Registration Act of 1938 (22 U.S.C.) by removing references to "political propaganda" and substituting "advocacy materials."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs:

Timothy L. Coyle, of California, to be an Assistant Secretary of Housing and Urban Development;

Jack R. Stokvis, of New York, to be an Assistant Secretary of Housing and Urban Development;

James B. Werson, of California, to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring October 27, 1991; and

John P. LaWare, of Massachusetts, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1988.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PELL, from the Committee on Foreign Relations:

William Graham Walker, of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of El Salvador.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: William Graham Walker.

Post: Ambassador to El Salvador.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, Aldeize Nery de Souza Walker, none.

3. Children and spouses names, Gordon G.; Gillian E.; Douglas G.; and Christopher A. none.

4. Parents names, father: Walter Walker (deceased 1979); Mother: Elizabeth Walker (1964), none.

5. Grandparents names, John and Helen Graham (mother's side, deceased 1945 and 1955); Mr. and Mrs. Alan Walker (father's), deceased in early 1930s, none.

6. Brothers and spouses names, I have no brothers.

7. Sisters and spouses names, I have one unmarried sister, Virginia L. Walker, none.

Charles A. Gargano, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Charles A. Gargano.

Post: Ambassador, Trinidad and Tobago.

Contributions amount date, and donee:

1. Self: March 1984, $5,000, N.Y. State Republican Committee 1984 fund; January 1985[1]$1,000, friends of Senator D'Amato; June 1985 and $6,000, Fund for America's future; July 1985 $500, Suffolk County's Chairmans Club; October 1985 $500, Committee for State Senator Roy Goodman; February 1986 $600, New York County Republican Committee; March 1986 $500, New York State Republican Committee; June 1986 $500, Friends of clerk Juliette Kinsella; July 1986 $750, The Vice Presidents Exploratory Account; July 1986 $1,000, Sulfolk County Republican Committee; October 1986 $1,000, Friends of Senator D'Amato; October 1986[2] $2000, Santini for Senate; October 1986 $200, Houghton for Congress; November 1986 $1,000, Campaign America; February 1987 $600, New York Republican Committee; May 1987 $1,000, Friends of Senator D'Amato; June 1987 $1,000, DeConcini for Senate; September 1987 $1,000, Dole for President; December 1987 $1,000, D'Amato, Friends of.

2. Spouse: Prudence Massaria, none.

3. Children and spouses names: Larry Gargano $1,000 September 14, 1987; Dole for President.

4. Parent names: John Gargano, none; Grace Gargano, deceased.

5. Grandparents names: none deceased.

6. Brothers and spouses names: Carmine Gargano Frank Gargano, none.

7. Sisters and spouses names: Connie Oliva; Thomas Oliva, none.

John Thomas McCarthy, of New York, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John Thomas McCarthy.

Post: American Ambassador, Lebanon.

Contributions, amount, date, and donee:

1. Self: None.

2. Spouse: Marija P. McCarthy, none.

3. Children and spouses names: John, Elizabeth, and Julia, none.

4. Parents names: mother, Elizabeth McCarthy, none; father, deceased—John T. McCarthy Sr.

5. Grandparents names: all deceased, Mr. & Mrs. Kaffenburger; Mr. & Mrs. Timothy McCarthy.

6. Brothers and spouses names: Thomas and Catherine McCarthy, none.

7. Sisters and spouses names: William and Margaret Cannon, none; Edward and Joan Byrnes, none.

Edward Peter Djerejian, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Edward P. Djerejian.

Post: Ambassador to Syria.

Contributions, amount, date, and donee:

1. Self: None.

2. Spouse: None.

3. Children and spouses names: Gregory & Francesca, none.

4. Parents names: Peter Djerjian (deceased) none; Mary Djerejian, none.

5. Grandparents names: Veron Avakian (deceased) none; Mr. Avakian (deceased) none.

6. Brothers and spouses names: Robert Djerejian, none.

7. Sisters and spouses names: N/A.

Thomas Edmund McNamara, of Connecticut, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Colombia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Thomas Edmund McNamara.

Post: Ambassador to Colombia.

Contributions, amount, date and donee:

1. Self: None.

2. Spouse: None.

3. Children and spouses names: David McNamara, none; Michelle McNamara, none.

4. Parents names: Joseph McNamara, deceased; Anne M. McNamara, none.

5. Grandparents names: Michael & Margaret McNamara, deceased, Thomas & Elizabeth Meehan, deceased.

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[1] Pursuant to telephone conversation of 3/10/88, Mr. Gargano indicates he gave $1,000 to the Fund for America's Future in June, 1985 and $5,000 to that fund in January, 1986 (WEGRESSMAN, L/M, State Dept.).

[2] Pursuant to same telephone conversation, Mr. Gargano indicates that $1,000 went to primary and $1,000 to general election (WEG).

6. Brothers and spouses names: Joseph & Janis McNamara, none.

7. Sisters and spouses names: Anne Marie McNamara, none; Robert & Elizabeth McNamara, none.

Timothy Lathrop Towell, of Ohio, a Career Member of the Senior Foreign Service, Class One, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Paraguay.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Timothy Lathrop Towell.

Post: Paraguay.

Contributions, amount date, and donee:

1. Self: $25, January 12, 1985, Trust for Senate Leadership; $50, November 29, 1985, Fund for America's Future; $50, April 10, 1986, Committee, Wirth for U.S. Senate; $100, October 15, 1986, Fund for America's Future; $500, May 5, 1987, George Bush for President; $500, June 10, 1987, George Bush for President; $100, October 19, 1987, Kilberg for State Committee.

2. Spouse: Dane Nichols Towell, $50, March 4, 1986, Committee to reelect Cong. Andy Ireland; $100, October, 1986, Committee, Wirth for U.S. Senate.

3. Children and spouses names: Timothy Nichols Towell, none; Dane Billings Towell, none.

4. Parents names: Benard A. Towell, deceased; Eleanor A. Towell, none.

5. Grandparents names: Thomas H. Towell, deceased; Hortense Towell, deceased.

6. Brothers and spouses names: Garrett Towell, none.

7. Sisters and spouses names: Cynthias Towell Barton, deceased; M. Brewster Barton, none.

Maynard Wayne Glitman, of Vermont, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Belgium.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Maynard W. Glitman.

Post: Chief of Mission, U.S. Embassy, Brussels, Belgium.

Contributions, amount, date, and donee:

1. Self: None.

2. Spouse: None.

3. Children and spouses names: Russell and Laurie Glitman; Erik and Diane Glitman; Karen Glitman and Glen Russell, Matthew Glitman, Rebecca Glitmen, none.

4. Parents names: Ben Glitman, Reaua Glitman (deceased), none.

5. Grandparents names: Jacob and Rose Glitman (deceased); Max and Lena Kutor (deceased).

6. Brothers and spouses names: Joseph and Geraldine Glitman, none.

7. Sisters and spouses names: Paula Glitman, none.

Michael H. Newlin, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Representative of the United States of America to the Vienna Office of the United Nations and Deputy Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Michael H. Newlin.

Post: U.S. Rep. U.S. Mission to Int. Organization, Vienna.

Contributions, amount, date, and donee:

1. Self: None.

2. Spouse: None.

3. Children and spouses names: Anna Christina Newlin, none.

4. Parents names: Michael H. Newlin, Sr., deceased; Beulah Brady Newlin, none.

5. Grandparents names: Michael H. Newlin, deceased; Anna Fix Newlin, deceased; Mary Smith Brady, John W. Brady.

6. Brothers and spouses names: N/A.

7. Sisters and spouses names: Marianna Newlin Person, none; John W. Person, none; Betty Newlin Murray, Harry V. Murray.

C. Paul Robinson, of New Jersey, for the rank of Ambassador while serving as the United States Negotiator for the Nuclear Testing Talks.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: C. Paul Robinson.

Post: Ambassador, Nuclear Testing Talks.

Contributions, amount, date, and donee:

1. Self: $150, 1984 N.M. Republican Party; $100, 1984 Domenici for Senate.

2. Spouse: None.

3. Children and spouses names: Colin C. Robinson; Paula S. Robinson, none.

4. Parents names: Mary Opal Robinson, none.

5. Grandparents names: None.

6. Brothers and spouses names: Edward L. Robinson, none.

7. Sisters and spouses names: None.

Mark T. Cox, IV, of Florida, to be U.S. Alternate Executive Director of the International Bank for Reconstruction and Development for a term of 2 years;

William H. Fite, of Pennsylvania, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency; and

Charles S. Warner, of Virginia, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PELL. Mr. President, for the Committee on Foreign Relations, I also report favorably a list of nominations in the Foreign Service which appeared in full in the Congressional Record of June 24, 1988, and, to save the expense of reprinting them on the Executive Calendar, I ask that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROCKEFELLER (for himself and Mr. Heinz):

S. 2635. A bill to provide supplemental appropriations for trade readjustment allowances; to the Committee on Appropriations.

By Mr. DURENBERGER (for himself, Mr. Cohen, and Mrs. Kassebaum):

S. 2636. A bill to amend title XVIII of the Social Security Act to establish a program of voluntary certification of long-term care insurance policies and to protect medicare beneficiaries from making practices related to such policies, and for other purposes; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 2637. A bill for the relief of Gillian Lesley Sackler; to the Committee on the Judiciary.

S. 2638. A bill to amend the Trade Act of 1974 to treat acts and practices of foreign countries that diminish the effectiveness of international agreements protecting endangered or threatened species as unreasonable for purposes of applying chapter 1 of title III of the Trade Act of 1974; to the Committee on Finance.

By Mr. McCAIN:

S. 2639. A bill to establish a standard nuclear reactor program to develop inherently safe and economic nuclear reactor, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MOYNIHAN:

S. 2640. A bill to amend the Trade Act of 1974 to treat acts and practices of foreign countries that diminish the effectiveness of international fishery conservation programs as unreasonable for purposes of applying chapter 1 of title III of the Trade Act of 1974; to the Committee on Finance.

By Mr. MELCHER:

S. 2641. A bill to authorize the Secretary of Agriculture and other agency heads to enter into agreements with foreign fire organizations for assistance in wildfire protection; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. PELL (for himself and Mr. Stafford):

S. 2642. A bill to amend the Elementary and Secondary Education Act of 1965 to provide for National Geography Studies Centers; to the Committee on Labor and Human Resources.

By Mr. SIMON:

S.J. Res. 350. Joint resolution designating Labor Day weekend September 3-5, 1988, as "National Drive for Life Weekend."; to the Committee on the Judiciary.

By Mr. DOLE (for himself, Mr. McCain, Mr. Evans, Mr. Stevens, Mrs. Kassebaum, Mr. Lugar, Mr. Armstrong, Mr. Kasten, Mr. Nickles, and Mr. Domenici):

S.J. Res. 351. Joint resolution to advance democracy in Nicaragua; read the first time.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROCKEFELLER (for himself and Mr. Heinz):

S. 2635. A bill to provide supplemental appropriations for trade adjustment allowances; to the Committee on Appropriations.

SUPPLEMENTAL APPROPRIATIONS FOR TRADE ADJUSTMENT ALLOWANCES

Mr. ROCKEFELLER. Mr. President, I rise with my distinguished colleague from Pennsylvania, Senator HEINZ, to offer legislation calling for an emergency supplemental appropriation of $49 million for the Trade Adjustment Assistance Program. I should note that Senator HEINZ and I have been working together on this now in various chambers, various forums, and in various States for quite a long time. I very much commend him as I do in fact respect him for his continued leadership on behalf of dislocated workers.

Mr. President, I emphasize the word "emergency," because a crisis truly confronts workers across America. Men and women who have been put out of work because of foreign competition from imports are literally being informed this day and these days that the income benefits they are receiving from the TAA Program are running out or have run out within the past few weeks.

The Trade Adjustment Assistance Program has a very specific and important purpose—to assist import-injured workers to make the transition to new, and hopefully productive employment.

When foreign imports are determined to be the reason for a plant closing or major layoff, the affected workers can qualify for a package of assistance under the TAA Program. They are given help in searching for a job, and many enter training programs under TAA to learn new skills in fields such as computers, electronics, and a variety of other areas where the prospects of getting good jobs are good.

A crucial component of this assistance is the income assistance, entitled "Trade Readjustment Allowances" or TRA. TRA essentially provides extended unemployment benefits to this category of dislocated workers. Through TRA, these workers can receive a total of 52 additional weeks of income assistance after their initial unemployment benefits are exhausted while they participate in a job search, education, or retraining program.

Mr. President, the funding for TRA benefits, has been depleted. Unfortunately, an insufficient amount was appropriated for this part of the program to fulfill the promises—I emphasize the word "promises"—entitlements in fact, made to workers who are entitled to these benefits in fiscal year 1988.

Some States have already been forced to cut off income payments to their import-injured workers, leaving them in a lurch while they are in the middle of a job training program.

This Friday, in fact, Mr. President, in my own State of West Virginia, TRA benefits will be suspended for over 1,200 dislocated workers. We talk in this country about the need to upgrade our work force. We talk about in this country the need to train not only our young people but our workers, and here we are in the process of doing it and then shutting off that process right in the midst of it. It is very damaging to our country and very damaging to the individual lives involved.

These are workers who lost their jobs through no fault of their own. They have already suffered the trauma of becoming suddenly unemployed, because of foreign competition, perhaps after working for a coal mine, for over 30 years or after working for a steel plant for 20 years or an auto factory for 25 years or a glass facility for 10, 20, or even 30 years. They have families they have to support. They have mortgages they have to pay. The have food they have to put on the table. They have hopes for their children which cost money. They have to have a job. Some of them want to attend college.

The TAA Program is the one source of tangible assistance targeted directly to their needs and on the goal of helping them become employed as quickly, productively, and successfully as possible.

I can recall one very compelling example to illustrate how TAA's income assistance can make the difference for dislocated workers. Last year, Senator HEINZ and I chaired a hearing in Pittsburgh in the great Commonwealth of Pennsylvania to consider legislation we introduced then to make a number of improvements in the programs for displaced workers, most of which, in fact, appear now in the trade bill which we hope we will pass here in this session. One of our witnesses, Mr. President, was a young man or a middle-aged young man named Bob Brogan who was laid off when Volkswagen of America, their plant in West Virginia, shut down and moved to Mexico. They told us about the importance of these benefits to people like him, Bob Brogan. Because he qualified for the modest income assistance, he could enter a lengthy quality training program in computer electronics that virtually guaranteed him a good job in West Virginia or anywhere else with a high tech company.

Understand, he was in the program, quality program, not some job that might not appear, but a job that would be there. He pointed out that without his TRA benefits, he would not have been able to stay in that kind of training. You have to have the income. You have to be able to support your family. You have to do your job at home. If you do not have the income, you do not have the money to take the training program, and you drop out.

Mr. Brogan said that instead of working toward a job in computers, he might have been facing a future of no hope. He described to us in personal terms, and showed great courage in doing so, the problem of what happens to a displaced worker when he or she has been accustomed to working and all of a suddent the job is gone, through foreign competition. He is sitting at home and problems develop: drinking begins, family squabbles begin. It can lead to marriage breakups. It is a whole spiral of downward movement because of the loss of self-esteem, all of which is stopped—and reversed, in fact—by the program we are talking about. He needed those payments in order to continue supporting a family while finishing his training.

The bill I am introducing today with Senator HEINZ seeks the funds necessary to replenish the TRA portion of the trade adjustment assistance program. In fact, the Department of Labor has even requested these funds, $49 million, to meet the shortfall for this fiscal year. As we know, the House has to act first on supplemental appropriations bills, and I am pleased to note that the House Appropriations Committee has included $49 million, the very amount, in their bill currently under consideration.

We propose this legislation, Senator HEINZ and I, to draw attention to this serious problem. We cannot ignore these workers and pull the rug out from under them. The income assistance provided by TRA can make the difference in whether a worker is able to remain in a training program and obtain another productive job or whether he slides down the slippery slope of oppression, poor self-esteem, and what I have described before.

To make it possible for dislocated workers to become reemployed is, under any circumstance, a good investment, not only in their future, but also the economic future of this Nation.

Mr. President, I was at a dinner last night, and we were discussing the productivity of the American worker and other workers around the world. We all agreed that American workers are productive but they are not receiving, either in their schooling or in their work, the level of training they will need, particularly for the technology changes that are sweeping the American workplace.

I hope many of my colleagues will join Senator HEINZ and me in cosponsoring this legislation. It is meant to send a signal to both bodies that we must act immediately.

Mr. HEINZ. Mr. President, I commend my good friend and colleague, the Senator from West Virginia [Mr. ROCKEFELLER], for the work he has done, first, generally, on the issue of job training for our unemployed and displaced workers, and specifically for the initiative he has taken today in introducing legislation to provide a supplemental appropriation for trade readjustment allowances.

It has been my privilege to work with Senator Rockefeller on these matters since he came to the Senate. He has been a leader in these matters for many years in his former capacity as Governor of the great State of West Virginia. He brings a knowledge and expertise to this subject that is valuable to all of us.

Let me talk about the legislation he is introducing today, because it is extremely vital.

Trade readjustment allowances represent a promise that we have made to America's workers, a promise that if our trade policy, a free trade policy, costs them their jobs, they will have a shot, a chance, through training, for a better future. That was a reasonable quid pro quo. It was a genuine promise. But that promise is about to be broken, because, as of this Friday, July 15, trade readjustment allowance funds will be exhausted, not only in West Virginia but also in my home State of Pennsylvania. Nationwide, the appropriations for TRA will be exhausted by August 1.

What does that mean? It means that unless we act now, nearly 26,000 unemployed American workers—there are over 4,200 in my State of Pennsylvania—will simply have their trade readjustment allowance checks cut off. Without trade readjustment allowance benefits, most will face financial disaster, personal ruin, and, worse, they and their families will lose the hope of a better future, the prospect of regaining their own financial independence by getting a job with the skills they are in the process of acquiring.

Unless the House and the Senate pass the measure Senator Rockefeller and I have introduced today, these workers will lose their sole source of income. No new funds will be available until the start of the new fiscal year, October 1, at the earliest.

Let us look for a moment at what this means. The trade readjustment allowance is not, by many standards, a lot of money. Workers would lose an average biweekly check of about $170. While that may seem like not very much money to some, what it does mean to that worker is that he can support his family for the weeks while he enrolls in a job search or in a job training program. So, for our workers to go without this assistance for the interim 2 months is not only impossible for them, but also, it is unacceptable to Senator Rockefeller and myself.

Only on one occasion, back in 1985, have the TRA funds ever been allowed to be exhausted. At that time, Congress acted very promptly. It provided further appropriations, and we are urging our colleagues to do that again on this occasion.

To date, the TRA Program has been very important to my State of Pennsylvania. We have been awarded so far this year $21 million in such funds. It has enabled thousands of workers to obtain much needed retraining and education. But if the money runs out, the opportunity to rebuild lives may be lost, and thousands of our people may be permanently lost to dislocation and consigned to the status of underclass. Yet, with adequate funds and the flexibility to plan a realistic education and training program, the contrary will be true. Our workers, for the most part, will be able to return to productive, gainful employment.

Let us consider what will happen to a typical displaced worker if he or she is unable to collect TRA benefits. This is a real case, because my Governmental Affairs Subcommittee held hearings on the operation of the trade readjustment assistance program. Consider the case of Howard Kelley of Clairton, PA, a steelworker who has lost his job. He testified that he is enrolled in a training program which has 24 weeks to go until he graduates, about 5 to 6 months. As of this Friday, when cash assistance runs out, Mr. Kelley is going to be cast adrift. He is not sure what he is going to do. He told my subcommittee that he will try to work nights and keep his family fed, but he may have to drop out of school and take a minimum-wage job, and that will be the end of his training. In all likelihood, it will be his last chance to get back into decent employment.

Mr. President, I feel strongly about this, as does Senator Rockefeller, because we believe that every worker we lose will be a loss that our economy cannot afford.

The Department of Labor reports that the workplace of the future will have very little room for low-skilled workers but will increasingly demand workers with college and graduate educations. How are we going to fill these jobs if we cannot retain some of the best workers we have?

Mr. President, I urge my colleagues to support this legislation, offered by Senator Rockefeller and myself. We urgently need this new budget authority for the trade readjustment assistance program.

By Mr. DURENBERGER (for himself, Mr. Cohen, and Mrs. Kassebaum):

S. 2636. A bill to amend title XVIII of the Social Security Act to establish a program of voluntary certification of long-term care insurance policies and to protect Medicare beneficiaries from marketing practices related to such policies, and for other purposes; to the Committee on Finance.

LONG-TERM CARE INSURANCE CONSUMER PROTECTION ACT

● Mr. DURENBERGER. Mr. President, with my colleagues, Senators Cohen and Kassebaum, I am pleased to introduce the Long-Term Care Insurance Consumer Protection Act of 1988. This bill will provide Federal leadership to protect Medicare beneficiaries from shoddy long-term care insurance products and abusive marketing practices. These protections will help boost consumer confidence in long-term care insurance products and thereby stimulate our Nation's long-term care insurance market.

We all know that the elderly are the fastest growing segment of our Nation's population. By the year 2000, 35 million Americans, 13 percent of the U.S. population, will be 65 years or older, and more than 17 million will be over 75. By 2030, the number of over 65-year-olds will hit 65.5 million and over 30 million will be over 75.

With this unprecedented aging of our population will come unprecedented demand for long-term care services—in the home, community, and institutions. Unfortunately, long-term care services are exhorbitantly expensive, both for government programs and individuals' budgets. Nursing home care today averages over $20,000 a year. Of the $39 billion spent on nursing home care in 1986, Medicaid paid about 42 percent, and individual Americans paid about 50 percent out of their own pockets. These estimates, which don't even begin to consider the costs of home care services, represent true catastrophies to American families. One recent study found that 63 percent of elderly nursing home patients would entirely deplete their assets after only 13 weeks in a nursing home. Another estimated that one-half of all Medicaid nursing home recipients were not poor at the time of admission, but had "spent down" to Medicaid eligibility.

As I traveled through my own State of Minnesota, I met with elderly people who had worked all their lives and who hate the idea of being dependent, but who, faced with the need for costly long-term institutional care, were forced to spend down onto Medicaid. Other Minnesota seniors tell me that they most fear a long lingering, physically and financially devastating illness, during which they will become burdens to their families and deplete the assets that represent their independence and that they had perhaps hoped to pass on to their children.

The remedy for our Nation's long-term care crisis lies in a strategic mix of public programs and private efforts. Some public sector program or programs will be important, but will necessarily be limited by our need to reduce enormous deficits. Private long-term care insurance has been recognized by the Brookings Institution in its recent report, "Caring for the Disabled Elderly," as the most viable and promising means of private financing for a portion of Americans' long-term care costs. While these policies will remain unaffordable to many Americans, they can provide a way for some Americans to self-finance their long-term care and protect their assets from depletion. I introduce this bill because I believe that those Americans who choose to purchase long-term care insurance are entitled to some very basic protections.

Although in 1984 only 1 percent of all elderly nursing home costs in the United States were paid through private insurance, the private long-term care insurance market is growing rapidly. According to the Brookings Institution, the number of long-term care insurance products more than tripled between 1983 and 1987, and by mid-1987 60 different products were on the market.

As the long-term care insurance market grows, so too does the need for consumer protection. As we learned from the early days of Medigap insurance, many elderly are very vulnerable in the area of health insurance. They can be frightened into buying not one but many insurance policies that may be duplicative or useless. Long-term care insurance requires even greater consumer protection because it can be many years before benefits are needed. For example, an individual might pay into a long-term care policy for 10 or 11 years only to have it canceled when he or she becomes ill and needs to draw benefits. Or a policyholder who thought he was covered for all long-term care services might be denied benefits when he needs only intermediate rather than skilled nursing care.

I introduce this legislation in hope that we can avoid with long-term care insurance the horror stories that became all too familiar in the early days of Medigap insurance.

The Baucus amendment, enacted in 1980 to protect consumers from abuses in Medigap policies, showed us that States are able to provide consumer protection to purchasers of Medigap insurance. Yet, according to GAO these successful State efforts occurred only after passage of the amendment and the Federal leadership it provided. Before enactment of the Baucus amendment only 9 States had laws and regulations pertaining to Medigap insurance; today, 46 States, Puerto Rico, and the District of Columbia have laws and regulations that meet the law's minimum requirements.

The Long-Term Care Insurance Act mirrors the Baucus amendment by establishing a program of voluntary Federal certification of long-term care insurance policies. The bill would establish a nine-member Long-Term Care Insurance Panel that would be chaired by the Secretary of Health and Human Services and would include representatives of State insurance officials, Medicare beneficiaries, employers, labor, and the insurance industry. This Panel would be charged with determining whether each State's laws and regulations meet or exceed certain standards and for certifying policies issued in States that meet these standards. In States whose regulatory programs fail to meet the criteria for certification, insurers could apply directly to the Secretary for certification.

Once a policy is certified, the insurer could display an emblem denoting secretarial certification in the policy's marketing materials. Consumers could rely on the emblem as evidence that the policy meets the Secretary's criteria for certification.

A policy would earn secretarial certification if it meets or exceeds standards in the National Association of Insurance Commissioners [NAIC] Long-term Care Insurance Model Act, allows purchasers a minimum 30-day "free-look" period, guarantees a policy to be renewable, informs consumers of the availability and limitations of long-term care benefits under Medicare, and meets or exceeds other requirements set by the Secretary in consultation with State insurance officials.

In addition, the bill requires the Long-term Care Insurance Panel to report to Congress within 1 year from the date of enactment of whether certified policies should meet minimum loss ratios or other value measures and whether they should disclose loss ratios or other key financial information. Finally, the bill establishes penalties for fraudulent marketing practices and use of the mails to sell a policy in a State where such a policy has not been approved by the State's insurance officials.

In designing this bill, I worked hard to achieve a balance between Federal leadership and State authority and between the consumers' need for protection and the insurers' need for flexibility to develop innovative and experimental products.

Although the long-term care insurance market is growing rapidly, by June 30, 1987, only 10 States had laws and regulations similar to the NAIC Long-Term Care Insurance Model Act. Now is the time for us to furnish Federal leadership in this emerging field. I urge my colleague to join me in working toward enactment of this important legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2636

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Long-Term Care Insurance Consumer Protection Act of 1988".

SEC. 2. ESTABLISHMENT OF PROGRAM OF VOLUNTARY CERTIFICATION OF LONG-TERM CARE INSURANCE POLICIES.

(a) IN GENERAL.—Title XVIII of the Social Security Act is amended by inserting immediately after section 1882 the following new section:

"VOLUNTARY CERTIFICATION OF LONG-TERM CARE INSURANCE POLICIES

"SEC. 1882A. (a) The Secretary shall establish a procedure whereby long-term care insurance policies (as defined in subsection (f)(1)) may be certified by the Secretary as meeting minimum standards and requirements set forth in subsection (c). Such procedure shall provide an opportunity for any insurer to submit any such policy, and such additional data as the Secretary finds necessary, to the Secretary for his examination and for his certification thereof as meeting the standards and requirements set forth in subsection (c). Such certification shall remain in effect if the insurer files a notarized statement with the Secretary no later than June 30 of each year stating that the policy continues to meet such standards and requirements and if the insurer submits such additional data as the Secretary finds necessary to verify independently the accuracy of such notarized statement. Where the Secretary determines such a policy meets (or continues to meet) such standards and requirements, he shall authorize the insurer to have printed on such policy (but only in accordance with such requirements and conditions as the Secretary may prescribe) an emblem which the Secretary shall cause to be designed for use as an indication that a policy has received the Secretary's certification. The Secretary shall provide each State commissioner or superintendent of insurance with a list of all the policies which have received his certification.

"(b)(1) Any long-term care insurance policy issued in any State that the Long-Term Care Insurance Panel (established under paragraph (2)) determines has established under State law a regulatory program that—

"(A) provides for the application of standards with respect to such policies equal to or more stringent than the NAIC Model Act Standards (as defined in subsection (f)(2)(A)),

"(B) includes requirements equal to or more stringent than the requirements described in subsection (c)(2), and

"(C) provides for application of the standards and requirements described in subparagraphs (A) and (B) to all long-term care insurance policies (as defined in subsection (f)(1)) issued in such State;

shall be deemed (for so long as the Long-Term Care Insurance Panel finds that such State regulatory program continues to meet the standards and requirements of this paragraph) to meet the standards and requirements set forth in subsection (c).

"(2)(A) There is hereby established a panel to be known as the Long-Term Care Insurance Panel (hereinafter in this section referred to as the 'Panel'). The Panel shall consist of the Secretary, who shall serve as the Chairman, three State commissioners or superintendents of insurance, one representative of the insurance industry, and four individuals chosen from among medicare beneficiaries and representatives of employers and labor. Such commissioners or superintendents and individuals shall be appointed by the President and serve at his pleasure, with the first such appointments made not later than December 31, 1988.

"(B) The provisions of subparagraphs (B) through (E) of section 1882(b)(2) shall apply to the Panel to the same extent as they apply to the Supplemental Health Insurance Panel under such section.

"(c) The Secretary shall certify under this section any long-term care insurance policy, or continue certification of such a policy, only if he finds that such policy—

"(1) meets or exceeds (either in a single policy, or, in the case of nonprofit hospital and medical service associations, in one or more policies issued in conjunction with one another) the NAIC Model Act Standards; and

"(2)(A) is guaranteed to be renewable on the basis of the same premium rate (or, if a different rate, a rate that is adjusted on a class basis),

"(B) allows an individual a period of at not less than 30 days to rescind the purchase of a policy,

"(C) contains a statement of the availability of (and limitation upon) long-term care benefits under the insurance programs established under this title (to the same extent as is provided to beneficiaries under this title by the Secretary under section 4 of the Long-Term Care Insurance Consumer Protection Act of 1988), and

"(D) meets or exceeds such other requirements as the Secretary (in consultation with State commissioners or superintendents of insurance) shall by regulation prescribe.

"(d)(1) Whoever knowingly and willfully makes or causes to be made or induces or seeks to induce the making of any false statement or representation of a material fact with respect to the compliance of any policy with the standards and requirements set forth in subsection (c) or in regulations promulgated pursuant to such subsection, or with respect to the use of the emblem designed by the Secretary under subsection (a), shall be guilty of a felony and upon conviction thereof shall be fined not more than $25,000 or imprisoned for not more than 5 years, or both.

"(2)(A) Whoever knowingly, directly or through his agent, mails or causes to be mailed any matter for a prohibited purpose (as determined under subparagraph (B)) shall be guilty of a felony and upon conviction thereof shall be fined not more than $25,000 or imprisoned for not more than 5 years, or both.

"(B)(i) For purposes of subparagraph (A), a prohibited purpose means the advertising, solicitation, or offer for sale of a long-term care insurance policy, or the delivery of such a policy, in or into any State in which such policy has not been approved by the State commissioner or superintendent of insurance.

"(ii) For purposes of clause (i), a long-term care insurance policy shall be deemed to be approved by the commissioner or superintendent of insurance of a State if—

"(I) the policy has been certified by the Secretary pursuant to subsection (c) or was issued in a State with an approved regulatory program (as defined in subsection (f)(2)(B));

"(II) the policy has been approved by the commissioners or superintendents of insurance in States in which more than 30 percent of such policies are sold; or

"(III) the State has in effect a law which the commissioner or superintendent of insurance of the State has determined gives him the authority to review, and to approve, or effectively bar from sale in the State, such policy;

except that such a policy shall not be deemed to be approved by a State commissioner or superintendent of insurance if the State notifies the Secretary that such policy has been submitted for approval to the State and has been specifically disapproved by such State after providing appropriate notice and opportunity for hearing pursuant to the procedures (if any) of the State.

"(C) Subparagraph (A) shall not apply in the case of a person who mails or causes to be mailed a long-term care insurance policy into a State if such person has ascertained that the party insured under such policy to whom (or on whose behalf) such policy is mailed is located in such State on a temporary basis.

"(D) Subparagraph (A) shall not apply in the case of a person who mails or causes to be mailed a duplicate copy of a long-term care insurance policy previously issued to the party to whom (or on whose behalf) such duplicate copy is mailed, if such policy expires not more than 12 months after the date on which the duplicate copy is mailed.

"(e) The Secretary shall provide to all individuals entitled to benefits under this title (and, to the extent feasible, to individuals about to become so entitled) such information as will permit such individuals to evaluate the value of long-term care insurance policies to them and the relationship of any such policies to benefits provided under this title.

"(f)(1)(A) Subject to the last sentence of this subparagraph, for purposes of this section, a long-term care insurance policy is any insurance policy offered by a private entity that provides coverage—

"(i) for not less than 12 consecutive months for each covered person,

"(ii) on an expense incurred, indemnity, prepaid or other basis, and

"(iii) for one or more long-term health care services.

No insurance policy that is offered primarily to provide basic medicare supplement coverage, basic hospital expense coverage, basic medical-surgical expense coverage, hospital confinement indemnity coverage, major medical expense coverage, disability income protection coverage, accident only coverage, specified disease or specified accident coverage, or limited benefit health coverage shall be considered a long-term care insurance policy under this section.

"(B)(i) For purposes of subparagraph (A)(iii), the term 'long-term health care services' includes any service that—

"(I) consists of the providing of necessary diagnostic, preventive, therapeutic, and rehabilitative services, or maintenance or personal care services, required by an individual who is chronically ill or disabled, and

"(II) is provided in a qualified facility by a qualified provider.

"(ii) For purposes of this subparagraph, the term 'qualified facility' means—

"(I) a nursing, rehabilitative, hospice, or adult day care facility, including a hospital, retirement home, nursing home, skilled nursing facility, intermediate care facility, or similar institution, or

"(II) an individual's home if a medical practitioner, licensed under State law, certifies that without home care the individual would have to be cared for in a facility described in subclause (I), except that such home shall be treated as a qualified facility only to the extent the cost of such services is greater than the cost of similar services provided in a facility described in subclause (I).

"(iii) For purposes of this subparagraph, the term 'chronically ill individual' means an individual who has been certified by a medical practitioner, licensed under State law, as requiring assistance with eating, toileting, mobility, bathing, or dressing.

"(iv) For purposes of this subparagraph, the term 'maintenance and personal care services' means any service the primary purpose of which is—

"(I) to provide needed assistance with any of the activities of daily living described in clause (iii), or

"(II) to provide needed assistance with any of the following instrumental activities of daily living: housekeeping, shopping, errands, food preparation, laundry, and chores.

"(v) For purposes of this subparagraph, the term 'qualified provider' means a medical practitioner licensed under State law, registered nurse, licensed registered nurse, qualified therapist, trained home health aid, or homemaker, but does not include a relative or other person who ordinarily resides in the home.

"(2) For purposes of this section—

"(A) the term 'NAIC Model Act Standards' means the standards set forth in the Long-Term Care Insurance Model Act (as revised), adopted by the National Association of Insurance Commissioners in January, 1988;

"(B) the term 'State with an approved regulatory program' means a State for which the Panel has made a determination under subsection (b)(1); and

"(C) the State in which a policy is issued means—

"(i) in the case of an individual policy, the State in which the policyholder resides, and

"(ii) in the case of a group policy, the State in which the holder of the master policy resides.

"(g)(1) No long-term care insurance policy shall be certified and no such policy may be issued bearing the emblem authorized by the Secretary under subsection (a) until July 1, 1989. On and after such date, policies certified by the Secretary may bear such emblem, including policies that were issued prior to such date and were subsequently certified, and insurers may notify holders of such certified policies prior to such date using such emblem in the notification.

"(2)(A) The Secretary shall not implement the certification program established under subsection (a) with respect to policies issued in a State unless the Panel makes a finding that such State cannot be expected to have established, by July 1, 1989, an approved State regulatory program meeting the standards and requirements of subsection (b)(1). If the Panel makes such a finding, the Secretary shall implement such program under subsection (a) with respect to long-term care insurance policies issued in such State, until such time as the Panel determines that such State has a program that meets the standards and requirements of subsection (b)(1).

"(B) Any finding by the Panel under subparagraph (A) shall be transmitted in writing, not later than January 1, 1989, to the Committee on Finance of the Senate and to the Committee on Interstate and Foreign Commerce and the Committee on Ways and Means of the House of Representatives and shall not become effective until 60 days after the date of its transmittal to the Committees of the Congress under this subparagraph.

"(h) Nothing in this section shall be construed so as to affect the right of any State to regulate long-term care insurance policies that, under the provisions of this section, are considered to be issued in another State.".

(b) REPORT TO CONGRESS.—Not later than one year after the date of enactment of this Act, the Long-Term Care Insurance Panel established under section 1882A(b)(2)(A) of the Social Security Act (as added by the amendment made by subsection (a)) shall report to the Congress its recommendations on whether the standards and requirements set forth in section 1882A(c) of such Act (as so added) should include with respect to any long-term care insurance policy either of the following requirements:

(1) Any such policy must meet a minimum loss ratio (or other value measure).

(2) Any such policy must disclose minimum loss ratios or other key financial information.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on the date of enactment of this Act.

SEC. 3. CLARIFICATION OF CRIMINAL SANCTION FOR SALE OF HEALTH INSURANCE POLICIES THAT DUPLICATE MEDICARE BENEFITS.

(a) IN GENERAL.—Section 1882(d)(3) of the Social Security Act (42 U.S.C. 1395ss(d)(3)) is amended by striking "entitled," and inserting "entitled (including benefits furnished by a skilled nursing facility or home health agency),".

SEC. 4. NOTICE TO MEDICARE BENEFICIARIES REGARDING AVAILABILITY OF LONG-TERM CARE BENEFITS UNDER MEDICARE PROGRAM.

(a) NOTICE REQUIRED.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall notify each individual who is entitled to benefits under title XVIII of the Social Security Act of the availability of (and limitation upon) long-term care benefits (as defined by the Secretary) under the insurance programs that are established under title XVIII of the Social Security Act.

(b) TIMING.—The Secretary shall provide the notice described in subsection (a)—

(1) when an individual applies for benefits under part A or enrolls under part B of such title on or after January 1, 1989, and

(2) in November of 1988 and annually thereafter.●

● Mr. COHEN. Mr. President, I am pleased today to join Senator DURENBERGER as an original cosponsor of the Long-Term Care Insurance Consumer Protection Act of 1988. This legislation would put in place, in very timely fashion, standards and safeguards to guide the development of the long-term care insurance products that will likely play such a crucial role in meeting the long-term care needs of our Nation's senior citizens.

Out of the debate over legislation to broaden Medicare protection against "catastrophic" medical expenses has come an awareness that there is still work to be done in order to safeguard the elderly from ruinous health-related expenses. The recently enacted Medicare Catastrophic Coverage Act provides coverage only for "acute" medical care—that is, medical treatment of an illness or injury. Even with the enactment of the catastrophic bill, Medicare does not cover the cost of custodial nursing home care or other long-term care. Now that the Medicare Catastrophic Coverage Act has been signed into law, there is in the Congress, I believe, an increasing consensus and resolve that the next order of business will be addressing the need for, and cost of, long-term care.

The cost of long-term care is rightly of great concern to the Nation's senior citizens. The average cost of a year in a nursing home is approximately $22,000. Obviously, costs of this magnitude can and often do overwhelm whatever resources or savings an elderly individual or household may have. Even couples or individuals who have done their best to plan ahead for a secure and comfortable retirement cannot long carry the financial burden of long-term care. The consequence is that thousands upon thousands of the elderly are driven into poverty—and onto the Medicaid rolls—each year. It is estimated that almost one-half of all current Medicaid nursing home residents were not initially poor, but became eligible for Medicaid when nursing home costs took all their income and exhausted their savings. In a typical year, up to half a million elderly Americans will see their savings wiped out by the cost of nursing home care.

The Congress has begun to consider legislation that would combine private and public efforts in order to help the elderly to meet the great financial burden of long-term care. It is appropriate that any measure the Congress puts forward encourage, to as great an extent as is possible, individuals to assume responsibility for their own long-term care needs. Although private insurance for long-term care costs is scarcely available at the current time, such insurance should figure prominently as a required complement to any Federal long-term care assistance.

The Long-Term Care Insurance Consumer Protection Act would help to foster insurance policies well suited to the long-term care needs of the elderly and would guard against exploitative or misleading marketing practices. The history of the "medigap" insurance industry, which has been marked by shoddy products and abusive marketing practices, suggests that it would be prudent to put such safeguards in place at an early date.

The Long-Term Care Insurance Consumer Protection Act includes the following provisions:

First, assured renewability of insurance.

Second, prohibition of coverage for skilled nursing care only.

Third, limitation on definition of pre-existing conditions for individual policies.

Fourth, restrictions on requirements of prior institutionalization as a condition for benefit payment.

Fifth, authority to promulgate regulations establishing loss ratio standards for long-term care insurance policies.

Sixth, refundability of premium upon purchaser request within a 30-day period.

Seventh, a mandatory disclosure statement of available coverage for purchases of individual and group policies.

Eighth, prohibition against advertising, marketing, or offering a policy as long-term care or nursing home insurance unless it complies with the provisions of this act.

Mr. President, as the Congress proceeds to consider legislation that would combine private and public efforts in order to help the elderly meet the great financial burden of long-term care, we should call upon recent related experience to avoid whatever problems we are able to anticipate. Therefore, I am pleased to cosponsor the Long-Term Care Insurance Consumer Protection Act and to commend it to my colleagues.●

By Mr. MOYNIHAN:

S. 2637. A bill for the relief of Gillian Lesley Sackler; to the Committee on the Judiciary.

RELIEF OF GILLIAN LESLEY SACKLER

● Mr. MOYNIHAN. Mr. President, I rise today to introduce a bill for the relief of Gillian Lesley Sackler, the widow of Dr. Arthur Sackler. Dr. Sackler had begun the process of obtaining permanent resident status for his wife in May 1987 when he died suddenly, before he could complete the application process with his wife. Subsequently, the INS ruled that as a result of Dr. Sackler's death, Mrs. Sackler was no longer the spouse of a U.S. citizen and should be denied her petition for permanent resident status.

Clearly Mrs. Sackler should be granted such status. If the U.S. Government was willing to do so because she was married to a U.S. citizen, his premature death should not affect her right to citizenship. She was, in fact, still married to him at the time of his death.

I understand there are measures pending in the House of Representatives which would remedy this unfair bureaucratic obstacle. Yet Mrs. Sackler cannot wait that long.

Permit me to explain. Mrs. Sackler is the president and director of the Arthur M. Sackler Foundation for the Arts, Sciences, and Humanities. She is responsible for contributing millions of dollars to the arts and sciences in this country and abroad. Just recently, the Sackler Foundation donated the necessary funds to build the Arthur M. Sackler Gallery. In addition the

Sackler Foundation contributes to the National Academy of Sciences, the Massachusetts Institute of Technology, and the Medical School of Tufts University.

These duties require that Mrs. Sackler travel to and from this country frequently. As a result of being denied permanent resident status, she has been forced to request advance permission to leave and reenter this country from the INS. Surely, an individual who has given—and indeed will continue to give—so much to this country should be granted all those rights which accompany full citizenship.

I ask my colleagues to look closely at this situation and recognize the injustice which lies therein, and to support the passage of this bill.●

By Mr. MOYNIHAN:

S. 2638. A bill to amend the Trade Act of 1974 to treat acts and practices of foreign countries that diminish the effectiveness of international agreements protecting endangered or threatened species as unreasonable for purposes of applying chapter 1 of title III of the Trade Act of 1974; referred to the Committee on Finance.

S. 2640. A bill to amend the Trade Act of 1974 to treat acts and practices of foreign countries that diminish the effectiveness of international fishery conservation programs as unreasonable for purposes of applying chapter 1 of title III of the Trade Act of 1974; to the Committee on Finance.

LEGISLATION CONCERNING ENDANGERED OR THREATENED SPECIES

● Mr. MOYNIHAN. Mr. President, I rise to introduce legislation that will improve the enforcement of agreements that protect endangered and threatened species, and marine resources subject to conservation programs. My bill will provide new hope to all those individuals and governments that have struggled to protect and conserve species that have been subjected to irresponsible commercial exploitation.

Let us take the example of whales. Since 1970, the Secretary of the Interior has listed eight species of whales as endangered. The 1973 Convention on International Trade in Endangered Species of Wild Fauna and Flora regulates trade in 11 species of whales. The United States has taken a leadership role in the protection of whaling, and the International Convention for the Regulation of Whaling was signed in Washington in 1946.

We are all aware that on February 10, Secretary of Commerce Verity certified to the President, pursuant to the Packwood-Magnuson amendment to the Fishery Conservation and Management Act of 1976, that Japan was killing minke whales—one of the species protected under the Endangered Species Act and the international convention—in the waters of the Antarctic in a manner that diminishes the effectiveness of an international fishery conservation program. In this case, the International Convention for the Regulation of Whaling.

Despite a moratorium on commercial whaling approved by the international community in 1985, and finally accepted by Japan in 1987, Japanese fishermen reportedly killed 300 minke whales.

Why? Japan claims that the recent whale killings are for scientific research. Reputable cetacean scientists outside of Japan disagree. The member governments of the International Whaling Commission voted 19 to 6 that the Japanese scientific hunt violated the moratorium. The reality is that Japan insists on maintaining its whale hunting—whatever the impact on international whale conservation efforts.

We must remember that the whale moratorium does not necessarily mean a complete future ban on whale hunting. The U.S. position is not motivated by a bias against cultural values that continue to accept the consumption of whale meat. Rather, what we are clearly saying is that the decimation of the Earth's whale population now requires the moratorium. We will not passively tolerate further extinctions.

Earlier this month, the State Department reportedly sent a letter to the Norwegian Foreign Ministry expressing concern about the planned harvest of 30 minke whales. Norway, too, claims the harvest would be for scientific purposes. Iceland and South Korea have also sought to evade the moratorium with scientific proposals.

The Commerce Department has indicated its willingness to make the same certification against Norway that was made last February against Japan. Norway's current view is ironic since it was Norway that first warned of the dangers or possible whale extinction in 1910.

We need time to do proper scientific research to adequately count the remaining stocks of whale species. Too much remains unknown. We do know many species are near extinction. Let us do the science together in compliance with the moratorium—the slaugher of additional whales need not be part of the effort. It cannot be part of the effort.

The United States is now confronted with how to convince Japan and Norway to comply with the moratorium. Unfortunately, the International Whaling Commission has no power to enforce its regulations and findings. We can hope that a conservation movement will grow in Japan. But we cannot wait.

The United States Government has invoked sanctions before. But our legal armory in this regard is weak. On April 6, 1988, in response to Secretary Verity's certification, the President directed Secretary of State Schultz to terminate all Japanese fishing privileges in the 200-mile exclusive economic zone. However, since Japan currently has no fishing quota allocations within the United States zone, the measure was purely symbolic.

Hardly a sanction! At the same time, the President refused to take the only remaining option under the law available to him: embargo Japan's fishery imports pursuant to the Pelly amendment to the Fisherman's Protective Act of 1967. Since we have a significant fishery products trade surplus with Japan, many fear that sanctions imposed in this sector may leave our fishery exports open to counterretaliation. Similar arguments have been invoked on prior occasions to avoid using the Pelly sanction.

Hence, my amendment. I would make foreign government practices that diminish the effectiveness of international agreements that protect endangered or threatened species or international fishery conservation programs, actionable under section 301 of the Trade Act of 1974. Such a change would greatly broaden the armory of retaliatory options available to the President. And the President could craft the proper response. Our ability to enforce conservation agreements would be improved and the security of many species enhanced.

In addition, private parties would also have the right to petition the U.S. Trade Representative under section 301 for relief against any burden caused by the failure of foreign governments to enforce agreements or conservation programs.

I hope that the Congress can move expeditously to enact this legislation. The survival of important species around the globe may depend upon it.●

By Mr. McCAIN:

S. 2639. A bill to establish a standard nuclear reactor program to develop an inherently safe and economic nuclear reactor, and for other purposes; to the Committee on Environment and Public Works.

STANDARD NUCLEAR REACTOR DEVELOPMENT ACT

Mr. McCAIN. Mr. President, I rise today to join with my distinguished colleague in the House—not only my colleague, but my dear friend—Mo UDALL, chairman of the Committee on Interior and Insular Affairs in the House of Representatives, to introduce in our respective bodies legislation which we believe is vital to the future of nuclear power in our country.

This legislation creates a new office within the Department of Energy that would be charged with creating, within 1 year, a program plan so that by the year 2000 utilities would have available to them reactors possessing the following features:

Safety, derived from inherent design more than from complicated safety systems;

A design that would not be prone to delays in the licensing process and one that would insure that new plants could be built expeditiously;

A fuel cycle associated with the standard reactor that would represent a nuclear proliferation risk no greater than that represented by the light water fuel cycle in which spent fuel is not reprocessed;

And, most importantly, the design would engender public confidence as it would be such that the people could readily understand why severe accidents were unlikely.

Additionally, the legislation will give the Department of Energy the option of including in its plan the construction of one or more prototype or demonstration projects and would specify a schedule for developing information required by the Nuclear Regulatory Commission [NRC]. It does not specify the kind of plant to be designed, whether it should be gas, liquid metal, or water. It leaves these types of decisions up to the Department of Energy in so doing, the Department of Energy and the Nuclear Regulatory Commission would be required to consider the views of industry, environmentalists, labor unions, and States, in effect, all interested citizens.

Nothing in this legislation would prevent the Nuclear Regulatory Commission from granting licenses for existing or future designs put forth by industry or other qualified entities.

Mr. President, the effects of an excessive reliance on fossil fuels is only now coming into focus. Phenomenon like acid rain, the greenhouse effect, and other atmospheric degrading events will, in my view, force us to turn to nuclear once again for the generation of electricity. I do not believe we can rely on hydro, solar, or conservation to produce the amount of electricity we will need in the future. All of these should play a role in our national energy mix, as well as other renewables. However, clearly there is a need also for a nuclear alternative.

The nuclear power industry, if not dead, is at least in a moribund state. No new plants have been ordered for the last decade and many of the ones ordered in the seventies were canceled. Despite the success of the nuclear energy programs in France, Sweden, Japan, and other countries that have continued to follow a successful and safe nuclear program, the United States has no nuclear future at present. I believe that the key to a successful nuclear power program in our country is the develpment of standardized nuclear reactors.

I have asked myself many times, why is it, Mr. President, that nations throughout the world have successful and, indeed, increasing use of nuclear power programs for generation of their energy, whereas, in the United States, every time a nuclear plant is contemplated, it is the subject of controversy, demonstations, and sometimes, as in the case of the west coast, violence?

We have seen the incredible spectacle in the State of New Hampshire and in the State of New York of completed nuclear powerplants, at the cost of billions and billions of dollars, being shut down with no likelihood of their ever reopening. This, indeed, has a tremendous cost associated with it. And who will eventually pay these costs? Clearly, one way or another, the citizens of those States; in the case of Long Island, the Shoreham plant, my understanding is in the range of $6 billion.

The only way we are going to return confidence on the part of the American people in the nuclear power industry, in my view, is to assure them that we can have safe and standardized powerplants. And we can achieve those.

I would remind my friends and colleagues that the U.S. Navy, since the early 1950's, has been sailing ships around this world with nuclear powerplants, and there has not been a case where any American sailor has ever been injured as a result of a nuclear accident onboard a ship. If we can put safe nuclear reactors onboard ships, I suggest we can certainly put them on land.

I hope that this legislation will receive serious and immediate consideration from my colleagues because, in my view, we are going to face an energy crisis of enormous proportions sometime in the next decade. Unless nuclear power plays a key and significant role in providing the American people with their energy needs, we will face, perhaps, a dramatic shift in our lifestyle which would be unwelcome to the majority of Americans.

By Mr. MELCHER:

S. 2641. A bill to authorize the Secretary of Agriculture and other agency heads to enter into agreements with foreign fire organizations for assistance in wildfire protection; to the Committee on Agriculture, Nutrition, and Forestry.

WILDFIRE PROTECTION ASSISTANCE ACT

Mr. MELCHER. Mr. President, forest fires and prarie fires are destructive every year of valuable resources both here and in Canada. Therefore, I am introducing this bill for reciprocal agreements for mutual aid when a fire involves both of our countries. The bill provides authority to the Secretary of the Department of Agriculture and heads of certain other Federal agencies to enter into agreements with foreign countries for mutual firefighting activities and for the United States to reimburse foreign countries for assistance in fighting fires in our forests. No counterpart has been introduced in the Senate.

BACKGROUND

Although the United States and Canada, the foreign country of concern in this legislation, often assist one another in each other's efforts to combat forest fires, the Department of Agriculture has no express statutory authority to engage in such activities. As a result, arrangements with Canada can be roundabout and complicated, with a State possessing such authority often acting as a bureaucratic middleman to facilitate such exchanges.

More serious still, the Department's authority to reimburse Canada for its firefighting assistance is on shaky legal footing. Recently, the Department's Office of General Counsel advised the Department that it lacked sufficient authority to reimburse Canada for such help.

To remedy these problems, this bill would provide express authority to the Department to enter into firefighting agreements with other countries and to reimburse them for any help provided to the United States. The bill also would extend this authority to other Federal agencies under the Department of the Interior—the Bureau of Land Management, and the National Park Service—that are involved in firefighting activities.

This legislation is supported by the National Association of State Foresters and the U.S. Forest Service.

COST

This bill contains no additional funds. Instead, reimbursement costs would come out of an agency's existing firefighting account. Due to the difficulty of forecasting forest fires, there is no estimate of the potential costs—of reimbursement—or savings—of timber not consumed in fire—of this legislation. But it is apparent to the U.S. Forest Service that this bill would save money by coordinating more effectively firefighters from each country in agreements that more effectively guard against loss or minimizes losses from wild fires.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2641

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Wildfire Protection Assistance Act of 1988".

SEC. 2. DEFINITIONS.

As used in this act—

(1) the term "qualified agency head" means the head of any executive department, agency, or independent establishment

in the executive branch of the Government responsible for protecting Federal lands and resources from damage by wildfire;

(2) the term "fire organization" means any governmental entity or public or private corporation or association having fire protection capabilities;

(3) the term "wildfire protection resources" includes personnel, supplies, and equipment required for wildfire presuppression and suppression activities; and

(4) the term "wildfire" means an unwanted natural or person-caused forest or range fire on, or threatening Federal lands.

SEC. 3. IMPLEMENTATION.

(a) Each qualified agency head may enter into a reciprocal agreement, on behalf of such agency, with any foreign fire organization for mutual aid in furnishing wildfire protection resources for such lands and resources and for other properties for which such agency or organization normally provides wildfire protection. Each such agreement shall include a waiver by each party to the agreement of all claims against every other party to the agreement for compensation for any loss, damage, personal injury, or death occurring in consequence of the performance of such agreement. Any such agreement may provide for the reimbursement of any party thereto for all or any part of the cost incurred by such party in furnishing wildfire protection resources for, or on behalf of, any other party thereto.

(b) Any agreement authorized by subsection (a) shall include a provision to allow the termination of such agreement by any party thereto after reasonable notice.

(c) In the absence of any agreement authorized by this Act, each qualified agency head may furnish emergency wildfire protection resources to any foreign nation and to accept such assistance from any foreign fire organization when such assistance is determined by the agency head to be in the best interest of the United States.

(d) Any service performed under this Act by any employee of the United States shall constitute service rendered in the line of duty in such employment. The performance of such service by any other individual shall not make such individual an employee of the United States.

SEC. 4. FUNDS.

Funds available to any qualified agency head for wildfire protection resources in connection with activities under the jurisdiction of such agency may be used to carry out activities under this Act: *Provided*, That no such funds may be expended for wildfire protection resources provided by a foreign fire organization unless the qualified agency head determines that no fire organization within the United States is reasonably available to provide such wildfire protection resources.

By Mr. PELL (for himself and Mr. STAFFORD):

S. 2642. A bill to amend the Elementary and Secondary Education Act of 1965 to provide for National Geography Studies Centers; to the Committee on Labor and Human Resources.

NATIONAL GEOGRAPHY STUDIES CENTERS ACT

Mr. PELL. Mr. President, Senator STAFFORD and I are today introducing legislation to address the appalling degree of geography illiteracy in this country. This legislation, the "National Geography Studies Centers Act," would reserve $5 million out of the chapter 2 program to support regional geography studies centers in a program spearheaded by the National Geographic Society.

The need for this legislation is apparent. Over 75 percent of our students have had no geography courses in elementary, junior or senior high school. This has had a direct effect on our understanding of world cultures. A recent United Nations study found that in a sample of 10- to 15-year-olds in nine countries the United States ranked next to last in their comprehension of foreign cultures. This is a situation of very serious proportions, and one which reinforces both a narrow isolationism and a tragic lack of comprehension and understanding of the world community. It is with some degree of irony that this situation brings to mind the words of Oliver Wendell Holmes: "The axis of the earth sticks out visibly through the centre of each and every town and city."

Increasingly, our planet has become intertwined through international commerce, communications, and travel. Threats to our environment, for example, are not confined by national borders. In short, the peoples of the world have become inextricably interdependent. In 1960 3 percent of our GNP was based on international trade. By 1986, that number had quadrupled to 12 percent. Clearly, our ability to compete in a global economy depends on how well we understand foreign cultures.

In October, the Senate Subcommittee on Education, Arts and Humanities held a hearing on geography education that drew a disturbing picture of the extent of geography illiteracy in this country. Almost 50 percent of American students cannot locate Japan on a map. A recent survey of high school seniors in seven major cities indicated that 25 percent of students tested in Dallas could not identify the country that borders the United States on the south.

This ignorance pertains to geography within the United States as well. Thirty-nine percent of students tested in Boston could not name all six New England States; 45 percent of the students in Baltimore could not color the United States on a world map. A recent survey by the New York Times found that only 12 percent of college students could name all five Great Lakes.

A survey conducted by the University of North Carolina found that over half of the students do not know the two largest States in this country. And, 80 percent of these students could not locate Rhode Island on the map.

It is impossible to calculate the cost of geography illiteracy, but there is considerable evidence that this ignorance results in a serious drain on our economy. For example, between 15 and 25 percent of American business executives and government officals return home before they complete their overseas assignments, often because they cannot function in unfamiliar settings. Two-thirds of overseas projects fail because U.S. executives are unable to work effectively with their counterparts in other nations.

Geography illiteracy is a critical discipline in strengthening our ability to compete with other nations in the international marketplace, in facilitating our conduct of diplomatic negotiations among nations, and in expanding our willingness to address jointly perils that threaten the entire planet, such as nuclear waste, acid rain, and diseases such as AIDS.

It is a very sad fact that the scope of geography studies in our schools has been diluted over time. In 1950 84 percent of college students knew that Manila was the capital of the Philippines. In 1984, only 27 percent could respond correctly. It is indeed ironic that while over the past 30 years the nations of this planet have become increasingly interdependent, geography studies have played a lesser role in our schools, both as a separate discipline and as an integral element of other related studies such as history, science, and current affairs. It is extremely disconcerting that today fewer than 1 in 10 secondary students are offered geography as part of their curriculum.

This situation calls for a dramatic reinvigoration of geography studies in our schools. It is with that goal in mind that we offer this legislation. The National Geography Studies Centers Act would provide $5 million for the establishment of regional centers conducted by the National Geographic Society for the purpose of strengthening geography studies in elementary and secondary schools.

The program proposed in our legislation would not involve a new authorization of Federal funds. Instead, it would draw upon existing funds in the chapter 2 program. Under the provisions of the bill we are introducing, the set-aside for national programs and activities would be increased from 6 to 7 percent, thus providing the $5 million we are seeking to improve geography education in our Nation's schools.

The regional centers established in our legislation would provide year-round teacher training programs. It authorizes the centers to develop model curricula and to provide the technical expertise to work with schools to implement and operate them. It would also enable the centers to assist school districts to offer districtwide programs in geography education.

Mr. President, I believe all my colleagues in this Chamber would join me in acknowledging the exemplary work of the National Geographic Society. There is hardly a person in our Nation who has not benefited from the work of the National Geographic Society, and the knowledge gained from that famous yellow-bound magazine has opened up whole new continents, lands and cultures to generations of American citizens. As a nation, we are indebted to the selfless service and innumerable contributions of the Grosvenor family and to all who have been and are a part of fine work of the National Geographic Society.

It is noteworthy that the Society's current president, Gilbert Grosvenor, has charted new territory with an education initiative that has brought elementary and secondary school teachers together with university faculty to implement curriculum improvements in geography. To my mind, it is critical that we capitalize on that effort by making sure that their efforts are shared in local school districts throughout our nation.

In that regard, it is very significant that the society has agreed to match by 25 percent the Federal contribution of $5 million proposed in our legislation. This means that we will actually have a national program of at least $7.5 million to improve geography education.

Mr. President, there is considerable support for expanding the degree of geography studies in elementary and secondary schools. A most impressive array of witnesses at our hearing in October indicated the importance of emphasizing geography studies. Testimony from former Chief Justice Berger, Secretary Bennett, Admiral Inman, high school teachers and students underscored the pivotal role that geography plays in enriching our understanding of history, social organizations, and the environment, as well as cultural, political, and economic development.

As chairman of the Foreign Relations Committee, I am keenly aware of the importance of geography literacy. For example, it is particularly troubling to realize that 63 percent of Americans polled nationwide could not name the two nations involved in the SALT talks. Our efforts toward a lasting peace on this planet can only be enhanced by improving our awareness of peoples and cultures around us. It is ignorance which fosters suspicion. In the words of Sir Francis Bacon, "There is nothing makes a man suspect much more than to know little."

I know that my friend and colleague, Bob Stafford, through his distinguished work on environmental matters has long recognized that progress in solving environmental crises can only be reached when our citizenry has a fundamental understanding of world geography.

Mr. President, the legislation we are introducing today is a modest, but critical investment in the educational improvement of our people. I am hopeful that our colleagues will give it not only their serious consideration but also their enthusiastic support.

I ask unanimous consent that the text of the legislation be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Geography Studies Centers Act".

SEC. 2. PROGRAM AUTHORIZED.

Part B of chapter 2 of title I of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof of the following new section:

"SEC. 1567. NATIONAL GEOGRAPHY STUDIES CENTERS.

"(a) Program.—(1) The Secretary is authorized to enter into a contract with the Education Foundation of the National Geographic Society in order to pay the Federal share of the cost of the establishment and operation of National Geography Studies Centers. Each Center shall be for the study of geography in elementary and secondary schools.

"(2) For the purpose of this section—

"(A) the term 'contractor' means the Education Foundation of the National Geographic Society; and

"(B) the term 'Centers' mean the National Geography Studies Centers assisted under this section.

"(b) Requirements of Contract.—The contract described in subsection (a)(1) shall provide that—

"(1) funds made available to the contractor pursuant to any contract entered into under this section will be used to pay the Federal share of the cost of establishing and operating the Centers in accordance with this section; and

"(2) the contractor will carry out the provisions of this section.

"(c) Establishment of Centers.—In carrying out the provisions of this section, the contractor may enter into contracts with or make grants to local educational agencies, State educational agencies, State higher educational agencies, institutions of higher education, or consortia thereof, to establish and operate the Centers.

"(d) Functions of the Centers.—(1) Each Center assisted under this section shall—

"(A) support programs for the study of geography for elementary and secondary school students, that may include laboratory schools and summer institutes;

"(B) support programs which provide elementary and secondary school teacher retraining and inservice training in geography and may make provision for teacher stipends for the period of participation in the program; and

"(C) establish procedures, through an advisory panel, for selecting elementary and secondary school students and teachers for the programs supported through the centers.

The selection procedures under subparagraph (C), to the extent practicable, shall take into account geographic distribution and the needs for greater access to, and participation in, geography studies by students and teachers from historically underrepresented groups including females, minorities, and individuals with handicaps.

"(2) Each Center may—

"(A) support the development and dissemination of innovative curriculum in geography;

"(B) develop geography curriculum to be used in other subject areas such as environmental studies, science, international culture and politics, history, and foreign language studies; and

"(C) provide technical and resource assistance in geography to elementary and secondary schools in the region served by the Center.

"(e) Federal Share.—The Federal share for each fiscal year shall be 75 percent.".

SEC. 3. AVAILABILITY OF FUNDS.

(a) In General.—Section 1511(a)(2) of the Elementary and Secondary Education Act of 1965 is amended by striking out "6 percent" and inserting in lieu thereof "7 percent".

(b) Priority.—Section 1561 of such Act is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and "and"; and

(3) by inserting after paragraph (5) the following:

"(6) not less than $5,000,000 for the National Geography Studies Centers under section 1567.".

● Mr. STAFFORD. Mr. President, I rise today to join my good friend and colleague from Rhode Island, Senator Pell, to introduce the National Geography Studies Center Act of 1988. It is our purpose in introducing this legislation to bring to the attention of our Nation the importance of geographic literacy, and to acknowledge the leadership role played by the National Geographic Society in making training opportunities available to elementary and secondary teachers.

At a time when our world is shrinking due to advances in communication and transportation, our children are woefully lacking in their knowledge of other cultures, land forms and global issues. Over the past 10 years, the study of geography as a discipline has all but disappeared from American classrooms. In hearings held last fall, we learned that widespread geographic illiteracy is the product of deemphasizing geography in American schools. Our Nation cannot afford to have citizens who are unaware of such basic information as the customs and beliefs of foreign peoples and the effect of climate on the economic well-being of nations.

Attaining geographic literacy for all our citizens is more than a laudable goal. It is an essential goal. To that end, this legislation would grant funding to the education foundation of the National Geographic Society to expand teacher training offerings in curriculum areas related to geographic literacy. Funds authorized would be used to establish regional centers where teachers received retraining and inservice training in geography. Furthermore, center activities would include the development of innovative instructional strategies and materials to be disseminated on a nationwide basis. Finally, center staff would provide technical assistance to local schools in the areas of geography, environmental studies, international culture and politics, history, and foreign language studies.

It was through the efforts of the National Geographic Society that the Subcommittee on Education, Arts and Humanities began focusing on the problem of geographic illiteracy. For the past 2 years we have sponsored "geography awareness week" around the country. The 100th anniversary of the National Geographic Society was celebrated in part with a hearing before the subcommittee where a prestigious panel of experts, including former Supreme Court Justice Burger, informed us of the impact of geographic illiteracy on the international workplace, as well as the public school classroom.

These modest steps have resulted in real progress. Thirty-two State Governors signed proclamations declaring geography awareness week; elected officials and foreign ambassadors came forward to teach classes in geography; and geography fairs were held across our country.

In the mind of this Senator, the establishment of national geography study centers around the Nation will mark the beginning of a much needed, and long overdue, thrust toward geographic literacy. The National Geographic Society has long been the leader in training teachers in the disciplines related to geographic literacy, and developing curriculum for elementary and secondary school classrooms. This legislation will enhance these efforts and benefit children who attend our public schools today and will be leading our Nation tomorrow.

Mr. President, our Nation's leadership in world affairs is dependent on American citizens who are informed about global issues. Over the past year, we have seen school children once again learning about the physical and cultural features of our planet. We have seen politicians and foreign ambassadors contributing to geography activities. We have witnessed the beginning of a nationwide commitment to geographic literacy. This modest proposal will increase the likelihood that these and similar opportunities will expand in the future. I encourage my colleagues to join Senator Pell and myself in cosponsoring this important legislation.●

ADDITIONAL COSPONSORS

S. 615

At the request of Mr. Helms, the name of the Senator from Virginia [Mr. Warner] was added as a cosponsor of S. 615, a bill to amend the Federal Election Campaign Act of 1971 to prohibit the use of compulsory union dues for political purposes.

S. 1391

At the request of Mr. Exon, the name of the Senator from Michigan [Mr. Riegle] was added as a cosponsor of S. 1391, a bill to amend the Surface Transportation Assistance Act of 1982.

S. 1851

At the request of Mr. Bumpers, his name was added as a cosponsor of S. 1851, a bill to implement the International Convention on the Prevention and Punishment of Genocide.

S. 2033

At the request of Mr. Thurmond, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of S. 2033, a bill to amend title 18, United States Code, with respect to child protection and obscenity enforcement, and for other purposes.

S. 2103

At the request of Mr. Heinz, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of S. 2103, a bill relating to decennial censuses of population.

S. 2129

At the request of Mr. Baucus, the name of the Senator from Virginia [Mr. Warner] was added as a cosponsor of S. 2129, a bill to amend the Internal Revenue Code of 1986 to repeal the application of the uniform capitalization rules with respect to animals produced in a farming business.

S. 2187

At the request of Mr. Wallop, the name of the Senator from New Hampshire [Mr. Humphrey] was added as a cosponsor of S. 2187, a bill to amend the Internal Revenue Code of 1986 to allow refundable credit against tax to taxpayers for dependents who have not attained the age of compulsory school attendance as prescribed by the law of the State in which the taxpayer resides, and to repeal the credit for expenses for child care services necessary for gainful employment for expenses with respect to such dependents.

S. 2199

At the request of Mr. Chafee, the name of the Senator from Maryland [Mr. Sarbanes], and the Senator from Tennessee [Mr. Sasser] were added as cosponsors of S. 2199, a bill to amend the Land and Water Conservation Act and the National Historic Preservation Act, to establish the American Heritage Trust, for purposes of enhancing the protection of the Nation's natural, historical, cultural, and recreational heritage, and for other purposes.

S. 2346

At the request of Mr. Harkin, the name of the Senator from Connecticut [Mr. Weicker] was added as a cosponsor of S. 2346, a bill to preserve the cooperative, peaceful uses of outer space for the benefit of all mankind by prohibiting the basing or testing of weapons in outer space and the testing of antisatellite weapons, and for other purposes.

S. 2466

At the request of Mr. Moynihan, the name of the Senator from Wisconsin [MR. Kasten] was added as a cosponsor of S. 2466, a bill to amend the Public Health Service Act to establish a program of grants to the States for the purpose of providing to the public information of Lyme disease.

S. 2467

At the request of Mr. D'Amato, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 2467, a bill to amend the Federal Home Loan Mortgage Corporation Act to remove the ownership restrictions placed on nonvoting preferred stock of the corporation.

S. 2549

At the request of Mr. Boschwitz, his name was added as a cosponsor of S. 2549, a bill to promote highway traffic safety encouraging the States to establish measures for more effective enforcement of laws to prevent drunk driving, and for other purposes.

S. 2561

At the request of Mr. Harkin, the names of the Senator from Rhode Island [Mr. Pell] and the Senator from Kansas [Mr. Dole] were added as cosponsors of S. 2561, a bill to establish a program of grants to States to promote the provision of technology-related assistance to individuals with disabilities, and for other purposes.

S. 2570

At the request of Mr. Exon, the name of the Senator from Connecticut [Mr. Dodd] was added as a cosponsor of S. 2570, a bill to authorize appropriations for the local rail service assistance program.

S. 2614

At the request of Mr. Hollings, the name of the Senator from Arizona [Mr. McCain] was added as a cosponsor of S. 2614, a bill to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the Earth system and the effect of changes in that system on climate and human well-being.

S. 2620

At the request of Mr. Domenici, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of

S. 2620, a bill to amend the Internal Revenue Code of 1986 to provide a refundable credit to parents for dependents under age 5, that the earned income credit shall not apply to families having such a dependent, and that the dependent care credit shall not apply with respect to such dependents.

SENATE JOINT RESOLUTION 141

At the request of Mr. Nickles, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of Senate Joint Resolution 141, a joint resolution designating August 29, 1988, as "National China-Burma-India Veterans Appreciation Day."

SENATE JOINT RESOLUTION 261

At the request of Mr. Pressler, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of Senate Joint Resolution 261, a joint resolution designating the month of November 1988 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 278

At the request of Mr. Glenn, the names of the Senator from North Dakota [Mr. Burdick], the Senator from Michigan [Mr. Levin], the Senator from Connecticut [Mr. Dodd], the Senator from Nevada [Mr. Reid], the Senator from Arkansas [Mr. Pryor], the Senator from Colorado [Mr. Wirth], the Senator from Louisiana [Mr. Johnston], the Senator from North Carolina [Mr. Sanford], the Senator from New York [Mr. Moynihan], the Senator from Mississippi [Mr. Stennis], The Senator from Hawaii [Mr. Inouye], the Senator from Vermont [Mr. Stafford], the Senator from Missouri [Mr. Bond], and the Senator from New York [Mr. D'Amato], were added as cosponsors of Senate Joint Resolution 278, a joint resolution designating November 20-26, 1988, as "National Family Caregivers Week."

SENATE JOINT RESOLUTION 306

At the request of Mr. Chafee, the names of the Senator from Maryland [Ms. Mikulski], the Senator from Utah [Mr. Garn], the Senator from Vermont [Mr. Stafford], the Senator from Wisconsin [Mr. Kasten], the Senator from Indiana [Mr. Lugar], the Senator from Louisiana [Mr. Johnston], the Senator from Massachusetts [Mr. Kennedy], the Senator from Alaska [Mr. Stevens], and the Senator from Oregon [Mr. Packwood] were added as cosponsors of Senate Joint Resolution 306, a joint resolution designating the day of August 7, 1989, as "National Lighthouse Day."

SENATE JOINT RESOLUTION 319

At the request of Mr. Leahy, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of Senate Joint Resolution 319, a joint resolution to designate the period commencing November 6, 1988, and ending November 12, 1988, as "National Disabled Americans Week."

SENATE JOINT RESOLUTION 345

At the request of Mr. Trible, the names of the Senator from Arizona [Mr. McCain], the Senator from Michigan [Mr. Riegle], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 345, a a joint resolution to designate October 8, 1988, as "National Day of Outreach to the Rural Disabled."

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. DeConcini, the names of the Senator from Ohio [Mr. Metzenbaum], the Senator from Indiana [Mr. Lugar], and the Senator from Nevada [Mr. Reid], were added as cosponsors of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Charles E. Thornton, Lee Shapiro, and Jim Lindelof, citizens of the United States who were killed in Afghanistan.

AMENDMENTS SUBMITTED

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

JOHNSTON AMENDMENT NO. 2578

Mr. JOHNSTON proposed an amendment to the bill (H.R. 4867) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes; as follows:

On page 66, lines 20-25, delete all text related to "section 117" and insert in lieu thereof:

"Sec. 117. For all agencies funded in this Act, each appropriation in this Act shall be reduced by an amount equal to 2 per centum of the President's fiscal year 1989 Budget Request for object class 21 (travel), object class 25 (other services) object class 26 (supplies and materials) and object class 31 (equipment): *Provided*, That such reductions shall not apply to funds budgeted for self-determination contracts for Indian tribes or for the Strategic Petroleum Reserve; *Provided further*, That notwithstanding any other provisions of law the Minerals Management Service shall award leases consistent with its bid review procedures for Outer Continental Shelf Lease Sale—92 (North Aleutian Basin) in October 1988."

DOLE (AND OTHERS) AMENDMENT NO. 2579

Mr. DOLE (for himself, Mr. McCain, Mr. Domenici, Mr. Quayle, Mr. Karnes, Mr. Cochran, Mr. Wilson, Mr. McClure, Mr. D'Amato, Mr. Simpson, and Mr. Murkowski) proposed an amendment to the bill H.R. 4867, supra; as follows:

At the appropriate place in the bill, add the following:

Sec. . (a) Findings. The Congress finds that:

(1) The Sandinista regime is a signatory to the Esquipulas II agreement, and has thereby committed itself to policies promoting peace in the region, and democratization in Nicaragua;

(2) That regime nonetheless continues to blatantly violate the provisions of the Esquipulas accord, which it is committed to observe;

(3) Within the past 72 hours, that regime has taken dramatic new steps in brutally suppressing a peaceful demonstration for human rights; jailing without charge more than 40 members of the democratic opposition; closing down two independent media in the country, La Prensa and Catholic Radio; and expelling eight American diplomats, including the American Ambassador to Nicaragua;

(b) It is the sense of the Senate that:

(1) The Senate condemns the continuing suppression of human rights and violations of the Esquipulas accord by the Sandinistas—including the most recent, blatant actions against the internal opposition and the media and the expulsion of the American diplomats—and calls upon all who seek both peace and freedom in Central America to join in that condemnation.

(2) The United States should respond to the continued, blatant violations of the Esquipulas accord by the Sandinista regime by pursuing a policy that includes:

(i) Strengthening the internal democratic opposition and the independent media of Nicaragua.

(ii) Maintaining the democratic resistance—the so-called "freedom fighters" or "contras"—as one of the few "pressure points" on the Sandinistas, by providing the resistance urgently needed humanitarian assistance.

(iii) Forging a unanimous front among the Central American democracies, to pressure the Sandinistas to live up to their obligations under the Esquipulas accords.

(3) The Sandinista regime should understand that its continuing blatant violations of the Esquipulas accord and the human rights of the Nicaraguan people could cause Congress to consider the provision of additional military aid to the resistance.

(4) On the other hand, should the Sandinistas fully comply with the Esquipulas accord and proceed to permit the establishment of a democratic system in Nicaragua, the United States should respond by providing additional economic assistance to the nations of the region, including Nicaragua.

JOHNSTON AMENDMENTS NOS. 2580 AND 2581

Mr. JOHNSTON proposed two amendments to the bill H.R. 4867, supra; as follows:

Amendment No. 2580

At the end of the bill insert the following new section:

"Sec. . Revenues received by the Department of Energy from the sale of assets related to the termination of the Baca Geothermal Demonstration Powerplant Project shall be retained by the Department for use to clean out the Hulin Well in the State of Louisiana.

Amendment No. 2581

On page 114, linetype lines 9 through 12.

EXON AMENDMENT NO. 2582

Mr. JOHNSTON (for Mr. Exon) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 67, at the end of line 19 strike the period and insert the following: ", of which $637,000 shall be available for research at Lincoln, Nebraska."

ADAMS (AND EVANS) AMENDMENTS NOS. 2583 AND 2584

Mr. JOHNSTON (for Mr. Adams, for himself and Mr. Evans) proposed two amendments to the bill H.R. 4867, supra; as follows:

Amendment No. 2583

On page 9, line 2, delete $360,400,000 and insert in lieu thereof $360,654,000.

Amendment No. 2584

On page 44, line 6, delete $980,740,000 and insert in lieu thereof $980,486,000.

BYRD (AND McCLURE) AMENDMENT NO. 2585

Mr. JOHNSTON (for Mr. Byrd, for himself and Mr. McClure) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 70, line 3, insert the following before the period: *Provided*, That appropriations in this account remaining unobligated at the end of fiscal year 1988, both annual and two-year funds, and which would otherwise be returned to the General Fund of the Treasury, shall be merged with and made a part of the fiscal year 1989 National Forest System appropriation, and shall remain available for obligation until September 30, 1990.

JOHNSTON AMENDMENTS NOS. 2586 THROUGH 2589

Mr. JOHNSTON proposed four amendments to the bill H.R. 4867, supra; as follows:

Amendment No. 2586

On page 104, line 17, linetype beginning with the colon and ending with "1987".

Amendment No. 2587

On page 98, line 17, after the "Act" and before the comma insert: , as amended by Public Law 100-297.

Amendment No. 2588

On page 95, line 22: linetype the word "and" and insert thereafter the word "or".

On page 95, line 23: linetype the words "available to" and insert thereafter the words "retained by".

Amendment No. 2589

On page 79, line 3, insert the following before the period.

: *Provided further*, That moneys received from the timber salvage sales program in fiscal year 1988 shall be considered as money received for purposes of computing and distributing 25 per centum payments to local governments under 16 U.S.C. 500, as amended.

STEVENS (AND MURKOWSKI) AMENDMENT NO. 2590

Mr. JOHNSTON (for Mr. Stevens, for himself and Mr. Murkowski) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 94, line 23, after the word "expended", insert the following

: *Provided*, That the Indian Health Service may hold in reserve a sum not to exceed $600,000 as a contingency for site acquisition at the Kotzebue Hospital.

WIRTH (AND ARMSTRONG) AMENDMENT NO. 2591

Mr. JOHNSTON (for Mr. Wirth, for himself and Mr. Armstrong) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 19, line 13, delete $63,746,000 and insert in lieu thereof $64,961,000.

DOLE AMENDMENT NO. 2592

Mr. JOHNSON (for Mr. Dole) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 39, line 20, before the period insert ":

Provided further, That within funds provided under this heading, $250,000 shall be made available for sealing abandoned mine sites in and around the Town of Galena, Kansas."

JOHNSTON AMENDMENT NO. 2593

Mr. JOHNSTON proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 80, line 10, delete the word "agreements" and insert in lieu thereof "arrangements".

STEVENS (AND MURKOWSKI) AMENDMENT NO. 2594

Mr. JOHNSTON (for Mr. Stevens for himself and Mr. Murkowski) proposed an amendment to the bill H.R. 4867, supra; as follows:

At the end of the bill insert the following new section:

Sec. 323. Subsection (a)(1) of section 2 of Public Law 94-204 (89 Stat. 1148), as amended by section 1411(a) of Public Law 96-487 (94 Stat. 2497), is amended by inserting the phrase ", including wildlife," after "resources of lands".

JOHNSTON AMENDMENT NO. 2595

Mr. JOHNSTON proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 85, line 12, before the period insert the following:

: *Provided further*, That for the purposes of the sixth proviso in Public Law 99-190 under this heading, funds provided under Section 306 of Public Law 93-32 shall be considered non-Federal.

McCAIN AMENDMENT NO. 2596

Mr. JOHNSTON (for Mr. McCain) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 47, line 21, after the word "level", insert the following:

: *Provided further*, That notwithstanding any other provision of law, any portion of the funds appropriated under the authority of Public Law 93-530 not yet obligated, but not to exceed $700,000, shall be transferred by the Secretary of the Interior to the governing body of the San Carlos Apache Tribe (hereafter referred to as the "Tribe") by no later than the date that is sixty days after the date of enactment of this Act. Amounts transferred to the Tribe under this proviso shall be used for economic development purposes in accordance with the plan which was adopted by the governing body of the Tribe on April 12, 1988, and any amendment thereto which has been approved by the Secretary of the Interior. The Tribe may expend the amounts transferred under this proviso for the purposes authorized without the prior approval of the Secretary of the Interior. None of the funds transferred to the Tribe may be used to make per capita payments to the members of the Tribe: *Provided further*, That notwithstanding any other provision of law, the funds transferred by this Act to the San Carlos Apache Tribe may be treated as non-Federal, private funds of the Tribe for purposes of any provision of Federal law which requires that non-Federal or private funds be used in a project or for a specific purpose: *Provided further*, That the Federal government shall have no further obligation to appropriate funds for the purposes identified in Public Law 93-530

JOHNSTON AMENDMENT NO. 2597

Mr. JOHNSTON proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 85, line 12, before the period insert the following:

: *Provided further*, That reports on projects selected by the Secretary of Energy pursuant to authority granted under the heading "Clean coal technology" in the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, which are received by the Speaker of the House of Representatives and the President of the Senate prior to the end of the second session of the 100th Congress shall be deemed to have met the criteria in the third proviso of the fourth paragraph under the heading "Administrative provisions, Department of Energy" in the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, upon expiration of 30 calendar days from receipt of the report by the Speaker of the House of Representatives and the President of the Senate

HATFIELD AMENDMENT NO. 2598

Mr. JOHNSTON (for Mr. Hatfield) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 119, line 16, delete "S.E. ¼, N.W. ¼" and insert in lieu thereof the following: "S.W. ¼, N.E. ¼".

McCLURE (AND OTHERS) AMENDMENT NO. 2599

Mr. JOHNSTON (for himself, Mr. McClure, Mr. Simpson, Mr. Warner, Mr. Wallop, and Mr. Ford) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 36, line 14, add the following new paragraph:

There is hereby established a Fellowship in Congressional Operations Program for employees of the National Park Service. The Director of the National Park Service shall design and administer the program, within available funds, to improve mutual understanding and cooperation between Service employees, and members and Committees of Congress. The program is dedicated to the memory of Pietro Antonio (Tony) Bevinetto, and service employees participating in the program shall be known as "Bevinetto Fellows".

McCLURE AMENDMENT NO. 2600

Mr. JOHNSTON (for Mr. McClure) proposed an amendment to the bill H.R. 4867, supra; as follows:

On line 7, page 43 before the ":" insert:

: *Provided further,* That notwithstanding any other provisions of law, appropriations for the Office of Surface Mining Reclamation and Enforcement may, hereafter, provide for the travel and per diem expenses of State and tribal personnel attending OSMRE sponsored training

BUMPERS AMENDMENT NO. 2601

Mr. JOHNSTON (for Mr. Bumpers) proposed an amendment to the bill H.R. 4867, supra; as follows:

At the appropriate place in the bill add the following new section:

Sec. . (a) Subject to valid existing rights, on the date of enactment of this section deposits of quartz mineral within the Ouachita National Forest in the State of Arkansas shall no longer be subject to location and entry under the General Mining Law of 1872 (17 Stat. 91), as amended, and all such deposits shall hereafter be disposed of under the same conditions as are applicable to common varieties of mineral materials on such lands under the Materials Act of 1947 (61 Stat. 681), as amended: *Provided,* That fifty percent of the moneys received pursuant to this section shall be paid by the Secretary of the Treasury to the State of Arkansas, to be expended as the State may prescribe for the benefit of the public schools and public roads of the counties in which the Ouachita National Forest is situated.

(b) The Secretary of Agriculture shall prescribe rules and regulations for the disposal of quartz mineral from the Ouachita National Forest.

BOND AMENDMENT NO. 2602

Mr. BOND proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 71, line 23, after "expended" insert "of which $2,000,000 shall be for acquisition of lands and interests therein along the Eleven Point Wild and Scenic River near Green Springs, Missouri".

WALLOP AMENDMENT NO. 2603

Mr. WALLOP proposed an amendment to the bill H.R. 4867, supra; as follows:

Provided, that (1) amounts covered into the special account established under section 4 of the Land and Water Conservation Fund Act of 1965, as amended, for the National Park Service during the fiscal year ending September 30, 1990, and each fiscal year thereafter, shall be allocated among park system units in accordance with clause (ii), and notwithstanding any other provision of law, such amounts shall be available, without further appropriation, for obligation or expenditure by the Director of the National Park Service to be used as follows:

(1) In the case of receipts from entrance fees collected at units of the national park system: for resource protection, research, and interpretation at units of the national park system.

(2) In the case of receipts from user fees collected at units of the national park system: for resource protection, research, interpretation, and maintenance at units of the national park system.

(ii)(1) Half of the funds made available to the Director of the National Park Service under clause (i) in such fiscal year shall be allocated among units of the national park system in accordance with paragraph (2) and half shall be allocated in accordance with paragraph (3). Amounts allocated to a unit for any fiscal year and expended in that fiscal year shall remain available for expenditure at that unit until expended.

(2) The fraction allocated to each unit under this paragraph for each fiscal year shall be determined by dividing the operating expenses at that unit during the prior fiscal year by the total operating expenses at all units during the prior fiscal year.

(3) The fraction allocated to each unit under this paragraph for each fiscal year shall be determined by dividing the fees collected under this section at that unit during the prior fiscal year by the total fees collected under this section at all units during the prior fiscal year.

PRYOR AMENDMENT NO. 2604

Mr. PRYOR proposed an amendment to the bill H.R. 4867, supra; as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

Sec. . (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

HEINZ (AND SPECTER) AMENDMENT NO. 2605

Mr. HEINZ (for himself and Mr. Specter) proposed an amendment to the bill, H.R. 4867, supra; as follows:

At the appropriate place in the bill, insert the following:

Sec. . (a) No funds appropriated by this Act may be used by the Secretary of the Interior for the purpose of reconciling the Abandoned Mine Reclamation Fund unless the Secretary of the Interior, from existing funds, conducts a thorough accounting and reconciliation of the Abandoned Mine Reclamation Fund, under Title IV of the Surface Mining Control and Reclamation Act of 1977, for the period from fiscal year 1977 through fiscal year 1988. This accounting and reconciliation shall determine, by State, the source of all contributions to the fund and shall denote all fund disbursements by purpose and fiscal year including letter of credit grants to States.

(b) Funds authorized as grants to States shall be reconciled according to—

(1) the Surface Mining Control and Reclamation Act of 1977, including the fifty percent State share; and

(2) the formula for allocation of the discretionary share as expressed by the Office of Surface Mining and Reclamation during each relevant fiscal year under review.

(c) The report required by this section shall be presented to the appropriate committees of the Congress prior to June 1, 1989. The findings of the Secretary under this section shall not be used to amend or revise State allocations during fiscal year 1989.

HECHT (AND OTHERS) AMENDMENT NO. 2606

Mr. McCLURE (for Mr. HECHT, Mr. REID, and Mr. SYMMS) proposed an amendment to the bill, H.R. 4867, supra; as follows:

On Page 10, line 20 of the bill, insert the following before the period:

": *Provided,* That of the funds provided to the United States Fish and Wildlife Service under the heading "Construction and Anadromous Fish" in Public Law 100-71, $1,200,000 shall be expended for the lease or purchase of water rights, from willing sellers, for the benefit of Stillwater Wildlife Management Area, Nevada: *Provided further,* That the lease or purchase shall be carried out pursuant to the statutory and procedural requirements of the laws of the State of Nevada, and the Secretary shall proceed with any such lease or purchase pursuant to this appropriation if and only if the Secretary receives certification from the State of Nevada that the transfer of water rights and associated change of use for the beneficial use of Stillwater Wildlife Management Area is approved by the State of Nevada: *Provided further,* That notwithstanding any other provision of this Act, the Secretary shall continue to pursue a comprehensive settlement of water rights disputes on the Carson and Truckee Rivers among the affected parties: Provided further, That Stillwater Wildlife Management Area is to be considered a high priority wetland for purposes of this Act and shall be fully considered by the Secretary for funding of any future projects undertaken pursuant to the North American Waterfowl Management Plan.

STEVENS AMENDMENT NO. 2607

Mr. McCLURE (for Mr. STEVENS) proposed an amendment to the bill, H.R. 4867, supra; as follows:

On page 97, line 7: after the word "person" but before the quotation mark, insert the following

:, whether or not such person is an Indian or Alaska native or is served on a fee basis or under other circumstances as permitted by Federal law, or regulations, for medical services provided in Alaska.

On page 97, line 10: after the quotation mark following the comma following the word "tribe" insert the following

: and is further amended by deleting the period after the word "agreement" and adding the words ": *Provided,* That such employees in Alaska shall be deemed to be acting within the scope of their employment in carrying out such contract or agreement when they are required, as a term of employment, to perform medical, surgical, dental or related functions at a facility in Alaska other than the facility operated pursuant to such contract or agreement.

JOHNSTON AMENDMENT NO. 2608

Mr. JOHNSTON proposed an amendment to the bill H.R. 4867, supra; as follows:

At the appropriate place in the bill, add a new section as follows:

SEC. . Within currently available funds, the Secretary of the Interior is directed immediately to appoint and compensate an independent third party factfinder mutually agreed upon by the Secretary and the Governor of Louisiana, to make all appropriate factual findings relating to past drainage occurring on Louisiana State Lease numbers 10087, 10088, and 10187, and Federal Lease numbers OCS-G 5668 and OCS-G 5669 in the field on West Delta Blocks 17 and 18. Such factual findings shall include:

(a) whether drainage of either United States or State hydrocarbons has occurred in such field during the time period starting April 7, 1986 and ending on the date that the factfinding proceeding is completed;

(b) the areas or reservoirs from which the drainage occurred;

(c) the quantity of recoverable hydrocarbons, determined on a volumetric basis, originally in place within such areas or reservoirs prior to any production therefrom;

(d) the respective percentages of such recoverable hydrocarbons within the Federal and State portions of such areas or reservoirs;

(e) the total accumulated volume of any net drainage, including the value thereof (together with a description of the method for determining such value) and all production costs incurred during that period;

(f) the net dollar impact to the United States, United States lessees, the State of Louisiana, and the State lessees that has resulted from any such drainage;

(g) the proper allocation of production from the field from all time periods starting April 7, 1986; and

(h) the proper prospective allocation of production from the field.

Within 90 days of the date of enactment of this Act, the third party factfinder shall submit a written report containing the factual findings required by this section to the Secretary, the Governor of Louisiana, and the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate.

BUMPERS AMENDMENT NO. 2609

Mr. JOHNSTON (for Mr. BUMPERS) proposed an amendment to the bill H.R. 4867, supra; as follows:

At the appropriate place in the bill add the following new section:

SEC. . (a) Subject to valid existing rights, on the date of enactment of this section deposits of quartz mineral within the Ouachita National Forest in the State of Arkansas shall no longer be subject to location and entry under the General Mining Law of 1872 (17 Stat. 91), as amended, and all such deposits shall hereafter be disposed of under the same conditions as are applicable to common varieties of mineral materials on such lands under the Materials Act of 1947 (61 Stat. 681), as amended: *Provided,* That fifty percent of the moneys received pursuant to this section shall be paid by the Secretary of the Treasury to the State of Arkansas, to be expended as the State may prescribe for the benefit of the public schools and public roads of the counties in which the Ouachita National Forest is situated.

(b) The Secretary of Agriculture shall prescribe rules and regulations for the disposal of quartz mineral from the Ouachita National Forest.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

MITCHELL AMENDMENT NO. 2610

(Ordered to lie on the table.)

Mr. MITCHELL submitted an amendment intended to be proposed by him to the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes; as follows:

On page 84, line 2, before the period insert the following: ": *Provided,* That of the amount appropriated under this heading, $2,000,000 shall be available only for youth exchanges under the Samantha Smith Memorial Exchange Program, as authorized by section 112(a)(8) of the Mutual Education and Cultural Exchange Act of 1961".

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

WALLOP AMENDMENT NO. 2611

Mr. WALLOP proposed an amendment to the bill H.R. 4867, supra; as follows:

At the appropriate place, insert the following:

LEGISLATIVE PROVISION FOR DISTRIBUTION OF LATE PAYMENT INTEREST

SEC. . For Fiscal Year 1988 and each fiscal year thereafter, for the purposes of any law authorizing the leasing and extraction of oil, gas, coal, or any other mineral from the Outer Continental Shelf or from any interest in land owned by the United States, regardless of the source or origin of the United States ownership, any interest paid to the United States under any law, regulation, or other authority which arises from or accrues with respect to late payment of royalties, rents, bonuses, or other payments due to the United States for any period, and received after the date of enactment of this provision, shall be paid or distributed to the same recipients and in the same manner as the royalties, rents, bonuses, or other payments in connection with which such interest was paid. The Secretary of the Interior shall not recover or recoup any portion of late payment interest paid to the United States before the enactment of this provision which was paid or distributed to any State or other recipient of federal mineral lease revenues, except for amounts paid in connection with royalties or other revenues subsequently determined to be not owing to the United States.

EVANS (AND ADAMS) AMENDMENT NO. 2612

Mr. McCLURE (for Mr. EVANS, for himself and Mr. ADAMS) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 94, line 23, after the word "expended", insert the following:

"*Provided further,* That of funds appropriated in the fiscal year 1987 continuing resolution for the construction of detoxification facilities for Indian youth, not to exceed $600,000 shall be made available for planning, and design of a youth alcohol and substance abuse treatment facility by the Inland Tribal Consortium, to be located in the state of Washington".

KERRY (AND KENNEDY) AMENDMENT NO. 2613

Mr. KERRY (for himself and Mr. KENNEDY) proposed an amendment to the bill H.R. 4867, supra; as follows:

Page 87, line 18, after the parenthesis insert the following, : Provided further, That pursuant to section 111(b)(1)(B) of the Energy Reorganization Act of 1974, as amended, of the amount appropriated under this head, $4,900,000 shall be available for a grant for an energy and natural resources technology development center at Brandeis University in Waltham, Massachusetts without section 111(b)(2) of such Act being applicable on page 87, line 16, linetype "200,000,000" and insert in lieu thereof 197,100,000.

METZENBAUM (AND OTHERS) AMENDMENT NO. 2614

Mr. JOHNSTON (for Mr. METZENBAUM, for himself, Mr. HEINZ, and Mr. ROCKEFELLER) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 87, line 18, after "(15 U.S.C. 4507)" insert ": *Provided further,* That the Secretary of Energy may use up to $5,000,000 for new steelmaking research and development initiatives as authorized by law: *Provided further,* That any such funds shall be made available from prior appropriations for the steel initiative under this head: *Provided further,* That existing funds otherwise made available for the steel initiative for multi-year contracts may be approved for more than one fiscal year but shall only be obligated on a year-to-year basis.".

EXON AMENDMENT NO. 2615

Mr. JOHNSTON (for Mr. EXON) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 106, at the end of line 14 insert before the period the following: ": *Provided further,* That the Institute of Museum Services shall develop and implement a plan, by which, within three fiscal years, each state shall receive, at a minimum one-half of one percentum of the grant funds available, provided that each state submits at least one qualified application: *Provided further,* That the director of the Institute of Museum Services shall submit to the chairmen of the committees on appropriations of the Senate and House of Representatives reports detailing the reasons for a judgment that the application or applications of a museum or museums from a particular state were declared not qualified, causing that state to fall below the one-half of one percentum criteria"

MELCHER AMENDMENT NO. 2616

Mr. MELCHER submitted an amendment to the bill H.R. 4867, supra; as follows:

At the appropriate place in the bill add the following:

From the unobligated amount of previous appropriations available for irrigation construction for the Northern Cheyenne Reservation, the Secretary of the Interior shall transfer $34,000 to the Northern Cheyenne Tribe as a grant for the Dull Knife Memorial College.

MELCHER (AND OTHERS) AMENDMENT NOS. 2617 AND 2618

Mr. MELCHER (for himself, Mr. BINGAMAN, Mr. INOUYE, and Mr. DOMENICI) proposed two amendments to the bill H.R. 4867, supra; as follows:

AMENDMENT No. 2617

On page 48, line 16, delete the period after the word "Reclamation" and insert the following:

Provided, further, That $332,000 of the funds appropriated under this heading, shall be transferred to the Institute of American Indian and Alaskan Native Culture and Arts Development if the Institute enters into an agreement before September 30, 1989, for the lease of (with an option to purchase) a building in Santa Fe, New Mexico, which has space suitable for use as a museum, classrooms, a cultural research and exchange center, and a retail gift shop, which shall remain available to the Institute until expended for the renovation of such building and for the relocation of the collection of the museum of the Institute to such building.

AMENDMENT No. 2618

On page 100, on line 2, delete the period after the word "fund" and insert the following:

Section 1513 of the Higher Education Amendments of 1986 (20 U.S.C. 4420) is amended—

(1) by striking out "The Institute" and inserting in lieu thereof "(a) TAX STATUS.—The Institute",

(2) by inserting "; TORT LIABILITY" after "STATUS" in the section heading, and

(3) by adding at the end thereof the following new subsection:

"(b) TORT LIABILITY.—

"(1) The Institute shall be subject to liability relating to tort claims only to the extent a Federal agency is subject to such liability under chapter 171 of title 28, United States Code.

"(2) For purposes of chapter 171 of title 28, United States Code, the Institute shall be treated as a Federal agency (within the meaning of section 2671 of such title).

"(3) For purposes of chapter 171 of title 28, United States Code, the President of the Institute shall be deemed the head of the Agency."

MELCHER (AND OTHERS) AMENDMENT NO. 2619

Mr. MELCHER (for himself, Mr. INOUYE, and Mr. DASCHLE) proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 98, on line 12, after the word "Alaska" insert following:

SEC.—. (a) The final rule published in the Federal Register on September 16, 1987, by the Health Resources and Services Administration of the Public Health Service of the Department of Health and Human Services, relating to eligibility for the health care services of the Indian Health Service, shall not take effect before the day that is three years after the date of enactment of this Act, and no action may be taken before such day to implement or administer such rule or to prescribe any other rule or regulation that has a similar effect.

(b) During the 3-year period described in subsection (a), the Indian Health Service shall proivde services pursuant to the criteria for eligibility for Indian Health Services in effect prior to September 15, 1987.

(c)(1) the Office of Technology Assessment, acting in consultation with the Indian Health Service, shall conduct a study to detemine the impact of the final rule described in subsection (a) and of any other proposed rules which would change the eligibility criteria for the services of the Indian Health Service.

(2) The study conducted under paragraph (1) shall include—

(A) full participation and consultation with Indian and Alaskan Native tribal governments, and representatives of urban Indian health care programs;

(B) statistics for each of the service areas of the Indian Health Service on the number of Indians who are currently eligible for the services of the Indian Health Service;

(C) statistics for each of the service areas of the Indian Health Service on the number of Indians who would be eligible for such services if the final rule described in subsection (a) or any alternative rules changing eligibility were implemented;

(D) consideration of the financial impact of such final rule or any other proposed rule on the contract health care budget and on the clinical services budget of the Indian Health Service;

(E) consideration of the health status, cultural, social, and economic impact on Indian reservations and urban Indian populations of such final rule or any other rule changing the eligibility criteria;

(F) consideration of the alternatives, if any, that would be available to those Indians who would not be eligible for such services by reason of any such final rule; and

(G) consideration of the program changes that the Indian Health Service would be required to make if the eligibility requirements for such services that were in effect on September 15, 1987, were modified.

(3) By no later than the date that is 2 years after the date of enactment of this Act, the Office of Technology Assessment shall submit to the Congress a report on the study conducted under paragraph (1).

(4) Before submitting to the Congress the report on the study conducted under paragraph (1), the Office of Technology Assessment shall provide Indian tribes, Alaska Native villages, and urban health care programs an opportunity to comment on the report and shall incorporate the comments on such Idian groups into the report.

(d) The provisions of this section shall take effect on the date of enactment of this Act.

MELCHER (AND OTHERS) AMENDMENT NO. 2620

Mr. MELCHER (for himself, Mr. BAUCUS, and Mr. GORE) proposed an amendment, which was subsequently modified, to the bill H.R. 4867, supra; as follows:

On page 86, line 10, strike "$37,900,000" and insert in lieu thereof "$40,900,000".

BYRD (AND OTHERS) AMENDMENT NO. 2621

Mr. BYRD (for himself, Mr. DODD, Mr. SASSER, Mr. SANFORD, Mr. NUNN, Mr. GRAHAM, Mr. BOREN, Mr. KERRY, Mr. HARKIN, and Mr. INOUYE) proposed an amendment to the bill H.R. 4867, supra; as follows:

Strike all after the word Sec. and insert the following:

(a) Findings. The Congress finds that:

(1) The Sandinistas are a signatory to the Esquipulas II agreement, and have thereby committed themselves to policies promoting peace in the region, and democratization in Nicaragua;

(2) The Sandinistas nonetheless have violated the provisions of the Esquipulas accord, which they are committed to observe;

(3) Within the past 72 hours, the Sandinistas have taken dramatic new steps in brutally suppressing a peaceful demonstration for human rights; jailing without charge more than 40 members of the democratic opposition; closing down two independent media in the country, La Prensa and Catholic Radio; and expelling eight American diplomats, including the American Ambassador to Nicaragua;

(b) It is the sense of the Senate that:

(1) The Senate condemns the recent blatant actions by the Sandinistas against the internal opposition and the media and the expulsion of the American diplomats, and calls upon all who seek both peace and freedom in Central America to join in that condemnation.

(2) The Senate supports the action taken by the President in withdrawing the credentials of Nicaraguan diplomatic personnel accredited to the United States as an appropriate response to the unjustified expulsion of United States diplomats from Managua.

(3) The United States should respond to these blatant violations of the Esquipulas accord by the Sandinistas by nursing a policy that includes:

(i) Strengthening democracy and the independent media of Nicaragua, including the immediate reopening of La Prensa and Catholic Radio;

(ii) Maintaining the democratic opposition as one aspect of an overall policy toward the Sandinistas, by continuing to provide that opposition with assistance; and

(iii) Supporting the efforts of the Central American democracies, through the provisions agreed to in the Esquipulas II accords, signed by the five Central American Presidents on August 7, 1987, with the purpose that the Sandinastas comply with the obligations they agreed to under those accords.

(4) The Sandinistas should understand that blatant violations of the Esquipulas II accord and the human rights of the Nicaraguan people could cause Congress to consider the provision of additional humanitarian and other appropriate assistance, including military aid, if conditions should so warrant.

(5) Should the Sandinistas comply with the Esquipulas II accord and proceed to permit the establishment of a democratic system in Nicaragua, the United States should consider responding by providing additional economic assistance to the nations of the region, including Nicaragua.

PUBLIC HEALTH SERVICES ACT AMENDMENTS

ARMSTRONG AMENDMENTS NOS. 2622 THROUGH 2638

(Ordered to lie on the table.)

Mr. ARMSTRONG submitted seventeen amendments intended to be proposed by him to the bill (S. 1366) to revise and extend the programs of assistance under title X of the Public Health Service Act; as follows:

AMENDMENT No. 2622

On page 2, lines 5 through 17, renumber subsections (1) through (4) as subsections (2) through (5) and, at the beginning of line 5, insert a new subsection (1) as follows:

"(1) the primary purpose of programs under Title X of the Public Health Service Act is the provision of family planning assistance to low-income married couples;".

AMENDMENT No. 2623

On page 2, lines 5 through 17, renumber subsections (1) through (4) as subsections (2) through (5) and, at the beginning of line 5, insert a new subsection (1) as follows:

"(1) family planning is a personal responsibility, into which the federal government should intrude as little as possible;".

AMENDMENT No. 2624

On page 2, line 6, insert "low-income" before "individuals in the United States desiring such services:".

AMENDMENT No. 2625

On page 2, line 8, insert "non-abortifacient" before "contraceptive devices,".

AMENDMENT No. 2626

On page 2, strike lines 12 through 16 and insert the following: "the high incidence of premarital sexual activity by teenagers has resulted in higher rates of pregnancy, abortion, and sexually transmitted disease and requires the cooperation of families, religious institutions, and public officials to affirm and foster the moral standards which alone can reverse those deplorable trends; and".

AMENDMENT No. 2627

On page 2, line 19, after "care" and before the comma, add the following: "and the care of their children during pregnancy".

AMENDMENT No. 2628

On page 2, line 21, replace the final period with a semicolon and continue as follows: "and

(5) because teen sexual activity, drug use, and alcohol abuse are often overlapping and interrelated behavioral problems, reflecting the same root causes of ethical confusion and low self-esteem, our national policies concerning those problems should be consistent and mutually supportive.

AMENDMENT No. 2629

On page 6, line 1, insert the following after the comma: "shall offer testing for the human immunodeficiency virus,".

AMENDMENT No. 2630

On page 6, lines 1 through 4, strike all following "adolescents," and insert the following: "and shall emphasize pre-marital chastity and marital fidelity as the surest means of avoiding unintended pregnancy among adolescents and sexually transmitted diseases."

AMENDMENT No. 2631

On page 7, line 8, add "unmarried" before "adolescents".

AMENDMENT No. 2632

On page 7, line 10, add", including personal expenditures," before "available".

AMENDMENT No. 2633

On page 7, line 15, after "race" add the following: "marital status and number of children,".

AMENDMENT No. 2634

On page 7, strike the period at the end of line 18 and insert the following: "; and

"(5) the relationship between premarital sexual activity by adolescents and drug and alcohol abuse by them.".

AMENDMENT No. 2635

On page 7, line 19, insert a new subsection 5 as follows:

"(5) the rate and number of pregnancies which result in abortion and the rate and number of pregnancies which result in live births out of wedlock within the services area of each entity which receives a grant or contract under section 1001.".

AMENDMENT No. 2636

At the appropriate place, insert the following:

"A grantee under this Act or under any amendment to this Act shall, in the case of an unemancipated minor to whom services are provided by the grantee, notify a parent or legal guardian of such minor if there are any medical indications of drug or alcohol abuse by such minor. For purposes of this section, the term 'unemancipated minor' means an unmarried individual who is 17 years of age or less and who is a dependent as defined in section 152(a) of the Internal Revenue Code of 1954.".

AMENDMENT No. 2637

At an appropriate place in the bill, add the following section:

"No funds made available under this Act or an amendment to this Act shall be used to provide contraceptive drugs or devices, or prescriptions for such drugs or devices, to an unemancipated minor without the prior written consent of the parent or legal guardian of such minor. For purposes of this section, the term 'unemancipated minor' means an unmarried individual who is 17 years of age or less and who is a dependent as defined in section 152(a) of the Internal Revenue Code of 1954."

AMENDMENT No. 2638

On page 8, after line 6, add a new Section 11, as follows:

"GENDER-SELECTION ABORTIONS

"SEC. 11. Chapter 13 of title 18 of the United States Code is amended by adding a new section at the end thereof:

'SEC. 246. Depriving persons of the equal protection of the laws before birth.

'Whoever conspires with one or more persons, or travels in or causes another to travel in interstate or foreign commerce, or uses or causes another to use the mail or any facility in interstate or foreign commerce with intent to perform an abortion with knowledge that the pregnant woman is seeking the abortion solely on account of the sex of the unborn child shall be fined not more than $10,000 or imprisoned not more than five years, or both. No pregnant woman who seeks to obtain an abortion solely on account of the sex of the fetus shall be prosecuted under this section.'".

EVANS AMENDMENT NO. 2639

Mr. JOHNSTON (for Mr. EVANS) proposed an amendment to the bill H.R. 4867, supra; as follows:

Insert at the end of title I the following new section:

SEC. . The U.S. Fish and Wildlife Service shall conduct a study to review alternative sites for a replacement facility for the National Fisheries Research Center. This study shall be completed no later than March 31, 1989. Such study shall include, but not be limited to, the following criteria in consideration of its site recommendation: the costs of all anticipated construction needs, the cost of all relocation expenses of personnel and facilities, the quality and quantity of a fresh water source and all associated construction and operating costs. The study shall also compare the sites in terms of the availability and access to related research facilities, academic institutions, cooperative fish and wildlife programs and other governmental agencies doing comparable research. The study shall also include an analysis of the need for the replacement facility. The U.S. Fish and Wildlife Service shall submit such report to the Committees on Appropriation of the Senate and House of Representatives.

NICKLES AMENDMENT NO. 2640

Mr. NICKLES proposed an amendment to the bill H.R. 4867, supra; as follows:

On page 61, line 23, strike: ", or the approval or permitting of any drilling or other exploration activity."

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Wednesday, August 3, 1988, at 9:00 a.m., to consider pending legislative and administrative business.

On its legislative agenda, the committee will be marking up the following: S. 182, to establish a uniform poll closing time in the continental United States for Presidential elections; S. 1786, to establish a series of six Presidential primaries at which the public may express its preference for the nomination of an individual for election to the office of President of the United States; and an original resolution on the procedure by which broadcast tapes of Senate proceedings will be made available to the public.

For further information concerning this business meeting, please contact Carole Blessington of the Rules Committee staff on 40278.

Mr. President, I wish to announce that the Committee on Rules and Administration will hold a hearing at 9:00 a.m., on Thursday, August 4, 1988, in SR-301, Russell Senate Office Building. The committee will be receiving testimony on S. 1766, to authorize the Indian American Forum for Political Education to establish a memorial to Mahatma Gandhi in the District of Columbia.

Senators who wish to testify or submit a statement for the hearing record are requested to have their staffs contact Jack Sousa, chief counsel of the Rules Committee, on 45648. Interested individuals and organizations who wish to testify or submit a statement for the hearing record are also requested to contact Mr. Sousa.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, July 13, 1988, to conduct a hearing on "Oversight on AIDS Treatment Research and Approval.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, July 13, 1988, to conduct an oversight hearing on Federal Reserve's Second Monetary Policy Report for 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on July 13, 1988, to hold a hearing on the Technical Corrections Act of 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL SUBCOMMITTEE ON WAR POWERS

Mr. BYRD. Mr. President, I ask unanimous consent that the special Subcommittee on War Powers of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 13, to begin a series of hearings on the War Powers Resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, July 13, 1988, on the subject of cost of environmental cleanup and compliance at DOE defense site.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 13, 1988, to hold a hearing on S. 2614, the National Global Change Research Act of 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, July 13, 1988, to mark up S. 2631, the Drought Assistance Act of 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON RURAL ECONOMY AND FAMILY FARMING

Mr. BYRD. Mr. President, I ask unanimous consent that the Small Business Committee's Subcommittee on Rural Economy and Family Farming be authorized to meet during the session of the Senate on Wednesday, July 13, 1988. The subcommittee will hold a hearing to help identify prospects for economic development in rural America.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

JOHN BROOKS SLAUGHTER, UNIVERSITY OF MARYLAND

● Mr. SARBANES. Mr. President, John Brooks Slaughter has stepped down from his position as chancellor of the University of Maryland, College Park, and later this year will become president of Occidental College in California. I am honored to pay tribute to this extraordinary man and his record of service.

As chancellor of the University of Maryland's flagship campus at College Park since 1982, the seventh largest university in the country, Dr. Slaughter has met many challenges and is leaving the university with an enhanced reputation for academic excellence. John Slaughter has set the University of Maryland, College Park on a path that will surely lead to more successes. A man who readily accepts and acts on a challenge, he believes in attacking a problem at its root, and he has been steadfast in his commitment to improve the University of Maryland in every way.

Through long hours and painstaking work he has convinced people to follow his lead in taking on the challenge of making the University of Maryland a superior university. On the national level, Dr. Slaughter has lobbyed for and obtained Federal funds and contracts. On the State level he has served as the chairman for the Governor's Task Force on Teen Pregnancy. At the University of Maryland he has emphasized academics including better student-teacher ratio. The number of applications has increased considerably, with the freshman class of 1988 having the highest SAT scores ever. Dr. Slaughter's extensive list of accomplishments has had an immediate and far-reaching effect on the university and will continue to do so long after his departure.

Dr. Slaughter has served as a board member of the Maryland and Prince Georges Chambers of Commerce, Prince Georges County Economic Development Corp., Monsanto Co., Sovran Bank, and the Annenberg Corp. for Public Broadcasting Project. He is chairman of the Presidents' Commission on the National Collegiate Athletic Association. He is active in a number of professional societies, including the National Association of State Universities and Land Grant Colleges, and the Institute of Electrical and Electronic Engineers.

Mr. President, I congratulate John Slaughter on his new position as president of Occidental College and for the outstanding work he has accomplished during his tenure at the University of Maryland. I want to express my warmest wishes to him and to his family on the occasion of this well-deserved tribute and to thank him earnestly for helping to make the University of Maryland one of our Nation's outstanding universities and our community a better place to live.

I ask that an article which appeared recently in the Baltimore Sun of Sunday, May 29, 1988, recognizing Dr. Slaughter's achievements and contributions while chancellor of the University of Maryland be submitted for the RECORD.

The article is as follows:

[From the Baltimore Sun, May 29, 1988]

SLAUGHTER LEAVING BEHIND A UM READY FOR THE FUTURE

(By Patricia Meisol)

In the early days of John B. Slaughter's tenure, he could be seen walking across the mall at the University of Maryland College Park with a beer can in one hand and a whiskey bottle in the other.

Despite appearances, the chancellor of the country's seventh-largest campus was hardly drinking. He was on his way to a garbage bin, and before long, people were following his lead.

Five and a half years later, Dr. Slaughter leaves as the flowers are blooming, benches dot the campus mall and a million-dollar landscaping project is under way.

The change at College Park goes much deeper.

In less than six years, this black scientist from Kansas took on a campus laboring under low self-esteem and marked by a history of racisim, sexism and isolation, and turned it around to face the future.

That his cheerleading, as Dr. Slaughter calls his leadership, has paid off is evident from the tributes paid him this past month from scholars and politicians alike.

Dr. Slaughter wasn't looking for a job when the chairman of the search committee at Occidental College in Los Angeles insisted on flying out to see him, he said. But he always thought he'd like to return to the West Coast, where he had been a student at UCLA and received a doctorate from the University of California at San Diego.

When he joins Occidental Aug. 1, Dr. Slaughter will become the first black president of a white, private, liberal arts college in America.

"I decided I wanted to do some different things in higher education," he said.

Despite his achievements at College Park, it's the scandal in the athletics department that begins any discussion of the tenure of John Brooks Slaughter.

All-American basketball player Len Bias died of a cocaine overdose in June 1986.

It turned out that Mr. Bias was 21 credits short of what he needed to graduate, and he was failing all his classes that spring.

Then, more headlines: Dr. Slaughter himself had asked reconsideration of some would-be athletes who had been rejected for admission to the university because of poor academic qualifications, and they were admitted.

While a grand jury investigated and the press converged on College Park, Dr. Slaughter set up task forces. When popular coach Charles G. "Lefty" Driesell finally left under fire four months later, the college's biggest boosters said they'd never come back. Prominent alumni accused Dr. Slaughter of not acting decisively, and called for his resignation.

He approached the problem the way he approached all problems, with deliberation, not speed. The biggest responsibility of leaders, he said recently in response to a question, is that when they have to exercise power, they do it "with a full measure of compassion and consideration for the welfare of those people who may be affected by it."

Dr. Slaughter admits that his leadership style—setting standards, trusting in people and giving them the freedom to work—failed when it came to managing intercollegiate athletics.

Eighteen months before Len Bias died, College Park had begun talking about revamping its athletic programs. Two months before that in October 1984, Dr. Slaughter signed Lefty Driesell to another 10 years as basketball coach.

Back then, "I don't think I paid enough attention to some of the things that were going on in intercollegiate athletics," Dr. Slaughter said recently, even though he served as chairman of the National Collegiate Athletic Association's presidents commission.

"I wasn't critical enough. I assumed that because I had urged that certain things be done, they would be done. I didn't follow up. That's the danger [of this style of leadership]. I don't spend a lot of time double-checking. I get people off on an issue, and I go find another one to deal with. Sometimes, that doesn't work."

In a recent paper on college presidents and athletics, Dr. Slaughter quotes from a 1929 report that concluded that college presidents need to take control of their athletic programs—because they alone can stop recruiting violations, cheating, big payments to coaches and under-the-table payments to athletes.

"Even in the 1890s, presidents were letting other people run the athletic program, afraid to step in to stop practices. They feared the alumni would stop giving money, enrollments would drop off," he said.

Was he worried about the same things when he admitted poor students who could play good basketball?

"I'd like to say no," he said. "You are always torn between giving an opportunity and. . . ."

"Contrary to what has been written, I did not overturn admissions decisions. What I did in a couple of cases was to suggest that we provide the student with an opportunity to prove that he was capable of the work."

One of those who got such an opportunity was later indicted in the death of Len Bias.

But two other students earned their degrees the same spring that Mr. Bias died. They were football players who had flunked out. Dr. Slaughter, finding that they had been badly advised and counseled by the university on academic matters—in short, that they had been exploited—readmitted them on one condition: that they not play or practice football.

For these decisions, and many others, Dr. Slaughter won the support of the University of Maryland Board of Regents and its president, John S. Toll.

As Dr. Slaughter saw it, his job was to build the self-esteem of a university that in the 1930s, 130 years after its founding, was still trying to convince Maryland lawmakers that it was worthy of continued public support.

He began by listening. That is how he learned about the problems and perspectives of people different from himself and helped them set goals. The result is that people listened to him.

"He tries to do what is fair and right. He doesn't bring any stereotypes or biases to the process," said Peter O'Malley, the former regents chairman who cajoled Dr. Slaughter into taking the job during commencement exercises in 1982. "He has the presumption that other people are fair-minded."

When Dr. Slaughter came to College Park from the director's chair at the National Science Foundation, he found an insular campus.

College Park had been sued by women, shunned by blacks and regarded as inferior by politicians, many of whom had graduated from private schools.

"College Park was seen by a lot of people in this state as a second-class institution, an institution that didn't have excellence really at its heart, even though its real status has been for many, many years much greater than its perceived status," Dr. Slaughter said.

When people thought of College Park, they thought of its bigness and of athletics. The only thing going for it, in some people's minds, was Lefty Driesell.

In his inaugural speech, Dr. Slaughter said College Park, well on its way to being a top graduate research institution, needed to improve the quality of its undergraduate teaching.

And he asked everyone to help him make College Park comfortable and challenging for a diverse group of people.

"The important thing," he said then, "is to change the sociology of the institution."

He brought the Terps to Memorial Statium in Baltimore, lobbied for defense contracts and served as chairman of then-Gov. Harry Hughes' committee on teen-age pregnancy, which issued the then-radical conclusion that teen-age mothers should not be entitled to welfare checks but should be encouraged to stay home with their parents.

On campus, he zeroed in on academics, giving power to a trusted adviser, William E. Kirwan, soon to be acting chancellor, to revamp curriculum and reorganize the campus into a dozen schools and colleges. The manner in which these changes took place was the same—open hearings, months of discussions, and, in the end, consensus.

"I think he has a caring style," said Dr. Toll, president of the state university system, who has praised Dr. Slaughter for his attention to academics. "He does his best to make contact with very many groups."

Last month, the Board of Regents of the University of Maryland approved a new plan to improve undergraduate teaching at College Park. It features smaller classes and freshman seminars that some say will change the academic ambiance for the vast majority of undergraduates.

A day-care center, dismissed in years past as too expensive, is scheduled to open next year. The salaries of women on the faculty, a subject of longstanding grievance, are now being routinely reviewed with an eye for making them comparable to their male counterparts' salaries. Training manuals and a new grievance procedure have replaced a one-page policy against sexual harassment.

Applications from all students, but especially minority students and honor students, are at an all-time high. The freshman class next year at College Park will have the best test scores ever, with some college-officials predicting at least a 50-point increase from this year's average college entrance exam score of 1,032.

Membership in the booster club is at all all-time high. Of 500 athletes, 140 are on the honor roll. In the past year and a half, university fund-raising has more that doubled, to its highest point in history.

College Park, with 38,000 students the flagship is a reorganized state university system to be set up this summer, won unprecedented support from the Maryland Legislature this spring.

"This campus is strongly positioned to move ahead, and I feel good that I had a role in it," Dr. Slaughter said.●

THE NEED FOR INDEXING CAPITAL GAINS

● Mr. BOSCHWITZ. Mr. President, I rise today to share with my colleagues a column entitled "Capital Gains Tax Rate Generates Hot Arguments" which appeared in the Washington Times on July 5, 1988. The column argues that it is necessary to index the basis of capital assets to offset the effects of inflation on capital gains.

As I have said before, Mr. President, the Tax Reform Act of 1986 should be reformed to include a capital gains exclusion. Currently, capital gains resulting from inflation are taxed the same as gains resulting from appreciation. Not only must an investor hope that his investment is a good one, he now must also gamble that the inflation rate will not rise. The odds of an investment paying off are significantly reduced.

It is unfair to let inflation penalize the investor. For this reason, illusory gains based on inflation should not be taxed. By indexing capital gains, the investor will have more incentive to stick money into projects for the long term.

I ask that the column be printed in the RECORD in its entirety.

The column follows:

[From the Washington Times, July 5, 1988]

CAPITAL GAINS TAX RATE GENERATES HOT ARGUMENTS

The capital gains tax rate has produced the hottest tax policy argument since passage of the Tax Reform Act of 1986.

Advocates of a lower capital gains rate, including Vice President George Bush, argue that a lower rate encourages capital formation and actually enhances revenue.

Opponents argue that a lower rate's effect on investment is unclear, that it lowers revenue, and that there are better ways to encourage investment.

Most economists buy the argument that tax reform's lower, uniform tax rates are good for the economy. But they part company on the "have-your-cake-and-eat-it-too" proposition that a lower rate can mean higher revenue.

The Congressional Budget Office and the Treasury Department's Office of Tax Analysis contend that claims of higher tax revenue with lower capital gains tax rates are dubious.

More recently, however, the Office of the Assistant Secretary of Treasury for Economic Policy produced a study that suggests lower capital gains tax rates would raise revenues.

The argument hinges on the effect a cut in capital gains taxes would have on the willingness of investors to realize their gains.

A drop in the capital gains tax rate lowers the amount of unrealized capital gains. Some investors will take advantage of the lower rate by realizing their gains, and they will pay taxes on them. If the responsiveness to lower rates is high enough, the lower rate is levied on a larger base and revenues increase.

The offsetting effect follows from the fact that the impact of a lower capital gains rate on realization is temporary. After an initial burst, the realization rate drops back to or below the original level. Then a lower level of realization is taxed at a lower rate, and revenue is lost.

Will a burst of realization now be sufficient to compensate for lower revenues later?

An examination of the CBO and Treasury studies suggests that there are valid intellectual and empirical bases for both sides of the issue.

My own view is that the precision with which we can measure the revenue effect of lower capital gains tax rates is not sufficient to determine whether revenue would be gained or lost if the rate on capital gains were cut from, say, the current level of 28 percent to the 15 percent level Mr. Bush proposes.

The nasty argument over the effects of capital gains tax rates on revenues really is beside the point. The Tax Reform Act cut the maximum tax rate on ordinary income to 28 percent. Under that law, capital gains are treated as ordinary income and not taxed until realized. The ability to delay realization of gains—and thereby delay payment of the tax on capital gains—means that current law already gives preferential treatment to capital gains.

Further favoring capital gains by taxing them at a lower rate can lead to mischief. Tax lawyers love to devise ways to treat more income as capital gains. The results of their efforts are economic distortions and revenue losses.

There is, however, a flaw in the tax treatment of capital gains under the Tax Reform Act. Under that act, capital gains resulting from inflation are taxed the same way real gains are taxed. If, for example, the value of a property rises 10 percent simply because prices in general have risen 10 percent, an investor is no better off. Under the tax law, however, he still owes taxes on the illusory 10 percent gain.

The Office of Tax Analysis proposed a simple correction for this flaw in the original Treasury Department Tax Reform proposal of November 1984.

At that time, the Treasury Department said "partial exclusion of capital gains has been justified by the need to avoid fictitious gains that merely reflect inflation." In other words, Treasury was saying that a lower capital gains tax rate had been in place as an ad hoc correction for the taxation of fictitious capital gains due to inflation.

The solution is simple: Index the basis against which capital gains taxes are calculated. Under this system, if a property's value rises 10 percent when general prices also rise 10 percent, an investor owes no capital gains tax on the property.

The failure to index capital gains is part of the Tax Reform Act's generally flawed treatment of income from capital. Negotiators in Congress and the administration chose to eliminate most inflation-indexing provisions on interest rates, inventory valuation, depreciation and capital gains.

The result of those omissions was an increased tax burden on income from capital in proportion to increases in inflation. An American Enterprise Institute study of the Tax Reform Act found that if inflation reaches 7 percent, failure to index provisions affecting income from capital will increase the tax burden on capital enough to negate the efficiency gains from the bill's lower, more uniform tax rates.

The failure to index capital provisions is bad for two reasons.

First, higher inflation discourages capital formation by increasing the tax burden on capital.

Second, an investor trying to calculate the real, after-inflation return on his investment must face the fact that real, after-tax-return depends on the inflation rate. Therefore, uncertainty about inflation translates into uncertainty about returns on investment. Since investors don't like uncertainty, the failure to index tax code provisions affecting income from capital depresses investment.

Had the Tax Reform Act embodied the Office of Tax Analysis' original provisions concerning indexing of capital gains and other measures affecting income from capital, the argument over the effects of capital gains taxes on revenue would be moot.

It would be far better for the economy to save the energy that's being expended on that argument and devote it to properly indexing tax code provisions affecting income from capital so investors needn't guess about inflation rates while trying to calculate returns on their investments.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the Congressional Record notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Ms. Elizabeth Gardner, a member of the staff of Senator Heflin, to participate in a program in Taipei, Taiwan, by the Tankang University, from July 15 to 23, 1988.

The committee has determined that participation by Ms. Gardner in the program in Taipei, Taiwan, at the expense of Tankang University, is in the interest of the Senate and the United States.●

HOW TO KEEP THE CRIMINALS IN JAIL

● Mr. SYMMS. Mr. President, I would like to commend my colleague in the other body of Congress, Representative Denny Smith of Oregon.

In a recent article published in the Conservative Digest, Congressman Smith documents the need for criminal reforms. Americans do not feel secure in their homes.

Congressman Smith thinks, and I agree, that it's time to get tough with the criminals. It is time to eliminate the parole and probation systems that turn our jails into revolving doors for two-bit thugs.

I ask that the article be printed in the Record.

The article follows:

How To Keep the Criminals in Jail

(By Congressman Denny Smith)

Despite four previous burglary convictions, Daniel Ray Myers was released from the Oregon State Penitentiary well before his sentence was completed. During his probation, he assaulted his wife and twice tested positive for marijuana. Those violations, however, were not enough to have his probation revoked and return him to prison. In fact, it wasn't until Myers clubbed a 57-year-old man to death with an ax handle that his probation was revoked.

Like Myers, Jimmie Hoyt Cohron had a long history of criminal activity and convictions. In 1985, Cohron was in prison on his latest conviction—the rape of a teenage girl at knifepoint—when he was released on "temporary leave." Not long after his release, he stabbed another 16-year-old girl to death.

ENOUGH IS ENOUGH

Last July I formed Oregonians Against Crime, and began an effort in our state to ban parole, probation, or early release for those convicted a second time of a violent crime. We needed approximately 63,000 signatures of Oregon voters to put our proposal on the November 1988 ballot. In May we surpassed 100,000 signatures, but we are still collecting.

By signing my petition, law-abiding citizens are saying that they are:

Fed up with a "revolving-door" prison system where a felon sentenced to ten years for a drug and weapons charge will only serve one month.

Fed up with a reputation that has attracted an avalanche of criminals into our state—including, most recently, Lawrence Singleton. He was convicted in California in 1978 of raping a teenage hitchhiker, hacking off her forearms with an ax, and leaving her for dead. Upon his release this April, his plan called for a move to Oregon. Apparently liberal Massachusetts seemed too far away.

Fed up with a state bureaucracy that says we don't have enough money to keep law-abiding citizens safe, but that we do have enough to build a new government office complex on the State Capitol Mall.

Fed up with courts tied up by the constant reprocessing of the same career criminals.

As I've travelled around Oregon to gain support for my initiative, I have occasionally met with those who say the solution to the crime problem can be found in hiring more social workers, or on the psychiatrist's couch, or in another bureaucratic study. I don't agree.

Yes, we must solve the problems of abused and disadvantaged children who turn to crime. At the same time, however, we must realize that the career criminals roaming our neighborhoods are not simply bad boys who didn't get a break. They're not shoplifters stealing food to feed their families. They're not good boys whose little psyches were warped. Rather, they're violent thugs who have made a conscious and willful decision to prey on their fellow citizens.

SENDING A MESSAGE

My initiative sends a fresh message. It says enough is enough—that our law-abiding citizens will be protected.

Yes, part of the problem nationwide is the lack of prison space. Oregon was in dire need of more prison beds before I filed my initiative, and with or without its approval Oregon is going to have a prison-space problem until elected state leaders decide to build prisons instead of posh offices for more bureaucrats. But, with the passage of my initiative, Oregonians will be certain of one thing: The most violent of criminals will stay behind bars for their entire sentences.

Of course this initiative will not solve all of Oregon's crime problems. Much more needs to be done. We need legislation banning the sale of drug paraphernalia. We need tough forfeiture legislation, so we can seize the assets of drug traffickers and can use those assets to prosecute more drug pushers. We need to make our prisons into places where first-time offenders will not want to return. Our Constitution does not guarantee prisoners the right to cable television, Nautilus training, and a complete law library.

And, we need to mandate the death penalty for serious drug-trafficking crimes. Traffickers regularly put our law-enforcement officials, innocent bystanders, and our children to death. It's time we gave them the same treatment, and I have introduced legislation in Congress which would do so.

OUR VALUES

All of the steps I have outlined won't succeed in curtailing crime, however, unless Americans change their attitudes. We must overcome the prevalent cynicism which sees crime as "business as usual."

Think back to last year, when the entire country followed the story of little Jessica McClure, trapped in a Texas well. This brave little girl made headlines in the newspapers, and was the lead story on the network news. We all prayed for Jessica, and rejoiced at her rescue. We all know who Jessica McClure is. But how many of you are familiar with a man named Harold Dickerson?

Mr. Dickerson was a 92-year-old former mayor of Woodburn, Oregon. Still active, he was a respected and admired citizen. While at home three days after Christmas in 1987, Dickerson was stabbed to death by Tony Trent Harrington, a convicted criminal who was out of Oregon State Penitentiary on "supervised leave" at the time he robbed and murdered Mr. Dickerson.

Harold Dickerson's brutal murder did not make the nightly news, and those who read any mention of it in the newspaper probably muttered a grim "isn't that awful" and quickly turned the page. Instead of turning the page, or changing the channel, citizens need to take action. They need to ask their elected officials how our justice system allows tragedies like the murder of Harold Dickerson to happen over and over again.

President Ronald Reagan put it best when he said: "In the end, the war on crime will only be won when an attitude of mind and a change of heart takes place in America; when certain truths take hold again and plant their roots deep in our national consciousness, truths, like: right and wrong matters; individuals are responsible for their actions; and retribution should be swift and sure for those who prey on the innocent."●

TRIBUTE TO DR. RABBI DAVID H. PANITZ 45 YEARS OF SERVICE

● Mr. LAUTENBERG. Mr. President, I rise to pay tribute to Rabbi Dr. David H. Panitz of Temple Emanuel of North Jersey in Paterson, NJ. Rabbi Panitz recently celebrated his retirement and 45 years of rabbinical service on June 12, 1988. Since 1959, he has been the spiritual leader of Paterson's Temple Emanuel.

A graduate of the academic and teacher training schools of the Baltimore Hebrew College, Rabbi Panitz received his undergraduate education and graduate master of arts degree from the Johns Hopkins University. He was ordained at the Jewish Theological Seminary of America in 1943. This same institution later conferred upon him the degree of doctor of divinity, honoris causa.

Prior to his serving as spiritual leader of Temple Emanuel of North

Jersey, he was rabbi at Temple Adath Yeshuran in Syracuse, NY, and at Congregation B'nai Jeshuran in New York City, and at Adas Israel Congregation in Washington, DC.

Rabbi Panitz has had a distinguished record of service to the community. Following are just a few of the organizations he has been involved with: he served as a commissioner of the Paterson Board of Education, as Jewish chaplain of the Passaic County Jail, chair of the Passaic County Alcoholic Rehabilitation Board, national cochairman of the State of Israel Bonds Rabbinic Cabinet, and national chairman of the Inter-Religious Affairs Committee of the B'nai B'rith Anti-Defamation League. He has further touched the lives of others by his activity as national chairman of the Commission on Social Justice, as a member of the National Rabbinic Advisory Committee of the United Jewish Appeal, and as a member of the board of directors of the Jewish Federation of North Jersey.

He has been an active participant in interfaith endeavors. He has preached and lectured at many civic organizations, churches and colleges. He has held high positions at the National Conference of Christians and Jews, and served as cochairman of the Task Force for Community Action to Combat Poverty among others.

I am pleased to honor Rabbi Panitz who has devoted his life and distinguished career to serving others. I extend my warmest wishes in recognition of his retirement and the 45th anniversary of his rabbinic ordination. May he enjoy continued success and happiness in the future.●

DIAMOND ANNIVERSARY, COLLEGE OF COMMERCE, DEPAUL UNIVERSITY

●Mr. SIMON. Mr. President, I am pleased to announce that 1988 is the Diamond Anniversary of the College of Commerce at DePaul University. This commemoration signifies three quarters of a century of achievement in higher education through the College of Commerce. This school has maintained strong curriculums in professional fields such as business education and commerce for many years, and graduate business program has been in existence since 1948. The College of Commerce is 1 of 24 universities in the country to have an abundance of multilevel accreditations through the American Assembly of Collegiate Schools of Business. The College of Commerce is also the 10th such school of business in the country, and the first such school at a Catholic university.

The recognition of these achievements in education is important in this day of increased illiteracy and decreased interest in business degrees. The stock market crash of October 19 diminished the career aspirations of many young, would-be, financial wizards and businesspersons. The effect of the crash was felt by many in our society, but it seems to have deterred many of our promising undergraduates and graduates from considering a future in the world of business.

Yet, our economy is experiencing a resurgence in employment and business growth. Although there remain pockets of poverty, and high levels of unemployment, the Bureau of Labor Statistics reports unemployment at its lowest level in over 10 years. Newspapers and articles by acclaimed economic journalists have discussed America's economic revitalization. Magazine articles frequently cite evidence that our economy is rebounding through increased sales and new emphases on quality productions. Therefore, it is now that we need to encourage our future leaders and scholars to pursue endeavors in the area of business.

Since its inception in 1913, the DePaul University's College of Commerce has extended the opportunity for nearly 200,000 women, as well as men, to matriculate in business and other courses; currently 45.8 percent of all Commerce students are women. Of the overall student population, 25,000 students received degrees from Commerce College.

I would like to take a moment to commend one leader of this outstanding institution. The dean of the College of Commerce, Leo V. Ryan, will be leaving the school this year. Not only has he been a noteworthy administrator, but he is also an alumnus from the school of business, class of 1953. As the dean for the last 8 years, he has brought innovation, structure, and further professionalism to the school. He has seen 7,600 students graduate during his tenure; of all living graduates, over 30 percent have completed their degrees during his service.

Dean Ryan works well with many members of the Chicago civic and business communities. During his first year of service, he reestablished the College of Commerce Advisory Council. In its inception 75 years ago, this board had only nine members of the community. Currently 41 business and professional men and women serve on this council.

In January, the Mayor of Chicago, Eugene Sawyer, issued a proclamation designating January 13 as "DePaul Commerce Diamond Jubilee Day in Chicago." Mr. President, I ask to have the dean's report at the 75th Anniversary Dinner as well as a brief record of the school's events entered in the Congressional Record at this point.

The report follows:

DEAN'S REPORT ON DEPAUL UNIVERSITY, COLLEGE OF COMMERCE

(By Brother Leo V. Ryan, C.S.V.)

Fr. Richardson, Vincentians, Viatorians, Distinguished Honorees, guests, alumni, and friends: Today is an historic occasion for the College of Commerce.

Tonight, we celebrate 75 years of: Education for business, commerce and the professions; education for the City of Chicago and through Chicago for the world; and education for nearly 200,000 citizens who have taken a course, a series of courses or an undergraduate or graduate degree at DePaul's College of Commerce.

This evening is a special event for everyone associated with the College of Commerce. It is our occasion to celebrate 75 years of quality education for the multiple professions of business.

This year is the 35th anniversary of my own MBA graduation from DePaul. Six years ago we inaugurated the concept of an Alumni and Friends Dinner. We did so specifically to prepare for this Diamond Jubilee. We were resolved that by our 75th anniversary we would salute the College with a dinner for 1,000 persons. You are the 1,000 who have fulfilled my dream. Thank you. I thank Ed Brennan, Andy McKenna and Howard Goss, my three Advisory Council Chairmen for co-chairing this dinner and the 75 members of the dinner committee for their special support.

My thanks to Vaughn Dann and her staff and my staff for coordinating this dinner.

It would be my preference, tonight, to visit each table and to greet you personally and to thank you for your presence. Circumstances require that I express my appreciation more collectively.

Before I take you on a walk down memory lane let me salute the 1988 awardees.

Our Business Leadership award is given annually to that Chicago executive who has contributed to management history. We honor Edward A. Brennan for his career at Sears, his service as a DePaul trustee, and for his role as the Charter Chairman of the College of Commerce Advisory Council. Ed and I share three alma maters: we each earned baccalaureate degrees at Marquette; we both hold DePaul degrees; and we both have honorary degrees from Seton Hall. Our personnal and professional experiences through the years and through these educational institutions have given us multiple opportunities to grow in friendship and in mutual respect. It is a privilege to honor Ed Brennan tonight.

I congratulate Shirley and Patrick Ryan and thank them for their friendship, for their generosity to the College and their numerous acts of cultural, civic and philanthropic leadership in the Chicago community. My contacts with Pat go back to 1963—25 years ago. Shirley and Pat, you deserve to be the first couple ever to receive the College of Commerce Chicago Civic Award.

Tonight, Ed and Bettianne Gardner receive the first DePaul Humanitarian Award. I congratulate them for their very special community leadership. Ed and Bettianne, you have enriched our city in countless ways; you have, by your leadership, like DePaul, enhanced opportunities for many in our community.

Tom Reger receives the College of Commerce Alumni Service Award. We honor Tom for his generosity, loyalty and his responsiveness to so many calls for service to the College, the School of Accountancy and the University. Tom is a partner at Arthur

Andersen and I cannot resist noting that this year Arthur Andersen also celebrates the 75th anniversary of its founding.

Congratulations to each of you.

Your lives are an inspiration for all of us. Now, recall 1913:

St. Pius X was Pope; Woodrow Wilson was President; Edward Dunne was Governor of Illinois; and

Carter Harrison was Mayor of Chicago; Carl Sandburg was writing his "Chicago Poems" about Chicago "the city of big shoulders"; Daniel Burnham was advising Chicago to "make no little plans, they have no magic to stir men's blood," and Fr. Francis X. McCabe, C.M., 3rd president of DePaul was indeed making major plans to open a College of Commerce—the 10th university school of business in the country and the first at a Catholic university. 75 years later we are in 1988:

John Paul II is Pope (and he has sent us a Papal blessing for alumni, faculty, students and friends);

Ronald Reagan is President (and he has sent a message from which I quote in part: "For three quarters of a century, generations of devoted educators at the College of Commerce have helped make sure your students have the skills and commitment to excellence necessary for rewarding achievement. That great accomplishment alone would be cause for celebration, of course, but so is all the good that has resulted in the lives of countless students and alumni thanks to the atmosphere of Christian scholarship at DePaul. Such a climate encourages future business leaders and every student to live and work according to the timeless moral and ethical values without which all human activity suffers");

James Thompson is Governor (and he is expected momentarily);

Eugene Sawyer is Acting Mayor (and he has aleady brought us greetings from the city. Earlier this year, on Jan. 13th, the 75th anniversary of our first classes, Mayor Sawyer issued a proclamation which designated Jan, 13, 1988, "DePaul Commerce Diamond Jubilee Day in Chicago";

Fr. John T. Richardson, C.M., 9th President, continues the thrust of Fr. McCabe and continues to make major plans for Depaul to be achieved by our university centennial only ten years hence.

1913-1988

A 75 year record of success in developing in our students competence, conscience, concern, compassion, and commitment.

Let's look at some interesting comparisons:

1. Faculty, 1913—Commerce began with 5 faculty. 1988—Commerce has 117 full-time faculty and 100 adjunct faculty.

2. Courses, 1913—the first year 11 commerce courses were offered. 1988—333 commerce courses are now offered in over 400 sections each quarter.

3. Students, 1913—the College opened with 60 students. 1988—the College now enrolls 6,414.

Depaul Commerce is the 3rd largest Accounting Program in the country, is the 4th largest graduate school of business, 9th largest undergraduate at a private university.

Over 200,000 people have taken courses at DePaul.

Over 60,000 persons hold DePaul degrees, 25,000 are Commerce graduates—Of these, after the June 1988 commencement, I will have signed over 7,600 diplomas. That means that 30% of all living Commerce alums have completed their degrees since I became Dean in 1980.

4. 1913—Commerce classes were opened to women as well as men—an innovation in 1913. 1988—.45.8% of all Commerce students are women.

5. 1913—Commerce offered a single degree program. 1988—Commerce offers undergrad majors in *8* areas. The GSB offers the MBA in 11 concentrations.

In addition the MST, MAcc, MSA degrees; 4 joint degrees: MBA/JD, MSA/JD, MBA/MA, MS in MIS; 6 Professional Certification Programs; 2 Certificate Programs; and numerous Continuing Professional Education courses not for credit.

7. In 1913—Founding Dean John Mahoney established an Advisory Board of 9 civic and business leaders.

In 1980—We re-established a College of Commerce Advisory Council on which 41 men and women business and professional leaders serve. All are members of tonight's Dinner Committee. In 1913 the College of Commerce opened at Lincoln Park; moved to the Loop (1914); (to the Powers Building (375 S. Wabash); the Tower Building (84 East Randolph—1920-1930); to 64 East Lake) and since 1958 at 25 East Jackson.

In 1988 we offer Commerce classes in 4 locations: Lincoln Park, at 25 East Jackson and 243 South Wabash (which we would prefer to call 1 DePaul Plaza) at the O'Hare Campus in Des Plaines and the Oak Brook Campus in Westchester.

DePaul's College of Commerce is much more than numbers. Commerce is really about people. Commerce is Vincentian personalism at work, with a Viatorian flare. Commerce is business professionals preparing persons for the professions of business. Commerce is education that works, the motto on our street banners. We are the university for Chicago. DePaul is the premier school of business in Chicago addressing undergraduate education in business and graduate education at the master's level for working women and men.

We are DePaul. As the Newsweek (April 11, 1988) salute to DePaul expresses it: "For 75 years DePaul's College of Commerce has prepared students—in their minds, hearts and souls—for their future roles as professionals and civic leaders".

At DePaul we have had an undergraduate business program for 75 years; a graduate program for 40 years (since 1948); a Beta Gamma Sigma chapter (Commerce's equivalent of Phi Beta Kappa) for 30 years. Incidentally, last week the DePaul Chapter of Beta Gamma Sigma was honored as the #1 chapter in the nation at the 75th Anniversary Beta Gamma Sigma and AACSB Deans' meeting in Dallas. DePaul was the first Chicago area university business school accredited by the AACSB 30 years ago. Our Graduate School of Business has the same graduate school accreditation as Harvard, Stanford, Wharton, Chicago and Northwestern. We have more levels of accreditation than those schools because we teach business at both the graduate and undergraduate levels. DePaul holds AACSB accreditation at undergraduate, graduate levels and in accounting at undergraduate, graduate and School of Accountancy 5-year level—one of only 24 universities in the nation to be so highly accredited.

I share these achievements with you because you are Commerce Alumni, friends and benefactors deserve to know and to share in these achievements. Tonight is an occasion of personal significance for me.

My tenure as Dean ends with this Jubilee year. My 10 predecessor deans have each, in their own way, developed the foundation for our Diamond Jubilee achievements. I am confident about the future of the College. There are challenges which must be met courageously but I believe that we have the competence and the commitment for even greater achievements.

Fr. Cortelyou and Fr. Richardson: thank you for inviting me to serve my alma mater these past 8 years. They have been good years for DePaul and for myself.

Each of you knows the role you have played in my life and in the life of the College. Thank you everyone for your friendship and support. I close tonight with an Irish prayer and an Irish wish for each of you:

May the Good Lord hold you in the hollow of His hand.
May the wind be always at your back.
May your hearts be as warm as the hearthstone.
May no shadow of sorrow ever cross your life and
May you be found in heaven a half hour before the devil knows you are dead!

Thank you. Shalom. God bless you!●

PHILIPPINE-AMERICAN FRIENDSHIP DAY

● Mr. SIMON. Mr. President, I am proud to join Philippine-Americans and Filipinos arould the world in commemorating July 4th as Philippine-American Friendship Day. This day marks a truly special relationship. Based on shared values and shared battle during the Second World War, Filipino-American relations have weathered a number of crises, including American inaction to Ferdinand Marcos' martial law regime.

Our involvement in the Philippines began in 1898 when we helped liberate that nation of islands from Spanish rule. We in turn worked with Filipino leaders to establish a self-governing commonwealth in 1935. When the Philippines fell under Japanese occupation during World War II in May 1942, our peoples joined forces to liberate the Philippines. Shortly after the end of four years of bitter occupation and the ravages of war, the Filipino people declared their full independence on July 4, 1946.

Until 1962 this birthday of the Republic of the Philippines marked the Philippines' official national day. Now the Filipinos celebrate June 12 as Independence Day, a day which marks the anniversary of independence from Spanish rule in 1898.

Since 1946, the U.S. has maintained close ties with the Philippines, ties which have evolved into an equal partnership based upon common values and mutual interests. We have been enriched by hundreds of thousands of Filipinos who have chosen to live in the United States. The Philippines has contributed to security in the Pacific basin by welcoming the presence of American military forces at Subic Bay and Clark Air Field. Economic growth has been stimulated in both our countries by the free flow of goods and investment.

But our partnership has surely bloomed during the presidency of Cory Aquino, whose courage has been an example to all of us and whose leadership is providing opportunity for the democratic aspirations of the Filipino people. The future will be difficult as the Philippines seeks to revive its economy and advance social justice and democracy—a process which surely will test our relations.

Mr. President, I would like to urge my colleagues in the Senate to join me in commemorating Philippine-American Day which took place on July 4. In doing so we reaffirm our support for maintaining close and rewarding relations with the people of the Philippines. In this way we also pledge American support to the people of the Philippines as they work to expand human rights, freedom, opportunity and democracy in their nation.●

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT ON H.R. 4264

Mr. BYRD. Mr. President, I ask unanimous consent that, following the recognition of the two leaders, their orders having been reduced to 5 minutes each on tomorrow, upon the completion of those orders the Senate turn to the consideration of the conference report on H.R. 4264, the defense authorization bill, and that Mr. QUAYLE be recognized to move to recommit the conference report; that he have 30 minutes under this control, and Mr. NUNN and Mr. WARNER have 15 minutes between them under their control; that the vote on the motion to recommit occur at 10 o'clock a.m.; that the opening statements by Senators NUNN and WARNER may be made subsequent thereto but may appear in the RECORD as having been made prior to the motion to recommit; provided further, that upon the disposition of the motion to recommit, the papers be transmitted to the House and that, while the House is acting on the conference report, the Senate may proceed to debate the conference report and that that debate be covered by the parameters of the time agreement previously entered into; and that it be in order to order the yeas and nays at this time on the motion to recommit.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, I think it is probably included by inference, but I guess in no event would we have final disposition of the conference report until the papers have been returned.

Mr. BYRD. That is correct.

Mr. NUNN. Mr. President, reserving the right to object, and I will not object, is my understanding correct that the initial 45 minutes prior to the vote on the motion to recommit would also count against the unanimous-consent time?

Mr. BYRD. Yes, under the order that comes out of the overall 7 hours.

Mr. NUNN. I thank the Senator.

Mr. BYRD. I thank the distinguished Senator.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the motion to recommit.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, is any further consent required; the idea being when the House completes action on the conference report, the conference report is returned to this body, the debate will have ensued in the meantime, time would have been running, and do I need further consent to be sure that there is no problem in proceeding to get those papers back and get the conference report back up before the Senate?

The PRESIDING OFFICER. The majority leader's statement reflects the Chair's understanding of the unanimous-consent agreement.

Mr. BYRD. Mr. President, in view of the fact that the debate will be ensuing as though the conference report were before the Senate, then it is implied that the conference report is before the Senate and will be acted upon when the House returns the papers, am I correct?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. I thank the Chair.

Mr. President, I ask unanimous consent that Mr. INOUYE be removed as a conferee from the Department of Transportation appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on House Joint Resolution 90 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 90) to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes, having met, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 11, 1988.)

Mr. PELL. Mr. President, I am very pleased that the House-Senate conference on House Joint Resolution 90, the legislation calling for a White House Conference on Library and Information Services, has been successfully completed. The conferees have reached agreement on the few remaining points of difference and believe that the resulting bill is an effective compromise.

This is an important step toward final approval of this bill that authorizes and requests the President to call such a conference sometime between September 1989 and September 1991. In that most States will be holding conferences prior to the national conference, it is important that final action be taken to allow States adequate time to plan.

I am delighted that this second White House Conference on Libraries is now one step closer to reality. As the chief sponsor of the first conference held in 1979, I am very much aware of the importance and usefulness of such an endeavor and I intend to work closely with all participants to help ensure its success.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

ENGROSSMENT OF H.R. 4800

Mr. BYRD. Mr. President, I ask unanimous consent that in the engrossment of the Senate amendments to H.R. 4800, with regard to amendment No. 2574 offered by Mr. CHAFEE, of Rhode Island, the following changes be made to conform that amendment to the appropriate style mandated by the United States Code:

> Strike "Whereas" each place it appears and insert "since", and strike "Resolved" and insert "Declared".

The PRESIDING OFFICER. Without objection, it is ordered.

MEASURE READ FOR THE FIRST TIME

Mr. DOLE. Mr. President, I send a joint resolution to the desk and ask that it be read for the first time.

The **PRESIDING OFFICER.** The clerk will read the joint resolution for the first time.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 351) to advance democracy in Nicaragua.

Mr. DOLE. Mr. President, I ask for the second reading.

Mr. BYRD. Mr. President, I object.

The **PRESIDING OFFICER.** There is objection. The bill will be read a second time on the next legislative day.

Mr. BYRD. Mr. President, I inquire of the able Republican leader as to whether or not he has any further business he wishes to transact or any statement he wishes to make before the Senate goes out?

Mr. DOLE. Nothing further.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD. Mr President, there being no further business to come before the Senate, I move in accordance with the order previously entered that the Senate stand in recess until the hour of 9 o'clock tomorrow morning.

The motion was agreed to; and, at 10:33 p.m., the Senate recessed until Thursday, July 14, 1988, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 13, 1988:

NATIONAL LABOR RELATIONS BOARD

WILFORD W. JOHANSEN, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF 5 YEARS EXPIRING AUGUST 27, 1993.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 611(A) AND 624:

To be permanent brigadier general

COL. ROBERT EVERETT VIA, JR., [redacted] U.S. ARMY.

IN THE NAVY

THE FOLLOWING-NAMED REAR ADMIRALS (LOWER HALF) OF THE RESERVE OF THE U.S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF REAR ADMIRAL IN THE LINE AND STAFF CORPS, AS INDICATED, PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5912:

Unrestricted line officer

SAMUEL EDWARD MCWILLIAMS

Medical Corps officer

ROBERT LAYMAN SUMMITT

Supply Corps officer

HENRY CULBERSON AMOS, JR.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE:

DENTAL CORPS

To be colonel

MARVIN R. BENNETT, [redacted]
THOMAS J. BOCHENKO, [redacted]
EVAN Y. EWING, [redacted]
JOHN D. HURT, [redacted]
ROBERT J. JAMSKY, [redacted]
FRANCIS E. LIPSINIC, [redacted]
RICHARD D. OCCHIALINO, [redacted]
ROBERT F. PERKIN, [redacted]

MEDICAL CORPS

PERSIO A. BALLISTA, [redacted]
DOUGLAS C. BEATTY, [redacted]
GEORGE D. BELCHER, [redacted]
JOE E. BURTON, [redacted]
EDWARD S. CARMICK, [redacted]
STEPHEN M. GARRAMONE, [redacted]
ROGELIO F. GOLLE, [redacted]
VIJAYA K. HANUMANTHU, [redacted]
THOMAS J. HICKMAN, III, [redacted]
TERRY F. HOLMES, [redacted]
CHANG Y. LIANG, [redacted]
ROLAND A. LIM, [redacted]
GEORGE S. MANNING, [redacted]
JACQUELINE MORGAN, [redacted]
SALUSTIANO A. PINO, [redacted]
JEFFREY I. ROLLER, [redacted]
RICHARD F. ROMFH, [redacted]
RICHARD J. RUDA, [redacted]
PAUL J. SHAFFER, [redacted]
RICHARD M. STRATTON, [redacted]
FREDERICK L. WEILAND, [redacted]

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICER INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

CHAPLAIN

To be colonel

LINDEL ANDERSON, [redacted]
BASIL L. BALLARD, [redacted]
WILLIAM BATEMAN, [redacted]
THURMAN, S. DOMAN, [redacted]
RICHARD GOELLEN, [redacted]
HERMAN J. KEIZER, [redacted]
THOMAS L. LUCAS, [redacted]
FRANCIS MONTONDON, [redacted]
CLYDE NORTHROP, [redacted]
LOUIS W. POINTER, [redacted]
JERRY REYNOLDS, [redacted]
HENRY. E. WAKE, [redacted]

To be lieutenant colonel

JOHN BRINSFIELD, [redacted]
CHARLES D. CAMP, [redacted]
WILLIAM J. CAPLE, [redacted]
KENNETH CARPENTER, [redacted]
FLOYD C. CHAPMAN, [redacted]
GARY R. COUNCELL, [redacted]
JOHN E. FALK, [redacted]
LARRY D. FARRELL, [redacted]
DONALD HANCHETT, [redacted]
ROBERT HARRISON, [redacted]
CHARLES HEMMING, [redacted]
ROBERT HERNDON, [redacted]
OLIVER *HIGHTOWER, [redacted]
DAVID L. HOWARD, [redacted]
JOHN R. KELLY, [redacted]
THOMAS KILLEEN, [redacted]
HERBERT KITCHENS, [redacted]
HELMUT MICHELSON, [redacted]
BOBBY MIDGETTE, [redacted]
LOWELL P. MOORE, [redacted]
MICHAEL D. MOORE, [redacted]
JOHN W. MORRISON, [redacted]
BENJAMIN MORROW, [redacted]
GARY D. PERKINS, [redacted]
CHARLES W. PIKE, [redacted]
MICHAEL REYNOLDS, [redacted]
JOHN M. RIGGS, [redacted]
MALCOLM *ROBERTS, [redacted]
LORANCE *SCHOENBERG, [redacted]
ROBERT SCHWARZ, [redacted]
ERVIN L. SHIREY, [redacted]
RICHARD WHALEY, [redacted]
DENNIS WHITAKER, [redacted]
ROGER D. WIGHT, [redacted]
DANIEL *WOLBOLDT, [redacted]
GEORGE B. YOUNG, [redacted]

IN THE MARINE CORPS

THE FOLLOWING NAMED NAVAL RESERVE OFFICERS TRAINING CORPS GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 2107:

MICHAEL E. CORSEY, [redacted]
CHRISTOPHER P. CYRUS, [redacted]
RUSSELL E. ETHERIDGE, [redacted]
PAUL A. FORTUNATO, JR., [redacted]
BENJAMIN FULCHER, [redacted]
TODD G. KRUDER, [redacted]
MICHAEL T. MC GUINNESS, [redacted]
VICTOR O. MC KEN, [redacted]
DAVID E. O'BRIEN, [redacted]
JOHN F. O'CONNOR, JR., [redacted]
ALFRED F. PETERSON, [redacted]
ANDREW G. PERTANEK, [redacted]
PATRICIA S. RIM, [redacted]
KELLY D. RUBOTTOM, [redacted]
DAVID C. SULLIVAN, [redacted]
GIL E. WHITLEY, [redacted]
JOHN A. WRIGHT, [redacted]

THE FOLLOWING NAMED MARINE CORPS ENLISTED COMMISSIONING EDUCATION PROGRAM GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LUCINDIA B. BEAUCHAMP, [redacted]
ANTONIO R. DOMINGUEZ, [redacted]
JANICE E. HOLMES, [redacted]
ARMANDINE JACOTIN, [redacted]
KIMBERLY MERRIWEATHER, [redacted]
TIMOTHY R. PETERS, [redacted]
GAVIN J. REARDON, [redacted]
JAMES F. WERTH, [redacted]

THE FOLLOWING NAMED U.S. NAVAL ACADEMY GRADUATES FOR PERMANENT APPOINTMENT TO THE GRADE OF SECOND LIEUTENANT IN THE U.S. MARINE CORPS, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

TIMOTHY K. BUCKLEY, [redacted]
DAMON E. FIELDS, [redacted]
NANCY L. ROGERS, [redacted]

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS OF THE MARINE CORPS RESERVE FOR PERMANENT APPOINTMENT TO THE GRADE OF COLONEL UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

UNITED STATES MARINE CORPS PROMOTION LIST

To be colonel

JAMES C. ADAMSON, [redacted]
DELANE E. ANDERSON, JR, [redacted]
ROBERT H. BELKNAP, [redacted]
TERRANCE D. BROWN, [redacted]
GORDON O. CALKINS, JR, [redacted]
DONALD F. CAREY, JR, [redacted]
MICHAEL R. CATHEY, [redacted]
EDWIN T. CHARBONNEAU, [redacted]
JAMES D. COATS, JR, [redacted]
JAMES F. CRAWFORD, [redacted]
CLIFFORD J. CREWS, [redacted]
FRANCIS J. CURNOW, [redacted]
JAMES E. DAU, [redacted]
NANCY A. DAVIS, [redacted]
KEVIN M. DOYLE, [redacted]
JOHN O. EASTON, [redacted]
JOHN L. EULER, [redacted]
JAMES T. FERLAND, [redacted]
WILLIAM J. FINNEGAN, [redacted]
WILLIS M. GREGORY, [redacted]
CHARLES D. HILL, JR, [redacted]
MICHAEL P. HOLLAND, [redacted]
WILLIAM P. ISBELL, [redacted]
VICTOR JOHNNIDES, [redacted]
WILLIAM M. KERR, [redacted]
GEORGE H. KINSEY, [redacted]
STEPHEN F. LAMPO, [redacted]
JOSEPH LATERRA, [redacted]
VINCENT M. LEVITSKY, [redacted]
ANDREW J. LEY, [redacted]
MICHAEL J. LITTLE, [redacted]
THOMAS W. MCANINCH, [redacted]
THOMAS P. MCNEIL, [redacted]
JOHN M. MILLS, [redacted]
RONALD B. MORGAN, JR, [redacted]
PAUL T. NEMETZ, [redacted]
PATRICK A. OHARE, [redacted]
KENNETH R. OLSON, [redacted]
CRAIG J. PARDOE, [redacted]
JOHN S. PAYNE, [redacted]
JEFFREY L. PETERSON, [redacted]
NICHOLAS S. ROMANETZ, [redacted]
DOUGLAS P. RYAN, [redacted]
STEVEN R. SANFORD, [redacted]
LEONARD L. SKATOFF, JR, [redacted]
LARRY STOUT, [redacted]
DON F. TIBBS, [redacted]
PAUL H. WALLACE, [redacted]
WILLIAM J. WEINER, [redacted]
ELEANOR M. WILSON, [redacted]
WALTER R. YOUNG, [redacted]

IN THE NAVY

THE FOLLOWING-NAMED LIEUTENANTS IN THE LINE OF THE UNITED STATES NAVY FOR PROMOTION TO THE PERMANENT GRADE OF LIEUTENANT COMMANDER, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICERS

To be lieutenant commander

SCOTT ANTHONY ABBOTT
EDWARD G. ABEL
JAMIE MACDONALD ACKER
MICHAEL JAMES ADAMS
ROBERT ALLEN ADAMSKI
DAVE RAY ADAMSON
RAYMUNDO AGUILAR

EUGENE KAPUA AIU
TONY LEE ALBANO
KURT A. ALBERS
JOHN R. ALBISO
KEVIN C. ALBRIGHT
DENESE MOTT ALEXANDER
MICHAEL JOSEPH ALFONSO
THEODORE PAUL ALGIRE
MICHAEL ROY ALLEN
PATRICK EUGENE ALLEN
STEVEN PATRICK AMBROSE
JOHN MICHAEL ANDERSEN
BRUCE LEE ANDERSON
JESSIE DAVID ARNOLD
JURGEN JOSEF ARNOLD
JOHN LOUIS ASH, JR

MARC E. BACKSTROM
YOLANDA CHRISTINE BAGNAY
GEORGE H. BAKER
CLIFTON VERN BALDWIN
PAMELA JO BALLUCH
DAVID NMN BARANEK
JAMES EPHRIAM BARNES, III
DIANNE ELIZABETH BARTCH
JAMES WEBSTER BAUER
KEVIN H. BAXTER
WILLIAM MICHAEL BAXTER
FREDERICK MCLENAHAN BEALL
ROBERT LEE BEATTIE
FRANCIS LAMAR BEAULIEU
KEVIN J. BECKER
JEFFREY SCOTT BEEBY
RITCHIE HUGH BELSER, III
CHRISTOPHER DRAKE BENTLEY
RALPH MICHAEL BERRY
GILBERT LYNN BEVER
WILLIAM BRIAN BINNIE
MICHAEL JAMES BLANCHET
CHARLES LEE BLOOMER
RONALD EDGAR BOERGER
MICHAEL JOSEPH BOND
PAULA HUBBARD BOND
SIMON D. BOOCOCK
WILLIAM H. BORGER
FRANCIS CHRISTOPHER BORIK
STEPHEN WILLARD BOURGEOIS
MICHAEL HENRY BOWERS
ELIZABETH ANN BOYLES
LYNN NMN BRADFIELD
GREGORY HOWARD BRANDON
JOE DEAN BRANNAN
TIMOTHY MATTHEW BRASMER
BENJAMIN FREDERICK BREAUX
SCOTT MONROE BREEDING
FRANCIS CAREY BRINKER
BARRY JAMES BROCATO
CAROLINE FRAN BROSKIKONCZEY
MATTHEW G. BROWER
JOHN ALPHUS BROWN, JR
JOHN MICHAEL BROWN
MARK ALAN BROWN
RANDAL EDWARD BROWN
RONALD LEE BROWN
BRUCE CLEMENT BROWNE
SCOTT A. BRUCE
ROBERT LEE BUCKLEY
ROBERT DEWITT BUDDIN, JR
SAMUEL SNYDER BUNDRICK, JR
FRANCIS J. BURKE
DANIEL W. BURSCH
JAMES M. BURTON
KEVIN MICHAEL BUSH
CAREY RANDALL BUTLER

ROBERT KENDALL CALLAWAY
DANIEL E. CANNAN
NEVIN PALMER CARR, JR
CECIL JOHN CARROLL, III
DOUGLAS THOMAS CARROW
DALE E. CARSON
JAMES EARL CASH
LAUREN GAIL CASH
RANDY ALBERT CASON
SEAN THOMAS CATE
JEFFREY MITCHELL CATHEY
RANDOLPH ERNEST CAUSEY
GARY CEREZO
ROBERT JOHN CERWONKA
CHRISTOPHER BRUCE CHACE
CHARLES NICHOL CHALDEKAS, II
DANIEL WILLIAM CHANG
RANDY JOE CHARLES
JON RICHARD CHRISTENSON
JOHN A. CHRISTIAN, JR
MARTIN EDMOND CHURCH
JOHN ANTHONY CIMELLARO
STANLEY D. CLARK
KAREN ELIZABETH CLARKHANSEN
MARK NICOLA CLEMENTE
JEROME LAVERNE J. CLEVELAND
JAMES D. CLOYD
KENNETH DONALD COBURN
HOMER JAY COFFMAN
DAVID JOSEPH COISSON
KING JOHN COLEMAN
JAMES JOHN COLGARY
JAMES SWAFFORD COLVARD
THOMAS JOSEPH CONCANNON
JAMES JOSEPH CONVERY
CHARLES RICHARD COOLEY, JR
GARRAT EMMANUEL COOPER
LARRY ROBERT COOPER
DENISE M. COPELAND
JOHN THOMAS COUNTS
JAMES COOPER COX
RONALD RICHARD COX
DAVID ALLEN CRANDALL
JAMES STEVEN CRAWSHAW
MARK NMN CRAYTON
STEVEN ALLAN CREECH
SCOTT EDWARD CROSSLEY
WILLIAM BENNETT CROWNOVER
MICHAEL JAMES CRUM
JEFFREY JAMES CRUTCHFIELD
PAUL MICHAEL CULBERTSON
PHILIP HART CULLOM
DAVID WILLIAM CULLY
CHARLES WESTON CUNNINGHAM
MICHAEL JAMES CURRY

PRIVET JOHN DAIGRE
KURT FRANKLIN DAILL
STEVEN MICHAEL DALLAIRE
JACK FRANKLIN DALRYMPLE, JR
DIANNE LOUISE DANIELS
DAVID FRANKLIN DARNELL
WILLIAM J. DAVENPORT, JR
MAUREEN ELIZABET DAVIDOVICH
JERRY SCOTT DAVIDSON
MICHAEL D. DAVIS
GERALD F. DECONTO
STANLEY VINCENT DEGEUS
WILLIAM ROBERT DEIHS
KEVIN H. DERBIN
JAMES VINCENT A. DESIMONE
VALOR NICKOLS DIERS
JOHN ANTHONY DIMICELI
JONATHAN B. DINSMORE
CHARLES B. DIXON
FRANCIS JOSEPH DOMBROWSKI
JAMES STEWART DOMINICK
M.V. DOMZALSKI
JOHN CHARLES DORRANCE, JR
DANA ANNE DOTTEN
LAWRENCE GEORGE DOWNS, JR
PAUL RANDAL DOYLE
FRED PAUL DRAKE, JR
ROBERT LEE DRAKE
TERRY MICHAEL DRUFFEL
DENISE THERESA DUMMERTH
JOSEPH TIMOTHY DUNIGAN
PETER NMN DUNKLIN
ANTHONY JOHN DZIELSKI

MICHAEL MARTIN EAGEN
TERRY L. EBY
MARK DOUGLAS EDWARDS
RUTH CAROLE EDWARDS
JOHN B. EGGLESTON
STEPHEN EVERETT ELLEFSON
JEFFREY LAWRENCE ELLWOOD
JANINE VETTESE ENGLAND
ADREON MARK ENSOR
MICHAEL JOSEPH EPISCOPO
JENNIFER LYNN EVANS
RONALD RICHARD EVANS
MICHAEL JOSEPH EYSAMAN

DAVID WILLIAM FAASSE
ALAN CARL FARMER
CHARLES AMBROSE FARRELL
CHARLES LOUIS FENWICK, JR
DAVID WILLIAM FERGUS
CHRISTOPHER KIM FERGUSON
MICKI FERNBAUGH
STEVEN A. FILLIPOW
MICHAEL PAUL FINN
JONATHAN DEXTER FISH
R.D. FITZPATRICK
GEORGE WILLIAM FLECK
THEODORA HELENA FLORES
KENNETH EARL FLOYD
TIMOTHY VINCENT FLYNN, III
JOHN JOSEPH FORAN, JR
DAVID WALTER FORD
ROBERT LEE FORD
WILLIAM FRANCIS FORD
MICHAEL JAMES FOREMAN
ROBERT LEE FOSTER, JR
CHARLES W. FOWLER
STEVEN GEORGE FRANCK
MICHAEL NELS FREDERICKSEN
ROBERT ALAN FREDRICKSON
DENNIS BRADLEY FREEMAN
R. LEE FREITAG, JR
WILLIAM DOUGLAS FRENCH
RICHARD ERVIN FRIDLEY
DAVID CHARLES FRITSCH
DANIEL JOSEPH FRONCZEK
DAVID J. FROST
ROBERT B. FULLER

STEPHEN G. GABRIELE
ANTHONY M. GADALETA
DANIEL ROBERT GAHAGAN
PAUL CHRISTIAN GALLAGHER
RICK MICHAEL GALLAGHER
BEULAH CLARE GALVIN
DAVID EDWIN GANGWER
DAVID A. GANNON
DONALD JAMES GANYO
RAUL ROBERTO GARCIA
DAVID CALVIN GEER
MICHAEL ROBERT GENNETTE
GREGORY LEE GEORGE
JOHN CHARLES GERNAND
PATRICK WALTER GHERRITY
FRANK WILLIAM GIANINO
TIMOTHY M. GIARDINA
KENNETH GERARD GIGLIOTTI
LARRY MATTHEW GILLIS
JAMES I. GODLEY
VINCENT CHARLES GOMES
DANIEL ANTHONY GOMRICK
DEBRA LOUISE GONZALEZ
EDWARD RANDALL GOODMAN
JAMES FREDERICK GOODWIN
JOHN TERRELL GOREE
DOMINIC L. GORIE
MARK ALAN GRAGG
ROBERT GORDON GRAHAM
STEVEN DOUGLAS GRANT
JOHN W. GRAVEEN
WALTER S. GRAY
DAVID G. GREEN
JOHN L. GREEN
JAMES KENT GREENE
CHRISTOPHER J.T. GREGERSON
RAYMOND GRIFFITH
THEODORE PAUL GRIFFITH
LOIS HELEN GRUENDL
MICHAEL JOSEPH GURLEY

ELBERT ALLEN HAEFFNER
JOHN ROBERT HALL
LARRY DON HALL
DOUGLAS GORDON HANCHER
GREGG THOMAS HANOLD
MICHAEL JOHN HANSEN
DAVID LESLIE HARDWICK
ROY H. HARKINS
ROBERT THOMAS HARMON
WILLIAM FREDERICK HARRIS, JR
ROBERT S. HARWARD
J.R. HASHBERGER
ALICE FRANCES HASTINGS
ERNEST LEE HAWKINS
MICHAEL A. HECKER
STEVEN G. HEIDA
ANTONY OLIVER HEIMER
CALEF EDWIN HEININGER, JR
LEE ALAN HELGERSON
WILLIAM MILES HELLEMN
JAMES W. HERBIG
CAROL JO HERRON
MURRAY ALAN HESS
THOMAS JAMES HEWITT
RUSTIE LEE HIBBARD
THOMAS WILLIAM HICKEY
BRUCE ANTHONY HICKS
JAMES MARR HICKS
MICHAEL MARTIN HIGGINS
RAYMOND FRANCIS HIGGINS, III
ROGER JAMES HIGGINS
ROBERT ANTHONY HILL
JAMES B. HILLAN
NELSON RAY HINES
KATHRYN MICHELLE HOBBS
WILLIAM PATRICK HOKER
JACK WAYNE HOLT
DEBORAH BRASHIER HOLZINGER
ROBERT ALLEN HORNBECK
KENNETH THEODORE HOUCK
LESTER DANIEL HOWELL
WILLIAM GREGORY HUGHEN
STEFANIE KAY HUME
JERRY LYNN HYDE, JR

DONALD STEPHEN INBODY
DAVID KIRK INMAN
EDWIN G. INMAN
JOHN ELDON INMAN
CHARLES PATRICK IRWIN
DARLENE MARIE ISKRA
DAVID M. JACKSON
GEORGE L. JACKSON
KEVIN BRIAN JACKSON
KEVIN LEROY JACKSON
STEVEN MARTIN JACOBSMEYER
DAVID EDWARD JARDOT
DONNA WHITE JASITT
LANCE PETER JASITT
ROGER DEAN JASKOT
MARK THOMAS JASZKOWSKI
NEAL BRUCE JEFFERIS
STEPHEN GREY JENKINS
MARK DAVID JENSEN
DAVID J. JERABEK
VITO WILFREDO JIMENEZ
STEVEN CHARLES JOACHIM
JOSEPH E. JOHANNES, JR
ARTHUR JAMES JOHNSON, JR
DANIEL PHILIP JOHNSON
DAVID CHARLES JOHNSON
DOUGLAS GEORGE JOHNSON
EDWARD ALLEN JOHNSON, JR
MARK LOUIS JOHNSON
STEPHEN JAMES JOHNSON
WILLIAM CLARENCE JOHNSON
DAVID TRACY JOHNSTON
ALBERTA ROSE JOSEPHIN JONES
GLENN R. JONES
SANDY A. JONES
PAMELA ANNE JORGENSEN
THOMAS MICHAEL JOYCE
CARL MICHAEL JUNE

MICHAEL AVERY KAHRL
GEORGE J. KAROL
PAUL PHILLIP KAROLIDES
KEVIN HARRY KASBERG
JOHN W. KASISKI
DONALD JEFFREY KASSILKE
ELLEN ELIZABETH KAZIMER
DOUGLAS WARD KEILER
PHILLIP JOHN KEIPPER
RUSSEL C. KELLER
JOHN F. KELLEY
GUY SAMUEL KEMP
CRAIG MARTIN KENNEDY
STEVEN E. KENYON
MARK FOSTER KERSHNER
STEVEN MICHAEL KING
MICHAEL EDWARD KINGERY
PETER JAMES KIRCHOFFER
KATHLEEN FRANK KIRK
WAYNE LACHOWICZ
TIMOTHY WAITE KIRTLEY
DEAN MASUMI KIYOHARA
FRANCIS V. KLEIN
JEFFREY EUGENE KLINE
ROBERT A. KLOCEK
EDWIN JAMES KNOWLES, JR
KARL EDWARD KOLESNIKOFF
ANTHONY D. KONECNY
BARBARA MARIE KOROSEC
STEPHEN ROBERT KRAUSE, JR
MICHAEL J. KREBSBACH
STEVEN R. KREMER
ROCKY DALE KROPP
GLENN L. KRUMEL
JOHN A. KUNERT
CHARLES ANDREW KUZMA
T.A. KWIATKOWSKI

MARC THOMAS LAFAVOR
FREDERICK SIDNEY LANCASTER
ALBERT GEORGE LANG, JR
ROBERT P. LARYS
RANDALL JOHN LAWS
DRAHOMIR NMN LAZAR
ROBERT GEORGE LEEDS
RICHARD EUGENE LEEKER, JR
MICHAEL JAMES LENKE
SHARON MAE LEONARD
JERRY WILLIAM LEUGERS
PETER A. LEVOCI
LINDA MARIE LEWANDOWSKI
CHARLES EDWARD LEWIS, JR
LEVITICUS ANDRE LEWIS
WARREN D. LEWIS
KENNETH LEROY LIGHTHIZER
GWYNNE LORRAINE LINCOLN
WAYNE TERRENCE LOCKLEY
EDWIN THOMAS LONG
MICHAEL CHARLES LUCARELLI
DALE KEITH LUECK
HENRY BUENVIAJE LUNA
RICHARD NORRIS LYNCH
SUSAN ILENE JACOBMEIER LYNN
HARVEY C. LYON

WILLIAM A. MACHT
JOHN LEO MADDEN
ELIZABETHANN BEIERL MAGUIRE
JEROME DANIEL MAHAR
MICHAEL K. MAHON
PHILLIP ALLEN MALEY
JEFFREY SCOTT MANOR
CRAIG W. MARCH
BARBARA ANNE MARMANN
WILLIAM PETER MARRIOTT, II
PAMELA ANN MARSHALL
JOHN ROBERT MARTIN
WILLIAM VORESS MARTIN
CARLOS MARTINEZ, III
DANNY EUGENE MASON
WILLIAM R. MASSIE
KEVIN BOURNE MATHISON
JAMES EDWARD MAYER, II
JAMES STEPHEN MAYNARD
GEORGE ANTHONY MCCAFFREY
WILLIAM BRUCE MCCANDLESS
JAMES FRANCIS MCCARTHY
THERESA ILENE MCCARTHY
THOMAS RICHARD MCCARTHY
JAMES W. MCCLEAN
JOHN M. MCCLOSKEY
CORINNE MILDRED MCCONKLE
LESLIE J. MCCOY
MICHAEL GERARD MCCRAVE
DAVID M. MCDONALD
THOMAS L. MCDONALD
ANNE LONG MCDONNELL
TIMOTHY SEAN MCELHANNON
WILLIAM STEVEN MCGEE
EDWARD F. MCGINN
CYNTHIA ANNE MCGRATH
PATRICK EDWARD MCGRATH
BRIAN GERARD MCKEEVER
WILLIAM P. MCKINNEY, III
STEPHEN WARD MCKINSTER
WILLIAM E. MCLAIN
GARY MARK MCLAMB
JANET LEE MCMANUS
THOMAS MATTHEW MCMANUS
MICHAEL TIMOTHY MCMASTER
EDWARD PATRICK MCNAMEE, III
RONALD JAMES MCNEELY
KEVIN KELLY MCNEES
WILLIAM H. MEADER
ANDREW GRAHAM MELDRUM
PHILIP ANTHONY MELFA
GARY ARTHUR MERCER
KIRK ALAN MICHEALSON
JOHN CLARK MICKEY
DOUGLAS LEE MILLAR
CHARLES A. MILLER
CHARLES T. MILLER
EUGENE A. MILLER
JAMES D. MILLER
MICHAEL WAYNE MILLER
DAVID L. MINNICH, JR
ROBERT ALLEN MIRICK
WILLIAM MITCHELL
KENNETH MOLLESON
AGUSTIN NMN MONROIG
MAURICE M. MONTANA
DANIEL JOHN MONTGOMERY
LESTER LARUE MOORE, JR
KEVIN SEAN MORAN
DANIEL JOSEPH MORGIEWICZ

DAVID T. MORONEY
STEPHEN MCGOVERN MORRIS
ROBERT SCOTT MORRISON
WILLIAM STANTON MOSER
LYLE K. MUELLER
TIMOTHY M. MULCARE
KURT ALWIN MULLER
JOSEPH P. MULLOY
LANCE EIJI MURAKAMI
HARRY A. MURPHY
MICHAEL PATRICK MURPHY
MARGARET MARY MURRAY
NICHOLAS F. MYGAS

DANIEL EDWIN NAGEL
MARSHALL LEE NARVESON
DALE MARTIN NEES
MICHAEL E. NELLER
ROBERT A. NEMECEK
JEFFREY T. NEWMASTER
DONALD PAUL NICKELL
GLEN ALAN NIEDERHAUSER
FRANCIS J. NINER
PAUL EDWARD NOAKES
WILLIAM DEAN NOBLE
MICHAEL JOE NOVAK
JON NATAN NYLANDER

KATHLEEN M. OBBINK
EDWARD V. OBRIEN
EUGENE TERRENCE OBRIEN
JAMES WILLIAM OCONNELL
ELEANOR ANN OFFUTT
ARTHUR JOHN OHANIAN
EDWARD CHARLES OHLSON
JAMES LAWRENCE OKEEFE, III
S. M. OLECHNOWICZ
STANLEY MICHAEL OLESZEK, JR
PETER JOHN OLSON
STEVEN ROBERT OPSAL
JOHN HOWARD OREM
WALTER ELMER OWEN

KAREN INEZ PALMER
REED ANTHONY PANASITI
RAYMOND NMN PARA
DANIEL LOWELL PARKER
GREGORY S. PARKER
JOHN A. PASKO
JOHN W. PATTERSON
WILLIAM ANTHONY PATTON
JOHN ALLEN PAYNE
WILLIAM HOWARD PEACOCK
CHARLES JUDD PEARSALL, III
WILLIAM HOWARD PECK
ALLEN V. PELOQUIN
JAMES V. PENDLEY
RUSSELL SYLVANUS PENNIMAN
CLIFTON EUGENE PERKINS, JR
WILLIAM MARSHAL PETERSON
RICHARD KIM PHARES
THOMAS P. PHELAN
BRIAN F. PHILIPP
DONALD JOSEPH PIELA
VALERIE HINKLE PILAND
JOHN CHRISTOPHER PIPER
MARK RONALD POLNASZEK
PAUL MAURICE POMPIER
PATRICK JAMES PORTER
WILLIAM LUTHER PORTER
JOHN KEOUGH PRIMER
BRIAN CHARLES PRINDLE
FREDERIC ARNETT PRISLEY
DAVID WILLIAM PROTHERO

RALPH D. QUARLES
JOHN VINCENT QUIGLEY
MILES CHARLES QUIGLEY, III
DONALD P. QUINN
WILFRED PURISIMA QUINTONG

MICHAEL VANCE RABENS
JOHN MARK RACOOSIN
ROBERT WAYNE RADLOFF

ELAINE RHOADES RAFFERTY
RONALD G. RAHALL
JAMES JOSEPH RAMOS
CHRISTOPHER W. P. RANEY
RAYMOND DUANE RATHBURN
JAMES E. RATTE, JR
MICHAEL W. REEDY
CARL WILLIAM REHLING, III
JOHN R. REICHL
DENNIS JOSEPH REILLY, III
ROY ALLEN REINHOLD
CHRISTOPHER PAUL REISCH
LORRIE ELAINE REZENDES
JOSETTE LESLIE RICE
LAWRENCE SCOTT RICE
RANDY CLYDE RICE
SONDRA SCIBILIA RICE
DONALD PAUL RICHARDS
LUTHER RIDENHOUR
HARRY JOHN RIES, JR
NEIL SHERMAN RISH, JR
TIMOTHY EDWARD RITZERT
RANDALL DALE ROACH
THOMAS EDWIN ROBB
WARREN TENNYSON ROBINSON
ALBERTO ROBREDO
BRIAN A. RODGERS
GERONIMO RODRIGUEZ
DAVID M. ROGERS
RICHARD A. ROLL
PATRICK JAMES ROLOW
KENT VERNON ROMINGER
DONALD L. ROOT
STEVEN MARK ROPER
JODY ANN ROSANDER
ROGER MARTIN ROSE
WILLIAM SCOTT ROSE
GARY WAYNE ROSHOLT
STEVEN H. ROSS
THORNWELL FRANK RUSH, JR
ROBERT HART RUTHERFORD
JAMES ROGER RYAN
JON ALVIN RYSTROM

ROBERT C. SAIN
GABRIEL R. SALAZAR
WILLIAM JOHN SAMPSON
DAVID WAYNE SANDGREN
JEAN MARIE SANDO
WILLIAM VITO SCARDINA, JR
HENRY REINHOLD SCHELLER, JR
JAMES KENT SCHOLL
ROBERT JOHN SCHOPPE
SHARON LEE SCHULTZ
JAMES THOMAS SCHURR
JAY PAUL SCHWERMER
MARK D. SEAMAN
JAMES RANDAL SEBASTIAN
MARK KEVIN SEGLEM
JOHN KITRIDGE SELDEN
HARRY EDWIN SEMLER, III
DAVID G. SHAFER
PAUL THOMAS SHAFFER
KERRY MICHAEL SHANAGHAN
STEVEN MICHAEL SHARKEY
PAUL KECK SHELLENBERGER
PETER SHEPARD
JEFFERSON W. SHERMAN
MITCHELL N. SHIPLEY
DAVID WRAY SHOCKLEY
MARK GREGORY SHOFNER
LEE THEODORE SHRADER
JOEL CRAIG SHUGARS
BRITT C. SKOGSTAD
MICHAEL STEVEN SLAUGHTER
ALVIN R. SMITH
CHARLES EDWARD SMITH
JAMES LEE SMITH
JOHN HERBERT SMITH
JR LEE EARL SMITH
MICHAEL K. SMITH
RONALD LEONARD SMITH
STEVEN LYNEL SMITH
THOMAS G. SMITH
JOHN WILLIAM SNEDEKER, JR
RAY L. SNELL
LYLE W. SNIDE
JOHN DWAIN SNIVELY
DAVID A. SORANNO
CARLOS ALFREDO SOTOMAYOR
MICHAEL SOTTUNG
DAVID L. SPAIN
RAYMOND ALEXANDER SPICER
RONALD WAYNE SPIKER
ROBERTA SPILLANE
JOHN H. SPILLER
STEPHEN GEORGE SQUIRES
JOHN ALAN STAMBAUGH
SHARON ANN STANLEY
MARK ALAN STATLER
SUZANNE CLARICE STEEN
HENRY SCOTT STEINFELD
ROBERT STERLING
CLARK DANIEL STEVENS
ELLEN KATHLEEN STIFFLER
RICHARD VERLAN STOCKTON
JONATHAN WADE STOEHR
HOWARD LYONS STONE, III
MARK GERALD STORCH
JEFFREY PAUL STRATTON
STEVEN RICHARD STRAUSSER
ROBERT JAMES SULLIVAN
MICHAEL PAUL SUSALLA
RICHARD DOUGLAS SUTTIE
GARY FRANKLIN SVATEK
ERNEST VANCE SWAUGER, JR
ERIC L. SWEIGARD
JOHN J. SZABAT
GARY VICTOR SZALUCKA
MICHAEL JAMES SZOSTAK
RICHARD MARK TAKASUGI

SHAWN R. TALLANT
RANDALL RENN TANAKA
ROBERT J. TATE
JAMES NOYES TAYLOR
JOHN ERIC TAYLOR
MARK TEMPESTILLI
STUART DOUGLAS TERRY
DAVID DWAYNE THETFORD
DOYLE E. THOMAS
TERRY LEE THOMAS
PETER MICHAEL THOMPSON
JOHN TERRY THOMSON
GRANT B. THORNTON
PAUL EDWARD THURMAN
DANIEL DAVID TILLOTSON
RICHARD DEAN TOBEY
ELIZABETH MARY TOEDT
KIMBERLY ANNE TOMB
JAMES PATRICK TORTORELLI
WILLIAM J. TOTI
JAMES PAUL TRACESKI
KEVIN F. TRAIL
WILLIAM TIMOTHY TRAINER
CHARLES MICHAEL TRAWEEK
JAMES MINNIS TREES
NICHOLAS ALBERT TRONGALE
BRUCE ALLEN TROUTMAN
JERRY ROSS TRUDELL
SUSAN JANE TRUKKEN
JAMES CHARLES TRUMP, JR
RICHARD JOAQUIN TUCKER
THERESA LOUISE TUNSTALL

RICHARD KIETH TURNER
KEVIN KARL UHRICH
ALEXANDER L. URRUTIA

THOMAS JOSEPH VALENTINE
LAURIE JEAN VANBUSKIRK
SCOTT R. VANBUSKIRK
GORDAN EVANS VANHOOK
STEVEN CHARLES VANHORN
DONALD BRYAN VANOTEGHEM
PATRICK EDWARD VEZETINSKI
STEPHEN STOCKTON VOETSCH
DAVID MICHAEL VOLONINO
JOHN EDWARD VONGOHREN

ANNE LORRAINE WADE
MICHAEL EDWARD WAGNER
KENNETH D. WALKER
GARY FOSTER WALKLEY
HARVEY T. WALSH
DAVID ANTHONY WARAN
WILLIAM FAREL WARLICK
THEODORE JOSEPH WASYLKIW
WALTER BRUCE WATSON, JR
B. T. WAWRZENIAK
CLIFFORD DEAN WEBER
JEFFREY CONRAD WEBER
JAMES M. WECKERLY
ALAN MARK WEIGEL
MICHAEL R. WEISS
THADDEUS BAYNARD WELCH, III
WILLIAM J. WELCH
CHRISTOPHER BRIAN WELSH
BETSY ANN WEMYSS
THOMAS PARRISH WEMYSS
CHRISTROPHER GERARD WENZ
RICHARD C. WEST
RICHARD LYNN WESTON
THOMAS S. WETHERALD
KENNETH NMN WHEELER
JEFFREY TAFT WHITE
PAMELA JEAN WHITING
JAMES MCLEMORE WILLIAMS, III
KARL CLARENCE WILLIAMS
THOMAS ROBERT WILLIAMS
MICHAEL LARRY WILLIAMSON
LEE ALLEN WILLIS
MARK S. WILSEY
ARTHUR DEAN WILSON
ROBERT J. WILSON
GUSTAV A. WIRTH
JAMES EDGAR WISE, II
RANDALL JOSEPH WITTRY
JOSEPH MARK WOLF
THURSTON WOMBLE
MARK S. WOOLLEY
DEVERTT WOOLWINE
DAVID CHARLES WOOTEN
MARK ALLAN WOOTTEN
CHARLES ROBERT WRIGHT
WAYNE A. WRIGHT
JAMES RALSTON WYLLY

JOHN FRANK YARBRO, JR
RALPH HAROLD YARWOOD
WILLIAM E. YEAGER
RICHARD A. YOCUM
DAVID G. YOSHIHARA
JEFFREY CHARLES YOUNG

RAYMOND ANDREW ZACK
RONALD WAYNE ZAPERACH
CARL B. ZICH, JR
LARRY ROGER ZIMMERMAN
MARY LYN ZIMMERMAN

ENGINEERING DUTY OFFICERS

To be lieutenant commander

SUSAN MARIE ALLEN
JONATHAN DWIGHT BARNES
DAVID WAYNE BELLA
ROBERT E. L. BOND
MICHAEL P. BUTLER
CHRISTOPHER WHEELER CABLE
ERIK N. CHRISTENSEN
JAMES C. DAVIS
KEVIN JAMES DELANEY
CHARLES V. DOTY
JOSEPH M. FALLONE
KEVIN PATRICK GANNON
WILLIAM HARTFORD GRIDER, JR
JAMES EVAN HAMILTON
FRANK E. HUDIK
JUDSON LEWIS KNECHT
DANIEL LARUE KNIGHT
DAVID L. KRUEGER
MARK A. KUHARIK
JAMES KENNETH LUCHS, JR
MARY ELLEN MARTIN
STEPHEN EDWARD MARTIN
RICHARD D. MARVIN, JR
WILLIAM THOMAS MCCOY
EDWARD THOMAS MEREE
ROBERT BRUCE MILLER
GREGORY A. MONROE
KENNETH PATTERSON MORTON
DEAN MICHAEL PEDERSEN
TODD JAY PELTZER
MARK JOSEPH RINGLEIN
BENJAMIN WAKULA SANCHEZ
SEAN J. STACKLEY
DANNY RAY STEVENSON
CHARLES P. SUMNER
JAMES CARLOS TERTOCHA
DAVID D. N. VANN
ROBERT J. VOIGT

AERONAUTICAL ENGINEERING DUTY OFFICERS (AERONAUTICAL ENGINEERING)

To be lieutenant commander

JOHN RANDALL LOYER
VICTOR CONRAD SEE, JR

AERONAUTICAL ENGINEERING DUTY OFFICERS (AVIATION MAINTENANCE)

To be lieutenant commander

RONALD TIMOTHY ALLEN
ROBERT BAXTER ANDIES
CECIL EDWARD BAKER
CHRIS JOSEPH BORER
DENNIS KARL CHRISTENSEN
ROBERT ERIC DEAN
RUTH ANN FORREST
CARLOS ILG GLENDER
THOMAS EDWARD HERTERICH
ELIZABETH JEAN LANG
MICHAEL WHARTON MELLOR
TERRY LYNN MERRITT
DOUGLAS ALAN MINNIG
TERESA LYNN RAY
LARRY JOHN TORTORICH
PETER JOSEPH WALTER
ROBERT CARLTON WOLFE

AVIATION DUTY OFFICERS

To be lieutenant commander

GEORGE NMN GEDNEY, III
STEVEN DAVID JAMES
THOMAS MCCULLEY

SPECIAL DUTY OFFICERS (CRYPTOLOGY)

To be lieutenant commander

CHARLES ROBERT ERBER
GREGORY SCOTT HOPPENSTAND
RICHARD KARL JOHNSTON
CHARLES CARVER JUSTICE
NANCY RUTH KIMBLE
JEAN FLORENCE LEGATES
MICHAEL DAVID LOOMIS
CLINTON GALLAHER LYONS, IV
FRANCIS TIMOTHY MOONEY, JR
RICHARD DANIEL PAUPARD, JR
LESTER JOHN PULST
HELENA EDITH REEDER
SCOTT LOUIS ROME
MICHAEL STEVEN SWETNAM
CHRISTINE JANIC WESTONLYONS

SPECIAL DUTY OFFICERS (INTELLIGENCE)

To be lieutenant commander

CHARLES ROBERT ARMSTRONG
STEVEN BURNETT ASHBY
STEVEN R. CAREY
CHARLES JOSEPH CARSON, JR
JON QUENTIN CONYERS, II
SAMUEL J. COX
LON PORTER CUMBERWORTH
GARY EVERETT EDMUNSON
WILLIAM ALAN ELDARD
JAMES RICHARD EVERETT, III
ROBERT GERARD GILLOON
FRANCIS MAX GUTIERREZ, JR
RICHARD LEE HAUGE
MARCUS LEE HAWKINSON
JOHN DAVID HEARING
ALICE MOBLEY JACOBSON
SARA A. KING
MARK FREDERICK KINSLER
LENDALL S. KNIGHT
DEANE D. KOCHER
RICHARD PAUL LAURN
EDWIN DAVID LINDGREN
BARBARA JEAN MACFARLAND
JAMES LLOYD MCDONALD
SANTIAGO RICARDO NEVILLE
GARY L. NICHOLS
RICHARD JAMES PERA
TERESA WILLIAMS ROBERTS
SCOTT MCKINLEY SHUMAN
ROBERT NELSON SMITH
MARK EVERETT STILLE
CHARLES FREDERICK TEMPLE
MICHAEL JOSEPH TUROK
STEPHEN MARK VETTER
MARK D. WEST
MICHAEL GERARD WILLIAMS
MARK ANTHONY YONCHAK
CHARLES ZINGLER
VIVIAN INGRI ZUMSTEIN

SPECIAL DUTY OFFICERS (PUBLIC AFFAIRS)

To be lieutenant commander

NETTIE REGINA JOHNSON
RAYMOND P. KEMPISTY
GLENDON MARK KING
MARY TATE LOCKWOOD
DAVID W. MORRIS
ALFRED R. TWYMAN
BILL TAKESHI YAMANAKA

SPECIAL DUTY OFFICERS (OCEANOGRAPHY)

To be lieutenant commander

PATRICK WILLIAM CORKILL
ROLAND E. DEJESUS
DEBRA MARSHALL FORD
KATHARINE SHANEBROOK GARCIA
KIM ARMAS KOEHLER
ERIK CHRISTOPHER LONG
RUTLEDGE PARKER LUMPKIN
THEODORE ROBERT METTLACH
JOHN JOSEPH MURRAY
PETER NMN SCHEIFELE
DANIEL H. STREED
DAVID WILLIAM TITLEY
ROBERT KEVIN WEINHEIMER

LIMITED DUTY OFFICERS (LINE)

To be lieutenant commander

ROBERT G. BUTLER, JR
JAMES R. CLIFTON
RONALD NMN DOLAN
JOHN G. FAHLING
DANIEL JOSEPH GAVIN
GRANT WALLACE GEE
KEITH R. JACKSON
ELIHU ERNEST KINCAID
CHARLES N. KIRTLEY
RICHARD GLEN LACEY
CHARLES A. MAJOR
ANTHONY E. MCFARLANE
ROBIE L. MONROE
BRUCE ELVAN PALMER
JAMES NELSON RANGE, JR
JERRY KAY SIPES
ROBERT JAMES SOMMER, JR
RICHARD LEE STRONG
WILLIAM CHARLES SWEENEY
WILLIAM FRANCIS VAHEY
FLOYD A. WALKER

EXTENSIONS OF REMARKS

THE HOOVER INSTITUTION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. MICHEL. Mr. Speaker, a great American hero, my fellow Illinoisian, Vice Adm. James Bond Stockdale, recently published one of his major speeches, "Learning Goodness." I intend to insert that speech into the RECORD because, like all of Jim Stockdale's work, it reminds us of the fact that such words as "spiritual" and "character" and "inner strength" have a profound meaning when a human being finds himself confronted by barbarity and torture. Jim Stockdale's ability to withstand the torments inflicted upon him by the vicious Vietnamese Communists—none of whom, to my knowledge, has ever been tried by their own government for human rights abuses—came from sources of strength that many of us in comfortable, complacent, affulent Western civilization have long forgotten.

I mention this fact because Jim Stockdale is currently a Senior Research Fellow at the Hoover Institution. That distinguished and internationally known institution is currently under attack from some members of the faculty of Stanford University, with which the institution has a "semi-independent" status. At the same time, Stanford University itelf has been in the midst of controversy concerning the teaching of the classic books of Western civilization.

I do not want to get into these admittedly difficult and complex arguments. But I do want to say that the independence and the continual growth and progress of the Hoover Institution, under the leadershp of W. Glen Campbell, seems to me to be a very important part of a new American commitment to quality in all levels of scholarship and education. The Hoover Institution is unique, not only in the Nation, but in the world, for its variety of thinkers, its commitment to excellence, its ability to attract scholars who are not rigid ideologues, but true scholars, dedicated to freedom of investigation, freedom of thought and freedom of speech.

I join with all of those who want to keep the Hoover Institution a strong, independent and excellent source of scholarship, a place where a great American hero like Jim Stockdale can come and have the time to think and write and tell the world of the very real connection between the formation of character through the best of the Western intellectual and spiritual traditions and the ability of individual human beings—and nations, and, yes, civilizations—to survive.

At this point I wish to insert into the RECORD the article entitled "Learning Goodness," by Vice Adm. James Bond Stockdale, published in Chronicles, July 1988.

LEARNING GOODNESS—WHY WESTERN CIV IS THE BEST REFUGE IN ADVERSITY

(By James Bond Stockdale*)

"It is ironic that the thoughts of this essay, extracted from a commencement address I gave at Claremont McKenna College in the spring of 1987, celebrate an old Stanford University tradition of submerging all students in the classical thought of the West as a precondition to graduation, no matter what their major. This spring of 1988, the Stanford University administration threw that all out the window and knuckled under to campus political pressure to permit students to ignore the writings and thoughts of those ancient "white European males." This came as no surprise to me. A full course concentrating on such thoughts, which I had taught on request, separate from my duties as a Hoover Institution Fellow and free of charge, was mysteriously removed from the catalog over two years ago. Ideas of the sort you read below do not fit on this campus any more. I guess that's what comes of leaving curriculum design to those who have known little but the easy life."—James Stockdale

The best education, the best preparation for a full and successful life surely entails a proper blend of classical and contemporary studies. While we pursue the keys to the kingdom of modernity—studies in political science and economics and high technology—we need to understand the importance of a broad background in the readings of antiquity, those readings that form the basis of our civilization. In times of duress, in war especially, is that classical background important.

Achieving that magical combination of ancient and modern grounding took me half a lifetime to improvise. I grew up as a veritable prince of modernity, as a young man I was a test pilot, flying supersonic fighters when they were headline news and sharing a schoolroom with future astronauts. Then, at 37, too late for graduate school in high tech, a turn in my life took me to the quite different atmosphere of the study of moral philosophy. But that I mean old-fashioned philosophy—Socrates, Hume, Mill—mixed with literature with moral overtones—Shakespeare, Dostoyevski, Camus, and the like. I was deeply exposed to the thoughts and actions of men of the ancient past, of mankind dealing with Ultimate Questions.

In the course of my study of moral philosophy I have been privileged to have had wonderful mentors. One was Phil Rhinelander at Stanford. He introduced me to the great stoic tract by Epictetus, "The Enchiridion," and explained that Frederick the Great never left on a campaign without having a copy in his knapsack. Three years later I was slapped in a political prison for four years of solitary confinement—in the very world of Epictetus. Another mentor was Joe Brennan of Columbia. He came to the Naval War College when I was its president to help me introduce moral philosophy there. For 10 years he has taught a course in "Foundations of Moral Obligations." He has taught a generation of Navy and Marine Corps leaders, and they are better leaders for having taken his course. Those two mentors, despite their differences, had a great deal in common; each had one foot in modernity, one in antiquity. They gave me much. They led me to a treasure of striking insights such as this one by Mark Van Doren: "Being an educated person means that given the necessity [after doomsday, so to speak], you could refound your own civilization."

The Stoics said that "Character is fate." What I am saying is that in my life, education has been fate. I became what I learned, or maybe I should say I became the distillation of what fascinated me most as I learned it. Only three years after I left graduate school, I participated in the refounding of my own civilization after doomsday, when the giant doors of an Old World dungeon had slammed shut and locked me and a couple hundred other Americans in—in total silence in solitary confinement, in leg irons, in blindfolds for weeks at a time, in antiquity, in a political prison.

That refounded civilization became our salvation. Stripped to nothing, nothing but the instincts and intelligence of the ancients, we improvised a communication system dredged up from inklings of a distant past (actually the tap code of Polybius, a second-century Greek historian with a flair for cryptography), and lived on comradeship in a policy that would have been a credit to Polybius' Athens. The spiritual power (not necessarily religious) that seeped into us as we surreptitiously joined forces against our common enemy came as a surprise.

In my solitude the impact of this unexpected spiritual power sometimes caused me to wonder. Does modernity (post-Enlightenment life under big governments and big bureaucracies, constantly competing to remake the world in the image of the new) deaden our noblest impulses? Does it smother or atrophy the power of the human spirit, the power of human nature? Do the readings of ancient times, the classics, serve merely to give us insight into the events of the past? Or do not the texts of those self-contained cultures of antiquity portray human power in all its vibrant potential? Do they not contain evidence of a more imaginative and fundamental grasp of the essence of being human than can be found even in 20th-century texts that have since joined the classics on the humanities shelves?

In Homer's immortal epic, "The Iliad," as Hector is about to leave the gates of Troy to fight Achilles—knowing, as he must have known, that he would lose and he would die—he says goodbye to his wife and baby son at the gates, and the baby starts to cry, frightened by the nodding of the plumes on

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*Vice Admiral James Bond Stockdale served for 34 years as a Navy officer, most of them at sea as a fighter pilot aboard aircraft carriers. Shot down over North Vietnam in 1965 during his second combat tour, he was the senior Navy prisoner of war in Hanoi for eight years—tortured 15 times, in leg irons for two years, and in solitary confinement for four. He is a former president of the Naval War College, currently a Senior Research Fellow at The Hoover Institution, and widely published. Among his combat decorations in the Medal of Honor. This article originally appeared in Parameters.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

his father's shining helmet. Some would think the tale of the Greek-Trojan War to be an irrelevant relic of bygone days. Some would think it should be stricken from the reading list because it glamorizes war. Some would think that now at last, with reason to guide us, we can scoff at a warrior's suicidal obligations. But others of us react quite differently, seeing in that scene a snapshot of the ageless human predicament: Hector's duty, his wife's tragedy, Troy's necessity, the baby's cry . . .

My reaction, of course, is the latter, not only because I am a romantic by nature, but because by the time I first read *The Iliad* I had lived in antiquity (and I am not referring to the lack of electricity or plumbing). I had lived in a self-contained culture, a prison culture I watched grow among men of goodwill under pressure. I knew what it was to be a human being who could be squashed like a bug without recourse to law, and I knew that the culture, the society, that preserved me had to be preserved or nobody had anything to cling to. I knew that civic virtue, the placing of the value of that society above one's personal interests, was not only admirable, it was crucial to self-respect, and I knew that to preserve that culture, sometimes symbolic battles had to be fought before all battles could start. I knew that obligations, particularly love and self-sacrifice, were the glue that made a man whole in this primitive element, and I knew that under the demands of these obligation being "reasonable" was a luxury that often could not be afforded.

I also knew during this prison existence that I was being shown something good—that life can have a spiritual content one can almost reach out and touch. I suppose it can always have that, but I was used to the idea of it being fuzzed up, powered, fluffed, and often ridiculed here in manmade modernity, where changing the world takes precedence over understanding it, understanding man himself.

The same message comes through in the writings of Fyodor Dostoyevski, Arthur Koestler, and Aleksandr Solzhenitsyn. They've been where I've been. So had Miguel Cervantes. This future author of "Don Quixote" was a young officer in the Spanish army taken prisoner after the Battle of Lepanto in the 16th century. He spent seven years in an Algiers political prison. Same story: "Confess your crimes," "Discredit yourself," "Disavow your roots." He was tortured to disavow Christianity; he could get amnesty and go home if he would disavow it. I was made much the same offer. I was to disavow "American Imperialism." Good boy, Cervantes, you hung in too. You knew how this age-old game is played. Political prisons are not just sources of fables of the past. They could just as easily inspire the literature of the future. Unable to tolerate dissent, totalitarian governments must have them. How else to suppress and discredit their enemies within?

You know, the life of the mind is a wonder—the life of the mind in solitude, the life of the mind in extremis, the life of the mind when the body's nervous system is under attack. If you want to break a man's spirit, and if your victim's will is strong, you've got to get physical. Sometimes you might think that you can unhinge strong people with psychological mumbo jumbo. Sorry, there is no such thing as brainwashing. But even physical hammering will not alone change all hard-set attitudes. The real method to jellify those attitudes, that is, to extract those seemingly heartfelt "confessions," is the artful and long-term imposition of fear and guilt. Solitary confinement and tourniquet-tight rope bindings are mere catalysts for the fear and guilt conditioning. Remember, I'm talking about strong-willed victims. They're going to make you hurt them. They know from experience that the compliance extracted by brute force is in no way so spirtually damaging as that given away on a mere threat. And they have learned from experience that in the end it is a spirtual battle. The leak in the dike starts from within.

How does the mind of the victim respond to these challenges? How did we respond in those North Vietnamese prisons? Realize the situation here: They've got man in a laboratory test that no university in the United States could set up. They're not going to leave him in a room just to fill out a bunch of questionnaires, or give him some innocuous maze to work his way out of. They're going to boil the *essence* out of him as a chemist would heat and pressurize a specimen to study its properties, its nature, in a laboratory. What is the nature of man? What surprises does human nature have in store under these conditions?

First, regarding the loneliness, the solitude: It's not as bad as you think. Don't forget, the time factor is stretched out way beyond most psychological experiments. There was a professor at Stanford who got national attention several years ago for locking some students in the basement of a library for a few days, and then writing a book about his observations of their behavior. I laughed when I read it. You don't know the first thing about a person until he has been in the cooler for a couple of months. He has to first go through the stage when he is preoccupied with going insane. That's a normal prelude without lasting significance. Figure on that phase lasting for the first three to four weeks. It ends when it suddenly dawns on him that he'll have no such luck; he's stuck with himself. Almost everybody then sets himself up in a ritualistic life. Something deep-seated in human nature likes, feels safe with, reptition—a time for this, and a time for that, repeated regularly every day. You get to thinking about how liturgies of worship must have gotten started in some prehistoric clan.

Your mind drifts to many anthropological questions. How do institutions and governments get started? Are they the product of a man on a white horse? Does some powerful person impose rule: "We gotta get organized; here are the tribe's rules; break 'em and I'll cave your skull in." I doubt it. When you're scared (and that's probably why people grouped into those first crude policies—fear of predators, human or otherwise), you don't feel the urge to take charge. And when you're expected to, by virtue of heredity in clan or tribe, or seniority, for sure, among military prisoners, on first contact you seem compelled to say something becoming a well-brought-up American boy, like: "In these circumstances when you are being threatened or tortured to do things that offend your very being, I can't bring myself to order you to do this or that. Everyone must have the autonomy to choose the best alternatives facing him. Do the best you can and God bless you."

How civilized and compassionate! But it will never sell. Those fine young people in trouble won't let you get away with that. Their response is sure to be something like this: "You have no right to piously tell us each to seek out the good, and then back out of the picture. You are in charge here, and it's your duty to tell us what the good is. We deserve to sleep at night, feeling that at least we're doing something right in all hewing to what our leader says. We deserve the self-respect that comes with knowing we are resisting in an organized manner. We expect you to tell us to take torture before we comply with any of their demands. Give us the list!" There's nothing rational about such a reaction. Anybody could see that we probably weren't going to win the battle. But on the other hand, as the veteran prisoner Fyodor Dostoyevski aptly noted, "Man's most deep desires in the life under pressure are not for a rationally advantageous choice, but for an independent choice."

On the parade ground, all the rankers vie for leadership, to be out front; but in a political prison, being the boss means you're the first guy down the torture chute when the inevitable purge starts. In that place, the drive for discipline and organiziation starts at the bottom and works its way up. Maybe it always does when lives and reputations are at stake.

How about the handling of fear and guilt? Those are determining forces in any life. You can't accomplish anything without a little of both ("fear of failure" can keep you going once you get started), but if you let them out of control, they'll tear the very core out of your being.

Did I say a little guilt—a feeling of inadequacy with regard to your duties—was a good thing? Most modern psychiatrists would have us float around on a pink cloud of emotional tranquility, free of conscience's nagging, but you've got to have a goal if you're going for anything big. In Arthur Koestler's "Arrival and Departure," the brain of a restless young southeast European exile, who is determined to get back into the fighting of World War II, is given a spring house-cleaning by a female psychiatrist, who finds him hiding in Portugal in 1940. "What's eating him?" his friends all want to know. "He's seen enough war," they conclude. Predictably, the psychiatrist finds the problem in his past, a troubled childhood, and after clearing him of his hang-ups (she thinks), she awaits him on a ship with tickets that will take them both to a safe, carefree life in America. At that point he runs aboard the ship only to divulge the shocking news that he has just signed up with British Intelligence to be parachuted as an agent behind enemy lines. Old prisoner Koestler writes him a notable farewell speech: "The prosperity of the race is based on those who pay imaginary debts! Tear out the roots of their guilt and nothing will remain but the drifting sands of the desert."

There's power in feelings of guilt.

Yet there's a devastation when it rises to such levels that it consumes you (remember, in your wartime prison cell you're waiting to be picked off by the first vulture to interrogate you), or when it creates self-delusion ("After all, I was tortured; maybe something came over me; my poor performance must not have really been my fault; I must have been broken or brainwashed"). Such rationalizations won't play well in the cold light of day when you're edging yourself out on the thin ice separating you from a nervous breakdown. And a nervous breakdown you cannot afford in this place. So there you are, wretched, about to sink into the Slough of Despond—bow first or stern first, depending on which crutch (consuming yourself or deluding yourself) you elect to use. Either will guarantee you the loss of your self-respect; that being all you have left, you have to learn to just sit there in your solitude and throw away both crutches and heal yourself—there's no outside professional help available. You have to deal with guilt, eat it, if you will. You can learn to use its fire for what it was intended, a flame that cauterizes your will to make you stronger next time. Of all the challenges guilt brings in a political prisoner's life, working off the feeling of having brought harm to a fellow inmate is the most demanding.

Later, out in public, you have no recourse but to join in the inevitable discussion of your so-called "agony" in prison: "How was the food?" "Did you get any fresh air?" "Were you warm enough all the time?" "Did you have any feelings of friendship for your captors?" "How was the mail service?" But when you get one old political prisoner alone with another, they exchange tales of a quite different nature, of nervous exhaustion, uncontrollable sobbing in solitude, the wages of fear, and the feelings of inadequacy, of guilt. It doesn't do to discuss these matters with strangers; they put you down as some kind of wacko.

But believe it or not, as time wears on in solitary you get better at dealing with these matters. The ultimate accommodation with them comes from focusing intensely on leading a very, very clean and honest life, mentally and otherwise—and you find youself being consumed in a strange, lasting, and unexpected high-mindedness. By this, I don't mean "joyfulness," and I particularly don't mean "optimism." (In "Man's Search for Meaning," Viktor Frankl makes the point that babbling optimists are the bane of existence of companions under stress. I totally agree with him—give me a pessimistic neighbor every time.) What I mean by the setting in of high-mindedness is the gradual erosion of natural selfishness among people of goodwill facing a common danger over time. The more intense the common danger, the quicker the "me-first" selfishness melts. In our situation, at about the two-year point, I believe most of us were thinking of that faceless friend next door—that sole point of contact we had with our civilization, that lovely intricate human thing we had never seen—in terms of love in the highest sense. By later comparing notes with others, I found I was not alone in becoming so noble and righteous in that solitude that I could hardly stand myself. People would willingly absorb physical punishment rather than let it fall to their comrades; questions arose in my mind about the validity of the much-talked-about instinct of self-preservation. Solzhenitsyn describes his feelings of high-mindedness in his Gulag writings in words like these:

"It was only when I lay there on the rotting prison straw that I sensed within myself the first stirrings of good. Gradually it was disclosed to me that the line separating good and evil passes not between states nor between classes nor between political parties but right through every human heart, through all human hearts. And that is why I turn back to the years of my imprisonment and say, sometimes to the astonishment of those about me, 'Thank you, prison, for having been in my life.'"

Was I a victim? Not when I became fully engaged, got into the life of unity with comrades, helping others, and being encouraged by them. So many times, I would find myself whispering to myself after an exhilaration wall-tap message exchange: "I am right where I belong; I am right where I was meant to be." In all honesty, I say to myself, "What a wonderful life I have led." No two of us are the same, but to me the wonder of my life is in escaping the life Captain McWhirr had programmed for himself in Joseph Conrad's "Typhoon": "To go skimming over the years of existence to sink gently into a placid grave, ignorant of life to the last, without ever having been made to see all it may contain of perfidy, of violence, of terror." And the author adds, "There are on sea and land such men thus fortunate—or thus disdained—by destiny. . . ."

Phil Rhinelander, my philosophy mentor at Stanford, died a short time ago. We were preparing a book together and consequently I was with him almost every day at the last. He sat up in his bed at home, surrounded by his books and papers, writing on a yellow legal pad, never mentioning the cancer in his liver which he knew would take him in a matter of weeks (he was nearly 80). One of the last things we talked about was our agreement on a point we had each separately stated publicly: "The challenge of education is not to prepare a person for success, but to prepare him for failure." It is in disaster, not success, that the heroes and the bums really get sorted out.

Always striving for true education is the best insurance against losing your bearings, your perspective, in the face of disaster, in the face of failure. I came home from prison to discover something I had forgotten; in my old Webster's collegiate dictionary I had pasted a quotation from Aristotle: "Education is an ornament in prosperity and a refuge in adversity." I had lived in the truth of that for all those years.

THE 45TH ANNIVERSARY OF REV. BISHOP ALFRED LEO ABRAMOWICZ

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. LIPINSKI. Mr. Speaker, I would like to take this opportunity to draw my colleagues attention to the tremendous record of accomplishment of the most Rev. Bishop Alfred Leo Abramowicz of the archdiocese of Chicago. Bishop Abramowicz will be celebrating his 45th anniversary as a priest this November. He has touched the hearts and souls of a generation of young Chicagoans and is truly a Chicago institution.

Bishop Abramowicz was born in Chicago and has dedicated his life to service in his hometown. Ordained as a priest in 1943, his distinguished career began as an associate pastor at Immaculate Conception DVM parish in south Chicago. From there he moved up the ranks within the Chicago archdiocese.

I am particularly pleased to relate Bishop Abramowicz' work directed toward the people of Eastern Europe. In 1960, he was appointed Executive Director of the Catholic League for Religious Assistance to Poland. He also served on the National Committee of the "National Czestochowa Trust Appeal." Bishop Abramowicz applied his expertise and knowledge to a myriad of world affairs. His work on these commissions is a point of pride to the many immigrants and their children which live in the Chicago area.

My own memories of the bishop include his confirmation of my two children at St. Symphorosa Church. With vigor and spiritual energy, he instilled in Chicago's youth a sense of morality and a willingness to work toward a better world.

Again, I congratulate the bishop and wish him and his entire congregation in Chicago, particularly at Five Holy Martyrs Church, a successful anniversary celebration and many more years of service. Thank you Bishop Abramowicz.

SUPPORTING THE EFFORTS OF MILLIONS OF AMERICANS WHO SERVE AS VOLUNTEERS IN OUR NATION'S SCHOOLS

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. ATKINS. Mr. Speaker, today, with Congressman JEFFORDS, I introduced the Business and Citizen School Volunteers of America Act of 1988. This legislation will establish a "National Center for Leadership in School Volunteer and Partnership Programs" which will assist schools in organizing, promoting, training, and utilizing volunteers in our schools. It will also provide incentives for State and local educational entities to create school volunteer programs that focus on using older Americans as volunteers, facilitate the transfer of high technology knowledge to our students, and create or expand programs that prevent school dropouts and drug and alcohol abuse.

Last year, 4,300,000 people in our Nation's schools were not students or teachers or administrators—they were school volunteers. Collectively, these volunteers contributed over 1 billion dollars' worth of instructionally related time to enhance learning opportunities for our school children.

School volunteers are not used as replacements for teachers, but, work under the supervision of the principal and classroom teacher in order to provide specific and requested services. Volunteer services include teaching conversational foreign languages to native English speaking students; organizing and operating computer labs; assisting in math and reading labs, guidance offices, libraries and media centers; and tutoring students on a one-to-one basis.

Volunteers have served in our Nations' schools for over 20 years and during all this time no Federal dollars have been spent to support these efforts. A 1982 survey found that volunteers were used in over 88 percent of our elementary schools and 60 perecent of our secondary schools. Now, I believe that it is time to commit a small amount of Federal dollars to assist local schools maximize their use of school volunteers.

I urge my colleagues to join me is supporting school voluntarism in their districts by cosponsoring this cost-effective educational effort.

REMEMBERING DAVID WILENTZ

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. RODINO. Mr. Speaker, it was with much sadness that I learned of the death of David Wilentz who was a distinguished attorney, a widely respected politician and a stalwart of the Democratic Party and its leading patriarch. New Jersey has lost one of its leading citizens and I have lost a good and much valued friend.

David's story is really the story of America. Born in Lithuania in 1894, his parents brought him to this country the following year and settled in Perth Amboy—a city David would love and serve for the rest of his life. After graduating from high school, he worked and commuted to night classes at New York Law School. He then began a stellar career in both law and politics as the city attorney for Perth Amboy. He went on to become New Jersey's Attorney General, receiving national attention as the chief prosecutor in the Lindbergh kidnaping case, and served an unparalleled 50 years as chairman of the Middlesex County Democratic Party.

What I will remember about David Wilentz was his unwavering commitment to justice and his unflagging devotion to public service—a family tradition that has been carried on by his son Robert, the distinguished chief justice of the New Jersey Supreme Court. By recognizing that the Democratic Party was a party of people, David Wilentz strengthened it and became one of its most respected leaders. As a consummate politician, he was the trusted friend and adviser of Governors and Presidents who sought his counsel and the benefits of his wisdom. With his unquenchable zest for life, David never stopped looking for new horizons and new challenges.

I want to extend my deepest sympathy to David's wife Lena, his sons Warren and Robert, and his daughter Norma. All the citizens of New Jersey share their sense of loss.

Mr. Speaker, with your permission, I would like to include in my remarks the following articles from the Star Ledger which pay tribute to the career and legacy of David Wilentz.

[From the Perth Amboy (NJ) Star-Ledger, July 7, 1988]

DAVID WILENTZ DIES—DEM CHIEF, LINDBERGH PROSECUTOR WAS 93

(By David Wald)

David T. Wilentz a powerful Democratic Party leader in New Jersey for half a century and the man who rose to prominence as the attorney general who sent Bruno Richard Hauptmann, kidnaper of the Lindbergh baby, to the electric chair, died yesterday at his summer home in Long Branch. He was 93.

Wilentz, father of New Jersey Supreme Court Chief Justice Robert Wilentz, was the leader of Middlesex County Democrats for 50 years, exercising enormous public and private influence on state legislative and gubernatorial politics.

His support was crucial in the nomination and election of New Jersey's last three Democratic governors—Robert Meyner, Richard Hughes and Brendan Byrne.

"New Jersey has lost an able lawyer, a consummate politician and a great Democrat," Meyner said yesterday from his home in Florida.

Hughes, who was also chief justice of the New Jersey Supreme Court said, "I learned with sadness of the death of Dave Wilentz. He was one of the great New Jerseyans and also my dear friend."

Byrne said, "I feel a genuine personal loss in the death of General Wilentz. Although he will be remembered primarily as the prosecutor in the Lindbergh case, he was for over a generation the most influential Democrat in the state.

"As a lawyer and a political leader, he was indeed a giant among men. We will not see his likes again," Byrne said.

Gov. Thomas Kean said Wilentz's death "marks the passing of a figure and personality of near legendary proportions."

"He was a dynamic individual who channeled his abundant energies into serving his community and his state in whatever way he could and to the very best of his considerable talent and ability."

U.S. Sen. Bill Bradley (D-N.J.) said Wilentz's political wisdom was "legendary in New Jersey for over 50 years. He was the consummate public-spirited citizen—intelligent, involved and caring."

Wilentz died "peacefully in his sleep," according to a family spokesman.

Funeral services are scheduled for 2 p.m. today at Temple Beth Mordecai, 224 High St., Perth Amboy.

Wilentz is survived by his wife, Lena; sons Robert and Warner; daughter, Norma Hess; eight grandchildren; five great-grandchildren and a sister, Ada Trynin.

Wilentz was the founder of one of the state's largest law firms, Woodbridge-based Wilentz, Goldman & Spitzer.

Wilentz was attorney general from 1934 to 1944, personally handling the prosecution at the sensational 1935 Lindbergh kidnaping trial, which brought hundreds of reporters daily to the Hunterdon County Courthouse in Flemington.

He won national and worldwide attention for his courtroom flair, building a circumstantial case against the Bronx house painter Bruno Richard Hauptmann, whom Wilentz decried as "Public Enemy No. 1, an animal lower than the lowest form." Hauptmann was executed in 1936 for the March 1932 kidnapping and murder of aviator Charles Lindbergh's 20-month-old-son.

Wilentz's death came hours after a federal appeals court in Philadelphia rejected another effort of Hauptmann's widow, Anna, to clear her husband's name.

Wilentz had won the attorney general's job because of his success in the political arena, building from weakness to enormous strength a Democratic political organization that would hold every Middlesex County and legislative position without serious challenge for 38 years.

Wilentz's then-emerging influence in state politics led the legendary Hudson County Democratic boss, Frank Hague, to recommend to Jersey City-bred Gov. A. Harry Moore that Wilentz be his attorney general. Moore twice appointed Wilentz to five-year terms.

Wilentz was once described as Frank Hague's principal ally outside of Hudson County, but Wilentz's power lasted well beyond the downfall of Hague in Jersey City.

David Theodore Wilentz was born Dec. 21, 1894, in Dwinsk, Latvia. When he was two years old, his parents immigrated to Perth Amboy where his father, Nathan, bought a tobacco wholesale business.

While in college, Wilentz worked part-time as a reporter for Middlesex County newspapers and was graduated from New York Law School in 1917.

In 1921, Wilentz, together with a high school friend, began his political career in Perth Amboy, guiding Democratic candidates to council victories a year later. His behind-the-scenes political managing skills were developed early, and in 1923 the first Democrat was elected a freeholder in Middlesex County.

A few years later, the Democrats swept every office available, and from 1929 until 1967 no Republican was elected to a legislative or county office in Middlesex, making the central Jersey county second only to Hudson in terms of strength in the state.

Among his longtime political allies were former Rep. Edward Patton, a congressman for 18 years from Perth Amboy and Perth Amboy Mayor George Otlowski.

"I regarded him as my mentor, my teacher and a dear friend," Otlowski, 76, said yesterday. "He had a very simple philosophy: To do right by the public. The basic lesson I learned from him was if you do the right thing, don't be afraid of anything."

Patton, 82, who retired from Congress in 1980, said, "I'm proud of him. I'm proud of all the help he gave me, and I'll miss him."

In 1933, with Wilentz's leadership, Patton at the age of 28, became the youngest mayor in Perth Amboy's history.

Patton recalled that he once confided in Wilentz that his ambition was always to be a judge. Instead, the 15th Congressional District was created in 1960 as New Jersey's population grew, and Wilentz ensured Patton's election as a congressman.

Bernard Dwyer, another Perth Amboy native who succeeded Patton in Congress, said Wilentz was "one of the great civic and political leaders of our times."

Republican gubernatorial and presidential landslides in recent years have cut into Democratic strenght in the county, and the building boom in the southern portion of the county has brought in young, affluent and independent voters. But Democrats continue their lock on county offices.

Nicholas Venezia, a Woodbridge lawyer who has been the Democratic organization leader in Middlesex since 1973, said, "One of the things he taught me was compromise, bringing people together, satisfying competing groups."

The Middlesex County base that Wilentz controlled made him a major figure among the small circle of influential Democrats who determined the party's candidates for governor and U.S. Senate.

Rarely was a story written about Wilentz without describing him as dapper, and noting an immaculate wardrobe and an expensive cigar.

A well-told tale regarding Wilentz is the advice he gave Hughes when Hughes was picked to run for governor in 1961. Wilentz counseled Hughes to trade in his blue suit and brown shoes.

Hughes recalled yesterday it was Wilentz who approached him to run for governor.

"I was dining peacefully with my family when Dave Wilentz, on behalf of a group which my beloved late law partner, Thorn Lord, called the bad boys, asked me if I would run for governor. I answered: Of course not, because it would cost me a whole lot of money and because it would be impossible to defeat the Republican candidate, former U.S. Labor Secretary Jim Mitchell.

"Dave asked me to think it over for a week. When he called back, I told him I had decided to run."

Lord was the Mercer County Democratic organization chairman at the time and a member of Wilentz's inner circle. Hughes went into private law practice after retiring as a judge of the Superior Court.

Wilentz kept his organization humming with lawyer-like skill: He reasoned, he flattered, he was immodest, he rose in anger. He had jobs to hand out because his party controlled the county courthouse and sometimes the Statehouse. He formally retired as Middlesex County Democratic chairman in 1969, but he was a well-consulted adviser through the 1970s.

Former Assembly Speaker Alan Karcher, 45, who grew up in Sayreville, said Wilentz was the dominant political person "in my family's life. Any discussion of politics never happened without discussing what Wilentz was doing. He was a colossus."

"I found him delightful. He was a man of great charm and great wit and great intelligence," Karcher said. "He taught me the greatest lesson I ever learned in politics: Home base is home base. You can go as far as you want to go but once you start to ignore your own base, there's sure disaster for you.

"He also said if you're a candidate for office, don't waste your time. Even on Election Day. He would tell us to stand outside our own polling place. Say hello to your own neighbors and friends."

Karcher's late father, Joseph, was on Wilentz's first successful legislative ticket in 1929.

But Wilentz would not support Alan Karcher when he first sought an Assembly seat in 1969. "He thought I was too young. My father was 25 when he got elected. In the old days, Wilentz didn't care how old you were."

Wilentz's eldest son, Warren, was the Middlesex County prosecutor and an unsuccessful candidate for U.S. Senate in 1966.

His daughter, Norma, married Leon Hess, principal owner of the New York Jets and the chairman of Amerada Hess. Wilentz was a director of the company.

His youngest son, Robert, was a two-term assemblyman from 1965 to 1969, establishing a liberal Democratic track record noted for its independence from his father's powerful political influence. Robert was nominated by Gov. Byrne to be chief justice of the New Jersey Supreme Court in 1979, succeeding former Gov. Hughes, who was chief justice from 1973.

Gov. Kean renominated Wilentz in 1986.

Gov. Meyner recalled that Wilentz had mixed feelings about his son becoming chief justice. "He had built up this terrific law firm. It was his joy to see Bob run that office. He felt badly he couldn't keep him in there."

[From the Perth Amboy (NJ) Star-Ledger,
July 8, 1988]

POLITICAL ELITE BID A FAREWELL TO WILENTZ

(By David Wald)

Former Attorney General David T. Wilentz was remembered yesterday as a consummate politician, skilled trial attorney, inveterate horse player and loving husband, father and grandparent in funeral services in Perth Amboy.

More than 800 people attended the services for Wilentz at Temple Beth Mordecai, just a block from City Hall in Perth Amboy where Wilentz began a powerful political career that spanned more than a half century, influencing local, county, state and national politics.

Wilentz died Wednesday in his summer home in Long Branch. He was 93. He was best known for his prosecution of Bruno Richard Hauptmann in 1934 for the murder and kidnaping of the 20-month-old son of aviator Charles Lindbergh.

New Jersey Supreme Court Chief Justice Robert Wilentz and his brother Warren, a former Middlesex County prosecutor, eulogized their father, as did four of Wilentz's eight grandchildren. Morris Brown, a partner in the law firm Wilentz founded in Perth Amboy and later moved to Woodbridge, also spoke about Wilentz.

Mourners included Gov. Thomas Kean, former Govs. Brendan Byrne, William Cahill and Richard Hughes, U.S. Sen. Bill Bradley and former U.S. Sen. Harrison Williams, Rep. Bernard Dwyer and former Rep. Edward Patten, judges, scores of legislators freeholders, municipal officials, and neighbors from Perth Amboy, where he lived for 88 years.

"My father had three loves," said Robert Wilentz. "Aside from his children, grandchildren and great grandchildren, and putting aside his horses and craps. The real loves were his wife (Lena), his work and Perth Amboy. He knew every street and corner of this city and at one time every person."

The 50-minute funeral service for Wilentz was somber but filled with warm remembrances about Wilentz's political and legal skills, his dapper manner of dress, and his personal charm.

Rabbi Hilel Rudavsky, who conducted the services, said, "This is a time when we weep and laugh simultaneously. We had the tears today. We had the laughter today."

Newark Archbishop Theodore McCarrick, who was the founding bishop of the Diocese of Metuchen in Middlesex County, also participated in the services, reading the 23d Psalm. "It is an extraordinary privilege reading a psalm of David for our extraordinary friend David Wilentz," McCarrick said.

Wilentz received a final salute from a State Police honor guard as his polished mahogany coffin, draped with an American flag, left the synagogue. Burial was in Beth Israel Cemetery in Woodbridge.

"The patriarch has died," said former Gov. Cahill. "I recognized him as one of New Jersey's outstanding citizens during my lifetime. I think it's a great loss to the state."

"I thought he was immortal," said Byrne. "There's always been a Dave Wilentz as long as I've been around politics. He was always somebody to give you the pulse of the people."

Hughes, who was asked to run for governor in 1961 by Wilentz, said Wilentz's political power could never be duplicated. "He helped me pass legislation that was pretty ticklish. Dave would put the arm on his delegation and they all would vote for it. You can't do things like that now. Power is all split up."

Williams, a four-term senator until convicted in the early 1980s on bribery charges relating to the FBI's undercover sting operation known as Abscam, said, "All the way through my career he was my sparkplug." Wilentz helped him win his Senate nomination the first time, just two years after he had lost his congressional seat.

"He was an inspiration. His advice was always the wisest," said Williams, now a labor union consultant.

Chief Justice Wilentz, who was appointed to the Supreme Court by Byrne and reappointed by Kean, said, "My father would have been pleased so many of his friends are here."

"He respected people in public office. He knew what it took to get there and stay there," said Robert Wilentz.

The chief justice said his father's death could be viewed as the passing of a period when "one man can have so much influence and power." But more than that, he said, his father was a rare person. "It would have been rare at any time at any place to find such a man. God was kind to him and we are grateful."

Warren Wilentz recalled his father as a "trial lawyer par excellence," and noted fondly, "Before there was a Gentelman's Quarterly, my father knew how to dress with style, grace and panache."

He said his father's 40 years at Monmouth Park Racetrack in Oceanport was recognized when a room was named after him. "But I'm not sure whether he said, 'After 40 years I deserved it,' or, 'after 40 years, I paid for it.'"

Granddaughter Connie Hess Williams, who is the daughter of Wilentz's daughter Norma and Leon Hess, the oil company founder and principal owner of the football Jets, said her love of politics today was from her grandfather's. "I don't know whether the love for politics is inherited or inhaled through cigar smoke, but I got it. Grandpa was the best. The consummate politician. He could work the crowd better than anyone elected."

Morris Brown, a partner at Wilentz, Goldman & Spitzer, said, "He left us with a great legacy. A love of the law, a passion for justice and a desire to serve."

STEAMTOWN NATIONAL HISTORIC SITE SUMMER PROGRAM

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. McDADE. Mr. Speaker, I am pleased to bring to the attention of my colleagues the opening on July 1 of the 1988 Summer Interpretive Program for the Steamtown National Historic Site in Scranton, PA.

Steamtown, which commemorates the era of American steam railroading, was created less than 2 years ago by Congress as the result of legislation I introduced. Since that time, much planning has been done by the Park Service and the Scranton community in order to ensure that Steamtown reaches its full potential for bringing to life the important story of American railroading.

I am happy to report that some of the planning has progressed to the initial implementation stages. The summertime Steamtown rail yard tours and railbus ride have generated considerable public interest with over 4,600 persons participating in the Park Service program during its first 10 days. The reaction has been highly favorable, and Steamtown should become even more interesting and an even greater public attraction as the project is further developed.

At July 1 ceremonies in Scranton to introduce the start of the summer program, National Park Service Director Denis Galvin outlined the planning process and provided a look into the future direction of Steamtown, including a linkage with the many other resources in the Scranton area.

I look forward to working with Mr. Galvin, other Park Service officials, the people of Scranton, and my colleagues in Congress toward the development of a national historic park that will preserve our Nation's railroading heritage and provide for the education and enjoyment of current and future generations of Americans

Excerpts from Denis Galvin's remarks are printed below:

Remarks for Deputy Director Denis Galvin at Ceremonies Introducing the 1988 Summer Interpretive Program for Steamtown National Historic Site, July 1, 1988

I'm glad to be in Scranton once again to share this day with you and to share the platform with these two able gentlemen.

Congressman McDade, I know you are as grateful, as I am to be able to open the gates of this railroad park to the public—even if we're opening them only a little way. As I'm sure you are all aware. It was Congressman McDade's legislation that made Steamtown National Historic Site a reality. We have other railway sites in the Park System—Golden Spike National Historic Site in Utah where the first transcontinental railroad was completed in 1869; Allegheny Portage National Historic Site near Altoona where they hauled canal boats over the Allegheny Mountains; and New River Gorge National River in West Virginia where a major railroad runs the length of the park area. But here at Steamtown we will show a broad scale and exciting story of the era of steam railroading and how the railroad helped bring about the industrialization of the country.

At any new park area, a lot of plans have to be drawn up before you get around to pouring concrete and laying bricks. We do that so we know where we're going before we start out. And that is where we are at Steamtown right now.

I know some of you may get a little impatient with the extent of this planning process but the results will start to become evident shortly. As you know, a comprehensive management plan for the park was completed this past April. The public meetings that were held in Scranton gave our planners a lot of good input—we feel that public involvement like this gives us a stronger plan and makes all of you a part of the process. It is this management plan which establishes the boundary for the area, sets down the park's mission and outlines the facilities and equipment we will need to meet that mission.

Within a few weeks we will invite the public again to take part. This will be on a "development concept plan" for the park—a plan that will set down how visitors will arrive, what they will see, how the story will be told, and how the locomotives and cars will be displayed. I think you'll find it to be an exciting plan. So when the meeting is announced, come out and let our planners show you what they've done.

Other planning efforts are going on as well. A team from our Denver Service Center will soon complete an economic and marketing study of the rail line between Scranton and Delaware Water Gap. This will give us a handle on whether it's economically feasible to run an excursion train along the line. If it proves to be cost effective, we would then do a further study on how the excursion should be organized and run.

Our planners from Philadelphia have put together a task force of Federal, State, county and city officials who will counsel together on how to link Steamtown with the Lackawanna mine tour at McDade Park, the Scranton Iron Furnaces State Park along Cedar Avenue, Nay Aug Park, recreational sites along the Lackawanna River, the proposed Lackawanna Avenue Mall and a proposed downtown arena-convention center complex. The idea is to take a broad look at all of the resources in the area, then work out a way to link as many of them as possible.

Our planners are also lending technical assistance to draw up a master plan for the Nay Aug City Park, to try to bring this park back to the natural attraction it used to be. And they are working with a dynamic conservation group to preserve the Lackawanna River banks and improve the recreational opportunities for everyone along the river.

So consider today a preview of the Steamtown of the future. The plans are on the drawing boards and you'll see the results in the not-too-distant future.

MARK FALVO, OUTSTANDING CITIZEN

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. CLINGER. Mr. Speaker, I would like to recognize and honor Mark Falvo, an outstanding citizen of my district. Mr. Falvo, represents the type of individual whose devotion and commitment to justice inspires us all. His hardwork and dedication has led to the end of a nationwide search of an escaped murderer and his accomplice.

Mark Falvo began work on the case of Jon Yount and his accomplice, Diane Brodbeck, in July 1987. While working as an intern for the district attorney in Clearfield, PA, Mark played a significant role in the capture of this felon who escaped from prison in April 1986. After leaving the intern position, he continued researching the case and was hired as a detective for Clearfield County. As a senior in law school, he continued to spend about 5 hours a day researching this case. When the new district attorney was unable to continue Mark's funding, this young man's drive for justice was not deterred; he continue his work with his own money.

Mark worked directly with the Pennsylvania State police and the FBI office in State College. He compiled and reviewed information, such as Social Security, telephone and bank records.

In the fall of 1987 Mark suggested the case be aired on the television show "Unsolved Mysteries." Police and FBI agents had received several leads on the case since the escape, but not until the broadcast of "Unsolved Mysteries" did the FBI receive a tip to Brodbeck's whereabouts.

A few weeks after the show the FBI was able to apprehend Yount and Brodbeck. After almost a year of dedication and commitment to the case, Mark Falvo succeeded in helping to close this case: Yount and Brodbeck were apprehended on Wednesday, June 15, 1988. Mark deserves the praise of a grateful State for his role in the apprehension of these two criminals.

I am proud to be the representative of such a worthy constitutent and I commend him for his efforts.

ENERGY AND ANWR

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. YOUNG of Alaska. Mr. Speaker, many of our colleagues are aware of our energy dependence upon other nations, and the fact that the picture is not looking any brighter for the foreseeable future. Nevertheless, legislation before the Congress to open to environmentally sound oil and gas leasing in the Coastal Plain of the Arctic National Wildlife Refuge in my District—the State of Alaska—is the bright spot in terms of responding to this growing international threat. Today I submit for the Record an article from the Springfield, IL, State Journal-Register, which underscores the need for prompt action by the Congress on this subject. Because of the vast support nationwide for this legislation, I will do this daily.

The article follows:

[From the State Journal-Register (Springfield, IL), Dec. 16, 1986]

Complacency Over Oil Could Prove Costly

During recent weeks, America's dependency on foreign oil has accelerated dramatically, but policymakers in Washington and consumers awash in cheap fuel are behaving as though there were no tomorrow. Nevertheless, a frightening profile of tomorrow emerges from the petroleum industry's latest data. They presage a return to the disastrous "oil shocks" of the 1970s, which nearly wrecked the economies of the Western world.

Domestic oil production this year is falling below 1985 levels, the first annual decline during this decade. Meantime, U.S. demand for oil is rising by 2.5 percent this year. The inevitable consequence of rising consumption and falling production is a jump in imports of crude oil and petroleum products—up 25 percent during the last year alone.

America's dependence on supplies from the volatile Persian Gulf region has nearly tripled in the same period, from 5 percent to 13 percent of total imports.

The longer-term trends are equally bleak. Drilling for new oil in this country has dropped 62 percent below that of a year ago. Spending on exploration and production by U.S. companies has fallen to $22 billion this year, compared with $30 billion in 1985. The number of operating oil rigs in the United States has dropped from 1,962 last year to 954 today.

The singular cause of these ominous developments is the plunge in world prices. From a high of $34 a barrel in 1981, crude oil prices fell last summer to below $10, a seven-year low, before stabilizing at the current $15. American production is especially vulnerable to such low prices, because most foreign sources can pump petroleum far more cheaply and still profit.

Industry analysts believe a floor of $22 a barrel is necessary to assure healthy profits for U.S. producers. In other words, U.S. oil companies simply cannot compete with the Organization of Petroleum Exporting Countries in today's market.

Against this backdrop, OPEC ministers convened last week in Geneva to attempt a general agreement on production cutbacks intended to drive up the price to $18 a barrel. The cartel has at its disposal today the means to boost world prices.

How long before the oil giant reawakens depends on several factors, but if the United States, and other consuming nations fail to reverse the current trends, OPEC's revival will come sooner rather than later.

Ironically, the disclosure of secret U.S. weapons sales to Iran has strengthened Tehran's hand against its rival, Saudi Arabia, because Iran is viewed throughout the oil-rich Middle East as having outsmarted Washington.

All of these considerations bear on a crucial decision awaiting Congress when it returns in January: Whether to permit oil drilling in a corner of Alaska's Arctic National Wildlife Refuge. The region is believed to hold reserves of up to 30 billion barrels of petroleum. If rigorous environmental controls are enforced, the new Arctic field could be developed without unacceptable harm to the environment.

Amid the current complacency about this country's rising dependency on foreign suppliers, we would be wise to heed the warning of Interior Secretary Donald P. Hodel, who recently declared that it's only a matter of time before OPEC is "back in the driver's seat."

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, July 14, 1988, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 25

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold joint hearings with the Select Committee on Indian Affairs on S. 2420, to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands.

SR-485

Select on Indian Affairs

To hold joint hearings with the Committee on Energy and Natural Resources' Subcommittee on Public Lands, National Parks and Forests on S. 2420, to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands.

SR-485

JULY 26

9:30 a.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 2148, to designate specified river segments in Oregon as scenic, wild, or recreational rivers.

SD-366

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 2148, Omnibus Oregon Wild and Scenic Rivers Act.

SD-366

JULY 27

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To hold oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

JULY 28

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To continue oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

JULY 29

9:30 a.m.

Select on Indian Affairs

To resume hearings on S. 187, to provide for the protection of Native American rights for the remains of their dead and sacred artifacts, and for the creation of Native American cultural museums.

SR-385

AUGUST 2

9:00 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 2044, to require further review by the Federal Communications Commission (FCC) to ensure thorough deliberation on proposed changes in the method of regulation of interstate basic service rates, and to review FCC price cap proceedings.

SR-253

10:00 a.m.

Environment and Public Works

Environmental Protection Subcomittee

Business meeting, to mark up S. 2272, to authorize funds for fiscal years 1989 and 1990 for the Fish and Wildlife Conservation Act of 1980, S. 2384, to authorize funds for fiscal years 1989 through 1991 for the Atlantic Striped Bass Conservation Act, and other related measures.

SD-406

AUGUST 10

9:30 a.m.

Commerce, Science, and Transportation

Consumer Subcommittee

To hold hearings on S. 2047, to require health warning labels on containers of alcoholic beverages.

SR-253

AUGUST 11

9:00 a.m.

Veterans' Affairs

To hold oversight hearings to review certain veterans health care programs.

SH-216

SEPTEMBER 20

9:30 a.m.

Commerce, Science, and Transportation

Foreign Commerce and Tourism Subcommittee

To hold oversight hearings to review the U.S. and foreign commercial service.

SR-253

POSTPONEMENTS

JULY 14

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Credit Subcommittee

To resume oversight hearings on the implementation of the Agricultural Credit Act (P.L. 100-233).

SR-332

SENATE—*Thursday, July 14, 1988*

(Legislative day of Friday, July 8, 1988)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable RICHARD C. SHELBY, a Senator from the State of Alabama.

Mr. SHELBY. The prayer will be offered by Msgr. Francis J. Fleming, St. Olaf Catholic Church, Minneapolis, MN.

PRAYER

Msgr. Francis J. Fleming of St. Olaf Catholic Church, Minneapolis, MN, offered the following prayer:

Let us pray:

O God, Creator and sustainer of all that exists, we acknowledge Your presence among us. You are silent, You are invisible, but You are here. We firmly believe You to be the all powerful sovereign ruler of our Nation and the source of all goodness, truth and beauty. We affirm Your presence in the beauty that surrounds us here in Washington; its greenery, waterways, avenues, and esplanades which offer such magnificent setting for history-laden monuments and the spine-tingling impact they have upon our psyches.

We are beholden to You, Lord, for the beauty of this Capitol Building with its exterior grandeur and interior grace; a grace which finds expression in this hallowed Chamber.

We are conscious of Your presence not just in the beauty of this building but in the power that emanates from it. You are the source of all power, the prime mover, who energizes all that happens. We pray that lawmakers of this Nation will always be in awe of the power they exercise as Your surrogates in guiding our country, and, in reaching, directly or indirectly, into the lives of countless millions of people all over this planet.

Yea, even in matters of life and death.

In Your goodness, Lord, endow those who govern us with Your vision, direct them in Your justice, inspire them with Your compassion to give a needed edge to the weak and the helpless. May our leaders in government be strong, dedicated, energized by challenge, supported by their colleagues and stimulated by their adversaries. Keep them ever aware of their dignity not only in bearing Your image but also in being chosen people, vessels of election in whom our citizens place their destiny.

You are mystery, O God, unfathomable to our poor intellects. Your ways are not our ways. In living out the mystery and complexity of life, grant that all of us may be resolute in reconciling conflicting principles, comfortable with "strange bedfellows" and realistic in accepting imperfect solutions.

In fine, bless all of us here assembled that we may be good and faithful stewards of this great land of ours and servants of its people. In so doing, we glorify Your holy name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 14, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD C. SHELBY, a Senator from the State of Alabama, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. SHELBY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader.

RESERVATION OF THE LEADERS' TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time of both leaders be reserved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business to extend to the hour of 9:15 a.m. and that Senators may speak therein for not to exceed 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Wisconsin.

THE TRADE BILL AMENDMENT TO STOP BRIBERY

Mr. PROXMIRE. Mr. President, make absolutely no mistake about it. If the Congress passes and the President signs the pending trade bill in its present form, it will bring back bribery of foreign officials by American corporations with a vengeance. If ever there were a proposal that could be called a bring back bribery bill, this is it. Do I exaggerate? No way.

Consider. In the early 1970's, this country was plagued with bribery by American corporations of foreign officials. The Japanese discovered that the Lockheed Corp. had paid a $1.4 million bribe to their Prime Minister. The Prime Minister—the top elected official in Japan was convicted. He was sent to jail. His life was ruined. His Government, friendly to the United States, fell.

This was a shocking, shameful development that sullied the reputation of our country. Imagine if the President of the United States were convicted of accepting a $1.4 million bribe from a Japanese corporation.

What was the punishment of the bribe payer, the Lockheed Corp.? Virtually nothing. No Lockheed official went to jail. No Lockheed official was fined. The corporation was actually rewarded big for paying the bribe. The bribe was a brilliant investment. For that $1.4 million bribe Lockheed paid the Prime Minister, the firm made tens of millions of dollars of profits.

And that was not all. American corporations also paid bribes to officials in Italy. The bribe-taking Italians were convicted and punished. The bribing corporations made big profits. Again, our country was shamed. Similar bribes were paid in The Netherlands where the monarchy was implicated and very nearly fell.

As a result of this shocking corruption, the Congress passed the Foreign Corrupt Practices Act in 1977. We passed the act overwhelmingly in both the Senate and House. The purpose of the act was to stop bribes paid by American corporations to foreign officials. Did it work? It has worked with astonishing effectiveness with the exception of a recent bribe involving Ashland Oil, and an official in Oman, not a single major bribery scandal has developed in the ensuing 11 years since the FCPA became law in 1977.

Did the legislation in any way diminish American exports? No, indeed. Studies by the General Accounting

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Office and by Prof. John Graham, a distinguished scholar at the University of Southern California, found that the FCPA had not in any way inhibited our exports. Indeed, in the 2 years following the enactment of the FCPA—the time when the act would have had its most serious inhibiting effect, exports actually increased by more than 10 percent each year.

So now buried in the thousand page trade bill are a few lines that gut the Foreign Corrupt Practices Act [FCPA]. Those lines were inserted without a word of hearings. There was no vote on this specific proposal by our Banking Committee that has jurisdiction. I repeat, those lines gut a law we adopted 11 years ago after days of hearings and expert detailed testimony.

Yes, I mean these few lines in the thousand page trade bill gut the most effective antibribery law we have on the books. And I mean gut it—that is, these lines tear the heart out the law. Here is why: The law establishes a requirement that specific corporate officials assume direct responsibility for all payments by the firm to foreign agents. That includes a record kept in writing with the full knowledge of the responsible corporate officer. The record must include the time, the amount, the circumstances and the purpose of all payments to foreign agents. Now the crux of the law is that it makes bribes paid by a corporation to a foreign official criminally actionable against the corporation official who has reason to know that the bribe was paid.

If this law had been in effect at the time the Lockheed Corp. paid a $1.4 million bribe to the Prime Minister of Japan, the responsible Lockheed official would have gone to jail. Or far more likely, the Lockheed Corp. would have been deterred. It never would have paid the bribe.

This Foreign Corrupt Practices Act works. It actually deters bribes. Why? Because the law provides that a corporate executive who has "reason to know" his corporation has paid a bribe is subject to criminal prosecution. "Reason to know" is the heart of the bill.

So what does the language in the trade bill do? It strikes the "reason to know" provision in the law. And what does it substitute? It substitutes a provision that the corporation executive is only subject to prosecution if he actually knows the bribe has been paid. If the trade bill becomes law in its present form, "reason to know" will not be enough for prosecution. Even a corporation executive who recklessly disregards the evidence that a bribe is paid will not be subject to criminal prosecution. The prosecution must prove the executive actually knew his corporation paid a bribe. In effect, the prosecution has to prove what is actually inside the head of the corporation executive. That is just plain mission impossible. The passage of the trade bill with the language it contains on foreign bribery would bring back the kind of shameless bribery that so deeply embarrassed this country in the early seventies.

What makes this especially outrageous is that the trade bill will do this when our country is right in the midst of the most serious defense procurement corporate scandals in recent history. Think of it. By passing this bill, the Congress would gut the most effective and successful antibribery law we have on the books.

Mr. President, this is why I intend to offer an amendment to the trade bill to delete the language gutting the Foreign Corrupt Practices Act. This will give Senators an opportunity literally to vote for or against bribery. A vote for my amendment will be a vote against bribery. It will be a vote to keep the present law that has worked for 11 years to greatly reduce bribery by American corporations of foreign officials. A vote against the amendment will be a vote to bring back bribery. Do I exaggerate when I call this a bring back bribery bill? No, indeed. I flatly predict that if my proposed amendment fails, this country will once again suffer a return to bribery on the grand scale involving Prime Ministers and other top foreign officials.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

MSGR. FRANCIS FLEMING

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, I have been a Member of this body now almost 10 years, and at no time have I had the sense of special privilege and pleasure that I have had this morning in being in the Chamber at the opening of this session of the Senate and having my pastor, Msgr. Francis Fleming of the St. Olaf's Catholic Church in Minneapolis, deliver the prayer.

I was perhaps a little hesitant in inviting Monsignor Fleming to come today because I know that while he may consider it a great honor, he, like many visitors to this place, when they come, often find few of us in physical proximity to their prayer. He now understands that despite the fact that there are not 100 of us seated in our chairs for his prayer, there are rarely 100 of us seated in our chairs for our colleagues' debate. But, as you and I, Mr. President, and others, in particular our esteemed Chaplain, Dr. Richard Halverson, know, there are throughout this place literally tens of thousands of people who look forward each day to the special privilege of sharing their commitment to a higher being with someone from somewhere around this great country of ours who does consider it an honor to be among us for a brief period of time.

Monsignor Fleming has come into my life, particularly in the 10 years that I have been a resident not only of this place but a member of his parish. In December of this year, he will celebrate his 25th anniversary as the pastor of St. Olaf's Church with a very unique downtown parish. It takes a very unique pastor to administer to the needs of a downtown, big city, large metropolitan area parish, but he does it well. He does it with both intelligence and with a rather rare wit. So that people from far and wide who visit the city and those who live in the city have come to respect Monsignor Fleming a great deal. In his background he is a Navy chaplain and occasionally tells us great stories, and in a rhetorical sense I suspect sometimes, about the good old days.

But in every respect, Mr. President, as we noted in his prayer for us and with us here this morning, he has a special sense for proportion. You heard him speak this morning about this place in which we operate, and you heard him speak about history, and you heard him speak about responsibility, and you heard him speak about power, and you heard him speak about the sense of which each of us needs to be reminded—from where all power comes, not from the beautiful city, not from the grandeur of this wonderful building, not even from the oath of office with which some of us have been blessed.

And so I am very grateful that in my 10th year in the Senate and in his 25th as the pastor of my parish we were able to come together on this very special day in our lives.

1988 MID YEAR REPORT

Mr. BYRD. Mr. President, the mailing and filing date of the 1988 Mid Year Report required by the Federal Election Campaign Act, as amended, is Sunday, July 31, 1988. All Principal Campaign Committees supporting Senate candidates in an election year other than 1988 must file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510-7116. You may wish to advise your campaign committee personnel of this requirement.

The Public Records office will be open from 12 noon until 4 p.m. on Saturday, July 30, and Sunday, July 31, for the purpose of receiving these filings. In general, reports will be available 24 hours after receipt. For further information, please do not hesitate to contact the Office of Public Records on (202) 224-0322.

THE ASIA FOUNDATION

Mr. HOLLINGS. Mr. President, I wish to say a few words today about the Asia Foundation, an American organization that has been hard at work in Asia for the past 37 years, in a manner most conducive to the American national interest.

The Asia Foundation is now the leading American private organization devoted to helping Asians strengthen their own political, legal, educational and social institutions, in a manner consistent with their own wishes and aspirations. As one looks around Asia today—from Afghanistan in the West to the Pacific Islands in the East—one is struck by the significant number of contemporary Asian leaders and institutions who are former and continuing grantees of the Asia Foundation. Most striking is the extent to which one finds among these grantees those very leaders who are in the forefront of peaceful democratic change.

Much of Asia is in a pivotal stage. Important American interests will be affected by critical events over the next few years—in the Philippines, in Korea, Japan, Thailand, Pakistan, Indonesia, Bangladesh, Malaysia, and elsewhere. The Asia Foundation has longstanding programs and field offices in 10 Asian countries, including all of those mentioned above. It has programs in 24 countries, including large-scale programs in both Taiwan and China. Among its programs is the Books for Asia program, which has now distributed to the peoples of Asia more than 27 million English language books, all published in America.

The Asia Foundation is in a remarkably strong position to advance American interests in ways which are not open to official U.S. Government initiatives. This is so because the Foundation has gained a position of trust and confidence over the past 37 years among key Asian leadership groups. In testimony before the U.S. Congress last year, the State Department's Principal Deputy Assistant Secretary for East Asian and Pacific Affairs, Mr. William Clark, Jr., stated that "Today, The Asia Foundation through its patient and sensitive programming continues to be the primary private American organization furthering the ideals and practices of constitutional democracy in Asia."

One of the most important activities of the Asia Foundation is to build linkage between rising young Asian leaders involved in democratic institutions and American institutions in the judicial, legislative, and administrative fields. For the last 30 years, for example, the Foundation has brought to this country three or four congressional fellows each year who have taken part in the year-long American Political Science Congressional Fellowship program as interns in the offices of Congressmen and Senators. Many of these Asian Fellows have returned to their countries to build similar legislative internship programs or to build the first professional staff programs in Asian legislatures.

In the judicial field, the Asia Foundation has undertaken a number of programs to assist Asian judicial systems in their attempts to build judicial training institutes, strengthen judicial libraries, develop systems for computerization and for otherwise dealing with problems of judicial delay, and in the spread of legal literacy and competence. The Foundation has been particularly active in training women judges and lawyers, a process that was facilitated last year when Justice Sandra Day O'Connor traveled to four Asian nations under the auspices of the Asia Foundation to consult with her counterparts in the judiciaries of Asia.

It should be pointed out that the Asia Foundation is one of the most cost-efficient American organizations functioning abroad. The State Department witness last year, Ambassador John Monjo, for example, said that "Relatively speaking, the Asia Foundation budget, which is insignificant when compared with others, has a tremendous amount of impact for the number of dollars expended." In recent years the Foundation has become involved in important ways in building understanding in Asia of intellectual property rights and laws which are crucial to America's economic presence abroad. The Foundation has also been the primary funder of the U.S. National Committee for Pacific Economic Cooperation, which involves American leadership groups in discussions of trade and investment matters with 14 other national committees from Pacific Rim nations.

Independent observers who have looked closely at the congressional appropriation to the Asia Foundation have concluded that the organization is currently underfunded and underutilized. Indeed, this exceptional American resource, with valuable assets built up over the last 37 years, has been in a catch-up funding situation for more than a decade and is still in that situation despite a substantial increase in funding from the U.S. Congress last year.

The annual grant from the Congress to the Asia Foundation, under the Asia Foundation Act, is the life blood of this highly innovative American organization, without which it would not survive. This year, the funding level for the Foundation has been authorized at $15 million and the Commerce, Justice, State, the Judiciary Appropriations Subcommittee, which I chair, has recommended the full $15 million in our recommendation with respect to H.R. 4782. I urge all of my colleagues to support this bill, and to make known to their counterparts in the House their support for the full $15 million appropriations.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT—CONFERENCE REPORT—FISCAL YEAR 1989

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of the conference report on H.R. 4264, which the clerk will report.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 7, 1988.)

Mr. NUNN. Mr. President, I am very pleased to be able to lay before the Senate the conference report on H.R. 4264, the National Defense Authorization Act for Fiscal Year 1989. This conference report authorizes funding for the Department of Defense, the national security programs of the Department of Energy, and civil defense for fiscal year 1989.

The conferees have been working very hard over the past few weeks to resolve the hundreds of funding and policy differences between the Senate and House versions of this bill. It was a spirit of compromise and cooperation which allowed the conference to complete its work in such a timely fashion. I want to thank Chairman ASPIN and Congressman DICKINSON for their leadership in this conference. I also want to thank my friend and colleague Senator WARNER, the ranking minority member of our committee, for his cooperation and support throughout the conference.

Mr. President, I should note that this is the earliest date that the Senate has been able to consider the conference report on the Defense authorization bill in the last 10 years. One of the primary reasons for this is that the budget summit agreement provided firm second year figures for Defense spending in advance of the fiscal year 1989 budget process. In my view, this is a compelling argument for shifting to 2-year budgeting and why Senator FORD's legislation on this matter should be seriously considered.

Another reason we have this conference report on the floor today is that from the beginning of this year, the committee met a very demanding markup, floor, and conference schedule, particularly considering the fact that the committee played a major role in the INF debate. We had 29 hearings and 7 markup sessions on the INF Treaty before we even began working on the Defense authorization bill this year. We then had 37 hearings and 9 markup sessions on this bill in committee. We spent 8 long days on the floor and dealt with 97 amendments. And then we spent 4 weeks in conference with the House.

The fact that we are able to bring this conference report to the floor today is testimony to the hard work of the members of the Armed Services Committee and also to the excellent support and assistance we have had from the majority leader, Senator BYRD, in moving this bill along.

I want to take a few moments to highlight some of the major features of this conference report for our colleagues.

FUNDING SUMMARY

The bill approved by the conference authorizes a fiscal year 1989 Defense budget that is equivalent to $299.5 billion in budget authority and $294.0 billion in outlays. This funding level results in about a 1-percent real decline from the appropriated level for fiscal year 1988.

The authorization level of the conference bill is the same as the level requested by the President for fiscal year 1989. It is also consistent with the levels of national defense budget authority and outlays contained in the budget summit agreement of last November and in the budget resolution for fiscal year 1989.

The conference report also contains a supplemental authorization for $10.3 billion of funds appropriated in excess of authorization in fiscal year 1988. The conferees denied authorization for $279.1 million of funds appropriated in fiscal year 1988. The conferees directed the Department of Defense to transfer those funds immediately to operation and maintenance accounts to avoid furloughs and reductions in force of civilian personnel of the Department of Defense.

DEPARTMENT OF DEFENSE ROLE IN DRUG INTERDICTION

One of the most difficult issues in the conference involved the Defense Department's role in drug interdiction. The conferees reached agreement on a program that will significantly increase the role of the Department of Defense and the Armed Forces in the national effort against international drug trafficking in an effective and responsible manner.

Intelligence is the key to a successful drug interdiction program. The conference agreement requires the Secretary of Defense to ensure that civilian law enforcement officials are promptly provided with intelligence information collected by the Armed Forces that is related to drug interdiction. The conferees have directed the Secretary of Defense to work with the Director of Central Intelligence to ensure that the collection of drug interdiction information is established as a high priority for the intelligence community.

Under the conference agreement, the Armed Forces will concentrate on the detection and monitoring of air and sea traffic, a role that is consistent with the traditional military mission. The bill designates the Department of Defense as the single lead agency of the Federal Government for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States. By undertaking this role, the military can eliminate the unnecessary duplication of assets and efforts by civilian agencies, and enable those agencies to focus on the law enforcement activities for which they are trained and equipped. The bill also requires that the command, control and communications and technical intelligence assets of the United States that are dedicated to drug interdiction be integrated by the Department of Defense into an effective network.

The conferees recognized that the magnitude of the drug problem has led to calls for the military to be directly involved in searches, seizures, and arrests. The conferees, however, did not believe that it was appropriate to make such a radical break with the historic separation between military and civilian functions without clear and compelling evidence that such an action would result in a substantial reduction in the drug problem. The overwhelming weight of the evidence is that no such change would come from giving the military police powers. The conferees agreed with the administration's position that there should not be any relaxation of the current restrictions on the use of the military to search, seize and arrest.

CLOSURE AND REALIGNMENT OF MILITARY INSTALLATIONS

The Senate bill contained two provisions addressing the functions of the recently appointed Base Closure Commission which is analyzing the Department of Defense installation infrastructure and making recommendations for base closures and realignments. The provisions would establish a one-time process to expedite closure or realignment of military bases.

The House bill did not contain any legislation in this area. The Senate conferees reluctantly agreed not to include these base closure provisions in this conference bill only on the basis of an agreement with the House conferees to act on this matter in the near future. Chairman ASPIN has indicated in a letter to me that the House leadership has committed to acting on the House base closure legislation within the next several weeks but no later than the week of July 11. The Senate will not have to pass the base closure legislation since we have already sent the House several additional bills with these provisions in them. It is the intent of the leadership of the House and Senate Armed Services Committees to convene another conference as soon as this legislation passes the House in order to address the issue at the earliest possible time.

STRATEGIC FORCES AND NUCLEAR DETERRENCE

The fiscal year 1989 budget requested $48.6 billion in programs under the jurisdiction of the Strategic Forces and Nuclear Deterrence Subcommittee. The Senate bill authorized $48.2 billion, and the conference agreement provides $47.3 billion.

The conference agreement generally continues the ongoing strategic modernization program, in both weapons systems and command, control, and communications [C^3], albeit it at a somewhat slower rate than requested by the administration.

On ICBM modernization, the conference agreement provides a total of $750 million for both the rail-garrison MX and the small ICBM programs; allocates up to $250 million for each program through March 31, 1989; and directs the next President to determine by that date whether to continue both, one, or neither of the two current ICBM modernization efforts, using the remaining $250 million.

The conference authorized a level of $4 billion for R&D on the strategic defense initiative, which consists of $262 million for research by the Department of Energy and $3,738 billion for DOD research. The conferees extended by 1 year the restriction in last year's bill requiring that SDI tests and experiments be conducted consistent with the plan outlined in the annual SDI Organization [SDIO] report to Congress. During the fiscal year 1989 budget hearings, Defense officials confirmed that this plan was established in accordance with the President's standing directive that the SDI program be conducted in accordance with the traditional interpretation of the ABM Treaty.

The conference agreement fully funds at the requested levels the Trident submarine and Trident II missile programs, and robustly funds the advanced technology bomber (B-2) and advanced cruise missile programs.

The conferees accepted a modified version of the amendment passed by the House pertaining to development of an accidental launch protection system [ALPS]. The bill expresses the sense of the Congress that the SDIO should give priority to development of technology and systems for an ABM Treaty-compliant ALPS capable of protecting the United States from the accidental launch of a strategic ballistic missile.

The conferees agreed to delete the House provision that would have set in permanent law the central SALT II sublimits on MIRV'd systems, unless the President certified to Congress that the Soviet Union had exceeded these limits. However, the conferees noted that decisions taken for budgetary reasons to deactivate, effective September 1, 1989, one aging Poseidon-class submarine and to withhold a second from operations as of that date will have the effect of stabilizing U.S. strategic forces during fiscal year 1989 at roughly the level maintained during fiscal year 1988.

In the national security programs of the Department of Energy, the conference fully funded the environmental, health and safety activities and approved the Senate's authorization of an additional $50 million for environmental restoration of Energy Department defense facilities, an area that has traditionally been inadequately funded. The conference also approved the Senate's authorization of additional funding for the verification of arms control treaties.

The conference agreement includes sweeping new legislation to provide independent safety oversight of the defense-related nuclear facilities and operations of the Energy Department. This legislation creates a five-member board to review standards relating to the design, construction, operation and decommissioning of DOE defense nuclear facilities. This board will also make recommendations to ensure that public health and safety are adequately protected at these facilities.

CONVENTIONAL FORCES AND ALLIANCE DEFENSE

The fiscal year 1989 budget requested $37.9 billion in programs under the jurisdiction of the Conventional Forces and Alliance Defense Subcommittee. The Senate bill authorized the amount requested, and the conference agreement provides $38.3 billion.

In the area of conventional programs, the conference adopted the major policy recommendations of the committee to reverse the deteriorating armor-antiarmor balance between NATO and the Warsaw Pact. The conference report authorizes near term improvements to fielded TOW 2 and Hellfire antitank missile systems; acceleration of the block 2 upgrade for the M-1 tank—new fire control system; and accelerated development of key future antiarmor systems, including a block 3 upgrade for the M-1 tank—new engine, cannon, and fire control system, a block improvement for the Army tactical missile system, the hypervelocity missile, an antiarmor variant of the fiber optic guided missile, and the sense and destroy armor [SADARM] program. The conferees also recommended increased production rates for the M-1 tank and for Hellfire antitank missiles.

The conference also sought to continue the modernization of key conventional Defense programs, especially as the INF Treaty is being implemented. In this category, the conference provided multiyear procurement authorization for AH-64 helicopters and M-1 tanks.

The conference placed a priority on correcting problems in Navy aviation programs. In this area, the conference increased the production rate of the EA-6B jammer aircraft—3 above the request of 9 aircraft—and the F-18 fighter—12 above the request of 72—and accelerated the remanufacture of existing F-14 aircraft into the new "D" configuration.

In order to improve interservice cooperation, the conferees adopted the Senate-passed provisions requiring the Navy and the Air Force to join each others' development programs for the next generation attack and fighter aircraft, and to create a joint program office to develop future extended range air-to-air missiles.

PROJECTION FORCES AND REGIONAL DEFENSE

The fiscal year 1989 budget requested $22.6 billion in programs under the jurisdiction of the Projection Forces and Regional Defense Subcommittee. The Senate bill authorized the amount requested. The conference agreement provides $22.9 billion.

For shipbuilding programs other than fleet ballistic missile submarines, the conference agreement authorizes $7.7 billion in the Navy shipbuilding and conversion accounts for construction of 15 ships and the conversion of 2 others. Ships authorized for construction in fiscal year 1989 were two SSN-688 class attack submarines; one SSN-21 class attack submarine; three DDG-51 class guided missile destroyers; one LHD-1 class amphibious assault ship; two MHC-51 class coastal minehunters; one AOE-6 class fast combat support ship; two TAO-187 class fleet oilers; and three Tagos ocean surveillance ships. The two conversions were AO (Jumbo) oilers. Nine land craft air cushion [LCAC] vehicles were authorized. Authorization for construction of a new type of oceanographic survey ship was denied due to design process delays.

In other Navy accounts, the conference agreement strengthens the scientific base for antisubmarine warfare and authorizes increases for sonobuoys. In general, antisubmarine warfare programs were either sheltered against funding cuts or strengthened where appropriate.

For strategic airlift, the conference agreement authorizes a total of $1.9 billion in procurement and research and development for the C-17 airlift aircraft, a reduction of $24 million below the amount requested. This level will continue to fund the program development, procure four aircraft, and provide advance procurement for an additional six aircraft.

Finally, the funding levels requested for the procurement and research and development of equipment for Special Operations Forces were fully approved.

DEFENSE INDUSTRY AND TECHNOLOGY

The fiscal year 1989 budget requested $7.5 billion in programs under the jurisdiction of the Defense Industry and Technology Subcommittee. The Senate bill authorized $7.8 billion, and the conference agreement provides $7.9 billion.

The conferees expressed strong support for programs in the science and technology base. Funding for technology and industrial base research and development programs was increased by $441 million above the budget request. Of this amount, $159 million was specifically identified for technology base and advanced technology development programs. This includes $64 million in the Defense Advanced Research Projects Agency for manufacturing technology research into high temperature superconductivity; gallium arsenide integrated circuits; concurrent engineering; and excimer laser semiconductor devices.

The conferees also authorized $25 million, in addition to the $95 million requested, to establish a two-track system under the university research initiative. This two-track system is intended to provide a balance between the current focus on multidisciplinary research and the need to improve the nationwide science and engineering graduate education infrastructure. In a related action, the conferees agreed to a provision intended to eliminate the "earmarking" of funds for specific colleges and universities. This provision prohibits grants or contract awards to colleges and universities unless the grant or contract is awarded using competitive procedures.

The conferees were concerned about the eroding ability of the defense-industrial base to support defense needs. The causes of this erosion include both domestic policies and policies implemented by foreign governments. As a result, the conferees agreed on provisions intended to provide a focus on efforts to improve the domestic defense-industrial base. These include a comprehensive provision which addresses contractual offset arrangements in the international sale of defense equipment. It requires that, among other things, an offset policy be established and international negotiations be initiated. The conferees also recommended provisions that require the Department of Defense to take a number of actions to analyze and strengthen the defense-industrial base, and that require the Secretary of Defense to consider the economic consequences of defense-related memoranda of understanding with foreign entities.

The conferees also believe that the denfense-industrial base has been adversely affected by a number of policies implemented by the Department of Defense, as well as by the accumulated effects of recent legislation. Accordingly, the conferees adopted a number of acquisition policy provisions that are also intended to strengthen the defense-industrial base. The most significant of these is a requirement for the Department of Defense to establish an integrated contract finance, investment, and risk-sharing plan. Other measures on which the conferees agreed include a provision concerning the criteria governing fixed-price development contracts and a provision for fostering incentive for innovation.

Finally, the conferees agreed that conventional warfare technology was a high priority requirement, and agreed to authorize $313 million for the balanced technology initiative [BTI], an increase of $75 million above the requested level. Of this amount, $50 million is to be used only to initiate new and innovative BTI programs in fiscal year 1989.

READINESS, SUSTAINABILITY AND SUPPORT

The area of readiness, sustainability and support of the Defense budget includes the operation and maintenance accounts; spare parts and ammunition procurement; Defense stock funds; and military construction and family housing. The budget request included a total of $104.7 billion for these activities in fiscal year 1989. The Senate bill authorized $104.8 billion, and the conference agreement authorizes $104.7 billion.

The conference was mindful that reductions in this area of the Defense budget can have an immediate impact on the readiness of our military forces. As a result, the conference agreement attempts to minimize the reductions to the budget request in this area. The reductions that were necessary were made as broadly and generically as possible in order to give Defense Department managers the flexibility to implement them with the least harmful impact on military operations.

The conference approved increases above the budget request for Army supply activities; for Navy and Air Force depot maintenance; and for Army ammunition. These increases were offset by reductions in lower priority programs.

In a related area, the conferees approved a provision giving the Defense Department increased authority to transfer funds between accounts in fiscal year 1988. This enhanced authority is necessary to allow the Department to avoid furloughs of civilian personnel and to pay certain "must pay" bills for which funds were not requested in fiscal year 1988.

MANPOWER AND PERSONNEL

The conference agreements on manpower and personnel were guided by the philosophy that the conference should sustain the real gains that have been achieved in strengthening our military forces and should provide for the equitable treatment of military members and their families.

In the area of manpower strength, the conference agreement provides for a military strength level of 3,324,200—2,138,300 in the Active Force and 1,102,240 in the Reserve Forces—and a civilian strength level of 1,102,240. This represents a combined Defense manpower strength level of 4.4 million for fiscal year 1989. These strength levels are generally consistent with the levels requested by the administration.

In the area of compensation and benefits, the conference agreement provides for a 4.1-percent increase to military basic pay and basic allowance for subsistence, and a 7-percent increase to basic allowance for quarters. The 4.1-percent increase exceeds the comparable increases expected in the private sector for the first time since 1981 and begins to close the current pay gap of approximately 11 percent between private sector and military pay. The 7-percent increase in basic allowance for quarters will help to correct deficiencies in the reimbursement to military members for housing.

The conference agreement also provides two major retention incentives—one to counteract retention problems being encountered by the Navy and Air Force in their aviator inventories and the other to counteract retention problems in all of the services in their medical officer inventories. In addition, the conference agreement provides for an affiliation bonus test program aimed at improving the recruitment of medical personnel to fill critical shortages in the Reserve Forces.

In the area of personnel management, the conference agreement provides for a comprehensive series of modifications to the joint officer management policies of title IV of the Goldwater-Nichols DOD Reorganization Act of 1986. While adhering to the fundamental principles of title IV, these modifications will facilitate the management of military officers serving in joint duty assignments. The major features of the modification approved by the conference committee will: First, increase the length, and provide more flexible rules for, the transition period leading to full implementation of title IV; second, provide more equitable rules for crediting officers with joint duty service; third, shorten joint duty tour lengths; fourth, provide more flexibility in the selection and assignment of joint specialty officers; and fifth, provide more flexibility regarding the joint duty prerequisite for promotion to general or flag rank. The approved modifications to title IV include all of the changes requested by DOD; therefore, the conferees do not expect to make additional modifications for the foreseeable future.

CONCLUSION

Mr. President, I want to thank all of the members of the Armed Services Committee for their diligent work throughout the year on this bill. I owe a special debt of thanks to the chairman and ranking minority members of the subcommittees who performed the lion's share of the work of the conference.

I also want to thank the staffs of both the House and the Senate Armed Services Committee for their untiring and professional efforts on this bill. The staffs of the Armed Services Committees provide superb support year round. In particular I want to acknowledge the efforts of Kim Wincup, the staff director of the House Armed Services Committee. I have worked with Kim since he was counsel to the House Manpower Subcommittee in the early 1970's and I was chairman of the Senate Manpower Subcommittee. Kim is a true professional.

I want to add a special note of thanks to Hugh Evans of the Senate Legislative Counsel and Bob Cover of the House Legislative Counsel for their support in writing this bill. Hugh and Bob have been writing national security legislation for our committee and the House and Senate as far back as I can remember and they do a superb and extremely professional job.

Mr. President, this conference report represents the culmination of a great deal of hard work by many Senators. I urge my colleagues to support it.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, under the previous order, the conference report is now before the Senate. I observe the Senator from Indiana now coming on the floor. I yield the floor.

The ACTING PRESIDENT pro tempore. Time is being charged to all those who control time proportionately.

Under the previous order, the Senator from Indiana, Mr. QUAYLE, is recognized to offer a motion to recommit. The Senator from Indiana.

MOTION TO RECOMMIT

Mr. QUAYLE. Mr. President, I send a motion to recommit to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

> The Senator from Indiana (Mr. QUAYLE) moves to recommit the pending conference report with instructions that the Senate conferees insist on a position more favorable to the Senate position on ICBM modernization, SDI, Poseidon SSBNs, depressed trajectory missile testing, and nuclear testing, and that in addition the amendments authorized be changed to eliminate those items not requested nor estimated for in the President's budget, with the resulting savings to be apportioned to readiness and sustainability programs that will enhance conventional deterrence forces.

The ACTING PRESIDENT pro tempore. The Senator from Indiana.

Mr. QUAYLE. Mr. President, unfortunately, I feel compelled to offer this motion to recommit. I wish that I did not have to. It is not a reflection on the hard work of those who will be supporting this conference report. I do believe that we went to the conference with a very good Senate bill, a very good Senate bill, one that I voted for, one that I worked to get passed, one that I joined in the congratulations of, though we got bogged down at the very end on the drug amendment, that we did it in an expeditious fashion.

But unfortunately, the process slowed in the House of Representatives and went haywire in the conference that we had with them—I know there have to be compromises, I am the first to admit that, I feel what we have before us is really effective and one that should, in fact, hopefully be changed by this motion to recommit.

There are essentially three main objections that I have to this legislation. First, arms control. I feel once again, we see Congress trying to take advantage of an administration in retirement or getting close to retirement. We see allegations daily in the press about the procurement problems. We have a very sensitive matter in the Persian Gulf, that perhaps the Department of Defense feels somewhat under siege. Maybe the White House even feels that way and did not want to object to this bill's offensive arms control provisions. But my main and strongest objection to this report which I have made on this floor time and time again on other bills, is the usurption by this Congress of executive power, and we see it in this legislation once again, where the Congress on arms control matters is trying to as if it were the Executive and could dictate our position on negotiations, whether it be the SALT Treaty, nuclear testing, or a depressed trajectory missile test moratorium; which I am going to get into.

I doubt if very many Members—as a matter of fact, I do not know any Senator who has a definition of what a depressed trajectory missile is because we asked for it in the bill but this hasn't stopped Congress from establishing a test moratorium on such missiles unilaterally. After all, the conference asserted in section 903, that the Congress has a constitutional authority to formulate the arms control and defense policies of the United States.

I do now know how many times we have argued this point whether it be on the War Powers Act or whatever legislation, we have seen this continual encroachment upon the executive power. I think we would like to stop this encroachment but I am convinced that the Senate is in a weak position when we go to conference because there is a certain group in the House of Representatives that controls that conference committee that are outside the conference committee, and that they are not interested in passing a defense authorization bill. They do not care whether a defense authorization bill passes or not. That is an unfortunate political predicament that we find ourselves in.

So we are confronted as members of the Senate Armed Services Committee when we go to the conference of having a situation of when every issue comes up they say, well, we will not have a conference report. And there have even been times during the conference when we have said, OK, there will not be, and finally we did get together.

But what has happened is we have gotten in a situation where we want the authorization bill. There is a group over there that does not, and in this particular round I feel we made many concessions that go so far away from the original Senate bill that, unfortunately, I have to offer this motion to recommit.

There is no doubt that an administration in its eighth year is in a weaker position than an administration in the seventh, fifth, or even the first year. The Congress knows that.

That does not mean that some of us should not stand up—I am not sitting here giving away any authority of the Congress. I am simply reading the Constitution. Congress should not assume arms control matters that are primarily the jurisdiction of the President. It is his role to formulate and negotiate. If the Senate does not like a specific program it can move to cut off needed money. Congress can do that. It has the constitutional authority to do that.

Let me give you a little flavor of what I am talking about by reading a House Arms Services Committee news release on July 7, 1988. "In the arms control area unlike previous years in which conference decisions tended toward the weaker positions of the Senate"—I might add toward the correct position of the Senate—"this year the conference position has leaned decidedly towards the stronger positions taken by the House."

Unfortunately, that is true. Unfortunately, that is true. That is one of the reasons that I am most concerned about because we are going to let this pass this time. This bill in all probability will eventually be passed and become law. We can say well, that was just this year. They will be back. Let us see what the political situation is next year. They will be back, and I predicted this many years ago when we got into these negotiations with the House of Representatives; that sometime when they see a usurpation of power like that we just have to say no. We have done that. Unfortunately, not this time. That is why strong objection is in order.

The second reason for the motion to recommit is because of its treatment of the strategic defense initiative and the ICBM modernization program. In both of these cases, Congress once again is exhibiting indecision, and cannot make up its mind. So what it does is not just micromanagement but micromismanagement—micromismanagement because there is so much congressional interference in these particular programs that neither program can go forward as requested or contemplated by the administration. As I said, if you do not like the strategic defense initiative just cut off the funds. But we haven't the courage for this. Instead, we simply micromismanage it to death, put prohibitions on the things like the space-based kill vehicle, which in the near-term has some potential. Congress, once again, knows better than the administration.

So we have indecision, whether we are going to go forward with SDI or not going to go forward. We came out of the Senate with a much stronger position. And the same can be said about the modernization of the ICBM; the MX and the Midgetman. What we have basically done with these programs is put $250 million in escrow. We have basically committed to neither program, yet the mobile rail garrison program is much further ahead so it will be delayed by this approach.

You have two Presidential candidates. Both have said they do not want the small ICBM yet the one that suffers the most is the one that is furthest ahead.

If we want to see mobility on our land-based deterrent which many think we ought to consider moving in that direction, but again it is the congressional micromismanagement that is instituting paralysis within the strategic defense program and in the modernization of the ICBM. Why should we just sit there and say hold it? This is not just going to give the next President a decision on this issue. What we have done is made a quiet decision in favor of Midgetman in opposition to the rail garrison MX.

We have been fighting, arguing, and debating what the land-based based system is going to be for our ICBM system, and once again we are saying, oh, well, the leader we do not like. We are not sure about the second one and we are going to put in a stall through congressional mismanagement.

The third and final objection I have—I think others will speak on this issue—is the add-ons of about $4 billion of unrequested moneys to be spent on particular programs that Congress deems to be more important than the Department of Defense does; $4 billion of unrequested funds. Much of that unrequested funding, I think may be responsible and legitimate but certainly not all. Yet, we will get up on this floor, time and time again, and harangue about the waste, fraud, abuse, and mismanagement of the Department of Defense. I hope it somewhat boomerangs and we can talk bout the waste, abuse, fraud, and mismanagement that comes from Congress on these particular items.

So, Mr. President, I offer this motion to recommit. I think it addresses three important issues about which I feel strongly. Unfortunately, this is a political problem, we have, and I just described it. Let me again refer to the House Armed Services news release:

> The conferees dramatically rewrote the SDI, slashing funds for space-based Defenses * * * by far the smallest increase since the SDI program began * * * in essence, that takes the stars out of star wars.

That is the political situation that we unfortunately find ourselves in. Unfortunately, as I said, I do not really care about being in the position of offering this motion to recommit because of my enormous respect for the chairman of the committee and the ranking member, who worked hard, and I understand there has to be compromise.

I am not one to say that you cannot have compromise. I know the process. But what we had that came out of the Senate was a good defense bill, one I was proud to support, one that had a huge vote, one that could be taken to the conference and it could be said, "This is the position, and it is the right position."

Unfortunately, we have this problem, and I admit it is a problem, because you have people that I believe have control of the conference, outside of the conference, who do not care about the authorization, but I do. I am not one to kick the authorization process out the window. I do not want that to happen.

On the other hand, I simply cannot stand idly by when we take a good bill like that to conference. To just say, OK, fine, we did the best we could—and perhaps we did, although I do not believe we did, and we could have done better—but just to stand and be silent about this, from my point of view, would be wrong.

Unfortunately, I feel that I have to do this morning what I do, and I offer it in the spirit that there are these serious objections, that the Senate bill was a good bill, that we can do better on a motion to recommit, with these very specific instructions.

Mr. WARNER. Mr. President, will the Senator yield for a question?

Mr. QUAYLE. I yield for a question.

Mr. WARNER. Mr. President, I join my distinguished friend and colleague in feeling a note of frustration and discouragement over actions taken by the House of Representatives. The Presiding Officer, Mr. SHELBY, serves on our committee, and I think he, likewise, has those concerns, and our distinguished chairman will join here momentarily. We all have concerns.

However, in opposing the motion to recommit, I ask my good friend this: He stated that in his judgment—and he has good judgment on this question because he served in the House of Representatives—the House does not want a bill. Yet, the Senator is asking the Senate to recommit this bill. I find the two positions somewhat inconsistent.

If the House does not want a bill, what leads the Senator from Indiana to believe that the House would improve this bill and allow the two Chambers to act upon a bill which, in the judgment of the Senator from Indiana and in my judgment, could be improved? What is the likelihood of that happening?

Mr. QUAYLE. Mr. President, I think the Senator's question is a fair one. It goes to the dilemma that confronts the Senate Armed Services Committee and the Senate.

My answer is this: If we recommit this bill with specific instructions, the House could have the option to say, "We are not interested in an authorization bill." Just generally, most of them are not interested in the authorization bill, and that may be the end result, and that would be unfortunate. But by the Senator's question, he understands the process very well. He has a very fine political antenna about which way things are going to go. I have seen him time and time again wrestle with problems, and this is a problem, and I encourage him to wrestle with this problem as well. We have a problem in which if they are not willing to take a bill, we are left with the choice of only passing a bad bill.

To me, passing a bad bill is, unfortunately, equally unacceptable and, in my judgment, because of some of the constitutional implications down the road, more unacceptable than not having a defense authorization bill. But if the House saw that we were absolutely serious on this, I am not convinced beyond any doubt that they would say, "Forget it"—I am not certain, beyond any doubt, that they might not come to their senses and realize that they cannot take this position.

They are putting us in the position, year after year, that what we will do is pass a good bill in the Senate. Ninety-eight percent of them will be reelected over there. This is the precedent we are setting. We are going to pass a good defense bill on the floor of the Senate, and when it comes from the conference, because the House of Representatives is not interested in a defense authorization bill, we have to pass a bad bill. To me, that is unacceptable, and that is the essence of the debate.

Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. WARNER. Mr. President, again I find myself in a very awkward position. My sentiments rest with many of the points raised by the Senator from Indiana. But, as the ranking member of the Armed Services Committee, I have an obligation to work with the distinguished chairman, the senior Senator from Georgia. I think we have worked as diligently as we possibly could to forge with the House of Representatives a compromise on a number of issues which divided the two bodies.

We all recognize that conference reports reflect a compromise between the two bodies.

On the key issues raised by our colleague from Indiana, the distinguished chairman and I fought as hard as we could.

What is not mentioned here is the number of battles that I feel the chairman and I did win and were able to convince the House conferees of the lack of wisdom in their positions.

So we were faced, quite frankly, the chairman and myself, with bringing back to the Senate Armed Services Committee the best bill that we could forge or no bill at all.

As I listened to my distinguished colleague from Indiana—I think he in a sense admitted it—the House really does not want the bill and if this action were to prevail today, this action to recommit this bill, it would end up in the authorization process being aborted and there would be no bill before this body authorizing for the Armed Forces of the United States.

Given those choices, Mr. President, I think the wiser course is to accept this conference report and it is for that reason I will support it.

Mr. STENNIS. Mr. President, I seek recognition.

THE ACTING PRESIDENT pro tempore. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I will just address myself solely to the general situation. I have not really made a special inspector study of the exact situation we are in now in this language, but we are dealing with authorization that absolutely must move under our law, out system and there is no way to avoid that.

I know the subject matter fairly well, but I have not been into it this year because of pressures.

But when these two Senators and their allies, the Senator from Georgia and the Senator from Virginia go through a matter of this kind, complicated as it is, their conclusions are highly valuable and I am satisfied in following them. They are the most anxious maybe of all to find a practical, reasonable, workable solution to these matters that confront us every year, and when they make a study and conclusions and especially trying to carry out to get a bill, it is entitled to a great deal of weight, and I am satisfied that things are just what they say or in the neighborhood of where they had to make estimations that they are sound estimates.

Even though I am not pleased either with the way some of these things seem to come out, we are bound by the facts, and the judgments have been made by competent people, highly competent and responsible. So I am willing to accept their conclusions and glad to get them and glad to know that there has been this work done.

Therefore, I am advised having consulted with other Members and suggest that under these conditions that they were confronted with there is probably nothing better that we will get. But if we reject this, we may not come out this well again.

I hope this matter can be sustained right here today and settled.

I yield the floor, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, we thank our distinguished colleague from Mississippi. Indeed, he draws on experience that none of us have had in facing tough decisions like accepting a conference report, which in this body I think most Senators find provisions in it alien to their own personal philosophy on national defense.

I would hope today that this body does continue forward to accept this conference report, but at the same time Members can sit back and maintain that their positions on national defense were reflected in the Senate bill which in the words of the Secretary of Defense a few days ago when he met with the chairman and myself represent the best bill that he has ever seen during his tenure not only as Secretary of Defense but Deputy Secretary of Defense.

The Secretary addressed to me a letter which I will ask unanimous consent to be printed in the RECORD in full in which he enumerated specifically the details which the President and the Secretary of Defense, the National Security Adviser, General Powell, and others in the administration feel really border on total unacceptability in this conference report.

I cannot predict what the President will do. I personally conveyed my sentiments to him that a veto would be unwise.

There is mention in here of a veto strategy, but I think it would be an unwise one given all factors today relating to the Department of Defense.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, DC, July 7, 1988.

Hon. JOHN W. WARNER,
U.S. Senate,
Washington, DC

DEAR JOHN: Pursuant to our conversation earlier today, I am providing you with my concerns about the conference report on the FY 1989 Defense Authorization bill. As I stated, I have given very serious consideration to recommending a Presidential veto of the conference report and have been advised by many people to do so. The conference outcomes on key strategic programs and arms control provisions harm U.S. security interests. The arms control provisions constitute Congressional interference with the Constitutional responsibility of the Executive Branch to conduct U.S. foreign policy. I was surprised by their outcome, because from the Department's perspective the original bill passed by the Senate was one of the best in several years. My specific concerns with the conference report are as follows:

ICBM Modernization. By providing $250 million for both mobile missile programs, with an additional $250 million held in escrow, the conferees have delayed progress on the Rail Garrison program. I have indicated that $550 million is the minimum funding level required to keep this program on track. Early this year, at the urging of Members of Congress, I agreed to provide $200 million for the Small ICBM program to keep it alive for the next Administration. I agreed to do this despite my belief that the Small ICBM program is unaffordable in the budget environment we face. The conference outcome will increase overall costs, could delay the deployment of a survivable Peacekeeper ICBM, and by leaving us without any viable mobile ICBM program it clearly complicates our position in the ongoing START negotiations.

SDI Funding: The conference agreement on SDI funding, which constitutes negative real growth compared to FY 1988, is inadequate and it will force a major restructuring of this vital program. In preparing a budget to comply with the budget summit agreement, the Department significantly reduced funding for the SDI program. An additional reduction of $800 million is not warranted by budgetary constraints nor by the program itself which has made significant technical progress. In addition, the limitation on funding for the space-based interceptor (SBI) program will seriously delay the development of a capability to destroy hostile ballistic missiles in the boost-phase where the leverage of the defense is greatest. The funding level provided for the SBI program is not even adequate to undertake the cost reduction efforts I believe are so important. The fencing of specific projects within the SDI program constitutes unwarranted Congressional micromanagement of the program, and it limits the Department's flexibility in successfully managing the program.

SALT II Sublimits: I am pleased that the conferees agreed to drop the House language requiring the U.S. to comply with the numerical sublimits of the unratified and expired SALT II agreement. However, I regret the conferees decision to require that two Poseidon SSBNs—scheduled to come off station in FY 1990—must be taken off station during FY 1989. This arbitrary decision to remove these submarines from service will not return the U.S. into compliance with SALT II, a misguided objective in the first place. Instead, it will simply reward the Soviet Union for its violations of past agreements and undermine the United States position in the ongoing START negotiations.

Depressed Trajectory Missile Testing: While the conferees agreed to drop the House provision imposing an immediate ban on depressed trajectory missile testing, they adopted a provision requiring the Department to report to the Congress on the merits of such a proposal. However, 60 days after submission of this report—which among other things is to define depressed trajectory testing—the United States will be prohibited from conducting any such tests provided the Soviets do so as well. This is a very complicated subject, and I regret that the Congress would adopt such a provision without conducting a single hearing on the subject.

In conclusion, I am disturbed by the conference report on the bill. While the original Senate bill made a significant positive contribution to U.S. national security interests, the same cannot be said of the conference report.

Sincerely,

FRANK CARLUCCI.

Mr. NUNN. Mr. President, what is the remaining time?

The ACTING PRESIDENT pro tempore. The Senator from Georgia and the Senator from Virginia have 7 minutes and 30 seconds. The Senator from Indiana has 8 minutes 34 seconds.

Mr. NUNN. Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time? If no one yields time, time will be apportioned from both sides.

Mr. NUNN. Mr. President, I will say just a few brief words. I know we have very limited time.

There is one subject I want to talk about, and I appreciate my colleague from Virginia and I agree with the sentiments he has expressed here and certainly I strongly echo the strong voice of the Senator from Mississippi.

I think if we do recommit this conference report, we ought to understand that what we are doing is basically killing the authorization bill this year. We ought to understand further that if we do that we are going to have an appropriation bill on the floor for defense when we get back from the break for the convention, and that appropriation bill hopefully can be handled in 3 or 4 days, 2 or 3 days maybe. If we kill this authorization bill, that appropriation bill will take at least 1 month. Every arms control provision that we talked our colleagues out of on that great Senate bill that the Senator referred to, and I agree it was a good bill, and I am delighted that both of us worked together on it, every one of the provisions is going to come up on the floor.

There was a depressed trajectory amendment that was drawn up and virtually offered here on the floor that I personally asked them not to put on this bill because we had a provision in the House and we would be much better served not to rush into it. We work out something in conference which is perhaps not ideal, but it is certainly nothing harmful to our national security. When the Secretary of Defense can define what the depressed trajectory is and he is given 6 months to do so, how in the world can that hurt our national security? He defines it and no test has been requested.

I do not even understand the argument of the Secretary of Defense on that one, but nevertheless, we have done as well as we can do here.

I think the notion that the Senate has capitulated to the House of Representatives is just wrong. I do not agree with everything in here. I did not agree with taking out submarines as a way to keep under the SALT II interim restraint when this administration started that practice. That was not started by Congress. That was this administration. Then they switched gears and decided they were not going to stay with interim restraint any longer and Congress continued that trend.

I would rather take out our vulnerable land-based missiles than I would submarines, but that issue has already been decided 2 or 3 years ago. All we are doing here is accelerating by 2 months what is otherwise going to be taken out of the fleet anyway.

So I do not understand the real problem there.

I would also say that the question of add-ons needs a little bit of discussion here. I can see the columnists now saying that this conference report has $4 billion in add-ons, to take the words from the Senator from Indiana. Let me tell you what some of those add-ons are. I do not defend all of them.

The Senator makes a valid point to a degree, but it is a real distortion when you talk about 4 billion dollars' worth of add-ons.

Three hundred million dollars of that is for the drug effort. Do we want to take the drug effort and put it down the tubes? Because that is what the Senator's motion to recommit will do.

If you want to vote against the military getting more involved in intelligence and surveillance and interdiction, vote for the Senator from Indiana because that is what you will do. You will take the drug initiative right out of the business.

That is not the only initiative. We have $400 million for a major antiarmor initiative and that was fully supported by all Senate Armed Services Committee members, including the Senator from Indiana.

We have $200 million for increased production of the F-18. As far as I know that was supported by everybody.

We have $300 million to increase the depot maintenance and to increase the readiness. That is the account that supposedly we are going to take and pour this money that is called add-ons back into.

So you are taking $300 million out and putting it back with no result.

That is what the amendment of the Senator from Indiana would do.

Now, we have $840 million for the Guard and Reserve that the Senator from Mississippi has worked on a long time. I do not know that every penny of that has been documented, but we all know the importance of the Guard and Reserve and we know that the money is not going to somebody's parochial interests. You can debate whether it ought to go into the Guard or Reserve. But it is not somebody's parochial interests. It is the whole United States. If we want to take $840 million out of the Guard and Reserve, vote to recommit, which is what the Senator from Indiana asked us to do here.

We have $500 million that the administration put in as a savings on Davis-Bacon. As to that Davis-Bacon savings, we never put anything on the floor of the Senate because we know if we have Davis-Bacon, we will never get through with the bill and we will be in conference forever. Do you know what it was in conference that held us up for 2½ weeks? Davis-Bacon. It was the House bill to enlarge Davis-Bacon. So $500 million out of this so-called $4 billion add-ons comes right out of that pot. We had to put it back because it was not saved. If we had tried to save it, we never would have gotten through the conference.

We had $200 million in here for high technology research and development. I think all of the members of our committee supported that. That includes the balanced technology initiative. It includes SEMATECH and it includes manufacturing technology.

We have add ons in here for Mr. WILSON, Mr. GRAMM, Mr. THURMOND, Mr. SPECTER, Mr. HEINZ, and Mr. QUAYLE, including extended air defense that Senator QUAYLE sponsored as an add on. It was not requested.

Mr. QUAYLE. A good add on.

Mr. NUNN. A good add on. I support it.

Mr. QUAYLE. There are some good ones.

Mr. NUNN. So just let us take all the drug money out, take all the money for the National Guard out. Let us let a few columnists write articles about $4 billion in add-ons that is wrecking the defense budget.

But go back and look at what they are. They are items that almost everybody in this body supports. If you want to vote against the Guard and Reserve, if you want to vote against the drug effort by the military that we debated long and hard, if you want to vote against the manufacturing technology initiative, extended air defense in Europe, SEMATECH, Army helicopter improvement, antiarmor initiative, balanced technology initiative, then I urge you to support the Quayle motion.

If you do not agree with that position, I urge that the motion be rejected.

Mr. WARNER. Mr. President, before the distinguished Senator from Georgia steps down, much of this, I think, has been generated by this House Armed Services Committee press release. I am now in my 10th year on the Senate Armed Services Committee, starting under the distinguished chairmanship of the senior Senator from Mississippi, and never have I seen the Senate resort to the type of propaganda that is put into this report.

"In essence, that takes the stars out of star wars." That does not have anything to do with defense. It is purely, purely partisanship. It thrusts an obligation on this side of the aisle to rebut it in the best way we see fit.

I commend the Senator from Indiana and others who have brought this to the attention of the whole body, because this is not the way to conduct the affairs of national defense on behalf of the United States, and it basically is what triggered this problem.

The ACTING PRESIDENT pro tempore. The time of the Senator from Virginia has expired.

The Senator from Indiana has 7 minutes and 55 seconds remaining.

Mr. QUAYLE. Mr. President, I yield 5 minutes to the distinguished Senator from California.

The ACTING PRESIDENT pro tempore. The Senator from California is recognized for 5 minutes.

Mr. WILSON. Mr. President, as I listened to my friend and colleague, the distinguished chairman of the Senate Armed Services Committee, I must say that I experienced, as I am sure he has, some considerable frustration, because he presided over what was a very good bill, the Senate bill, as it left this body. It was an excellent bill—not perfect; that is not in the nature of a defense authorization bill.

But what happened in conference is that that very good bill turned into a terribly bad bill, because the Senate simply gave away too much. As a result of that, the Senator from Indiana, quite properly, is urging that we recommit this with instructions to try to cure this very bad bill and bring it back to something at least recognizable, something of a kind that those that thought this was a good Senate bill can be proud of.

But it is not just a question of institutional pride or the pride of this body. My friend from Virginia just mentioned the House Armed Services Committee news release. He mourned the partisanship. Well, it is quite true. There is no beating around the bush that some years ago a coup was staged in the House of Representatives. A new chairman became indebted to those who had elected him chairman to the point where, every time since that we have gone to conference with the House of Representatives, we have constantly been told: "That may fly in the Senate, but it just won't work in the House, because, you know, these are the people that staged the coup and they won't stand for it."

Mr. President, I think that we have reached a point where we can no longer tolerate that kind of totally irrelevant consideration or one that should be irrelevant but one that, nonetheless, does pose a real danger to American security.

My friend from Virginia is right in taking umbrage at the news release, but the worst part of it is that it is accurate. It is simply not partisan gloating. The worst part of the House Armed Services Committee news release is that it is accurate.

And I quote from it. "In the arms control area, unlike previous years in which the conference decisions tended toward"—they term it—"the weaker position of the Senate"—translate "weaker" for "rational"—"this year the conference positions lean decidedly towards the stronger positions taken by the House"—you can translate "stronger" as meaning those which erode further the constitutional authority of the President of the United States.

The release also says, as you heard, "The conferees dramatically rewrote the SDI slashing"—and that is the word they used incorrectly—"slashing funds for space-based defenses, by far the smallest increase overall since the SDI program began. In essence, that takes the stars out of star wars."

Now, translate that last cute phrase as meaning that it eliminates the ability of the strategic defense initiative to attack Soviet missiles in the boost phase when we have the greatest opportunity for suppression of an ICBM attack by defensive means, rather than having to resort to retaliation in a mutual fratricide, the likes of which the world would never see again because it would mean the end of civilization. That is what SDI is about.

Secretary Carlucci, writing to Senator WARNER, stated that the ICBM modernization under the conference report is a disaster. "The conference report"—and I am quoting—"will increase overall costs, could delay the deployment of a survivable peacekeeper ICBM and, by leaving us without any viable mobile ICBM program, clearly complicates our position in the ongoing START negotiations."

I commend the Secretary. He has a flair for understatement that I had never recognized before. It does not complicate our position. It so undermines it that, in fact, if this defense bill becomes law we should not engage in any kind of negotiation for a very long time because we simply will lack credibility and lack bargaining power, the kind of bargaining power which permitted this President, with bipartisan support of both Houses, finally to be able to conclude an INF Treaty.

The ACTING PRESIDENT pro tempore. The Senator from California has used his 5 minutes.

Mr. WILSON. Mr. President, I ask for a single minute more.

Mr. QUAYLE. Mr. President, I yield 1 minute.

The ACTING PRESIDENT pro tempore. The Senator from California is recognized for an additional minute.

Mr. WILSON. Mr. President, there are additional points raised by the Secretary in his letter. There are additional objectionable things in what I concede to be a very partisan news release from the House Armed Services Committee.

But the worst part of it is that the committee news release is accurate. This good bill in the Senate has become a terrible bill—the worst I have seen in my 6 years of going to these conferences—as a result, the coup staged in the House of Representatives represents more than internal politics in that House. I do not want it said accurately that that Democratic coup in the House of Representatives has resulted in a coup in the Senate, as well. And that is what we are facing. That is why this bill must go back to conference.

Mr. QUAYLE. Mr. President, I yield to the majority leader.

Mr. DOLE. I just wanted to ask the Senator from Indiana a question. I think there is reason enough because of the $4 billion add-on plus all the other mistakes in this bill. But can the Senator advise us whether or not the administration supports the motion to recommit?

Mr. QUAYLE. I am told that not only the White House and the administration, but also the Department of Defense supports the motion to recommit.

Mr. WARNER. Mr. President, would the Senator yield for a question? What is the authority and source for that representation? The Secretary of Defense sat with the chairman and me not more than 48 hours ago and said the exact opposite.

Mr. QUAYLE. Mr. President, I am told by the congressional relations people from the Department of Defense—I asked specifically, I said, "Who opposes?" He said that the Department of Defense opposes it and so does the White House; which would be the administration supports the Quayle motion to recommit.

That is the information I had less than 5 minutes ago. If the Senator from Virginia wants to go out and corroborate that with a Mr. Graham from the Department of Defense, he is fully capable of doing that. As a matter of fact, he used to work on the Senate Armed Services Committee. I was told that. I asked that very specific question. They support the motion to recommit.

Mr. President, how much time do I have left?

The ACTING PRESIDENT pro tempore. The Senator has 44 seconds left.

Mr. QUAYLE. Mr. President, let me just say that the administration now does support this motion to recommit because we can do better. The objection I outlined—and I am sure what particularly the White House has to be very sensitive to is the erosion of power from the executive branch. That is my primary objection and one of the significant objections I have in this legislation.

We can argue whether this stuff is going to get put back on the appropriations bill and if it gets put back on the appropriations bill and this bill is recommitted, so be it, and we will have the battle and as a matter of fact, I look forward to the discussion on the depressed trajectory of ballistic missiles. Because nobody really knows what it is, yet the Congress imposes a moratorium. This is not any way to establish policy.

Mr. President, I urge adoption of the motion to recommit with the support of the administration.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. NUNN. Mr. President, I ask for 1 additional minute on each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I would like for us to clarify the position of the Department of Defense on this measure. I do not know how we do this. It seems we have a bit of schizophrenia going on over there. The Secretary of Defense is out of the country. He basically indicated both to Senator WARNER and to me that he supported this bill. He did have certain provisions he did not agree with, and he enumerated those in a letter. We were told yesterday that the Department of Defense not only supported the bill, but they wanted it passed this week before the recess. I do not understand what is going on.

If the Department of Defense has got that kind of communication problem, then we had better put some more money in command, control, and communications in this bill because they are not communicating with their Secretary of Defense and they are certainly not communicating with the Armed Services Committee.

I cannot speak for them, and I do not attempt to speak for them, but, as I was saying to my friend from Virginia, if we have this kind of communication problem with the Department of Defense, we better put some more money in command, control, and communications in this bill because, obviously, we have a bit of schizophrenia going on.

The **PRESIDING OFFICER.** The Senator from Indiana has 1 minute.

Mr. **QUAYLE.** Mr. President, I just repeat what I was told by congressional relations at the Department of Defense. I asked a very specific question, whether they support my motion to recommit and the answer came back, unequivocable yes. The Department of Defense, administration, White House have all reviewed this and what they told me less than 10 minutes ago, directly, was that they support the motion to recommit.

I do not think there is any doubt about it, that the Secretary of Defense does not like this bill. He sent a letter to the Senator from Virginia and the chairman outlining the objections to this bill. So there is no secret that the Secretary of Defense liked the bill that passed the Senate. He does not like this bill.

Whether he recommends a veto or not, that is down the road when it gets to the President. But what we can do is get a motion to recommit, get back into conference, clear these things up very, very quickly and pass it.

Mr. **DOLE.** Do it today.

Mr. **QUAYLE.** Do it today if we want to. The only thing is this is not a good bill. The administration supports my amendment.

The **ACTING PRESIDENT** pro tempore. Under the previous order, the question is on agreeing to the motion to recommit the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **CRANSTON.** I announce that the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Nevada [Mr. REID], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois [Mr. DIXON] would vote "nay."

Mr. **SIMPSON.** I announce that the Senator from North Carolina [Mr. HELMS] and the Senator from Arizona [Mr. MCCAIN] are necessarily absent.

The **PRESIDING OFFICER.** Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 35, nays 58, as follows:

[Rollcall Vote No. 251 Leg.]

YEAS—35

Armstrong
Bond
Boschwitz
Cochran
D'Amato
Danforth
Dole
Domenici
Evans
Garn
Gramm
Grassley
Hatch
Hecht
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Roth
Rudman
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Wilson

NAYS—58

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Daschle
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Stafford
Stennis
Warner
Weicker
Wirth

NOT VOTING—7

Biden
DeConcini
Dixon
Helms
McCain
Reid
Simon

So the motion to recommit was rejected.

Mr. **NUNN.** Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. **EXON.** I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **NUNN** addressed the Chair.

The **ACTING PRESIDENT** pro tempore. The Senator from Georgia.

Mr. **NUNN.** Mr. President, there is one small administrative item I need to bring to the attention of the Senate. Two items from the statement of managers were omitted from the printed version of the joint explanatory statement of the committee of conference included in the conference report. The first item concerns section 306 of the conference report. The second item concerns a legislative provision not adopted, section 811 of the House bill.

I ask unanimous consent that the report language that explains these two items be printed in the RECORD at this point.

There being no objection, the language was ordered to be printed in the RECORD, as follows:

Inaugural assistance (sec. 306)

The conferees are concerned that the authority contained in section 2543 of title 10, United States Code, for the Secretary of Defense to provide support to the Inaugural Committee may not provide sufficient flexibility to encompass the full range of support that the military Services have traditionally and customarily provided to the ceremonies marking the inauguration of the President. Accordingly, the conferees have included a provision giving the Secretary of Defense additional authority during fiscal year 1989 to lend materials or supplies and provide materials, supplies or services of personnel to the Inaugural Committee under conditions prescribed by the Secretary.

The conferees believe that in providing this increased flexibility, the Inaugural Commitee should reimburse the Secretary of Defense for the materials, supplies or services of personnel provided to it in connection with any event that is not a public event. The conferees also believe that when providing the services of members of the armed forces to the Inaugural Committee for any event that is not a public event, the Secretary should utilize only members of the armed forces who have volunteered for service with the Inaugural Committee.

Sense of Congress on preparation of certain economic impact and employment information concerning new acquisition programs

The House bill contained a provision (sec. 811) that would express the sense of Congress that the Secretary of Defense should not, before a program is approved for full-scale development, prepare any information with respect to economic benefits or employment impact of the program in a particular state or congressional district.

The Senate amendment contained no similar provision.

The House recedes. The conferees agree with the goals of the House provision, but believe that its purpose can be achieved without further legislation by directing the Secretary of Defense to issue a regulation to address the issues raised by section 811 of the House bill.

ALLOCATION OF FISCAL YEAR 1989 SPENDING AUTHORITY TO THE SUBCOMMITTEE ON ARMED SERVICES

Mr. **NUNN.** Mr. President, under section 302(a) of the Congressional Budget Act, the statement of managers accompanying a conference report on a concurrent budget resolution includes an allocation of budget totals among the committees of the Senate and House of Representatives that have jurisdiction over spending authority. The 302(a) allocation of the fiscal year 1989 budget totals among the Senate committees was printed in the CONGRESSIONAL RECORD of June 23, 1988.

Section 302(b) of the Budget Act requires committees to allocate such spending authority among either subcommittees or programs within their jurisdiction. After consultation with appropriate committees of the other House, the committees are required to report the allocations they have made to their respective House.

The Committee on Armed Services submits the following report in compliance with section 302(b) of the Budget Act allocating its direct spending authority among the subcommittees. I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE COMMITTEE ON ARMED SERVICES PURSUANT TO SECTION 302(b) OF THE CONGRESSIONAL BUDGET ACT OF 1974

Mr. Nunn, from the Committee on Armed Services, submitted the following:

REPORT

The Committee on Armed Services, which was allocated certain budget authority and outlays by the managers of the conference on the House Concurrent Resolution 268, reports the division of such allocations among subcommittees of the Committee for fiscal year 1989.

BACKGROUND

Under section 302(a) of the Congressional Budget Act, the statement of managers accompanying a conference report on a concurrent budget resolution includes an allocation of budget totals among the committees of the Senate and House of Representatives that have jurisdiction over spending authority.

Section 302(b) of the Act requires the committees to allocate such spending authority among either subcommittees or the programs over which they have jurisdiction. After consultation with appropriate committees of the other House, the committees are required to report the allocations they have made.

ALLOCATION RECEIVED BY THE COMMITTEE

The allocation received by the Committee on Armed Services from the managers of the conference was in two parts: (1) direct spending authority; and (2) entitlements that require appropriations.

The direct spending authority allocation was made to this committee of original and complete jurisdiction for the federal programs and activities assumed in the allocation.

Entitlements and other direct spending accounts that require appropriations were allocated both to this committee and to the Appropriations Committee of the Senate. These amounts, therefore, are reflected in the reports filed by both committees as required by section 302(b).

The Committee on Armed Services received the following allocations for fiscal year 1989:

Fiscal year 1989

	Millions
Direct spending authority:	
Budget authority	$46,700
Outlays	31,027
Entitlements that require appropriations:	
Budget authority	0
Outlays	8

ALLOCATIONS MADE BY THE COMMITTEE

The Committee has made its allocations among the several subcommittees as shown in the following table. Budget authority and outlay figures are CBO baseline estimates incorporated in the budget resolution.

The total amount of funds allocated in this report is equal to the allocations made to this Committee in House Concurrent Resolution 268, the Concurrent Resolution on the Budget for Fiscal Year 1989.

Fiscal year 1989

	Millions
Subcommittee on Manpower and Personnel:	
Budget authority	$46,670
Outlays	30,990
Subcommittee on Readiness, Sustainability and Support:	
Budget authority	30
Outlays	45

Subcommittee Account Assignments for Fiscal Year 1989, Committee on Armed Services

[In millions of dollars]

Committee total:	
Budget authority	46,700
Outlays	31,035
Subcommittee on Manpower and Personnel:	
1. Account Name: Payment to Military Retirement Fund:	
Account Number: 97 0040 0 1 054:	
Budget authority	10,648
Outlays	10,648
2. Account Name: Military Retirement Fund:	
Account Number: 97 8097 0 7 602:	
Budget authority	35,831
Outlays	20,245
3. Account Name: Education Benefits Fund:	
Account Number: 97 8098 0 7 702:	
Budget authority	191
Outlays	93
4. Account Name: Miscellaneous Trust Funds (Other Veterans Benefits and Services):	
Account Number: 20 9971 0 7 705:	
Budget authority	0
Outlays	0
5. Account Name: Payment of Claims:	
Account Number: 84 8930 0 7 705:	
Budget authority	0
Outlays	0
6. Account Name: Retired Pay, Defense:	
Account Number: 97 0030 0 1 602:	
Budget authority	0
Outlays	4
Subcommittee subtotal:	
Budget authority	46,670
Outlays	30,990
Subcommittee on Readiness, Sustainability and Support:	
1. Account Name: Department of the Navy Trust Funds:	
Account Number: 17 9972 0 7 051:	
Budget authority	24
Outlays	24
2. Account Name: Navy Trust Revolving Funds:	
Account Number: 17 9981 0 8 051:	
Budget authority	0
Outlays	4
3. Account Name: Department of the Army Trust Funds:	
Account Number: 21 9971 0 7 051:	
Budget authority	0
Outlays	0
4. Account Name: Surcharge Collections, Sales of Commissary Stores, Army:	
Account Number: 21 8420 0 8 051:	
Budget authority	0
Outlays	2
5. Account Name: Department of the Air Force General Gift Fund:	
Account Number: 57 8928 0 7 051:	
Budget authority	0
Outlays	0
6. Account Name: Air Force Trust Revolving Funds:	
Account Number: 57 9982 0 8 051:	
Budget authority	0
Outlays	9
7. Account Name: Claims, Defense:	
Account Number: 97 0102 0 1 051:	
Budget authority	0
Outlays	5
8. Account Name: Homeowners Assistance Fund, Defense:	
Account Number: 97 4090 0 3 051:	
Budget authority	3
Outlays	1
9. Account Name: Coast Guard General Gift Fund:	
Account Number: 69 8533 0 7 403:	
Budget authority	0
Outlays	0
10. Account Name: Panama Canal Revolving Fund:	
Account Number: 95 4061 0 3 403:	
Budget authority	0
Outlays	0
11. Account Name: Barry Goldwater Scholarship and Excellence in Education Fund:	
Account Number: 95 8281 0 7 502:	
Budget authority	3
Outlays	1
Subcommittee subtotal:	
Budget authority	30
Outlays	45
Grand total:	
Budget authority	46,700
Outlays	31,035

Mr. NUNN. For the benefit of the Senators on the floor, we are going to do our best to continue the debate on this conference report. I would like to ask the Chair how much time is remaining on each side?

The **ACTING PRESIDENT** pro tempore. The Senator from Georgia has 52 minutes, as does the Senator from Virginia. The Senator from Indiana has 4 hours and 29 minutes.

Mr. NUNN. I would just like to ask the Senator from Indiana—and it does not have to be answered at this point—about whether we could think about compressing this time agreement at some point a little later in the morning.

Also, as the Senator knows, the House is going to begin their debate as soon as we can get them the papers. We are going to continue our debate according to the agreement last night, but it would be my hope that we could have final passage somewhere in the 1 o'clock range.

Mr. QUAYLE. Mr. President, will the Senator yield.

Mr. NUNN. I will be glad to yield.

Mr. QUAYLE. I do not anticipate using the entire time. What I am doing right now is trying to get our speakers in line. People do want to speak. As the Senator knows, I have to go down to the Labor Committee markup, so I am going to be gone for approximately, I would guess, an hour, hour and a half. Senator WILSON who will be taking the time for the next hour and a half. As a matter of fact, I ask unanimous consent that I could yield to the Senator from California 1½ hours of my allotted time, Mr. President.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. QUAYLE. But I do not anticipate that we are going to have that many speakers, and I would say early afternoon. Does the Senator know about what time the conference report will arrive back from the House of Representatives?

Mr. NUNN. I say to my friend from Indiana, I can only estimate. My hope is we will have conference approval in the House by about noon, which means that a reasonable goal would be about 1 o'clock. But perhaps the best way to proceed is leave the time agreement as it is and let us get the speakers over here and let people have their say and see what happens.

Mr. QUAYLE. Mr. President, as we round up speakers, we will tell them that as soon as we vote on this—I do not know what the rest of the business of the Senate is—we will be able to depart shortly after that. At least that is my understanding. Maybe not. But we can work it out and get an understanding of what the remainder of the schedule would be after a vote on final passage. So I would say let us go ahead, and I will inform the speakers on this side of the desire of the chairman—and I have no objection—to trying to achieve that.

Mr. NUNN. I thank the Senator from Indiana.

Mr. President, I ask for the yeas and nays on final passage of the conference report.

The ACTING PRESIDENT pro tempore. Is there a sufficient second. There is a sufficient second.

The yeas and nays were ordered.

Mr. NUNN. Mr. President, we have two or three speakers on this side. The Senator from Arkansas has indicated he would like to have some time. The Senator from Ohio would like to have some time. I am going to have to be off the floor for a few minutes and I ask unanimous consent that the Senator from Nebraska [Mr. EXON] control time on our side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GLENN addressed the Chair.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. EXON. How much time does the Senator from Ohio desire?

Mr. GLENN. Nine minutes. I may not need that.

Mr. EXON. Mr. President, I yield 9 minutes to the Senator from Ohio.

The ACTING PRESIDENT pro tempore. The Senator from Ohio is recognized for 9 minutes.

Mr. GLENN. Mr. President, as chairman of the Subcommittee on Manpower and Personnel, I congratulate the chairman of the Committee on Armed Services for his splendid leadership in conference with the House on the Defense authorization bill for fiscal year 1989. I believe the agreements reached keep faith with investments and commitments that we have made toward improvements in our national security. I am particularly pleased that the bill we have agreed to will provide for the kind of support our men and women in uniform deserve and the kind of direction the Department of Defense needs to field a strong, ready military force.

As with our respective bills last year, the Senate and House provisions on manpower were not very far apart. Both followed the same general philosophy that we should support the hard decisions Secretary Carlucci had to make in living within the budget summit agreement reached late last year. Along these lines, I believe we have done a good job of sustaining the gains we have achieved over the last several years in strengthening our active force manpower and at the same time providing for the equitable treatment of our military personnel and their families.

In the area of manpower strength, the conference agreement provides for a military strength level of 3,324,200—2,138,300 in the Active Force and 1,102,240 in the Reserve Forces—and a civilian strength level of 1,102,240. This represents a combined defense manpower strength level of 4.4 million for fiscal year 1989. These strength levels are generally consistent with the levels requested by the administration.

A contentious manpower strength issue over the last 2 years that we have finally resolved in conference is the issue of the officer cuts that were mandated by the Congress. As some of my colleagues will recall, the Congress mandated a 6-percent reduction in officer strength in the National Defense Authorization Act for fiscal year 1987. The cuts were to be spread over 3 years—1 percent in fiscal year 1987, 2 percent in fiscal yer 1988, and 3 percent in fiscal year 1989. The cuts were mandated in reaction to unexplained, disproportionate growth in the officer corps—a growth rate of twice the growth rate of the total Active Force since 1980.

In fact, the figures as I recall them were that from 1980 through 1985 our enlisted strength had gone up by some 61,000, officer strength had gone up by over 30,000. In other words, the acquisitions in the Department of Defense were occurring at an officer-enlisted ratio of 1 to 2, where we usually expect 1 to 6, 1 to 9 in the Army. We were getting completely out of whack and that is the reason we are making these corrections.

The Department of Defense took the 1 percent cut in fiscal year 1987 as mandated and submitted an officer requirements report in an attempt to secure repeal of the remaining reductions.

The report was woefully inadequate so we did not repeal the mandated cuts. Instead, we gave the Department of Defense another chance to make its case while at the same time spreading out the cuts so that the Department of Defense could take a 1-percent cut in fiscal year 1988, a 2-percent cut in fiscal year 1989, and a 2-percent cut in fiscal year 1990.

The Department of Defense has since taken the 1-percent cut mandated for fiscal year 1988. The Department also submitted a more substantial report on officer requirements along with a request that the remaining cuts be repealed in light of an officer reduction plan that voluntarily reduces officer strength in the Department of Defense by 4,100 by fiscal year 1990.

So that is a good step. We got their attention finally. They have moved on this. We think that is fine. We are willing to go along with this.

On the basis of this second report, the conferees agreed to repeal the mandated 2-percent cuts in fiscal years 1989 and 1990 and instead accept the voluntary reduction plan proposed by the Department of Defense. Although the report was not entirely compelling, it did a reasonable job of explaining the disproportionate growth of officers in the Department of Defense since 1980. Interestingly, the report found that the reductions the services had taken as a result of the congressionally mandated cuts were justified. They found themselves with their own investigation, their own reports, that in fact another 4,100 excess officer spaces could be eliminated in fiscal year 1990. So what we did was good. They now have validated that and agreed with it. It is good we took the action we did.

This report and the initiative that the Secretary of Defense has undertaken subsequently to examine the staffing of unified and specified commands and supporting component command headquarters indicate to me that process has been started in the Department of Defense to reserve the practice of rubber-stamping the stated manpower requirements of the services. That is what got us in trouble to begin with. Accordingly, I expect to see the results in the form of further officer reductions to eliminate the excesses identified in the DOD budget submission next year.

I have spent a lot of time reviewing this issue because I know many of us took a lot of heat on it from the other side of the river and I wanted you to know that it turns out that we did the right thing in demanding accountability which even DOD now belatedly acknowledges in its report.

In the area of compensation and benefits, the conference agreement provides for a 4.1-percent increase to military basis pay and basis allowance for subsistence, and a 7-percent increase to basis allowance for quarters. The 4.1- percent increase exceeds the comparable increases expected in the private sector for the first time since 1981 and begins to close the pay gap between private sector and military pay. The 7-percent increase in basis allowance for quarters will help to correct deficiencies in the reimbursement to military members for housing.

With respect to the military pay raise, I would like to note that there was considerable concern about the disparity between the 4.3-percent military pay raise requested in the President's budget and the 2 percent requested for Federal civilians. There is no question that our military personnel deserve a pay raise that approximates the expected raise in the private sector. That is not the issue. The issue is what we should authorize for Federal civilians.

As chairman of the Committee on Governmental Affairs—another hat I wear—I am pleased to note that we have authorized a 4-percent pay raise for Federal civilians in the Treasury and Postal Service appropriations bill. I think this is a fair and responsible increase for fiscal year 1989. Unfortunately, because the President funded only a 2-percent increase for Federal civilians in the budget he submitted, one half of the pay raise we have authorized for Federal civilians will have to come out of other programs.

Mr. President, I think that we need to get back to a regular, permanent system for setting the pay raises for our Federal civilian and military personnel. We cannot go on this hand-to-mouth giving, give me later, keep the whole thing out in front all the time. We cannot use that as our system into the future.

Current statutes that link Federal civilian pay raises to private sector wage increases and military pay raises to Federal civilian pay raises have been abrogated over the last several years. As a result, the principle of paying our Federal civilian and military personnel comparable wages to those earned in the private sector has been fractured. I think we need to recognize this and work on legislation that would reestablish a permanent system for determining the pay raises for Federal civilian and military personnel based on the appropriate measures in the private sector. This is an objective I intend to pursue vigorously in the coming year.

The conference agreement in the area of compensation and benefits also provides two major retention incentives—one to counteract retention problems being encountered by the Navy and Air Force in their aviator inventories and the other to counteract retention problems in all of the services in their medical officer inventories. In addition, the conference agreement provides for an affiliation bonus test program aimed at improving the recruitment of medical personnel to fill critical shortages in the Reserve Forces.

With respect to the aviator and medical officer retention incentives, the conferees have clearly indicated that these are temporary, band-aid patches to problems that are in sore need of comprehensive, long term solutions. Accordingly, the conferees have required the Secretary of Defense to submit studies, to be accompanied by proposed legislation, on these two issues by December 1 this year. What we will be looking for is a coherent, coordinated DOD position—something that was lacking as we addressed both issues this year. I think it is fair to give notice that we expect leadership from the Department instead of fragmented service positions on this.

In the area of personnel management, the conference agreement provides for a comprehensive series of modifications to the joint officer management policies of title IV of the Goldwater-Nichols DOD Reorganization Act of 1986. These modifications will facilitate the management of military officers serving in joint duty assignments. The major features of the modification approved by the conference committee will: First, increase the length, and provide more flexible rules for, the transition period leading to full implementation of title IV; second, provide more equitable rules for crediting officers with joint duty service; third, shorten joint duty tour lengths; fourth, provide more flexibility in the selection and assignment of joint specialty officers; and fifth, provide more flexibility regarding the joint duty prerequisite for promotion to general or flag rank.

Mr. President, that in brief summarizes the agreements we reached in conference on manpower. We have a very responsible manpower package that supports both the requirements of the services and the individual service members and their families. I believe this is also true of the entire defense authorization conference results. Therefore, I urge my colleagues to vote approval of the conference report.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. EXON. Mr. President, I yield 9 minutes to the Senator from Arkansas.

The ACTING PRESIDENT pro tempore. The Senator from Arkansas is recognized for 9 minutes.

Mr. BUMPERS. Mr. President, I thank the floor manager for yielding.

Mr. President, I want to first point out to my colleagues that we agreed in this body without a specific vote on the assurances of the chairman of the Armed Services Committee, Senator NUNN, that this bill would contain some provisions for interim restraint.

Interim restraint simply means that pending the completion of a START Treaty we will restrain ourselves in the number of weapons that we deploy, particularly MIRV'd systems.

Bear in mind that for years the Senate went on record in rather overwhelming numbers to continue complying with the sublimits of the SALT II Treaty. Let me reiterate them. The SALT II Treaty said that we would not have either side, the United States or the Soviet Union, deploy more than 820 MIRV'd ICBM's, that we would not deploy more than 1,200 combination ICBM's and SLBM's. So that gave us some discretion and latitude about whether we wanted to put more of our MIRV'd systems on submarines, and the final sublimit was 1,320 of all MIRV'd systems which were ICBM's, SLBM's—our submarine missiles—and bombers equipped with cruise missiles.

So the House of Representatives this year on the bill voted overwhelmingly, pending the completion of a reduction of weapons between the United States and the Soviet Union, that as long as the Soviet Union stayed in compliance with those sublimit numbers of the SALT II Treaty so would we.

It made a lot of sense. People in this country are sick of the nuclear arms race, and that Damocles sword hanging over our children's heads as well as ours forever.

But when we went to conference the House receded to the Senate position. Last year we had something similar to this. But I want to first read the language of the committee report for my colleagues on this bill we are considering.

> The conferees believe that maintaining interim restraint in strategic offensive force levels is not only prudent in light of current budget realities, but also consistent with the recent progress in the START negotiations and the continuing Soviet practice of retiring older ICBM's and SLBM's prior to the end of their normal service life.

Mr. President, I do not like to make peoples' eyes glaze over with numbers. First, let me say while this bill provides for interim restraint as it did last year, this bill still allows for an increase of roughly 20 MIRV'd systems in fiscal year 1989 over those we had in 1988, and 1988 was already about 25 MIRV'd systems over the SALT II limit of 1,320. So what we have here is a rolling restraint—two steps forward, one step back.

While it may be said that there is some restraint above what we might normally do, it is not restraint that the Soviet Union is recognizing. The Soviets are behaving in a much more responsible way in the deployment of MIRV'd systems and compliance with the SALT II Treaty numerical ceiling than we are.

I do not know why President Reagan, just as a bolt out of the blue, in November 1986, said we are not going to comply with this treaty anymore; we are going to continue to put cruise missiles on B-52 bombers, and we are going to exceed the 1,320 limit. We have proceeded to do precisely that ever since.

On January 1 of this year, we had 1,345 MIRV'd systems, 25 above the SALT II limits and much more than the Soviet Union had. By the end of this year, September 30, we are going to have 1,368. That means we are going to be 48 MIRV'd missile systems above the SALT II limits. If we did not do anything by the end of next year, we would have 1,413.

What the committees have agreed to do, and what we are going to be voting on here today, is to dismantle two Poseidon submarines with 16 missiles each and drydock one Poseidon submarine. That is restraint—and I am not being supercritical of the committee on that point. I do want to make the point that drydocking a submarine is not the same thing as dismantling, under the SALT II Treaty. The Soviets are going to give us no credit for drydocking a submarine, because that submarine can be taken out of drydock and put into service any day we want to. The Soviets will feel about our drydocking a submarine precisely the way we would feel about their drydocking a submarine.

We have 30 Members of this body who would be squealing like a pig under a gate if the Soviet Union tried to con us into believing it had reduced its strategic forces by 16 missiles by simply putting a submarine in drydock.

One of the biggest problems we have of verification in the INF Treaty is that some of the stages of their SS-20's are the same stages they use on the SS-25.

Obviously, we see things differently. But I just want to say that according to the CIA, the Defense Intelligence Agency, and every other intelligence agency, it is we who are violating the terms of the SALT Treaty, and the Soviets have shown an amazing restraint. But I can tell you that they will not forever. Gorbachev can do a lot of things. A lot of people do not think he is solidly entrenched yet to do anything he wants to. His military leaders, at some point, are going to come to him and say, "These people absolutely are not interested in arms control."

I want to say something to my friends on the other side of the aisle, and I wish you did better in some of these areas. But I am going to tell you something. This is just a political fact of life.

The reason why the Democrats took over control of the Senate in 1986—and the Presiding Officer was one of the Senators who helped make up the majority on this side—is that every one of the Democratic candidates told the people of this country, particularly the mothers, that we were going to provide day care for their children, that we were going to provide health care for their children, that we were going to educate their children, that we were going to bring the nuclear arms race under control so that their children would have an opportunity to grow to adulthood.

Why do you think Michael Dukakis enjoys a 20- to 25-percent gender gap over George Bush? For the very reasons I just stated. I, personally, hope our adversaries never wake up to that. I love that gender gap and I love for my candidate to have the advantage of it. But I will tell you what I would love more. I would love a little sanity in the U.S. Senate and the U.S. Congress on this issue.

I saw a Gallup poll the other day where the nuclear arms race ranks about 6 percent in the minds of people in this country. I do not quarrel with that. That is OK. If the people spent all their time worrying about their children being incinerated, it would be a very unhappy situation. You would be white knuckled all the time, worrying about it. I am not going to belabor that.

I will close by mentioning SDI. Two things: No. 1, it is this Senator's firm belief that having already spent five times more on SDI than we spent on the Manhattan Project——

The ACTING PRESIDENT pro tempore. The Senator has used 9 minutes.

Mr. BUMPERS. Mr. President, will the Senator yield a couple of more minutes?

Mr. EXON. I will yield 1 more minute to the Senator.

Mr. BUMPERS. Mr. President, at this time I have a note indicating that the minority floor leader would be willing to yield a little more time.

Is that correct?

There are 4 or 5 hours remaining on that side, and I think only about 30 minutes remain on this side.

I asked for 30 minutes. I do not want 30 minutes. I would be happy to settle for another 5 or 10 minutes. But I was told last night that both sides would yield a little time so that I could discuss these issues.

Mr. WILSON. Mr. President, I will be happy to yield 5 minutes to the Senator from Arkansas.

The ACTING PRESIDENT pro tempore. The Senator from Arkansas has an additional 5 minutes.

Mr. BUMPERS. I thank the Senator.

Mr. President, I was about to say that this is one Senator who believes that SDI will never be deployed. We will not deploy it simply because every physicist in the country says it will never work. We will not deploy it because we have the Great Wall of China and the Maginot Line and the Siegfried Line and a host of others that represented the ultimate defense of a nation, and history shows us how they did not work.

Think about the monumental feat of the Great Wall of China. I think it is 4,000 miles long.

I can think, as a child, when I thought of Hitler, and we were very apprehensive about that. I was carrying papers, so I used to read the headlines every afternoon, when I was 12 years old. I felt secure because the French said: "We have the Maginot Line. Hitler could never penetrate the Maginot Line." I feel the same way about SDI.

I want to ask the Members of this body: Let us assume the best-case scenario—that we deploy SDI. The Soviets have 12,000 warheads, and let us assume that one-third, 4,000, get through. That is 80 warheads for every State in the Nation. That will take care of Little Rock, Little Rock Air Force Base, and virtually every city in my State with over 5,000 people. You would not be able to find Arkansas if 80 nuclear weapons hit it. You would not be able to find any State in the Nation.

Just as reducing demand is the only solution to the drug problem, the only solution to the nuclear arms race is for the United States and the Soviet Union and some lesser countries to agree to stop the insanity of it.

Here is the Aegis defense system. When I came to the Senate, people talked about the Aegis with such reverence that you could hear a pin drop, because it was going to be so sophisticated, it was going to be the ultimate technology.

So here is the Vincennes, with a $1 billion price tag on it, and admittedly the most sophisticated technology known to man, and it cannot tell whether an airplane is ascending or descending.

Consider this just one moment. SDI has to compute hundreds of times more information than the Vincennes—about 300 satellites carrying many kinetic kill vehicles in space, 25 sensor satellites computing hundreds of thousands of pieces of information, and it has to work perfectly the first time and only time you can ever use it, and that is in case of an attack. That is palpable nonsense to assume that we can do that.

And it certainly is awfully foolish in light of the fact that we continue to write 150 billion dollars' worth of hot checks around here to keep the economy afloat, that we continue to put $4 or $5 billion a year on a project that the American Physical Society, the Office of Technology Assessment, the greatest brains in America say will not work.

I am opposed to it. I am going to continue to be opposed to it because there is not anything as dangerous to this Nation and to this planet than for one side to assume that they have built a defense that renders the other side's nuclear weapons vulnerable and useless.

The only way to deal with this problem is for the United States and the Soviet Union to sit down and talk it out and reduce the number of weapons and give the people of this country a little peace of mind. You know, the strategic defense initiative organization, Office of Strategic Defense is evaluating the Aegis radar as a candidate, as a candidate for its defenses, a radar system that we now know proved to be awfully faulty or a bunch of men looking at it proved to be unable to read it, one or the other. That does not give me much comfort.

When you consider that fact and you consider what we are going into in SDI, you can see just how foolish it is.

I thank both floor managers for yielding to me.

The PRESIDING OFFICER (Mr. PELL). Who yields time?

The Senator from California.

Mr. WILSON. Mr. President, having yielded time to my friend from Arkansas, I must admit that I was really amused by some of his observations but there are others that I think simply must be set straight.

In an excess of zeal I assume he made a statement far too grand and certainly far too inclusive. He said no physicist supports SDI; no physicist in the United States believes that SDI can work.

Mr. President, that is so palpably absurd I have to assume that the good Senator from Arkansas has had a failure of memory that he cannot recall that Dr. Robert Jastrow, the founder of the Goddard Space Center, does not share his view, Dr. Edward Teller, a Nobel laureate, does not share his views, that in fact the National Laboratories at Los Alamos and Livermore are full of scientists of preeminent rank and physicists of renown and distinction who are busily at work on various components of SDI who quite solemnly believe they are not wasting their time, that in fact that their work is going to produce a system which can avoid the destruction of Arkansas and indeed a system that can make real the hope expressed by the President when he said how much better to save lives than avenge them.

But those who would oppose SDI, like my friend from Arkansas, would rely instead upon a very precarious balance of nuclear terror, one subject to all the human frailties.

So when he says that no physicist believes that SDI can work, that is ridiculous. There are thousands who believe that it can and thousands who in fact are busily at work seeing that it does.

But what this terrible budget in this authorization conference report will in fact accomplish is that it will undermine their ability to do so. All of those physicists who in fact are engaged in work on SDI now face, to put it mildly, the uncertainty that they will be able to go forward with their work. Certainly the fencing of various specific activities is not simply micromanagement and objectionable on that account, but it puts at risk the success and certainly the timeliness of the efforts they are making.

It means that rather than doing it sooner we will do it later if we do it at all. And that is even more ironic, Mr. President, when you consider that the Soviet Union is laboring under no such constraints. They do not have a Congress to engage in unilateral disarmament on their behalf and indeed I must say that when they send negotiators to Geneva it has to be with the comforting assurance that time is on their side because all they really need to do is hope for enough conference reports of this kind and the negotiators can simply wine and dine themselves in the better watering holes of Geneva and not really worry too much about the negotiations because in fact what they are sent there to achieve will be achieved for them in the armed services conference. The statement I think could not go unchallenged.

Mr. President, let me just say a couple things here because my friend from Arkansas said that the Governor of Massachusetts, the nominee of his party, Mr. Dukakis, enjoys a tremendous lead. He is evidently not keeping up with the latest polls, and he has taken great pleasure and joy in the gender gap, as he terms it, and suggests that the reason for this gender gap that he perceives is because the Republican candidate, Vice President BUSH, and members of the Republican Party, are urging a vigorous national security program and for that reason the mothers of America should somehow have fear struck into their hearts.

Mr. President, the history of democracies in this century, just this century—and you can go back long before that, but we have not had democracies too long—the history of weak democracies is that they have invited attack. Peace through strength is not simply a slogan. History demonstrates that those democracies that have been strong enough, that is to say strong enough in arms and clear enough in their resolve to use them if need be, have enjoyed not only peace but freedom; whereas, those democracies that have been so weak, so clearly lacking in resolve, that they have invited attack, have in all too many instances not only suffered the loss of peace but the loss of their freedom and indeed in too many instances have dragged America into needless wars at great cost, at the cost of too many American lives because in fact we made the mistake time and time again of not being prepared. Interestingly enough those who are prepared, those who give clear indications that they are willing to fight if they must, have the best assurance that their young men will not go and bleed and die in needless wars.

With that as background and anticipating that the Senator from Indiana, whose motion to recommit unfortunately did not carry, will later today outline the absurdity of the Dukakis program as it relates to his announced promise to savage SDI and all other strategic forms of spending, and at the same time spend great amounts of money to beef up a conventional capability which is enormously costly, I will only say that it should be clear to anyone who understands simple arithmetic that that is a failed program, that it has no chance of success at a time when the Defense Department has gone through all the pain of cutting some $200 billion over the next 5 years to achieve what they hope can be a 2-percent real growth and when all of the cuts in strategic would amount to only $50 billion and Governor Dukakis is saying that he is going to spend more to cure the derelictions of the Reagan administration in not having spent enough for conventional capability, clearly it does not make any arithmetic sense.

We are not going to be spending vast amounts more for conventional, even if we were to totally eliminate all the spending for strategic so that we had no credible deterrent.

But if, in fact, that is the promise that we are getting from Governor Dukakis, then I think the American people should be made aware that it is not possible to fulfill that promise, except if Governor Dukakis is also promising us a massive tax increase, and that I have not heard.

We did have that clear explicit promise from the Democratic nominee in 1984. Vice President Mondale, to his great credit, with great candor, he said that, by God, there would be a tax increase if the Democratic nominee became President and we had a Democratic administration.

I will tell you that we have had no such candor. We have had no such understanding. But it is time the American people, who are owed that candor and that understanding, learned that what is being proposed is not possible without a massive tax increase.

But I will leave to Senator QUAYLE the exposition of that theme at greater length.

Instead, Mr. President, I will content myself with attempting to outline not just the shortcomings but the dangerous failure of this conference report to adequately protect American security and even more, as a result, to so undermine the bargaining position of the United States that we cannot hope realistically for the kind of success which we have so recently celebrated when the President went to Moscow with a signed and ratified INF Treaty.

Now, Mr. President, I would take us back not very far but engage in a little revisiting of history. Not very long ago, many on this floor were urging that the policy of the United States be a nuclear freeze. We were told that the only hope for survival of Arkansas and California and Nebraska was that we engage in a nuclear freeze.

Many of us said at the time:

> That isn't good enough. What we need is actual reductions in the offensive arsenal. We don't want to simply freeze in place the level of offensive warheads to which we have escalated under all previous so-called arms control agreements. That is not good enough. We have got to have actual reduction and, indeed, we should not engage in an arms control agreement that does not achieve that basic criteria.

And for the first time, Mr. President, in the INF Treaty, we did; we actually reduced offensive weapons.

Now how was it possible for us to do so when we had never done so before? Well, as a great many on this floor have readily conceded—Democrats as well as Republicans—it was because the President of the United States, to whom credit has been given, quite properly, held firm in his demand that we deploy American missiles on European soil if the Soviets refused to eliminate from their soil those SS-20 missiles that were threatening Europe and threatening the safety of our NATO allies.

If the President had heeded the counsel, the terribly unwise, however well intentioned, counsel of those who insisted upon a nuclear freeze, we would never have been able to go forward with the steps necessary to give us the kind of bargaining power without which we would not have removed those Soviet SS-20's and would not have removed the threat to our NATO allies.

Is there anyone who doubts that? Is there anyone who can remain so naive, who has forgotten so much of recent history, that they fail to realize that what occurred was that, first, before we deployed those missiles, we said that we were unwilling to have that threat to our NATO allies and that we insisted that it be removed?

The Soviets scoffed. They said, "How absurd. Our missiles are in place, over 400 of them." And then, to assure that we could not go forward with a deterrent necessary to give us the kind of negotiating power that ultimately removed those Soviet missiles, they attempted in the most hamhanded fashion to interfere in European elections, in the Netherlands, in Great Britain, and certainly in Germany. And they lost.

With great courage, the political leadership of democracies in Western Europe did not knuckle under to those threats, to the intimidation, that came from the Warsaw Pact.

And because we could not get Soviet agreement to remove those SS-20 missiles, we were compelled to go forward, even though we had said, "We will not deploy those missiles if you will remove yours. We will have a zero option. None for you and none for us." And the Soviets scoffed.

Well, in due course, without going through each of the steps, you will recall that after the European elections provided no yield to the Soviets, after they learned that our NATO allies were going to be staunch and insist that there be a removal of the Soviet missiles or else they would agree to the deployment of United States missiles on European soil, at that point, things began to change. What is more, they changed even further when, after a Soviet ploy involving a threat and then a walkout, during which the Soviets announced they would never return to the bargaining tables in Geneva without our meeting certain preconditions, suddenly the President of the United States made a speech—many called it star wars; he called it the strategic defense initiative. And suddenly, lo and behold, there was a remarkable change in attitude on the part of the Soviet Union, and suddenly they were back at the bargaining tables with no preconditions. They dropped them all. We seemed to have entered a new era.

Let me remind those who are short on memory that it was long before anybody on this floor had heard of a man named Gorbachev. It was not the charismatic personality of the new Soviet leader that had anything whatever to do with it. He was not even in sight. We are dealing with that succession of older Soviet leaders, unremarkable, quite similar in their intransigence.

But the fact of the matter is there was a change in Soviet attitude. And it is quite true that, from that point forward, there seemed to be a new willingness on the part of the Soviet Union when they saw there was a new resolve on the part of the United States and the NATO Alliance. When they saw that, we began on negotiations which led ultimately to the conclusion of the INF Treaty.

Militarily the treaty was a modest achievement. It dealt with only 4 percent of the total arsenal, the total inventory of offensive weapons. But it is significant because it is the first time that we have ever had the elimination of offensive weapons. It was significant because it was the first time we had asymmetry in terms of reduction. The Soviets actually gave up more warheads than we did. It was the first time in a very long time that the NATO allies, standing together, won a victory, certainly a political victory, against the kind of intimidation that the Soviets had attempted.

The reason, Mr. President, to engage in this kind of historical perspective is that, very simply stated, this conference report undertakes, once again, what the House of Representatives has been hell bent upon for the last several years. And that is involving the Congress in usurpation of constitutional authority which resides, under the Constitution, in the executive branch.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. WILSON. Surely.

Mr. BYRD. Mr. President, I thank the Senator for yielding. I have no problem with the historical perspective and Mr. Mondale did, indeed, recommended raising taxes. I told him that was a mistake.

But I do not believe the Senator really meant, when he used profanity a moment ago, I do not believe he really meant that Mondale was being quoted accurately when the Senator used that profanity. Am I correct?

Mr. WILSON. Mr. President, when I quote someone I attribute that. What I was alluding to, I think, was clear. And that is that Mr. Mondale did promise a tax increase. The emphasis was mine.

Mr. BYRD. I thank the Senator. I just wanted the record to be clear.

Mr. WILSON. The majority leader is quite welcome.

Mr. President, it is necessary to give a perspective because it seems that all too many have forgotten how it was that the President was able to go to Moscow with that INF Treaty. But what we have now in this conference report is not what was in the Senate bill when it left this Chamber.

The members of the Senate Armed Services Committee, Republicans and Democrats, felt a measure of pride in a very good product at that time that it left.

What I would say is they deserved to. It was a good bill. It was a bill that provided adequately for the security of the United States.

What has come back bears no resemblance to it. The conference was a disaster, the worst in the 6 years of my stay in the Senate, in the 6 years of conferences that I have participated in. But, in fact, virtually no one participated in this conference. What happened was that a process was adopted whereby unresolved issues were determined, presumably by the Chair and the ranking members of the two committees. What that led to, very simply, was the House version or something very close to it.

I will simply tell you, Mr. President, that what is in this bill, in terms of ICBM modernization, in terms of funding for the strategic defense initiative, what is in it in terms of the strategic capability of the United States to further credibly deter the Soviet Union from the kind of tragic misstep that we have all labored long to avoid, what is in this conference report so undermines our bargaining position that we would be spectacularly ill-advised to seriously negotiate because we will not be credible. In fact, to repeat a statement made earlier, which is indeed no exaggeration, unilaterally the House Armed Services Committee and a very strong minority of members who hold sway with the chairman have succeeded where, in fact, the Soviet negotiators could not and have not.

Let me just read to you from a letter from Secretary of Defense Frank Carlucci to Senator JOHN WARNER, having to do with this conference report; having to do with ICBM modernization. Secretary Carlucci to Senator WARNER, and I am now quoting directly:

> By providing $250 million for both mobile missile programs—

For both, $250 million—

> with an additional $250 million held in escrow the conferees have delayed the progress on the rail garrison program. I have indicated that $550 million is the minimum funding level required to keep this program on track. Earlier this year, at the urging of Members of Congress I agreed to provide $200 million for the small ICBM program to keep it alive for the next administration. I agreed to do this despite my belief that the small ICBM program is unaffordable in the budget environment we face.
>
> The conference outcome will increase overall costs, could delay the deployment of a survivable Peacekeeper ICBM, and by leaving us without any viable mobile ICBM program it clearly complicates our position in the ongoing START negotiations.

Mr. President, this is a classic of understatement. It will not just possibly delay. It cannot help but delay the deployment of the survivable Peacekeeper in the rail garrison mode. And the small mobile missile, which my friend from Nebraska has so valiantly fought against with me, with Senator LEVIN, with others who agree across partisan lines that it is unaffordable, a terrible waste of money; that for totally political reasons remains at $250 million. We should have long since given it up. I predict it will never be built. Yet, we continue as though the issue were mobility whether it is or not. We achieve mobility in a variety of ways if we deploy the Peacekeeper in a rail garrison mode. We achieve it best certainly through submarines, through the Trident submarines with the D-5 missile.

But, Mr. President, the point that is made with such classic understatement is that this "complicates this position in the ongoing START negotiations."

The negotiations are ongoing. Suddenly we have said to our negotiators, "We are taking three of your aces, so you are going to have to bluff them." That is a very dangerous way to conduct foreign policy, a very, very shortsighted, dangerously short-sighted position in which to place our negotiators in anything as serious as negotiations for the removal of ICBM's.

If we are really, seriously going to speak to the Soviets about arms control, about reducing the number, not just of the smaller, the intermediate range missiles, but the strategic, those that can leave the Soviet Union and travel in 26 minutes to destroy Washington, New York, Chicago, San Francisco, Los Angeles, Houston, I will only tell you that we had better not say, "Go and negotiate with nothing in your hand."

Mr. President, at this point the Senator from Wyoming is present on the floor. Let me inquire of him how much time he is seeking.

Mr. WALLOP. Mr. President, the Senator from Wyoming would like to have 20 minutes.

Mr. WILSON. Mr. President, I yield to the Senator from Wyoming 20 minutes.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. EXON. May I ask the Senator if I could use 2 minutes on my time before the Senator speaks?

Mr. WALLOP. Absolutely.

Mr. EXON. Let me say, Mr. President, that because of the time constraints, we do not have much time for rebuttal. There are an awful lot of things being said here that I think are not being placed in the proper context.

In the first instance, in the conference with the House of Representatives, we did the best job that we could. There were strongly held positions by Members of the House of Representatives. And, after all, no conference is perfect. I did not agree with all of the measures that we came to agreement on with the House, but we came to agreement. If there is one thing we better learn here, we do not always get what we want. The whole process and the whole system is built on a series of compromises.

I would first say that the discussion that has taken place today with regard to the three Poseidon submarines is not meaningful. It borders on the ridiculous. We have three Poseidon submarines that were scheduled in the next year and half to come in for repair or refurbishing. The administration itself canceled any consideration for refurbishing and simply said that the first submarine, the U.S.S. *John Adams*, will be scrapped, primarily as a result of the constraints of the SALT II agreement.

Then we have two other submarines, the U.S.S. *James Monroe* and the U.S.S. *Henry Clay*. Those, again, are two more Poseidon submarines that were scheduled to come in for consideration for refurbishing and renewal before they were sent back to sea.

What the compromise was that we worked out with the House on this was, and this was a Senator that was intimately involved in that, it was simply to say that we would take the one and scrap it as the administration has recommended; we would take a second submarine and tie it up in port; and we would leave one operational at sea.

The realities are, the facts are, that everyone knows, that unless something unforeseen happens, then all three of those submarines are going to be scrapped for whatever reason.

I would simply say, Mr. President, that when we are talking about the remaining two, the U.S.S. *Monroe* and the U.S.S. *Henry Clay*, we are talking about the difference of, at best a few weeks as to whether and when they will be removed from service rather than a long period of time so it is actually meaningless, Mr. President, to be having a long time discussion on that.

With regard to the modernization programs that have been talked about here on the ICBM's once again this is an extremely difficult matter that we worked out with the House of Representatives.

The facts of the matter are, I happen to be strongly in support of the rail garrison MX. If the Secretary of the Defense has indicated to those on the Republican side that the rail garrison MX will be delayed significantly by the compromise that we worked out, he is dead wrong.

He is dead wrong because the proposition we eventually came out with is one that this Senator got on the phone and talked in the middle of the conference with the Secretary of the Air Force. I was, indeed, the one who suggested the 250-250 defense balance. They said that is not exactly one they wanted, but it was one, and these words are important, Mr. President, it is one "that we can live with."

I simply say, to put this all in perspective, regardless of what happens to the rail garrison MX or the small ICBM, that I will be happy to address later if I have an opportunity with the time constraints that we have, I think some of the rhetoric I have been hearing today is not based, in fact, on what the agreements were with the administration. I hope that we can keep the political considerations out of national defense policy as best we can.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I ask if I might be permitted to yield 7 minutes of my time to the Senator from Texas, who is leaving for the Soviet Union, so that he might be permitted to address the Senate and perhaps the distinguished Senator from California might yield to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. I thank my distinguished friend for yielding. I am not going to defect. I am going to visit.

Mr. President, I rise to express some very strong concerns about this bill. Let me begin by saying that a lot of good work has gone into the bill. There are a lot of things in the bill that I do like. Our antiarmor programs are vitally important. Our conventional procurement programs, I think, are sound. But there are major areas in this bill that I believe ought to be discussed because I think we are making decisions that affect the security of America, and I think the American people have a right to know that many of those decisions are not wise and are not sound.

First of all, it seems to me that we are long past the moment of truth as to what we should do about the third leg of the strategic triad, which is land-based ICBM's. What this bill does that I strongly object to is that it decides again not to decide. It provides $250 million for rail garrison MX. It provides $250 million for the Midgetman, and then it puts $250 million into escrow to let the new President decide what he is going to do.

The Secretary of Defense says that rail garrison MX, which is critically important to the survivability of the third leg of the triad which has kept the peace and preserved American freedom in the entire postwar period, is going to be jeopardized without $550 million.

The point I would like to make, Mr. President, is that the Midgetman has been a political vehicle from the beginning. Outside a very severe limit imposed by arms control on the number of warheads allowable, the Midgetman makes no sense. Quite frankly, it is appealing politically to many people because it absorbs a lot of scarce defense money and yet is of limited strategic value.

The basic decision we have to make is: Do we want to spend our money making survivable the most accurate missile in the world that fires 10 warheads with one launcher? Or do we want to spend money on an unproven system that fires one warhead?

I do not know of anybody outside of a strict arms control environment, which we do not find ourselves in at this moment, who really believes we ought to be spending the money on Midgetman. Yet with the strategic triad, the foundation of American security, we are 1 more year playing politics on this critical issue, and I think it is a tragic mistake.

The strategic defense initiative is another area that produces concern on my part about this bill. We have ramped up SDI; we have set out research projects all over the country. I think anybody who has been out and looked at the research we are doing has been impressed. We have had tremendous technological breakthroughs. In fact, the Israelis, as of this moment, are looking at a system to defend themselves against tactical ballistic missiles and which will draw on the technology that we are developing in the United States.

I believe that there is broad support in America for a capability to defend the American people against attack by intercontinental ballistic missiles, whether launched by some lunatic or by a superpower. As we see the growth in the number of nations that have ballistic missiles, we see the growth in the need for this system.

What we have done here is cut back funding on SDI in real terms to 2 percent below the level last year. What is so damaging about this, Mr. President, is that we have already started research projects that are rear end loaded. We've gone in, we've set up the research team, we have bought the hardware and now we are about to begin the project. As we ramp up, costs rise.

So this is not a case of simply staying where we are. Expenditures that we have made to this point are going to be wasted because we are not providing the financial means to see them through to any kind of technology yielding maturity. This is a very foolish decision especially when we are spending almost $4 billion that the Pentagon did not ask for. I want to make it clear, the Pentagon does not have any ironclad guarantee that their priorities are right, and Congress' priorities are wrong.

There are a lot of things we have added here, like antiarmor initiatives, that I strongly support, but I cannot justify when we have $4 billion of add-ons not being able to provide the funding for the most important defense research project in America. We did not cut SDI because we did not have the money. We did not cut SDI to fund a destroyer which was not even asked for by the Navy. SDI was cut because, as the press release by the House Armed Services Committee proclaimed so proudly, they took the stars out of Star Wars.

Mr. President, that may be good politics but that is poor security policy, and I think the American people ought to know about it.

I am also concerned, Mr. President, about this obsession with SALT II limits. This Senate did not ratify SALT II. SALT II is not a ratified treaty. Yet, we have accepted a provision here that tears up two Poseidon boats in order to attempt to partially comply with the limits of a treaty that the Senate never ratified, that the Soviets never abided by, and which in any event would now have expired.

I want to make an additional point. The Poseidon submarine is the second best submarine in the world, second only to the Trident. So I object not only to this insane policy of tearing up two perfectly good, viable submarines, but I object to the policy of pulling them down so rapidly. I think it makes absolutely no sense that we are retiring these boats as quickly as we are. That is meant as a criticism of the Navy as well as the Senate and the House in terms of public policy.

Finally, Mr. President, I want to say something about depressed trajectory missile testing, and I cite it because I think it is a very dangerous precedent.

We do not have more troops than the Soviet Union. We will never have an army that is competitive with the Soviet Union in the number of people under arms. We will never have an army that is competitive in sheer numbers of tanks, personnel carriers, and aircraft. They have a totalitarian society and they force their people to buy all this hardware. We cannot compete in terms of numbers.

If we are going to compete, we have to do it by using the genius of the American free enterprise system to build and deploy systems based on modern technology. I believe that the Soviets have come back to the bargaining table in part because they realize they cannot compete against American technology. Of all the things that we should not do, the most critical is restraining our ability to use modern technology to render billions of dollars of Soviet investment in military hardware obsolete.

Yet in this bill, for a reason known but to God and to those who hold the opinion—and if they can express it in any form that makes sense they have never done so to me—we are in essence setting out a unilateral limit on a new technology, depressed trajectory missiles, where we have a tremendous technological lead, where the Soviets cannot compete, and where we render a $100 billion Soviet antimissile program obsolete.

By spending millions, we cost them billions that they would have to spend on defense rather than spending to build weapons that menace us in Europe and Asia and that menace our American homeland.

Mr. President, it makes absolutely no sense to be unilaterally limiting our capacity to take advantage of modern technology. Let us trade that away at the bargaining table if we are able to get a good deal, but let us not give it away.

So, Mr. President, I have worked long and hard, with many members of the committee, on this bill. There are many things I am proud of in this bill, but there are many things in this bill that are wrongheaded; there are many things in this bill that are harmful to America. We ought to be modernizing the third leg of the triad and deploying MX on a rail-based mode, and we ought to do it this year. We ought not be be fooling around with substitute weapons that nobody supports except for political reasons.

Second, we need to go forward with SDI. Obviously, it is needed for a lot of reasons, but to do what we are doing, which is cut back funding in real terms so we cannot get the return on what we have already spent, does not make any sense. We ought not to be forcing the destruction of weapons to comply with a treaty that we did not ratify, that the Soviets never lived up to, and that has expired.,

And, finally, of all the things we should not be doing, we should most certainly not be putting unilateral limits on American technology. We have Ivan kept back from the gate in part because of brave young Americans who stand on guard all over the world this morning, but another reason we are able to keep Ivan back from the gate is because we have the best defense technology in the world. We have it because we have the best defense industry in the world even with all of its problems. The last thing on Earth we should do is to be imposing unilateral shackles on our capacity to use the one thing which the Soviet system cannot produce, and that is the new technology that comes from innovation because innovation comes from freedom.

So that is why I am going to vote no on this bill, not because there are not a lot of things in it that I am proud of and that I like but because I think there needs to be a clear protest of the fundamental decisions that have been made that imperil American security unnecessarily. These decisions were not made because of any dollar constraint. They were made because of a misguided policy that if somehow we shackle ourselves, if somehow we make ourselves as inefficient as the Russians, somehow that is going to produce peace in the world. I do not understand it. I do not think it makes any sense. The Soviets must marvel at it. I believe the American people, if they understand it, will reject it. I want to be in the leadway of that rejection.

I yield the floor and I thank my distinguished colleague for yielding.

The PRESIDING OFFICER (Mr. LEVIN). The Senator from Wyoming has 20 minutes remaining.

Mr. WALLOP. Mr. President, last year I had to vote against the first DOD conference report since I was elected to the Senate of the United States in 1976. At the time I thought it was the worst defense bill I was ever likely to see. I was wrong. This bill is worse.

This bill represents a near total collapse of the Senate's positions in the conference with the House. The Senate might take note of the trumpeting of the House Armed Services Committee's news release:

> In the arms control area, unlike previous years in which conference decisions tended toward the weaker positions of the Senate, this year the conference position leans decidedly toward the stronger positions taken by the House.

Let us examine for a minute what those strong House positions might be. The Senator from Texas was exactly right. They represent nothing more than unilateral disarmament and harassing restrictions on U.S. testing programs. One might easily ask, and I think that the conferees owe us a response, what on Earth do the Soviets need a START negotiating team for when they have the Congress of the United States pulling their oar stronger than they can pull it themselves? And what on Earth does America think about a Congress that refuses legitimate testing? Testing is the only means by which you gain knowledge, and they have said we do not care to have knowledge.

I, for one, am ashamed of the product that has been brought back to this Senate. Moreover, and I am speaking mainly to Members on my side of the aisle, the piece of legislation before us is the first example of what defense budgets under a Democratic administration will look like should the Democrats take over the White House this fall.

I will speak later to things specifically that candidate Dukakis has offered in his campaign that match and mirror this conference report.

But suffice it to say this bill slashes U.S. strategic programs, both offensive and defensive, while it depends on unilateral arms control panaceas to correct strategic threats to our Nation.

Let me be specific. SDI: The worst of all, in this Senator's judgment; that is, the slashing of the SDI budget 18 percent below the request of the administration and for the first time in the history of that program we have negative real growth compared to the previous year. Negative real growth, and how many on the other side of the aisle are going to go back and trumpet in their districts that they support SDI? They will have voted for constraint, a pittance, and a means by which, as the Senator from Texas pointed out, some in the House side said we took the stars out of star wars.

But worse than the cut, Mr. President, is that somehow or another the Senate and the House conferees and their staffs have decided that they and they alone have the expertise to manage the program under the Office of SDI. It is micromanaged to death in this bill, against a backdrop of declining funding. That is exactly the same thing the Senate did in the 1970's in the aftermath of the ABM Treaty, and by and large they wasted the investment of America and so trivialized the capability that it could not be argued any longer as to have any real strategic benefit. The result was the destruction in those years to any real American ABM Program. Make no mistake about it, the intention of the House Members and many in the Senate is to do precisely the same thing.

Why, for example, do we have an $85 million ceiling on the space-based interceptor when the request was for three times that figure? The answer again is provided for us in the House Armed Services press release.

> The conferees dramatically rewrote the SDI, slashing funds for space-based defenses, by far the smallest increase overall since the SDI program began. In essence, that takes the stars out of Star Wars.

The American public should know it, the American public which by three to one supports research and development of strategic defenses.

There is another aggravation in the SDI provisions. That is the specification that the Office of SDI must spend some $225 million on the free electron laser. I am and have been a big supporter of space-based directed energy. I have followed it for years, longer perhaps than anyone in this Senate. I began that trek in 1978. Together with Senator GARN I was the first to place before the Senate the question of whether we should build a space-based laser system.

I can assure my colleagues that the free electron laser is absolutely the farthest away from providing any missile defense for the United States of the directed energy variety. It seems to be more that we have put this mandatory spending requirement on more as a tribute to certain Members' political requirements this year than as a program with the technical merit to support this much funding. Whence the expertise of these Members, or their staff, to choose between those programs in an office and redirect entirely the spending priorities of it? This certainly not expertise developed by trips to the laboratories and to the contractors, certainly not by trips to the Office of SDI, and certainly not by conversations with General Abrahamson or his technical staff.

It is, and nothing more, a political decision which denies Americans the opportunity to reach security and ballistic missile defenses, and at the same time wasting their money. I think once again we have to ask what on Earth guided the conferees to put pork barrel politics ahead for the security of this Nation. I regret there is no other way to describe the actions of the committee.

In the area of arms control, the Senate defeated an amendment that would have placed SALT II sub limits on its DOD authorization. As I recall the chairman of the Armed Services Committee opposed that amendment. Yet miraculously even though both Republicans and Democrats were squarely against SALT II limits we have SALT II limits on this bill. Two U.S. submarines scheduled for overhaul will not be maintained if this bill goes through. Why? Because they are no longer seaworthy? No. Absolutely no. Because we do not need their warheads in our strategic arsenal? No. Absolutely no. Because certain House Members want the United States to live up to certain provisions of an unratified, expired, and violated arms control treaty? Yes. Absolutely yes. Why again does the Soviet Union need the START talks when they have the House Armed Service Committee conferees?

Nuclear testing: Every year the House passes a really crazy amendment restricting the United States nuclear testing, and every year the Senate wisely and with bipartisan support rejects those crazy limitations. But not this year. This year we are required to establish a DOE program to get ready for a total ban on nuclear testing. Again, why on Earth would we do that? Has nuclear testing made the weapons we deploy less safe? No. It is precisely because of nuclear testing that we can rely on the safety of those weapons. Testing alone gives us the ability to modernize, to keep clean, and to keep secure those systems.

Has nuclear testing driven the United States to build more and more nuclear weapons? No. And precisely the opposite is the case. We have today several thousand fewer nuclear weapons than we did in the 1960's. Why? Because of testing. It allowed us to raise the level of reliability, to raise the level of safety, raise the level of cleanliness of those weapons, decrease the level of nuclear fallout, and to make them more militarily effective and less dangerous to public safety. Testing gave us those capabilities. But, no, the House said, and the Senate conferees have agreed, that we ought to plan for a total ban on testing.

The chairman of the Armed Services Committee wrote only last week in the New York Times:

> The country's most basic defense test will be to continue to provide a survivable and effective nuclear deterrent.

How do these conferees propose that we can provide a survivable and effective nuclear deterrent without testing? The answer is they will not answer you, America. They will hide from that, and trumpet what they have done to various political groups this year, but America should know that these conferees have guaranteed that their nuclear deterrent will be neither survivable nor effective in the absence of testing.

Does this amendment foster the laudable objective created and stated by the Senator from Georgia, Mr. Nunn? No. The amendment is nothing more than a camel's nose under the tent for a far more restrictive amendment next year. And why did the Senate conferees agree to establish a program to do something that is, given our current reliance on nuclear weapons, clearly contrary to the national security interests of the United States? The question is for them to answer.

Let us take a look at the depressed trajectory restriction in this bill.

Again, this is nothing but the camel's nose under the tent for those Members who support the destabilizing concept of promoting arms control by banning the flight testing of all missiles.

Furthermore, the amendment is arms control by legislation, as is reflected in Representative Nagle's statement on the floor, when he declared that this amendment "is a verifiable arms limitation agreement."

Whose arms do we limit? Only those of the United States. No pretense is made of having the Soviet Union's arms limited. Moreover, I note that the Governor of Massachusetts, Mr. Dukakis, has made a flight-test ban for all missiles part of his Presidential campaign.

The formula provided in the Nagle amendment to determine what depressed trajectory is, which ultimately was not adopted, indicates that the Soviet Union already has tested depressed trajectory missiles. In other words, the formula for depressed trajectory was flawed and demonstrates a lack of understanding and ignorance on the issue. Did that deter anybody? No. They boasted of their lack of understanding and ignorance on this issue and went forward with the precedent contained in this legislation.

This amendment sets a bad precedent, like the ASAT test ban which the House passed 4 years ago. Primarily, it says to the Government: "Define, if you will, what is depressed trajectory, since we do not know, and we cannot say what it is we wish to ban. You define it." Then the moratorium goes into effect 60 days later. In other words, we are banning something that we cannot ourselves competently define.

That is shameful behavior on the part of conferees, to have adopted that.

Mr. President, there is not a single instance in history where the Soviet Union has emulated any United States restraint. When will the Members of the House, when will the conferees, when will those Senators who continue to try to do this, learn from the history that they live through and legislate? When will they do it?

I remember what Harold Brown said, in response to, I think, the Warnke statement that we were like two apes on a treadmill. He said: "When we build, they build. When we cease building, they build." They have never mirrored, never copied, never emulated a U.S. restraint.

Remember, also, Secretary Vance, who went to Foreign Secretary Gromyko and told him, proudly: "We, the Carter administration, have canceled the B-1 bomber. What will you give us?"

Gromyko's obvious response, predictably obvious, was the one that he gave. "Mr. Secretary," he said, "we in the Soviet Union are not philanthropists."

Mr. President, I have made a statement on this floor, and written it in a book, that arms control is the means by which some Americans control the arms in the hands of other Americans.

There has always been a supplemental pretense, along with that, that we were trying somehow or other to constrain the behavior of the Soviet Union. History has told us through the record of violations and the record of relative relationships between our two basis military forces, that they have not been constrained in any way. They have used it basically to tailor the forces arrayed against them. So it has been primarily the means by which some Americans control the arms in the hands of others.

But there is always the dignity attached to the process, that we are somehow getting the Soviets to go along. This conference report, this bill, drops even that pretense. I think that, on its face, it is absurd. It just says: "We are going to constrain you, America. We don't care whether the Soviets emulate you or not."

This is carrying the world to an irresponsible end. It carries the ability of the United States completely out of the military judgments of those people whose careers it has been to reach us. It substitutes political judgments, pork barrel, hometowning, and unilateral disarmament for any strategic consequence that might have been arrived at through military thinking.

Let me, in sum, agree with the statement of Secretary of Defense Frank

Carlucci. He stated unequivocally, in a letter to Senator WARNER:

> The conference outcomes on key strategic programs and arms control provisions harm U.S. national security interests.

What more does the Senate need than the statement of the Secretary of Defense, a former official in the Carter administration, a former intelligence officer, a former National Security Council adviser? He has worked for both administrations. His statement is that the outcomes harm U.S. national security interests. If that is what the Secretary of Defense says this bill will do, it is time for us to lay down the gauntlet.

We in the Senate should not stand for unilateral disarmament. We should not set about savaging U.S. strategic programs, the stock in trade of the Democrats in the House. We should not do it today. We should not do it tomorrow. We should not do it even should the Democrats win the White House in November.

I really urge my colleagues to look carefully at the consequences of the product that lies in front of us, as Senators whose basic responsibility it is to provide for the security of the United States, the people we represent. Pay attention to what has happened here. Reject the pork, reject unilateral disarmament, reject the micromanaging that we do not have the expertise, the time, or the staff to accomplish. Let the military make these judgments. Fund it carefully.

I urge the Senate to send this bill back. I urge that it be rejected, and I urge the President to veto. We should set about taking the interests of America and putting them first, not the pork, not the hometown, not the politics, but Americans.

Mr. WILSON. Mr. President, I yield the Senator from Iowa 5 minutes.

Mr. GRASSLEY. Mr. President, I appreciate very much the carefully made statements of my colleagues in opposition to this legislation. I sense some of that frustration over this product, as evidenced by my vote to recommit, on the last vote.

I want to depart from the pattern of debate this morning and refer to just a small aspect of this legislation, but I think one that indicates that if we are really going to change things within the system that has brought about some of the scandals within the Defense Department, we have to start someplace.

I suggested, in legislation, some changes that the conference committee did not like, and I want to take the opportunity now to speak to this body regarding that very narrow area.

Mr. President, in my 14 years in Washington, I have been able to identify at least one local growth industry—Washington lawyers. There are now more than 46,000 and counting—more than 1 for about every 20 of men, women and children in Washington.

Mr. President, the current Pentagon probe means many things to members like me, who have been so critical of our acquisition policies for so long.

But one thing is for sure—it means business and profit for lawyers.

And why should not the elite white-collar defense bar jump with glee? After all, the current investigation and ultimate prosecution promises to be complex and drawn-out for years—all while their meter is running. Some are even speculating that there are so many corporate and individual targets—perhaps hundreds—that there aren't enough lawyers to go around.

And here is the best part—at least if you represent a defense contractor accused of a crime; the Government will pay your legal bills. That is right, the same government that brings the prosecution also pays the legal bills of the contractor.

Mr. President, I am sad to report that the DOD conference report misses a perfect opportunity to right this wrong, to end this giveaway to defense contractors. The House adopted a provision that would put some reasonable limits on what the taxpayers will pay for a contractor's lawyer—fully consistent with what can be awarded to any other private party in litigation with the Government.

Unfortunately, the conferees largely gutted this language, and removed any cap on what contractors can recover as a matter of allowable cost. In its place, the conferees added an ineffectual provision, which confuses civil and criminal standards of liability, in essence, limiting recovery only upon a finding that a contractor knowingly violated a civil statute.

The bottom line is that our Government will continue to pay twice. But while the likes of Henry Hudson and his investigators are paid a modest Government wage, the contractors' lawyers will likely get their princely sums—perhaps hundreds of dollars an hour.

I have no quarrel with contractors hiring the priceist lawyers in town. I quarrel with the taxpayers having to pay the bill.

Mr. President, this issue will not go away. I will raise it again and again until we get it right—until we stop this double-barreled ripoff of the taxpayer.

Mr. President, I yield the floor and thank my colleagues for their time.

The PRESIDING OFFICER (Mr. HARKIN). Who yields time?

Mr. WILSON. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged against the time allotted to the Senator from Indiana [Mr. QUAYLE].

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, a moment ago, the distinguished Senator from Wyoming, in a very carefully thought-out, carefully reasoned presentation, commented on several of the defects of this conference report. But one that seemed to stun him in particular was one that is alluded to in the news release of the House Armed Services Committee. And I will quote from that news release:

> The conferees adopted the principle of a House-passed ban on depressed trajectory testing. The start of the moratorium will be delayed until late in fiscal year 1989 after some documentation has been completed.

This depressed trajectory missile testing is also the subject, Mr. President, of a letter from Secretary of Defense Carlucci to Senator WARNER, to which reference has been made earlier. Secretary Carlucci put it this way:

> While the conferees agreed to drop the House provision imposing an immediate ban on depressed trajectory missile testing, they adopted a provision requiring the Department to report to the Congress on the merits of such a proposal. However, 60 days after submission of this report, which, among other things, is to define depressed trajectory testing, the United States will be prohibited from conducting any such tests provided the Soviets do so as well. This is a very complicated subject, and I regret that Congress would adopt such a provision without conducting a single hearing on the subject.

Mr. President, I too am stunned by this action. It is the ultimate in irresponsibility. We are dealing with a provision which calls for a definition of depressed trajectory missile testing. So we cannot really state to anyone what it is and yet we are going to ban it. Whatever it is, 60 days after submission of this report—the report, among other things, to define what it is that we are terming depressed trajectory testing—the United States will be prohibited from conducting any tests. So we have conducted no test and we have not conducted 1 minute of hearing in the Congress of the United States on a technology of enormous significance.

Mr. President, how irresponsible can the Congress be? I mean, I recognize that the American people have come to expect very little, but the fact of the matter is, without one hearing, without even sufficient knowledge to define the term, to ban testing is to place us in a position of eternal darkness. Now, we are supposed to be comforted by the fact that the condition to our refraining from testing will be that the Soviet Union do so as well.

Mr. President, the euphoria that has accompanied the recent summit, the signing and ratification of the INF Treaty, should not make us forget other history and very recent history at that. It should not make us forget Krasnoyarsk, a violation of the ABM Treaty. It should not make us forget all of the other violations of existing arms control agreements. In short, it should not encourage us in the belief that we are going to somehow be safe because there will be a similar ban operating to foreclose the Soviet Union from testing, any more than over a great many years we have been assured that they would not engage in the kind of research that they have steadfastly urged us to abandon in the context of the strategic defense initiative.

The fact is, they have been pushing us, telling us that, unless we abandon SDI, there is no hope for arms control. And yet, Mr. President, as has been the case so often, when they urge us to abandon testing, it is because they have completed the testing that they think necessary. In the instance of SDI, they have been busily engaged for many, many years, for decades, literally. They have outspent us by far.

So here we are about to embark upon a program of no testing, once we have defined what depressed trajectory testing is, which means that we have no idea whether or not what they have spent and what we have spent to date can defeat the technology of the strategic defense initiative. You would think that those that have spent so much time and energy inveighing against the possible success of SDI would be interested in determining what the full implications might be of depressed trajectory testing.

As one who thinks that we should save lives rather than avenge them, I am interested because I do not think that we can dwell on happy ignorance. It is like suggesting that there should have been no test of the bow and arrow, no test of the shield, of the machinegun, the tank. All those things happened.

Now, I do not think it is impossible to achieve an arms control agreement that is mutual. It is very difficult to verify. We all know that. But for us to engage in this kind of provision where we do not literally know what it is we are talking but agree that we will do nothing to learn is the most incredible folly. And that is literally what this provision tells us that we must do.

It is not quite as bad as the House provision because the House provision is an outright ban. Well, let me ask you what is the difference whether the ban occurs in 60 days or 60 days earlier? Not very much.

Mr. President, in terms of ICBM modernization, a phrase that probably causes eyes to glaze over, what we are really talking about is whether the United States will have the credibility to responsibly engage in further arms control negotiations of the kind that we all devoutly wish for. We would like to see the world made safe from nuclear holocaust. We would like to see the reduction—not the freezing, the reduction—significantly of those inventories of offensive weapons, those ICBM's which, I repeat, are those missiles that can leave the Soviet Union and in 26 minutes, once launched begin beyond recovery, destroy whole American cities.

But if we are to responsibly engage in that kind of arms control negotiation, if we are to realistically expect that the Soviets will be willing to make anything like similar concessions to those made in the INF Treaty, we have to assume that they will have some selfish reason to do so. There has to be some mutuality of advantage. And so far the mutuality of advantage existing in keeping the world free of nuclear holocaust has not been sufficient to prevent massive escalation in offensive missiles of the very kind we seek to remove on the part of the Soviet Union.

Previous arms control agreements have only managed the buildup but what we are doing in this defense authorization bill, in this conference report, is to assure that we will not have the kind of credibility that is essential for us to return and engage responsibly and realistically in the kind of arms control negotiations which we hope may lead to a START agreement, a reduction in strategic weapons. Instead, we are going to totally emasculate ICBM modernization, certainly in the land-based leg of this triad. We are going to say that we have no credible, mobile deterrent. And those who are arguing against SDI, who are willing to slash it and to take the stars out of star wars and to brag about it, say that they are willing to do so because they are content to rely upon mutually assured destruction—God knows, a bankrupt theory, both morally and militarily, in its reliance, its exclusive reliance upon a very precarious balance of nuclear terror.

But if in fact that is their choice, if they are going to cripple SDI so that we do not have defensive technology to protect the American people who are now defenseless against the Soviet intercontinential ballistic missile attack, then at the very least, we should have a credible deterrent since that is what we are relying upon to prevent the buttons being pushed by the Soviet war planners.

The budget, $250 million for the small missile, Midgetman, which we all know should be called Congressman, since it was not the Air Force but Congress who designed that turkey, and the Peacekeeper, the rail garrison MX, at 250—very candidly, in the words of Secretary Carlucci, will delay development and leave us with no viable, mobile intercontinental ballistic missile.

What bargaining power do we have? The answer is clear. We do not have sufficient to persuade the Soviets that it is worth our giving up something substantial because we have nothing substantial to give up. We have given it up. Right here in the Congress of the United States. I am sure every time they send those negotiators from Moscow to Geneva they say: Take your time, take a long lunch, because there is no rush. Congress meets every year. There will be one more defense conference bill and every time there is one the House of Representatives gives away a little more and the Senate seems to be prepared to take it. And that is in fact what is at stake.

So there is great irony. It would be humorous, except that the irony is pretty bitter because there is so much at stake. And, in fact, if they are as shrewd as I think they are, then the Soviets have to be a great deal more interested in the negotiations, in the defense conference between the House and the Senate Armed Services Committee than they are in what is going on at the negotiating table in Geneva. Because candidly what has gone up in that bomb shelter that we call S-407, that room cut off from light, is, in fact, far more significant than the negotiations that have gone on in Geneva. They have made so much more progress in S-407 than in Geneva that it is tragic and frightening.

Mr. President, good intentions are not enough. I am sure that my colleagues in the House have good intentions. I am not impugning their integrity. But I am, indeed, impugning their judgment because what they have brought us and what this report asks the Senate to swallow is a tragic miscalculation. It is a repetition of the classic error made so many times at such great cost by Western democracies. It is a very large step toward unilateral disarmament and that is not the way to keep American boys from fighting needless wars.

Mr. President, let me inquire of the Chair, how much time remains?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WILSON. I thank the Chair. How much remains to Senator QUAYLE?

The PRESIDING OFFICER. The Senator has 2 hours and 55 minutes.

Mr. WILSON. I would ask unanimous consent, Mr. President, that 5 minutes—how much time is the Senator from Minnesota seeking? I would ask unanimous consent that 15 minutes of the time of Senator QUAYLE be alloted to Senator BOSCHWITZ.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I think that the Senator from Minnesota will desire that time but at this point I would suggest the absence of a quorum.

Mr. LEVIN. Would the Senator be able to charge that against the Senator's time?

Mr. WILSON. How much time remains to Senator WARNER and Senator NUNN?

The PRESIDING OFFICER. Senator NUNN has 25 minutes. Senator WARNER has 51 minutes.

Mr. WILSON. Fifty-one?

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I am advised that the House of Representatives has just voted 228 to 176 to adopt the conference report, a significant fact because those 176 votes in opposition, in addition to constituting, I think, the largest vote in a very long time against a conference report, also signifies, if the will is there to translate it in this fashion, enough votes to sustain a Presidential veto.

Mr. President, I suggest the absence of a quorum to be charged against this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I ask unanimous consent that 15 minutes of Senator QUAYLE's time be allotted to the Senator from Minnesota.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Minnesota is recognized.

Mr. BOSCHWITZ. Mr. President, it has been 3 weeks now since the story of the Pentagon scandal broke, and defense contractors and their hired consultants, some of whom recently left work at the Pentagon themselves and then became consultants, are suspected of paying off Pentagon personnel and creating what appears to be really quite a scandal. In return, they obtained proprietary information that gave contractors an advantage in competing for defense contracts, contracts which could have been in the billions of dollars.

We still do not know the full extent of the scandal, and we would be wise, therefore, to resist premature judgment and hasty legislative action.

If what we have heard so far is true, it is really quite an appalling betrayal of the Nation's trust. Those who have betrayed that trust should be prosecuted to the full extent of the law.

And yet, the Pentagon scandal also presents us with a tremendous opportunity to reflect on the broader implications, the broader problems of the procurement process. Solving those problems require something more than just prosecution of those involved or imposing another round of Pentagon reform. It requires the restoration of an effective working relationship between the Congress and the Pentagon.

It is my intention today, and in the coming weeks, to look beyond the headlines and to address a number of fundamental issues concerning how we here in Congress deal with defense. I trust my colleagues will join me in exploring these issues because they are of extraordinary importance.

Mr. President, many of our current defense procurement problems stem from a lack of trust between the Congress and the Pentagon. In the past, for instance, the Pentagon has not cooperated fully with the Congress and sometimes even misled the Congress. We, no doubt, have lost some confidence in the Pentagon, which may erode still further because of the current scandal.

On the other hand, those in the Pentagon have reason to have lost confidence in the Congress, I might say. The Pentagon can point to congressional micromanagement, intrusion in the procurement process and an imposing and extraordinary burden of laws and regulations. These objections on the part of the Pentagon are not without merit.

I do not mean for a moment we do nothing about the people who abused the process. I think they should be prosecuted, as I indicated, but some of the blame for the scandal is found right here in the Congress.

We need to stop viewing the problems of the Pentagon as a case of us against them. After all, we in the Congress somewhat act as a board of directors for the Defense Department, just as a corporation has a board of directors. As a businessman, I can assure my colleagues no board of directors is ever blameless when a company is poorly run.

To be sure, it is partly the fault of the operating officers—the officials over at the Defense Department—but believe me, it is a fault also of the board of directors.

Let me talk a little bit, Mr. President, about micromanagement. The way this board of directors, the Congress, runs the Pentagon is a classic case of mismanagement through micromanagement, in my judgment. We have become so involved in the smallest details of Pentagon operations, mostly when they affect our constituents, that we often do not exercise broad oversight as we should.

Our micromanagement includes a requirement that the Defense Department file 715 reports this year. Imagine that, Mr. President, the Defense Department must provide the Congress with 715 reports this year. Some are no doubt necessary, but others have been on such important matters as Hawaiian milk and the proper lining for jackets.

How many of those reports are even read? Very few, Mr. President. I am sure that few Members of the Senate read even a single one of those 715 reports, and if we are serious about cutting the defense dollar here is a good place to start cutting.

In addition to those reports, there are somewhere between 20,000 and 40,000 pages of budgetary justification that are required in the submission of the budget by the Pentagon to the Congress.

Our management of the procurement process in the Pentagon is the best example of micromanagement that can be found. According to the Department of Defense, when the laws and regulations of Defense Department procurement were measured a couple of years ago, it filled 1,152 linear feet of law library shelf space.

If you look at this chart, Mr. President, you will see it has 1,152 feet piled up. This is the Washington Monument, at 552 feet, somewhat less than half of that. That is a mighty stack of books and hearings and legislative history and regulations, and that is what guides the Pentagon procurement process. It is no wonder that it is confusing. Pile one on top of the other and it is twice as high as the Washington Monument.

What goes into this huge stack? Well, regulations, of course, and the law itself, the U.S. Code, and then the case law that interprets the U.S. Code that is decided in the courts, then the legislative history that we provide here in the Congress, then congressional hearings. Despite all the congressional hearings that are held, you can see that this black line in the middle, representing the hearings, is a very small part of it. One would think with all the congressional hearings and the testimony, that it would be much larger. It gives you a sense of the scope of all the laws and regulations; that congressional hearings, as long and as lengthy and intractable as they seem, occupy just such a small part of the whole. Interpretation references by the Defense Department in trying to figure out what happened occupies another large portion of the pile. It all adds up to the most abominable case of micromanagement by a board of directors that I can think of. And because of all this we make jobs for the so-called beltway bandits, the consultants who very often leave the Pentagon and know their way through all of this stuff.

One day several years ago the Secretary of the Navy brought a flow chart of the procurement process. It was almost unbelievable in its complexity. I am trying to get my hands on that flow chart and will show it to the Congress. It is almost unbelievable the steps and the hoops that we, through rules and regulations and legislation, have created. We have essentially mandated that they go out and hire all these consultants, and they not only have to hire consultants for a project, they have to hire consultants for each step of the project because it has become so complicated. We make those consultants so valuable and we create through our micromanagement the opportunities, or almost the compulsion for some of the scandals that we have seen before us in the press.

If Congress is the board of directors, we indeed are not fulfilling our role well. A large part of the blame that must be assessed for these scandals we find in the Pentagon must be assessed to the Congress. Again, I do not mean for a moment to exonerate anyone who has broken the law. I do not for a moment want to say that the Pentagon cannot improve on some of its procedures. But nevertheless, much of the problem rests in the Congress. For every action that Pentagon officials take, they have to consider that they may be called to a hearing, that they may be presented on national TV. It makes it very difficult to operate.

Let me talk for a moment about the defense budget, under consideration this very day. Not only has the procurement process taken on Byzantine complexity, but we have also failed to achieve stability in defense budgeting. When faced with the burdens of the process and the uncertainty of future funding, the defense contractor has an obvious incentive to intervene in the political process, and certainly does. There have been in recent days many articles about how they skirt around the Defense Department entirely now and come to the Congress. The end result may be seen in the scandal that is unfolding.

That Congress does not trust the Pentagon to manage multiyear defense projects is another problem. We reshuffle their budget every year. Some years are feast, other years are famine. This added uncertainty in defense budgeting leads to a vicious cycle in which contractors try to lock in enough contracts during feast years to tide them over during famine years. The resulting waste further erodes our confidence in the Pentagon, but in a way can you blame some contractors for what they are doing?

And then we wait to tell the Defense Department about its budget until about Christmastime. Our fiscal year begins on October 1, and in most recent years we have come up with a marvelous thing called a continuing resolution a few days before Christmas. It is only after 3 months of the fiscal year have passed that the Defense Department knows for sure what its budget is going to be. And by the time it sifts through that huge document called the continuing resolution, I am sure another month has already passed. On that basis we tell them they must hew to the very narrow lines of micromanagement that we impose upon them.

I have seen estimates that multiyear contracting would save from a low of about $5 billion a year to a high of $12 billion a year. Under the current system, however, it is almost impossible for the Pentagon to plan procurement as congressional appropriations follow a very lurching and unpredictable path, and yet the Pentagon gets the blame for every failure. To be sure, some of those failures are the fault of the Pentagon. Some of those failures, however, must be laid at the feet of Congress for its inability to manage as a board of directors what is certainly one of the largest organizations in the world, the Pentagon and the military establishment of the United States.

Let me now turn for a moment to base closing. It shows the difficulty that the Pentagon confronts in dealing with Congress: it cannot even close a base. Congress shields military bases like nobody's business. No matter how much we huff and puff, we have not been able to close down a single military base since 1976.

We will not even allow the Pentagon to close a fort that was built in the War of 1812. It is so archaic that it is surrounded by a moat. Maybe it has some historic importance, but if that is the case it should not be assessed to the Pentagon budget.

Of course, I realize my colleagues often feel they have legitimate concerns about military bases, but all of these concerns put together cannot explain how we now have more military bases, with 2.1 million service people, than we had at the height of World War II when 12 million people were in the armed services. Think of that, Mr. President. Today we have more military bases than we did when we had six times as many people in the armed services.

We accuse the Pentagon of many things, but we lack the political courage to do what is necessary, something as basic as closing some superfluous bases. We may at last be getting around to doing that, and I understand that there is a bill that has passed through the House, but efforts are underway in the Senate to water it down.

Let me also cite, Mr. President, a most interesting study that the Pentagon's economic adjustment committee made in reviewing 100 major base closings that occurred over several years before 1977. Guess what the committee discovered? It discovered that 94,000 Defense Department civilian jobs were eliminated but nearly 140,000 jobs were created on those bases when they were converted into private purposes such as industrial parks and airports.

Let me talk for a moment, if I may, about congressional pork in the defense budget, Mr. President. Even if we manage to summon the courage to close some obsolete bases, there is still a vast amount of waste remaining. Every year when defense spending legislation comes before us, it is time to roll out the barrel, the pork barrel.

It often amuses me to watch some of my colleagues who routinely speak and vote against almost every weapons system, whether it be the MX, the Midgetman, the B-1, SDI, or whatever else. Suddenly, these Members become great defenders of national security when one of those programs has some defense contractor in their home State that they want to protect. What makes defense spending so susceptible to congressional pork-barreling? Defense spending takes up only about 27 percent of the Federal budget but yet it accounts for 70 percent of the money over which Congress has discretionary control.

Much of the money in the Federal budget, of course, consists of entitlement programs over which we do not have an ongoing control. If you take the 44 percent of the budget represented by entitlement programs, then add the 14-percent in interest payments on the national debt, you do not have much left. You have about 40 percent of the budget left. Of the remaining budget that the Congress controls, 70 percent of it is defense. So it is an easy target, and it is easy prey for pork-barreling.

A study of the 1984 budget shows that of the 1860 line items submitted by the Pentagon, the House changed 1190 of those lines; the Senate, 1160 of those lines. Indeed, we succeed in changing most of what the Pentagon sends over to us, with our micromanagement. Some of this takes the form of congressional mandates, forcing the Defense Department to buy military hardware it does not want. Why? To promote national security? We all know that is not correct. We force unwanted, unneeded weapons and equipment on the Pentagon because they are produced in our States by our constituents.

What have we gotten in return for congressional manipulation of the defense budget? Here are some examples. We spent $12 million for two experimental torpedo protection devices that the Navy did not ask for. In fact, the contractor did not even bother to ask the Navy. It went straight to the Congress to get approval.

We also spent $108 million for 10-ton trucks that the Army no longer wants.

Why, Mr. President, there is a warehouse full of uniforms that were forced upon the Pentagon that they did not want, that did not come up to standards, and were never used.

We pay $15 million a year to ship U.S. coal to heat military installations in coal-rich Germany: an unmitigated waste.

Nine hundred thousand dollars went to the Army to provide security logistics and other support for the 1989 World Ski Championship.

The list is much longer—and it all adds up. In 1987, Mr. President, Congress appropriated $10.8 billion—$10,800,000,000—in military spending that had not been authorized. Much of that represents projects that the Pentagon never asked for. Add the cost of these pork barrel projects to the cost of keeping unneeded bases open, and those people involved in procurement scandals would have to go some way before they reach the level of waste that is imposed upon the Pentagon by the Congress of the United States.

I make no excuses for people who have broken the law, lining their own pockets at the expense of the American taxpayer. However, what the recent scandal might cost the American taxpayer is peanuts compared to what the Congress imposes on the Defense Department every year.

The abuses by Congress, Mr. President, that I have cited today, and will return to in the coming days, only reveals the lack of trust between the Congress and the Pentagon. Much of the blame for that lies with the Pentagon, which has often resisted congressional oversight. But by creating a burdensome and convoluted procurement process we have only aggravated the problems we set out to solve.

None of these remarks are meant in any way to exonerate or explain away the apparent misdeeds that are unfolding daily.

There is no excuse for such misdeeds. It is my hope, however, that our response to this situation will lead to some needed changes that will promote more trust and cooperation between the Pentagon and the Congress.

Mr. President, the problems I have cited today demand attention on both sides of the Potomac.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum to be divided equally to both sides.

Mr. EXON. Mr. President, I reserve the right to object on that. I point out to my friend from Minnesota that I would not normally object. The proposition is that this side for rebuttal has about 20 to 25 minutes left of the total time. We are not in the position to allow that to run. I would simply suggest that since the other side has 4 or 5 hours yet, I do not object to the quorum call so long as the time is charged to that side and not to this.

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum and ask unanimous consent that it not be charged to either side.

Mr. EXON. I object to that proposition, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. EXON. We had a tentative agreement maybe we would come to a vote very soon, and I do not want to have us have a quorum call for the rest of the afternoon because the Senate has other business to conduct. We are prepared to conclude debate on this if we could get some kind of a time agreement to use maybe a partial 25 minutes if the other side were ready to yield back the hours that they have on their side. I think nothing is going to be helped by unnecessarily delaying. I do not want to be uncooperative.

Mr. BOSCHWITZ. I say to my friend, we are not delaying. I have not been a part of this. But I presume we have not used all the time and that the other side has. We are not in any way delaying. I would suggest that it is fair equitable that the quorum call be equally divided.

Mr. EXON. Since the Senator has several hours left on his side, and since the speakers evidently are not here to pursue their positions, would it not be fair to suggest that until speakers can come to the floor to use up the hours of time that the Senator has on his side, that the quorum call be charged to that side of the aisle that has the 5 or 6 hours left compared with our 25 minutes?

The PRESIDING OFFICER. The Chair would advise the distinguished Senator from Nebraska that as long as the Senator holds the floor, the time will be charged against——

Mr. EXON. I would simply not agree at this time to the quorum call.

Mr. President, I only point out to my friend and colleague from Minnesota that the last two quorum calls that we had have been charged to their side because of the extensive time that they have. It would just be in keeping with what has been the gentleman's agreement in that area during the discussion of this measure. I reserve the remainder of my time.

The PRESIDING OFFICER. If there is no quorum call, the time will be allocated to all parties who have time remaining, proportionately to all parties that have time remaining.

Mr. EXON. Mr. President, I ask unanimous consent that in view of the situation and the time constraints and restraints, the time for the quorum call be charged to the other side of the aisle.

Mr. BOSCHWITZ. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. QUAYLE addressed the Chair.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Indiana.

Mr. QUAYLE. I yield myself such time as I may consume.

Madam President, the House of Representatives has voted on this conference report of the Department of Defense authorization bill. That vote was 228 in favor and 183 in opposition. That is a rather significant vote, as was, I think, the vote we had earlier in the Senate, where 35 Senators, I believe, voted to recommit this bill to the conference committee.

I realize that this is an election year, but I just make the observation that there is plenty of blame to pass around on both sides. I am sure that I can assume some blame myself. But something is not right.

Something is not right when you have this split on a defense authorization bill. You have a situation where you are talking about the Department of Defense, and 183 voting in opposition in the House and 35 here vote to recommit. But I am not going to get into the particulars. I am sure there is plenty of blame to pass around, but I do make this observation. I would hope that we would strive to do a better job.

We are talking about our Nation's defense. We are talking about the Department of Defense authorization bill. There are serious reservations and objections by me and others on this side, and I think many on the other side.

I went through those earlier today. I went through the objections on the usurpation of power, the argument on who is going to be running foreign policy, the basic trashing, and the indecision on two very important strategic programs—the strategic defense initiative and our land-based ICBM's—and, finally, the approximately $4 billion of add ons. As I said, many of the add ons I support, but there are probably others we can examine. I know others feel stronger about this than I do.

My concerns go more toward the micromanagement of foreign and defense policy, the usurpation of power in an unprecedented manner, the constitutional clash we presently have between the legislative and executive branches, a clash in the area of national security, the clash that should be avoided, if at all possible. But it has not been avoided.

We have been in this posture now for several years, and it does not seem to be getting better. It seems to be getting worse. I think that is unfortunate. No one is going to place blame or responsibility on any set of individuals. As I said, that blame can probably be passed around to both branches. But I do think we have gotten ourselves into a situation where we start discussing national defense issues on the defense authorization bill, and the split we have, I think, is most unfortunate, and the record will speak for itself.

Madam President, let me just examine some of the issues in this legislation in more detail than I did this morning.

The idea that this administration, this President in particular, is not interested in arms control is simply ridiculous. It is not the case. People have made that charge in the past—that this administration does not care about arms control, and that is why we have to put all these so-called arms control provisions on the bill; and if it is vetoed by the President, they will be put on an appropriations bill, which there is enough votes to do. The parliamentary problems can be surmounted. That could be the case. I am sure the fate of that appropriations bill and this bill would be identical. I do not know what the fate of this bill will be.

The idea and the premise and the logic that, somehow, this President of the United States is not interested in genuine arms control and the process of arms control is absurd on its face. Yet, we have in this bill legislation, in essence, though it does not specifically do this which is adherence to a unratified SALT II Treaty.

I can remember the day the President announced that because of the Soviet violations of the agreed understanding of SALT II—many said, "Oh, boy, here we go"; that we are not going to be able to have any kind of arms control negotiations with the Soviet Union. Many Senators on this floor and in press conference said we are simply not going to be able to go forward.

I think that everybody knows that since that decision, what we have done is ratified the INF Treaty. We have made progress on the START Treaty. We have better communications and dialog between the President of the United States and the General Secretary of the Communist Party of the Soviet Union than we have had in my memory.

So all those who said that the President did not know what he was doing and that he was not interested in arms control were proven wrong; because this President said: "The way I'm going to get arms control and arms reduction is, first, I'm going to invest in national security. I'm going to negotiate from a position of strength; and I, as the President and the Commander in Chief of this country, and the administration, will sit down and negotiate with the Soviet Union."

We have been back and forth in Congress all through the years, trying to to put certain arms control provisions on defense authorization bills and appropriations bills. Normally, except for this time, they have been compromised to the satisfaction of the administration or dropped, but not this time.

As I say, Madam President, it has become worse. It has become worse over the years. I suppose it is difficult when you get into the kind of climate of how do you walk it back. That is for another time and another day to decide.

But as I look at this, these provisions simply on their very face do not go in the right direction and are in my judgment are an unwarranted intrusion in the President's micromanagement powers in foreign and defense policy.

Madam President, other Senators have spoken quite eloquently on the issue of arms control and the reasons these provisions should not be in here. On the depressed trajectory moratorium for ballistic missiles there has not even been one hearing. Nobody can even define what these missiles are with precision. You cannot define what a depressed trajectory ballistic missile is. Yet the House of Representatives and the Senate went along with a moratorium. We do not even know what it is. As a matter of fact, we have asked in our report for the Secretary of Defense to describe what a depressed trajectory is.

But we have to have these provisions in the defense authorization bill because we are in the eighth year of an administration in the closing days, the period of it winding down. Many think that perhaps the Department of Defense is under seige because of the allegations on defense procurements, the problems that we have in the Persian Gulf, that since DOD is under seige, that now is the time for Congress to make encroachments upon the executive's powers in defense and foreign policy. Certainly, this was the case with the passage of the War Powers Act when the executive branch was in one of the lowest states of its history. Now we are beginning to see the ebbing of power from the executive branch once again, and Congress likes to move in.

I believe that the press statements and the statements made by the House Armed Services Committee have been well reported on this floor, taking the stars out of star wars, basically showing how the House prevailed.

But I do not want to get into a discussion whether the House prevailed or the Senate prevailed. The only thing I can say is that the resolution on these matters is once again hampered by congressional indecision and by the congressionally-induced paralysis. Later we will have Senators stand up and say "Why haven't we done anything about the land-based system; why haven't we done anything about SDI?"

Strategic nuclear modernization also is important. And you have two very significant programs in which the result is indecision mandated by Congress, not by the administration, mandated by the Congress.

This brings me to my final point and this whole idea that somehow nuclear strategic deterrence should not be a priority and that we can have peace and maintain it by shifting away from virtually any reliance on nuclear strategic deterrence and instead rely on conventional weapons alone. There is no doubt about it that you can augment and enhance conventional forces and that you should. As a matter of fact there are some very positive things in this legislation that augment conventional capability.

Certainly by beefing up conventional capabilities, the nuclear threshold is increased, and that is all to the good. But let us not go under the misguided notion that somehow we can shift away for something that has worked for 40-some years and just to say that we can do it through conventional forces alone.

Conventional forces alone do not deter war. Certainly, since World War II we have not deferred Soviet aggression by having an advantage in conventional forces in Western Europe.

In Western Europe the strategic nuclear deterrence has deterred war. As Margaret Thatcher says, what we want to see is a war-free Europe and we have had a war-free Europe because of nuclear deterrence. That is what has deterred war. That is what has preserved peace.

And now we have some semblance of an idea that we can put away that policy of deterrence and say that conventional deterrence should be our only answer.

I believe that is folly. It also is terribly misleading to tell the American public that somehow we with declining defense budgets we will invest significantly more for conventional deterrence. How we look the American people in the eye and can say in a time of declining budgets that say, "Well, that is the way we are going to provide for peace." That would be a very fragile peace. That would be a peace that I am not sure that this Congress is willing to pay for and I am not sure our allies are willing to pay for, and I am not sure it is a kind of deterrence that will in fact work.

Do you really think that we are going to try to match the Soviet Union tank for tank, man for man in Western Europe?

Think of what the costs would be. It has been estimated some reports as high as U.S. contribution would be 18 additional divisions, an increase larger than our current Active Army. I think that is on the high side, but that is one estimate. The costs are high. To equip, man, and station one American division in Western Europe is estimated to cost $4 billion, plus an additional $1.5 billion per year to maintain. Thus, an increment of 18 additional divisions in Western Europe would cost more than $200 billion over a 5-year period of time.

Where are the votes for that?

Madam President, what we have in the truth of the matter is that we need to have both strong nuclear and conventional forces to provide for deterrence. We need both, and we have had both. But let us not kid ourselves in the days of when defense spending is going to be more difficult than ever to get through, that somehow we are going to trade in our policy of deterrence and the policy of promoting peace, which is based on a mix of nuclear and nonnuclear forces, to one based on conventional forces alone.

Furthermore, I disagree with the premise that somehow strategic deterrence has failed.

The American people believe in peace and they believe we should deter war, and they know our policy of deterrence has in fact worked.

So let us not kid ourselves and try to convince the American public that somehow there is a simple affordable conventional alternative to maintaining a nuclear deterrent.

Let us be honest with ourselves. Let us be honest with the American people. Let us look at reality. I do not know how many speeches we have had on the problems of defense budgets and sit there and try to take away and say we are not going to invest in strategic deterrence, which is only about 14 percent of the budget. Some may think it is more than that. About 14 percent of the budget goes into strategic programs and strategic readiness. Let us sit there and not debunk that deterrence that in fact has worked and provided for the peace, provided for the hope of our American people.

Madam President, at this time I will yield as much time as the Senator from Arizona desires.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Thank you, Madam President. I thank my friend and colleague, Senator QUAYLE, who has done such enormous and painstaking work in becoming one of the leaders in this body, and indeed the Nation, on defense issues and our strategic challenges.

Madam President, I rise in reluctant opposition to this conference report. I say reluctant, Madam President, because I am very pleased with many of the efforts that went into this very difficult and complex piece of legislation. I think it includes some very important advances.

Let me also say, Madam President, that I think that our chairman, Senator NUNN, has done an outstanding job not only on this piece of legislation but in leading the Senate Armed Services Committee. I know of no man in this body who has more knowledge, respect, and indeed admiration from all of us on both sides of the aisle.

I would especially commend him for the bipartisan fashion in which he conducts every hearing, every meeting of our committee. He takes fully into consideration the views and concerns of the minority, and I think he deserves great credit.

I would also like to say the same for our distinguished ranking minority member, Senator JOHN WARNER, who brings to our committee a wealth of experience, a dedication to the defense of this Nation, and a concern for our national security issues.

As I see my friend, the chairman, on the floor, I want to again thank the chairman for his superb and outstanding job. I would like to thank him for the leadership that he has displayed and, as a new member of the committee, for his help to me through his indepth knowledge the judicious use of his temper, the enormous patience that he displays during very long hearings and his concern and care for all members of the committee, including this member.

Mr. NUNN. Will the Senator yield?

Mr. McCAIN. I am glad to yield.

Mr. NUNN. I thank the Senator very much for those kind words.

I also say that we are pleased and delighted to have the Senator from Arizona on our committee. I think that both sides of the aisle have benefited from his experience and his wisdom and his knowledge because he has actually been there. We hear about things that he has experienced. And it has been, I think, a great benefit to our committee to have him on it. We are proud to serve with him. I thank the Senator for his kind words.

Mr. McCAIN. I thank the chairman.

Madam President, I would like to also state that those of us who voted in favor of this bill when it came from the U.S. Senate, although we had some concerns, were proud and pleased to vote for the Senate version of the bill. What I am worried about, what many of us in the Senate are concerned about and what a substantial vote in the other body is worried about, has to do with what happened in our conference with the House. I think the resulting problems are epitomized by the news release that the House Armed Services Committee put out. The lead sentence states that the "Senate and House conferees today took the stars out of star wars." The "news release from the House Armed Services Committee," which was released on July 7, reads: "In the arms control area, unlike previous years in which the conference decisions tended toward the weaker positions of the Senate"—let me repeat that: "tended toward the weaker positions of the Senate"—"this year the conference positions leaned decidedly toward the stronger positions traditionally taken by the House."

I have never read a more Orwellian sentence.

Madam President, the "weaker" positions of the Senate are in reality strong positions that preserved the ability of any President, any President, to negotiate meaningful arms control treaties with the Soviets. They gave the President that latitude granted to him by the Constitution. The true weakness introduced by the House has imposed artificial constraints on arms control I view as posing great danger to the ability of this Nation to preserve its vital national security interests.

Madam President, we in the Senate have done a great deal to bring the defense program into balance with the budget. We have improved the overall balance of our defense procurement effort and we have laid the groundwork for many important reforms in the way we treat future budgets, particularly in terms of net assessment and readiness.

I should again stress that my views are not a criticism of my colleagues on the Senate Armed Services Committee, or the work of its leadership. If the Senate's fiscal year 1989 recommendations had been fully adopted, instead of being compromised with those of the House, many of the problems in this conference report, in my view, never would have occurred.

I think there are four key problems in this bill. Some of these problems have grown out of the fact that there is little point in reforming the organization of the Department of Defense unless we reform the way in which the Congress and the Department present and review the budget, and conduct the present Defense budget cycle.

Other problems have occurred because of failure of the Congress to come to grips with the basic military realities our Nation faces. The fiscal year 1989 Defense Authorization Act has grave flaws in how it deals with conventional and nuclear forces. We have pursued the image of conventional options without coming to grips with the reality. We have made compromises with the House which have gravely weakened our posture in strategic forces and arms control. Further, at a time when our entire Nation is rightly concerned with the scandals in defense procurement, we have failed to take decisive action on base closing or to limit the kind of micromanagement that does far more to fatten the budget with pork than strengthening our Nation's defenses.

FAILURES IN THE DEFENSE BUDGET PROCESS

The first major problem in the fiscal year 1989 Defense Authorization Act in part from the speed with which the fiscal year 1989 defense budget had to be adjusted to the summit ceilings set in late 1987, but they also stem from longstanding problems in the way that the Congress asks the Department of Defense to generate defense budget material and in the way the Congress reviews the budget.

I realize that each of us probably has a different perception of the causes of these problems, but I feel that these failures on the part of Congress and the Department stem from the following causes:

Throughout the budget cycle, the defense budget is subject to the micromanagement of four major committees in Congress, and two conference sessions. These committees include the House and Senate Armed Services Committees and the House and Senate Appropriations Committees. Each House of Congress has two military committees when it should have one and becomes involved in conferences with the other House that lead to countless sudden and partially reviewed changes in the budget and which force the congressional staffs to try to resolve many critical budget decisions on their own. This same system forces members to try to protect constituent interests, and defense programs of special interest to them, without the ability to consider the overall impact of their actions on the budget or our defense capabilities.

Data on defense spending are reviewed by line item in areas like manpower and procurement without any analysis of how they are spent by major mission area. No budget data are available on any major unified or specified command, and the only functional data available are those on strategic forces. No information is provided on how the budget will affect our forces for NATO, for Korea, for USCENTCOM, or for any other area that will allow us to relate defense spending to its impact on our ability to meet our commitments and national security obligations.

No effort is made to show how U.S. defense efforts relate to those of our allies and of potential threat forces, and to tie defense spending to its impact on the military balance. We did receive a fledgling net assessment, but it was not related to the budget submitted to the Congress. It also assumed a far higher level of United States and allied defense spending than will be the case, and a more rapid level of Soviet strategic force modernization than is currently projected by the Joint Staff. The Congress does not examine how the proposed defense budget, or its own actions, affect the trends in the military balance.

The defense budget authorizes the funding of programs which may not result in deploying forces or equipment for years to come. Virtually all of the money that the Congress appropriates or authorizes for the coming fiscal year impacts on ongoing programs in ways which can only be understood if these programs are studied in terms of trends involving a period at least 5 years in the future. The Congress, however, only received data on the fiscal year 1989 defense budget for the coming fiscal year. The Department of Defense also proved unable to respond to virtually any question regarding the longer term implications of the fiscal year 1989 budget because of the problems in adjusting its program to the major cuts agreed to in the 1987 budget summit. This ensured that no effort could be made to seek long-term efficiency, to end the constant fluctuations in the level of defense spending, or to focus defense spending on achieving key mission capabilities.

The steady growth in the manner of classified or black programs has reached the point where it is obvious that the system is being abused to shield programs from defense cuts and reviews where there is at best only the most tenuous reason for special security procedures, particularly as they relate to data on defense spending.

We lack clear procurement plans which show the long-term impact of the budget, the overall impact of a given procurement on the modernization on our force structure, how major procurements affect key aspects of our mission capabilities and military balance, or the effect on O&M and manpower costs. No data are ever furnished on uncertainties and risks in terms of cost, effectiveness, and time of delivery. None of the basic data that any corporate executive would insist upon in a strategic planning review for a new project or projects are submitted to the Congress.

The review of the R&D budget fails to provide an effective means of measuring the effectiveness of how this money is spent, or specific plans for transition from research to development, and from development to production and deployment. We often do little more than discuss ambitious shopping lists which encourage the funding of the most advanced technology possible, regardless of whether it suits our future force mix or is affordable within projected budgets. We have a system that encourages waste, mismanagement, and delays in deployment, and which does nothing to force the RDT&E community to respond to the demands of our unified and specified commanders and to achieve a decisive impact on the balance in terms of deployed technology.

The data on readiness are reviewed in a form which our senior commanders in the field have stated is irrelevant to their needs and which often penalizes units for having new equipment. It decouples the rating of Active and Reserve units. It compartments reporting on manpower, sustainability, and mobility. There is no way to determine the overall level of readiness that is being funded or to examine such readiness by major mission or unified and specified command.

It is far from clear that anyone can be "blamed" for this state of affairs. It is also true that Secretary of Defense Carlucci has agreed to submit the full FYDP to the Congress in future years, that the Congress has directed that detailed and comprehensive net assessments be submitted with the budget, and that the Congress has directed that an integrated report on readiness be submitted with the fiscal year 1990 budget.

Nevertheless, I believe that one of the key messages of the fiscal year 1989 Defense Authorization Act is that the Congress needs to bring its own house in order, and needs to work with the Department of Defense to solve these problems if it is to adopt a sound approach to either the authorization or appropriation of defense expenditures. Further, we need to understand that any further reforms in defense organization are likely to have little more impact than rearranging the deck chairs on the *Titanic* unless fundamental changes are made in the way the Department of Defense submits its plans and budget to the Congress and in the way the Congress reviews them.

The present defense budget system violates virtually every known principle of modern management. It not only is an invitation to mismanagement and micromanagement, it makes it impossible to debate how best to meet our commitments and preserve our security.

THE PROBLEM OF CONVENTIONAL OPTIONS

The second major problem in the fiscal year 1989 Defense Authorization Act is the failure of both the Department of Defense and the Congress to create an effective plan for modernizing and strengthening our conventional forces, and for determining the extent to which we can realistically increase our conventional options and reduce our dependence on nuclear deterrence.

There is no doubt that the fiscal year 1989 Defense Authorization Act funds many important improvements in conventional weapons and technology. It funds vitally needed improvements in armor, artillery, aircraft, ships, munitions, and military electronics.

At the same time, we have failed to develop anything approaching a tangible program for improving our conventional defense capabilities. For all the talk of "competitive strategies" and "conventional defense initiatives," we have emerged with nothing more than a repackaging of a few ongoing programs and a list of ideas. There is no specific program or budget to implement any of these ideas. There is no indication that we will emerge with more robust conventional defense capabilities or even preserve the level of capability we now have. We even lack an effective plan and budget for improving the individual areas of our conventional capability—such as armor and antiarmor forces—although there is no question that this budget will make some important individual improvements.

In looking back over our hearings debates during the last year, I believe that some of these failures grow out of the problems in providing net assessments and mission related data described earlier. Others grow out of the fact that our discussions of technology are so decoupled from our discussions of readiness and procurement, and the trends in the NATO and Warsaw Pact balance, that they ignore our real-world ability to use technology to alter the balance.

While the NATO and Warsaw Pact military balance is a complex and uncertain issue, there are certain facts we simply cannot afford to forget. At present, the United States has massive shortages in its Pomcus stocks. Even if these Pomcus division and brigade stocks were complete, the United States would lack the combination of air and sea lift to meet its commitment in 30 days, much less 10. For all our complaints about our European allies, we can really meet only about half our commitment to NATO during the first month of our mobilization and deployment effort.

These problems are so serious that the military services called them "warstoppers" in their testimony on the fiscal year 1989 defense budget, and they are growing steadily worse with time. It now seems virtually certain that the decline in our rate of force modernization, in the rate at which we expected to improve our airlift, and in the total amount of available sealift will lead to a steady decline in U.S. conventional capabilities for Europe throughout the coming decade.

The hearings we held in the Subcommittee on Readiness, Sustainability, and Support have made it clear that our problems in prepositioning, stocks, and lift capability are compounded by grave problems in readiness. We do not have a "hollow army," but nearly half the manpower the United States would have to deploy to Europe to meet its commitment to provide combat ready forces would actually consist of Reserves with major training and readiness problems.

While these forces are often described as "combat ready, recent testimony before the subcommittee has made it clear that the United States must mobilize and deploy more than 50 percent of the manpower required to bring the combination of combat and support units it already has in Europe to full strength, and over 75 percent of the forces necessary to meet its full 10 division commitment to NATO.

The situation is no better for allied forces. Denmark's active manning is only about 20 percent of its war authorized strength, and would take nearly a week to deploy one poorly equipped division to an area in Jutland that needs three good divisions. More than 50 percent of all West German forces must be mobilized, and many corps areas are understrength for the front they must cover. Only one Dutch brigade is deployed in the Federal Republic of Germany, and it could take 4 days or more in the real world for Netherlands Army forces to move the 350 kilometers to their wartime positions.

The British Army must more than double its strength in the Federal Republic of Germany, and much of this strength would have to come from mobilized forces or forces with limited training in their wartime assignments. Belgian units would have to move 130 to 200 kilometers, and it could take 1 week to mobilize reserves which often have severe training problems. Canada provides only one understrength brigade, which other nations must support, and France's divisions are only half the size of United States and German divisions, lack a single modern main battle tank, and are critically short of stocks and support forces.

There are, of course, many similar problems in Warsaw Pact forces. Nevertheless, the Warsaw Pact has corrected many of the qualitative problems that existed in the 1960's and 1970's, and has increased its lead in numbers. Most Soviet divisions in the German Democratic Republic can reach NATO defense positions faster than the defending NATO units, and NATO is already close to the "critical minimum" of forward deployed and reserve forces to cover many lines of attack.

While there is no easy way to summarize the current military balance, it is possible to get a broad idea of the limitations in our conventional capabilities by comparing the balance of equipment that is actually in forces with at least 20 percent manning. Unlike the similar IISS counts for the central region, this eliminates the problems inherent in counting all the equipment in NATO forces against a count of Warsaw Pact forces that largely includes only that equipment in active units.

If we use the data provided to the Senate Armed Services Committee during the INF hearings, we find that the Warsaw Pact has a 2.4-to-1 advantage in main battle tanks, a 2-to-1 advantage in mechanized infantry combat fighting vehicles, a 1.4-to-1 advantage in all types of other armored vehicles, a 4-to-1 advantage in major artillery weapons and antitank guns, a 1.8-to-1 advantage in mortars, a 1.6-to-1 advantage in antitank guided missiles, a 1.7-to-1 advantage in AA guns, a 2.1-to-1 advantage in surface-to-air missile launchers, a 1.5-to-1 advantage in armed and attack helicopters, and a 1.9-to-1 advantage in land combat aircraft.

We became all too clearly aware during this year's hearings of the Subcommittee on Conventional Forces that the United States and NATO have lost their technological advantage in deployed tank and antitank systems. This year's edition of Soviet Military Power also makes it clear that we are losing our advantage in most areas of conventional tactical air technology, and that the Warsaw Pact has already achieved parity or an advantage in deployed technology in surface-to-air missiles, artillery, and infantry combat vehicles.

Further, for all the talk during the last two decades about improving NATO conventional capabilities and flexible response, the balance has shifted steadily in favor of the Warsaw Pact in virtually every area of conventional capability, and is certain to continue to do so in the near term. The United States, Belgium, Britain, Denmark, the Federal Republic of Germany, the Netherlands, and most other NATO countries have recently had to announce further major cutbacks in procurement, but even before these announcements, we had a massive inferiority in the production of major items of conventional military equipment.

During 1978-87, the U.S.S.R. produced roughly 3.5 times more main battle tanks than the United States, nearly 4.5 times more other armored vehicles, more than 8 times as many artillery weapons, 4.5 times as many bombers, nearly 2.5 times more fighter and fighter attack aircraft, more than twice as many military helicopters, and more than 6.5 times as many surface-to-air missiles.

Even if we add in the production capabilities of our NATO allies—who contribute a great deal more to NATO than East Europe contributes to the Warsaw Pact—these ratios still offer no real hope that we can improve our conventional option. The Warsaw Pact produced 1.7 times more tanks than NATO. It produced 2.7 times more other armored fighting vehicles, 5.4

times more artillery, 4.8 times more bombers, 1.4 times more fighters and fighter-attack aircraft, 1.3 times as many military helicopters, and 2.4 times more surface-to-air missiles.

The levels of U.S. military production funded in the fiscal year 1989 Defense Authorization Act will make this situation steadily worse. Even if one ignores the fact that there is no plan or overall program to improve our conventional forces for NATO, one is struck by the fact it throws money at technology without setting any goals for deploying this technology, without setting any price tag for the cost of such deployment, without any analysis of the overall improvement that will result in either U.S. forces or the alliance, and without any analysis of the impact it will have on the balance at the time it is deployed.

The fiscal year 1989 Defense Authorization Act may make extensive mention of balanced technology initiatives and conventional defense initiatives, but these will at best slow NATO's drift toward further inferiority in conventional forces. This is particularly true of the conventional defense initiative sponsored by the House. A careful reading of the original House proposal shows that it is often little more than an ill-concealed pork barrel for a few manufacturers who provide equipment and munitions. At best, it will have only the most marginal impact on our conventional capabilities. Even the balanced technology initiative, however, is little more than an underfunded and long term R&D program.

The members of this House may differ over precisely how we should improve our conventional forces, but I believe that we can all agree that we need a far more substantive approach to the problem. We cannot afford to approach conventional force reductions or conventional force modernization from this perspective. We cannot afford the resulting illusion that low or no cost conventional force improvements can somehow change the balance, or that we can make enough improvements in our conventional capabilities to substitute for theater and strategic nuclear forces.

No one today has credible data on the cost of what it would take to make a major long-time change in the balance or to create more robust conventional options. The figures that do exist are little more than the underpriced illusions of the advocates of given "reforms," technologies, or tactics. It is clear, however, that the U.S. defense budget is cutting our present level of conventional capability and that the 10- to 15-percent cutbacks that the Department of Defense is making in its plans for the fiscal years 1990-95 FYDP and the decline in allied military efforts will ensure this situation continues over the next 5 years.

It is also clear that the need to modernize our theater nuclear forces is as great as ever. The INF Treaty eliminates a major class of delivery systems, and requires the destruction of roughly 2,400 missiles, but it does not affect the number of nuclear strike aircraft, short range, land based ballistic missiles, short range GLCM's, or any category of SLCM's and ALCM's. It does not require the reduction or destruction of any nuclear warheads.

The recent trends in the forces which are not covered by the INF Treaty are scarcely reassuring. Long before the INF Treaty, NATO agreed to reduce its theater nuclear weapons by some 2,800 bombs and warheads. In contrast, the Warsaw Pact increased its land based, short range nuclear delivery systems by 50 percent between 1980 and 1986. NATO also converted many of its dual capable nuclear strike aircraft to purely conventional missions when it took the decision to deploy the GLCM and Pershing II. The Warsaw Pact built up a 3-1 lead in its number of nuclear strike aircraft, and simultaneously doubled their average range-payload capability. It now has some 4,000 dual capable aircraft, 25 to 30 percent of which are exclusively configured for nuclear use.

As Secretary of Defense Carlucci has pointed out in recent months, the U.S.S.R. has made no reductions in the rate at which it is building up its inventory of nuclear strike aircraft, short range ballistic missiles, or nuclear artillery as a result of the INF Treaty. While NATO has agonized over theater nuclear force modernization, the Soviet Union has continued to build.

It is also important to note that the conference action on the fiscal year 1989 defense budget will lead to delays in modernizing our deterrent to chemical warfare as well as theater nuclear warfare. The key element in that modernization program is the Bigeye binary chemical bomb.

The Bigeye Program has been severely cut by the Congress. The Senate provided $99.4 million, as requested, but the fencing language effectively precluded the money from being spent. The House provided no 1989 funds, and limited the use of prior funds to 100 test articles.

The conference report permits use of prior year funds to support operational tests and to provide program continuity. The report also provides $15 million in fiscal year 1989 funding for procurement of long lead components associated with program continuity. The start of low rate initial production is not permitted.

The goal of the original fiscal 1989 program was to produce operational test articles on the actual production line with an eye toward full rate production in fiscal year 1990. The conference outcome effectively forecloses this plan, leaving the program manager with two options: First, try to bridge the gap with prior year funds until fiscal year 1990; or second, use prior year funding to support planned test schedules and then close the line until test results and subsequent funding are available. The second course is the more likely choice; however, this plan sacrifices continuity and will result in an 18- to 30-month schedule delay. Such a shutdown and restart may also introduce irregularities between the test bombs and the subsequent production line product.

THE FAILURE TO SET CLEAR GOALS FOR MODERNIZING OUR STRATEGIC FORCES

The trends in strategic forces pose an equally serious challenge to the United States. The United States is proceeding with the modernization of its SSBN force, and has deployed the B-1. It is making important advances in its cruise missiles and has the B-2, or Stealth bomber, in development. The United States, however, is making agonizingly slow progress in modernizing its ICBM force, and the fiscal year 1989 Defense Authorization Act will make this situation worse.

The United States intelligence estimate of the rate at which the U.S.S.R. will modernize its strategic forces provided in this year's edition of "Soviet Military Power" indicates that the Soviet Union will modernize over 35 percent of its SLBM's by the mid-1990's, and nearly 50 percent of its strategic bombers. It indicates that the U.S.S.R. will also deploy large numbers of ALCM's and SLCM's, and will continue to build up massive numbers of deep nuclear shelters and other defenses. It also strongly indicates that the U.S.S.R. is spending more on SDI programs than the United States.

These trends affect nuclear warheads as well as delivery systems. The U.S.S.R. has deployed over 500 additional ICBM warheads since 1982; the U.S.S.R. has added 1,000 more SLBM warheads to its SSBN force since 1984, and the U.S.S.R. overtook the United States in terms of deployed intercontinental range bombers in 1982.

This growth in Soviet nuclear power is reflected in the total nuclear stockpile, or killing power, available to each side. The U.S.S.R. has made a great many claims about a build-up in United States nuclear strength under the Reagan administration. The truth is that the United States has concentrated on mkaing its forces survivable and on improving their accuracy and command and control. It has steadily cut is stockpile since 1975, and now has 12 percent fewer weapons. In contrast, the U.S.S.R. increased its number of nuclear weapons by 37 percent during 1975-88. It now has a 30-

percent lead over the United States in terms of total deployed weapons. During this same period, the U.S.S.R. also built up a 3-to-1 lead in the total megatonnage or killing power of its nuclear weapons stockpile.

In spite of close study by United States intelligence experts, there are no current signs that the Soviet Union is reducing its effort to increase its lead in the number and total yield of either overall mix of theater nuclear or strategic nuclear weapons. In fact, unless a dramatic breakthrough takes place in START, the nuclear balance will almost certainly continue to deteriorate in terms of both theater and strategic nuclear weapons.

Nevertheless, the conference report on the fiscal year 1989 Defense Authorization Act describes an alarming trend in defense budgeting. By cutting funds and creating fences within appropriations, the conference report jeopardizes both the modernization of our ICBM Program and the future of SDI.

ICBM MODERNIZATION

Both the rail garrison mode for the MX and the road mobile small ICBM, or SICBM, represent valid ways of reducing the vulnerability of our ICBM force. Both could be critical in ensuring our ability to negotiate a START agreement that truly reduces the risk of war, rather than creating a new Soviet incentive for a first strike against our ICBM force.

Given the current fiscal climate, however, we need to make a firm and cost-effective choice between the two systems. The President recommended the rail garrison mode for the MX because it was cheaper in terms of its cost per deployed warhead, and because the United States could make rapid progress in deploying the system. Secretary Carlucci has also made it clear that he feels that, "the small ICBM Program is unaffordable in the budget climate we face."

In its deliberations on the fiscal year 1989 Defense Authorization Act, the Senate included $700 million for rail garrison MX funding and $50 million for the small ICBM Program. The Congress, however, chose to ignore the recommendations of the President and Secretary of Defense and included $600 million for small ICBM and $100 million for rail garrison MX.

The conference report has produced an awkward compromise that will waste a minimum of $250 million and which may well waste nearly $1 billion. It will delay any progress toward ICBM modernization and will not only waste funds in fiscal year 1989, it will distort our entire ICBM Modernization Program for years to come.

The conference report permits the obligation of up to $250 million for the rail garrison mode for the MX and $250 million for the SICBM, while requiring the next President to decide, by March 31, 1989, whether to continue either, both, or neither program. At that time, the remaining $250 million will be available for obligation.

The conference outcome represents a severe setback for the ICBM Modernization Program. The rail garrison deployment of the MX, which was proceeding into full scale development and on a schedule that would have provided in initial operational capability by the end of 1991, will literally be derailed. Contract terms will have to be scaled back, and the schedule will slip.

Similar actions in 1988 put the small ICBM Program on an uncertain path. Secretary Carlucci had sought to phase this program down to the minimum possible level of spending that would preserve it as an option for the next President, and to achieve the maximum possible savings. The conference report will mean obligating hundreds of millions of dollars that will be wasted unless the SICBM is actually deployed. As Secretary Carlucci puts it, it will "increase overall costs, could delay the deployment of a survivable Peacekeeper ICBM, and by leaving us without a viable mobile ICBM Program, it clearly complicates our position in the ongoing START Program."

Even an early decision by the next President, which history tells us is unlikely, will not restore the scheduled momentum that the Rail Garrison MX Program currently enjoys. It will mean further disruption of virtually every aspect of the program, and much higher costs as key elements are renegotiated. It will leave the United States without any clear definition of the force posture it would have with or without a START agreement, and reduce the pressure on the U.S.S.R. to agree to the kind of arms control agreement the United States is seeking.

To be quite candid, this compromise also exists in part because a significant minority of the Democrats in the House oppose any form of ICBM modernization, and hope to use the SICBM Program not only to delay the MX, but to kill any major effort to modernize the land elements of the triad. This same minority opposes the Trident D-5 Program, and B-2. Sad to say, it also has substantial backing from Michael Dukakis, the Democratic candidate for President.

If there is anything we have learned about arms control over the last 20 years, it is that we must negotiate from strength. If there is anything we have learned about deterrence, it is that we must do everything possible to create a deterrent that is sufficiently invulnerable to deny the U.S.S.R. any incentive to launch a first strike or to escalate. The conference report fails to reflect either of these basic strategic realities.

STRATEGIC DEFENSE INITIATIVE

Similar conference action jeopardizes our SDI Program. The Senate made several limited cuts in the President's request, but it preserved the core of the program. It provided $4.25 billion for DOD and $279 million for DOE. In addition, funds were set aside for the accidental launch protection system and advanced launch system programs.

The House, however, provided $3.158 billion for DOD and $245 million for DOE. This funding level would fall far short of our needs for an effective research and development program, and would represent less than half the Soviet effort in similar programs.

The conference report "split the difference" between the two bills, providing $4 billion for SDI, split into $3.738 billion for DOD and $262 million for DOE. In doing so, the conferees departed from traditional conference outcomes for SDI that favored the higher Senate figure. This funding level constitutes negative real growth relative to fiscal year 1988. Furthermore, the conferees departed from tradition by allocating funding within the SDI program.

In the past, reallocation was left to the program manager, who was deemed better equipped to make resource allocation decisions at reduced funding levels. This year, in addition to an 18-percent overall reduction in funds, the conference specified that at least $225 million must be spent on the free electron laser, a tribute more to member interests than technical merit, at least $350 million must be spent on ground based interceptors, and not more than $85 million can be spent on space based interceptors—a funding level which Secretary Carlucci says "is not even adequate to undertake the cost-reduction efforts I believe are so important."

The conference decision to reduce funding and designate program element fences will severely impact the ability of the program manager to construct a balanced SDI Program that protects both long- and short-term requirements. Key elements, such as the Accidental Launch Protection System Program, will be adversely affected. The fence on the space based interceptor programs will require the cancellation of important competitive technology efforts in this area that could have an application to both space based and ground based programs.

PROBLEMS IN ARMS CONTROL

The fiscal year 1989 conference report does more to damage our prospects for arms control than delay deployment of a survivable ICBM and slow SDI research. The Senate report on the fiscal year 1989 Defense Authorization Act has sought to strengthen the President's approach to arms control through new legislation that requires an annual report on arms control strategy, net assessment analysis of the impact of arms control, and better reporting of suspected violations.

The House has chosen to ignore the progress being made toward reaching a START Treaty, the need to negotiate from a position of strength, and the changes taking place in the Soviet threat. The House bill seeks to achieve arms control by legislation on a number of key issues. By recommending unilateral limits or reductions in a number of key areas, the House is weakening the defense posture of the United States while the Soviet Union continues to forge ahead.

LIMIT STRATEGIC FORCE LEVELS TO SALT II LIMITS

The House voted to require the administration to adhere to the sublimits set by the never-ratified Salt II Treaty providing that the Soviets also comply. The Senate bill did not contain any similar provision. The conference agreed to prohibit the obligation of funds—beginning on September 1, 1989—to operate and maintain two nuclear-powered ballistic missile submarines [SSBN's] scheduled for overhaul in fiscal year 1990.

Because of this amendment, the operational lives of the two SSBN's—the James Monroe and Henry Clay—will be shortened. While this outcome is not as restrictive as the original House amendment, it is still poor legislation. It ignores the fact that the Salt II Treaty was never recognized, either politically or legally, by the United States.

It also ignores the fact that the Soviet Union is not in compliance with all of the Salt I ceilings. Dr. Fred Eimer, the director of ACDA verification, has said that the Soviets are over the 1,200 ICBM/SLBM subceiling. By forcing the retirement of these SSBN's the administration's position is effectively being undercut in START negotiations, and the most survivable leg of the Tirad is being unilaterally reduced. Further, the U.S.S.R. is being rewarded for its violations of past agreements.

NUCLEAR STRATEGY

The House wanted to limit U.S. nuclear testing to 1 kiloton. After pressure from the Senate Armed Services Committee, the House receded, but insisted that a Nuclear Test-Ban Readiness Program be established by DOE.

The proponents of this readiness amendment used the administration's objective of a total test ban [TTB] or comprehensive test ban [CTB] for their own political purposes.

The administration had initiated this program as a long-term objective. This amendment is a "nose under the tent" for a more restrictive amendment next year, and for imposing a unilateral limit on United States force modernization that will not be imposed on the U.S.S.R. The readiness program has no requirement for an assessment of this measure on the trends in the nuclear balance, or as to whether nonexplosive testing is sufficient to assure weapon effectiveness, changes in military requirements, reliability, and safety under a low TTB or CTB.

DEPRESSED TRAJECTORY

Finally, the House voted to place a one year moratorium on testing of ballistic missiles in a depressed trajectory for fiscal year 1989. The Senate opposed this House amendment. The United States has no plans to test a ballistic missile in a depressed trajectory. Nonetheless, this amendment is nothing more than arms control by legislation.

The conference has required a report from the Secretary of Defense to be provided in the House and Senate Armed Services Committee. However, instead of allowing these bodies to analyze the report and act accordingly, the conference requires the United States to adhere to the moratorium regardless of the outcome of the report. This amendment is also a "nose under the tent" for an eventual House amendment to ban the flight testing of all ballistic missiles.

All of these amendments set forth by the House and approved in modified form by the conference are dangerous. They represent requirements for unilateral arms control that are imposed without regard for their impact on our security, the trends in the military balance, and the ongoing arms negotiations with the U.S.S.R. Given the fact that the Soviets show no indication of a willingness to unilaterally limit themselves, this trend can only undercut the overall arms control process, and lead to a radical shift in the balance of strategic weapons.

CONGRESSIONAL MICROMANAGEMENT, WASTE, AND ABUSE

Finally, the fiscal year 1989 Defense Authorization Act represents another year in which the Congress has micromanaged program after program in ways which will produce waste and abuse. These efforts have done particular damage to the Guard and Reserves, which receive a long list of addons which do nothing to improve their mission, but do a great deal to help certain defense manufacturers. They affect virtually every aspect of the defense budget, however, and often in ways which are invisible to the public because they are buried in the line item totals in the budget and are not reported on in detail in either the conference or committee reports on the defense budget.

There is no way we can even begin to total up the cost of these forms of waste and abuse. It is virtually certain, however, that such add-ons and shifts in the budget have an annual cost of several billion dollars. It is equally certain that they cost the taxpayer and the Nation's defense at least as much as the defense procurement scandals that are now the subject of so much investigation.

It is as important to find a way to end such micromanagement as it is to end fraud in defense contracting. In fact, the Congress would do well to investigate its own operations as part of its efforts in procurement reform. The Congress has a legitimate interest in preserving constituent interests, and in exercising its role to "advise and consent." What is not justifiable is the mix of duplicative and hidden review and budget adjustment procedures, and the uncertain moral climate surrounding all congressional review of the defense budget.

Improving the procedures the Congress now uses to micromanage the defense budget is a complex problem and does need extensive study. Improving the moral climate in Congress does not. One simple step would be to forbid defense contractors or consultants from providing honoraria and travel expenses to either Members of Congress or their staffs. Another would be for the Congress to enforce the same restrictions on its own operations, and revolving door hires of congressional staff, that it does on the executive branch.

These measures would be particularly effective if manufacturers faced stiff fines, criminal penalties, and debarment for any violation. When one cuts through the fog of rhetoric opposing such measures, one finds only two reasons to oppose them: greed and ambition.

The Congress is also in a uniquely poor position to criticize defense contractors and officials if it does not act decisively on the issue of base closing. The leadership of both the Senate and House Armed Services Committees have made valiant efforts to end this long-standing abuse of the pork barrel, and the Senate Armed Services Committee has fully supported such reforms.

To be blunt, however, Members of the House have gone a long way toward blocking the kind of action that will produce real base closings, rather than reports. The Congress simply cannot have it both ways on this issue. If it is going to tolerate hundreds of millions of dollars in annual waste and abuse to keep unnecessary bases open, it should have the grace to remain silent about defense fraud, and let the FBI, DIS, and Federal attorney's office get on with their jobs.

In fact, we have sometimes ended in imposing waste on efficiency. The President's original budget submission reflected a great achievement by our Secretary of Defense, Frank Carlucci, who, in my view, took a massive real cut in our plans for defense spending as a result of the 1987 budget summit agreement, and was still able to turn the fiscal year 1989 budget submission into a very fine product. Although this budget submission is forced to make some serious compromises, it goes a long way to preserve this Nation's ability to defend itself and its allies.

Far too often this budget submission has been hurt by congressional oversight. Throughout the congressional budget cycle, the defense budget was subjected to the micromanagement of four major committees and two conference sessions. Frank Carlucci, in his testimony just the other day before our committee, pointed out how the Congress uses this micromanagement during what he called vulnerability points in the acquisition cycle.

We need the kind of stability and focus on the central issues in defense policy, procurement, and readiness exemplified in the Senate version of the Defense authorization bill. I think it is clear we must also have a 2-year budget cycle. We must reduce the time taken between the submission of the budget and those weapons and systems coming into use by the men and women of our Armed Forces. I suggest that we again seriously need to consider the consolidation of authorizing and appropriation committees. I know that that dream is far from reality. But clearly, the budget review process now takes so long, and involves so much micromanagement, that it does not serve our national interests.

At the same time, let me report that we need to improve the way the Department submits its budget. We need improved procurement plans and data and we need improved data on readiness. We need the full and detailed 5-year defense plan Secretary of Defense Carlucci has agreed to submit to Congress beginning in fiscal year 1990. We need the detailed and comprehensive net assessments the Congress has directed be submitted at the same time as the budget. In short, we need to work more closely with the Department of Defense to solve these problems if we are to adopt a sound approach to either the authorization or appropriation of defense expenditures.

Let me close, Madam President, by turning back to the scandal in defense procurement. For all of us, particularly those who are strong supporters of defense spending and have approved many of the past defense budgets of the Reagan administration, this scandal in defense contracting can have enormous implications. It can do enormous damage in the declining support of American people for defense spending, and I think it is incumbent upon the Congress of the United States to join with President Reagan, and his successor, in making sure that those who violate the law and are proven to have done so go to jail.

Madam President, far too often, the American people see a corporation that has fraudulently wasted and abused the taxpayers' dollar be subject to a fine. Fining such a corporation is not sufficient. We need prosecution, we need convictions, and we need to deny any firm tolerating such corruption its annual profit.

Further, we in Congress should consider policing our own house. One simple step would be to forbid defense contractors or consultants from providing honoraria and travel expenses to either Members of Congress or their staffs. I do not allege that there has been any major problem with such payments in the past. I do say that there is concern on the part of the American people, and we should address such reforms as we look at this whole system of defense procurement.

Another step would be for Congress to enforce the same restrictions on the revolving-door hires of congressional staff that it does on hires from the executive branch.

Madam President, I apologize for not being more brief. I do, however, think that it was important that I stated my views on this conference report.

Madam President, I yield the floor.

Mr. QUAYLE. Madam President, I yield to the Republican leader as much time as he needs.

Mr. DOLE. Madam President, I plan to vote against this conference report. The arms control language contained in this conference report more clearly resembles that of the National Democratic platform than a bipartisan consensus on which to build a national security policy.

I have read the press release in which the liberals on the House side claim they have taken the stars out of star wars, and a few other things. I think they have.

In fact, the House just illustrated some bipartisan discontent, with 183 negative votes. I think we should understand by now that unilateral concessions retard rather than advance arms control. How many times is it necessary to explain that the United States achieved an INF Treaty only because we were willing to meet the Soviet challenge in Western Europe. We acted to deploy the system NATO needed to counter the Soviet buildup.

Many people said we should not do it. There was a lot of criticism, much of it from the same people who are urging passage of this conference report. Somehow we were led to believe that if we just would not do anything Moscow's goodwill would take care of it, and they would remove their missiles.

Now, we seek to negotiate a good START agreement, taking two of our missile submarines out of service before their useful life is met, with no quid pro quo from the Soviets, does not make sense.

I have listened to Secretary of Defense Carlucci. He said, "Well, from a programmatic standpoint, it doesn't make any difference." Maybe it does not make any difference from a programmatic standpoint. But it seems to me that we should be sending a signal somewhere. If the Secretary of Defense is not listening, maybe someone else in the White House is listening; maybe the President is listening. Maybe he will look at the 183 votes in the House; maybe he will look at the 35 votes on a motion to recommit. Maybe he will sign the bill. Maybe he will not.

I want to commend the chairman of the committee and the ranking member, Senators NUNN and WARNER. We had a good bill in the Senate. I know in conference you do not always get what you want. But with this result, I do not see how Ronald Reagan can sign this bill. If he believed what he has said he believed in the last 7½ years, and he believed in what he has been able to accomplish with the INF agreement, and he believes we must remain firm as we work on in the START agreement, I do not see how the President can sign this bill.

The committees have also seen fit to require the administration to prepare a plan for nuclear testing that places restrictions beyond those which would bind us under the TTBT Treaty. I guess this might become a baseline for future congressional micromanagement of our nuclear testing program.

Our negotiators told me just 2 months ago in Geneva that we could finally be on the verge of effective verification methods for TTBT. Yet, once again, we are headed down the slippery slope of unilateral concessions, jumping ahead of TTBT, which we are working on right now, and proceeding toward further limitations.

I think we have to keep reinforcing the fact that our national deterrence and security depends on nuclear deterrence, and that means nuclear testing.

Another result of this conference report puts the rail mobile MX in the same uncertain status as the small ICBM program. The Soviets, who have comparable programs to both the rail mobile and small ICBM which are already deployed, are no doubt delighted that we are emasculating both.

Then there is SDI, which is very popular in the House, probably responsible more than any other provision—for the 1983 negative vote in the House just 1 hour ago.

But I happen to believe, and I think many Members on both sides of the aisle believe, that the reason the Soviets are still negotiating seriously is because of SDI.

Furthermore, SDI, contrary to its detractors' claims, is START's best friend. SDI is precisely the insurance policy which we need in order to face some of the uncertainties inherent in START.

But instead of proceeding apace with SDI, hand in hand with START, this bill cuts the program by $800 million. Then it cripples what remains with unwanted micromanagement. But do not take my word for it, the House Armed Services Committee says this bill, as I said earlier, takes the stars out of star wars.

I listened to my colleague, Senator Warner, say, well, it was unfortunate that release was issued. But as the Senator from California said, what is more unfortunate is that it is accurate.

Then I just want to touch on unrequested authorizations. We have all kinds of demands to scrutinize Pentagon programs. We have all these tainted programs. There have always been all kinds of hearings, and the public is led to believe, and properly so in some cases, that the Pentagon does not have much control; that the consultants have taken over, and we are spending a lot of tax money that should not be spent. So far, as I understand it, most of this is based on personal greed. It is not widespread, but it is something that has to be dealt with, and I believe the appropriate committees are already starting that process.

But that's not the only kind of scrutiny we should exercise over defense spending. I asked the Pentagon to put together a list, which I will place in the Record, of the dollar value of the unrequested authorizations. It is over $4 billion. Now, I do not suggest for one moment that when the administration, any administration, comes before any committee in Congress, they are always right and that the committee has to rubber stamp everything they want and do nothing else. After all, what is Congress for? So we have a responsibility.

The $294 billion bill we agreed upon in a bipartisan budget summit meeting last year now includes $4 billion in unrequested add-ons and what they call plus-ups. I agree with some of the minor add-ons for increased combat readiness and sustainability and drug interdiction efforts. But many of these add-ons cry out for the same sharp scalpel that we must take to the whole budget. I ask that the full list be printed in the Record so we might have a chance for everybody to take a look at it. The taxpayers may not want to pay this bill either.

The PRESIDING OFFICER. Did the Republican leader make a unanimous-consent request?

Mr. DOLE. Yes; I asked that this list be included in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

Fiscal year 1989 authorization conference adds

DOD bill:	*Amount*
Operation and maintenance	529,500
Procurement	2,318,893
Research, develop., test & eval.	1,112,045
Total—DOD bill	3,960,438
Milcon bill:	
Military construction	329,771
Family housing	19,430
Total—Milcon bill	349,201
Total, Army	677,314
Total, Navy	1,164,682
Total, Air Force	705,962
Total, Defense agencies	1,761,681
Total—Department of Defense	4,309,639
Operation and Maintenance, Army:	
012 Central supply	120,000
014 Industrial preparedness	22,000
026 OSACS	1,200
030 Drug interdiction	1,500
Total, Operation and Maintenance, Army	144,700
Operation and Maintenance, Navy:	
020 Aircraft rework & maintenance	72,000
022 Sunset Harbor study	100
024 Fleet electronic warfare support	2,800
Total, Operation and Maintenance, Navy	74,900
Operation and Maintenance, Marine Corps: 002 Readiness initiatives	25,000
Total, Operation and Maintenance, Marine Corps	25,000
Operation and Maintenance, Air Force	
014 Civil Air Patrol	1,700
024 Depot maintenance	30,000
Total, Operation and Maintenance, Air Force	31,700
Operation and Maintenance, Defense Agencies: 018 Defense investigative service (DIS)	10,000
Total, Operation and Maintenance, Defense Agencies	10,000
Operation and Maintenance, Air Force Reserve: 002 Reinstate FY 1989 force struc red	5,400
Total, Operation and Maintenance, Air Force Reserve	5,400
Operation and Maintenance, Army National Guard: 002 Transportation/Flying hours	4,200
Total, Operation and Maintenance, Army National Guard	4,200
Operation and Maintenance, Air National Guard: 002 Reinstate FY 1989 force struc red	5,600
Total, Operation and Maintenance, Air National Guard	5,600
Goodwill games: 001 Goodwill games—Seattle, 1990	5,000
Total, Goodwill games	5,000
Humanitarian assistance: 001 Humanitarian aid to Afghanistan	13,000
Total, Humanitarian assistance	13,000
Drug Interdiction, Defense: 010 Drug interdiction	210,000
Total, Drug Interdiction, Defense	210,000
Total, Operation and Maintenance	529,500
Aircraft Procurement, Army:	
008 AH-64 attack helicopter (Apache)	40,000
009 AH-64 attack helo (Apache) adv proc (CY)	40,000
017 AH-1S	10,000
026 Army Helicopter Improvement Program (AHIP)	43,000
Total, aircraft procurement, Army	133,000
Missile Procurement, Army:	
013 Laser Hellfire system	25,000
023 TOW mods	15,200
Total, missile procurement, Army	40,200
Procurement of W&TCV, Army:	
010 Abrams tank series roll (MYP) adv proc (CY)	40,000
035 Mortar, 120mm	5,000
Total, procurement of W&TCV, Army	45,000
Procurement of Ammunition, Army:	
003 CTG, 5.56mm, all types	21,100
013 CTG, 7.62mm, all types	14,500
048 CTG, 120mm mortar, all types	35,000
056 CTG, 105mm, APFSDS-T (XW900E1)	30,906
064 M42/M46 grenade parts for M483	13,000
071 Proj, 155mm DP basebleed XM864	15,700
076 Charge, propelling, 155mm, red bag M203	5,000
Total, procurement of ammunition, Army	135,206
Other procurement, Army:	
029 NBC vehicle	10,000

137 Tact Army cmbt sy (TACCS)	22,200
157 Night vision goggles	83,000
278 Simulation net trainers	20,000
Total, other procurement, Army	135,200

Aircraft procurement, Navy:

010 F-14A/D (fighter) Tomcat adv proc (CY)	29,500
011 F/A-18 (fighter) Hornet	207,000
058 E-2 series	20,500
067 Common ECM equipment	30,000
Total, aircraft procurement, Navy	287,000

Weapons procurement, Navy:

009 AIM/RIM-7 F/M Sparrow	40,000
021 Hellfire	26,042
039 Weapons industrial facilities	3,000
048 EMATT	1,000
Total, weapons procurement, Navy	70,042

Other procurement, Navy:

027 Sealift support equipment	8,000
073 AN/SQR-18 towed array sonar	13,900
190 General purpose bombs	25,000
193 Rockeye	16,000
198 Practice bombs	20,000
199 Cartridges + cartridge actuated devices	26,200
229 MK 92 cort Unisys (Md)	50,100
275 Amphibious equipment	15,000
289 Special purpose supply systems	21,200
294 ship system trainers	11,900
310 Sonobuoys (general increase)	30,000
330 Sidekick antimissile technology	9,000
Total, other procurement, Navy	246,300

Procurement, Marine Corps

013 120mm Heat MP-T M830	5,000
014 120mm TP-T M831	2,000
039 M-1 A1 main battle tank (MYP)	104,000
051 MK-19 40mm machine gun	4,970
052 Light weight early warning det sys	5,000
099 Logistics vehicle system (MYP) Reg. 6.0	20,000
Total, procurement, Marine Corps	140,970

Aircraft procurement, Air Force

008 F-15 D/E adv procurement (CY)	11,900
022 Civil Air Patrol A/C	1,300
046 C-130	17,475
048 C-135	63,000
Total, aircraft procurement, Air Force	93,675

Missile procurement, Air Force:

013 AGM-65D Maverick	30,000
060 Shrike (G-bias mod)	15,000
061 AIM-7 (H-build software mod)	55,000
Total, missile procurement, Air Force	100,000

Other procurement, Air Force

021 MK-82 inert/BDU-50	19,800
084 CAP vehicles	800
170 Air Force physical security system	1,000
207 CAP Com & elect	600
Total, other procurement, Air Force	22,200

Procurement, Defense agencies: All other programs	10,000
Total, procurement, Defense agencies	10,000

National Guard and Reserve equipment, def:

010 Army Reserve	30,000
020 Navy Reserve	75,000
030 Marine Corps Reserve	50,000
040 Air Force Reserve	232,000
050 Army National Guard	240,000
060 Air National Guard	216,500
Total, National Guard and Reserve equip, def	843,500

Chem agents and munitions destruction, def: 001 Chem demilitarization	16,600
Total, Chem agents and munitions destr, def	16,600
Total, procurement	2,318,893

RDT&E, Army:

009 Laser weapons technology	5,000
016 Night vision technology	2,500
040 Missile and rocket advanced technology	20,000
042 Battery technology	1,144
043 Army development and employment agency	3,000
047 Common integr elect warfare system	1,000
061 Advanced anti-tank weapon system	30,000
071 Chemical wpns cov compliance	6,800
110 M1A1 development program	30,000
113 Night vision systems—eng dev	1,000
127 MLRS binary warhead	12,000
134 Weapons and munitions—eng dev	25,000
143 Combat vehicle improvement programs	13,900
146 155mm self-propelled howitzer improvements	4,500
148 Weapons and munitions equipment upgrade progr	8,000
149 ITV Hellfire modernization	5,000
152 Other missile product improvement programs	8,800
160 ATACMS block II upgrade	10,000
161 NBC vehicle competition	6,000
183 Real property maintenance—RDT&E	5,000
184 Base operations—RDT&E	4,000
189 Guard & Reserve unique R&D	2,000
190 Classified project	20,000
All other programs	15,000
Total, RDT&E, Army	239,644

RDT&E, Navy:

011 Systems support technology	1,000
027 Medical development	2,500
069 Advanced air-to-air missile (AAAM)	10,000
113 Command and control systems	5,000
123 Satellite laser communications	20,000
160 Sea lance	15,000
177 Radar surveillance equipment	1,000
196 Bomb fuze improvement	8,400
225 F/A-18 squadrons	20,000
232 Navy cover and deception program	1,000
296 Navy oceanography program	3,000
297 Oceanographic and meteor instrumentation	2,000
305 RAMP/RTIF	5,000
Total, RDT&E, Navy	93,900

RDT&E, Air Force:

064 B-1B integration activities	15,000
145 Advanced med-range air-to-air missile	20,000
235 Space test program	3,000
236 Satellite systems survivability	1,516
283 ICNIA	34,700
All other programs	172,000
Total, RDT&E, Air Force	246,216

RDT&E, Defense Agencies:

003 University research initiatives	25,000
007 Strategic technology	79,000
008 Tactical technology	10,000
011 Materials and electronics technology	2,000
012 Nuclear monitoring	15,000
015 CASET	3,000
021 Joint DOD-DOE munitions technology development	12,284
022 Experimental eval of major innov tech	5,000
024 Center for advanced technologies	15,000
029 Balanced technology initiative	75,000
030 Coop DOD/VA med research	20,000
032 Consolidated DOD software initiatives	8,000
048 Joint remotely piloted vehicles program	12,300
065 Semiconductor manufacturing technology	55,215
075 General support to C31	3,000
079 Critical technology analysis	27,000
088 Adv submarine technology	65,000
089 Advanced ASW technology	15,000
091 Technology exploitation	2,000
094 Adv technology tactical transport	5,000
095 OSD close air support	10,000
096 Extended air defense	25,000
098 Product Evaluation Act	17,500
099 Optoelectronic materials	14,500

All other programs	6,486
Total, RDT&E, Defense Agencies	527,285
Developmental test & eval., Defense: 005 Live fire testing	5,000
Total, developmental test & eval., Defense	5,000
Total RDT&E	1,112,045
Military construction, Army:	
070 Fort Shafter-NCO Academy, HI	8,500
073 Ft., Sheridan-Alter dining fac, IL	880
073 Ft., Sheridan-child care ctr, IL	2,400
075 Rock Island Arsenal-fac mod, PH IV, IL	10,000
080 Savanna Army Depot-Tnsp test ctr, IL	1,800
095 Aberdeen Proving Ground-metal work tng fac, MD	8,600
152 Ft. Bliss-airframe spt fac, TX	3,800
180 Fort AP Hill-util/tng fac upgrade, VA	4,000
185 Fort Eustis-emerg svcs bldg, VA	2,500
187 Ft. Lee-petroleum field tng fac, VA	4,800
200 Fort Lewis-special needs school, WA	10,000
Total, military construction, Army	57,280
Military construction, Navy:	
005 Nav stat mobile-ship stp complex-incr II, AL	11,355
052 Nav Air rewrk fac Alameda-Acft acoust encl, CA	8,290
125 Nav shipyd Mare Island-fire station, CA	2,500
143 Nav sup ctr Oakland-gas cylinder storage, CA	1,550
378 Nav Air Station Meridian-beq upgrade, MS	3,100
385 Nav stat Pascagoula-ship spt complex-PH II, MS	8,180
385 Nav stat Pascagoula-beq rehab, MS	6,000
395 Nav wpns stat Earle-dredging, NJ	11,800
432 Nav shipyd Phil-water distr sys-PH II, PA	10,300
477 NAS Memphis-tng facility, TN	10,090
Total, military construction, Navy	73,165
Military construction, Air Force:	
053 Blytheville-org maint shop, AR	1,050
053 Blytheville-veh maint shop, AR	1,100
055 Little Rock AFB-apron lighting, AR	700
070 Castle AFB-base civil engr complex, CA	8,600
070 Castle AFB-flood control cost share, CA	1,000
090 Mather AFB-base flt opns fac, CA	2,300
155 Eglin AFB-Consolid spt ctr, FL	7,300
185 Robins AFB-wpns sus spt ctr, GA	12,600
207 Grissom AFB-traffic mgt fac, IN	1,850
208 McConnell AFB-relocate main gate, KS	680
235 Wurtsmith AFB-heat plant, MI	5,700
280 Pease AFB-alter elect sys, NH	8,850
333 Altus AFB-land acquisition, OK	2,300
352 Brooks AFB-veh maint shop, TX	2,750
415 Fairchild AFB-beq survival school, WA	8,100
Total, military construction, Air Force	64,880
Military construction, Defense agencies:	
062 Robins AFB-occup health clin repl, GA	3,600
075 Fort Meade-def access road, MD	12,000
087 Kirtland AFB-dental clinic, NM	2,550
092 Ft Sill-hospital-PH II, OK	27,000
Total, military construction, Defense agencies	45,150
Military construction, Army National Guard:	
002 Auburn-armory, AL	937
007 Ft McClellan-unit tng eq site, AL	459
010 Montgomery-consol spt maint shop, AL	3,652
012 Tuskegee-armory, AL	651
032 Fort Richardson-armory, AK	25,000
042 Stuttgart-armory, AR	936
060 Camp Blanding-boq beq, FL	886
067 Metter-armory, GA	823
147 Taylor county-armory, MI	2,353
148 Ypsilanti-armory complex, MI	3,091
165 Jefferson City-unit tng eq site, MO	1,600
172 Camp Shelby-tng area fac, MS	9,500
173 Camp McCain-property & fiscal ofc, MS	593
211 Central-armory, NM	1,070
212 Grants-armory, NM	800
213 Las Vegas-armory, NM	1,313
217 Santa Rosa-armory, NM	800
218 Tucumcari-armory, NM	807
232 McConnelsville-armory, OH	4,669
232 McConnelsville-org maint shop, OH	1,153
232 McConnelsville-training site, OH	914
233 Hugo-armory, OK	700
273 Trenton-armory, TN	1,500
317 West Point-armory, VA	1,420
323 Buckhammon-prop ofc addit, WV	325
350 Unspec Worldwide loc-plan & design, ZU	200
Total, military construction, Army National Guard	66,152
Military construction, Air National Guard:	
107 South Portland AFS-comm/elect tng fac, ME	988
122 Key Field-med admin fac, MS	1,000
122 Key Field-civil engr fac, MS	1,450
217 Mitchell Field-alter veh maint fac, WI	2,970
220 E WV reg apt (Martinsburg)-spt facs, WV	200
235 Unspec worldwide loc-plan & design, ZU	650
Total, military construction, Air National Guard	7,258
Military Construction, Army Reserve:	
097 Concord-land acquisition, NH	150
098 Laconia-land acquisition, NH	350
099 Manchester-hardstand, NH	125
182 Beckley-land acquisition, WV	175
183 Morgantown-land acquisition, WV	150
184 Parkersburg-Reserve Ctr, WV	3,306
195 Unspec worldwide loc-plan & design, ZU	330
Total, Military Construction, Army Reserve	4,586
Military Construction, Naval Reserve: 052 Gulfport-Seabee ctr, MS	6,500
Total—Military Construction, Naval Reserve	6,500
Military Construction, Air Force Reserve: 035 Grissom AFB–A-10 fac, IN	4,800
Total, Military Construction, Air Force Reserve	4,800
Total Military construction	329,771
Family housing construction, Army: 032 Ft. Bliss-new construction (108 units), TX	9,100
Total, family housing construction, Army	9,100
Family housing construction, Navy:	
032 Naval Distr Washington-new constr (2 units), DC	330
037 NAS Glenview-new constr, IL	10,000
Total, family housing construction, Navy	10,330
Total family housing	19,430

AUTHORIZATION CONFERENCE QUANTITY ADDS, PROCUREMENT TITLE

[Dollar amounts in millions]

Appropriation and item	Quantity	Amount
APA: AHIP	12	$43.0
PAA: 155mm charge	11,000	5.0
APN: F-18	12	207.0
WPN:		
SPARROW	300	40.0
HELLFIRE	800	26.1
Total		66.1
OPN: MK-92 cort FCS	4	50.1
PMC: M-1 tank	52	104.0
APAF: C-135 mods	4	63.0
MPAF: Maverick	280	30.0
OPAF: MK 82 bomb	72,000	19.8
Guard/Reserve:		
KC-130T	2	40.0
C-130	16	300.0
MH-60G	12	72.0

AUTHORIZATION CONFERENCE QUANTITY ADDS, PROCUREMENT TITLE—Continued

[Dollar amounts in millions]

Appropriation and item	Quantity	Amount
MK-113 APC	300	75.0
M-1 Tank	58	115.0
F-15 Mod	16	30.0
Total		632.0
Grand total		1,220.0

Mr. DOLE. Finally, Madam President, I would like to put in the RECORD an article from the Los Angeles Times and an article from Aviation Week and Space Technology which points out that the Tacit Rainbow missile is almost 1 year behind in its development due to its many failures and technical problems. The Air Force is further investigating the program. The Los Angeles Times article indicates that the Tacit Rainbow experienced several difficulties in 1985, and, while neglecting the advice of experts dealing daily with the program, Navy Assistant Secretary Paisley kept the program alive. I do not know anything about the Tacit Rainbow Program. I am not the expert. I am not on the committee. But it seems to me in light of the necessary technical advantage that our forces will need in the post-INF environment, we should not rely on one single research and development program of this type.

I will be frank to confess I asked the ranking Republican to take a look at another one. It happened to be made, parts of it, in my State. But the Defense Department did not want it and that was all right with me. I do not think we should go around pushing things on the Defense Department that they do not want. Sometimes they might be right. Not always, but sometimes they might be right.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 30, 1988]

PAISLEY SAVED MISSILE EXPERTS WANTED KILLED

(By Ralph Vartabedian)

A top-secret missile called Tacit Rainbow was beset with so many problems in 1985 that scientists at the China Lake Naval Weapons Center recommended that the contract be killed. Then, former Assistant Navy Secretary Melvyn R. Paisley stepped in.

Paisley, now under investigation in the Pentagon procurement scandal, overruled the scientists and kept the multimillion-dollar project alive, The Times has learned. Also aligned with Paisley on the Tacit Rainbow decision was another Pentagon official who is also under investigation: Victor D. Cohen, deputy assistant secretary of the Air Force for tactical warfare systems.

The prime contractor on Tacit Rainbow is Northrop Corp., which was served with a search warrant this month at the firm's Ventura Division in Newbury Park. Investigators were said to be seeking information concerning the Tacit Rainbow and other unmanned aircraft programs.

The missile remains under development there even though Northrop has encountered significant technical, schedule and monetary problems; its cost, officially classified, has soared tenfold, from $30,000 per missile to $300,000, according to Navy sources.

Meanwhile, the scientists at China Lake who recommended killing the Tacit Rainbow missile program have encountered significant career problems. Burrell Hays, the former technical director of the Navy lab, was forced out in 1986, and members of the technical staff who made the recommendation were reassigned, according to Navy sources.

"It was a long battle," said Dr. Frank Cartwright, a former senior adviser to Hays at China Lake. "Paisley essentially fired Burrell Hays."

Paisley's action shows the powerful influence that top political appointees at the Pentagon have been able to wield in the Reagan Administration, not only over weapons contracts but over the government's basic weapons research capability.

Ultimately, the action led to a significant weakening of national capability in anti-radar missiles, which are critical to the high technology warfare that U.S. forces may have to wage, some experts say.

At the time of the controversy, the Tacit Rainow was so highly classified that even the existence of the program could not be acknowledged. The secrecy kept the controversy contained, even though it was causing a major uproar at the isolated weapons development center in the Mojave Desert. The secrecy that surrounds these so-called "black programs" often mean that they get little scrutiny by Congress, critics say.

"We had some pretty strong discussions," Hays acknowledged, but he refused to discuss specifics of the incident. However, Navy sources who back Hays said the problems with Tacit Rainbow uncovered by China Lake were so profound that they could not understand how Paisley could have sided with Northrop in the case.

"At one point, development costs at Northrop were running $20 million per month," one official said. "Even the Air Force wanted to terminate Northrop's contract."

The Air Force's Aeronautical Systems Division at Wright-Paterson Air Force Base in Ohio had the original lead role in developing the missile, but the Navy joined the program during the mid-1980s. In 1985, China Lake was requested to provide an independent evaluation of the program. The weapons center was also responsible for developing the missile's warhead and fuse.

China Lake, a vast complex of laboratories and bombing ranges the size of Delaware just east of the High Sierrra, is widely regarded as the top ordnance laboratory for the military services, having produced some of the most successful missiles, bombs and conventional warheads in the Navy and Air Force arsenals.

But, at the same time, China Lake has gained a reputation as a maverick in the military system, an organization populated by independent scientists often at odds with Washington bureaucrats and defense contractors.

The center has aggressively pushed for a role to conduct full scale weapons development by government scientists, build prototypes and develop detailed manufacturing plans for weapons. Then, it would hand over those plans for competitively bidding by manufacturers.

That attitude is anathema to defense contractors, who wanted lucrative defense research and development dollars under their own control.

When Paisley arrived as an assistant secretary of the Navy, the defense industry found a friend who would do battle with military laboratories, in part because the Reagan Administration was eager to reduce the government's research and development payroll.

The issue of China Lake's role in the development of weapons came to head on several major programs, including Tacit Rainbow.

Tacit Rainbow is a type of antiradiation missile, and China Lake is particularly known for its expertise in anti-radiation missiles, which are used to attack enemy radar. The missiles utilize electronic seekers that find enemy radar by using the radar's own electronic emissions to guide the missile in.

Tacit Rainbow is unique in that the missile is capable of what the industry calls "loitering in flight" for long periods of time, waiting for an enemy to turn on his radar and then attacking it. Normally, such missiles are fired only when the radar is operating, meaning the missiles can be defeated by momentarily turning off the radar.

But Tacit Rainbow started off as a generic unmanned aircraft and was adapted by Northrop to an anti-radiation role, according to Navy officials. As a result the missile experienced aerodynamic problems with its turning or yaw capability. In addition, its electronic seeker had experienced technical difficulties.

"There was an awful lot of dumb engineering by Northrop," Cartwright said. "They don't know ordnance engineering."

Development is now at least one year behind schedule, and some Navy sources said the development could be as much as two years behind schedule. This spring, a missile failed during a test, resulting in additional delays to the program.

Scientists at China Lake in 1985 could see this coming. They recommended to Paisley's office that Northrop's contract to develop Tacit Rainbow be terminated and the Navy open the program to new bids by defense contractors (Northrop would not have been barred from bidding to reenter the program.)

According to Navy officials, the Air Force's program office at Wright-Patterson agreed with the recommendation, but Victor Cohen, the deputy assistant secretary of the Air Force for tactical systems, agreed with Paisley.

Retired Air Force Gen. Lawrence Skantze said in an interevie that he could not recall that a specific recommendation to terminate Northrop's contract was brought to him during his tenure as commander of Air Force procurement.

"If the recommendation was made, I probably would have endorsed it and taken it to the Pentagon," Skantze said. "I was very unhappy with Tacit Rainbow and Northrop's progress. I was never very high on the program."

Within a year of the Tacit Rainbow controversy, Hays had been forced from his job by Paisley. Officially, Paisley said that Hays was offered a promotion to director of Navy laboratories in Washington and turned down the job. In fact, the job was scheduled to be eliminated within a few months, and the promotion was considered nothing more than ruthless bureaucratic gamesmanship.

"It would have been career suicide to take that job," Hays said.

Hays said he thought at the time that Paisley's actions were motivated by ideology that favored industry labs over government labs. Paisley, along with Navy Secretary John F. Lehman Jr., imposed a number of changes designed to circumvent the authority of career scientists in government and transfer that power to political appointees, Hays said.

Lehman mandated that all civilian senior executives had to rotate out of their jobs every five years, thereby dissipating the influence of institutions such as China Lake. At the same time, Lehman won the right to approve the promotion of every admiral, ensuring that military officers would not obstruct his will, Hays said.

In referring to recent new reports on Paisley, Hays said, "If all these allegations are true, then clearly you wouldn't want a strong technical laboratory system to come in and say your decisions are wrong."

In addition to Hays, a number of scientists and engineers at China Lake were reassigned to new jobs after the controversy with Tacit Rainbow. "It breaks my heart to see what was the premier anti-radiation group in the country destroyed by all of this," said Cartwright, the former senior advisor to Hays.

[From the Aviation Week and Space Technology, July 4, 1988]

USAF INVESTIGATES TACIT RAINBOW TEST LAUNCH FAILURE

WASHINGTON.—The Air Force is investigating the failure of the latest flight test of the Northrop AGM-136A Tacit Rainbow antiradiation missile.

During the June 17 test at the Naval Weapons Center, China Lake, Calif., the missile's engine failed to start after the missile was launched from a Navy A-6E Intruder. The cause of the failure has not yet been determined. An engineering staff report on the launch failure is due to be delivered this week and Air Force officials expect to formulate a recovery plan over the next several weeks.

FREE-FLIGHT TEST

It was the first unsuccessful test of the missile since a string of failures during contractor development tests last year (AW&ST May 23, p. 87). The failures, which were attributed to workmanship problems at Northrop's Ventura Div., set the program back by 10 months.

Air Force officials thought the program was back on track after a series of successful tests earlier this year, including a successful free-flight test of the missile from a Navy A-6E on Apr. 12. Officials are uncertain whether the recent failure was linked to previous problems.

In a free-flight test on Nov. 3, a pyrotechnic device that deploys the missile's control surfaces failed due to a loose wire. As a result, the missile engine failed to ignite. After an extensive investigation the Air Force devised a special tool to ensure that the wire is correctly fastened.

In the latest test, the missile's control surfaces deployed upon separation from the A-6. The vehicle never sensed a condition for engine start, however. The missile's Williams WR36-1 engine has not been associated with any previous problems. "The engine is one of the top subsystems in the vehicle," an Air Force program official said.

The Navy has moved to silence internal criticism of the program. Antiradiation missile experts at the Naval Weapons Center felt there were serious technical problems associated with the missile.

The Navy joined the Air Force on the program in November, 1984, shortly after the Northrop NV-144 drone had lost a controversial competition to replace the Teledyne Ryan Firebee target drone. Northrop considered filing legal action to force the Navy to reconsider the competition but decided not to. Shortly thereafter, the Navy gave Tacit Rainbow a large boost by joining the program.

Mr. NUNN. Will the Senator yield?

Mr. DOLE. Yes.

Mr. NUNN. I wish he had told us that a little sooner on that Seek Spinner System, because we spent an awful lot of time in conference on that because there was a very strong push from the Senator from Kansas——

Mr. DOLE. And from several other Members of the House.

Mr. NUNN. On that add on and we would not have spent nearly as much time had we known the Senator was that laid back about it.

Mr. DOLE. I am fairly laid back. I do not think I have ever called the Secretary of Defense in all the time I have been in the Senate leaning on him for some program in my State. I do not think that is why we are here. But I do believe that there ought to be some competition. Many Air Force decisionmakers favor developing both systems, and so do I. But the budget request from the Pentagon never includes the Seek Spinner. Seek Spinner is not one of the add-ons which total $4 billion. To reach $4 billion there must have been a few people who were not so laid back, and their add-ons are in the bill.

So as I said at the outset, I am not going to vote for the conference report. Probably it will pass. I will say as I did when I started, we had a good Senate bill put together by the chairman, the ranking Republican, and Members on both sides of the aisle.

And again I would state for the record you do not get everything you want when you go to conference. But it seems to me that this conference report is simply not good enough.

There is concern in the administration. I know there is a split in the White House. I know Secretary Carlucci has sort of waffled on whether or not there should be a veto. But I know others in the White House feel differently. I do not know what the President is going to do. He is going to make a judgment based, maybe, on the vote. I would hope the President would ask Secretary Carlucci and others, maybe General Powell, to take a close look at the conference report—because there are some good things in the conference report—and then make a judgment and give the President advice. A part of his judgment should be based on the depth of concern expressed in the House and the number of votes cast against the conference report, or for the motion to recommit here in the Senate. I happen to believe that President Reagan has been fairly successful in foreign policy, and I happen to believe that he has been successful because he has stood his ground in many cases. He has resisted temptations by the Congress to put limitations on his power, to require him to abide by SALT II limits, and a lot of other things that we like to do in the Congress to tie the hands of the President of the United States. But I think we are, according to my colleagues who are opposed to this conference report, willing to vote, willing to let the Senate pass judgment, send it on to the President and see what happens.

Mr. WARNER addressed the Chair.

Mr. DOLE. I yield the floor.

Mr. WARNER. At some point, would the distinguished Republican leader accept a question?

Mr. DOLE. Sure.

Mr. WARNER. I bear a full measure of the responsibility for this report. I have worked in partnership with the chairman in terms of trying to get a compromise. But what we have witnessed here today—and I accept it as a fact—is a vote of no confidence in the manner in which the chairman and I managed on behalf of the Senate, managed on behalf of the Senate the compromises reached under this conference report.

I respectfully ask my leader where did that process break down and at what point could we have salvaged it, such that we would not be confronted today with this situation? Because I recall last year Mr. Carlucci, then in the capacity of the National Security Adviser, came at least twice to meet with the four senior Members at the conference: Mr. NUNN, Mr. ASPIN, myself, and Mr. DICKINSON. This year there were communications from the National Security Adviser. I do not think he personally came up. But at one point, the Secretary of Defense came over and visited with the four of us. I had a constant dialog with the members of my committee receiving their best advice. On this side, I was confronted with I simply did not have the votes; we all know that, and I am not going to hide behind the fact that we did not have the votes. But where did the process break down? Let us have this as a learning experience so it is not repeated again. Because I feel, above all in issues of national defense and foreign policy, we should have a bipartisan result, and this vote of no confidence that I interpret on this side of the aisle is not a bipartisan vote. And I accept the responsibility, but I want to see if next time, if I am honored to be in the position I am in now, it is not repeated.

Mr. DOLE. I must say I am not a conferee, and as the Senator from Virginia knows there was a rumor around the other day that I was leading some veto strategy, which we put to rest. I never called anyone.

But I did have members on the Armed Services Committee come to me and say they wanted a chance to debate to this conference report, and debate it fully. We did have a meeting in my office by the ranking Republican and a number of other Republicans with General Powell and Secretary Carlucci. Looking back on it, I think frankly the process did not break down on the Senate side. We had a good bill. I do not know what happened in the conference. I do know that in some conferences you finally have to leave it up to the chairman on each side and the ranking members on each side. So you had four of you making decisions.

I do not know anything about how those decisions were made. But I do know that when you cut SDI, you do some other things on arms control, and you destroy a couple of Poseidon submarines, it touches a lot of hot buttons in the House and some on the Senate side. I do not know if that is a breakdown.

I do think we did a lot better this year than we did last year. Last year we waited forever and ever before we got the bill up. This year it was up, passed, and dealt with. But there are experts on this floor. I am not one of them on the committee who have been debating this for some time. Nobody has charged any bad faith, and nobody charged the process breaking down. But I think some of us, had we been conferees, probably would not agree to some of the things that were agreed upon. I think then followed by Mr. ASPIN's release on the House side——

Mr. WARNER. Madam President, that was the fuse that set off the bomb. I agree with that.

Mr. DOLE. That poured a little gasoline on it.

Mr. WARNER. I stood at the desk and said that.

Mr. DOLE. Beyond that, I certainly do not know. I do not think the Senator from Virginia failed. I do not think he had the full responsibility.

He has always consulted the leadership. We have always had meetings on areas of disagreement. And I certainly do not fault the chairman of the committee. I think there were provisions we did not want and the House did.

Mr. WARNER. Madam President, last year I led the filibuster. It went on for weeks and weeks and delayed the bill. But my colleagues made it clear to me that was the course of action, and although I was somewhat reluctant, I was pleased to lead that filibuster again on the Levin-Nunn amendment. I think in the end we had some success. But we determined our strategy, we determined the timing to bring about that strategy, and it was effective. But this time I did not in my judgment receive a sense of direction which I felt that I should have either from the President, his National Security Adviser, or the Secretary of Defense who sat in the office with Senator NUNN and myself 2 days ago and said, hey, I am neutral on this. That was my recollection of his words.

Mr. DOLE. I think that is accurate. I hope I have stated it correctly.

Mr. WARNER. I am not suggesting the Senator did not. The first I heard the White House wished to support the motion to recommit was literally 2 minutes before the vote was taken. In that brief time, I went out and received mixed signals as to the communication. I do not dispute the accuracy of the communication, but there were somewhat mixed signals as to the source. It was not the Secretary of Defense, but apparently the Deputy Secretary. It was not the National Security Adviser, but someone in the legislative office of the White House that was calling the shots.

I hope we learn our lesson this time, and that those of us who have given a measure of trust and leadership on this bill or any other bill, but this bill most importantly because we should always strive to have bipartisanship on issues of national defense and foreign policy.

So I thank the leader for accepting my question.

Mr. DOLE. I will just conclude by saying I do not think we had a clear signal from the administration. That is not a criticism. I think they are split. I think there are honest differences of opinion. I think Secretary Carlucci sees it one way. He deals with the committees on a daily basis. He understands what might happen if this veto was made and sustained. There might be further cuts, or deeper cuts. Who knows what would happen. We might not have the same bill we had before going to conference. There might be other limitations added. That is what the Secretary told me on the telephone.

I do not know what the White House final decision was. I think it was just sort of wait and see what happens. But I can assure the Senator from Virginia that this Senator has not been down trying to gin up any strategy that would lead to a veto.

I know there are a lot of Members on this side, and maybe some on the other side—I do not know—who have problems with certain provisions of the bill. That happens every time we have a conference report up here, whether it is agriculture, defense, taxes, whatever. So I think we will have a vote. Then the President may sign it. He may let it become law. He may veto it.

Mr. NUNN. Will the minority leader yield for a question? First, the minority leader is an expert on the procedure. I just ask him since there is so much trouble with this House Armed Services Committee press release: Is there any way we can get it up and recommit it while we are taking all the animosity out on the bill?

I have heard a lot more about the press release today than I have about the bill. Of course, the press release, as far as I know, has no effect of law.

Mr. DOLE. I think the Senator is right.

Mr. NUNN. Are we talking about substance or procedure or are we talking about basically frustration with the press release?

Mr. DOLE. Some have argued that the press release is accurate. It did take a big chunk out of SDI. Some might raise other portions of the press release. The press release itself did not bother me any. The important point is what the bill does.

Mr. NUNN. SDI has split the difference. That has been done 90 percent of the time when there are monetary differences between bills in the House and Senate. As a matter of fact, on SDI, the Senator from Kansas will recall only by two votes did the Senate sustain the level that enabled us to have as high a funding as we did. Had we lost two votes, or even one vote, we would have $700 million less.

So it seems to me the Senate did pretty well considering the sentiment in our body to cut SDI funding more than our bill by almost a majority. We did pretty well to split the difference on that.

I also would say on SDI we had on the Senate bill—which Secretary Carlucci praised, and everyone here today has praised—five different, what people would call, restrictions on funding. We came out of the conference with three. Actually there are less restrictions on SDI funding on the conference report than there were on the Senate bill. That expresses not an animosity about SDI in the Senate Armed Services Committee but real questions about how the money is being spent.

I know the Senator from Wyoming had questions about how the money is being spent. We had amendments on the floor that I have not always supported directly the opposite of SDI as to how they should spend the money.

I also would like to ask the minority leader on his time.

I ask the question here. Talking about add-ons, I want to go into this a little bit because it was talked about so much today. We talk about $4 billion. I will not break that down. But I would like to go back and look at tax bills, and see how many add-ons there are on tax bills or probably more appropriately, how much loss of revenue versus what the administration requests.

I would suggest that the armed services bill—this is a blind stab—I would suggest we have a much less percentage of any kind of add-ons or changes in our armed services bill than tax bills which the majority leader has been so involved in.

I do not say that as a criticism. I say that to someone who knows how this process works, and that is a little process we call democracy. As long as we have a Congress we are going to have changes in what administrations want.

Mr. DOLE. I think I said when I made my statement that the administration cannot just send us something and say take it or leave it. There would not be any function for us to perform if it was a yes or no. I think there is some wisdom in the Congress; it is not all in any administration or in the Pentagon or in the Treasury. You are going to have transition rules and tax bills.

You are going to have money put into a defense appropriation bill or an agriculture bill, or whatever supplemental, or something that might not be requested by the administration. But I do believe with all the talk about consultants, the Pentagon, fraud, greed, and what the taxpayers are going to be forced to pick up, at least we ought to take a look at all of these add-ons.

I may have some. I do not think so. But here are a lot of add-ons. There is 4 billion dollars' worth either of add-ons, or what they call plus-ups which the Pentagon has put together, and which I have put in the RECORD. About $3 billion, as I understand, is in the appropriations bill—$3 billion. I do not suggest you are not going to have it happen, but I do suggest that a lot of money is involved here, $4 billion would fund the drug program we are working on twice. We are looking at about $2 billion a year.

The PRESIDING OFFICER (Mr. GRAHAM). Who yields time?

Mr. NUNN. Mr. President, I say to the majority leader and the minority leader, while they are on the floor, that I have about 5 or 10 minutes of remarks. I do not know how long the Senator from Virginia would like to speak. I think we are getting close to a time for a vote. Maybe we should shoot for a 2:30 vote.

Mr. QUAYLE. Mr. President, I told the chairman of the Armed Services Committee that I would take, on this side, 3 or 5 minutes for myself. I do not know of anybody else who wants to speak. So I think 2:30 would be ample.

Mr. WARNER. I will talk about 10 minutes. I ask the Senator from Indiana, on whose time?

Mr. QUAYLE. On the time of the Senator from Virginia.

Mr. BYRD. Mr. President, I ask unanimous consent that the vote on the conference report take place at 2:30 p.m.

Mr. NUNN. Mr. President, reserving the right to object, could the time between now and 2:30, because we have a lot of time on both sides, be divided somewhat equally? We have had a lot less time. I need about 10 minutes, and I have had very little time.

Mr. BYRD. And that the time be equally divided between Mr. NUNN and Mr. WARNER or their designees.

Mr. NUNN. How much time does the Senator from Indiana need?

Mr. QUAYLE. About 5 minutes.

Mr. BYRD. Five minutes to be under the control of Mr. QUAYLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I want to say a little about the add-ons. I know there are add-ons on the defense bill, and some of them are not always meritorious. I recognize that. I am not going to defend every add-on, but I think there are less in this bill in the nature of parochial programs than we have had in a long time. I am surprised we have had so much discussion about that.

First of all, there is $300 million for enhancing the Defense Department's role in drug interdiction. This funding was not for specific add-ons, but a general authorization to be used as the Secretary of Defense determines appropriate.

Second, there is a $500 million initiative for the Army antiarmor, and I think everybody on the committee supported that.

There is a $300 million add-on for specific programs in the operation and maintenance account in the area of the defense budget that has impact on the day-to-day readiness of the Armed Forces. That is spread over all Forces, not in anybody's district or State.

There is $440 million for high technology R&D items, including the Sematech initiative, the manufacturing technology initiative and the balanced technology initiative. The balanced technology initiative is something I have pushed for several years. There is nothing new about this. It enjoys the support of the Department of Defense.

There is $840 million for increased equipment for the Guard and the Reserve. It is almost a billion dollars. It is debatable whether we need to put that much money in there. I believe we could probably have put slightly less in there. Nevertheless, we know that the Department of Defense every year leaves out a lot of money for the Guard and the Reserve because they know it will be increased by Congress. I do not think that comes under the definition of parochial interest.

Four hundred million dollars is added to increase production and efficiency of weapons currently in the production line. We all share an interest in that. One was the F-18—$200 million. This effort to increase production efficiency has been a longstanding initiative of our committee, and one that has had strong bipartisan support.

There is $300 million added to improve sustainability of conventional ammunition, one of our warfighting commanders' highest priorities.

I am not criticizing any Member for any add-on. Next year, I will keep a list of every letter I get from every Member about add-ons, and let us see where they come from. If this side of the aisle does not want any, we can save a lot of money.

The Senator from Kansas had a request. It was not in the bill, but it caused us a good deal of debate, and it was worth the debate, whether to add the Seek Spinner. The Department of Defense wanted to kill this program. It was put in in the House, and we did not put it in. The minority leader asked us to put it in, and it was $50 million. We did not put it in.

Senator QUAYLE had a very worthy add-on, $25 million for the Army's Extended Air Defense Program, which I support.

I think $75 million was added at the request of the Senator from California [Mr. WILSON], to procure additional M-113 personnel carriers.

There was $55 million added for the semiconductor manufacturing initiative, at Senator GRAMM's request. Forty-three million dollars was added for the helicopter improvement program of the Army.

The bill increases authorization for construction at Brooke Army Medical Center by $34 million, at Senator GRAMM's request.

There was $80 million added for Navy bombs, at the request of Senator NICKLES.

I could get a list up on our side; no doubt about that. I am not pointing to the Republican side of the aisle. But I am becoming weary of hearing statements that appear that everybody on that side of the aisle is sitting on a pedestal, and all the add-ons come from this side of the aisle or the House of Representatives. That is not true, and it will not be true next year. Next year, we will keep a scorecard, and on the floor we will look at the add-ons and see who sponsors them and see what the requests were that we had to turn down, and there will not be any indictment of anyone.

I am not saying you should not ask for additional money. I am saying that those who take the position that it is just $4 billion of add-ons have not looked at the add-ons, nor have they looked at the impact of the add-ons on national security. I do not defend them all, but we should put this debate in perspective.

Mr. President, I ask unanimous consent to have printed in the Record a letter from Secretary Carlucci, in which he has legitimate objections, as he sees them, to this conference report. I have attempted to answer each of those objections, not in the sense that I agree with everything we did. I do not think I have ever been on a defense conference where I have agreed with everything we have done. It is impossible. I do not think everybody on the conference has agreed with everything we have done. This letter explains Secretary Carlucci's objections and puts it in the right context so far as the conference report is concerned. There is nothing in the conference report that damages our national security.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The Secretary of Defense,
Washington, DC, July 7, 1988.

Hon. John W. Warner,
U.S. Senate, Washington, DC.

Dear John: Pursuant to our conversation earlier today, I am providing you with my concerns about the conference report on the FY 1989 Defense Authorization bill. As I stated, I have given very serious consideration to recommending a Presidential veto of the conference report and have been advised by many people to do so. The conference outcomes on key strategic programs and arms control provisions harm U.S. security interests. The arms control provisions constitute Congressional interference with the Constitutional responsibility of the Executive Branch to conduct U.S. foreign policy. I was surprised by this outcome, because from the Department's perspective the original bill passed by the Senate was one of the best in several years. My specific concerns with the conference report are as follows:

ICBM Modernization: By providing $250 million for both mobile missile programs, with an additional $250 million held in escrow, the conferees have delayed progress on the Rail Garrison program. I have indicated that $550 million is the minimum funding level required to keep this program on track. Early this year, at the urging of Members of Congress, I agreed to provide $200 million for the Small ICBM program to keep it alive for the next Administration. I agreed to do this despite my belief that the Small ICBM program is unaffordable in the budget environment we face. The conference outcome will increase overall costs, could delay the deployment of a survivable Peacekeeper ICBM, and by leaving us without any viable mobile ICBM program it clearly complicates our position in the ongoing START negotiations.

SDI Funding: The conference agreement on SDI funding, which constitutes negative real growth compared to FY 1988, is inadequate and it will force a major restructuring of this vital program. In preparing a budget to comply with the budget summit agreement, the Department significantly reduced funding for the SDI program. An additional reduction of $800 million is not warranted by budgetary constraints nor by the program itself which has made significant technical progress. In addition, the limitation on funding for the space-based interceptor (SBI) program will seriously delay the development of a capability to destroy hostile ballistic missiles in the boost-phase where the leverage of the defense is greatest. The funding level provided for the SBI program is not even adequate to undertake the cost reduction efforts I believe are so important. The fencing of specific projects within the SDI program constitutes unwarranted Congressional micromanagement of the program, and it limits the Department's flexibility in successfully managing the program.

SALT II Sublimits: I am pleased that the conferees agreed to drop the House language requiring the U.S. to comply with the numerical sublimits of the unratified and expired SALT II agreement. However, I regret the conferees decision to require that two Poseidon SSBNs—scheduled to come off station in FY 1990—must be taken off station during FY 1989. This arbitrary decision to remove these submarines from service will not return the U.S. into compliance with SALT II, a misguided objectives in the first place. Instead, it will simply reward the Soviet Union for its violations of past agreements and undermine the United States position in the ongoing SALT II negotiations.

Depressed Trajectory Missile Testing: While the conferees agreed to drop the House provision imposing an immediate ban on depressed trajectory missile testing, they adopted a provision requiring the Department to report to the Congress on the merits of such a proposal. However, 60 days after submission of this report—which among other things is to define depressed trajectory testing—the United States will be prohibited from conducting any such tests provided the Soviets do so as well. This is a very complicated subject, and I regret that the Congress would adopt such a provision without conducting a single hearing on the subject.

In conclusion, I am disturbed by the conference report on the bill. While the original Senate bill made a significant positive contribution to U.S. national security interests, the same cannot be said of the conference report.

Sincerely,

Frank Carlucci.

Mr. NUNN. Mr. President, earlier in the debate Senator Warner inserted in the Record a copy of a letter he received last week from Secretary Carlucci addressing the Secretary's principal concerns about the conference report. Let me comment briefly on several comments made by the Secretary in that letter.

First, with regard to ICBM modernization, Secretary Carlucci says: "$550 million is the minimum funding level required to keep this program on track."

Mr. President, in fact, the $550 million includes $80 million for MX missiles to be flight tested from trains. The bill includes other funds to buy MX missiles for reliability testing from silos and these missiles can be switched over to the Rail Garrison Program. I might add that if Vice President Bush wins the election, there will be at least $500 million for the program, $20 million above the minimum level needed. If Governor Dukakis wins, it probably doesn't matter what the fiscal year 1989 funding level is for this program, since he has said he would cancel it.

Second, on the question of SDI funding, Secretary Carlucci says: "The conference agreement on SDI funding—is inadequate."

In fact, the conference level reflects a "split the difference" outcome with the House. Given the very narrow margin of victory over the $700 million cut proposed on the Senate floor by Senator Johnston—2 votes—this was not a bad outcome for the Senate.

Secretary Carlucci also says: "The fencing of specific projects within the SDI Program constitutes unwarranted congressional micromanagement."

In fact, the conference report contains three fences on SDI, whereas the Senate bill contained five. In other words, there is less "micromanagement" in the conference report than in the original Senate bill. Yet in his letter, Secretary Carlucci says he liked the Senate bill much more than the conference report, terming the Senate bill "one of the best in several years." He also fails to note that in conference we dropped the House provision limiting funds for phase 1 to 40 percent of the total, which in most people's judgment would have constituted a far more onerous case of "micromanagement" than the three fences approved by the conference.

Third, on the subject of SALT II sublimits, Secretary Carlucci acknowledges that the House agreed to drop its strict SALT II compliance provision but says that the decision of the conferees to deactivate two Poseidons "will simply reward the Soviet Union for its violations of past agreements and undermine the United States position in the ongoing START negotiations."

Mr. President, in fact, Secretary Carlucci's own budget request for fiscal year 1989 includes early retirement of a Poseidon submarine—the U.S.S. *John Adams*—for fiscal reasons, which continues a trend of early Poseidon retirements by this administration. In addition, the two submarines being retired early by the conference would have been retired in fiscal year 1990 anyway, again for fiscal reasons. In fact, what is at issue here is simply a matter of a few weeks in the case of the U.S.S. *James Monroe* and a few months in the case of the U.S.S. *Henry Clay*.

Finally, with regard to the issue of depressed trajectory flight testing, Secretary Carlucci says: "60 days after submission of this report—which among other things is to define depressed trajectory testing—the United States will be prohibited from conducting any such tests provided the Soviets do so as well. This is a very complicated subject, and I regret that Congress would adopt such a provision without conducting a single hearing on the subject."

The facts are that:

The vote on the House amendment was overwhelming—262 to 160—and was cosponsored by Congressman BOB DORNAN and Congressman DAVID NAGLE.

a. The Defense Department has no plans to test U.S. missiles at depressed trajectories;

b. The administration has full power under the compromise to define what constitutes a depressed trajectory flight, thus removing one of the principal flaws of the original House provision;

c. During the 60-day waiting period, Congress will hold hearings on the administration's report and could decide to repeal the restriction; and

d. Even if—in the worse case—the administration report concluded that any moratorium was unwise but the House blocked a repeal, the moratorium would only last for at most 4 months—assuming the Soviets did not breach the threshold—before expiring at the end of the fiscal year and during this period the Defense Department doesn't plan to conduct any such tests anyway.

Mr. President, in conclusion I would say that it appears to me that the Secretary's letter reflects more a concern about symbology than substance. I do not agree with every item in the conference report. If I had my way there would be a number of changes, but the nature of any conference requires a compromise. These conference outcomes represent fair and reasonable resolutions on these issues and in no way jeopardize or undercut our national security or our negotiating positions.

Mr. President, I summarize my position by saying that if you want to vote against a press release, let us try to find a procedural way to do that; but I ask those who believe in a strong national security to support this bill.

If this bill does not pass, it is not a symbolic vote; it is saying we do not want this bill to pass. That means we are going to decide all these things on the appropriation bill. We will have a defense appropriation bill on the floor for 3 weeks and will have to rehash every arms control provision, rehash SDI funding, rehash add-ons, rehash the joint officer relief provisions in the bill that the Defense Department made one of their top priorities. We have a lot of things in here that the Defense Department wants.

I suggest to my friends on the other side of the aisle that if we have people vote on this side of the aisle against it and it goes down in defeat, then there will be a lot of heart attacks going on in the Pentagon. I assure you of that. Symbolism is one thing, but I think our colleagues have to recognize that it can be taken too far.

Mr. WARNER. Mr. President, during a recent visit to Japan, Secretary of Defense Frank Carlucci addressed the issue of burdensharing and the importance of the worldwide United States alliance structure during a speech to the National Press Club of Japan. Secretary Carlucci correctly pointed out that the way in which we deal with the burdensharing issue over the next several years "is central to the future of our alliances."

While all would agree that both the United States and our allies should do more for the common defense, we should be careful not to underestimate the efforts currently being made by our allies. In the case of Japan, Secretary Carlucci highlights a number of significant contributions Japan has recently made to the security of the Pacific region. At the same time, he also suggests ways in which the Japanese could do more.

Given the importance of the burdensharing debate during this era of declining defense budgets, I commend Secretary Carlucci's speech to my colleagues.

I ask unanimous consent that Secretary Carlucci's speech of June 6, 1988, before the National Press Club of Japan be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY THE HONORABLE FRANK C. CARLUCCI, SECRETARY OF DEFENSE, TO THE NATIONAL PRESS CLUB TOKYO, JAPAN, MONDAY JUNE 6, 1988

I am very pleased to be here today. As you know, this is the second-to-last stop in a trip that has taken me steadily eastward. Prior to the summit, I met with our European allies at NATO headquarters in Brussels. Then came the summit itself, five intense days of meetings in Moscow. On arriving here in Japan, I met with Minister Kawara and Minister Uno, and from Tokyo I will be going on to our annual security meetings with the Republic of Korea.

My point is not to recite a travelogue, but to underscore the importance I attach—and my government attaches—to close relations with our allies. The fact that I here bracketed the Moscow summit with visits to our allies—east and west—is entirely fitting. I am convinced that our greatest asset in dealing with the Soviet Union is the collective strength generated by our alliance system.

Let me speak briefly about last week's events in Moscow. Summits like the one just concluded make good sense. The U.S. and Soviet Union should continue to explore whatever avenues are open to us to ease the tensions that divide us. We make progress on that score in Moscow. We came away from the summit with greater understanding of Soviet positions and points of view, and we made our own views clear to the Soviets. There is no doubt that that exchange is valuable.

But as we focus on the summit process, we must not lose sight of this central fact: better relations must be built on a strong foundation—our ability to defend ourselves and our interests. Summitry is no substitute for security.

The corollary for our security interests in that summitry does nothing to diminish the need to maintain our common defense. This is nothing other than realism—a language the Soviets understand and respect.

As all of you know, the Soviet threat to this part of the world is significant, and it is growing. For several decades now, the Soviets have maintained 50 divisions along the Chinese border. The Republic of Korea continues on the path of economic and political development in the shadow of Soviet client-state North Korea, one of the most heavily-armed and militarized nations in the world. In Southeast Asia, another Soviet client-state, Vietnam, continues to occupy neighboring Cambodia, and provides the Soviet navy its largest port facility outside Soviet territory—the base at Cam Ranh Bay. As a result, the Soviet navy now maintains a continuous presence in the South China Sea.

Japan itself lives with the Soviet threat at close-hand. Soviet air and naval forces operate in the area, with Vladivostock serving as the Soviets outlet into the Sea of Japan. A squadron of Soviet MIG'23s is based on the occupied northern territories, only a few kilometers from Hokkadio, and little over an hour's flying time from Tokyo.

As we fashion our strategy to cope with this threat to the Pacific, we must keep in mind the concept of balance. Balance is a concept that is integral to Japanese art, language, literature and culture. It is equally important to America's security strategy.

You may recall that just over a decade ago, in the aftermath of Vietnam, there was within U.S. policy-making circles a very active reconsideration of America's worldwide strategy objectives. One idea in particular got a very serious hearing: the proposal that the U.S. should make Europe the focal point of American security policy, and treat security in Asia as a second-order interest. Fortunately, this reordering of American interests and obligations never came to pass.

Had that shift been carried out, it would have destroyed all sense of balance in America's national security strategy. The plan ignored a vital geopolitical fact of life. America is at once an Atlantic and a Pacific power.

We must strike a balance in our global policy. Our security interests in the Pacific are every bit as vital as our interests elsewhere around the world. This is why, for example, President Reagan held firm in the INF negotiations on the global zero option, when many were urging him to settle for a deal allowing the Soviets to keep 100 SS-20 warheads targeted on our friends and allies in Asia.

Those of you familiar with developments on the American political scene are aware that there is once again a growing urge to reassess U.S. security commitments. In fact it is not too strong to say that—in some quarters in the U.S.—our alliance structure is under attack. According to alliance critics, the United States bears far more than its "fair share" of the cost of collective security.

There is considerable truth to that claim, of course—particularly if we use as our yardstick percentage of GNP devoted to defense. But there are contributions to collective security that are not easily measured in terms of dollars spent on defense, and when all the factors are weighed, our allies do more than most Americans believe.

How we handle this issue—how we seek to distribute roles, risks and responsibilities in an equitable manner—is central to the future of our alliances. American critics of our alliance structure—while still in the minority—are growing more vocal. Some urge punitive action against our allies, others simply seem to want to opt out of our alliances altogether. Whether they think America can go it alone in the world, or simply wish to ignore the imperatives of international relations is not always clear.

I have spoken out against this new isolationism, and I have spoken in defense of our alliance structure—and the vital role it plays in our security. I have tried to make certain the American people—and their representatives in Congress—do not underestimate what our allies contribute toward our common defense.

In Japan's case, those contributions are significant, and they are on the increase. In this decade, Japan has assumed greater responsibility for its own defense extending its air and sea lane defense out to one thousand miles from its territory, and Japan has embarked on a defense program to build the forces necessary to meet its new responsibilities, surpassing the politically-sensitive barrier of one percent of GNP devoted to defense. In another measure of alliance support, Japan spends an average of $45,000 each year for every American serviceman and servicewoman stationed here—the most generous host-nation support of any American ally.

I have made it clear that Japan does more than it often gets credit for; I want to make it equally clear today that still more remains to be done. I will briefly mention three ways in which Japan can greatly strengthen our common security:

First, Japan must continue to move forward with its defense programs. The Japanese Government's current support for defense funding shows it is serious about meeting its newly-expanded security responsibilities. But we must keep in mind that this program will provide—in Japan's own assessment—the minimum capability Japan needs to fulfill the defense obligations it has assumed.

Second, Japan could increase its already substantial support for our forces stationed here, which—in spite of Japan's significant contributions—continue to cost the U.S. more than $3 billion each year. Additional efforts on Japan's part to ease this burden would go a long way toward depriving American critics of one piece of evidence they now cite to show the high costs of maintaining our alliances.

Third, Japan could expand its economic development aid. In contrast to expanding its defense capabilities, Japan faces no constitutional constraints in increasing economic aid to nations whose political and economic health is vital to our collective security.

The Philippines is a prime example. Two years ago, that nation made a perilous but ultimately peaceful transition from autocratic rule to democracy. It is faced now with the challenge of working out from under the Marcos legacy, and defeating a communist insurgency that poses a direct threat to its fledgling democracy. Ensuring that the Philippines succeeds is in Japan's interest as well as ours—and increased economic assistance could make the difference.

Nor are the nations that can benefit from expanded development aid confined to this region alone. Turkey, Portugal, Pakistan and Afghanistan, for instance, are nations in which aid could advance our overall security.

As we enter the 1990s, the partnership between the U.S. and Japan must adjust to what are—to a great degree—the consequences of its success. During the past four decades, Japan has rebuilt and restructured itself. It is today a flourishing democracy, and a world-class economic power in its own right.

I believe that the next chapter in the story of our partnership must be one in which Japan takes an increasingly broader view of its role in the world, in keeping with its arrival as one of the world's foremost economic powers. Japan has it within its power to make itself a formidable force for peace and stability.

In the past four decades, America and Japan have accomplished much more as partners than we could have had we taken separate paths. Both of us are today secure, prosperous, dynamic nations. That is testimony to the great strength inherent in an alliance of free nations, and to the enduring importance of mutual security.

UNITED STATES-SOVIET MILITARY-TO-MILITARY CONTACT VISIT BY THE CHIEF OF THE SOVIET UNION GENERAL STAFF

Mr. WARNER. Mr. President, for many years I have strongly advocated contact between our military leaders and those of the Soviet Union in order to promote understanding and to lessen tensions between our countries.

My own experiences in the early 1970's as Secretary of the Navy, when I was our chief negotiator and signatory for the Incidents at Sea Agreement, convinced me that such contact was beneficial and contributed significantly to my understanding, and that of my associates, of the Soviet people and especially their military leaders.

From July 5 to July 11, 1988, Adm. William J. Crowe, Jr., Chairman of the Joint Chiefs of Staff, hosted a visit to the United States by Marshal Sergei F. Akhromeyev, Chief of the Soviet Union's General Staff, who visited United States military forces and several civilian communities around the country.

It was the first such tour by the Soviet counterpart of the JCS Chairman in the post World War II era. Admiral Crowe had invited Marshal Akhromeyev to make the trip when they met during the Washington summit in December 1987, and the visit followed two high-level meetings between Secretary of Defense Carlucci and Soviet Defense Minister Yazov.

The general purpose of the tour was to improve mutual understanding between our military establishments, on both professional and personal levels, and to lay groundwork for further steps toward that end in future military-to-military contacts. More specifically, Admiral Crowe, believing that there is no better way for his counterpart to understand the great strength of this country than to have him meet its ordinary citizens, wanted Marshal Akhromeyev to mix frequently and at length with people from many localities, and especially with the young men and women who serve the United States in uniform.

On all counts the visit was a success, and Virginians can be especially proud of the part that the Old Dominion played in that story.

Marshal Akhromeyev's program began with discussions in the Pentagon with Secretary Carlucci and the Joint Chiefs of Staff, and then he embarked on a tour of key operating elements of all U.S. military services. He visited marines training in the field at Camp Lejeune. He toured the carrier U.S.S. *Theodore Roosevelt,* homeported at Norfolk, and saw a magnificent display of flight operations and naval airpower by Carrier Air Wing Eight based at Oceana Naval Air Station. At Fort Hood, TX, U.S. Army troops put on a similarly impressive performance, as did the Air Force at Ellsworth Air Force Base in South Dakota.

Throughout, the marshal saw exercises and demonstrations; toured facilities; inspected equipment displays—and spent a great deal of time observing and speaking with our personnel, especially in the junior officer and enlisted ranks. Along the way, there were extended discussions between Admiral Crowe and Marshal Akhromeyev on a variety of subjects of mutual professional interest, and on the return leg of his trip, Marshal Akhromeyev also had the opportunity to stop in Washington for a meeting with the Commander in Chief, President Reagan. It was, then, despite its compact schedule, literally a top-to-bottom tour of America's armed forces.

The program also introduced the marshal to many Americans from all walks of life and set aside time for him to learn about their heritage, their current concerns, and their hopes for the future. Particularly important was his visit to the colonial-era setting of Williamsburg. There he saw the country's origins proudly commemorated and celebrated, and he began to get a feel for the dedication to freedom and independence, for the strongly optimistic work ethic, and for the respect for our ancestors' contributions that are so characteristic of citizens of the Commonwealth of Virginia—and of America—today. Also clear was the historic lesson that, from the very beginning, Americans have always understood the need to defend their way of life in a troubled and uncertain world.

That orientation concerning the Nation's philosophical and practical roots set the stage for a tour of mid-America, the vast regions settled by those hardy pioneers who left the Tidewater and Piedmont to make their futures in new country. In Texas, Oklahoma, and South Dakota, Marshal Akhromeyev saw this country's heartland, rich in cultural diversity yet united in commitment to realize a shared American dream. In New York City, on the final day of his visit, he not only toured that energetic metropolis but also met with the prestigious Council on Foreign Relations to deliver a major address and respond to questions on the subject of evolving Soviet military doctrine.

Overall, Marshal Akhromeyev and his party were able to see the breadth of constructive endeavor that occupies our people, the achievements that have made us proud of our system, the challenges that we still work on to make things better, and the military strength which protects all that. In the end, three messages came across very strongly for the Soviets:

In each military venue they were clearly impressed with our young people, with their spirit, aptitude, and ability. The excellence of our equipment was, of course, evident constantly, but the marshal was aware of those capabilities already and, in any event, he believes Soviet forces have comparable materiel. In the last analysis, however, it was plain that the professionalism of our junior personnel is a distinctive advantage for U.S. forces, and is the strong foundation of our deterrent capability.

In civilian localities he was struck by American citizens' natural openness, genuine friendliness, pride in this country's accomplishments and prospects, and hopes for peace.

And he also appreciated the more general insights he gained into American history—into how this country was founded, how its immensely productive society developed, and how that tradition shapes the outlook of our citizens today as individuals and as a nation.

There were more concrete results as well. A joint statement at the conclusion of the trip indicated the two military leaders' intent to take measures that will reduce the risks of either side's misunderstanding military activities of the other—and a military-to-military working group will be formed to explore that problem in greater detail. Further, Admiral Crowe and Marshal Akhromeyev have agreed on a program of more general exchange activities between their forces, including meetings of the United States and Soviet senior military commanders in Europe, military medical visits, trips by War College groups and military historians, and exchange visits by several chiefs of military services.

I ask unanimous consent that the joint statement by Admiral Crowe and Marshal Akhromeyev, along with an exchange of letters between the two leaders and an agreed-upon program of activities for the future, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT BY ADMIRAL WILLIAM J. CROWE, JR. AND MARSHAL OF THE SOVIET UNION SERGEI F. AKHROMEYEV

The U.S. Chairman, Joint Chiefs of Staff, and the Soviet Chief of General Staff in their discussions indicated their intent to pursue policies and actions which will assist the armed forces of the U.S. and the USSR in the avoidance of engagement in dangerous military activity in the vicinity of each other, and in the immediate termination of such activity, should it arise. To this end, the sides will also ensure the appropriate training and preparation of their respective armed forces.

Additionally, they indicated that they intend to establish a U.S.-Soviet military to military working group, to operate under guidance which they shall provide, to explore the issue of dangerous military activity in greater detail and make recommendations.

Among other things, the working group will review the two sides' respective capabilities to communicate expeditiously with elements of the military forces of the other country for the purpose of preventing dangerous military activity from occurring or continuing between elements of those military forces. In addition, the working group will consider whether there are types of dangerous military activity which could arise that are not subject to specific existing arrangements, which should be made the subject of appropriate arrangements.

The two senior military representatives also indicated that there is no intention on their part to replace or derogate from existing agreements such as the 1972 Agreement on the Prevention of Incidents on and over the High Seas or the 1947 Huebner Malinin Agreement on military liaison missions. Their intent is simply to improve their professional relationship so that members of the military forces of the U.S. and USSR are less at risk when operating within the vicinity of each other.

CHAIRMAN OF THE JOINT
CHIEFS OF STAFF,
Washington, DC, July 5, 1988.

DEAR MARSHAL AKHOMEYEV, Appended to this letter is a program of activities which we have mutually determined to represent an appropriate variety of professional military contacts over the next two and a half years.

Although there is a continuing need for flexibility in executing this schedule, I want to assure you that we will make every effort to see that these events are carried out as indicated. Our military attaches should work out the exact dates for each of the activities.

Sincerely,

WILLIAM J. CROWE, Jr.,
Chairman, Joint Chiefs of Staff.

To Admiral W. Crowe, Chairman of Joint Chiefs of Staff USA.

MOSCOW, *July 5, 1988.*

DEAR ADMIRAL CROWE: I am grateful to you for your letter of 1 July. I understand that you are expressing your approval for the jointly developed schedule of contacts between the armed forces of the Soviet Union and United States of America for 1988-1990 (attached).

The procedures for our exchanging of letters which you have proposed does not elicit any objections.

I ask that this letter is accepted as an official affirmation of our agreement to accept this schedule for implementation.

Respectfully,

S. AKHROMEYEV,
Marshal of Soviet Union, Commander of the General Staff, Armed Forces of the USSR, First Deputy Minister of Defense USSR.

PROGRAM OF ACTIVITIES

The following is a program of activities involving members of our Armed Forces:

FALL 1988

(1) Commander in Chief U.S. Army Europe—Commander in Chief Group of Soviet Forces, Germany meeting.

WINTER 1988/89

(1) Military medical exchange visits.
(2) Armed Forces museum exchange visits.

SPRING 1989

(1) War college exchange visits.
(2) U.S. military historian visit to USSR.

SUMMER 1989

(1) Chairman JCS visit to USSR.
(2) Naval ship exchange visits.

FALL 1989

(1) Chief of Soviet Air Force visit to U.S.
(2) U.S. Chief of Naval Operations visit to USSR.

WINTER 1989/90

(1) Soviet military historian visit to U.S.
(2) Armed Forces band exchange visits.

SPRING 1990

(1) War college exchange visits.
(2) Rifle/pistol sports competition.
(3) U.S. Army Chief of Staff visit to USSR.

SUMMER 1990

(1) Naval ship exchange visits.
(2) USSR Navy Chief visit to U.S.

FALL 1990

(1) Soviet Ground Forces Commander visit to U.S.
(2) U.S. Air Force Chief of Staff visit to USSR.

Specific arrangements for these and any other agreed activities will be made through our military attaches.

Mr. WARNER. Mr. President, profound differences still exist, of course, between the United States and the Soviet Union. These can't be waved away, nor can they be papered over with words—that theme was repeated frequently by both Admiral Crowe and Marshal Akhromeyev. At the same time, both men recognize that those differences must not impede clear-eyed efforts to lessen tensions, and to reduce the possibility for military conflict. Dialog about those differences, and exploration of the perspectives that contribute to them, can only enhance the prospects for national security, and for peace.

There is every reason to take the military-to-military dialog seriously in this most important of the world's bilateral relationships and, in that light, this visit has been a useful step forward.

I herald the Chairman of the Joint Chiefs of Staff for his leadership in inviting to this Nation his counterpart, Marshal Akhromeyev.

The RECORD reflects the detailed chronology of that visit and the respective statements by both as to what was achieved.

I had the opportunity to go to the Soviet Union on several occasions when I was Secretary of the Navy and to be the chief negotiator and signatory for the United States on the Incidents at Sea Agreement. I found that experience not only profitable for myself but my associates and many others in the Department of Defense to that time.

To the extent that we can have a clear insight into the philosophy of the two nations seen through the eyes of their principal military leaders I think that contributes to the lessening of the tensions. It will not in any way reverse the political goals of each nation. I think that the Soviets are entrenched today despite glasnost as deeply as they were in 1917 with respect to their ultimate goal for domination of this world.

But from time to time, I think visits such as the one we experienced is very helpful.

DEFENSE AUTHORIZATIONS, 1989—CONFERENCE REPORT

The Senate continued with consideration of the conference report.

Mr. WARNER. Mr. President, I turn in a spirit of friendliness to my good friend from Indiana, who has been the spearhead in this drive to ask of him wherein would we have changed this process with respect to the conference so as possibly to avoid the problem that confronts us now on the eve of this?

Mr. QUAYLE. I would say in response to the Senator from Virginia that I recognized and have admitted that both the Senator from Virginia and the chairman of the Senate Armed Services Committee have a difficult problem as I perceive it and that problem is this: It is that you have a small but apparently effective group in the House of Representatives, most of them outside the House Armed Services Committee, that in fact control what that House Armed Services Committee can agree to.

There are many in the House of Representatives, and again a small but effective group, that really do not want a defense authorization bill, and I think what has happened over the course of the years is that time and time again they said, well, we are just not going to have a defense authorization bill.

Unfortunately, that puts us in a rather difficult position because everybody wants a defense authorization bill, at least most of us here in the Senate, but it puts you in a position of negotiating from weakness, and when you get in that position of weakness and you are confronted with a situation where they do not care and we are rushed against a time schedule, which we are, because of the appropriation bill, I believe concessions are made. Concessions are made particularly in this case where you had a very good Senate bill that left here and in my judgment a bad bill that returned because of that political predicament, and it is a problem. I think that is the problem that we have in the process.

Mr. WARNER. Mr. President, then if I understand my good friend can I concur in his observation that there is an extraneous group outside the House Armed Services Committee that come in and complicate the life of the membership of that committee enormously. We have witnessed it through the years.

I suppose then following the Senator's thesis we should have as conferees on this bill just rejected it and walked out as proposed to agreeing to this conference report and therefore abdicated any possibility of a bill?

Mr. QUAYLE. I do not accept the Senator's conclusion that you would abdicate any possibility of a bill. We have a legislative process. A lot of times it comes down to who is going to blink first, and in this particular case we blinked first and often and I think that was unfortunate.

The Senator knows full well and he has been there many years, that when you get into these tight situations, there are certain things that are a matter of principle.

When we left this Senate floor with this bill, there were certain things, and the letter of the Secretary of Defense to the Senator from Virginia outlines those objections, and, in fact, I think many of those objections and perhaps all of them are things that tell the House of Representatives, "Look, there is really no area for compromise. We want a defense authorization bill."

If they want to take a walk, that is fine. But I do not believe that that was explored that much. We had time schedules. We had the urgency to go on. And furthermore, you have the eighth year of an administration.

When you sense a change, you can always tell in this town, when there is a little bit of weakness and a perception of that, the other body, which in this case is the congressional body, is certainly going to try to take advantage of it; and they certainly did in the area of the arms control, which I think is an infringement and intrusion of the executive branch's power.

For that reason alone the Senate should have objected to these provisions and it did not.

Mr. WARNER. Mr. President, I thank my colleague from Indiana. Indeed we may not agree on all aspects of what was done. But he has been very forthright as always in his constructive criticism.

I would hope next year, assuming I am a conferee on another authorization bill, that there is a clearer line of communication between all members of the committee and those conferees who bear a measure of responsibility for effecting a compromise which is absolutely a necessity to get a conference bill and that we go to the extreme of earmarking those provisions that would be totally unacceptable to the committee and such provisions would be justification for a walkout in a conference, so that we avoid the problem that we are confronted with today.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WARNER. Mr. President, I would simply ask for one-half a minute to continue to say to my distinguished chairman from Georgia that I felt despite this criticism he conducted himself at every moment during the course of the conference in the best interest of the Senate and he fought hard for the Senate bill.

I thank the Chair and the Members.

The PRESIDING OFFICER. The Senator from Indiana controls 5 minutes.

Mr. DOLE. Mr. President, may I have 1 minute?

Mr. QUAYLE. Mr. President, I yield 2 minutes to the minority leader.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I plan to vote against this conference report.

The arms control language contained in this conference report more nearly resembles that of a national Democratic platform plank than a bipartisan consensus on which to build national security policy.

When are we going to understand that unilateral concessions retard, rather than advance, arms control. How many times is it necessary to explain that the United States achieved an INF Treaty only because we were willing to meet the Soviet challenge in Western Europe? We acted to deploy needed systems; we didn't just accept a Soviet escalation, and hope that Moscow's good will would somehow lead to the removal of their missiles.

And now, as we seek to negotiate a good START agreement, taking two of our missile submarines out of service before their useful life is met—with no quid pro quo from the Soviets. Does not make sense.

NUCLEAR TESTING PLAN

The committees have also seen fit to require the administration to prepare a plan for nuclear testing that places restrictions beyond those which would bind us under the TTBT Treaty. Does anyone doubt that this report will become a new baseline for future congressional micromanagement of our nuclear testing program?

Our negotiators in Geneva told me just 2 months ago that we could finally be on the verge of effective verification methods for TTBT. Yet, once again, we're headed down the slippery slope of unilateral concessions, jumping ahead of TTBT which we're working on right now, and proceeding toward further limitations. Let's keep in mind that our national security depends on nuclear deterrence, and that means nuclear testing.

And speaking of slippery slopes, this bill now puts the rail mobile MX in the same uncertain status as the small ICBM Program. The Soviets, who have comparable programs to both the rail mobile and small ICBM already deployed, are no doubt delighted that we are emasculating both.

SDI CUTS

Then there is SDI which is, without a doubt, the major reason the Soviets are now negotiating seriously in Geneva. Furthermore, SDI—contrary to its detractors' claims—is START's best friend. SDI is precisely the insurance policy which we need in order to face some of the uncertainties inherent in START.

But instead of proceeding apace with SDI—hand in hand with START—this bill cuts the program by $800 million. Then, it cripples what remains with unwarranted micromanagement. But don't just take my word for it, the House Armed Services Committee says this bill takes the stars out of star wars.

UNREQUESTED AUTHORIZATIONS

Additionally, Mr. President, I would be remiss if I didn't mention the numerous unrequested authorizations in this bill, In these days of demands for new Pentagon scrutiny over tainted programs, let the public not be fooled. This bill contains over $4 billion in unrequested authorizations.

Let me repeat for those who think that the President is getting all of the $294 billion bang for the buck that was agreed upon in the bipartisan budget agreement—that's $4 billion in unrequested add-ons and plus-ups. While I agree with the minor adds for increased combat readiness and sustainability, and drug interdiction efforts, many of these programs cry out for the same sharp scalpel that we must take to the whole budget.

Mr. President, I ask unanimous consent that the full list accounting for the $4 billion be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Fiscal year 1989 authorization conference adds

DOD bill:	*Amount*
Operation and maintenance	529,500
Procurement	2,318,893
Research, develop., test & eval.	1,112,045
Total—DOD bill	3,960,438
Milcon bill:	
Military construction	329,771
Family housing	19,430
Total—Milcon bill	349,201
Total, Army	677,314
Total, Navy	1,164,682
Total, Air Force	705,962
Total, Defense agencies	1,761,681
Total—Department of Defense.	4,309,639
Operation and Maintenance, Army:	
012 Central supply	120,000
014 Industrial preparedness	22,000
026 OSACS	1,200
030 Drug interdiction	1,500
Total, Operation and Maintenance, Army	144,700
Operation and Maintenance, Navy:	
020 Aircraft rework & maintenance	72,000
022 Sunset Harbor study	100
024 Fleet electronic warfare support	2,800
Total, Operation and Maintenance, Navy	74,900
Operation and Maintenance, Marine Corps: 002 Readiness initiatives	25,000
Total, Operation and Maintenance, Marine Corps	25,000
Operation and Maintenance, Air Force	
014 Civil Air Patrol	1,700
024 Depot maintenance	30,000
Total, Operation and Maintenance, Air Force	31,700
Operation and Maintenance, Defense Agencies: 018 Defense investigative service (DIS)	10,000
Total, Operation and Maintenance, Defense Agencies	10,000
Operation and Maintenance, Air Force Reserve: 002 Reinstate FY 1989 force struc red	5,400
Total, Operation and Maintenance, Air Force Reserve	5,400
Operation and Maintenance, Army National Guard: 002 Transportation/Flying hours	4,200
Total, Operation and Maintenance, Army National Guard	4,200
Operation and Maintenance, Air National Guard: 002 Reinstate FY 1989 force struc red	5,600
Total, Operation and Maintenance, Air National Guard	5,600
Goodwill games: 001 Goodwill games—Seattle, 1990	5,000
Total, Goodwill games	5,000
Humanitarian assistance: 001 Humanitarian aid to Afghanistan	13,000
Total, Humanitarian assistance	13,000
Drug Interdiction, Defense: 010 Drug interdiction	210,000
Total, Drug Interdiction, Defense	210,000
Total, Operation and Maintenance	529,500
Aircraft Procurement, Army:	
008 AH-64 attack helicopter (Apache)	40,000
009 AH-64 attack helo (Apache) adv proc (CY)	40,000
017 AH-1S	10,000
026 Army Helicopter Improvement Program (AHIP)	43,000
Total, aircraft procurement, Army	133,000
Missile Procurement, Army:	
013 Laser Hellfire system	25,000
023 TOW mods	15,200
Total, missile procurement, Army	40,200
Procurement of W&TCV, Army:	
010 Abrams tank series roll (MYP) adv proc (CY)	40,000
035 Mortar, 120mm	5,000
Total, procurement of W&TCV, Army	45,000
Procurement of Ammunition, Army:	
003 CTG, 5.56mm, all types	21,100
013 CTG, 7.62mm, all types	14,500
048 CTG, 120mm mortar, all types	35,000
056 CTG, 105mm, APFSDS-T (XW900E1)	30,906
064 M42/M46 grenade parts for M483	13,000
071 Proj, 155mm DP basebleed XM864	15,700
076 Charge, propelling, 155mm, red bag M203	5,000
Total, procurement of ammunition, Army	135,206
Other procurement, Army:	
029 NBC vehicle	10,000
137 Tact Army cmbt sy (TACCS)	22,200
157 Night vision goggles	83,000

278 Simulation net trainers	20,000
Total, other procurement, Army	135,200
Aircraft procurement, Navy:	
010 F-14A/D (fighter) Tomcat adv proc (CY)	29,500
011 F/A-18 (fighter) Hornet	207,000
058 E-2 series	20,500
067 Common ECM equipment	30,000
Total, aircraft procurement, Navy	287,000
Weapons procurement, Navy:	
009 AIM/RIM-7 F/M Sparrow	40,000
021 Hellfire	26,042
039 Weapons industrial facilities	3,000
048 EMATT	1,000
Total, weapons procurement, Navy	70,042
Other procurement, Navy:	
027 Sealift support equipment	8,000
073 AN/SQR-18 towed array sonar	13,900
190 General purpose bombs	25,000
193 Rockeye	16,000
198 Practice bombs	20,000
199 Cartridges + cartridge actuated devices	26,200
229 MK 92 cort Unisys (Md)	50,100
275 Amphibious equipment	15,000
289 Special purpose supply systems	21,200
294 ship system trainers	11,900
310 Sonobuoys (general increase)	30,000
330 Sidekick antimissile technology	9,000
Total, other procurement, Navy	246,300
Procurement, Marine Corps	
013 120mm Heat MP-T M830	5,000
014 120mm TP-T M831	2,000
039 M-1 A1 main battle tank (MYP)	104,000
051 MK-19 40mm machine gun	4,970
052 Light weight early warning det sys	5,000
099 Logistics vehicle system (MYP) Reg. 6.0	20,000
Total, procurement, Marine Corps	140,970
Aircraft procurement, Air Force	
008 F-15 D/E adv procurement (CY)	11,900
022 Civil Air Patrol A/C	1,300
046 C-130	17,475
048 C-135	63,000
Total, aircraft procurement, Air Force	93,675
Missile procurement, Air Force:	
013 AGM-65D Maverick	30,000
060 Shrike (G-bias mod)	15,000
061 AIM-7 (H-build software mod)	55,000
Total, missile procurement, Air Force	100,000
Other procurement, Air Force	
021 MK-82 inert/BDU-50	19,800
084 CAP vehicles	800
170 Air Force physical security system	1,000
207 CAP Com & elect	600
Total, other procurement, Air Force	22,200
Procurement, Defense agencies: All other programs	10,000
Total, procurement, Defense agencies	10,000
National Guard and Reserve equipment, def:	
010 Army Reserve	30,000
020 Navy Reserve	75,000
030 Marine Corps Reserve	50,000
040 Air Force Reserve	232,000
050 Army National Guard	240,000
060Air National Guard	216,500
Total, National Guard and Reserve equip, def	843,500
Chem agents and munitions destruction, def: 001 Chem demilitarization	16,600
Total, Chem agents and munitions destr, def	16,600
Total, procurement	2,318,893
RDT&E, Army:	
009 Laser weapons technology	5,000
016 Night vision technology	2,500
040 Missile and rocket advanced technology	20,000
042 Battery technology	1,144
043 Army development and employment agency	3,000
047 Common integr elect warfare system	1,000
061 Advanced anti-tank weapon system	30,000
071 Chemical wpns cov compliance	6,800
110 M1A1 development program	30,000
113 Night vision systems—eng dev	1,000
127 MLRS binary warhead	12,000
134 Weapons and munitions—eng dev	25,000
143 Combat vehicle improvement programs	13,900
146 155mm self-propelled howitzer improvements	4,500
148 Weapons and munitions equipment upgrade progr	8,000
149 ITV Hellfire modernization	5,000
152 Other missile product improvement programs	8,800
160 ATACMS block II upgrade	10,000
161 NBC vehicle competition	6,000
183 Real property maintenance—RDT&E	5,000
184 Base operations—RDT&E	4,000
189 Guard & Reserve unique R&D	2,000
190 Classified project	20,000
All other programs	15,000
Total, RDT&E, Army	239,644
RDT&E, Navy:	
011 Systems support technology	1,000
027 Medical development	2,500
069 Advanced air-to-air missile (AAAM)	10,000
113 Command and control systems	5,000
123 Satellite laser communications	20,000
160 Sea lance	15,000
177 Radar surveillance equipment	1,000
196 Bomb fuze improvement	8,400
225 F/A-18 squadrons	20,000
232 Navy cover and deception program	1,000
296 Navy oceanography program	3,000
297 Oceanographic and meteor instrumentation	2,000
305 RAMP/RTIF	5,000
Total, RDT&E, Navy	93,900
RDT&E, Air Force:	
064 B-1B integration activities	15,000
145 Advanced med-range air-to-air missile	20,000
235 Space test program	3,000
236 Satellite systems survivability	1,516
283 ICNIA	34,700
All other programs	172,000
Total, RDT&E, Air Force	246,216
RDT&E, Defense Agencies:	
003 University research initiatives	25,000
007 Strategic technology	79,000
008 Tactical technology	10,000
011 Materials and electronics technology	2,000
012 Nuclear monitoring	15,000
015 CASET	3,000
021 Joint DOD-DOE munitions technology development	12,284
022 Experimental eval of major innov tech	5,000
024 Center for advanced technologies	15,000
029 Balanced technology initiative	75,000
030 Coop DOD/VA med research	20,000
032 Consolidated DOD software initiatives	8,000
048 Joint remotely piloted vehicles program	12,300
065 Semiconductor manufacturing technology	55,215
075 General support to C31	3,000
079 Critical technology analysis	27,000
088 Adv submarine technology	65,000
089 Advanced ASW technology	15,000
091 Technology exploitation	2,000
094 Adv technology tactical transport	5,000
095 OSD close air support	10,000
096 Extended air defense	25,000
098 Product Evaluation Act	17,500
099 Optoelectronic materials	14,500
All other programs	6,486
Total, RDT&E, Defense Agencies	527,285
Developmental test & eval., Defense: 005 Live fire testing	5,000
Total, developmental test & eval., Defense	5,000
Total RDT&E	1,112,045
Military construction, Army:	
070 Fort Shafter-NCO Academy, HI	8,500

073 Ft., Sheridan-Alter dining fac, IL	880
073 Ft., Sheridan-child care ctr, IL	2,400
075 Rock Island Arsenal-fac mod, PH IV, IL	10,000
080 Savanna Army Depot-Tnsp test ctr, IL	1,800
095 Aberdeen Proving Ground-metal work tng fac, MD	8,600
152 Ft. Bliss-airframe spt fac, TX	3,800
180 Fort AP Hill-util/tng fac upgrade, VA	4,000
185 Fort Eustis-emerg svcs bldg, VA	2,500
187 Ft. Lee-petroleum field tng fac, VA	4,800
200 Fort Lewis-special needs school, WA	10,000
Total, military construction, Army	57,280
Military construction, Navy:	
005 Nav stat mobile-ship stp complex-incr II, AL	11,355
052 Nav Air rewrk fac Alameda-Acft acoust encl, CA	8,290
125 Nav shipyd Mare Island-fire station, CA	2,500
143 Nav sup ctr Oakland-gas cylinder storage, CA	1,550
378 Nav Air Station Meridian-beq upgrade, MS	3,100
385 Nav stat Pascagoula-ship spt complex-PH II, MS	8,180
385 Nav stat Pascagoula-beq rehab, MS	6,000
395 Nav wpns stat Earle-dredging, NJ	11,800
432 Nav shipyd Phil-water distr sys-PH II, PA	10,300
477 NAS Memphis-tng facility, TN	10,090
Total, military construction, Navy	73,165
Military construction, Air Force:	
053 Blytheville-org maint shop, AR	1,050
053 Blytheville-veh maint shop, AR	1,100
055 Little Rock AFB-apron lighting, AR	700
070 Castle AFB-base civil engr complex, CA	8,600
070 Castle AFB-flood control cost share, CA	1,000
090 Mather AFB-base flt opns fac, CA	2,300
155 Eglin AFB-Consolid spt ctr, FL	7,300
185 Robins AFB-wpns sus spt ctr, GA	12,600
207 Grissom AFB-traffic mgt fac, IN	1,850
208 McConnell AFB-relocate main gate, KS	680
235 Wurtsmith AFB-heat plant, MI	5,700
280 Pease AFB-alter elect sys, NH	8,850
333 Altus AFB-land acquisition, OK	2,300
352 Brooks AFB-veh maint shop, TX	2,750
415 Fairchild AFB-beq survival school, WA	8,100
Total, military construction, Air Force	64,880
Military construction, Defense agencies:	
062 Robins AFB-occup health clin repl, GA	3,600
075 Fort Meade-def access road, MD	12,000
087 Kirtland AFB-dental clinic, NM	2,550
092 Ft Sill-hospital-PH II, OK	27,000
Total, military construction, Defense agencies	45,150
Military construction, Army National Guard:	
002 Auburn-armory, AL	937
007 Ft McClellan-unit tng eq site, AL	459
010 Montgomery-consol spt maint shop, AL	3,652
012 Tuskegee-armory, AL	651
032 Fort Richardson-armory, AK	25,000
042 Stuttgart-armory, AR	936
060 Camp Blanding-boq beq, FL	886
067 Metter-armory, GA	823
147 Taylor county-armory, MI	2,353
148 Ypsilanti-armory complex, MI	3,091
165 Jefferson City-unit tng eq site, MO	1,600
172 Camp Shelby-tng area fac, MS	9,500
173 Camp McCain-property & fiscal ofc, MS	593
211 Central-armory, NM	1,070
212 Grants-armory, NM	800
213 Las Vegas-armory, NM	1,313
217 Santa Rosa-armory, NM	800
218 Tucumcari-armory, NM	807
232 McConnelsville-armory, OH	4,669
232 McConnelsville-org maint shop, OH	1,153
232 McConnelsville-training site, OH	914
233 Hugo-armory, OK	700
273 Trenton-armory, TN	1,500
317 West Point-armory, VA	1,420
323 Buckhammon-prop ofc addit, WV	325
350 Unspec Worldwide loc-plan & design, ZU	200
Total, military construction, Army National Guard	66,152
Military construction, Air National Guard:	
107 South Portland AFS-comm/elect tng fac, ME	988
122 Key Field-med admin fac, MS	1,000
122 Key Field-civil engr fac, MS	1,450
217 Mitchell Field-alter veh maint fac, WI	2,970
220 E WV reg apt (Martinsburg)-spt facs, WV	200
235 Unspec worldwide loc-plan & design, ZU	650
Total, military construction, Air National Guard	7,258
Military Construction, Army Reserve:	
097 Concord-land acquisition, NH	150
098 Laconia-land acquisition, NH	350
099 Manchester-hardstand, NH	125
182 Beckley-land acquisition, WV	175
183 Morgantown-land acquisition, WV	150
184 Parkersburg-Reserve Ctr, WV	3,306
195 Unspec worldwide loc-plan & design, ZU	330
Total, Military Construction, Army Reserve	4,586
Military Construction, Naval Reserve: 052 Gulfport-Seabee ctr, MS	6,500
Total—Military Construction, Naval Reserve	6,500
Military Construction, Air Force Reserve: 035 Grissom AFB-A-10 fac, IN	4,800
Total, Military Construction, Air Force Reserve	4,800
Total Military construction	329,771
Family housing construction, Army: 032 Ft. Bliss-new construction (108 units), TX	9,100
Total, family housing construction, Army	9,100
Family housing construction, Navy:	
032 Naval Distr Washington-new constr (2 units), DC	330
037 NAS Glenview-new constr, IL	10,000
Total, family housing construction, Navy	10,330
Total family housing	19,430

AUTHORIZATION CONFERENCE QUANTITY ADDS, PROCUREMENT TITLE

[Dollar amounts in millions]

Appropriation and item	Quantity	Amount
APA: AHIP	12	$43.0
PAA: 155mm charge	11,000	5.0
APN: F-18	12	207.0
WPN:		
SPARROW	300	40.0
HELLFIRE	800	26.1
Total		66.1
OPN: MK-92 cort FCS	4	50.1
PMC: M-1 tank	52	104.0
APAF: C-135 mods	4	63.0
MPAF: Maverick	280	30.0
OPAF: MK 82 bomb	72,000	19.8
Guard/Reserve:		
KC-130T	2	40.0
C-130	16	300.0
MH-60G	12	72.0
MK-113 APC	300	75.0
M-1 Tank	58	115.0
F-15 Mod	16	30.0
Total		632.0

AUTHORIZATION CONFERENCE QUANTITY ADDS, PROCUREMENT TITLE—Continued

[Dollar amounts in millions]

Appropriation and item	Quantity	Amount
Grand total		1,220.0

TACIT RAINBOW

Mr. DOLE. And finally Mr. President, I would like to point out one particular subject that I think merits the attention of my colleagues and the Air Force. In 1984, a decision was made to consolidate several "black" programs dealing with mini-drones necessary for future air defense suppression purposes. There were indeed overlapping missions within several different agencies and money was being wasted.

At that time, the Air Force basically put all its future air defense suppression hopes on one system known as "air launched tacit rainbow."

Mr. President, I ask unanimous consent that a recent Aviation Week and Space Technology article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

USAF INVESTIGATES TACIT RAINBOW TEST LAUNCH FAILURE

WASHINGTON.—The Air Force is investigating the failure of the latest flight test of the Northrop AGM-136A Tacit Rainbow antiradiation missile.

During the June 17 test at the Naval Weapons Center, China Lake, Calif., the missile's engine failed to start after the missile was launched from a Navy A-6E Intruder. The cause of the failure has not yet been determined. An engineering staff report on the launch failure is due to be delivered this week and Air Force officials expect to formulate a recovery plan over the next several weeks.

FREE-FLIGHT TEST

It was the first unsuccessful test of the missile since a string of failures during contractor development tests last year (AW&ST May 23, p. 87). The failures, which were attributed to workmanship problems at Northrop's Ventura, Div., set the program back by 10 months.

Air Force officials thought the program was back on track after a series of successful tests earlier this year, including a successful free-flight test of the missile from a Navy A-6E on Apr. 12. Officials are uncertain whether the recent failure was linked to previous problems.

In a free-flight test on Nov. 3, a pyrotechnic device that deploys the missile's control surfaces failed due to a loose wire. As a result, the missile engine failed to ignite. After an extensive investigation the Air Force devised a special tool to ensure that the wire is correctly fastened.

In the latest test, the missile's control surfaces deployed upon separation from the A-6. The vehicle never sensed a condition for engine start, however. The missile's Williams WR36-1 engine has not been associated with any previous problems. "The engine is one of the top subsystems in the vehicle," an Air Force program official said.

The Navy has moved to silence internal criticism of the program. Antiradiation missile experts at the Naval Weapons Center felt there were serious technical problems associated with the missile.

The Navy joined the Air Force on the program in November, 1984, shortly after the Northrop NV-144 drone had lost a controversial competition to replace the Teledyne Ryan Firebee target drone. Northrop considered filing legal action to force the Navy to reconsider the competition but decided not to. Shortly thereafter, the Navy gave Tacit Rainbow a large boost by joining the program.

Mr. DOLE. Mr. President, this article points out that the tacit rainbow missile is now almost 1 year behind in its development, due to its many failures and technical problems. The Air Force is further investigating the program.

Mr. President, I also ask unanimous consent that a recent Los Angeles Times article be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 30, 1988]

PAISLEY SAVED MISSILE EXPERTS WANTED KILLED

(By Ralph Vart a Bedian)

A top-secret missile called Tacit Rainbow was beset with so many problems in 1985 that scientists at the China Lake Naval Weapons Center recommended that the contract be killed. Then, former Assistant Navy Secretary Melvyn R. Paisley stepped in.

Paisley, now under investigation in the Pentagon procurement scandal, overruled the scientists and kept the multimillion-dollar project alive. The Times has learned. Also aligned with Paisley on the Tacit Rainbow decision was another Pentagon official who is also under investigation: Victor D. Cohen, deputy assistant secretary of the Air Force for tactical warfare systems.

The prime contractor on Tacit Rainbow is Northrop Corp., which was served with a search warrant this month at the firm's Ventura Division in Newbury Park. Investigators were said to be seeking information concerning the Tacit Rainbow and other unmanned aircraft programs.

The missile remains under development there even though Northrop has encountered significant technical, schedule and monetary problems; its cost, officially classified, has soared tenfold, from $30,000 per missile to $300,000, according to Navy sources.

Meanwhile, the scientists at China Lake who recommended killing the Tacit Rainbow missile program have encountered significant career problems. Burrell Hays, the former technical director of the Navy lab, was forced out in 1986, and members of the technical staff who made the recommendation were reassigned, according to Navy sources.

"It was a long battle," said Dr. Frank Cartwright, a former senior adviser to Hays at China Lake. "Paisley essentially fired Burrell Hays."

Paisley's action shows the powerful influence that top political appointees at the Pentagon have been able to wield in the Reagan Administration, not only over weapons contracts but over the government's basic weapons research capability.

Ultimately, the action led to a significant weakening of national capability in anti-radar missiles, which are critical to the high technology warfare that U.S. forces may have to wage, some experts say.

At the time of the controversy, the Tacit Rainbow was so highly classified that even the existence of the program could not be acknowledged. The secrecy kept the controversy contained, even though it was causing a major uproar at the isolated weapons development center in the Mojave Desert. The secrecy that surrounds these so-called "black programs" often means that they get little scrutiny by Congress, critics say.

"We had some pretty strong discussions," Hays acknowledged, but he refused to discuss specifics of the incident. However, Navy sources who back Hays said the problems with Tacit Rainbow uncovered by China Lake were so profound that they could not understand how Paisley could have sided with Northrop in the case.

"At one point, development costs at Northrop were running $20 million per month," one official said. "Even the Air Force wanted to terminate Northrop's contract."

The Air Force's Aeronautical Systems Division at Wright-Patterson Air Force Base in Ohio had the original lead role in developing the missile, but the Navy joined the program during the mid-1980s. In 1985, China Lake was requested to provide an independent evaluation of the program. The weapons center was also responsible for developing the missile's warhead and fuse.

China Lake, a vast complex of laboratories and bombing ranges the size of Delaware just east of the High Sierra, is widely regarded as the top ordinance laboratory for the military services, having produced some of the most successful missiles, bombs and conventional war heads in the Navy and Air Force arsenals.

But, at the same time, China Lake has gained a reputation as a maverick in the military system, an organization populated by independent scientists often at odds with Washington bureaucrats and defense contractors.

The center has aggressively pushed for a role to conduct full scale weapons development by government scientists, build prototypes and develop detailed manufacturing plants for weapons. Then, it would hand over those plans for competitively bidding by manufacturers.

That attitude is anathema to defense contractors, who wanted lucrative defense research and development dollars under their own control.

When Paisley arrived as an assistant secretary of the Navy, the defense industry found a friend who would do battle with military laboratories, in part because the Reagan Administration was eager to reduce the government's research and development payroll.

The issue of China Lake's role in the development of weapons came to head on several major programs, including Tacit Rainbow.

Tacit Rainbow is a type of anti-radiation missile, and China Lake is particularly known for its expertise in anti-radiation missiles, which are used to attack enemy radar. The missiles utilize electronic seekers that find enemy radar by using the radar's own electronic emissions to guide the missile in.

Tacit Rainbow is unique in that the missile is capable of what the industry calls "loitering in flight" for long periods of time, waiting for an enemy to turn on his radar and than attacking it. Normally, such missiles are fired only when the radar is operating, meaning the missiles can be defeated by momentarily turning off the radar.

But Tacit Rainbow started off as a generic unmanned aircraft and was adapted by Northrop to an anti-raidation role, according to Navy officials. As a result, the missile experienced aerodynamic problems with its turning or yaw capability. In addition, its electronic seeker had experienced technical difficulties.

"There was an awful lot of dumb engineering by Northrop," Cartwright said. "They don't know ordnance engineering."

Development is now at least one year behind schedule, and some Navy sources said the development could be as much as two years behind schedule. This spring, a missile failed during a test, resulting in additional delays to the program.

Scientists at China Lake in 1985 could see this coming. They recommended to Paisley's office that Northrop's contract to develop Tacit Rainbow be terminated and the Navy open the program to new bids by defense contractors. (Northrop would not have been barred from bidding to reenter the program.)

According to Navy officials, the Air Force's program office at Wright-Patterson agreed with the recommendation, but Victor Cohen, the deputy assistant secretary of the Air Force for tactical systems, agreed with Paisley.

Retired Air Force Gen. Lawrence Skantze said in an interview that he could not recall that a specific recommendation to terminate Northrop's contact was brought to him during his tenure as commander of Air Force procurement.

"If the recommendation was made, I probably would have endorsed it and taken it to the Pentagon," Skantze said. "I was very unhappy with Tacit Rainbow and Northrop's progress. I was never very high on the program."

Within a year of the Tacit Rainbow controversy, Hays had been forced from his job by Paisley. Officially, Paisley said that Hays was offered a promotion to director of Navy laboratories in Washington and turned down the job. In fact the job was scheduled to be eliminated within a few months, and the promotion was considered nothing more than ruthless bureaucratic gamemanship.

"It would have been career suicide to take that job," Hays said.

Hays said he thought at the time that Paisley's actions were motivated by ideology that favored industry labs over government labs. Paisley, along with Navy Secretary John F. Lehman Jr., imposed a number of changes designed to circumvent the authority of career scientists in government and transfer that power to political appointees, Hays said.

Lehman mandated that all civilian senior executives had to rotate out of their jobs every five years, thereby dissipating the influence of institutions such as China Lake. At the same time, Lehman won the right to approve the promotion of every admiral, ensuring that military officers would not obstruct his will, Hays said.

In referring to recent new reports on Paisley, Hays said, "If all these allegations are true, then clearly you wouldn't want a strong technical laboratory system to come in and say your decisions are wrong."

In addition to Hays, a number of scientists and engineers at China Lake were reassigned to new jobs after the controversy with Tacit Rainbow. "It breaks my heart to see what was the premier anti-radiation group in the country destroyed by all of this," said Cartwright, the former senior advisor to Hays.

Mr. DOLE. Mr. President, this article clearly points out that this same Tacit Rainbow experienced severe difficulties in 1985 and, while neglecting the advice of the experts dealing daily with the program, Navy Assistant Secretary Paisley kept the program alive.

In light of the necessary technical advantage that our forces will need in the post-INF environment, we should not rely on one single research and development program of this type. Another program with similar mission potential, Seek Spinner, has completed flight tests with much more successful results than Tacit Rainbow. It is also cheaper and requires far less manpower to operate.

Mr. President, many Air Force decisionmakers favor developing both systems in parallel, and so do I. Yet the budget request from the Pentagon never includes Seek Spinner.

OUR ARMED FORCES

Finally, Mr. President, I would say to the managers of the bill that their months of effort in formulating a bill that adequately addresses the needs of our Armed Forces are indeed appreciated. Those men and women defending our interests around the globe deserve the very best that a grateful Nation can provide.

Men like Capt. Bill Nordeen, buried just last week at Arlington, serve unselfishly and at great personal risk. We owe them our support.

But at the same time, we cannot accept unilateral concessions and limitations that serve further to weaken the President's hand in negotiations with the Soviet Union. We cannot afford $4 billion in unrequested addons. And we certainly cannot risk curtailing defense programs which promise greater security and stability for America and the world.

These are the reasons I am voting against the defense conference report.

Mr. President, I do not want to get into a contest here, but since the Senator from Georgia was kind enough to point out add-ons that were offered by Members on this side, I wonder if we might just have the RECORD reflect add-ons offered by anybody in the Senate, all the add-ons. We can get that information from committee so we can put it in the RECORD, because the RECORD now indicates that so-and-so Republican and such-and-such Republican had add-ons, but no one on that side.

So why do we not just make it a public record?

Mr. NUNN. I also want to get the add-ons on the tax bills for the last few years.

Mr. DOLE. We do not have the tax bill.

Mr. NUNN. Let us lay it all out there.

Mr. DOLE. This is not the tax bill.

Mr. NUNN. I know it, but that is relevant. Let us lay it all out there and let the public judge.

Mr. DOLE. It is all right with me.

The PRESIDING OFFICER. Who yields time?

Who yields time. The Senator from Indiana.

Mr. QUAYLE. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. Four minutes three seconds.

Mr. QUAYLE. I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. Mr. President, we are about to vote on this and I will reluctantly be voting in opposition to this conference report. I think that it is unfortunate that we have gotten to this position and I am not going to get into the posture of who is at fault. There is plenty of blame to pass around all over the place, I am sure, when you get right down to it.

But my response to the Senator from Virginia is I think at least from my viewpoint I know some procedural problems and hurdles that we have. But the facts are the facts, and the facts are that you had 183 vote in opposition in the House of Representatives, on a motion to recommit to the conference, you had 35 votes from Senators on this side of the aisle.

I understand that this is an election year and next year will be a different year and I hope that perhaps there will be some lessons learned, maybe there will not be, but there is no doubt about it at least from my viewpoint this is not a healthy situation. Maybe it can get better.

But primarily my objections particularly on all the arms control provisions it is really a choice on who is going to run foreign policy, who is going to sit down and negotiate. I think there are many who perhaps feel and have stated that the President is not interested in arms control.

That is just simply illogical and absurd on its face.

Second, what happened to the strategic defense initiative and the modernization of our ICBMs is unacceptable. Congress once again is inserting itself with micromismanagement and giving us indecision on both MX and Midgetman. And I certainly do not believe that is the way to go.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. QUAYLE. I yield myself another 30 seconds.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. The third concern that many on this side of the aisle have is these so-called add-ons, and I do not think we need to get into a debating point on that, but if we want to talk about the add-ons on this side of the aisle, we came out of the conference committee with an additional $190 million worth of C-130's. We can go down the list, and I do not think that is going to do anybody any good, but I do think there is an interest on what kind of an add-ons we have, and as I said, I have some, everyone has some. There may be disagreements.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. QUAYLE. I yield myself an additional 30 seconds.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. Mr. President, I believe we should review our add-ons. They are going to be add-ons. I think you have to decide on what, in fact, is pork and what is legitimate. That is a very difficult judgment call to make and we will try to do our best.

But my primary objections to this bill are not the add-ons. My objections are on constitutional grounds, the arms control provisions, and what we have really done to the strategic programs. Two of the most important of these—SDI and the modernization of our land-based ICBM—are important and have been stalled because of the action of Congress.

I reserve the remainder of my time.

Mr. NUNN. Mr. President, I yield the remainder of my time to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine has 37 seconds.

Mr. COHEN. Mr. President, I thank the Senator for yielding such a vast amount of time.

Mr. President, let me say that as I sat here I was sorely tempted to vote against this measure, not because I am opposed to the bill, but because I think it would serve this administration and those who are urging a vote "no" right. I think it would serve them right, because it would force them to come back in September, when the bill would come up as an appropriation, and debate every one of these issues all the way into November. And I believe that they would lose not only on the issue on the floor but also with the American people.

I believe that people like Senator NUNN, Senator WARNER, and I would say, the Senator from Kansas, Senator DOLE, are the people that we look to to really make this institution work. And for us at this final moment to come in and undercut the efforts that they have made to make the institution work, I think does a great disservice to them. So I hope, in spite of the objections, that we will support the measure.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. QUAYLE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Forty-four seconds.

Mr. QUAYLE. Mr. President, I yield myself the remainder of my time.

Mr. President, I would say to my dear friend from Maine, who I normally wholeheartedly concur with on issues, that I agree as to what makes this place work, but there is always a time when lines have to be drawn. I would not mind debating whether this administration has done a good job in the area of arms control, because I think this administration has a very proud record on arms control and what they have done in INF and the progress they have made on START. I believe the American people, at least according to the polls and statistics, I believe, have given this President very high marks on arms control. That is one of the issues we are concerned about.

The second issue on SDI, I think the American people support a strategic defense, a defense against ballistic missiles. I look forward to taking that to the American people.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NUNN. Mr. President, I ask unanimous consent that we have 1 minute to be equally divided on both sides for the purpose of putting statements in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I rise today in support of the conference report on H.R. 4264, the fiscal year 1989 Defense Authorization Act. I want to commend the chairman of the committee, Senator NUNN, and the ranking minority member, Senator WARNER, for their leadership in crafting the legislation we have before us today.

We have before us an excellent bill, one that deserves overwhelming support in this body. Let me just touch on a few highlights.

First, the strategic defense initiative. I believe the conferees have defined the elements of a far more rational SDI Program than we have had before. We are getting away from building up overblown expectations about umbrella-like defenses to protect our population and are trying to look realistically at what technologies are actually going to be available in what timeframe at what cost and how those might be utilized to enhance the stability of the United States-Soviet military balance.

While providing $4.08 billion for SDI research and facilities, the conference report tells the Defense Department to structure the SDI Program with three priorities in mind: first, look at the long poles in the tent—directed energy, survivability, software—to see what might be possible in the long-term; second, explore technologies consistent with the ABM Treaty that might have near term application against accidental missile launch; and third, ensure that multipurpose technologies essential for missions other than SDI, technologies such as sensors, new launch vehicles, optics and integrated current development, are not neglected.

The conferees' serious concerns over the direction and priorities of the SDI Program, and particularly its phase I architecture, appear to be shared by many in the Pentagon itself. I commend Senator EXON and Senator NUNN for their efforts in restructuring the SDI Program and in defining for it realistic goals.

Second, let me note that the conferees made a real effort to address some of the problems we see in our defense technology base and defense industrial base. A total of $441 million above the budget request was shifted toward these long-term underpinnings of our national security strategy.

The conferees added funding in such critical areas as high-temperature superconductivity, semiconductor manufacturing, verification technology, software development, optoelectronics, gallium arsenide integrated circuit technology, and advanced manufacturing technology. Much of this research will have both civilian and military applications.

In a very real sense, the Defense Advanced Research Projects Agency, which manages most of these national efforts, as well as others such as strategic computing, is one of the main instruments of our national industrial policy. I would only note in passing that I believe the Nation would be better served if DARPA's outstanding efforts aimed at the military applications, were complemented on the civilian side by a civilian ARPA, as Senator GLENN has taken the lead in advocating.

The conferees have once again this year put emphasis on the balanced technology initiative, adding $75 million to the request for this vital effort aimed at speeding the emergence of technologies that will impove the capabilities of our conventional forces. The conferees also added $12.3 million to the joint DOD-DOE munitions technology development effort aimed at better integrating the DOE nuclear weapons laboratories into our conventional defense efforts. We clearly need to do a better job in this area.

As Senator NUNN has repeatedly pointed out, we cannot afford repetitions of the reactive armor episode, where technology developed originally at Livermore National Laboratory was fielded by the Soviets long before our own Army did so.

The bill has many other provisions that I believe strengthen our technological and industrial bases and improve our acquisition system. For the first time, we ask the DOD and DOE to work together to plan the development of the 20 technologies they deem most essential to our long-term national security. For the first time, we require the Secretary of Defense to regularly consult with the Secretary of Commerce about the economic consequences of our defense-related memoranda of understanding with foreign governments. For the first time, we call for international negotiations to deal with the issue of offsets on international sales of defense equipment. It has been a pleasure to work with my colleague from Illinois. Senator DIXON, on these important industrial base and defense trade issues. He has been a vigorous and persuasive advocate for giving these matters higher priority than they have been accorded in the past.

In the acquisition policy area, the bill makes several changes, derived from S. 2254, the Defense Industry and Technology Act, which Senators GRAMM, DIXON, WIRTH, and I introduced in March. The most significant, I believe, is the requirement for DOD to establish an integrated contract finance, investment, and risk-sharing plan. The bill also contains provisions concerning the criteria governing fixed-price development contracts and regulatory simplification. Finally, I should note that we have included several important provisions which derive from the original House bill dealing with such issues as standards for contractor inventory accounting systems and safeguarding of military whistleblowers.

Mr. President, let me conclude by urging my colleagues to support the conference report. It is the product of a very careful process, which Senator NUNN and Senator WARNER oversaw on the Senate side and in which I am proud to have participated. As I said at the beginning of my remarks, it deserves to be approved overwhelmingly by this body.

Mr. CONRAD. Mr. President, I will vote against the conference report on the fiscal year 1989 authorization bill for the Department of Defense because I believe that it authorizes more spending for defense than this country can afford.

Since the beginning of the current administration over 7 years ago, our national debt has more than doubled and our trade deficit has reached unprecedented levels. Our overall level of defense spending has increased also. Even though this particular defense authorization of $299.5 billion represents a slight reduction from last year after inflation, the fiscal 1989 level of defense spending is 41 percent higher than fiscal 1981 after adjusting for inflation. I realize that this figure was agreed upon last December, and consequently is no surprise, but I believe that more can and must be done to reduce defense spending.

The United States currently spends over 6 percent of its gross national product on defense, including our alliance obligations. Our European allies spend on average about half this amount, or about 3.4 percent, while Japan spends about 1 percent. I believe this disparity in defense spending shows that the United States spends more than its fair share to support these alliances.

I have been a vocal proponent of greater Allied burdensharing, and I am quite pleased to see progress occurring in this area. Secretary Carlucci and Assistant Secretary Taft have begun discussing these concerns with out allies in Europe and the Pacific. Our European allies have begun discussing ways to increase their support of our mutual defense requirements. It is apparent that congressional efforts to pursue a more equitable distribution of the cost of defending our alliances are now being taken seriously. I will continue to press for actions to insist our allies assume a more fair share of the common defense burden, and hope that the next administration will move quickly to advance these efforts.

I support a strong national defense. However, I believe that we can have a strong defense, and reduce defense costs, if we begin to prioritize. I believe that efforts to improve the efficiency of our overall defense must continue. We will also face tough choices over selection of future weapons systems and how to deploy the weapons systems we have. These choices will only become more difficult in the future. We must accept the fact that we simply cannot afford to build and deploy all the weapons systems we would like. We must use our resources in the most efficient and effective manner so that we match our defense needs with our ability to pay for them.

Two programs illustrate my point. First, this bill authorizes funding for two mobile ICBM systems: rail-MX and the small ICBM. We cannot afford both systems. It is clear that we cannot afford both systems. I believe a choice must be made but the continued funding for both systems demonstrates that we are failing to make this choice.

The second program is the strategic defense initiative. Although I believe that continued research in this area has provided important bargaining leverage with the Soviets during arms control negotiations, I believe a realistic assessment is in order to scale back funding for many aspects of SDI. The Office of Technology Assessment has significant doubts about the effectiveness of SDI as it is now envisioned. The OTA has suggested that the system will be so complex that the changes of a catastrophic failure during wartime are virtually guaranteed. I believe this mandates a reduction in funding of SDI and a continued assessment of its feasibility prior approval of funding increases.

I am concerned not only about SDI and missile program funding, but also our ability to fund future programs. This concern is focused upon the tremendous growth in the Federal deficit. The on-budget deficit has grown from $79 billion in fiscal year 1981 to the CBO estimate of $161 billion for fiscal 1988. The total Federal debt for fiscal 1989 is estimated by CBO to be $2.825 trillion. The interest we must pay to finance this debt will total about $166 billion for this fiscal year. I am sure every Senator can think of something more beneficial to the country than paying such high amounts on interest to service the debt. All of our programs suffer because of the inability to make serious progress in reducing the deficit.

I know that a great deal of effort has gone into this bill to make tough choices and force establishment of priorities at the Pentagon. I am encouraged by and support these efforts. In my judgment, however, we must do more in view of the staggering Federal budget deficit. Accordingly, I will oppose H.R. 4264.

Mr. THURMOND. Mr. President, this year, the Senate passed a defense authorization bill that strongly supported strategic modernization and the Strategic Defense Initiative, and significantly, did not contain onerous arms control provisions. Secretary of Defense Carlucci described the Senate bill as making a "significant positive contribution to U.S. national security interests."

In contrast, the House passed a bill that cut more than $2 billion from strategic programs, and legislated arms control on such issues as limiting nuclear testing, continued compliance with the SALT II sublimits, and depressed trajectory flight tests.

The conference report that is before us went a long way toward redressing the more egregious provisions and recommendations in the House bill. Unfortunately, it still contains too many vestiges of the House bill, which has prompted Secretary Carlucci to give serious consideration to recommending a Presidential veto of the conference report.

Mr. President, I supported the Senate position on ICBM modernization, which allowed $700 million to continue full scale development of the MX and $50 million to close down development of the small ICBM program. I recognized, however, that the Senate position was unlikely to prevail in conference, especially since the House also adopted an unrealistic negotiating position in their bill. This Senator expected the requested

SICBM funding level to be restored, since this request was based on an agreement between the Secretary of Defense and the leadership of the Senate and House Armed Services Committees, and expected a level of rail garrison funding sufficient to keep the full-scale development program on track.

As it turned out, the conference agreement allows $250 million to be obligated for each program, through March 31 of next year, when the next President would have to make a decision to continue one or the other, or both, or neither program. Such a Solomon-like solution may have worked in scripture, but in this case, the ICBM modernization program has suffered a severe setback. Rail garrison MX, which was proceeding in full-scale development on a schedule to meet initial operational capability by the end of 1991, will be "derailed." Contract teams will have to be scaled back, and the schedule will slip regardless of the action taken by the next President.

Mr. President, the Conference action would be more acceptable to me if there was any assurance that the ICBM question could be resolved quickly by the next President. I have no confidence that will be the case. I recall that President Reagan entered office in January 1981 determined to make an early decision on the ICBM modernization program—and it took until October for the decision to be made. In many respects, the decision will be even more difficult for the next President because it cannot be made in isolation from our arms control objectives, from the budget situation, and from our overall strategic modernization goals. Yet under the conference report, the rail garrison program, which currently has the most promise for affordable ICBM survivability, will be on hold—costing taxpayer dollars, but making no real progress—so long as it is limited by the obligation ceiling.

Mr. President, every year since the SDI program was initiated, the Senate has gone into conference with a higher funding level than the House, and the conference outcome has tilted in favor of the higher Senate number. This year marks an unfortunate departure from those precedents. The conference report splits the difference between the two funding levels, resulting in an outcome that constitutes negative real growth compared to fiscal year 1988.

The $800 million reduction to the administration's request, which had already been significantly reduced from levels planned last year, is warranted neither by budgetary constraints nor by the program itself, which testimony indicates has made significant technical progress.

The conferees also departed from tradition in not rejecting specified allocations of SDI funding within the program. In combination with reduced funding, the internal allocations will severely impact the ability of the program manager to construct a balanced SDI program.

Mr. President, I noted earlier that the Senate bill did not contain onerous arms control amendments. In fact the Senate rejected a SALT II compliance amendment this year, and again solidly defeated legislation designed to limit nuclear testing. The House, in contrast, continued to support legislating arms control, giving the Soviets advantages that they have been unable to gain at the negotiating table. The House bill contained virtually the same nuclear testing and SALT II compliance provisions as passed by the House last year, and added a new provision prohibiting depressed trajectory ballistic missile flight tests.

The motivation of the House in legislating arms control was at least understandable as frustration when little progress was being made in Geneva. It is not understandable with the considerable accomplishment of the INF treaty now in force, and with the progress that has been made to limit strategic nuclear forces and to verify nuclear testing.

The conference report rejected the three arms control provisions in the form approved by the House, but included modified provisions that should be cause for concern.

The conference report dropped the House language requiring the United States to comply with the numerical sublimits of the unratified and expired SALT II agreement. The conference, however, prohibited the obligation of funds to operate or maintain two ballistic missile submarines after September 1, 1989. Both ships were scheduled for overhauls in fiscal year 1990. This action has the effect of unilaterally shortening the operational life of two platforms from the most survivable leg of the triad. As Secretary Carlucci has written:

> This arbitrary decision to remove these submarines from service will not return the United States into compliance with SALT II, a misguided objective in the first place. Instead, it will simply reward the Soviet Union for its violations of past agreements and undermine the U.S. position in the ongoing START negotiations.

The conference report dropped the House language limiting nuclear testing to 1 kiloton, and for that we should all be thankful. So long as we depend on nuclear weapons for deterrence, we will depend on nuclear testing—and at levels well above the 1 kiloton threshold.

The conference report instead adopted a provision establishing a Test Ban Readiness Program designed to ensure that the United States is in the position to maintain a reliable, safe, and effective stockpile of nuclear weapons designs in the event that a low threshold or comprehensive test ban is negotiated.

Mr. President, that does not sound too onerous. The problem is that last year, we asked the Department of Energy to examine the feasibility and usefulness of such a readiness program. The conference report, rather than wait for the scheduled availability of this report, accepted this provision without the benefit of any hearings or any other information.

Moreover, in the course of the conference, it became very clear that House Members, who are pressing for nuclear testing limitations, are not interested in the readiness program providing for the continued effectiveness of our nuclear deterrent. The House conferees resisted any language suggesting that under such a readiness program, we might have to make improvements in the stockpile to cope with Soviet target hardening, for example.

Mr. President, the real danger of this legislation is that it puts us on a slippery slope toward progressively more restrictive legislative provisions affecting nuclear testing. President Reagan has outlined the proper course in this regard: step-by-step negotiations on nuclear testing in parallel with progress on limitations on nuclear weapons.

Finally, Mr. President, the conference report agreed to drop the House provision imposing an immediate ban on depressed trajectory missile testing. If my colleagues do not know very much about depressed trajectories, they are not alone. In fact, as it turned out, the authors of the House provision did not know very much about it either, for the provision passed by the House contained a mathematical formula that proved to be in error. It is bad enough to legislate arms control. It is still worse to legislate arms control on very technical issues about which too little information is known.

The conference report attempts to fill the knowledge gap by requesting a report from the Secretary of Defense, with input from the Director of Central Intelligence on the depressed trajectory issue, including a definition of a depressed trajectory ballistic missile test and an assessment of our ability to monitor such tests. The problem with the conference report is that it then requires a moratorium on such tests 60 days after the report or after August 1, 1988. Secretary Carlucci has expressed his regret "that the Congress would adopt such a provision without conducting a single hearing on the subject." With or without information supporting the continuation of such a moratorium, I would probably not surprise many of my colleagues by predicting that we will see similar, perhaps more restrictive legislation, emerging from the House of Representatives on the fiscal year 1990 Defense authorization bill.

Mr. President, I signed the conference report in recognition of the hard work of the conferees in reconciling over 450 language differences and over 400 funding differences. These included, among other things, the elimination of a House provision that would have had a very adverse effect on the selection process for a new production reactor. They included agreement on the important Guard and Reserve package, which I, and the distinguished senior Senator from Mississippi, Senator STENNIS, have supported each year.

Notwithstanding the many positive features of the conference report, I voted earlier today to recommit the report. I did so in the hope that the conferees could readdress the ICBM modernization and SDI programs, and the provisions that would have the effect of legislating arms control, and arrive at an outcome closer to the excellent Senate bill.

Mr. President, I am strongly opposed to the few but important provisions in this report affecting strategic programs and arms control. They represent an undercutting of the President in the exercise of his most important responsibility to provide for the national security. That is reason enough to be opposed to this report. On the other hand, this Senator comes to the unfortunate but realistic conclusion that if the report were not to pass, there would be a Defense Authorization Act for fiscal year 1989. This would be a bad precedent, and would also adversely affect many of the excellent initiatives contained in the report. Moreover, because this Senator has no illusions about where the votes are in the two Houses, the strategic program and arms control provisions that are of concern in this report would, in all likelihood, reappear during the appropriations process.

I will therefore reluctantly vote in favor of the conference report, even though I agree with Secretary of Defense Carlucci: "The conference outcomes on key strategic programs and arms control provisions harm U.S. national security interests."

Mr. CHAFEE. Mr. President, I rise in strong support of the conference report on the Department of Defense authorization bill for fiscal year 1989. I do so because it contains a number of important arms control provisions that I consider critical to our national security, and which I supported during Senate debate. Many of these provisions do not go quite so far as I have advocated, but I am delighted and satisfied with the spirit of compromise that is present in the final defense bill.

First and foremost, the DOD bill addresses the urgent need for interim restraint as we begin elimination of INF missiles and vigorously pursue strategic arms reductions in START talks. The bill requires the dismantling of two Poseidon submarines, and the "tying up" of a third. Although this action will not bring us in compliance with the key SALT II sublimit of 1,320 MIRV'd systems, it will keep the number of deployed land-, air-, and sea-based MIRV'd missiles even with the number we had at the end of fiscal year 1988.

Second, comprehensive testban amendments have met with defeat in the past because of concern over U.S. inability to verify Soviet compliance with such a ban. This bill wisely lays the groundwork for a comprehensive or low-threshold testban treaty. It requires the Department of Energy to ensure that the safety and reliability of the U.S. nuclear deterrent force can be maintained without test explosions. Furthermore, the conferees have increased the Pentagon budget or nuclear testban seismic verification research from $15 million to $37.6 million. These additional funds will enable acceleration of U.S. monitoring capacity of even the smallest nuclear tests.

The bill strikes an acceptable compromise on SDI funding. The agreed-upon amount is $4.1 billion. Now, this is far more than I would like to see spent on SDI, which in my view is on a collision course with the Antiballistic Missiles Treaty of 1972. Nevertheless, the conferees have attached some important strings to that $4.1 billion which will guard against rapid deployment of SDI and dedicate part of the money to important aspects of SDI research.

Furthermore, the conference report retains the laudable Senate language barring the administration from conducting SDI tests in a way that is inconsistent with the traditional interpretation of the ABM Treaty.

Mr. President, these provisions are the fruits of many years of labor in which a number of us have participated. I commend the conferees, in particular the distinguished chairman of the Armed Services Committee and the ranking minority member, for accepting them.

I find the progress in these areas particularly gratifying in the wake of ratification of the historic INF Treaty. I am confident that this progress will help create an atmosphere conducive to cementing a START agreement with the Soviet Union.

Although much work remains to be done, I urge my colleagues to further the cause of nuclear arms control and vote for the DOD authorization conference report.

IMPLEMENTATION OF LAW GOVERNING SUBMISSION OF FIVE YEAR DEFENSE PROGRAM

Mr. WEICKER. Mr. President, I rise to submit a report on the implementation of subsections (f) and (g) of section 114, title 10, United States Code—a provision of law that grew out of an amendment I offered to the defense authorization bill last year. The law pertains to the Five Year Defense Program [FYDP]. Mr. President, the purpose of this report is to express dissatisfaction with the way this legislation is being implemented by the Department of Defense [DOD].

AMENDMENT

Last year, during the floor debate on the defense authorization bill, I secured passage of an amendment requiring consistency in future 5-year budget presentations of the Department of Defense [DOD].

My amendment was subsequently accepted by the House and signed into law by the President.

The amendment has two main provisions:

All program and budget information, including all supporting documentation, submitted to Congress by the DOD shall be consistent with the President's 5-year budget in the "Budget of the United States Government"; By April 1 of each year, the DOD shall provide Congress with the Five Year Defense Program [FYDP], including all associated annexes, used to formulate the President's budget.

RATIONALE

In recent years, the DOD has been giving Congress inconsistent program and budget information. The problem has two facets.

First, the DOD has two 5-year programs.

There is the plan presented to Congress by the President in the "Budget of the United States Government," and there is the secret internal Pentagon FYDP. For fiscal years 1988-92, for example, the FYDP exceeded the congressional plan by about $80 billion—a discrepancy verified by the DOD inspector general in a report to me dated April 30, 1987. Comparable discrepancies existed for fiscal years 1987-91.

Second, line item program data provided in congressional data sheets and similar justification materials are drawn from and consistent with the larger, more costly internal Pentagon FYDP. The 5-year projections presented in the "Budget of the United States Government" are not supported by line item detail.

Approval of the individual line items, as portrayed in the congressional data sheets, would therefore suggest support of the higher FYDP "top line," that is, a larger budget—not the smaller congressional 5-year plan. All the individual line items presented in budget justification materials, if taken together and approved in full, would simply not fit into the congressional plan—an additional $80 billion in budget authority would be needed to accommodate them in the outyears.

The net result is instability and waste as program funding is inevitably reduced in the outyears.

The DOD is maintaining two sets of books. The 5-year program and the 5-year budget information provided to Congress do not match. The congressional data sheets are but one manifestation of the problem. Others exist, such as the selected acquisition reports, the NATO cost report, and the DOD military status report—most mandated by law but all containing inconsistent and distorted 5-year budgetary information.

If budgetary information presented to Congress is flawed, then Congress cannot do its job.

Congress needs to understand the future consequences of today's decisions. It must stop looking at the budget as a separate and distinct entity. The budget itself is the first year of the 5-year program. The budget and the four subsequent outyears are inextricably linked. Changes in one necessitate adjustments in the other. The outyears should be a smooth continuation of the budget and, as such, represent an imperfect image of the future consequences of near-term budget decisions.

Properly implemented, this provision of law, which is fully consistent with the recommendations of the Packard Commission and the Carlucci initiatives on improving defense management, could bring consistency to all program and budget information provided to Congress in the future, and, above all, restore discipline and integrity to the process.

Unfortunately, it is not being implemented as Congress intended.

IMPLEMENTATION

The DOD "strongly" opposed the amendment and in letters to Chairmen NUNN and ASPIN, dated October 9, 1987, urged them to reject it in conference. Failing at that, Secretary of Defense Carlucci then approached Senators NUNN and WARNER, asking that they "waive the requirement for submission of the FYDP" as stipulated in law.

Senator NUNN refused to give the department the relief it wanted. In a February 18, 1988 letter, he told Carlucci that the committee's counsel had reviewed the statute and concluded "there is no waiver authority." Senator NUNN said that the law requires submission of the FYDP by April 1, 1988, and recommended that he comply.

On March 16, 1988, the DOD took steps to comply with the law by giving Congress the September 1986 version of the fiscal year 1988-92 FYDP.

The next day, March 17, Deputy Secretary of Defense Taft appeared before the Armed Services Committee to give testimony on the amended fiscal year 1989 request and 5-year defense plan. The chairman, Senator NUNN, questioned him about the FYDP submission. I am very dubious about the truthfulness or competence of Mr. Taft's testimony about the FYDP.

During that testimony, which consumed less than 3 pages of raw transcript, Mr. Taft stated repeatedly that "it is the only 5-year defense plan that we have" and that "it is the basis for the biennial 1988-89 budget". He also noted that the FYDP is updated every other year and promised the committee that the FYDP for fiscal year 1990-94 will be submitted on schedule by April 1, 1989. He concluded by saying that this year's submission is in "literal compliance" with the law.

For the most part, Mr. Taft's testimony was either misleading or inaccurate.

DOES FYDP SUBMISSION COMPLY WITH THE LAW?

The September 1986 version of the fiscal year 1988-92 FYDP delivered to Congress on March 16, 1988, does not comply with the law. The law specifies that the FYDP provided to Congress by April 1 each year must have been used to formulate the President's budget. The September 1986 FYDP was not used to formulate the fiscal year 1989 budget. There is no FYDP underlying the fiscal year 1989 budget. Therefore, the FYDP submission does not comply with the law.

WAS SEPTEMBER 1986 FYDP BASIS FOR FIRST BIENNIAL BUDGET?

Both Secretary Carlucci and Mr. Taft contend that the first biennial budget for fiscal year 1988-89 was based on the September 1986 issue of the fiscal year 1988-92 FYDP.

A comparison of the President's budget with the FYDP suggests that their statements were false.

If the September 1986 FYDP provided to Congress was indeed the basis for the first biennial budget, then the dollars shown in the FYDP and President's Budget should be almost identical, but they are not. The difference is striking—a total of about $37 billion in the biennial budget years—$19.2 billion in 1988 and $17.9 billion in 1989—and $120 billion over the entire 5 years as shown on the table below:

BILLIONS OF DOLLARS

	Fiscal year—					
	1988	1989	1990	1991	1992	Total
FYDP (Sept. 18, 1986)[1]	322.5	341.2	371.0	391.0	416.4	1,842.1
President's budget[2]	303.3	323.3	343.9	364.9	386.5	1,721.9
Difference	19.2	17.9	27.1	26.1	29.9	120.2

[1] TOA

[2] BA

Note: difference between TOA and BA is relatively minor (−2 percent)

Clearly, the FYDP provided was not the basis of the first biennial budget. It reflected some very preliminary program decisions [PDM's] approved by the Secretary of Defense during the summer of 1986 but did not reflect the final budget decisions [PBD's] in the fall of 1986 that were the basis of the budget.

HOW MANY FISCAL YEAR 1988-92 FYDPS EXIST?

There is but one inescapable conclusion. There is a later version of the fiscal year 1988-92 FYDP—one that incorporates the 1986 DOD budget decisions or PBD's; one that coincided with submission of the President's budget.

Both Carlucci and Taft maintain that September 1986 FYDP "is the only FYDP we have"—it was "the last FYDP published." However, there is irrefutable evidence to the contrary.

Under current departmental regulations (No. 7045.7, May 23, 1984), the FYDP is updated and published "at least three times a year." In fact, the FYDP data base is updated continuously and printed/published at periodic intervals. The FYDP data base can be printed out of a computer upon command and published with relative ease at any time. The FYDP itself is nothing more than a computer printout with a fancy cover.

The fiscal year 1988-92 FYDP was updated, printed and/or published, either in full or in part, and distributed within the Pentagon on at least three occasions after September 1986—in January and again in June and July 1987. Copies of those documents are available in the Pentagon and are currently being used in the preparation of the new fiscal year 1990-94 FYDP.

I have a copy of a DOD memorandum, dated January 13, 1987, and signed by Mr. Clyde Glaister, Deputy DOD Comptroller, making distribution of the January issue of the fiscal year 1988-92 FYDP and a copy of the cover sheet of its R&D annex. These documents make one thing clear: there is a January 1987 FYDP. There can be no doubt about that.

Mr. President, I ask unanimous consent that these documents along with a recent letter from Secretary Carlucci on the status of the FYDP be placed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, DC, June 30, 1988.

Hon. LOWELL WEICKER, Jr.,
U.S. Senate,
Washington, DC.

DEAR LOWELL: This responds to your letter of April 29 regarding sources of data for the "DOD Military Status Report" and to your letter of April 14 to the Deputy Inspector General concerning the origins of data in the "NATO Cost Report." In both cases, your concern stems from differences between the Five-Year Defense Program (FYDP) for FY 1988-1992 and the five-year projections contained in the President's budget. You ask which is the basis for our reports or whether there is some other FYDP.

Let me begin by trying to be clear about the status of the FYDP. The FYDP transmitted to Congress on March 16, 1988, was prepared in September of 1986 and was the last FYDP published within DOD. In the fall of 1986, DOD was faced with formulating its first biennial budget submission in less time than had previously been available to formulate annual submissions. To compensate for the increased amount of review effort required to ensure budget quality estimates for two years rather than one, the outyear impact of FY 1988/1989 budget decisions was not comprehensively addressed during the review. In the spring of 1987, after submission of the President's budget, data in the FYDP data base for FY 1988 and 1989 were internally adjusted to reflect the budget. Outyear data were not revised to reflect the President's top line, however, and no hybrid FYDP was published. Thus, as we noted in earlier letters to you, there was no difference between the FYDP data base and the President's budget for FY 1988 and 1989 while the FYDP outyears were not constrained to the President's top line.

The FYDP data base was the starting point for the "NATO Cost Report." To develop a report that was consistent in every year with the five-year totals in the President's budget, excursions from the FYDP's FY 1990-1992 data were necessary. Since we had reached the President's top line in the budget years without significant changes to force structure or end strength, analysts preparing the report assumed that no personnel reductions would be made in reaching the President's top line in the outyears as well. Therefore military and civilian personnel costs were not reduced. All other costs (R&D, procurement, military construction, and O&M) in each FYDP program element were reduced in proportion by multiplying them by a fraction (which was different for each year) so that the remaining costs (including pay) in each year equaled the President's top line in that year. I realize that this method is arbitrary, but any method except a full scale program review—for which there was neither time nor good purpose—would have been equally arbitrary.

Because complex programmatic detail was required to produce the capability measures presented in the "DOD Military Status Report" (MSR), the methodology used to prepare the "NATO Cost Report" could not be applied to the MSR. In those instances where the FYDP data base provided information in a form useful to the DOD analysts preparing the MSR, we used the September 1986 FYDP and adjusted the FY 1988 and 1989 data from that FYDP to reflect the program and budget decisions made during our FY 1988-1989 budget review. The FY 1990-1992 data in the FYDP data base were used without attempting to compensate for the lower top line funding levels contained in the President's budget submission to the Congress.

I believe that this letter, our fourth to you on this general subject over the last sixteen months, should lay this matter to rest. In each case where we have provided data to Congress for years beyond FY 1989, we have adhered as closely to the President's budget as our underlying data sources will permit. I realize you feel that remaining differences are a serious matter. However, we cannot revise the past, and the Inspector General does not believe an audit is necessary. I think that now it is more appropriate to turn our attention to the future. We are now in the process of developing the defense program for FY 1990-1994 at lower fiscal levels. Expeditious passage of the amended FY 1989 budget will greatly assist in this process by establishing a firm starting point.

Sincerely,

FRANK CARLUCCI.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, January 13, 1987.

Memorandum for distribution list.

Subject: January Issue of the Five Year Defense Program (FYDP) and Construction, Procurement and RDT&E Annexes.

This issue of the FYDP reflects the FY 1988 and FY 1989 Department of Defense budget and the FY 1990-1992 program.

Summary data and program element detail for FY 1986-1992 are contained in one publication. The Construction Annex, Procurement Annex and RDT&E Annex are contained in separate publications.

Furthermore, the DOD estimates in this issue will not be furnished to anyone outside the Department of Defense without the expressed written consent of the Assistant Secretary of Defense (Comptroller).

Any questions relating to this document may be addressed to the Directorate for Program and Financial Control, Room 3B872, Pentagon, 697-0021.

CLYDE O. GLAISTER,
Deputy Assistant Secretary of Defense (Program/Budget).

Mr. WEICKER. The final DOD budget decisions [PBD's] contained in the January 1987 FYDP carved $35 billion from the first 2 years. of the FYDP—$18.4 billion in 1988 and $17.1 billion in 1989, bringing the FYDP and the President's budget into rough blaance for fiscal year 1988-89, but left a massive $81.3 billion mismatch in the outyears where only minor adjustments were made.

The January FYDP and the President's budget are compared on the table below:

[In billions of dollars]

	Fiscal year— 1988	1989	1990	1991	1992	Total
FYDP (January 1987)[1]	304.1	324.1	370.1	391.2	415.3	1,804.8
President's budget[2]	303.3	323.3	343.9	364.9	386.5	1,721.9
Difference	.8	.8	26.2	26.3	28.8	82.9

[1] TOA.

[2] BA.

Congress should have been given the January issue of the fiscal year 1988-92 FYDP—not the September 1986 data. The January FYDP coincided with the budget submission. It formed the basis of the President's budget. It formed the basis for the first bienial budget. It is the most relevant, up-to-date FYDP data.

So the question remains: Why was Congress given a preliminary draft instead of the final version of the fiscal year 1988-92 FYDP? Why is DOD trying to hide and withhold the January 1987 plan from Congress?

FUTURE PROSPECTS

Mr. President, I know that Secretary Carlucci is moving in the right direction so far as long-range budgets are concerned. He is trying to reverse a trend set in motion by his predecessor, Caspar Weinberger, who abandoned 5-year planning in favor of the biennial budget, which is nothing more than an annual, one-year budget exercise.

The new Secretary of Defense is developing a new FYDP for fiscal year 1990-94 and has agreed to provide it to Congress by April 1, 1989, as required by law. In developing the new FYDP, he is trying to bring outyear spending plans into line with near-term budgets requirements—which means eliminating close to $300 billion in programs.

So the trends are good, or at least that is the way it appears on the surface. I have no way of knowing how program details—the hard decisions—will actually unfold.

But while I credit Mr. Carlucci's good intentions, I remain disturbed by the way he and Mr. Taft have handled this year's submission. They have been less than forthright and honest. And that does not auger well for the future.

NEED FOR JANUARY 1987 FYDP

For these reasons, I am recommending that the Armed Services Committee ask Secretary Carlucci to provide Congress with the January 1987 issue of the FYDP. It will provide the baseline for evaluating the impact of the $300 billion reduction in outyear funding in the fiscal year 1990-94 FYDP. Congress must have that document to fully understand those changes. And it will be essential to the conduct of a General Accounting Office evaluation of the FYDP being undertaken at my request.

I would also like to urge the Armed Services Committee to investigate the continuing inconsistencies in the 5-year program and budget information being presented to Congress by DOD in a number of important reports—all of which are mandated by law, including the congressional data sheets, the NATO cost report, and the DOD military status report to name a few. The distortion of information cannot be tolerated.

If the January 1987 FYDP is unavailable in sufficient quantities, then the information should be drawn out of the FYDP data base and given to Congress in an appropriate format.

Mr. President, I have been working with Senators NUNN and WARNER on this matter since I first raised the FYDP issue early last year. They have been very helpful and cooperative in the past. I look forward to their continued support in the future and ask that they give my latest recommendation all due consideration. I also wanted all of my colleagues to be aware of how the department is implementing the law governing submission of the 5-year Defense Program.

Mr. DIXON. Mr. President, today, when we vote for passage of the conference report, we will have completed action on the Fiscal Year 1989 Defense Authorization Act. This $300 billion legislation is a carefully crafted bill that reflects compromises among the House, Senate and the administration. No one got everything they wanted. However, this legislation will provide for a cost effective and credible national defense that will maintain the security of the United States and its allies. A great deal has been accomplished and I would like to address just a few key provisions of the bill.

THE U.S. DEFENSE INDUSTRIAL BASE

The deteriorating capabilities of U.S. industry to produce critical components for our weapon systems is a major national security issue. We must preserve the ability to produce essential items for our national defense at home. The final bill includes new provisions that I sponsored that take a meaningful first step to improve the capabilities of the U.S. defense industrial base. This legislation will not close the doors to our friends and allies overseas. The spirit and letter of our fair and open acquisition policies remain intact. Compromises have of course had to be made, and the final product of conference deliberations does not include some of the provisions that I have advocated. But it is a critical first step in a long and arduous process to return American industry to the forefront of the world's producers and restore our advantages in cutting edge technology. Let me provide a brief summary of these provisions:

The key to this effort is to establish a focal point within the Department of Defense for the management, maintenance and readiness of the defense industrial base. That we have done. The Under Secretary of Defense for Acquisition will provide policy direction to the services and implement plans and programs to promote and expand the capabilities and requirements of the defense industrial base.

Designated acquisition programs may be required to conduct an analysis to determine if the United States defense industrial base can meet the requirements of those programs.

Test programs will be designated by each military service to conduct a thorough evaluation of the U.S. defense industry's ability to develop, produce, maintain and support the system(s) to be acquired under that program. A report on the results of these evaluations must be submitted to Congress.

Another section provides authority to establish, within the Office of the Under Secretary of Defense for Acquisition, a defense production innovation center to serve as a focal point for plans and programs to improve the defense industrial base, promote industrial readiness and the use of advanced manufacturing technology and processes, and to propose and conduct tests of innovative industrial techniques.

OFFSETS

In recent months I have become increasingly concerned with the growing percentage of offsets required from defense producers as a condition of foreign sales. Offsets are an arrangement whereby industry shares the production of a military system with, transfers technology to, or purchases items from a foreign country, related or unrelated to the original procurement, to offset an established percentage of the cost of a foreign sale. This is not only a problem for U.S. weapons producers. Defense firms in every industrialized country have been forced to compete, not on the basis of who has the best product, but by who can provide the best offset arangements.

Offsets have increased in the last decade from 50 to 160 percent of the value of the sale. I believe that creating a marketing system for hams or foreign cars, or promoting tourism for a foreign country, has no place in the sale of weapon systems. However, offsets have produced far more serious consequences for the defense industry. U.S. firms have transferred technology to foreign governments used to develop critical defense systems as part of offset arrangements. We have helped set up production lines in foreign countries for U.S. weapon systems and their key subcomponents. The result of these deals has been increased competition for world markets, loss of business and jobs by subcontractors, who have been forced by prime contractors to bear the brunt of these offset agreements, and increased cost of weapon systems. All this adds up to declining industrial capacity.

I am very pleased that we have been able to include the key sections of my original legislation in the fiscal year 1989 Authorization Act. For the first time the Congress has taken a stand as regards the debilitating effect of offsets on U.S. industry. This legislation sends a clear signal to the U.S. trading partners that offsets have gone too far and must be halted. We must return to a true free trade marketplace, where the cost and quality of a product are the determinants of sale. I would hope that our allies will move as quickly as possible to join with us in negotiating the end of these unfair practices. I understand that there is very little time left for this administration to aggressively pursue negotiations. I hope that the responsible agencies will lay the groundwork for the next administration to pick up the challenge at the earliest possible date and make rapid progress toward a successful outcome.

The legislation charges the President with the responsibility for establishing an offset policy to monitor and control offset arrangements that involve military systems. The President is directed to enter into negotiations with foreign governments that require offset agreements. These countries must work to limit offsets within 2 years, and work toward the eventual elimination of offsets. While specific sanctions are not included in the legislation, we have made it clear in strong report language that Congress will be watching this process very closely and will enact appropriate sanctions if and when nations do not agree to eliminate this damaging practice.

The industrial base and offset provisions do not support a go it alone U.S. policy in weapons production or acquisition. We have a global economy and an international defense industry, and we must continue our efforts for international cooperation, including joint ventures and coproduction. But the two-way street cannot be a one-way street. Our allies must realize that the national security of the United States is dependent on maintaining a strong industrial base. Every industrialized nation in the world has an industrial base policy, and it is time for the United States to have one too.

I am satisfied with the compromises that have been achieved on industrial base issues. I will, however, continue to solicit input and support from industry and government, so that additional legislation to enhance our defense industrial posture can be enacted in the future. This is the beginning of the process not the end. For the first time we have directed that an industrial policy be developed and implemented. We have at long last seriously addressed the issue of offsets. I will continue to work with Senator BINGAMAN, who as chairman of the Subcommittee on Defense Industry and Technology, has jurisdiction over this issue. We will have more hearings and develop a more complete record to build support among Members of Congress and the public and private sectors. This is an issue whose time has come, and we must not let it pass without taking positive action.

In closing I would like to express my appreciation for excellent work of the entire staff of the Armed Services Committee. I have special thanks for David Lyles, Bob Bayer, Kent Bankus, and John Hamre on the majority side, and to Ron Kelly and Ken Johnson on the minority side, and to Charles Smith of my staff. I would also like to state my great appreciation for the outstanding work done for me by Ms. Karen Saifer who is the first legislative fellow to work on defense matters in my office.

MOTORCYCLES FOR THE ARMY

Mr. EXON. Mr. President, I, like many of my colleagues and the American taxpayers, am deeply concerned about the integrity of the procurement process in defense-related contracts. I have reviewed the conference report accompanying H.R. 4264 and am concerned about the report's reference to motorcycles at page 241, which directs that competition for the motorcycles be concluded and a contract awarded by March 1, 1989. I would hope that this would not in any way affect or interfere with the fair and complete evaluation of all offers for this procurement program.

Mr. WILSON. Mr. President, I would agree with the Senator's assessment. We cannot allow arbitrary deadlines to interfere with the more important goal of ensuring a competitive and comprehensive procurement process.

DRUG INTERDICTION MISSION

Mr. DECONCINI. The distinguished Senator from Georgia, the chairman of the Senate Armed Services Committee, has done a superb job of sticking to his guns and forcing a reluctant Pentagon to take on this new and important mission. That is no easy task and he is uniquely qualified to do it.

Mr. President, the conference report seems to make it clear to this Senator that the intent of the conferees was to make this new surveillance mission at DOD a very high priority, full-time mission of the Department of Defense. Currently, the Pentagon, in the absence of a clear, statutory mission to be lead agency for surveillance, is providing assistance as best they can without jeopardizing other ongoing missions. The clear intent of the conference report seems to be that will change under the new lead agency arrangement and DOD will now have to put the drug interdiction surveillance mission at least on a par with other important defense missions. Is that the intent of the conference report regarding the priority of this new mission?

Mr. NUNN. The Senator from Arizona is correct.

Mr. DECONCINI. Mr. President, this new lead agency role that the Pentagon will now undertake will require a considerable level of surveillance, intelligence, and command and control assets being focused on the drug interdiction mission. Currently, the Navy and the Air Force, in the absence of a statutory mission for surveillance, are providing E-2C and AWACS surveillance support to Customs, Coast Guard, and the other civilian law enforcement agencies. Yet we all know how scarce these valuable air resources are at DOD and how expensive they are to operate and deploy. The conference report seems to be supportive of the concept of using existing aircraft and vessels and other equipment to implement this new lead agency surveillance mission. Can the distinguished chairman of the Armed Services Committee tell me what the intent of the conferees was regarding the type of assets that will be used by DOD to conduct the surveillance mission?

Mr. NUNN. As the Senator knows, the Secretary of Defense is required under the conference agreement, to provide guidance on the specific force levels and supporting resources to be made available for this mission, including DOD air and sea surveillance responsibilities related to drug interdiction. So the Department, with guidance from the Secretary, will have to find the appropriate resources to take on this new mission primarily from within the existing inventory of DOD assets. To the extent that further resources are required, the conference bill provides $300 million. The Secretary will advise us in the report required under section 1107, which is due not later than December 1, 1988, if additional assets are needed.

Mr. DECONCINI. Mr. President, on this same matter, the statement of managers puts the conferees on record as urging "the accelerated deployment of the system of aerostat radars in order to reduce the need for expensive radar platforms." They also mention the radar gap from Brownsville, TX, to the northern part of Florida—a gap that your hearings revealed is becoming a favored penetration area for the airborne drug smuggler. Customs has just awarded a contract for the procurement of five additional aerostats, including three along the southwest border. The other two aerostats will be placed in the southern Bahamas and Puerto Rico. There is also an option for the procurement of four more aerostats for the Gulf of Mexico coast—the same area that is the point of concern in your conference report. Would one viable option for increasing our surveillance coverage along this drug-prone corridor be exercising the option on that customs contract and having the Pentagon help deploy aerostats along the southern border of the United States?

Mr. NUNN. The conferees view aerostats as a viable option for providing low-flying detection and surveillance of airborne and seaborne drug smugglers. We will certainly encourage the Department to look into the customs contract and its options as one possible way to move ahead on providing surveillance assistance to the civilian law enforcement agencies, including Customs and the Coast Guard.

Mr. DECONCINI. Finally, Mr. President, the Senator from Georgia has noted that the conference report provides $300 million on top of the regular DOD budget for drug interdiction activities to help implement the new surveillance mission in fiscal year 1989. Again, the intent appears to be that these funds would be used to provide operation and maintenance support for existing Department of Defense surveillance assets, rather than to provide procurement authority to buy new assets. As you know, the House and Senate Appropriations Committees seem to have differing views on how best to put this amount of money to use. Frankly, I would support a mix, allowing the Pentagon to perhaps buy aerostats or other surveillance assets if the cost of supporting existing aircraft and vessels became prohibitively expensive, or were not available fulltime, while at the same time providing more flight hours of surveillance coverage from existing DOD aircraft and vessels. Is it the intent of the conferees that the funds authorized in the conference report would be available primarily to provide operation and maintenance funds for existing rather than new DOD aircraft and vessels?

Mr. NUNN. The Senator from Arizona is correct. However, the bill does not preclude use of these funds for procurement or research and development. The Secretary must give the Congress 60 days' notice prior to any proposed transfer or obligation of these funds.

Mr. DECONCINI. I thank the Senator from Georgia for his answers to my questions. If there is any Senator in this body that will be able to make this new mission at DOD work, it is the Senator from Georgia, Senator NUNN. I look forward to working with him in the future to keep the Pentagon's feet to the fire and to aggressively tackle this important new drug interdiction mission.

DEFENSE AUTHORIZATION AND INTERIM RESTRAINT

Mr. HEINZ. Mr. President, today the Senate will vote on the conference report for the fiscal year 1989 National Defense Authorization Act. That report contains provisions that will have the effect of limiting the growth of United States strategic forces beyond the informal limits that for years were observed by the United States and the Soviet Union. With both superpowers now focusing their efforts on systematically resolving their differences on a new strategic arms treaty, it is essential that existing, informal numerical limits on the arms race be preserved.

So far as is known, the Soviet Union continues to abide by the numerical sublimits on strategic forces that both sides used as a ceiling from 1982 until the United States exceeded the limit on multiple-warhead systems in November 1986. The United States went above the 1,320 limit on MIRV'd systems and will have about 1,368 such systems at the end of this year.

Had all our strategic programs authorized in this conference report continued as planned, the United States would have had some 1,413 MIRV'd systems by the end of calendar year 1989. The conference report directs the dismantlement of one Poseidon submarine, and requires another one to be tied up at the dock.

Along with the dismantlement of another Poseidon already planned by the Navy this year, these actions required by the conference report will help limit the growth of United States forces over the MIRV sublimit. By year-end 1989, the United States should have about 1,365 MIRV'd systems deployed.

Mr. President, there is no magic to the numbers contained in the sublimits that guided United States deployments until 1986. The last time I joined Senators CHAFEE, BUMPERS, and LEAHY in offering legislation to require United States interim restraint, we even abandoned the SALT II numbers to accommodate the small United States breakout over the MIRV sublimit. This approach was not supported by the Senate at that time, but the significance of this approach is clear: interim restraint is aimed at preserving a ceiling on the strategic arms competition while negotiations aimed at deep cuts proceed.

There is no magic number when it comes to interim restraint. What matters is that the Soviet Union continue to limit its forces while our negotiators discuss a START treaty. I might have wished to see the United States restrain its MIRV'd force levels to numbers closer to the 1,320 ceiling. But so long as the Kremlin behaves itself, and keeps its strategic forces at levels below or close to the SALT II sublimits, interim restraint can make a contribution to the START process. The conference report's interim restraint compromise is not perfect, but it will be adequate so long as the Soviet Union continues the responsible restraint is has shown thus far.

Mr. DURENBERGER. Mr. President, I rise today to share my views on the national defense authorization conference report.

It is rare that a defense authorization conference report engenders tremendous controversy. This year five Senators refused to sign the report; 19 House Members voted against the report. The deep differences between conferees have resulted in a motion to recommit the report to conference. I opposed the motion to recommit because I believe the final version of H.R. 4264 is not only acceptable, it is better than the bill passed by this body. I believe the provisions that led to the motion to recommit improved the bill and actually enhance U.S. security.

Five issues have been raised by opponents of the conference report. The figure approved for the Strategic Defense Initiative is $4.1 billion, which is 2 percent negative real growth from last year—and $831 million less than the President's request. I supported a series of efforts during Senate consideration that would have reduced the SDI figure lower than the figure approved by the conference. I supported a measure to transfer $700 million from SDI to NASA for the space station. When that failed, I supported an amendment to delete $700 million from the SDI budget. Advocates of SDI restraint failed in the Senate but this conference report does impose a degree of discipline on the SDI Office.

There is a broad bipartisan consensus in favor of SDI research—but not in favor of continuing high growth rates. I am especially opposed to the increasing emphasis of SDI program architecture on near-term technologies rather than the potentially more promising long-term programs. I support the conferees decision to restrict funding for the space-based interceptor to $85 million—less than 30 percent of the request. SDI may hold promise for enhancing our security—it is too soon to tell definitively—but a politically motivated decision to rush ahead with deployment will only undermine the research consensus without increasing our security.

The second issue in the conference report is the funding levels for intercontinental ballistic missiles [ICBMs]. The report authorizes $250 million for each of the MX and Midgetman Missile Programs and authorizes an additional $250 million for the next President to use at his discretion. While I believe this is a reasonable compromise given the position this body has expressed in the past, I continue my strong opposition to the MX Missile Program. I see no more merit in the rail-based scheme than in any of the more than 30 previous basing ideas. Rail-basing is replete with conceptual and strategic flaws—particularly in the need for hours of warning to increase survivability. And it is not clear to this Senator how plans to proceed with further MX deployment comport with U.S. START proposals already tabled in Geneva. Accordingly, I cosponsored an amendment which would have transferred $500 million from the MX to key conventional programs. Unfortunately, the amendment failed. MX has been a missile without a home; I only wish we could make a missile without a life.

A third issue is new for the Congress: a ban on the testing of depressed trajectory missile launches. The Senate did not consider this issue but a modified version of the House amendment was included in the conference report. Depressed trajectory refers to launching ballistic missiles using a low flight path which results in a shorter flight path and, consequently, less warning time. The depressed trajectory issue is, so far, a theoretical rather than actual threat. But the threat could become serious—more serious for the United States than for the Soviets. The Soviet Union could use submarine launched ballistic missiles to attack our bomber bases, command centers, and other key targets near our Nation's coastline with less than 10 minutes of warning. Clearly, such a situation is not in our security interests. The ban included in this bill should help prevent such a scenario from becoming a reality.

Some of my colleagues argue that a depressed trajectory flight testing ban is difficult to verify and should be negotiated with the Soviet Union. They argue that we do not even have an accepted definition of what constitutes a depressed trajectory launch. But the provisions in this bill require the Secretary of Defense and the Director of Central Intelligence to submit a report to Congress defining the term. And the prohibition remains in force only if the Soviets refrain from depressed trajectory testing. This provision is an admirable step toward preventing an area of arms competition before it begins.

The fourth contentious issue in the conference report deals with interim restraint of strategic weapons. Last year, the Senate narrowly approved language limiting the United States to the numerical sublimits in the unratified SALT II Treaty—with my support. This year, however, a similar amendment was defeated—with my opposition. While similar, the Bumpers amendment of 1988 had a key difference which I could not support. Had the language been the same as last year, the amendment would almost certainly have passed. However, the amendment did not refer to the SALT II sublimits. And due to what may have been a drafting error, the 1988 amendment would have limited the United States to levels less than those allowed the Soviet Union. That is not good policy or good arms control.

While I voted against the Bumpers amendment because of this difference, I also urged my colleagues to work out an interim restraint regime that would keep the United States as close as possible to the SALT II limits—until the START Treaty I have advocated can be completed. Those of us concerned with fashioning a workable system of interim restraint considered introducing an amendment identical to the 1987 language but instead made our concerns known to the conferees. I am pleased that the conferees agreed to require the accelerated retirement of two Posiedon submarines. While not bringing the United States into full compliance with SALT II, it is a positive step that in no way undermines our START negotiations in Geneva.

The fifth issue which disturbs some of my colleagues is a new provision dealing with the testing of nuclear weapons. While I continue to support efforts to achieve a negotiated comprehensive test ban [CTB], I have not supported efforts to unilaterally legislate such a ban. I have called in the administration to work toward a CTB, and I have urged that the two testing limitation treaty already signed be considered for Senate consent to ratification. In this conference report, the Department of Energy is directed to support a program that addresses our security needs in the event further testing limitations are enacted. Essentially, this provision lays the groundwork for an eventual test ban. It is a measured and important step in the right direction. The sooner that objections to testing limitations are addressed, the more likely we are to achieve lasting limitations.

While many of my colleagues do not like the decisions of the conference on these issues, I support the conferees' work. I would also like to commend the conferees for including the concerns raised in my amendment to the authorization bill. My amendment deferred Air Force action downgrading the status of Northern Tier Air National Guard bases pending a complete review of the implications of such action. Report language makes it clear that the Air Force cannot proceed with its precipitous action and that the Armed Service Committee will explore the issue in depth next year.

This is a good bill and a good conference report. I urge my colleagues to support it and yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have previously been ordered. The clerk will call the roll.

The Assistant Legislative Clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Florida [Mr. Chiles], the Senator from Illinois [Mr. Dixon], the Senator from Nevada [Mr. Reid], and the Senator from Illinois [Mr. Simon] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois [Mr. Dixon] would vote "yea".

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. Helms] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 64, nays 30, as follows:

[Rollcall Vote No. 252 Leg.]

YEAS—64

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Cohen
Cranston
Danforth
Daschle
DeConcini
Dodd
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pryor
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Specter
Stafford
Stennis
Thurmond
Trible
Warner
Weicker
Wirth

NAYS—30

Armstrong
Bond
Boschwitz
Cochran
Conrad
D'Amato
Dole
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Humphrey
Karnes
Kasten
McCain
McClure
McConnell
Murkowski
Nickles
Pressler
Proxmire
Quayle
Roth
Simpson
Stevens
Symms
Wallop
Wilson

NOT VOTING—6

Biden
Chiles
Dixon
Helms
Reid
Simon

So the conference report was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HOUSE CONCURRENT RESOLUTION 338—CORRECTIONS

Mr. NUNN. Mr. President, during the week between the filing of the conference report and action by the House and the Senate, further review of the bill disclosed the need for a number of technical and conforming amendments. The House has approved a concurrent resolution, House Concurrent Resolution 338, which directs the enrolling clerk to make these changes. The concurrent resolution has been cleared on both sides.

I ask unanimous consent to proceed to the immediate consideration of House Concurrent Resolution 338, a concurrent resolution making technical and conforming changes in the enrollment of the conference report on H.R. 4264; that there be no time for debate; that no amendments to the resolution be in order; and that the Senate vote on passage of the resolution without any intervening action.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 338) directing the Clerk of the House of Representatives to make technical changes in the enrollment of the bill, H.R. 4264.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 338) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, there will be no more rollcall votes today. There will be a vote on Monday, July 25, at 11 o'clock a.m. I hope all Senators will have a restful period between now and then. Some of us will not, but Senators should be prepared for 3 very busy weeks when they return. There are four appropriations bills that remain to be disposed of, and a great deal of other work.

I expect to move to take up the endangered species bill on the Monday that we return.

Does the distinguished Republican leader have anything else he might remind me of?

ORDER TO PROCEED TO H.R. 4783

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 4783 on Monday, July 25, at 2 o'clock p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank all Senators. I thank the Republican leader.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 3:30 p.m. today and that Senators may speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection it is so ordered.

CORRECTIONS REGARDING STATEMENTS MADE REGARDING THE SPECIAL ISOTOPE SEPARATION PROJECT

Mr. McCLURE. Mr. President, in May, during floor debate on the defense authorization bill for fiscal year 1988, the senior Senator from Massachusetts offered an amendment dealing with the special isotope separation project. I did not oppose Senator Kennedy's amendment to delay funds for site preparation of the special isotope separation project until March 1, 1989 because no site preparation would have taken place before that date in any event. But I feel it is most important that the Record reflect that the amendment is unnecessary. The Department of Energy has stated that site preparation would not begin before March 1, 1989.

Furthermore, I believe I must also correct for the Record some glaring misstatements contained in the Senate Armed Services Committee report regarding the SIS. These misstatements were contained in the additional views provided by the distinguished Senator from Massachusetts. In addition, I must note that the opponents of the SIS have taken a number of sentences out of context from statements made by Department of Energy officials regarding the need for plutonium and the SIS. Therefore, I would like to submit, for the Record, the full text of these comments that show clearly DOE's and the Department of Defense's recognition of the need for and support of the SIS.

First, paragraph 3 of Senator Kennedy's remarks states that the Senate should not approve the SIS until the technical feasibility, environmental consequences, safety implications and national security requirements for the facility have been demonstrated. The implications of this paragraph are that these things have not been or would not be considered by the administration or Congress without further directions from Congress. This is not the case. A readiness review of the technology was required as a result of legislation in the energy and water appropriations bill for fiscal year 1986.

The review team mandated that a final testing of the design and hardware conducted before deployment. The schedule for that is September, 1989. In addition, the environmental impact statement for the SIS is currently being prepared to make sure that facility will not present unacceptable environmental and public safety risks. A comprehensive safety analysis report will be issued to further verify the facility's safe condition. DOE also conducts quarterly reviews of the technology with separate panels of experts for lasers and the plutonium.

The senior Senator from Massachusetts also charges that flammable plutonium is used next to flammable hydrogen gas and ethanol, suggesting dangerous and irresponsible activities. Nothing is further from the truth. The plutonium is vaporized in small, strong stainless steel pressure vessels in a vacuum chamber. The vacuum chamber is in an airtight, strong stainless steel glove box. Both are filled with inert gas. The hydrogen gas is not even used in the part of the process where the plutonium is vaporized and is in a separate building. The AVLIS technology was demonstrated essentially full scale several years ago so it is not fundamental R&D. This technology should not be compared with nuclear reactor technology. The entire design is structured so as to prevent any kind of chain reaction such as occurs in nuclear fission. The size of the plutonium pressure vessels are predicated upon this most elementary requirement.

There is also criticism of the overlap of the Lawrence Livermore Technology Development Program with the design and the construction of the plant. LLL has the responsibility for demonstrating a one-half scale module before the technology can be deployed. Major construction of the SIS at the INEL will not take place until the demonstration is complete at LLL in September 1989. However, facility design and engineering will overlap with the LLL demonstration. This is standard construction procedures for high tech projects.

Paragraph seven of Senator Kennedy's remarks implies that construction will begin on the SIS plant before a thorough safety analysis review is performed. Nothing could be further from the truth. DOE will not release funds for actual construction until the SAR is completed. Again, this is standard construction sequence.

I have noted these reports and pointed out these corrections, because every unnecessary or redundant requirement results in additional delay to this project. Every delay is an obstacle that erodes our nuclear deterrent capabilities thereby threatening our national security. This can too easily lead to defacto disarmament.

Mr. President, I want to make clear that the mission of the SIS has always been to provide the defense complex with contingency and flexibility. Planning for the SIS began when the Nation had five production reactors operating. The SIS will be a nonreactor source for plutonium; it may be the only source of new plutonium by the time it comes on line. Its need is not dependent on short-term needs for the material.

Vice Chairman of the Joint Chiefs of Staff, Robert Herres, USAF, in testimony before the Senate Energy and Natural Resources Committee, October 27, 1987:

> America's post World War II defense strategy has been based on deterrence; our nuclear arsenal is the bedrock of this policy which has been successful for over four decades. Neither the promise of a strategic defense system nor the prospects of arms reduction obviate the necessity to maintain an adequate nuclear deterrent forces.

Herres went on to say:

> Perceptions sometimes are that any arms control agreement will yield immediate and large reductions in our nuclear weapons and reduce our need for a strong deterrent. Such is not the case. Reductions usually come from the retirement of older, less effective systems, not the termination of new programs.

Secretary Herrington's testimony before the Senate Armed Services Committee, Subcommittee on Strategic Forces and Nuclear Deterrence, March 31, 1988:

> The SIS is a program that needs to take place for several reasons. Yes there is an adequate supply for plutonium for the short term. We are sitting on a situation with three reactors in Savannah River that are aging, that are phasing out. We have just had a cold standby of the N Reactor. We are looking at a hiatus period of perhaps ten years. By the 1995 time-frame, we need to provide the capability—not just options—for this Committee and this country in case plutonium is needed. I see an empty spot in our long-term planning. SIS can fill that spot and it is designed to fill it in the 1995 time-frame to give us the capability to produce plutonium—a very prudent program.

Opponents have quoted Secretary Herrington's remarks made at a hearing before the House of Representatives, where he said "We are awash in plutonium." At the March 31, 1988, hearing before the Senate Armed Services Committee, Subcommittee on Strategic Forces and Nuclear Deterrence, Secretary Herrington corrected his statement. He admitted using the term which he called "unfortunate" because it was an overstatement.

> I was referring to the rationale and we were in a hot session of could we or could we not afford to put the N reactor in cold standby. I have to say in retrospect, when you look at the world by itself, awash in plutonium, it is not a correct statement of the facts. The proper thing for me to have said at that time was to say that we have adequate supplies of plutonium in the short term and thereby we could justify N reactor.

He then discussed SIS for the long term, concluding:

> It is very unfortunate my remark is being used to say we do not need SIS, because SIS is the gravamen of long range planning for plutonium.

Support for the SIS has been strong within the defense community as well as DOE. In January 1986, the then Secretary of Defense, Caspar Weinberger, and Secretary Herrington, wrote the Director of the Office of Management and Budget:

> We feel it is essential to pursue a research and development program so that construction of a Special Isotope Separation project can proceed promptly. We can not allow (the Soviets) greater special nuclear materials production and surge capacity to create an even greater asymmetry in nuclear capabilities. Therefore it is essential to preserve the option to initiate construction of a Special Isotope Separation facility as soon as possible. The National Security Council supports this postion.

In an enclosure in the letter, there is another quote of support from the two secretaries:

> For reasons of national security, DOD and DOE have now concluded that an SIS production facility should be deployed. This fa-

cility will provide a contingency against unanticipated interruptions to the existing plutonium production capability and provide a capability to counter a possible Soviet breakout.

I must note that this letter was written before the nuclear accident at Chernobyl heightened public concern over the DOE reactors, before the N reactor was shut down for a safety review, before the Savannah River reactors had to reduce power for safety reasons.

Mr. President, in conclusion, I ask unanimous consent that the full text of a statement by Troy Wade II, Acting Assistant Secretary of Energy for Defense Programs, and newspaper articles quoting Don Ofte, DOE manager, Idaho Operations Office and Carl Gertz, former SIS manager for DOE-ID be printed in the RECORD; that this material may correct the implications of sentences taken out of context and used in opposition of the SIS.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY TROY E. WADE II ON SIS PUBLIC HEARINGS

Thank you for the opportunity to present the Administration's position on the proposed SIS plant at the INEL.

Let me begin by emphasizing that the National Defense posture of the United States is based on a policy of nuclear deterrence. For over forty years that policy, bolstered by a strong, modern nuclear arsenal, has kept this country, and the world, from global conflict. Adherence to that policy has served the citizens of this country well.

As we enter a new era of arms control negotiations with the Soviet Union, we must assure ourselves that, as we strive to reduce the number of nuclear weapons in our stockpile, that those remaining are capable of providing the nuclear deterrence necessary to protect us well into the next century.

As long as we have a National Defense policy based on nuclear deterrence, and, as long as we have *even* one nuclear weapon in the U.S. arsenal, we must provide a competent, reliable source of nuclear material to the complex that designs, tests, and produces nuclear weapons.

Currently, the nuclear materials production capability of the United States is not in good condition. The production reactor, N Reactor at the Hanford site, has been placed on cold standby. The three production reactors at Savannah River, now over 30 years old, are running at 50 percent power pending resolution of safety issues. It is imperative that this Nation not leave a legacy of "old" facilities upon which our successors and our children must rely on for their security.

The SIS Facility currently proposed for construction here at the INEL is intended to provide this country a degree of flexibility that it has never had before. We believe the justification for the production facility covers much more than materials requirements. We have an obligation to provide a reliable source of nuclear material. We must also provide "leading-edge" technology to the defense of our Nation. The SIS Facility, will provide both. At the same time, the SIS Facility will provide a non-reactor source of nuclear material; it will also provide an isotopic separation capability with almost unlimited potential.

Our opponents will argue that we do not need SIS to provide nuclear material in the near term. That is a fact, and we do not dispute it. However, neither our opponents nor ourselves can accurately predict the nuclear materials requirements a decade from now. Our projections of materials needs in the mid-90's tells us that we need to have an assured source of weapon-grade nuclear material. Neither the 30 year-old reactors at Savannah River nor the proposed New Production Reactor can provide that assurance. The SIS plant can.

Now, let me turn for a moment to the issue of safety and environmental compliance.

The SIS plant at the INEL will be built utilizing state-of-the-art design features. No nuclear materials processing plant in the free world will provide more margin of safety to workers, to the public in general, and to the environment. The current conceptual design calls for multi-layers of safety systems to prevent release of contamination to the environment, the air, the water, or to the workers.

I lived here in Idaho for four years and some day I may return. I recognize the importance of the Snake River Aquifer both to the economy, and to the health of the State of Idaho. I can say categorically that the allegations that the SIS plant can or will contaminate the Aquifer are false.

In summary, let me review the policy of the Department of Energy and the Administration.

We believe the SIS plant is necessary to protect the common defense of the United States well into the next century. We believe the plant will provide this Nation a non-reactor source of nuclear material that is critical to defense needs. We believe this plant will give the Nation's nuclear deterrent a degree of flexibility it must have.

Finally, there is no question concerning our ability to build and operate this plant in a manner that is safe, environmentally sound, and a complement to the many ongoing capabilities of the INEL.

Thank you very much.

[From the Blackfoot (ID) Morning News, Feb. 18, 1988]

INEL CHIEF SAYS SIS PROJECT CRUCIAL

IDAHO FALLS.—The closing of the N Reactor at Hanford Nuclear Reservation makes the Special Isotope Separation project even more important, said Idaho National Engineering Laboratory Manager Don Ofte.

But arms treaties may make the $1 billion laser-driven plutonium refining plant proposed for the INEL, said a leading SIS opponent.

Ofte, who spoke to reporters in a press conference Wednesday, said the closing of the N Reactor, which produced plutonium for nuclear weapons at the Hanford Nuclear Reservation in Washington, will leave the Department of Energy with less plutonium capacity going into the 1990s. It has gone from five plutonium-producing reactors in 1986 down to the equivalent of 1½.

"You don't have to be a Ph.D. to see we have a problem that the SIS will be able to address," said Ofte.

But Dan Reicher, an attorney for the National Resources Defense Council, said Tuesday the need for the SIS also will diminish.

"There is a real question that the SIS technology will be built in Idaho or at all," said Reicher.

Ofte acknowledged that the decision to close the N Reactor was based on a lower demand for plutonium.

"The change in the plutonium supply and demand is really what put the N Reactor in standby status," he said.

The N Reactor, while on standby for national emergencies, could not reopen faster than two or three years, said Ofte. That would mean the SIS would be necessary to provide a contingency in the event the need for plutonium increases rapidly, such as in a resumption of the arms race.

"The SIS is not designed to meet a well-identified need," Ofte said. The remaining reactors could close in the middle to late 90s, "when the SIS is going to be important to the country."

The Intermediate-range Nuclear Forces treaty before Congress will return a third of the total output estimated for the SIS, said Reicher. The Strategic Arms Reduction Talks could result in the return of eight times the total production for the facility, which Reicher estimated at six metric tons.

The production capacity of the SIS facility is classified. U.S. Department of Energy officials will neither confirm nor deny the defense council's estimates.

"I submit if the START agreement is signed, and that could happen in this administration or early in the next, the SIS is dead," said Reicher.

He used the abrupt halt to construction of the Clinch River Breeder reactor in Tennessee as an example of how a major project can be approved, then killed.

"They had dug the hole to build that place before it was killed," he said. "The SIS hasn't even started yet."

The N Reactor closing will result in the loss of more than 3,000 jobs at Hanford, which originally was the preferred site for the SIS. Ofte said Idaho Falls was made the preferred site because the facility could be built cheaper here and to promote diversity among DOE sites.

But with the closing of the N Reactor, it is Hanford that is threatened with the loss of its technical base. The SIS draft environmental impact statement released Friday said basing the plant in Hanford would lower the transportation risk.

That is because the fuel-grade plutonium that would be transformed to weapons-grade plutonium in the SIS plant is located at Hanford.

"It seems silly to us as lay people to have all the material here and all the expertise and have to ship it through Oregon and Idaho to Idaho Falls," said Sam Volpentest, executive director of the Tri-Cities Industrial Committee in Kennewick, Wash., adjacent to Hanford.

Volpentest said the real reason the SIS was moved to Idaho was the politial clout of Sen. James McClure, R-Idaho. But he said his group will continue efforts to get the SIS built at Hanford.

[From The Idaho Falls (ID) Post-Register, Apr. 8, 1987]

DOE OFFICIAL SAYS SIS TO CREATE JOBS

(By Rocky Barker)

Idahoans should consider the Special Isotope Separation plant proposed for the Idaho National Engineering Laboratory for its efforts on the state's economy, said its project manager.

Carl Gertz, Department of Energy, Idaho SIS manager, told Greater Idaho Falls Chamber of Commerce members Tuesday that the $862 million laser-driven plutonium refining plant would bring in 750 jobs. It would also create many other new jobs for plant maintenance, supplies and related services.

"It is an economic development project," said Gertz.

The INEL has been chosen as the preferred site for the SIS, which will be designed to separate weapons-grade plutonium from fuel-grade plutonium in government stockpiles. DOE is writing an environmental impact statement on the project, which is scheduled to begin construction in 1989.

Gertz's presentation is the first in what chamber leaders hope will be a series made around the state. The chamber board decided last week to send a letter to each chamber in Idaho, offering to provide a speaker to explain the project.

"We will be contacting the chambers around the state and making available to them a program that the INEL committee put together, in conjunction with DOE, that explains why the INEL is good for the state," said Joe Call, board chairman.

The chamber decided to begin the campaign in response to editorials in several state newspapers telling Idahoans to reject the SIS.

"We're trying not to overreact to those editorials," said Call. "Our feeling is that there is probably still a very pro-INEL feeling in the state and that these editorials were isolated comments."

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONDITIONAL ADJOURNMENT OF THE CONGRESS

Mr. BYRD. Mr. President, I ask unanimous consent—I do this with the approval of the Republican leader—that the Senate proceed to the consideration of House Concurrent Resolution 335, providing for a conditional adjournment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 335) providing for a conditional adjournment of the Congress.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the concurrent resolution be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 335) was agreed to.

Mr. BYRD. Mr. President, I thank the Chair.

MILITARY AID TO NICARAGUA

Mr. HUMPHREY. Mr. President, last night the Senate adopted a resolution condemning the Sandinista Communist government of Nicaragua for having expelled our Ambassador on no good grounds, for having closed once again La Prensa, the primary, if only free, newspaper in that country, and for having closed down once again one of the few independent radio stations in that country, Radio Catolica.

Just this morning we read the news that on top of all of those offenses committed by the Communist regime in Nicaragua over the weekend, that Marxist regime announced yesterday that it has confiscated the country's largest sugar mill which, according to the Washington Times report, has been long proclaimed a symbol of the mixed economy pledged by the Sandinista National Liberation Front when it seized power years ago. So now on top of all the other promises the Communists there have broken, they have broken yet another promise, the promise of a mixed economy. They have now confiscated the country's largest privately owned business, adding one more argument to the case that I believe is growing stronger every day that we ought to resume military aid to the anti-Communist Contras in Nicaragua. Only if we resume military aid do we have any realistic hope of holding the Sandinistas to their promises of pluralism, of democratic reforms, of the freedom of speech and press, and the right to gather which they have guaranteed and promised so many times over but which they continue to withhold from their people.

RIGHT TO LIFE

Mr. HUMPHREY. Mr. President, those watching the television news this morning were both overjoyed and saddened at the same time about the news report of the newborn infant baby girl who was discovered in the trash compartment of a commercial airliner having been abandoned by her mother.

This is not altogether an isolated incident. It seems to this Senator we have increasingly heard of instances of newborn infants being abandoned, usually to death. In this case the child, the infant was suffering a mild case of hypothermia but is expected to do well. She is doing very well, indeed, and we thank God for that.

But what a burden on our spirit to know that in our society some people at least feel justified in abandoning the most helpless and innocent of our brothers and sisters, a newborn infant.

Some months back I recall—and I do not remember the locale of this horror—a woman gave birth to a child in a waiting room adjacent to the emergency room of a hospital. This woman apparently was deranged, for she then tried to drown the newborn infant in the lavatory. The child's life, thank God, was saved by some medical attendants.

Nor was that an isolated incident, for I remember right in New England, in Vermont actually, but on the border with my State of New Hampshire, a little over a year ago in the fall, one very frosty autumn morning, just by luck, I believe it was a delivery man stopped his truck at a rest stop on an interstate highway, just happened to pass a trash receptacle and just happened to hear, if I remember the details correctly, the murmurings of what turned out to be yet another newborn infant who had been abandoned. And this child set records. This child was suffering such a severe case of hypothermia that the medical authorities have never seen a case where a child suffering from such a severe case of hypothermia survived but, indeed, she did, thank God.

What is going on in this country? Well, indeed, it should not be all that surprising that some of our fellow citizens feel justified in abandoning newborn infants, for what is the difference if a child is allowed to die of hunger or dehydration or hypothermia, for that matter, if children in the 9th month and the 8th month of pregnancy can be destroyed under the law and are destroyed wholesale through the first 9 months of pregnancy.

My thesis, Mr. President, in which I believe very firmly, is that this abortion holocaust let loose by the Supreme Court in 1973, which is responsible now for the deaths of 20 million prenatal infants, most of them destroyed, the vast majority of them destroyed purely for reasons of convenience, has led to a cheapening of the respect for human life not only prior to birth but now even postpartem, even after delivery.

It is a certain spiritual sickness I think which this abortion menace is spreading in our society. It is a cheapening of the value of human life. They say that child abuse is on the rise, too. And I suppose the causes of that are manifold but certainly it all comes down to the spiritual degeneration which we are suffering in this country. There is no one cause for that but I maintain that if you can assault and batter an innocent, helpless child in it's mother's womb with impunity and have it considered to be stylish and chic and a sign of liberation, then what is so wrong with assaulting and battering a child a few weeks or a few months later when that child has been delivered?

My point, Mr. President, is that human development is a continuum. It begins at conception. It ends at natural death. There is no point at which we somewhere along the continuum become human. We are human from the beginning. That is self-evident, is it not? It is not self-evident to the Supreme Court, unfortunately, but it is self-evident to anyone with common sense for the offsprings of human beings cannot be cats or dogs or pigs. The offspring of human beings are human beings.

You do not become human at birth. You do not become human in the third trimester. There is no arbitrary point, no point convenient to modern society that wishes to avoid responsibility. There is no convenient point where you become human. You are human from the beginning.

The offspring of human beings are human beings. Prenatality is just another stage of development as is infancy, childhood, adolescence, youth, middle age, and ultimately old age; just another stage of development. It is true in prenatality we human beings look different than we look, say, at age 5, 10, 15, 30, or 60, but since when does appearances define humanity and humans and membership in the human race? When we are old on our deathbed we look vastly different than we did when we were 10. Does that mean we are no longer humans because we look different? Of course not. Neither can we exclude from the human race on account of appearance of a child in the first month of prenatal development who does not look quite like he will when he is 6 months, when he is fully formed and perfectly and unmistakably distinguishable as a member of the human race.

We are in a pretty sorry situation in this county in terms of morals, spiritual values, and I fear it is going to get worse. I do not hear any of the candidates running for President talking about it. But what we need in this country is a moral and ethical and spiritual regeneration. President Reagan has accomplished a great deal in raising the educational ideals and standards in our Nation's schools, not by spending more money, but talking about the need for higher standards and higher ideals. That kind of exhortation to greater striving toward the attainment of higher goals and higher ideals has had a remarkable effect in this country at very minimal cost.

We need candidates for President and we need a President who will exhort this Nation to a higher moral and ethical and spiritual standard.

I will close my remarks on this score by referring to yet another horror story coming to us through the press about cruelty and injustice toward human beings, a human being, still in the prenatal phase of development, still in prenatality. Yesterday, according to the Manchester Union Leader, a fine newspaper published in the State of New Hampshire, in the city of Barre, VT, a State district court judge dismissed charges against a man accused of killing his unborn daughter by kicking his pregnant wife. The judge dismissed the charges. In a ruling, Tuesday, according to the article, District Court Judge Alan Cook said a fetus cannot be considered a victim of crime under State law. It is not a crime to kill a child by kicking it while it is in his mother's womb according to this judge. That is a pretty sorry decision. That is a pretty sorry state of our law. I think that is a legality decision. I think that is a misreading of the Constitution but this poor judge cannot be blamed when these nine jurists across the street cannot decide the simple self-evident matter of when human life begins and in so refusing to decide throws open the door through which 20 million innocent prenatal human beings have perished.

It is a sorry situation. It needs to be addressed. That is why I address it frequently, often, through criticism because I know it makes people feel uncomfortable. They do not want to think about it. That is human nature. It is really grisly, and ghastly to think about little kids whose arms are torn from their bodies, whose legs, thoraxes, and heads are crushed in special devices because the skull is too large to be removed through the cervix. It is grisly, and ghastly to think about that. People do not want to. I can understand it. But we must think about it because this is the grossest, most grievous injustice in the history of civilization. One day it will come to an end. I hope that day will be soon, Mr. President.

Mr. President, how much time remains?

The **PRESIDING OFFICER.** The Senator has spoken 5 minutes and 15 seconds.

Mr. **HUMPHREY.** Mr. President, I am aware that under the consent order agreed to Senators are limited to 5 munutes each. I do not want to intrude upon Senator's time but there are no other Senators on the floor. I will yield the floor should a Senator wish to speak. In the meantime, I ask unanimous consent that I might be recognized for not to exceed 10 minutes notwithstanding the previous order.

The **PRESIDING OFFICER.** The Senator may proceed.

THE RESIGNATION OF EDWIN MEESE III

Mr. **HUMPHREY.** Mr. President, the recent announcement that Ed Meese will soon resign as Attorney General has drawn a variety of interesting responses.

The Attorney General's most rabid critics on the left have mixed feelings. They are delighted to be rid of a determined and forceful champion of tough law enforcement and judicial restraint. They are able to claim another scalp to add to those of Richard Allen, Jim Watt, Ray Donovan and others—loyal champions of the President's agenda who have been hounded from office by partisan charges that the truth could never catch up with.

But they are disappointed as well, because they enjoy nothing so much as diverting attention from the real issues of our time by smearing the reputations of their most visible political adversaries. And no one was more visible a target than Ed Meese, bless his heart, and now they will not have Ed Meese to kick around anymore.

Make no mistake: Ed Meese was targeted for destruction by his political enemies from the moment his name surfaced as a likely Attorney General.

The independent counsel's conclusion that there were no grounds for criminal charges against Mr. Meese should lay to rest the campaign of vilification that has been waged against him—but, of course, it will not.

This is the second time that every aspect of Ed Meese's personal and public affairs has been scrutinized by an independent counsel. Each time the legions of lawyers have been charged with finding some—any—basis for indicting the man, they have been frustrated.

They would have pursued even a technical criminal charge if they could have found something worthy. But the two exhaustive investigations apparently came up with nothing, from all that we can learn so far.

I want to recount just a few of the profound and lasting contributions Ed Meese has made to the improvement of legal and judicial policy in this country.

Ronald Reagan's landslide elections in 1980 and 1984 reflected the American people's overwhelming endorsement of the conservative principles on which he ran.

Prominent among those principles was the view that our courts and law enforcement system had become the special preserve of the violent criminals and their shifty lawyers.

Law-abiding citizens and victims of crime stood by helplessly while judicial activists set criminals loose to resume their assault on our society.

Ed Meese has done as much as any American to restore sanity, responsibility, and judicial restraint to our Federal courts.

He has presented the President with hundreds of sound, responsible jurists to be nominated for crucial Federal court vacancies. Although liberal activism has hardly been eliminated from the Federal courts, at least today's Federal bench represents a dramatic improvement over the sorry record of the recent past.

Ed Meese deserves enormous credit for helping to bring about this judicial reform for the benefit of all Americans.

He has also led the charge against the moral evils of rampant pornography and drug abuse, which are corroding the foundations of our society.

The Attorney General's Commission on Pornography focused national attention on the extensive antisocial impact of the corrupt pornography industry. The Meese Justice Department has acted forcefully to deter and prosecute the porn-kings and their poisonous product.

While the Nation's drug problem continues to defy any quick solution, Ed Meese has been a determined leader in the war on drugs.

Justice Department programs and priorities developed under his leadership have achieved enormous progress in terms of prosecutions, seizures, and eradication efforts.

And it is important to note that Ed Meese was leading aggressive antidrug efforts long before those who jumped on the antidrug bandwagon only when the issue became fashionable in recent years.

More than anything else, Ed Meese has had the guts to persist in his commitment to crucial legal principles and policies which are broadly supported by the American people—but which are adamantly opposed by the liberal establishment in Washington.

He has sought to restore the balance to our criminal justice system by reducing technical barriers to the prosecution of violent criminals, such as the Miranda rule and the exclusionary rule.

He strongly supported capital punishment for the most heinous murders, and opposed unjust racial quotas and preferences which have distorted the principle of equal employment opportunity.

He has consistently rejected the bogus theory that the first amendment provides a license for the corruption of our youth by the peddlers of pornography and obscenity.

And he has been a staunch supporter of the fundamental right-to-life for prenatal infants.

If Ed Meese had been more docile and conciliatory on such issues, if he had been more willing to court the good graces of the Washington Post and the whole liberal left establishment, he would never have attracted the liberal wrath which fueled the relentless attacks on his character. He know that his high-profile conservatism would draw hostile fire, but he never flinched from his commitment to principles he knew were right.

So I commend Ed Meese for his courage and commitment under fire. And when all the smoke and hot air clears after he is gone, he can look back with pride upon the great contribution he made to the restoration of sound legal and judicial policy in this country.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BYRD. Mr. President, the staffs are working assiduously to develop some unanimous-consent agreements on certain bills and resolutions that we hope to act on before we adjourn. I understand it will be another 30 minutes.

I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate, at 3:34 p.m., recessed until 4:04 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Sanford].

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PRESIDENT'S MID-SESSION BUDGET REPORT

Mr. CHILES. Mr. President, section 1106 of title 31 of the United States Code requires that the President must submit his midsession budget report to Congress before July 16. I have just received a letter from the Director of the Office of Management and Budget that informs me that the President will not submit this report on time tomorrow. I rise today to express my sincere hopes that he will submit this important report as soon as is possible.

The midsession budget report is not merely some academic exercise. This is the report where the OMB establishes the economic and technical assumptions it will use in determining whether the Gramm-Rudman-Hollings law will require across-the-board cuts. As amended last year, Gramm-Rudman-Hollings requires that this report must also provide an estimate of the deficit in a manner consistent with the estimates that will be used by OMB in its August 25 initial report on whether across-the-board cuts are needed. In other words, with this report, we will be able to look down the road and see if we are headed toward across-the-board cuts under Gramm-Rudman-Hollings.

It is imperative that Congress receive this kind of information as early as possible. If the future holds across-the-board cuts, Congress and the President would need to set about as soon as possible to take steps to avoid them. This is particularly true this year, as we have a short legislative calendar and only so many days of session in which to act. As I count them, there are only 9 weeks of session left in the year after today. Those of us who worked for a month in the economic summit last year know that's not a whole lot of time when you're talking about the possibility of crafting a compromise to reduce the deficit.

We are proceeding expeditiously on appropriations measures this year. Depending on how long the President delays, we may well have completed Senate action on all appropriations bills when we receive the President's report. That would leave us with very few legislative opportunities to address the deficit problem over the remainder of the year.

And so, I call upon the President to expedite his midsession report. We look forward to receiving it soon.

Mr. President, I send to the desk a copy of a letter that Chairman Gray of the House Budget Committee, Senator Domenici, and I sent to the Director of the Office of Management and Budget plus a copy of the letter I received today from the Director and ask unanimous consent that they be printed in the Record at this point.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Congress of the United States,
Washington, DC, June 22, 1988.

Hon. James C. Miller III,
Director, Office of Management and Budget, Old Executive Office Building, Washinton, DC

Dear Mr. Miller: We are writing you because of our concern for timely submission of the President's Mid-Session Review of the 1989 Budget.

Title 31, United States Code, section 1106(a) requires submission of this report before July 16. Last year, the report was not submitted until August 17, when Congress was not in session as a result of the statutory August District work Period.

The Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (P.L. 100-119) specifies a crucial role for the Mid-Session Review in the calculation of excess deficits. The August 25 report required under that Act must use economic and technical assumptions specified in the Mid-Session Review, and the Mid-Session Review must provide an estimate, using those assumptions, of the deficit excess and net deficit reduction that will be reported on August 25. The joint explanatory statement of the committee of conference accompanying the Act states: "It is imperative that the Director of OMB actually deliver this mid-session report by July 15. . . . The mid-session review is expected to be issued by the statutory deadline for that report" (House Report 100-313).

The Congress will be handicapped in its efforts to achieve deficit reduction and avoid sequestration if we do not have the Mid-Session Review on the required date. It is essential that as much information as possible about the amount of deficit reduction required to avoid sequestration be available to the Congress as it works on budgetary legislation during July and August. We are therefore expressing to you our concern that last year's delay not be repeated and that the statutory requirements for this report be met.

Sincerely,

House budget Committee:

William H. Gray III,
Chairman.
Delbert L. Latta,
Ranking Minority Member.

Senate Budget Committee:

Lawton Chiles,
Chairman.
Pete V. Domenici,
Ranking Minority Member.

Executive Office of the President,
Office of Management and Budget,
Washington, DC, July 14, 1988.

Hon. Lawton Chiles,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC

Dear Mr. Chairman: This letter is to advise that it is necessary to delay the issuance of the Mid-Session Review pending the availability of accurate data on the drought and its impact on the economy and the budget.

The drought that is currently affecting agriculture and transportation in much of the country may also affect the Federal Government's budget for FY 1989. Crop support payments, loan repayments, and sales of power from Federally-owned hydroelectric generating facilities are examples of some of the Federal Government's activities that may change because of the drought. Despite the extra efforts of the Interagency Task Force on the Drought, a reliable assessment of the potential impact of the drought will not be available until later in July.

The potential magnitudes of these changes are too important to be ignored in the preparation of the Gramm-Rudman-Hollings (G-R-H) baseline that is required to be published with the President's Mid-Session Review. The G-R-H legislation requires that the economic and technical assumptions used in the Mid-Session Review must also be used in both the August and October G-R-H reports. The issuance of the Mid-Session Review must, therefore, be delayed until better information is available about the drought and its effect on the economy and the budget.

We will submit the Mid-Session Review at the earliest possible time that meaningful data on the budget effects of the drought can be compiled into the report. I fully intend for the delay to be no more than two weeks. I trust you will agree that the special situation brought on by the drought, combined with the requirements of the G-R-H legislation limiting changes in economic or technical assumptions after the issuance of the Mid-Session Review, must be taken into account in the Mid-Session Review. I appreciate your understanding on this issue.

Sincerely yours,

James C. Miller III,
Director.

DENISE CARBAUGH SCHAFER

Mr. SPECTER. Mr. President, courage has many definitions and a myriad of manifestations. Most often, it is depicted as an act of valor by a soldier or sailor in battle or by a policeman or fireman who braves personal peril to save someone's life.

But it can also show itself in less demonstrative ways. It may simply be the resolve of someone, who having suffered greatly, refuses to capitulate, who fights on in the face of overwhelming odds.

Such a one is Denise Carbaugh Schafer, of Reading, PA.

More than 6 years ago when she was 15, Denise was diagnosed as suffering with osteogenic sarcoma, a form of bone cancer, in her left leg. Despite surgery to save the leg, the operation was not a success and the leg had to be amputated. Because of problems with infections, Denise had to undergo two more operations and the cessation of chemotherapy treatments.

In 1985, Denise became active in encouraging other cancer victims to fight this disease and to never lose hope for recovery. She made speeches, appeared on television, and became involved in counseling cancer patients. Always, she endeavored to instill courage, determination, and hope in these fellow cancer victims.

In the meantime, Denise finished high school and found full-time employment in the banking industry.

In June 1987 during a routine chest x-ray, Denise learned that her cancer had returned. Tumors were discovered in both lungs and she underwent four operations to remove these tumors and others which continued to appear. Finally, Denise was told that further operations would be of no avail.

Through all of this, Denise Carbaugh Schafer has remained positive in her determination to fight this deadly disease. She has never given up hope. Her courage has been an inspiration to all who know her.

On August 10, 1988, Denise is scheduled to be admitted to a hospital in Hanover, Germany, to undergo treatment considered experimental in the United States. Her many friends in the Reading area and across Pennsylvania are holding a fundraising concert on her behalf on July 23, 1988, at Alvernia College to raise funds to help defray the costs of her overseas treatment.

It is altogether fitting, then, that the U.S. Senate take note of the great courage of Denise Carbaugh Schafer in her fight to defeat cancer and congratulate her for the wonderful example she has given to all so afflicted.

DROUGHT RELIEF EFFORTS BY SOUTH CAROLINA FARMERS

Mr. THURMOND. Mr. President, I rise today to commend the efforts of farmers in the Southeast who are sending hay to drought-stricken areas to relieve the effects of this year's drought.

In 1986, the Southeast experienced its worst drought this century. A late night news report of a South Carolina farmer's struggle to survive the drought initiated an unprecedented show of goodwill from farmers, businesses, and ordinary citizens as tons of hay were donated and transported to starving livestock in the Southeast.

Unfortunately, we now witness other segments of the country suffering a severe drought. The Southeast has not been spared from this year's drought; however, some areas in the region have received sufficient rainfall to harvest a fair crop. Although many of these farmers are still struggling to recover from the devastating drought of 1986, they are exhibiting the same compassion for their fellow farmers.

The South Carolina Department of Agriculture and the Clemson University Extension Service have reactivated Hay-Central. Hay-Central is the coordinating unit that controlled the distribution of donated hay in 1986. This year, its purpose has changed, and rather than distributing hay, it is seeking donated hay and transportation to send feed to the farmers and ranchers in need in other areas of the country. In fact, a caravan of 53 trucks sponsored by the Nascar circuit left from Charlotte, NC, this morning for Columbus, OH, loaded with donated hay from the Carolinas.

Mr. President, Congress is scheduled to consider legislation in the near future which will provide necessary Federal aid to farmers who have been affected by the drought. I commend the members of the Senate Agriculture Committee and other members of the National Drought Task Force for the prompt action they have taken in addressing this problem. The legislation they have presented is fair and will provide needed aid to drought-stricken farmers. Moreover, I want to thank and commend the many private citizens who have donated feed, provided transportation, volunteered time to load and unload hay shipments, or donated funds to support hay-lift projects. These individuals have displayed the American spirit—when faced with adversity. They have joined together to meet a desperate need and are undoubtedly the true heroes in this episode.

BICENTENNIAL MINUTE

JULY 2, 1915: BOMB EXPLODES IN SENATE WING OF CAPITOL

Mr. DOLE. Mr. President, 73 years ago this month, on July 2, 1915, a bomb exploded behind a telephone switchboard in the Capitol's Senate reception room. Although no one was injured in the blast, it caused extensive damage.

Initially baffled by the explosion, local police soon developed a lead. A former German instructor at Cornell University, Frank Holt, was arrested in New York the day after the blast for attempting to murder financier J.P. Morgan, Jr., in his Long Island home. J.P. Morgan and company was then Great Britain's chief purchasing agent in the United States for World War I munitions. Holt's written confession to this crime was strikingly similar to the phrasing found in four letters, claiming responsibility for the Capitol bombing, that were sent to the city's newspapers. At first Holt denied involvement in the Capitol explosion, but he soon admitted his guilt.

Described as "decidedly pro-German" by colleagues, Holt explained his actions in a letter to President Wilson. He stated that he needed to "call attention to the murders being done in Europe by American ammunition." In a letter to a Washington newspaper he wrote, "This explosion is the exclamation point to my appeal for peace." Each of the four letters was typewritten, but each letter also contained the hand-written word "Senate." Investigators speculated that he wrote this word in only when he decided where the blast was to take place.

Holt claimed that he strolled the Halls of the Capitol for half an hour before finding a spot where the bomb would not hurt anyone and where minimal damage would be sustained. As the investigators' probe deepened, Holt became implicated in various other explosions and was positively identified as Erich Muenter, a Harvard professor of German who had disappeared 9 years earlier. He committed suicide less than a week after his arrest.

CONVENTIONAL ARMS

Mr. McCAIN. Mr. President, more and more often recently we hear of calls for conventional arms initiatives and conventional arms options in the debate on national and alliance defense. Given this increasingly vocal emphasis on the conventional means of defense, it is absolutely essential that we in the West reach a consensus on the basic numbers of weapons and weapons types in the NATO-Warsaw Pact balance.

Without agreed, authoritative figures, we face the continual danger that we will establish the wrong conventional defense improvement priorities, create the wrong conventional force reduction options, or allow the Soviets to quote one western source against another to divide and confuse western publics to Soviet advantage.

I would like to include an article by Anthony Cordesman of my staff, which clearly illustrates the gross inconsistencies which currently exist in western estimates of the balance. It is no wonder that our various publics are confused about what should be done to counter the continuing Soviet conventional build-up. This is especially true with respect to the unclassified net assessments which currently exist.

We have introduced measures in the fiscal year 1989 Defense Authorization Act which strengthen the requirement for a detailed and comprehensive net assessment, and which are designed to produce an annual net assessment to remedy this area of confusion.

I hope that each member of the Senate will join us in the Armed Services Committee in communicating to the Secretary of Defense the absolute urgency of providing such data quickly and accurately so that the required consensus can be achieved and the West will be prepared to create valid force improvement priorities and to enter into meaningful negotiations with the Soviets vis-a-vis conventional arms reductions in Europe. Any failure to provide data that deals with all the problems in the attached article will virtually ensure that we remain at a disadvantage in analyzing both our force improvement needs and in any future conventional arms negotiations.

I ask unanimous consent that the article to which I referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Armed Forces Journal, July 1988]

FATAL FLAWS IN PRESENTING THE NATO/WARSAW PACT BALANCE

(By Anthony H. Cordesman)

To understand the policy issues involved in NATO conventional defense improvements, or conventional force reductions, we need an accurate picture of the NATO/Warsaw Pact military balance. But currently available unclassified counts of the balance have serious defects. This is true even of sources cited as the most "authoritative"—the balances described by the Department of Defense in Soviet Military Power and those in The Military Balance by the independent London-based International Institute for Strategic Studies.

The scale of the problem is easy to illustrate. The two most important counts of the NATO and Warsaw Pact balance are those of the forces in the forward area of Europe's Central Region, called the "NATO Guidelines Area," and in the area from the Atlantic to the Urals. In the case of the Central Region balance, Soviet Military Power fails to provide any data at all, and the IISS assessment is grossly misleading. In the case of the "Atlantic to the Urals," both the IISS Military Balance and Soviet Military Power fail to use comparable rules for counting the forces on both sides, and the count in Soviet Military Power includes reinforcing forces from the US and Canada. Both of these sources are thus useless for either NATO planning or arms control purposes.

CENTRAL REGION BALANCE

The Pentagon has never formally issued a count of the balance in the Central Region, and there is no recent unclassified US count of the forces in the NATO Guidelines Area based on the counting rules used in the decade-old Mutual and Balanced Force Reduction (MBFR) talks—rules designed to compare directly comparable forces in terms of readiness and deployment.

The closest count currently available from the US government is that of "Inplace in Europe and Rapidly Deployable Forces" on pages 114-115 of the 1988 edition of Soviet Military Power. This count includes forces on both the Northern and Southern Flank, as well as all the equipment prepositioned in Europe for reinforcing divisions stationed in the US and "high readiness" forces in at least eight Soviet military districts in the USSR.

Phillip Karber of BDM Corporation has, however, recently developed a data base on Central Region forces which seems very close to offical US counts by the Net Assessment and International Security Policy staffs in the Office, Secretary of Defense. Karber uses MBFR counting rules. The differences between the IISS analysis and the type of figures that would result from a directly comparable US count are summarized in Figure 1.

[Figures 1 through 4 are not reproducible in the RECORD.]

The differences between the IISS and Karber counts are so serious that one of them must be largely invalid. It is dfficult to pinpoint all the reasons for these differences. The IISS largely fails to define its terms, and there is no way to arrive at the IISS totals by using the individual country chapters in the IISS Military Balance. It is apparent, however, that there are serious problems in the IISS' 1987-88 figures in The Military Balance. If the IISS totals for NATO and the Warsaw Pact are drawn from the country sections in The Military Balance, the figures used for NATO and Warsaw Pact countries differ by their basic definitions. For example, the unit count in The Military Balance shows US forces by division, brigade, and cavalry regiment, but shows only independent divisions for Soviet forces in East Germany. This excludes 12 independent maneuver brigades and regiments there, or roughly 25% of the real division equivalents.

The IISS data do not support an accurate count of most weapon types other than tanks and some types of combat aircraft assigned to fighter and fighter/attack formations. Even in these cases, the model and upgrade status of major equipment are often missing. This information is critical, particularly in evaluating systems' qualitative nature. For example, pages 233-234 of the 1987/88 The Military Balance give a highly misleading picture of Soviet tank modernization, largely ignoring upgrades of Soviet tanks with reactive armor, new guns, and new fire control and range-finder systems. The USSR had deployed over 3,000 of these improved T-64, T-72, and T-80 tanks by mid-1987.

Unlike the Karber data, the IISS figures concerning the strength of the forces in individual NATO and Warsaw Pact countries do not distinguish between equipment in active units (manned at 20% strength or higher, according to MBFR counting rules), total unit holdings, war reserves, nonoperational holdings, and total inventory. The IISS does not state this clearly, noting only that "figures include equipment in storage or reserve where known."

The figures used for NATO count the entire equipment holdings of West European countries and all US equipment in Europe, but only the equipment in Soviet units (called TO&E, or what each division is supposed to have under its Table of Organization and Equipment). To illustrate the importance of that difference, open sources estimate Soviet main battle tanks war reserves in East Germany at anywhere between 400 and 2,000 tanks. Similarly, 2,934 of the main battle tanks in NATO forces in the NATO Guidelines Area are in reserve or prepositioned status, with 1,440 tanks prepositioned for US units. Thus, by its own criteria, the IISS either overcounts NATO tanks by roughly 30%, or it undercounts Soviet tanks by at least 11%.

The NATO Guidelines data for the Warsaw Pact used by the IISS seem to exclude low-readiness Czech, Polish, and East German Category III and mobilization base division-size units. This is legitimate under MBFR counting rules, but the IISS also excludes independent tank regiments/brigades in East Germany, which have more tanks than the three Soviet tank divisions there.

Part of the problem may stem from the fact the IISS still uses the Category I, II, and III definition of Warsaw Pact readiness that has been rejected by the US intelligence community. Another uncertainty lies in the IISS's treatment of Eastern European army equipment in stocks and mobilization base status—an area where the IISS counts seem very erratic.

The IISS seems to include a wide number of forces in NATO countries that would be used only for national purposes or to secure rear echelons and lines of communication. But it excludes Warsaw Pact paramilitary forces, border guards, and security forces. This is legitimate under MBFR counting rules, but raises very serious problems for force reduction negotiations and in estimating the balance. The USSR has division-size MVD formations that can secure its rear areas without diverting regular troops to the purpose. Such counting rules ignore major differences between NATO and the Warsaw Pact. A more accurate method might be to count only those NATO units which are assigned or earmarked to the operational control of the Supreme Allied Commander Europe.

The IISS count of NATO forces in the NATO Guidelines Area (NGA) violates MBFR counting rules and ignores comparative readiness. To get to its number of 32⅓ NATO division equivalents, one must include Belgian, Dutch, and West German reserves and US POMCUS reinforcements, although these are lower in peacetime strength than the Warsaw Pact Category III reserves, whose equipment IISS excludes.

The IISS count includes POMCUS forces—units stationed in the US whose equipment is prepositioned in Europe. This follows a model used by analysis in the Pentagon's Program Analysis and Evaluation office, but PA&E's work in this area does not have broad acceptance within the Pentagon and ignores the real-world deployability and readiness of these forces. The US has a commitment to provide 10 divisions and some 60 squadrons to NATO within 10 days, but it cannot come close to meeting it. The US does not maintain a combat ready force posture in Europe. It must mobilize more than 50% of the combat support and service support units needed to back up combat units that are already in Europe, and it must mobilize some 75% of all the manpower needed to meet its commitment of 10 division plus their support forces.

The US cannot begin deploying divisions which would use European POMCUS stocks in less than two weeks and cannot hope to complete these deployments in less than a month. Even these movement estimates ignore the fact that over 70% of the fill-out in combat and service support consists of reserves with major readiness problems, and the US currently is short over 60% of the required sealift and a substantial amount of the POMCUS stocks. Calling these forces "rapid reinforcement forces" bears no relation to their actual deployment rate, the POMCUS stocks actually in Europe, or the ability to sustain the 10-division force or some 60 reinforcing air squadrons in combat.

The IISS credits NATO with 12,700 tanks in its NGA equipment counts, but only 6,970 are in active units. The IISS also counts 2,500 tanks in unmanned reserve/reinforcement units that could take up to two weeks to mobilize and deploy; 1,500 tanks in non-unit-assigned storage (replacement vehicles that could be committed to battle only after they were manned by crews who had survived the loss of their first tank); and about 1,700 tanks in repair parks or maintenance float. The Warsaw Pact equivalents are not counted, but this is disguised by a footnote that says that equipment in reserves and storage is only counted where known; the footnote does not point out that such data are known for most NATO countries, but not for the Warsaw Pact. This difference alone changes the force ratio from 18,000-to-12,700 tanks (1.4:1) to 18,000-to-6,970 (2.6:1).

The IISS count of antitank guided missiles excludes ATGMs on armored vehicles, which are a key part of Warsaw Pact forces. This shifts the Warsaw Pact from a 50% numerical inferiority to a 50% superiority.

The IISS count shows a NATO lead in helicopters with antitank guided missiles because it excludes approximately 390 Warsaw Pact Mi-8 helicopters, which can and do carry such missiles.

The IISS compares fully manned Warsaw Pact antiaircraft guns in units and on air bases against NATO totals which require redeployment of assets and full mobilization of West German and Benelux forces. This reduces a Warsaw Pact superiority of 1.7:1 to only 1.1:1.

The IISS totals for land combat aircraft use counting rules for the NGA which exclude up to 20% of the aircraft deployed in the NGA geographic boundaries.

The IISS definitions exclude 100 Backfires, 100 Blinders, and 140 Badgers in the Smolensk Air Army from threat tallies in the Atlantic-to-the-Urals area. This is valid according to MBFR counting rules, but only if similar reinforcement forces are excluded for NATO. This Soviet force is operationally assigned the mission of attacking NATO air bases in the Central Region (Mar AFJI). Proper counting of the Soviet bombers would increase the Soviet advantage in bombers from 1.6:1 to 2.8:1. (The IISS also excludes North American based US and Canadian formations earmarked for reinforcement.)

This is by no means a comprehensive summary of the problems in the IISS count of the balance in the NATO Guidelines Area, and it involves some guesswork regarding the full reason for the problems in the IISS count. But until these issues can be resolved, there is no way that the IISS figures can be used to create a meaningful "bean count," much less as the foundation for a meaningful comparison of force quality.

Further, it is important to point out that the IISS counts cannot be excused on the basis that they somehow match the British approach to counting the Central Region balance. The British government is the only NATO government that has issued a recent unclassified count of the Central Region balance, and it is careful to use the MBFR counting rules accepted by NATO.

The latest such British count appears on page 61 of the 1987 Statement on the Defence Estimates and closely parallels Karber's count of the balance. This is illustrated in Figure 2, and it is clear that the IISS count in no way agrees with that of the British government.

The British count covers the standard NATO Guidelines Area. It includes NATO forces in the Benelux countries and West Germany (including French forces in West Germany other than in the Berlin garrison), and Warsaw Pact forces in Czechoslovakia, East Germany, and Poland. The counting rules are not specified, but appear to count only equipment in fighting units. The ATGM count excludes missiles fired through the gun barrels of Soviet tanks.

THE AREA FROM THE ATLANTIC TO THE URALS

If the above criticism seems to focus on the IISS, it is important to note that the IISS has only a very small staff, no access to classified information, and is almost totally dependent on friendly governments to provide it with accurate data and help in counting the balance. At least some of the problems in The Military Balance also seem to stem from the fact it is using models of the balance developed by the Pentagon's Program Analysis and Evaluation office, which stem more from the search for historical continuity with past estimates than for a quest for estimates with current relevance. This is illustrated by the fact that problems in the IISS balance are closely mirrored in the 1988 edition of Soviet Military Power.

This year's edition of Soviet Military Power is far better than previous editions in most respects, but its key counts of the NATO and Warsaw Pact balance do not represent figures generated by either OSD's Net Assessment staff or the Office of the Joint Chiefs of Staff. They are PA&E figures—whose only justification is historical continuity with past editions of a deeply flawed document.

This presents some serious problems. The first is that there are actually three sets of balances included in the document using different, but undefined, categories or readiness and geographical area. There is one count of theater nuclear systems (on page 109) that is defined only as forces "in Europe." There is another count on pages 110-112 which is defined as "Ratio of Warsaw Pact to NATO Ground Forces in the WTVD." While the document fails to define WTVD, this normally refers only to Warsaw Pact forces and not to NATO forces. Further, a range is shown which is stated to include undefined sensitivity to different assumptions about Soviet forces. It is unclear what categories of NATO and NSWP forces are used as the standard of comparison. It is interesting to note, however, that the summary combat potential data on page 112 show that the Warsaw Pact advantage ranges from 1.3:1 to 2.2:1 on M-Day (the first day of war, or Mobilization Day), but increases to 2.4:1 to 3.1:1 at M+30. But this trend contradicts the series of trends presented in SMP's next force count.

A third set of numbers is provided on pages 114 to 115. These numbers were generated by PA&E with inputs by the Defense Intelligence Agency. They are the most important count in Soviet Military Power because they provide the most specific and most recent count of land and air equipment released by the U.S. government. But they differ sharply in their overall trends from a number of seemingly similar comparisons in pages 22-23 of the Military Posture report issued in March by the Joint Staff of the Office, Joint Chiefs of Staff. Further, they use strange and often undefined counting rules.

There are two different sets of numbers on pages 114 and 115 of Soviet Military Power. The first is for "In Place and Rapidly Deployable Forces." This count has a number of peculiar aspects. It eliminates France and Spain but counts all non-Soviet Warsaw Pact forces. It includes POMCUS-dependent forces, although there are critical shortages in actual POMCUS stocks; these forces cannot fully close until M+30, are not combat ready, and cannot be sustained with existing stocks and sealift. It includes "high readiness Soviet forces" in the Baltic, Belorussian, Carpathian, Odessa, Kiev, and North Caucasus military districts without defining "high readiness." At the same time, it includes all airborne divisions, all Soviet forces in the Leningrad and Transcaucasus Military Districts regardless of readiness, but excludes (without explanation) all Soviet artillery divisions and brigades. There is at least one such division in East Germany and there are three or four divisions in the three western military districts. Each division has between 150 and 400 artillery weapons.

The exact purpose of this force count is difficult to guess. It does not seem to conform to any conceivable scenario. The forces involved are not comparable, and the count has no meaning for force reduction planning purposes.

"Rapidly Deployable Forces" seems to include the total equipment inventory of NATO countries in Europe, regardless of whether active manning or units exist to use the equipment, but counts only equipment actually in Warsaw Pact units. This, however, is not clearly stated. It includes large numbers of NATO aircraft which are currently used for unit training, but excludes Warsaw Pact aircraft in dual training/combat roles.

It is also interesting to note that while no comparable IISS count exists of "Rapidly Deployable Forces," there is a recent count by the West German Ministry of Defense which uses almost exactly the same definitions as to readiness and area of coverage, but which often produces very different numbers. These counts are shown in Figure 3. (Data are taken from Streitkraeftevergleich 1987: NATO-Warshauer Pakt, MoD Bonn.) The two counts show strong similarities, but the FRG and the British counts show how the somewhat arbitrary counting rules in Soviet Military Power alter the balance for other armored vehicles, attack helicopters, fighter strength, and total air strength.

The next count of the NATO and Warsaw Pact forces in Soviet Military Power is defined as "Fully Reinforced Forces." This count is particularly interesting because the statistics are seemingly comparable to the Atlantic-to-the-Urals area in the IISS count in the Military Balance. There is however, a basic difference between the definition of the two counts. The Soviet Military power count includes North American reinforcements and all Soviet forces west of the Urals.

The Soviet Military Power and IISS counts are compared in Figure 4, along with a recent estimate of the Atlantic-to-the-Urals area in the 1988 British Defense Estimates (vol. 1, page 63). The data on Warsaw Pact forces should be directly comparable, but the NATO data should differ to the extent that the NATO count in Soviet Military Power includes US and Canadian reinforcements.

Up to a point, the counts are roughly comparable. The three counts are roughly similar for Warsaw Pact tanks, and the IISS and British counts roughly agree on tube artillery and Multiple Launch Rocket Systems. There are significant differences in total land combat aircraft, but the range of difference is less than 10%.

The IISS and UK estimates of NATO forces are generally smaller than the Soviet Military Power estimates of NATO forces. At the same time, however, several major differences cannot be explained on these grounds. They include the counts of NATO division equivalents, tanks, armored personnel carriers and infantry fighting vehicles, antitank guided missile launchers, armed helicopters, fighter interceptors, and the various elements that make up total combat aircraft.

It is impossible to tell from Figure 4 which count is right and which two counts are wrong, but all three counts cannot be correct. Further, this cannot be explained in terms of time since they all count the forces on each side in 1987.

If one looks at the West German count of the balance referenced earlier, however, a number of problems develop which seem to indicate that the IISS and Soviet Military Power counts are both misleading.

West Germany's land force count initially seems to be comparable with the US count of "Fully Reinforced Forces." It largely agrees with the US total of division equivalents: the US shows 134 for NATO and West Germany shows 131; the US count for the Warsaw Pact shows 229 and the FRG shows 220. This would indicate that there is something seriously wrong with the IISS count of division equivalents.

These similarities reverse themselves, however, when one looks at tanks. West Germany seems only to count the NATO tanks assigned to active units, and its total is 21,100 for NATO. The IISS produces nearly the same estimate, but this figure compares with 17,000 for the British estimate and 28,200 for Soviet Military Power. The difference between the US and West German tank count for NATO is of major importance, since it amounts to 22%. The difference between the UK count and US count is even greater—it amounts to 66%—and even the British and West German/IISS counts differ by roughly 31%.

The counts for Soviet tanks are almost exactly the same in all four estimates, with 51,000 for the British count, 52,200 for the IISS count, 53,100 for the US count, and 54,300 for the West German count. This seems to result from the fact that all four sources count Warsaw Pact unit holdings based on roughly similar TO&Es. The question is whether any of these counts take full account of Warsaw Pact mobilization base and war reserve holdings.

The differences between the counts of other armored vehicles are equally striking. The US count is 39,900 for NATO and the West German count is 46,200. The US count for the Warsaw Pact is 60,000 and the West German count is 129,900. Thus, while the US shows a Warsaw Pact superiority of 1.5:1, the FRG shows a superiority of 2.8:1.

The differences in artillery are also significant. It is obvious that the US count produces a radically different ratio of Warsaw Pact superiority because of the way it counts mortars. If mortars are exempted, the Warsaw Pact superiority would be 3.3:1 according to the IISS and 3.5:1 according to the UK. Counting mortars in the same total as major artillery weapons seems a bit absurd in military terms, and the net effect is to make the military balance seem better on paper than it is in the field. Even here, however, there are problems. The US estimate shows a Warsaw Pact superiority of 1.8:1, but the FRG shows 2.7:1 (47,500:17,700).

Similarly, there are striking differences in the numbers for antitank guided missiles and attack helicopters.

Finally, if one looks at the ratios of land based combat aircraft, the US estimate shows a Warsaw Pact superiority of 1.2:1, the UK a superiority of 1.8:1, West Germany a superiority of 2.0:1, and the IISS a superiority of 2.3:1. For obvious reasons, all of these differences cannot be explained on the ground that the estimate in Soviet Military Power counts additional aircraft in North America. They also raise new questions about the reasons for the differences in Figure 3.

While comparisons of "Fully Mobilized Forces" are more a measure of military potential than of likely contingency capability, it is important to note that the differences between the West German and British accounts and the count in Soviet Military Power would probably be enough to reverse the outcome of any theater war game. They would also lead to radically different conclusions regarding asymmetric force reductions.

WILL THE REAL NATO AND WARSAW PACT BALANCE PLEASE STAND UP?

It should be clear from the above analysis that current unclassified estimates of the NATO and Warsaw Pact balance are inadequate for planning either force modernization or conventional force reductions aimed at reducing the major asymmetries between NATO and the Warsaw Pact. Whatever the real balance may be—and it is important to note that the qualitative factors that have largely been ignored in this analysis are as important as the quantitative ones—the data from the IISS and in Soviet Military Power confuse the issues far more than they clarify them.

No count of the NATO and Warsaw Pact balance can be trusted that does not show its data base in detail, reveal all its counting rules, properly distinguish combat-ready forces from the major categories of reserves, and explicitly separate its counts of manpower and equipment in units from those in war reserve stocks and prepositioned equipment.

FUTURE PROSPECTS

The outlook for the future is mixed. The initial reaction of the IISS has been to ignore the fatal flaws in its force counts.

The key point is that the IISS Military Balance will never properly support any analysis of the NATO and Warsaw Pact balance until it provides detailed totals of the Soviet and US manpower and equipment in each European country, the Soviet manpower and equipment in each Western Military District, and the comparative capability of the US and USSR to deploy reinforcements over time.

The Pentagon has done little better. Its Net Assessment staff has made major improvements in the text of this year's edition of Soviet Military Power, and it has done much to improve the document's credibility and remove the propaganda-like tone that cost past editions much of their impact and credibility. Nevertheless, the most critical tables in Soviet Military Power cast grave doubts on its quality and integrity.

This is not only true of the tables of the NATO and Warsaw Pact balance. While these tables understate the Warsaw Pact threat, the key tables on strategic forces on pages 46-52 show a long outdated projection of the threat for the mid-1990s. They imply a literally incredible degree of Soviet force modernization, and obviously disagree with the inputs to the estimate of the balance shown on page 44 of the Military Posture Statement from the Joint Staff.

The Department of Defense is charged with correcting this situation and providing a detailed and comprehensive unclassified net assessment. It is still unclear, however, whether an urgent need for accuracy and credibility will triumph over bureaucratic momentum. While a number of analysts have spoken up for more meaningful counting rules and data bases, there seems to be a strong tendency within the building to continue the analytical absurdities of the Defense Intelligence Agency/PA&E count in Soviet Military Power.

Fortunately, Britain and West Germany seem more interested in providing more realistic estimates.

One thing is all too clear: the Pentagon is not going to be able to reestablish its credibility with more unexplained totals, or a few useless totals for "Atlantic to the Urals." It is going to have to provide the same detail as the IISS. Ironically, such an unclassified data base already exists. But it has been buried by bureaucratic objections by precisely the same groups that created the problems in Soviet Military Power. Unless this situation is rapidly changed, we will never get to the "bean count," much less beyond it.

CHILD CARE BILL

Mr. KARNES. Mr. President, there is widespread concern over the ability of Americans to provide adequate child care for their children.

During the past two decades we have seen sweeping economic and social changes in America, accompanied by the increased movement of millions of women into all sectors of the work force. Today 45 percent of all U.S. workers are women, and 57 percent of women with children under the age of 6 years hold jobs away from home. Moreover, there are fewer typical households—under 10 percent—with the father as the sole breadwinner and the mother at home with the kids. These changes have produced profound effects on the way families raise their children and on their needs for providing care for their offspring, especially those youngsters of preschool age.

In Nebraska, as elsewhere, parents are faced with the problem of finding suitable care for their young children. They are finding it increasingly difficult to bear the rising costs of child care. Either a nonworking mother remains at home to look after the children or, if both parents work, the parents must seek outside child care providers—often relatives or neighbors, day care facilities in schools, churches, community centers or offices, or other available licensed or unlicensed facilities. Parents want a meaningful choice in the type of child care they are able to provide for their youngsters. For them child care is as much a family issue as a workplace issue.

Family and workplace considerations are important to us as we consider appropriate Government policies to address the problem of child care. That is why I am pleased to add my name as a cosponsor of S. 2187, the child care tax credit bill introduced by Senator WALLOP. This legislation would amend the Internal Revenue Act of 1986 to allow a refundable tax credit to taxpayers for dependents who have not attained the age of compulsory school attendance under State law. The bill would also reform the tax credit for dependent care services necessary for gainful employment.

This proposal, identical to the House bill introduced by Congressman HOLLOWAY, is a commonsense approach to the problem of providing relief to parents from the burden of child care expenses. It eliminates the bias built in current tax law against traditional family life and offers a choice to parents seeking to provide care for their young children, regardless of whether both parents work.

S. 2187 reforms existing tax incentives that have proven inadequate for child care needs. The dependent care tax credit allows families to claim a credit for child care expenses for two children if both parents are gainfully employed. The credit can be taken for children up to 15 years of age. It is applied against the family's income tax liability and covers costs incurred by families of as much as $2,400 per child. The amount of the credit allowed depends on income, with a sliding scale starting at 30 percent of covered child care expenses for families earning $10,000 or less a year and declining to 20 percent of those expenses for families earning $29,000 or more.

In 1985, 8.5 million families applied for the credit and received a total of $3.2 billion in credits. This represented an increase of 574 percent in the value of the credit since it was enacted in 1976.

It has been estimated that in 1988 about 43 percent of the credit will go to families earning more than $50,000 a year, while only 23 percent will go to families making under $20,000. Single-parent households with income less than $20,000, where the adult provides the only means of support, will receive an average credit of $361, while couples making between $100,000 and $200,000 will receive an average credit of $405. Clearly the tax credit is restrictive and unfair, since those families most in need of the credit do not qualify. Thus it should be reformed to meet the needs of modern family life.

This bill would alter the dependent care credit to provide families a greater range of choices with regard to the provision of child care. It would remove the two-child limitation to enable larger families to claim as many children as necessary. The age of the qualifying children would also be lowered to the compulsory school age in the taxpayer's State. The credit would amount to a fixed dollar amount per child and would be based on the taxpayer's adjusted gross income. For example, a parent with two children under school age earning $15,000 a year could claim a "young dependent credit" of $800; whereas a family with two 5-year-old kids and an adjusted gross income of $35,000 would be entitled to a credit of $300. Moreover, by making the credit refundable, the bill would enable most low-income families to qualify for child care support. Under current law the credit is worthless if the family has no income tax liability.

This proposal has many advantages. It would enable parents to use their credit for child care costs in any way they consider appropriate. It does not distinguish between different types of providers of care. It does not force families to choose one kind of child care over another. It would make the credit available to both working and nonworking parents so that if a parent remains at home to care for the young children, the family is not penalized. Under current law both parents must work to take advantage of the tax credit. Thus, this bill would allow families to choose between home and work and would eliminate discrimination based on career decisions.

This proposal is straightforward and simple. It responds directly to the need for making child care available to those families who need the credit most of all. It provides an uncomplicated approach to a serious problem without the necessity of having another costly, unwieldy Government program of federally regulated day care. It ensures that parents, not bureaucrats, have the final say in deciding what day care services their children can use. The program wastes virtually no funds in administrative costs.

I consider the Wallop-Holloway proposal a good one primarily because it provides meaningful choices to deserving families with young children. The Treasury has estimated the cost at $2.6 billion over and above current spending—$4.4 billion under the current credit. This is far preferable to targeting huge sums of tax dollars at a large bureaucracy to administer the program, as the Act for Better Child Care, or ABC bill, would do.

The ABC bill, sponsored by Senator DODD and Representative KILDEE, would provide direct subsidies to day care facilities meeting Federal standards, overseen by the Department of Health and Human Services and administered through State child care agencies. It would cost at least $2.5 billion in the first year and $13.4 billion over 4 years, and would effectively establish a Federal monopoly in the day care industry by forcing out family- and church-based and other private child care services that would not be able to meet Federal regulations and restrictions.

Recently, in a letter to the editor published in the Omaha World-Herald, Cathy Liebman, a licensed home child-care provider in Louisville, NE, described some of the flaws of the ABC bill. Her conclusion is that ABC fails to provide for better available child care services.

Mr. President, I ask unanimous consent that the text of Cathy Liebman's letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CARE WOULDN'T BE BETTER

LOUISVILLE, NEB.—The Alliance for Better Child Care claims that the Act for Better Child Care Services (ABC) will increase available, affordable and quality day care at a cost of $2.5 billion. ABC solves the "crisis" by aiding all families earning up to 115 percent of the median family income. Middle-income families are needy? The real crisis is that money needed by low-income families goes to the middle class.

Advocates claim no new bureaucracy. ABC mandates a minimum of 750 committee positions to oversee its implementation. Also, to increase facilities and choices, ABC limits parents' options to "approved, non-sectarian, licensed facilities." Thousands of children are now in licensed church child care. ABC eliminates this option.

ABC requires all child-care providers to annually obtain 15 hours of education. Home providers caring for eight children must obtain credentials identical to personnel caring for 50 to 100 children. ABC will decrease the availability of quality home care. Better child care services? No way.

CATHY LIEBMAN,
Licensed Home Child-Care Provider.

Of course, the Wallop-Holloway proposal is not the only alternative to the ABC bill. A number of other interesting and sensible measures have been proposed which are also based on the supply side approach of granting parents tax credits to spend on whatever type of child care they desire and are far cheaper than and superior to the ABC bill.

As a parent with four young daughters and a career woman as a wife and mother, I am concerned that working families have a choice in child care that will meet their special needs. I am also concerned that we address other problems in providing quality child care, including tort liability of licensed child care providers, adequate funding for State child care programs, and incentives for small businesses to provide in-house child care services for employees. For this reason, I plan to introduce at a later date my own proposals for providing child care for America's families.

Child care is an important issue demanding our serious attention. But we must not rush into another ill-conceived Government panacea. The Wallop-Holloway bill which I am pleased to cosponsor is an excellent starting point from which we can address the problem. It merits support and serious consideration in the current debate over Government policies affecting the family. In the words of Senator WALLOP: "We all agree that care of our Nation's youngsters must be a priority, but the family must not be overlooked as the first and last place where our children flourish."

McDONOUGH ORGANIZATION FOR RESPECT AND EQUALITY FOR PEOPLE

Mr. BOSCHWITZ. Mr. President, I rise today to bring a new Minnesota self-help movement to my colleagues' attention.

A fellow Minnesotan, Sister Kathleen Spencer, has organized residents of the McDonough Homes project in St. Paul into the McDonough Organization for Respect and Equality for People or MORE.

Although there are many cultural and linguistic barriers to overcome, this multiethnic group has come together to solve some of the very real problems that plague their housing project. During the July 6 meeting, MORE determined that crime is the No. 1 problem at McDonough and that they will concentrate on reducing theft and vandalism first.

It is very important for all people to get involved in projects that improve their neighborhood and community. I commend Sister Spencer and MORE and look forward to hearing of their successes. Mr. President, I ask unanimous consent that the article from the St. Paul Pioneer Press be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LANGUAGE IS NO BARRIER FOR SELF-HELP DRIVE

(By Sean T. Kelly)

Organizing a self-help movement isn't an easy task in any language, but it's a bit harder when several languages are involved, Sister Kathleen Spencer has learned.

"We're working with Cambodians, Vietnamese and Hmong, plus blacks and whites, so they are coming together with different languages and cultures," she said.

Spencer, a social justice minister affiliated with the Inner Urban Catholic Coalition, resides at the McDonough Homes on St. Paul's North End. She moved in there so that the disparate groups there would come to know and trust her.

She set up a clothing exchange in the basement of her apartment and acted as a go-between for locating furniture needed by residents. She organized support groups for those fighting chemical dependency or seeking employment.

Interested residents began to express their concerns in complaint sessions, but many are now working on problems together, she said.

"A full-blown organization has developed," she said.

A recent meeting of the group—known as the McDonough Organization for Respect and Equality for People, or MORE—exemplified the cross-section of residents who are identifying and working on problems at McDonough.

"I like the way people come together to share their problems," said Ny Meth, a Cambodian who has lived at McDonough for four years. "I think crime is a problem here. Someone has tried to steal my car three times."

Gwendolyn Dopsin, a 12-year resident, also cited crime as a problem.

"It hasn't happened to me but I've known people who've had their homes broken into," said Dopsin. "We all have to share things together and become one. Without that, nothing is going to work."

"I think it's very helpful," said Mai Lor, another resident and a member of the Hmong community. She identified possible drug dealing at the McDonough gymnasium as a local problem.

"It's good to participate because I need to communicate more," said Mui Dinh, who escaped by boat from Vietnam several years ago.

Employment opportunity is his biggest concern, he said.

Sara Hansen, a nine-year resident of McDonough, said community effort can be based on the cooperation that is evolving in the MORE group.

"There is great satisfaction in seeing the people here working together," she said, citing day care as a need.

The organization is planning a July 6 meeting to identify and rank the major problems they would like to work on. A flyer in the residents' various languages is being developed to reach as many people as possible.

The language barrier also will have to be addressed at the meeting, as members of the various ethnic groups huddle in brainstorming sessions, according to Nancy Christianson, a social worker who is assisting the group.

The complexity of organizing such a polyglot group was demonstrated when Mai Lor said the elderly men would not be likely to listen to her bilingual instructions if she were considered a "leader," so she preferred the title of "translator."

"To me, the most important thing is not the coming together of an issue but the coming together of all the races and cultures here at McDonough," Spencer said.

"We're trying to get the residents to move into empowerment for themselves, and then myself and Nancy can step aside and move on," she said. "I think that's already beginning to happen."

HONORING DR. ALONZO CRIM

Mr. FOWLER. Mr. President, I rise today to recognize Dr. Alonzo A. Crim, superintendent of Atlanta public schools, and commend him at this juncture in his career. It gives me great pleasure to represent a State that can boast of such a truly fine man. Dr. Crim's achievements in education, particularly urban education, are unprecedented. We will surely miss his services as he retires from his post this year to assume the newly created Benjamin Elijah Mays chair in urban educational leadership at Georgia State University. The people of Georgia are fortunate that Dr. Crim will remain a vibrant part of the education community.

Dr. Crim has correctly stated we must "rediscover that kids are important to the Nation." He is not a man who allowed himself to become caught in a web of bureaucracy. Education and students are his first and only priorities.

Dr. Crim revitalized the Atlanta public school system, which has 68,000 students, 92 percent of whom are minorities. However, about 70 percent of Atlanta public school graduates go on to postsecondary education. This is significantly higher than the national average despite the obstacles prevalent in an urban school system. Six months after graduation, approximately 96 percent of graduates are employed or attending further schooling.

The numbers speak for themselves, but they do not tell the full story. Dr. Crim is an innovative leader. For example, his requirement of 75 hours of community service for graduation is the only program of its kind in the country. Such an experience, says Dr. Crim, teaches kids that "there is indeed greater pleasure in giving than receiving."

Sound leadership has marked Dr. Crim's career. Despite his long tenure of service, his accumulation of honors and awards, his numerous published works, his first-rate education and his enormous successes, Dr. Crim has remained a responsible and likable leader. It is no wonder that he has always found success. In his own words he explains that the educational leader's job is "to rekindle the trust of persons who historically have supported public education." And he has done that admirably. Dr. Crim is a man of principle and integrity, who has made an invaluable contribution to his community and Nation.

There can be no better choice to fill the Benjamin E. Mays chair in urban educational leadership at Georgia State University.

Thank you, Dr. Crim, and good luck.

MESSAGES FROM THE HOUSE

At 10:24 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill and joint resolution, without amendment:

S. 2527. An act to require advance notification of plant closings and mass layoffs, and for other purposes; and

S.J. Res. 318. Joint resolution to designate the week of July 25-31, 1988, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War".

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 1807) to amend the Small Business Act to reform the Capital Ownership Development Program, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

Mr. LaFalce, Mr. Smith of Iowa, Mr. Mavroules, Mr. Skelton, Mr. Hayes of Illinois, Mr. Conyers, Mr. Torres, Mr. McDade, Mr. Conte, Mr. Broomfield, and Mr. Gallo.

From the Committee on Armed Services, as additional conferees solely for consideration of titles VI and VII of the Senate amendment: Mr. Aspin, Mr. McCurdy, and Mr. Dickinson.

From the Committee on Government Operations, as additional conferees solely for consideration of titles VI and VII of the Senate amendment: Mr. Brooks, Mr. Kleczka, and Mr. Horton.

The message further announced that the House agrees to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 36 to the bill (H.R. 3251) to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the U.S. Congress.

The message also announced that the House has passed the following joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 453. Joint resolution designating September 16, 1988, as "National POW/MIA Recognition Day";

H.R. Res. 539. Joint resolution designating the week beginning September 18, 1988, as "Emergency Medical Services Week"; and

H.R. Res. 569. Joint resolution designating July 24 through 30, 1988, as "Lyme Disease Awareness Week".

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 335. Concurrent resolution providing for a conditional adjournment of the Congress.

At 12:40 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4586) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1989, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. **Hefner**, Mr. **Alexander**, Mr. **Coleman** of Texas, Mr. **Thomas** of Georgia, Mr. **Bevill**, Mr. **Early**, Mr. **Dicks**, Mr. **Fazio**, Mr. **Whitten**, Mr. **Lowery** of California, Mr. **Edwards** of Oklahoma, Mr. **Kolbe**, Mr. **DeLay**, and Mr. **Conte** as managers of the conference on the part of the House.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4481. An act to provide for the closing and realigning of certain military installations during a certain period.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 338. Concurrent resolution directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 4264.

MEASURES REFERRED

The following bill and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4481. An act to provide for the closing and realigning of certain military installations during a certain period; to the Committee on Armed Services.

H.J. Res. 453. Joint resolution designating September 16, 1988, as "National POW/MIA Recognition Day"; to the Committee on the Judiciary.

H.J. Res. 539. Joint resolution designating the week beginning September 18, 1988, as "Emergency Medical Services Week"; to the Committee on the Judiciary.

H.J. Res. 569. Joint resolution designating July 24 through 30, 1988, as "Lyme Disease Awareness Week"; to the Committee on the Judiciary.

MEASURE PLACED ON THE CALENDAR

The following bill, previously received from the House of Representatives for concurrence, was placed on the calendar:

H.R. 3361. An act to amend the Public Health Service Act to establish within the National Institutes of Health a National Institute on Deafness and Other Communications Disorders.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, with an amendment and an amendment to the title and with a preamble:

S.J. Res. 326: Joint resolution designating July 24 through 30, 1988, as "Lyme Disease Awareness Week."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary; without recommendation:

Susan Wittenberg Liebeler, of California, to be United States Circuit judge for the Federal Circuit (Exec. Rept. No. 100-16).

By Mr. PELL, from the Committee on Foreign Relations:

Treaty Doc. 99-27. Berne Convention for the Protection of Literary and Artistic Works of September 9, 1886, completed at Paris on May 4, 1896, revised at Berlin on November 13, 1908, completed at Berne on March 20, 1914, and revised at Rome on June 2, 1928, at Brussels on June 26, 1948, at Stockholm on July 14, 1967, and at Paris on July 24, 1971 and amended in 1979 (Exec. Rept. No. 100-17).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MITCHELL (for himself, Mr. STAFFORD, Mr. CHAFEE, Mr. MOYNIHAN, Mr. DURENBERGER, and Mr. LAUTENBERG):

S. 2643. A bill to consolidate and improve Federal laws providing compensation and establishing liability for oilspills; to the Committee on Environment and Public Works.

By Mr. BAUCUS (for himself, Mr. ROCKEFELLER, and Mr. DASCHLE):

S. 2644. A bill to amend title XVIII of the Social Security Act to make certain payment reforms in the Medicare Program to ensure the adequate provision of health care in rural areas, and for other purposes; to the Committee on Finance.

By Mr. THURMOND:

S. 2645. A bill for the relief of Maria Eduarda Lorenzo; to the Committee on the Judiciary.

By Mr. HECHT:

S. 2646. A bill to amend the Internal Revenue Code of 1986 to allow for a refundable credit against tax for dependents who have not attained the age of compulsory school attendance, to amend the Internal Revenue Code of 1986 to allow an employer who implements a child care and/or comprehensive parental medical leave program(s) for employees to exclude from gross taxable income any amount spent implementing and executing these programs, and for other purposes; to the Committee on Finance.

By Mr. PELL (for himself, Mr. STAFFORD, Mr. SIMON, Mr. HATCH, Mr. DODD, Mr. WEICKER, Mr. KENNEDY, Ms. MIKULSKI, Mr. MATSUNAGA, and Mr. METZENBAUM):

S. 2647. A bill to amend the Higher Education Act of 1965 to reduce the default rate on student loans under that act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HECHT:

S. 2648. A bill entitled the "Fairness for American Act"; to the Committee on Foreign Relations.

By Mr. D'AMATO:

S. 2649. A bill for the relief of Henry Johnson; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PROXMIRE:

S. Res. 452. To stop the growth of insolvent thrift institutions; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. INOUYE:

S. Con. Res. 133. To express the sense of the Congress with respect to commending the Pacific Forum, and for other purposes; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MITCHELL (for himself, Mr. STAFFORD, Mr. CHAFEE, Mr. MOYNIHAN, Mr. DURENBERGER, Mr. BAUCUS, and Mr. LAUTENBERG):

S. 2643. A bill to consolidate and improve Federal laws providing compensation and establishing liability for oilspills; referred to the Committee on Environment and Public Works.

OIL POLLUTION LIABILITY AND COMPENSATION ACT

Mr. MITCHELL. Mr. President, today I am introducing legislation which would create a Federal oilspill Superfund. This legislation was passed by unanimous consent in the 99th Congress. I am introducing this legislation as part of the Senate's commitment during the conference on reconciliation legislation to consider legislation to establish a Federal oilspill Superfund in this session of the 100th Congress.

Mr. President, the other body has passed oilspill Superfund legislation in every Congress for a decade. Every one of those bills has failed to pass for the simple reason that each, to a greater or lesser extent, preempted current State laws with respect to penalties, enforcement, cleanup, and cleanup funds.

Moreover, Mr. President, there are several treaties pending in the Senate Foreign Relations Committee which would also preempt State laws. The basic treaty was negotiated in 1969 with supplemental agreements submitted in subsequent years. None of the amendments to the basic treaty dealt with the problems posed by preemption or, for that matter, with the fact that the standards of liability in the treaty are less stringent than provided in current Federal oil pollution liability laws.

The Senate has not acted on those treaties or on the House-passed legislation because preemption and lesser standards of liability are not acceptable. That has been my position for the 8 years I have been in the Senate. That position is shared by the majority of my colleagues on the Senate Environment and Public Works Committee.

Mr. President, I have reviewed the history of this proposed legislation for a purpose. While I will introduce legislation and I will hold hearings, it is my intention to withhold committee action on any bill until the House has passed an oil-pollution liability and compensation bill which specifically and categorically protects the current liability, enforcement, penalty and cleanup schemes available under current State law.

In addition, Mr. President, before I endorse a House bill, a Senate counterpart or any treaty, I want to be satisfied that the current system of insurance and liability is no longer adequate. I want to be satisfied that the creation of a cleanup fund will not reduce the standard of care which vessel owners currently must observe to avoid liability associated with oilspills.

Under current law and the mechanism by which vessel insurance is provided, the oil companies and tanker operators pay for the spills which they cause through liability clubs, insurance premiums and corporate profits.

Under a Superfund oilspill scheme, the cost of cleanup and damages initially would be transferred to the Federal Government to be paid from the fund. Those costs would only be recovered from the owners of the oil and the vessels if the Justice Department elects to bring an action to recover costs.

I want to be satisfied that the Justice Department will be required to bring action to recover expenditures from the fund from owners of the oil spilled. I want to be certain, before liability is transferred to this fund, that the standard of care which currently rests with owners and handlers of the oil is preserved.

Mr. President, I ask unanimous consent that the text of the bill be included in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2643

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Oil Pollution Liability and Compensation Act of 1988".

TITLE I—OIL POLLUTION LIABILITY AND COMPENSATION

DEFINITIONS

SEC. 101. For the purposes of this Act—

(1) the terms "vessel", "public vessel", "owner or operator", "remove" or "removal", "contiguous zone", "onshore facility", "offshore facility", and "barrel" shall have the meaning provided in section 311(a) of the Clean Water Act;

(2) the terms "person", "navigable waters", and "territorial seas" shall have the meaning provided in section 502 of the Clean Water Act;

(3) the term "act of God" means an unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character the effects of which could not have been prevented or avoided by the exercise of due care or foresight;

(4) the term "claim" means a request, made in writing for a sum certain, for compensation for damages or removal costs resulting from a discharge of oil;

(5) the term "claimant" means any person who presents a claim for compensation under this Act;

(6) the term "damages" means damages for economic loss or the loss of or injury to natural resources as specified in section 102(a) of this Act;

(7) the term "deepwater port facility" means an offshore facility which is or was licensed under the Deepwater Port Act of 1974;

(8) the term "discharge" means any emission, intentional or unintentional, into the environment, and includes, but is not limited to, spilling, leaking, pumping, pouring, emitting, emptying, or dumping;

(9) the term "environment" means the navigable waters, the waters of the contiguous zone, the ocean waters of which the natural resources are under the exclusive management authority of the United States under the Magnuson Fishery Conservation and Management Act, adjoining shorelines, and the ambient air above such waters and shorelines;

(10) the term "foreign offshore unit" means a structure or group of structures which is located, in whole or in part, in the territorial sea or on the continental shelf of a foreign country and is or was used for one or more of the following purposes: exploring for, drilling for, producing, storing, handling, transferring, processing, or transporting oil produced from the seabed beneath the foreign country's territorial sea or from the foreign country's continental shelf;

(11) the term "Fund" means the Oil Spill Compensation Fund, hereby established under this Act;

(12) the term "guarantor" means any person, other than the owner or operator, who provides evidence of financial responsibility for an owner or operator under this Act or section 311(p) of the Clean Water Act;

(13) the term "lessee" means a person holding a leasehold interest in an oil or gas lease on submerged lands of the Outer Continental Shelf, granted or maintained under the Outer Continental Shelf Lands Act;

(14) the term "liable" or "liability" under this Act shall be construed to be the standard of liability which obtains under section 311 of the Clean Water Act;

(15) the term "mobile offshore drilling unit" means a vessel capable of use as an Outer Continental Shelf facility to drill for oil;

(16) the term "natural resources" includes land, fish, wildlife, biota, air, water, ground water, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone estblished by the Magnuson Fishery Conservation and Management Act), any State or local government, or any foreign government;

(17) the term "oil" means petroleum, including crude oil or any fraction or residue therefrom;

(18) the term "Outer Continental Shelf facility" means an offshore facility which is located, in whole or in part, on the Outer Continental Shelf and is or was used for one or more of the following purposes: exploring for, drilling for, producing, storing, handling, transferring, processing, or transporting oil produced from the Outer Continental Shelf;

(19) the term "owner or operator" means—

(A) with respect to an Outer Continental Shelf facility other than a pipeline or mobile offshore drilling unit, the lessee or permittee of the area in which the facility is located, or the holder of a right of use and easement granted under the Outer Continental Shelf Lands Act for the area in which the facility is located (where the holder is a different person than the lessee or permittee);

(B) with respect to a mobile offshore drilling unit being used as an Outer Continental Shelf facility, from which oil is discharged on or above the surface of the water (or which posed a substantial threat of such a discharge), the owner or operator of the unit, and such unit shall be deemed to be a tanker;

(C) with respect to a mobile offshore drilling unit being used as an Outer Continental Shelf facility—

(i) from which oil is discharged on or above the surface of the water (or which posed a substantial threat of such a discharge), to the extent removal costs or damages exceed the limitation specified in section 102(c)(1)(A), or

(ii) from which oil is discharged below the surface of the water (or which posed a substantial threat of such a discharge), the lessee or permittee of the area in which the unit is located, or the holder of a right of use and easement granted under the Outer Continental Shelf Lands Act for the area in which the unit is located (where the holder is a different person than the lessee or permittee);

(20) the term "permittee" means a person holding an authorization, license, or permit for geological exploration issued under section 11 of the Outer Continental Shelf Lands Act;

(21) the term "removal costs" means the costs of removal taken after a discharge of oil has occurred or where there was a substantial threat of a discharge of oil, to prevent, minimize, or mitigate oil pollution from that incident, including all costs of completing removal as determined under section 106(d);

(22) the term "tanker" means a vessel constructed or adapted for the carriage of oil in bulk or in commercial quantities as cargo; and

(23) the terms "United States" and "State" mean the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Marianas, and any other territory or possession over which the United States has jurisdiction.

LIABILITY

SEC. 102. (a) Notwithstanding any other provision or rule of law, and subject only to the defenses set forth in subsection (b) of this section, the owner or operator of a vessel or an onshore or offshore facility from which oil is discharged, or which posed the threat of a discharge which causes the incurrence of removal costs, shall be liable for—

(1)(A) all removal costs incurred by the United States Government or a State under subsection (c), (d), (e), (f)(4), or (l) of section 311 of the Clean Water Act or under the Intervention on the High Seas or section 18 of the Deepwater Port Act of 1974; and

(B) any removal costs incurred by any person, including, but not limited to, any State; and

(2) all damages for economic loss or loss of natural resources resulting from such a discharge, including—

(A) any injury to, destruction of, or loss of any real or personal property;

(B) any loss of use of real or personal property;

(C) any injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing such injury, destruction, or loss;

(D) any loss of use, including loss of subsistence use, of any natural resources, without regard to the ownership or management of such resources;

(E) any loss of income or profits or impairment of earning capacity resulting from injury to or destruction of real or personal property or natural resources, without regard to the ownership of such property or resources; and

(F) any direct or indirect loss of tax, royalty, rental, or net profits share revenue by the Federal Government or any State or political subdivision thereof, for a period of not to exceed one year.

(b)(1) There shall be no liability under subsection (a) of this section for a person otherwise liable who can establish by a preponderance of the evidence that the discharge or threat of discharge of oil and the damages resulting therefrom were caused solely by—

(A) an act of God;

(B) an act of war;

(C) an act or omission of a third party other than an employee or agent of the defendant, or than one whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant (except where the sole contractual arrangement arises from a published tariff and acceptance for carriage by a common carrier by rail), if the defendant establishes by a preponderance of the evidence that (i) the defendant exercised due care with respect to the oil concerned, taking into consideration the characteristics of such oil, in light of all relevant facts and circumstances, and (ii) the defendant took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such acts or omissions; or

(D) any combination of the foregoing paragraphs.

(2) In any case where the owner or operator of a vessel or an onshore or offshore facility can establish by a preponderance of the evidence that a discharge and the damages resulting therefrom were caused solely by an act or omission of a third party in accordance with paragraph (1)(C) (or solely by such an act or omission in combination with an act of God or an act of war), such third party shall be liable under this section as if such third party were the owner or operator of a vessel or onshore or offshore facility from which the discharge actually occurred. Where the owner or operator of a tanker or an onshore or offshore facility which handles or stores oil in bulk or commercial quantities, from which oil is discharged, alleges that such discharge was caused solely by an act or omission of a third party, such owner or operator shall promptly pay to the United States Government, and any other claimant, the costs of removal or damages claimed and shall be entitled by subrogation to all rights of the United States Government or other claimant to recover such costs of removal or damages from such third party under this sub-section.

(c)(1) The liability of an owner or operator of a vessel or an onshore or offshore facility for damages and removal costs under this section for each discharge or incident shall not exceed—

(A) $500 per gross ton or $10,000,000, whichever is greater, of any tanker carrying oil in bulk or in commercial quantities as cargo, including any such barge operating in the navigable waters;

(B) $300 per gross ton or $500,000, whichever is greater, of any other vessel;

(C) the total of all removal costs under subsection (a)(1) of this section plus $75,000,000 for any Outer Continental Shelf facility;

(D) $100,000,000 for any deepwater port facility (including the liability of the licensee for a discharge from any vessel moored at such port, in any case where $100,000,000 exceeds $500 per gross ton of such vessel); or

(E) $100,000,000 for any other onshore or offshore facility.

The liability of an owner or operator under this section for interest (including prejudgment interest) shall not be subject to the limitations of this paragraph.

(2) Notwithstanding the limitations of paragraph (1) of this subsection, the liability of the owner or operator of a vessel or an onshore or offshore facility under subsection (a) of this section shall be the full and total damages and removal costs not offset by any removal costs incurred on behalf of such owner or operator, if (A) the discharge of oil was the result of willful misconduct or gross negligence within the privity or knowledge of the owner or operator or of a violation (within the privity or knowledge of the owner or operator) of applicable safety, construction, or operating standards or regulations; or (B) the owner or operator fails or refuses to report the discharge where required by law or to provide all reasonable cooperation and assistance requested by a responsible official in connection with removal activities or to provide removal action upon order of a responsible official. For the purpose of this paragraph, applicable standards or regulations with respect to a vessel shall be those adopted or promulgated by a Federal agency.

(3) Notwithstanding the limitations of paragraph (1) of this subsection or the defenses of subsection (b) of this section, all removal costs incurred by the United States Government or any State of local official or agency in connection with a discharge of oil from any Outer Continental Shelf facility or a vessel carrying oil as cargo from such a facility shall be borne by the owner or operator of such facility or vessel.

(4)(A) The President is authorized to establish by regulation, with respect to any class or category of onshore or offshore facility subject to paragraph (1)(D) or (E) of this subsection, a maximum limit of liability under this section of less than $100,000,000, but not less than $8,000,000, taking into account the size, storage capacity, oil throughput, proximity to sensitive areas, type of oil handled, history of discharges, and other factors relevant to risks posed by the class or category of facility.

(B) The President shall, by regulation, not less often than every three years, adjust the limits of liability specified in paragraph (1) of this subsection to reflect significant increases in the Consumer Price Index.

(d)(1) In the case of an injury to, destruction of, or loss of natural resources under subsection (a)(2)(C) of this section, liability shall be (A) to the United States Government for natural resources belonging to, managed by, controlled by, or appertaining to the United States, and (B) to any State for natural resources within the State or belonging to, managed by, controlled by, or appertaining to such State, and (C) where subsection (e) of this section applies, to the government of a foreign country for natural resources belonging to, managed by, controlled by, or appertaining to such government. The President, or the authorized representative of any State or of the foreign government, shall act on behalf of the public as trustee of such natural resources to recover for such damages. Sums recovered by the United States Government as trustee under this subsection shall be retained by the trustee, without further appropriation, for use only to restore, replace, or acquire the equivalent of such natural resources. Sums recovered by a State as trustee under this subsection shall be available for use only to restore, replace, or acquire the equivalent of such natural resources by the State. The measure of damages in any action under subsection (a)(2)(C) shall not be limited by the sums which can be used to restore or replace such resources. There shall be no double recovery under this Act for natural resource damages, including the costs of damage assessment or restoration, rehabilitation, or acquisition for the same discharge and natural resource.

(2)(A) The President shall designate the Federal officials who shall act on behalf of the public as trustees for natural resources under this Act. Such officials shall assess damages for injury to, destruction of, or loss of natural resources for purposes of this Act for those resources under their trusteeship and may, upon request of and reimbursement from a State and at the Federal officials discretion, assess damages for those natural resources under the State's trusteeship.

(B) The Governor of each State shall designate State officials who may act on behalf of the public as trustee for natural resources under this Act and shall notify the President of such designations. Such State officials shall assess damages to natural resources for the purposes of this Act for those natural resources under their trusteeship.

(C) Any determination or assessment of damages to natural resources for the purposes of this Act made by a Federal or State trustee in accordance with the regulations promulgated under paragraph (3) of this subsection shall have the force and effect of a rebuttable presumption on behalf of the trustee in any administrative or judicial proceeding under this Act.

(3)(A) The President, acting through the Administrator of the National Oceanic and Atmospheric Administration, in consultation with the Administrator of the Environmental Protection Agency, the Director of the Fish and Wildlife Service, and the heads of other affected agencies, not later than two years after the enactment of this Act, shall promulgate regulations for the assessment of damages for injury to, destruction of, or loss of natural resources resulting from a discharge of oil for the purpose of this Act.

(B) Such regulations shall specify (i) standard procedures for simplified assessments requiring minimal field observation, including establishing measures of damages based on units of discharge or units of affected areas, where damages equal the costs of restoration, replacement, or acquisition of equivalent resources, plus demonstrated additional lost use value or other damages beyond such costs, and (ii) alternative protocols for conducting assessments in individual cases to determine the type and extent of short and long term injury, destruction, or loss. Such regulations shall identify the best available procedures to determine such damages, including both direct and indirect injury, destruction, or loss, and shall take into consideration factors including, but not limited to, replacement value, use value, and ability of the ecosystem or resource to recover.

(C) Such regulations shall be reviewed and revised as appropriate every two years.

(e)(1) The recovery of removal costs and damages by (A) persons residing in a foreign country, (B) the government of a foreign country, or (C) any agency or political subdivision of a foreign country, under this Act, shall be exclusively in accordance with this subsection.

(2) A claimant under this subsection must demonstrate that the claimant has not been otherwise compensated for incurred removal costs or damages. Except with respect to paragraph (3)(D) of this subsection, a claimant under this subsection must demonstrate (A) that recovery is authorized by a treaty or executive agreement between the United States and the claimant's country, or (B) that the Secretary of State, in consultation with the Attorney General and other appropriate officials, has certified that the claimant's country provides a comparable remedy for United States claimants.

(3) Where a discharge, or substantial threat of a discharge of oil in or on the territorial sea, internal waters, or adjacent shoreline of a foreign country occurs, claims for removal costs and damages may be made under this subsection if the removal costs or damages resulted from a discharge of, or substantial threat of a discharge, of oil from—

(A) an Outer Continental Shelf facility or a deepwater port facility,

(B) a vessel occurring in the navigable waters of the United States,

(C) a vessel carrying oil as cargo between two ports subject to the jurisdiction of the United States; or

(D) a tanker that received oil at the terminal of the pipeline constructed under the Trans-Alaska Pipeline Authorization Act for transportation to a port in the United States, the discharge or threat having occurred prior to delivery to that port.

(4) This subsection shall apply only in the case of discharges of oil occurring after the enactment of this Act.

(f)(1) No indemnification, hold harmless, or similar agreement or conveyance shall be effective to transfer from the owner or operator of any vessel or onshore or offshore facility or from any person who may be liable for a discharge or threat of discharge under this section, to any other person the liability imposed under this section. Nothing in this subsection shall bar any agreement to insure, hold harmless, or indemnify a party to such agreement for any liability under this section.

(2) Nothing in this Act, including the provisions of paragraph (1) of this subsection, shall bar a cause of action that an owner or operator subject to liability under this section, or a guarantor, has or would have, by reason of subrogation or otherwise against any person.

(g) The owner or operator of a vessel shall be liable in accordance with this section and section 311 of the Clean Water Act, under maritime tort law, and as provided in section 106 of this Act, notwithstanding any provision of the Act of March 3, 1851 (46 U.S.C. 183), or the absence of any physical damage to the proprietary interest of the claimant.

USES OF FUND

SEC. 103. (a) The President shall use the money in the Fund for the following purposes:

(1) all removal costs or other costs of carrying out the purposes of subsections (c), (d), (i), and (l) of section 311 of the Clean Water Act, sections 5 and 7 of the Intervention on the High Seas Act, and section 18 of the Deepwater Port Act, with respect to discharges, or substantial threats of discharges, of oil (as the term "oil" is defined in each respective Act);

(2) payment of any claim for removal costs or damages—

(A) in excess of the amount for which the owner or operator of the vessel or onshore or offshore facility from which oil is discharged is liable under section 102 of this Act;

(B) where the source of the discharge of oil is not known or cannot be identified; or

(C) in any case where the claim has not been satisfied in accordance with subsection (c) of this section;

(3) payment of any claim for removal costs and damages that have resulted from the discharge, or substantial threat of a discharge, of oil from a foreign offshore unit;

(4)(A) payment of costs incurred by any State in responding to a discharge, or substantial threat of a discharge, of oil into the navigable waters or adjoining shorelines from a vessel, an onshore facility, an offshore facility, or a foreign offshore unit, as provided in subsection (d) of this section;

(B) reimbursement to any State for the payment of any claims for removal costs or damages payable under this Act which such State has paid with funds under the control of such State, including payment pursuant to a delegation under subsection (c) of this section;

(5) the costs of assessing both short-term and long-term injury to, destruction of, or loss of any natural resources resulting from a discharge of oil;

(6) the costs of Federal or State efforts in the restoration, rehabilitation, or replacement or acquiring the equivalent of any natural resources injured, destroyed, or lost as a result of any discharge of oil;

(7) subject to such amounts as are provided in appropriation Acts, the costs of providing equipment and similar overhead, related to the purposes of this Act and section 311 of the Clean Water Act, and of establishing and maintaining damage assessment capability, for any Federal agency involved in strike forces, emergency task forces, or other response teams;

(8) the costs of a program to identify, investigate, and take enforcement and abatement action against discharges of oil, including the provisions of section 311(j)(1) (C) and (D) of the Clean Water Act; and

(9) all administrative and personnel costs of administering the Fund and this Act.

(b) The maximum amount which may be paid from the Fund with respect to any single discharge or incident shall not exceed $500,000,000.

(c)(1) The President is authorized to promulgate regulations designating one or more Federal officials who may obligate money in the Fund in accordance with subsection (a) of this section or portions thereof. The President is also authorized to delegate authority to obligate money in the Fund or to settle claims to officials of a State with an adequate program operating under a cooperative agreement with the Federal Government.

(2) The President is authorized to delegate the administration of his duties and authorities under this Act to the heads of those Federal departments, agencies, and instrumentalities which the President determines appropriate.

(3)(A) The President shall promulgate, and may from time to time amend, regulations for the presentation, filing, processing, settlement, and adjudication of claims for removal costs or damages resulting from the discharge, or substantial threat of a discharge, of oil under this Act.

(B) Whenever the President receives information from any person alleging that a person has incurred removal costs or damages resulting from the discharge, or substantial threat of a discharge, of oil respecting which the owner or operator of a vessel or onshore or offshore facility is or may be liable under section 102 of this Act, the President shall notify the owner, operator, or guarantor of such vessel or facility of that allegation. Such owner or operator or guarantor may, within five days after receiving the notification or presentation of any claim by a claimant, deny the allegation, or deny liability for removal costs and damages for any of the reasons set forth in subsection (b) of section 102 of this Act.

(C) The owner or operator of any vessel or onshore or offshore facility from which oil has been discharged shall provide notice to all potentially injured parties.

(D) No claims may be asserted against the Fund pursuant to subsection (a) unless such claim is presented in the first instance to the owner or operator or guarantor of the vessel or onshore or offshore facility from which oil has been discharged, if known to the claimant, and to any other person known to the claimant who may be liable under section 102. In any case where the claim has not been satisfied within one hundred eighty days of presentation in accordance with this subsection, the claimant may present the claim to the Fund for payment. No claim against the Fund may be approved or certified during the pendency of an action by the claimant in court to recover costs which are the subject of the claim.

(d) The Governor of each State, or any appropriate State official designated by the Governor, is authorized to obligate the Fund for the payment of removal costs in an amount not to exceed $250,000 per discharge or substantial threat of discharge of oil, for the purpose of immediate response, subject only to the requirement that the President be notified within twenty-four hours of any such obligation under the authority of this sentence. In addition, the President shall enter into an agreement with the Governor of any interested State to provide a procedure by which the Governor or designated State official may undertake additional removal action or obligate the Fund for the additional payment of removal costs for response to a particular discharge or substantial threat of discharge, subject to such terms and conditions as may be agreed upon. Payments under subsection (a)(4)(A) of this section, other than as authorized by the first sentence of this subsection, shall be made in accordance with such agreements. The President shall, not later than six months after the enactment of this Act, publish proposed regulations further establishing how the authority of this subsection to obligate the Fund or enter into agreements is to be exercised, and, not later than three months after the close of the comment period on such proposed regulations, shall promulgate such regulations.

(e)(1) Payment of any claim by the Fund under this section shall be subject to the United States Government acquiring by subrogation all rights of the claimant to recover the removal costs or damages from the responsible party.

(2) Any person, including the Fund, who pays compensation pursuant to this Act to any claimant for costs or damages shall be subrogated to all rights, claims, and causes of action for those costs and damages that the claimant has under this Act or under any other law.

(3) Upon request of the President, the Attorney General shall commence an action on behalf of the Fund to recover any compensation paid by the Fund to any claimant pursuant to this Act, and, without regard to any limitation of liability with respect to an owner or operator under section 102(c), all costs incurred by the Fund by reason of the claim, including interest (including prejudgment interest), administrative and adjudicative costs, and attorney's fees. Such an action may be commenced against any owner or operator or (subject to section 104(e)) guarantor, or against any other person who is liable, pursuant to any law, to the compensated claimant or to the Fund, for the cost or damages for which the compensation was paid. Such an action shall be commenced against the responsible foreign government or other responsible party to recover any removal costs or damages paid from the Fund as the result of the discharge, or substantial threat of discharge, of oil from a foreign offshore unit.

(f) The Fund shall not be available to pay any claim for costs or damages to the extent the discharge or the damages had been caused by the gross negligence or willful misconduct of that particular claimant.

(g) The Comptroller General shall provide an audit review team to audit all payments, obligations, reimbursements, or other uses of the Fund, to assure that the Fund is being properly administered and that claims are being appropriately and expeditiously considered. The Comptroller General shall submit to the Congress an interim report one year after the establishment of the Fund. The Comptroller General shall thereafter provide such auditing of the Fund as is appropriate. Each Federal agency shall cooperate with the Comptroller General in carrying out this subsection.

(h)(1) No claim may be presented under this section for recovery of removal costs after the date six years after the date of completion of all removal action.

(2) No claim may be presented under this section for recovery of damages unless the claim is presented within three years after the date of the discovery of the loss and its connection with the release in question, or in the case of damages under section 102(a)(2)(C), if later, the date on which final regulations are promulgated under section 102(d)(3) of this Act.

(3) The time limitations contained herein shall not begin to run—

(A) against a minor until the earlier of the date when such minor reaches eighteen years of age or the date on which a legal representative is duly appointed for the minor, or

(B) against an incompetent person until the earlier of the date on which such incompetent's incompetency ends or the date on which a legal representative is duly appointed for such incompetent.

(i) Where the President has paid out of the Fund for any removal costs or any costs specified under subsection (a) (5) or (6), no other claim may be paid out of the Fund for the same costs.

(j) Except in a situation requiring action to avoid an irreversible loss of natural resources or to prevent or reduce any continuing danger to natural resources or similar need for emergency action, funds may not be used under this Act for the restoration, rehabilitation, or replacement or acquisition of the equivalent of any natural resources until a plan for the use of such funds for such purposes has been developed and adopted by affected Federal agencies and the Governor or Governors of any State having sustained damage to natural resources within its borders, belonging to, managed by or appertaining to such State, after adequate public notice and opportunity for hearing and consideration of all public comment.

FINANCIAL RESPONSIBILITY

SEC. 104. (a)(1) The owner or operator of any vessel over three hundred gross tons (except a non-self-propelled barge that does not carry oil as cargo or fuel), using any port or place in the United States or the navigable waters or any outer continental shelf facility or deepwater port facility, shall establish and maintain, in accordance with regulations promulgated by the President, evidence of financial responsibility sufficient to meet the maximum amount of liability to which, in the case of a tanker, the owner or operator could be subjected under section 102(c)(1)(A) of this Act, or to which, in the case of any other vessel, the owner or operator could be subjected under section 102(c)(1)(B) of this Act, in a case where the owner or operator would be entitled to limit liability under that section. If the owner or operator owns or operates more than one vessel, evidence of financial responsibility need be established only to meet the maximum liability applicable to the largest of such vessels.

(2) The Secretary of the Treasury shall withhold or revoke the clearance required by section 4197 of the Revised Statutes of the United States of any vessel subject to this subsection that does not have the certification required under this subsection or the regulations issued hereunder.

(3) The Secretary of the department in which the Coast Guard is operating may (A) deny entry to any outer continental shelf facility, and deepwater port facility, or any port or place in the United States, or (B) detain at such a facility or port or place, any vessel that, upon request, does not produce the certification required under this subsection or the regulations issued hereunder.

(4) Any vessel subject to the requirements of this subsection which is found in the navigable waters without the necessary evidence of financial responsibility shall be subject to seizure by the United States of any oil carried as cargo.

(b) Each owner or operator with respect to an outer continental shelf facility, deepwater port facility, or other offshore facility, shall establish and maintain evidence of financial responsibility sufficient to meet the maximum amount of liability to which the owner or operator could be subjected under section 102 of this Act in a case where the owner or operator would be entitled to limit liability under that section, or, in the case of an Outer Continental Shelf facility, in the amount of $100,000,000. Such evidence of financial responsibility shall be established according to regulations prescribed by the President.

(c) Financial responsibility under this section may be established by any one, or by any combination, of the following methods, which the President determines to be acceptable: evidence of insurance, surety bond, guarantee, letter of credit, qualification as a self-insurer, or other evidence of financial responsibility. Any bond filed shall be issued by a bonding company authorized to do business in the United States. In promulgating requirements under this section, the President is authorized to specify policy or other contractual terms, conditions, or defenses which are necessary, or which are unacceptable, in establishing such evidence of financial responsibility in order to effectuate the purposes of this Act.

(d) Any claim for which liability may be established under section 102 of this Act may be asserted directly against any guarantor providing evidence of financial responsibility for an owner or operator liable under that section for costs and damages to which the claim pertains. In defending against such a claim, the guarantor may invoke all rights and defenses which would be available to the responsible party under section 102. The guarantor may also invoke the defense that the discharge was caused by the willful misconduct of the owner or operator, but the guarantor may not invoke any other defense that might be available in proceedings brought by the owner or operator against the guarantor.

(e) The total liability of any guarantor in a direct action suit brought under this section shall be limited to the aggregate amount of the monetary limits of the policy of insurance, guarantee, surety bond, letter of credit, or similar instrument obtained from the guarantor by the person subject to liability under section 102 for the purpose of satisfying the requirement for evidence of financial responsibility. Nothing in this subsection shall be construed to limit any other State or Federal statutory, contractual, or common law liability of a guarantor, including, but not limited to, the liability of such guarantor for bad faith either in negotiation or in failing to negotiate the settlement of any claim. Nothing in this subsection shall be construed, interpreted, or applied to diminish the liability of any person under section 102 of this Act or other applicable law.

(f)(1) Any person who, after notice and an opportunity for a hearing, is found to have failed to comply with the requirements of this section or the regulations issued thereunder, or with a denial or detention order issued under subsection (a)(3) of this section, shall be liable to the United States for a civil penalty, not to exceed $25,000 per day of violation. The amount of the civil penalty shall be assessed by the President by written notice. In determining the amount of the penalty, the President shall take into account the nature, circumstances, extent, and gravity of the violation, the degree of culpability, any history of prior violation, ability to pay, and such other matters as justice may require. The President may compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under this paragraph. If any person fails to pay an assessed civil penalty after it has become final, the President may refer the matter to the Attorney General for collection.

(2) In addition to, or in lieu of, assessing a penalty under paragraph (1) of this subsection, the President may request the Attorney General to secure such relief as necessary to compel compliance with this section, including, but not limited to, a judicial order terminating operations. The district courts of the United States shall have jurisdiction to grant such relief as the public interest and the equities of the case may require.

(g) Any regulation respecting financial responsibility, which has been issued pursuant to any provision of law repealed or superseded by this Act, and which is in effect on the date immediately preceding the effective date of this Act, shall be deemed and construed to be a regulation issued pursuant to this section. Such a regulation shall remain in full force and effect unless and until superseded by new regulations issued under this section.

LITIGATION, JURISDICTION AND VENUE

SEC. 105. (a) Review of any regulation promulgated under this Act may be had upon application by any interested person only in the Circuit Court of Appeals of the United States for the District of Columbia. Any such application shall be made within ninety days from the date of promulgation of such regulations. Any matter with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or to obtain damages or recovery of response costs.

(b) Except as provided in subsections (a) and (c) of this section, the United States district courts shall have exclusive original jurisdiction over all controversies arising under this Act without regard to the citizenship of the parties or the amount in controversy. Venue shall lie in any district in which the discharge or injury or damages occurred, or in which the defendant resides, may be found, has its principal office, or has appointed an agent for service of process. For the purposes of this section, the Fund shall reside in the District of Columbia.

(c) A State trial court of competent jurisdiction over similar claims may consider claims under section 102 or State law and any final judgment of such court (when no longer subject to ordinary forms of review) shall be recognized, valid, and enforceable for all purposes of section 102 and section 103 of this Act.

(d) The provisions of subsections (a), (b), and (c) of this section shall not apply to any controversy or other matter resulting from the assessment or collection of any tax, or to the review of any regulation promulgated under the Internal Revenue Code of 1954.

(e) The President may prescribe the necessary regulations to carry out this Act.

(f) No provision of this Act shall be deemed or held to moot any litigation concerning any discharge of oil, or any damages associated therewith, commenced prior to enactment of this Act.

(g)(1) Except as provided in paragraphs (3) and (4), no action may be commenced for damages (as defined in section 101(6)) under this Act, unless that action is commenced within three years after the date of the discovery of the loss and its connection with the release in question, or in the case of damages under section 102(a)(2)(C), if later, the date on which regulations are promulgated under section 102(d)(3) of this Act.

(2) An action for recovery of removal costs referred to in section 102(a)(1) must be commenced within three years after completion of the removal action. In any such action described in this subsection, the court shall enter a declaratory judgment on liability for removal costs or damages that will be binding on any subsequent action or actions to recover further removal costs or damages. Except as otherwise provided in this paragraph, an action may be commenced under section 102 for recovery of removal costs at any time after such costs have been incurred.

(3) No action for contribution for any removal costs or damages may be commenced more than three years after—

(A) the date of judgment in any action under this Act for recovery of such costs or damages, or

(B) the date of entry of a judicially approved settlement with respect to such costs or damages.

(4) No action based on rights subrogated pursuant to this Act by reason of payment of a claim may be commenced under this Act more than three years after the date of payment of such claim.

(5) The time limitations contained herein shall not begin to run—

(A) against a minor until the earlier of the date when such minor reaches eighteen years of age or the date on which a legal representative is duly appointed for such minor, or

(B) against an incompetent person until the earlier of the date on which such incompetent's incompetency ends or the date on which a legal representative is duly appointed for such incompetent.

STATE LAWS AND PROGRAMS

Sec. 106. (a) Nothing in this Act shall be construed or interpreted as preempting any State from imposing any additional liability or requirements with respect to the discharge of oil or other pollution by oil within such State. Nothing in this Act shall affect or modify in any way the obligations or liabilities of any person under other Federal or State law, including common law, with respect to discharges of oil.

(b) Nothing in this Act or in section 9507 of the Internal Revenue Code of 1954 shall in any way affect, or be construed to affect, the authority of any State—

(1) to establish, or to continue in effect, a fund any purpose of which is to pay for costs or damages arising out of, or directly resulting from, oil pollution or the substantial threat of oil pollution; or

(2) to require any person to contribute to such a fund.

(c) A State may enforce, on the navigable waters of such State, the requirements for evidence of financial responsibility applicable under section 104 of this Act.

(d) The President shall consult with the affected State or States on the appropriate removal action to be taken. Removal with respect to any discharge or incident shall be considered completed when so determined by the President and the Governor or Governors of the affected State or States.

(e) Nothing in this Act, the Act of March 3, 1851, as amended (46 U.S.C. 183 et seq.), or section 9507 of the Internal Revenue Code of 1954, shall in any way affect, or be construed to affect, the authority of the United States or any State or political subdivision thereof—

(1) to impose additional liability or additional requirements, or

(2) to impose, or to determine the amount of, any fine or penalty (whether criminal or civil in nature) for any violation of law, relating to the discharge, or substantial threat of a discharge, of oil.

STUDY OF SPILL PREVENTION IN RESTRICTED WATERS

Sec. 107. The President shall conduct a study, and report the results of such study to the Congress not later than one year after the enactment of this Act, on improved methods for the prevention of discharges of oil in restricted waters and similar portions of bays, estuaries, and near shore waters. In the conduct of such study, the President shall examine the causes of recent major discharges of oil from vessels in the Delaware River, and consider modifications in tanker construction and operation standards, crew training and locale familiarization requirements, improvements in navigation aids, and other approaches with the potential for reducing the likelihood for discharges of oil in such waters.

TITLE II—CONFORMING AMENDMENTS

TRANS-ALASKA PIPELINE FUND

Sec. 201. (a) Section 204(b) of the Trans-Alaska Pipeline Authorization Act is amended, in the first sentence—

(1) by inserting after the words "any area" the words "in the State of Alaska";

(2) by inserting after the words "any activities" the words "related to the Trans-Alaska Oil Pipeline"; and

(3) by inserting at the end of the subsection the following new sentence: "This subsection shall not apply to removal costs covered by the Oil Spill Liability and Compensation Act of 1988.".

(b)(1)Subsection (c) of section 204 of the Trans-Alaska Pipeline Authorization Act is repealed. The Trans-Alaska Pipeline Liability Fund is abolished. All assets of that fund, as of the effective date of this section, shall be transferred to the Fund established under this Act. The Oil Spill Compensation Fund shall assume all liability incurred by the Trans-Alaska Pipeline Liability Fund under the terms of subsection (c) of section 204 of the Trans-Alaska Pipeline Authorization Act.

(c) Trustees and former trustees of the Trans-Alaska Pipeline Liability Fund who were designated by the Secretary of the Interior shall not be subject to any liability incurred by that Fund or by the present and past officers and trustees of that Fund, other than liability for gross negligence or willful misconduct.

INTERVENTION ON THE HIGH SEAS ACT

Sec. 202. Section 17 of the Intervention on the High Seas Act is amended to read as follows:

"Sec. 17. The Fund established under the Oil Spill Liability and Compensation Act of 1988 shall be available to the Secretary for actions taken under sections 5 and 7 of this Act.".

CLEAN WATER ACT

Sec. 203. Section 311 of the Clean Water Act is amended as follows:

(a) Subparagraph (H) of paragraph (2) of subsection (c) amended by striking out "from the fund established under subsection (k) of this section for the reasonable costs incurred in such removal" and inserting in lieu thereof the following: "in the case of any discharges of oil from a vessel or facility, for the reasonable costs incurred in such removal from the Fund established under the Oil Spill Liability and Compensation Act of 1988".

(b) Subsection (d) is amended by striking out the last sentence.

(c)(1) Subsections (f), (g), and (i) of section 311 of the Clean Water Act shall not apply with respect to any discharge of oil resulting in removal costs for which liability is established under section 102 of this Act.

(2) Paragraphs (2) and (3) of subsection (f) are amended by striking out "under subsection (c) for the removal of such oil or substance by the United States Government" each place it appears and inserting in lieu thereof "under subsection (c) for the removal of such oil or substance by the United States Government and for payments made pursuant to section 103(a)(4)(A) of the Oil Pollution Liability and Compensation Act of 1988".

(d) Subsection (i) is amended by striking out "(1)" after "(i)" and striking out paragraphs (2) and (3).

(e) Subsection (k) is repealed. Any amounts remaining in the revolving fund established under that subsection shall be deposited in the Fund established under this Act. The Oil Spill Compensation Fund shall assume all liability incurred by the revolving fund established under section 311(k) of the Clean Water Act.

(f) Subsection (l) is amended by striking out the second sentence.

(g) Subsection (p) is repealed.

(h) Section 311 is amended by adding at the end thereof the following new subsection:

"(s) The Oil Spill Compensation Fund, established under the Oil Pollution Liability and Compensation Act of 1988, shall be available to carry out subsections (c), (d), (i), and (l) as those subsections apply to discharges, or substantial threats of discharges, of oil. Any amounts received by the United States under this section shall be deposited in such Oil Spill Compensation Fund.".

DEEPWATER PORT ACT

Sec. 204. The Deepwater Port Act of 1974 is amended as follows:

(a) In section 4(c)(1) strike "section 18(l) of this Act;" and insert in lieu thereof "section 104 of the Oil Spill Liability and Compensation Act of 1988,".

(b) Subsections (b), (d), (e), (f), (g), (h), (i) (j), (l), (n), and paragraph (1) of subsection (m) of section 18 are deleted.

(c) Paragraph (3) of subsection (c) of section 18 is amended by striking "Deepwater Port Liability Fund established pursuant to subsection (f) of this section", and inserting in lieu thereof "fund established under the Oil Spill Liability and Compensation Act of 1988".

(d) Subsections (c), (k), and (m) of section 18 are redesignated (b), (c), and (d) respectively, and paragraphs (2), (3), and (4) of subsection (m) are redesignated (1), (2), and (3), respectively.

(e) Any amounts remaining in the Deepwater Port Liability Fund, established under section 18(f) of the Deepwater Port Act of 1974, shall be deposited in the Fund established under this Act. The Oil Spill Compensation Fund shall assume all liability incurred by the Deepwater Port Liability Fund.

OUTER CONTINENTAL SHELF LANDS ACT AMENDMENTS

SEC. 205. Title III of the Outer Continental Shelf Lands Act Amendments of 1978 is hereby repealed. Any amounts remaining in the Offshore Oil Pollution Compensation Fund established under section 302 of that title shall be deposited in the Fund established under this Act. The Oil Spill Compensation Fund shall assume all liability incurred by the Offshore Oil Pollution Compensation Fund.

NOTICE TO STATE; INCREASED PENALTIES FOR FAILURE TO REPORT

SEC. 206. (a) The first sentence of section 311(b)(5) of the Clean Water Act is amended by inserting after "of the United States Government" the phrase "and of any affected State".

(b) The second sentence of section 311(b)(5) of the Clean Water Act is amended by striking "fined not more than $10,000, or imprisoned for not more than one year, or both" and inserting in lieu thereof "fined in accordance with the applicable provisions of title 18 of the United States Code, or imprisoned for not more than three years (or not more than five years in the case of a second or subsequent conviction), or both".

By Mr. BAUCUS (for himself, Mr. ROCKEFELLER, and Mr. DASCHLE):

S. 2644. A bill to amend title XVIII of the Social Security Act to make certain payment reforms in the Medicare program to ensure the adequate provision of health care in rural areas, and for other purposes; to the Committee on Finance.

RURAL HEALTH PAYMENT REFORM ACT OF 1988

● Mr. BAUCUS. Mr. President, today I am introducing a bill for rural America, the Rural Health Payment Reform Act of 1988.

Last year I introduced the Rural Health Care Viability Act of 1987. That bill made a number of small but badly needed changes in health care laws affecting small communities.

I was encouraged by the positive reception that initiative received. Congress enacted almost every proposal in the bill as part of the 1987 Reconciliation Act.

This bill follows in the footsteps of last year's legislation. It beefs up and strengthens the important changes that have been made, and adds some new ones that are equally necessary.

NEED FOR THE BILL

Mr. President, let me explain why we need this bill.

Providing health care in the far corners of our land is no easy task.

In my own State of Montana, we have about 4 hospitals for every 10,000 square miles. That's one-fourth the national average.

Many of Montana's hospitals are sole community hospitals. That means if these hospitals are forced to close, Montanans face long trips to reach another facility.

In Montana, more than two-thirds of the State's population lives outside of our cities. Nearly 60 percent of the counties are classified as "health manpower shortage areas." That's one of the highest rates in the Nation.

But this is not just a problem in Montana. Consider these facts about rural America:

Nearly 60 million Americans, almost one-fourth of the U.S. population, live in rural parts of the country.

The number of uninsured rural Americans is 15 percent higher than the U.S. average, and a full 24 percent above urban levels.

Rural Americans have higher rates of serious chronic illness, accidents and disability.

Infant mortality rates are much higher than those in cities, and are on the rise.

These are serious problems and they must be addressed. The bill I am introducing today is an effort to get to the heart of these problems. It begins by making some guarantees to rural hospitals in the amount they receive from the Medicare Program.

STATUS OF RURAL HOSPITALS

It's important to understand what has been happening with rural hospitals in recent years.

In 1983 the Medicare prospective payment system was started to control spiralling health care costs. The prospective payment system encouraged efficiency in health care delivery.

There is nothing wrong with efficiency in Government programs. In fact, we could stand a whole lot more of it. But efficiency shouldn't be held out as the sole standard, the goal above all others, for Federal policy.

Efficiency is fine if you're trying to sell potatoes. But health care is more than just a commodity—it's people.

Over time it has become clear that urban hospitals do better than rural hospitals under the prospective payment system. Let me give a few examples:

In 1986, profit margins for big-city hospitals were nearly nine times higher than the average rural level.

One in every ten rural hospitals was being paid 33 percent below its costs for serving Medicare patients.

Losses for many of the smallest rural hospitals had hit a staggering level of minus 48 percent.

And according to a recent study by the American College of Health Care Executives, roughly 10 percent of the Nation's 7,000 hospitals—half of them rural—will be forced to close in the next decade.

When a rural hospital closes, there is seldom another hospital down the road for people to go to. This means shutting the door to the health care system for many of our Nation's citizens. And the community loses a source of good paying jobs as well as its best magnet for attracting other health professionals to the area.

Medicare losses are of particular concern to rural hospitals because the Medicare Program is often the dominant source of revenue for these facilities. For example, Medicare patients in Montana frequently account for well over 50 percent of the total hospital admissions to the State's smallest hospitals.

When Medicare payments are inadequate, small communities have to step in to make up the difference from local budgets already stretched to the limit. It's unfair, and unrealistic, to expect rural communities to subsidize Medicare rates that fall below the cost of caring for the program's beneficiares.

Even minor fluctuations in Medicare payment amounts can translate into major changes for these vulnerable health care providers. And when Medicare payments consistently fail to cover actual costs, the financial condition of these hospitals is placed at serious risk.

These are the reasons we need to give guarantees to rural hospitals.

OTHER PROBLEMS

Rural communities face other health care problems in addition to the solvency of their hospitals. For example, many rural parts of the country face a shortage of health professionals.

A number of factors contribute to the shortage. One of them is financial. The Montana Medical Association recently reported that two-thirds of the family practitioners who provide obstetrical care have net incomes under $50,000 a year. A growing share of that income is being dedicated to rapidly rising professional liability insurance.

By contrast, the median income of all U.S. neurosurgeons was $142,500 in 1982, nearly three times higher than the earnings of the majority of family practice doctors in Montana.

With those variations in income potential, we shouldn't be surprised that young doctors don't settle in rural communities.

We have to change the signals we're sending to these doctors.

Last year Congress approved modest increases in the amount Medicare pays for primary care services and for physicians practicing in rural medical shortage areas. This was an important first step in our efforts to restore a balance between urban and rural health professionals as well as to provide better recognition of the importance of primary care services.

My bill increases from five to 10 percent the incentive payment these physicians got last year. A few percentage points might not make a big difference right away. But it does send the right signals. And it establishes an important precedent on which to build in the years ahead.

Another factor contributing to the shortage of health professionals in rural areas is the sense of isolation they feel. One solution is to build strong partnerships between rural communities and large urban medical centers.

Last year, Congress directed the Secretary of Health and Human Services to fund a limited number of demonstration projects to link rural physicians with those in urban centers.

One provision of this bill adopts a similar approach by laying the groundwork for partnerships between urban and rural health care providers.

Finally, we must acknowledge that Medicaid payments have failed to keep pace with rising costs. The result is less care for mothers and babies.

This problem has become a crisis in Montana. Last year only 60 doctors practiced obstetrics in Montana. Their numbers have declined by over 6 percent in the past 6 years. Last year there was a 4,000-square-mile area in Montana where only one doctor would deliver babies.

And it's just as big a problem in many other States.

We can address this problem by rewarding States that make the financial commitment to improve Medicaid payments for obstetrical and pediatric care. Many States already are expanding Medicaid services as a way to reduce infant mortality and lower costs resulting from the lack of early and adequate prenatal care.

One way to see that more mothers and children get good health care is for the Federal Government to actively encourage States to improve payments for prenatal, maternity, and newborn care.

This bill takes that approach. It increases the Federal share of Medicaid costs for States that improve access to obstetrical and pediatric services.

These straightforward changes will make a big difference in the status of health care in rural communities.

PROVISIONS OF THE BILL

The Rural Health Payment Reform Act of 1988 addresses each of these problems I have outlined.

The bill continues our previous work on changing Medicare to improve equity in payments to rural hospitals. And it improves access to quality health care for people in rural communities.

The bill helps rural hospitals by guaranteeing that their Medicare payments will increase next year by at least 3.8 percent, the amount that was predicted by CBO under the current formula. It was not guaranteed.

It's just delivering on the promise we've already made to rural hospitals.

The increase might be higher, depending on the level of inflation for hospitals. But under this bill, it won't be lower.

This provision doesn't instantly solve all of the problems of rural hospitals. But it has two big strengths. First, it honors the Medicare commitment we made last year in the Reconciliation Act for 1988 and 1989. And second, it ensures predictability for hospitals in their financial planning by guaranteeing the increase they will get next year.

The bill also has benefits for sole community hospitals. It provides that the hospital-specific portion of their Medicare payments will be updated every year by inflation in hospital services, rather than by an amount determined in the budget process. Sole community providers also will be exempt from reductions in capital payments.

Another provision of the bill increases incentive payments for physicians who practice in health manpower shortage areas.

It sets up demonstration projects allowing rural physicians to link up with hospitals. This will help rural doctors feel less isolated and keep them up to date on medical information and advances.

Finally, this bill allows States to develop demonstration projects to find new ways for dealing with the crisis in medical care for pregnant women and children.

This bill isn't very flashy. But it will go a long ways toward improving health care in our Nation's heartland.

CONCLUSION

These are tough times in rural America. Each day when we read the morning papers or look at the evening news we see clear, painful evidence of that.

People in rural America deserve better.

Some things we can't change. If we could pass a law to make it rain all across the bone-dry West and Midwest, we would do it. But we aren't doing our jobs if we don't try to do what we can. Improving rural health care services is a small change that will make a big difference.

In the past few years most improvements to the Medicare Program have been accomplished through budget reconciliation. Since a reconciliation bill does not appear likely this year, it may be difficult to achieve the needed reforms in this legislation. Still, rural health care is a vitally important issue that we can't allow to fade away just because it will be tough to do. I am offering the Rural Health Payment Reform Act with a sense of determined optimism. If the bill doesn't pass this year, we'll try again in January.

The Nation's rural citizens should get no less.

Joining me in this effort are two of my distinguished colleagues on the Finance Committee, Senator ROCKEFELLER and Senator DASCHLE. Both have been good friends to rural America. I am pleased to have their support.

I hope many more of our colleagues will join us in support of the Rural Health Payment Reform Act of 1988.

Mr. President, I ask unanimous consent that the text of the bill and a description of the Rural Health Payment Reform Act of 1988 be included following my statement. I would also like to include an article from last week's Billings Gazette, "Costs Killing Rural Hospitals."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2644

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Health Payment Reform Act of 1988".

SEC. 2. MINIMUM UPDATE FACTOR FOR FISCAL YEAR 1989 FOR PROSPECTIVE PAYMENT TO RURAL HOSPITALS.

(a) IN GENERAL.—Section 1886(b)(3)(B)(i)(IV) of the Social Security Act (42 U.S.C. 1395ww(b)(3)(B)(i)(IV)) is amended by striking "1989," and inserting "1989, the greater of 3.8 percent or".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to cost reporting periods beginning or discharges occurring (as the case may be) during fiscal year 1989.

SEC. 3. PAYMENT TO SOLE COMMUNITY HOSPITALS FOR FISCAL YEAR 1989.

(a) FULL MARKET BASKET PERCENTAGE INCREASE.—Section 1886(b)(3)(B)(i) of such Act (42 U.S.C. 1395ww(b)(3)(B)(i)) is amended—

(1) in subclause (IV), by striking "1989," and inserting "1989, except as provided in the last sentence of this clause,"; and

(2) by adding at the end the following new sentence:

"For purposes of subclause (IV), in the case of any hospital that is classified as a sole community hospital (for purposes of receiving payment under this title in accordance with subsection (d)(5)(C)(ii)), the 'applicable percentage increase' shall be the market basket percentage increase.".

(b) EXEMPTION FROM REDUCTIONS IN PAYMENTS FOR CAPITAL FOR ALL HOSPITALS MEETING DEFINITION OF SOLE COMMUNITY HOSPITAL.—Section 1886(g)(3)(B) of such Act (42 U.S.C. 1395ww(g)(3)(B)) is amended by striking "a sole community hospital (as defined in subsection (d)(5)(C)(ii))" and inserting "classified as a sole community hospital (for purposes of receiving payment under this title in accordance with subsection (d)(5)(C)(ii)) or would be classified as a sole community hospital (for such purposes) if the hospital elected to receive payment in accordance with such subsection".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to the cost reporting periods beginning or discharges occurring (as the case may be) during fiscal year 1989.

SEC. 4. INCREASE IN INCENTIVE PAYMENTS FOR PHYSICIANS' SERVICES FURNISHED IN UNDERSERVED AREAS.

(a) IN GENERAL.—Section 1833(m) of such Act (42 U.S.C. 1395l(m)) is amended by striking "equal to" and all that follows through the period and inserting "equal to—

"(1) in the case of services furnished in that part of any such manpower shortage area that is a rural area (as defined in section 1886(d)(2)(D))—

"(A) five percent (if the service is furnished on or after January 1, 1989, and before October 1, 1989), and

"(B) 10 percent (if the service is furnished on or after October 1, 1989); and

"(2) in the case of services furnished in that part of any such manpower shortage area that is not a rural area (as so defined), five percent (if the service is furnished on or after January 1, 1991).".

(b) EFFECTIVE DATE.—(1) The amendment made by subsection (a) shall be effective as if included in the enactment of the amendment made by section 4043(a) of the Omnibus Budget Reconciliation Act of 1987.

(2) Effective December 22, 1987, subsection (c) of section 4043 of the Omnibus Budget Reconciliation Act of 1987 is repealed.

SEC. 5. TELECOMMUNICATIONS DEMONSTRATION PROJECTS FOR MANPOWER SHORTAGE AREAS.

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall enter into agreements with not less than 5 or more than 10 hospitals submitting applications under this section (in such form as the Secretary may provide) for the purpose of conducting demonstration projects to provide instruction and consultation (and such other services as the Secretary determines appropriate) to physicians in such rural areas (within the meaning of section 1886(d)(2)(D)) as are designated either class 1 or class 2 health manpower shortage areas under section 332(a)(1)(A) of the Public Health Service Act.

(b) GRANTS TO HOSPITALS.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall make grants to each hospital with an agreement under this section to assist each such hospital in carrying out its demonstration project under this section.

(2) RESTRICTION.—No funds made available to a hospital under this section shall be used by a hospital for the acquisition of capital items (including computer hardware).

(c) DURATION.—A demonstration project conducted under this section shall be commenced not later than January 1, 1989, and shall be conducted for a three-year period unless the Secretary determines that the hospital conducting the project is not in substantial compliance with the terms of the agreement entered into under this section.

(d) EVALUATION AND REPORTS.—

(1) EVALUATION.—Each hospital with an agreement under this section shall furnish the Secretary with such information as the Secretary determines to be necessary to evaluate the results of the demonstration project conducted by the hospital.

(2) REPORTS.—

(A) INTERIM REPORT.—Not later than July 1, 1990, the Secretary shall submit an interim report to the Congress on the progress of the demonstration projects conducted under this section.

(B) FINAL REPORT.—Not later than March 1, 1992, the Secretary shall submit a final report to the Congress that describes the results of the demonstration projects conducted under this section and contains such recommendations as the Secretary determines are appropriate.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the demonstration projects under this section.

SEC. 6. MEDICAID DEMONSTRATION PROJECTS TO INCREASE THE ACCESS OF PREGNANT WOMEN AND CHILDREN TO PHYSICIANS' SERVICES.

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") may enter into agreements with States submitting applications under this section (in such form as the Secretary may provide) to conduct demonstration projects to improve the access of pregnant women and children eligible for benefits under title XIX of the Social Security Act to obstetrical and pediatric services.

(b) SELECTION OF STATES.—In choosing from among applications submitted under this section, the Secretary shall—

(1) give priority to applications that emphasize improving such access in rural communities experiencing a decline in essential services furnished to pregnant women and children; and

(2) select applications that incorporate such innovative approaches to increasing such access as—

(A) improving the system for reimbursing providers of services (through increasing payment rates, expediting payment, and using innovative payment methodologies for physician and other relevant health professional services);

(B) decreasing unnecessary administrative burdens in submitting claims or securing authorization for treatment;

(C) providing for continuity of coverage;

(D) covering medical services that meet the needs of high-risk pregnant women and children; and

(E) providing assistance in securing and financing medical malpractice insurance costs (by means that lower premium rates for individual providers).

(c) PAYMENT.—Any amounts expended by a State to conduct a demonstration project under this section shall, for purposes of section 1903 of the Social Security Act, be treated as amounts expended under the plan of the State approved under title XIX of such Act; except that the applicable matching rate shall be increased by the lesser of 10 percent or the percentage necessary to raise any such rate to 90 percent.

(d) WAIVERS.—The Secretary shall waive compliance with any requirements contained in title XIX of the Social Security Act which (if applied) would prevent the State from carrying out any demonstration project under this section or effectively achieving its purpose.

(e) DURATION.—A demonstration project under this section may be conducted for any portion of the period beginning after the date of enactment of this Act and ending December 31, 1992.

(f) REPORT TO CONGRESS.—The Secretary shall report to the Congress on the results of any demonstration projects conducted under this section not later than March 1, 1993. Such report shall include an assessment of the extent to which the approaches adopted in any such projects may be used to lower infant mortality through improving the access of pregnant women and children to health care services.

THE RURAL HEALTH PAYMENT REFORM ACT OF 1988

MEDICARE PROSPECTIVE PAYMENT RATES FOR HOSPITALS

Present Law:

The Omnibus Budget Reconciliation Act of 1987 established the rate of increase, known as the update factor, in Medicare payments for hospital services for FY 1988 and FY 1989.

For FY 1989, the update factor is the hospital market basket increase minus 1.5 percent. For large urban area hospitals, the update would be the market basket minus 2.0 percent. For hospitals in small urban areas, the update would be market basket minus 2.5 percent.

At the time of enactment of OBRA 1987, the Congressional Budget Office estimated that the FY 1989 hospital market basket increase would be 5.3 percent. Therefore, the FY 1989 update factor for rural hospitals was estimated to be 3.8 percent (5.3% minus 1.5%). Hospitals in large urban areas would receive a 3.3% update and those in small urban areas would receive 2.8 percent.

Proposal:

For rural hospitals, in no event would the FY 1989 update be less than 3.8 percent. This provision would establish a guaranteed rate of increase of at least 3.8 percent even if HHS lowers the market basket estimate prior to FY 1989.

MEDICARE PAYMENTS TO SOLE COMMUNITY HOSPITALS

Present Law:

Hospitals that qualify as sole community providers (generally because of their distance from the next nearest hospital) may opt to be paid permanently on the same basis as all other hospitals were paid in FY 1984, the first year of the Prospective Payment System transition period.

For hospitals that elect to be paid on this basis, 75 percent of their payment amount is based on the hospital's actual costs and 25 percent is based on a regional federal DRG rate. The 75 percent hospital-specific portion of the payment amount is determined on the basis of the hospital's pre-PPS costs, increased by the amount of the update factor each year.

Sole community providers which elect to be paid according to the 75/25 formula are also exempted from reductions in Medicare payments for hospital capital costs.

Proposal:

Two changes would be made in Medicare payments to sole community providers to strengthen the financial safeguards available to hospitals in remote communities:

1. The 75 percent hospital-specific portion of the sole community provider payment amount would be updated by the full hospital market basket rate of increase. This provision would help keep the majority of the sole community hospital payment amount current with acual increases in hospital costs. Effective October 1, 1988.

2. All hospitals that meet the criteria of sole community provider status, regardless of whether they elect to be paid on the basis of the 75/25 percent formula, would be exempted from reductions in Medicare payments for capital costs. Effective October 1, 1988.

BONUS PAYMENTS FOR PHYSICIANS' SERVICES IN UNDERSERVED COMMUNITIES

Present Law:

OBRA 1987 established a 5 percent incentive payment amount for physician services furnished to individuals in certain health manpower shortage areas, as determined by the Public Health Service. The bonus payment amount is effective for services provided after January 1, 1989.

Proposal:

The bonus payment amount would be increased from 5 percent to 10 percent for services furnished in a rural health manpower shortage area after October 1, 1989. This provision is consistent with the recommendations of the Congressionally-established Physician Payment Review Commission which encouraged that a higher bonus payment amount is needed to encourage physicians to practice in underserved communities.

TELECOMMUNICATIONS DEMONSTRATION PROJECTS

Present Law:

OBRA 1987 directed the Secretary of HHS to establish a limited number of demonstration projects to use video communication between rural hospitals and teaching hospitals as a means of assisting rural physicians to keep up with current medical practices and developments. The Secretary was also authorized to make appropriate payments to physicians consulted via video communications systems. No demonstration funds could be used for the acquisition of capital items, including computer hardware.

The telecommunications demonstration projects are limited to situations where physicians are facing possible sanctions from Medicare peer review organizations, for example, due to concerns about appropriate utilization of health services or quality of care.

Proposal:

Similar demonstration projects for telecommunications between hospitals and rural physicians would be established to include agreement with entities providing instructional and consultative services in rural areas with a severe shortage of physicians or other essential health professionals. In determining whether an area has a severe shortage of physicians and other health professionals, the Secretary would be required to consider proposals from class 1 and class 2 health manpower shortage areas.

MEDICAID DEMONSTRATION PROJECTS TO IMPROVE ACCESS TO PHYSICIAN SERVICES BY PREGNANT WOMEN AND CHILDREN

Current Law:

The Secretary of HHS has general authority to waive certain program requirements as necessary to conduct demonstration projects.

Proposal:

Authorizes the Secretary to provide for demonstration projects by states to reduce infant mortality and early childhood morbidity. The projects are to improve access to obstetrical and pediatric services for eligible pregnant women and children under Medicaid. Priority would be given to State proposals with an emphasis on improving access to services in rural communities experiencing a decline in essential services for pregnant women and children.

Eligible projects are to incorporate innovative approaches to increasing access to prenatal, maternal and newborn care by such means as:

1. Improving compensation by increasing payment rates, expediting reimbursement and using innovative payment methodologies for physician and other relevant health professional services.
2. Decreasing unnecessary administrative burdens in submitting claims or securing authorization for treatment.
3. Providing for continuity of coverage.
4. Covering medical services that meet the needs of high-risk pregnant women and children.
5. Assisting in securing and financing medical malpractice insurance costs by means that lower individual provider premium rates.

The Secretary would be authorized to increase Federal matching rates for services provided under the demonstration projects by not less than 10 percent, however, in no case could the total Federal matching share exceed 90 percent.

The Secretary would also be authorized to waive Medicaid reimbursement requirements to the extent necessary to implement the demonstration projects.

The Secretary would be required to report to Congress not later than March 1, 1993 on the demonstration projects and how the results of the projects may be used to lower infant mortality through improving access of pregnant women and children to health care services.

[From the Billings (MT) Gazette, July 4, 1988]

Costs Killing Rural Hospitals

Two tiny rural hospitals in Montana closed this year, and a Montana Hospital Association official says there may be more "fatalities" among rural hospitals if changes in federal Medicare payments are not made.

The 18–bed Mission Valley Hospital in St. Ignatius north of Missoula closed in March and the 16–bed Dahl Memorial Hospital in Ekalaka in southeast Montana closed in May.

Dora Lambert, 72, who worked as a registered nurse at Dahl part-time until she was 69, calls the closure "tragic for the community."

"Carter County is a real sparsely settled place," Lambert says. "Generally if it's anything very serious, people have to go to Miles City. It makes me feel kind of helpless."

But Lambert says she can understand why it's hard to get a doctor to live in Ekalaka, a town of 600 near the Montana-South Dakota border.

"A doctor has got to be pretty self-reliant because he has no one to confer with except by telephone," she says. "It's difficult for a doctor's family because he is so busy. He has no one to relieve him."

For the first time in more than 60 years, St. Ignatius residents needing hospitalization must travel to Ronan or Polson, each 14 miles away, or to Missoula, about 30 miles away. The former hospital is now a health center, which is staffed by a doctor daily Monday through Friday.

"A lot of community people used it," says Sheri Evans, director of nursing at the Mission Valley Health Center and Nursing Home. Closures of small hospitals are "going to be happening a lot right now because of the expense of giving Medicare treatment," she adds.

Federal payments for Medicare patients cover only a specific number of days spent in hospitals. The payment, determined by the type of disease, often is much less than the actual cost of care, says Tony Wellover of Helena, senior vice president for the Montana Hospital Association.

He cites national statistics in a federal report published in April that said 10 out of 100 hospitals receiving Medicare payments got money that was 44 percent below actual cost of care.

Charlie Brown, administrator of the 54–bed Livingston Memorial Hospital, says Medicare patients make up two-thirds of the institution's patients.

"You can either survive or go down the tubes very quickly," Brown says, if the hospital is reimbursed $500 for a patient's care and the actual cost, due to complications, is $5,000, the hospital must suffer the loss, he explains.

Brown says Livingston Memorial's financial condition is "average" compared to economic conditions experienced by hospitals nationally: "We're not on the brink of closure."

A national survey of hospital administrators in rural areas revealed that as many as 700 executives feared their hospitals may be forced to close in the next five years because of financial problems, such as curbs on Medicare payments, according to the Associated Press.

To help small rural hospitals, the federal government could either return to giving Medicare payments based on actual cost or allow higher payments for specific diseases, Wellover says.●

● **Mr. ROCKEFELLER.** Mr. President, I am very pleased today to join Senator Baucus in introducing the Rural Health Payment Reform Act of 1988, and to be an original cosponsor with Senator Daschle. Senator Baucus is a true leader in the effort to improve health care in rural America.

Several weeks ago, I entered into the Record a major report on rural health care that was released by the National Association of Community Health Centers and the National Rural Health Association. This report laid out the sad story of how so much of our rural health care system has been allowed to deteriorate. I was shocked and dismayed by the problems described.

A major case in point is the way in which rural hospitals have fared so poorly under Medicare's prospective payment system. Forty-seven percent of all rural hospitals reported negative profit margins 3 years after this new system was put in place. Rural hospitals are being penalized by a reimbursement system based on average costs that works to the advantage of large urban hospitals. Because of certain fixed costs, small rural hospitals lack the flexibility to respond to changes in reimbursement in the same way as larger urban hospitals. Forty-one of the country's rural hospitals have closed after 3 years of prospective payment, leaving 14 counties without a hospital treating elderly and disabled patients dependent on Medicare for their health care.

In my own State of West Virginia, access to health care is threatened as many of our rural hospitals lose money taking care of Medicare patients. In 1985, 17 out of the State's 30 small rural hospitals suffered financial losses from Medicare. Future projections are no more promising. The Prospective Payment Assessment Commission—which is the advisory group on hospitals to Congress—predicted last December that the average profit margin for all hospitals will fall below zero.

In West Virginia, rural hospitals are also struggling with the additional pressure of providing care to a growing number of persons without health insurance. Nearly 16 percent of all West Virginians were without health insurance in 1986—an increase of 30,000 persons since 1980. West Virginia hospitals reported that uncompensated care accounted for over 8 percent of their total billings—well above the national average. By default, hospitals have been forced to absorb the mounting costs of caring for the medically indigent.

Clearly, our rural hospitals are facing a tremendous financial burden. We expect them to change, adapt to a new health care environment, become more efficient. Yet, a small rural hospital's ability to respond is crippled by current inequities in Medicare reimbursement policy which pays urban hospitals substantially more for the same care.

Some people argure that it is not the Federal Government's role to bail out rural hospitals. But allowing rural hospitals to close would seriously limit access to health care for many Americans. And in my view, that is a reason for Congress to step in, take notice, and try to help.

A large number of elderly live in rural areas, many with chronic disabilities. If we allow rural hospitals to close, many frail elderly will be forced to travel long distances to receive medical care or, in many cases, they may just do without needed care. Medicare was legislated as an entitlement program for all elderly—not just the urban elderly or the affluent elderly. Rural hospitals play a pivotal role in assuring access to health care. I think it is not only appropriate, but vital that we make sure there is an adequate supply of health services in rural communities.

Rural communities have long grappled with the problem of attracting and retaining physicians. Getting physicians to move to a rural community without a nearby hospital would make recruitment of health professionals even tougher.

Our legislation, the Rural Health Payment Reform Act of 1988 builds on previous rural health legislation which I've had the privilege of working with Senator BAUCUS and my other distinguished cosponsor. It offers some financial relief for rural hospitals by guaranteeing the update factor agreed to in last year's budget summit agreement—3.8 percent instead of the most recent HCFA estimate of 3.3 percent.

The bill would also improve reimbursement for hospitals that are the sole source of medical care in isolated areas. Sole community hospitals have generally been big losers under the prospective payment system. This bill would increase the hospital specific portion of the Medicare payment by the full hospital market basket and exempt these hospitals from planned reductions in payments for capital costs.

This legislation proposes to increase the 5-percent bonus payment to physicians who practice in health shortage areas included in last year's reconciliation bill to 10 percent, and would authorize several demonstration projects to find ways to solve some of the toughest problems in rural areas—namely, physician isolation from the rest of the medical community and improving access to prenatal care services and pediatric care by Medicaid recipients.

This bill is not a proposal to overhaul Medicare's overall hospital payment system. But it is an effort to take some significant steps that will provide real help to rural health providers and patients. We believe it proposes practical, affordable, and highly justifiable measures to solve some of the problems confronting health care in our rural communities.

This is legislation that I believe deserves support. I urge my colleagues to assist in winning approval of these proposals.●

● Mr. DASCHLE. Mr. President, I rise today to sponsor the Rural Health Payment Reform Act of 1988 with my colleague Senator MAX BAUCUS from Montana. In doing so, I would like to comment Senator BAUCUS for his deep concern about rural health care in America and his strong leadership in the Senate on this issue.

Across the country rural areas struggle with challenges to the delivery of quality care. This bill addresses these challenges with the goals of ensuring that those who live in rural areas receive the same quality care that all Americans have come to expect.

One-quarter of American citizens and one-third of our Nation's elderly live in rural communities. I believe that money and effort invested in rural health care will continue to pay back for years to come and for generations of Americans.

However, for too long, the special health-care needs and problems of rural Americans have taken a back seat to the needs of our urban neighbors. This happens despite the fact that rural areas experience some of the worst poverty found in this country and are home to a larger share of the uninsured and elderly than urban areas.

I am pleased that in recent years Congress has made some progress in addressing these problems. We scored a significant victory last year with the passage of a higher Medicare update for rural hospitals, bonus payments to physicians in rural areas, and several other provisions aimed at upgrading rural health care. But we still have a long way to go.

Rural hospital closures continue to rise, shortages of health professionals in rural areas jeopardize access to basic health services, and rural infant mortality rates are substantially higher than those in urban areas.

By sponsoring this bill today, I hope to build on the momentum of the victories that we achieved last year in reconciliation and keep attention focused on the plight of rural health care.

First, this bill attempts to ensure equity in Medicare reimbursement among urban and rural health-care providers by guaranteeing a rural hospital update in fiscal year 1989 of at least 3.8 percent.

This upholds the agreement that was made last year in reconciliation, an agreement that Medicare officials have recently threatened to break with their call for a lower update. This provision would force Medicare to uphold its end of the original bargain.

Currently, rural facilities get paid significantly less than their urban counterparts for managing the same case, even though their costs may be higher. Years of operating losses under this system have eroded the small rural hospital's asset base, forcing many out of business. Indeed, in my home State of South Dakota alone, 13 counties are without any hospital.

By putting a floor on the rural hospital update, this bill injects some predictability into hospitals' financial planning; a predictability that translates into a sounder rural hospital system and better access to care for rural citizens.

Another serious problem plaguing rural areas is the shortage of well-trained physicians, a problem that is exacerbated by the fact that Medicare payment differentials between rural and urban physicians can run as high as 60 percent. This bill encourages providers to practice in rural communities by increasing Medicare bonus payments to physicians who serve in areas with severe shortages.

This bill would also expand demonstration projects that use satellite technology to link rural physicians with providers in urban areas. This will enable physicians in rural areas to keep up with current developments in urban teaching centers so that a physician practicing in Spearfish, SD, for example, can benefit from the medical advances coming out of New York City.

Finally this bill establishes Medicaid demonstration projects that incorporate innovative approaches to improve access to health care for pregnant women and children living in rural areas.

The need for innovation in this area is acute. Infant mortality, one of the best indicators of the overall health of a community, has been consistently higher in rural than in urban areas. One reason is that mothers in rural areas and their children are less likely to be privately insured and more likely to be paying out of pocket for medical care.

Aside from the emotional costs associated with infant mortality, the Nation pays a high price—in fiscal terms and in lost human potential—when babies are born unhealthy. Our country cannot afford to ignore this pervasive national tragedy.

These demonstration projects should provide valuable information on ways to improve access to obstetrical and pediatric services and promote the health of our next generation.

The cornerstone of the Medicare and Medicaid programs has always been to provide accessible and affordable health care for all Americans. However, these programs often fall short when it comes to rural America.

Rural areas struggle to maintain quality care through innovative financing, ingenuity, and a lot of hard work. It is time that the Federal Government offer its citizens in rural America a helping hand.

I hope that my colleagues will join me today in support of this important bill. The whole Nation will benefit from a healthier rural America.●

By Mr. HECHT:

S. 2646. A bill to amend the Internal Revenue Code of 1986 to allow for a refundable credit against tax for dependents who have not attained the age of compulsory school attendance, to amend the Internal Revenue Code of 1986 to allow an employer who implements a child care and/or comprehensive parental and medic leave program(s) for employees to exclude from gross taxable income any amount spent implementing and executing these programs, and for other purposes; referred to the Committee on Finance.

AMERICAN PARTNERSHIP FOR OUR CHILDREN'S FUTURE ACT

● Mr. HECHT. Mr. President, today I am introducing legislation, the American Partnership for Our Children's Future Act, which will address the concerns of many parents and expectant mothers throughout this country.

Mr. President, almost daily, I receive a letter or a telephone call from concerned Nevada parents, who share their personal stories regarding all sorts of issues, including the necessity of ensuring maternity leave for mothers, the protection of jobs for pregnant women, the ability for single parents to care for their sick child, the availability of adequate child care and the need for day care for their preschool-aged children. More often than not, they seek my advice as to what can be done to encourage Government officials, business leaders, and parents to work in partnership so that all children will be able to develop into productive successful citizens.

Mr. President, you know as well as I that the family structure in this country has changed radically over the past few decades, and now our State and this Nation have many families which do not fall under what was once referred to as the "traditional nuclear family" model. Single parents raising children, families in which both parents work, and divorced parents sharing child rearing responsibilities are now common in our society. Often, productive women in the work force are forced by employers to choose between motherhood or climbing the career ladder because some businessmen are skeptical about hiring young women for fear that they may leave to raise children. This is absurd. Women who want to have children are certainly not the enemy of American businessmen. No, quite the opposite is true, and I believe that current attitudes which indicate that parents are demanding too much of business must be changed.

Mr. President, instead of putting one side against another, business against workers, wouldn't it be more productive to work together to ensure a brighter future for all Americans? If we can take into account the interests and concerns of expectant mothers, single parents, two-working parent families, business leaders, and governmental agencies, wouldn't the result be a better state of affairs for all people? I certainly believe it would.

My legislation, the American Partnership for Our Children's Future Act, is a package of tax incentives for business and for parents to work together to develop innovative, creative, and personal programs which best address the needs of all parties involved.

Believe me, Mr. President, business leaders and parents face some extraordinary challenges upon their lives each and every day. Businesses must face the ever-growing threat of foreign competition into the world marketplace, and parents face tougher and tougher decisions on how to raise their children. I know that the best way to help Americans successfully progress into the future is by developing a team spirit attitude and by working side-by-side on behalf of our Nation's young people.

Mr. President, my bill provides a comprehensive and innovative approach to the current societal concerns regarding maternity, parental and medical leave and child care. The American Partnership for Our Children's Future Act will help to build a framework among business, employees, and Government to ensure a prosperous future for our Nation's young people. Under provisions of the legislation, tax incentives will be provided to business, including:

Encouraging development of flexible programs between employers and employees to tailor benefits—maternity leave, adoption leave, child illness leave, and so forth—to individual and company needs;

No mandating of federally imposed and regulated benefits—leaving those decisions at the individual level, where they can most effectively address both the needs of parents and the concerns of businesses.

Increasing a company's ability to maintain their competitive response to changing markets and influences.

Potentially expanding optional employer provided benefits because benefits with high overhead costs are not mandated.

Allowing companies to determine employee benefits under their current administrative capacity.

Mr. President, although businesses are provided tax incentives to develop parental and medical leave programs which are best tailored to individual needs, parents are also given incentives to assist in their efforts to ensure that their children are provided with a safe and healthy environment in which to grow and prosper. That is why this legislation also includes income tax credits for all families with preschool children, and bases the amount of the credit on the family's adjusted gross income, thereby helping the neediest parents the most.

Under my proposal, parents who need child care services are given 100 percent freedom of choice to choose care by mothers, family members, neighbors, commercial care providers, churches, or whomever they choose. I believe families need support for the decisions they make for their children, but I also believe that the Government should not force undesirable decisions upon them. I know parents are working hard to do the best possible job in raising their kids, and I am very confident that this legislation will provide the needed additional support. Under this bill:

Approximately 12 million families, and 20 million children, will receive income tax benefits;

The maximum benefits will be given to those families with the greatest financial need;

Parents will be assured complete freedom of choice in meeting the child care needs of their kids;

No new Federal bureaucracy will be established, thus protecting the interests of all American taxpayers;

Every dollar made available for child care will go directly to parents. In fact, a parent can file a W-5 form with his/her employer so that the current tax withheld is reduced immediately.

Licensing of commercial day care facilities is left at the State level—where it belongs and where it can be most responsive to local interests and concerns.

The range of choices for child care services is expanded by giving lower-income families the purchasing power to exercise consumer choices.

Mr. President, it is my firm belief that our Nation and it's people must work hard to remain competitive during the coming years. That is why this comprehensive approach to many of the parental and business concerns regarding children and their future can be address in this partnership plan. If all Americans work together in an effort to make our society more successful and responsive to individual needs, it is certain that the United States will move into the 21st century a stronger, prouder, and more productive nation.

Mr. President, I believe that the American Partnership for Our Children's Future Act is extremely important legislation, and I am hopeful that my colleagues will take a look at this legislation and join my efforts by cosponsoring this bill.●

By Mr. PELL (for himself, Mr. STAFFORD, Mr. SIMON, Mr. HATCH, Mr. DODD, Mr. WEICKER, Mr. KENNEDY, Ms. MIKULSKI, Mr. MATSUNAGA, and Mr. METZENBAUM):

S. 2647. A bill to amend the Higher Education Act of 1965 to reduce the default rate on student loans under that Act, and for other purposes; to the Committee on Labor and Human Resources.

STAFFORD STUDENT LOAN DEFAULT PREVENTION AND MANAGEMENT ACT

● Mr. PELL. Mr. President, I am introducing today the Stafford Student Loan Default Prevention and Management Act of 1988.

This legislation is the outgrowth of hearings that were held late last year by the Education Subcommittee on the very serious problem of defaults in the Stafford Loan Program. It is the product of weeks of long, hard work by the staff of the members of the subcommittee. It is a bipartisan effort to address the problem of loan defaults not by punitive measures but through a well-reasoned program.

At the outset, it is important that my colleagues understand that while this legislation represents substantial consensus among the members of the Education Subcommittee, this bill is not a final product. Copies of the draft bill have been circulated widely to members of the education community, and I look forward to their substantive comments. In addition, my colleagues on both the subcommittee and full Committee on Labor and Human Resources are also reviewing carefully the various provisions of this important legislation. We anticipate a full committee markup on this legislation on July 27, and are hopeful that floor action might be possible before the August break.

I would emphasize to all of my colleagues how critical it is that we act on the legislation this year. The cost of defaults to the Federal Government has become intolerable. In the current fiscal year, it could cost the American taxpayer upwards of $1.6 billion to pay for those who do not repay their loan obligations. If left untouched, the default problem could well threaten the viability of our entire Federal student aid effort and that is something that I am sure none of us wants to happen.

Let me point out, however, that we have not been inactive in this area. When we reauthorized the Higher Education Act in 1986, we took a number of steps to crack down on defaulters. We required checks to be cosigned between the student and the institution the student attended. We stipulated that loan checks be disbursed in at least two installments. And we made sure that a student in default was reported to a credit bureau so that their default status could be considered when they applied for a credit card, an automobile loan or some other source of credit.

We strengthened the limitation, suspension, and termination provisions in law to crack down on institutions with high default rates. We reduced reinsurance provisions for guaranty agencies with default rates above 5 percent. And we stopped the infusion of new Federal dollars to institutions with Perkins loan default rates in excess of 15 percent.

These are just some of the steps we took to address the problem of defaults in the loan program. It is important to understand that many of these steps are just beginning to have an impact on borrowing in the loan program. And, while we anticipate they will produce results, we are aware that they do not go far enough and that additional action is required.

The Stafford Student Loan Default Prevention and Management Act of 1988 would take action on several fronts in order to deal with the default problem.

First, we would specify in Federal law the way in which a default rate is to be calculated. This would give us, for the first time, an accurate picture of where the default problem is most severe. In other words, it would focus our efforts.

Second, for any institution of higher education, for any lender, and for any guaranty agency that has a default rate in excess of 25 percent, we would require the development and implementation of a default management plan. The plan would involve the steps an agency, school or lending institution would be required to take to deal more effectively with loan defaults. Among the requirements we have in mind would be more comprehensive counseling of students on loan obligations, improved collection procedures, additional training of personnel to administer loan programs, and better program audits and reviews. Failure to implement and operate the plan in good faith would result in the removal of eligibility to participate in all Federal student aid programs.

An additional proposal under review would give a guaranty agency the authority to recommend the initiation of limitation, suspension, and termination proceedings if an institution or a lender does not achieve a default rate of less than 25 percent after 3 years of operating a default management plan.

The fact that our legislation deals with guaranty agencies, lenders, institutions of higher education, and borrowers is also significant. All play a vital role in the program and all benefit from it. Because of this it is very important that any legislation designed to help alleviate the default problem do so on a comprehensive basis which involves all parties. In previous legislation, we have tended to focus first upon the borrower, and secondarily, upon the lender and the guaranty agencies. Rarely have we involved the institutions of higher education. In this legislation we seek to bring everyone into the loop.

Third, institutions that receive loan checks would be required to wait 30 days before cashing them. If a student dropped out during this period, the uncashed check would be returned to the lender and the Federal Government would no longer be at risk.

Fourth, to prevent a potential problem of defaults in the parent loan program, we would require the lender to determine the creditworthiness of the borrower before a loan is made.

Fifth, and very important, we would make a series of general changes in the law as it applies to the collection of student loans. These changes include notifying a credit bureau when a student is delinquent; current law requires notification only when the student is in default. When applying for a loan, a student would be required to submit a driver's license number and the name and address of next of kin. Transcripts would be withheld from defaulters, except in cases where such action would prevent the borrower from obtaining employment and being able to repay the loan. And, no institution could employ commissioned personnel to recruit students.

Sixth, we toughen Federal law with respect to accreditation. If an institution loses its accreditation, it cannot again become eligible for Federal student aid program participation for at least 2 years. This will prevent a school from seeking approval from another accrediting agency in order to remain eligible for Federal student aid funds.

Seventh, we would give the Secretary of Education the authority to require refunds in cases where an institution has misrepresented its educational program to students. Under this authority the Federal Government would first be reimbursed for whatever Federal education funds went for tuition and fees. Reimbursement of any additional funds would then go to students to help them repay Federal guaranteed student loans used to pay tuition and fees.

Eighth, we also make a series of changes in the needs analysis as it affects the Pell grant and the Stafford Loan Program. We would eliminate the consideration of home equity. This is very important to alleviate the situation where escalating home values make students ineligible for grant and loan assistance, even though their parents do not have sufficient income to borrow against the value of the home and also repay a private loan.

We would also reduce from 70 percent to 40 percent the amount of income students would be expected to use for their education. We have found that the 70 percent is simply too rigid a requirement, and one which throws otherwise deserving, eligible students out of loan eligibility. It even discourages students from working to help finance a part of their college education. The situation is especially severe for cooperative education students who often must live away from home and encounter higher living expenses that make it very difficult to save 70 percent of their earnings for education.

Further, for students enrolled in programs of 2 years or less in duration, we would limit Pell grant eligibility to 3 years. With respect to medical internship and residency programs, we clarified and limited eligibility for the 2-year deferment. Concerning the definition of an independent student, we would clarify it by granting independent status without further restrictions to married students and to graduate students.

The changes in needs analysis do represent increased program costs, particularly in fiscal 1990 and beyond. To help balance these costs, we have included a new 5 percent administrative fee for both the supplemental and parent loan programs.

On balance, the changes in needs analysis are very necessary if we are to bring greater equity to our Federal student aid programs. The unrealistic home equity provision is depriving otherwise deserving, eligible students of the Pell grant assistance necessary to help finance a higher education. The same is true of the 70 percent student earnings provisions, which is excluding students from loan eligibility in a most unfair manner.

Finally, the bill contains changes in the Board of the Student Loan Marketing Association, changes that would have the effect of expanding public stockholder participation in the affairs of Sallie Mae. Changes are also made in the law regarding the multiple data entry processors for the Pell grant program. These changes are designed to open competition in the system and to produce economies that will save money.

Mr. President, this is an important piece of legislation. Its passage is crucial if we are to bring the default problem and its related costs under control. I would be remiss in closing, however, if I did not make clear my strong support for the Stafford Loan Program. For well over 20 years it has done an excellent job. We have made more than 41 million loans in that period, and over 90 percent of them have been repaid. For a program that serves students who basically do not have a credit rating and in which there is no tangible collateral, the fact that defaults are so low is a striking achievement. Our task, therefore, is to make sure that the achievements of the program continue to grow and that the problem of defaults is decreased. It is with that goal uppermost in mind that we have fashioned this legislation.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was orderd to be printed in the RECORD, as follows:

S. 2647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Stafford Student Loan Default Prevention and Management Act of 1988".

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title.
Sec. 2. Table of contents.

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TITLE I—DEFAULT MANAGEMENT

SEC. 101. DEFAULT MANAGEMENT PLANS REQUIRED.

(a) DEFAULT MANAGEMENT PLAN.—Part B of title IV of the Higher Education Act of 1965 (hereafter in this Act referred to as the "Act") is amended by inserting after section 430A the following new section:

"DEFAULT MANAGEMENT PLAN

"SEC. 430B. (a) GUARANTY AGENCY DEFAULT MANAGEMENT PLAN REQUIRED.—(1)(A) The Secretary shall determine the default rate in accordance with the provisions of subsection (e) for each guaranty agency. Each guaranty agency which the Secretary determines has a default rate in excess of 25 percent shall develop and carry out a default management plan in accordance with the provisions of this section.

"(B) Each guaranty agency which has a high volume default rate, as determined by the Secretary, and which is in the highest 5 percent by volume of defaulted student loans, as published by the Secretary in accordance with section 432A(a)(2)(B), shall be subject to a program review conducted by the Secretary. If the Secretary determines that the default management practices of the guaranty agency substantially contribute to the high volume default of student loans, the Secretary shall develop and implement a default management plan for such guaranty agency.

"(2)(A) The Secretary may, in any default management plan required by paragraph (1) of this subsection, require the guaranty agency to carry out any or all of the default management provisions set forth in subparagraph (B).

"(B) The default management provisions to which subparagraph (A) relate are—

"(i) mandatory preclaims assistance;

"(ii) mandatory supplemental preclaims assistance for default prevention;

"(iii) development and distribution of default management materials;

"(iv) additional training in the administration of the programs under this title;

"(v) training of school personnel on default prevention;

"(vi) training of lender personnel on default prevention;

"(vii) waiver of program review regulations so that the guaranty agency can focus on eligible institutions and lenders with excessive default rates; and

"(viii) collection of additional information from borrowers.

"(C) The Secretary, with the agreement of the guaranty agency, may require other measures designed to increase the collection of Stafford student loans, particularly measures appropriate to the communities served by the guaranty agency subject to the default management plan.

"(b) ELIGIBLE LENDER AND ELIGIBLE INSTITUTION DEFAULT MANAGEMENT PLAN REQUIRED.—(1)(A) The Secretary shall determine the default rate, in accordance with subsection (e), for each eligible lender and for each eligible institution. Each eligible lender and each eligible institution which has a default rate in excess of 25 percent calculated in accordance with subsection (e) as determined by the designated guaranty agency for a State in which such lender or institution is located shall develop and implement a default management plan.

"(B) Each eligible lender and each eligible institution which has a high volume default rate, as determined by the Secretary, and which is in the highest 5 percent by volume of defaulted student loans, as published by the Secretary in accordance with section 432A(a)(2)(B), shall be subject to a program review conducted by the State guaranty agency for a State in which such lender or institution is located. If such guaranty agency determines that the default management practices of the lender or institution substantially contribute to the high volume default of student loans, the guaranty agency shall develop and implement a default management plan for such lender or institution.

"(C) No eligible lender and no eligible institution is subject to subparagraph (A) unless the lender or institution has at least 25 loans that are in default in the calendar year for which the determination is made.

"(D) The designated guaranty agency for each State shall require each eligible lender and each eligible institution located within the State described in subparagraph (A) to develop and implement a default management plan.

"(E) Each designated guaranty agency for a State may transfer the responsibilities for carrying out this section to another guaranty agency whenever the other guaranty agency guarantees a majority of loans for the eligible lender or eligible institution which is the subject of the default management plan.

"(2)(A) The designated guaranty agency for a State may require each eligible lender subject to a default management plan to carry out any or all of the default management provisions set forth in subparagraph (B).

"(B) The default management provisions to which subparagraph (A) applies are—

"(i) additional training in the administration of the programs under this title;

"(ii) development of personal financial planning materials to be used in counseling borrowers on planning for repayment of Stafford Loans;

"(iii) establishment of a loan repayment lenders hot line under which borrowers may receive information relating to the repayment status of the student loan, deferments, forbearances, and other rights and responsibilities under the Stafford Loan program;

"(iv) development of information readily understood by the average student relating to forbearance, deferments, and consolidation opportunities;

"(v) provision of additional services, including collection and skip-tracing activities, relating to loans held by the lender in any case in which the borrower cannot be found;

"(vi) provisions for the eligible lender to collect additional information from borrowers;

"(vii) provisions for the eligible lender to furnish eligible institutions and the borrower with information on the sale or other transfer of the loan to another holder and the address and phone number through which to contact such other holder concerning repayment of the loan not later than 60 days after such sale or other transfer;

"(viii) additional program reviews or audits relating to the performance of responsibilities under the Stafford student loan program;

"(ix) provisions requiring all loans to be multiply disbursed regardless of program length; and

"(x) provisions for technical assistance to be furnished by the State guaranty agency or its designee.

"(C) The designated guaranty agency, with the agreement of the lender, may require other measures designed to increase the collection of student loans, particularly measures which are appropriate to the eligible lender subject to the default management plan.

"(3)(A) Each designated guaranty agency for a State may require each eligible institution to which a default management plan applies to carry out any or all of the default management provisions set forth in subparagraph (B).

"(B) The default management provisions to which subparagraph (A) applies are—

"(i) additional training in the administration of the programs under this title;

"(ii) provisions requiring that an eligible institution take necessary action, including reporting information on new addresses of student borrowers, for students who are delinquent or in default within 45 days of the delinquency or default;

"(iii) provisions for technical assistance in the operation of Stafford student loan programs to be provided by the guaranty agency or its designee;

"(iv) provisions for entrance interviews for student borrowers to be conducted by the eligible institution;

"(v) provisions for preclaims assistance provided by the guaranty agency;

"(vi) provisions for an independent audit of the operation of the student financial aid program of the eligible institution;

"(vii) provisions requiring that the eligible institutional verification required by section 484(f) of this Act on student loan eligibility data be increased to 100 percent of such verification;

"(viii) provisions requiring that the eligible institution collect additional information from borrowers;

"(ix) periodic reporting on the status of students receiving aid under this title at the eligible institution; and

"(x) provisions requiring that an eligible institution furnish the guaranty agency with information on student admissions, default rates, withdrawals, and placement rates.

"(C) The designated guaranty agency, with the agreement of the institution, may require other measures designed to increase the collection of student loans, particularly measures which are appropriate for the eligible institution subject to the default management plan.

"(c) PROCEDURAL REQUIREMENTS.—(1) Each default management plan required by this section shall be developed not later than 120 days after the Secretary or the guaranty agency, as the case may be, determines that such a plan is required pursuant to subsection (a) or subsection (b), as the case may be.

"(2) Each default management plan which is developed during the first calendar year after the date of enactment of the Stafford Student Loan Default Prevention and Management Act of 1988 shall be based upon an initial determination of the default rate in accordance with subsection (e)(5)(B).

"(d) ENFORCEMENT PROCEDURES.—(1) If any eligible institution or eligible lender fails to make adequate progress in implementing the default management plan to which such institution or lender is a party—

"(A) the Secretary shall initiate a limitation, suspension, or termination proceeding under section 487(c)(1)(D) with respect to an eligible institution's eligibility to participate in the program under this title, or

"(B) the Secretary, through the appropriate guaranty agency, shall initiate a limitation, suspension, or termination proceeding under section 428(b)(1)(U) with respect to an eligible lender's eligibility to participate in the program under this title.

"(2) If any eligible institution or eligible lender fails to reduce the default rate below 25 percent within 3 years after entering into a default management plan under this section—

"(A) the Secretary, upon the recommendation of the appropriate guaranty agency, shall initiate a limitation, suspension, or termination proceeding under section 487(c)(1)(D) with respect to an eligible institution's eligibility to participate in the program under this title, or

"(B) the Secretary, upon the recommendation of the appropriate guaranty agency, through the appropriate guaranty agency, shall initiate a limitation, suspension, or termination proceeding under section 428(b)(1)(U) with respect to an eligible lender's eligibility to participate in the program under this title.

"(e) CALCULATION OF DEFAULT RATE.—(1) For the purpose of this section, the Secretary shall prescribe the method of calculating the default rate in accordance with paragraphs (2) through (7).

"(2)(A) The default rate shall be expressed as a percentage for the subject calendar year, determined by dividing—

"(i) the total principal outstanding on loans for which reinsurance claims are made in the year for which the determination is made plus the succeeding calendar year on loans which entered repayment in the year for which the determination is made; by

"(ii) the total principal outstanding on loans in repayment which entered repayment in the year for which the determination is made.

"(B) The default rate for a specific calendar year calculated under subparagraph (A) shall be modified by averaging the percentage obtained under paragraph (2) and the percentage obtained by dividing—

"(i) the total principal outstanding on loans for which reinsurance claims are made in the year for which the determination is made plus the second succeeding calendar year on loans which entered repayment in the year for which the determination is made; by

"(ii) the total principal outstanding on loans in repayment which entered repayment in the year for which the determination is made.

"(3) The default rate for a subject calendar year calculated under paragraph (2) shall be further modified by averaging the default rate calculated for the calendar year, the default rate calculated for the calendar year preceding the calendar year for which the determination is made, and the default rate for the second preceding calendar year for which the determination is made.

"(4) The Secretary shall calculate the default rate for guaranty agencies, for eligible lenders, and for eligible institutions.

"(5)(A) The Secretary shall calculate the default rate for calendar year 1986, and for each succeeding fiscal year.

"(B) For the first year after the date of enactment of this section, the Secretary shall calculate the default rate in accordance with paragraphs (2) and (3) with such modifications as the Secretary determines may be necessary. In carrying out the provisions of this subparagraph, the Secretary may average 2 calendar years for the default rate for such first year calculation.

"(6) In calculating the default rate in accordance with this subsection, the Secretary shall—

"(A) delete the amount of loans in default that return to repayment status; and

"(B) with respect to loans in default for an eligible institution, include only loans attributable to the institution which the student attended when the loan was made.

"(7) The Secretary shall, whenever data is unavailable, make necessary estimates to carry out the provisions of this subsection.".

(b) CONFORMING AMENDMENTS.—(1) Section 435(j) of the Act is amended—

(A) by inserting "(1) IN GENERAL.—" before "The"; and

(B) by adding at the end thereof the following new paragraph:

"(2) DISQUALIFICATION FOR FAILURE TO DEVELOP DEFAULT MANAGEMENT PLAN.—The term 'guaranty agency' does not include any such agency which fails or refuses to develop a default management plan in accordance with section 430B.".

(2) Section 435(d) of the Act is amended by inserting after paragraph (5) the following new paragraph:

"(6) DISQUALIFICATION FOR FAILURE TO DEVELOP DEFAULT MANAGEMENT PLAN.—The term 'eligible lender' does not include any such lender which fails or refuses to develop a default management plan in accordance with section 430B.".

(3) Section 435(a) of the Act is amended by adding at the end thereof the following new paragraph:

"(3) DISQUALIFICATION FOR FAILURE TO DEVELOP DEFAULT MANAGEMENT PLAN.—The term 'eligible institution' does not include any such institution which fails or refuses to develop a default management plan in accordance with section 430B.".

TITLE II—IMPROVED STAFFORD STUDENT LOAN COLLECTION PROVISIONS

SEC. 201. PROVISION OF FINANCIAL AID TRANSCRIPTS.

Section 428(a)(2) of the Act is amended by adding after subparagraph (F) the following new subparagraph:

"(G) In order to facilitate the efficient carrying out of subparagraphs (A) and (B) of this section, each eligible institution shall transmit, upon request of another eligible institution, the financial aid transcripts necessary for making the statement evidencing a determination of need for a loan under such subparagraphs, within 30 days of receiving such request.".

SEC. 202. REPAYMENT NOTICE TO BORROWER.

(a) FISL PROGRAM.—Section 427(a)(2)(B)(ii) of the Act is amended by inserting before the semicolon a comma and the following: "and the Secretary may require the lender (or the holder of the loan) to notify the borrower not later than 180 days after the student borrower leaves the eligible institution of the month in which the repayment period begins".

(b) STAFFORD PROGRAM.—Section 428(b)(2)(E) of the Act is amended—

(1) by inserting "(i)" after the subparagraph designation;

(2) by striking out the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new clause:

"(ii) provides that the lender (or the holder of the loan) shall notify the borrower not later than 180 days after the borrower leaves the eligible institution of the month in which the repayment period begins;".

SEC. 203. NOTICE BY LENDER OF SALE OF LOAN.

Section 428(b)(2) of the Act is amended—

(1) by striking out "and" at the end of subparagraph (D);

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof a semicolon and "and"; and

(3) by inserting after subparagraph (E) the following:

"(F) provide that the lender will be required to notify the guaranty agency of any sale or other transfer of the loan to another holder and the address and phone number through which to contact such other holder concerning repayment of the loan not later than 60 days after such sale or other transfer, and to notify the borrower of any such sale, together with such address and phone number, if the sale or transfer requires the borrower to pay the loan at a new address not later than 60 days after such sale or transfer.".

SEC. 204. GUARANTY AGENCY USE OF STATE LICENSING BOARD INFORMATION.

Section 428(b) of the Act is amended by adding at the end thereof the following new paragraph:

"(7) STATE GUARANTY AGENCY INFORMATION REQUEST OF STATE LICENSING BOARDS.—Each guaranty agency is authorized to enter into agreements with each appropriate State licensing board under which the State licensing board, upon request, will furnish the guaranty agency with the address of a student borrower in any case in which the location of the student borrower is unknown or unavailable to the guaranty agency.".

SEC. 205. PAYMENT OF DEFAULTED LOANS.

Section 428(b) of the Act (as amended by section 204) is amended by adding at the end thereof the following new paragraph:

"(8) PAYMENT OF DEFAULTED LOANS BY ELIGIBLE INSTITUTIONS.—Each guaranty agency may enter into an agreement with an eligible institution having loans insured by that guaranty agency under which the eligible institution may make the payments of principal and interest of loans in default from borrowers who attended that eligible institution and are insured by that agency. No eligible institution may, in entering into agreements with borrowers whose loans are paid under this subsection, adversely affect the rights of borrowers under this title. No eligible institution may, as a result of the application of this paragraph, be relieved of the responsibility of carrying out a default management plan in accordance with section 430B for more than 1 year.".

SEC. 206. SPECIAL LIMITATION ON THE DEFERMENT OF PAYMENT OF PRINCIPAL AND INTEREST ON PLUS LOANS.

Section 428B(c) of the Act is amended—

(1) by striking out "(A)"; and

(2) by striking out "; and (B) during any period during which the borrower has a dependent student for whom a loan obligation was incurred under the section and who meets the conditions required for a deferral under clause (1) of either such section".

SEC. 207. CREDIT CHECKS AND COSIGNERS FOR PLUS LOANS.

(a) IN GENERAL.—Section 428B of the Act is amended by adding at the end thereof the following new subsection:

"(e) CREDITWORTHINESS REQUIRED.—An eligible lender shall obtain a credit report on any applicant for a loan under this section from at least one national credit bureau organization. The eligible lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report. An applicant who, the eligible lender determines, in accordance with the regulations of the Secretary, has a negative credit history shall be denied a loan unless the applicant supplies collateral or obtains a creditworthy cosigner in order to obtain the loan, except that for purpose of this subsection, an insufficient or nonexistent credit history may not be considered to be a negative credit history.".

(b) Conforming Amendment.—Section 428B(a) of the Act is amended by striking out "subsections (c) and (d)" and inserting in lieu thereof "subsections (c), (d), and (e)".

SEC. 208. ADMINISTRATIVE FEE FOR SLS LOANS AND FOR PLUS LOANS.

(a) Administrative Fee for SLS Loans.—Section 428A of the Act (as amended by section 207 of this Act) is further amended by adding at the end thereof the following new subsection:

"(f) Administrative Fee Required.—(1) An eligible lender is authorized to charge the borrower an administrative fee in an amount not to exceed 5 percent of the principal amount of the loan to be paid by the eligible lender to the Secretary in accordance with the provisions of this subsection.

"(2) The Secretary shall enter into agreements with eligible lenders under which the administrative fee which the eligible lender is authorized to charge pursuant to paragraph (1) of this subsection is paid to the Secretary.

"(3) No loan made under this section may be guaranteed under this part unless the eligible lender enters into an agreement with the Secretary under paragraph (2).".

(b) Administrative Fee for PLUS Loans.—Section 428B of the Act (as amended by section 206 of this Act) is further amended by adding at the end thereof the following new subsection:

"(f) Administrative Fee Required.—(1) An eligible lender is authorized to charge the borrower an administrative fee in an amount not to exceed 5 percent of the principal amount of the loan to be paid by the eligible lender to the Secretary in accordance with the provisions of this subsection.

"(2) The Secretary shall enter into agreements with eligible lenders under which the administrative fee which the eligible lender is authorized to charge pursuant to paragraph (1) of this subsection is paid to the Secretary.

"(3) No loan made under this section may be guaranteed under this part unless the eligible lender enters into an agreement with the Secretary under paragraph (2).".

SEC. 209. LOAN CONSOLIDATION LIMITATION.

Section 428C(a)(3) of the Act is amended by—

(1) striking "For the purpose of this section" and inserting "Except as provided in subparagraph (C)"; and

(2) inserting the following new subparagraph after subparagraph (B):

"(C) The term 'eligible borrower' does not include any student who obtained an eligible student loan for a period of enrollment of 12 months or less, unless the amount to be consolidated is greater than $7,500.".

SEC. 210. ADDITIONAL REQUIREMENTS WITH RESPECT TO DISBURSEMENT OF STAFFORD STUDENT LOANS.

(a) General Rule.—Part B of title IV of the Act is amended by inserting after section 428F the following new section:

"REQUIREMENTS FOR DISBURSEMENT OF STUDENT LOANS

"Sec. 428G. (a) Multiple Disbursement Required.—

"(1) Two disbursements required.—The proceeds of any loan made, insured, or guaranteed under this part that is made for any period of enrollment that ends more than 180 days (or 6 months) after the date disbursement is scheduled to occur, and that is for an amount of $1,000 or more, shall be disbursed in 2 or more installments, none of which exceeds one-half of the loan.

"(2) Minimum interval required.—The interval between the first and second such installments shall be not less than one-half of such period of enrollment, except as necessary to permit the second installment to be disbursed at the beginning of the second semester, quarter, or similar division of such period of enrollment.

"(b) Initial Disbursement Requirements.—

"(1) First year students.—The first installment of the proceeds of any loan made, insured, or guaranteed under this part that is made to a student borrower who is entering the first year of a program of undergraduate education, and who has not previously obtained a loan under this part, shall not (regardless of the amount of such loan or the duration of the period of enrollment)—

"(A) be disbursed until 30 days after the beginning of the period of enrollment but may be delivered to the eligible institution prior to the end of the 30-day period; and

"(B) be disbursed until the institution certifies to the lender that the student continues to be enrolled and is in good standing at the institution.

"(2) Other students.—The proceeds of any loan made, insured, or guaranteed under this part that is made to any student other than a student described in paragraph (1) shall not be disbursed more than 30 days prior to the beginning of the period of the enrollment for which the loan is made.

"(c) Method of Multiple Disbursement.—Disbursements under subsections (a) and (b)—

"(1) shall be made in accordance with a schedule provided by the institution (under section 428(a)(2)(A)(i)(III)) that complies with the requirements of this section; and

"(2) may be made directly by the lender or, in the case of a loan under section 428, may be disbursed pursuant to the escrow provisions of subsection (i) of such section.

"(d) Withholding of Second Disbursement.—A lender or escrow agent that is informed by the borrower or the institution that the borrower has ceased to be enrolled on at least a half-time basis before the disbursement of the second or any succeeding installment shall withhold such disbursement. Any disbursement which is so withheld shall be credited to the borrower's loan and treated as a prepayment thereon.

"(e) Aggregation of Multiple Loans.—All loans issued for the same period of enrollment shall be considered as a single loan for the purposes of subsection (a) of this section.

"(f) Exclusion of PLUS, Consolidation, and Foreign Study Loans.—The provisions of this section shall not apply in the case of a loan made under section 428B or 428C or made to a student to cover the cost of attendance at an eligible institution outside the United States.".

(b) Conforming Amendments.—

(1) Transmittal of institution schedules to lenders.—Section 428(a)(2)(A)(i) of the Act is amended—

(A) by striking "and" at the end of clause (I); and

(B) by inserting after clause (II) the following:

"(III) sets forth a schedule for disbursement of the proceeds of the loan in installments, consistent with the requirements of section 428G; and".

(2) Federally insured loans.—Section 427(a)(4) of the Act is amended to read as follows:

"(4) the funds borrowed by a student are disbursed in accordance with section 428G.".

(3) Stafford loans.—Section 428(b)(1)(O) of the Act is amended to read as follows:

"(O) provide that the proceeds of the loans will be disbursed in accordance with the requirements of section 428G;".

(4) SLS loans.—(A) Section 428A(b) of the Act is amended by inserting after paragraph (3) the following:

"(4) Disbursement.—Any loan under this section shall be disbursed in the manner required by section 428(b)(1) (N) and (O).".

(B) Section 428A(c) of such Act is amended—

(i) in paragraph (1), by inserting after "disbursed by the lender," the following: "or, if the loan is disbursed in multiple installments, not later than 60 days after the disbursement of the last such installment,";

(ii) in paragraph (2), by inserting after "made under this section" the following: "which are disbursed in installments or,"; and

(iii) in such paragraph by inserting a comma after "428(b)(1)(M)(i)".

SEC. 211. NOTICE TO CREDIT BUREAUS OF DELINQUENCY.

(a) Notice of Delinquency.—Section 430A(a) of the Act is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting after paragraph (2) the following:

"(3) with respect to any loan that has been delinquent for 90 days, information concerning the date the delinquency began and the repayment status of the loan; and".

(b) Notice to Borrower.—Section 430A(c) of the Act is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting "; and"; and

(3) by adding at the end the following:

"(5) with respect to notices of delinquency under subsection (a)(3), the borrower is informed that credit bureau organizations will be notified of delinquency that continues for 90 days or more.".

SEC. 212. ELIGIBLE LENDER NOTICE ON DELINQUENT LOANS REQUIRED.

Section 435(d) of the Act (as amended by section 101(b)(2)) is further amended by adding at the end thereof the following new paragraph:

"(7) Information on delinquent loans.—To be an eligible lender under this part, each eligible lender shall furnish the appropriate eligible institution and guaranty agency with a list of delinquent borrowers within 120 days of the date on which the loan made, insured, or guaranteed under this part is delinquent.".

SEC. 213. GUARANTY AGENCY DISQUALIFICATION FOR THE SALE OF CERTAIN STAFFORD STUDENT LOANS LISTS.

Section 435(j) of the Act (as amended by section 101(b)(1) of this Act) is further amended by adding at the end thereof the following new paragraph:

"(3) Disqualification for the sale of Stafford student loan borrower lists.—The term 'guaranty agency' does not include any agency which sells lists of student borrowers who have loans made, insured, or guaranteed under this part.".

SEC. 214. ADDITIONAL BORROWER INFORMATION REQUIRED.

Section 484(b) of the Act is amended by adding at the end thereof the following new paragraph:

"(3) In order to be eligible to receive any loan under this title, a student shall provide to the lender at the time of applying for the loan the driver's license number of the student borrower, if applicable, and the name and address of the next of kin of the student borrower.".

SEC. 215. EXIT INTERVIEW INFORMATION.

Section 485(b) of the Act is amended by inserting before the last sentence thereof the following new sentence: "Each eligible institution shall require that the borrowers submit to the institution the address of the borrower after graduation or other reason for leaving the institution, the address of the next of kin of the borrower, and the drivers license number of the borrower during the interview required by this subsection.".

SEC. 216. WITHHOLDING OF TRANSCRIPTS FROM DEFAULTING BORROWERS.

Section 487(a) of the Act is amended by adding at the end thereof the following:

"(11) the institution will withhold the academic transcripts of any student borrower who is in default on any loan made under this title unless the institution determines that withholding such transcripts will prevent the borrower from obtaining employment and repaying the loan.".

SEC. 217. RESTRICTIONS ON INSTITUTIONAL PROMOTIONAL ACTIVITIES.

Section 487(a) of the Act (as amended by section 214) is further amended by adding at the end thereof the following new paragraph:

"(12) The institution does not—

"(A) use any contractor or any person other than salaried employees of the institution to make final determinations that an individual meets the institution's admissions requirements; or

"(B) pay any commission, bonus, or other incentive payment to any person making such final determination.".

SEC. 218. ACADEMIC YEAR DEFINITION.

Section 487(a) of the Act (as amended by sections 214 and 215) is further amended by adding at the end thereof the following new paragraph:

"(13) The institution will use the same definition of 'academic year' for all programs authorized by this title.".

SEC. 219. LIMITATION, SUSPENSION, AND TERMINATION OF CONTRACTORS.

Section 487(c)(1) of the Act is amended—

(1) by striking out "and" at the end of subparagraph (C);

(2) by striking out the period at the end of subparagraph (D) and inserting "; and"; and

(3) by adding at the end thereof the following:

"(E) the limitation, suspension, or termination of the eligibility of an individual or organization to contract with any institution to administer any aspect of an institution's student assistance program under this part, or the imposition of a civil penalty under paragraph (2)(B), whenever the Secretary has determined, after reasonable notice and opportunity for a hearing on the record, that such organization, acting on behalf of an institution, has violated or failed to carry out any provision of this title, any regulation prescribed under this title, or any applicable special arrangement, agreement, or limitation, except that no period of suspension under this subparagraph shall exceed 60 days unless the organization and the Secretary agree to an extension, or unless limitation or termination proceedings are initiated by the Secretary within that period of time.".

SEC. 220. STUDY OF DISCHARGE OF STAFFORD STUDENT LOANS IN BANKRUPTCY.

(a) STAFFORD STUDENT LOAN DISCHARGE STUDY.—The Comptroller General shall conduct a study relating to the discharge of student loan indebtedness in proceedings in bankruptcy. Such study shall include—

(1) an evaluation of the treatment of student loan debtors under chapter 13 of title 11, United States Code, including—

(A) the frequency of attempts to discharge or the discharging of such loans compared to such attempts to discharge or the discharging of other consumer loans by such students; and

(B) the number and amount of such loans discharged;

(2) an evaluation of the effect of students who attempt to or do discharge such loans relative to the costs of the Stafford Student Loan Program and the institutional costs of the National Direct Student Loan Program; and

(3) an evaluation of the behavior of student loan debtors who discharge such loans as compared to other debtors who discharge debts in bankruptcy by evaluating such factors as—

(A) the average age of the debtors in each group;

(B) the amounts and types of debts sought to be discharged by each group; and

(C) the percentage of discharge of other types of consumer debts by each group.

(b) STAFFORD STUDENT LOAN DISCHARGE REPORT.—The Comptroller General shall prepare a report of the study required by this section and shall submit the study to the Congress within 3 years after the date of enactment of this Act.

TITLE III—FEDERAL RESPONSIBILITIES

SEC. 301. ADMINISTRATIVE PROVISIONS RELATING TO REDUCTION OF DEFAULT.

Part B of title IV of the Act is further amended by inserting after section 432 the following new section:

"ADMINISTRATIVE PROVISIONS RELATING TO THE REDUCTION OF DEFAULT

"SEC. 432A. (a) GENERAL AUTHORITY.—(1) The Secretary shall develop and publish an annual default report to the Congress beginning on September 30, 1988, which shall include the annual default rate for the Stafford student loan program under this part.

"(2)(A) The report required by this section shall include a summary of the default rates determined under section 101(e). The report shall also include the net dollar volume in default for each guaranty agency, each eligible lender, and each eligible institution.

"(B) The Secretary shall prepare a list of guaranty agencies, a list of eligible lenders, and a list of eligible institutions in the order of the volume of Stafford student loans in default for each such agency, lender, and institution. The Secretary shall identify the highest 5 percent of guaranty agencies, eligible lenders, and eligible institutions on the lists required by this subparagraph.

"(b) PROGRAM REVIEW OF ELIGIBLE INSTITUTIONS AND ELIGIBLE LENDERS.—The Secretary shall develop a plan for the conduct of program reviews of all eligible institutions, all guaranty agencies, and all eligible lenders. The plan shall be published in the Federal Register for public comment. The Secretary shall report to the Congress annually on the results of the reviews required by this subsection.

"(c) PRIORITY FOR PROGRAM REVIEW.—In carrying out the provisions of subsection (b), the Secretary shall give priority to the conduct of program reviews of guaranty agencies and eligible institutions which have the highest rates of default on such loans, and which have the highest dollar value of loans made, insured, or guaranteed under part B which are in default.".

SEC 302. REGULATIONS FOR INSTITUTIONAL DISCLOSURE OF BORROWER RECORDS.

The Secretary shall promulgate regulations specifying the legal restrictions and the requirements of eligible institutions relating to loan counseling and reporting requirements including but not limited to disclosure of borrower records to third parties, the Fair Debt Collection Practices Act, and any other applicable Federal law.

SEC. 303. EFFECT OF LOSS OF ACCREDITATION.

(a) STATUS AS ELIGIBLE INSTITUTION FOR STAFFORD STUDENT LOAN PROGRAM.—Section 435 of the Act (20 U.S.C. 1085) is amended—

(1) in subsection (a)(1), by striking out "The term" and inserting "Subject to subsection (k), the term"; and

(2) by adding at the end thereof the following:

"(k) IMPACT OF LOSS OF ACCREDITATION.—An institution may not be certified or recertified as an eligible institution under subsection (a) of this section if such institution has—

"(1) had its institutional accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months; or

"(2) withdrawn from institutional accreditation voluntarily under a show cause or suspension order during the preceding 24 months.".

(b) STATUS AS ELIGIBLE INSTITUTION FOR OTHER TITLE IV PROGRAMS.—Section 481 of the Act (20 U.S.C. 1088) is amended—

(1) in subsection (a)(1), by striking out "For the purpose" and inserting "Subject to subsection (e), for the purpose"; and

(2) by adding at the end thereof the following:

"(e) IMPACT OF LOSS OF ACCREDITATION.—An institution may not be certified or recertified as an institution of higher education under subsection (a) of this section if such institution has—

"(1) had its institutional accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months; or

"(2) withdrawn from institutional accreditation voluntarily under a show cause or suspension order during the preceding 24 months.".

SEC. 304. SPECIAL ACCREDITATION RULES.

Section 487(c) of the Act is amended—

(1) by redesignating paragraph (3) as paragraph (5); and

(2) by adding after paragraph (2) the following new paragraphs:

"(3) The Secretary is authorized to carry out the provisions of paragraph (1)(D), relating to limitation, suspension, or termination of an eligible institution whenever the institution withdraws from an accrediting agency or association during a show cause or suspension proceeding brought against that institution.

"(4)(A) Whenever an accrediting agency or association reports pursuant to subparagraph (B) that an eligible institution was denied institutional accreditation, the Secretary is authorized to carry out the provisions of paragraph (1)(D) relating to limitation, suspension, or termination of an eligible institution.

"(B) The Secretary is authorized to enter into such arrangements with accrediting agencies and associations as may be necessary to assure notice of the denial of institutional accreditation in order to carry out subparagraph (A).".

SEC. 305. ELIGIBLE INSTITUTION ACCREDITATION RULE.

Section 481(a) of the Act is amended by inserting after paragraph (2) the following new paragraph:

"(3) Whenever the Secretary determines accreditation for the purpose of paragraph (1), the Secretary shall not approve the accreditation of any eligible institution of higher education under this section if the eligible institution of higher education is in the process of receiving a new accreditation unless the eligible institution submits to the Secretary all materials relating to the prior accreditation, including the reasons, if applicable, for changing the accrediting agency or association.".

SEC. 306. TOLL-FREE CONSUMER HOTLINE.

Section 485 of the Act is amended by adding at the end thereof the following new paragraph:

"(e) TOLL-FREE CONSUMER HOTLINE.—(1) In addition to the toll-free telephone information provided for in section 483, the Secretary shall contract for, or establish, and publicize a toll-free telephone number for use by the public, in order to permit students who allege fraud or unfair practices by eligible institutions to inform the Department of such fraud or unfair practices.

"(2) The Secretary shall, directly or by way of contract or other arrangement, make the toll-free telephone number, and the availability of the consumer hotline established by this subsection, generally available to students receiving financial assistance under this title. In carrying out this subsection, the Secretary shall make arrangements to use the facilities of institutions of higher education and eligible institutions having a program participation agreement pursuant to section 487.".

SEC. 307. NATIONAL STUDENT LOAN DATA SYSTEM.

(a) DATA SYSTEM REQUIRED.—(1) Section 485B(a) of the Act is amended by striking out "is authorized to" and inserting in lieu thereof "shall".

(2) Section 485B(a) of the Act is amended by adding at the end thereof the following new sentence: "The Secretary shall assure that the computerized student loan data system required by this subsection is operable not later than October 1, 1989.".

(b) IMPROVED INFORMATION.—Section 485B of the Act is amended—

(1) by redesignating subsection (c) and (d) as subsections (d) and (e), respectively; and

(2) by adding after subsection (b) the following new subsection:

"(c) IMPROVED INFORMATION.—(1) Each guaranty agency shall furnish the Department of Education with information on the amount of each loan made, insured, or guaranteed under this part for which the agency provides a guarantee and other relevant data with respect to such loan. The information furnished under this paragraph shall be used in the National Student Loan Data System established under this section.

"(2) Each guaranty agency shall expand and standardize the confirmation reports required to be submitted on the date of enactment of the Stafford Student Loan Default Prevention and Management Act of 1988 in order to assure that such information is provided at least bimonthly on student loan delinquencies, defaults, and the change in the status of a borrower whose loan is delinquent or in default or delinquent.

"(3) Each guaranty agency shall provide the Secretary with complete and accurate data on a quarterly basis in order to facilitate the usefulness of the National Student Loan Data System under this section.".

SEC. 308. TUITION REFUNDS.

(a) REFUND RULE.—Section 487(c)(2)(B)(i) of the Act is amended by adding at the end thereof the following new sentence: "In addition, the Secretary may require such eligible institutions to make refunds in accordance with division (iii).".

(b) REFUND PROCEDURES.—Section 487(c)(2)(B) of the Act is amended by adding the following new division after division (ii):

"(iii) When the Secretary determines there has been a violation, failure, or misrepresentation pursuant to division (i), the Secretary may require the institution to refund the student's tuition and fees. The Secretary shall establish procedures for refunding the tuition and fees. Such procedures shall—

"(I) first require the payment by the institution to the United States Government of any portion of the tuition and fees paid with Federal funds; and

"(II) then require payment by the institution to the lender of that portion of the tuition and fees attributable to a loan made, issued, or guaranteed under part B of this title.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 60 days after the date of enactment of this Act.

TITLE IV—AMENDMENTS TO THE NEEDS ANALYSIS PROVISIONS

SEC. 401. DEFINITION OF INDEPENDENT STUDENT.

Section 480(d) of the Act is amended to read as follows:

"(d) INDEPENDENT STUDENT.—The term 'independent', when used with respect to a student, means any individual who—

"(1) is 24 years of age or older by December 31 of the first calendar year of the award year;

"(2) is or has been an orphan or ward of the court;

"(3) is a veteran of the Armed Forces of the United States;

"(4) is a graduate or professional student;

"(5) is married or has legal dependents;

"(6) is an undergraduate student who was not claimed by his or her parents (or guardian) for income tax purposes for the 2 calendar years preceding the first calendar year of the award year, and who either was awarded assistance under this title as an independent student in the prior year, or demonstrates to the student financial aid administrator total self-sufficiency during the 2 calendar years preceding the first calendar year of the award year by demonstrating annual total resources (including all sources other than parents and student aid) of $4,000; or

"(7) is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.".

SEC. 402. COMPUTATION OF PARENTS' CONTRIBUTION MODIFICATION.

(a) PELL GRANT NEEDS ANALYSIS.—Section 411B(b)(3) of the Act is amended by striking out "a program of postsecondary education" and inserting in lieu thereof "a program of postsecondary education which meets the requirements of section 484(a)(1)".

(b) GENERAL NEEDS ANALYSIS.—Section 475(b)(3) of the Act is amended by striking out "a program of postsecondary education" and inserting in lieu thereof "a program of postsecondary education which meets the requirements of section 484(a)(1)".

SEC. 403. STUDENT INCOME NEEDS ANALYSIS MODIFICATION.

(a) PELL GRANT NEEDS ANALYSIS.—Section 411D of the Act is amended to read as follows:

"ELIGIBILITY DETERMINATION FOR SINGLE INDEPENDENT STUDENTS OR FOR MARRIED INDEPENDENT STUDENTS WITHOUT OTHER DEPENDENTS

"SEC. 411D. (a) COMPUTATION OF STUDENT AID INDEX.—For single independent students or married independent students without other dependents, the student aid index is equal to the amount determined by—

"(1) computing the standard contribution from student's (and spouse's) income determined in accordance with subsection (b);

"(2) adding the contribution from student's (and spouse's) assets determined in accordance with subsection (g); and

"(3) dividing the resultant amount by the number of family members who will be attending, on at least a half-time basis, a program of postsecondary education during the award period for which aid under this subpart is requested.

"(b) COMPUTING THE STANDARD CONTRIBUTION FROM STUDENT'S (AND SPOUSE'S) INCOME.—The standard contribution from the student's (and spouse's) income is determined by calculating the effective family income in accordance with subsection (c) or (d); by deducting the total offsets against income, as determined in accordance with subsection (e); and by assessing the results in accordance with subsection (f).

"(c) DETERMINATION OF EFFECTIVE FAMILY INCOME FOR SINGLE INDEPENDENT STUDENTS WITHOUT OTHER DEPENDENTS.—The effective family income is equal to—

"(1) the sum of—

"(A) the adjusted gross income of the student as reported to the Internal Revenue Service for the year immediately preceding the award year and income earned from work, other than amounts received under part C of this title, but not reported on a Federal income tax return less any excludable income (as defined in section 411F(9)); and

"(B) the total annual amount of untaxed income and benefits which is received by the student in the year immediately preceding the award year; or

"(C) the sum of the student's taxable and untaxed income and benefits anticipated to be received during the period June 1 of the first calendar year of the award year through May 31 of the second year of the award year, excluding the student's veteran's education benefits; and

"(D) one-half of the student's total veterans educational benefits, excluding Veterans Administration contributory benefits, expected to be received during the award period; minus

"(2) the sum of—

"(A) the amount of United States income tax paid or payable by the student in the tax year preceding the award year, except where income determined in paragraph (1)(C) has been determined for use as effective income; and

"(B) an allowance for State and other taxes as determined by multiplying the student's total income (except where income determined in paragraph (1)(C) has been determined for use as effective income), by a percentage determined according to the following table:

"Percentages for Computation of State and Other Tax Allowance

If student's State or territory of residence is—	And student's (and spouse's) total income is—	
	less than $15,000	$15,000 or more
	then the percentage is—	
.. Alaska, Puerto Rico, Wyoming.	3	2
.. American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
.. Florida, South Dakota, Tennessee, New Mexico.	5	4
.. North Dakota, Washington.	6	5
.. Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
.. Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
.. California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
.. Maine, New Jersey	10	9
.. District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
.. Michigan, Minnesota	12	11
.. Wisconsin	13	12
.. New York	14	13

For the purpose of determining the appropriate income contribution under subparagraphs (A) and (B), or (C) of this paragraph, the following rule shall apply:

"(i) If income anticipated to be received under subparagraph (C) is greater than 60 percent of the income determined under subparagraphs (A) and (B), the income determined under subparagraphs (A) and (B) shall be used.

"(ii) If 60 percent of the income determined under subparagraphs (A) and (B) is greater than or equal to the anticipated income determined under subparagraph (C), the income determined under subparagraph (C) shall be used.

"(d) Determination of Effective Family Income for Married Independent Students Without Other Dependents.—The effective family income is equal to—

"(1) the sum of—

"(A) the adjusted gross income of the student (and spouse) as reported to the Internal Revenue Service for the year immediately preceding the award year and income earned from work, other than amounts received under part C of this title, but not reported on a Federal income tax return less any excludable income (as defined in section 411F(9));

"(B) the total annual amount of untaxed income and benefits which is received by the student (and spouse) in the year immediately preceding the award year; and

"(C) one-half of the student's total veterans educational benefits, excluding Veterans Administration contributory benefits, expected to be received during the award period; minus

"(2) the sum of—

"(A) the amount of United States income tax paid or payable by the student (and spouse) in the tax year preceding the award year, and

"(B) an allowance for State and other taxes as determined by multiplying the student's (and spouse's) total income (as determined under paragraph (1)), by a percentage determined according to the following table:

"Percentages for Computation of State and Other Tax Allowance

If student's State or territory of residence is—	And student's (and spouse's) total income is—	
	less than $15,000	$15,000 or more
	then the percentage is—	
.. Alaska, Puerto Rico, Wyoming.	3	2
.. American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	4	3
.. Florida, South Dakota, Tennessee, New Mexico.	5	4
.. North Dakota, Washington.	6	5
.. Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	7	6
.. Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	8	7
.. California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	9	8
.. Maine, New Jersey	10	9
.. District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	11	10
.. Michigan, Minnesota	12	11
.. Wisconsin	13	12
.. New York	14	13

"(e) Total Offsets Against Income.—Total offsets against income are determined by deducting—

"(1) a family size offset equal to the amount specified in the following table:

"Family Size Offsets

Family members	Amount
1	$5,300
2	6,700

"(2) an offset for unusual medical and dental expenses; and

"(3) in the case of a married independent student when both the student and spouse were employed in the year for which income is reported, or in the case of a student who qualifies as a head of household as defined in section 2 of the Internal Revenue Code of 1986, an offset for employment expenses.

"(f) Assessment of Discretionary Income.—(1) The discretionary income that is assessed under this subsection is equal to (A) the effective family income (as determined under subsection (c)), minus (B) the total offsets to such income (as determined under subsection (d)). If such discretionary income is a negative amount, the contribution from the student's (and spouse's) income is zero.

"(2) If such discretionary income is a positive amount, the standard contribution from student's (and spouse's) income is multiplied by 75 percent.

"(g) Contribution From Student's (and Spouse's) Assets.—

"(1) The asset contribution amount of an independent student and the student's spouse is equal to 5 percent of the sum of the amounts computed under paragraphs (3) and (4), reduced by the amount, if any, by which effective family income as computed under subsection (c) is less than zero. If the result of such subtraction is a negative amount, the family asset contribution amount is zero.

"(2) The family asset contribution amount of a single independent student is equal to 33 percent of such student's net asset value, reduced by the amount, if any, by which effective family income as computed under subsection (c) or (d) is less than zero. If such value minus such amount is a negative amount, the family asset contribution amount is zero.

"(3) If the assets of an independent student with a spouse include a principal place of residence, deduct $30,000 from the net value of the principal place of residence, except that in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero. If the subtraction required by the preceding sentence of this paragraph produces a negative number, the amount determined under this paragraph shall be zero.

"(4)(A) If the assets of an independent student with a spouse include assets other than a principal place of residence and other than farm and business assets, deduct $25,000 from the net value of those other assets. If the subtraction required by the preceding sentence of this subparagraph produces a negative number, the amount determined under this subparagraph shall be zero.

"(B)(i) If the assets of an independent student with a spouse include farm or business assets, or both, deduct $80,000 in the case of business asset or $100,000 in the case of farm assets from the net value of the farm or business assets, or both. If the subtraction required by the preceding sentence of this subparagraph produces a negative number, the amount determined under this subparagraph shall be zero.

"(ii) If the sum of the farm and business deduction and the deductions in paragraphs (3) and (4)(A) exceeds $110,000 in the case of business deductions or $130,000 in the case of farm deductions, the farm and business deduction shall be reduced by the amount that the sum exceeds $110,000 or $130,000, as the case may be.".

(b) General Needs Analysis.—(1) Section 476(b)(1) of the Act is amended—

(A) by striking out "and" at the end of subparagraph (C);

(B) by striking out the comma at the end of subparagraph (D) and inserting a semicolon and the word "or"; and

(C) by inserting after subparagraph (D) the following new subparagraph:

"(E) using an amount equal to the sum of the student income anticipated to be earned during the period June 1 of the first calendar year of the award year through May 31 of the second year of the award year, assessed in accordance with paragraph (4), and the amount of the untaxed income and benefits of the student (determined in accordance with section 480(c)),".

(2) Section 476(b)(1) of the Act is further amended by adding at the end thereof the following new flush sentence:

"For the purpose of determining the appropriate income contribution under subparagraphs (C) and (D) of this paragraph, the following rule shall apply:

"(i) If anticipated income determined under subparagraph (D) is greater than 60 percent of the income determined under subparagraph (C), the income determined under subparagraph (C) shall be used.

"(ii) If 60 percent of the income determined under subparagraph (C) is greater than or equal to the anticipated income determined under subparagraph (D), the income determined under subparagraph (D) shall be used.".

SEC. 404. STUDENT CONTRIBUTION MODIFICATION.

(a) Dependent, Students.—Section 475(g)(1)(C) of the Act is amended by striking out "70 percent" and inserting in lieu thereof "40 percent".

(b) Independent Student With Dependents.—Section 476(b)(4)(A) of the Act is amended by striking out "70 percent" and inserting in lieu thereof "40 percent".

SEC. 405. NEEDS ANALYSIS FINANCIAL AID ADMINISTRATOR ADJUSTMENTS.

(a) In General.—Section 479A of the Act is amended—

(1) by redesignating subsection (c) as subsection (d), and

(2) by inserting immediately after subsection (b) the following new subsection:

"(c) Special Adjustments.—

"(1) Adjustments for independent students with dependents.—A student financial aid administrator shall be considered to be making a necessary adjustment in accordance with subsection (a) if the administrator determines that the cost of attendance in section 472 should include costs of food and shelter for dependent care when the income for independent students with dependents is less than the Standard Maintenance Allowance under section 477(b)(4).

"(2) Adjustment for dislocated worker.—A student financial aid administrator shall be considered to be making a necessary adjustment in accordance with subsection (a) if, in the case of dislocated workers—

"(A) the administrator uses the income for the year in which the determination is made (the award year) rather than the income reported in the preceding tax year; and

"(B) the administrator excludes the net value of investments and real estate, including the primary residence in the calculation of the family contribution for the Pell Grant Program and the expected family contribution under part F.

"(3) Adjustment for displaced homemaker.—A student financial aid administrator shall be considered to be making a necessary adjustment in accordance with subsection (a) if, for displaced homemakers, the administrator excludes the net value of investments and real estate, including the primary residence, from the calculation of the Pell Grant family contribution and from the expected family contribution under part F.".

(b) Conforming Amendments.—(1) Section 479A(d) of the Act (as amended by subsection (a)) is amended by striking out "subsection (b) is an example" and inserting in lieu thereof "subsections (b) and (c) are examples".

(2)(A) Section 411B(g)(1) of the Act is amended by striking out ", except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero".

(B) Section 411B(l) of the Act is amended by striking out ", except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero".

(C) Section 411C(f)(1) of the Act is amended by striking out ", except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero".

(D) Section 411D(f)(3) of the Act is amended by striking out ", except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero".

(E)(i) Section 411F(1)(G) of the Act is repealed.

(ii) Section 411F(9)(E) of the Act is repealed.

(F) Section 475(d)(2)(B) of the Act is amended by striking out "except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act)".

(G) Section 475(h) of the Act is amended by striking out ", except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act), the net value of a principal place of residence shall be considered to be zero".

(H) Section 476(c)(2)(B) of the Act is amended by striking out "except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act)".

(I) Section 477(c)(2)(B) of the Act is amended by striking out "except in the case of a dislocated worker (certified in accordance with title III of the Job Training Partnership Act) or a displaced homemaker (as defined in section 480(e) of this Act)".

SEC. 406. ELIMINATION OF HOME EQUITY.

(a) Pell Grant Needs Analysis.—(1) Section 411B(g) of the Act (as amended by section 405) is amended—

(A) by striking "(1) through (6)" and inserting in lieu thereof "(1) through (5)";

(B) by striking paragraph (1);

(C) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively;

(D) by striking "paragraphs (1) and (2)" in paragraph (3) (as redesignated by subparagraph (C)) and inserting in lieu thereof "paragraph (1)"; and

(E) by striking "(1), (2), and (3)" in paragraph (4) (as redesignated by subparagraph (C)) and inserting in lieu thereof "(1) and (2)".

(2) Section 411B(l) of the Act (as amended by section 405) is amended by striking subsection (l).

(3) Section 411C(f) of the Act (as amended by section 405) is amended—

(A) by striking "(1) through (6)" and inserting in lieu thereof "(1) through (5)";

(B) by striking paragraph (1);

(C) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively;

(D) by striking "paragraphs (1) and (2)" in paragraph (3) (as redesignated by subparagraph (C)) and inserting in lieu thereof "paragraph (1)"; and

(E) by striking "(1), (2), and (3)" in paragraph (4) (as redesignated by subparagraph (C)) and inserting in lieu thereof "(1) and (2)".

(4)(A) Section 411D(f)(3) of the Act (as amended by section 405) is repealed.

(B) Paragraph (4) of section 411D(f) of the Act is redesignated as paragraph (3).

(b) General Needs Analysis.—(1) Section 475(d)(2)(B) of the Act (as amended by section 405(b)(2)(F)) is further amended by striking "including the net value of the principal place of residence" and inserting "excluding the principal place of residence".

(2) Section 475(h) of the Act (as amended by section 405(b)(2)(G)) is further amended by adding the following new sentence at the end thereof: "The net assets of the student (and spouse) may not include the principal place of residence.".

(3) Section 476(c)(2)(B) of the Act (as amended by section 405(b)(2)(H)) is further amended by striking "including the net value in the principal place of residence" and inserting in lieu thereof "excluding the net value of the principal place of residence".

(2) Section 477(c)(2)(B) of the Act (as amended by section 405(b)(2)(I)) is further amended by striking "including the net value in the principal place of residence" and inserting in lieu thereof "excluding the net value of the principal place of residence".

(3) Section 479A(b)(1) of the Act is amended—

(A) by striking subparagraph (A); and

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

TITLE V—OTHER HIGHER EDUCATION AMENDMENTS

SEC. 501. PELL GRANT PROGRAM AMENDMENT.

Section 411(c)(1)(A) of the Act (20 U.S.C. 1070a(c)(1)(A)) is amended by striking clauses (i) and (ii) and inserting the following:

"(i) the number of academic years (or portion of an academic year) that the undergraduate degree or certificate program normally requires, plus one academic year; or

"(ii) 6 academic years in the case of a degree or certificate program normally requiring more than 4 academic years;".

SEC. 502. SUBSIDIZED EMPLOYMENT MODIFICATION UNDER WORK-STUDY.

Section 443(b)(4) of the Act is amended to read as follows:

"(4) provide that for a student employed in a work-study program under this part, at the time income derived from any need-based employment (including non-work-study or both) is in excess of the determination of the amount of such student's need by more than $200, continued employment shall not be subsidized with funds appropriated under this part;".

SEC. 503. STUDENT LOAN INTERNSHIP DEFERMENTS.

(a) FISL Program.—Section 427(a)(2)(C)(vii) of the Act is amended by striking out "or serving in an internship or residency program" and everything that follows through the end thereof and inserting in lieu thereof "or serving in a medical internship or residency program leading to a degree or certificate awarded by a hospital or health care facility, except that no borrower shall be eligible for a deferment under clause (i)(I) or (i)(II) while serving in a medical internship or residency program;".

(b) GSL Program.—Section 428(b)(1)(M)(vii) of the Act is amended by striking out "or serving in an internship or residency program" and everything that follows through the end thereof and inserting in lieu thereof "or serving in a medical internship or residency program leading to a degree or certificate awarded by a hospital or health care facility, provided that no borrower shall be eligible for a deferment under clause (i)(I) or (i)(II) while serving in a medical internship or residency program;".

(c) Direct Student Loan Program.—Section 464(c)(2)(A)(vi) of the Act is amended by striking out "or serving in an internship or residency program" and everything that follows through the end thereof and inserting in lieu thereof "or serving in a medical internship or residency program leading to a degree or certificate awarded by a hospital or health care facility, provided that no borrower shall be eligible for a deferment under clause (i) while serving in a medical internship or residency program;".

SEC. 504. STUDENT LOAN MARKETING ASSOCIATION AMENDMENTS.

(a) Directors.—Section 439(c) of the Act is amended to read as follows:

"(c) Board of Directors.—

"(1) Composition of board; chairman.—The Association shall have a Board of Directors which shall consist of 19 persons, 4 of whom shall be appointed by the President of the United States. The remaining 15 directors shall be elected by the common stockholders of the Association entitled to vote pursuant to subsection (f). Commencing with the annual shareholders meeting to be held in 1989—

"(A) 5 of the elected directors shall be affiliated with an eligible institution,

"(B) 5 of the elected directors shall be affiliated with an eligible lender, and

"(C) 5 of the elected directors shall not be affiliated with an eligible lender or eligible institution but shall have substantial experience in the management of private sector corporations the shares of which are listed on a national securities exchange.

The Board of Directors shall elect one of the directors to serve as Chairman.

"(2) Terms of appointed and elected members.—The directors appointed by the President shall serve at the pleasure of the President and until their successors have been appointed and have qualified. The remaining directors shall each be elected for a term ending on the date of the next annual meeting of the common stockholders of the Association, and shall serve until their successors have been elected and have qualified. Any appointive seat on the Board which becomes vacant shall be filled by appointment of the President. Any elective seat on the Board which becomes vacant after the annual election of the directors shall be filled by the Board, but only for the unexpired portion of the term.

"(3) Affiliated members.—For the purpose of this subsection, the references to a director 'affiliated with an eligible institution' or a director 'affiliated with an eligible lender' means an individual who is, or within 5 years of election to the Board of Directors has been, an employee, officer, director, trustee or similar official of—

"(A) an eligible institution or an eligible lender, as the case may be;

"(B) an association whose members consist primarily of eligible institutions or eligible lenders, as the case may be; or

"(C) a State agency, authority, instrumentality, commission or similar institution the primary purpose of which relates to educational matters or banking matters, as the case may be.

"(4) Meetings and functions of board.—The Board of Directors shall meet at the call of its Chairman, but at least semiannually. The Board shall determine the general policies which shall govern the operations of the Association. The Chairman of the Board shall, with the approval of the Board, select, appoint, and compensate qualified persons to fill the offices as may be provided for in the bylaws, with such functions, powers, and duties as may be prescribed by the bylaws or by the Board of Directors, and such persons shall be the officers of the Association and shall discharge all such functions, powers, and duties.".

(b) Stock.—Section 439(f) of the Act is amended—

(1) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) Voting common stock.—The Association shall have voting common stock having such par value as may be fixed by its Board of Directors from time to time. Each share of voting common stock shall be entitled to one vote with rights of cumulative voting at all election of Directors.";

(2) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively; and

(3) by adding after paragraph (4) (as redesignated by this subsection) the following new paragraph:

"(5) Single class of voting common stock.—As of the effective date of the Student Loan Marketing Association Amendments of 1988, all of the previously authorized shares of voting common stock and nonvoting common stock of the Association shall be converted to shares of a single class of voting common stock on a share-for-share basis, without any further action on the part of the Association or any holder. Each outstanding certificate for voting or nonvoting common stock shall evidence ownership of the same number of shares of voting stock into which it is converted. All preexisting rights and obligations with respect to any class of common stock of the Association shall be deemed to be rights and obligations with respect to such converted shares.".

(c) Short Title.—This section may be cited as the "Student Loan Marketing Association Amendments of 1988".

SEC. 505. FORMS AND REGULATIONS.

(a) Common Financial Reporting Form.—(1) Section 483(a)(1) of the Act is amended by striking out "shall prescribe a common financial reporting form" and inserting in lieu thereof "shall develop a model financial reporting form".

(2) Section 483(a)(1) of the Act is amended by inserting after the first sentence the following new sentences: "The model form shall contain the minimum data elements the Secretary determines is necessary to determine the financial need of students. Other forms may be developed and used by approved processors pursuant to subsection (a)(2) of this section if such alternative forms contain the prescribed data elements.".

(3)(A) The second sentence of section 483(a)(2) of the Act is amended to read as follows: "The Secretary shall select such qualified processors pursuant to competitive bidding processes.".

(B) Section 483(a)(2) of the Act is further amended—

(i) by inserting "(A)" after the paragraph designation; and

(ii) by adding at the end thereof the following new subparagraph:

"(B) In establishing the minimum participation criteria for the competitive bidding process the Secretary shall establish participation requirements that are fair and equitable, and that foster competition in bidding in order to obtain maximum savings for students and for the Department. Such participation requirements shall include but not be limited to—

"(i) evidence that the contractor has processed at least 200,000 student aid records,

"(ii) evidence the contractor has processed at least 200,000 of the contractor's own undergraduate student financial aid forms in the academic year immediately preceding the year for which the contract is to be awarded, and

"(iii) evidence the contractor has received or been a repository for at least 200,000 Electronic Student Aid Reports under the Pell Electronic Project in the academic year immediately preceding the year for which the contract is awarded.

In verifying the numbers of the contractor the Secretary shall make the determination from data provided by the central processors. No processors shall be denied eligibility to compete for a contract because the processor is not a State student financial aid agency or does not service at least two State financial aid agencies.".

(4) Section 483(a)(3) of the Act is amended by striking out "predetermined weight" and inserting in lieu thereof "negotiated weight".

(5) Section 483(a)(3) of the Act is further amended by adding at the end thereof the following new sentence: "No contractor may be reimbursed for the development costs of an alternative form.".

(b) Notice of Federal Student Aid.—Section 483(f) of the Act is amended to read as follows:

"(f) Notice of Federal Student Aid Receipt.—Each eligible institution shall provide to each recipient of assistance under this title (except assistance received under subparts 4, 5, and 7 of part A) a statement listing the estimated student assistance received by the recipient, and specifying the amount and type of assistance awarded under this title and specifically indicating that such aid is federally supported assistance.".

SEC. 506. AUDIT PROVISION.

Section 460 of the General Education Provisions Act is amended by striking out "programs authorized by the Higher Education Act of 1965 and".

TITLE VI—EFFECTIVE DATES

SEC. 601. EFFECTIVE DATE RULE.

(a) General Rule.—Except as otherwise provided, the amendments made by this Act shall be effective with respect to any determination of need made under title IV of the Higher Education Act of 1965 for any period of enrollment beginning 60 days after the date of enactment of this Act.

(b) Special Rule.—(1) The amendments made by title I and section 405 shall take effect on the date of enactment of this Act.

(2) The amendments made by title IV (other than section 405) and sections 501, 502, and 505 shall take effect for award year 1988-1989 and thereafter.●

● **Mr. STAFFORD.** Mr. President, I rise today as an original cosponsor of the Stafford Student Loan Default Prevention and Management Act of 1988. This bill has bipartisan support among members of the Education Subcommittee and I hope it will find bipartisan support in the full Senate.

The bill as introduced is a working document which will incorporate the recommendations of the education community as well as the suggestions of other Members before it is complete. This legislation is the product of several subcommittee hearings and several months of work by staff of the members of the Subcommittee on Education, Arts and Humanities. I am grateful to the higher education community for their assistance in crafting this bill and encouraged by the interest the community has shown in working with us to pass this legislation before the conclusion of this session of the Congress.

The need for improved management in the Stafford Loan Program to increase the debt repayment rate among student borrowers is well documented. During the 99th Congress, when the Higher Education Act was reauthorized, numerous provisions to address the growing volume of default in the program were included. Those changes have had a positive effect. This effect will be cumulative in future years, as more borrowers go into repayment. We did not however, go far enough. Additional changes are needed.

The changes that are being proposed today will effect the administration of this program by guaranty agencies, lenders institutions, and the Department of Education. This legislation will establish in law a standard threshold which, if reached, signals the need for cooperating entities to develop default management plans. The primary purpose of Federal student financial aid programs is to ensure access to postsecondary education. This legislation will help to keep those doors open by making sure the programs remain solvent and supported by the American public. An annual expenditure by the Congress of close to $2 billion to pay off defaulted loans is intolerable to the most enthusiastic supporter of higher education opportunity.

The American system of higher education is the best in the world. The diversity of institutions, offerings, and students who participate in postsecondary training in America is unparalleled around the globe. The Stafford Student Loan Default Prevention and Management Act will provide the various institutions which help to operate this program with improved tools to encourage repayment by student borrowers. Furthermore, it will help to restore equity in the availability of aid to those individuals who need it most. I encourage my colleagues to cosponsor this important legislation, and join with Senator Pell and my other colleagues on the Education, Arts and Humanities Subcommittee to work for its enactment during the 100th session of the Congress.●

● **Mr. METZENBAUM.** Mr. President, I am joining today with Senator Pell and other members of the Education Subcommittee in introducing the "Stafford Student Loan Default Prevention and Management Act of 1988."

In recent years, the costs of student loan defaults have become an increasingly serious problem. It is estimated that defaults will cost the Federal Government $1.6 billion in fiscal year 1988. Clearly, prompt action must be taken to bring this situation under control before it risks the future of the entire student loan program. However, we must also recognize that because Federal grants have unfortunately not kept up with costs, students, including low income students, have become increasingly dependent on loans. It is very important to ensure that any action taken on defaults does not jeopardize the access of low income students to education or unfairly penalize the institutions which serve these students.

The legislation we are introducing today represents an initial attempt by the subcommittee to address this serious problem in a comprehensive yet even-handed manner. The bill will require all participants in the student loan program—the Department of Education, State agencies, lenders, schools, and borrowers—to work together to take additional responsibility to bring the default problem under control.

I am pleased that steps taken by this legislation to curb defaults will also help to address a related area of grave concern to me. Last month, I had printed in the Record a series of articles by the Cleveland Plain Dealer outlining some serious abuses occurring in certain Ohio proprietary schools. The measure we are introducing today incorporates a number of provisions, including several of my recommendations, which I believe will help to correct many of these problems. I look forward to continuing to work with members of the committee and the higher education community to enact a measure which addresses the problems confronting our student aid programs in a fair and comprehensive manner.●

Mr. HATCH. Mr. President, I am pleased to cosponsor the "Stafford Student Loan Default Prevention and Management Act of 1988." An effective program to control the rising costs of defaults is necessary to maintain public confidence in and the viability of this Federal student financial aid program which has provided access to higher education for so many needy students across this country. Over 20,000 students in my home State of Utah utilize this assistance each year.

I am pleased at the widespread agreement among my colleagues on the provisions of this draft bill. This bill is a product of considerable work by the Education Subcommittee, including the December hearings, chaired by Senators Pell and Stafford, which thoroughly aired the issue of how best to contain both the rate and cost of student loan defaults. Those hearings offered numerous useful suggestions which allowed us to build on S. 1931, Senator Simon's bill, which I cosponsored. We now introduce this bill in order to get further advice on this important, but very complex, issue. I look forward to receiving that advice and working further with my Education Subcommittee colleagues to fine-tune this draft and its markup by the Labor and Human Resources Committee as soon as possible.

Mr. DODD. Mr. President, as a principal cosponsor of the Stafford Loan Default Prevention and Management Act of 1988, introduced today by Senators Claiborne Pell and Robert Stafford, I would like to outline both the need for the legislation and its goals. To protect the Stafford Loan Program from the high volume loan default rate, the bill establishes criteria for default prevention efforts on behalf of guarantee agencies, lenders, and institution.

The legislation is vital to the future of the Stafford Loan Program. More students today than ever before are dependent on the low interest loans. More students from low income families are borrowing Stafford loans, as Pell grant funds become limited and tuitions become more costly.

What we have observed is a rapid increase in the volume of Stafford loans. Simultaneously however, the volume of loans that go into default has grown. And, the increase in the number of defaulted loans is costly to the Federal Government and threatens the loan program.

We cannot be shortsighted. In light of the debate on future competitiveness, we cannot afford to put this problem off. We cannot afford to continue the Stafford Loan Program without taking measures to curb the default rate. If we did not take steps today to reduce the default rate, we will jeopardize a program that has made it possible for millions of Americans to finance their college educations.

The problem of loan defaults is complex. We cannot just point a finger at the borrowers who default in their loans. We must look at the total picture and understand what each guarantor, lender, or institution can contribute to default prevention. Why? Because many borrowers do not fully comprehend the process of loan repayment. Most defaulters are first time students and borrowers that never finish their program. And, many experience difficulty finding employment after graduation.

The Stafford Loan Default Prevention and Management Act is designed to increase awareness of the default problem and loan requirements; facilitate the location of and communication with borrowers after graduation; require lenders and institutions to inform borrowers of their repayment schedules and of the sale of a loan and to encourage institutions to provide services to keep students in their programs and assist students in job placement after graduation.

The measure gives the Secretary of Education the authority to develop and implement a default management plan for a guarantee agency, with a high volume default rate. State guarantee agencies, if they determine that a lender of institution has a default rate over 25 percent or in the top 5 percent by volume of defaulted student loans, can develop default management plans for such lender or institution.

Each default management plan works toward improving the communication between guarantors, lenders, institutions and borrowers. It requires further training of lenders and institutions in default prevention. It implements program reviews. It works to insure that a student borrower understands the terms of the Stafford Loan Program upon entrance and completion of their program. And, it requires institutions to report on the status of student loan borrowers.

In addition to the default management plan, the bill includes provisions to improve the collection of student loans by increasing the information collected from students. There are also provisions to establish a national student loan data system and a toll-free consumer hotline at the Department of Education.

Please keep in mind that the bill introduced today by Senators PELL and STAFFORD will probably undergo some changes as we discuss the implications of the provisions with our colleagues and the financial and education communities. We have no guarantee that the approach laid out in the bill will reduce the volume of student loan defaults, but I feel that it is a sound first step in the process.

By Mr. D'AMATO:

S. 2649. A bill for the relief of Henry Johnson; to the Committee on Armed Services.

RELIEF OF HENRY JOHNSON

● Mr. D'AMATO. Mr. President, I rise to offer a bill to waive the statute of limitations otherwise applicable to an award of the Congressional Medal of Honor to Sgt. Henry Johnson. Sergeant Johnson was a World War I infantryman from Albany, NY. While serving in France, Sergeant Johnson was credited with rescuing a wounded comrade, capturing a stockpile of enemy arms and ammunition, killing many enemy soldiers, and, despite his wounds, sending the enemy running in retreat.

Mr. President, the United States did not award Sergeant Johnson the Congressional Medal of Honor. Yet, France awarded him its highest military honor, the Croix de Guerre, Sergeant Johnson has no surviving relatives, but a posthumous award of the Congressional Medal of Honor could be presented to the 369th Infantry Division Veterans' Association located in Sergeant Johnson's hometown of Albany, NY.

It is regrettable that Sergeant Johnson was overlooked for the Medal of Honor. We can, however, make it possible to correct this mistake, Mr. President. There is sound precedent for the award of higher military decoration long after a soldier has passed away.

Time should be no barrier to the acknowledgment of heroism on behalf of one's country. Congress has a chance to correct a serious oversight; we should not allow this opportunity to recognize Sgt. Henry Johnson's bravery pass us by again. I urge my colleagues to join me in support of this legislation.●

ADDITIONAL COSPONSORS

S. 10

At the request of Mr. CRANSTON, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 10, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 714

At the request of Mr. SPECTER, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 714, a bill to recognize the organization known as the Montford Point Marine Association, Inc.

S. 1931

At the request of Mr. SIMON, the names of the Senator from South Carolina [Mr. THURMOND] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 1931, a bill to amend part B of title IV of the Higher Education Act of 1965, relating to the guaranteed student loan programs, to reduce the high default rate under that program, and to improve debt collection under that program, and for other purposes.

S. 1953

At the request of Mr. HECHT, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1953, a bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder.

S. 2030

At the request of Mr. LAUTENBERG, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 2030, a bill to amend the Marine Protection, Research, and Sanctuaries Act.

S. 2176

At the request of Mr. DIXON, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 2176, a bill to amend the Internal Revenue Code of 1986 to permit the tax-free purchase of motor fuels by individuals who are exempt from paying the motor fuels excise tax, and for other purposes.

S. 2187

At the request of Mr. KARNES, his name was added as a cosponsor of S. 2187, a bill to amend the Internal Revenue Code of 1986 to allow refundable credit against tax to taxpayers for dependents who have not attained the age of compulsory school attendance as prescribed by the law of the State in which the taxpayer resides, and to repeal the credit for expenses for child care services necessary for gainful employment for expenses with respect to such dependents.

S. 2199

At the request of Mr. CHAFEE, the names of the Senator from New Hampshire [Mr. HUMPHREY] and the Senator from Washington [Mr. EVANS] were added as cosponsors of S. 2199, a bill to amend the Land and Water Conservation Act and the National Historic Preservation Act, to establish the American Heritage Trust, for purposes of enhancing the protection of the Nation's natural, historical, cultural, and recreational heritage, and for other purposes.

S. 2278

At the request of Mr. ROTH, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 2278, a bill to amend the Internal Revenue Code of 1986 to allow the penalty-free early withdrawal of IRA funds for post-secondary educational expenses.

S. 2330

At the request of Ms. MIKULSKI, the names of the Senator from New York [Mr. MOYNIHAN] and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of S. 2330, a bill to promote the integration of women in the development process in developing countries.

S. 2367

At the request of Mr. LAUTENBERG, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 2367, a bill to promote highway traffic safety by encouraging the States to establish measures for more effective enforcement of laws to prevent drunk driving, and for other purposes.

S. 2435

At the request of Mr. DURENBERGER, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 2435, a bill entitled the "State and Local Conservation Act of 1988."

S. 2449

At the request of Mr. PRYOR, the names of the Senator from Missouri [Mr. DANFORTH], the Senator from Ohio [Mr. GLENN], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 2449, a bill to amend title 39, United States Code, with respect to the budgetary treatment of the Postal Service, and for other purposes.

S. 2461

At the request of Mr. MOYNIHAN, the names of the Senator from Maine [Mr. MITCHELL] and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 2461, a bill to amend part E of title IV of the Social Security Act to extend and make necessary improvements in the independent living program under such part, and for other purposes.

S. 2631

At the request of Mr. LEAHY, the names of the Senator from Kentucky [Mr. FORD] and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 2631, a bill to provide drought assistance to agricultural producers, and for other purposes.

SENATE JOINT RESOLUTION 289

At the request of Mr. BENTSEN, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Joint Resolution 289, a joint resolution to designate the month of November 1988 as "National Hospice Month".

SENATE JOINT RESOLUTION 341

At the request of Mr. LAUTENBERG, the names of the Senator from Michigan [Mr. LEVIN], the Senator from California [Mr. WILSON], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Joint Resolution 341, a joint resolution to designate September 15, 1988, as "National RSDS Awareness Day."

SENATE CONCURRENT RESOLUTION 133—COMMENDING THE PACIFIC FORUM

Mr. INOUYE submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 133

Whereas a unique private initiative known as the Pacific Forum was established in Hawaii in 1975 to improve dialogue among the nations of the Asia-Pacific region and to enhance political and economic progress in the region through an environment of stability and security;

Whereas the Pacific Forum is an independent nonprofit institution that has generated its own financial support during its more than 13 years of existence;

Whereas the Pacific Forum has conducted a variety of studies, assessments, and seminars on a range of policy issues vital to the public interest;

Whereas the Pacific Forum brings together influential leaders of business, academia, and government of the Pacific nations to work toward the resolution of international problems of mutual concern to the various nations;

Whereas the Pacific Forum has organized the Pacific Parliamentary Caucus, which brings together under private auspices congressional and foreign parliamentary leaders for informal consultations and debate on vital issues of international policy;

Whereas the Pacific Forum seeks to convert ideas into better public policies;

Whereas the Pacific Forum is performing a unique public service in the Asia-Pacific region by contributing to a greater and more sophisticated understanding of complex issues and problems that are sources of friction between nations;

Whereas, because of its record for incisiveness and practical recommendations on issues of public policy, the Pacific Forum has come to be highly respected throughout the Asia-Pacific region;

Whereas, if private inititatives similar to the Pacific Forum had been created at an earlier date, some crises resulting from differences between nations might have been averted; and

Whereas the Congress should recognize the unique abilities of the Pacific Forum and utilize them whenever practical: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the Pacific Forum should be commended and congratulated for its contributions to the foundations of peace, economic progress, and security in the Asia-Pacific region;

(2) the abilities of the Pacific Forum should be utlizied by the appropriate committees of the Congress whenever it would be useful and in the best public interest to do so; and

(3) particular consideration should be given by the committees of the Congress whose jurisdictions include matters regarding relations between the United States and the nations of the Asia-Pacific region to utilizing the Pacific Parliamentary Caucus established by the Pacific Forum.

Mr. INOUYE. Mr. President, it is a pleasure to join my colleague in the House of Representatives, Congressman SCHEUER, in submitting a concurrent resolution to commend the Pacific Forum for its contributions to international relations and crosscultural understanding. Established in the State of Hawaii in 1975, the Forum has worked to improve communications between countries in Asia and the Pacific basin and to strengthen their social, economic, and political ties. The Pacific Forum is unique in that it is an independent, nonprofit institution which serves the public good by bringing leaders together outside of normal diplomatic settings. I am proud to bring the work and contributions of the Pacific Forum to the attention of my colleagues, and I urge them to support this concurrent resolution. I would also recommend that Members of both the House and Senate avail themselves of the expertise provided by the Pacific Forum in the area of Asian-Pacific affairs.

SENATE RESOLUTION 452—TO STOP THE GROWTH OF INSOLVENT THRIFT INSTITUTIONS

Mr. PROXMIRE submitted the following resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. RES. 452

Resolved, Whereas growth without capital on the part of insolvent savings and loan associations presents an undue risk to the Federal Savings and Loan Insurance Corporation and weakens soundly managed financial institutions, now therefore be it resolved that it is the sense of the Congress that the Federal Home Loan Bank Board should immediately adopt and enforce a program for stopping the growth of deposits and other secured borrowing at insolvent FSLIC insured savings and loan associations as measured by generally accepted accounting principles.

Mr. PROXMIRE. Mr. President, in May, the Senate Banking Committee held hearings on the condition of the savings and loan industry. At these hearings witnesses testified on the extent of the crisis currently facing the FSLIC. I have discussed the magnitude and the causes of the present problems in several statements to my fellow Senators since that time.

From all that we have heard, it is clear that Congress will have to make several hard choices in order to remove this stain on the integrity of our financial system. First, Congress must provide the funds that will be needed. But it must also restructure the financial system so that this blot will not occur again.

The restructuring must be substantial. The system of deposit insurance needs radical reform. The inherent conflict between allowing States to give exotic powers to their State-chartered institutions and having them federally insured has to end. Capital must be increased in the S&L industry and it should be measured by honest accounting techniques, not as regulatory rubbish. The ability to achieve explosive growth through brokered deposits must be curtailed. The industry's supervisory structure has improved but it needs still further strengthening.

All of these things require careful consideration and planning. They will not be achieved overnight. Recognizing these realities has given rise to a consensus that Congress will accomplish nothing this side of the election.

That consensus is correct to the extent that we will, most probably, not resolve the major issues this year. But it is not correct to say that nothing can be done.

Something essential can be done and it should be done now.

We can take steps now to limit the size of the problem that will confront the next administration and the Congress. Experience has shown that one of the most important factors contributing to the most severe of the FSLIC's losses is fast growth by insolvent thrifts. Congress must send a strong signal to the Federal Home Loan Bank Board that this reckless growth must end.

THE WRONG INCENTIVES

Letting those that have failed and have lost everything continue to take in insured deposits sets up the wrong incentives. Strongly solvent but unprofitable thrifts have both the reason and the resources to ride out hard times. They hunker down and draw on their accumulated reserves until they return to profitability. But insolvent and unprofitable S&L's may be encouraged to grow in order to bury their losses under positive earnings expected on new assets promising higher returns.

These dangerous incentives have been in place for much of the decade—since thrifts were caught in the well-known interest rate trap of 1981-82. Then thrifts that had a mortgage portfolio with negative spreads of, say, 1 percent—because market interest rates had risen since the mortgages were first put on their books—were tempted to grow rapidly. By doubling in size and acquiring new assets earning, say, 1 percent over the cost of funds, an S&L could wipe out its current loss. By growing even faster, it could hope to return to profitability and solvency. Stockholders would recover their wealth and managers would retain their jobs.

Such rapid growth was often combined with investing in higher yielding, but riskier, assets. Higher yields would help restore solvency sooner if the loans were repaid. But, if the loans went sour—as riskier loans often do—the institution found itself in a deeper hole.

Since 1982, therefore, incentives have been in place to encourage insolvent thrifts to grow and gamble. After all, they had little to lose. They knew that eventually they would be closed down by the Bank Board if they did not recover. The temptation was to try anything, however, risky, that might raise the bottom line. They had already lost everything except the chance to throw the dice—and their gambling losses would be paid for by someone else.

REGULATORY PERMISSIVENESS

Thus the wrong incentives were in place. But not only that. In the past, the regulators actually condoned insolvent thrifts grasping their opportunity. Growth and diversification were both permitted, indeed approved, by the regulators as ways to solve the industry's problems.

Throughout most of the decade, the regulatory system in place allowed fast-growing S&L's to average their required capital over a 5-year period. Five-year averaging let S&L's grow without immediately raising new capital and yet remain in compliance with Bank Board regulations. Moreover, the regulators allowed insolvent firms to continue operating—222 in 1983, 281 in 1984, 434 in 1985, 449 in 1986, 460 in 1987, and 515 this year. Their growth has all too often been unrestrained.

As a result of regulatory permissiveness, the thrift industry grew at an annual rate of 18 percent in 1983 and 1984, and almost 10 percent during 1985. These growth rates were substantially faster than the commercial banks' average growth rates of 8 percent over this period. It was only during 1985 that the effects of the regulators' realization that fast growth was dangerous began to show up as slower industry growth statistics.

Fast growth has substantially exacerbated the infamous S&L problems in Texas. Governor Clements' S&L task force earlier this year reported that:

> Deposit and asset growth in the 41 most troubled Texas Associations subject to close supervision by FSLIC (the FSLIC cases) between 1982 and 1986 was dramatic * * *. Between 1982 and 1986, asset growth for the FSLIC cases equalled 190 percent, while the national average for the same time period was 68 percent.

The task force report provided data on the risks that these insolvent Texas thrifts undertook between 1982 and 1986. On the one hand, the deadbeat institutions reduced their holdings of relatively safe one- to four-family residential mortgages from 58 percent of assets to 15 percent. On the other hand, they more than quadrupled their holdings of direct investments and ADC loans, which are often plagued by problems of fraud and default, from 8 percent of assets to 34 percent.

Admittedly the thrift national averages moved in the same direction, but the changes were not nearly so dramatic. Thrifts nationwide, for example, still held 55 percent of their assets as one- to four-family mortgages in 1986, and had only 5 percent as direct investments plus ADC loans.

RISKING AND LOSING

Unfortunately, as economic theory reminds us, there is no free lunch. The higher returns, meant to accompany the high growth strategy, also come with higher risk. And where there are risks, there are also losses. Losses may be particularly prevalent when an enterprise enters blindly into an established business where entrenched competitors already know the rules of the game better than anyone else. Moreover, regulatory experience has taught that fast growth is often a precursor of failure even for initially well-capitalized firms that are "playing on home field." From such errors, credit risk replaced interest rate risk as the industry's immediate threat.

And failure is what happened as a result of the grow-and-gamble strategy. In Texas, thrifts bets on high growth and risky assets were unsuccessful. The 41 FSLIC cases that grew so fast experienced extraordinary increases in dud assets between 1982 and 1986. Their troubled assets increased from 1 percent to 38 percent of assets during these years. Over the same period, the national average for troubled loans also rose. However, though discouraging, this increase from 1 percent to 4 percent of assets was not disastrous.

Nationwide more firms lost and became insolvent than gained and recovered from the growth and high risk strategies. From 222 at the end of 1982, the number of GAAP insolvent thrifts has risen each year of this decade to reach 515 at the end of last year. Many S&L's that were already insolvent, just became more heavily insolvent. Some incurred horrendous losses. In a report issued last year, GAO showed that the rate of recovery for S&L's given capital forebearance was low, while insolvent thrifts that continued operating often dug themselves much deeper into debt.

For example, 11 of the thrifts that became insolvent in 1982 and were allowed to continue operating in this condition, had worse than 12 percent negative net worth by 1986 and were losing money at the unbelievably high annual rate of 11 percent of their assets or worse. Such horrendous losses substantially increase the ultimate cost to the FSLIC of failure resolution—a cost that the taxpayer will probably have to share.

REGULATORY FAILURE

In 1985, the dangers of fast growth were beginning to be recognized at the Bank Board. It introduced regulations to restrain undercapitalized growth. Yet these regulations today are not well-enforced. Repeatedly, case studies of recent failures cite fast growth to fund risky investments are seriously contributing to the losses facing the FSLIC.

Financial Corp. of America, one of the Nation's largest and sickest S&L's was done in by fast growth. It first got into serious difficulties in 1984. The Bank Board could have appointed a receiver for the institution and forced it to downsize. Instead, the Board approved an FCA plan for rapid growth and a hoped-for return to profitability through enormous gambles on future changes in interest rates. As we know now, those bets lost. FCA today is worse than ever and probably the most expensive of the FSLIC's problems.

In the past few months, the FSLIC has incurred heavy expenditures in liquidating American Diversified and North American Savings in California, and Vernon Savings and Loan Association in Texas. All had grown fast. So had Lamar Savings Association and Stockton Savings Association, both in Texas, and Eureka Federal Savings and Loan Association in California. In May this year, these large institutions had to be merged out of existence with substantial subventions from the FSLIC.

THE SOURCES OF GROWTH

In normal circumstances private forces for self-protection prevent an insolvent firm from growing and gambling. But insolvent depository institutions are removed from normal market forces. For them fast growth can come from either new deposits or from collateralized borrowing.

Deposit insurance means that depositors with small or brokered accounts do not have to fear that they will lose their funds even if their institution is a member of the deadbeat club waiting for burial. New deposits can be used to purchase assets that project high returns because of their high default risk.

But growth can also come from nondeposit forms of borrowing. Market prudence would normally preclude insolvent thrifts from obtaining uninsured funds. But where the funds acquired are secured by good collateral, the lender's fears of loss can be assuaged.

Indeed, today some institutions are raising large amounts of money by pledging their mortgage-backed securities as collateral in reverse repurchase agreements [RP's]. The newly borrowed funds are used to buy more mortgage-backed securities which, in turn, become collateral in RP's to raise cash to buy more securities. Under this Ponzi-like scheme, an institution can grow almost ad infinitum.

The funds obtained via repurchase agreements are borrowed for short term. But the securities used as collateral have long durations. Consequently, this strategy, misleadingly called risk-controlled arbitrage, is a favorite of thrifts that want to expand rather than control their risks. Risk-controlled arbitrage, unless carefully and cautiously executed using sophisticated hedging strategies, exposes its users to potentially very large losses should interest rates rise.

FAST GROWTH BY INSOLVENT S&L'S

Despite the recognition that fast growth is dangerous and despite the Bank Board's growth-restricting regulations, all too many insolvent S&L's continue to grow fast. Some grow extremely fast. For example, during 1987 two insolvent S&L's, Lynnwood Savings and Loan Association in the State of Washington and Flagship Federal Savings and Loan Association in California, more than doubled in size. Horizon Federal Savings and Loan Association in Louisiana grew at an annual rate of 103 percent during the second half of the year. During that 6-month period 5 insolvent thrifts grew more than 50 percent, 33 grew faster that 20 percent and 133 grew at a rate of 10 percent or more.

I am not talking about undercapitalized thrifts, I am talking about insolvent thrifts—those with negative net worth. I repeat, in 1987 133 insolvent thrifts grew at a rate of 10 percent or more.

Given past experience, it is incredible that the Bank Board should be allowing this to happen. Clearly it is not enforcing its own growth regulations. But worse, even this year the Bank Board has actually been endorsing fast growth as a strategy for recovery for weak thrifts.

Two undercapitalized thrifts, Benjamin Franklin Savings Association of Houston, TX, and Columbia Savings, a subsidiary of First Columbia Financial Corp. of Colorado, applied to the Bank Board for regulatory indulgence under the Board's capital forbearance program. Such applications have to be accompanied by the association's plan for recovery.

The Bank Board approved both plans. Yet both call for "increasing earnings through growth." The Bank Board, despite post-1982 experience, is still relying on this dangerous strategy.

In Columbia's case, the association has $2.8 billion in assets and stockholders equity of minus $62 million. It lost $85 million last year, $15 million in 1986 and $6 million in 1985. Nevertheless, it plans, according to its 10K plan, to grow and to engage in highly risky activities. In 1987, $1.2 billion of Columbia's assets were mortgage-backed securities, many funded by reverse repurchase agreements. The 10K reports that:

> Columbia's new asset strategy depends on an increasing reliance on mortgage-backed securities and the disposition, over time, of its portfolio of whole loans.

Moreover Columbia also plans to take on extensive off-balance sheet risk—$1.5 billion in mortgage swaps.

In April this year the Bank Board granted the application for forbearance and approved the plan to increase earnings through growth. But the deposit insurance system should not be underwriting such risky activities. They can add substantially to the bill that will have to be paid down the road.

CONGRESSIONAL ACTION

The most important thing that Congress can accomplish this summer is to restrain the reckless growth of insolvent institutions.

The FSLIC needs to gain control over the accelerating risk exposures of insolvent and undercapitalized thrifts. To do so should substantially reduce the bill that will need to be paid next year. The FSLIC and the taxpayer will gain from not having to pay for the gambles that will otherwise be taken and lost.

What have we to lose from restraining the gambling instincts of the deadbeats? Only the off chance that a few will gamble and win. But experience over the past 5 years has taught that the odds of winning are slight. We have almost nothing to lose but something tangible to gain.

The exposure of the FSLIC and the taxpayer would be lessened if the Federal Home Loan Bank Board ceased approving high growth, high risk strategies for weakly capitalized and insolvent thrifts. Moreover, the FSLIC and the taxpayer would benefit if the Bank Board completely stopped the growth of deposits and secured borrowing at insolvent institutions. The well-managed institutions would also gain if the Bank Board placed strict limits on growth at solvent but weak thrifts.

Consequently, it is the sense of Congress that the Federal Home Loan Bank Board should take action to achieve these objectives.

While the resolution that I introduce today does not have the force of law, it is intended to send the strongest signal possible to the Bank Board that its policies toward growth and risk taking in the past have been mistaken. Moreover, the Bank Board's present position on expansion is ambiguous and must be clarified.

Consequently, the resolution that follows instructs the Bank Board to immediately adopt and enforce regulations to prohibit growth at insolvent institutions. These actions should substantially reduce the cleanup bill that will await payment next year.

AMENDMENTS SUBMITTED

COMMERCE, JUSTICE, STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT—FISCAL YEAR 1989

SHELBY AMENDMENT NO. 2641

(Ordered to lie on the table.)

Mr. SHELBY submitted an amendment intended to be proposed by him to the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes; as follows:

At the end of the bill, add the following:

SEC. . Notwithstanding any other provision of this Act, $——— of the aggregate amount appropriated to the Bureau of the Census for censuses and programs by this Act shall be available only for the purpose of enabling the Secretary of Commerce to make such adjustments in total population figures as may be necessary, using such methods and procedures as the Secretary determines appropriate, in order that aliens in the United States in violation of the immigration laws shall not be counted in tabulating population for purposes of apportionment of representation in the United States House of Representatives, and which adjustments are hereby authorized.

LAC VIEUX DESERT BAND OF LAKE SUPERIOR CHIPPEWA INDIANS

RIEGLE AMENDMENT NO. 2642

RIEGLE AMENDMENT NO. 2642

Mr. BYRD (for Mr. RIEGLE) proposed an amendment to the bill (S. 1735) to clarify the Federal relationship to the Lac Vieux Desert Band of Lake Superior Chippewa Indians as a distinct Indian tribe, to clarify the status of members of the band, to transfer title to trust lands, and for other purposes; as follows:

At the end of the bill, add a new section 9 as follows:

"SEC. 9. CONSTITUTIONAL AMENDMENT.

"Notwithstanding any other law or provision in the constitution of the Keweenaw Bay Indian Community, the Secretary shall call an election within 90 days of receipt of a resolution of the Keweenaw Bay Tribal Council requesting an election for the purpose of amending provisions of the constitution of the Keweenaw Bay Indian Community."

"SEC. 10. COMPLIANCE WITH BUDGET ACT.

"Notwithstanding any other provision of this Act, any spending authority provided under this Act shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts. For purposes of this Act, the term "spending authority" has the meaning provided in section 401(c)(2) of the Congressional Budget and Impoundment Control Act of 1974, as amended."

CONVEYANCE AND OWNERSHIP OF CERTAIN SUBMERGED LANDS

METZENBAUM (AND BURDICK) AMENDMENT NO. 2643

Mr. BYRD (for Mr. METZENBAUM, for himself and Mr. BURDICK) proposed an amendment to the bill (H.R. 2629) to amend the Alaska National National Interest Lands Conservation Act of 1980 to clarify the conveyance and ownership of submerged lands by Alaska Natives, Native Corporations and the State of Alaska; as follows:

At the end of the bill insert the following new section:

SEC. . (a) IN GENERAL.—The Secretary shall prepare a report that assesses the effects of the implementation of section 101 of this Act on Conservation System Units as defined in section 102 (4) of the Alaska National Lands Conservation Act and makes recommendations for appropriate action.

(b) SCOPE OF REPORT.—The report required to be prepared under subsection (a) shall at a minimum—

(1) identify and estimate the acreage of all lands currently patented to or selected by a Native, Native Corporation, or the State pursuant to the Alaska Native Claims Settlement Act, the Alaska National Interest Lands Conservation Act, the Alaska Statehood Act, or this Act that is within the boundaries of Conservation System Units;

(2) establish priorities for the acquisition of lands currently patented to or selected by a Native, Native Corporation or the State that are within the boundaries of Conservation System Units;

(3) make recommendations as to administrative or Congressional action deemed appropriate to reduce any adverse effects of section 101 on the management of lands or resources within Conservation System Units.

(c) SUBMISSIONS TO CONGRESS.—Within one year after the date of enactment of this Act, the Secretary shall submit a report pursuant to subsections (a) and (b) of this section to the Committee on Environment and Public Works and Committee on Energy and Natural resources of the United States Senate and to the appropriate committees of the United States House of Representatives.

SMALL BUSINESS AUTHORIZATION ACT

BUMPERS (AND WEICKER) AMENDMENT NO. 2644

Mr. BYRD (for Mr. BUMPERS, for himself and Mr. WEICKER) proposed an amendment to the bill (S. 2619) to provide reauthorization for the Small Business Administration for the fiscal year 1989, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new sections.

SECTION . ANALYSIS OF FINANCING SOURCES.

(a) STUDY.—Not later than June 1, 1989, or 180 days after the effective date of this section (whichever is later), the Office of the Chief Counsel for Advocacy of the Small Business Administration (hereinafter referred to in this section as the "Office") shall conduct and complete a study to determine, with respect to the service sector of the economy,

(1) the level of demand for debt capital by small business concerns;

(2) the level of availability of such capital for such concerns; and

(3) how new or innovative financing techniques or the improvement of existing techniques can be used to satisfy the unmet demand for such capital by such concerns consistent with acceptable standards of safety and soundness for loans and investments made by commercial and business lenders and institutional investors.

(b) CONSULTATION AND COOPERATION.—In performing such study, the Office shall consult with the Federal Reserve Board, the Comptroller of the Currency, the Department of Commerce, other relevant agencies and departments of government, trade and professional associations, and other organizations representing the interests of such business and service sector business concerns. Each department and agency shall afford the Office such assistance and cooperation as may be necessary to achieve the purposes of this subsection.

(c) REPORT.—The study performed pursuant to subsection (a) shall be reported to the Committees on Small Business of the Senate and House of Representatives within 180 days after the effective date of this section.

SECTION . EFFECTIVE DATA COLLECTION ON WOMEN-OWNED BUSINESSES.

(a) STUDY.—Not later than June 1, 1989, or 180 days after the effective date of this section (whichever is later), the Office of the Chief Counsel for Advocacy of the Small Business Administration (hereinafter referred to in this section as the "Office") shall conduct and complete a study to determine the most cost effective and accurate means to gather and present data on women-owned businesses, including data on sole proprietorships, partnerships, Sub S corporations and regular corporations.

(b) CONSULTATION AND COOPERATION.—In performing such study, the Office shall consult with the Department of Labor, including the Bureau of Labor Statistics, the Department of Commerce, including the Bureau of the Census, the Internal Revenue

Service, other relevant agencies and departments of governments, trade and professional associations, and other organizations representing the interests of women-owned businesses. Each department and agency shall afford the Office such assistance and cooperation as may be necessary to achieve the purposes of this subsection.

(c) REPORT.—The study performed pursuant to subsection (a), together with such recommendations for legislative or administrative change as may be appropriate, shall be reported to the Committees on Small Business of the Senate and House of Representatives within 180 days after the effective date of this section.

BUMPERS (AND WEICKER) AMENDMENT NO. 2645

Mr. BYRD (for Mr. BUMPERS and Mr. WEICKER) proposed an amendment to the bill, S. 2619, supra; as follows:

Insert after the word "examined" on line 10 of page 5 the following: "not less than once", and

Strike the word "contacts" on line 7 of page 16 and insert in lieu thereof the word "contracts".

SANFORD AMENDMENT NO. 2646

Mr. BYRD (for Mr. SANFORD) proposed an amendment to the bill, S. 2619, supra; as follows:

On page 24, insert after line 19 the following new section:

"PROCUREMENT CENTER REPRESENTATIVES"

"SEC. 208. (c) Within 180 days after the effective date of this Act, the Small Business Administration shall—

(1) complete such measures as may be necessary to employ two traditional procurement center representatives to be stationed in States where no such representatives are stationed or designated to be stationed as of such effective date.

(2) The representatives employed pursuant to (1) shall be in addition to and not in lieu of any representative that may be employed pursuant to any other provision of law or under any exercise of administrative discretion.

BOSCHWITZ (AND OTHERS) AMENDMENT NO. 2647

Mr. DOLE (for Mr. BOSCHWITZ, for himself, Mr. BAUCUS, Mr. BURDICK, Mr. CONRAD, Mr. KARNES, Mr. MELCHER, Mr. PRESSLER, Mr. NICKLES, Mr. WALLOP, Mr. SIMON, Mr. DASCHLE, Mr. DURENBERGER, Mr. QUAYLE, Mr. COCHRAN, Mr. BOREN, Mr. GRASSLEY, and Mr. METZENBAUM) proposed an amendment to the bill, S. 2619, supra; as follows:

At the end of section 113 of the bill, insert the following new subsection:

(c) CLARIFICATION OF DISASTER.—Section 7(b)(2) of the Small Business Act (15 U.S.C. 636(b)(2)) is amended by inserting before the proviso at the end of subparagraph (D), the following flush sentence:

"For purposes of this paragraph, the term 'disaster' includes floods, riots or civil disorders, droughts, or other catastrophes.".

BOSCHWITZ AMENDMENT NO. 2648

Mr. DOLE (for Mr. BOSCHWITZ) proposed an amendment to the bill, S. 2619, supra; as follows:

At the end of title I of the bill, add the following new section:

SEC. 116. FORM SIMPLIFICATION AND PREFERRED FINANCING.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following new paragraph:

"(17)(A) During fiscal years 1989 and 1990, in addition to the preferred lenders program authorized by the proviso in subsection (b)(7), the Administration is authorized to establish a certified loan program for lenders who establish their knowledge of Administration laws and regulations concerning loan guarantee programs and their proficiency in program requirements. In order to encourage certified lenders and preferred lenders to provide loans of $50,000 or less in guarantees to eligible small business loan applicants, the Administration shall allow lenders designated for participation in the certified loan program and in the preferred loan program to utilize the forms of the lender without regard to any forms of the Administration. The Administration may not reduce the per centum of guarantee as a criteria for eligibility for such designation.

"(B) The designation of a lender as a certified lender shall be suspended or revoked at any time that the Administration determines that the lender is not adhering to its rules and regulations or if the Administration determines that the loss experience of the lender is excessive as compared to other lenders. Suspension or revocation of such designation shall not affect any outstanding guarantee.".

DOMENICI AMENDMENT NO. 2649

Mr. DOLE (for Mr. DOMENICI) proposed an amendment to the bill, S. 2619, supra; as follows:

At the end of the bill, add the following:

TITLE III—WHITE HOUSE CONFERENCES ON SMALL BUSINESS

SEC. 301. SHORT TITLE.

This title may be cited as the "White House Conference on Small Business Authorization Act".

SEC. 302. AUTHORIZATION OF CONFERENCE.

(a) IN GENERAL.—The President shall call and conduct a National White House Conference on Small Business (hereinafter referred to as the "conference") to carry out the purposes described in section 303. Each National Conference shall be preceded by State and regional conferences as determined by the executive director.

(b) STATE AND REGIONAL CONFERENCES.—Participants in the Conference and other interested individuals and organizations are authorized to conduct conferences, and other activities at the State and regional levels prior to the date of the Conference, subject to the approval of the Administrator of the Small Business Adminstration, and shall direct such conferences and activities toward the consideration of the purposes of the Conference described in section 303 in order to prepare for the National Conference.

(c) SCHEDULE OF CONFERENCES.—National Conferences under this title shall be held at least once during each 6-year period, but not more often than once in each 4-year period. No conference shall be held during a presidential election year. The first National Conference under this title shall be concluded not later than July 1, 1991, and each subsequent National Conference shall be concluded by July 1 of the year in which it is designated to be held.

SEC. 303. PURPOSE OF CONFERENCE.

The purpose of the Conference shall be—

(1) to increase public awareness of the essential contribution of small business;

(2) to identify the problems of small business;

(3) to examine the status of minorities and women as small business owners;

(4) to assist small business in carrying out its role as the Nation's job creator;

(5) to assemble small businesses to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and encouraging the economic viability of small business and, thereby, the Nation; and

(6) to review the status of recommendations adopted at the preceding White House Conference on Small Business.

SEC. 304. CONFERENCE PARTICIPANTS.

(a) SMALL BUSINESS PARTICIPANTS.—In order to carry out the purposes specified in section 303, the Conference shall bring together individuals concerned with issues relating to small business. No small business concern representative may be denied admission to any State or regional conference, nor may any fee or charge be imposed on any small business concern representative except an amount to cover the cost of any meal provided to such representative plus a registration fee of not to exceed $10.

(b) SELECTION OF DELEGATES.—Delegates, including alternates, to the National Conference shall be elected by participants at the State conferences. In addition—

(1) each Governor and each chief executive official of the political subdivisions enumerated in section 4(a) of the Small Business Act may appoint one delegate and one alternate;

(2) each Member of the United States House of Representatives, including each Delegate, and each Member of the United States Senate may appoint one delegate and one alternate; and

(3) the President may appoint 50 delegates and alternates.

Only individuals from small businesses shall be eligible for appointment pursuant to this subsection.

SEC. 305. PLANNING AND ADMINISTRATION OF CONFERENCE.

(a) FEDERAL AGENCIES SUPPORT.—All Federal departments, agencies, and instrumentalities are authorized and directed to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(b) SMALL BUSINESS SUPPORT.—In carrying out the provisions of this title, the Administrator of the Small Business Administration through the Administration's district and regional offices—

(1) shall provide such assistance as may be necessary for the organization and conduct of conferences at the State and regional levels as authorized under section 302(b); and

(2) is authorized to enter into contracts or agreements with public agencies, private organizations, and academic institutions to carry out the provisions of this title, except that the Administration shall take such actions as it deems appropriate—

(A) to ensure that activities under any such contract or agreement do not constitute or imply an endorsement by the Administration of the products or services of the agency, organizataion, or institution involved.

(B) to avoid unnecessary promotion of the products or services of the agency, organization, or institution involved, and

(C) to minimize utilization of any one agency, organization, or institution in any area.

(c) CHIEF COUNSEL FOR ADVOCACY SUPPORT.—The Chief Counsel for Advocacy shall assist in carrying out the provisions of this title by preparing and providing background materials for use by participants in the Conference, as well as by participants in State and regional conferences.

(d) PARTICIPANT EXPENSES.—Each participant in the Conference shall be responsible for his or her expenses related to attending the Conference and shall not be reimbursed either from funds appropriated pursuant to this title or the Small Business Act.

(e) STAFF.—(1) The President is authorized to appoint and compensate an executive director and such other directors and personnel for the Conference as he may deem advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Not to exceed 30 personnel may be employed under this paragraph.

(2) Upon request by the executive director, the heads of the executive and military departments are authorized to detail employees to work with the executive director in planning and administering the Conference without regard to the provisions of section 3341 of title 5, United States Code.

SEC. 306. REPORTS REQUIRED.

Not more than 6 months after the data on which a National Conference is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be available to the public.

SEC. 307. FOLLOWUP ACTIONS.

The Small Business Administration shall report to the Congress annually during the 3-year period following the submission of the final report of a National Conference on the status and implementation of the findings and recommendations of the Confernce.

SEC. 308. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—There are hereby authorized to be appropriated not to exceed $4,000,000 for each National Conference and associated State and regional conferences under this title. Such sums shall remain available until expended. New spending authority or authority to enter contracts as provided in this title shall be effective only to such extent and in such amounts as are provided in advance in appropriation Acts.

(b) USE OF OTHER FUNDS PROHIBITED.—No funds appropriated to the Small Business Administration shall be made available to carry out the provisions of this title other than funds appropriated specifically for the purpose of conducting the Conference. Any funds remaining unexpended at the termination of the Conference, including submission of the report pursuant to section 306, shall be returned to the Treasury of the United States and credited as miscellaneous receipts.

NOTICES OF HEARING

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will take place on August 2, 1988, beginning at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following measures pending in the subcommittee:

H.R. 2530, a bill to provide for the establishment of the Mississippi National River and Recreation Area, and for other purposes;

H.R. 2952, a bill to increase the amount authorized to be appropriated for acquisition of the Women's Rights National Historical Park;

H.R. 3559, a bill to authorize the acquisition for 25 acres to be used for an administrative headquarters for Canaveral National Seashore;

H.R. 4212, a bill to amend the joint resolution of April 27, 1962, to permit the Secretary of the Interior to establish the former home of Alexander Hamilton as a national memorial at its present location in New York, NY;

H.R. 4315, a bill to provide for the inclusion of certain lands within the John Muir National Historic Site;

S. 1290, a bill to direct the Secretary of the Interior to acquire certain real property adjacent to the Andrew Johnson National Historic Site in Greeneville, TN, for inclusion within the national cemetery located in that site;

S. 2565, a bill to remove restrictions on land acquisition for Antietam National Battlefield; and

S. 2586, a bill to quiet title and possession with respect to a certain private land claim in Sumter County, AL.

Given the large number of bills to be considered in the hearing, only administration witnesses will be invited to testify.

For further information regarding the hearing, please contact Beth Norcross of the subcommittee staff, at (202) 224-7933.

Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will take place on August 4, 1988, beginning at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on S. 2352, a bill to provide for the transfer of certain lands in the State of Arizona and for other purposes.

For further information regarding the hearing, please contact Beth Norcross of the subcommittee staff, at (202) 224-7933.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND INTERNATIONAL OPERATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 14, 1988, to continue a series of hearings on drugs, law enforcement, and foreign policy: Haiti and Panama.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND INTERNATIONAL OPERATIONS AND COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 14, 1988, to continue a series of hearings on drugs, law enforcement, and foreign policy: Haiti and Panama. Further that the full committee be authorized to meet at 2 p.m. to hold a hearing on war powers.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BYRD. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, July 14, 1988, to conduct a markup of pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, July 14, 1988, to mark up S. 2631, the Drought Assistance Act of 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on July 14, 1988, to finalize recommendations on the Canada Free Trade Agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Social Security and Family Policy of the Committee on Finance be authorized to meet during the session of the Senate on July 14, 1988, to hold a hearing on a number of Social Security and income security proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, July 14, 1988, to hold a meeting on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Thursday, July 14, 1988, to conduct a markup of S. 2467, to remove ownership restrictions on Federal Home Loan Mortgage Corporation stock; S. 2544, the International Securities Enforcement Cooperation Act; and the nominations of Timothy Coyle and Jack Stokvis to be Assistant Secretaries of Housing and Urban Development, and James B. Werson, to be a member of the Board of Directors of the National Corporation for Housing Partnerships.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on July 14, 1988, to consider the nomination of Elizabeth A. Moler to be a member of the Federal Energy Regulatory Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on July 14, 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PARENTAL AND MEDICAL LEAVE ACT

● Mr. KERRY. Mr. President, I rise today to speak in favor of the Parental and Medical Leave Act, Senate bill 2488, as an original cosponsor. This bill was marked up today by the Committee on Labor and Human Resources and was reported out favorably with two amendments. I look forward to its early passage here in the Senate this year.

I would like to commend Senator Dodd for his outstanding leadership on this issue. His commitment and determination have been essential in getting us to this point today.

Just a year ago, I had the honor of joining Senator Dodd in the Massachusetts State House for regional hearings on this bill's predecessor, S. 249. Parent's testimony on the importance of simple job guarantees for parental and medical leave was compelling. The endorsement of this family protection bill by successful businesses with parental and medical leave policies reinforced the idea that protecting the American family is strengthening American business.

The American family has joined the American work force. We need a coherent national family work policy to deal with this reality, and this bill is an important step in that direction. It removes the horrendous burden carried by working parents who might otherwise have to choose between job security and meeting the needs of a sick child. In the discussion of this bill the emphasis is frequently on the role of women in the work force and the need for protecting the employment of single parent, women-headed households. It is imperative that we recognize and respond to the new realities of our current work force.

I would also like to call attention to the tremendous increase in male parenting responsibility which make this legislation important for all working parents. If I may take the liberty of referring to the Boston testimony of last year, I note the testimony of John Riley, whose 7-year-old son Chris died after a prolonged and painful 30-month bout with cancer. Mr. Riley worked throughout that illness and lost his job 4 weeks after Christopher's death. "I had given that job everything I could," Mr. Riley said, "even when my son was dying. * * * There are millions of American fathers like me. I don't want or expect any special favors from anyone, my employers or the Government. But I don't think parents should be forced to choose between caring for their children and keeping their jobs." I agree completely.

As a member of the Small Business Committee, I am aware of the concerns repeatedly expressed by the business community about parental and medical leave. This bill should relieve their concerns.

First, this legislation mandates only 10 weeks unpaid leave within 2 years for childbirth, adoption, or the medically certified, serious illness of a child. It guarantees 13 weeks within a year of temporary, unpaid certified medical leave. It exempts businesses with fewer than 20 employees, exempting, therefore, a full 53 percent of U.S. employees. In fact, only 12 percent of U.S. firms will be covered under the guarantees of this legislation.

Second, the Government Accounting Office analysis of this revised Parental and Medical Leave Act asserts that the estimated cost to business of this legislation will be less than $194 million. They state that "there will be little, if any, measurable net costs to employers resulting from a firm's method of adjusting to the temporary absence of a worker taking unpaid leave under this legislation." GAO points out that the primary cost for parental and medical leave is in sustaining medical coverage for employees on unpaid leave.

It is important that the business community be heard in their concerns on this issue. I look forward to hearing from them about this bill and working with them to address their concerns.●

TRIBUTE TO GREEN HEDGES SCHOOL, VIENNA, VA

● Mr. WARNER. Mr. President, I would like to bring to the attention of my colleagues the outstanding achievement of a group of students from Green Hedges School in Vienna, VA.

Out of 150 schools nationwide, this group of junior high school students placed second in the National Geography Olympiad sponsored by the National Council for Geographic Education. This 35-minute, 50-question objective test requires students to demonstrate factual recall, identification, and location skills. Green Hedges School regards the study of geography of utmost significance, and the students are enrolled in geography classes from preschool through the eighth grade.

Due to great advancements made in communications in the past few decades, our world is in a sense getting smaller so it is of great importance that the youth of our Nation be aware of both national and worldwide events and the geographic location of these events. I hope other schools and students nationwide will follow the lead of the students at Green Hedges School and dedicate themselves to a better understanding of geography.

I applaud these students from Green Hedges School for their dedication and perseverance and hope that they will continue their interest in geography.●

ALBUQUERQUE AIR CHASE

● Mr. DOMENICI. Mr. President, early this week the U.S. Customs Service responded to a call for assistance from New Mexico State law enforcement authorities. The result was an air chase and shootout rivaling any produced for TV screen which brought about the successful tracking and apprehension of a helicopter carrying three prison escapees.

The incident began on Monday of this week when a helicopter landed in the recreation yard of the State Penitentiary of New Mexico in Santa Fe. Three inmates successfully jumped aboard and the helicopter took off out of the range of prison guards firing on it.

The U.S. Customs Service Air Branch in Albuquerque received a call for assistance from the New Mexico State Police. The target helicopter was identified by Customs on radar and a Customs Piper Cheyenne was launched in pursuit of the aircraft. It chased the helicopter until it landed at a small airport in Los Lunas, NM, at which point a Customs Black Hawk helicopter had arrived on the scene.

Confronted by Customs officers in the Black Hawk, two of the escaped inmates got out of the helicopter and fled on foot. One escapee attempted to steal a nearby car, but abandoned the effort when the Customs officer began to fire upon him from the Black Hawk. The two inmates were subsequently apprehended by local authorities. The third escapee however remained onboard the helicopter and forced the pilot to fly him to Albuquerque International Airport. A New Mexico State police helicopter and the Customs Black Hawk continued in pursuit and the third inmate was apprehended at the airport.

On behalf of the State of New Mexico, I would like to thank the U.S. Customs Air Operations Branch in Albuquerque, under the command of Chief Al Sousa. I specifically would like to thank Detection Systems Specialist Dave Peek who picked up the target on radar; the crew of the Piper Cheyenne: Eddie Andrews the pilot, John Coddou, the copilot, and the air interdiction officer on board, Sheila Qualls; as well as the crew of the Black Hawk: helicopter pilot Lee Chamberlain, copilot Curtis Myers who fired upon the fleeing inmates at Los Lunas, and Air Interdiction Specialist Ken Hiebert. These Customs personnel deserve a lot of credit. The training of these Customs officers in tracking and apprehending suspect air drug smugglers was successfully employed to bring about the apprehension of these escaped inmates. On behalf of my State of New Mexico, I thank the Customs Service for its assistance. This is a final example of the cooperation being achieved between Federal and State and local law enforcement in the Southwest.●

HONORING THE VILLAGE OF ROCKVILLE CENTRE ON ITS 95TH ANNIVERSARY

● Mr. D'AMATO. Mr. President, I rise today to pay tribute to a small but bustling village. The village of Rockville Centre, NY is young—95 years old—but full of history.

In 1848, Robert Pettit opened a general store on a piece of land which eventually became the village of Rockville Centre. As this growing community lacked a post office, it was necessary to establish a name to obtain one. To honor Rev. Mordecai Rock Smith, a leading citizen, Pettit tried names such as Smithfield, Smithville, and Smithtown. According to the U.S. Post Office, however, many towns so named already existed elsewhere. Smith's middle name provided the titles. Forty-five years later, in 1893, Rockville Centre was formally incorporated as a village.

This pleasant village will celebrate its 95th anniversary with a county fair, band concert, and fireworks display. Also included on the day's schedule, is the renaming of the sailboat pond at Rockville Centre Park in honor of Rockville Centre native Steven McDonald. McDonald is the New York City police hero paralyzed 2 years ago when shot by a robbery suspect.

Mr. President, I am honored to salute this beautiful village, a close neighbor of my own home of Island Park, Long Island.●

JOHN C. HART, SR.

● Mr. LUGAR. Mr. President, today I would like to pay tribute to John C. Hart, Sr., a distinguished Hoosier.

For many years, John Hart was one of the Nations most prominent builders. He has served the home builders as a national leader and exerted a profound influence on national housing policy and legislation.

He retired on June 30, 1988 after serving 5 years as executive director of the Indiana Housing Finance Authority. During the 10 years Mr. Hart worked for IHFA as chairman of the board and executive director, the agency has grown from an organization showing a negative balance in 1978 to a current-day general fund in excess of $4.5 million.

Hart's leadership of the IHFA was outstanding. In the words of Indiana's State treasurer, John has "worked tirelessly to implement creative programs that have made the IHFA one of the most effective state housing agencies in the United States. His dedication has resulted in more affordable housing for thousands of Hoosier citizens."

The Indiana Housing Finance Authority was created by the general assembly in 1978. The IHFA is self-sustaining and operates without State appropriations. The authority administers four programs to assist the housing needs of low- and moderate-income Hoosiers; the Single-Family Program, the Multi-Family Program, the Mortgage Credit Certificate Program, and the Low Income Housing Credit Program.

Since its inception the IHFA, through the Single-Family Program, has funded nearly 20,000 home mortgages for low and moderate income in each of Indiana's 92 counties.

The Multi-Family Program has assisted in the contruction or rehabilitation of approximately 900 rental unitsin seven different projects in Indiana. By the end of 1988 nearly 2,700 mortgage credit certificates, which reduce the annual Federal income tax liability of single-family home purchasers, will have been issued.

Married for 38 years and the father of 9 children and 13 grandchildren, John is a native of Indianapolis and a graduate of Butler University. He served as a member of the Indiana House of Representatives and was the chairman of the House Ways and Means Committee. In that position he authored a sweeping tax relief program. John has also served nationally as a Republican National Committeeman for Indiana from 1974-78.

I will miss knowing John is "on the job" in a official capacity. I am certain, however, that retirement will not satisfy him and that John will soon be ringing me up to share more of his wisdom and counsel. At least that is my hope.

Until then, congratulations, John, on a job well done.●

NEGOTIATIONS ON ANGOLA AND NAMIBIA

● Mrs. KASSEBAUM. Mr. President, for the past several months, the United States has been working diligently as a mediator in negotiations to foster a solution to the civil conflict in Angola and Namibia.

Yesterday, the negotiators for South Africa, Cuba, and Angola announced that they have reached a tentative agreement on a basic set of principles for the withdrawal of Cuban troops from Angola and the granting of independence to the territory of Namibia. According to Assistant Secretary of State Chester Crocker, the agreement constitutes the essential elements of a political settlement in Southwest Africa.

Peace and stability in this area of the World has been an elusive goal for many years despite the efforts of the international community. The removal of Cuban troops from Angola and the granting of independence to Namibia by South Africa, in particular, has been a longstanding goal of the

Reagan administration's policy in Africa.

Although there are many difficult issues still outstanding, including an agreement on the timetable for the removal of Cuban troops, I am very encouraged by Assistant Secretary Crocker's assessment that all the parties recognize at this point that there is going to have to be compromise.

I urge that the negotiators exploit the momentum and confidence established in this latest round and work quickly to reach a final solution which is long overdue for the people of Southwest Africa.●

NOMINEES TO U.S. DISTRICT COURTS

● Mr. LEAHY. Mr. President, this afternoon the Judiciary Committee favorably reported four nominations to the Federal courts. These nominees were examined at committee hearings held on June 21, 22 and 29, 1988. For the benefit of Senators who will soon vote on whether to confirm these nominations, I offer the following brief summaries of the nominees' qualifications and of the testimony elicited at the hearings.

First. Richard Voorhees has been nominated to be United States District Judge for the Western District of North Carolina. The nominee is a sole practitioner with a general civil practice in Gastonia, NC, where he has been in private practice since becoming a member of the bar in 1968. Mr. Voorhees is 47 years old, and is a graduate of Davidson College and the University of North Carolina Law School. He appears to have a good reputation in his local community, and was rated qualified by the American Bar Association committee.

At a Judiciary Committee hearing on his nomination on June 22, Mr. Voorhees was introduced by Senator HELMS. I then questioned the nominee about the attributes of a good trial judge, his lack of judicial experience, and his active role in handling pro bono cases. The nomineee was also questioned extensively about his involvement as a board member and officer of a legal foundation called the North Carolina Fund for Individual Rights, which handled predominantly reverse discrimination cases and labor law-related matters. He denied any personal involvement in the fund's provision of legal support to antiunion employees at a J.P. Stevens textile plant, and in the ensuing investigation of the organization by the U.S. Department of Labor under the Labor-Management Reporting and Disclosure Act, an investigation which was ultimately closed without enforcement action. He also testified concerning his role, and that of the former executive director of the fund, in successful reverse discrimination litigation against the University of North Carolina.

Second. Karl Forester has been nominated to be United States District Judge for the Eastern District of Kentucky. The nominee has spent his entire career in private law practice in Harlan, KY, where in recent years he has been primarily engaged in representing mining companies. Mr. Forester is 48 years old, and received both his college and law degrees from the University of Kentucky. He appears to be generally well regarded in this local legal community, and was rated qualified by the ABA committee.

At a hearing on this nomination held June 29, the nominee was introduced by Senators FORD and MCCONNELL, who both stressed the nonpartisan nature of the selection commission which recommended his nomination. Senator HEFLIN then questioned Mr. Forester about his personal involvement in pro bono representation; his role in labor-management disputes; and a case in which a jury rendered a multimillion dollar verdict against his client after the nominee and his counsel were unable to get adequate settlement authority from the client's insurer. After the hearing, the nominee responded to written questions on his organizational memberships, experience as an arbitrator, and role in a negligence case; and to additional questions from Senator THURMOND on constitutional interpretation, and from Senator GRASSLEY, on judicial activism.

Third. Fern Smith has been nominated to the U.S. District Court for the Northern Distict of California. Since 1986, the nominee has been a judge of the California Superior Court, by appointment of Gov. Deukmejian. For 11 years before that, she was in private practice with the San Francisco firm of Bronson, Bronson & McKinnon, concentrating in aviation and products liability litigation. Judge Smith is 55 years old, and is a graduate of Foothills Community College, Stanford University, and Stanford Law School. She appears to be well regarded in the San Francisco legal community, and was rated well qualified by the ABA committee.

At the hearing on her nomination on June 21, Judge Smith was introduced by Senator WILSON, and then questioned by Senator SIMON on the following subjects: First, her fairly short record of pro bono work; second, her participation in a task force studying gender bias in the courts; and third, her experience in the criminal law area. She was also questioned by Senator SPECTER about judicial temperament. After the hearing, the committee staff conducted further investigation into allegations involving Judge Smith's prior representation of the A.H. Robins Company in litigation over the Dalkon Shield intrauterine device.

Fourth, Jan Dubois has been nominated to the U.S. District Court for the Eastern District of Pennsylvania. Mr. DuBois is a partner in the Philadelphia firm of White & Williams, where he has conducted an insurance defense practice for the past 30 years. Mr. DuBois is 57 years old, and is a graduate of the University of Pennsylvania and Yale Law School. He appears to be well regarded in the Philadelphia legal community, and was rated well qualified by the ABA committee.

At the hearing on June 21, Mr. DuBois was introduced by Senators HEINZ and SPECTER, and then questioned by Senator SIMON on the following subjects: First, his past membership in the Vesper Club, a Philadelphia dining club that did not accept women as members until this year; second, his lack of experience with criminal law; and third, his fairly short record of pro bono work. He was also questioned by Senator SPECTER on the subject of judicial temperament.

Mr. President, with the reporting of these four District Court nominations, and the disposition of the nomination of Bernard Siegan to be United States Circuit Judge, the Judiciary Committee has acted on a total of 80 judicial nominations during this Congress, over three-quarters of the nominations before it. Contrary to what some Senators may have heard or read, the committee's consideration of judicial nominations is proceeding apace. During the 3-week period between the Democratic and Republican Conventions, the committee will hold two more judicial nominations hearings, along with several hearings on pending nominations to the Department of Justice. We will continue to give careful, thorough, and expeditious scrutiny to all judicial nominees, just as we have done throughout this 100th Congress. Nominations will not be rubberstamped; problems will not be glossed over. But every nominee found to be qualified for a lifetime appointment to the Federal bench, like the four nominees reported today, will be reported to the full Senate for action.●

NATIONAL RESEARCH INSTITUTES REAUTHORIZATION ACT OF 1988

● Mr. HATCH. Mr. President, I am pleased to speak in support of the National Research Institutes Reauthorization Act of 1988. I have been a supporter of the National Institutes of Health [NIH] and its vital programs since I was first elected to the Senate. Not only is NIH the crown jewel of the Public Health Service, it is a resource to the world, and the hope of those afflicted with terminal illnesses.

S. 2222, will assure the continuation of NIH as the preeminent research organization in the world. The bill, with the amendment offered by Senator KENNEDY and myself, will help revitalize our university-based infrastructure through a series of grants for facilities construction.

During the hearings this year, we heard about how universities are hampered by insufficient and unsatisfactory research space. In my own State, the University of Utah, which is leading the way in biomedical research in areas such as the total artificial heart and the development of chemical probes, has had to rent space away from the university for research. At another major university, the administration was forced to place a moratorium on additional applications for research grants until the staff can demonstrate that adequate space was available.

Clearly, Mr. President we need to replace our outmoded facilities and relieve the overcrowding of our researchers so that we can continue to advance into the wondrous future.

The committee has recommended a significant increase in the authorization for the National Research Service Awards. This increase will offer NIH the opportunity to increase the number of trainees. Support which NIH has been slow to provide but is now showing signs of furnishing.

The committee has directed NIH to develop approaches, through the NRSA Program, to identify and support promising talent in fields such as primary care, public health, general internal medicine, and medical rehabilitation among others. Those of us who represent the medically underserved in rural and urban areas are acutely aware of the important need to assure that we increase our cadre of primary care physicians. We also need to increase the skills to deliver care by primary care practitioners. It is necessary that these efforts be closely coordinated with the primary care training and service programs in the Public Health Service.

An area of great concern to me and a number of my colleagues is section 202 of the bill, fetal therapy and research. This bill continues the past compromise by extending the moratorium on fetal research for an additional 2 years. During that time, the Congressional Biomedical Ethics Board will complete its report on this issue.

The members of the committee heard an eloquent plea for a National Institute on Deafness and Communication Disorders from Ms. Marlee Matlin and Dr. Bruce Gantz. The 20 million people with hearing disorders and the 8 million additional people with other communication disorders will benefit from the establishment of this new Institute at NIH. The growing population of elderly increase the need for this new Institute. The elderly now account for 4 million of the hearing impaired and are projected to grow to 10 million by the turn of the century.

In addition to the promise offered by the new Institute on Deafness and Communication Disorders there are high expectations for the new Center for Medical Rehabilitation established by this bill. NIH supports approximately $107 million in medical rehabilitation research across all of the Institutes. This new center will provide the focus for improved coordination. It will also offer a focus for training in medical rehabilitation research, including behavioral studies, epidemiology, and health services research. The Center is expected to augment and stimulate medical rehabilitation research in the various Institutes at NIH.

Mr. President, I would like to also take this opportunity to mention an issue that has consumed a significant amount of my energy in recent weeks. I and a number of my colleagues were notified several weeks ago, by stories in the press, of the intent of the National Heart, Lung, and Blood Institute to unilaterally cancel the four contracts—the only Federal effort underway in this country—to develop a totally artificial heart.

I am pleased to note that I have been notified that the funding for this very important effort will continue as originally planned. I would also like to acknowledge the efforts of the Director of the National Heart, Lung and Blood Institute in the resolution of this problem and the interest and support by the Members of both the Senate and the House. I would like to note for the record the support for continued funding that was expressed by the NHLBI Advisory Council who stated "* * * the development of a fully-implantable, long-term total artificial heart as technically feasible, clinically important and timely." A number of other organizations joined the NHLBI Advisory Council in calling for the continued funding of this program.

Mr. President, I support the reauthorization of NIH as proposed by S. 2222.●

EMERGENCY AGRICULTURAL RELIEF ACT

● **Mr. MELCHER.** Mr. President, on June 29, I and 20 cosponsors introduced S. 2603, the Emergency Agricultural Relief Act of 1988. This was the first comprehensive bill to address the problems facing American agriculture because of the drought now affecting much of the Nation.

Later more than 30 of us joined to introduce S. 2631 as a product of the Joint Drought Task Force.

I am pleased that today, July 14, the Senate Agriculture Committee has ordered the bill reported to deal with this devastating drought problem. S. 2631 as reported is identical or substantially similar to S. 2603 in many of its particulars.

For example, both bills provide for:

First. A type of guaranteed deficiency or disaster payment for failed production both of program and nonprogram crops, although the formulas calculating the amount of payment differ;

Second. Improvement of livestock feeding programs including assistance for transportation of livestock to and from forage where practicable;

Third. Assistance for damaged fruit trees;

Fourth. Emergency livestock feed assistance to be made available in counties contiguous to a county that has been declared a disaster area;

Fifth. Withholding a projected price reduction for dairy producers;

Sixth. Authorizing expanded water projects in drought areas;

Seventh. Business and industrial loan assistance to small rural agribusinesses including cooperatives;

Eighth. A deadline to assure a response from the Secretary of Agriculture on requests for disaster determinations within a time certain;

Ninth. Application of agricultural credit restructuring standards to assist those with credit needs;

Tenth. Assistance to the ethanol industry by allowing producers to purchase CCC corn under certain conditions;

Eleventh. Requiring the Secretary of Agriculture to prepare a Federal drought contingency plan to respond to potential future droughts;

Twelfth. A clear sense of the Senate that successful, existing efforts to enhance export of American agricultural products will not be allowed to fall victim to a needless embargo on agricultural exports.

In addition, I would like to stress that we are continuing to work to bring the formula for disaster payments closer together. We all want to see the maximum payment go to those who have the greatest need. Those whose crops are greatly devastated need the most help. The Agriculture Committee will be meeting again on Tuesday, July 26, to consider a committee amendment that will have exactly that effect.

Because the lowered national production of agricultural products caused by the drought will bring market prices for agricultural products up, the cost outlays projected for Federal agricultural price support programs will decline. This means that the cost of this assistance package will be within costs projected for agricultural purposes already.

Further, it means that some producers who suffer relatively minor losses will recover some of their anticipated

income from higher prices. However, for those who have nothing to sell because they have been devastated by drought, there is no such recovery.

For that reason we have to look to formulas of assistance that will direct help to those who are in the position of total or near total loss. That will be what we will be working on July 26.

For those who have not had a chance to examine S. 2603, I ask that it be printed in the RECORD at this point.

The bill follows:

S. 2603

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Agricultural Relief Act of 1988".

SEC. 2. ACREAGE DIVERSION.

(a) WHEAT.—Effective only for the 1988 crop of wheat, section 107D(c)(1) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(c)(1)) is amended by adding at the end thereof the following new subparagraph:

"(L)(i) If the Secretary determines that, because of drought, excessive heat, flood, excessive moisture, or other natural disaster occurring in calendar year 1988, the total quantity of wheat that producers are able to harvest on any farm is less than the result determined by multiplying the farm program payment yield for the crop for the farm, by the farm program acreage planted for harvest on the farm, the Secretary shall, on the request of the producers on such farm, in lieu of making available payments under subparagraph (A), make available to the producers payments in an amount equal to the amount determined by adding—

"(I) the payment rate determines under subparagraph (D) for the 1988 crop of wheat multiplied by the quantity of wheat actually harvested on the farm; to

"(II) the difference between—

"(aa) the established price for the 1988 crop of wheat; and

"(bb) the loan rate for such crop as determined under paragraphs (1) through (4) of subsection (a);

multiplied by the quantity by which the actual production on the farm is less than the amount computed by multiplying the farm program payment yield for the crop for the farm by the individual farm program acreage planted for harvest on the farm.

"(ii) The amount by which payments to producers on a farm under clause (i) exceed the amount of payments that would have otherwise been available to such producers under subparagraph (A), shall be considered a disaster payment and not a deficiency payment, for the purposes of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308).

"(iii) Any payments received by producers under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) shall not be considered by the Secretary in carrying out, or in determining the amount of payments available to producers, under clause (i).".

(b) FEED GRAINS.—Effective only for the 1988 crop of feed grains, section 105C(c)(1) of the Agricultural Act of 1949 (7 U.S.C. 1444e(c)(1)) is amended by adding at the end thereof the following new subparagraph:

"(J)(i) If the Secretary determines that, because of drought, excessive heat, flood, excessive moisture, or other natural disaster occurring in calendar year 1988, the total quantity of feed grains that producers are able to harvest on any farm is less than the result determined by multiplying the farm program payment yield for the crop for the farm, by the farm program acreage planted for harvest on the farm, the Secretary shall, on the request of the producers on such farm, in lieu of making available payments under subparagraph (A), make available to the producers payments in an amount equal to the amount determined by adding—

"(I) the payment rate determines under subparagraph (C) for the 1988 crop of corn and other feed grains multiplied by the quantity of corn and other feed grains actually harvested on the farm; to

"(II) the difference between—

"(aa) the established price for the 1988 crop of corn and other feed grains; and

"(bb) the loan rate for such crops as determined under paragraphs (1) through (3), and paragraph (6) of subsection (a);

multiplied by the quantity by which the actual production on the farm is less than the amount computed by multiplying the farm program payment yield for the crop for the farm by the individual farm program acreage planted for harvest on the farm.

"(ii) The amount by which payments to producers on a farm under clause (i) exceed the amount of payments that would have otherwise been available to such producers under subparagraph (A), shall be considered a disaster payment and not a deficiency payment, for the purposes of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308).

"(iii) Any payments received by producers under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) shall not be considered by the Secretary in carrying out, or in determining the amount of payments available to producers, under clause (i).".

(c) UPLAND COTTON.—Effective only for the 1988 crop of upland cotton, section 103A(c)(1) of the Agricultural Act of 1949 (7 U.S.C. 1444-1(c)(1)) is amended—

(1) in subparagraph (B)—

(A) by striking out ", subject to the compliance of the producers with clause (ii)", in clause (i)(II);

(B) by striking out clauses (ii) and (iii) and inserting in lieu thereof the following new clauses:

"(ii) Notwithstanding any other provision of this section, any producer who elects to devote all or a portion of the permitted upland cotton acreage of the farm to conservation uses (or other uses as provided in subparagraph (G)) under this subparagraph shall receive deficiency payments on the acreage that is considered to be planted to upland cotton and eligible for payments under this subparagraph for such crop at a per-pound rate established by the Secretary, except that such rate may not be established at less than the projected deficiency payment rate for the crop, as determined by the Secretary. Such projected payment rate for the crop shall be announced by the Secretary prior to the period during which upland cotton producers may agree to participate in the program for such crop.

"(iii) The Secretary shall implement this subparagraph in such a manner as to minimize the adverse effect on agribusiness and other agriculturally related economic interests within any county, State, or region. In carrying out this subparagraph, the Secretary is authorized to restrict the total amount of upland cotton acreage that may be taken out of production under this subparagraph, taking into consideration the total amount of upland cotton acreage that has or will be removed from production under other price support, production adjustment, or conservation program activities. No restrictions on the amount of acreage that may be taken out of production in accordance with this subparagraph in a crop year shall be imposed in the case of a county in which producers were eligible to receive disaster emergency loans under section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) as a result of a disaster that occurred during such crop year."; and

(C) by inserting "(or all)" after "such portion" in clause (iv); and

(D) by inserting "under this subparagraph" after "subparagraph (G))" in clause (iv); and

(2) by adding at the end thereof the following new subparagraph:

"(H)(i) If the Secretary determines that, because of drought, excessive heat, flood, excessive moisture, or other natural disaster occurring in calendar year 1988, the total quantity of upland cotton that producers are able to harvest on any farm is less than the result determined by multiplying the farm program payment yield for the crop for the farm, by the farm program acreage planted for harvest on the farm, the Secretary shall, on the request of the producers on such farm, in lieu of making available payments under subparagraph (A), make available to the producers payments in an amount equal to the amount determined by adding—

"(I) the payment rate determines under subparagraph (C) for the 1988 crop of upland cotton multiplied by the quantity of upland cotton actually harvested on the farm; to

"(II) the difference between—

"(aa) the established price for the 1988 crop of upland cotton; and

"(bb) the loan rate for such crop as determined under paragraphs (1) and (2) of subsection (a);

multiplied by the quantity by which the actual production on the farm is less than the amount computed by multiplying the farm program payment yield for the crop for the farm by the individual farm program acreage planted for harvest on the farm.

"(ii) The amount by which payments to producers on a farm under clause (i) exceed the amount of payments that would have otherwise been available to such producers under subparagraph (A), shall be considered a disaster payment and not a deficiency payment, for the purposes of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308).

"(iii) Any payments received by producers under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) shall not be considered by the Secretary in carrying out, or in determining the amount of payments available to producers, under clause (i).".

(d) RICE.—Effective only for the 1988 crop of rice, section 101A(c)(1) of the Agricultural Act of 1949 (7 U.S.C. 1441-1(c)(1)) is amended by adding at the end thereof the following new subparagraph:

"(H)(i) If the Secretary determines that, because of drought, excessive heat, flood, excessive moisture, or other natural disaster occurring in calendar year 1988, the total quantity of rice that producers are able to harvest on any farm is less than the result determined by multiplying the farm program payment yield for the crop for the farm, by the farm program acreage planted for harvest on the farm, the Secretary shall, on the request of the producers on such farm, in lieu of making available payments under subparagraph (A), make available to the producers payments in an amount equal to the amount determined by adding—

"(I) the payment rate determines under subparagraph (C) for the 1988 crop of rice multiplied by the quantity of rice actually harvested on the farm; to

"(II) the difference between—

"(aa) the established price for the 1988 crop of rice; and

"(bb) the loan rate for such crop as determined under paragraphs (1) and (2) of subsection (a);

multiplied by the quantity by which the actual production on the farm is less than the amount computed by multiplying the farm program payment yield for the crop for the farm by the individual farm program acreage planted for harvest on the farm.

"(ii) The amount by which payments to producers on a farm under clause (i) exceed the amount of payments that would have otherwise been available to such producers under subparagraph (A), shall be considered a disaster payment and not a deficiency payment, for the purposes of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308).

"(iii) Any payments received by producers under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) shall not be considered by the Secretary in carrying out, or in determining the amount of payments available to producers, under clause (i).".

(e) NONPROGRAM CROPS.—Effective only for the 1988 crops of soybeans, sugar beets, sugarcane, peanuts, and other nonbasic agricultural commodities as determined appropriate by the Secretary, section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) is amended by adding at the end thereof the following new subsection:

"(m)(1) Notwithstanding any other provision of this section, the Secretary shall make disaster payments (and may utilize certificates redeemable from stocks of commodities held by the Commodities Credit Corporation) to producers of crops of soybeans, rye, sunflowers, sugar beets, sugarcane, peanuts, and other nonprogram crops as determined appropriate under regulations issued by the Secretary in counties in which producers became eligible to receive disaster emergency loans under section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) as a result of drought, excessive heat, flood, hail, or excessive moisture occurring in calendar year 1988, or to producers who have lost 50 percent or more of any individual crop due to such causes as determined by the Secretary. The determination of loss shall be based on the amount of the **** commodities harvested by the producer.

"(2) The Secretary shall make payments (not to exceed $100,000 to any individual producer) if the Secretary determines that—

"(A) the producer has suffered a substantial loss of production due to drought, excessive heat, flood, hail, or excessive moisture; and

"(B) such loss has created an economic emergency for the producer to the extent that additional assistance must be made available to alleviate such economic emergency.

"(3) Not later than 30 days after the date of enactment of this subsection, the Secretary shall issue such rules and regulations as the Secretary determines necessary to carry out the program authorized by this subsection. Such regulations shall provide that the term 'nonprogram crops' shall include all crops insured directly by the Federal Crop Insurance Corporation for crop year 1988, and in addition—

"(A) the term shall include other commercial crops for which such insurance was not available for purchase or, if available, was not purchased by such producers for crop year 1988, if—

"(i) in accordance with such rules and regulations issued by the Secretary, the producer of such crops provides satisfactory evidence of actual crop yield for at least one of the immediately preceding 3 crop years, except that in the event such data does not exist for any of the 3 preceding crop years the Secretary shall use county average crop yield data; and

"(ii) the producer of such crops also provides satisfactory evidence of 1988 crop year losses resulting from drought, excessive heat, flood, excessive moisture, or hail exceeding 50 percent of the crop yield established in clause (i) of this paragraph; and

"(B) payments made available to producers of such crops shall be based on the average market prices received by producers of such crops during the 1988 crop year, as determined by the Secretary.

"(4) The Secretary shall carry out the program authorized by this subsection through the Commodity Credit Corporation.

"(5) Applications for payments made in accordance with this subsection must be filed by March 31, 1989, but may be filed at any time following a determination by the Secretary that—

"(A) the producer was prevented from planting a crop; or

"(B) the crop will produce no commercially harvestable yield.

"(6) Payments made by the Secretary to eligible producers under this subsection shall be made as soon as practicable but not later than 45 days following the producer's application.

"(7)(A) Notwithstanding any other provision of law, the Secretary shall implement an emergency feed program to assist producers of livestock, swine, or poultry, at any time during any month of calendar year 1988 during which the Secretary determines that the price of feed that is readily available for purchase in any country by producers in that month exceeds by 150 percent the price of similar animal feed that was, or could have been, purchased by producers during the same period in calendar year 1987, and benefits of the emergency feed program shall be available to all producers of livestock, swine, or poultry, without regard to whether or not such producers need for feed results from the loss due to drought, excessive heat, hail, flood, or excessive moisture of feed supplies that are ordinarily grown by the affected producer for feeding to the producers own herd or flock.

"(B) The Secretary shall offer producers in a disaster affected county financial assistance not to exceed two thirds of the cost of transporting livestock to and from a different location where feed and forage are available if, in the opinion of the Secretary, such assistance is the most cost effective manner in which to provide assistance to affected producers.

"(8) The Secretary shall make payment available under this section to the owners of orchards for the purpose of replacing fruit trees that have been adversely affected or have died as a result of drought. Such payments shall be made in amounts sufficient to provide compensation comparable to that provided to producers of other nonprogram crops under this section.".

(f) DISASTER LOW-YIELD PROVISIONS.—

(1) DISASTER PAYMENTS.—Effective only for the 1988 crops of wheat, feed grains, upland cotton, and rice, the Secretary shall make disaster payments under the provisions of sections 107D(c)(2)(D)(i), 105C(c)(2)(D)(i), 103A(c)(2)(D)(i), and 101A(c)(2)(D)(i) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(c)(2)(D)(i), 1444e(c)(2)(D)(i), 1444-1(c)(2)(D)(i), and 1441-1(c)(2)(D)(i)) to producers of wheat, feed grains, upland cotton, and rice—

(A) who are located in counties in which producers are eligible to receive disaster emergency loans under the provisions of section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) as a result of drought, excessive heat, flood, excessive moisture, or other natural disasters occurring in calendar year 1988; and

(B) who did not purchase reduced crop yield insurance for the 1988 crop year.

(2) AMOUNT OF PAYMENTS.—Payments made to producers under paragraph (1) shall be equal to 80 percent of the amount that a producer would have received (less premiums paid) under the provisions of section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) for the lowest option type of insurance for such crop (50 percent of the recorded or appraised average yield at the low price election for such crop).

(3) REDUCTIONS IN PAYMENTS.—The Secretary shall reduce the payments under this section to ensure that in no case shall a producer receive a total amount in crop year 1988 from the marketing of the producers crops and through other provisions of this Act or the Agricultural Act of 1949, in excess of 80 percent of an amount that equals the amount determined by multiplying the producers program yield by the established price for the crop.

SEC. 3. DAIRY PRICE SUPPORTS.

Effective for the 1988 and 1989 calendar years, section 201(d)(1)(D)(i) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(1)(D)(i)) is amended by striking out "any of the calendar years 1988, 1989, and 1990," and inserting in lieu thereof "either of the calendar years 1988 or 1989,".

SEC. 4. DISASTER EMERGENCY ASSISTANCE.

Effective only for the 1988 crop year, title IV of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 425. DISASTER EMERGENCY ASSISTANCE.

"The Secretary shall provide assistance under this Act, or any other Act, to producers that conduct farming, ranching, or aquaculture operations in any county contiguous to a county where the Secretary has found that farming, ranching, or acquaculture operations have been substantially affected by a natural disaster in the United States or by a major disaster or emergency designated by the President under the Disaster Relief Act of 1974. The Secretary shall accept such applications for assistance from producers affected by a natural disaster at any time during the 8-month period beginning—

"(1) on the date on which the Secretary determines that farming, ranching, or aquaculture operations have been substantially affected by such natural disaster; or

"(2) on the date the President makes the major disaster or emergency designation with respect to such natural disaster.".

SEC. 5. WATER RELATED PROBLEM PROJECTS.

(a) AUTHORIZATION.—The Secretary of Agriculture (hereafter referred to in this section as the "Secretary") is authorized, directly or in coordination with any other Federal agency, entity, corporation or department, unit of State or local government, cooperative, confederation, individual, public or private organization, or university, to conduct research and demonstration projects, provide technical assistance and extension services, make grants, loans, loan guaranties, and provide other forms of assistance to problems arising from droughts or lack of water, that inhibit or enhance economic growth or the quality of life in rural areas.

(b) ACTIVITIES.—Assistance provided by the Secretary under this section may be in such manner and in such form as described in subsection (a) or in the form of assistance or activities that promote, encourage, or establish irrigation, watersheds, water collection, water activation, water acquisition, water transmission, water storage, water transportation, water application, other problems associated with water management, animal waste management, agricultural waste management, aerial water activation, rain activation, weather forecasting, and cost sharing concerning the cost of wells, ponds, and similar cost sharing projects.

(c) COOPERATION.—The Secretary, in taking action under this section or any other laws, now existing or hereinafter authorized, to address the general, special or unique problems existing in rural areas, is authorized to carry out such actions in conjunction with confederations, cooperatives, public or private organizations, authorities, or other entities that may be created by one or more States designed to accomplish the purposes of this section, and with existing cooperatives, public or private organizations, municipalities, counties, other localized entities, or other entities.

(d) STATE ENTITIES.—

(1) IN GENERAL.—States may create confederations, cooperatives, public or private organizations, authorities, or other entities to carry out this section in accordance with regulations promulgated by the Secretary and the provisions of this section.

(2) COOPERATION WITH OTHER ENTITIES.—Entities described in paragraph (1) may cooperate with local water authorities, watershed authorities, rural electric cooperatives, water and sewer authorities, and other appropriate entities to identify solutions and accomplish remedies to the problems described in this section. Any of such created or existing entities may receive grants, loans, loan guaranties, borrow money and mortgage or pledge resources, properties, and revenues, and issue bonds or other instruments of credit, and receive grants from other units of government, as well as from private sources.

(e) REGULATIONS.—The Secretary shall promulgate regulations to carry out this section, including regulations to protect existing entities and authorities and to insure that the integrity, powers, and responsibilities of existing entities and authorities of the type described in this section are not destroyed.

(f) COOPERATION OF OTHER GOVERNMENTAL AGENCIES.—Any water authority, watershed authorities, rural electric cooperative, waste disposal organization, water and sewer authorities and other Federal, State or local entities are authorized to cooperate with the Secretary to accomplish the purposes of this section, and shall be authorized to receive grants, borrow money, mortgage or pledge revenues, properties and resources, receive loans, loan guarantees, and issue bonds or other instruments of credit. Departments, agencies, corporations, and entities of the Federal Government are authorized to provide assistance, cooperation, and resources, to carry out the provisions of this section in cooperation with the Secretary or in accordance with law.

(g) FINANCING OF ACTIVITIES UNDER THIS SECTION.—The Secretary shall designate funds appropriated to the Department of Agriculture to provide the assistance described in this section and shall expend funds appropriated for the programs, assistance and projects authorized in this section. Non-Federal sources including States, local units of government, cooperatives, private and public organizations, foundations, corporations, farmers and ranchers, and other such entities may contribute to such activities authorized by this section.

(h) DEFINITION.—As used in this section the term "universities" means—

(1) land grant universities established under section 1 of the Act of July 2, 1862 (known as the "First Morrill Act" 7 U.S.C. 301 et seq.);

(2) land grant universities established under section 4 of the Act of August 30, 1890 (known as the "Second Morrill Act" 7 U.S.C. 321 et seq.);

(3) Tuskegee University; and

(4) Any other support research organization.

SEC. 6. HAYING AND GRAZING ON CONSERVATION ACREAGE.

(a) WHEAT.—Effective only for the 1988 crop of wheat, section 107D(f)(4)(C) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(f)(4)(C)) is amended—

(1) by striking out "and (iii)" and inserting in lieu thereof "through "(iv)"; and

(2) by adding at the end thereof the following new clause:

"(iv) Except as provided in clauses (ii) and (iii), during the period established under clause (i), the Secretary shall permit unlimited haying and grazing on acreage described in clause (i) of producers on a farm.".

(b) FEED GRAINS.—Effective only for the 1988 crop of feed grains, section 105C(f)(4)(C) of the Agricultural Act of 1949 (7 U.S.C. 1444e(f)(4)(C)) is amended—

(1) by striking out "and (iii)" and inserting in lieu thereof "through "(iv)"; and

(2) by adding at the end thereof the following new clause:

"(iv) Except as provided in clauses (ii) and (iii), during the period established under clause (i), the Secretary shall permit unlimited haying and grazing on acreage described in clause (i) of producers on a farm.".

(c) UPLAND COTTON.—Effective only for the 1988 crop of upland cotton, section 103A(f)(3)(C) of the Agricultural Act of 1949 (7 U.S.C. 1444-1(f)(3)(C)) is amended—

(1) by striking out "and (iii)" and inserting in lieu thereof "through "(iv)"; and

(2) by adding at the end thereof the following new clause:

"(iv) Except as provided in clauses (ii) and (iii), during the period established under clause (i), the Secretary shall permit unlimited haying and grazing on acreage described in clause (i) of producers on a farm.".

(d) RICE.—Effective only for the 1988 crop of rice, section 101A(f)(3)(C) of the Agricultural Act of 1949 (7 U.S.C. 1441-1(f)(3)(C)) is amended—

(1) by striking out "and (iii)" and inserting in lieu thereof "through "(iv)"; and

(2) by adding at the end thereof the following new clause:

"(iv) Except as provided in clauses (ii) and (iii), during the period established under clause (i), the Secretary shall permit unlimited haying and grazing on acreage described in clause (i) of producers on a farm.".

(e) CONSERVATION RESERVE.—Section 1232(b)(7) of the Food Security Act of 1985 (16 U.S.C. 3832(b)(7)) is amended by striking out "except that the Secretary" and all that follows through the semicolon and inserting in lieu thereof the following: "except that the Secretary shall permit harvesting or grazing or other commercial use of the forage on land that is subject to the contract in response to a drought or other similar emergency;".

SEC. 7. RURAL AGRIBUSINESSES DISASTER ASSISTANCE.

(a) IMPLEMENTATION.—The Secretary of Agriculture shall implement various disaster loan programs for the purpose of making loans to rural agribusinesses that have suffered a loss due to the adverse effects of the 1988 drought conditions.

(b) PROVISION OF LOANS.—Loans made under subsection (a) shall be provided through existing loan programs administered by the Secretary of Agriculture.

(c) ADDITIONAL AUTHORITY.—If the Secretary of Agriculture determines that additional authority for lending to agribusinesses is required, the Secretary shall request such additional authority not later than 25 days after the date of enactment of this Act.

(d) REGULATIONS.—The Secretary of Agriculture shall promulgate regulations to carry out this section.

SEC. 8. INDIAN ACUTE DISTRESS DONATION PROGRAM.

To the maximum extent possible, agricultural commodities shall be made available under—

(1) the food distribution program authorized under section 4 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c, note), and

(2) any other program authorized under Federal law that provides for the distribution of food to Indians or victims of disasters,

for distribution to those farmers and ranchers affected by drought who are Indians.

SEC. 9. DISASTER APPLICATION AND DECISION-MAKING PROCESS.

(a) REQUESTS FOR DETERMINATION OF EMERGENCY.—

(1) CHIEF EXECUTIVE OFFICER TO MAKE REQUEST.—Requests for a determination by the Secretary of Agriculture that an emergency exists for purposes of the Agricultural Act of 1949 (7 U.S.C. 1421 note), other Federal agricultural assistance laws, and for purposes of this Act, may be made by, and in the discretion of, the chief executive officer of the affected State.

(2) CONTENTS OF REQUEST.—Each request under paragraph (1) shall describe the type and extent of assistance required (including a recommendation of which programs under this Act or other laws should be used to provide such assistance) and shall be accompanied by—

(A) a justification for such request; and

(B) information on the extent and nature of State and local resources that have been or will be used to help alleviate the emergency.

(b) DETERMINATION OF EMERGENCY.—

(1) PRELIMINARY DETERMINATION.—Before the close of the 14th calendar day beginning after the date of receipt of any request made pursuant to subsection (a), or any other request, the Secretary of Agriculture shall either—

(A) deny such request; or

(B) notify the chief executive officer of the State or the requesting entity that the request is under consideration and identify each assistance program that is being considered.

(2) FINAL DETERMINATION.—Before the close of the 25th calendar day beginning after the date of receipt of any such request, the Secretary of Agriculture shall—

(A) make a final determination on whether an emergency exists;

(B) determine the appropriate assistance program or programs under this Act or other laws appropriate to alleviate the emergency; and

(C) provide a justification of why other assistance programs specified in the request of the chief executive officer of the State or other entity are inappropriate forms of assistance, if the Secretary determines such programs are inappropriate.

SEC. 10. AGRICULTURAL CREDIT.

The Secretary of Agriculture shall, to the greatest extent practicable, take into consideration the effects of the drought conditions existing in 1988 on a borrower's income when determining whether to restructure a borrower's loan under section 353 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2001).

SEC. 11. LIQUID FUELS.

Section 423(a) of the Agricultural Act of 1949 (7 U.S.C. 1433b) is amended by adding at the end thereof the following new sentence: "In the event of a severe shortage in grain production, as determined by the Secretary, the Secretary shall provide, to the greatest extent practicable, grain owned by the Commodity Credit Corporation to alcohol fuels producers in such quantities and at such prices so as to ensure the economic viability of alcohol fuels production.".

SEC. 12. DROUGHT RELIEF CONTINGENCY PLAN.

Not later than 10 days after the date of enactment of this Act, the Secretary of Agriculture shall prepare and submit, to the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report describing a Federal drought disaster contingency plan to respond to agricultural disasters caused by drought in any of the 1988 through 1990 crop years. Such plan shall evaluate the various alternatives available for the use of agricultural set aside acreage, conservation reserve acreage, conserving use acreage, and any other land held in inventory by the Farmers Home Administration and the Farm Credit System.

SEC. 13. FORWARD CONTRACTING REPORT.

Not later than 30 days after the date of enactment of this Act, the Secretary of Agriculture shall prepare and submit, to the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report describing the effects that forward contracting, hedging, and associated margin requirements for wheat, feed grains, and soybeans have had on producers of such commodities, and on grain marketers, with special attention being focused on farmer-owned cooperatives.

SEC. 14. SENSE OF THE SENATE REGARDING AGRICULTURAL EXPORTS.

(a) FINDINGS.—Congress finds that—

(1) foreign trade is highly important to the domestic agricultural industry;

(2) the Food Security Act of 1985 (7 U.S.C. 1281 note) created several programs to help enhance the export of domestic agricultural commodities and the products thereof, and to help restore the United States share of international agricultural markets;

(3) the programs referred to in paragraph (2) have been successful in achieving the purpose for which such programs were created and have resulted in the increased exportation of domestic agricultural commodities;

(4) it is important that the United States be perceived as being a reliable supplier of agricultural commodities; and

(5) any action taken by the President or the Congress that would indicate a scaling back of the commitment to expand agricultural exports would be harmful to the agricultural interests and general economics of the United States.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that there should be no embargo on domestic agricultural commodities and the products thereof, and no reduction in export promotion programs, except in the case of extreme national emergency.●

DEBTOR NATION NONSENSE

● **Mr. BOSCHWITZ.** Mr. President, I rise today to share with my colleagues a Warren Brookes column, entitled "Debtor Nation Nonsense," that appeared in the Washington Times on June 30, 1988. Brookes concludes that we are not a nation in debt; in fact, he believes we are a net creditor.

The Commerce Department has listed our debt to other countries at $400 billion. On June 15, however, the Department stated that last year the United States earned $20.8 billion more on its foreign investments than it paid out to creditors and investors abroad. As I understand these figures, we are both a nation in debt and a creditor nation. Mr. Brookes goes on to explain the source of the confusion.

Commerce lists our investments at "book" or original value. Most of these investments were made 10 to 20 years ago, while most foreign investments in this country were made quite recently. For this reason, Brookes concludes that "there has been a huge relative undervaluation of our foreign assets relative to foreigners' assets here, just on inflation alone, not to mention market appreciation."

Brookes cites a recent Wall Street Journal article to support his position: "If both U.S. direct investments abroad and foreign direct investments in the United States are converted from their book values into 1986 dollars, a closer approximation of their true market value is possible. The result? The value of U.S. holdings abroad is about $260 billion above that of foreign direct investments in the United States."

The Journal article also stated that we judge the value of our considerable gold reserves at original value, about $42 dollars an ounce, instead of current value. With this adjustment, our foreign "assets" would have jumped to $105 billion in 1987. With other adjustments like these, by the end of 1986 our Nation was actually a $50 billion creditor nation.

Mr. President, according to the figures I have cited, once our assets and investments are judged by their current values, our "debt" is completely erased. Consequently, does it not make more sense to calculate assets based on their current value?

I ask that the Washington Times column be printed in the RECORD.

The article follows:

DEBTOR NATION NONSENSE

(By Warren Brookes)

Today, the Commerce Department will tell the nation the U.S. "debt" to the rest of the world has soared to $400 billion or more. This will scare the bejabbers out of the markets and supply the Democrats a good deal of political ammunition.

The trouble is: Commerce's own data demonstrate the utter absurdity of that number. On June 15, they reported that in 1987 the United States earned $20.8 billion more on its investments abroad than it paid out to foreign creditors and investors.

Now, one of those two numbers has to be wrong. Either the Commerce Department has vastly inflated our "debt" or our creditors are the biggest fools on earth.

If you assume our "creditors" are sane, and collect the same general rate of interest on their holdings here as we collect abroad, then $20.8 billion in net U.S. investment income means that we are in reality a net "creditor." (See table.)

In the seven years since 1980, Commerce says we dropped from a creditor position of $106 billion to more than $400 billion in debt. That's more than a $500 billion net negative shift. Yet our total investment income fell less than $10 billion—from $30.4 billion to $20.8 billion.

That means, if Commerce is right, we "borrowed" that additional $500 billion at a net cost of $9.6 billion a year, an interest rate of less than 2 percent. Nice work, United States!

This is, of course, absurd—and the main reason for this absurdity is that Commerce lists our international investment assets and liabilities at "book," or original, value.

Since most U.S. investments abroad were made in the 1960s and '70s, while most foreign investments in the United States were made in the 1980s, there has to be a huge relative undervaluation of our foreign assets relative to foreigners' assets here, just on inflation alone, not to mention market appreciation.

Indeed, a Commerce spokesman inadvertently made this point to us when he argued that the net investment income figure for 1987 is "misleading because it reflects big capital gains taken in the last quarter due to tax reform." Those gains reflect real values as opposed to Commerce's book valuations.

Last Jan. 6, Charles Wolf Jr. of the Rand Corp. and Sarah Hooker of the University of Michigan published an article in The Wall Street Journal suggesting that Commerce's valuations produce three very large errors.

First, on direct investments, they argue that "if both U.S. direct investments abroad and foreign direct investments in the United States are converted from their book values into 1986 dollars, a closer approximation of their true market value is possible. The result? The value of U.S. holdings abroad is about $260 billion above that of foreign direct investments in the United States."

At the same time, they point out that U.S. loans to the Third World are still carried on the books at original value, when a more realistic appraisal of their worth would have reduced our foreign "assets" by about $38 billion in 1986.

Offsetting this is the fact that we still carry our considerable gold reserves on the books at $42 an ounce, when in 1986 they were worth about $386 an ounce. And, in 1987, they rose to an average of about $440, adding $91 billion to our foreign "asset" values in 1986 and $105 billion 1987.

This caused them to conclude that these adjustments alone, not counting recent exchange-rate adjustments, would "shift the balance from a large negative figure—$264 billion—at the end of 1986, to a small positive figure of $50 billion."

When you take the fact that the dollar-equivalent value of our direct investments abroad has soared more than 60 percent with the rise in their currencies, while their dollar-value investments here have plunged with the stock market crash, that "positive figure" could easily double or triple.

Mr. Wolf and Miss Hooker are now circulating an even more comprehensive paper on this subject through the Rand scholarly review process, and their findings will undoubtedly be even more revealing.

Regardless of those findings, the whole notion of being a "debtor nation" as now defined is incredibly stupid.

One indication of just how stupid is that the Commerce adjustments on our foreign-investment position will reflect the fact that our "credit position" was helped by the fact that U.S. stock prices fell more than stocks abroad.

To follow this to its illogical conclusion, the fastest way for us to get "out of debt" would be to have the stock market drop another 1,000 points, or the dollar drop 30 percent. We'd no longer be a debtor nation, but we'd be in a depression.

Dumb accounting leads to dumb policy.●

TRIBUTE TO GEN. WILLIAM ODOM

● **Mr. LEAHY.** Mr. President, I would like to take a few moments of the Senate's time to pay tribute to a distinguished officer, a superb intelligence professional, and a valued friend, Lt. Gen. William E. Odom, on his retirement from the U.S. Army.

Bill Odom has worn an Army uniform since 1954, when he was graduated from West Point. In these some 34 years, Bill has rendered service to the Nation of a truly outstanding character, in some extraordinarily difficult positions. It would take a page in the RECORD to list all Bill's assignments, accomplishments, and decorations. Let me just mention one specific job where I came into close contact with him.

In 1985, Bill became Director of the National Security Agency. In that position, Bill worked closely with the Senate Intelligence Committee, of which I was then vice chairman. The sensitive nature of NSA makes it impossible for me to describe Bill's work or his specific accomplishments. Let me just say that, as vice chairman of the Intelligence Committee, I came to regard Bill Odom as a true professional, one who understood how to reconcile the needs of intelligence with the demands of democracy. He accepted the necessity—and, indeed, I think he saw the value—of congressional oversight of intelligence. While others in the intelligence community resisted and, as we now know as a result of the Iran-Contra scandal, some even undermined and circumvented congressional oversight, Bill Odom worked closely and harmoniously with the oversight committees.

The result was mutual respect, trust, and confidence between NSA and the Intelligence Committee. Bill worked with us on the committee to preserve and enhance the capabilities of his agency, and we on the committee fought to ensure that NSA had the support and resources it needs to do its job for the national security. He was succesful, and so were we on the committee. He had the respect of all members, Democratic and Republican, and the country benefited.

Bill Odom's tenure at NSA is a model for an effective relationship between an intelligence agency and Congress.

Bill maintains a home in Vermont, and his son attended Middlebury College. His ties to the Green Mountain State are strong. I am glad Bill will be spending some time in Vermont, and I look forward to a long and continuing friendship with this great patriot.●

SHARPEVILLE SIX—A MOTHER'S AGONY

● **Mr. SIMON.** Mr. President, many of us have been working on behalf of the Sharpeville Six, six young people who have been on death row in South Africa for the murder of a local official.

The death sentences of the six—originally scheduled to be carried out in March—have now been indefinitely suspended until all appeals have been exhausted.

Yesterday, the New York Times carried a story on Julia Ramashamola, the mother of the youngest and only woman of the Sharpeville Six, Theresa Ramashamola. I recommend it to my colleagues. I ask that the article be printed in the RECORD.

The article follows:

BLACK AND POOR, HER DAUGHTER FACES EXECUTION

(By John D. Battersby)

SHARPEVILLE, SOUTH AFRICA, July 9.—As Julia Ramashamola sees it, the almost unbearable agony of being the mother of a woman facing execution for a political crime is made even worse because she is black.

"I think for us black people we are born here to suffer," said Mrs. Ramashamola, an $80-a-month radiographer's aide at a nearby hospital. "Whatever happens to us, we just have to accept it the way it is. What else can we do?"

The resignation in her voice is reflected on her face as she sits, huddled in front of an electric heater, in the cramped living room of her neat one-bedroom house, distinguishable from the others on the street only by its pinkish stucco walls.

CONVICTED IN OFFICIAL'S MURDER

Mrs. Ramashamola's daughter, Theresa Machabane Ramashamola, 27 years old, is the sole woman among six blacks condemned to die for their role in 1984 in the killing of a black councilman by a mob in this squalid township 40 miles south of Johannesburg.

Perhaps more than any other place in South Africa, Sharpeville is the symbol of black resistance to apartheid.

The Sharpeville Six, as they are widely known, have focused attention on an ostensibly independent and nonracial judicial system that Pretoria maintains is beyond reproach but that many blacks contend is designed to dispense justice to whites only.

The five condemned men are Mojalefe R. Sefatsa, 33 years old; Oupa M. Diniso, 33; Duma J. Khumalo, 33; Francis D. Mokgesi, 32, and Reid M. Mokoena, 25.

PROCEDURAL GROUNDS

The court campaign for their release centered initially on the legal procedure that determined their guilt.

The Pretoria authorities have countered the campaign by pointing to the independence of the South African judiciary and by stressing the barbaric nature of the crime.

The six were convicted of murdering the black official, Jacob Dlamini, although none of them were found to have "contributed causally" to his death.

The trial judge found that the six had had "common purpose" with the angry crowd, some of whom stoned the victim until he lost consciousness and then set fire to his body.

ANGER AT RENT INCREASES

The killing occurred in September 1984 as the black townships around Johannesburg erupted in violent protest against rent increases imposed by black councils.

These local officials were branded as collaborators with a government seen by blacks as responsible for decades of racial injustice and oppression.

In the Sharpeville case, the judge's invoking of the legal doctrine of "common purpose" in a situation of politcally charged mob violence has produced a persistent legal controversy.

Edwin Cameron, a human rights lawyer, said the Sharpeville judgment had applied the "common purpose" doctrine in such a way that it could implicate a crowd of thousands in a murder and expose them to the death sentence.

FIRST SHARPEVILLE CASE

Mrs. Ramashamola appears overwhelmed by the intensity of worldwide interest in this case.

It is by no means the first time that the community has been the focus of significant racial protest in this country. Like almost all the township's residents of her age, she was part of a huge crowd of people who converged on the Sharpeville police station on March 21, 1960, as part of a campaign of peaceful defiance intended to end the pass laws, which regulated the movements of blacks.

The police opened fire on the crowd, and 69 people were killed and 186 wounded, many of them shot in the back. Mrs. Ramashamola, three months pregnant with Theresa, was uninjured.

Twenty-four years later, on Sept. 3, 1984, her daughter was struck on the head by a rubber bullet as she took part in a protest against rent increases.

OUTRAGE TURNS LETHAL

This time, the protest turned lethal, and Mr. Diamini, the black councilman, who was partly responsible for imposing the rent increases, was stoned to death by the crowd.

According to evidence presented at the 1985 trial, Theresa Ramashamola, who worked as a waitress at a hamburger bar in the predominantly Afrikaner town of Vereeniging, carried a placard on which was written "Arena Shelete"—"We have no money"—in her Sotho language.

As Mr. Diamini tried to escape the crowd, he pulled out a gun and fired a shot, which hit someone.

There was no testimony at the trial that Miss Ramashamola threw any stones at Mr. Diamini, who also served as deputy mayor of the Lekoa township complex that includes Sharpeville, or directly took part in the attack on him.

'LET'S KILL HIM'

The court accepted evidence, however, that she had shouted: "He is shooting at us. Let's kill him." The court also found that Miss Ramashamola had slapped the face of a woman who had pleaded with the crowd not to kill Mr. Diamini.

Her mother says she regrets the way that Mr. Diamini died but shares the anger of other blacks with council members who impose rent increases on people who cannot afford them.

"The councilors are the cause of all these troubles," she declared.

For three and a half years, Mrs. Ramashamola has made the 70-mile train trip from Sharpeville to Pretoria twice a month to visit her daughter. Each trip costs her $4, and sometimes she is unable to afford to use all the visits she is permitted.

DAUGHTER IS RELIGIOUS

Her daughter, Mrs. Ramashamola says, is a devout Roman Catholic whose conversation and letters to friends and relatives are interspersed with biblical quotes and references. She spends much of her time in prison reading religious literature.

"Theresa is strong," she said. "She didn't even cry on the day she was sentenced to death."

But when President P.W. Botha refused a formal plea for clemency in February, Mrs. Ramashamola said, she stopped crying—and hoping.

FURTHER POSTPONEMENT GRANTED

Then, on March 18, only 15 hours before the six were to be hanged, Judge W.J. Human granted a stay of execution to allow an application for a reopening of the trial to be heard.

[On Tuesday, Justice Minister H.J. Coetsee indefinitely postponed the execution to allow all "legal remedies including appeals" to be exhausted. Officials said the legal process could take "weeks or months."]

"If it had not happened here in South Africa, I would hope for something better," Mrs. Ramashamola said of the case in which her daughter is embroiled. "But here, I am not hopeful. If their lives are spared, it will be a surprise to me." ●

NELSON MANDELA DAY

● **Mr. SIMON.** Mr. President, July 18, 1987, marks the 70th birthday of Nelson Mandela, the imprisoned leader of the African National Congress. Mr. Mandela has been in a South African prison for 25 years, serving a life term for a controversial treason sentence. Nelson Mandela serves as a symbol of hope and determination to all South Africans who are working for peaceful change. He represents the belief that South Africa will one day realize the full potential of all its people and become a country in which all South Africans can participate fully.

Nelson Mandela is one of many South African political prisoners, and this is a time for us to renew our call for the release of all political prisoners in South Africa. His birthday is a time to remember what he, his family, and countless other South Africans have suffered for the hope of a better South Africa.

To millions of South Africans, Americans, and people all over the world, Nelson Mandela represents the suffering and hope of all who seek positive change and an end to apartheid in South Africa. One day the South African Government will recognize the virtues of ending apartheid. My hope is that it will occur while peaceful change is still possible.●

BASTILLE DAY

● **Mr. SIMON.** Mr. President, I rise today to commemorate July 14 as Bastile Day. On this day in 1789, a mob of angry peasants stormed the Bastille, the old fortress-prison in the center of Paris. These peasants, fighting for their right to self-government, seized ammunition from the Bastille belonging to the King's army. This event marked the climax of the Paris revolution of July 1789, when the people of Paris fought to defend the French Revolution against a royalist counterrevolution.

We remember this day along with our allies and friends, the people of France, as a symbol of the beginning of democracy in France. The fall of the Bastille completed the transfer of political authority from the king to the National Assembly. Just as our own revolution in 1776 secured a democratic form of government for America, the storming of the Bastille marked the beginning of democracy in France. This revolution also stimulated other French cities to create new city governments modeled after the Paris example of the National Assembly.

When the Bastille fell, peasants all over France were inspired to rebel against their feudal masters. Thus, the storming of the Bastille ultimately led to the formal abolition of feudalism in August 1789.

Mr. President, I urge my colleagues in the Senate to join with French Americans and our friends in France in remembering Bastille Day as another vital landmark in the creation and spread of democracy.●

INDIAN COLLEGES

● **Mr. SIMON.** Mr. President, while I served in the other body, I had the pleasure of serving as chairman of the House Education and Labor Subcommittee on postsecondary education. During my 4-year tenure, we reauthorized the tribally controlled Indian Community College Act. For the first time, that program—which provides operating funds for 22 tribal colleges—now includes funding for much needed construction and endowment building. I had the pleasure of meeting tribal college presidents and getting to know and understand the important role these colleges play for their tribes and those seeking a college education.

Recently, the Christian Science Monitor, chronicled in its June 6, 1988, edition the story of "Invisible Indian Colleges." This is an important story about the struggle of these small institutions of higher education and how they provide access to native American students and serve their tribes at the same time.

I urge my colleagues to take the time read about the important role played by Sinte Gleska College and Turtle Mountain Community College and the 20 other tribally controlled colleges that represent primary access points to higher education for native American students. I ask that the article from the June 6, 1988, Christian Science Monitor be printed in the RECORD at this point.

The article follows:

"INVISIBLE" INDIAN COLLEGES

(By Ann Leslie Davis)

MISSION, SD.—At 6 a.m., Jule Chekpa rises and rolls up the sleeping mat from the living room of her mother's apartment in Parmalee, a dusty town in the northwest corner of the Rosebud Sioux reservation in South Dakota. She slips into the bathroom to dress, then calls to her mother and daughter, who sleep in the next room. At 7, Ms. Chekpa catches a ride to school, 25 miles away. Often she doesn't return until midnight, when the rickety school van brings her home again.

Though it's a long day, with sometimes only a cup of coffee for lunch, Chekpa doesn't complain. Sinte Gleska College is the best thing that ever happened to her.

Set in the reservation town of Mission, on the rolling Midwestern prairie, Sinte Gleska is one of 23 community colleges owned and operated by American Indian tribes. Though heavily subsidized by Congress, the colleges represent a break with the past by advocating a self-help approach to reservation problems of poverty, unemployment and despair. For many reservation people, they offer the only real possibility of higher education.

"Other colleges—I couldn't pull through, with [the cost of] living on campus and transportation," Chekpa says.

The colleges, scattered across reservations in seven Western states and Canada, were founded in the past 20 years as a bridge between reservation schooling and off-reservation colleges. Before they opened, more than 90 percent of native American college students dropped out by the end of their freshman year. The Indian colleges have turned that number around. The schools' current enrollment is about 4,200; they have graduated about 7,000 in the past five years. A 1982 study in North Dakota showed that almost 90 percent of students who transferred to four-year schools from Indian colleges completed their degrees. The Carnegie Foundation for the Advancement of Teaching, which is conducting a formal study of the colleges for publication later this year, found similar results.

"These are colleges that are quite invisible," says Dr. Vito Perrone, vice-president of the foundation and an expert on American Indian education. "But there is no question that as a result of those institutions and the kind of values they promote, a larger number of young men and women have entered college and . . . returned to their communities to make significant contributions."

Sinte Gleska College is a small jumble of scavenged buildings and houses. It is named for Chief Spotted Tail, a Sioux leader who believed that Indians should learn to function in white society without sacrificing their own heritage. Classes are held in renovated trailers; the administration works in a condemned building. "These buildings don't look like much from the outside," says Lionel Bordeaux, the college's president of 15 years. "But step inside and you can feel the pulse."

Like other Indian colleges, Sinte Gleska concentrates on subjects that promise employment: teaching, business administration, human services, criminal justice. They have shown rapid success: In 1972, when Sinte Gleska's education department was established, only four Indians taught in Rosebud's school system. Today nearly 40, or 1 in 10, are Indian. On a reservation with an unemployment rate of 80 percent, the college boasts an alumni employment rate of 85 percent.

Though it began as a two-year institution, Sinte Gleska received accreditation in 1982 to award the bachelor's degree. Last summer, it was accredited to give a master's degree in education, the first Indian college to achieve that distinction. More than 200 students have graduated from Sinte Gleska since it opened.

Sherman Marshall is in his late 30s. Each week he hears about 75 cases as chief judge of Rosebud's tribal court. Though he was a bright student in school, he never dreamed of law school until a teacher at Sinte Gleska suggested it.

"There weren't any role models around here while I was growing up," Judge Marshall says. But he found them at Sinte Gleska, where about one-third of the faculty is native American. "You saw there were Indian people in those positions and that it was possible to get an education that was beyond high school and beyond a BA."

Mr. Marshall was Sinte Gleska's first baccalaureate graduate. He is also the first Indian judge to hold a law degree. In the two years he has served as chief judge, Marshall has begun to establish an alternative court system for minor crimes which is tailored more to traditional Indian conflict resolution.

Many Indian colleges are reshaping reservation life in other ways. Public debates were unheard of on many reservations until schools like Turtle Mountain Community College in Belcourt, N.D., began to sponsor them. "In the past, nobody challenged [tribal] decisions, because of repercussions," says college president Gerald Monette. "There's definitely an openness to discuss things that was not there before."

Despite their success, money is a constant problem. Congress supports about 50 percent of the colleges' budgets through the Indian college bill (the Tribally Controlled Community College Assistance Act), which must be reauthorized every four years.

"We're still in the survival stage," Mr. Bordeaux says.

In an attempt to lesson their dependence on the fluctuating whims of Congress, the Indian colleges began an endowment fund last fall. The American Indian College Fund is managed by the Phelps Stokes Fund, the same organization that oversees the United Negro College Fund.

Critics say the lack of staff and support weakens the ability of the colleges to truly serve their populations. Bruce Duthu, a Houma Indian who heads Dartmouth College's Native American program, says Indian colleges cannot provide the kind of education students find at a school like Dartmouth. Yet Mr. Duthu agrees that off-reservation schools usually fail to provide the cultural support Indian students need. "The impediment in non-Indian schools is that people will groom [Indians] intellectually—the side that they recognize—to the detriment of their spiritual, traditional side," he says.

Getting ready for another day of school, Julie Chekpa isn't worried about such matters. She has her eyes on the future—and an eventual bachelor's degree.●

THE EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I inquire of my friend, Mr. DOLE, as to whether or not Calendar Orders 739, 742, and 787 on the Executive Calendar have been cleared for action.

Mr. DOLE. Yes, they have been cleared for action.

Mr. BYRD. I thank the leader.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

Mr. BYRD. Mr. President, I ask unanimous consent that the aforementioned nominations be considered seriatum.

The PRESIDING OFFICER. The clerk will report the first nomination.

OFFICE OF PERSONNEL MANAGEMENT

The assistant legislative clerk read the nomination of Hugh Hewitt, of Michigan, to be Deputy Director of the Office of Personnel Management.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection it is so ordered.

FEDERAL LABOR RELATIONS AUTHORITY

The assistant legislative clerk read the nomination of Dennis M. Devaney, of Maryland, to be General Counsel of the Federal Labor Relations Authority.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERNATIONAL MONETARY FUND

The assistant legislative clerk read the nomination of Charles S. Warner, of Virginia, to be United States Alternate Executive Director of the International Monetary Fund.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that a motion to reconsider en bloc may be in order and that it may be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

LAND EXCHANGES IN THE ARCTIC NATIONAL WILDLIFE REFUGE

Mr. BYRD. Mr. President, if the distinguished Republican leader has no objection, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 579 and Calendar Order No. 785, seriatim.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. No objection.

The PRESIDING OFFICER. The Chair hears none, and it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1493) to clarify the authority of the Secretary of the Interior to make land exchanges within the Arctic National Wildlife Refuge.

The Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

SECTION 1. Subsection 1302(h) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)) is amended by redesignating the subsection as paragraph "(h)(1)" and by adding the following new paragraph:

"(2) Nothing in this Act or any other provision of law shall be construed as authorizing the Secretary to convey, by exchange or otherwise, lands or interest in lands within the Coastal Plain of the Arctic National Wildlife Refuge (other than land validly selected prior to July 28, 1987), without prior approval by Act of Congress.".

Mr. BRADLEY. Mr. President, today the Senate is considering S. 1493, the Arctic Refuge Land Exchange Act, which I introduced last July. This brief legislation has a simple purpose: To assure an orderly review and decision by Congress on the question of oil and gas development in Alaska's Arctic National Wildlife Refuge [ANWR].

In 1980, in adopting the Alaska National Interest Lands Conservation Act, the Congress clearly reserved to itself the decision over the fate of the coastal region. We never intended, nor would we have allowed, the circumvention of this right through a loophole which would permit the exchange of lands and exploratory rights to others without congressional review. But the administration now asserts that land swaps are possible without congressional approval, though they intend to seek approval for their current proposal. This legislation reaffirms the need for congressional approval of any land exchanges in ANWR.

It's well known that the Department of the Interior has been involved actively in negotiating with the Alaskan Native groups for the exchange of lands and subsurface mineral rights in the Arctic National Wildlife Refuge. While the acreage involved in the ANWR exchanges is limited, the implications of the exchange program are enormous. In its April 1987 report and recommendations to the Congress, the Department of the Interior identified 26 significant prospects for oil and gas development. A small percentage of the land area is more than enough if your goal is the total exploration and characterization of the refuge. This fact is not lost on the eight major oil companies who have already contracted for drilling rights on any acreage eventually transferred.

During hearings before the Energy Committees, the issue of land exchanges was distracting and disruptive. Although Secretary Hodel went to great lengths to foreswear any action on land exchanges without congressional approval, his statement is certainly not binding on other or subsequent administration officials and the President. Furthermore, his statements must be balanced against public pronouncements by other Interior officials that: first, existing law gives the administration the authority to perform the exchanges without congressional review; and second, that such exchanges might allow exploration—as opposed to development—to occur prior to a congressional decision on ANWR.

Mr. President, let me state emphatically that I do not believe that the administration has these powers with respect to land in ANWR. Yet, it's clear from the statements of others that there is some ambiguity here. This legislation is meant to resolve clearly and finally this issue. I might add that this is not intended in any way to be an assault on the integrity or personal word of the Secretary of the Interior. On the contrary, I hope he will support me with this legislation. It does nothing other than codify what Mr. Hodel has unequivocally stated is his intention. The legislation serves a valuable and positive purpose, to reduce the doubt and speculation that now characterizes too much of the debate over ANWR. The current uncertainty discourages orderly deliberation and resolution of critical decisions about the future of the Alaskan coast. This legislation does nothing except to lift this cloud that's been a source of allegations, mistrust, and aggravation.

Mr. President, I urge my colleagues to act on this legislation approve it without delay.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 1493) was passed.

The title was amended so as to read: "A bill to clarify the authority of the Secretary of the Interior to convey lands by exchange, or otherwise, within the Arctic National Wildlife Refuge.".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRUST LANDS FOR THE PECHANGA BAND OF LUISENO MISSION INDIANS

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2615) to provide that certain lands shall be in trust for the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, California.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 2615) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LAC VIEUX DESERT BAND OF LAKE SUPERIOR CHIPPEWA INDIANS ACT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 784.

The PRESIDING OFFICER. The Clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1735) to clarify the Federal relationship to the Lac Vieux Desert Band of Lake Superior Chippewa Indians as a district Indian tribe, to clarify the status of members of the band, to transfer title to trust lands, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Select Committee on Indian Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Lac Vieux Desert Band of Lake Superior Chippewa Indians Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) the Lake Vieux Desert Band of Lake Superior Chippewa Indians, although currently recognized by the Federal Government as part of the Keweenaw Bay Indian Community, has historically existed, and continues to exist, as a separate and distinct Indian tribe that is located over 75 miles from the Keweenaw Bay Indian Community;

(2) the Lake Vieux Desert Band consists of approximately 250 members who continue to reside close to their ancestral homeland near the town of Watersmeet, Michigan;

(3) the Lac Vieux Desert Band entered into two treaties with the United States as a distinct tribal entity (7 Stat. 591, 10 Stat. 1109);

(4) members of the Lac Vieux Desert Band currently reside on or otherwise occupy lands within the Township of Watersmeet, Michigan, which are held by the United States in trust for the Keweenaw Bay Indian Community, and currently receive limited Federal benefits through the Keweenaw Bay Indian Community; and

(5) because of its distance from Keweenaw Bay and the failure of the United States to recognize the independent status of the tribe, the Lac Vieux Desert Band and its members receive only limited benefits to which the tribe and its members are entitled.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "Band" means the Lake Vieux Desert Band of Lake Superior Chippewa Indians;

(2) the term "member" means those individuals eligible for enrollment under section 5 in the Band; and

(3) the term "Secretary" means the Secretary of the Interior.

SEC. 4. FEDERAL TRUST RELATIONSHIP.

(a) The Federal recognition of the Band and the trust relationship between the United States and the Band is hereby reaffirmed. The Act of June 18, 1934 (48 Stat. 984), as amended, and all laws and rules of law of the United States of general application to Indians, Indian tribes, or Indian reservations which are not inconsistent with this Act shall apply to the members of the Band, and the reservation. The Band is hereby recognized as an independent tribal entity, separate from the Keweenaw Bay Indian Community or any other tribe.

(b) The Band and its members are eligible for all special programs and services provided by the United States to Indians because of their status as Indians.

SEC. 5. ESTABLISHMENT OF A BAND ROLL.

(a) Within six months after the date of enactment of this Act, the Band shall submit to the Secretary, for approval, its base membership roll which shall include only individuals who are not members of any other federally recognized Indian tribe or who have relinquished membership in such tribe and who are eligible for membership under subsection (b).

(b) An individual is eligible for inclusion on the base membership roll in the Band if that individual—

(1) is on the tribal membership roll as maintained by the Band prior to the date of enactment of this Act and is on file with the Bureau of Indian Affairs as of the date of enactment of this Act; or

(2) is at least one-quarter Chippewa Indian blood and is a person or a descendant of a person who was listed, or could have been listed, on any of the census of the Lac Vieux Desert prepared by the Superintendent of the MacKinaw Agency prior to 1928 or by the Superintendent of the Great Lakes agency on or prior to 1940.

(c) The Band shall ensure that the roll, once completed and approved, is maintained and kept current.

(d)(1) Notwithstanding paragraph (b) of section 6 and except as provided in paragraph (2), future membership in the tribe shall be limited to descendants of individuals whose names appear on the base roll and who have at least one-quarter Chippewa blood quantum.

(2) The Band may modify such quarter Chippewa blood quantum requirement if such modification is adopted in the tribal election as prescribed under paragraph (a) of section 6 or in a referendum by a majority of the voters and approved by the Secretary of the Interior. The Secretary shall approve such new membership requirements once adopted by the tribal voters unless he finds that the proposed amendment is contrary to Federal law.

SEC. 6. ORGANIZATION OF TRIBE; CONSTITUTION AND GOVERNING BODY.

(a) Within one year following the enactment of this Act, the Band's governing body shall propose a governing document, and the Secretary shall conduct, pursuant to section 16 of the Act of June 18, 1934 (48 Stat. 984), and in accordance with applicable rules and regulations, an election as to the adoption of the proposed document. The Secretary shall approve the governing document if approved by a majority of the tribal voters unless the Secretary finds that the proposed constitution, or any provision thereof, is contrary to Federal law.

(b) Until the Band adopts and the Secretary approves a governing document, the Band's interim governing document shall be the Lac Vieux Desert Constitution which bears the approval date of June 18, 1986, and a copy of which is in the files of the Division of Tribal Government Services, Bureau of Indian Affairs, Washington, District of Columbia.

(c) Until the Band elects a new governing body pursuant to the new governing document, the Band's governing body shall consist of its current Band officers, elected at the Band's election held on November 5, 1986, or any new officers selected under election procedures of the interim governing document identified under subsection (b) of this section.

SEC. 7. LAND ACQUISITION; ESTABLISHMENT OF FEDERAL RESERVATION.

(a) The Keweenaw Bay Indian Community is hereby authorized to convey, by deed to the United States in trust for the Band, all lands located in Gogebic County, Michigan, which, on the date of enactment of this Act, are held in trust by the United States for the benefit of said community. The Secretary is hereby authorized and directed to approve and accept the deed with the expressed consent of the Keweenaw Bay Indian Community and the Band. Upon acceptance of the deed, all lands described therein shall constitute the reservation of the Band.

(b) The Secretary may place such other land into trust for the benefit of the Band pursuant to the provisions of the Act of June 18, 1934 (48 Stat. 84), or any other Act: Provided, That any such land placed in trust which is located in Gogebic County, shall become part of the reservation.

SEC. 8. DISTRIBUTION OF FUNDS.

(a) For the purpose of proceeding with the per capita distribution of the funds appropriated and subsequently apportioned to the Keweenaw Bay Indian Community in satisfaction of judgments awarded the Lake Superior Chippewas and Mississippi Chippewas in dockets numbered 18-C, 18-T, 18-S, and 18-U of the Indian Claims Commission, the Secretary of the Interior shall accept the tribe's certification of enrolled membership.

(b) Individuals who are or become members of the Lac Vieux Desert Band and who are eligible for per capita shares out of funds apportioned to the Keweenaw Bay Indian Community or Sokaogan Chippewa Community shall continue to be eligible for such per capita payments notwithstanding their relinquishment of their enrollment in either community pursuant to section 5 of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. INOUYE. Mr. President, S. 1735 is a bill to provide separate Federal recognition to the Lac Vieux Desert Band of Lake Superior Chippewa Indians in the upper peninsula of Michigan. The Lac Vieux Desert Band is a small band or tribe of Indians numbering approximately 250 persons.

The Lac Vieux Desert Band is currently affiliated with the Keweenaw Bay Indian community located in L'Anse, MI. The members of the band are acknowledged by the United States to be members of a federally recognized Indian tribe, namely the Keweenaw Bay Indian community, and currently receive some services from both the Bureau of Indian Affairs and the Indian Health Service. However, because the band's community at Watersmeet, MI, is located some 75 miles from the Keweenaw Bay Indian community, the band and its members simply do not receive the full range of services to which they are entitled.

To the extent the band currently exercises powers of self-government, it does so under its own constitution. Historically the band was separately recognized in treaties with the United States, and its current legal affiliation with the Keweenaw Bay Indian community at L'Anse appears to have been a matter of administrative convenience for the United States.

The Department of the Interior has supported Legislative recognition of this band because it did not consider it appropriate for the band to go through the Federal acknowledgement process. The applicable regulation relating to Federal recognition, 25 CFR 83.3, states that it is not meant to apply to Indian groups currently receiving services from the Bureau.

The Keweenaw Bay Indian community has formally supported enactment of this legislation through adoption of a tribal resolution. The Mole Lake Band of Chippewa has previously expressed support for the separate recognition of the Lac Vieux Desert Band of Chippewa Indians. In addition, recognition of the Lac Vieux Desert Band of Lake Superior Chippewa Indian Tribe as a separate and distinct Indian tribe is unanimously supported by the 29 member tribes of the Great Lakes Regional Intertribal Assembly, and is supported by the National Congress of American Indians.

AMENDMENT NO. 2642

(Purpose: To amend Sec. 8 of S. 1735 to require the Secretary of the Interior to call an election to amend the constitution of the Keweenaw Bay Indian Community upon request of the tribe)

Mr. BYRD. Mr. President, I send to the desk, on behalf of Mr. RIEGLE, an amendment numbered 2642, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. RIEGLE, proposes an amendment numbered 2642.

At the end of the bill, add a new Section 9 as follows:

"SEC. 9. CONSTITUTIONAL AMENDMENT.

Notwithstanding any other law or provision in the constitution of the Keweenaw Bay Indian Community, the Secretary shall call an election within 90 days of receipt of a resolution of the Keweenaw Bay Tribal Council requesting an election for the purpose of amending provisions of the constitution of the Keweenaw Bay Indian Community."

"SEC. 10. COMPLIANCE WITH BUDGET ACT.

Notwithstanding any other provision of this Act, any spending authority provided under this Act shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts. For purposes of this Act, the term "spending authority" has the meaning provided in section 401(c)(2) of the Congressional Budget and Impoundment Control Act of 1974, as amended."

Mr RIEGLE. Mr. President, section 8 of S. 1735, provides for the use and distribution of certain judgment funds that were awarded the Keweenaw Bay Indian community by the Indian Claims Commission. Some members of the Lac Vieux Desert Band of Chippewa Indians will share in the distribution of these funds. By legislation enacted in 1985, provision was made for distribution of these funds, with per capita distribution of 50 percent of the funds to be made to individual members of the tribe born on or prior to enactment of that act. The act directed that the membership roll of the Keweenaw Bay Indian community was to be brought current to the date of enactment of the act under tribal enrollment procedures.

The Keweenaw Bay Tribe, for a number of years, has sought to amend its constitution and to establish with finality its membership rolls. A roll of its members, as developed by the tribe, is on file with the Bureau of Indian Affairs Michigan Agency and has been for some time. Section 8 of S. 1735 corresponds with the House companion bill, H.R. 3679, and directs the Secretary of the Interior to accept the tribe's certification of its enrolled membership for purposes of distributing the per capita share of the judgment funds previously appropriated and apportioned to the Keweenaw Bay Indian community.

Mr. President, the amendment I am offering today takes this problems one step further. It adds a new section 9 to the bill to direct the Secretary of the Interior, at the request of the tribal council, to call an election for purposes of amending the constitution to more clearly reflect their membership or any other matter the council believes should be addressed, including a change in the process by which the constitution can be amended. The amendment to S. 1735 is necessary because there is language in the current tribal constitution which indicates that the Secretary may be precluded from calling such an election unless two-thirds of the eligible voting members of the tribe first sign a petition requesting such an election. While I believe this language is subject to another interpretation, this is the interpretation that has been placed upon it by the BIA. The amendment I offer today will eliminate this hurdle and allow the tribe to seek amendment of its constitution without further delay. This amendment addresses only a procedural problem. Any proposed amendments to the constitution will still be subject to compliance with applicable Federal laws and court decisions.

Mr. President, an additional section 10 is added to assure compliance with the Budget and Impoundment Control Act of 1974.

Mr. INOUYE. Mr. President, I have discussed these amendments with my colleague and I believe they improve the bill. I urge the Senate to adopt the amendments and to pass the bill as amended.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Michigan [Mr. RIEGLE].

The amendment (No. 2642) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

CLARIFICATION OF FEDERAL RELATIONSHIP TO THE LAC VIEUX DESERT BAND OF LAKE SUPERIOR CHIPPEWA INDIANS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 653, a companion House bill, H.R. 3679.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3679) to clarify the Federal relationship to the Lac Vieux Desert Band of Lake Superior Chippewa Indians as a distinct Indian tribe, to clarify the status of members of the band, to transfer title to trust lands, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. BYRD. Mr. President, I ask unanimous consent to strike all after the enacting clause of H.R. 3679 and to substitute the text of S. 1735, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President. I rise today to express my support for final passage of H.R. 3679, a bill to clarify the relationship of the Federal Government to the Lac Vieux Desert [LVD] Band of Lake Superior Chippewa Indians of Michigan.

Although currently recognized as part of the Keweenaw Bay Indian community, the LVD Band has historically existed as a separate and distinct Indian tribe. The band consists of approximately 250 members and is located over 75 miles from the Keweenaw Bay Indian community. The LVD Band exercises all of its inherent rights as a sovereign Indian tribe. It has its own constitution, elects its own tribal council, determines its own membership, and represents itself in every respect as a legal tribal entity.

However, because the LVD Band is recognized as part of the Keweenaw Bay Indian community, it has no direct or legal government-to-government relationship with the Federal Government and does not receive services or programs through the BIA.

The legislation before us will grant Federal recognition to LVD and allow it to exercise full and official legal jurisdiction over the affairs of the tribe, its people, and its resources.

I believe the legislation before us has great merit, and I urge my colleagues to support it.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 3679), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that S. 1735 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

LYME DISEASE AWARENESS WEEK

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 326.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 326) designating June 12 through June 18, 1988, as "Lyme Disease Awareness Week."

The Senate proceeded to consider the joint resolution, which had been reported from the Committee on the Judiciary, with an amendment:

On page 2, beginning on line 2, strike "June 12 through 18", and insert "July 24 through 30".

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution with its preamble is as follows:

S.J. RES. 326

Whereas Lyme disease is spread by the tick species Ixodes Dammini by means of the bacterium Burrelia Burgdorferi;

Whereas these ticks are no larger than the head of a pin;

Whereas these ticks can be carried by domestic animals such as cats, dogs, and horses;

Whereas these ticks can be transferred from domestic animals to humans;

Whereas Lyme disease started in southeastern Connecticut and has spread to thirty-two States;

Whereas the Center for Disease Control has reported six thousand cases of Lyme disease since 1982;

Whereas Lyme disease is easily treated in its early stages by an oral vaccine administered by a physician (penicillin and erythromycin for young children and tetracycline for persons allergic to penicillin);

Whereas the early symptoms of Lyme disease are a rash, mild headaches, a slight fever, and swollen glands;

Whereas Lyme disease often mocks rheumatoid arthritis and heart disease;

Whereas if left untreated, Lyme disease can cause severe depression, brain disorders, and even death;

Whereas the best cure for Lyme disease is prevention;

Whereas prevention of Lyme disease depends upon public awareness; and

Whereas education is essential to making the general public and health care professionals more knowledgeable of Lyme disease and its debilitating side effects: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 24 through 30, 1988, is designated as "Lyme Disease Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

The title was amended so as to read "Joint resolution designating July 24 through 30, 1988, as 'Lyme Disease Awareness Week'".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution, as amended, was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House Joint Resolution 569, the House companion measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

LYME DISEASE AWARENESS WEEK

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 569.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 569) designating July 24 through 30, 1988, as "Lyme Disease Awareness Week."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CLARIFYING THE STATUS OF SUBMERGED LANDS IN THE STATE OF ALASKA

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 589, the Alaskan submerged lands bill.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2629) to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the conveyance and ownership of submerged lands by Alaska Natives, Native Corporations and the State of Alaska.

AMENDMENT NO. 2643

Mr. BYRD. Mr. President, I send to the desk an amendment on behalf of Messrs. METZENBAUM and BURDICK.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD), for Mr. METZENBAUM (for himself and Mr. BURDICK) proposes an amendment numbered 2643.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert the following new section.

SEC. . (a) IN GENERAL.—The Secretary shall prepare a report that assesses the effects of the implementation of section 101 of this Act on Conservation System Units as defined in section 102(4) of the Alaska National Lands Conservation Act and makes recommendations for appropriate action.

(b) SCOPE OF REPORT.—The report required to be prepared under subsection (a) shall at a minimum—

(1) identify and estimate the acreage of all lands currently patented to or selected by a Native, Native Corporation, or the State pursuant to the Alaska Native Claims Settlement Act, the Alaska National Interest Lands Conservation Act, the Alaska Statehood Act, or this Act that is within the boundaries of Conservation System Units;

(2) establish priorities for the acquisition of lands currently patented to or selected by a Native, Native Corporation or the State that are within the boundaries of Conservation System Units;

(3) make recommendations as to administrative or Congressional action deemed appropriate to reduce any adverse effects of section 101 on the management of lands or resources within Conservation System Units.

(c) SUBMISSIONS TO CONGRESS.—Within one year after the date of enactment of this Act, the Secretary shall submit a report pursuant to subsections (a) and (b) of this section to the Committee on Environment and Public Works and Committee on Energy and Natural Resources of the United States Senate and to the appropriate committees of the United States House of Representatives.

Mr. METZENBAUM. Mr. President, I have long been opposed to title I of H.R. 2629, due to my belief that it prematurely conveys additional Federal land in Alaska to the State and the Native Corporations. The Department of Interior estimates that 1.8 million acres will be affected. Much of this land is currently contained in national wildlife refuges and national parks.

In effect, the legislation legalizes a controversial policy adopted by former Interior Secretary James Watt, which changes the way in which acreage is counted for the purpose of fulfilling State and Native land entitlements. That policy change occurred without the benefit of the usual public notice and environmental impact assessment.

There has never been any doubt that the State of Alaska is entitled to ownership of lands underlying navigable waterways, pursuant to the equal footing doctrine. This legislation, however, ratifies Secretary Watt's policy of conveying lands underlying waterways which have never been proven navigable.

Since these new lands will accrue to the State without counting toward its statehood grant of 105 million acres, the State will be able to select additional uplands to fulfill its entitlement. In addition, since some of the submerged lands gained by the State will be inside Native landholding, the Native Corporations will be able to select additional dry lands to recover their losses.

The State of Alaska and the Native Corporations claim that this legislation is necessary to give them equal treatment with respect to other States and Native groups. In truth, however, the State and the Natives have been treated much better than their counterparts.

Indeed, Alaska received a more generous statehood land grant than any other State in the Union. As the only State allowed to select lands of its choice, including mineral lands, Alaska has chosen and developed extremely profitable lands, including the Prudhoe Bay oil fields. If anything, the Federal Government has treated Alaska much more fairly than any other State.

Eight of the Nation's largest environmental groups are strongly opposed to this legislation. Two of those, the Sierra Club and the Wilderness Society, are parties to an ongoing lawsuit challenging the Watt policy change.

Despite my serious reservations, I have agreed to accept the bill with an important amendment which I believe will mitigate its most agregious aspect: the creation of new Native inholdings inside of national parks and wildlife refuges. Senator BURLICK, Senator STAFFORD, and I are offering an amendment which directs the Secretary of Interior to report to Congress within 1 year on the amount of new inholdings in national parks and wildlife refuges which are created as a result of this legislation. Furthermore, the Secretary will establish priorities for Federal acquisition of such lands, and will make recommendations to Congress on the most appropriate means of acquiring these lands.

It is our intent that the Secretary explore all possible acquisition alternatives, in order that this bill's impact on conservation system units be mitigated in the most environmentally and fiscally sound manner. These alternatives may include but are not limited to land trades and fee acquisition.

Mr. President, I believe that it is in the public interest to minimize the impact of this submerged lands legislation on the beautiful national parks and wildlife refuges in Alaska. It is for that reason that Senator BURDICK and I have offered this amendment, which I understand has been accepted by the Senators from Alaska.

Mr. BURDICK. Mr. President, Senator STAFFORD and I and other members of the Committee on Environment and Public Works have been concerned about the adverse impacts to units of the National Wildlife Refuge System in Alaska that might result from enactment of title I of H.R. 2629.

Title I of the bill may create nearly 700,000 acres of new Native inholdings within the boundaries of National Wildlife Refuges in Alaska. While many of the activities within these inholdings may be for subsistence purposes, other activities may not be compatible with the purposes for which the surrounding areas were established as refuges. To the extent that such incompatible activities occur, the integrity of the refuges will be jeopardized.

The amendment which I am offering today with Senator METZENBAUM and Senator STAFFORD will require the Secretary of the Interior to prepare and to submit a report to the Congress that assesses and identifies means of minimizing the effects that implementing section 101 of H.R. 2629 will have on units of the National Wildlife Refuge System and other conservation system units.

The report must include the following:

First, to assess the impact of section 101, the Secretary of the Interior must identify and estimate the acreage of all lands currently patented to or selected by a Native, a Native Corporation, or the State of Alaska that are within the boundaries of National Wildlife Refuges and other conservation system units.

Second, priorities must be established for acquisition of lands currently patented to or selected by a Native, a Native Corporation or the State of Alaska that are within the boundaries of refuges and other conservation system units. The priorities are to be based on the potential impact to such units that might result from activities within these patented or selected lands. Currently patented or selected lands within refuge and other conservation system unit boundaries where there is a high probability of incompatible activities occurring should receive high priority for acquisition.

Finally, the Secretary of the Interior is required to make recommendations with respect to appropriate administrative or congressional action that would reduce any adverse effects of section 101 on the management of lands and resources within National Wildlife Refuges and other conservation system units.

To enable the Committee on Environment and Public Works to exercise effectively its jurisdiction over units of the National Wildlife Refuge System, the report is required to be submitted to that committee as well as to other committees of the Senate and House of Representatives within 1 year after the date of enactment of this act.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2643) was agreed to.

Mr. WIRTH. Mr. President, it recently came to my attention that H.R. 2629, an act to amend the Alaska National Interest Lands Conservation Act, would soon be considered by the Senate. At that time, I indicated to the distinguished majority leader that I was considering offering an amendment to H.R. 2629 to address a very important problem related to management of Federal lands in Alaska.

The amendment I had in mind would provide for very modest reform in the way timber harvests are managed in the Tongass National Forest. Both my proposed amendment and S. 708, a bill sponsored by my distinguished colleague, Senator PROXMIRE, would implement this modest reform by requiring annual appropriations of funds to support timber management and resource conservation in the Tongass National Forest. S. 708 is pending before the Energy and Natural Resources Committee, and I have been hopeful that we would see action on the bill this year.

Mr. PROXMIRE. Mr. President, I share the concerns of my colleague that we have the opportunity for action this year on S. 708. The House bill (H.R. 1516) will be before the other body on July 27. If the Senate Energy and Natural Resources Committee holds a field hearing later this month or early in August, and marks up the bill shortly thereafter, the Senate will be able to complete action on the bill this year.

Mr. WIRTH. I understand that the primary obstacle to consideration of S. 708 in the committee is the need for a field hearing in Alaska. May I engage the chairman of the Subcommittee on Public Lands, National Parks and Forests, Senator BUMPERS, in a colloquy to inquire what he sees as the timetable for scheduling such a hearing, and any subsequent consideration of S. 708 by the committee?

Mr. BUMPERS. In response to the Senators' inquiry, let me say that I will make every effort to schedule hearings on this issue in Alaska late this month or sometime in August, and that once these hearings are held, I will do what I can to bring this matter before the committee prior to the end of this Congress.

Mr. WIRTH. With that assurance that we may see action of this important legislation soon, I will not be offering an amendment to H.R. 2629, the Alaska National Interest Lands Conservation Act. I thank the distinguished chairman, Senator BUMPERS, for his commitment to advancing the Tongass legislation.

Mr. PROXMIRE. I thank the chairman of the Subcommittee on Public lands for his courtsey and for his assurances that the committee will make every effort to hold field hearings on S. 708 and markup the bill this year. In addition, I thank my colleague from Colorado, Mr. WIRTH, for all his efforts on behalf of S. 708 in committee. The bill could have no finer advocate in the Senate.

Mr. STEVENS. Mr. President, I am pleased that we have finally been able to remove all the obstacles to passage of the submerged lands bill. The measure passed the House Interior and Insular Affairs Committee and the full House by a unanimous vote.

It was reported out of the Senate Energy Committee by a margin of 15 to 1. Only the distinguished senior Senator from Ohio voted against the bill in committee. I am pleased that Senator MURKOWSKI and I have been able to accommodate his concerns by accepting an amendment calling for a study of the bill's impact on conservation system units in Alaska.

Mr. President, this legislation will ensure that Alaska is treated just like every other state in the union with respect to its submerged lands. Without this measure the State of Alaska could be forced into accepting mudflats, lake bottoms, and river beds as part of its land entitlement under the Statehood Act. Native corporations could be forced to do the same with respect to their land entitlement under the Alaska Native Claims Settlement Act. That is not what Congress intended. I am pleased that we will be able to clarify our legislative intent with this bill.

I want to thank the chairman of the Senate Energy Committee, Senator JOHNSTON, and the ranking member, Senator MCCLURE for their help in moving this legislation. I'd also like to express my appreciation to the chairman and ranking member of the Environment and Public Works Committee, Senator BURDICK and Senator CHAFEE, for their assistance in clearing the bill. Finally, I should like to acknowledge the leadership my good friend and colleague Senator MURKOWSKI provided on this legislation. His help and that of his able assistant, Greg Renkes, made the difference.

Mr. MURKOWSKI. Mr. President, I rise today to urge my colleagues to enact legislation very important to the people of my State—a bill to clarify the treatment of submerged lands in Alaska. This bill resolves a long and needless dispute concerning the implementation of the Alaska Native Claims Settlement Act and the Alaska Statehood Act with respect to submerged lands ownership.

In the 99th Congress nearly identical legislation passed the Energy and Natural Resources Committee with strong bipartisan support. In the flurry of the closing days of the 99th Congress when most bills were considered by unanimous consent, this legislation met with an objection and was subsequently substituted with a simple 2 year extension of the statue of limitations found in section 901 of the Alaska National Interest Lands Conservation Act.

In this Congress, the House passed bill was reported out of the Senate Energy and Natural Resources Committee with only one objection, and that objection has been resolved with an acceptable amendment to be offered by the Senator from Ohio.

The need for this legislation arises out of three statutes and out of unfair practices by the Federal Government in implementing those laws. Under the Alaska Native Claims Settlement Act, Alaska Native corporations are entitled to 44 million acres of Alaska land. The State of Alaska is entitled to 104 million acres under the Alaska Statehood Act. In addition, by virtue of the Submerged Land Act, the State is automatically entitled to submerged land beneath all navigable waters in Alaska. These submerged lands are in addition to the 104 million acre statehood entitlement—and are not charged against that total.

Whether a certain water body is navigable is ultimately determined by the courts through litigation—a costly, slow, and complicated process. Since this creates great uncertainty for the States over submerged lands ownership, the Bureau of Land Management [BLM] has adopted a survey manual. This manual sets guidelines on what water bodies would most likely be considered navigable by the courts.

Generally, any lake larger than 50 acres and any river wider than three chains is considered navigable under the survey manual. Lakes larger than 50 acres and rivers wider than 3 chains—198 feet—are administratively excluded from the Federal public domain and not conveyed to any private party entitled to the adjacent uplands. By not conveying these submerged lands in the first place, the BLM reduces the risk of land loss to that private party, in the event a court later determines the land to be navigable.

This is a good system that has been applied in every State except Alaska. Before 1983, a different standard was applied in Alaska. The BLM conveyed submerged lands beneath all water bodies including those greater in size than the survey manual standards. These lands were also charged against the acreage entitlements of the State and the Natives.

THE RESULT

For Natives: If a court determines that submerged lands already conveyed to a Native corporation lie beneath navigable waters, the corporation loses that acreage.

For the State: The submerged lands to which the State is automatically entitled under the Submerged Lands Act have been charged against the State's statehood entitlement.

And, lands which rightfully belong to the State have been conveyed to the Natives.

In the Alaska Lands Act, the Congress attempted to resolve this dispute by enacting a statute of limitations which gave the State 5 years to challenge the Native corporations' ownership of submerged lands in court. This statute of limitations has now been extended twice—first for 1 year, then for 2 years. We are now in the first year of a 2-year extension.

The statute of limitations is no solution. It puts the Federal Government in a position of forcing upon the Natives and the State of Alaska needless and costly litigation. This is an absurd policy, given that a simple and equitable solution exists.

The bill before us today is such a solution. It repeals the statute of limitations, guarantees the applicability of the survey manual to Alaska, and memoralizes an agreement between the BLM and the State on how to rework past conveyances.

This bill was devised through discussions between the Department of the Interior, the Native corporations, and the State of Alaska. It has been passed by the House, the Senate Energy and Natural Resources Committee, and now awaits approval on the floor of the Senate.

I might add that H.R. 2629 also contains a provision requiring any land exchanges in the Arctic National Wildlife Refuge to receive congressional approval. While I fail to see the need for such a provision—Secretary Hodel assured the Senate Energy and Natural Resources Committee on the record that all ANWR land exchanges would be sent to Congress for approval—I am not opposed to it.

Mr. President, I want to thank the staff members who have worked hard over the years in this important legislation. I greatly appreciate the work of the staff of the Senate Energy and Natural Resources Committee, particularly the hard work of Tom Williams, Mike Harvey, Gary Ellisworth, and Tony Bevinetto. On my staff, I want to recognize Tom Roberts and Gregg Renkes for their efforts in seeing this bill through.

Mr. President, I also want to thank my friend Senator METZENBAUM for his consideration and willingness to work with me toward the passage of this bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILL PLACED ON CALENDAR—H.R. 3361

Mr. BYRD. Mr. President, I ask unanimous consent that H.R. 3361, a bill to establish the National Institute of Defense, be placed on the calendar when it is received from the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF ADDITIONAL CONFEREES—H.R. 2342

Mr. BYRD. Mr. President, I ask unanimous consent that the following Senators be added as conferees solely for the consideration of section 6 of the House amendment and modifications committed to the conference on H.R. 2345, the Coast Guard authorization: Senators BENTSEN, MATSUNAGA, and PACKWOOD.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—S. 2560

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate considers S. 2560, the child nutrition bill, it be considered under the following time limitation:

Sixty minutes on the bill to be equally divided between Senators LEAHY and LUGAR; 20 minutes equally divided on a Leahy-Lugar substitute amendment; 10 minutes equally divided on each of the following amendments:

An amendment by Mr. DASCHLE allowing State processing of TEFAP commodities; an amendment by Mr. DASCHLE permitting U.S. Department of Agriculture to provide surplus commodities to DOD child care centers overseas; an amendment by Mr. GRASSLEY permitting States to use TEFAP funds to advise families about the Food Stamp Program and the storage and nutritional use of TEFAP commodities.

Forty minutes equally divided on a Gramm amendment providing that if a sequestration is implemented the program not be in effect and that the vote occur on or in relation to that amendment; 40 minutes on a Leahy second-degree amendment to Mr. GRAMM's amendment dealing with the same subject; 40 minutes on an amendment by Mr. GRAMM requiring the $145 million additional commodities in TEFAP be subject to appropriations process and the vote be up or down on that amendment; also 40 minutes on a Gramm amendment requiring that donations to the TEFAP Program be subtracted from the additional $145 million provided for TEFAP and that the vote be up or down on that amendment, it being the understanding of Senators that Mr. GRAMM will present to Mr. LEAHY copies of the amendment sometime by the close of business on Wednesday;

Provided further, that no other amendments be in order; provided that the agreement be in the usual form, and ordered further that no motions to recommit with or without instructions be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, it is the understanding of the majority leader that this measure is not to be called up before the conference on Tuesday.

THE EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I inquire of the able Republican leader as to whether or not the following calendar orders on the executive calendar have been cleared for action: Calendar Order No. 737, Calendar Order No. 738, Calendar Order No. 779, and Calendar Order No. 784.

Mr. DOLE. Those have been cleared. I might indicate that would also release Calendar Orders No. 719 and 720 on which there have been holds on this side.

Mr. BYRD. All right, I include 719 and 720.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the aforementioned nominations on the executive calendar; that they be considered and confirmed en bloc; that the motion to reconsider en bloc be laid on the table; that the President be immediately notified of the confirmation of the nominees; that any Senators who wish to include statements may do so; provided further, that the individual actions appear severally on the face of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. That did include Calendar Orders No. 719 and 720?

Mr. BYRD. Yes; it did. That includes Calendar Orders No. 719, and 720, 737, 738, 779, and 784.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Richard Newton Holwill, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ecuador.

Walter Leon Cutler, of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

U.S. POSTAL SERVICE

Tirso del Junco, of California, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 1991.

Susan E. Alvarado, of Virginia, to be a Governor of the United States Postal Service for the term expiring December 8, 1996.

DEPARTMENT OF STATE

Charles A. Gargano, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago.

Maynard Wayne Glitman, of Vermont, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Belgium.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

SMALL BUSINESS ADMINISTRATION REAUTHORIZATION ACT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed immediately to the consideration of Calendar Order No. 788, a bill to provide reauthorization for the Small Business Administration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2619) to provide reauthorization for the Small Business Administration for fiscal year 1989, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill.

Mr. BUMPERS. Mr. President, I am pleased today to present and urge passage of the Small Business Administration Reauthorization and Amendments Act of 1988, an original committee bill to provide reauthorization of the Small Business Administration [SBA] for fiscal year 1989 and to make several improvements to current SBA programs. This bill was favorably reported by the Senate Small Business Committee by unanimous vote on May 17, 1988. The House Small Business Committee approved a similar but 3-year SBA reauthorization bill in April.

The current 3-year authorization for SBA contained in Public Law 99-272 expires on September 30, 1988, therefore a new authorization is essential if SBA is to continue the much needed services it provides to the small business community. Three years ago, Senator WEICKER and I, along with other committee members, successfully struggled against an overwhelming desire by the Reagan administration to dismantle SBA. The result was a 3-year reauthorization for SBA that retained all the agency's major programs while achieving $2.5 billion in budget savings by restructuring several SBA loan programs. Despite severe budget restraints, SBA has managed to provide important services to thousands of small businesses around the country in need of financial, as well as managerial and technical, assistance.

President Reagan has retracted his proposals of 1985 and 1986 to eliminate SBA. The President requested a total of $404 million in new budget authority for SBA for fiscal year 1989, a $10 million decrease from the fiscal year 1988 appropriations level. That request proposed elimination of the remaining very meager direct loan programs for the handicapped, Vietnam-era veterans, low-income areas, and minority enterprise small business investment companies. The administration also proposed to impose a wide array of user fees and increased loan guarantee fees for SBA programs, as well as the sale of $4.3 billion in loans over 5 years. The committee opposes the asset sale proposals, which would produce negative outlays of $2.3 billion, thus exceeding the cost of appropriations necessary to fund the programs. Further, the committee opposes the implementation of many of the user fees proposed by the administration, and supported language included in the fiscal year 1989 Commerce, Justice, State appropriations bill to prohibit any new or increased guarantee fees and to require SBA to notify the Senate and House Small Business Committees and Appropriations Committees prior to the implementation of any other new user fees.

The committee does agree with the administration's proposal to continue the bulk of SBA's programs, but rejects the plan to eliminate the remaining direct loan programs for several severely disadvantaged groups. The committee also provided for a number of technical changes to SBA programs as requested by the agency.

In general, the bill provides funding for all SBA loan and loan guarantee programs for fiscal year 1989 at fiscal year 1988 levels, with two exceptions. First, authorized guarantees for the Surety Bond Guarantee Program are increased from $1.25 billion to $1.4 billion to accommodate the increased demand for the program expected under the new Preferred Surety Program provided for in title II of this bill, as well as the chronic need for this program, especially by small minority contractors.

Second, the committee has provided for increases in the salaries and expenses account to cover certain unavoidable agency expenses, including the COLA expected for Federal workers in January 1989, and to fund additional personnel to carry out the reforms of the minority business development program which are mandated under S. 1993, which passed the Senate on July 7, and to implement the international trade initiatives contained in the small business title of the Omnibus Trade and Competitiveness Act, which has been included in this bill.

Specifically, the bill makes the following changes to current SBA programs:

SMALL BUSINESS INVESTMENT COMPANIES

Mr. President, I remain an ardent supporter of small business investment companies and minority enterprise [SBIC's]. This is the only Federal program to provide venture capital to riskier small business ventures, and it has had enormous successes in the last 15 years. Under this bill, audits by the SBA inspector general of small business investment companies [SBIC's] will be required at least every 2 years, rather than annually as now required, and the IG will be allowed to waive the audit requirement for 1 additional year if the SBIC has an excellent history of compliance. The administration requested a more lenient audit requirement for SBIC's in order to free up the IG's staff resources, and the change is strongly supported by the industry.

Additionally, SBA-guaranteed SBIC debentures will be required to be issued at least quarterly to provide some structure to the now sporadic issuance schedule. Both of the changes are supported by the SBIC industry, which claims to have been plagued in recent years by everchanging audit requirements and upredictable regulatory demands by SBA, as well as an inconsistent policy on the issuance of SBIC debentures. The regularity of quarterly securities issuances will, I hope, instill confidence in the program and result in a lower cost of funds for investment companies.

POLLUTION CONTROL PROGRAM

SBA's Pollution Control Program, currently a separate guaranteed financing program to fund the financing, design or installation of pollution control facilities, is transferred to the regular business loan program, along with $75 million in guarantee authority, in light of the high cost of operating the present individual financing program under the Small Business Investment Act, which has been little used. We believe that his change will make the program much more accessible to many small businesses which still need help in complying with State and federally mandated pollution abatement regulations.

ECONOMIC DEVELOPMENT COMPANIES

The committee bill provides for four changes in the economic development company program under which small businesses receive fixed asset financing for business expansion. Those changes would: First, allow closely related family members of small business owners to receive development company loans, second, allow section 502 local development company loans to be pooled and sold in the capital markets, third, mandate the permanent extension of the pilot program under which certified development company loans are pooled and sold in the capital markets, and fourth, require the SBA Administrator to establish a maximum interest rate on the bank or commercial lender portion of the certified development company loan package, which will override State law. This last provision has been included in the bill as a 2-year pilot program, intended to be extended if the new authority improves the ability of development companies in States with restrictive usury laws to make small business loans and does not reduce local lender participation in the program. The other provisions were all requested by the development company industry.

BREAKOUT PROCUREMENT CENTER REPRESENTATIVES (BPCR'S)

Breakout PCR's were introduced to the Defense Department's spare parts program in 1984 to bring competition into that contracting program by pinpointing certain contracts which could be offered on a competitive basis to small businesses. The committee bill would make three improvements to that program, all of which are supported by SBA, by: First, allowing a BPCR to have access to classified documents up to the level of his or her security clearance, second, suspending the procurement activity during the appeal of an unfavorable procurement decision, and third, allowing the SBA Administrator more flexibility in assigning BPCR's to major procurement centers.

Another important provision of this bill requires SBA to reexamine its need for criminal history background checks on certain SBA loan applicants, licensees, directors, and other program participants. To ensure the good character and repayment ability of SBA program participants and loan applicants, SBA has historically required that criminal history name checks on most applicants and participants be made through the criminal files at the Federal Bureau of Investigation. With computer advances, the FBI will now provide those criminal history checks only if provided with the fingerprints of the applicant, and the Bureau has required all Federal agencies using its file check services to provide the necessary fingerprints. SBA was thus forced to forego its criminal history check policy or request that certain participants and applicants provide fingerprints. The agency chose the latter option and, although SBA agreed to exempt certain loan applicants from the fingerprint requirement, it is now requesting fingerprints from such individuals as certified development company directors, who are generally well-known members of the local business community and who serve on a voluntary and noncompensatory basis. Many of these directors are even county judges or other elected officials. It appears unnecessary to extend the fingerprint policy to such participants who present little or no risk to the program, and the committee has ordered SBA to reevaluate and reform its policy in light of the privacy interests of the participants.

Three amendments were added to the original bill in committee. The first would renew the authorization for rehabilitation facilities for the blind and severely handicapped to bid on small business set-side contracts. The second would amend SBA's Disaster Loan Program relating to unsecured disaster loans and loans in mitigation of future disasters, and the third would establish a Preferred Surety Bond Guarantee Program to encourage large, standard surety companies to issue SBA-guaranteed surety bonds to small contractors. The surety bond provision is identical to a bill introduced by Senator NUNN in March and is strongly supported by SBA.

Mr. President, I urge my Senate colleagues to support this bill, which will make several important improvements to existing SBA programs so that those programs can better serve the small business community and which will continue an agency that stands as the only administration-level advocate for small business.

Mr. WEICKER. Mr. President, I rise in strong support of S. 2619, the Small Business Administration [SBA] Reauthorization and Amendments Act of 1988. I would like to commend Senator BUMPERS, distinguished chairman of the Small Business Committee for his leadership in developing this legislation. This reauthorization bill of the SBA is consistent with the Commerce, Justice, and State appropriations bill for fiscal year 1989, H.R. 4782, which has been reported by the Senate Appropriations Committee.

In 1985, with the support of Senator BUMPERS and other members of the committee, I was able to negotiate a compromise with the administration to maintain SBA as an independent agency for 3 years. With the enactment of Public Law 99-272 on April 7, 1986, authorization for SBA was provided through the end of fiscal year 1988. The bill that is before the body today is necessary to reauthorize SBA programs through the end of fiscal year 1989. Basically, it continues the blueprint for the agency as set forth under current law by establishing overall authorizations at their fiscal 1988 levels.

Mr. President, the chairman has made a wise decision to propose a SBA reauthorization bill for one year and I fully concur. Through this action, we are saying let's continue the agency's operations at current level and after elections and a new administration takes office, then consider legislation that takes a long range view of the direction of the agency and its programs. I am aware that on July 6 the House of Representatives passed H.R. 4174, which provides authorization for 3 years.

Since the chairman has already highlighted the major provisions of S. 2619, I will not repeat his remarks, but there are a few points I want to make.

First, the bill provides sufficient funding for the SBA field structure and staffing to remain intact. Authorization for appropriations for salaries and expenses is set at $248 million. This program level will allow SBA to carry out its current activities and hire additional personnel to implement critical Minority Small Business Program reforms under H.R. 1807, which the Senate passed overwhelmingly last week. Also, key management assistance programs for small businesses, such as the Small Business Development Center [SBDC], the Service Corps of Retired Executives [SCORE] and the Small Business Institute [SBI] Programs all would be continued.

Second, the SBA Guaranteed and Direct Lending Programs are maintained. The administration's 1989 budget proposal recommended elimination of all direct lending. This bill rejects that proposal and retains direct funding targeted for the handicapped, veterans, and minorities. The bill freezes the total funding level for these programs at the fiscal year 1988 levels but reallocates the funds among those programs. It increases funding levels for handicapped direct loans from $15 to $20 million and for veteran loans from $20 to $25 million to reflect the historical higher demand for these programs; it maintains direct funding for section 301(d) investment companies, more commonly known as minority enterprise small business investment companies [MESBICS], at $41 million. The guaranteed loan limit is set at the fiscal year 1988 level of $3.320 billion, which includes funding for the 7(a) General Business Loan Program, small business investment companies [SBIC's] and section 503/504 certified development companies.

In addition to continuing existing programs, the bill authorizes two other initiatives which I believe are important. One is reauthorization of the program to allow not-for-profit sheltered workshops to compete for small business set-aside contracts. This provision is identical to the carefully crafted compromise bill, S. 2147, which passed the Senate during the 99th Congress. Another is creation of an SBA Preferred Surety Bond Guarantee Program, to attract larger surety bonding companies' participation with SBA. This should expand the agency's capacity to assist small businesses that need bonds to operate and grow.

Mr. President, in my view the mission of the Small Business Administration is to provide the many deserving citizens opportunities to participate in our economic mainstream and to assist small businesses to expand and create jobs. This bill ensures that SBA will be able to continue carrying out that mission, and I urge my colleagues to support passage of the bill.

Mr. NUNN. Mr. President, I rise in support of S. 2619, the Small Business Reauthorization and Amendments Act of 1988. This bill represents a thorough and balanced effort by the committee to provide adequate authorizations for the various programs administered by the Small Business Administration, which are so vital to so many small firms across the Nation. I commend the chairman, my friend from Arkansas [Mr. BUMPERS] and the ranking minority member, my friend from Connecticut [Mr. WEICKER] for bringing this bill to the floor. In addition to providing authorizations for appropriations, S. 2619 makes important substantive improvements to several SBA programs. In particular, I would like to call my colleagues' attention to title II of the bill, which contains the Preferred Surety Bond Guarantee Program Act of 1988. This title is designed to make important improvements to the Surety Bond Guarantee Program—a Small Business Administration [SBA] Program that is vital to many small business contractors and subcontractors, particularly those in the construction industry.

Federal law requires a contractor to provide a performance and payment bond on every Federal construction contract in excess of $25,000. Most State and local governments impose similar bonding requirements by statute or regulation. More and more owners of private commercial construction are requiring bonds of their prime contractors. Likewise, more and more prime contractors are requiring bonds of their subcontractors. Without access to performance bonds, payment bonds, and bid bonds, construction firms cannot even compete for contracting opportunities. Firms outside of the construction industry are now feeling the same pressures as Federal agencies to make greater use of bonding as a method of prequalifying potential bidders, a development I find quite troubling.

Hardest hit in the competition for bonding, however, have always been small firms and small firms owned and controlled by socially and economically disadvantaged individuals. The provisions of title II of this bill are aimed at providing assistance to such firms, especially construction contractors and subcontractors.

The Preferred Surety Bond Guarantee Program Act of 1988, was introduced on March 31, 1988, and became S. 2259. The chairman and ranking minority member of the Committee on Small Business, my friend from Arkansas [Mr. BUMPERS] and my friend from Connecticut [Mr. WEICKER], are original cosponsors. My friend from Oklahoma [Mr. BOREN], an active member of the committee, is also an original cosponsor. On April 12, 1988, the Committee on Small Business conducted a legislative hearing on the bill. During that hearing, which I chaired, testimony supporting the bill was received from representatives of the surety industry and the construction contracting community, including the Surety Association of America, on behalf of the standard sureties; the American Surety Association, on behalf of the specialty surety firms; the National Association of Surety Bond Producers, on behalf of surety agents; the National Association of Minority Contractors; and the American Subcontractors Association. Supporting testimony, and useful suggestions for improving the bill, were presented by the Small Business Administration's representatives. As a result of the comments received at the hearing, and subsequent suggestions, S. 2259 was modified. On July 7, 1988, the modified text of the bill was added by the Senate as an amendment to H.R. 1807, the Minority Business Development Program Reform Act of 1988.

Small firms have traditionally found it difficult to obtain bonding in the commercial marketplace. They are considered to be much higher risks with their shorter track records and thinner capitalization. The small firms are seeking bonds for smaller dollar value jobs, which require as much effort as bonds for larger contracts, and generate smaller fees for the bonding agents.

The SBA Surety Bond Guarantee Program was created in 1971 to provide the assistance needed for small firms to obtain necessary bonding. Under this program, SBA guarantees any participating surety company against 80 percent of any loss on a bond issued to a small business firm with SBA's approval. The SBA Surety Bond Guarantee Program has been essential to the survival and growth of many small firms. Since its inception, over 200,000 contracts valued at more than $17 billion have been guaranteed through the program.

Initially, the standard surety firms, the very largest players in the industry, participated in the SBA Surety Bond Guarantee Program, but their participation declined rapidly and is virtually negligible today. To fill the void, a group of specialty surety companies were created to meet the needs of the small business community under the program.

Mr. President, the approach of this legislation is simple and direct. It establishes a pilot program designed to broaden the participation in the SBA Surety Bond Guarantee Program of the standard surety companies without impeding the continued participation of the specialty surety companies.

The primary reasons given for the departure of the standard sureties from the Surety Bond Guarantee Program were the costs and administrative burdens associated with the process used by SBA to review and approve, on a transaction-by-transaction basis, the underwriting and administration of the SBA-guaranteed bonds. The standard sureties report that these procedures are too time consuming and costly to make their participation in the Surety Bond Guarantee Program worthwhile. There is also a certain amount of resentment on the part of the standard surety firms in having their business judgments second-guessed by SBA employees, who often have little experience in the surety business.

In 1982, the Small Business Committee, under the leadership of my colleague from Connecticut [Mr. WEICKER], then chairman of the committee, conducted some revealing oversight hearings on the SBA Surety Bond Guarantee Program. Shortly after these hearings, SBA invited the Surety Association of America, representing the standard surety companies, to suggest ways to encourage the return of these firms to the program. The result of these discussions was the development of a proposal, referred to as plan B. This proposal formed the basis for S. 2259, and subsequently title II of this legislation.

Mr. President, the provisions of title II authorize a 3-year test of a Preferred Surety Program, similar to the Preferred Lender Program already enacted for SBA's Guaranteed Loan Program. Surety companies that meet a very stringent set of standards to be prescribed by the SBA would be freed from the requirement to have the SBA give prior approval of each transaction. SBA would only approve the firm's standards and procedures for underwriting, administration, and claims. Individual actions by the firm would be handled without any prior approvals from SBA, presumably in the same manner as the firm's bonding activity outside of the program. In the jargon of the industry, the preferred surety would be given "the pen" to write bonds with the SBA guarantee. Of course, to protect the taxpayer, it is expected that SBA regulations will permit a prompt suspension of a firm's preferred status upon a finding of violations of the firm's approved bond underwriting or claims procedures or of SBA's program regulations.

In addition, firms participating in the Preferred Surety Bond Guarantee Program would obtain a maximum guarantee of 70 percent, rather than the 80 percent allowed under the current regulations for the existing Surety Bond Gurarantee Program. The standard surety companies have expressed a willingness to accept this reduced level of Government guarantee, as a measure of their confidence in their own underwriting standards and claims decisions.

While effective implementation of the Preferred Surety Bond Guarantee Program will require SBA to issue regulations prescribing stringent qualification standards for firms to be accorded preferred surety status, these standards should not be so restrictive as to prevent the participation of adequately capitalized and well-managed firms from the ranks of the specialty surety firms currently operating in the program. Further, the SBA may wish to consider authorizing an effort in one of its regions, which links the bonding capabilities of one or more of the participating surety companies with a network of surety bond agents who will focus their underwriting efforts on small disadvantaged construction contractors and subcontractors.

In addition to the provisions relating to the pilot Preferred Surety Bond Guarantee Program, title II makes several other important improvements to the existing Surety Bond Guarantee Program. It establishes a 90-percent guarantee for bonds for contracts of $150,000 or less, or for any program guaranteed bond issued to a firm owned and controlled by socially and economically disadvantaged individuals.

Obtaining bonds on small contracts has consistently been a problem for small construction contractors and subcontractors. Bond premium fee structures are based upon the dollar value of the contract. The practicalities of the bond application review process dictate that almost the same effort will be expended on evaluating a bond for a small contract as for a large contract. These business realities, joined with the perception that small firms present a substantially higher risk, make it especially difficult to obtain required bonds on small contracts. The higher guarantee is designed to make the underwriting of these bonds more attractive.

As noted, the higher guarantee also is available on any program bond issued to a small business concern owned and controlled by socially and economically disadvantaged individuals. This increased guarantee is designed to encourage participating sureties to better meet the needs of disadvantaged small business concerns which historically have faced discrimination in obtaining needed surety bonding.

Title II also clarifies the relationship between the special size standard for participation in the Surety Bond Guarantee Program and the general SBA size standards, which define the maximum size a firm may attain and still be considered a small business concern. The provision makes clear that to be eligible to participate in the Surety Bond Guarantee Program, a firm must be a small business concern under the generally applicable size standard and concurrently meet the program's more restrictive eligibility standard.

Mr. President, title II makes important improvements to an important SBA program. It has been carefully crafted with the assistance of associations representing many segments of the surety bonding industry and the consumers of their services within the construction industry. In particular, I would like to thank for his many helpful suggestions an experienced professional in the surety bonding business, Mr. Ed Bowen of Atlanta. During his service with the SBA Surety Bond Guarantee Program in region IV, Mr. Bowen helped many small construction firms to prosper and grow. Representatives of the American Subcontractors Association provided thoughtful and constructive assistance in the development of the final legislation. Minority construction firms were well-represented in this process by the National Association of Minority Contractors. In addition, I must recognize the cooperation of the Surety Association of America, the American Surety Association, the National Association of Surety Bond Producers, and the American Insurance Association.

Mr. President, finally, I would like to thank my staff, Bob Hall, my legislative counsel, and Bill Montalto, the procurement policy counsel to the Small Business Committee, for their efforts in assisting me prepare the Preferred Surety Bond Guarantee Program Act of 1988.

Mr. President, I urge the adoption of S. 2619.

AMENDMENT NO. 2644

Mr. BYRD. Mr. President, on behalf of Senators BUMPERS and WEICKER, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. BUMPERS, (for himself and Mr. WEICKER), proposes an amendment numbered 2644.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new sections.

SEC. . ANALYSIS OF FINANCING SOURCES.

(a) STUDY.—Not later than June 1, 1989, or 180 days after the effective date of this section (whichever is later), the Office of the Chief Counsel for Advocacy of the Small Business Administration (hereinafter referred to in this section as the "Office") shall conduct and complete a study to determine, with respect to the service sector of the economy,

(1) the level of demand for debt capital by small business concerns;

(2) the level of availability of such capital for such concerns; and

(3) how new or innovative financing techniques or the improvement of existing techniques can be used to satisfy the unmet demand for such capital by such concerns consistent with acceptable standards of safety and soundness for loans and investments made by commercial and business lenders and institutional investors.

(b) CONSULTATION AND COOPERATION.—In performing such study, the Office shall consult with the Federal Reserve Board, the Comptroller of the Currency, the Department of Commerce, other relevant agencies and departments of government, trade and professional associations, and other organizations representing the interests of such business and service sector business concerns. Each department and agency shall afford the Office such assistance and cooperation as may be necessary to achieve the purposes of this subsection.

(c) REPORT.—The study performed pursuant to subsection (a) shall be reported to the Committees on Small Business of the Senate and House of Representatives within 180 days after the effective date of this section.

SEC. . EFFECTIVE DATA COLLECTION ON WOMEN-OWNED BUSINESS.

(a) STUDY.—Not later than June 1, 1989, or 180 days after the effective date of this section (whichever is later), the Office of the Chief Counsel for Advocacy of the Small Business Administration (hereinafter referred to in this section as the Office") shall conduct and complete a study to determine the most cost effective and accurate means to gather and present data on women-owned businesses, including data on sole proprietorships, partnerships, Sub S corporations and regular corporations.

(b) CONSULTATION AND COOPERATION.—In performing such study, the Office shall consult with the Department of Labor, including the Bureau of Labor Statistics, the Department of Commerce, including the Bureau of the Census, the Internal Revenue Service, other relevant agencies and departments of government, trade and professional associations, and other organizations representing the interests of women-owned businesses. Each department and agency shall afford the Office such assistance and cooperation as may be necessary to achieve the purposes of this subsection.

(c) REPORT.—The study performed pursuant to subsection (a), together with such recommendations for legislative or administrative change as may be appropriate, shall be reported to the Committees on Small Business of the Senate and House of Representatives within 180 days after the effective date of this section.

Mr. BUMPERS. Mr. President, the amendment which I am proposing on behalf of myself and Senator WEICKER concerns two studies of importance to America's women-owned businesses. Entrepreneurship among women is on the rise and is receiving increasing public attention. The latest issue of Time magazine contains a story on women entrepreneurs, and also reports on hearings held recently by our House counterparts on problems facing businesswomen.

Our friend Chairman LAFALCE today introduced an important bill concerning women-owned businesses, and he has also included some provisions from that legislation in a floor amendment to the House SBA authorization bill on which we will soon be going to conference. That amendment authorizes $10 million in grants for demonstration projects around the country to entities which would provide top-notch training and management assistance to women in business and those hoping to enter business. We will look carefully at that amendment in conference.

The amendment which Senator WEICKER and I are offering now authorizes two significant studies by SBA's Office of Advocacy which have been proposed by the National Association of Women Business Owners [NAWBO]. The first of those studies, which will be conducted in cooperation with the Federal Reserve and the Comptroller of the Currency, will assess the demand and availability of debt financing for service sector businesses. The second study will require advocacy to determine the most efficient and cost-effective means of improving Federal data collection on women-owned businesses of all types. One problem which we face in assisting women in business is the dearth of reliable and complete information on the number and type of women-owned businesses and how they are faring.

These studies will be an important step toward more comprehensive Federal efforts to address the problems facing women in business. I urge the Senate to agree with our amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2644) was agreed to.

AMENDMENT NO. 2645

Mr. BYRD. Mr. President, on behalf of Mr. Bumpers, I send a technical amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd], for Mr. Bumpers (for himself and Mr. Weicker), proposes an amendment numbered 2645.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

1. Insert after the word "examined" on line 10 of page 5 the following: "not less than once", and

2. Strike the word "contacts" on line 7 of page 16 and insert in lieu thereof the word "contracts".

The PRESIDING OFFICER. Is there further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2645) was agreed to.

AMENDMENT NO. 2646

Mr. BYRD. Mr. President, on behalf of Mr. Sanford who presently is presiding over the Senate, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd] for Mr. Sanford proposes an amendment numbered 2646.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 24, insert after line 19 the following new section:

PROCUREMENT CENTER REPRESENTATIVES

"Sec. 208. (c) Within 180 days after the effective date of this Act, the Small Business Administration shall—

"(1) complete such measures as may be necessary to employ two traditional procurement center representatives to be stationed in States where no such representatives are stationed or designated to be stationed as of such effective date.

"(2) The representatives employed pursuant to (1) shall be in addition to and not in lieu of any representative that may be employed pursuant to any other provision of law or under any exercise of administrative discretion."

Mr. SANFORD. Mr. President, I thank my distinguished colleague from Arkansas for his efforts in bringing to this body for its consideration this important piece of legislation.

As my colleagues well know, small business is the very lifeblood of our economy. Small businesses provide the singlemost important source of new jobs for our workers, making our efforts through this legislation all the more significant.

Mr. President, my amendment has as its purpose to extend to the small business community the commercial opportunities the Federal procurement process provides. In certain regions of the country, small businesses have found themselves shut out of the Federal procurement process because of the unavailability of a procurement center representative in their State.

In meetings I held last year in my State, for example, it was pointed out by several military procurement officers with whom I met that the lack of a full-time North Carolina procurement center representative was hampering efforts by our local businesses to secure contracts with military installations and Federal agencies. Placing a procurement center representative in North Carolina would make a critical difference in my State since the nine major Federal agencies located in North Carolina accounted for purchases totaling $522.1 million in fiscal year 1987.

The amendment I am offering today would expand a pilot program established by the continuing resolution for the year ending September 30, 1988. That act provided $300,000 for the purpose of hiring six traditional procurement center representatives in States that did not then have a resident procurement center representative. This amendment calls for us to add two new representatives, bringing the total to eight. The House has already passed legislation which would add seven such representatives.

Mr. President, this is but a modest expansion of a program that this Senator believes has worked well for those States where it is now available and ought, therefore, to be expanded to benefit small and growing companies in other parts of the country as well.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2646) was agreed to.

AMENDMENT NO. 2647

(Purpose: To amend the Small Business Act to clarify the Administrator's authority to make economic injury disaster loans in case of drought)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Senator Boschwitz and others and I would ask that Senator Metzenbaum be included as a cosponsor with the others. I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. Dole] for Mr. Boschwitz (for himself, Mr. Baucus, Mr. Burdick, Mr. Conrad, Mr. Karnes, Mr. Melcher, Mr. Pressler, Mr. Nickles, Mr. Wallop, Mr. Simon, Mr. Daschle, Mr. Durenberger, Mr. Quayle, Mr. Cochran, Mr. Boren, Mr. Grassley, and Mr. Metzenbaum) proposes an amendment numbered 2647.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of section 113 of the bill, insert the following new subsection:

(c) Clarification of Disaster.—Section 7(b)(2) of the Small Business Act (15 U.S.C. 636(b)(2)) is amended by inserting before the proviso at the end of subparagraph (D), the following flush sentence:

"For purposes of this paragraph, the term 'disaster' includes floods, riots or civil disorders, droughts, or other catastrophes."

Mr. BUMPERS. Mr. President, I will not oppose the Boschwitz amendment concerning the SBA's ability to assist victims of the drought, but I feel compelled to point out that it does not add a great deal to existing law. Under current law and practice, SBA can and does offer assistance to qualified farm-related businesses which have been harmed by a drought. SBA does so under its authority to issue a disaster declaration based on a disaster declaration by either the President or the Secretary of Agriculture.

The catch, Mr. President, is that neither the President nor the Secretary has declared any country to be a disaster under the current drought which is devastating many parts of the country. However, it is unlikely that Senator Boschwitz' amendment will significantly help businesses in these areas because SBA has informed us that they will uniformly defer to the Secretary for a determination of when a drought is a disaster. In other words, it doesn't matter what we say here, SBA will follow the Secretary of Agriculture's lead on the issue of drought.

Moreover, I should point out that the program of which we are speaking, economic injury disaster loans, is rather limited. It is limited by statute to small businesses only, and those businesses must show repayment ability. This is difficult for many who are already in dire economic straits. Nonetheless, these loans could be crucial for farm-related businesses, such as silos, feed and seed dealers, fertilizer dealers, and others who are feeling deep pain from the drought.

In sum, Mr. President, while I do not oppose the amendment, I think the record should be clear that this amendment is far from being the answer to the problems of thousands of businesses which are sweltering in the present drought. If the Secretary would issue a disaster declaration, SBA has power already to lend a hand to these businesses.

The real problem, Mr. President, is that the Disaster Program at SBA is entirely out of money for salaries and expenses. There is loan money in the revolving fund, but there is no money to pay loan officers. The administration has requested a supplemental appropriation of $13 million for this purpose, but the House Appropriations Committee has not reported that measure.

The PRESIDING OFFICER. Is there any further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2647) was agreed to.

AMENDMENT NO. 2648

(Purpose: To provide form simplification to encourage certified and preferred lenders to provide loans of $50,000 or less)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Mr. BOSCHWITZ and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] for Mr. BOSCHWITZ proposes an amendment numbered 2648.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title I of the bill, add the following new section:

SEC. 116. FORM SIMPLIFICATION AND PREFERRED FINANCING.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following new paragraph:

"(17)(A) During fiscal years 1989 and 1990, in addition to the preferred lenders program authorized by the proviso in subsection (b)(7), the Administration is authorized to establish a certified loan program for lenders who establish their knowledge of Administration laws and regulations concerning loan guarantee programs and their proficiency in program requirements. In order to encourage certified lenders and preferred lenders to provide loans of $50,000 or less in guarantees to eligible small business loan applicants, the Administration shall allow lenders designated for participation in the certified loan program and in the preferred loan program to utilize the forms of the lender without regard to any forms of the Administration. The Administration may not reduce the per centum of guarantee as a criteria for eligibility for such designation.

"(B) The designation of a lender as a certified lender shall be suspended or revoked at any time that the Administration determines that the lender is not adhering to its rules and regulations or if the Administration determines that the loss experience of the lender is excessive as compared to other lenders. Suspension or revocation of such designation shall not affect any outstanding guarantee.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2648) was agreed to.

AMENDMENT NO. 2649

(Purpose: To provide permanent authority for White House Conferences on Small Business)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Senator DOMENICI and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. DOMENICI, proposes an amendment numbered 2649.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

TITLE III—WHITE HOUSE CONFERENCE ON SMALL BUSINESS

SEC. 301. SHORT TITLE.

This title may be cited as the "White House Conference on Small Business Authorization Act".

SEC. 302. AUTHORIZATION OF CONFERENCE.

(a) IN GENERAL.—The President shall call and conduct a National White House Conference on Small Business (hereinafter referred to as the "Conference") to carry out the purposes described in section 303. Each National Conference shall be preceded by State and regional conferences as determined by the executive director.

(b) STATE AND REGIONAL CONFERENCES.—Particpants in the Conference and other interested individuals and organizations are authorized to conduct conferences and other activities at the State and regional levels prior to the date of the Conference, subject to the approval of the Administrator of the Small Business Administration, and shall direct such conferences and activities toward the consideration of the purposes of the Conference described in section 303 in order to prepare for the National Conference.

(c) SCHEDULE OF CONFERENCES.—National Conferences under this title shall be held at least once during each 6-year period, but not more often than once in each 4-year period. No conference shall be held during a presidential election year. The first National Conference under this title shall be concluded not later than July 1, 1991, and each subsequent National Conference shall be concluded by July 1 of the year in which it is designated to be held.

SEC. 303. PURPOSE OF CONFERENCE.

The purpose of the Conference shall be—

(1) to increase public awareness of the essential contribution of small business;

(2) to identify the problems of small business;

(3) to examine the status of minorities and women as small business owners;

(4) to assist small business in carrying out its role as the Nation's job creator;

(5) to assemble small businesses to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and encouraging the economic viability of small business and, thereby, the Nation; and

(6) to review the status of recommendations adopted at the preceding White House Conference on Small Business.

SEC. 304. CONFERENCE PARTICIPANTS.

(a) SMALL BUSINESS PARTICIPANTS.—In order to carry out the purposes specified in section 303, the Conference shall bring together individuals concerned with issues relating to small business. No small business concern representative may be denied admission to any State or regional conference, nor may any fee or charge be imposed on any small business concern representative except an amount to cover the cost of any meal provided to such representative plus a registration fee of not to exceed $10.

(b) SELECTION OF DELEGATES.—Delegates, including alternates, to the National Conference shall be elected by participants at the State conferences. In addition—

(1) each Governor and each chief executive official of the political subdivisions enumerated in section 4(a) of the Small Business Act may appoint one delegate and one alternate;

(2) each Member of the United States House of Representatives, including each Delegate, and each Member of the United States Senate may appoint one delegate and one alternate; and

(3) the President may appoint 50 delegates and alternates.

Only individuals from small businesses shall be eligible for appointment pursuant to this subsection.

SEC. 305. PLANNING AND ADMINISTRATION OF CONFERENCE.

(a) FEDERAL AGENCY SUPPORT.—All Federal departments, agencies, and instrumentalities are authorized and directed to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(b) SMALL BUSINESS SUPPORT.—In carrying out the provisions of this title, the Administrator of the Small Business Administration through the Administration's district and regional offices—

(1) shall provide such assistance as may be necessary for the organization and conduct of conferences at the State and regional levels as authorized under section 302(b); and

(2) is authorized to enter into contracts or agreements with public agencies, private organizations, and academic institutions to carry out the provisions of this title, except that the Administration shall take such actions as it deems appropriate—

(A) to ensure that activities under any such contract or agreement do not constitute or imply an endorsement by the Administration of the products or services of the agency, organization, or institution involved,

(B) to avoid unnecessary promotion of the products or services of the agency, organization, or institution involved, and

(C) to minimize utilization of any one agency, organization, or institution in any area.

(c) CHIEF COUNSEL FOR ADVOCACY SUPPORT.—The Chief Counsel for Advocacy shall assist in carrying out the provisions of this title by preparing and providing background materials for use by participants in the Conference, as well as by participants in State and regional conferences.

(d) PARTICIPANT EXPENSES.—Each participant in the Conference shall be responsible for his or her expenses related to attending the Conference and shall not be reimbursed either from funds appropriated pursuant to this title or the Small Business Act.

(e) STAFF.—(1) The President is authorized to appoint and compensate an executive director and such other directors and personnel for the Conference as he may deem advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Not to exceed 30 personnel may be employed under this paragraph.

(2) Upon request by the executive director, the heads of the executive and military departments are authorized to detail employees to work with the executive director in planning and administering the Conference without regard to the provisions of section 3341 of title 5, United States Code.

SEC. 306. REPORTS REQUIRED.

Not more than 6 months after the date on which a National Conference is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be available to the public.

SEC. 307. FOLLOWUP ACTIONS.

The Small Business Administration shall report to the Congress annually during the 3-year period following the submission of the final report of a National Conference on the status and implementation of the findings and recommendations of the Conference.

SEC. 308. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—There are hereby authorized to be appropriated not to exceed $4,000,000 for each National Conference and associated State and regional conferences under this title. Such sums shall remain available until expended. New spending authority or authority to enter contracts as provided in this title shall be effective only to such extent and in such amounts as are provided in advance in appropriation Acts.

(b) USE OF OTHER FUNDS PROHIBITED.—No funds appropriated to the Small Business Administration shall be made available to carry out the provisions of this title other than funds appropriated specifically for the purpose of conducting the Conference. Any funds remaining unexpended at the termination of the Conference, including submission of the report pursuant to section 306, shall be returned to the Treasury of the United States and credited as miscellaneous receipts.

Mr. DOMENICI. Mr. President, my amendment will benefit America's small businesses.

I introduced similar legislation in the form of S. 818 last year. That bill, and this amendment, would provide permanent authorization for a White House Conference on Small Business.

It may be of interest to the managers of the bill to know that my bill has 45 cosponsors.

The amendment I am offering today would authorize such a conference not later than 1991, and require that future conferences be held every 4 to 6 years thereafter.

Too often, we think of business only in terms of large corporations. In reality, men and women in most communities are employed by someone other than a large corporation. Very frequently the employer is a small business owner.

No two small businesses, of course, are alike. Different small business owners have different problems. A White House Conference on Small Business provides a way for these different problems and concerns to be evaluated, setting priorities to assist the Congress and the President.

In 1986, more than 1,800 small business owners came to our Nation's Capital as delegates to the 1986 White House Conference on Small Business.

The National Conference was preceded by conferences in each State and a series of regional conferences.

Those 1,800 men and women came here on their own time and at their own expense. They came to discuss mutual concerns in operating a small business, and to offer solutions to these problems.

In a set of 60 final recommendations, these delegates included one drafted by the New Mexico conference delegates, a proposal to provide permanent authorization for a White House Conference on Small Business. I commend New Mexico's chairman, Bill Trembly, for his efforts to have this included among the Final Recommendations.

This conference has been held two times to date, first in 1980, then in 1986.

The Senate Small Business Committee held a hearing on my bill last year. Several witnesses expressed concern over what they considered to be shortcomings of previous conferences, and they suggested ways to improve future conferences.

I was pleased to listen to their suggestions. Since then, I have worked with the distinguished chairman of the Senate Small Business Committee, Mr. BUMPERS, and with the ranking Republican of the committee, Mr. WEICKER, to develop the best legislation possible.

The amendment I have proposed is the fruit of that effort. This legislation would provide for conferences very similar to the previous two, with the national conference proceeded by conferences at the State and regional level.

However, it seeks to increase the role to be carried out by the Government's experts in this area, the Small Business Administration. The President will continue to appoint a White House conference staff, but the conference staff will be encouraged to utilize the resources of the SBA to a greater extent.

Let me just remind my colleagues that the 1986 conference, including the State and regional conferences, cost about $15 million. The Federal Government provided about $4.6 million toward this cost. The remainders were contributed by the private sector. And the delegates paid their own expenses to Washington.

When I introduced my bill, I noted the very real concern over the ability of American business to compete in the world market. Since last year, our position has grown far stronger.

Nevertheless, we can improve upon this even more by helping small business to become stronger, by addressing their needs and concerns.

My amendment helps to underline the support of the Senate for small businesses and its concerns. America's 15 million small businesses provide jobs for nearly one-half of our Nation's private-sector work force, provide on-the-job training for our youth, and account for about 40 percent of our gross national product.

This amendment would assure America's small business owners that their Government believes they ought to have an opportunity to be heard. Support for this amendment would prove to the "little guy" that his elected officials are concerned about his livelihood.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2649) was agreed to.

Mr. BYRD. Third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. BYRD. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar Order No. 798, H.R. 4174.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4174) to amend the Small Business Act and Small Business Investment Act of 1958, and for other purposes.

Mr. BYRD. Mr. President, I ask unanimous consent all after the enacting clause be stricken and that inserted in lieu thereof be the text of S. 2619, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 4174), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that the Calendar No. 788 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank our able staffs, Elizabeth Greene and Marty Paone and Charles Kinney and Bill Norton.

Mr. DOLE. If the majority leader will yield?

Mr. BYRD. Yes.

Mr. DOLE. As I understand it now, we have completed nine of the appropriation bills. I want to commend the majority leader for pushing us to get that done. With the other four, we now have consent to go, after consultation on the last two——

Mr. BYRD. Yes.

Mr. DOLE. And I would consult with the Senator from Oregon, Senator HATFIELD, and the subcommittee chairman, and it is my understanding that it is your hope that we might be able to complete the remaining four appropriations bills the week we are back after the Democratic Convention.

Mr. BYRD. Yes. I hope so, and I thank the distinguished Republican leader for his excellent cooperation and support that has made it possible for the Senate to pass the nine appropriations bills. I also thank the chairman, Mr. STENNIS, and the ranking member, Mr. HATFIELD, of the Appropriations Committee, and various subcommittee chairmen.

May I say on the point with respect to the week we come back, with the exception of Monday evening of that week, Senators should be prepared to stay in late on the remaining evenings: Tuesday, Wednesday, Thursday, Friday; in the effort to complete action on the remaining four appropriation bills.

ORDERS FOR MONDAY, JULY 25, 1988

RESOLUTIONS AND MOTIONS OVER, UNDER THE RULE

Mr. BYRD. Mr. President, I ask unanimous consent that on Monday, July 25 no motions or resolutions over, under the rule, come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

CALL OF THE CALENDAR WAIVED

Mr. BYRD. Mr. President, I ask unanimous consent that the call of the calendar be waived on Monday, July 25.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, the Senate will convene at 10 a.m. on that day. I ask unanimous consent that following the recognition of the two leaders there be a period for morning business not to extend beyond 20 minutes and that Senators may speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the majority leader may, after consultation with the minority leader, proceed at any time to consider the Commerce-Justice-State-Judiciary appropriation bill and the Agriculture appropriation bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the Republican leader.

PROGRAM

Mr. BYRD. Mr. President, on that day the Senate at the close of morning business will proceed to the consideration of the endangered species bill, S. 675. A rollcall vote is expected at approximately 11 a.m. on the motion to proceed to consideration of S. 675, the endangered species bill. I hope that action will proceed on amendments thereto. At 2 p.m. on that day, under an order previously entered, the Senate will turn to the consideration of H.R. 4783, the Labor-HHS and Education appropriation bill. That will be the 10th appropriation bill that the Senate will have taken up in this session, nine appropriation bills having already been completed, four of them during this week. I should state for the RECORD that only four appropriation bills remain, four general appropriation bills, the Labor-HHS and Education appropriation bill, the Commerce-Justice-State-Judiciary appropriation bill, the Agriculture appropriation bill, and the Defense appropriation bill.

So there will be rollcall votes throughout the day on that Monday. I should say at this point, Mr. President, so that all Senators will know, there will not be a late session on that Monday, for good and sufficient reasons.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, does the distinguished Republican leader have anything further he wishes to say or any further action he wishes to transact?

Mr. DOLE. No. No additional action.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. I hope he has a restful period during the next week while we are engaged in all of the hoopla in the warm climate of Georgia.

I also extend my best good wishes to his lovely wife, Elizabeth.

ADJOURNMENT UNTIL 10 A.M., MONDAY, JULY 25, 1988

Mr. BYRD. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order previously entered and in accordance with the provisions of (H. Con. Res. 335), that the Senate stand in adjournment until the hour of 10 a.m. on July 25, this year of our Lord 1988.

The motion was agreed to, and at 4:46 p.m., the Senate adjourned until Monday, July 25, 1988, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 14, 1988:

OFFICE OF PERSONNEL MANAGEMENT

HUGH HEWITT, OF MICHIGAN, TO BE DEPUTY DIRECTOR OF THE OFFICE OF PERSONNEL MANAGEMENT.

FEDERAL LABOR RELATIONS AUTHORITY

DENNIS M. DEVANEY, OF MARYLAND, TO BE GENERAL COUNSEL OF THE FEDERAL LABOR RELATIONS AUTHORITY FOR A TERM OF 5 YEARS.

INTERNATIONAL MONETARY FUND

CHARLES S. WARNER, OF VIRGINIA, TO BE U.S. ALTERNATE EXECUTIVE DIRECTOR OF THE INTERNATIONAL MONETARY FUND FOR A TERM OF 2 YEARS.

DEPARTMENT OF STATE

RICHARD NEWTON HOLWILL, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ECUADOR.

WALTER LEON CULTER, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF SAUDI ARABIA.

CHARLES A. GARGANO, OF NEW YORK, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TRINIDAD AND TOBAGO.

MAYNARD WAYNE GLITMAN, OF VERMONT, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF BELGIUM.

U.S. POSTAL SERVICE

TIRSO DEL JUNCO, OF CALIFORNIA, TO BE A GOVERNOR OF THE U.S. POSTAL SERVICE FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 8, 1991.

SUSAN E. ALVARDO, OF VIRGINIA, TO BE A GOVERNOR OF THE U.S. POSTAL SERVICE FOR THE TERM EXPIRING DECEMBER 8, 1996.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Thursday, July 14, 1988*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Give us, we pray, O God, the spirit of thanksgiving in our lives, that spirit that allows us to see how each day we are blessed by the true gifts of other people, the gifts of joy, and sharing and acceptance. May we recall with gratitude those who support us and wish us well—so that we can better appreciate how our lives are made stronger by the prayers and words of others. Give us the true sense of our community, O God, where the bonds of our humanity are daily encouraged and remembered. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 90) entitled "Joint resolution to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes."

IRAN AIR FLIGHT 655—OPPOSITION TO REPARATIONS TO IRAN

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I am opposed to compensating the victims of the Persian Gulf madness. Certainly the gulf accident was a tragedy, but we here in Washington should not overreact. Iran has been one of the main supporters of terrorist activities in the world. In fact, their top exports are violence and death.

But I think all the Members of Congress should understand that no one compensated American families for the brutal killings of 241 marines in Beirut, Lebanon, and when Iran took American hostages and held them for 444 days, did they ever mention compensation?

Those were not accidents, Mr. Speaker; our incident in the gulf was an accident. And be advised it is a hot box because Iran has made it such.

I say on the floor of Congress that the Iranian Government should make any compensation in order, not the American taxpayers, and every Member of Congress should speak out on this particular issue.

HOW ARE WE GOING TO PAY FOR THE DRUG WAR?

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, today's drug crises is evident to everyone. Poll after poll underscores that Americans perceive narcotics trafficking and drug abuse to be the most important issue our Nation faces. In the Congress there are a number of substantial antinarcotics measures being proposed in both bodies and on both sides of the aisle. Congress and the executive branch have created a series of task forces, conferences, and study groups, each offering a variety of proposals on how our Nation can best combat the drug traffickers and the horrible effects of the deadly drugs which they spread around the world.

However, the increased antidrug legislative activity of the last few months, has left one major question unaddressed. It is an obvious but significant question: How are we going to pay for the war on drugs?

In order to provide the funding for our drug war, I plan to introduce a measure that would raise slightly the excise taxes on beer, wine, and tobacco which will provide approximately $1 billion in additional revenue and earmarked for our drug war.

This modest proposal calls for increases in excise taxes of only 1 cent per can of beer, 3 cents per bottle of wine, and 2 cents per pack of cigarettes.

Everyone agrees that more has to be done in combating narcotics. But to do more we have to find the money to fund these programs. This proposal is a modest, reasonable way to raise the needed funds—less than 1 cent per drink. Accordingly, I invite and would welcome the support of my colleagues.

HAPPY BIRTHDAY, HAPPY

(Mr. HOPKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOPKINS. Mr. Speaker, I rise in observance of a distinguished Kentuckian and an American, the Honorable A.B. "Happy" Chandler of Versailles, KY, who is celebrating his 90th birthday today at home with his family and his friends.

We rejoice today in Happy Chandler's longevity, but more than that we honor the productivity of his life and the compassionate service that he has rendered to the people of our State and Nation throughout the years.

When I was a small boy growing up in west Kentucky and Happy Chandler came to town, that was a happening. Today those of us in public service stand in the long shadows of his contributions and effectiveness.

Happy Chandler was twice Governor of Kentucky, a member of the U.S. Senate and the Commissioner of Baseball. His spellbinding oratorical style, his sharp wit, and indomitable spirit have won him a special place in the hearts of his fellow Kentuckians and in the rich political history of our Commonwealth.

Today we join with his friends in appreciation of his contributions, and I say to my friend, "Happy 90th birthday, Happy."

HAPPY BIRTHDAY, GOV. "HAPPY" CHANDLER

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks)

Mr. HUBBARD. Mr. Speaker, I join my colleague from Kentucky's Sixth Congressional District, Mr. HOPKINS, in extending birthday greetings to my dear friend Albert Benjamin "Happy" Chandler of Versailles, KY. Today is "Happy" Chandler's 90th birthday.

Governor Chandler was born and raised at Corydon, KY, in the western Kentucky district I represent.

I would like to share with my colleagues a letter dated July 8, 1988, to Governor Chandler from our President, a man Governor Chandler likes and admires a lot. The letter is as follows:

DEAR HAPPY: Nancy and I want to add our congratulations to all those you're receiving as you celebrate your 90th birthday.

We wish you all the returns of the day as you reflect on a full life and many years in service to the people of Kentucky and our entire Nation. Your countrymen know you as a concerned and enthusiastic public servant from your terms as a Governor and United States Senator from the Bluegrass State and as Commissioner of Baseball. We join your fellow Americans in the hope that your special day is one of good cheer.

Again, congratulations. Happy Birthday, and God bless you.

Sincerely,

RONALD REAGAN.

My wife Carol and I are very fond of Governor Chandler and congratulate him upon his 90th birthday. Governor Chandler sang at our wedding—"Because" and "My Old Kentucky Home".

Carol and I regret that we cannot attend today at 4 to 7 p.m. reception honoring Governor Chandler. Hundreds of Governor Chandler's friends will honor Kentucky's former Governor—two 4-year terms, 1935-39 and 1955-59—and U.S. Senator and America's former Baseball Commissioner at a reception today, at Bright Leaf Country Club in Harrodsburg, KY, which has been planned by Governor Chandler's longtime friend Joe Weddington of Prestonsburg, KY.

The master of ceremonies today is another longtime friend of Governor Chandler, Dr. Floyd G. Poore, of Florence, KY, a very successful physician who now is the public liaison official in the office of Kentucky Gov. Wallace Wilkinson.

"Happy" Chandler—may God continue to bless your life. We all hope you enjoy many more happy birthdays.

Our best wishes to you, your lovely wife Mildred and your wonderful family.

NO REPARATIONS FOR DOWNING OF IRAN FLIGHT 655

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, I would like to call to the attention of Members of the House a letter I am sending to President Reagan that expresses our emphatic opposition to the payment of compensation or reparations to Iran in connection with the downing of Iran Air flight 655.

This letter makes clear that there is a tremendous moral difference to be drawn between a mistake and a premeditated attack. And as long as the Government of Iran continues to pursue its objectives in the Persian Gulf and elsewhere by carrying on its senseless war against Iraq, compensation for flight 655 should be out of the question. The only appropriate time when compensation might be considered is during a political negotiation after the hostilities have ceased and American hostages are free.

Let's also be clear on another very important point: the 290 people who boarded flight 655 were already victims of the Iranian Government's murderous policies. This incident never would have happened, if Iran had not been preying on neutral shipping in the gulf, and defying every international diplomatic effort aimed at achieving a cease-fire in the war.

And so I say to you, Mr. Speaker: if you believe as I do that payment of compensation to Iran is premature and unjustified, I ask for your signature on this letter.

APPOINTMENT OF CONFEREES ON H.R. 4586, MILITARY CONSTRUCTION APPROPRIATION, 1989

Mr. HEFNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4586) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1989, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I do so to just query the gentleman from North Carolina [Mr. HEFNER], if I could. Attached to this bill was the drug-free workplace language.

Is it the gentleman's understanding that that particular language continues to be contemplated to be put on the Treasury and Post Office bill in such a way that it would cover the gentleman's bill as well and so, therefore, we will not have to go through any process here in order to assure that that language stays in the gentleman's bill?

Mr. HEFNER. If the gentleman will yield, the gentleman is correct

Mr. WALKER. Mr. Speaker, I thank the gentleman from North Carolina, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? The Chair hears none, and appoints the following conferees: Messrs: HEFNER, ALEXANDER, COLEMAN of Texas, THOMAS of Georgia, BEVILL, EARLY, DICKS, FAZIO, WHITTEN, LOWERY of California, EDWARDS of Oklahoma, KOLBE, DELAY, and CONTE.

ACID RAIN THREATENING BLACK DUCKS OF SOUTH CAROLINA

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, South Carolina's large waterfowl populations have always been the pride of the State, and black ducks are undoubtedly one of our most admired game birds. Over the past few decades, we have seen a catastrophic decline in all waterfowl populations, but black ducks seem to have been the most seriously affected. In the Atlantic flyway, black ducks have declined 60 percent since 1955. Although much of the reduction in this species is due to the loss of wetland breeding habitat, research by the Izaak Walton League and others indicates there is another, more insidious culprit—acid rain. Acid rain has been shown to eliminate important sources of protein and calcium necessary for breeding and for normal growth of the ducklings. I urge my colleagues to act this year to curb acid rain so that the skies of my State will again be blackened in the fall, not by pollution, but by the seasonal return of these splendid waterfowl.

FORCING THE MILITARY TO BUY WEAPONS IT DOES NOT NEED?

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, $6 billion of the President's Defense budget was recently shifted to pet pork projects. I think we need to talk about this scandalous micromanagement. We have people screaming about waste and fraud in the Pentagon. Let's take a long hard look in the mirror. What sort of credibility do we have when Members of this body force the military to buy weapons it doesn't need? I want to ask my good friend, the respected chairman of the House Armed Services Committee why he forced the U.S. Army to fork over $500 million for heavy expanded mobility tactical trucks they didn't even want. These trucks, we understand, are manufactured by a company in his State. The chairman wants the Pentagon to save money, and we just cut the defense budget to the bone again. With all due respect, Mr. Speaker, please explain this inconsistency.

TRIBUTE TO VERMONT FARMERS

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, I would like to pay tribute to the splendid efforts I observed Monday, July 11 when a caravan of hay was donated by Vermont farmers to drought-stricken Ohio farmers in Hardin County. Ten truck loads arrived to a receptive and grateful group.

Hardin County farmers deeply appreciate the generosity of not only the Vermont farmers but also the contributions of the truck drivers, Agway Inc., the trucking firms, and all those who donated their time, fuel, and energy to make this possible. Vermonters Tim Clagett and Peter Smith, candidate for the U.S. House of Representatives spearheaded this effort and deserve special thanks for leading the caravan to Ohio.

Two year ago, Ohio farmers were able to help the drought-stricken farmers in the Southeast. Little did we know that we would be on the receiving end of similar help so soon.

Ohio farmers, as elsewhere in the Midwest, have suffered massive losses due to drought and excessive heat. First cuttings of hay were 50 percent of normal with little or no regrowth for later cuttings. Family dairy farmers are particularly hard-hit and are already using forage normally reserved for winter feed.

Secretary of Agriculture Lyng has responded to the plight of livestock farmers by allowing haying and grazing on set-aside acres, haying on conservation reserve acres, and by promptly approving emergency feed program provisions. I believe it is equally important as the need arises to address the urgent problems of all farmers. I am sure we, in the Congress, will promptly address these broader concerns in the immediate days ahead.

□ 1015

IS IT TIME TO REASSESS OUR POSITION ON THE CONTRAS?

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, earlier this year Congress responded to the plea that if we would only suspend military aid to the Contras and give peace a chance that democratic reforms would take place in Nicaragua. We did suspend that aid.

I think it is time now that in the face in recent events in Central America that perhaps we reassess that decision.

If we ask Miriam Arguello what we should do, I think she would suggest that we take another look at our policy. She had the audacity to speak out in an opposition rally, and now as a result is imprisoned in a state controlled prison in Nicaragua.

If we ask the Catholic Bishops, they perhaps would ask us to reassess our policy because they issued a pastoral letter that simply said that dramatic changes in the economy and recent events gave rise to the facts that peasants and workers were not receiving adequate food. For that Radio Catolica has been closed because the Sandinistas do not like that kind of criticism. La Prensa newspaper covered and reported the rally which resulted in the imprisonment of Miriam Arguello. La Prensa has been suspended 15 days for that. Even Oscar Arias, the author of the Central America peace plan said:

> I really deplore what the Sandinistas have done in recent days. I always thought that the Sandinistas' measures toward a more pluralistic society and their compliance with the democratization stipulated by the Peace Plan was irreversible, but that's not so.

Perhaps what is not so is what ought to cause us to make changes in what we do in terms of our policy toward the Sandinistas.

Mr. Speaker, I urge our Members to take a look at what is taking place in Central America.

PRESIDENT FORD'S BIRTHDAY

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, I want to take a moment this morning to wish a happy 75th birthday to my dear, dear friend and former colleague, President Gerald Ford.

I have known this great man for more than 30 years. A guy can have no better friend than Jerry—his wit, his demeanor, his kindness make him a friend par excellence.

Last month I had the distinct pleasure of attending a reunion of Jerry's old friends. What a thrill it was to reminisce about the "Good Old Days." And they were, truly, Good-Old-Days. Jerry was touched by that show of affection, and he should have been—it came straight from the heart.

Jerry Ford is a rare individual, who has served our Nation with love and devotion in this House and in the White House.

Seventy-five years young, Mr. Speaker. You know, there is a goal that many golfers set for themselves, and that is "shooting your age." Having seen Jerry play golf, it is my sincere hope that he lives for at least another 50 years so he can have a shot at that elusive goal!

Jerry and Betty are great people and great friends, and they deserve the very best that life offers. Happy birthday, old pal!

THE SCHOOL VOLUNTEER PROGRAM

(Mr. ATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ATKINS. Mr. Speaker, who are the 4.3 million people who regularly attend school, but, are not teachers or students or administrators? They are school volunteers who donate over a billion hours of service a year to increase the learning opportunities available to our Nation's children.

Just as volunteers vary greatly in their background and interests, they serve the schools in many different ways from tutoring on a 1-to-1 basis to bringing professional expertise into the classroom.

Today, volunteers serve in over 88 percent of our elementary schools, but in only 60 percent of our junior and senior high schools. There is an urgent need to bring volunteer programs into schools that lack them and extend their services to new program areas.

I have introduced legislation, the Business and Citizens School Volunteers of America Act, which will provide incentives for States and local educational entities lacking volunteer programs to create them. It will also assist schools in using their volunteers to combat the most important problems facing our educational system today—the transfer of high technology knowledge, preventing school dropouts and fighting alcohol and drug abuse.

The best thing about the School Volunteer Program is that everyone who participates wins.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989 AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 492 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 492

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and all points of order against the conference report and against its consideration are hereby waived.

The SPEAKER pro tempore. (Mr. Williams). The gentleman from Ohio [Mr. Hall] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. Lott] for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 492 is the rule providing for the consideration of the conference report on H.R. 4264, the Department of Defense Authorization for fiscal 1989.

Under the rules of the House, conference reports are considered privileged and are considered in the House under the 1-hour rule, and no amendments will be in order. Under this rule, all points of order against the conference report and against its consideration are waived.

A general waiver of points of order is required in view of the length and detail of the conference report. The document printing the conference report is 559 pages long, and the conferees resolved over 1,000 defense items on which both Chambers had differed. Therefore, in order to expedite final approval of this vital defense legislation, the Rules Committee crafted a rule which provides a general waiver against potential technical procedural violations.

Mr. Speaker, the conference agreement on H.R. 4264 authorizes $221.1 billion in fiscal 1989 for national defense. When the authorizations for military-end strengths and pay raise are added, the total budget authority implication for national defense as a result of this legislation will be $299.6 billion.

The conference report contains several arms control-related provisions which represent a resolution of the different actions taken by both Chambers. In addition, authorizations are provided for weapons procurement and for military construction. With respect to personnel matters, the conference agreement authorizes a military pay raise of 4.1 percent and a 7-percent raise in basic allowance for quarters. The conference report also provides direction for the role of the military in drug enforcement.

Mr. Speaker, this bill contains several provisions which are particularly important to my district. The bill authorizes $11,455,000 for three military construction projects at Wright-Patterson Air Force Base, which is partially in my district. Furthermore, it contains a provision which brings private sector construction financing procedures into conformity with current tax law. This will make feasible a proposed building at Wright-Patterson to provide a secure and modern environment for the development and acquisition management of the Air Force's high-priority aeronautical programs.

Mr. Speaker, this conference report represents the resolution of many issues relating to national defense and national security. I would urge my colleagues to adopt this rule so that the House can complete its work on this important legislation.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 492 waives all points of order against the conference report on H.R. 4264, the Department of Defense authorization for fiscal 1989, and against its consideration. I would have preferred specific waivers instead of this blanket waiver. That way Members would have a better idea of what rules may be violated by this conference report.

According to the chairman of the Armed Services Committee, the conference report violates the scope and germaneness rules, the rule against appropriations on an authorization, and, in his words, "Pertinent provisions of the Budget Act." Those provisions reportedly include sections 302(c) and 302(f) of the Budget Act. The former prohibits consideration of new entitlement authority under the jurisdiction of a committee which has received a 302(a) allocation and has not filed its section 302(b) suballocation. The latter section prohibits consideration of new entitlement authority which exceeds the "appropriate" section 302(b) suballocation for such authority.

Mr. Speaker, my reading of those two subsections of section 302 of the Budget Act raises serious questions as to whether they are violated by this conference report for the simple reason that the Armed Services Committee did not receive a section 302(a) allocation under the Budget Act and therefore can hardly be faulted for not filing a suballocation or for exceeding that nonexistent suballocation. It may because of this ambiguity and confusion over the interpretation of those subsections that the Rules Committee granted the blanket waiver instead of the specific waivers.

I don't think there is any question, though, that the mandatory 4.1-percent military pay raise, and the various active duty and retirement benefit increases authorized by this conference report are entitlements and therefore constitute appropriations on an authorization in violation of clause 5(a) of rule XXI. I support this waiver because I think our military personnel are deserving of these pay and benefit increases.

My colleagues may recall that we passed this bill in the House by a vote of 252 to 172 back on May 11 of this year after 3 weeks of consideration. The Senate passed its version on May 27 by voice vote. Both authorizations were roughly $221 billion. That amount, taken together with the $78.5 billion in actual funding for military pay and benefits to be provided through the appropriations process, total the $299.5 billion for national defense provided for in the economic summit agreement and the fiscal 1989 budget resolution. The final conference version is $100 million over the amount requested by the President and passed by the Senate, and $100 million less than the amount authorized by the House.

Mr. Speaker, I think the conferees are to be commended on completing work on this difficult and complex bill in less than a month's time.

However, Mr. Speaker, I have very serious reservations and concerns about many features of the conference report. The priorities were changed in many instances and I think subvert what is in the best interest of strong national defense. The conference report also includes the arms control language which was placed in the House authorization bill.

□ 1030

Mr. Speaker, I think once again the House is out of order. It is exceeding its authority. It is making it difficult for the Chief Executive to do his job in the arms control negotiations. I think it is unfortunate that we have diluted what would be otherwise a pretty good bill with this very damaging language. Therefore, I think the Members should be aware that the President has grave concerns about this legislation and may not in fact sign the conference report.

However, I do think we should go ahead and adopt this rule so we can go to discussion of the substance then of the conference report itself.

Mr. Speaker, I have no requests for time. I would urge the adoption of the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 7 minutes to the gentleman from Oklahoma [Mr. ENGLISH].

Mr. ENGLISH. Mr. Speaker, we are gathered here today to consider the DOD authorization bill. A part of that legislation deals with the issue of drug interdiction. It names the Department of Defense as the lead agency for drug interdiction detection, but I think we have to understand exactly what this legislation does and, more importantly, what it does not do.

By simply declaring that the Department of Defense shall be the lead agency for drug interdiction does not necessarily make it so. It does not mean that there will be 1 additional hour flown by aircraft in drug interdiction or a single hour more being used by our ships at sea. It allows it. It encourages it. It does not require it.

The Department of Defense in the past has been a very reluctant participant in the war on drugs. They have dragged their heels consistently. They have attempted to avoid any kind of requirement that would insist that they participate using the assets that they have. There are those in the Department of Defense who have been cooperative. There are those who have given assistance. But to say that the Department of Defense has been an active participant in the war on drugs is simply wrong.

Mr. Speaker, the fear that I have is that many in our country will look at this legislation, will review it, and will assume that this means that the Department of Defense now is going to take an active part in the war on drugs. That simply may or may not be true. There is no requirement in this legislation to bring that about.

Mr. Speaker, to give the Members some idea as to what would be required to, say, provide detection coverage for the southern border of the United States against aircraft smuggling drugs into this country, I have asked the Department of Defense as to what their estimates would be. The indication is that in order to provide even nighttime coverage during the hours of darkness along our southern border the Navy would need 24 E-2C's to cover the maritime routes. The Air Force would need three AWACS aircraft per day flying adjacent orbits along the southwest border. In the case of the AWACS, it would also require two spares as backups and three tankers per day to be used for refueling purposes. The estimated cost for covering the southwest border during hours of darkness according to the Air Force, for the Air Force contribution, would be roughly $62 million per year. For the Navy's E-2C's it would be roughly $63 million.

This legislation is providing for additional money, and certainly the Committee on Armed Services is to be commended for providing those additional resources, some $300 million, but the Department of Defense is not going to be required in this legislation to use that money for these kinds of assets. The Department of Defense ,can use that money for virtually anything that they find, even the remotest connection to the war on drugs. Maybe it will; maybe it will not.

What I would urge and suggest is that the Committee on Armed Services, along with other committees in Congress who have jurisdiction, review consistently over the next few months exactly what the Department of Defense is going to be doing with those funds and also whether or not the Department of Defense is going to finally assume the responsibility that this legislation certainly intends.

Mr. SMITH of Florida. Mr. Speaker, will the gentleman yield?

Mr. ENGLISH. I am happy to yield to the gentleman.

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman for his words and acknowledge that the gentleman has been a leader in the forefront of attempting to get the military and the assets that the military possesses much more into the fight against drugs. I also want to compliment the gentleman on bringing something that I think is very important to the attention of the Committee on Armed Services, and that is oversight on this particular area. There is no question that we would benefit greatly from the military being more actively involved in helping Federal, State and local law enforcement whose primary responsibility is the drug war make and wage that war by using those assets. The gentleman is correct that we have to watch now what the military is going to do, what the Department of Defense is willing to do, because we are going to pay a price in the long term if the military is not involved in this war. We are going to pay a price well beyond what would be paid if the Department of Defense does not become more actively involved in the process, not in enforcing the law but in helping domestic law enforcement at every level to do their job better with the assets that we have provided, and the gentleman from Oklahoma in the well and I both know as well as the other Members of this body that the $300 billion that they have, they have the capability.

The question is: Do they have the will and the leadership of the Department of Defense to help this country wage the war and begin to win the war on drugs?

Mr. ENGLISH. Mr. Speaker, I appreciate the compliments of the gentleman from Florida. We have got to understand that this legislation is not going to require that to be done.

Mr. McCURDY. Mr. Speaker, will the gentleman yield?

Mr. ENGLISH. I am happy to yield to the gentleman.

Mr. McCURDY. Mr. Speaker, I thank the gentleman for yielding. I just want to commend him for his leadership in this area, and I just want to let him know that many of us on the Committee on Armed Services are willing to work with him and try to improve the oversight within the Department of Defense on this important issue. The only area that I would take slight issue with my friend from Florida is that, yes, the resources are there, but the question is whether or not the mission has been clearly defined. I think it is important in the next few months that we help and work with the Department of Defense to better clarify that mission to clearly delineate what the roles and objectives are, and in doing so the other issues that the gentleman from Oklahoma has been so active in providing leadership on, I think, will become clearer in focus.

I again commend him for his efforts.

Mr. ENGLISH. Mr. Speaker, I want to assure the gentleman from Oklahoma that I certainly will continue to be active in doing the oversight regarding the implementation of the intent of the Committee on Armed Services, and I want to commend the Committee on Armed Services for their efforts to bring the Department of Defense into a more active role as far as the war on drugs.

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 276, nays 131, not voting 24, as follows:

[Roll No. 232]

YEAS—276

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Baker
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boggs
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Clarke
Clay
Clement
Coats
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Courter
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grant
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Luken, Thomas
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickle
Price

Quillen
Rahall
Rangel
Ravenel
Ray
Richardson
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)

NAYS—131

Archer
Armey
Badham
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Chandler
Clinger
Coble
Coleman (MO)
Combest
Conte
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
DeWine
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Goodling
Grandy
Green
Gunderson
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Hunter
Hyde
Inhofe
Ireland
Johnson (CT)
Kasich
Kastenmeier
Kolbe
Kyl
Lagomarsino
Latta
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
McCandless
McCollum
McCrery
McEwen
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Myers
Nielson
Oberstar
Obey
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Regula
Rhodes
Ridge
Ritter
Roberts
Roth
Roukema
Rowland (CT)
Schaefer
Schuette
Sensenbrenner
Shaw
Shays
Shumway
Shuster
Skeen
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Stangeland
Stump
Swindall
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Whittaker
Wylie
Young (FL)

NOT VOTING—24

Anderson
AuCoin
Barnard
Biaggi
Boland
Chappell
Cheney
Coughlin
Dixon
Frost
Gephardt
Gingrich
Gray (IL)
Gregg
Hayes (LA)
Kemp
Konnyu
Leach (IA)
MacKay
Martin (IL)
Mica
Pickett
Savage
Spence

□ 1058

Mr. MICHEL, Mr. RHODES, Mrs. ROUKEMA, and Mr. BOEHLERT changed their vote from "yea" to "nay."

Mr. HAMMERSCHMIDT changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 497, CONDEMNING THE GOVERNMENT OF NICARAGUA'S ANTIDEMOCRATIC ACTIONS

Mr. HALL, from the Committee on Rules, submitted a privileged report (Rept. No. 100-775) on the resolution (H. Res. 498) providing for the consideration of the resolution (H. Res. 497) condemning the Government of Nicaragua's antidemocratic actions, calling for compliance with the Esquipulas II and Sapoa accords, and urging both sides to the Nicaraguan conflict to return to negotiations, which was referred to the House Calendar and ordered to be printed.

CONFERENCE REPORT ON H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Mr. ASPIN. Mr. Speaker, pursuant to the provisions of House Resolution 492, I call up the conference report on the bill (H.R. 4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The Clerk read the title of the bill.

□ 1100

The SPEAKER pro tempore (Mr. MURTHA). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of July 7, 1988, at page H5047.)

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. ASPIN] will be recognized for 30 minutes and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. MARKEY] for the purpose of a colloquy.

Mr. MARKEY. I thank the chairman.

Mr. Speaker, I understand the conference report establishes a Nuclear Test Ban Readiness Program within the Department of Energy. Is it the chairman's understanding that the Department is required to provide sufficient funding and programmatic support in fiscal year 1989 for the Readiness Program to begin achieving the objectives laid out for the program?

Mr. ASPIN. If the gentleman will yield, that is correct. The provision does not set a specific funding level in the first year, but it does say that the Secretary "shall establish and support" a Test Ban Readiness Program. The Secretary is therefore expected to earmark a sufficient level of funding from the Department's overall operating expenses budget for weapons activities to get this program established and begin fulfilling its objectives.

Mr. MARKEY. Would the gentleman agree that this program should be accorded a high priority by the Secretary?

Mr. ASPIN. The gentleman is correct. Given the joint announcement at the Moscow summit that following conclusion of the current TTBT verification talks the United States and the Soviets would proceed to negotiate "further intermediate limitations on nuclear testing leading to the ultimate objective of the complete cessation of nuclear testing," this program should be accorded a very high priority in the allocation of the Department's resources.

Mr. MARKEY. Would the gentleman further agree that the primary focus of the Readiness Program would be assembling the specific materials, components, processes, and personnel need for the remanufacture existing nuclear weapons or the substitution of existing alternative weapons should it become necessary to resolve any reliability or safety problems that might arise under a future test ban agreement?

Mr. ASPIN. The gentleman is again correct. The requirement to establish a capability to replace existing warhead materials or components with rebuilds or substitutes is the major innovation of the program. The other objectives outlined for the program require the Department to begin orienting existing nonnuclear testing and stockpile inspection programs as well as ongoing nuclear weapons research programs and activities to address issues that might arise under future nuclear testing agreements.

Mr. MARKEY. Would the gentleman agree that the program is not intended to support the modernization of nuclear warheads or bombs to meet future changes in military requirements?

Mr. ASPIN. The gentleman is absolutely correct. There are already a number of ongoing weapons modernization programs underway at the Department of Energy. This provision has nothing to do with modernization or alteration of nuclear warheads and bombs. It is intended to assure the continued safety and reliability of our existing nuclear warheads should a low-threshold or comprehensive test ban be negotiated. This would be accomplished either by remanufacturing the components and materials of existing warheads without change or by substituting one existing warhead design for another.

Mr. MARKEY. I thank the gentleman.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. BROWN] for the purpose of a colloquy.

Mr. BROWN of California. I thank the chairman for yielding.

Mr. Speaker, I note that the conference agreement on the Defense authorization bill prohibits the obligation of residual fiscal year 1988 antisatellite [Asat] weapon funding. Could the distinguished chairman of the Armed Services Committee please explain the conference committee's decision to take this action?

Mr. ASPIN. If the gentleman will yield, both the House and the Senate Armed Services Committees deauthorized $16 million in unobligated funds for the Air Force's miniature homing vehicle [MHV] Asat Program. The conference committee upheld these actions. The sentiment behind the House action was that additional expenditures on this program would be a waste of money. Secretary of Defense Carlucci this year canceled the MHV Asat, deciding to concentrate on other areas of research for meeting the Asat mission. The conference agreement provides funding for research into these other areas, but sends the clear message that Congress is not interested in any additional spending on the MHV Asat.

Mr. BROWN of California. What the gentleman has said confirms a recent statement by Maj. Gen. Thomas Brandt, Chief of Staff at Air Force Systems Command, who said, "The MV [miniature vehicle Asat] is dead." However, I am also familiar with a recent report that the Air Force is considering a near-term reprogramming request to keep the MHV Program alive. I am interested in your views on this situation.

Mr. ASPIN. According to testimony before our committee, the MHV Asat has been put to rest, where it belongs. Our hearing record contains the Department of Defense view that "it would make little sense to revive the MV Program next year once it has been shut down this year." Restarting the program would be an extremely expensive option, for a program that I believe would yield no useful Asat capability. Because the program is specifically mentioned in the conference agreement, it is automatically a congressional interest item that would necessitate a reprogramming request for additional funds. Given the established House position on the MHV Asat, I feel there is essentially no chance that additional funding would be provided for this program. I would thus see it as a futile effort for the Air Force to request a reprogramming this year, or new funding next year.

Mr. BROWN of California. I thank the gentleman for this clarification, and am in full accord with his views.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma [Mr. McCURDY] for the purpose of a colloquy.

Mr. McCURDY. I thank the chairman for yielding.

Mr. Speaker, the bill before us highlights the issue of ICBM modernization and forces decisions early next year for the new President to choose the future course of this modernization. It also asks for administration reports on arms control strategy, and on strategic forces under START, properly drawing the important connection between modernizing our forces and arms control.

Mr. ASPIN. If the gentleman will yield, that's correct. The bill gets us on track for solving the ICBM window of vulnerability problem that we've collectively grappled with for longer than I care to remember.

Mr. McCURDY. I commend the conference for its work on the ICBM question. But it occurs to me that something might be added. While many accept that ICBM modernization will be required at some point to assure that the United States has a survivable retaliatory force in which we have high confidence, views differ on: when such modernization will be required, missile characteristics and basing modes, the extent of new deployments, and the consequences for modernization of possible arms control agreements. Few studies have dealt adequately with all of these, especially the effects of a START agreement and the possibility of even deeper reductions. While the reports from the administration directed in this bill may cover these points, I believe the Congress would benefit greatly from some independent analysis of them as well.

Mr. ASPIN. I quite agree. This administration has some views on these issues, but for whatever reasons, these views haven't solved the problem. A new President needs to take a fresh look, informed by fresh analysis.

Mr. McCURDY. Given this, Mr. Speaker, it seems useful for you to request the Office of Technology Assessment, that traditionally provides such independent analysis, to give us a study of the ICBM modernization issue in the arms control context.

Mr. ASPIN. I agree this would be very helpful. At your suggestion, I will submit such a request. Given the widespread interest in the House on both sides of the aisle, I hope others will join me in this request as well.

Mr. DICKINSON. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. KOLBE] for the purpose of a colloquy.

Mr. KOLBE. I thank the gentleman for yielding.

Mr. Speaker, I would like to engage my colleague, the gentleman from California [Mr. DELLUMS], chairman of the Subcommittee on Military Installations and Facilities, in a brief colloquy.

Mr. Speaker, the Test and Evaluation Center at Fort Huachuca, AZ, is authorized in this conference report under section 2854 of title 10, United States Code, Restoration of Damaged or Destroyed Facilities. Even though the new facility will not replace the damaged or destroyed World War II buildings on a one-for-one basis, the conferees have authorized the new facility to be built under this authority. Is the Army to understand from this that if they receive an appropriation of $5.4 million for this project, the committee agrees that sufficient authorization is provided to proceed with the construction of the Test and Evaluation Center at Fort Huachuca?

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from California.

Mr. DELLUMS. I thank the gentleman for yielding.

Mr. Speaker, my response is yes, the gentleman from Arizona is indeed correct.

Mr. KOLBE. Mr. Speaker, I thank the gentleman from California for his response and thank the gentleman from Alabama for yielding.

Mr. DICKINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before proceeding I ask unanimous consent that the dissenting views of the Armed Services Committee Republican conferees, a copy of which I have here, be included in the RECORD immediately following my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DICKINSON. Mr. Speaker, the DOD authorization conference report being considered today is not a good one. I did not vote for the House-passed bill, did not sign the conference report, and will not vote for it today. Last night I sent a letter to all House Republicans explaining my reasons for not supporting the bill and urged a no vote today.

I recommend this action in support of Secretary of Defense Carlucci and the President. Secretary Carlucci is extremely disappointed with this bill, particularly after 6 months of good faith dealings with our committee and others involved in the Defense budget process. As of yesterday, the President had decided not to sign the bill. I know that serious consideration has been given to the possibility of veto during the past 2 weeks. All things considered, I believe the President's decision makes the most sense.

Today, we should show our dissatisfaction with the Defense authorization bill. I had hoped that this year's Defense budget process would produce a bipartisan bill following last fall's budget summit and the appointment of Frank Carlucci as Secretary of Defense. While much of this bill does reflect hard bipartisan work, important strategic and arms control provisions are once again the exception. The conferees failed miserably on these sensitive issues. As Secretary Carlucci stated in a letter to me last week, "The conference outcomes on key strategic programs and arms control provisions harm U.S. security interests."

On these strategic and arms control issues, this conference report is not much better than the House-passed bill. Instead of looking objectively at the facts and then judging these issues on their merits, partisan politics dominated the entire process.

In the arms control area:

First. SALT II: For the second consecutive year Congress will direct that Poseidon submarines scheduled for overhaul be dismantled. These dismantlements will once again be falsely justified on the grounds of budget savings instead of arms control. Insisting on the unilateral United States observance of arbitrary limits of an expired arms control treaty that both we and the Soviets are in violation of harms the prospect for a START Treaty and is not in this country's national security interest. Congress continues to reward the Soviets for their violations of past agreements.

Second. Nuclear Testing: This bill once again puts the arms control "cart before the horse" by directing the Secretary of Energy to prepare the U.S. nuclear weapons stockpile for a comprehensive test ban environment. However, both the United States and the Soviets have rejected such a hasty agenda and have agreed to proceed with an orderly, step-by-step negotiation on the nuclear testing issue. We once again are undermining our arms control negotiators.

Third. Depressed trajectory ban: Congress has set a potentially irresponsible precedent on an issue about which we have absolutely no expertise. Not one hearing was held on this legislation in either the House or Senate. Even if such arms control legislation proves to be a worthwhile objective, it should be negotiated bilaterally with the Soviets and not unilaterally imposed by Congress.

In the strategic modernization area:

First. ICBM's: The rail garrison and Midgetman compromise was the worst case of congressional micromanagement and mismanagement in the entire bill. Nowhere else in the bill did Congress better demonstrate its inability to deal in good faith. The original request for the Midgetman was zero, and this bill funds it at $250 million. The original request for rail garrison was $1 billion, and this bill funds it at $250 million—a 75 percent reduction. Proponents of this ridiculous arrangement will insist that it puts both programs on "a level playing field." Don't be swayed by the rhetoric. Hundreds of millions of dollars of savings already realized in the Rail Garrison Program will be lost, contracts will have to be canceled and restructured, and jobs will be lost. "Smoke and mirrors" have once again carried the day.

Second. SDI: We fund SDI at $4.1 billion, a reduction of $800 million from the President's request. In view of all the reviewing and inevitable restructuring the SDI Program is and will be going through in the coming months I believe the funding figure is adequate. The problem is not only in the funding; the conferees also significantly reduced the administration's ability to flexibly manage the SDIO Program by specifically earmarking 20 percent of SDI's research and development funding. For example, this bill forces the administration to spend at least $225 million on the free electron laser. In the first place, this is $50 to $70 million too much in light of the reduced SDI budget. The reason this program was fenced was political, not programmatic. It became very clear in conference that this was election year welfare for Democrats from New Mexico. We see similar welfare programs being earmarked in the appropriations bill.

If, as we did with ICBM's, we are going to ignore our responsibilities and leave the hard choices up to the next administration, we should be consistent, stop micromanaging SDI, and let either President Bush or President Dukakis decide on the program's future.

I am very unhappy with this liberal Democratic defense bill, particularly after spending the last 6 months working hard to avoid such an outcome. Secretary Carlucci is displeased with this bill and has every right not to deal with Congress in good faith again. The President has decided not to sign this bill. The message being sent is very clear. Vote "no" on adoption of this conference report.

DISSENTING VIEWS OF REPRESENTATIVES DICKINSON, BADHAM, STUMP, B. DAVIS, HUNTER, KASICH, L. MARTIN, BATEMAN, SWEENEY, BLAZ, IRELAND AND HANSEN

After last fall's budget summit, and in view of Secretary Carlucci's more compromising attitude towards congressional relations with the Pentagon, we had high hopes that the FY 1989 Defense Authorization Bill would represent a bi-partisan effort. Unfortunately, this bill is as partisan as any in recent memory.

The majority of the bill accurately reflects six months of hard, bi-partisan work on the part of the House and Senate Armed Services Committees. As in the past, however, a handful of important strategic and arms control issues have not been constructively addressed. We consider the arms control, ICBM modernization, and SDI provisions to be inconsistent with the national security interests of the United States.

SALT II

In the FY 1988 Defense Authorization Bill, Congress endorsed U.S. violation of SALT II's quantitative sublimits. Congress nevertheless directed the Administration to deactivate a Poseidon submarine scheduled for overhaul in order to keep the U.S. in only a "slight" violation of SALT II. Unwilling to accept the widespread criticism that it was unilaterally legislating arms control, Congress justified the Poseidon deactivation on the grounds of saving money.

Both the U.S. and the Soviets remain in violation of SALT II quantitative sublimits, and this bill once again codifies U.S. violation of the treaty. However, it also directs that two Poseidon submarines scheduled for overhaul in FY 1990 be "pulled back" into FY 1989; one to be deactivated and the other to be tied to a pier to await deactivation. For the second consecutive year, these submarine deactivations are being justified on the grounds of budget savings. Insisting on unilateral U.S. observance of selective limits of an expired arms control treaty that both parties are in violation of harms the prospect for a START Treaty and is not in this country's national security interest.

DEPRESSED TRAJECTORY FLIGHT TEST BAN

This bill directs that a ban on the flight testing of depressed trajectory ballistic missiles by implemented in FY 89. This approach to a complex issue is, in effect, little more than a first step down the "slippery-slope" of pretending that nuclear weapons can be controlled by prohibiting flight testing. A potentially irresponsible precedent is being set on an issue about which Congress has little or no expertise. Moreover, even if a flight test ban on depressed trajectory ballistic missiles proves to be a worthwhile objective, it should be the subject of bi-lateral negotiations with the Soviet Union, not a unilaterally imposed ban initiated by the House of Representatives.

NUCLEAR TESTING

On the issue of nuclear testing, this bill directs the Department of Energy to establish and support a program to maintain the safety, reliability and continued deterrent effect of the nuclear stockpile in the event that a low threshold or comprehensive ban on nuclear testing is implemented. No funds are provided for this program (making it an undistributed reduction) and, moreover, a low threshold or comprehensive test ban is unlikely to be realized for years, if not decades. Under the auspices of preparedness, proponents of the nuclear testing provision are pushing an agenda on a schedule that both the U.S. and the Soviets have already rejected during recent negotiations. There is agreement at the highest levels of both governments to proceed with the negotiation of nuclear testing issues in an orderly, step-by-step manner with the first priority being given to improvement of verification regimes for existing nuclear testing treaties. By directing the Secretary of Energy to prepare the nuclear weapons stockpile for a low-threshold or comprehensive test ban beginning in FY 89, this bill puts the arms control "cart before the horse," perhaps by several decades.

ICBM MODERNIZATION

The worst case of congressional micromanagement in this entire bill is the politically-derived formula for IBCM modernization. Early this year, at the behest of several senior Members of Congress, Secretary Carlucci made a good faith gesture in directing the Air Force to request $200 million in FY 89 for the SICBM despite an earlier Department of Defense decision to terminate the prohibitively expensive program. It should be noted that the Department's initial decision to terminate the SICBM followed Congress' massive reduction in this year's (FY 88) SICBM funding from a $2.2 billion request down to $700 million. The idea behind Secretary Carlucci's $200 million SICBM request for FY 89 was to keep the program alive, at a minimum level of funding, so the next administration would have the option of reinvigorating the program if it desired.

Thus, the ICBM modernization request for FY 89 provided $793 million for rail garrison and $200 million for the SICBM. Over the past months, the idea of maintaining a SICBM option for the next administration has been manipulated by the program's supporters, particulary House Democrats. The SICBM option idea somehow changed to a new idea that both the rail garrison and SICBM programs should be put on a "level playing field" so the next administration could make an objective choice between the two. Linking the two programs was never a component of Secretary Carlucci's good faith offer and did not take into account their approach was not enough for SICBM proponents who have now insisted, regardless of the programmatic impact, that both programs be funded at equal levels in the name of satisfying political perception.

This bill provides $250 million for the SICBM, $250 million for rail garrison, and withholds an additional $250 million pending a decision by the next administration over which program, if either, will proceed. Ignoring the fact that such a funding formula will mean the re-structuring of rail garrison contracts and the loss of significant savings realized through competition, Congress has added $50 million to a program that it almost terminated a year ago while reducing FY 89 rail garrison from $1 billion to $250 million. This is not a "level playing field" and is entirely unacceptable.

SDI

While this bill pretends to clear the way for the next administration to select the future direction of ICBM modernization, it has not provided similar flexibility in regards to the SDI program. The President's original $6.7 billion FY 89 request for SDI has been reduced to $4.1 billion—a 40 percent cut. In addition, this bill establishes minimum and maximum funding levels for specific programs totaling $660 million, almost 20% of SDIO's FY 89 research and development budget. If Congress is going to absolve itself of its responsibility to decide the ICBM issue, it should be consistent and do the same for SDI.

The process of bi-partisan compromise on these important issues hasn't broken down because it never existed in the first place. In our view, important parts of this bill are no better than the House-passed version and should not be supported.

□ 1115

Mr. ASPIN. Mr. Speaker, how much time do we have on our side?

The SPEAKER pro tempore (Mr. MURTHA). Twenty-two minutes.

Mr. ASPIN. Mr. Speaker, let me get through some colloquies, and then maybe I would like to engage the gentleman from Alabama [Mr. DICKINSON] in a little bit of talk about the process here at some point because, if the gentleman from Alabama is as unhappy with the product here as he sounds, maybe we ought to rethink the way we are doing this process because we clearly changed in conference. We changed some provisions from what I would have liked to accommodate the gentleman and Mr. WARNER on the Senate side, and, if we are not able to do that, we are going to have to pass these bills only with Democrat votes. I think maybe next time we ought to have a gang of two meeting instead of a gang of four meeting.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Alabama.

Mr. DICKINSON. It would come out the same.

Mr. ASPIN. No, Mr. Speaker, It would not.

Mr. DICKINSON. Oh, yes, Mr. Speaker.

I wonder if the gentleman from Wisconsin [Mr. ASPIN] would point out to me where he has acceded to the wishes of this Member and how we made it better from where I stand. Where in the bill? Where in the conference?

Mr. ASPIN. Mr. Speaker, we did not get what we really would have liked on the SALT II limits.

Mr. DICKINSON. Mr. Speaker, the gentleman from Wisconsin [Mr. ASPIN] says he only got 75 percent of what he wanted instead of a hundred percent. Is that right?

Mr. ASPIN. No, Mr. Speaker.

I am not going to argue with the gentleman from Alabama; I am not going to argue the gentleman's point. I just think that this was a pretty straight, down-the-line split, and what we had on our side was a little bit of unhappiness with our arms control people that we did not get more. I think the gentleman from——

Mr. DICKINSON. Mr. Speaker, maybe the gentleman from Wisconsin ought to join the State Department. They did not get more. How much more is there?

Mr. ASPIN. Mr. Speaker, I will not argue the point with the gentleman from Alabama except to make the point that I think we will do the conference different the next time.

Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa [Mr. NAGLE].

Mr. NAGLE. Mr. Speaker, I rise in support of this conference report, particularly the bilateral flight test limitation on depressed trajectory ballistic missiles. This provision promises to protect national security by seizing a major destabilizing first-strike technology and taking it off the board forever.

Achievement of this test limitation was a team effort. In particular, I thank my cosponsor, Mr. DORNAN, for demonstrating that national security can rise above partisanship, and Chairman ASPIN for vigorously advancing the House position in conference. I also thank Mr. MCCURDY and Mr. GEPHARDT for pitching in at critical moments in the House debate. Finally, I thank Mr. DOWNEY, Mr. AUCOIN, and Mr. CARR for their many years of work on this issue, without which this test limitation would not have been possible.

The key conceptual House-Senate agreement was made in a small meeting between the two chairmen and ranking minority members, which I also attended. I understand the Senate was most reluctant to have nonconference members in that meeting; I was invited to participate, and was present to carry the negotiation to basic agreement, at the insistence of Mr. ASPIN. For this I am also in his debt.

Additionally, I thank Mr. ASPIN in advance for a letter he has prepared for transmission to the Secretary of Defense and the Director of Central Intelligence. This letter will indicate the view of the House that the depressed trajectory report, in its consideration of whether the Soviets could deploy at DT capability without testing, needs to evaluate whether such a capability would offer sufficient confidence and surprise potential for effective use in a disabling first strike against time-sensitive United States strategic assets.

Most importantly, Mr. ASPIN'S letter indicates that the report needs to address the critical question of what the Soviets can do under this testing limitation, versus what they can do if we allow flight testing without restriction.

In conclusion, I am in full agreement with the sentiments just expressed by the gentleman from Wisconsin regarding the conduct of Defense authorization conferences in the future. The obligation of the conferees is to advance the position of the House, even when it may be at variance with their personal views. If there are Members who, in good conscience, feel they cannot play by the rules, it is probably better that they not play at all.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. LEATH] for the purpose of a colloquy.

Mr. LEATH of Texas. Mr. Speaker, it is my understanding that the following is the intent of Congress in adopting section 822—titled "Source for Procurement of Certain Valves and Machine Tools."

First, the primary reason that Congress thought this provision was necessary was to assure that viable U.S. machine tool and valve manufacturing industries are maintained in this country—industries which are capable of responding to critical defense requirements in an emergency.

Second, Congress wanted to assure that our defense arsenals, shipyards, air logistic centers, ships and submarines are able to operate efficiently during a national emergency and are not depending on foreign sources at a time when the foreign suppliers may not be able to respond. In short, the prime reason for these restrictions is national security.

Is this understanding correct?

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. LEATH of Texas. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Yes, that is correct.

Mr. LEATH of Texas. Mr. Speaker, it is also my understanding that it is the intent of Congress to grant the Secretary of Defense authority to make exceptions to the restrictions contained in section 822, on a case-by-case basis, in those instances where there is documented justification for such waivers. In other words, exceptions are not to be made on a broad, overarching basis—but only if they are justified in individual cases.

Mr. ASPIN. If the gentleman will yield; yes, that is correct.

Mr. LEATH of Texas. In order to assist the Department of Defense in the interpretation of the exceptions contained in section 822 and in the preparation of implementing regulations, I think it may be helpful to clarify the exceptions.

Section 822 places restrictions on foreign procurement of certain classes of machine tools and ship/submarine values. Exception (B) would permit foreign procurement if U.S. producers would not be jeopardized and if the particular foreign country involved does not discriminate against defense items produced in the United States. It is my understanding that it is the intent of Congress that a determination would be made on the basis of an overall defense trade balance with the country in question. However, if a country discriminates specifically against certain categories of defense items the Secretary shall not waive the application of the act with respect to those items.

Is this understanding correct?

Mr. ASPIN. If the gentleman will yield; yes, that is correct.

Mr. LEATH of Texas. Exception (D) would permit a waiver to be granted by the Secretary of Defense, if the restriction would impede cooperative programs entered into between the Department of Defense and a foreign country. It is my understanding that the cooperative programs referred to involve specific coproduction programs and not broad agreements, such as memoranda of understanding [MOU] between the Department of Defense and foreign countries to strike down existing trade barriers.

Is this understanding correct?

Mr. ASPIN. If the gentleman will yield, yes, that is correct.

Mr. LEATH of Texas. I thank the chairman.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. BUSTAMANTE] for the purpose of a colloquy.

Mr. BUSTAMANTE. Mr. Speaker, I would like to engage the gentleman from Wisconsin [Mr. ASPIN] in a colloquy to clarify conference report language on the C-26 aircraft reprogramming.

Mr. Speaker, does the conference report language concerning reprogramming fiscal year 1988-4PA for 3 additional C-26 Air National Guard aircraft intend to limit the unit cost of the additional aircraft to be no greater than the actual unit cost paid for the six aircraft approved for fiscal 1986?

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. BUSTAMANTE. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Yes. The Air National Guard's reprogramming request included under and over estimates of actual program costs because it was developed before the Air Force completed the congressionally mandated competition for the procurement of the six aircraft. The competition resulted in a unit price of $3.4 million per aircraft. The conference report language intends to limit the cost of the reprogrammed additional three aircraft to the current contracted unit price in order to prevent overcharging for these aircraft.

Mr. BUSTAMANTE. Mr. Speaker, I thank the chairman for the clarification.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. DICKS] for the purpose of a colloquy.

Mr. DICKS. Mr. Speaker, I would like to clarify for the record the conferees' intentions in directing that the U.S.S. *Henry Clay* (SSBN-625) and the U.S.S. *James Monroe* (SSBN-622) not be operated beyond September 1, 1989. As I understand the conference report, the deactivation of the U.S.S. *James Monroe* will begin no later than September 1, 1989. The U.S.S. *Henry Clay* will not be operated or deployed after that date.

Mr. ASPIN. If the gentleman will yield, that is correct. Both ships will be removed from service by September 1 and neither ship will be operated or deployed. In both cases the missiles would be removed from these ships as of that date. The U.S.S. *James Monroe* is directed to commence deactivation no later than September 1, 1989. Due to shipyard availability the U.S.S. *Henry Clay* will not enter the shipyard for deactivation until about January 1990. Because of the shipyard schedule, the conferees specifically authorized that funds may be used to maintain the U.S.S. *Henry Clay* beyond September 1, 1989.

Mr. DICKS. Thank you, Mr. Speaker. As the provision would require the U.S.S. *Henry Clay* to remain tied to the pier for approximately 5 months before shipyard inactivation would commence, provision needs to be made to maintain crew training and to provide for ultimate safe transit to the inactivating shipyard. The crew and their families are homeported in Charleston, SC; however, it is my understanding the deactivation may be conducted at a shipyard on the west coast of the United States. To maintain ship safety and readiness to conduct the shipyard transit, the crew needs to conduct in-port training. Additionally, a short underway sea trial is necessary to conduct final ship preparation and checks prior to transit to the inactivation shipyard. It is my understanding this type of activity conducted to ensure crew and ship safety while it is in a nondeployable status is within the intent of the Congress.

□ 1130

Mr. ASPIN. Mr. Speaker, if the gentleman will yield, permitting the crew of the U.S.S. *Henry Clay* (SSBN-625) to conduct crew training in port and a short underway trial prior to proceeding to the inactivating shipyard are consistent with the intent of this legislation. There is no intent to interfere with the safe maintenance of the ship or to impose a hardship on the families. The actions you describe are an acceptable manner for the Navy to carry out the congressional direction provided all missiles are removed prior to September 1, 1989, and the ship is in-port and restricted from at-sea operations other than the sea trial and transit to the inactivating shipyard.

Mr. DICKS. Mr. Speaker, I thank the gentleman for the explanation of the legislative intent.

Mr. Speaker, if the Chairman would permit one additional comment, I want to say on behalf of many of us in the House how much I appreciate the leadership that the gentleman has demonstrated on a whole series of arms control issues. We have heard from the other side that some of these are very controversial with the administration; but in my own judgment I think what the House has attempted to do is preserve a framework of arms control so that the next administration has a choice about what to do about offensive weapons and defensive systems.

I think without the leadership of the chairman we could be in a situation today where the ABM agreement was torn up and where there was no restraint on offensive weapons. I think the country would be ill served if that had been allowed to happen.

So I want to applaud the chairman for his leadership in the House and this committee for the work that it has done to try to preserve a structure of arms control for the next administration.

Mr. ASPIN. Mr. Speaker, I thank the gentleman from Washington for his comments.

Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. DARDEN].

Mr. DARDEN. Mr. Speaker, I rise in strong support of this conference agreement. First, however, I would like to express my thanks and support to the chairman of the Armed Services Committee for his tenacity and dedication to present a responsible and timely bill to the House. There were almost 1,000 differences in funding levels and language between the House and Senate versions of this authorization act. Having the privilege to serve on the conference committee, I am well aware of the effort the members of the committee made to fashion a fair compromise that will ensure a continued strong national defense.

As in any conference agreement, there are points that I disagree with. However, the overall policy set by this legislation is sound. Failure to approve this bill could result in significant setbacks for our national security.

This bill responsibly addresses the issue of ICBM modernization. I support development of the small mobile ICBM, also referred to as Midgetman. And, although I am a strong supporter of mobilizing the MX Peacekeeper in order to make it more survivable, I have several reservations concerning the Air Force's plan to place these missiles on railroad cars. However, I believe the position taken by the conferees, $250 million for each, with $250 million in an account to be spent by the next President, is the best method for ensuring that one of these critical options, and hopefully both, will survive.

This conference agreement also ensures that our sea-based leg of the triad will continue to improve. By purchasing 66 D-5 missiles and another trident ballistic missile submarine, we are continuing to modernize these forces and make them more survivable.

This legislation also continues research in the strategic defense initiative. As a long-time supporter of this program, and a member of the research and development subcommittee, I supported a funding level somewhat higher than the conference agreement. However, I am convinced that the $4.1 billion authorized for SDI is adequate to continue a vital and strong research program, with the goal of deployment in the 1990's.

There was also a concentrated and dedicated effort by the conferees to ensure that our conventional forces continue to improve. We have increased funding above the administration's request for M1 tanks, AH-64 Apache helicopters, F/A-18 Horent aircraft, F-14 Tomcats, and F-15 fighters. These increases are extremely important in view of the recently ratified INF Treaty.

Finally, I am encouraged by the provisions in this agreement which move us toward an end to the flow of illegal drugs into our Nation. We have appointed one Federal agency, the Department of Defense, to be responsible for detection and monitoring of aerial and maritime transit of illegal drugs into the United States. The Department has the equipment and the talent to coordinate this endeavor, and it is time we utilize them in such an important role.

Mr. Speaker, this is not a perfect bill. But, it is a bill which meets the requirements of a strong national defense. I could not support it if it did otherwise.

Mr. ASPIN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. Mr. Speaker, I rise in support of this legislation and I commend the chairman for his leadership.

Mr. Speaker, I rise in support of this conference report because I believe that this bill represents the best middle ground that could be achieved for funding DOD programs under difficult budget circumstances. I also believe that the conferees have struck a delicate balance among procurement, RDT&E, readiness and O&M activities. I am particularly pleased that the major DARPA initiatives in advanced submarine R&D high-temperature superconductivity and advanced microelectronics manufacturing technology have all been carefully looked after in the conference report. With no real growth projected for the overall Defense budget and a clear shift from strategic to conventional emphasis. It is most critical to initiate high payoff R&D programs that will allow for advanced weapons systems at acceptable costs. I am also pleased that the conferees have authorized eight C1-30's for the Air National Guard; these aircraft are vitally needed.

One of the shortcomings I see in this bill is that, regrettably, the conferees ignored advanced technology as an option for the new production reactor. I have language in the House bill that would have directed the Secretary of Energy to give significant consideration to inherent passively safe features in evaluating the designs for the new production reactor. The fact of the matter is several reactor manufacturers have passively safe designs for advanced light water, heavy water reactors, and gas reactor concepts.

I do not believe that the provisions of section 1435 recognize the reality of safety concerns about the construction of this new reactor. It is no longer acceptable to think about this issue in terms of business as usual. The NPR must offer the promise of being a very safe machine or the project will just not stand up to the great scrutiny that it must undergo from a new independent commission overseeing DOE's defense activities.

Mr. Speaker, I urge support of the bill chiefly because it represents a thoughtful and balanced approach to authorization levels for the DOD programs.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. HUTTO] who wants to engage in a colloquy with the gentleman from Alabama [Mr. NICHOLS].

Mr. HUTTO. Mr. Speaker, I appreciate the gentleman yielding me this time.

I would like to ask the gentleman from Alabama, as the gentleman knows, as chairman of the Coast Guard Subcommittee I have more than a passing interest in what is done regarding the drug amendment which was in our House bill, which was $475 million. This was reduced to $300 million. Most of our money had gone to the Coast Guard and none of it in the conference goes to the Coast Guard, so this is of great concern since the Coast Guard has a number of land-based and sea-based Aerostats, as well as E-2-C's on loan from the Navy. Now, how will these assets be managed? Will the Coast Guard continue to do that, or how will it be coordinated? Could the gentleman enlighten us a little bit on that?

Mr. NICHOLS. Mr. Speaker, if the gentleman will yield, I appreciate the interest of the gentleman from Florida in the Coast Guard. Let me say to the gentleman in response that the bill passed by the House included an authorization of $415 million for the Coast Guard. Most of this authorization was to buy equipment, such as Aerostats, airplanes, helicopters, and so forth.

The Senate had no such provisions, I say to the gentleman, in their bill.

In conference we agreed to give a specific mission in drug interdiction to the Department of Defense. We believe that the DOD budget should be devoted to DOD purposes.

Thus the conference report contains no authorization specifically for the Coast Guard.

We agree wholeheartedly that the Coast Guard should be funded and we have established a legislative process to do this outside the Department of Defense authorization.

The bottom line being, I say to the gentleman from Florida, that the bill does not mandate any specific arrangements. It does create a lead agency making it the responsibility of the DOD and it specifies that the Department of Defense is to work out these arrangements and coordinate in effect all agencies.

We intend to exercise oversight on how that will be done.

Mr. Speaker, I hope that reponds to the gentleman's question.

Mr. HUTTO. Mr. Speaker, I do appreciate the gentleman's response, and since the appropriations bill on the House side and the Senate side on defense has funding for the Coast Guard, some of this may not be authorized after it is reconciled in conference, and I would appreciate the help of the gentleman and the help of the chairman of the Armed Services Committee in getting with us and working it out so that we can be sure to authorize what is necessary for the Coast Guard to do its job. They have been cut back 55 percent on patroling, so it needs help, and I do appreciate the gentleman's cooperation and help.

Mr. DICKINSON. Mr. Speaker, I yield 5 minutes to the very distinguished gentleman from California [Mr. BADHAM].

Mr. BADHAM. Mr. Speaker, I would like to commend our leader on the minority side here for the work that he has done in this conference and on this bill and against kind of overwhelming odds, trying to help put together a good bill and a good conference report. I understand the gentleman's frustrations.

This is probably going to be the last DOD authorization conference that I will be able to participate in. It will probably be the last conference report that I will speak to on this floor as a member of the Armed Services Committee, since I will not be here next year, by my own choice.

I would just like to be able to say that I was going to support this conference report and that there was a lot of good in it, and there is some good in it, but I am unfortunately not going to be able to support the bill we had that passed this House, nor will I be able to support this conference report for many, many reasons.

I will encourage, as I am at this moment, the President of the United States should this conference report pass, I would encourage my friend of a long number of years, who also leaves office this year, President Reagan, to veto this conference report and virtually assure that the votes will remain within this body on this side of the aisle to sustain that veto.

If I have had over the past 8 years any disagreement of major scope with my friend, the President of the United States, it has been his reluctance to veto bad legislation, costly legislation, unworkable legislation. I have pleaded with the President on many occasions to vote more bills, that such vetoes would have been sustained.

I think this is a perfect example, this bill we have before us today.

I will have to say, there is a lot of good in this bill and in the conference report, and that is that the authorization number of $299.5 billion was adhered to and that was an agreement made last year.

There are lots of good programs that are funded or authorized in this bill, a lot of things for our people in the military who are of higher quality now than they have been for some time. Our equipment is better, our readiness is better, and we are starting to destroy that philosophically and to undermine the gains that we have made over the past several years in the defense of our country, our way of life, and the defense that we share for the freedom of the western world, that we share with our allies.

Mr. Speaker, this conference, and I do take some bit of amusement at the so-called colloquy that did ensue between our respected chairman, who I respect greatly, our chairman and our ranking minority member, that maybe we are going to have to change the conference system in the future.

Well, I hope we do, Mr. Speaker, and I hope we will change it for the better, not keep going down the road where again this year we had a conference that was made up I guess of more members from the Armed Services Committee than ever before and extraneous conferees, as we refer to them, from about every other committee, to deal with things that properly should not even be in this bill. A lot of the arms control issues should be handled by committees that handle arms control, not the defense of our country.

It is the job, as I see it, of this committee to provide for the authorization of the equipment, the materiel, and the people in uniform who will provide for the defense, the common defense that is required by the Constitution, for the people of our country.

In the MX, or the rail garrison small ICBM Midgetman, I was one who encouraged at least keeping alive the Midgetman program because that would give the President who is now in office and the President who will succeed him next year the ability to use that and other programs to sustain whatever kind of modernization we might need if we go into any kind of an arms reduction treaty, which I hope we will, and I think we will.

The Midgetman itself I encouraged keeping alive even over the opposition of the Defense Department because we need not or should not at this time just scrap any system, even though it probably will not in the future become a deployed system.

I would use the parallel here that we did with the Pershing II and the gound-launched cruise missile.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. BADHAM] has expired.

Mr. DICKINSON. Mr. Speaker, I yield 3 additional minutes to the gentleman from California [Mr. BADHAM].

Mr. BADHAM. Mr. Speaker, I thank the gentleman for yielding this additional time.

In the case of the Pershing II and GLCM, we deployed those systems knowing full well that the idea in deployment was to get rid of those systems sooner or later. That cost a lot of money, but did it do the defense of the free world good? Yes, it did. We eliminated the SS-20's in the process.

The same way with the Midgetman. Now, the Midgetman per warhead is probably the most expensive strategic system ever conceived by the mind of a man and it will not fly, it will not fly financially, it will not fly feasibly. It will not fly from an economic standpoint. So it is going to be eliminated sooner or later, but we ought to keep it going until we get to that time when we decide that even yet we might need that, infeasible as it might be, for a follow-on system of modernization.

Now, that gets us to the rail garrison system which has somehow taken on a political opposition to the Midgetman which will not fly.

The political opposition is that if you cannot have that, you cannot have the other, but that is not true, because the Scowcroft Commission called for examination of additional basing systems. The rail garrison meets those criteria and should be continued. Indeed, the Defense Department felt so heavily that they allocated in their request $1 billion for the continuation of the rail garrison in engineering development and zeroed the Midgetman.

We came to a proposal agreement that we should have at least $800 million of the $1 billion for the rail garrison and keep the Midgetman line open, just open, just warm for another year. That was rejected and made both programs of $250 million each unworkable as far as this coming fiscal year is concerned.

On the SDI, the respected minority ranking member has pointed out that not only do we micromanage, we overmicromanage when we make deep and further cuts in the SDI and then micromanage with parochial and provincial concerns the goodies within the SDI to micromanage it so certainly it will one of these days fall of its own weight by those who would say, "Let's mircromanage that and everything else."

SALT II has gone beyond its time and would have been passed out and canceled by now or rejected even if it had been in effect, for the simple reason that its time has run out.

So for these and many other reasons, although the equipment is good in the bill, I request that this conference report be defeated, and I will encourage the President to veto it.

Mr. DICKINSON. Mr. Chairman, I yield myself 1 minute to reply to my very distinguished colleague, my close friend, the gentleman from California [Mr. BADHAM].

As the gentleman has pointed out, he is retiring at the end of this calendar year in the congressional session. I have sat side-by-side, cheek-to-jowl with him, for many, many years. He has been a very incisive, dynamic, informed, persuasive, hard-working member of our committee for lo, these many years and I would just like to say while the gentleman is here, he will certainly be missed. He is a very valuable member of the team.

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Mr. Speaker, I do not think we could have done nearly so well in turning out the legislation to support a strong defense as we have if it had not been for his presence, his ranking on the Procurement Subcommittee. He has really the interest of the country at heart. We will miss him, and I did not want the opportunity to pass without being able to at least pay him that much respect.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I am happy to yield to the gentleman.

Mr. ASPIN. Mr. Speaker, let me echo and agree entirely with the comments made by the gentleman from Alabama. There is no question that of all the people on the Committee on Armed Services that the gentleman from California [Mr. BADHAM] has been the guy that has been an essential part of the Committee on Armed Services and its work for as long as I have been on the Committee on Armed Services. We will, indeed, miss him a great deal. Sometimes we will miss him more than others, but on the whole, he has been a very, very constructive force and a person whose judgment and whose counsel we will miss very much, and it is hard really to imagine the Committee on Armed Services without him. I commend the gentleman from Alabama for bringing this to our attention. I wanted to do it myself, but I think it is important that we do it, because the gentleman from California may leave the floor and we would not want him to miss the opportunity for him to hear these nice words in spite of our differences on and off a lot of issues.

Mr. Speaker, in fact, we agree on an awful lot of issues, and I really do think the gentleman from California will be missed very greatly by our committee, and I am very sorry to see him leave.

Mr. DICKINSON. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, first of all, I thank the gentleman for yielding, and as the gentleman from California [Mr. BADHAM] leaves, I would like to say as one of the newer members of the committee that there is nobody who understood the systems better than the gentleman from California [Mr. BADHAM], and I think that is one area of the committee we need to continue to improve. That is going to be a great loss.

Mr. Speaker, I also want to think that the chairman is not being given the proper share of credit for what he was able to get in the final bill on arms control. I am frankly surprised that anybody on his side would criticize him for what he has been able to get in this bill, because if those Members really want to take a look at this bill, that is the reason why I think we should vote "no." I think we should rip all of this arms control stuff out and leave the rest of it in there, because the rest of the bill is pretty good.

Mr. Speaker, if Members look at SALT II, we are yanking submarines out of the next fiscal year and putting them into 1989, which is an unheard-of feat, which is what the gentleman from Washington [Mr. DICKS] wanted done because he wanted to preserve SALT II. All the Members remember SALT II, that is the agreement that allowed the Soviets to add dramatically to their total strategic arsenal and sanctions arms growth rather than arms control, and we have a nuclear testing provision in this bill which is Markey revisited. The Markey amendment was defeated, and yet we stuck it back into the Committee on Armed Services bill, and we got a new item. We are going to hear about that every single fiscal year. Do Members know what that is called? It is called depressed trajectory. What we are going to do with it, and it is pretty tough to say, but we will call it depressed trajectory ban for 1 year, but it is going to be revisited 1 year, and the year after and the year after. This was a handy idea that somebody drummed up probably in the middle of the night on a napkin and put it in the Defense bill, and what we have done here is we have done something unilaterally. We have done something the experts on both sides agree makes no sense, and while we had an offer to study this, that was rejected. We have now this unilaterally imposed trajectory ban on the United States, and then SDI, of course, we micromanage SDI. We have got every expert in the world down on the SDI panel telling us that the Congress should not micromanage SDI. What do we do? We micromanage SDI. We say what we should spend it on and what we should not spend it on, and the experiments. I think the chairman ought to be complimented by his side for being able to include all of these arms control measures including nuclear testing.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. KASICH. I am happy to yield to the gentleman.

Mr. ASPIN. Mr. Speaker, I appreciate the gentleman's compliments, and I would be happy to have him go and talk to my arms control caucus people.

Leaving aside the issue of substance, which we can argue in different points, the point is that the gentleman is arguing against provisions that, of course, the House voted in large measure for. The House voted to abide by SALT II. The House vote a moratorium on nuclear testing provided the Soviet Union did it. The House voted on a depressed trajectory ban provided the Soviet Union did it.

What we have out of this conference is a lot weaker than the House voted on. That is part of the legislative process.

The SPEAKER pro tempore. The time of the gentleman from Ohio [Mr. KASICH] has expired.

Mr. ASPIN. Mr. Speaker, I yield 1 minute to the gentleman from Ohio.

Mr. KASICH. Mr. Speaker, I appreciate what the gentleman says, and yielding me 1 minute. Depressed trajectory—the cosponsor on the Republican side withdrew when he received intelligence information that said that this is a disastrous approach.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. KASICH. I am happy to yield to the gentleman.

Mr. ASPIN. Mr. Speaker, the gentleman means the Dornan depressed trajectory that passed the House overwhelmingly?

Mr. KASICH. The gentleman is correct. The man withdrew his support when he got more information which we had said was a bad idea.

On SALT II, the bill that we have over in the conference committee, the Department of Defense said that the provisions that we had in the Dicks amendment were already violated by the Soviet Union.

Mr. ASPIN. Mr. Speaker, I do not want to argue the substance of the issue which we did in the bill, but I would just like to point out that conferences deal with the legislation as they have it, and all of these measures, the three measures that the gentleman mentioned, passed the House by large numbers, and passed in a much more stringent form than we are bringing back from conference. We had the conference, and I would have liked to have the conference do exactly what the House did. We ended up doing what we had to do with the Senate in order to bring back a conference, but we watered them down, all three of these.

Mr. KASICH. Mr. Speaker, reclaiming my time for 15 seconds, that is why I said the chairman ought to be complimented because all of this arms control stuff that we are shoving down the President's throat which he does not want, we have put that in here, so rather than them criticizing the gentleman, they ought to praise the gentleman, but we should defeat this. We should defeat this conference committee report, and we ought to yank it all out, and we ought to support the President, and then we can vote "yes" and support the good reforms like that which the gentleman from Massachusetts [Mr. MAVROULES] put in there on acquisitions.

Mr. ASPIN. The gentleman is correct about whom we should praise and not right about what the President should do with the bill.

Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to compliment my chairman, the gentleman from Wisconsin [Mr. ASPIN], and I would like to compliment the gentleman from Massachusetts [Mr. MAVROULES], who is the Chair of the acquisition panel, for their excellent work on military reform matters.

There are two issues that were very important to this Member, and I could tell you right now we do not have that much help in the other body, but it was the firm approach of the gentleman from Massachusetts [Mr. MAVROULES] in the subconference and the strong support of the chairman of the committee in the full conference that resulted in two very important reforms: First, a military whistleblower protection. For the first time those in the military who are harassed because they have blown the whistle on waste, fraud and abuse will be protected. There will be a system set up so that they can have justice if they are in fact harassed.

When we look at this procurement scandal, Mr. Speaker, we find it would never have come to fruition without a whistleblower, and until this bill we had nothing in place to protect those within the military who were patriotic, who viewed their job as one of truth and justice, and now there is a system in place to help them.

Finally on legal fees, up until this bill if a military contractor or a defense contractor had defied a case in court and was found guilty, believe it or not that contractor could have billed the taxpayers for those legal fees. Under this bill which, again, the gentleman from Massachusetts [Mr. MAVROULES] and the gentleman from Wisconsin [Mr. ASPIN] helped so much with, the defense contractors, if they are guilty of violating any Federal law, cannot bill the taxpayers for the legal fees. I am very excited about this reform. I hope we take it even further next year, Mr. Speaker, and extend it to State and local laws.

In conclusion, let me just say that I am very proud of the conference in this arena as well as arms control.

Mr. DICKINSON. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Virginia [Mr. BATEMAN], a very valued member of the committee.

Mr. BATEMAN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of the position taken by the distinguished gentleman from Alabama in opposition to the adoption of the conferees' report, and I include in the RECORD remarks made in my capacity as ranking member of the Subcommittee on Military Personnel and Compensation with respect to that aspect of the bill.

Mr. Speaker, I rise in strong opposition to the conference report on H.R. 4264, I would like to make a few brief remarks about the manpower portions of the Defense bill.

As ranking minority member of the Subcommittee on Military Personnel and Compensation, I believe that, overall, the conference agreement on H.R. 4264 has quite a lot to offer our men and women in uniform. It would provide a 4.1-percent increase in basic pay and basic allowance for subsistence and a 7-percent increase in basic allowance for quarters. This represents the largest active duty pay raise since 1981 and although it would not make military wages comparable with civilian wages, it would at least keep pace with the expected rate of inflation. Moreover, it would help address the very serious gap between the real cost of housing today and the value of housing allowances the military currently provides.

Another plus for military personnel—especially military families—is the substantial increase in the amount of household goods military families would be able to move at Government expense during a permanent change of station move. Recent studies have suggested that the Government currently reimburses only $1 for every $3 spent by a service member during a Government-directed move, and I hope that this provision will go a long way toward eliminating this unfair subsidy.

I was also pleased with the conference agreements on a number of medical provisions designed to improve the recruiting and retention of health professionals in the Active and Reserve Forces. During subcommittee hearings over the past several years, many of us have become convinced that medical shortages represent one of our greatest readiness problems and that we must afford medical issues our highest priority if we are to fulfill promises made to peacetime beneficiary groups and to correct medical readiness deficiencies.

One area in the manpower portion of the conference report with which I take strong exception is the provision on a new aviator retention bonus of up to $12,000 per year for Navy and Air Force pilots serving in shortage positions. This is a particularly important issue because the airlines are hiring military pilots at an accelerated rate and the Armed Forces are losing personnel who are among their best, brightest—and most expensive—assets just as they reach their prime. The Air Force had asked for $54 million to implement the program in fiscal year 1989 and the authority to target the bonus to fixed wing pilots who had completed their initial service obligations and who had less than 14 years of service.

I am sorry to say that the conferees nickled and dimed this one. Instead of permitting the military experts to target their program according to their needs, we imposed new and unwanted targeting criteria. Instead of providing $54 million, we authorized $36.2 million, which is not enough to pay bonuses to all the aviators who are likely to get out of the military and join the airlines. And at a cost of $6 million to train each new fighter pilot, I can safely say that this is another penny-wise and pound-foolish provision. The $18 million we did not authorize relates to a cost of $2.1 billion to train replacements for the one fighter pilot a day the Air Force is losing.

Mr. DICKINSON. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. ROWLAND], one of the newer members of the committee who has really distinguished himself and done a tremendous job.

Mr. ROWLAND of Connecticut. Mr. Speaker, the gentleman from Ohio [Mr. KASICH] was absolutely right. The chairman deserves tremendous applause for the efforts he has made on two fronts, No. 1, dealing with the economic realities that we face in the defense budget, and I have got to also applaud the ranking member and all of the ranking members of the subcommittees for working so hard to keep the numbers down and in addressing the budget deficit that we all realize we have to face up to.

The other side, of course, is to congratulate the chairman for keeping the arms control provisions intact in the conference report. Once again, foreign affairs, arms control negotiations, have become a key component of this legislation. It appears there have been two summits going on for the past year—the summit between the Soviet Union and the United States, when our President and Mr. Gorbachev have sat down and discussed and agreed on reduction of arms, onsite inspections and verification. The other summit that has been going on has been going on on the floor of the House and within the Committee on Armed Services, and I think we are sending the wrong message to the next administration and to the American people.

Mr. Speaker, we have a great thing going with our relations with the Soviet Union at this point. We need to veto this legislation. The President needs to veto this. We need to bring it back, go back to work, strip the arms control provisions out and send a message to the next administration that we are going to allow them to do foreign policy and we are going to allow them to sit down and negotiate, that we will not unilaterally tie the hands of our negotiators of the next administration and those working so hard on our behalf.

Mr. Speaker, I would urge all of my colleagues to vote no on this conference, and we will go back to work, and we will keep all the great economic things that were done and certainly the work of the gentleman from California [Mr. BADHAM] and others which is indicative of that work, and I look forward to another bipartisan effort next year.

Mr. Speaker, I rise in strong opposition to the conference report on H.R. 4264, the National Defense Authorization Act for Fiscal Year 1989.

As a conferee on two matters which related to Ethiopia and the Soviet Union, I regret that I must take such a position since many months of hard work—on both sides of the aisle—have gone into this legislation. However, given the fact that the bill includes a number of intrusive foreign policy and arms control mandates, I must urge rejection of this legislation.

Without these provisions, I believe H.R. 4264 is basically a good piece of legislation. It closely resembles the national defense plan which was originally submitted to the Congress by President Reagan earlier this year. Although I believe it is unfortunate that the defense budget is reduced in real terms for the fourth year in a row, we know that political realities make any real growth impossible. I would note that although this bill provides for a reduction of about 1 percent in real terms, the situation could be far worse than it is.

Let's give credit where credit is due. Because inflation is way down—due to the President's economic program—we are able to come close to providing real growth for defense. This would be absolutely impossible to do if inflation was running in the double-digit range as it did during the Carter-Mondale administration.

The low inflation rate has also allowed us to provide a pay raise and housing allowance to our military personnel which truly reflects the higher cost of living. As a member of the Readiness Subcommittee, I cannot state enough that if we want to continue to have a military structure based on volunteers, we must take the necessary steps to compensate them properly.

Obviously, this was a good decision on the part of the conferees. I regret that I cannot say the same with specific regard to the issue of ICBM's. I believe that Congress needs to fish or cut bait on the issue of intercontinental ballistic missiles. Quite simply, we cannot afford—and I do not believe that we need—two separate ICBM systems.

Yet, rather than making the tough decisions in these times of high budget deficits, this bill continues funding for both the MX Rail Garrison and the Small ICBM Midgetman Program. This is a mistake.

We heard many times from the other side of the aisle during debate on the DOD bill, that "we should pay as we go." Well, if that is so, then I would like to know how the majority side plans to pay for the $42 billion Midgetman system! What taxes do you want to raise, or what progarms do you propose to cut? I am willing to stand here and say that the Midgetman system is one which we do not need. To leave the option open for the next administration to decide is little other than an abdication of our responsibility.

The action by the conferees to place language relating to the SALT II Treaty, depressed trajectory flight tests and nuclear testing in the final bill, are also unfortunate decisions. I am afraid that the entire bill—and much good work—is about to be doomed because of these provisions. It appears there were two summits this year—the one in the Soviet Union and the one in the House of Representatives.

We could argue these points for hours on end. In my opinion, however, these provisions lock in policies which would be better left to the negotiating table with the Soviet Union. They constitute unilateral concessions on the part of the United States without any corresponding Soviet action. Mr. Speaker, I don't think that is the way we should do business.

For these reasons—and several others—I urge rejection of the conference report.

Mr. ASPIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma [Mr. ENGLISH].

Mr. ENGLISH. Mr. Speaker, section 1103 directs the President to submit a plan for the integration and operation of the C3I system by the Department of Defense. Also, on page 4 of the statement of managers, the conferees indicate that the language of the section does not place DOD personnel in a command role. Is it the intention of the conferees that the Department of Defense function in an advisory capacity to civilian law enforcement agencies with regard to the establishment and operation of this system and that DOD personnel not be placed in actual command of the system? Is it also the intention of the conferees that authorizations, provided for in section 1106, allow for the incremental upgrades to this system by the Department of Defense?

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. ENGLISH. I am happy to yield to the gentleman.

Mr. ASPIN. Mr. Speaker, yes, that is the intent of the language. The Department of Defense has provided technical advice in the past, and it is the intention of the conferees that they continue to do so. We do not mandate that the Customs C3I system come under military operation or control, although we do desire to see an effective communications linkage between the civilian and military C3I systems in order to eliminate duplication, enhance actual detection and monitoring operations, as well as improve the overall sharing of intelligence information in interdiction efforts. In this regard, because of the vital part the C3I system plays in overall detection and monitoring of drug smuggling activity, the provisions of this bill would allow Department of Defense authorizations to be used for incremental upgrades to the system.

Mr. ENGLISH. Mr. Speaker, on page 2 of the statement of managers, the conferees urge the accelerated deployment of a network of aerostat radars along our southern border. Is it the intention of the conferees to have the Department of Defense assume responsibility for the operations and maintenance of this system and to insure that detection data received by these radars is transmitted to both the military and civilian C3I networks?

Mr. ASPIN. Mr. Speaker, that is certainly one possible arrangement that could come about as the Department of Defense assumes this mission. We have not mandated specific arrangements in this legislation so that the President as Commander in Chief and the Secretary of Defense can develop the best system possible utilizing the assets of the Department of Defense and the law enforcement agencies. The conference report calls for several reports from the President and the Secretary of Defense on specific plans and timetables and, as previously stated, we intend to be actually involved in working with the Department of Defense on this mission.

Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, let me also commend the gentleman from Wisconsin [Mr. ASPIN] and the gentleman from Alabama [Mr. DICKINSON] for a job very well done.

Mr. Speaker, I just wanted to get into some of the funding levels adopted, $86.2 billion for operation and maintenance and working capital funds. This is a $225 million reduction from the administration's request, but it is a $5 billion addition over last year's appropriations for an account that is extremely, extremely important. We made a special effort to reprioritize funding within the requests to protect readiness areas at the expense of administrative and housekeeping activities.

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I will go right through the major legislation provisions adopted:

The sum of $13 million to continue transporting humanitarian aid to Afghan refugees;

A prohibition on selling Toshiba products in military exchanges;

Several provisions to preserve the capabilities of our military depots;

Established minimum qualifications for auditors general in the military services;

Several provisions to improve security and control of military supplies and inventories;

Limited the operation of the two Poseidon-class submarines;

Resolution of the longstanding debate on the Fort DeRussy Armed Forces Recreation Center in Hawaii;

Reinstated Reserve and Guard force structure reductions;

Preserved the SR-71 Depot capability, extremely important; and

Prohibited private operation of commissary stores.

That is a brief report to the chairman and the Members, and I thank the gentleman for yielding.

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the very distinguished and able gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I thank the ranking Member for yielding and want to thank him for his work in going against the tide and the current in this House when he offered the amendment to use the military in narcotics interdiction when we put the bill up on the House side. We want to thank him for doing that.

I want to say, Mr. Speaker, that if last night was an average night in the United States, 10 to 27 drug planes carrying narcotics flew across our unprotected, unscrutinized southern borders, mainly coming from Central America, and brought in a large amount of cocaine for the enormous traffic that is taking place today and destroying America's children and America's inner cities. We have no radar across the southern border right now.

Two very able gentleman, whom I want to yield to in a minute, the gentleman from Illinois [Mr. Davis] and the gentleman from Arkansas [Mr. Robinson] also braved the current and went against the House leadership which stripped the narcotics interdiction language from the DOD bill. They came back when there was an opening allowed, and the gentleman from Illinois [Mr. Davis] was the parliamentarian who discovered that and drove our amendment, the Hunter-Davis-Robinson amendment through the House with an overwhelming vote, took it to conference where it was married up and compromised with the Wilson amendment on the other side, and because of that we have a major sea change in the drug wars, and that sea change is that the military is given the mission of surveilling and pursuing narcotics aircraft and ships that are coming in and bringing somewhere in excess of 300,000 pounds of cocaine each year into the United States.

Mr. DAVIS of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I am glad to yield to the gentleman from Illinois who was a major author of this amendment, and I thank him for that role that he played.

Mr. DAVIS of Illinois. Mr. Chairman, I thank the gentleman for yielding and for his flowery comments. I too want to thank the gentleman and the ranking member for lending their support to the amendment in order that we could essentially get it passed and excite the process, get this into the ball game. This conference committee report we have is the best of all of our language, the best of the Senate language, and truly puts the military foursquare in the battle on the war on drugs, where they belong.

Mr. ROBINSON. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Arkansas so that he may describe what we expect from the military with regard to monitoring and pursuing planes.

Mr. ROBINSON. Mr. Speaker, the conference report clearly states that the conferees expect DOD to take prompt action to provide the necessary detection and monitoring capabilities in those border areas that serve as the primary points of entry by drug smugglers, which includes complete radar coverage.

Furthermore, I want to also thank our chairman and also our ranking minority member because for the first time, as the lead agency, the DOD will be responsible for coordinating all air and sea surveillance activities by the Federal Government, including the elimination of unnecessary duplication.

Mr. HUNTER. I thank both gentlemen for their work here.

Mr. DICKINSON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

I was not going to say anything until I heard the gentlewoman from California tell us about truth, honesty, and whistle blowing in the specter of this military bill. It seems to me that we ought to at least point out that one of the things down in this bill is something that has received a lot of comment here recently, and that is the Oshkosh truck deal that is evidently down in this bill too, and it seems to me one of the things we ought to point out is that this is money which was not requested by the Army. We are not talking now about $100 hammers. We are talking about $50,000 trucks. That is right down in the bill.

Mr. HENRY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. HENRY. Mr. Speaker, I appreciate the gentleman bringing this to our attention. My people back home get confused about discussions over binary and unitary chemical systems, arguments over MX and Midgetman missiles, but they do understand problems of putting in authorizations that even the Department of Defense says are unnecessary and wasteful. All I suggest is that there are loopholes in the bill broad enough to drive a truck through, and I thank the gentleman for yielding.

Mr. DICKERSON. Mr. Speaker, I yield myself my 1 remaining minute.

In closing, Mr. Speaker, I would like to make a point of clarification and will add additional language relative to the ASAT.

It is my understanding, and I think it is the understanding of all dealing with the ASAT issue, the miniature homing vehicles, that what occurred had to do with the F-15 and not the entire generic program of the miniature homing vehicles.

Mr. Speaker, I would like to make a point of clarification in regards to the earlier colloquy on the ASAT Program between the gentleman from Wisconsin [Mr. Aspin] and the gentleman from California [Mr. Brown]. While it is true that the Department of Defense canceled the ASAT Program at the beginning of the fiscal year 1989 budget process, they canceled the F-15 MHV Program, not the generic MHV Program.

The MHV technology is still under consideration and it never was the Department of Defense's intention to completely abandon the technology. Moreover, it is not my understanding that the conferees action in "rescinding" the remaining $16 million in the F-15 MHV ASAT Program was in any way intended to prejudice the MHV technology itself. I submit section 216 of the conference report in support of my statement.

SEC. 216. PROHIBITION ON OBLIGATION OF FUNDS FOR CANCELLED ANTI-SATELLITE WEAPON PROGRAM.

(a) Prohibition.—Residual fiscal year 1988 ASAT funds may not be obligated for the ASAT program.

(b) Residual Fiscal Year 1988 ASAT Funds Defined.—For purposes of this section, the term "residual fiscal year 1988 ASAT funds" means funds in the amount of $16,000,000 which were appropriated to the Department of Defense for fiscal year 1988 for research, development, test, and evaluation for the Air Force which—

(1) were originally made available for the ASAT program; and

(2) which remain available for obligation following cancellation of that program by the Secretary of Defense.

(c) ASAT Program Defined.—For purposes of subsections (a) and (b), the term "ASAT program" means the program of the Air Force to develop an F-15 launched miniature homing vehicle antisatellite weapon.

In closing, Mr. Speaker, let me say we worked long and hard on the bill, and I think we have come up with a faulty product. It is for that reason that I am urging a "no" vote on this, and would like to point out to all within hearing of my voice and those who will later come to the floor that a no vote on this bill will give a strong indication to the President that if he should choose to veto this and perhaps the subsequent appropriation bill what his support might be.

So I urge a "no" vote by all.

Mr. ASPIN. Mr. Speaker, I yield myself my remaining 1 minute.

Mr. Speaker, there are a couple of administrative items I would like to bring to the attention of the House.

First, the conferees adopted a provision that would provide additional authority to the Secretary of Defense in fiscal year 1989 to lend materials or supplies and provide materials, supplies, or services of personnel to the Presidential Inaugural Committee.

This provision is section 306 in the conference report.

Unfortunately, through a printing error, the report language accompanying section 306 was omitted from the printed version of the joint explanatory statement of the committee of conference included in the conference report. I should note that this report language is included in the conference report as it was filed.

I include that report language that should have explained section 306 in the RECORD at this point.

INAUGURAL ASSISTANCE (SEC. 306)

The conferees are concerned that the authority contained in section 2543 of title 10, United States Code, for the Secretary of Defense to provide support to the Inaugural Committee may not provide sufficient flexibility to encompass the full range of support that the military services have traditionally and customarily provided to the ceremonies marking the inauguration of the President. Accordingly, the conferees have included a provision giving the Secretary of Defense additional authority during fiscal year 1989 to lend materials or supplies and provide materials, supplies or services of personnel to the Inaugural Committee under conditions prescribed by the Secretary.

The conferees believe that in providing this increased flexibility, the Inaugural Committee should reimburse the Secretary of Defense for the materials, supplies or services of personnel provided to it in connection with any event that is not a public event. The conferees also believe that when providing the services of members of the armed forces to the Inaugural Committee for any event that is not a public event, the Secretary should utilize only members of the armed forces who have volunteered for service with the Inaugural Committee.

The second item, Mr. Speaker, pertains to a provision not adopted by the conferees that would express the sense of Congress on preparation of certain economic impact and employment information concerning new acquisition programs.

This material was inadvertently omitted from the filed copy of the statement of managers, and I ask unanimous consent that it be printed in the RECORD at this point.

SENSE OF CONGRESS ON PREPARATION OF CERTAIN ECONOMIC IMPACT AND EMPLOYMENT INFORMATION CONCERNING NEW ACQUISITION PROGRAMS

The House bill contained a provision (sec. 811) which expressed the sense of Congress that the Secretary of Defense should not, before a program is approved for full-scale development, prepare any information with respect to economic benefits or employment impact of the program in a particular State or congressional district.

The Senate amendment contained no similar provision.

The conferees agree with the goals of the House provision, and believe that its purpose can be achieved without further legislation by directing the Secretary of Defense to issue a regulation to address the issues raised by section 811 of the House bill. Accordingly, the House recedes.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Texas for the purpose of a colloquy.

Mr. PICKLE. Mr. Speaker, in the DOD authorization bill there is language prohibiting the Secretary of Defense from entering into sole source contracts with a university. I assume that this does not pertain to the establishment of FFRDC's, and I just wanted to be sure that that is the gentleman's understanding?

Mr. ASPIN. I would say the gentleman is correct and his understanding of the language is correct.

Mr. PICKLE. I thank the gentleman.

Mr. FASCELL. Mr. Speaker, as in past years, members of the Committee on Foreign Affairs served as conferees on foreign aid and arms control provisions in the fiscal year 1989 Department of Defense authorization bill.

In a spirit of compromise and bipartisanship with the House and Senate Armed Services Committee conferees, these issues were resolved to the general satisfaction of the House Foreign Affairs Committee conferees.

Of particular special interest to the Foreign Affairs Committee was the Fascell-Broomfield amendment dealing with the On-Site Inspection Agency [OSIA]. While our preference is to have this new arms control-related agency be an integral part of the Arms Control and Disarmament Agency, we understand the interests of the defense community in this new agency.

As established by the executive branch, OSIA is responsibile for implementing the verification provisions of the INF Treaty as signed in December 1987.

Of special interest to the Foreign Affairs Committee is the fact that the On-Site Inspection Agency will have a lead role to play in establishing and overseeing the verification provisions of a strategic reductions treaty as well as any future nuclear arms control agreement.

As OSIA is directly linked with an arms control agreement and will be performing an arms control function, it is clearly within the Arms Control and Disarmament Agency's [ACDA] purview, which is authorized by the Foreign Affairs Committee.

Under the Arms Control and Disarmament Act, the Arms Control and Disarmament Agency is charged as reflected in section 2 with the "formulation and implementation of United States arms control and disarmament policy in a manner which will promote the national security."

As defined in the act, the "terms 'arms control' and 'disarmament' mean the identification, verification, inspection, limitation, control, reduction, or elimination, of armed forces and armaments of all kinds under international agreement to establish an effective system of international control * * *" as reflected in section 3 of the Arms Control and Disarmament Act.

As such, it is clear that primary jurisdiction over OSIA exists within the Foreign Affairs Committee.

Accordingly, the fiscal year 1989 Defense authorization bill includes compromise language requiring that any authorization of appropriations for the On-Site Inspection Agency shall be submitted as a separate activity. This conference compromise is intended to enhance the Foreign Affairs Committee and other committees to fulfill their jurisdiction and oversight obligations and responsibilities. The annual budget request to Congress shall also include details of all funding and military and civilian personnel requested for OSIA, including the number of personnel from all agencies assigned to OSIA.

The conference compromise requires the submission of a report to the relevant committees of the Congress from the Secretary of Defense, the Secretary of State, the Director of Central Intelligence and the Director of the United States Arms Control and Disarmament Agency on the On-Site Inspection Agency.

Each report shall describe the responsibility each officer has with respect to on-site inspections and the organizational elements of each department or agency relative to functions related to monitoring or verification of arms control agreements.

More specifically, each report shall: First, describe in detail the monitoring and verification activities carried out with respect to the INF Treaty; second, evaluate the effectiveness with which these functions have been implemented; and third, include recommendations for any future organizational or policy changes that may be necessary in view of the experience of implementing the INF Treaty.

As far as the Foreign Affairs Committee is concerned, the committee will have responsibility for OSIA to the extent that OSIA sets overall verification and arms control policy; implements U.S. verification policy; and establishes guidelines for monitoring, escorting and collection activities.

The Foreign Affairs Committee looks forward to working with the Armed Services Committee and other relevant congressional committees of jurisdiction as we manage the activities of the On-Site Inspection Agency.

The foreign policy and arms control implications of the administration's binary chemical weapons production proposals represent another issue of special interest to the Foreign Affairs Committee.

As to be expected in a conference bill, the binary chemical weapons provisions contained in the DOD conference authorization bill for fiscal year 1989 represent a compromise between the House and Senate positions and between proponents and opponents of the binary chemical weapons production program.

The House-Senate compromise reached in conference on the Department of Defense authorization bill for fiscal year 1989 assures that there will again be no production of the Bigeye binary nerve gas bomb this year. The bottom-line judgment by both the House and the Senate was that this new binary chemical weapon is far from ready for production and is still plagued with testing reliability problems. Accordingly, the conferees stipulated that the Bigeye bomb must prove itself production-worthy both to the General Accounting Office [GAO] and the Pentagon's Office of Operational Test and Evaluation before any future funds can be authorized by Congress to be spent on this multibillion dollar program.

Funds, both prior-year funds released by a presidential certification and a small amount of fiscal year 1989 funds—$15 million of $99 million requested—can be used only for purposes related to the continued testing program for the Bigeye bomb. More testing is absolutely necessary if this bomb is ever to prove itself ready for even low-rate initial production. The conference language specifically prohibits low-rate initial production and final assembly before positive certifications by the GAO and DOD's Office of Operational Test and Evaluation.

A firm line between testing and production was deemed prudent and wise due to the experience with other weapons systems such as Divad where billions of dollars were wasted in production because an ill-prepared weapon system was allowed to slip into production before proper, complete, and successful performance in developmental and operational testing. The Operational Test and Evaluation Office at the Pentagon was established partially by pressure from the Congress to stop exactly this kind of waste and counterproductive defense spending.

I regret that the conference compromise has added $45.9 million in expenditures for the production of the 155 mm. binary artillery shell when the House bill has basically zeroed out the fiscal year 1989 production request based on sound technical and policy objections. The compelling argument against the expenditure of this $45.9 million is that if and when the binary chemical artillery shells are produced they cannot be based in Europe where they are needed because our allies will not accept them. We already have a chemical deterrent in Europe. We should not unilaterally withdraw that capability and replace it with nothing as is currently being pursued by the executive branch.

I continue to have grave reservations about the advisability of the entire binary chemical weapons program. My concern focuses primarily on the current potential for significant movement in the arms control area on chemical weapons. For example, the multilateral negotiations in Geneva continue to register progress; the Soviets have announced a moratorium on their production of chemcial weapons; the Soviets have made important concessions on inspection and verification of a chemical arms agreement; and finally, other countries threaten future use of chemical weapons as graphically demonstrated in the Iran-Iraq war. We should not trade an arms control opportunity for launching a new production program of binary chemical weapons that do not work and that cannot serve as a deterrent as long as they are based in the United States rather than in Europe.

Our efforts should be directed toward the mutual elimination of chemical nerve gas weapons via arms control agreement with the Soviets as opposed to the Defense Department's persistence in encouraging the United States to produce a new generation of unproven, costly, and counterproductive nerve gas weapons. Accordingly, it is gratifying to note that the conference language explicity prohibits the production of the Bigeye binary chemical bomb.

Mr. BROOMFIELD. Mr. Speaker, I would like to express my strong support for the statement made by my friend and colleague, the chairman of the Committee on Foreign Affairs, DANTE FASCELL. As the ranking Republican on the Committee on Foreign Affairs, I share his view that the newly established On-Site Inspection Agency is an extremely important Arms Control Agency. As such, the Committee on Foreign Affairs will be exercising its oversight over this Arms Control Agency in the coming years.

The OSIA language included in the DOD conference report which we are presently considering will require that OSIA's funding be listed as a separate DOD budget activity. This will allow the Foreign Affairs Committee to exercise its jurisdiction over OSIA as an individual referral to our committee, as opposed to the present situation in which we would have the right to request sequential referral of the entire DOD bill. Obviously none of us desire this and therefore the approach embodied in the conference report will allow the Foreign Affairs Committee to exercise its oversight over this agency, as we presently do over several other DOD run operations, without bogging down the entire DOD authorization bill.

I would like to thank my colleagues on the Armed Services Committee for their cooperation on this matter.

Mr. PANETTA. Mr. Speaker, I rise today in support of the Defense Conference Agreement. I would like to commend the conferees for the outstanding work they performed in reaching an agreement authorizing $299.6 billion for defense, consistent with last November's budget summit agreement and the fiscal year 1989 budget resolution. I am particularly grateful for the excellent work of the distinguished chairperson of the Military Personnel and Compensation Subcommittee, Mrs. BYRON, for her leadership in shepherding legislation I introduced earlier this year, H.R. 3975, which directs the Secretary of Defense to establish a permanent rental housing program involving military personnel and their civilian landlords. This program will remove perhaps the largest financial burden on our military families.

This legislation will make permanent the pilot program which has been in effect at Fort Ord over the last 15 months. The program has been implemented with a high degree of success resulting in the solution of problems with military residents with respect to payment and landlords obtaining guarantees on security deposit payments.

Although the Senate Defense Authorization measure did not contain a similar provision, H.R. 4264's housing lease indemnity program was adopted by the Senate with two amendments. I support both amendments; the first amendment clarifies the due process provisions of the program regarding each participating service member's obligation before reducing that member's pay for breach of the lease or damage to the rental unit and the other amendment outlines the extension of this program to our service member's overseas.

I would like to take a few minutes to describe what this legislation will do. First of all, it authorizes the Secretary of Defense to make the program permanent. Each military service would then have the option of whether, and at which installations, to institute participation in this program in the United States. Second, civilian landlords who rent to military personnel would agree to waive security deposits when renting housing units to military personnel for the guarantee of rental deposit security from the military.

In return, the military post would agree that if for any reason the service member leaves without making final payments for rent or damage, the post would make such final payments. These payments could not exceed the amount of an ordinarily required security deposit. Any outlays of the military post would then be deducted from the service member's paycheck.

For example, a service member wants to rent an apartment for $500 per month. Under this legislation, the landlord would agree to accept only a first month's rent without any required security deposit or last month's rent. Right away, we are saving the service member up to $1,000. If the service member if transferred to another post or is assigned to onpost housing and leaves his apartment without paying his last month's rent, the post to which he is assigned would meet the last month's rent payment of $500. This $500 would then be deducted from the service member's paycheck.

All of my colleagues are aware of the tremendous financial and emotional pressures inflicted on our military personnel and their families. This already tense situation is made even worse during a permanent change of station move. Travel and relocation expenses come out of the pockets of our servicemen and women. Reimbursement comes later, although in the past only $1 out of $4 spent on a PCS move has been reimbursed according to an Air Force study. And when the military families arrive in a new location, they must meet the immediate costs of security deposits, first and last month's rent, utility deposits and more. Before you can even blink, a military family can be thousands of dollars in debt. And 2 years later, the entire process is repeated.

It is important to note that no appropriation of funds is necessary because the service member would be ultimately responsible for meeting the costs of any damage or breach of lease.

I know that the landlords on the Monterey Peninsula have benefited from the pilot program. The favorable comments from the civilian landlords show that the vacancy rate has dropped considerably in their particular apartment complexes since participating in the program. Also, a housing referral office representative available when requested during move-out inspections provided the verification necessary to resolve any disputes or misunderstandings that arose at that time.

They realize the hardships imposed on the military family and they understand the progam guarantees payment for damages and breach of lease, up to the amount of the usual security deposit. This program gives landlords one point of contact for all their military tenants and a source of information regarding military personnel who may soon be transferred, thus enabling landlords to prepare for a change in the lease.

Soldiers have been very happy with the program because without it, they could not afford a place to live and would therefore be forced to live apart from their families until on-post housing became available. The program has also kept soldiers from getting into serious financial difficulties which is often associated with a PCS move.

This program should solve one of the major problems facing our military personnel, and do away with certainly one of their largest financial burdens. What is more, no one loses in this program; everyone wins. Landlords are guaranteed payment, our military personnel are able to use their hard-earned dollars for necessities, and the services are guaranteed reimbursement for any outlays to landlords.

When the House voted in the 99th Congress to accept many proposals to ease the burdens on our military personnel, servicemen and women all over the world breathed a sigh of relief. Now this legislation will resolve one of the most pressing and financially disabling issues by making permanent this highly successful pilot program permanent so that one day our military men and women will not look on military service as a financially crippling experience. Again, I want to thank the conferees for their excellent work on reaching this conference agreement and express my appreciation to Subcommittee Chairperson BYRON for her excellent work in implementing this legislation.

Mr. ROTH. Mr. Speaker, for several years now, many of my colleagues have joined me on this floor to condemn the brutal actions of the Ethiopian Government. So outrageous were the human rights abuses of Col. Mengistu Haile Mariam, that many in this body were at first incredulous.

But today there is no debate over the fact that Ethiopia's human rights record is deplorable. It is tragically the worst violator of human freedoms and individual liberties in the world.

The regime's blatant disregard for human life was most recently demonstrated in its April expulsion of Western famine relief workers in the north. Condemned unanimously by Western donor countries, the expulsion put 2 to 3 million people at immediate risk of starvation. As President Reagan said:

> [The expulsion] leads us to the horrible conclusion that starvation and scorched earth are being considered as weapons to defeat the rebellion.

Courageous cross-border relief efforts may save these lives. Unfortunately, with only limited access, we may never know the extent of Mengistu's attempted massacre.

Clearly, however, Congress is of one mind on this issue. That is why in the conference report before us today, we have included the Roth-Helms amendment condemning the Ethiopian Government (section 1310).

Across the political spectrum, from Members on the far left to Members on the far right, we condemn the brutality of the Mengistu regime and strongly urge and authorize the President to impose sanctions. If there was ever a question as to whether or not Congress would support punitive measures against the Mengistu regime, the answer is provided in the passage today of the Roth-Helms amendment.

On May 3, the House Foreign Affairs Committee unanimously approved House Joint Resolution 562, a measure cosponsored by 23 members of the committee. the operative language of that resolution was introduced in the Senate by Mr. HELMS as an amendment to the DOD authorization bill.

The amendment condemns the Government of Ethiopia for its blatant disregard for human life, its forced resettlement program, and its human rights record. Sanctions are authorized and strongly urged to be used if the Government engages in any of the following actions: First, forced resettlement; second, forced confinement in any resettlement camp; third, diversion of international relief to the military; fourth, denial of international relief to any persons at risk of famine; fifth, seizure of U.S. relief assets; or sixth, denial of capability to monitor food distribution.

Let it be very clear that Congress strongly opposes the practice of forced resettlement. During the 1984-85 famine, some 600,000 persons were forcibly removed from their homelands under grossly inhumane conditions. The well-respected relief group, Doctors Without Borders, estimates that some 100,000 men, women, and children died as a result of the Government's resettlement program. Still today, tens of thousands of children who were torn away from their parents have not been reunited with their families. Most will continue to live their lives as orphans.

Let it be clear that Congress has not forgotten these children, nor the 600,000 who remain involuntarily in resettlement camps guarded by government armed troops.

Let it be clear that Congress strongly opposes the use of food as a weapon. Food relief should not be denied to any person, regardless of the circumstances. To risk the lives of innocent men, women, and children caught in the cross-fire of armed conflict is uncivilized and irresponsible behavior. Cold-blooded neglect of millions of lives is an affront to basic human decency. Access to roads and airways should be returned immediately to the international relief community. There are brave men and women willing to risk their lives in a war zone to feed the hungry.

Let it be clear that Congress has not forgotten the Ethiopian people. We must speak for those whose muffled voices cannot be heard. Today, Congress is speaking out with one voice. Let the message be heard.

Mr. WOLPE. Mr. Speaker, I rise in support of this conference report, and consent to draw particular attention to section 949 of the defense authorization bill, "Economic Sanctions Against the Communist Regime in Ethiopia." This provision, introduced as an amendment by Senator HELMS. is drawn from a resolution originally introduced by my colleague, Congressman TOBY ROTH, which was approved with unanimous bipartisan support by the House Foreign Affairs Committee on May 3.

It is essential and timely that Congress apply pressure of this kind upon the Menguistu regime and the northern insurgents in Ethiopia. In their escalating war with one another, the Ethiopian Government and the rebels in Tigray and Eritrea have each judged, tragically, that battlefield success is a priority that supercedes the emergency famine needs of over 3 million northern Ethiopians. As a result, the flow of food into the north has slowed to a trickle: the lives of hundreds of thousands of Ethiopians—perhaps more than 1 million—are now at stake.

This is an appalling, confusing and wrenching situation. We in Congress and the international community are struggling with how best to preserve lives in Ethiopia and how best to communicate to the Ethiopian Government and to the rebels in the north our outrage at their callous disregard for human life.

Section 929 fills a portion of this need by: condemning the Ethiopian Government's human rights record; appealing to it and the northern rebels to facilitate the resumption of the international relief campaign in the north; urging the Reagan administration to pursue diverse diplomatic and multilateral strategies, including discussions with the Soviets, to make it possible to reach all northerners at risk of famine; and finally, authorizing and urging the President to impose economic sanctions upon Ethiopia if in the future that Government engages in any of several specific outrages.

I wish to commend Members of the House from both sides of the aisle for keeping the issues of famine before Congress and for the bipartisan cooperation that has resulted in section 929. Beginning last fall, the House Foreign Affairs Subcommittee on Africa and the Subcommittee on Human Rights and International Organizations held a series of hearings on Ethiopia. The most recent hearing took place on April 21. Especially important to the success of these hearings were the contributions of Congressman DAN BURTON, ranking minority member of the African Subcommittee, Congressman TOBY ROTH, and Congressman GERRY SOLOMON, ranking minority of the Human Rights and International Organizations Subcommittee. I also wish to emphasize the importance of the active interest in Ethiopia of Congressman MICKEY LELAND, chairman of the Select Committee on Hunger, and Congressman TONY HALL and GARY ACKERMAN, members of the Hunger Committee. On March 10, the Africa Subcommittee had the pleasure of working jointly with the Hunger Committee in reviewing the deteriorating situation in northern Ethiopia. Finally, the cooperation of Congressman DON BONKER, chairman of the House Foreign Affairs Subcommittee on International Economic Policy and Trade, was essential in crafting the resolution that passed the Foreign Affairs Committee in early May.

Mr. HAWKINS. Mr. Speaker, as you know, during consideration of the fiscal year 1989 DOD authorization bill (H.R. 4264) the House adopted an amendment which was in effect the Davis-Bacon reform bill (H.R. 2216) reported by the Committee on Education and Labor. Because those provisions were deleted in conference, I would like to provide a brief legislative history.

At the time the Rules Committee was preparing to develop a rule for consideration of the DOD bill, I learned that several Members would seek to have made in order amendments to the Davis-Bacon prevailing wage provisions of the DOD Authorization Act. I prevailed upon the Rules Committee that if one or several such amendments were made in order, then there should also be made in order an amendment in the form of the Davis-Bacon reform bill, H.R. 2216, which had been reported from the Committee on Education and Labor on February 9, 1988. In my request, however, I made it clear that seeking to participate in the amending process within the context of the DOD authorization was not an abrogation of the committee's long-held contention that such an exercise would be in violation of the House rules on germaneness and committee jurisdiction. The only reason for agreeing to engage in the amendment process was to avoid delaying consideration of the vital national defense bill.

My reasons for asking for equal consideration of the Committee Davis-Bacon reform bill provisions, as contained in H.R. 2216 as reported, were twofold. First, the committee bill represents a commitment made by myself and the chairman of the Subcommittee on Labor Standards to develop and report a reform bill from the committee of original jurisdiction. That commitment grew out of previous attempts to by pass the committee and attach amendments to DOD authorization bills in past Congresses. The last attempt in the 99th Congress was thwarted when the House adopted a substitute amendment which formed the basis for the comprehensive reform bill, H.R. 2216, reported by the Committee on Education and Labor this year.

Second, and equally important, I want to protect against future attempts to nullify the rules of the House in order to override the jurisdiction of the Committee on Education and Labor.

After passage of the DOD authorization bill in the House and the Senate, certain members of the Committee on Education and Labor were appointed as exclusive conferees on the Davis-Bacon prevailing wage provisions, the committee reform bill, which was contained in the House-passed DOD bill. There was no comparable provision in the Senate-passed bill.

Throughout the conference, the Senate conferees would not agree to conference the issues. They insisted, as has been the position of the Committee on Education and Labor, that the amendment should not be considered in the context of the DOD bill. Finally, a commitment was made by the chairman and ranking Republican member of the Senate Armed Services Committee, and the member of the committee who most often raises the Davis-Bacon issue within the context of the DOD authorization. They pledged not to bring up such an amendment in either the fiscal year 1990 or fiscal year 1991 DOD authorization, and to discourage others from doing so. That commitment is contained in a signed memorandum. Thereupon the House conferees receded.

I hope that the action on the part of the Senate conferees will be emulated by the Members of the House, who in the past have so diligently pursued an agenda of attaching Davis-Bacon amendments to nongermane legislation which is outside the purivew of the committee of original jurisdiction of the Davis-Bacon Act and other important labor laws. It serves no useful purpose to engage in these annual skirmishes which always consume valuable time and result in stalemates.

Mr. FRENZEL, Mr. Speaker, I shall vote against H.R. 4264.

The tiny portion of the bill over which the Ways and Means Committee had jurisdiction was resolved satisfactorily so I signed the report as a satisfied conferee.

However, I have never been satisfied with the gross outlay level established in the 1987 summit and faithfully executed in H.R. 4264.

Specifically, I am not enthusiastic about the level of SDI funding which is up sharply from the original House bill. I do not wish to split hairs on authorization bills, but I will be even more critical on the appropriation bill.

The arms control limitations even those which I supported have certainly become less important since the ratification of the INF Treaty. It would not have hurt the bill to drop those items.

Overall, I find the bill excessively expensive.

Mr. STARK. Mr. Speaker, I thank the committee for their excellent work in perfecting the language in section 2821, providing for a land exchange in Alameda County, CA.

This conveyance, which will be used to provide a BART station and ample parking for Livermore Valley commuters, is extremely important for the future transportation needs of the valley. For once, we are planning ahead to provide enough mass transit parking to satisfy the needs of one of the fastest-growing regions of the Nation.

BART's major problem is that it doesn't have enough daily riders to cover its cost. One reason that it does not have enough riders is that there is not enough convenient parking around its stations. This land conveyance will ensure that as BART expands into the Livermore Valley, we will have in place—at last—enough land to meet the needs of commuters.

Mr. WEISS. Mr. Speaker, I rise in opposition to this report, and I want to express my profound disappointment that the bill we have before us today is even worse than the one the House passed over my objection earlier this year.

The House version of H.R. 4264 was unacceptable for a number of reasons. It allowed for continued funding of the unjustifiable Star Wars Program and the dangerous and destabilizing Trident II submarine-based missile, and failed to provide for a continued moratorium on the testing of antisatellite weapons.

In addition, I am opposed to additional funding for the wasteful and purposeless Strategic Homeporting Program. Especially troubling was the authorization of $38.3 million for construction of a homeport in New York Harbor. I have long been an opponent of the homeport program, which former Senator Barry Goldwater called one of the biggest political boondoggles I ever heard of.

For all of these reasons, I could not support the House version of the bill. However, there were provisions in the bill which would have contributed substantially to arms control had they been enacted into law, provisions which I described in this Chamber during debate on the bill's passage. It is with great disappointment that I note today that most of these provisions have been deleted from the bill by the conferees.

I must commend my colleagues for adopting the Aspin amendment to ensure continued compliance with the traditional, or narrow, interpretation of the Antiballistic Missile [ABM] Treaty. This will help to prevent a destabilizing race for defensive arms in space, and will help to save the ABM Treaty, which the Reagan administration has continuously tried to undermine.

I am also pleased that we have taken an important step toward a Comprehensive Nuclear Test Ban Treaty by agreeing to require the Department of Energy to prepare a readiness program by which the United States can be confident in the reliability of its nuclear deterrent without engaging in banned nuclear testing. Funds for the seismic verification program will also help us remove remaining barriers to such a treaty, and I applaud the inclusion of these funds in the bill.

On every other issue, however, this bill is worse than the one we debated earlier this year. Once again, the conferees eliminated the Dicks amendment to the House bill which would have ensured continued compliance with the numerical sublimits of the SALT II Treaty. The Soviet Union continues to abide by the sublimits of the treaty, but the United States has violated these core provisions, despite the fact that it is the Soviet Union which stands to gain the most from the abandonment of SALT II. The Dicks amendment, however, was eliminated by the conferees. The administration will therefore be allowed to continue to violate SALT II, provoke the arms race, and endanger our national security.

The House bill also provided for a limited nuclear test ban, so long as the Soviet Union abides by the same ban. This ban, which would have affected all but the smallest nuclear test explosions, would have contributed greatly to current efforts to prevent the spread of nuclear weapons. In addition, such a moratorium might have enabled us to conclude negotiations on a Comprehensive Test Ban Treaty. Unfortunately, the conferees rejected this provision as well.

I was also pleased that the House bill finally resolved the debate between funding of the MX and Midgetman missiles in favor of the Midgetman. While there are drawbacks to the Midgetman, it is clearly to be preferred to the far more dangerous and destabilizing MX. As I have said many times, it is in the interest of the United States to move away from first strike weapons like the MX that are vulnerable to attack, carry multiple warheads, and are capable of destroying hardened targets.

By contrast, the Midgetman missile is highly mobile and will carry only one warhead. For these reasons, it will contribute to stability while also acting as a credible deterrent. Yet, the conferees reversed the House decision and left the Midgetman-MX debate unresolved. While I am pleased that they rejected the Reagan administration's request to eliminate the Midgetman in favor of the MX, I am disappointed that we will waste another $250 million on this destabilizing weapon before the next President can finally eliminate it.

Also disappointing was the conferees' decision to add more funding for chemical weapons, for which the House bill authorized no money. The Soviet Union has recently been more open to discussion of an agreement banning these dangerous and unnecessary weapons. In addition, there are numerous technical problems with our chemical weapons which have resulted in immense waste. Chemical weapons should not be funded, and I disapprove of the conferees' decision.

Finally, the conferees' bill contains additional money for the Star Wars Program, which was already overfunded in the House bill. As the evidence mounts that star wars will never protect the Nation from nuclear attack, the administration has shifted its policy to favor quick deployment of a partial defense against nuclear missiles. However, such a defense would violate the ABM Treaty, cost the taxpayers billions of dollars, and be easy for the Soviets to overwhelm. If we are looking for a way to deter a Soviet first strike against our land-based forces, we have a far better and cheaper solution in the Midgetman.

Mr. Speaker, I support a strong and adequate defense of the United States of America. However, too many of the policies and programs authorized in this legislation endanger rather than defend our national security interests. Indeed, they threaten to add fuel to the nuclear arms race and ignite a nuclear conflict. Moreover, they threaten to bankrupt our Government and seriously damage our economy. For these reasons, Mr. Speaker, I cannot justify an affirmative vote on this conference report.

It is my hope that under our next administration, we will build upon the achievements begun in recent years and bring a new realism to the debate over our Nation's defense I am ready and willing to participate in the crafting of a sensible defense policy, and I look forward to that task with great anticipation.

Mr. ASPIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MURTHA). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DICKINSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 229, nays 183, not voting 19, as follows:

[Roll No. 233]

YEAS—229

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bennett
Berman
Bevill
Bilbray
Boggs
Boland
Bonior
Bonker
Borski
Boucher
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Chapman
Clarke
Clement
Coelho
Coleman (TX)
Conte
Conyers
Cooper
Coyne
Darden
de la Garza
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Grant
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hefner
Hertel
Hochbrueckner
Horton
Houghton
Hoyer
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowry (WA)
Luken, Thomas
Manton
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mineta
Moakley
Mollohan
Montgomery
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Olin
Ortiz
Owens (UT)
Panetta
Patterson
Payne
Pease
Penny
Pepper
Perkins
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Roukema
Rowland (GA)
Russo
Sabo
Saiki
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stenholm
Stratton
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Whitten
Williams
Wilson
Wise
Wolpe
Yates
Yatron

NAYS—183

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bates
Beilenson
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Boxer
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Chappell
Clay
Clinger
Coats
Coble
Coleman (MO)
Collins
Combest
Coughlin
Courter
Craig
Crane
Crockett
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeFazio
DeLay
Dellums
DeWine
Dickinson
Dornan (CA)
Dreier
Dymally
Eckart
Edwards (CA)
Edwards (OK)
Emerson
Fawell
Fields
Frenzel
Gallegly
Gallo
Garcia
Gekas
Gilman
Goodling
Gradison
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hayes (IL)
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Hubbard
Hunter
Hyde
Inhofe
Ireland
Johnson (CT)
Johnson (SD)
Kasich
Kastenmeier
Kemp
Kolbe
Kyl
Lagomarsino
Latta
Leland
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Martin (NY)
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Molinari
Moody
Moorhead
Morrison (WA)
Myers
Nielson
Oberstar
Obey
Owens (NY)
Oxley
Packard
Parris
Pashayan
Pelosi
Petri
Rangel
Regula
Rhodes
Ritter
Roberts
Rogers
Rowland (CT)
Roybal
Savage
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shays
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stark
Stokes
Studds
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Towns
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weiss
Weldon
Wheat
Whittaker
Wolf
Wortley
Wyden
Wylie
Young (AK)
Young (FL)

NOT VOTING—19

Anderson
Barnard
Biaggi
Bosco
Carr
Cheney
Frost
Gingrich
Gordon
Gray (IL)
Gray (PA)
Gregg
Hayes (LA)
Leach (IA)
MacKay
Martin (IL)
Mica
Pickett
Spence

□ 1227

The Clerk announced the following pairs:

On this vote:

Mr. BARNARD for, with Mrs. MARTIN of Illinois against.

Messrs. RANGEL, BOEHLERT, GRANDY, JOHNSON of South Dakota, MOODY, SCHAEFER, COUGHLIN, CHAPPELL, and LELAND changed their vote from "yea" to "nay."

Mr. RIDGE changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DIRECTING THE CLERK TO MAKE TECHNICAL CORRECTIONS IN ENROLLMENT OF H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Mr. ASPIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 338) directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 4264.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Wisconsin?

□ 1230

Mr. DICKINSON. Mr. Speaker, reserving the right to object, I take this time simply to point out that my understanding is that this is to provide for no more than technical corrections. My understanding is that it has no substantive value.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Wisconsin, the committee chairman.

Mr. ASPIN. Mr. Speaker, the gentleman is correct. The concurrent resolution is designed to correct the enrollment of H.R. 4264. It contains technical and clerical corrections to the conference report filed last Thursday. It has no substantive changes.

Mr. DICKINSON. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 338

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) In the table of contents in section 3—

(A) in the item relating to section 525, strike out "cost";

(B) in the item relating to section 701, strike out "Assistant Secretary of Defense for Command, Control, and Communications" and insert in lieu thereof "Authority to establish position of Assistant Secretary of Defense for Intelligence";

(C) in the item relating to section 1002, strike out "NATO" and inset in lieu thereof "North Atlantic Treaty Organization";

(D) in the item relating to title XI, insert "AND LAW ENFORCEMENT SUPPORT" at the end;

(E) in the item relating to section 1107, strike out "Report on needed legislation" and insert in lieu thereof "Reports";

(F) in the item relating to section 1213, insert "appropriations" after "of certain";

(G) in the item relating to section 1222, strike out "of" and insert in lieu thereof "a";

(H) in the item relating to section 1225, insert "for overhaul of naval vessels" after "shipyards";

(I) in the item relating to section 1227, insert "plans" after "shipbuilding";

(J) in the item relating to section 1307, strike out "arms" and insert in lieu thereof "defense articles";

(K) in the item relating to section 2404, strike out "Afcent" and insert in lieu thereof "AFCENT"; and

(L) in the item relating to section 2407, strike out "defense agencies" and insert in lieu thereof "Defense Agencies".

(2) In section 111(b)(2), strike out "five-year defense plan" and insert in lieu thereof "Five-Year Defense Program".

(3) In section 303—

(A) insert "means" in subsection (d) before "available."; and

(B) strike out "appropriations Act" in subsection (e) and insert in lieu thereof "appropriation Acts".

(4) In section 305(b)—

(A) insert "and" at the end of paragraph (1)(A); and

(B) strike out "on the" in paragraph (2) and insert in lieu thereof "on a".

(5) In section 322(b), strike out "paragraph (1)" and insert in lieu thereof "subsection (a)".

(6) In section 324(a), strike out "(1)" after "AUTHORITY.—".

(7) In section 327(b), strike out "Five Year Defense Plan" in paragraph (1) and insert in lieu thereof "Five-Year Defense Program".

(8) In section 2467(b)(1)(B) of title 10, United States Code, as added by section 331(a), strike out "the" after "relating to".

(9) In section 2892(c)(2) of title 10, United States Code, as added by section 342(a)(1), strike out "reason" and insert in lieu thereof "reasons".

(10) In section 2722(c) of title 10, United States Code, as added by section 344(a)—

(A) in paragraph (1), strike out "materials" and insert in lieu thereof "material"; and

(B) in paragraph (2), strike out "same meanings as provided in" and insert in lieu thereof "meanings given those terms by".

(11) In section 411(a), insert a period at the end of paragraph (3).

(12) In section 512(b), redesignate clauses (A) and (B) as clauses (1) and (2), respectively.

(13) In section 521(a)(2), insert a period after "entrants" in the quoted material.

(14) In section 703—

(A) redesignate subsection (b) as subsection (c); and

(B) insert after subsection (a) the following:

(b) PAY GRADE.—Notwithstanding section 5316 of title 5, United States Code, the General Counsel of each of the military departments shall be paid at the highest rate of basic pay payable under section 5382 of title 5, United States Code, to a member of the Senior Executive Service.

(15) In section 712, strike out the period at the end of paragraph (4) and insert in lieu thereof a semicolon.

(16) In section 2330 of title 10, United States Code, as added by section 801(a)—

(A) strike out the section heading and insert in lieu thereof the following:

"§2330. Integrated financing policy";

(B) in subsection (a)—

(i) insert "(1)" after "PLAN.—"; and

(ii) strike out "subsection (d)" and insert in lieu thereof "paragraph (2)";

(C) designate the sentence beginning "In developing" as subsection (b) and in that sentence—

(i) insert "MATTERS TO TAKE INTO CONSIDERATION.—" before "In developing"; and

(ii) insert "under subsection (a)" after "the plan";

(D) insert at the end of subsection (a) the following:

"(2) This section applies to the following policies applicable to Department of Defense contracts:

"(A) Policies relating to progress payments or other financing by the Department of Defense under such contracts.

"(B) Policies relating to the return on contractor investment under such contracts.

"(C) Policies relating to the allocation of contract risk between the Department of Defense and a contractor.";

(E) strike out subsection (d) and redesignate the second subsection (b) and subsection (c) as subsections (c) and (d), respectively;

(F) in subsections (b)(1), (c), and (d) (as so redesignated), strike out "five-year defense program" and insert in lieu thereof "Five-Year Defense Program"; and

(G) in the second sentence of subsection (d) (as so redesignated), strike out "current negotiated contracts" and insert in lieu thereof "contracts negotiated during the preceding fiscal year".

(17) In section 801(a)(2), strike out "contract" in the quoted matter in that section and all that follows through "risk-sharing" and insert in lieu thereof "financing".

(18) In section 803—

(A) in paragraph (2), strike out "by striking" and all that follows through the semicolon and insert in lieu thereof "by inserting 'or in the case of the Under Secretary of Defense for Acquisition, acting in his capacity as the senior procurement executive for the Department of Defense, the Under Secretary's delegate designated pursuant to paragraph (6)(B)' after '(without further delegation)';"; and

(B) in paragraph (6)(B) of section 2304(f) of title 10, United States Code, as added by paragraph (3)—

(i) strike out "senior procurement executive of an agency" and insert in lieu thereof "Under Secretary of Defense for Acquisition"; and

(ii) insert ", other than a military department," in clause (ii) after "title)".

(19) In the matter inserted by section 805(a)(2), strike out "on second sources".

(20) In section 2305(d)(4)(B) of title 10, United States Code, as added by section 806(a)(1)—

(A) strike out "the responses to solicitations" and insert in lieu thereof "offers in response to a solicitation"; and

(B) strike out "life cycle" and insert in lieu thereof "life-cycle".

(21) In section 806(b), strike out "such section" and all that follows through the period and insert in lieu thereof "section 2305(d) of such title are each amended by striking out 'The proposals' and all that follows through 'contract are' and inserting in lieu thereof 'Proposals referred to in the first sentence of subparagraph (A) are'.".

(22) In section 807(a)(2)(A), strike out "a firm fixed-price contract" and all that follows through "a major system" and insert in lieu thereof the following: "if a contract for development of a major system is to be awarded in an amount greater than $10,000,000, the contract may not be a firm fixed-price contract."

(23) At the end of the table of sections at the beginning of chapter 148 of title 10, United States Code, as amended by section 821(b)(1)(B), insert the following:

"2504. Defense memoranda of understanding.
"2505. Offset policy; notification.
"2506. Limitation on the use of funds: procurement of goods which are other than American goods.
"2507. Miscellaneous procurement limitations.".

(24) In section 2502 of title 10, United States Code, as added by section 821(b)(1)—

(A) in subsection (a)—

(i) insert "Secretary of Defense, acting through the" after "The" in the matter preceding paragraph (1);

(ii) insert a comma after "Acquisition" in the matter preceding paragraph (1);

(iii) insert a comma after "program" the first place it appears in paragraph (1); and

(iv) strike out "life cycle" in paragraph (4) and insert in lieu thereof "life-cycle";

(B) in subsection (c)(1)—

(i) insert "Secretary of Defense, acting through the" after "The" in the matter preceding subparagraph (A);

(ii) insert a comma after "Acquisition" in the matter preceding subparagraph (A); and

(iii) strike out "program requirements" in subparagraph (A) and insert in lieu thereof "requirements for that program"; and

(C) in subsection (c)(2), strike out "industries producing in the United States and Canada" and insert in lieu thereof "firms engaged in production in the United States or Canada".

(25) In section 2503 of title 10, United States Code, as added by section 821(b)(1)—

(A) strike out "The defense industrial base office" and insert in lieu thereof "Such an office";

(B) in paragraph (2), strike out "utilization" and insert in lieu thereof "use"; and

(C) in paragraph (3), strike out "such Defense Acquisition Regulations and" and insert in lieu thereof "the regulations of the Department of Defense prescribed as part of the Federal Acquisition Regulation (the single system of Government-wide procurement regulation as defined in section 4(4) of the Office of Federal Procurement Policy Act) and such".

(26) In section 821(c)—

(A) insert "the Secretary of" before "each military department"; and

(B) strike out "these programs" and insert in lieu thereof "each such program".

(27) In section 2507(d)(3) of title 10, United States Code, as added by section 822(a)—

(A) strike out "determines that—" and insert in lieu thereof "determines that any of the following apply with respect to that item:";

(B) strike out "the" at the beginning of each of subparagraphs (A), (D), (E) and (F) and insert in lieu thereof "The";

(C) strike out "satisfactory" at the beginning of subparagraph (C) and insert in lieu thereof "Satisfactory";

(D) strike out the semicolon at the end of each of subparagraphs (A), (B), (C), and (D) and insert in lieu thereof a period; and

(E) strike out "; or" at the end of subparagraph (E) and insert in lieu thereof a period.

(28) In section 822—

(A) strike out "(a) IN GENERAL.—";

(B) strike out the close quotation marks and the period immediately after the close quotation marks;

(C) strike out "(b)" and all that follows through "subsection (a)," and insert in lieu thereof "(4) The provisions of this section"; and

(D) add close quotation marks and a period at the end.

(29) In section 2368(b) of title 10, United States Code, as added by section 823(a)—

(A) insert "beginning in the year" in paragraph (3) before "in which the plan is submitted"; and

(B) strike out "relative" in paragraph (4).

(30) In section 824—

(A) strike out "(a) IN GENERAL.—";

(B) strike out "adding" and insert in lieu thereof "inserting";

(C) strike out subsection (b); and

(D) in section 2504 of title 10, United States Code, as added by such section, strike out "Department of Defense" and insert in lieu thereof "Secretary of Defense, acting on behalf of the United States,".

(31) In section 825—

(A) in subsection (a)(4), strike out "utilizing" and insert in lieu thereof "using";

(B) in subsection (b)—

(i) strike out "(1)";

(ii) strike out "adding" and insert in lieu thereof "inserting"; and

(iii) strike out paragraph (2); and

(C) in subsection (d)(4), strike out "the terms 'foreign firm' and 'United States firm' have" and insert in lieu thereof "the terms 'United States' firm' and 'foreign firm' have".

(32) In the quoted material added by section 826(a), align paragraph (5) full measure and align subparagraphs (A), (B), and (C) so as to be indented two ems.

(33) In section 832(a), insert ", as amended by section 322(a)," in paragraph (1) after "paragraph (1)".

(34) In section 842(b), strike out "TECHNICAL" and insert in lieu thereof "CLERICAL".

(35) In section 1034(a)(1) of title 10, United States Code, as added by section 846(a), strike out "armed force" and insert in lieu thereof "armed forces".

(36) In chapter 18 of title 10, United States Code, as amended by section 1104(a)—

(A) strike out "activities" in section 374(b)(2)(D) and insert in lieu thereof "programs"; and

(B) strike out "naval vessels" in section 379(a) and insert in lieu thereof "naval vessel".

(37) In section 1107(c)(1), strike out "act" and insert in lieu thereof "Act".

(38) In section 1202(1), insert "and" at the end of subparagraph (A).

(39) In section 1212(b), strike out "Annison" in paragraph (3) and insert in lieu thereof "Anniston".

(40) In section 1221(a)—

(A) strike out the period at the end of paragraphs (2) through (5) and insert in lieu thereof a semicolon;

(B) strike out "in" after "(3)" and insert in lieu thereof "in"; and

(C) insert "and" at the end of paragraph (5).

(41) In section 1227(a), strike out "Defense Plan" and insert in lieu thereof "Defense Program".

(42) In section 1403(e)(1), insert "title I of division C of" before "Public 100-180".

(43) In section 1421(a)(1) strike out "title" and insert in lieu thereof "part".

(44) In section 1423(a)(2), strike out "(in this title referred to as the 'Secretary')".

(45) In section 1436(c)(2), strike out "become necessary" and insert in lieu thereof "becomes necessary".

(46) In section 1441(a)(1), strike out "(68 Stat. 919; 42 U.S.C. 2011 and following)" and insert in lieu thereof "(42 U.S.C. 2011 et seq.)".

(47) In chapter 21 of the Atomic Energy Act of 1954, as added by section 1441(a)—

(A) in section 311(c)(1), strike out the second sentence;

(B) in section 311(d) (2), strike out "One" in subparagraphs (A) through (E) and insert in lieu thereof "one"; and

(C) in section 318(2), strike out "96 Stat. 2201;".

(48) In section 1441(c) (1)—

(A) strike out "Facility" and insert in lieu thereof "Facilities"; and

(B) insert "in this subsection" after "(hereafter".

(49) In sections 2103(b), 2202(a), 2203(b), and 2303(b), insert a comma after "amount shown".

(50) In sections 2203(b) and 2303(b), insert a comma after "units shown".

(51) In section 2106(a), insert "and 1989" after "1988".

(52) In section 2305, strike out "Facility" in paragraph (1) and insert in lieu thereof "facility".

(53) In section 2401(b), insert "the" before "Netherlands" in the items relating to Department of Defense dependent schools.

(54) In section 2405, insert "division B of" before "Public 99-661".

(55) In section 2813(a), redesignate subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively.

(56) In section 2814(c), insert "division B of" before "Public 99-661".

(57) In section 2817(a), insert "a" before "solicitation".

(58) In section 2818(b), insert "of the Army" after "Secretary".

(59) In section 2819(b), insert a comma after "parts of facilities" in paragraph (2).

(60) In section 2828(b), strike out "Federal government" and insert in lieu thereof "Federal Government".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CONDEMNING THE GOVERNMENT OF NICARAGUA'S ANTIDEMOCRATIC ACTIONS

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 498 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 498

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House without intervening motion the resolution (H. Res. 497) condemning the Government of Nicaragua's antidemocratic actions, calling for compliance with the Esquipulas II and Sapoa Accords, and urging both sides to the Nicaraguan conflict to return to negotiations. Debate on the resolution shall continue not to exceed one hour, to be equally divided and controlled by Representative Bonior of Michigan and Representative Edwards of Oklahoma. The previous question shall be considered as ordered on the resolution to final adoption without intervening motion, except one motion to recommit, only if offered by Representative Edwards of Oklahoma.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 498?

The question was taken.

Mr. MILLER of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 368, nays 40, not voting 23, as follows:

[Roll No. 234]

YEAS—368

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Baker
Ballenger
Bartlett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco

Boucher
Boulter
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dornan (CA)
Dowdy
Dreier
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Espy
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kemp
Kennedy
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Luken, Thomas
Lungren
Mack
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (WA)
Mrazek
Murphy
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Pashayan
Patterson
Payne
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Russo
Saiki
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—40

Bates
Boxer
Clay
Conyers
Crockett
Dellums
Downey
Dymally
Edwards (CA)
Evans
Ford (TN)
Garcia
Gonzalez
Hayes (IL)
Kastenmeier
Kennelly
Leland
Lewis (GA)
Lowry (WA)
Miller (CA)
Mineta
Morrison (CT)
Murtha
Oberstar
Owens (NY)
Panetta
Pelosi
Rangel
Roybal
Sabo
Savage
Schumer
Sikorski
Stark
Stokes
Studds
Torres
Towns
Weiss
Wheat

NOT VOTING—23

Anderson
Badham
Barnard
Biaggi
Callahan
Cheney
Dorgan (ND)
Flippo
Frost
Gray (IL)
Gregg
Hayes (LA)
Konnyu
Leach (IA)
Lukens, Donald
MacKay
Martin (IL)
Mica
Parris
Pickett
Rowland (GA)
Skaggs
Spence

□ 1250

Mr. LEWIS of Georgia changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 498.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR] and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 498 provides for the consideration of House Resolution 497 condemning the Government of Nicaragua's anti-democratic actions, calling for compliance with the Esquipulas II and Sapoa accords and urging both sides of the Nicaraguan conflict to return to negotiations. This rule provides for consideration of this resolution in the House, and no amendments will be permitted. There shall be 1 hour of general debate, equally divided between myself and Representative EDWARDS of Oklahoma.

The rule provides for one motion to recommit if offered by Representative EDWARDS of Oklahoma.

Mr. Speaker, I reserve the balance of my time.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 498 is a rule under which the House will consider condemning the Communist Sandinista government of Nicaragua for its flagrant violations of the Central American peace accords.

Mr. Speaker, the rule provides for consideration of House Resolution 497 in the House later today. Since the Committee on Rules is asking that this rule be considered today, on the same day it was reported, we needed a two-thirds vote in favor of consideration.

Mr. Speaker, I urge the House to adopt this rule so that we may consider the resolution condemning Nicaragua.

Mr. Speaker, the condemnation measure is bipartisan. It seeks to supply political and diplomatic pressure on the Sandinistas. It was introduced by the gentleman from Michigan [Mr. BONIOR] and the gentleman from Oklahoma [Mr. EDWARDS].

The rule provides for consideration of the resolution in the House, and debate is limited to 1 hour. Under the rules of the House, no amendment will be in order. The gentleman from Michigan [Mr. BONIOR] and the gentleman from Oklahoma [Mr. EDWARDS] will equally divide and control the debate time.

Mr. Speaker, there is little question that the Sandinistas have taken their control of Nicaragua several dangerous steps beyond what was agreed to in the Central American peace accords.

They have recently used tear gas in the streets of their capital to halt democratic demonstrations, and they have arrested democratic leaders. They have closed newspaper offices and they have shut down religious radio stations.

Mr. Speaker, the Sandinistas have brutally repressed their people, they have suspended the most basic of human rights: The freedom of the press and the freedom of assembly.

The resolution condemns these actions, and calls upon the Government of Nicaragua to live up to their word and implement the true democratic reforms they made commitments to in the Central American peace accords.

Mr. Speaker, it is clear to me that this Congress made a grave mistake last February, when it killed President Reagan's efforts to continue military aid to democratic resistance forces.

When this Congress passed a humanitarian aid package in late March, our action was predicated upon a cease-fire and adherence to the peace process.

We now see that foreign policy fashioned by the Congress will be misused and abused by the Communist Sandinistas.

Mr. Speaker, your political party is on the verge of opening its national convention. My political party will hold its national convention next month. Unlike Nicaragua, there will be no military troops in the streets of Atlanta or in the streets of New Orleans. Unlike Nicaragua, our National Government will not arrest the leaders of opposition political parties. Our National Government will not close the newspaper offices and shut down religious radio stations.

Mr. Speaker, Americans have 210 years of experience in handling democracy. Despite all our efforts, it is apparent that the Communist Sandinistas cannot handle 210 days of it.

I urge this House to adopt this rule, bring up the House resolution condemning Nicaragua, and pass it today. If we are to remain a beacon of democracy for the world, if we are to show freedom loving people throughout the world our sincerest desire for peace, we must take this step today.

Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, we are here today to consider the rule and the resolution condemning the Sandinista government for their recent actions in Nicaragua, and I will support both that rule and that resolution.

Certainly the events in the last few days have in the most bare-faced way exposed the true nature of the Sandinista government. They have not only damaged their own people and injured their own people, but they have affronted the human rights and the civil rights of all the people of the world by closing down once again one of the very few independent radio stations that operates in that country and closing down for at least 15 days the one single independent newspaper. Their explusion of our diplomats operating as diplomats and observing events taking place in that country is an outrageous act that will be condemned by every American for what it truly is, an attempt to cover up the failures of this Sandinista regime in Nicaragua.

Mr. Speaker, the Sandinista regime stands condemned by its own people and stands condemned in the court of world opinion. We should pass this resolution.

Mr. BONIOR. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. CROCKETT].

Mr. CROCKETT. Mr. Speaker, I rise in opposition to the rule providing for the consideration of House Resolution 497.

First, I object to the manner in which this resolution is being brought to the floor today. It by-passes the Foreign Affairs Committee. The Foreign Affairs Committee—and more specifically, the Subcommittee on Western Hemisphere Affairs, which I have the honor to chair—has oversight jurisdiction over United States policy toward Nicaragua.

Contra aid packages have ceased to be referred to the Foreign Affairs Committee for consideration. The committee has grudgingly accepted that procedure. However, in this case, we are considering a resolution regarding policy, and the Foreign Affairs Committee has again been totally bypassed. This resolution should have been referred to committee for consideration under normal procedures.

According to the Office of the Legislative Counsel, this procedure is "virtually unprecedented." The only other occasion in recent history when a resolution expressing a statement of foreign policy was taken directly to the floor without consideration by the committee was nearly a decade ago when the leadership drafted a resolution in support of the Camp David Accords on the same day of the signing of their accords.

Mr. Speaker, we have committees in this Congress for a purpose—to prevent hasty and mistaken action by this House. In my opinion, this resolution is both hasty and mistaken.

First, the resolution condemns the action of the Nicaraguan government of expelling our Ambassador, without an opportunity for this Congress to determine whether there is any substance to Nicaragua's accusations. And, second, it condemns the noncompliance of Nicaragua with the Central American peace plan, but never mentions the noncompliance of the other signatories.

Mr. Speaker, we have been grappling with this issue for the last 8 years, and we will probably continue to do so. What is the hurry in bringing this resolution to the floor today, without any review of the situation or consultation with the appropriate committee?

There is no hurry. I urge defeat of the resolution.

□ 1300

Mr. BONIOR. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I hold no brief for the Sandinista government or its actions, and in opposing this rule and the resolution I want that to be clearly understood.

It seems sometimes as if the highest levels of the Sandinista government have been infiltrated by the CIA. That is the only explanation for the stupid judgment that they have exercised in expelling our Ambassador and other envoys, closing down Radio Catolica and suspending La Prensa, when there are only some 6 months left of the Reagan administration, when we finally managed after some 7 years to stop funding the killing and brutalizing of Nicaraguan citizens.

But at the same time, Mr. Speaker, it seems to me that we ought to have greater respect for the integrity of our own body and the integrity of fact and truth and fairness in considering resolutions.

I have the privilege of serving on the Subcommittee on Western Hemisphere of the Foreign Affairs Committee. I have accepted the fact that because the Contra aid packages have been a combination of appropriation and authorization that the committee has been bypassed, and the subcommittee has been bypassed; but to bypass the subcommittee and the Foreign Affairs Committee on a resolution of this kind when there is no urgency to this action, it seems to me makes a mockery of the committee system. I am surprised and saddened that the leadership would deprive a committee of its jurisdiction under these circumstances.

As far as the substance of the resolution is concerned, it must be noted that we do not know what the facts are regarding the expelling of the American Ambassador. I read a story in this morning's paper about the fact that Mr. Melton is very much of the Eliot Abrams school of diplomacy in his attitude toward the war in Nicaragua.

I think that our committee should have had a chance to explore that. Certainly we ought not to have a resolution on this floor without the chance of changing a word or a comma. I think that does a disservice, not only to the committee, but to this entire House.

Furthermore, as to the unbalanced nature of the resolution, in its singular condemnation of the lack of freedom to exercise democratic rights, I would suggest that people who want to oppose their government have a better chance of surviving in whole in Nicaragua than they do in Honduras or El Salvador or Guatemala.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. WEISS] has expired.

Mr. BONIOR. Mr. Speaker, I yield 2 additional minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I thank the gentleman for the additional time. I really appreciate his courtesy.

The citizens of those countries in opposing any action of their government or even if they are suspected of doing so take their lives in their hands. Many who have done so have suffered the consequences. That is not to say that the instincts and approach of the Sandinista government is not one of intolerance and in many respects totalitarian; but fair is fair.

The Contras are still operating unhindered in Honduras. That is in violation of the Esquipulas accord but not a word about that in the resolution.

The Contras were responsible for breaking off the peace talks. They presented final demands, without any advance notice, with the demand of a response within 2 hours but not a word about that either in this resolution.

Those of us who have been opposing the Reagan administration's war policies in Nicaragua ought to oppose a resolution that is as ill-conceived and ill-thought out and ill-considered as this one. It clearly furthers the administrations aim of starting up the war again. It will undoubtedly be used in support of a Reagan request to resume funding of the Contras.

Mr. Speaker, As I have indicated, I believe that the Sandinista regime has demonstrated the worst judgment possible in its recent actions. The decision to expel 8 U.S. envoys, close Radio Catolica, suspend La Prensa, and the arrest of 40 opposition leaders, was completely wrong-headed, ill-timed, and likely to deal a further blow to a peace process that is already reeling. I know that I share with many of my colleagues the keen sense of disappointment and discouragement that the Sandinistas chose to take such an extreme and undemocratic measure at this critical moment.

Given the Reagan administration's policy over the last 7 years of working to overthrow the sovereign Government of Nicaragua, a move to expel United States diplomats in the past would not have been surprising to anyone. But to do it now with barely 6 months left to the Reagan administration, is, at a minimum, extremely counterproductive. It shows a total misjudgment of the American political system and only lends support to the forces that seek military aid to the Contras.

But we must be certain not to compound one blunder with another. Renewed military aid will only mean more bloodshed, more misery and more heartache for the people of Nicaragua. I remind my colleagues of the recent statement of the top military commander of the Contras, Enrique Bermudez, who publicly endorsed terrorism as a legitimate means of accomplishing Contra goals. Are we going to continue to tarnish the moral integrity of our Nation by supporting terrorists?

I urge my colleagues to focus our efforts on restoring the vitality of the Central America peace process. The peace process is the only way to bring about solution to the problems of the region.

Mr. TAYLOR. Mr. Speaker, I yield 2 minute to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, you know, I get sick and tired of you folks sticking up for the Communists—the Communists in Nicaragua. They have been beating people in the face with rifle butts. They closed down Radio Catolica, La Prensa, and they have violated every single agreement almost without exception that they made at Esquipulas. They have violated the agreement they made with the OAS in 1979.

They are Communists, and yet I come to the floor and I listen to you folks and continually you support them. You blame America first.

Why do you do that? Why is it always America that is wrong and the Communists in Nicaragua that are right?

The people in this country who watch this ought to be sick and tired of you folks.

Time and again, you defend Daniel Ortega, who has received billions of dollars in war materiel from the Soviet Union, has Cuban mercenaries in his country. He has got PLO's and every other fellow traveler you can think of down there, and yet you stick up for him time and again.

The people of this country ought to regurgitate every time they hear you speak.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I think that the somewhat frayed bonds that have attached some of the Members opposite to reality are in danger of snapping.

The previous gentleman did not stick up for the Government of Nicaragua. He was very critical.

We will talk about the substance shortly.

I think the Nicaraguan Government ought to be condemned for professing support for norms which it does not follow through on; but you know, they are not the only people who come to mind who profess support for what they claim are fundamental democratic norms and then ignore them when they are convenient.

We had a passionate set of special orders a little while ago from people on the other side. They lamented the fact that we get closed rules on controversial issues. They rent the air with their cries of pain for committees that were bypassed. They objected passionately to our failure to observe waiting periods.

We got a triple-header up today. We had a resolution that suspends the waiting period and brings a resolution to the floor under a closed rule and bypasses the committee.

Do you know what we heard from those who are the great patrons of procedural regularity a couple of weeks ago? Hurray. Every single Republican voted for it because their commitment to procedural regularity is more flexible than a rubberband. When they find it useful, committees can be bypassed, the rule can be closed, the waiting period can be suspended.

I am going to vote for the resolution. I do not think those things are immutable, but I do not pretend that I do. I do not take our special orders and talk about how terrible a closed rule is. We heard some of the most passionate rhetoric from the other side in objection to every single aspect of this rule, and we see today how little they really meant it. We see today that it was convenient to object, but they did not mean it. Procedural regularity is a stick they use.

Mr. GINGRICH. Mr. Speaker, will the gentleman yeild?

Mr. FRANK. I yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, I would just like to say to the gentleman, that since the gentleman's side controls the rules and controls the schedule——

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. FRANK] has expired.

Mr. BONIOR. Mr. Speaker, I yield 2 additional minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. GINGRICH. Mr. Speaker, if the gentleman will yield further, if the other side wanted to set up a schedule to bring to the floor a series of things on this issue in a regular manner that we would be more than delighted to work out open rules; but the gentleman's side controls the procedure. The gentleman's side sets the rules of the game, and it is a little much to blame us for something controlled from the other side.

Mr. FRANK. Mr. Speaker, the gentleman is simply, flatly, irrefutably wrong. There was no objection here today. The fact is there was no request from the other side. No one said, "Oh, wait a minute, don't vote to bypass the committee. Let's set up a schedule."

There was enthusiastic support.

Now the gentleman says because I pointed out the inconsistency, "Oh, well, if you had asked us to set up a schedule, we would have agreed," a schedule on which we would have been 1½ hours.

The fact is that three of the fundamental rules that you all pretended to be upset about were violated today and you knocked each other over to vote to violate them.

So the argument that you could not stand that just does not make any sense.

I suggest you might want to join with Daniel Ortega in practicing how to pretend to be for things that people are not really for.

Now, I do not think there is anything the matter with bypassing a committee. Committee bypass is fine if you want to bypass them. Just do not pretend.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, it seems to me we had a bill on the floor yesterday that you people came up with that was a plant-closing bill that you did all these things on the plant-closing bill; no hearings whatsoever.

Mr. FRANK. Right.

Mr. WALKER. You had this, and it seems to me the gentleman voted for it.

Mr. FRANK. The gentleman as usual misunderstands. I do not pretend to be worried about that.

Mr. WALKER. Oh, the gentleman does not pretend to follow the rules?

Mr. FRANK. Mr. Speaker, one of the rules the gentleman should know about is who gets to talk when who has the floor.

Mr. WALKER. Oh, now we are going to follow the rules?

Mr. FRANK. Mr. Speaker, regular order, please.

Now, I will explain to the gentleman from Pennsylvania that I never said that I was upset about a closed rule. I am not saying closed rules are bad. I am saying pretending that you think closed rules are bad is bad.

When we had a closed rule yesterday, I voted for it. We have got a closed rule today, I voted for it, but I am not one of those on the other side who says, "Oh, a closed rule, what would James Madison have said? Oh, my God, we bypassed the committee. Thomas Jefferson is turning around in his grave."

The fact is the gentleman has found a nonexistent inconsistency. I did not object to closed rules. I did not object to bypassing the committee.

My point is that when they want to, it is fine; and when they do not want to, they make it up.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

I want to point out to the gentleman that this side did not request a closed rule. We are for open rules. We believe in open rules.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. FRANK] has again expired.

Mr. FRANK. Mr. Speaker, will the gentleman yield an additional 30 seconds?

Mr. BONIOR. Mr. Speaker, I yield 3 additional minutes to my friend, the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I thank the gentleman for yielding this time.

The gentleman from Pennsylvania just said that we requested an open rule. You just voted for a closed one. Now, did you make a mistake? Did somebody change the machine? Was it rewired, like the time your dots disappeared?

The fact is, Mr. Speaker, that we had a rule up here—we did not get to the closed rule yet which you all are going to vote for except maybe now you think you better not, but you probably will anyway. We just voted to suspend the rules on the 1-day waiting period so that we could take up a closed rule and bypass the committee, and every single one of you voted for it. Was that a mistake?

You say you wanted an open rule. Now, I have been here before; when you guys want an open rule, you vote for an open rule, and when you want a closed rule, you vote for a closed rule.

The fact is that it is perfectly reasonable to proceed in this way, in my judgment, but it also shows that your special order of a month ago meant about as much as Tomas Borge saying that the first amendment is his favorite document.

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from California.

Mr. DORNAN of California. Mr. Speaker, much of what the gentleman says has merit to it. Can the gentleman forgo any more discussion on this and get to the substance of the evil of what the Sandinistas are doing, so we can discuss the substance of this issue?

Mr. FRANK. I am sorry. I appreciate the gentleman's concession that what I have said has merit, and I honor the gentleman's integrity, but we are now debating the rule.

Remember, we are talking about procedural regularity. We have 1 hour to debate whether or not to adopt the rule. Then we have 1 hour to debate the substance. I will be glad to debate the substance when we get to it.

In my view, the resolution is a good one, because it criticizes the act without saying that we should have military assistance; but I do understand the gentleman's discomfort, because I think the Republican party's pretense of a month ago has been exposed by their enthusiastic embrace of the most procedurally irregular rule I have ever seen. I am going to vote for it, but I have never pretended to be the opposite.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. DORNAN].

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I am glad to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I just want to say, today may well be an historic day. We are seeing two incredible events occur. We have seen liberal Democrats protesting a closed rule, and that alone marks this day as a red-letter day. Then we are going to maybe see some liberal Democrats condemn the Gestapo of the left, the Sandinistas.

We are twice blessed, and I thank the gentleman.

Mr. DORNAN of California. Mr. Speaker, the battle or the discussion over the rule may be lost on the American people who follow the proceedings of this Chamber.

I want to come up here and exercise or create a complimentary mood for what I see happening on the House floor today.

□ 1315

The vote we have just had on the rule is interesting because of the diversity of Members who voted for it. The discussion on the rule is an inside-the-Beltway discussion about closed rules, but I think the vote we saw on the rule is going to be pretty much the vote we are going to have, in a couple of hours, on condemnation of the Communist government in Managua. It is going to be something like about 360 to 40. In that 40 are some people like the distinguished gentleman in the chair who does not have any problem at all with severe harsh criticism of Communist brutality down in Nicaragua, but he has some problem with the process. There are some people in the 40 that probably will end up voting for a resolution of condemnation, and there are other people there who are consistently against condemning anything, anything that has to do with violations of human rights on the entire left end of the political spectrum.

Mr. Speaker, I do not mind if we forgo any rules to condemn Stroessner of Paraguay or the Pinochet dictatorship in Chile, if they take to the streets, as the Sandinistas have done. Last week the Sandinistas took gun butts and used those gun butts on women and children. I think the one area of concern in this House for all of us who are truly brothers and sisters is human rights. When human rights are violated in an egregious, ugly way—we see it before our eyes where television has extended our very nerve endings so we can see and hear and empathize for the pain that people are feeling, whether it is in a rightwing or leftwing oppressive situation—we should always quickly dispense with the rules and come up with a tough resolution. Because when that resolution moves, with whatever power is left in the world court of public opinion and public condemnation, immediacy is supremely important.

It would not do any good if we listened to my chairman, the gentleman from Michigan [Mr. CROCKETT], of Western Hemisphere, and had hearings on this and weighed in with bizarre opinions. We could have all the hearings we wanted, and by the time we spoke out, the Sandinstas would be doing what they have been pretty much doing anyway, and that is laughing in our face.

Arias, the Nobel Prize-winning Costa Rican President, said in today's Washington Post that he thought all of these democratization processes in Nicaragua were irreversible. What kind of training did he get at school in the United States? Whoever heard of any Communist mood to open a newspaper or to put a radio station back on the air, that it was irreversible? Of course, they can reverse anything they want, and they do.

Mr. Speaker, let me come back to some compliments. I do compliment, and I am not going to be a cynic and say it is because we are leaving today for our majority Members to go to the Democratic Convention; I think that it is a fair observation to say that the sensibilities of the majority, particularly some of the leaders in this House on human rights offenses on the left of the political spectrum, those sensibilities are much more hardened than on our side of the aisle. We respond on my side, I think, to rightwing brutality as quickly as we do leftwing brutality. But the other side is slow to respond to leftwing brutality. However, I think there has been a sincere turnaround by many Members on the majority side, that they do feel betrayed by the Sandinistas. Many of the Members on the other side were swept up like Hollywood in the romance of the revolution, the red and black scarves, throwing out this fat, adulterous pig Somoza, and they sort of cheered secretly when a bazooka blew him to bits in Asuncion, Paraguay. I am afraid it has been a long, hard trip for the majority to realize that these are nine hardcore Communist thugs destroying the economy and the freedoms of the people of Nicaragua. I salute the Members on the majority side for finally coming up with a resolution of condemnation with some teeth in it. If that does not work, what is going to be their next move? I hope they will stay on the path of integrity.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I just want to make a couple of points. One of the reasons why some of us would favor this rule is because we have found over the last few weeks that there are no rules around the House, that when one wants to get something done around here they have to take the course of action given to them by the leadership that sets all the standards around here, and so in this case, we think that there is a serious situation in Central America where people's lives are at stake and where political prisoners are being taken on a regular basis, and that that needs to be addressed in this particular body before we go on recess.

Mr. Speaker, if we were going to be here next week, we might have been able to follow more regular procedures. As I said to the gentleman earlier, many of us would have preferred an open rule in this particular case, and it probably would have been a good idea to have some amendments out here. It would have been interesting to see where the amendments come from.

I also want to make another point. When the gentleman from New York spoke, he suggested that all the problems in the Sandinista Government might be, and I assume he was kidding, because they have been infiltrated at the highest levels by the CIA. It is interesting we always come up with a blame-America theme, that we somehow cannot accept the fact that these are outright Communist tyrants, and the reason that they behave the way they do is because they are stalling us, because that is the way one handles problems in their country, they beat people up, imprison them, and if they still do not comply, they are killed. They shut down newspapers, shut down radio stations, and do all the things that Communist tyrants do. It seems to me the gentleman from New York might want to consider that as one of the options that is available to us that in fact what we have here are Communist tyrants who deserve the condemnation that they are going to get from this House this afternoon.

Mr. BONIOR. Mr. Speaker, I yield 3 minutes to my friend, the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I rise today in support of the rule, in support of the resolution. It is unusual, and probably the first time I cast a vote in the affirmative dealing with this type of issue. However, I do not want that to be misconstrued or misunderstood. I do not still support military aid for the Contras in Nicaragua. I think it is very simple.

Mr. Speaker, I have listened to the comments here of several of the previous minority speakers, and I think they make a lot of sense. There are grounds for condemnation, but I say that here is a Member that would like to do something about those Commies down there, but what those Members keep doing is extolling the virtues of the second team, the reserves. I do not think the Contras warrant any support. I believe that we are on a failed mission in Nicaragua.

If the minority members are bringing up to this body again that we are engaged in the Super Bowl, then I say to my colleagues it is time we send out the first team, and if we are saying that we need some military action in the fast lane with the Contras, we are not going to send in a crew in a Ford Edsel.

Condemnation is in order, but that should not be miscontrued that this body and this side of the aisle is for a flawed policy in Central America.

When we talk about human rights abuses, let us face it: Here it is easy to get on the floor and bash the Nicaraguans.

There have been an awful lot of human rights abuses taking place in other parts of the world where the silence in the House has been deafening. One has been a very unpopular area where people do not want to talk about it, and that is where Palestinians have been handcuffed, their ankles bound, and with gun butts their ankles, knees and elbows have been beaten.

Mr. Speaker, I am a very strong supporter of Israel, but those are human rights abuses, and Congress has failed to speak out. Let us get off the political kick here. We have a group that has not overthrown an outhouse, and I condemn the actions of the Sandinista regime. I do not in any way lend anybody to believe that Congress should continue with the flawed policies we have in the past.

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield?

Mr. TRAFICANT. I am happy to yield to the gentleman.

Mr. DORNAN of California. Mr. Speaker, I would like to send the gentleman the Contra freedom fighter combat reports from La Rosa and Bonanza. That was more than an outhouse that they blew up.

Let me ask the gentleman a question: I was a little confused earlier, because I was going along with the theme of his rhetoric until I thought I felt a hint, just a hint, of the 82d Airborne. Did I hear that?

Mr. TRAFICANT. Mr. Speaker, reclaiming my time, I would just say to the gentleman that there are people on this side of the aisle who do not love these Communists in Central America, but the gentleman has brought forward a program that has about as much merit, I think, that anybody in this House could deny.

Mr. Speaker, I think it is time we settled on a firm policy. The rhetoric should be set aside.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. TRAFICANT. I am happy to yield to the gentleman.

Mr. BURTON of Indiana. Mr. Speaker, let us make the question a little clearer: Is the gentleman from Ohio advocating sending in American troops in place of the Contras?

The SPEAKER (Mr. MURTHA). The time of the gentleman from Ohio [Mr. TRAFICANT] has expired.

Mr. TAYLOR. Mr. Speaker, I yield the gentleman from Ohio [Mr. TRAFICANT] 30 seconds.

Mr. TRAFICANT. Mr. Speaker, no, I do not think that we should enter into military action and send our troops into Nicaragua, but I do feel that the actions we have taken with the Contras have been ridiculous. We have wasted the taxpayers' dollars, and I think that has been evident. They do not control one crossroad, and they have not had one military victory or an achievement, and most people in America look at them as the Three Stooges, and that is their original crew, Calero, Robelo and Cruz.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. TRAFICANT. I am happy to yield to the gentleman.

Mr. BURTON of Indiana. Mr. Speaker, what did the gentleman mean the first time?

Mr. TRAFICANT. We are certainly not for communism. I think everybody knows that, and the gentleman does as well.

Mr. TAYLOR. Mr. Speaker, I yield 6 minutes to the ranking minority leader of the Committee on Foreign Affairs, the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this resolution is the least we can do to express the outrage felt by Americans to the latest wave of repressions in Nicaragua.

We should not be surprised at the Sandinista repression of virtually all civil liberties of the Nicaraguan people. The Sandinistas are liars and thugs whose main priority is to stay in power!

In 1947, Harry Truman, when addressing a joint session of Congress, stated—

> The free peoples of the world look to us for support in maintaining their freedoms. If we falter * * * we may endanger the peace of the world, and we shall surely endanger the welfare of this Nation.

The Sandinistas have demonstrated over and over their scorn for democracy and for peaceful negotiation. One of the reasons they have been able to do so—perhaps the chief reason—is that the U.S. Congress has been unwilling to react forcefully to their actions.

Mr. Speaker, I fear that the Sandinistas have taken the measure of the House of Representatives. They now feel they can do anything because of the unlikelihood that this House would react forcefully to any provocation.

As I said, this resolution is the least we can do. What is not in the resolution is more important than what is in this resolution.

What does the House of Representatives plan to do in the event the Sandinistas fail to respond to our expressions of concern?

President Reagan clearly put the issue before this body and the American people on May 9, 1984, 2 months before the 1984 Democratic Convention. And I quote:

> The simple questions are: Will we support freedom in this Hemisphere or not? Will we defend our vital interests in this hemisphere or not? Will we stop the spread of communism in this hemisphere or not? Will we act while there is still time?

Four years later, there has yet to be any meaningful response from the majority.

I am beginning to believe that the situation in Nicaragua may be lost. Time and time again, Congress has failed to act to keep up the pressure on the Sandinistas. How much longer can the Contras fighting in the field, and the political opposition demonstrating in the streets, hold out without effective U.S. support?

Responsibility to demand change does not rest solely with the United States. Similarly, I call on regional leaders to be more assertive in their actions against the Sandinistas. For example, President Arias of Costa Rica, who won the Nobel Prize for his efforts to achieve a regional peace agreement, should now turn his attention to Sandinista noncompliance.

Mr. Speaker, yesterday the Senate passed a resolution in response to the latest Sandinista actions. The other body squarely stated its position that the United States should respond to the blatant violations of the Esquipluas accords by pursuing a policy to support the Nicaraguan democratic resistance and, if necessary, providing humanitarian and military assistance to the resistance.

Mr. Speaker, I commend the forthright action of the other body and challenge the Members of the House to be as bold in demonstrating that we are prepared to follow our words with action.

Mr. BONIOR. Mr. Speaker, I yield 4 minutes to my colleague, the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I am going to support this resolution because it very simply makes some legitimate observations about the conduct of the Nicaraguan Government that we have every right to object to.

Mr. Speaker, I should start by saying that having heard some of what I have heard today, there is no risk that scholars in the future will turn to this day when they look for some of the more stellar debate which has occurred in the Chamber.

All I would say is that there is every reason to support this resolution, because it is clear that the conduct of the Nicaraguan Government is something which we have every right to object to.

□ 1330

I think it would be a very big mistake if people assume, however, that that conduct means that we automatically ought to resume military aid to the Contras. I would simply suggest if we begin to count up every country in the world that was running a foreign policy or a domestic policy in ways which offended our view of human rights, we would run out of fingers and toes pretty quickly. And if we assume that on the basis of that conduct we were supposed to make war against every government with which we disagreed, we would be having more wars today than I think any reasonable human being would want to experience.

Let me simply point out one fact. This resolution is clear in its attack on the conduct of the government which is in violation of basic human rights, which is in violation of freedom of the press, which is in violation of freedom of activity of the church. But for those who feel that that means we ought to resume military aid to the Contras, I would like to simply bring their attention to an article which appeared in a number of newspapers just a week ago, originating in Newsday. The lead paragraphs in that article say as follows:

> A leader of the Nicaraguan contras says the rebels deliberately broke off cease-fire talks with the Sandinista government last month to provoke a crisis that would force the United States to resume a more active role in Central American diplomacy and, if possible, bring about a resumption of U.S. military aid to the rebels.
>
> The rebel official, who asked not to be identified, said that the Reagan administration's response, sending Secretary of State George Shultz to the region last week, was exactly what contra leaders had wanted.

He went on to say:

> "We broke off the * * * talks. They were strangling us," he told a reporter a few hours after the contra civilian and military leaders had met with Shultz Thursday night. "So long as we were talking, we had no chance for a revival of military aid."

I think it is clear from that statement that the Contras at least share equal responsibility with the Government of Nicaragua in sandbagging those talks. I would simply suggest to Members on this resolution to not legislate on the basis of title. Read the language. This language is a very clear, level-headed indication of our objection to conduct to which we have every right to object. I think we ought to pass it and not pretend somehow that we are standing at Armageddon whether this resolution passes or fails.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I thank my friend from Missouri for yielding time to me.

Mr. Speaker, I think this debate will be of interest to future scholars who try to understand the way in which the Democratic Party came to deal with the realities of the world.

Given the repression by Nicaraguan Communists last weekend, leftwing Democrats found themselves very embarrassed. As a revealing I think Washington Times headline this morning said, "Sandinistas put Democrats in an uncomfortable position." It goes on to quote a leading Democrat as saying, "There's too much joy in some quarters in Washington over the announcement of closure of La Prensa and Radio Catolica." Imagine the kind of bizarre focus which would lead a national Democratic leader not to focus on tear-gas in Nicaragua, not to focus on secret police killing and locking up people in Nicaragua, not to focus on repressing marchers in Nicaragua, not to focus on censorship of Radio Catolica or censorship of La Prensa, but to be worried that those of us who favor freedom in fact are feeling positive about the reasons and are feeling positive about the fact that the Nicaraguan Communists have once again proven they are what they say they are: Communists.

I understand the embarrassment of our friends on the left. It was the Democratic Speaker who met in secret on Veterans Day with the Nicaraguan Communist dictator. It is the leftwing Democrats who stopped aid to the freedom fighters. It is leftwing Democrats who said publicly they trust the Nicaraguan Communists more than they trust the leaders of the American Government. It is leftwing Democrats who filed a resolution of inquiry not into the Nicaraguan Communists but into the American aid program to the freedom fighters.

It is the Washington Post which recently described some of the leftwing Democrats by name and said they bear responsibility for what the Communist Government of Nicaragua is doing during a peiod in which they have stopped aid to the freedom fighters and they have protected the capacity of that Communist government to survive, and that is the Washington Post.

To this very day, it is the Democratic Speaker who blocked consideration of new aid to the freedom fighters, and today there is a report of 37 Senators asking the Democratic Speaker to agree to bring to the floor an aid package.

Finally, the fact is if they want to be candid, that all of the recent violence, brutality, and repression of the Nicaraguan Communists over the last weekend really embarrassed the House Democrats on the eve of their national convention in Atlanta.

The fact is there are three groups. There are those who would rush to do something as long as it is meaningless, but at least to do something to prove going into Atlanta that they are not going to stand by and watch Communist repression and not at least pass a resolution.

There is a second group, those who are committed by ideology to oppose anything which is offensive to the Communists, and so they voted no.

And then there is a third swing group, ably represented by the very brilliant orator from Massachusetts, one of the finest defense attorneys that the leftwing machine has, who gets up and raises procedural arguments, who says, "Oh, why are you bringing this to the floor this way?" A brilliant smoke screen.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. Let me make just one suggestion, and I will yield in a minute.

Given who your party chose to chair the Subcommittee on Western Hemisphere Affairs, the fact is on Monday or Tuesday you could not have gone to the subcommittee and brought that resolution out of that subcommittee.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. Given the majority of leftwing Democrats you put on that subcommittee, it is the opinion of the Republicans on that committee that you could not have brought it to the floor by using the procedures.

Now I understand the brilliance of your speech, and I am glad to yield to you in a few seconds, but I think you ought to at least be candid on the floor of the House, and you ought to have said——

Mr. FRANK. Mr. Speaker, if the gentleman will yield, is he suggesting that I was not being candid?

Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman will state his parliamentary inquiry.

Mr. GINGRICH. Mr. Speaker, I do not yield for a parliamentary inquiry. I am told that I do not have to, and I do not yield.

My point is simply, and I will give the gentleman a chance to be candid in a second and I am sure he will be, but he knows that if he had come to us and said let us have an open rule we would have been for an open rule. In fact, your side specifically asked for a self-enacting rule. The gentleman knows that if you want to say to us let us rise from this debate and go back to the Rules Committee and come back later on today and have an open rule, including aid to the Contras, including aid to the international forces of resistance, that we would be delighted to work out an open rule. We do not mind if our friends on the left offer amendments.

Now I would simply suggest that while you are a brilliant defense attorney, it is a very, very bad case you are defending.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. Mr. Speaker, I am glad to yield first to my friend, the gentleman from Wisconsin [Mr. OBEY] who rose first, and then I will yield to the gentleman from Massachusetts.

The SPEAKER pro tempore. The time of the gentleman from Georgia [Mr. GINGRICH] has expired.

Mr. BONIOR. Mr. Speaker, I yield 4 minutes to my friend, the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would simply make the observation that I doubt very much that the gentleman in the well or many other Members of this House would be in favor of our making war on Chile, or making war on South Africa, or making war on the Soviet Union, or making war on the People's Republic of China, or making war on Paraguay because we do not like the way they deal with the human rights or the press or the church within their own country. And it suggests to me that there is a certain lack of balance in observations coming from some sectors in this House when they suggest that when it comes to Nicaragua yes, we ought to make war on it because we disagree with what they are doing internally, but no, we should not make war on these other countries.

I just have to suggest that I feel this debate, unfortunately, is probably going to be about 90 percent political and 10 percent substantive. That is probably a little better mixture than we get in this House any time after April Fool's Day in an election year, but I really do think when we have a subject as serious as this we ought to be doing a little bit better.

Frankly, I do not think people listening to this debate outside of this Chamber today care much about "you did that," or "you did this," or "we supported this kind of a rule; you supported that kind of a rule."

I think what they care about is whether we have responsible enough judgment to distinguished between behavior that requires comment and behavior that does not. I would suggest that this is what this resolution does today, and that is all it does.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, I thank the gentleman from Wisconsin for yielding, unlike the gentleman who it seemed to me suggested that I was not being candid refused to do after being advised on procedure by his friend from Pennsylvania who coached him that he did not have to yield to a parliamentary inquiry. The gentleman from Georgia, of course, simply misstated my position. I did not object to the resolution coming forward. I voted for it coming forward.

Unlike some Members opposite, I do not vote for resolutions and then pretend to be upset with the procedure. If I am upset with the procedure, I will vote "no."

My point was not that we should not have brought it forward. It is I think a perfectly reasonable resolution as it has been explained by the gentleman from Wisconsin. We can condemn the lack of liberty without being committed to a war. We are not the 911 for the Civil Liberties Union, and certainly there is no less plausible advocate of the position that we must respond with force to the lack of democracy than Ronald Reagan, who we all remember had to be pried weeping and lamenting from the bedside of the Marcoses.

But the gentleman from Georgia misstated my point. I simply wanted to point out that the Republican objection to closed rules and bypassing committees is not a real one. When it is convenient, they are in favor of it, but when it is not convenient they complain about it. Yes, I am being candid. I do not regard those as serious problems and I therefore voted for this resolution and never pretended to the opposite. And the gentleman's suggestion that I was not being candid or that I was against the resolution coming forward are equally wrong.

Mr. OBEY. Mr. Chairman, I would suggest that simply because sometimes the Government of Nicaragua appears to think with its spleen rather than its head is no reason that the United States Congress ought to also do the same.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I did not intend to get into this debate, but I really want to take a couple of minutes to remind my colleagues of some American history. Back after World War II; namely, the Truman-Vandenberg bipartisan foreign policy which was crafted after World War II that brought the United States to world leadership. The crafting of NATO, the United Nations, and the Marshall plan, illustrates to me that this Congress and this leadership on both the Republican and the Democratic side must move away from this dimension of the debate and move to the more statesmanlike role of crafting a new bipartisan role with Central America.

Back in March of 1987 the gentleman from Pennsylvania [Mr. MURTHA] who is sitting in the chair, and myself, cosponsored a resolution to introduce a bipartisan commission patterned after the Kissinger, Scoop Jackson idea, putting together a commission to develop a long-range comprehensive policy, for latin America, not just Nicaragua, in which we would face up to the economic, political, and social relationships with our Latin American neighbors. It is high time that this House and the Senate and the President of the United States look beyond the day-to-day events that occur in a given country in Latin America and realize that they are our neighbors, like our Canadian neighbors who happen to be our No. 1 trading partners, and begin to craft a bipartisan foreign policy that this Nation can address and ulitize as an instrument, a true partnership.

Mr. BONIOR. Mr. Speaker, I yield 1 minute and 15 seconds to my friend, the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Speaker, there has been some squablling here today over the question of opened and closed rules and procedures. I think that is regrettable, albeit understandable.

□ 1345

I would like to take just a minute to refocus this debate on the important substantive message I think we are trying to send from this Chamber today. Here is what I believe we are trying to say: We want the printing presses at La Prensa to roll; we want Radio Catolica back on the air; we want the opposition leaders who have been arrested to be released and we want the law which makes this possible in Nicaragua to be rescinded.

We do not want those things next year, we do not want them next month, we want them now.

We also want the talks between the Contras and the Sandinistas to get back on track before it really is too late. No one ever said the path to peace and democracy in Nicargaua would be an easy one, but prior to the events of last weekend, real progress has been made, and an agreement was within reach that most of us could live with. Further progress toward the twin goals of peace with democracy in Nicaragua can still be made, but only if the Contras and Sandinistas—and their allies—want it to happen.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, "one more time, now you get back to that table one more time. You do this again and well, we will pass another resolution, maybe." And the gentleman from Wisconsin who talks about making war, we do not want to make war on anybody, we want to help freedom fighters as we did the Mujahidin.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. HYDE. Let me finish.

Mr. OBEY. The gentleman used my name.

Mr. Speaker, will the gentleman yield?

Mr. HYDE. Before I say anything I yield to the gentleman from Wisconsin to answer what I have not said yet.

Mr. OBEY. I thank the gentleman for yielding.

Well, I think we probably know what the gentleman is going to say. I am simply going to ask the gentleman: If the Contras are fighting the Nicaraguan Government are people going to die?

Mr. HYDE. I hope nobody dies, I hope that the Sandinistas understand that they are following in the footsteps of Castro and Lenin and Stalin and Ho Chi Minh and all those good guys.

Now if I can finish: A little history is so important although perhaps strange. But let me quote you a little history. I am quoting from the CONGRESSIONAL RECORD of December 21, 1982. Now bear that date in mind. And the person speaking is a distinguished Member from Congress who was then chairman of the Subcommittee on the Western Hemisphere of the Committee on Foreign Affairs on which I have the distinct honor and illuminating experience to serve.

Now I quote from the RECORD, "in an attempt to be constructive, for 2 years I have practiced quiet diplomacy," 2 years putting us back into 1980, "I have practiced quiet diplomacy, muting my criticisms of the direction of the Nicaraguan revolution out of fear that they would be used by Nicaragua's enemies. I have traveled to Nicaragua, received Nicaraguan officials in my office, and engaged in private correspondence with Nicaraguan leaders, all with the objective of making the same points in private to the Nicaraguan Government that Ambassador Fiallos sought to exercise his right as a Nicaraguan citizen to make publicly: That to maintain any understanding in the international community Nicaragua must now, unequivocally, choose the path of freedom, democracy, nonalignment and respect of basic freedom for its people. Most recently, on September 29," talking about 1982 now, folks, "I joined six other Members of the House in addressing a private letter stating these concerns to the Nicaraguan junta and directorate. That letter has not been answered.

"Mr. Speaker, I must now say to the leaders of Nicaragua: What do we have to show for our efforts, What do we have to show for our forebearance? How much longer do you expect us to remain silent in the face of what seems to be the slow but inexorable destruction of the ideals of your revolution?

"I make this statement with full knowledge that it will be used by those who wish Nicaragua ill. But the seriousness of the situation demands it. Nicaragua must change course, and it must do so now."

December 21, 1982.

Well, here we are, Bastille Day, 1988, saying, "You have got to change course, you guys, come back one more time and let's talk, while the Soviets are pouring in literally millions of dollars and weapons and ammunition and we have cut off the Contras without a penny since February 29, of military aid, and the field is tilting, tilting, tilting until you cannot stand up on it.

We are saying, "One more time, let's talk, let's talk." I feel a responsibility because I voted for the $75 million for the Sandinistas. I helped put those people in power to get rid of the hated, despised Somosa. I joined President Carter who elevated human rights to a position of primacy in the hierarchy of values around this place. He was right.

What about the human rights of the 10,000 who were hit with rifle butts last weekend? What about the human rights of the 8,000 in jail? And you cannot find them, you do not know their names and they cannot be visited. Does anybody care? Do you care? And your response to that is a resolution of condemnation.

Listen, thank God for small favors. I am delighted we are getting this out of you. But you have got to do something because diplomacy is without the power of a force behind it.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield back the balance of my time and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BONIOR. Mr. Speaker, pursuant to House Resolution 498, I call up the resolution (H. Res. 497) condemning the Government of Nicaragua's antidemocratic actions, calling for compliance with the Esquipulas II and Sapoa accords, and urging both sides to the Nicaraguan conflict to return to negotiations.

The Clerk read the title of the resolution.

The text of House Resolution 497 is as follows:

H. RES. 497

Whereas in signing the Esquipulas II peace accord on August 7, 1987, the Government of Nicaragua pledged "to promote an authentic, pluralist and participatory process that includes the promotion of social justice" and "respect for human rights";

Whereas under that accord, the Government of Nicaragua is specifically required to establish "complete freedom of press, television and radio" "for all ideological groups" "without prior censorship", and "full exercise of the right of association and . . . free speech", as well as "freedom of movement", to decree an amnesty guaranteeing "freedom in all its forms", and to terminate state of emergency laws while establishing "the full exercise of all constitutional guarantees";

Whereas in signing the ceasefire agreement between the Government of Nicaragua and the Resistance on March 23, 1988, in Sapoa, Nicaragua, the Government of Nicaragua agreed to "decree a general amnesty for those tried and convicted for violation of the public security law, and for members of the previous regime for crimes committed before July 19, 1979";

Whereas on July 10, 1988, the Government of Nicaragua used force, including tear gas, to suppress a peaceful demonstration by the internal civic opposition, and arrested more than forty people, including opposition leaders;

Whereas on July 11, 1988, the Government of Nicaragua expelled United States Ambassador Richard Melton and seven United States Embassy officals;

Whereas the Government of Nicaragua also ordered the closing of the opposition newspaper La Prensa for fifteen days, and the indefinite suspension of the operations of the Roman Catholic radio station;

Whereas on July 11, 1988, the Government of Nicaragua arbitrarily arrested Conservative Party Secretary General Miriam Arguello and Democratic Coordinator Carlos Huembes;

Whereas the Government of Nicaragua has thousands of political prisoners remaining in detention and, since August 1987, has released only approximately one thousand political prisoners;

Whereas the Government of Nicaragua has kept in place the Maintenance of Order and Public Security Law, which makes it a crime against the state to speak against the revolution;

Whereas the Government of Nicaragua has kept in place the Law of the Means of Communication, which allows the Ministry of Interior to close down any communication outlet without cause or due process;

Whereas the Government of Nicaragua continues to receive thousands of metric tons of military hardware from the Soviet bloc, valued at hundreds of millions of dollars; and

Whereas the Government of Nicaragua has confirmed that it is planning a force of some six hundred thousand active and reserve, military and police personnel: Now, therefore, be it

Resolved, That the House of Representatives—

(1) condemns the brutal suppression by the Government of Nicaragua of basic human rights and the restrictions placed by the Government of Nicaragua on freedom of the press, freedom of assembly, and other civil liberties;

(2) declares the expulsion from Nicaragua of United States diplomatic representatives, and the arrest in that country of more than forty people including opposition leaders, to be intolerable;

(3) calls upon the Government of Nicaragua to undertake the steps necessary to implement true democratic reform in keeping with the commitments of the Esquipulas II and Sapoa accords;

(4) calls upon the Government of Nicaragua to comply immediately with internationally recognized standards concerning the treatment and release of political prisoners;

(5) urges the leaders of the countries of Central America to convene immediately to assess the conditions in Nicaragua described in this resolution; and

(6) urges both parties to the conflict in Nicaragua to abide by the ceasefire and to resume negotiations for a lasting peace and democracy in Central America.

The SPEAKER pro tempore (Mr. MURTHA). Under the rule, the gentleman from Michigan [Mr. BONIOR] will be recognized for 30 minutes and the gentleman from Oklahoma [Mr. EDWARDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for over 6 years, I have come to this Chamber to speak out against this administration's policy in Central America, and to condemn the brutal excesses of the Contra war. I have denounced the Contras' rampant human rights abuses—the murder and kidnaping of innocent civilians; the homes, farms, and villages destroyed in a terrible campaign of terror. And over the years, I believe this body has been correct in our efforts to bring an end to this brutal war. The policy of Contra aid brought no democratic reforms, only greater suffering for innocent civilians in Nicaragua.

Since August of last year, the efforts of President Arias of Costa Rica have opened doors to peace and democracy in Nicaragua that many had doubted were possible. Despite setbacks, progress moved to the point where the Contras and the Sandinistas, sitting down fact-to-face, had come very close to a peace agreement before the Contras walked away from the table.

The situation in Central America is now at a very difficult stage. The ceasefire between the Nicaraguan Government and the Contras is fragile. There are increasing reports of Contra attacks against civilians. Yet, the foundations for progress toward peace and democracy that have been laid by President Arias, I believe, still remain.

But, it is important that both sides to the conflict in Nicaragua know that, we in this Congress condemn any violations of the principles of democracy. In the past week, the Nicaraguan Government has taken several actions which represent a severe setback for the peace progress. They have closed La Prensa, and the Catholic radio station. They have moved violently against opposition rallies, and arrested opposition leaders, and they have taken the virtually unprecedented step of expelling a U.S. Ambassador.

We bring this resolution to the floor today to express our bipartisan condemnation of these actions. Members of this body disagree vehemently on many aspects of our policy toward Central America. But I believe we must not waiver in our support of democratic principles, and our willingness to speak out against violations of those principles wherever they occur.

Although this resolution is a strong statement of disapproval of the actions of the Nicaraguan Government, it also sends a strong signal of our broad bipartisan commitment to resolving the conflicts in Central America through negotiations. It calls upon the countries of Central America to meet immediately to discuss the situation in Nicaragua, and it urges both sides to the Nicaraguan conflict to return to negotiations for peace and democracy.

Mr. Speaker, I reserve the balance of my time.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of this resolution now because it makes a very strong condemnation of Sandinista atrocities and because I expect this body to take stronger action later against the repressive Sandinista regime in Nicaragua.

How many times do we have to see the Communist Sandinistas trample the rights of the citizens of Nicaragua before we in this Congress finally admit they have no intention of creating a democracy?

This resolution is strong words but just that—strong words telling the Sandinistas is they don't behave—what?

There are no teeth to this resolution! Is there anything here that's going to make any of the Sandinista "comandantes" change their minds and be less repressive?

It's like yesterday's editorial in the Los Angeles Times. It strongly condemns the Sandinistas, but that's all. The editorial concludes that the United States must show restraint, and the Soviet Union and Cuba should withhold further arms for Nicaragua.

President Arias asked the Soviet Union and Cuba to stop arms shipments. Did they? Of course not.

When in the past 9 years have the Sandinistas shown restraint? Only when there has been pressure opposing them. Any time the pressure has been relieved against the Sandinistas they have responded by tightening the screws against the internal opposition.

Since 1979, we have debated the nature of the Sandinista regime in Nicaragua so often, we've lost count.

How many times do we have to witness the Communist Sandinistas breaking their promises to protect human rights before we in this body act with resolve to oppose their brutal regime? They made promises to the OAS in 1979 and didn't keep them. They made promises to the Central American Presidents at Esquipulas in August 1987 and didn't keep them. They made promises in San Jose in January 1988 and didn't keep them. They made promises in Sapoa in March 1988 and didn't keep them.

What are the real intentions of the Sandinistas? Do we believe what they say or do we believe what they do?

They signed the Central American peace initiative of President Arias in Guatemala in August 1987. In that accord, the Sandinistas said they would stop supporting Marxist guerrillas in neighboring countries, protect the human rights and civil liberties of their own citizens, bring democratic reforms to their government and reduce their military strength. What the Sandinistas did afterward was to sign an agreement in September with the Soviet Union and Cuba to increase the military strength of the Sandinista army to 600,000 men plus providing missiles and Mig's.

You also have to question Daniel Ortega's sincerity in agreeing to the Arias peace plan calling for democracy in Nicaragua when Ortega says that if the Sandinistas were ever to lose an election they would never hand over power.

And so we come to today's resolution. It makes it look like critics of military aid to the Contras can appear to be tough on the repressive Sandinistas, when, in fact, they may merely reinforcing the Sandinistas view of the United States as a "paper tiger." What the Washington Post concluded in its editorial on Sunday, June 12, about certain Democrats in the House of Representatives is relevant.

That editorial starts out by saying:

> Perhaps it was not the Sandinistas' purpose to use their talks with the Contras to destroy them, but the results have been going that way.

The Post editorial then concludes with—

> A Sandinista 'peace' is all but ensured in Nicaragua. Democracy, the other part of what was supposed to be bargain, it not. It is conceivable that * * * [certain] Democrats could stop chasing ghosts and playing political games and bring themselves to be marginally helpful in a cause they insist they embrace, or at least to stop hurting?

Well, if those certain Democrats or any one else believes this resolution is going to relieve them of their responsibility for destroying the chance for democracy in Nicaragua, they are mistaken.

I am going to vote for this resolution, but I expect this body to back up the outrage expressed in this measure with more meaningful action that will bring real pressure on the Sandinistas to enact democratic reforms in Nicaragua.

□ 1400

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Mr. Speaker, I rise in support of House Resolution 497, condemning the Government of Nicaragua's recent actions. Now that the Sandinistas are confident of eliminating the Contra threat, they have begun their final offensive against the nonviolent, political opposition.

In the past week, they have:

Brutally beaten and gassed demonstrators;

Shut down the only opposition daily newspaper, La Prensa; and

Banned the Catholic Church's radio news program, "Iglesia."

They have also escalated their campaign against the United States, expelling eight diplomats—including our Ambassador—and have refused to accept our measured, diplomatic response.

Abandon the Contras, we were assured, and the Sandinistas will open their society.

But in Nicaragua, the opposition quietly warned us that if the Sandinistas were not preoccupied with the Contras, they would turn their wrath inward.

As the voices of the opposition are gagged, and its arms and legs are shackled to prison walls at Tipitapa and El Chipote, what can the apologists say now.

This bipartisan resolution follows our decision in December to codify our definition of acceptable democratization in the Chandler-Byron amendment passed overwhelmingly last year.

This resolution makes clear that not only are the Sandinistas in flagrant violation of the 33 principles of Chandler-Byron, but they have wholly reneged on their commitments in the August Central America peace accord, and, the Sapoa cease-fire accord—signed less than 4 months ago.

With the March passage of completely inadequate aid to the Contras—easily manipulated by the Sandinistas—the prospects for either peace or freedom have disintegrated.

This resolution is a good first step. But until we agree to give the Contras the only real influence the Sandinistas understand, the peace process, as well as the fight for freedom in Nicaragua, is doomed.

Mr. Speaker, I would like to add that earlier during the debate on the rule, one of our colleagues said, "Let's no longer send in the second team. Let's send in the first team."

And then he was not able to come right out and say he was talking about direct aid from the United States, but that is what he meant and that is what we are trying to avoid.

Mr. BONIOR. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, a few minutes ago one of the Members of the House asked, "Doesn't anybody care about the Nicaraguan Government's violation of human rights, about political prisoners, about the lack of freedom of the press, or about the lack of freedom of movement for the church in Nicaragua?"

My simple response to that is: "You bet we care." I think everybody in this House cares. That is why we want to see both parties brought back to the negotiating table. That is the only way in the end we are going to change what is happening in Nicaragua.

Do we care? You bet we care. I care about the kids in Nicaragua who are still unable to get help to replace broken limbs and lost limbs because they cannot get adequate medical supplies. I care about the 17- and 18-year-old kids whom I saw personally in the Contra camps, kids with their faces blown away, with their guts shot out, with their hands gone and their feet gone, kids who will never have a decent future. I care about the blood and guts that have been spilled on both sides of that conflict, and I care about the human beings on both sides. We should all care about what happens to people on both sides of that conflict, because innocent people are getting creamed on both sides.

The question is: What do we do about it? The only practical thing, in my judgment, that we can do about it is to try to do the best we can to get both sides back to the bargaining table. We have had a situation in which the Contra leaders have admitted that they broke up the negotiations in order to try to get Uncle Sam to resume military aid. I do not think we have to follow their leadership like sheep. I think it is a mistake to do that.

The other point I would like to respond to is that people seem to have the impression that somehow it has been the expectation that glorious democracy would bloom in Nicaragua if we would just cut off military aid. I have never believed that. I have been around here too long to believe that. I have observed human nature and I have observed Marxist governments too long to believe that. I believe in what Archie, the cockroach said, when he said, "An optimist is a guy who ain't had much experience." So when it comes to the Nicaraguan Government, I have had too much experience to be optimistic about them.

So I do not believe that we have a good chance of restoring democracy in Nicaragua. I do not believe we are likely to see human rights respected by that government. I do not believe we are likely to see them treat the church with decency, but neither do I believe that requires us to go to war with them.

I think we need a policy which focuses primarily on Nicaragua's external conduct, and as long as they leave other countries in the region alone, I do not suggest that we should try to remove that government. That does not mean I like that government. I think that government is lousy. I also think we need to provide all the economic and political pressure on that Nicaraguan Government that we can, so long as they do not meet certain standards of elemental human decency.

I think we ought to insist that our European trading partners cut off aid to Nicaragua. I think we ought to insist that all parties shut off any money going into Nicaragua and try to force both parties back to the negotiating table. But I do not believe that the solution is war.

So I simply suggest that this resolution, in a very calm way, suggests and defines the conduct which we find unacceptable, and it suggests that the way to resolve the problem is to go back to the negotiating table.

Do I think we have a good chance of making that happen? Frankly, I doubt it very much. But I do not think that I am required to fall off the end of the Earth every time something happens that I think is unacceptable, every time something happens that I think is bad. There are desirable things that we want in this world, and then there are necessary things. We need to learn to distinguish between the two.

Mr. Speaker, I suggest that we ought to adopt this resolution. Then we ought to get about the business of trying to use our influence, not to try to one-up each other politically on this issue, but to try in an united way to find a way to push both parties back to the bargaining table by applying whatever pressure we can short of putting this country into war.

Mr. Speaker, I do not think that is too much to ask of this country, and I do not think that is too much to ask of this great body, with the minds that we have in it.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Speaker, I thank the gentleman from Oklahoma for yielding this time to me.

Mr. Speaker, I rise in strong support of this resolution condemning the Nicaraguan Government for the suppression of human rights and civil liberties and for the expulsion of Ambassador Melton and seven Embassy personnel. I was in Nicaragua this past weekend with a bipartisan delegation to look into the human rights situation of political prisoners and the progress of the Arias peace plan.

Our Embassy had arranged meetings with Tomas Borge, Minister of the Interior, and Sergio Ramirez, Vice President, of Nicaragua and the delegation. These meetings had been scheduled before our arrival in Managua. They were confirmed by Ambassador Melton but were later canceled by the Sandinista Government.

I can report to you that the situation has deteriorated dramatically. The number of prisons has increased to about 60 and the number of prisoners incarcerated for opposing the Communist dictatorship of the Sandinistas has risen to roughly 6,800 prisoners. This is the situation even though the Sandinistas agreed to release political prisoners as part of the peace process. Oh, they have granted amnesty to one group of 900 and then to a group of 100, but they have imprisoned an equal number to take their place and those released were due to get out anyway.

While we were there we had the opportunity to meet with the mothers and some of the wives and sisters of political prisoners. They gave us the names of 350 more prisoners. We also met with some of the former prisoners who were courageous enough to meet with us, some of whom, I might add, were arrested again this past weekend. They spoke of the appalling conditions that they faced in these prisons. They spoke about beatings and being burned by cigarettes, of glass crumpled up in their food, and of being isolated in cells that were 4 feet by 4 feet and completely dark. They were kept naked with abhorrent sanitary conditions and lacked food, water, and decent clothing and underwent horrifying physical torture. Conditions like these are below human dignity.

You will hear from a number of people who have gone to Nicaragua say that these conditions do not exist and that they have visited prisons. The prisons they visited are referred to as model prisons. That is where the Sandinistas take people who come from well-meaning groups in the United States. We were not allowed to visit the prisons that I spoke about earlier, the Red Cross is not even allowed in these prisons. The Sandinistas are not interested in upholding human rights. They are simply exploiting the poor people of their country.

We met with Cardinal Obando y Bravo, the priest who runs Radio Catolica and the Chamorro family who runs La Prensa. La Prensa is now closed, Radio Catolica is now closed, and many of the opposition political leaders have been arrested and imprisoned. All this is the result of a legal, authorized demonstration in Nandiame on Sunday. Several of our aides went to this demonstration as observers. Unfortunately, after they left, the Sandinistas turned on the crowd and we all know what happened after that.

Mr. Speaker, I have to conclude that the Sandinista government has seriously abused human rights and civil liberties. It is quite evident that Nicaragua is in a state of disarray. Therefore, I urge my colleagues to adopt this resolution and urge the Nicaraguan Government to respect the human rights of its people and the rights of the opposition. I urge both sides to come back to the peace table.

Mr. BONIOR. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I rise in strong opposition to this resolution. I know that in light of the manner in which it has been brought up, there is a clear indication that the previous discussion has demonstrated that this is perhaps very definitely a lone-voiced minority position.

I have learned long ago that when such bodies as this august parliamentary body says at noon that it is midnight, then I have to get back to the office and just turn the lights on if they are not on. There is nothing much else we can do.

However, I think that, being that this is a deliberative body, those of us who strongly disagree with this resolution, its content, its thrust, and its intended effect have the duty of speaking out for the record.

In the first place, I think it is hypocritical for us of all people to accuse a government that has gone to the international tribunal of justice to air its grievance as a result of our acts of terrorism, if you please—and simply put, that is what they have been—in which we mined their harbors, destroyed facilities, and attempted to assassinate their leaders, and for which grievances that nation, as small as it is, went to the International Court of Justice and said, "We want to be heard."

We went before the International Court of Justice and answered, and after long deliberation the Court found us guilty, convicted us, and fined us.

We were one of those nations that was a party signatory to the beginning of what turned out to be the World Court or the International Court or Tribunal for Justice.

But now let us review what we are seeking to do. In a perfidious way, we have had an ambassador in Managua since first the inception of the junta and then the duly elected Government of Nicaragua now in power, elected after a free election, 10 times freer than the one we paid for and sponsored in El Salvador.

And if anybody here feels that the Government of Nicaragua does not have the support of the overwhelming populace of Nicaragua, then let me assure them they are committing an egregious error, much as has been committed in the case of Cuba.

I am not here to apologize. I notice that most speakers, even those who are condemnatory of this resolution, are very hasty to say, "Well, we condemn the Sandinistas, and we condemn this government." I do not. I do not condemn the Government of Nicaragua.

This government is bred of revolution. Where were all these champions of human rights before 1979, when they had the dictatorship of Somoza that we imposed and kept in power for 40 years, with their horrible atrocities? You can still go there and see roomsful of fingernails that were pulled from their political prisoners.

Did I hear any voice in the Congress condemn that? Of course not. Why? For the main and simple reason that we, in the eyes and the ears of the world, world judgment, do not have one allied nation's support for the actions taken by the Reagan administration since 1981.

□ 1415

Beginning with Canada and jumping over our country and going all the way to the tip of the South American Continent, Western Europe, there is not one nation that is in harmony with this course. Why? Because it is absolutely not only contrary to common sense, not only contrary to international law, but we have violated our own internal laws when we have set up a body known as the so-called Contras.

Mr. Speaker, we have sponsored an illegal group in an adjacent country that we have occupied. We are in total occupation, more than Russia is of Afghanistan or ever has been of Afghanistan. And look at what has happened. What if our controller, that country, is as accepted by the people? Why is it that the representative body of Honduras has never once passed a resolution permitting us to be there? Rather they have had a resolution condemning our presence. Why did we have the demonstrations of violence against the embassies in Honduras and in the capital of Honduras?

Mr. Speaker, I think these are the questions we should be asking ourselves rather than getting lost in this mistaken notion of mixing ideological, prefixed, condemnatory judgments with what are the sound national interests of this country that we ought to be pursuing. Article 5 of this urges other countries in Latin America, and what have we done when these countries took it upon themselves to form the organization? They offered a peace plan. Insidiously our Government undermined those efforts. We did everything before the Contadora process, and we have done everything we can since Reagan expressed his disappointment when President Arias and the other Central American presidents got together.

Why would that group that traditionally have had wars against each other finally get together? I will tell my colleagues why. I will tell my colleagues why they got the peace plan. Not because Arias was smart, but because they are sick and tired of having the bloodshed that we have imposed on Central America. That is why.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, with all due respect to the previous speaker, I cannot believe the words that were just uttered on the floor of this House.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. DELAY. Mr. Speaker, I will not yield until I finish with my statement.

Mr. WALKER. Mr. Speaker, regular order.

Mr. DELAY. Regular order, Mr. Speaker.

PARLIAMENTARY INQUIRY

Mr. DELAY. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman will state it.

Mr. DELAY. Mr. Speaker, is the gentleman's outrageous tone taken from my time?

The SPEAKER pro tempore. No, the gentleman from Texas [Mr. GONZALEZ] was not recognized.

Mr. DELAY. Mr. Speaker, to stand in the well of this House and ask such questions about this resolution, I just wish those kinds of people would go down, as I did last weekend, and ask the same questions of the people that were having their heads bashed in in Nandaime by a black beret, a Cuban advisory group that went down there with the specific idea and plan to beat the heads in of those in a legitimate demonstration. I wish those that would oppose this resolution would go far beyond what is outlined in this resolution. Go down and ask the same questions of Miriam Arguella, who was at 1 o'clock in the morning just 2 days ago awakened out of her bed by turbas, and beaten, and arrested and thrown into a prison. Ask Carlos Huendez where did the gentleman go. Maybe he went to Managua to talk to Carlos Huendez who had his head bashed in and was thrown into prison. Ask the same kinds of questions of the other 8,000 political prisoners, more political prisoners than ever before and during the so-called peace process of the last year, going into prisons that, if we put our dogs in the prisons, the humane societies would be marching on Capitol Hill. There are people having to sleep and eat in their own excrement, having to deal in prisons that the heat is so unbearable that roaches could not live in such heat. Ask those kinds of questions of the people in Nicaragua that are being abused by this regime.

I get a little upset because I was just there, and I apologize to my colleagues, but this is not sending military aid.

This is a condemnation resolution condemning a regime that at this point is almost identical to the Stalin regime in the Soviet Union. They are killing people. They are beating people. Their policies are starving people.

Mr. Speaker, the Nicaraguan people are starving. That is why they are marching in the streets at the very, very threat of their own lives. They are starving. And what are the Sandinistas going to do? They are going to be magnanimous. They are going to give every family of five 1 pound of sugar, 1 pound of beans and 1 pound of rice a month to live on.

The American people ought to ask themselves if they can live on 1 pound of rice, 1 pound of sugar, 1 pound of beans. The gentleman ought to ask his own religious priests who are beaten in the streets and dragged through the streets, the Catholic Church who just had their radio stations shut down and their presses beaten about, what is the oppressive regime. And the very violence of comparing the United States of America to the Soviet Union is unbelievable on the floor of this House.

But, Mr. Speaker, just let me say that I hope my colleagues will support this resolution because it is a bipartisan resolution condemning these kinds of policies. But I also hope that this is the last, the last, warning that we give Nicaragua.

History shows that, if we have a 100-percent support of freedom fighters, as we did in Afghanistan, freedom will prevail. And this ought to be our last warning before we go and support the opposition that is dying today inside Nicaragua.

Forget the Contras. Support the opposition because revolution is on its way.

Mr. BONIOR. Mr. Speaker, I would like to make sure that Members who are listening to this debate understand that, if they wish to cosponsor the bill, they still have approximately 30 to 40 minutes left to do so before the end of the debate. So, if they are interested, they are welcome to do so.

With that, Mr. Speaker, I reserve the balance of my time.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield such time as he may consume to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Speaker, I am pleased that we have an opportunity to express our opinion on the current situation in Nicaragua.

I strongly condemn the actions of the Communist Sandinista government against the unarmed, peaceful opposition and our diplomats. Isn't it interesting to note that 10 days after the administration decided not to request renewed military and humanitarian aid to the Contras, Nicaraguan dictator Daniel Ortega brutally cracked down on a peaceful opposition rally, arrested 42 opposition leaders, expelled 8 United States diplomats, accusing them of being clowns and puppets of Reagan's terrorist policy and closed down La Prensa and Radio Catholica.

Yesterday, the Communist Sandinistas took over a major symbol of private enterprise in Nicaragua, the San Antonio sugar mill. Like good Communists, the Sandinistas claim that "property is subject to the superior interests of the nation," which justifies seizing the largest sugar mill in Central America.

When will we learn that the Sandinistas are Communist thugs, willing to promise naive liberals anything in order for them to stay in power? How many times do we have to have the lesson drilled in our heads that the Sandinistas respond only to pressure? Military pressure from the Contras are an essential element of restoring peace and democracy in Nicaragua. Without it, Nicaragua will become a base for Soviet and Cuban designs on Central America and Mexico.

Costa Rican President Oscar Arias, the winner of the 1987 Nobel Peace Prize, has sharply criticized the Sandinistas for derailing the peace plan and suppressing the internal opposition. I salute him for that action.

However, President Arias expressed an unexcusable naivete, similar to the reaction of Britian's Prime Minister Neville Chamberlain to Adolf Hitler's totalitarian agenda, when he said, "I always thought that Sandinista measures toward a more pluralistic society and their compliance with the democratization stipulated by the peace plan were irreversible. But that's not so." The light of day has finally struck President Arias.

However, it may be too late for the Contras. The Sandinistas keep extending the deadline for the cease-fire negotiations to prevent humanitarian aid from reaching the irregular forces inside Nicaragua. In other words, the Sandinistas are trying to starve the Contras out of existence.

Instead of debating how we can "move the peace process along," we should exhibit leadership and vote for more military and humanitarian aid to the Nicaraguan resistance forces. This action alone would send shivers down the spines of the Sandinista thugs, which would magically turn into concessions from the Sandinistas for more democracy in Nicaragua.

Mr. Speaker, I endorse House Resolution 497. But it should go one step further, as the other body did, and threaten the resumption of military aid to the Nicaraguan freedom fighters if they do not comply with the Esquipulas II and Sapoa accords. We've been played the patsy too many times to let Nicaragua become a permanent satellite of the Soviet Empire.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, this resolution I think is a very important resolution because I think it says something to Nicaragua. It also says something to the people of this country, and I hope that we will be seen as saying something to those people who are well intentioned but who have in the past been in support of the Sandinista regime down there because this resolution says something in an official nature by Congress about the true nature of Communist tyranny in Nicaragua.

For example, this resolution says to those who believe that the Sandinistas tolerate opposition that what really happens in Nicaragua is that the Sandinistas use tear gas, suppress peaceful demonstrations and arrest opposition leaders. This resolution says to those who say there are no political prisoners being held in Nicaragua that indeed there are thousands of political prisoners being held in Nicaragua who remain in detention. This resolution says to those who do not believe that any Soviet military supplies have been moving into Nicaragua that indeed thousands of metric tons of military hardware from the Soviet bloc valued at hundreds and millions of dollars are going into Nicaragua, and this resolution also says that Congress indeed believes that the Nicaraguan Government is planning to build an army of 600,000 active reserve military and police personnel.

This resolution also tells my colleagues something about what we think really is going on in Nicaragua when we say flatly in the resolution that we condemn the brutal suppression of basic human rights by the Government of Nicaragua. It also says that the Government in Nicaragua is not complying with international accords and calls upon the Government of Nicaragua to comply immediately with internationally recognized standards concerning the treatment and release of political prisoners.

We say very flatly in this resolution that something has gone drastically wrong in Nicaragua, that Communist tyranny is indeed imposing the kind of rule on the people that is unacceptable and is unacceptable to everyone.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I believe it is important that in these difficult days in Nicaragua that we here in the Congress of the United States continue to show support for both the substance, as well as the ideal, of democracy in that troubled country of Nicaragua. That is the purpose of this resolution today.

We are all well aware of the tough line that the Marxist government in Nicaragua has taken toward those Nicaraguans who every day put their lives and put their fortunes on the line to give substance to democratic ideals in that troubled country. The Sandinistas has promised to live up to these ideals, these ideals of democracy, on a number of occasions, Mr. Speaker. They made promises to the Organization of American States in 1979, in Esquipulas last August, in San Jose this past January, and finally in Sapoa this past March, and yet the actions taken by the Nicaraguan Government last week show the hollowness of their promises.

Today, as we debate this resolution, there are a number of resistance leaders who believe in those ideals who are in jail there in Nicaragua today.

Mr. Speaker, this resolution merits our support. It merits our support for two reasons; the first, to show solidarity with those members of the internal opposition who are now in jail; and, second, to let Daniel Ortega know that we are watching events there closely. Mr. Speaker, he misjudged this body of the U.S. Congress on previous occassions, and he is about to make the same mistake again.

Thus, Mr. Speaker, it is proper that we condemn the suppression by that government of the basic human rights and restrictions placed by that government on the freedoms that are due to civilized humanity.

□ 1430

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. BUECHNER].

Mr. BUECHNER. Mr. Speaker, Oscar Arias, the Nobel Prize winner, said yesterday that he has grave disappointment with what the Sandinistas did. The most interesting thing was that he thought that the Democratic moves, the openings of the press, the openings of the churches, the freedom of assembly, were irreversible. Those were his words—irreversible.

What happened this weekend was a breech of not only the trust that this body had placed in the Sandinistas, mistakenly, I might add, a breech in what the agreement they put their words to paper on, they had signed their names. They said, "We agree that it is a breech of that."

Mr. Speaker, what it was, was symbol of the naivete that came forth. It was a good naivete. It was a belief that there would be some movement toward peace, and this body said, "OK. We are going to give a chance for those dreams to come true."

But they were only dreams. Those dreams were shattered in the hands of thugs when they slammed the doors on those prisons and put more people in, when they closed the press and they shut down the radio station, those were realities. Reality is a Marxist government that used this peace process only to do one thing, to shut off United States aid to shrink the internal resistance, to begin to put into place the Cuban dominated system of oppression. That is what the Sandinistas used the peace process for.

We have been had. Oscar Arias should not be disappointed. He should face reality, and the reality is that we must adopt this resolution.

It should go further than this, but we must adopt this resolution, because those of us who stood in this well and said that this is what the Sandinistas intend to do. The Sandinistas intend to snooker you. The Sandinistas have a lure out here. This is a trick. It was a trick. They did not intend to be abiding by this resolution. They intended to do just what they did, and that was to breech the truth.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, I come down in the well today to avoid something that I think would be very distasteful, and that is to say, "We told you so."

What I want to do is take a minute to compliment the gentleman from Michigan [Mr. BONIOR]. The gentleman from Michigan has been very, very committed to the process in Central America. It has not been a commitment in the direction that the gentleman from Illinois [Mr. HYDE] or the gentleman from Oklahoma [Mr. EDWARDS] or the gentleman from Texas [Mr. DELAY] or many in our leadership thought was the right way to go, but not for a second did we ever question the gentleman's commitment to try to resolve the problem in Central America, to bring democracy to Central America.

It takes a very big man to sponsor a resolution like this and to condemn people who he has held out hope for, for such a long time. The gentleman deserves to be complimented for saying that maybe we saw things and they are just not like we want them to be.

I am willing to stand up today and I am willing to say the people in the government in Nicaragua were dead wrong, that the people in the government of Nicaragua have not acted in good faith and I am sending them a shot across the bow with a resolution that calls it like it is.

There are an awful lot of people today who do not have the courage and the decency and the integrity to stand up and say, "Hey, maybe we have to reverse ourselves. Maybe something that I believe so strongly in for so long is not turning out to be true."

I want to compliment the gentleman, but I also want to urge him that at some point this Congress is going to be faced with further action, and I hope the gentleman will display the same integrity and the same courage when the next step is necessary.

I appreciate the hard work of the gentleman from Oklahoma, who has been so persistent in this all along.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I regret having to speak so often on this subject, but I get back to my office and I hear something said that requires a response.

I heard a Member from the other side talk about how the children are suffering in Nicaragua from this war, and I agree completely; but I would like to point out to anybody who cares, and the gentleman said he cared, a statement yesterday made by the gentleman from California [Mr. PANETTA] our valued and learned colleague, before the House Foreign Affairs Committee in pursuance of his resolution of inquiry on how the Agency for International Development was disbursing these funds, and particularly the Children's Survival Assistance Program.

The gentleman from California [Mr. PANETTA] pointed out that the legislation authorized $17.7 million for the Children's Survival Assistance Program to provide medical care to children affected by the war in Nicaragua and to date $12.2 million has been earmarked for 9 private voluntary organizations; but according to the Agency for International Development, less than $1.5 million has actually been spent for this program, and these are the key words: "Because of barriers erected by the Nicaraguan Government to the expenditure of U.S. funds for children."

Mr. Speaker, I have his statement in my hand. I think it is important that when we lament the suffering of children, let us also point an accusatory finder at the Nicaraguan Government that is obstructing the disbursal of these funds to alleviate children's suffering.

Second, I have heard repeatedly the inaccuracy, the false statement that it is the Contras that have broken up the meetings. The Contras are tired of running into a brick wall. The terms of the peace as set forth by our good friends, the Sandinistas, are, "You Contras move into cease-fire zones and then you disarm. Then we will talk about democracy."

They may be hungry and cold, but they are not crazy.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Speaker, the question to our colleagues is, Why are we doing this? Why has this resolution been introduced on this emergency basis, and why will it be adopted by an overwhelming majority of this body today? In other words, what does this mean?

Just this. The Sandinistas have gone too far. Their disdain for human rights and democracy is now unambiguous. Almost all Members of this body are sick about the most recent abuses; and for the first time we are ready to act as a unified body, to speak out in condemnation of the Sandinista regime.

This resolution says that Democrats, Republicans, liberals, and conservatives are all agreed that the Sandinistas must be condemned for their actions.

This resolution, I believe, represents the beginning of a unified response to the perfidity of the Sandinistas. We now know that hope is not enough, that action by the United States is necessary to promote the cause of democracy in Nicaragua.

I look forward to continued cooperation by Democrats and Republicans alike in the pursuit of democracy in Nicaragua.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. Rhodes].

Mr. RHODES. Mr. Speaker, should we pass this resolution? Well, of course, we should pass this resolution. We should have passed this resolution 7 years ago and we would still be here today talking about the Nicaraguan problem, because many of us and today including the gentleman from Wisconsin [Mr. Obey] recognize publically that actions such as this will not, in the words of the gentleman, cause democracy to bloom in Nicaragua.

That heartens me to hear him say, perhaps the gentleman from Wisconsin [Mr. Obey] has said his recognition of that in public before, but I have not heard it; but it saddens me too, because his remarks also seem to say that we will leave the people of Nicaragua to their fate, to the Sandinistas, so long as the Sandinistas behave themselves and remain in their borders.

He did say that we should call upon our European trading partners to assist us in cutting off economic assistance and trade to Nicaragua. That is a part of the Arias peace plan formula. It is a very high-minded thought. It got President Arias the peace prize. It brought no peace and no freedom to the people of Nicaragua.

The spotlight of world opinion would likewise would not cause democracy to bloom in Nicaragua.

My question today is, and this is the part that saddens me, what do we do next?

Dante said that there is a special place in the inferno for good people who do nothing. Well, this House is full of good people. Passing this resolution is the equivalent of doing nothing.

Are we staking out our special place in the inferno? I pray not. I wonder what we will do next.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Oklahoma [Mr. McCurdy].

Mr. McCURDY. Mr. Speaker, I rise in support of this resolution today. I have to agree with the gentleman from Arizona that passage of this resolution is certainly not going to result in the democratizaton of Nicaragua, nor are the passages of any resolutions in this body going to implement democratization in any country within Central America or Latin America.

It does take more, it does take a concerted effort. As one who has been arguing for a number of years that the question of democracy, the question of development, the question of diplomacy and the question of defense throughtout Latin America should be a much higher priority of not only the current administration, but any administration of the United States of America, and also it should be a high priority of the Congress.

We do join today to condemn the recent actions of the government of Nicaragua. Many of us who have been active in this area and concerned about the processes throughout the region are greatly disturbed by their recent actions.

I feel quite confident that there will be ample opportunity for this body to be acting in a more definitive way in the near future; however, I think it is important that today we stand together. It is important that we do so in a reasonable fashion as equal Members of this body to stand up and say that we do not tolerate this action and we want only to express our dismay and disappointment and outrage, but more importantly, in the future that we are going to be watching very closely the actions of that government in that region.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to my colleague, the gentleman from Oklahoma [Mr. Inhofe].

Mr. INHOFE. Mr. Speaker, the gentleman from Illinois referred to the children and how this effects the children in Nicaragua. I suggest to those of you who know this who have been there, those children are down there fighting the battles. They are actually in combat. When I was there, the average age of those who were fighting for their freedom was 17 years old. So I would like to suggest that there is another very good reason to adopt this resolution, a very humane reason that maybe has been overlooked.

I was in a hospital tent. I had a chance to go around and ask those individuals who were there, those being operated on. There were 42 beds in that tent and 1 bed in the middle where they were amputating legs, where they were operating on these individuals who had been in battle, these young kids. I got around and asked each one in their own tongue, "Why are you fighting? Why are you doing this?"

The last one was a little girl who was 19 years old. Her name was Maria Elena Gonzales. I asked her the same question. She looked up. She had been back three times. She had been fighting since she was 13 years old and she will not go back to the battlefields now, because they just that day amputated her left leg.

She looked up at me, and these were her exact words. She said:

> Han tornado todo de lo que tenemos. Pero, de veras, Ustedes en Los Estados Unidos entienden. Porque Ustedes tuvieron que luchar para su libertad lo mismo que estamos luchando ahora.

What she was saying was, "They have taken our farms, our homes. They have taken everything we owned, but surely you in the United States do not have to ask that question, because you had to fight for your liberties the same as we are fighting for ours."

That little girl could not read or write, but she knew that we fought a revolutionary war. She did not know if it was 200 years ago or 100 years ago or 20 years ago, but we in the United States of America are a beacon of freedom for those who are fighting for their freedoms, and this resolution will add life to that beacon.

□ 1445

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. Johnson].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in support of this resolution. It is a small, sober, serious step and an important one. It represents the unified condemnation of this House of Nicaragua's treatment of political prisoners, but beyond that, it is a dead serious challenge to Nicaragua to adhere to her commitments made over and over in recent months and recent years to democracy.

The problems that face Nicaragua are enormously serious. Inflation was 6,000 percent in 1988. There are more Nicaraguans on the public payroll than in the private sector. Wages have fallen to levels below 1960. These are all legitimate political issues worthy of public debate.

Mr. Speaker, our Embassy has always supported the opposition parties in fostering public debate about public political issues at the center of Nicaragua's political life, economic life, human rights life, and I am proud of what our Embassy has done and what our Nation has done to support democratic dialog in Nicaragua.

This resolution challenges Mr. Ortega and the Sandinistas to allow debate of these very important matters, to allow public opinion and public dialog to direct public policy for the public good over the decades ahead in Nicaragua. This is not a resolution just of condemnation. This is a resolution of challenge. It represents the unified thinking of the House of Representatives and of the American public.

Mr. Speaker, I hope we will pass it overwhelmingly. I hope Nicaragua will hear it, and I hope it will reverse the course of events in Nicaragua and foster democracy and the liberty that accompanies it in the future.

Mr. BONIOR. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. Lowry].

Mr. LOWRY of Washington. Mr. Speaker, I again want to thank my friend, the gentleman from Michigan, for his continued work for peace in Central America.

Mr. Speaker, I will vote for the resolution today primarily because the bottom line says "urge both parties to the conflict in Nicaragua to abide by the cease-fire and to resume negotiations for a lasting peace and democracy in Central America," and that is the bottom line of this resolution, and that is the bottom line of what so many people have been working for and especially based around the Arias peace process, the tremendous opportunity that that has provided for there to be a real peace in Central America. I will be voting for this resolution because that is the bottom line of this resolution.

Mr. Speaker, there are words in this resolution I would not have chosen to use, and I suppose that is always true of any resolution of this delicate nature. I think all of us as we vote on this are not saying every word in this resolution we necessarily agree with, but the bottom line is calling for the parties to return to the negotiations using the Arias peace process or however that best works to get to that peace. The words on the human rights charges, freedom of the press, freedom of assembly, civil liberties, of course, we do not like that, and in another resolution I do wish that perhaps we would also include other nations that certainly have problems of freedom of assembly, freedom of the press, suppression of civil liberties, and human rights.

Mr. Speaker, I myself always have some problem voting for a resolution that particularly talks about one particular government, because we know that these problems exist with a lot of governments in this world, and I would like to see some resolutions talking about the lack of human rights in many other countries that are not in this, and I wish that were in there.

Mr. Speaker, most importantly, in addition to my first point of calling for a return to negotiations, this resolution does not call for military aid to the Contras. If this Congress at all under some short-term political pressure should make the mistake of returning to the policy of militarily interfering with that peace process, it would be a tragic mistake. Even though almost all of us, I think, agree with what we are saying about not liking actions which have been taken, in no way do those actions say that the U.S. Government ought to militarily overthrow the government of another country. This clearly does not say that. It clearly says "proceed and support the peace process, return to negotiations." It can work if we stay responsible in this body.

Mr. STENHOLM. Mr. Speaker, I urge my colleagues to support this resolution to condemn the Sandinistas for violating the commitments which they made in Esquipulas and in Sapoa promising democracy and freedom. The success of Contra military operations and the threat of continued aid for the Contras led the Sandinistas to permit a tactical opening and liberalization. However, Congress has cut off aid to the Contras and with it the motivation for Sandinista concessions.

What we are doing here today is sending a message to Managua. We as a Congress are sending a message to the Sandinistas that they have misjudged the Congress. We have not forgotten the Nicaraguan people and we care what happens in Nicaragua. We will not passively tolerate the imposition of a Marxist totalitarian state in our hemisphere. The Ortega brothers must understand that we have already given them the benefit of the doubt by pulling the plug on the Contras. Sandinista repression is clearly deliberate and not provoked. Their actions of the last few days have exposed them to the American people. They can no longer claim that U.S. policy is forcing them to crack down. There is no U.S. pressure.

This Congress will view continued noncompliance with these accords in serious terms and take all necessary steps to insure that Nicaragua will be free.

Mr. JEFFORDS. Mr. Speaker, the recent news of the Sandinista government's decision to expel the United States Ambassador to Nicaragua and seven members of the United States Embassy is most disturbing. Furthermore, the Sandinistas' decision to close down the opposition newspaper La Prensa for 15 days and Radio Catolica for an indefinite period indicates that the government's tolerance for democratic diversity is appallingly low.

These actions follow shortly after the break up of an opposition rally in Nandaime, Nicaragua, on July 10. Government troops dispersed the demonstrators with tear gas and arrested some 40 participants. The disintegration of a legitimate demonstration into violence is a clear indication that the Sandinistas are not willing to tolerate pluralism or legitimate expressions of opposition to the government.

Last August, strong hopes for peace were generated by the signing of the Guatemala agreement and the subsequent progress toward regional peace encouraged by the persistent efforts of Costa Rican President Oscar Arias. The March 23 Sapoa cease-fire agreement between the Sandinista government and the Nicaraguan Contras halted the fighting and brought both parties together inside Nicaragua in an attempt to resolve this protracted conflict.

Congress demonstrated its support for the Sapoa agreement and further progress in the peace talks by approving a package of nonmilitary assistance for the Contras, medical aid for the children on both sides who lost limbs in the war, and funding for the Verification Commission created to observe the peace process and oversee the delivery of assistance.

The impetus for peace lagged as the talks dragged on. In early June, Contra negotiators issued a new set of demands just as an agreement was within reach and the talks collapsed. Increased activity by the internal Nicaraguan opposition was met by increased repression by the Sandinista government, further closing down the opportunities for legitimate political discussion.

I am pleased that the House Republican and Democratic leadaership have brought this resolution to the floor. It is important that the Sandinista goverment realize the depth of America's disappointment with the way they have handled this unique opportunity for peace and democracy. I join my colleagues on both sides of the aisle in urging the Nicaraguan Government to rethink this policy of retrenchment and confrontation.

Mr. ROWLAND of Georgia. Mr. Speaker, I support House Resolution 497, condemning the Nicaraguan Government for its recent actions including the closing of La Prensa and Radio Catolica, as well as the expulsion of the United States Ambassador and its continued repression of opposition groups. I am pleased that the House is taking this action today.

Mr. LEVIN of Michigan. Mr. Speaker, I support this resolution. It has been said on the floor today that this resolution is a last-minute effort by Democrats to show sensitivity to human rights issues in Nicaragua and manifests the need for resumption of military aid to the Contras. The first argument is fallacious, the second erroneous.

The majority party has consistently applied a single standard of human rights to Nicaragua—whether those rights have been violated by Somoza, or the Sandinistas, or the Contras. The majority party has consistently condemned Sandinista suppression of civil liberties and democratic institutions. This resolution reaffirms that longstanding commitment, at a moment when the Sandinistas have renewed their repressive measures, and rightly condemns the Sandinistas' resort to repression against the civic opposition.

The position of the majority party all along has been that the answer to the Nicaragua problem must be found at the negotiating table, not in the continuation of a bitter, bloody, and inconclusive war. It is ironic that as some Republicans today deride this position we see reports that the Republican administration may be coming around to the majority party's view. Secretary Shultz reportedly is now marshaling political and diplomatic, not military, pressure on the Sandinistas to make democratic reforms a part of a negotiated settlement.

The policy we reaffirm today is clear: Strong pressure on both sides to negotiate seriously and honestly for an end to the war and establishment of democratic institutions in Nicaragua.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this is an important day. On this same day 199 years ago the people of France rose up against an oppressive dictatorship, and as one of their first expressions of revolution, they stormed the Bastille to free the government's prisoners. The key to the Bastille was brought to America by Lafayette and was given to George Washington, and from that day to this day, America has been looked to by the entire free world as the champion of political freedom.

Mr. Speaker, today we stand united in condemnation of a government in this hemisphere which holds thousands of prisoners and which suppress-es fundamental human freedoms, a nation which is building a 600,000-man armed force with the aid of hundreds of millions of dollars from the Soviet Union.

This resolution, this bipartisan resolution, condemns the use of force and tear gas on innocent civilians to break up peaceful demonstrations. It condemns the suppression of a free press. It condemns the arrest of the political opposition.

Mr. Speaker, some who vote for this resolution will do no more than that. Some of us believe that recognizing the brutal suppression of the Nicaraguan people by their government, and this resolution calls it that, the brutal suppression of the people, we must now move to strengthen those Nicaraguans, who fight to bring freedom and democracy to their country, and we will attempt to bring that decision to the House floor. Today in the spirit of Bastille Day, in the spirit of every attempt by the people of this world to live in freedom, we unanimously condemn, and I wish the vote would be unanimous, we condemn the beatings, the arbitrary arrests, the suppression of free speech by the Communist dictators of Nicaragua.

Mr. Speaker, we can do more. We must do more. I hope we will do more, but, my colleagues, we can do no less.

Mr. BONIOR. Mr. Speaker, I yield 1 minute to my colleague, the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Speaker, I rise in support of this resolution.

I have just returned from a trip to Nicaragua and have grave concern for the status of humanitarian and political liberties in that country. The decision to expel the United States Ambassador and seven other key Embassy personnel, the closing of La Prensa and Radio Catolica, and the breaking up of a demonstration put on by the opposition parties, leads me to believe that the Government of Nicaragua has no intention of bringing democracy or peace to the region.

On the final day of my visit, which happened to be the day of the demonstration in Nandaime, I, along with Representative VUCANOVICH visited the poorest section of Managua for a mass with mother Theresa at Glesia El Calvaro. There were 800 people crammed into a church that could only hold 400. It was truly an amazing sight. What was even more amazing was that while the topic was ending world hunger, the Sandinista government was busy smashing the demonstration in Nandaime.

These actions cannot go unnoticed. We must pass a resolution today condemning the actions of the Nicaraguan Government. We must move forward and support democracy in Nicaragua.

Mr. BONIOR. Mr. Speaker, I yield back the balance of my time.

The **SPEAKER** pro tempore (Mr. MURTHA). Pursuant to the rule, the previous question is ordered on the resolution.

The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Seargeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 385, nays 18, not voting 28, as follows:

[Roll No. 235]

YEAS—385

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hawkins
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Rahall
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Russo
Sabo
Saiki
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NAYS—18

Conyers
Crockett
Dellums
Dymally
Gonzalez
Hayes (IL)
Kastenmeier
Miller (CA)
Owens (NY)
Pelosi
Rangel
Roybal
Savage
Stark
Stokes
Towns
Weiss
Wheat

NOT VOTING—28

Anderson
Barnard
Biaggi
Cheney
Dowdy
Flippo
Frost
Gray (IL)
Gregg
Hatcher
Hayes (LA)
Hughes
Hutto
Jeffords
Leach (IA)
Lott
MacKay
Martin (IL)
Mica
Murphy
Nichols
Pickett
Quillen
Rowland (GA)
Shuster
Spence
Traxler
Wylie

☐ 1514

Mr. HAYES of Illinois and Mr. TOWNS changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO HAVE UNTIL 6 P.M. FRIDAY, JULY 22, 1988, TO FILE REPORT ON S. 328, PROMPT PAY ACT AMENDMENTS, AND ONE OVERSIGHT REPORT

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations have until 6 p.m., Friday July 22, 1988, to file a report on S. 328, Prompt Pay Act Amendments, and one oversight report.

The SPEAKER. pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Texas?

Mr. MICHEL. Mr. Speaker, reserving the right to object, do I understand the gentleman from Texas made two routine requests for filing of reports?

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Texas.

Mr. BROOKS. I thank the gentleman for yielding.

Mr. Speaker, the gentleman is correct.

Mr. MICHEL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO HAVE UNTIL 5 P.M. THURSDAY, JULY 21, 1988, TO FILE REPORTS ON H.R. 4757, AIDS COUNSELING AND TESTING, H.R. 4850, AIDS RESEARCH, AND H.R. 4660, MEDICAL DEVICES

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce have until 5 p.m. on Thursday, July 21, 1988, to file its reports on H.R. 4757 (AIDS counseling and testing), H.R. 4850 (AIDS research), and on H.R. 4640 (medical devices).

Mr. Speaker, this request has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. MICHEL. Mr. Speaker, reserving the right to object, may I inquire of the distinguished gentleman, has he cleared that on our side?

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Speaker, the answer is "yes."

Mr. MICHEL. Would the gentleman be good enough to repeat the titles?

Mr. WAXMAN. If the gentleman will yield further, H.R. 4757 is AIDS counseling and testing, H.R. 4850 is AIDS research, and H.R. 4640 is medical devices.

Mr. MICHEL. This is just filing of the reports, is that not correct?

Mr. WAXMAN. The gentleman is correct.

Mr. MICHEL. Mr. Speaker, I withdraw my rseservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.

Mr. MICHEL. Mr. Speaker, I request this time for the purpose of inquiring of the distinguished majority leader, the gentleman from Washington [Mr. FOLEY] of the program for the balance of this day, before our recess, and then if he would be good enough to enlighten us on what the program will be when we return after the Democratic Convention.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I would be pleased to yield to the distinguished majority leader.

Mr. FOLEY. I appreciate the gentleman yielding.

Mr. Speaker, we will take up shortly, by unanimous consent, consideration of the Helsinki Human Rights Day. I have been assured by the Committee on Foreign Affairs on both sides that this will require only a very few minutes of consideration.

Following that, we will take up the rule, only, on H.R. 4519, the Arizona/Florida land exchange bill. Following the adoption of that rule, Members will, I think, be assured that there will be no further legislative votes for the day or the week.

Because many Members anticipated the possibility of the consideration of H.R. 5026 introduced by the distinguished gentleman from Mississippi [Mr. WHITTEN], the chairman of the Committee on Appropriations, to provide for certain dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes, Members should be advised that that will not be considered because it was not possible to obtain clearance to bring the bill to the floor. We were advised that objection would be made.

I think when we return from our recess, the Democratic National Convention/district work period recess which commences today and concludes on Tuesday, July 26, the House not being in session on Monday, July 25, we will meet at noon and consider 15 bills under suspension of the rules. Recorded votes on these suspensions will be postponed until after the debate on all of the suspensions but will take place on Tuesday, July 26. I will repeat that: We will not postpone votes until the next day, we will take all votes ordered on the 26th of July, Tuesday, at the end of the debate on those suspensions. So Members should be advised that the come-back day of Tuesday, July 26, may involve a number of recorded votes.

There are 15 bills under suspension of the rules to be considered that day:

H.R. 4741, Veterans' Compensation Amendments of 1988;

H.R. 4675, to extend drug abuse prevention activities under the Domestic Volunteer Service Act;

H.R. 4676, to extend the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986;

H.R. 4726, to designate the Dan Daniel Post Office Building;

H.R. 4574, Federal Employees Cost Savings Awards Act;

H.R. 4030, to strengthen certain fish and wildlife laws;

H.R. 4208, Marine Protection Authorization Act;

H.R. 4124, Atlantic Striped Bass Conservation Act authorization;

H.R. 4054, Inspector General Act Amendments of 1988;

S. 328, Prompt Payment Act Amendments of 1987;

S. Con. Res. 95, to express the sense of Congress with respect to the denial of health insurance coverage for disabled adopted children;

H.R. 3313, to establish the Heritage Preservation Commission;

H.R. 1982, to establish the Lewis and Clark National Historic Site in Montana;

H.R. 3541, to redesignate Salinas National Monument in New Mexico; and

H.R. 4457, to create a national park at Natchez, MS.

On Wednesday, July 27, the House will meet at 10 a.m. and consider H.R. 4519, the Arizona/Florida land exchange, complete consideration; H.R. 1516, Tongass Timber Reform Act, open rule, 1½ hours of debate, and H.R. 3964 to establish a National Park System Review Board, open rule, 1 hour of debate.

On Thursday, the House will meet at 10 a.m. and consider H.R. 5015, the Drought Assistance Act of 1988, subject to a rule.

On Friday, the 29th of July, as previously announced, the House will not be in session.

It is also important for Members to note the possibility of the consideration, in fact I would think the likelihood of the consideration of H.R. 5026 or some other urgent supplemental appropriations bill for the week of July 26. And that will be given priority in the consideration of the schedule. And it may displace other items previously announced in the order of consideration on the floor. So it will not be considered on Tuesday but it may be considered on any subsequent day of the week.

Of course, this announcement is made subject to the usual reservations that other changes in the program may be announced later and conference reports may be brought up at any time.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for his response and I know that there was a desire on the part of some to bring up an urgent supplemental at this time.

It is my feeling that in checking with some of those areas where they are probably on the margin with respect to payments, in the black lung area or trade assistance, that the Office of Management and Budget tells me there is adequate funding for at least the end of the month so that it may very well be by the time we return from your convention it will be all that urgent to take it up immediately.

I think Members will appreciate having more notice and since the distinguished chairman of the Committee on Appropriations is on the floor, that we do have a little bit of advance notice on specifically what is going to be included in a so-called urgent supplemental, that it not be a Christmas tree, that it really be what we would consider to be an urgent supplemental.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield to me?

Mr. MICHEL. I yield to the gentleman from Georgia.

Mr. GINGRICH. I thank the gentleman for yielding.

Mr. Speaker, I just want to say to my very distinguished friends, the majority leader and to all of my colleagues who are Democrats that I know occasionally I have raised a brief spirit of partisanship on this floor. But you are coming to Atlanta next week. I want to urge all of you to have a wonderful time.

I have, because I have consulted with some of my good friends who are Democrats, as one of the hosts, I am leaving to insure that you do not have to worry about me for the whole week.

I hope you have a great time and enjoy the city.

Mr. MICHEL. Well, the gentleman stole my thunder a little bit because as we would conclude this exchange, Mr. Speaker, with tongue in cheek I would obviously want to wish both you and the distinguished Speaker and majority leader and all the Members on the other side of the aisle a very smooth, harmonious convention, and with the expectation that you treat your criticism with good nature of those who abide on this side of the aisle and I know you will do that.

Mr. FOLEY. If the gentleman will yield, I want to thank the distinguished Republican leader for his good wishes on our convention which will mark the beginning of a successful campaign of the Democratic Party to achieve the Presidency of the United States in 1988.

But we understand that you are having some such meeting later on in New Orleans and even though it will probably be ineffectual, we are going to wish you well at the time.

Mr. MICHEL. I thank the distinguished gentleman.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield to me?

Mr. MICHEL. I yield to the gentleman from Mississippi [Mr. WHITTEN], the chairman of the Committee on Appropriations.

Mr. WHITTEN. I thank the gentleman for yielding.

Mr. Speaker, may I assure the gentleman that what we have in this bill which we hope to consider, H.R. 5026, limits itself to those areas where there are dire emergencies; it is limited to the budget requests from the White House and it is also tied to existing law. We have protected ourselves from these allegations of this Christmas tree business on the bill.

We will take this bill to the committee under the present agreements and I will do my best to hold back add-on's.

May I say further that there is a dire necessity to take care of those things that are closing down now and we hope to get it by the 1st of August.

On the other items we will develop a separate bill which will be considered in the regular order.

But again, this bill, H.R. 5026, is within the law, it has been requested by the White House and it responds to those items that are closed down at the moment. So we hope they can continue these programs until the first of August. But it is clean as it stands.

Mr. MICHEL. Mr. Speaker, I thank the distinguished chairman.

Mr. FOLEY. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the distinguished leader for yielding.

I would only say, I understand the gentleman's concern about the consideration of notice on the bill and so on. I would not want his statements to be taken as suggesting that we agree that there is time to take up these matters. We feel there is a very urgent need but unfortunately, we could not come to agreement on it, we could not get permission to bring up the bill.

Mr. MICHEL. Mr. Speaker, I yield back the balance of my time.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, JULY 27, 1988

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, July 27, 1988.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was not objection.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS, AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the house until Tuesday, July 26, 1988, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

□ 1530

HELSINKI HUMAN RIGHTS DAY

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs and the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 338) to designate August 1, 1988, as "Helsinki Human Rights Day," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Florida?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I yield to the gentleman from Florida [Mr. FASCELL] to explain the resolution.

Mr. FASCELL. Mr. Speaker, I rise in support of Senate Joint Resolution 338, which designates August 1, 1988, the 13th anniversary of the signing of the Helsinki Final Act, as "Helsinki Human Rights Day." This resolution is identical to House Joint Resolution 589 which was introduced last month by the distinguished Chairman of the Helsinki Commission, Mr. HOYER, and cosponsored by 125 of our colleagues. The resolution passed the other body unanimously on July 8, 1988.

Senate Joint Resolution 338 acknowledges the inherent link between respect for human rights and the attainment of genuine peace embodied in the Helsinki Final Act, which was signed in 1975 by the United States, Canada, the Soviet Union, and 32 European nations. It calls upon the President to continue U.S. efforts to achieve full implementation of the human rights and humanitarian provisions of the final act by raising, at every available opportunity, the issue of noncompliance with the governments of the Soviet Union and the countries of Eastern Europe.

In particular, the resolution calls for the release of all political prisoners, a significant increase in Soviet emigration, the resolution of all family reunification cases, the cessation of all radio jamming, and the repeal of laws, procedures, and practices which undermine respect for human rights, before the conclusion of the ongoing Vienna meeting, which, since 1986, has been reviewing implementation of the Helsinki Final Act. The President is further requested to seek the inclusion, in any concluding document of the Vienna review meeting, a mechanism to assure that human rights progress is sustained in the period between the conclusion of the Vienna meeting and the next review meeting and to convey to the other signatory States the United States insistence on a balanced result at the Vienna meeting that does not favor military security at the expense of human rights.

Mr. Speaker, for the last 5 years, the Congress has adopted a resolution designating August 1 as Helsinki Human Rights Day. This action provides an opportunity for us to reaffirm our commitment to full implementation of the Helsinki accords, especially the human rights and humanitarian provisions, and to publicly demonstrate to the Soviets and others our continued concern about violations of human rights. I commend the author of the resolution in the House, a great champion of human rights, Mr. HOYER, for his leadership in this important field. I also comment Mr. FORD, the distinguished chairman of the Post Office and Civil Service Committee, to whom this resolution was also referred, for agreeing to waive jurisdiction over the resolution so that we might bring it up today. I urge immediate passage of Senate Joint Resolution 338.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. I am happy to yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in very strong support of the adoption of this Senate joint resolution.

Mr. Speaker, as chairman of the Helsinki Commission, I rise in support of Senate Joint Resolution 338, legislation designating August 1, 1988, Helsinki Human Rights Day. This resolution commemorates the 13th anniversary of the signing of the Helsinki accords and reaffirms the commitment of the United States to the principles the accords embody. This resolution was introduced by the distinguished cochairman of the Helsinki Commission, DENNIS DECONCINI, and unanimously passed the Senate. In addition, I have introduced identical legislation, House Joint Resolution 589, along with the other eight House Members of the Helsinki Commission as well as 117 of my colleagues.

The Helsinki accords were signed on August 1, 1975 by the 33 European nations as well as the United States and Canada. The accords cover many aspects of East-West relations ranging from military security and scientific and cultural exchanges to human rights and human contacts.

It is important for us to commemorate this landmark agreement. Senate Joint Resolution 338 demonstrates that this country is dedicated to furthering the goals that were established 13 years ago. Oppressed people in many countries look to us to help them live a free and open life. We cannot and will not let them down. This resolution specifically calls on President Reagan to continue our country's efforts in seeking full implementation of the accords, and endorses the work being done at the Vienna review meeting. In addition, the resolution asks the President to convey to the signatory States the insistance of the United States for a balanced result at the Vienna meeting that will not favor military security at the expense of human rights.

Since November 1986, representatives of the 35 nations have been participating in the Vienna review meeting which has enabled the United States delegation to raise specific areas of noncompliance with the accords by the signatory nations. Human rights and human contacts issues raised by the United States delegation include the release of all Soviet political prisoners; an increase in emigration; the resolution of all family reunification cases; the cessation of all radio transmission jamming; and the repeal of laws, procedures, and practices which undermine human rights. The raising of these human rights issues puts those in violation on notice that we intend to seek progress in all three baskets of the Helsinki Final Act—that all three areas are interrelated and progress in one area will not be overshadowed by lack of progress in others.

In that regard, Mr. Speaker, at the end of May, President Reagan stopped in Helsinki on his way to the Moscow summit. There he spoke in the hall where the Helsinki Final Act was signed and reaffirmed our Nation's commitment to the Helsinki process, exactly what this legislation is doing. The President stated that the process is important as "the Final Act reflects the belief of all our countries that human rights are less likely to be abused when a nation's security is in less doubt; that economic relations can contribute to security, but depend on the trust and confidence that come from increasing ties between our peoples, increasing openness and increasing freedom; and that there is not true international security without respect for human rights."

Mr. Speaker, I urge my colleagues to support this resolution. By establishing August 1, 1988 as "Helsinki Human Rights Day," we reaffirm America's commitment to the ideals and goals set forth in the Helsinki Final Act. In supporting the Helsinki accords we are not only helping to protect our own security, but just as importantly, we are helping those who do not share the freedom and fundamental human rights that we enjoy.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. Reserving the right to object, Mr. Speaker, I yield to the gentleman from New York for a brief comment.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of this Senate joint resolution, designating August 1, 1988, as "Helsinki Human Rights Day." I want to commend the gentleman from Maryland [Mr. HOYER] for his outstanding work and efforts as part of the Commission which conducts the oversight of the Helsinki accords, and I call to my colleagues' attention the importance of this measure that guarantees human rights among the 35 signatory countries.

Mr. Speaker, I rise in strong support of the House Joint Resolution 589 which designates August 1, 1988, "Helsinki Human Rights Day." It was an historic day, some 13 years ago, when 35 nations, including the Soviet Union and the United States, signed the Helsinki Final Act. This important document contains provisions relating to family unification rights, religious freedom, as well as the right of individuals to travel between signatory nations for many purposes. The Helsinki Act is the cornerstone of human rights activity in the Soviet Union, a nation politically and religiously suppressed for so many years. Ad hoc Helsinki monitoring groups which were created throughout the Soviet Union in order to monitor compliance were summarily eliminated as their leaders were arrested or exiled.

With the advent of glasnost there seems to be some easing of the plight of dissidents and religious activities, including Soviet Jews and Pentacostals. We know, however, that glasnost is not specifically targeted at these people. They are merely experiencing some of its side effects. The struggle for human rights and human dignity continues as never before. The number of Soviet Jews granted emigration permits has risen since 1986. But this still contrasts sharply with the more than 50,000 permitted to emigrate in 1979. Although many Soviet Jewish prisoners of conscience have been released, it behooves us to remember that those who were incarcerated should never have been arrested in the first place.

The Helsinki Final Act is an important document that reminds its signatories of the need to respect the inalienable right of freedom. Indeed, we are all our brother's keeper. Accordingly, passage of House Joint Resolution 589, proclaiming August 1, 1988, "Helsinki Human Rights Day" in honor of the 13th anniversary of the signing of this accord, should be adopted unanimously in this body, and furthermore, should be commemorated in an appropriate manner by us all.

Mr. Speaker, I commend the distinguished gentleman from Maryland [Mr. HOYER] for his work and effort as part of the Commission that conducts oversight on the Helsinki accords. The Commission on Cooperation and Security in Europe has made significant progress in keeping this issue before our Nation, and before the world.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this resolution, and may I say that I do so this year without as strong a reservation as I have held in the past. In past years I have noted that our annual passage of a "Helsinki Human Rights Day" resolution has become an exercise in futility. But I must say that there are some glimmerings of hope this year—for the first time since the Helsinki Final Act was signed in 1975.

I do not expect any kind of millenial awakening in the Soviet Union and Eastern Europe: The Communist masters of those countries have not abandoned their Marxist ideology, a philosophy of life which is the most reactionary model for political and social development that mankind has ever developed. No, the leopard has not changed his spots.

But for the first time in history there does seem to be a leader in the Soviet Union who says he can recognize the terrible toll in human suffering that 71 years of unrelieved repression have caused. After 71 years of living under so-called scientific socialism, the people in the Soviet Union are showing alarming signs of biological exhaustion. And as Mr. Gorbachev grapples with the problem of getting better economic production from a nation of alcoholics, he recognizes that some reforms have to be made.

And so there is a glimmering of hope this year—a small sign that the Soviet Union may actually start living up to some of the terms in the Helsinki Final Act. It has been a long time in coming—but better late than never.

And for our part, we must keep the pressure up—through resolutions of this type, as well as the kind of face-to-face challenges that President Reagan used at the Moscow Summit. He placed human rights squarely in the center of the United States-Soviet diaglor—let's keep it there.

Mr. MFUME. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Maryland.

Mr. MFUME. Mr. Speaker, I rise in strong support of the Senate joint resolution.

Mr. BROOMFIELD. Mr. Speaker, as we approach the 13th anniversary of the signing of the Helsinki accords, it is most fitting that we join the Senate and pass Senate Joint Resolution 338 to again designate August 1 as "Helsinki Human Rights Day." By so doing, we reaffirm the commitment this Nation made 13 years ago to the observance of human rights, and to continuing to seek full compliance of the accords by all of the signatories.

The signatory nations have pledged to adhere to the principles of human rights and fundamental freedoms as embodied in the Helsinki accords. However, when we look at the human rights realities in many of these same nations, we clearly see how much more has to be done in the closed societies of Eastern Europe and the Soviet Union to meet the principles discussed in the Helsinki accords.

Under General Secretary Gorbachev's policy of glasnost we are witnessing important and hopefully lasting changes in the Soviet Union. However, we also see political prisoners—including Helsinki monitors—still being held, family reunification cases still being ignored, emigration, especially for Soviet Jews, still being blocked, and laws and procedures that undermine the exercise of human rights still being followed.

The Soviet allies of the Eastern bloc are equally guilty of similar violations of the Helsinki accords. For instance, in Poland this past spring, we saw the harsh and oppressive reaction of the government as it responded to legitimate demands of solidarity to be recognized as a labor union, and to have the wages of the workers increased to help meet the higher costs of Poland's inflation. And in Yugoslavia, we continue to hear of the harsh measures against the ethnic Albanian-Yugoslavs.

It is clear that just because these countries joined the nations of the West in signing this historic accord, we cannot rest. We cannot put our concerns for the observance of human rights on the back burner.

Mr. Speaker, I urge my colleagues to approve Senate Joint Resolution 338, as a signal to all that this Nation has not forgotten the commitments we made in Helsinki 13 years ago, and that we continue to view the Helsinki Final Act, and its important human rights provisions, as a fundamental guide for all of us.

Mr. FEIGHAN. Mr. Speaker, I want to join my colleagues today in strong support of House Joint Resolution 589 which designates August 1, 1988, as "Helsinki Human Rights Day." I'd also like to take this opportunity to commend Representative STENY HOYER, the chairman of the (Helsinki) Commission on Security and Cooperation in Europe, for introducing this important legislation and for his outstanding leadership and hard work in improving human rights throughout the world.

Thirteen years ago, on August 1, 1975, the leaders of 33 nations signed the Helsinki Final Act, pledging to respect internationally recognized human rights and freedoms. Since that time, however, the Soviet Union and Eastern Europe have failed dismally to uphold these rights.

Mr. Speaker, as cofounder and cochair of the Lithuanian Catholic Religious Liberty Group in the House, I'd like to describe several cases in Lithuania which demonstrate the serious need for greater compliance with the Helsinki accords.

Bishop Julijonas Steponavicious has been in exile since 1961 in a remote town outside of his archdiocese, because he refused to collaborate with Soviet authorities. The Bishop, who is widely believed to be the secret Cardinal promoted by Pope John Paul II in 1979, has been prevented from exercising his religious duties and has not been allowed to attend religious festivals and funerals in recent years.

Two Lithuanian Catholic priests, Father Alfonsas Svarinskas and Father Sigitas Tamkevicius, have been persecuted for their religious beliefs as well. Father Svarinskas was ordained as a priest in a labor camp in 1954. He was arrested for a third time in 1983 and is currently in strict regime camp. Father Tamkevicius was arrested in 1983; one of the charges against him was organizing a Christmas party for parish youth. His prison term ended in May 1988 and he remains in internal exile until May 1990.

Human rights and religious activist Viktoras Petkus has been a political prisoner for 24 of the 57 years of his life. His most recent arrest and conviction followed 9 months after he helped found the Helsinki Monitoring Group in Lithuania in 1976. He was transferred from Perm camp 37 to internal exile last August where he will remain until August 1992.

Balys Gajauskas has spent more than 35 years of his life in the Soviet gulag, longer than any known living political prisoner in the Soviet Union. He was last sentenced in 1977 for translating "Gulag Archipelago" and for disbursing aid to prisoners of conscience and their families. He was sent into internal exile in 1987 and will not be released until 1992.

We owe these brave people our support. It is both our moral and our legal obligation to work for their freedom. By supporting House Joint Resolution 589, we will be working toward that exact end.

Mr. BROOMFIELD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 338

Whereas August 1, 1988, will be the thirteenth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (hereafter in this preamble referred to as the "Helsinki accords");

Whereas on August 1, 1975, the Helsinki accords were agreed to by the Governments of Austria, Belgium, Bulgaria, Canada, Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and Yugoslavia;

Whereas the participating States have committed themselves to balanced progress in all areas of the Helsinki accords;

Whereas the Helsinki accords recognize the inherent relationship between respect for human rights and fundamental freedoms and the attainment of genuine security;

Whereas the Helsinki accords express the commitment of the participating States to "recognize the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and cooperation among themselves as among all States";

Whereas the Helsinki accords also express the commitment of the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas the Helsinki accords also express the commitment of the participating States to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his free and full development";

Whereas the Helsinki accords also express the commitment of the participating States to "recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience";

Whereas the Helsinki accords also express the commitment of the participating States on whose territory national minorities exist to "respect the right of persons belonging to such minorities to equality before the law" and that such States "will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will in this manner, protect their legitimate interest in this sphere";

Whereas the Helsinki accords also express the commitment of the participating States to "constantly respect these rights and freedoms in their mutual relations"; and that such States "will endeavor jointly and separately, including in cooperation with the United Nations, to promote universal and effective respect for them";

Whereas the Helsinki accords also express the commitment of the participating States to "conform the right of the individual to know and act upon his rights and duties in this field";

Whereas the Helsinki accords also express the commitment of the participating States in the field of human rights and fundamental freedoms to "act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights" and to fulfill their obligations as set forth in the international declarations and agreements in this field, including inter alia the International Covenants on Human Rights, by which they may be bound";

Whereas the Helsinki accords by incorporation also express the commitment of the participating States to guarantee the right of the individual to leave his own country and return to such country;

Whereas the Helsinki accords also express the commitment of the participating States to "facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating States, and to contribute to the solution of the humanitarian problems that arise in that connection";

Whereas the Helsinki accords also express the commitment of the participating States to "favorably consider applications for travel with the purpose of allowing persons to enter or leave their territory temporarily, and on a regular basis if desired, in order to visit members of their families";

Whereas the Helsinki accords also express the commitments of the participating States to "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family" and "to deal with applications in this field as expeditiously as possible";

Whereas the Helsinki accords also express the commitments of the participating States to "examine favorably and on the basis of humanitarian consideration requests for exit or entry permits from persons who have decided to marry a citizen from another participating State";

Whereas the Helsinki accords also express the commitments of the participating States to "facilitate wider travel by their citizens for personal or professional reasons";

Whereas the Helsinki accords also express the commitment of the participating States to "facilitate the freer and wider dissemination of information of all kinds, to encourage cooperation in the field of information and the exchange of information with other countries";

Whereas the Governments of the Union of Soviet Socialist Republics, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania, in agreeting to the Helsinki accords, have made a commitment to adhere to the principles of human rights and fundamental freedoms as embodied in the Helsinki accords;

Whereas, despite some limited improvements, the aforementioned Governments have failed to implement their obligations under Principle VII of the Helsinki accords to respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief;

Whereas, despite some limited improvements, the aforementioned Governments have failed to implement their obligations under Basket III of the Helsinki accords to promote free movement of people, ideas and information;

Whereas representatives from the signatory States are convened in Vienna to review implementation and address issues of compliance with the human rights and humanitarian provisions of the Helsinki accords: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) August 1, 1988, the thirteenth anniversary of the signing of the Helsinki accords is designated as "Helsinki Human Rights Day";

(2) the President is authorized and requested to issue a proclamation reasserting the American commitment to full implementation of the human rights and humanitarian provisions of the Helsinki accords, urging all signatory nations to abide by their obligations under the Helsinki accords, and encouraging the people of the United States to join the President and Congress in observance of the Helsinki Human Rights Day with appropriate programs, ceremonies, and activities;

(3) the President is further requested to continue his efforts to achieve full implementation of the human rights and humanitarian provisions of the Helsinki accords by raising, with the Governments of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania, the issue of their noncompliance at every available opportunity;

(4) the President is further requested to convey to all signatories of the Helsinki accords that respect for human rights and fundamental freedoms is a vital element of further progress in the ongoing Helsinki process;

(5) the President is authorized to convey to allies and friends of the United States that unity on the question of respect for human rights and fundamental freedoms is an essential means of promoting the full implementation of the human rights and humanitarian provision of the Helsinki accords;

(6) the President is requested to continue his efforts to achieve before the end of the Vienna meeting the release of all political prisoners of the Soviet Union, including Helsinki monitors, a significant increase in Soviet emigration, the resolution of all family reunification cases, the cessation of all radio transmission jamming, and the repeal of laws, procedures, and practices which undermine human rights;

(7) the President is further requested to seek the inclusion, in any concluding document agreed to in Vienna, of a mechanism to assure that human rights progress is sustained following the conclusion of the Vienna meeting; and

(8) the President is further requested to convey to signatory States the insistence of the United States for a balanced result at the Vienna meeting that will not favor military security at the expense of human rights.

SEC. 2. The Secretary of the Senate is directed to transmit copies of this joint resolution to the President, the Secretary of State, and the Ambassadors of the thirty-four Helsinki signatory nations.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 4519 ARIZONA-FLORIDA LAND EXCHANGE ACT OF 1988

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 493 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 493

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4519) to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one and one-half hours, with forty-five minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, with fifteen minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, with fifteen minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, and with fifteen minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider an amendment in the nature of a substitute consisting of the text of the bill H.R. 5012 as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by title instead of by section and each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of section 303(a091) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177), and clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA] and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 493 is an open rule providing for the consideration of H.R. 4519, the Arizona-Florida Land Exchange Act of 1988. The rule provides for 1½ hours of general debate. Forty-five minutes is allocated to the Interior Committee, and 15 minutes each is allocated to the Committees on Veterans' Affairs, Education and Labor, and Merchant Marine and Fisheries, with the time divided between the chairman and ranking minority member of each committee. The rule makes in order an amendment in the nature of a substitute consisting of the text of H.R. 5012, to be considered as original text for purpose of amendment. The rule provides that the substitute shall be considered by title, with each title considered as having been read. The rule also waives section 303(a)(1) of the Budget Act and clause 5(a) of rules XXI against the substitute. Section 303(a)(1) of the Budget Act prohibits the consideration of legislation providing new budget authority for a fiscal year prior to the adoption of the budget resolution for that fiscal year. Clause 5(a) of rule XXI prohibits appropriations in legislative bills. These waivers are necessary because H.R. 4519 provides, as one option for achieving the desired land exchange, that the Department of the Interior may use funds derived from the sale of Government owned land in Phoenix to purchase land in Florida and for other purposes. Providing that authority to use the funds constitutes an appropriation and, since under the anticipated timetable for the land transactions the funds would not be obligated for 2 or 3 years, the appropriation is for a year for which the budget resolution has not yet been adopted. I should point out that this provision will not adversely affect the Federal deficit since the funds for the Florida land would be provided by the proceeds from the Arizona land sale. Finally, Mr. Speaker, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, this legislation is intended to facilitate a land transaction negotiated by the Department of the Interior that will allow the Department to dispose of property in Phoenix currently occupied by an Indian school scheduled for closure and obtain title to environmentally sensitive land that can be added to a wildlife refuge and national preserves in Florida. This could be accomplished either through a land exchange and cash payment or through a straight sale of the Phoenix land and purchase of the Florida land.

This resolution is a simple open rule that gives full opportunity for the House to consider the authorities granted in this legislation. I urge adoption of the rule.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it should be noted that not everyone is in favor of this bill. The report of the Committee on Interior and Insular Affairs contains dissenting views signed by three Democrat members of the committee.

In addition, the administration has stated that although it supports congressional ratification of the Phoenix Indian School Land Exchange Agreement that is the primary subject of H.R. 4519, it strongly opposes the bill's earmarking of $34.9 million in land value equalization payments to two trust funds for the educational needs of members of the Arizona Indian community.

The administration points out that these educational needs have already been met in large part by the expenditure of over $35 million in Federal funds to construct new on-reservation high schools in Arizona to replace the Phoenix Indian School. Any additional needs should be met through the normal appropriations process, according to the administration. This would allow those needs to be evaluated against other demands for Federal funds, including the educational needs of other Indian tribes and ensure the best use of scarce resourcs in the current budgetary situation.

Mr. Speaker, since this is an open rule allowing the House to make any necessary improvements in the bill, I support the rule so that the House may proceed to consider the Arizona-Florida Land Exchange Act.

Mr. DERRICK. Mr. Speaker, for the purposes of debate only, I yield 3 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, I do not often disagree with the gentleman from Arizona, Mr. Mo UDALL. He and I have been friends for 30 years, and generally we vote alike. But I do disagree with him on this bill. I think it is a terrible bill, one which would enrich a private developer at the expense of the American taxpayers, and I propose to vote against this rule.

This rule would make in order a bill that validates a cozy, private, preferential deal negotiated by the Secretary of the Interior and a private developer, the Collier Co. There is no need for this land swap. As a land swap, the Federal Government will lose anywhere from $50 to $100 million that it could well receive if this were an outright sale of the property involved in a competitive bidding situation.

The property involved is over 100 acres in a huge tract in downtown Phoenix, AZ. It has been an Indian school since 1891. There is no need for it anymore, and if it is going to be sold, it should be the subject of a competitive bidding sale.

Why should only one bidder be allowed to buy it? Can we imagine what the bidding would be like if this were put on the open market and opened to competitive bidding?

It will be said that there is time for other bidders to get in, that 90 days will be allowed for that. There will be no way for outside bidders to come in because the city government of Phoenix, AZ, has not indicated what its plans are for permitting the zoning of this piece of property.

I think it is a sweetheart deal. I think it ought to be killed. I think the property should be sold on the open market. The Collier Co., which is the developer involved, is being given full appraised value for its Florida land, and it could not receive more for that land if it were to sell it to the Federal Government.

For all these reasons, Mr. Speaker, I oppose the rule and I oppose the bill.

Mr. DERRICK. Mr. Speaker, for the purposes of debate only, I yield 2 minutes to the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I am pained and sorrowed to hear my good friend of 30 years' standing, the gentleman from Illinois, Mr. SID YATES, attack a sale that has been as thoroughly studied and as completely analyzed as this one.

The administration started this. We did not start it out in Arizona. The administration brought forth this proposal. The national conservation people are terribly interested in saving the Everglades, and here, at a time of very bad budgeting considerations, we can save 130,000 acres, which may make the Everglades the "Big Thicket" of Florida, the crucial areas, the water-gathering areas of northern Florida. It could save them.

This does some good for Indians at long last. The Indians have had shabby treatment in most places, including Arizona. A big chunk of the proceeds of this land sale, about a third of it, will go to the Indian tribes.

Let me get to the ultimate answer to this argument that we will hear about in general debate when we return. We were aware of the difficulty of appraising a piece of land this size in the middle of a big city. We tried two or three appraisals, and nobody was satisfied with them. The bill provides that after this arrangement goes through, it will be open for public bid for 90 days. If this big bonanza is sitting out there to be had for $100 million, $107 million, whatever the figure is, they will be able to come in and offer another million dollars and run off with the booty.

So I will say to my friend, the gentleman from Illinois [Mr. YATES] that the idea that some big speculator is getting a windfall profit or a great reward at the expense of the taxpayers is simply not true. We sent out some "Dear Colleagues," and I hope the Members will read them. This is not true, this is not right, and I hope we will address this subject more fully when we get to general debate.

□ 1545

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent members.

The vote was taken by electronic device, and there were—yeas 272, nays 86, not voting 73, as follows:

[Roll No. 236]

YEAS—272

Akaka
Andrews
Annunzio
Anthony
Armey
Atkins
AuCoin
Baker
Barton
Bateman
Bates
Beilenson
Bennett
Bereuter
Bevill
Bilbray
Bilirakis
Boehlert
Boggs
Bonior
Bonker
Borski
Bosco
Boucher
Brennan
Brooks
Brown (CA)
Brown (CO)
Bruce
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clement
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Craig
Darden
Daub
Davis (MI)
de la Garza
Derrick
DeWine
Dicks
Dixon
Donnelly
Dorgan (ND)
Downey
Dymally
Dyson
Early
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Fascell
Fazio
Feighan
Fish
Flake
Foley
Ford (MI)
Ford (TN)
Gallegly
Garcia
Gejdenson
Gekas
Gephardt
Gibbons
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Guarini
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Kaptur
Kasich
Kemp
Kennedy
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lowery (CA)
Luken, Thomas
Lukens, Donald
Mack
Manton
Markey
Martin (NY)
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Miller (OH)
Miller (WA)
Mineta
Mollohan
Montgomery
Moody
Moorhead
Morella
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nielson
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Porter
Price
Rahall
Rangel
Ray
Rhodes
Richardson
Rinaldo
Ritter
Roberts
Robinson
Roe
Rose
Rostenkowski
Rowland (CT)
Sabo
Saiki
Sawyer
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Sharp
Shaw
Shays
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (FL)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Swift
Tallon
Tauzin
Thomas (GA)
Torres
Towns
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Weber
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wortley
Young (FL)

NAYS—86

Archer
Badham
Bartlett
Bentley
Berman
Bliley
Boxer
Broomfield
Buechner
Bunning
Burton
Coats
Coble
Coughlin
Courter
Crane
Dannemeyer
DeFazio
DeLay
Dellums
DioGuardi
Dornan (CA)
Dreier
Durbin
Eckart
Evans
Fawell
Fields
Foglietta
Frank
Frenzel
Gilman
Grandy
Gray (PA)
Green
Gunderson
Hastert
Hawkins
Hefley
Henry
Herger
Hiler
Jontz
Kanjorski
Kastenmeier
Leland
Lewis (CA)
Lightfoot
Lowry (WA)
Lungren
McCurdy
McHugh
Michel
Miller (CA)
Molinari
Morrison (CT)
Mrazek
Obey
Payne
Pelosi
Petri
Pursell
Regula
Rogers
Roth
Roybal
Russo
Savage
Scheuer
Schumer
Sensenbrenner
Shumway
Sikorski
Sisisky
Slaughter (NY)
Smith, Robert (NH)
Solomon
Sweeney
Synar
Tauke
Thomas (CA)
Walker
Weiss
Wolpe
Wyden
Yates

NOT VOTING—73

Ackerman
Alexander
Anderson
Applegate
Aspin
Ballenger
Barnard
Biaggi
Boland
Boulter
Bryant
Bustamante
Cheney
Clay
Crockett
Davis (IL)
Dickinson
Dingell
Dowdy
Dwyer
Flippo
Florio
Frost
Gallo
Gaydos
Gray (IL)
Gregg
Hall (OH)
Hatcher
Hayes (LA)
Hughes
Hutto
Jeffords
Kennelly
Konnyu
Leach (IA)
Lewis (FL)
Lloyd
Lott
Lujan
MacKay
Madigan
Marlenee
Martin (IL)
Mavroules
Mica
Moakley
Morrison (WA)
Murphy
Nichols
Pickett
Quillen
Ravenel
Ridge
Rodino
Roukema
Rowland (GA)
Shuster
Skaggs
Smith (IA)
Spence
St Germain
Sundquist
Swindall
Taylor
Torricelli
Traficant
Traxler
Waxman
Williams
Wylie
Yatron
Young (AK)

□ 1604

Messrs. GRANDY, PURSELL, DURBIN, FRANK, and Ms. PELOSI changed their vote from "yea" to "nay."

Mr. KOSTMAYER changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BATEMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on House Resolution 493, the resolution just agreed to.

The SPEAKER pro tempore (Mr. KANJORSKI). Is there objection to the request of the gentleman from Virginia?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 335. Concurrent resolution providing for a conditional adjournment of the Congress; and

H. Con. Res. 338. Concurrent resolution directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 4264.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4264), "An act to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes."

VACATING SPECIAL ORDER AND GRANTING REQUEST FOR SPECIAL ORDER

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to vacate my 60 minutes special order for today and that I may be permitted to address the House for 5 minutes.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

VACATING SPECIAL ORDER AND GRANTING REQUEST FOR SPECIAL ORDER

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent to vacate my previous special order for 60 minutes, and that I may speak instead for 5 minutes today.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

CONGRATULATIONS TO GOLFER CURTIS STRANGE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BATEMAN] is recognized for 5 minutes.

Mr. BATEMAN. Mr. Speaker, I rise to call the attention of my colleagues to the fact that today at the Royal Lytham and St. Anne's Golf Club in England, a young man from my district will be participating in that competition for the British Open Gold Championship.

This young man named Curtis Strange, certainly not a strange name to anyone who follows the sport of golf, for it was just a little more than 2 weeks ago that this constituent won the U.S. Open Golf Tournament at the Country Club in Brookline, MA, in a playoff with a British golfer whose name was Nick Faldo. It was indeed an outstanding victory for Curtis Strange, one of many which he has won on the Professional Golf Association Tour with great and obvious skill, but won with tremendous grace under pressure, as he went through the regular playing on Sunday and into the 18-hole playoff on Monday.

Following his victory in the U.S. Open Tournament, Curtis Strange was interviewed, and it was one of the most memorable interviews with a sports figure that I have ever seen and makes me extremely proud to have this young man as one of my constituents. In that interview, Curtis Strange dedicated his victory in the U.S. Open to his father, who taught him to play the game. In the course of that interview in language which was virtually poetic he made reference to the dreams of all the young people playing golf who in their practice would drop several balls to the ground and would say to themselves, "This one is Bobby Jones. This one is Sam Snead. This one is Arnold Palmer. This one is Jack Nicklaus."

I would say to my colleagues that in years to come because of his extraordinary accomplishments as a golfer and because of his style, his grace, and the kind of a person that he is, that future generations of young golfers when they drop their balls as they practice and imagine themselves in the footsteps of the greats of golf, that there will be a ball dropped and it will be called the ball of Curtis Strange.

I wish him well in his efforts to win the British Open Crown. I do not know how he is playing today. I suspect very, very well, because that is the style and the nature of Curtis Strange. I am sure that all my colleagues join me in congratulating him on his present crown as the U.S. Golf Open Championship and we can only wish him success in his endeavors this week.

STANDARDS FOR PRIVATE LONG-TERM CARE INSURANCE

The **SPEAKER** pro tempore (Mr. BROWN of California). Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, today I am introducing legislation to provide for Federal and State standards for private long-term care policies.

Long-term care insurance policies, which were unknown a few years ago, have begun to proliferate. Currently, some 70 companies have entered the field.

Unlike Medicare supplemental insurance (MediGap) policies, which are regulated by Federal and State statutes, long-term care insurance policies are currently regulated only in a few States.

There is a need for Federal standards to prevent the same abuses which led the Congress to establish standards for MediGap policies in 1980. As the Congress learned in the early days of the development of MediGap insurance, the elderly are very vulnerable and can be frightened into buying duplicative or virtually useless policies.

Currently, some 2.3 million of the Nation's elderly are living in nursing homes. Thirty years from now that number will nearly double. Equal numbers of the elderly will also require long-term home and community based care. Nursing home care now costs on average $22,000 a year. By the year 2018, it will cost about $55,000 if inflation stays at recent moderate rates.

Medicare pays only 2 percent of nursing home expenditures. Medicaid, the Federal program that finances health services for the indigent, currently pays almost half of the $38 billion that goes for nursing home care. The other half of the $38 billion comes out of the pockets of nursing home residents or their children.

As the number of those requiring long-term care and the costs grow, more and more individuals will seek to buy private long-term care insurance. It makes sense to develop the standards for regulating the sale of these policies while the long-term care insurance industry is still in its infancy.

Consumers Union, for example, reported in the May 1988 issue that it is now difficult to understand what is covered in the long-term care policies and who qualifies for the benefits. Even more, we should protect our Nation's seniors from the threat of fly-by-night insurance companies selling worthless policies.

The bill I am introducing establishes standards for long-term care insurance policies along the lines developed to regulate MediGap policies. These standards are commonly referred to as Baucus standards after Senator MAX BAUCUS, the chief sponsor of the legislation.

The General Accounting Office, in its report of October 1986, found that passage of the MediGap standards has encouraged States to adopt standards at least as stringent as the Federal standards. They also found that the Federal law had "resulted in more uniform regulation of MediGap insurance and increased protection for the elderly against substandard and overpriced policies."

My bill is designed along the same lines as the MediGap standards and should create the same impetus for States to better regulate long-term care insurance and protect senior citizens from worthless policies.

The important features of the bill include:

Minimum standards: The bill establishes standards for long-term care policies, requiring that they provide at least a minimum level of benefits, described below, and minimum expected loss ratios of 60 percent.

Like the MediGap amendment, which incorporated the National Association of Insurance Commissioners [NAIC] MediGap model act, my legislation incorporates most of the long-term care insurance model act and regulations developed by the NAIC. It also sets forth the same two procedures for determining whether policies meet the Federal standards.

The NAIC model and my additional requirements include a requirement that policies:

First. Be at least guaranteed renewable;

Second. Provide a 30-day return policy;

Third. Limit preexisting condition clauses to 6 months for conditions for which medical treatment was recommended by or received preceding the effective date of coverage;

Fourth. Not condition benefits on prior institutionalization requirements or limit benefits based on receipt of previous higher levels of services;

Fifth. Not provide coverage only for skilled nursing care or provide significantly more coverage for skilled care in a facility than coverage for lower levels of care in a facility;

Sixth. Limit eligibility for benefits only to services—in facilities or otherwise—licensed in the State;

Seventh. Contain a statement of the availability of and limitations upon long-term care benefits under Medicare;

Eighth. Provide to each policyholder the telephone number of the commissioner or superintendent of insurance of the State in which the policy is issued; and

Ninth. Provide at the time of solicitation a uniform disclosure statement.

Administration: Like the Baucus amendment, the bill relies primarily on the States to enforce these standards.

Federal responsibilities involve determining whether State laws and regulations are equivalent to the standards in this proposal and certifying policies on a voluntary basis in States that do not have equivalent laws and regulations.

Specifically, the bill provides that if a State has adopted laws and/or regulations that are at least as stringent as the NAIC model and the additional standards in this legislation, then policies regulated by the State are deemed to meet the Federal requirements.

The bill also establishes a voluntary certification program under which insurance companies could market policies as long-term-care insurance in States that do not have laws and regulations equivalent to the NAIC model and the additional requirements.

Insurers can submit policies and supporting documents to the Secretary of Health and Human Services. If the Secretary determines that a submitted policy meets Federal requirements, it is certified and can be marketed as a long-term care insurance policy.

The bill establishes a Long-Term Care Insurance Panel, consisting of the Secretary, three State commissioners of insurance and three individuals chosen from among Medicare beneficiaries and representatives of employers and labor. The panel would be responsible for reviewing each State's insurance regulatory program and certifying those that meet the minimum standards contained in this bill. As indicated above, in States that do not obtain panel certification the insurers may submit their policies to the Secretary of HHS for approval.

Penalties: The bill also establishes Federal sanctions, consisting of fines and/or imprisonment, for: First, false statements or misrepresentation of a policy; and second mailing, advertising, soliciting, or offering to sell a policy that has not been approved by the Secretary or the State.

Other requirements: To further protect policyholders, the Secretary would also be required to provide to all Medicare beneficiaries information to evaluate the value of a long-term care policy and the relationship of any policy to their Medicare benefits. Beneficiaries would also be provided with the addresses and phone numbers of State and Federal agencies to gain information and assistance about long-term care policies.

Finally, the Secretary would be required to inform Medicare beneficiaries of actions which are illegal, provide them with a toll-free number and how to report suspected violations.

Mr. Speaker, senior citizens must be protected from abusive and misleading advertising and worthless long-term care policies. For MediGap policies this only occurred after passage of the Baucus amendment. My bill provides the Federal leadership required to provide the necessary regulation of long-term care insurance. I hope my colleagues will join me in speedy passage of this important legislation.

THE PLIGHT OF THE HOMELESS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. VENTO] is recognized for 5 minutes.

Mr. VENTO. Mr. Speaker, I take this time today to call the attention of my colleagues to and the attention of our Nation to the plight of the homeless. These past 6 or 7 years, along with the members of the Banking Subcommittees and other committees of Congress, I have worked on legislation to deal with what I have characterized as a crisis of the homeless. We have acted, I think, carefully, perhaps too slowly in some instances, on legislation that deals with and provides emergency shelter and other types of help for the homeless, whether it has been through FEMA or through some of the other transitional housing programs that existed.

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Mr. Speaker, that crisis persists, and unless we deal with some of the root problems of the homeless, that crisis is not going to disappear.

Many of my colleagues have in recent weeks proposed measures to be considered by the House and Senate with regard to this issue which have been proposals which recognize that for the past 7 years housing and the funds for housing have been in significant decline, that we have clearly not met our commitments in an orderly and appropriate fashion. I think that justice cries out with regard to people who need housing today as it has never cried out in our society in the past.

Mr. Speaker, that is why I am being joined today in sponsoring legislation, H.R. 5046, which provides substantial rehabilitation money to deal with and provide housing and permanent housing for the homeless. Today, I am introducing a bill which will provide a $2 million annual budget authority to make approximately 50,000 units of permanent housing available, transitional housing available, each year. The funding would be used to increase the number of habitable public and subsidized housing units through modernization and rehabilitation efforts and the funding of additional rental housing certificates. The bill also provides for rehabilitation of properties obtained by State and local governments through legal proceedings to create additional housing units.

Mr. Speaker, this builds on the traditional rehabilitation programs that we have in place. I think it underlines the existing workable program and that there is not necessarilly the need to discover new programs, but to fund the programs which have been proven and are effective in our society today. This measure, very importantly, has the support of the National Coalition for the Homeless. I commend this organization, specifically Maria Foscarinis, who has so effectively, with such outstanding dedication, worked for the homeless and for this organization. In the Halls of Congress, in the committee rooms, Maria has spoken out for the powerless, for the homeless in our Nation.

Mr. Speaker, today on the Capitol grounds we had some protests concerning the need for housing. I understand that many of us may be distressed by the fact that we have such outpourings of feelings, such outpourings of need in our Nation's Capital, and that is an evident concern to us. The fact is that unless we begin to deal with the root problems of homelessness, we are going to have these deep concerns, and the real problems with people on the street across this Nation will persist for a long time to come.

I think in addressing our basic societal value, the dignity of the individual, we come to grips with the problems of homelessness and recognize that in today's society, decent housing is becoming a more elusive goal rather than a reality for many people. Shelter provides the foundation for basic human dignity. Without shelter, individuals are not able to take advantage of opportunities that others take for granted.

Mr. Speaker, I think that, as this issue and policy matter has long been recognized as a national responsibility, not solely a national responsibility, but certainly one in which the Federal partnership has to function with our States, with our local governments, with our private and nonprofit organizations, I think that our Nation has the capacity to provide the dignity of shelter to the people in this Nation, and I think that our Nation has the capacity to provide the dignity of shelter to the people in this country. This legislation, permanent housing for homeless Americans, is going to, I hope, build the support we need in this Congress and Nation to go forward with a bold new housing policy.

Mr. Speaker, we must start with rehabilitation. We must prevent the loss of the existing public housing units and the other low-income housing that exists across this Nation. The boarded-up buildings, I think, call out for a Federal response, for a national response to deal with this issue, especially when we have 100,000 people living in the streets today.

Crisis funding is necessary, but if ever we are going to avert the crisis, we have to deal with the real problems.

Mr. Speaker, I am pleased that I have been joined in this effort by the gentlewoman from Hawaii [Mrs. SAIKI], who is a member of the Committee on Banking, Finance and Urban Affairs, and I hope to appeal to our subchairman, Mr. GONZALEZ, for early hearings on this issue so that we can begin to establish a policy that effectively deals with homelessness, not just on a crisis basis, but on a rational basis, on a basis that will provide the basic shelter to people in our society which they so desperately need.

Mr. Speaker, I yield back the balance of my time.

CAPTAIN AND CREW OF U.S.S. "VINCENNES" DESERVE OUR THANKS AND SUPPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, in the 10 days since we have learned of the shooting down of an Iranian airplane by the U.S.S. *Vincennes*, several discordant notes have appeared about the action, not of our ship, but of the Iranian Government and airplane and the Iranian personnel involved in the incident.

I will list some of the discordant notes, not to make final judgment on the incident but to focus on the question whether everything is as it appears. First, failure of the aircraft to respond to several challenges from the *Vincennes*, and some say five, others say seven separate warnings; second, sending the airplane during a sea engagement between the *Vincennes* and Iranian surface forces; third, the use by the aircraft of military or at least ambivalent transponder coding; fourth, the incident itself is no less disquieting—an airliner starting on a multistop flight is hit by a missile, blown up, but does not burn. The bodies shown on TV are singularly free of burn damage, damage to be expected from an airplane exploding with tanks full of aviation gas; fifth, the on-scene immediacy of TV cameras, cameras recording the entire incident almost as it is happening, and an uneasy feeling grows that we were unknowing players in a staged event; sixth, the bodies were mainly unclothed. Normally victims of such a disaster are in various stages of dress; and, seventh, the fact that the bodies were floating so quickly after the crash. Experts have pointed out that bodies usually do not surface so immediately and conveniently. One even suggested that they might well have been mannequins.

Mr. Speaker, with so many questions unanswered, premature offers of compensation are inappropriate. If in fact detailed resolution of all the unanswered puzzles in this matter indicate that there are, indeed, compassionate reasons to help the families of those who died in the crash, then some compensation might be considered. However, I would like to insert and point out that as I visited throughout my district, my constituents these days all say no reparations to be paid to anyone in Iran or to the Iranian Government.

Mr. Speaker, I agree wholeheartedly with the resolution introduced by our distinguished colleague, the gentleman from New York [Mr. SOLOMON], that we should not even consider any reparations until all the hostages have been freed by the terrorists in Lebanon, Iran, and anywhere else in the Middle East.

We in the United States have become accustomed to the usual position of the media that if the United States is involved it is wrong. We have seen it here—a guilt complex immediately. A scant 2 days after the event, the Washington Post, quoting the usual unnamed sources, in this case veteran F-14 pilots, implied that an attack by an F-14 constituted no threat to the *Vincennes* and that Captain Rogers should have done nothing. Nonsense. The captain had 4 minutes in which to make a decision. I am certain that we can guess what line would have been followed had it been an F-14 and done serious damage to the ship.

Mr. Speaker, I support serious investigation of major incidents like this, but I also support common sense. Having lived through World War II, Korea, and having been in Vietnam, I shudder to think what the current mood of presumption of misconduct by our forces would have done in those wars. Until there is solid reason to doubt it, let us credit our military officers and men with the patriotism, behavior, and humanity they have always shown even in the most trying circumstances.

Captain Rogers and the crew of the *Vincennes* deserve our thanks and support for having done a dangerous job with efficiency, restraint, and professionalism.

CAPTIVE NATIONS WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, next week Americans will commemorate the 30th annual observance of "Captive Nations Week" to remind the world of the many nations which suffer under the burdensome oppression and tyranny of the Communists. During this week, we take time to reflect on the many freedoms and liberties with which we are blessed in America, and rededicate ourselves in support of the efforts of millions of people living in these captive nations who are struggling daily to achieve their own self-determination and freedom.

These men, women, and children, enslaved against their will under Communist rule, still maintain their hope for freedom. Although the Communists have been brutal in their attempts to destroy the national identities of the captive nations through torture, exile, and execution, each day brings new stories of heroic acts of defiance against these Communists oppressors. These brave individuals of the captive nations have never accepted defeat in their continual fight for freedom, and each new act of defiance reinforces a constant source of strength and inspiration for others who are trying to escape from this yoke of oppression.

General Secretary Gorbachev has promised under glasnost a new openness and reforms for the Soviet Union. Yet thousands of prisoners of conscience remain in Soviet prisons, and the harassment and persecution of dissidents, whose only desire is to live in a free homeland, persist.

We in the United States must continue to show our support for these brave individuals, who stand up to Soviet might and intimidation. So long as the heroic people of the captive nations remain steadfast in their determination to achieve freedom, the spark of liberty will be kept alive, and one day those nations under the captivity of the Communists will be able to throw off their chains of bondage and become free.

It was 30 years ago when President Eisenhower first designated "Captive Nations Week," and during this week, millions of Americans who trace their origins to these nations, and other freedom-loving Americans, join in reflection and prayer to express their support for policies which will one day free these captive nations.

Mr. Speaker, we must continue to condemn the Soviet Union for their numerous human rights violations, and we must renew our efforts on behalf of the millions of individuals who are enslaved against their will, in order that they may regain the freedoms that are rightfully theirs. On the occasion of the 30th observance of "Captive Nations Week," I am proud to join with my constituents from the 11th Congressional District of Illinois, which I am honored to represent, and all Americans, in their hopes and prayers that one day the courageous people who suffer under the Communists will know the blessing of self-determination and liberty in their own free homeland.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I have risen on quite a number of occasions to discuss the fact that for some years we have had in our financial and economic activities engendered the very forces that now are bringing about quite a dilemma.

Mr. Speaker, in 1979 I took this floor and announced to my colleagues that for the first time since 1932 all the variables were in the equation which could conceivably bring a crisis not only nationally but particularly internationally. Today, even after the stock market occurrence of last October, the frenzy continues which, of course, means and augurs a repetition.

Buyers and sellers of stock index futures are actually involved in $26 billion a day transactions. A stock index future is really a new apparatus that provides purchase of a basket of stocks. We are talking about futures; that is, one is betting, and so what we have is a giant Reno, NV, or a giant gambling operation; that would be fine—so what? We sort have gotten accustomed to gambling, but the bad part about it is that this involves the destiny, the economic destiny and well-being, of our economic life; $3 trillion of stock are handled all in fast, short-term transactions. More ominously, 10-year Treasury bonds are not held for more than 20 days. When people stop to think about it who know about these matters they all agree and they shake their heads and say, "It is bad."

Mr. Speaker, the annual turnover rate for stocks is now 87 percent, a rise from 12 percent in the late 1960's and early 1970's. In the beginning of the 1960's, 3 million shares of stock in a fast day would change hands, in a day. Today 3 million shares of stock change hands every 10 minutes. Short-term traders account for almost all of the mergers, takeovers, and acquisitions which in turn involve billions of dollars' worth of banking assets.

This is why I have been speaking out, going back to the middle 1960's, about this. All of the purchase money for these highly volatile, speculative transactions are based on borrowed funds from banks.

Mr. Speaker, I think that what we have is an extremely dangerous situation, and today I have introduced a bill, H.R. 5044, that I think, if adopted, and actually given the nature of our pace today, where every one of us is rushing off for a period of time of about 10 days for the convention, if actually there were to be a level of consciousness, of awareness, I think we would have all stayed here and had emergency sessions to see some action on this type of measure.

Mr. Speaker, simply put, this is just about a one-page bill which provides for 100-percent taxation of the short-term capital gains on stock futures, options, that are held for less than 1 year. Mr. Speaker, I will guarantee you this would be the only curb that would put a stop to this feverish, frenetic, dangerous playing with our economic destinies.

H.R. 5044

A bill to establish a tax on short-term capital gains, and for other purposes

Be in enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. IMPOSITION OF A SHORT-TERM CAPITAL GAINS TAX.

Section 1201 of the Internal Revenue Code of 1986 (Alternative Tax For Corporations) is amended to read as follows:

"(a) GENERAL RULE.—If for any taxable year a taxpayer has a net capital gain, then, instead of the tax imposed by sections 1, 11, 511, and 831(a), there is imposed a tax which shall consist of the sum of;

"(1) the existing rate of tax upon taxable income (including net long-term capital gain) but excluding net short-term capital gain for such income, computed at the rates and in the manner as if this subsection had not been enacted, and

"(2) a tax of one hundred percent on the net short-term capital gain from stocks, options, or futures that a seller has owned for less than a year.

SECTION 2. EFFECTIVE DATE.

The amendments made by Section 1 shall apply to taxable years beginning after December 31, 1988.

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SEAMAN WARNS OF GARBAGE DUMPING IN CARIBBEAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the Virgin Islands [Mr. DE LUGO] is recognized for 30 minutes.

Mr. DE LUGO. Mr. Speaker, preservation of our environment in the U.S. Virgin Islands and Caribbean is a constant struggle. The fragile balances of our marine life, plant life, animals, birds, and scenery are seriously threatened by modern development.

I want to speak, first, about one of the most ominous current threats, ocean dumping of garbage, and second, one of our talented people who has dedicated most of his adult life to protecting our environment, George Seaman of St. Croix. The two fit together. When recent press reports in the Virgin Islands alerted us to the dangers of ocean dumping, who was the primary source? George Seaman, speaking out to protect the land and sea that he loves.

We learned recently that a stateside company had been talking with our neighbors in the Caribbean about dumping statewide garbage in our region. This particular company, Waste Central Inc. of Philadelphia, was negotiating with officials from the Netherland Antilles Island of Saba, 80 miles east of St. Croix in the U.S. Virgin Islands, about paying a sizable fee to deposit its garbage in the waters off of Saba.

It would all be safe, they said. All encased in concrete, they said. It could become a reef or even a healthy small island, they said. No problems, they said. We have heard those reassurance before, and will not fall for them this time around.

This dumping scheme would spell disaster for the Virgin Islands and for our entire region. As one Saba official said in the news accounts, it would make no difference if the garbage happened to leak because the currents would carry it straight out to sea, toward the U.S. and British Virgin Islands. This dumping scheme is particularly dangerous and infuriating because it shows a United States company using big money to export its problems to the poor islands of the Caribbean. Those fees may be small change for a stateside company, but they can look very big and very enticing to the islands of the Caribbean.

As it turned out, these Saban officials responded to public pressure and turned down the deal. But we have to act now to prevent anyone else from turning the waters of the Caribbean into their garbage dump. We don't need garbage from Philadelphia or anywhere else in the United States spoiling our coasts and waters, our fisheries and natural bounty.

I am urging this administration to enforce the environmental regulations and international agreements that will prevent this sort of travesty. I also urge my colleagues here to pass the additional laws that will prevent this sort of exploitation. The countries of the Caribbean will have to work together, and the United States will have to work with them, to protect one another. We have made some progress with laws that regulate the dumping of plastics and toxics, but we have to keep up a vigilant effort until we find the combination of laws and enforcement powers that will stop anyone from using the Caribbean as their dumping ground.

On a happier note, it is only fitting that George Seaman should be the source for these news accounts, once again alerting us to the dangers to our environment. George is a dashing, 84-year-old figure who is well known on St. Croix, where he was born in 1904. He spent his boyhood exploring the island when it was sparkling and pristine, and a young lad could spend glorious days hunting, fishing, and admiring creation. In a recent profile of Seaman in the San Juan Star, he described his boyhood in that setting as "about the closest thing to fulfillment this side of judgment day."

George was an adventurous soul, who spent his early manhood on expeditions and businesses in Panama, Venezuela, the Dominican Republic, the South Seas of the Pacific and other exotic areas. Thankfully, in 1949 we lured him back to St. Croix where he became wildlife supervisor of the Department of Fish and Wildlife until his retirement in 1969, when he moved on to the island of Saba. He devoted himself to studying our deer, birds, mongoose, and other animals. He published valuable research reports, filled with his observations and data, that now are major sources of information on the wildlife that existed in our islands 20 to 40 years ago. He also recommended steps to preserve the areas that support these species. Construction and development have taken their toll since 1969, but we have made some progress in setting aside small cays and coastal areas as natural preserves, as he urged us to do.

George also has picked up his pen and written several books that reflect our unique folk culture and environment in the Virgin Islands. His first, "The Virgin Islands Dictionary," is a collection of Cruzan definitions published in 1967. Since then he has added "Sticks From the Hawk's Nest," a collection of nature essays, "Ay, Ay: An Island Almanac," about our changing tropical seasons, "Not So Cat Walk," a book of Cruzan proverbs, and "Sadly Cries the Plover," a collection of poems.

George Seaman has taken great joy in studying our wildlife and protecting our environment. But now he is giving us an ominous warning abut the hazards of ocean dumping. I, for one, take him at his word and plan to do what I can to be sure that this hazard is averted. I urge the administration and all my colleagues in Congress to join me in taking action to preserve the beautiful waters of the Caribbean.

GAO REPORT ON THE X-RAY LASER PROGRAM

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 60 minutes.

Mr. BROWN of California. Mr. Speaker, today I am releasing a report by the General Accounting Office [GAO] titled "Accuracy of Statements Concerning DOE's X-Ray Laser Research Program." I requested this study last October after becoming increasingly concerned about the way in which the x-ray laser program had been presented to Congress, the administration, and the American public.

The basis for my concern was correspondence by, and conversations with, Mr. Roy Woodruff, former Associate Director for Defense Systems at Lawrence Livermore National Laboratory. Mr. Woodruff directed the x-ray laser program from 1980 to 1985. In a confidential letter dated April 3, 1987, to University of California president David Gardner, Mr. Woodruff said that Livermore scientists Dr. Edward Teller and Dr. Lowell Wood had made "overly optimistic and technically incorrect statements concerning this research to the Nation's highest policymakers." Mr. Woodruff's letter to President Gardner became public in October 1987 when it was leaked to the press by someone working for the University of California.

Mr. Woodruff's specific claim is that, in a series of letters and briefings to administration and Pentagon officials, Dr. Teller and Dr. Wood from 1983 through 1985 made insupportable statements about the progress and potential of the x-ray laser. The officials who received these materials include Ambassador Paul Nitze, chief U.S. Arms Control negotiator; Mr. Robert McFarlane, then National Security Advisor to the President; William Casey, then Director of the Central Intelligence Agency; and Dr. George Keyworth, then Science Advisor to the President.

As the director of the x-ray laser program, Mr. Woodruff felt that his technical credibility was being compromised by what he felt were insupportable statements. Mr. Woodruff attempted to send correcting letters to those who had received the Teller and Wood correspondence and briefings, but he says Dr. Roger Batzel, Director of Lawrence Livermore at the time, prevented him from doing so. In frustration with the situation, Mr. Woodruff felt that he had no ethical option but to request reassignment. He resigned as Associate Director for Defense Systems in October 1985, and was subsequently demoted and ostracized within the lab. Dr. Batzel reassigned Mr. Woodruff to a section of the laboratory separated from the rest of the lab personnel. Mr. Woodruff had been banished for whistleblowing, in the view of many of his colleagues, to a post they referred to as "Gorky West."

Before sharing my observations on the GAO report, let me provide some additional background about the research program itself. The x-ray laser effort was formally initiated at Lawrence Livermore in 1980. Those involved with the program, and Dr. Teller in particular, were quick to imagine an application that would make it possible for the first time to destroy Soviet intercontinental ballistic nuclear missiles minutes after being launched. In theory, bursts of xrays powered by nuclear detonations would destroy rising missiles while they were still over the Soviet Union. This was the vision that Dr. Teller reportedly presented to his old friend, President Reagan, in 1982, a full year before the feasibility of a nuclear pumped x-ray laser had even been demonstrated.

Tests of the x-ray laser have occurred at a steady pace over the past 8 years, but given the high cost and enormous complexity of these experiments, the number conducted to date has been limited.

As the program has progressed, two principal design concepts for the x-ray laser have emerged. One, called Excalibur, has a particular laser brightness goal that, if achieved, would be capable of damaging space assets such as satellites or components of a space-based defense. Experts agree that the Excalibur level of brightness would not be potent enough to serve as a defense against ballistic missiles, although in the early stages of the program, some thought that it would.

The second design concept, which emerged in mid-1984, is called Super-Excalibur. This theoretically more powerful design could have applications for intercepting missiles in flight, in addition to being able to attack space assets.

Both of these concepts remain just that: concepts. Experimentation to date has demonstrated that an x-ray laser can be generated with the power of a nuclear bomb. However, it has yet to be shown that this research can yield a militarily useful device of any form. In other words, a great deal of science, instrumentation, interpretation, and modeling have yet to be done.

Of the two design concepts, Excalibur and Super-Excalibur, Mr. Woodruff has been most concerned about the overselling of the latter. Although he endorsed the concept and urged that it be pursued, he wanted people to be fully aware that it was only a concept on paper, and not an imminent weapons capability. Mr. Woodruff felt that Dr. Teller and Dr. Wood were inappropriately proclaiming that Super-Excalibur was on a schedule for near-term deployment.

A fundamental paradox of the x-ray laser issue is that, even if the Excalibur level of laser brightness were achieved, and if it were accomplished by both the United States and the Soviet Union, then any plan for deploying a space-based defense would become immaterial since space assets would become hopelessly vulnerable to attack. In other words, Excalibur, if developed, would be a perfect anti-SDI weapon.

Now, Mr. Speaker, let me turn to the GAO report, which I feel clearly establishes many of the key points made by Mr. Woodruff.

For example, the report establishes that claims were made about the x-ray laser program that Mr. Woodruff, as the director of the program, had every right to protest. One such claim was made in letters dated December 28, 1984, from Dr. Teller to Ambassador Nitze and Mr. McFarlane. A passage dealing with the Super-Excalibur concept has been declassified in the GAO report. As printed on page 7 of the document, the passage reads:

> A single x-ray laser module the size of an executive desk which applied this technology could potentially shoot down the entire Soviet land-based missile force, if it were to be launched into the module's field of view.

Such a claim goes beyond simple optimism to sheer flights of fancy. A Soviet attack involving that country's entire land-based missile force would be comprised of more than 10,000 missiles traveling at thousands of miles per hour along a wide-range of trajectories. Intercepting this entire threat cloud with a single x-ray laser module no larger than an executive desk is an absolutely incredible proposal.

Was the proposal based on scientific data emerging from the x-ray laser program? No, it was not, as confirmed by the Director of Lawrence Livermore, Dr. Roger Batzel. In February 1986, Dr. Roger Batzel was asked during a hearing of the House Armed Services Committee if there were any quantitative data to support the concept of a single x-ray laser device intercepting an entire Soviet missile salvo. As reported by the GAO on page 11, Dr. Batzel replied that "there are no data at this stage of the game that would support that."

In a December 22, 1983, letter to George Keyworth, Dr. Teller made a similar, remarkable statement about progress of the x-ray laser. This time referring to Excalibur, he said that so much progress had been achieved in the program that the weapon was ready for the engineering phase of development.

To the weapons community, saying that something is ready to enter engineering means that essentially all of the scientific questions have been solved. Dr. Teller made this statement more than 5 years ago, yet Excalibur is nowhere near the engineering phase even today. The GAO reports on page 5 that Dr. George Miller, who replaced Mr. Woodruff as Livermore's Associate Director for Defense Systems, supports Mr. Woodruff's views and feels that the x-ray laser was not ready for engineering then or now.

The GAO clearly establishes that Mr. Woodruff, when he attempted to send correcting letters to Dr. Keyworth and Ambassador Nitze, was blocked from doing so by Dr. Batzel. Mr. Woodruff did not prepare a correcting letter to Mr. McFarlane, realizing that the Director would oppose it. GAO reports that Dr. Batzel preferred that Mr. Woodruff make his points in person. But what kind of a policy is this?

It is an untenable situation for a program manager to have to run around the country clarifying statements made about a program under his supervision. It should be emphasized, too, that neither Dr. Teller nor Dr. Wood is a formal member of the section of Livermore that runs the x-ray laser program. Dr. Teller is a scientist emeritus with the laboratory, not even on its payroll. And Dr. Wood is in a separate section called "O" Group; the x-ray laser effort is conducted by "R" Division.

Roy Woodruff is not the only one concerned about exaggerated claims of the x-ray laser effort. Dr. Donald Kerr, Director of Los Alamos National Laboratory from 1979 to 1985, warned Dr. Batzel in early 1985 that extravagant claims about the x-ray laser were draining money away from more important science efforts. "It was a concern of mine at the time and it still is," Dr. Kerr told a reporter in December 1987.

Similarly, Richard Wagner, a former Livermore scientist and top nuclear weapons official at the Pentagon, has said, "I was very concerned about the way the information about the SDI was being presented. It is very far out technology, and there's so little data."

In his proposed correcting letters, Mr. Woodruff wanted to attach qualifications to the statements made by Dr. Teller and Dr. Wood. Given the paucity of data from the test program, Mr. Woodruff felt that any grandiose claims about moving into the engineering phase, or developing a desk-sized unit capable of intercepting an entire missile attack, should be carefully and extensively qualified in terms of physics milestones yet to be met and funding support still to be achieved.

In his correcting letter to Ambassador Nitze, Woodruff wanted to emphasize that without considerable additional funding support, the Excalibur brightness goal could not be accomplished in this century. He also wanted to clarify that the x-ray laser remained an evolving concept and, at best, a paper weapon; it was not, as Dr. Teller had described, on the verge of deployment.

In his correcting letter to Dr. Keyworth, Mr. Woodruff wanted to mitigate what he felt were premature conclusions by Dr. Teller. Mr. Woodruff wanted to clearly state that many physics questions remain to be answered and that a military application for the x-ray laser had not been established.

The GAO report states that the Lawrence Livermore official channel of communication regarding the x-ray laser program made statements that were similar to those identified by Mr. Woodruff as being "overly optimistic and technically incorrect." This seems to me to be fairly misleading, since it minimizes the importance of the qualifications Mr. Woodruff wanted attached to the claims by Dr. Teller and Dr. Wood. It also diminishes the significance of the cases in which the official Livermore channel, including Mr. Woodruff, has never said anything resembling the contested statements; that is, the x-ray laser entering engineering phase, the possibility of developing an executive desk-size x-ray laser module.

In the process of conducting the investigation, the GAO team asked selected Livermore scientists for their opinions about the accuracy of the statements challenged by Mr. Woodruff. From this process, GAO concludes that there is no general agreement among these scientists regarding the accuracy of the statements.

GAO is not a science court and thus is not equipped to pass judgment on the technical aspects of this controversy. For this reason, probably no approach could have been taken other than conducting a poll of lab scientists with specific knowledge about the x-ray laser. GAO's conclusion, that there is no uniformity of opinion regarding the x-ray laser program, reflects the polarized views concerning this research effort. Spawned with great promise, the program has had difficulty meeting the high expectations that were set on its behalf. And since the program was christened by Dr. Teller, whose celebrated stature casts an ever-present shadow over the lab, lab officials and some lab scientists appear to have been reluctant to publicly confess to the shortcomings of this line of research.

Most observers will look to the GAO report to answer the question: Who was right—Teller and Wood or Woodruff? I do not believe that the report offers a clear answer to this query. The report confirms that incredible claims were made about the x-ray laser program, but it also suggests that Livermore itself was caught up in the euphoria of the SDI's early years—when statements about the magnificence of strategic defense technologies were being made throughout society, and by no less than the President himself. Mr. Woodruff was principled enough to say that he did not want his name associated with such statements, but, given the President's strong personal interest in developing a space-based defense for the entire U.S. population, one can understand how other Livermore scientists could get swept along by this frenzy.

As a practical matter, the passage of time has vindicated Mr. Woodruff's more qualified views. Five years have passed since some of the contested statements were made, and we are no closer now than we were then to the development of a militarily useful x-ray laser.

By most estimates, development of any form of x-ray laser weapon remains 15 to 20 years away. And as I mentioned earlier, the first application for such a device would be as an anti-SDI weapon, capable of attacking satellites and other assets in space. The Office of Technology Assessment and the American Physical Society, in separate reports on the SDI, both concluded that the first possible fruit of the x-ray laser program would be an anti-SDI device. This view is shared by Livermore scientists working on the program, including Dr. Wood, who said in testimony before Congress late last year:

> X-ray lasers can be used to destroy any type of platforms in space, including defensive platforms, so the counter-defensive role is being explored extensively, and it is this role in which x-ray lasers might be expected to first come into play.

Such a revelation is ironic indeed, since, if the x-ray laser program proves successful, it is likely to make the development of a space-based defense impossible.

It is this realization, combined with the disappointing progress of the x-ray laser program, that has led to a scaling back of the effort. What once was the crown jewel of the SDI has now tarnished, with the SDI program this year requesting less than half as much for continued x-ray laser research as it projected 2 years ago. Funded through the Department of Energy's Nuclear Directed Energy Weapons [NDEWs] Program, the lion's share of which is for the x-ray laser, the request for fiscal year 1989 was $285 million. This compares to a projected request 2 years ago of $707 million for fiscal 1989. Congress has cut the request to $255 million, putting it below the 1986 level of support.

The scaling back and reassessment that has occurred with the x-ray laser program is mirrored by a reexamination underway of the entire SDI. The unbridled enthusiasm that ushered in the program has now been extensively harnessed.

Looking back to the early days of the SDI, following the October 1983 release of the Fletcher Commission report, one recalls extraordinary claims about a panoply of technologies in addition to the x-ray laser. Space-based chemical lasers clearing the sky of a Soviet missile attack; orbiting railguns hurling projectiles across vast distances; ground-based laser beams bouncing off of orbiting mirrors to intercept missiles as they rose from the Soviet Union; particle beam weapons obliterating a missile attack in action—these and other images gave birth to projections that the United States could field an essentially leak-proof missile defense.

Secretary of Defense Weinberger in 1983 spoke of a "thoroughly reliable and total" defense against nuclear weapons. Dr. James Fletcher in 1984 wrote about the possibility of developing a shield with an effectiveness "of greater than 99 percent." Zbigniew Brzezinski, Robert Jastrow, and Max Kampelman, in a January 1985 New York Times magazine article, claimed that a missile defense system that would prove 90 percent effective was ready for deployment, and that such a defense could be in place "by the early 1990's at a cost we estimate to be somewhere in the neighborhood of $60 billion."

What is being discussed today, however, is no more than a feeble remnant of these glorious notions. A system resembling what Mr. Brzezinski et al. discussed above was proposed by the SDI program and endorsed by the Pentagon 1 year ago. Analysis has shown, however, that this so-called phase 1 system would cost not $60 billion but $250 billion or more, and would not be 90 percent effective but only 30 percent—at best.

Since this system would likely be obsolete the day it were deployed, given well-known countermeasures available to the Soviet Union, Pentagon support for phase 1 is waning fast. The Defense Acquisition Board, which met last month to review the SDI, has reportedly recommended that the Pentagon withdraw its approval of phase 1 and accept a more limited scheme proposed in May by the Defense Science Board [DSB].

A May 20 report issued by the DSB rejected the notion of deploying in the near term hundreds of space-based weapons, as called for by phase 1, and offered a new plan involving deployment during the 1990's of a mere 100 ground-based interceptors combined with new satellite-based sensors. The DSB recommended these changes in view of "technical, budgetary, political and arms control uncertainties, surrounding the program," which are precisely the form of qualifiers Mr. Woodruff was arguing for in presentations about the x-ray laser.

Secretary of Defense Frank Carlucci is expected to endorse the Defense Science Board's proposal, and debate within the Pentagon is now focusing on whether to deploy the interceptors in Grand Forks, ND, the one site permitted by the 1972 ABM Treaty, or whether to base the missiles around Washington, DC. The cost of this site would range from $10 to $20 billion, for a system with only marginal capabilities. The Office of Technology Assessment has said that such a plan could probably defend against only five Soviet SS-18 missiles, carrying less than one-half of 1 percent of the Soviet strategic arsenal.

Were people misled by the wild claims made about developing a space-based defense? Of course they were. People without technical training accepted the rosy projections. They repeated them before audiences, in articles, and in discussions throughout the Nation.

One of those people, of course, was the President himself. My own view is that President Reagan was convinced in 1983 by Dr. Teller that the x-ray laser would eliminate the nuclear threat to the United States, and the President has held to that notion ever since. In support of the SDI, the President has made repeated comments including the phrase "once we develop this weapon," suggesing that he honestly believes that the SDI is comprised of a single powerful defensive technology—such as the x-ray laser, as presented to him by Dr. Teller.

As a result of the claims that have been made about the SDI, the American public has been led to believe that a technological astrodome could be erected in short order to guard the Nation against a nuclear attack.

And it was not simply the nontechnical community that repeated these extravagant claims. People who knew better repeated them as well, thus giving these statements far more credence than they deserved. Dr. George Keyworth, for instance, in 1985 told an audience of 500 scientists in Las Vegas, NV, that—

> A single x-ray laser could defend against the USSR's entire offensive forces and thereby make it unrealistic for the Soviets to counter with an offensive arms race.

When a member of my staff asked the GAO investigators whether Dr. Keyworth might have been misled into believing this statement by Dr. Teller, the investigators assured us that, given his technical background, Dr. Keyworth was not mislead. The GAO team felt that Dr. Keyworth did not believe this claim, even though he repeated it.

The spreading of implausible information has been the basic story of the SDI to date. People who have known better have helped to perpetuate the notion that the SDI might just render nuclear missiles "impotent and obsolete," as called for by the President.

Some have spread this information for political reasons, showing their allegiance to the President or their superiors. Others have done it for financial reasons, because their defense companies, consulting firms, or laboratories stood to gain from the program. Some have helped propel the myth behind the SDI for strictly ideological reasons, based on their particular views of the United States-Soviet rivalry. Still others have done so because they knew or believed that their institutions would not have lent support if they had raised objections, or tried to temper enthusiasm.

Roy Woodruff was the manager of the Nation's x-ray laser program. He knew that statements made about that project were hopelessly optimistic and, in some cases, simply inaccurate. He wanted the Nation's Chief Arms Control Advisor, National Security Adviser, Director of the CIA, and Presidential Science Advisor to know that the x-ray laser program was not ready for engineering development, that Excalibur and Super-Excalibur were simply paper weapons, that major scientific questions and technical obstacles remained in the way of turning them into militarily useful devices, and that such a task would require many years and substantial financial support. Mr. Woodruff was fully justified in wanting to get this message across to some of the Nation's top decisionmakers responsible for policies concerning the SDI.

Dr. Batzel, in my estimation, failed to provide Roy Woodruff with the support he deserved as the director of the x-ray laser program. The University of California also failed, in my opinion, to treat this issue with proper seriousness. To my knowledge, President Gardner has refused to meet with Mr. Woodruff to discuss the substance of Mr. Woodruff's concerns, which have included a grievance complaint filed by Mr. Woodruff with the university for unprecedented reprisals taken against him for speaking out.

Mr. Woodruff did win his grievance and was appointed as the director of the arms control verification program at Livermore, but his problems are by no means resolved. Mr. Woodruff has found it difficult to talk with John Nuckolls, the new director of the laboratory and an old associate of Dr. Teller's. This will make it difficult for Mr. Woodruff to carry out his present responsibilities. The Department of Energy has not responded to requests from Mr. Woodruff for assistance under DOE's policy to support whistleblowers.

Can steps be taken to ensure that an incident like this does not happen again? Yes they can. I am encouraged to see that California Gov. George Deukmejian signed into law this week supplemental language, attached to the budget for the University of California, pertaining to the UC system's oversight of Livermore. The language establishes the appointment of oversight officials who will, among other things, ensure that "research produced by the labs is technically sound and that its meaning not be misrepresented to Government officials, and that the existence of dissenting views within the scientific community be acknowledged and made known to U.S. Government officials."

I am also pleased to see in the GAO report that Lawrence Livermore plans to issue a formal, written policy governing the dissemination of official management views as opposed to personal views, expressed by individual scientists outside of the laboratory. I look forward to seeing a copy of this new policy.

I also look forward to seeing declassified copies of the contested materials by Dr. Teller and Dr. Wood. Joining with Congressman ED MARKEY, I have asked the Department of Energy to release these letters and briefing materials, which, with minor deletions, should be easily declassified. In a June 1, 1988, letter to Troy E. Wade III, DOE's Assistant Secretary of Defense for Defense Systems, Mr. MARKEY and I state:

> We believe that the issues of scientific integrity, laboratory management, and DOE oversight raised by the Woodruff case are of sufficient importance to merit a declassification and release of the relevant documents, so that Congress might be in a position to openly evaluate the facts of this matter and determine whether additional legislation is needed to improve the Department's management and oversight of government-owned contractor-operated facilities such as the Livermore Laboratory.

We also requested with this letter that DOE release the so-called investigation of this dispute conducted by Dr. George Dacey and Dr. John Foster, Jr. While I do not feel that the two brief letters that constitute this investigation are particularly enlightening, they have been referred to so frequently by Livermore and University of California officials that they should be made part of the public record. These documents are not classified, yet DOE has not been willing to release them to date. It is clear to me that interested individuals would have a much fuller understanding of this controversy if they could see and judge these materials for themselves.

Fundamentally, however, it is time to put this controversy behind us, and for Livermore and the Nation to make fundamental decisions, based on the most complete and realistic information possible, about what form of missile defense plan is feasible, affordable, survivable, and worthy of support. We appear to be moving in that direction, and the result is a far more humble, and might I add, realistic, assessment of the potential for strategic defenses.

□ 1700

THE 50TH ANNIVERSARY OF EVIAN REFUGEE CONFERENCE

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from New York [Mr. SOLARZ] is recognized for 15 minutes.

Mr. SOLARZ. Mr. Speaker, this week marks the 50th anniversary of the Evian Refugee Conference, convened by President Roosevelt to address the need for safe asylum for the Jews of Europe.

From July 6–15, 1938, representatives of the United States and 31 other asylum nations met at Evian-les-Bains, France, to seek a solution to the plight of the 600,000 Jews of Germany and Austria. Hitler had declared Jews to be noncitizens, and sought to expel them and other undesirables from Austria and Germany. Tragically, most could not find asylum anywhere.

President Roosevelt had proposed this international refugee conference in the wake of Germany's invasion of Austria to seek an international consensus on what should be done to aid the victims of Nazi terror. The press had carried vivid accounts of Germany's arrests and systematic persecution and harassment of its Jewish citizens.

Unfortunately, the United States at that time was unwilling to exercise the bold leadership that would have challenged the assembled nations to do more than protest Hitler's brutal campaign of terror against Jews. Before the delegates convened at this luxury resort city, our Government had made it clear that no nation would be pressured to change its immigation laws to accept Jews or other victims of Nazi persecution.

Despite the fact that 40,000 people had been arrested by the Nazis in the less than 4 months that had elapsed since the invasion of Austria, few nations at that conference were willing to do anything concrete. The 32 nations in attendance sat through the presentations of voluntary agencies and organizations deeply concerned about the plight of the persecuted Jews. But in the end, after 9 days of discussion and hours of handringing, the United States carefully announced its small gesture of assistance: We would accept for the first time since 1933 the admission from Germany and Austria of the full United States immigration quota, 28,000. In 1937, despite the applications of thousands of desperate Jews who sought to flee the impending disaster, the United States had admitted only 17,000 from Germany and Austria. In fact, during the whole 5-year period of 1933–38, the United States admitted only 27,000 Jews.

After the United States indicated at Evian its limited willingness to respond to this grave humanitarian crisis, only three other nations bothered to make specific resettlement pledges, and even these were not fulfilled. Country after country repeated their desire to be helpful but pleaded the constraints of limited resources, public opposition to higher immigration totals or even the concern that since they currently had no racial problems they could not, in good conscience, admit groups that would cause racial and ethnic tensions or require the expenditure of additional funds.

In addition, the delegates noted that all Jewish immigrants would have to pay their own way to their place of resettlement and be able to support themselves upon arrival, despite the fact that the German authorities would permit Jews to take only 10 Reichsmarks, less than $10, out of Germany or Austria.

The Dominican Republic offered to resettle 100,000 Jews, but only 500 ever received sanctuary in that small island nation. Australia offered to accept 5,000 per year for 3 years, while Brazil offered to take 3,000 Jews. Other nations indicated they would consider accepting only special immigrants like agriculturalists or Catholics. Since few Jews were farmers, they explained, one would have to understand their inability to help. Some nations offered to permit resettlement in their colonies—but Britain would not agree to open Palestine. The Philippines, then an American colony offered to take 10,000 refugees, if the United States would approve. It didn't.

The Evian Conference was a startling example of the failure of the human spirit, the rejection of brotherly love, and the willingness of nations, like individuals, to hide behind expressions of sympathy rather than take effective action to alleviate the pain and suffering being experienced by other human beings. The world had forgotten, in the words of Thomas Mann "that no man is an island."

At Evian the nations of the world not only proved themselves unwilling to seriously consider rescuing the Jews, but also demonstrated to the persecutors and oppressors of Germany that they had little to fear from the nations of the West if they decided to step up their persecution of Jews and other undesirables.

An article which appeared after the conference in Danziger Vorposten was a telling indictment of those who had come to Evian and agreed to leave without any major action.

> We see that one likes to pity the Jews as long as one can use this pity for a wicked agitation against Germany, but that no state is prepared to fight the cultural disgrace of Central Europe by accepting a few thousand Jews. The conference serves to justify Germany's policy against the Jews.

Four months later, the official newspaper of the Gestapo would make an even more telling comment:

> Because it is necessary, because we no longer hear the world's screeching and because, after all, no power on earth can hinder us, we will now bring the Jewish question to its totalitarian solution. * * * The result would be the actual and definite end of Jewry in Germany and its complete extermination.

Somehow even the small steps the United States did announce at Evian, the full admission of 28,000 immigrants from Germany and Austria, was soon deemed too generous. By mid-1940, our Government decided to tighten up quota requirements. Over the next 3 years documentation and background check requirements were actually increased. Thus any Jew able to escape and reach a U.S. consulate faced an even more difficult task in seeking admission to the United States. By 1943, the visa form was 4 feet long. Historians tell us that the United States actually admitted fewer and fewer Jews. In David Wyman's moving account of this period, "The Abandonment of the Jews," he reveals that we admitted only 10 percent of our full immigration quota. For the 3½ years the United States was at war with Germany, only 21,000 refugees were admitted to the United States.

Fortunately, the world community has improved its response to refugees since the Holocaust. But we must never forget what happened in Europe. It could happen again if good men and women are not willing to do something.

Our political, spiritual, and civic leaders must remember that the price of not exercising leadership is a high one. It is not enough to condemn those who persecute and oppress others. We must be willing to come to the aid of the victims, to provide refuge and relief, and to seek the punishment of those responsible for such crimes against humanity. To do less is to demean our humanity and to do grave damage to the ideals on which this great Nation was founded, and to risk the repetition of the Holocaust.

H.R. 5050, THE OMNIBUS WOMEN'S BUSINESS OWNERSHIP ACT OF 1988

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LaFalce] is recognized for 15 minutes.

Mr. LaFalce. Mr. Speaker, on behalf of Congressman Joe McDade, the ranking minority member of the Small Business Committee, and the other 66 original cosponsors, I am pleased today to introduce the Omnibus Women's Business Ownership Act of 1988. This landmark legislation marks the first attempt by the Congress to address comprehensively the specific problems and concerns of women entrepreneurs. The legislation is based on a series of six hearings that the Small Business Committee held and on the findings and recommendations of a bipartisan Committee Report entitled, "New Economic Realities: The Rise of Women Entrepreneurs." In addition to the specifics of the bill, the legislation provides formal recognition by the Congress of the rapidly increasing importance of women-owned business to our national economy and prosperity.

Prior to the 1970's women owned less than 5 percent of American businesses. The percentage of businesses owned by women has skyrocketed to about 30 percent at present—and by the turn of the century it is likely that fully 50 percent of American businesses will be owned by women.

This astonishing development has profound social and economic consequences. At a time when America is suffering from huge budget and trade deficits—and from a chronic failure to significantly increase productivity—it is vital for public policymakers to help catalyze the tremendous pool of talent and energy these women represent. They are part of the most educated generation of women that has ever existed. They are a gold mine of human capital. No other nation, Japan included, is anywhere close to the United States in maximizing the economic and creative potential of the over 50 percent of the population who are women. Our future competitiveness requires that public policymakers, in partnership with the private sector, assist and affirm this economic revolution.

From a public policy perspective, there can now be no adequate assessment of the general economy without taking into account the activities and concerns of women entrepreneurs. Women owned businesses have become a central factor in the American economy and will become even more crucial in the years ahead.

Women are going into business at a rate two times faster than men and are thus the fastest growing segment of the entrepreneurial community. Since the vast majority of these new female entrepreneurs enter professional and technical service businesses, their influence will continue to grow as the country shifts further away from a manufacturing-oriented economy to one that is based on services, high-technology and information.

Women, however, are also becoming a factor in nontraditional industries and can be found succeeding in virtually every industry category. Mining, construction, manufacturing, transportation, communication, and electrical utility businesses are examples of new fields enjoying surprising growth in the percentage of female ownership.

The achievement of women-owned businesses has been extremely impressive. But there are still barriers to overcome before women can attain full and equal status in the American economy.

The legislation deals with five barriers to women-owned business that merit special attention: First, the need to provide management and technical training to maximize the growth potential of women-owned business; second, problems of access to capital; third, the virtual exclusion of women-owned business from government procurement activities; fourth, the inadequacy of information and data relative to women-owned business; and fifth, the overall general ineffectiveness of current Federal policies toward women-owned business.

THE NEED FOR MANAGEMENT TRAINING AND TECHNICAL ASSISTANCE

Given the emergence of women in such large numbers into the business sector, there is a need for appropriate public policies of maximize this important and growing economic resource. A comprehensive Dun & Bradstreet study has concluded that lack of management skill is the primary cause of business failure by small business entrepreneurs.

Sex stereotyping in education prompts women to elect fewer science, mathematics, and technical subjects in school; women are not encouraged to acquire practical knowledge of finance-related skills; women are not groomed for the entrepreneurial tradition as are males; and employment experience in related areas, shown to be critical to entrepreneurial success, is either denied or achieved at greater cost.

While the need for management and technical training and assistance is well documented, the Federal Government has given only sporadic support for such activities for women. I believe that managerial training and technical assistance must become increasingly available to potential women entrepreneurs.

Therefore, the legislation I am introducing would fund, on a matching public/private partnership basis, a number of demonstration projects throughout the country to provide sustained, high-quality management training and technical assistance for women-owned business. The program would be authorized for 3 years and would be supported by $10 million in Federal funding.

ACCESS TO CAPITAL

Small businesses generally cite limited access to capital as a primary detriment to business success. In addition, a woman faces additional barriers when she approaches the lending institution. A recent survey of women business owners estimated that 68 percent believe that they have been discriminated against in business loan applications, and 29 percent of those who received loans believed they were offered on discriminatory terms.

The Equal Credit Opportunity Act of 1974 [ECOA] prohibits discrimination on the basis of race, color, national origin, sex, marital status, or age. The act has been successful in providing equal access to consumer credit, but, due to wholesale Federal Reserve Board regulatory exemptions, it has not been effective with respect to business and commercial transactions.

The legislation would amend the Equal Credit Opportunity Act to require the Federal Reserve Board to promulgate strict limitations regarding inquiries into marital status, and provide for retention of records and affirmative notice of the right to receive reasons for loan denials.

An additional problem is that many small businesses, including women-owned businesses, find that lending institutions are often very reluctant to take the time and trouble to make small loans of $50,000 or less. This is especially a problem for service industries. Therefore, the legislation would create an SBA guaranteed "mini-loan program" utilizing expedited application and evaluation procedures for loans up to $50,000. It is my expectation that the program will experiment with collateralizing "soft" assets. It would serve all small businesses, but should be specifically useful to the service sector of the economy where women-owned businesses are concentrated.

GOVERNMENT PROCUREMENT

The U.S. Government is the largest purchaser of goods and services in the world, spending approximately $177 billion annually. Although Executive Order 12138, issued in 1979, directs Federal agencies to take affirmative action to increase women-owned business' procurement share, the continued underutilization of women shows a lack of serious commitment by Government agencies to the policy enunciated in the Executive order. Despite the fact that women now own about 30 percent of all U.S. businesses, the percentage of prime contract awards to women-owned business still remains approximately 1 percent of total procurement dollars.

The same holds true for subcontracting. In Government contracts that exceed $500,000—$1,000,000 for construction—prime contractors are required by statute to negotiate subcontracting plans with goals for small business and small disadvantaged business. Contractors are required to report their actual achievement against these goals on standard reporting forms. There are, however, no similar requirements for subcontracting with women-owned business.

The Federal Acquisition Regulation [FAR] does require agencies to include a clause in most contracts expected to exceed $25,000, that states the national policy to utilize women-owned small business, and that requires prime contractors to use "best efforts" to give such businesses the maximum practicable opportunity to participate in subcontracts. Prime contractors, however, are not required to report on the subcontracts actually awarded to women. There is no data available, therefore, to indicate the level of compliance with the "best efforts" clause.

To improve the access of women-owned businesses to Federal procurement, the legislation would require each agency to develop contracting and subcontracting goals; require agencies to report on the number of contracts and subcontracts awarded; establish full-time Women's Business Specialists in each Federal agency; and require each agency to provide outreach for women-owned business and to solicit a representative number of women-owned businesses for each competitive procurement.

I must emphasize that we are not proposing a set-aside program for women. Most of the women who testified at the hearing were opposed to this idea. Rather, it is hoped that these affirmative actions will help women-owned business to obtain their fair share in the procurement area.

POOR STATISTICAL DATA

The information and data available concerning women's business ownership is inadequate for present needs. Primary information sources are incomplete, provide inconsistent data, and utilize differing definitions of what constitutes a women-owned business. Moreover, lag time is often as much as 4 years between the time of data collection and published reports.

To obtain better data, therefore, the legislation would require both the Federal Government to significantly improve its data collection regarding women-owned businesses. The bill would require the Bureau of Labor Statistics, the Bureau of the Census, and SBA to include information and data on sole proprietorships, partnerships, and corporations in any reports they may prepare on women-owned business. The bill would also require Federal agencies to report the number of women-owned businesses and the number of socially and economically disadvantaged businesses that are first time recipients of contracts from the agency.

INEFFECTIVENESS OF CURRENT FEDERAL POLICY

Approximately 10 years ago, a flurry of activity, fostered in part by the observance of the United Nation's Decade for Women, focused national attention on women's business enterprise. In late 1976, under President Ford, the first National Census of Women Business Owners was published.

In November 1977, the first National Women's Conference sponsored by the Federal Government was held in Houston and resulted in a conference report that recommended the establishment of a government policy to provide greater opportunities for women-owned business. An interagency task force on Women Business Owners was appointed by the President in 1977 and in 1978 the task force published its report "The Bottom Line: Unequal Enterprise in America." An Interagency Committee on Women's Business Enterprise was later created to implement the recommendations of the President's Task Force.

Executive Order 12138 created a National Women's Business Enterprise Policy and prescribed arrangements for developing, coordinating, and implementing a national program for women's business enterprise. The Executive order provided for affirmative action by Federal agencies to facilitate and to strengthen and support such enterprises, to discourage and prohibit discrimination, and to create programs responsive to the special needs of women as entrepreneurs. Such activities were to include management, technical, financial, and procurement assistance; education, training and information dissemination; and procurement.

The Executive order established an Interagency Committee on Women's Business Enterprise to oversee the action ordered, develop goals, policies, and guidelines, mobilize resources, design innovative plans, promote research, convene and consult with experts, and assess progress. The Federal agencies were to assist and cooperate. The Small Business Administration [SBA] was given the responsibility of providing an executive director, adequate staff, and administrative support.

The Interagency Committee, however, has not been effective. For example, in recent years, SBA business loans to women have actually decreased in numbers, dollar amounts, and as a percentage of total loans. Loan figures for the past 4 years indicated that in 1984, women received 2,103 business loans, or a total of 10.7 percent of the total number of loans to all businesses, for a total of $212.6 million. In 1987, those figures had fallen to 1,565 loans, or 10.1 percent of total loans, for a total of $203.3 million.

The Interagency Committee still operates, but without any power or purpose. The committee issued its first annual report in 1980. The next annual report was not issued until September 1987. That report contained a one-page introduction, 15 paragraphs of text spread across 6 pages, and the rest of the 100-page report consisted of an appendix containing statistics, reprinting material, and a summary of 5 meetings. The report is an embarrassment and a waste of taxpayer's money.

In sum, a national policy to emphasize support of women's business enterprise must be developed because past efforts of the Federal Government—across all administrations—have been generally ineffectual.

In order to review, update, and reform Federal policy toward women-owned business, the legislation would create a nine-member National Women's Business Council made up of high level private sector representatives and Government policymakers. The Council would include the SBA Administrator, the Secretary of Commerce and the Chairman of the Federal Reserve. The Council would be required to submit to the President and the Congress, by December 31, 1989, a multiyear plan of action, with specific goals and timetables, to support women-owned business. The Council would differ from the present interagency committee in at least three important ways. First, it would include private sector representatives rather than just agency employees. Second, it will be made up of high-level Government officials in policy positions rather than career employees. Third, it will be a policymaking institution—the interagency committee would continue as the implementer of the policies formulated by the Council. The Council would be charged with examining the problems of women-owned business at the State and local level. It would also study the many innovative State and local programs which the States and local governments—and private sector—have established to serve this new area of the economy.

I believe this legislation is a good start in addressing the needs of women entrepreneurs. Women-owned business has become a major economic power, and constitutes a pool of talent and energy unprecedented since waves of immigrants reached our shores. Women as owners of their own businesses, represent a major source of innovation and productive vigor, and our society needs to support and sustain this economic revolution to the fullest extent possible.

Mr. Speaker, if any "theme" emerged from our congressional hearings, it was this: It is vitally important for our future standard of living and international competitiveness that public policy affirm and assist women's business ownership. There can be no adequate amendment of the American economy today without taking into account the activities and concerns of women entrepreneurs. And as an integral part of that public policy effort, the remaining barriers to women's entrepreneurship must be eliminated. I will soon be submitting separately for the RECORD a detailed section-by-section analysis of the bill.

THE FREDDIE MAC STOCK SALE: WINNERS AND LOSERS

The **SPEAKER** pro tempore. Under a previous order of the House, the gen-

tleman from Wisconsin [Mr. KLECZKA] is recognized for 10 minutes.

Mr. KLECZKA. Mr. Speaker, yesterday's action by the governing board of the Federal Home Loan Mortgage Corporation to allow the public sale of nonvoting stock should gladden the hearts of certain well-positioned savings and loan institutions.

The Board's action hands these thrifts windfall profits while effectively precluding a sharing of any gain with the beleaguered Federal Savings and Loan Insurance Corporation.

Those of us in the Congress looking for options other than tax dollars to resolve the FSLIC funding crisis are less than amused.

Let's take a look at who the big winners are as a result of the FHLMC's decision to allow the 15 million shares of preferred stock to be sold publicly for the first time. Since, by all accounts, these shares are undervalued due to the ownership restrictions required by this Congress, those thrifts which now hold shares stand to reap huge profits—probably in excess of $1 billion.

According to the American Banker, here is a list of Freddie Mac's top stockholders as of June and the number of shares held:

Institution	*Shares held*
1. American S&L, CA	301,594
2. Great American First Savings, CA	240,377
3. Great Western Savings, CA	226,707
4. Main Line Federal Savings, PA	150,000
5. American Savings, CA	150,000
6. Citicorp Savings, FL	150,000
7. Citicorp Savings, CA	150,000
8. World Savings and Loan, CA	150,000
9. Imperial Savings and Loan, CA	150,000
10. Mutual Savings and Loan, CA	150,000
11. Great American First Savings, CA	150,000
12. First Federal of Michigan	150,000
13. California Federal Savings	144,092
14. First Federal Savings and Loan, AZ	119,496
15. Citicorp Savings of Washington, DC	128,828
16. First Federal Savings Bank of Ohio	123,609
17. Georgia Federal Savings and Loan	120,541
18. Great Lakes Federal Savings, MI	116,162
19. Commercial Federal Savings, NE	113,599
20. Security Savings and Loan, WI	112,633

As this list indicates, Citicorp alone controls 428,828 shares of the 15,000,000 shares of preferred stock.

As a result, this very large corporation makes out quite well.

How many dollars go to the FSLIC? Zero.

It did not have to be this way. Senate Banking Committee Chairman PROXMIRE had been working on a plan to ensure that some of the benefit from the public sale of FHLMC preferred stock be recouped by the FSLIC.

Such an approach is only fair. While individual thrifts are entitled to share in gains on preferred stock, the emphasis should be on the word "share." Remember, the FHLMC issued the $15 million in preferred stocks free of charge to the Federal Home Loan Banks in December 1984, in part to establish a type of "return on equity" to the Banks, which had capitalized the FHLMC in 1970. The Banks distributed the shares to member thrift institutions based on their holdings of FHLB stock.

A sharing of a gain in stock value, however, is not to be. The Board's action blows the PROXMIRE approach—a taxpayer-oriented approach which I support—out of the water. While public sale of stock may well have a marginal effect on certain insolvent thrifts, the Wall Street Journal reported today:

> Insolvent thrifts own less than 11 percent of Freddie Mac's preferred stock, so much of the benefit will go to healthier institutions. The windfall won't do much to help the FSLIC or lessen the likelihood of a taxpayer bailout of failing institutions.

In essence, the action of the Board ensures that the profits associated with Federal involvement in a beleaguered industry will go directly to the industry, particularly the healthy part of the industry. The losses, however, accrue to FSLIC—and the taxpayer.

If anyone doubts that certain beneficiaries of the FHLMC's largesse are not in need of a federally backed windfall, a comparison of recent thrift executive salary increases with the list of the top 20 FHLMC stockholders I earlier included in the RECORD will be illuminating. Some of the thrifts which will benefit greatly from the Board action have recently granted hefty salary increases to their executives. At this point, I would like to include in the RECORD an American Banker list of the 100 highest paid executives at publicly held thrifts which notes salary increases.

THE 100 HIGHEST PAID EXECUTIVES AT PUBLICLY HELD THRIFTS

[1987 data compiled from proxy statements by SNL Securities Inc.]

	Compensation[1]	Percent increase
1. Thomas Spiegel, Columbia Savings, Chief Executive Officer	$4,460,000	15.5
2. Charles H. Keating Jr, American Continental Corp., Chairman	1,954,914	10.1
3. Robert R. Dockson, CalFed Inc., Chairman	1,136,233	16.5
4. James F. Montgomery, Great Western Financial, Chairman	1,128,500	4.3
5. David A. Sachs, Columbia Savings, Senior VP	1,040,000	98.1
6. George P. Rutland, CalFed Inc., President	948,894	11.6
7. Robert J. Kielty, American Continental Corp., Senior VP	873,962	17.2
8. Charles H. Keating 3d, American Continental Corp., Executive VP	863,494	7.9
9. Judy J. Wischer, American Continental Corp., President	839,693	NA
10. Richard H. Deihl, H.F. Ahmanson & Co., Chairman	837,750	7.4
11. Kenneth J. Thygerson, Imperial Corp. of America, President	806,250	7.5
12. David L. Paul, CenTrust Savings Bank, Chairman & President	761,625	39.1
13. Robert B. O'Brien Jr., Carteret Bancorp, Chairman	756,139	20.5
14. Donald L. Thomas, Anchor Savings Bank, Chairman	747,436	10.0
15. Gordon C. Luce, Great American First SB, Chairman	732,723	21.6
16. Merrill Butler, Financial Corp. of America, Executive VP	730,897	34.
17. Herbert M. Sandler, Golden West Financial, Chairman	702,134	38.8
18. Marion O. Sandler, Golden West Financial, President	695,164	36.5
19. John F. Maher, Great Western Financial, President	678,325	33.3
20. Abraham Spiegel, Columbia Savings, Chairman	660,000	14.6
21. Raymond D. Edwards, GlenFed Inc., Chairman	650,165	34.2
22. R. M. Wurzelbacher Jr., American Continental Corp., Senior VP	647,129	NA
23. William F. Ford, Broadview Savings Bank, Chairman	621,499	62.1
24. Lawrence Weissberg, Homestead Financial, Chairman & President	618,442	−39.8
25. Kim Fletcher, Home Federal Savings and Loan, Chairman	617,036	13.3
26. Thomas R. Bomar, AmeriFirst Bank FSB, Chairman	602,000	2.1
27. Theodore H. Roberts, Talman Home Federal Savings, Chairman	600,000	0.0
28. William J. Levy, County Savings Bank, Chairman	590,235	13
29. Ross B. Kenzie, Goldome FSB, Chairman	565,594	−2.1
30. Jenard M. Gross, United Financial Grp., Chairman & President	564,518	13.3
31. Mario Antoci, H.F. Ahmanson & Company, President	558,500	12.6
32. Luke A. Balone, CrossLand Savings FSB, Chairman	549,894	10.6
33. James C. Schmidt, Great America First SB, Vice Chairman	547,672	20.3
34. Frank Wille, Greater New York Savings Bank, Chairman & CEO	542,500	72.2
35. David E. Blackford, Far West Financial, President	540,882	−2.8
36. Harry W. Albright Jr., The Dime Savings Bank of NY, Chairman	540,433	1.5
37. William A. Fitzgerald, Commercial Federal Corp., President	539,982	58.8
38. William J. Popejoy, Financial Corp. of America, Chairman & President	536,617	3.0
39. Michael M. Pappas, Great Western Financial, President of Finance Div.	536,617	NA
40. Victor H. Indiek, Financial Corp. of America, Executive VP	536,275	88.0
41. Ray Martin, Coast Savings, Chairman	533,406	32.5
42. Clifford J. Piscitelli, Far West Financial, Executive VP	533,400	−36.7
43. Anthony C. La Scala, Great Western Financial, Executive VP	513,500	0.7
44. E.R. Hoffman, Great Western Financial, Executive VP	513,500	3.0
45. E. Virgil Conway, Seamen's Corp., Vice Chairman	512,000	−2.5
46. Norman M. Coulson, GlenFed Inc., Vice Chairman	503,291	48.7
47. James A. Aliber, First Federal of Michigan, Chairman	501,078	21.3
48. John R. Lakian, Merchants Cap Corp., Chairman & Co-CEO	496,752	NA
49. Albert H. Hogerson Jr., Home Owners Federal Savings, President	492,011	66.7
50. Robert F. Adelizzi, Home Federal Savings and Loan, President	489,570	17.8
51. Maurice L. Reissman, CrossLand Savings FSB, President	475,700	44.8
52. Thomas J. Owen, Perpetual Savings Bank FSB, Chairman	475,200	10.0
53. Alfred J. Hedden, CityFed Financial Corp., President	473,523	−5.2
54. Donald F. McCormick, Howard Savings Bank, Chairman	470,501	18.4
55. Walter A. McDougal, Richmond Hill Savings Bank, Chairman	466,733	138.9
56. Thomas R. Ricketts, Standard Federal Bank, Chairman & President	462,262	13.0
57. William L. Walde, Dominion Federal Savings, Chairman	460,236	1.6
58. Joseph C. Scully, St. Paul Bancorp, President	450,019	13.6
59. William Belzberg, Far West Financial, Chairman	450,000	0.1
60. Jerome R. McDougal, Apple Bank for Savings, Chairman	448,638	NA
61. Herbert J. Young, Gibraltar Financial Corp., Chairman	445,216	−19.1
62. William L. Callender, CalFed Inc., President of Subs.	435,076	29.9
63. Kent Dixon, Northeast Savings, Chairman	433,424	71.6
64. John B. Sweger, Fortune Financial Group Inc., Chairman & President	432,301	9.5
65. John W. Sapanski, Dime Savings Bank of NY, President	429,000	7.5
66. Walter D. Shealy 3d, CenTrust Savings Bank, Senior Executive VP	421,877	53.4
67. Junius F. Baxter, Western Capital Investment, Chairman	419,013	2.6
68. Robert J. Spiller, Boston Five Cents Savings Bank, Chairman	414,977	23.5
69. Philip R. Brinkerhoff, Financial Corp., Santa Barbara, Calif., Chairman & President	412,000	−36.2
70. Paul A. Willax, Empire of America, Chairman	411,899	−25.0
71. Barry Munitz, United Financial Group, Chairman Exec. Comm.	409,496	11.7
72. Kevin E. Villani, Imperial Corporation of America, Executive VP	408,000	20.0
73. Louis H. Pepper, Washington Mutual Savings Bank, Chairman	402,073	38.0
74. Paul E. Rapchak, Washington Federal Savings-DC, President of Subs.	401,432	33.8
75. John T. Morgan, American Savings Bank, Chairman	401,071	−1.5
76. David Rosenthal, Columbia Savings, Executive VP	400,000	NA
77. Donald C. Headlund, Valley Federal Savings, President	395,679	NA
78. William F. Olson, Peoples Westchester SB, Chairman & President	394,296	−5.0
79. John M. Robbins Jr., Imperial Corp. of America, Executive VP	394,197	17.6

THE 100 HIGHEST PAID EXECUTIVES AT PUBLICLY HELD THRIFTS—Continued

[1987 data compiled from proxy statements by SNL Securities Inc.]

	Compensation[1]	Percent increase
80. Paul E. Ruch, Goldome FSB, President	392,264	4.6
81. Alfred W. Archibald, The Boston Bancorp, Chairman	387,503	−9.2
82. Frederick S. Hammer, Meritor Financial Group, Chairman	383,464	−16.9
83. Larry W. Reed, Columbia Savings, Senior VP	375,000	−8.5
84. John D. Driggs, Western Savings and Loan, Chairman	372,851	−9.9
85. Gary H. Driggs, Western Savings and Loan, President	372,851	−909
86. Jack D. Burstein, American Capital Corp., President	371,912	23.0
87. Robert D. Pierson, Carteret Bancorp, Vice Chairman	369,052	13.5
88. Robert J. Mueller, Carteret Bancorp, President	369,052	13.5
89. Maurice L. McAlister, Downey Savings and Loan, President	367,765	−2.3
90. Britt Evans, Homestead Financial, Executive VP	365,561	−29.3
91. Donald R. Caldwell, Atlantic Financial Federal, President	365,510	5.1
92. Keith P. Russell Jr., GlenFed Inc., Senior Executive VP	364,499	40.4
93. Robert R. Masterton, The One Bancorp, Chairman & President	364,440	NA
94. Roger K. Lindland, Great American First SB, Senior Executive VP	363,520	33.6
95. Roy E. Weber, Great Lakes Bancorp FSB, Chairman & President	363,445	40.8
96. Richard R. Laine, The Boston Bancorp, President	363,166	−13.7
97. George Graboys, Citizens Financial Group Inc., President	360,765	4.9
98. David E. Bradbury, Co-Operative Bancorp, Chairman	360,000	NA
99. William S. Mortensen, FirstFed Financial Corp., Chairman	359,820	4.8
100. William S. Bushnell, Amoskeag Bank Shares Inc., Chairman	359,436	23.4

[1] Compensation is shown for the latest fiscal year and is annualized if paid for only a partial year. Bonus, salary, deferred compensation, and other forms of cash-equivalent compensation are shown together. Deferred compensation and bonuses, where applicable, are shown for the amount accrued during the fiscal year. Compensation does not include the premium value of stock options exercised or stock options awarded.

H.R. 5015, DROUGHT ASSISTANCE ACT OF 1988

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. HUBBARD] is recognized for 60 minutes.

Mr. HUBBARD. Mr. Speaker, on Thursday, July 28, we in the U.S. House of Representatives will have the opportunity and the responsibility to enact H.R. 5015, the Drought Assistance Act of 1988. We are all aware of the tragic situation occurring across America, and it is imperative that we pass responsible legislation that seeks to relieve those who have been devastated by the drought.

Personally, I am saddened we didn't take up this bill today prior to our leaving for a 1-week recess. H.R. 5015 is an all-encompassing act that takes steps to relieve farmers and those involved in the commodity industry and to set a precedent by implementing a national policy that ensures future relief in case of a similar situation. This legislation contains provisions to assist livestock producers, corn producers, payment limitations, advanced deficiency payments, FmHA loans, dairy price support, commodity stock adjustment, conservation and wildlife enhancement, water related projects, and rural business.

This is not legislation that can be taken lightly or put off any longer. We in the Congress must act expeditiously to enact this bill and help our ailing farm industry.

I urge my colleagues to give favorable consideration of H.R. 5015 for the sake of those crippled by this drought. We've waited too long.

The following is a summary of the major provisions of H.R. 5015:

ASSISTANCE TO LIVESTOCK PRODUCERS

Establishes a new program, effective 15 days after enactment, to replace current EFP/EFAP livestock assistance programs and authorize other forms of livestock assistance (e.g., feed donations, transportation assistance);

Extends producer eligibility to (1) those with a substantial loss of feed production and (2) producers who do not grow their own feed—for protection of foundation herds (subject to undue hardship rule of section 407) and other assistance subject to the discretion of the Secretary of Agriculture;

Eligible livestock include cattle, sheep, goats, swine, poultry (including egg producers), horses and mules (used for food or food production), fish for food, and other animals designated by the Secretary of Agriculture, that are part of a foundation herd or offspring or are purchased as a part of normal operations;

ASSISTANCE TO CROP PRODUCERS

Would provide disaster payments to any producer of annual commercial crops who lose 35 percent of their 1988 crop due to the drought;

Reduced yield and prevented planting disaster payments provided to wheat, feed grains, cotton, and rice program participants at a rate of 65 percent of the 1988 target price or 65 percent of the county loan rate for non-participants who raise program crops;

For peanuts, sugar beets, sugarcane, and tobacco producers, payments at a rate of 65 percent of the 1988 price support level;

For nonprogram crops, payments at a rate of 65 percent of the average producer market price of the last 5 years;

Crop insurance participants would receive their insurance benefits and disaster payments up to an amount that does not exceed income that would result from normal crop yield;

The program would be operated through CCC, without outlays subject to normal appropriations.

PAYMENT LIMITATIONS

For livestock producers, federal assistance could not exceed $50,000 benefits;

Combined benefits to each person (including livestock assistance) could not exceed $100,000.

ADVANCED DEFICIENCY PAYMENTS

Producers will not be required to repay advance deficiency payments on any unit of production that failed or was prevented from planting due to the drought, unless that unit of production received a disaster payment.

FMHA LOANS

The Secretary of Agriculture is directed to take steps to assist business affected by the drought by making operating loans available for 1989 production;

The Secretary of Agriculture is encouraged to aid producers affected by drought by exercising forbearance on the collection of loan proceeds, restructuring credit, and encouraging commercial lenders in FmHA to exercise forbearance before declaring loans in default.

DAIRY PRICE SUPPORT

The Secretary of Agriculture is directed to forego the 50 cents per hundred weight price support cut to occur on 1/1/89.

COMMODITY STOCK ADJUSTMENT

Producers are permitted to plant soybeans and sunflowers on not less than 10 percent nor more than 35 percent of their wheat, feed grain, upland cotton, or rice program acreage in 1989 and 1990;

Producers are permitted to designate any portion of the farm acreage base as oats base in 1989 and 1990 if the feed grain acreage reduction program requirements are less than 12.5 percent of the crop acreage base;

For the 1988 marketing year, once the release price for farmer-owned reserve loans is reached, producers could repay loans without penalty regardless of market price.

CONSERVATION AND WILDLIFE ENHANCEMENT

Encourages conservation and wildlife enhancement practices on CRP lands by refunding 25 percent of a producer's rental payments withheld on lands hayed if the producer shares (50/50) the cost of carrying out such practices.

WATER RELATED PROJECTS

The Secretary of Agriculture is authorized to make grants and provide other assistance to combat water shortages.

RURAL BUSINESS

Directs the Secretary of Agriculture, to the maximum extent possible, to assist business adversely affected by drought through the business and industry loan program.

Directs the Secretary of Agriculture to conduct a survey of Agribusiness affected by the drought.

As a Member of Congress representing 24 counties in western Kentucky and representing tens of thousands of farmers struggling and suffering this year, this month, and, yes, this day because of the unusual lack of rain this summer in our area and in most rural areas across America, I urge my House colleagues to support H.R. 5015 as we consider it in the House 2 weeks from today.

THE WOMEN'S BUSINESS OWNERSHIP ACT OF 1988

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. MCDADE] is recognized for 5 minutes.

Mr. MCDADE. Mr. Speaker, today I am pleased to introduce, together with Chairman JOHN LAFALCE, landmark legislation to foster increased entrepreneurship among women and to assist the development and growth of women-owned businesses in America. I want to commend Chairman LAFALCE for his leadership in focusing attention on women in business, exploring critical issues and problems confronting them, and developing a legislative action plan and agenda for assisting female entrepreneurs.

Women are having a profound impact on the economy as an increasing number leave their current jobs and employers to become their own bosses by starting and managing small businesses. Women's business ownership continues to expand more rapidly than ownership by men. According to one estimate based on Internal Revenue Service data, women-owned businesses grew 47 percent between 1980 and 1985. In comparison, men-owned firms grew 31 percent during the same period.

Today 3.7 million of the more than 13 million sole proprietorships naltionwide are owned by women, nearly double the 1.9 million such firms they owned 10 year ago. Female-owned businesses are making substantial contributions to the U.S. economy. It is estimated that the revenues generated by these enterprises exceed $100 billion annually. Firms started and operated by women pay approximately $37 billion in Federal taxes and contribute an additional $13 billion in combined State and local levies. Such businesses are a major source of employment for women and other Americans. According to one estimate by the U.S. Small Business Administration, one-half of all self-employed people will be women by the end of this century.

Mothers, daughters, grandmothers, wives, housewives, and single females from all strata of American society have caught the spirit and vision of entrepreneurial ownership. They are challenging anew old assumptions and shattering myths about their abilities as they meet the challenges of owning and operating businesses with determination, tenacity, and a will to succeed. They have built new-found confidence in their abilities to manage, to lead, and to achieve bottom-line results. Today's woman in business belongs to a new breed of American entrepreneur—she is a can-do, tough-minded, goal-oriented entrepreneur who also brings compassion and caring to the workplace and demonstrates concern for her employees.

As women pursue opportunities and complete, they are setting new standards of performance and are reaching for and achieving new plateaus of excellence and success. Women in business are infusing America with a new entrepreneurial energy and an infectious enthusiasm. They are literally changing the face of the American economy as they travel the high-road leading to success. Today's women in business exhibit the highest ideals and aspirations of the American tradition of free enterprise.

Our Nation is enriched by the increased participation of women in the free enterprise system. That is the purpose of the legislation that I am introducing today with Chairman LAFALCE. Government, if it is to serve, and serve it should, must facilitate the development and growth of women-owned business. Yet, it must do more. It must remove barriers that impede the development and growth of female-owned enterprises and restrain their participation in the free enterprise system. The Women's Business Ownership Act of 1988 will broaden the participation of women in business by guaranteeing opportunity and eliminating obstacles.

Our bill addresses problems and needs identified by women business owners and seeks to enhance female entrepreneurship by providing new opportunities. The bill authorizes the creation of a 3-year, $10 million program to finance public/private partnership aimed at providing management training and technical assistance to women business owners. Efforts are also made to boost their participation in Federal Government procurement programs and to increase their share of contract awards.

Barriers blocking women's access to capital and credit are addressed. A national women's business council, authorized to be created, will require the submission of a comprehensive plan of action, with specific goals and timetables, to support women in business. Furthermore, improved collection of data will ensure that Congress and the administration can adequately review the progress of the program and the women it serves.

I'd like to say to the women of this Nation that your country has a need for your talents, your expertise, and your leadership. Enactment of this legislation will ensure greater participation of women in the economic mainstream and provide more opportunity than ever before. It is my hope it will stimulate women entrepreneurship in America so that it will grow and prosper like never before.

□ 1715

NATIONAL FOREST SYSTEM DRUG ENFORCEMENT AND PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WYDEN] is recognized for 5 minutes.

Mr. WYDEN. Mr. Speaker, I rise today to take the time of the House to discuss a very serious problem, a problem that is of particular importance in our region, but also a growing problem for our country, and that is the use of our precious forest lands for the production of illegal drugs.

Mr. Speaker, I have been working very closely with the Forest Service on this matter. They have given me information that indicates that 30 percent of all domestically grown marijuana is now produced in the Federal forests.

Now what this indicates to me is in effect the Federal Government has become one of the major drug landlords in the United States as a result of our Federal forests, our precious Federal forests, being used for the production of illegal drugs.

Mr. Speaker, we have a particular problem in my home State of Oregon. We are third in the country in terms of marijuana production, also in terms of methamphetamine production, when the fact of the matter is that the forests in the Western States have become a major breeding ground of these drug criminals.

Mr. Speaker, it is easy to see why in rural and isolated areas, areas where law enforcement may face serious budget restrictions, these isolated areas are ideal places for drug criminals and drugs rings to flourish, and it seem to me that we ought to be doing everything we can at the Federal level to help local law enforcement officials fight this drug menace, but unfortunately we have the situation, as the U.S. attorney in Oregon, Mr. Charles Turner, has pointed out in a letter that I am going to be making a part of my remarks. In his letter he shows that the Forest Service is hampered in the effort to try to deal with drug activity.

In effect the Forest Service in our country, when a drug crime originates on Forest Service land, the Forest Service is not permitted to go off the land in hot pursuit or simply to do a basic investigation to follow up on the criminal activity. It is absurd that we restrict them in my view. It is a restriction that the Forest Service does not face in any other area of law enforcement; for example, if there has been a timber theft, or an arson, or a criminal problem of that nature. The Forest Service is allowed to leave Forest Service land, and follow it up and follow it up promptly, but with respect to drug activity, and particularly drug activity of the magnitude that we are seeing in this country now, the Forest Service simply cannot follow up on drug crimes which originate on the Forest Service land and then move off those lands for the criminals to carry out their activities.

I have recently introduced legislation, Mr. Speaker, the National Forest System Drug Enforcement and Protection Act, which would lift the restrictions on the Forest Service in this area and grant to specially trained Forest Service agents the power to arrest, conduct investigations, and searches and seizures off the national forest land if the drug crime does originate on the Federal system's lands.

In addition, Mr. Speaker, my bill would enhance Forest Service cooperation with State and local law enforcement groups by encouraging active cooperation in the local and regional drug task forces that we have around the country.

Now to try to get additional information to make the case for my legislation, Mr. Speaker, I requested that the Forest Service analyze the environmental impact of cannabis production in the Nation's Forest Service lands. What the Forest Service found were poisonous chemicals around these gardens, chemicals that leach into the streams and ground water and kills plants and wildlife, and in their analysis that they did for me that was just part of the damage. When these chemicals work their way into the food chain, they can also endanger the protected species that we have, like eagles which prey on smaller animals.

Now my legislation would put in place new stiff penalties for the unauthorized use of these chemicals in the Federal forests. By making it a crime to use these chemicals, we would also provide law enforcement agents with another avenue to process felons, and we would be taking a positive step toward protecting the environment against the ravages of this illegal activity.

Now, Mr. Speaker, this legislation in my view will be of great benefit to my State, but it comes at a particularly important time, and, as many of our colleagues know, the Western Governors Association recently met, and the Governors of Washington, Oregon, and Idaho all met together to announce a joint effort to try to fight drugs on the lands in their States. And it is a very logical effort, and the Governors in my view have made a very sensible step because without this joint effort what we are going to see in the West and other parts of the country is that the drug criminals will just go from State to State as they begin to find jurisdictions that may not be able to keep up with them.

So, Mr. Speaker, I think that our legislation, by giving the Federal Government the opportunity to help the States and to follow up on the ideas of the Governors, I think our legislation comes at an ideal time, and I particularly want to commend the Governor of the State of Oregon, Governor Goldschmidt, who has made the point, and I think correctly, that the Federal Government ought to be doing more, ought to be a better partner in the effort to fight drugs in the West. And I think my legislation, by giving the Forest Service these additional powers, does address exactly what Governor Goldschmidt had in mind, which is to get the Federal Government being a better partner with State law enforcement officials and particularly using those Forest Service resources to fight drugs.

Now recently I toured southern Oregon and learned more about the drug enforcement issues as they affect public lands in that part of the State. I met with one southern Oregon sheriff, Josephine County Sheriff William Arnado, who told me last summer that the market value of marijuana grown in his area is skyrocketing due to its national reputation for high quality. Sheriff Arnado estimated the street cost of Josephine County marijuana has increased by 500 percent over 1985 levels. Obviously, with marijuana so valuable, growers are going to extraordinary lengths to protect their crops.

Now Sheriff Arnado took me during that visit to his evidence room, and the array of weapons that were being used to defend these marijuana fields was enough to make any Member's blood run cold. I saw a 50-caliber antiaircraft weapon that was captured in Josephine County, OR. In one raid of a methamphetamine lab that was really very close to Federal forest lands the sheriff had seized a cache of weapons that could outfit a small army. This arsenal of 51 guns included an M-60 machinegun, an Uzi machinegun, two Browning 50-caliber M-6 machineguns, an M-14 semiautomatic rifle, a variety of automatic weapons, something like a hundred thousand rounds of ammunition and more than $100,000 in gold, silver, and currency.

Now, Mr. Speaker, when a sheriff in a small rural county is up against these kinds of odds, it seems to me that that alone demonstrates that the Federal Government ought to try to reach out to help these officials with additional assistance in fighting drugs.

I think it was best put by a local law enforcement official to me that the current situation for a local law enforcement official, particularly in the West and on the public lands, is a little bit like Godzilla trying to take on Godzilla with a fly swatter. They are just outnumbered and simply do not have the resources to keep up, and it would be clear, I think, to all our colleagues in the small rural parts of the country that the very same kind of thing that is happening in Oregon is happening in their area as well.

Now one other argument I think that makes the case for strategy that really beefs up our effort to fight drugs on these Western lands is, I am convinced, Mr. Speaker, if we can control drugs there, what we will be doing is controlling drugs at their source, and, if drugs can be controlled at their source, then the drugs do not go out from those communities and into the more populous, more metropolitan areas of the country.

So, when we ask for additional help in terms of fighting drugs on Federal lands, and in the West and in the smaller rural areas of the country, I think we are engaging in a sound antidrug, anticrime strategy for the whole country because we will have a chance to stop drugs at their source, keep them from going to the more metropolitan areas.

Now, Mr. Speaker, I am pleased to say that my legislation in its material respects has been included in several of the committee recommendations that have gone to the distinguished majority leader, the gentleman from Washington [Mr. Foley], for consideration. As the Speaker knows, we are now in the business of looking at the variety of recommendations that have come from the various committees. The Committee on Agriculture has been very helpful in the consideration of this, and I want to commend the gentleman from Missouri [Mr. Volkmer], in particular, and the gentleman from Minnesota [Mr. Vento], the Interior Committee chairman, who has been very helpful. Our colleague from New Jersey, Mr. Hughes, who chairs the Subcommittee on Crime in the Committee on the Judiciary has been most helpful, and in most material respects my legislation has received accommodation from the leaders from three of our principal committees, the Committee on Agriculture, the Commitee on the Interior, and the Committee on the Judiciary.

So, Mr. Speaker, I am very hopeful that in the final consideration of the drug legislation, when we move to consider it on this floor, we will pass the National Forest System Drug Enforcement and Protection Act. The legislation in my view is a cost-effective step. We will be doing a little more than giving the Forest Service the ability to follow up promptly on drug violations by having the same sort of powers that they have for any other criminal activity that originates on Federal forest lands.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Hutto (at the request of Mr. Foley), after 2:30 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Bateman) to revise and extend their remarks and include extraneous material:)

Mr. Bateman, for 5 minutes, today.

Mr. Walker, for 5 minutes, today.

Mrs. Bentley, for 60 minutes, on July 28.

Mrs. Bentley, for 60 minutes, on August 2.

Mrs. Bentley, for 60 minutes, on August 3.

Mrs. Bentley, for 60 minutes, on August 4.

Mrs. Bentley, for 60 minutes, on August 8.

Mrs. Bentley, for 60 minutes, on August 9.

Mrs. Bentley, for 60 minutes, on August 10.

Mrs. Bentley, for 60 minutes, on August 11.

(The following Members (at the request of Mr. Gonzalez) to revise and extend their remarks and include extraneous material:)

Mr. Stark, for 5 minutes, today.

Mr. Vento, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Fascell, for 5 minutes, today.

Mr. LaFalce, for 15 minutes, today.

Mr. Kleczka, for 10 minutes, today.

Mr. Hubbard, for 60 minutes, today.

Mr. Dyson, for 60 minutes, today.

(The following Member (at the request of Mr. Hubbard) to revise and extend their remarks and include extraneous material:)

Mr. McDade, for 5 minutes, today.

(The following Member (at his own request) to revise and extend their remarks and include extraneous material:)

Mr. Wyden, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Bateman) and to include extraneous material:)

Mr. Oxley in two instances.
Mr. Gunderson.
Mr. Crane in five instances.
Mr. Denny Smith.
Mr. Ritter in two instances.
Mr. Buechner.
Mr. Conte.
Mr. Rowland of Connecticut.
Ms. Snowe.
Mr. Tauke.
Mr. Emerson.
Mr. Kemp.
Mr. Wylie.
Mr. Gradison.
Mr. Dornan of California.
Mr. Roth.
Mr. Hefley.
Mr. Young of Alaska.
Mr. Shumway.
Mr. Hammerschmidt.
Mr. Gilman in two instances.
Mr. Mack.
Mr. Miller of Ohio in three instances.
Mr. Smith of New Jersey.
Mr. Thomas of California.
Mr. Schuette.
Mrs. Bentley.

(The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:)

Mr. Rostenkowski.
Mrs. Kennelly.
Mr. Richardson.
Mr. Fascell in two instances.
Mr. Dwyer of New Jersey.
Mr. Hawkins.
Mr. Murtha.
Mr. Hubbard.
Mr. Kleczka.
Mr. Markey.
Mr. Levine of California.
Mr. Berman.
Mr. Tallon.
Mr. Rahall.
Mr. Yatron.
Mr. Atkins.
Mr. Dorgan of North Dakota.
Mr. Traficant.
Mr. Tallon.
Mr. Lantos.
Mr. Stokes.
Mr. Sikorski.
Mr. Skaggs.
Mr. Ackerman.
Mr. LaFalce.
Mr. Panetta.
Mr. Grant.
Mr. Mavroules.
Mr. Smith of Florida in two instances.
Mr. Matsui.
Mr. Fazio.
Mr. Feighan.
Mr. Torricelli.
Mr. Borski.
Mr. Fazio.

ADJOURNMENT TO TUESDAY, JULY 26, 1988

Mr. WYDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Concurrent Resolution 335 of the 100th Congress, the House stands adjourned until 12 noon, Tuesday, July 26, 1988.

(Thereupon (at 5 o'clock and 28 minutes p.m.), pursuant to House Concurrent Resolution 335, the House adjourned until Tuesday, July 26, 1988, at 12 noon.)

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4000. A letter from the Acting Director, Defense Security Assistance Agency; transmitting notification of the Department of the Air Force's proposed letter(s) of offer to the United Kingdom for defense articles estimated to cost $50 million or more (Transmittal No. 88-32), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

4001. A letter from the Deputy Secretary of Defense, transmitting notification of the transfer of funds in support of the Nicaraguan Democratic Resistance, pursuant to 10 U.S.C. 114 nt.; to the Committee on Armed Services.

4002. A letter from the Secretary of Education, transmitting a copy of final regulations for the Educational Research Grant Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

4003. A letter from the Inspector General, Department of the Treasury, transmitting a copy of an Internal Revenue Service internal audit report entitled, "Review of Reimbursable Superfund Costs—Fiscal Years 1984 through 1987," pursuant to 31 U.S.C. 7501 nt.; to the Committee on Energy and Commerce.

4004. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to the United Kingdom for defense articles and services, with the annex thereto (Transmittal No. 88-32), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

4005. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 88-17 finding that the furnishing, sale and/or lease of defense articles and services to the Government of Sao Tome and Principe will strengthen the security of the United States and promote world peace; accompanying memorandum of justification, pursuant to AECA section 3(a); to the Committee on Foreign Affairs.

4006. A communication from the President of the United States, transmitting a report on the July 12, 1988, actions between United States Forces and Iranian small boats in the Persian Gulf (H. Doc. No. 100-213); to the Committee on Foreign Affairs and ordered to be printed.

4007. A letter from the Secretary of Labor, transmitting notification of the determination that it is in the public interest to make a proposed contract award to the International Union of Operating Engineers without obtaining full and open competition, pursuant to 41 U.S.C. 252(c)(7); to the Committee on Government Operations.

4008. A letter from the Chief, Forest Service, Department of Agriculture, transmitting the boundary description and classification of the Saline Bayou Wild and Scenic River within the Kisatchie National Forest, LA; pursuant to 16 U.S.C. 1271-1287; to the Committee on Interior and Insular Affairs.

4009. A letter from the Executive Vice President, Non Commissioned Officers Association of the U.S.A., transmitting the annual report of the association, including financial statements, calendar year 1987, pursuant to Public Law 100-281; to the Committee on the Judiciary.

4010. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the monetary policy report of the Board, pursuant to 12 U.S.C. 225a; jointly, to the Committees on Banking, Finance and Urban Affairs and Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BONIOR: Committee on Rules. House Resolution 498. A resolution providing for the consideration of House Resolution 497, a resolution condemning the Government of Nicaragua's antidemocratic actions, calling for compliance with the Esquipulas II and Sapoa accords, and urging both sides to the Nicaraguan conflict to return to negotiations (Rept. 100-775). Referred to the House Calendar.

Mr. Kastenmeier: Committee on the Judiciary. H.R. 4310. A bill to extend for an additional 5-year period certain provisions of title 17, United States Code, relating to the rental of sound recordings; with amendments (Rept. 100-776). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1855. A bill to amend the Public Health Service Act to extend programs for health information and health promotion; with an amendment (Rept. 100-777). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1861. A bill to amend the Public Health Service Act to extend the program of block grants for preventive health and health services, and for other purposes; with an amendment (Rept. 100-778). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 4872. A bill to establish education and prevention programs relating to the illicit use of drugs by youth; with an amendment (Rept. 100-779). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 795. A bill to provide for the settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians in San Diego County, California, and for other purposes; with an amendment (Rept. 100-780). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of Rule X the following action was taken by the Speaker:

H.R. 4519. The Committees on Education and Labor and Merchant Marine and Fisheries discharged from further consideration of H.R. 4519; H.R. 4519 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSE:

H.R. 5042. A bill to provide Federal recognition for the Lumbee Tribe of North Carolina; to the Committee on Interior and Insular Affairs.

By Mr. FRANK (for himself, Mr. Glickman, Ms. Kaptur, Mr. Wolpe, Mr. Morrison of Connecticut, Mr. Cardin, Mr. Shaw, Mr. Nagle, Mr. Bryant, Mr. Shays, Mr. Spratt, Mr. Carper, Mr. DioGuardi, Mr. Coleman of Texas, and Mr. Sharp):

H.R. 5043. A bill to amend section 207 of title 18, United States Code, relating to restrictions on post-employment activities; to the Committee on the Judiciary.

By Mr. GONZALEZ:

H.R. 5044. A bill to establish a tax on short-term capital gains, and for other purposes; to the Committee on Ways and Means.

By Mr. GILMAN:

H.R. 5045. A bill to amend the Internal Revenue Code of 1986 to increase the excise taxes on wine, beer, and cigarettes in order to provide increased revenues to combat drug trafficking, substance abuse, and other related activities; jointly, to the Committees on Ways and Means, Education and Labor, the Judiciary, and Energy and Commerce.

By Mr. VENTO (for himself and Mrs. Saiki):

H.R. 5046. A bill to alleviate homelessness by expanding and preserving the supply of permanent, affordable, and decent housing; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BERMAN:

H.R. 5047. A bill to amend title 31, United States Code, relating to false claims; to the Committee on the Judiciary.

By Mrs. BOXER (for herself and Mr. Bennett):

H.R. 5048. A bill to establish an Independent Procurement Corps to research, develop, and produce major weapon systems for the Department of Defense and to establish an Office of Inspector General to oversee such Corps; to the Committee on Armed Services.

By Mr. BROOKS (by request):

H.R. 5049. A bill to amend section 603(a) of the Federal Property and Administrative Services Act of 1949 to authorize the expenditure of moneys for official reception and representation expenses; to the Committee on Government Operations.

By Mr. LaFALCE (for himself, Mr. McDade, Mrs. Schroeder, Mr. Conte, Mrs. Boggs, Ms. Snowe, Mr. Coelho, Mr. Gonzalez, Mr. Ireland, Mr. Skelton, Mrs. Meyers of Kansas, Mr. Mazzoli, Mr. Mavroules, Mr. Hatcher, Mr. Wyden, Mr. Eckart, Mr. Sisisky, Mr. Torres, Mr. Cooper, Mr. Olin, Mr. Ray, Mr. Hayes of Illinois, Mr. Conyers, Mr. Bilbray, Mr. Mfume, Mr. Gallo, Mr. Flake, Mr. Lancaster, Mr. Campbell, Mr. DeFazio, Mr. Price, Mr. McMillan of North Carolina, Mr. Martinez, Mr. Neal, Mr. Vento, Ms. Oakar, Mr. Kastenmeier, Mrs. Johnson of Connecticut, Mr. Dannemeyer, Mr. Lowry of Washington, Mr. Matsui, Mr. Ritter, Mr. Wolpe, Mr. Denny Smith, Mr. Biaggi, Mrs. Kennelly, Mr. Konnyu, Mrs. Boxer, Mr. Fuster, Mr. Fauntroy, Mr. Mica, Mr. Murphy, Mr. Williams, Mr. Dwyer of New Jersey, Mrs. Lloyd, Mr. Jeffords, Mr. Yates, Mr. Bonker, Mr. Sabo, Mr. Holloway, Mr. Shays, Mrs. Martin of Illinois, Mrs. Morella, Mr. Weiss, Ms. Kaptur, Mr. Edwards of Oklahoma, Mr. Evans, and Mr. St Germain):

H.R. 5050. A bill to amend the Small Business Act to establish programs and initiate efforts to assist the development of small business concerns owned and controlled by women and for other purposes; to the Committee on Small Business.

By Mr. DINGELL (for himself, Mr. Bliley, Mr. Wyden, Mr. Lent, Mr. Eckart, Mr. Coats, Mr. Slattery, Mr. Oxley, Mr. Sikorski, Mr. Bilirakis, Mr. Boucher, Mr. Cooper, Mr. Thomas A. Luken, Mr. Walgren, Mr. Waxman, Mr. Madigan, Mr. Sharp, Mr. Markey, Mr. Swift, Mrs. Collins, Mr. Synar, Mr. Hall of Texas, Mr. Richardson, Mr. Bryant, Mr. Bates, Mr. Bruce, Mr. Akaka, Mr. Archer, Mr. Atkins, Mr. Barnard, Mrs. Bentley, Mrs. Boxer, Mr. Clay, Mr. de Lugo, Mr. Fazio, Mr. Garcia, Mr. Houghton, Mrs. Johnson of Connecticut, Ms. Kaptur, Mr. Kleczka, Mr. Lancaster, Mr. Lehman of Florida, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lewis of Georgia, Mr. Martinez, Ms. Oakar, Ms. Pelosi, Mr. Schuette, and Mr. Wolpe):

H.R. 5051. A bill to require that certain fasteners sold in commerce conform to the specifications to which they are represented to be manufactured and to provide for the approval of accreditation systems for laboratories testing fasteners sold in commerce; jointly, to the Committees on Energy and Commerce, and Science, Space, and Technology for consideration of such provisions of section 3(d) as fall within the jurisdiction of that committee pursuant to clause 1(r)(2) of rule X.

By Mr. BROOKS (by request):

H.R. 5052. A bill to amend title 31 of the United States Code to provide for a transfer of control of the General Accounting Office Building and to improve the administration of the General Accounting Office; jointly, to the Committees on Government Operations and Public Works and Transportation.

By Mr. BRUCE:

H.R. 5053. A bill to permit changes in the maximum lawful price for the sale of old Outer Continental Shelf natural gas; to the Committee on Energy and Commerce.

By Mr. CLAY:

H.R. 5054. A bill to establish an Equal Employment Opportunity Appeals Board in the Library of Congress; to the Committee on House Administration.

By Mr. COOPER (for himself, Mr. Jones of Tennessee, Mr. Quillen, Mrs. Lloyd, Mr. Gordon, Mr. Clement, Mr. Flippo, Mr. Ford of Tennessee, Mr. Hubbard, and Mr. Dowdy of Mississippi):

H.R. 5055. A bill to provide that employees of the Tennessee Valley Authority who are covered by a collective bargaining agreement shall not be subject to any regulations which take employee efficiency or performance ratings into account in determining the order of retention of competing employees in a reduction in force; to the Committee on Post Office and Civil Service.

By Mr. de la GARZA (for himself, Mr. Madigan, Mr. Brown of California, Mr. Stenholm, Mr. Roberts, and Mr. Jeffords):

H.R. 5056. A bill to authorize agricultural research programs, improve the operations of the National Agricultural Library, and for other purposes; jointly, to the Committees on Agriculture and Merchant Marine and Fisheries.

By Mr. FAZIO (for himself and Mr. Matsui):

H.R. 5057. A bill to provide for flood protection along the Sacramento River, and for other purposes; jointly, to the Committees on Public Works and Transportation and Interior and Insular Affairs.

By Mr. GREEN:

H.R. 5058. A bill to amend the Rivers and Harbors Act of 1965 relating to the navigability of a portion of the East River, NY; to the Committee on Public Works and Transportation.

By Mr. HARRIS:

H.R. 5059. A bill to quiet title and possession with respect to a certain private land claim in Sumter County, AL; to the Committee on Interior and Insular Affairs.

By Mr. HAWKINS:

H.R. 5060. A bill to extend coverage under certain Federal labor laws to employees of the Congress, to provide for the enforcement of such coverage by the establishment of the Legislative Branch Employment Relations Board, and for other purposes; jointly, to the Committees on Education and Labor and House Administration.

By Mr. HERGER (for himself and Mr. Carr):

H.R. 5061. A bill to amend title 18, United States Code, to provide penalties for persons interfering with the operations of computers through the use of programs containing hidden commands that can cause harm, and for other purposes: to the Committee on the Judiciary.

By Mr. HOCHBRUECKNER (for himself, Mr. Downey of New York, Mr. Mrazek, and Mr. DioGuardi):

H.R. 5062. A bill to amend the Public Health Service Act to establish a program of grants to the States for the purpose of providing for research and treatment with respect to Lyme disease; to the Committee on Energy and Commerce.

By Mrs. KENNELLY:

H.R. 5063. A bill to amend the Internal Revenue Code of 1986 with respect to the limitation on the standard deduction in the case of certain dependents; to the Committee on Ways and Means.

By Mr. KLECZKA:

H.R. 5064. A bill to amend the Export-Import Bank Act of 1945, as amended, to allow full and free transferability of loans guaranteed prior to October 15, 1986; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KOSTMAYER:

H.R. 5065. A bill to authorize the appropriation of funds from the land and water conservation fund for State farm land and open space preservation programs; to the Committee on Interior and Insular Affairs.

By Mr. KYL (for himself, Mr. Udall, and Mr. Rhodes):

H.R. 5066. A bill to modify a portion of the south boundary of the Salt River Pima-Maricopa Indian Reservation in Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LaFALCE:

H.R. 5067. A bill to amend the Real Estate Settlement Procedures Act of 1974 to establish requirements for transfers of the servicing of residential mortgage loans and the administration of escrow accounts for payment of taxes and insurance with respect to property securing any mortgage loan, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LIPINSKI (for himself and Mr. Evans):

H.R. 5068: A bill to amend title 38, United States Code, to provide for the tolling of delimiting periods for receipt of veterans' educational benefits in the case of certain veterans with an alcohol or drug dependence or abuse condition; to the Committee on Veterans' Affairs.

By Mr. LOWRY of Washington:

H.R. 5069. A bill to establish a 12-mile territorial sea and a 24-mile contiguous zone, to establish the National Oceans Policy Commission, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, Foreign Affairs, and the Judiciary.

By Mr. LOWRY of Washington (for himself and Mr. Jones of North Carolina):

H.R. 5070. A bill to establish the National Oceanic and Atmospheric Administration as an independent agency of the Government, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, and Science, Space, and Technology.

By Mr. McEWEN:

H.R. 5071. A bill to amend the Agricultural Adjustment Act of 1938 to provide that poundage carryovers may continue for up to 3 years; to the Committee on Agriculture.

H.R. 5072. A bill to establish a national commission to study the Federal Crop Insurance Program; to the Committee on Agriculture.

By Mr. MINETA (for himself, Mr. Anderson, Mr. Hammerschmidt, Mr. Oberstar, Mr. Gingrich, Mr. Kleczka, and Mr. Glickman):

H.R. 5073. A bill to amend the Federal Aviation Act of 1958 to provide protection for aviation whistleblowers; to the Committee on Public Works and Transportation.

By Mr. MOLINARI:

H.R. 5074. A bill to amend the Federal Water Pollution Control Act to require funding for the Interstate Sanitation Commission established by New York, New Jersey, and Connecticut; to the Committee on Public Works and Transportation.

By Mrs. MORELLA (for herself, Mr. Montgomery, Mr. Burton of Indiana, Mr. Yatron, Mr. Young of Alaska, Mr. Bevill, Mr. Bustamante, Mr. Rahall, Mr. Gonzalez, Mr. Myers of Indiana, Mr. Mfume, Mr. Darden, Mr. Robinson, Mr. McCurdy, Mr. Fazio, Mr. Kanjorski, Mr. Shumway, Mr. Coats, Mr. Miller of Ohio, Mr. Hunter, Mr. Harris, Mr. Chapman, Mr. Chappell, and Mr. Petri):

H.R. 5075. A bill to amend title 5, United States Code, to provide relief from certain inequities remaining in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; jointly, to the Committees on Post Office and Civil Service and Armed Services.

By Mr. MURPHY:

H.R. 5076. A bill to provide relief to farmers in drought-stricken areas; to the Committee on Agriculture.

H.R. 5077. A bill to fund drought relief and related programs by transferring to the Secretary of Agriculture amounts made available from reduced costs of storing agricultural commodities due to distribution by the Commodity Credit Corporation of such commodities through a voucher program of aid to farmers affected by drought; to the Committee on Agriculture.

By Mr. NIELSON of Utah (for himself and Mr. Fields):

H.R. 5078. A bill to require the Federal Communications Commission to prescribe standards for compatibility of mobile radio systems for public safety uses, and for other purposes; to the Committee on Energy and Commerce.

By Mr. RAHALL (for himself, Mr. Staggers, and Mr. Wise):

H.R. 5079. A bill to amend the National Parks and Recreation Act of 1978 to authorize certain facilities at the New River Gorge National River in West Virginia; jointly, to the Committees on Interior and Insular Affairs, and Public Works and Transportation.

By Mr. ROSTENKOWSKI:

H.R. 5080. A bill to amend the Public Health Service Act to make technical corrections in the continuation coverage requirements of group health plans; to the Committee on Energy and Commerce.

By Mr. SAXTON (for himself, Mr. Hughes, Mr. Lowry of Washington, Mr. Studds, and Miss Schneider):

H.R. 5081. A bill to amend the Federal Water Pollution Control Act relating to ocean discharge criteria; jointly, to the Committees on Public Works, and Transportation and Merchant Marine and Fisheries.

By Mr. SHUMWAY:

H.R. 5082. A bill to amend the National Trails System Act to designate the California National Historic Trail and Pony Express National Historic Trail as components of the National Trails System; to the Committee on Interior and Insular Affairs.

By Mr. SLATTERY:

H.R. 5083. A bill to amend the Internal Revenue Code of 1986 to provide that the occupational tax on distilled spirits plants shall not apply to small distilled spirits plants exclusively producing alcohol for fuel use; to the Committee on Ways and Means.

By Mr. SOLOMON:

H.R. 5084. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest paid on education loans and to exclude from gross income the portion of a scholarship which covers living expenses while away from home; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 5085. A bill to amend title XVIII of the Social Security Act to provide for the application of certain standards to the certification of long-term care insurance policies, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. STENHOLM (for himself, Mr. Gekas, Mr. Jeffords, Mr. Foley, Mr. Huckaby, Mr. Glickman, Mr. Tallon, Mr. Roberts, Mr. Jontz, Mr. Grandy, Mr. Harris, Mr. Lancaster, Mr. Dickinson, Mr. McDade, Mr. Denny Smith, Mr. Boehlert, Mr. Nichols, and Mr. Robert F. Smith):

H.R. 5086. A bill to amend the Packers and Stockyards Act, 1921, to provide financial protection to egg producers and egg handlers; to the Committee on Agriculture.

By Mr. TRAFICANT:

H.R. 5087. A bill to amend the Hazardous Materials Transportation Act relating to transportation of hazardous materials in the vicinity of bodies of water which serve as sources of drinking water, and for other purposes; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

By Mr. WATKINS:

H.R. 5088. A bill to provide for the use and distribution of funds awarded the Seminole Indians in dockets 73, 151, and 73-A of the Indian Claims Commission; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Alaska (for himself, Mr. Davis of Michigan, Mr. Jones of North Carolina, and Mr. Vander Jagt):

H.R. 5089. A bill entitled, the "Coast Guard Environmental Compliance Act"; to the Committee on Merchant Marine and Fisheries.

By Mr. BUECHNER:

H.J. Res. 611. Joint resolution designating the week beginning on January 8, 1989, as "National Journalism Education Week"; to the Committee on Post Office and Civil Service.

By Mr. EMERSON:

H.J. Res. 612. Joint resolution to designate February 12, 1989, as "World Marriage Day"; to the Committee on Post Office and Civil Service.

By Mr. GUNDERSON (for himself, Mr. Bonior of Michigan, Mrs. Roukema, Mr. Conte, Mr. Pepper, Mr. Coelho, Mr. de Lugo, Mr. Coleman of Texas, Mr. Espy, Mr. Manton, Mr. Lagomarsino, Mr. Perkins, Mr. Atkins, Mr. Horton, Mr. Roe, Mr. Jeffords, Mr. Wolf, Mr. Ravenel, Mr. Nichols, Mr. Tauke, Mr. McGrath, Mr. Kolter, Mr. Hughes, Ms. Slaughter of New York, Mr. Hansen, Mr. Brown of California, Mr. Dwyer of New Jersey, Mrs. Boxer, Mr. Dowdy of Mississippi, Mrs. Collins, Mr. Weldon, Mr. Henry, Mr. Wortley, Mr. Solomon, Mr. Smith of Texas, Mr. Vander Jagt, Mr. Young of Alaska, Mr. Quillen, Mr. Lipinski, Mrs. Bentley, Mr. Lungren, Mr. Green, Mr. Chapman, Mr. Shaw, Mr. Owens of New York, Mrs. Patterson, and Mr. Rogers):

H.J. Res. 613. Joint resolution designating the week beginning March 7, 1989, as "Deaf Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. INHOFE:

H.J. Res. 614. Joint resolution designating the week beginning March 19, 1989, as "National Merit Shop Pride and Productivity Week"; to the Committee on Post Office and Civil Service.

By Mr. McEWEN (for himself and Mr. Fish):

H.J. Res. 615. Joint resolution commemorating the centennial of the completion of the Old Executive Office Building in the District of Columbia; to the Committee on Post Office and Civil Service.

By. Ms. PELOSI (for herself, Mr. Atkins, Mrs. Bentley, Mr. Berman, Mr. Bevill, Mr. Biaggi, Mr. Borski, Mr. Bosco, Mr. Boucher, Mrs. Boxer, Mr. Brown of Colorado, Mr. Clay, Mr. Clement, Mr. Coelho, Mr. Daub, Mr. DeFazio, Mr. de la Garza, Mr. Derrick, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Dyson, Mr. Edwards of Oklahoma, Mr. Evans, Mr. Fazio, Mr. Foglietta, Mr. Foley, Mr. Frenzel, Mr. Garcia, Mr. Gordon, Mr. Gray of Illinois, Mr. Green, Mr. Hansen, Mr. Hayes of Illinois, Mr. Hayes of Louisiana, Mr. Horton, Mr. Hoyer, Mr. Hughes, Mr. Hyde, Mr. Jeffords, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Lagomarsino, Mr. Lancaster, Mr. Lantos, Mr. Lehman of Florida, Mr. Levin of Michigan, Mrs. Lloyd, Mr. Lungren, Mr. McCloskey, Mr. Manton, Mr. Markey, Mr. Matsui, Mr. Miller of California, Mr. Murphy, Ms. Oakar, Mr. Owens of New York, Mr. Owens of Utah, Mr. Panetta, Mr. Pashayan, Mr. Pepper, Mr. Rangel, Mr. Roe, Mr. Sunia, Mr. Towns, Mr. Wyden, Mr. Kostmayer, and Mr. Lehman of California.

H.J. Res. 616. Joint resolution designating October 16 through 22, 1988, as "National Poetry Week"; to the Committee on Post Office and Civil Service.

By Mr. ROYBAL:

H.J. Res. 617. Joint resolution to congratulate the Government of Malta for the establishment of the U.S. International Institute on Aging; to the Committee on Foreign Affairs.

By Mr. SHUMWAY:

H.J. Res. 618. Joint resolution designating the week of November 8 through November 14, 1988, as "National Community Care Week"; to the Committee on Post Office and Civil Service.

By Ms. SLAUGHTER of New York (for herself and Mr. Miller of California):

H.J. Res. 619. Joint resolution designating October 1988 as "National Domestic Violence Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. YATRON (for himself, Mr. Crockett, Mr. Lagomarsino, Mr. Fascell, Mr. Broomfield, Mr. Hamilton, Mr. Gilman, Mr. Solarz, Mr. Weiss, Mr. Bereuter, Mr. Bonker, Mr. Smith of New Jersey, Mr. Lantos, Mr. Miller of Washington, Mr. Gejdenson, Mr. Wolpe, Mr. Atkins, Mr. Feighan, Mr. Torricelli, Mr. Kostmayer, Mr. Ackerman, Mr. Owens of Utah, Mr. Sunia, Mr. Blaz, Mr. Leach of Iowa, Mr. Bilbray, Mr. Levine of California, Mr. DeWine, Mr. Fuster, Mr. Berman, Mr. Richardson, Mr. Studds, Mr. Smith of Florida, and Mr. Mica):

H.J. Res. 620. Joint resolution expressing the support of the United States for the restoration of full and genuine democracy in Chile and calling upon the Government of Chile to take the steps necessary to assure that the will of the Chilean people is freely, fully, and accurately expressed in the upcoming plebiscite; to the Committee on Foreign Affairs.

By Mr. ASPIN:

H. Con. Res. 338. Concurrent resolution directing the Clerk of the House of Representatives to make technical corrections in the enrollment of the bill H.R. 4264; considered and agreed to.

By Mr. DINGELL (for himself, Mr. Tauke, Mr. Swift, Mr. Lott, Mr. Slattery, Mr. Madigan, Mr. Dowdy of Mississippi, Mr. Oxley, Mr. Matsui, and Mr. Nielson of Utah):

H. Con. Res. 339. Concurrent resolution calling for the full participation of American industry in the provision of telecommunications equipment and services, jointly to the Committees on Energy and Commerce and the Judiciary.

By Mr. SOLOMON:

H. Con. Res. 340. Concurrent resolution requiring that the pledge of allegiance to the U.S. flag be rendered in the Hall of the House at the start of each legislative day; to the Committee on Rules.

By Mr. CONYERS (for himself, Mr. Edwards of California, Mr. Synar, Mr. Boucher, Mr. Bryant, Mr. Gekas, Mr. Fish, and Mr. Swindall):

H. Res. 499. Resolution impeaching Alcee L. Hastings, judge of the U.S. District Court for the Southern District of Florida, for high crimes and misdemeanors; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

438. By the SPEAKER: Memorial of the General Assembly of the State of Ohio, relative to the McCarran-Ferguson Act; to the Committee on the Judiciary.

439. Also, memorial of the Legislature of the State of Louisiana, relative to congressional pay; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 341: Mr. Erdreich.

H.R. 1512: Mr. Clarke, Mr. Levine of California, Mr. Moody, and Miss Schneider.

H.R. 2036: Mr. Sunia.

H.R. 2640: Mr. Ford of Tennessee and Mr. Packard.

H.R. 3045: Mr. McEwen.

H.R. 3132: Mr. Schumer.

H.R. 3241: Mr. Borski.

H.R. 3250: Mr. Skelton.

H.R. 3314: Mr. Borski and Mr. Anderson.

H.R. 3345: Mr. Neal and Mr. Grant.

H.R. 3348: Mr. Davis of Michigan.

H.R. 3588: Mr. Jacobs and Mr. McCollum.

H.R. 3633: Mr. Feighan.

H.R. 3654: Mr. Blaz, Mrs. Bentley, Mr. Dannemeyer, and Mr. Green.

H.R. 3723: Mr. Volkmer.

H.R. 3726: Mr. Wise, Mr. Darden, Mr. Hatcher, Mr. Slattery, and Mr. McMillan of North Carolina.

H.R. 3845: Mr. Feighan.

H.R. 3957: Mr. Foglietta, Mr. Weldon, and Mr. Gray of Pennsylvania.

H.R. 3978: Mr. Berman, Mrs. Boxer, Mr. Fauntroy, Mr. Leland, Mr. Mica, Mr. Mrazek, and Mr. Stark.

H.R. 4024: Mr. Kastenmeier.

H.R. 4037: Mr. Feighan.

H.R. 4093: Mr. Wyden.

H.R. 4142: Mr. Boehlert and Ms. Kaptur.

H.R. 4156: Mr. Schuette and Mr. Bryant.

H.R. 4190: Mr. Conte.

H.R. 4221: Mr. Crockett and Mr. McEwen.

H.R. 4250: Mr. Saxton.

H.R. 4277: Mr. Weldon, Mr. Martinez, Mr. Hawkins, and Mr. Moakley.

H.R. 4280: Mr. Kolbe.

H.R. 4400: Mr. Ireland, Mr. Wylie, Mr. Dornan of California, and Mrs. Morella.

H.R. 4462: Mr. Ireland.

H.R. 4463: Mr. Eckart.

H.R. 4498: Mr. McHugh.

H.R. 4514: Mr. Hefley.

H.R. 4531: Mr. Packard and Mr. Smith of New Hampshire.

H.R. 4575: Mr. Sabo, Mr. Atkins, and Ms. Kaptur.

H.R. 4576: Mr. Atkins, Mr. de Lugo, and Mr. Shays.

H.R. 4640: Mr. Mineta, Mr. McCloskey, and Mr. Swift.

H.R. 4657: Mr. Staggers.

H.R. 4661: Mr. Fascell.

H.R. 4664: Mr. Atkins and Mr. Kolter.

H.R. 4680: Mr. Atkins.

H.R. 4707: Mr. Jontz and Mr. Schuette.

H.R. 4743: Mr. Atkins.

H.R. 4744: Mr. DioGuardi and Mr. Shaw.

H.R. 4876: Mr. Donald E. Lukens.

H.R. 4877: Mr. Donald E. Lukens.

H.R. 4902: Mr. Traficant, Mr. Hayes of Illinois, Mr. Morrison of Connecticut, Mr. Porter, and Mr. Conyers.

H.R. 4904: Mr. Penny, Mr. Coelho, Mr. Smith of Florida, Mr. Murphy, Mr. Horton, Mr. Wise, Mr. Fazio, Mr. Pepper, Mr. Martinez, Mr. Lantos, Mr. Grandy, Mrs. Collins, Mr. Atkins, Mr. Goodling, Mr. McDade, Mr. Sawyer, and Mr. Markey.

H.R. 4918: Mr. Beilenson, Mr. Bereuter, Mr. Cardin, Mr. Crockett, and Mr. Ray.

H.R. 4956: Mr. Sharp, Mr. Studds, Mr. Hayes of Illinois, Mrs. Collins, Mr. Edwards of Oklahoma, Mr. Atkins, Mr. Bates, Mr. Fauntroy, Mr. Dwyer of New Jersey, Mr. Schuette, and Mrs. Meyers of Kansas.

H.R. 4992: Mr. Jontz, Mrs. Collins, Mr. Matsui, Mr. Sabo, Mr. Frank, and Mr. Fazio.

H.R. 5001: Mr. Manton and Mr. Gallo.

H.R. 5015: Mr. Durbin, Ms. Kaptur, Mr. Perkins, Mr. Jenkins, Mr. Gordon, Mr. Rowland of Georgia, Mr. Dyson, Mr. Smith of Texas, Mr. Traficant, Mr. Clarke, Mr. Sundquist, Mr. Gradison, Mr. Eckart, and Mr. McEwen.

H.R. 5041: Mr. Kostmayer, Mr. Smith of Florida, Mrs. Bentley, and Ms. Snowe.

H.J. Res. 152: Mr. AuCoin, Mr. Lujan, and Mr. Mavroules.

H.J. Res. 330: Mr. Guarini, Mr. Green, Mr. Foglietta, Mr. Waxman, Mr. McCloskey, Mr. Owens of New York, Mr. Richardson, Mr. Yatron, Mr. Shays, Mr. Jacobs, Mr. Pepper, Mr. Harris, Mr. Pashayan, Mr. Lewis of Georgia, Mr. Denny Smith, Mr. Dicks, Mr. Courter, Mr. Russo, and Mrs. Morella.

H.J. Res. 360: Mr. Rowland of Connecticut, Mr. Weiss, Mr. Baker, and Mr. Moakley.

H.J. Res. 441: Mr. Sawyer, Mr. Valentine, Mr. Bennett, Mr. Hoyer, Mr. Clay, Mr. Matsui, Mr. Wolf, and Mr. Dornan of California.

H.J. Res. 464: Mr. PORTER, Mr. PAYNE, Mr. MACKAY, Mr. BUSTAMANTE, Mr. MCDADE, Mr. LANCASTER, Mr. ROSE, and Mr. COLEMAN of Texas.

H.J. Res. 488: Mr. TAUKE, Mr. CROCKETT, Mrs. LLOYD, Mr. LELAND, Mr. SMITH of Texas, Mr. CALLAHAN, Mr. GEKAS, Mr. DURBIN, Mr. LEWIS of Florida, Mr. MCCOLLUM, Ms. SNOWE, and Mr. BROOMFIELD.

H.J. Res. 540: Mr. ATKINS, Mr. BUNNING, and Mr. BURTON of Indiana.

H.J. Res. 550: Mr. HAYES of Illinois, Mr. AKAKA, Mrs. BOXER, Mr. BIAGGI, Ms. PELOSI, Mrs. COLLINS, Mr. LEVIN of Michigan, Mr. RANGEL, Mr. HORTON, Ms. SLAUGHTER of New York, Mr. TOWNS, Ms. KAPTUR, Mr. LOWRY of Washington, Mr. DYMALLY, Mr. BERMAN, Mr. LANCASTER, Mr. ROE, Mrs. PATTERSON, Mr. VENTO, Mr. LAGOMARSINO, Mr. ATKINS, Mr. FROST, Mr. CHAPMAN, Mr. FOGLIETTA, and Mr. HUGHES.

H.J. Res. 554: Mr. KASICH, Mr. BENNETT, Mr. GORDON, Mr. AUCOIN, Mr. BILIRAKIS, Mr. DERRICK, Mr. CONTE, Mr. YOUNG of Alaska, Mr. LIPINSKI, Mrs. PATTERSON, and Mr. WOLF.

H.J. Res. 571: Mr. MURPHY, Mr. FLORIO, Mr. SMITH of Iowa, Mr. FEIGHAN, Mr. PORTER, Mr. BRYANT, Mr. CARR, Mr. SUNIA, Mr. KOSTMAYER, and Mr. LAGOMARSINO.

H.J. Res. 576: Mr. ANDERSON, Mr. ANDREWS, Mr. BOLAND, Mr. BORSKI, Mr. BRUCE, Mr. FLORIO, Mr. FORD of Michigan, Mr. GUARINI, Mr. HASTERT, Mr. HORTON, Mr. HUTTO, Mr. JEFFORDS, Mr. MACKAY, Mr. MARKEY, Mr. PEPPER, Mr. PICKLE, Mr. RITTER, Mr. SABO, Mr. SMITH of New Hampshire, Mr. SOLOMON, and Mr. TRAXLER.

H.J. Res. 577: Mr. FOLEY, Mr. STARK, Mr. BLILEY, Mr. DE LUGO, Mr. GILMAN, Mr. SKELTON, Mr. NEAL, Mr. KLECZKA, Mr. BRYANT, Mr. FUSTER, Mr. SMITH of Florida, Mr. OWENS of New York, Mr. LAGOMARSINO, Mr. SPENCE, Mr. RANGEL, Mr. DEFAZIO, Mrs. COLLINS, Mr. ROE, Mrs. BOXER, Mr. TOWNS, Mr. LANCASTER, Ms. PELOSI, Mr. BEVILL, Ms. KAPTUR, Mr. FROST, Mr. FAZIO, Mr. JOHNSON of South Dakota, Mr. SPRATT, Mr. STOKES, Mr. ATKINS, Mr. DYSON, Mr. GARCIA, Mr. WOLPE, Mr. MACK, Mrs. MORELLA, Mr. VENTO, Mr. MATSUI, Mr. LEWIS of Florida, Mr. HALL of Ohio, and Mr. WEISS.

H.J. Res. 579: Mr. SAWYER, Mr. DELLUMS, Mr. DAVIS of Michigan, Mr. QUILLEN, Mr. HORTON, Mr. ROE, Ms. KAPTUR, Mrs. COLLINS, Mr. OWENS of New York, Mr. BEVILL, Mr. MFUME, Mr. LIPINSKI, Mr. FAZIO, and Ms. PELOSI.

H.J. Res. 583: Mr. WOLF, Mr. FLORIO, Mr. PARRIS, Mr. DIOGUARDI, Mr. WELDON, Mr. ROWLAND of Georgia, Mr. BORSKI, and Mr. BOLAND.

H.J. Res. 584: Mr. BRENNAN, Mr. CHAPPELL, Mr. GRANT, Mr. PEPPER, Mr. JENKINS, Mr. STRATTON, Mr. SKELTON, Mrs. BENTLEY, Mr. FAZIO, and Mr. RANGEL.

H.J. Res. 592: Mr. SCHAEFER, Mr. OWENS of New York, and Mr. MAZZOLI.

H.J. Res. 597: Mr. DORGAN of North Dakota, Mr. BONIOR of Michigan, and Mr. FAZIO.

H.J. Res. 599: Mr. BROWN of Colorado, Mr. DANNEMEYER, Mr. FROST, Mr. HOYER, Ms. KAPTUR, Mr. HUGHES, Mr. LOWRY of Washington, Mr. LUNGREN, Mr. OWENS of New York, and Mr. SUNIA.

H.J. Res. 604: Mr. LAGOMARSINO, Mr. LEVIN of Michigan, Mr. LEWIS of Georgia, Mr. MCDADE, Mr. MILLER of Washington, Mr. MURPHY, Mr. PEPPER, Mr. RAVENEL, Mrs. SAIKI, Mr. SUNIA, Mr. ATKINS, Mr. BORSKI, Mr. DAUB, Mr. DE LUGO, Mr. DWYER of New Jersey, Mr. FLORIO, Mr. FUSTER, Mr. WALGREN, Mr. WILSON, Mr. HYDE, Mr. IRELAND, Mr. KOLTER, Mr. GREEN, Mr. HAWKINS, Mr. MATSUI, Mr. RAHALL, Mr. SAWYER, Mr. SMITH of Florida, and Mr. WYLIE.

H.J. Res. 609: Mr. MARTINEZ, Mr. MCMILLAN of North Carolina, Mr. DORGAN of North Dakota, Mr. DELLUMS, Mr. BALLENGER, Mr. AUCOIN, Mr. COUGHLIN, Mr. MATSUI, Mr. NEAL, Mr. ST GERMAIN, Mr. FISH, Mr. EDWARDS of California, Mrs. SAIKI, Mr. SUNDQUIST, Mr. DWYER of New Jersey, Mr. MACKAY, and Mr. THOMAS of Georgia.

H. Con. Res. 61: Mr. ANDERSON, Mr. PEPPER, Mr. FOGLIETTA, Mr. PEASE, Mr. YATRON, Mr. EVANS, Mrs. COLLINS, Mr. NEAL, Mr. PORTER, Mr. VENTO, Mr. TRAXLER, Mr. LAFALCE, Mr. TAUKE, Mr. TORRES, Mr. FLIPPO, Mr. PAYNE, and Mr. BUSTAMANTE.

H. Con. Res. 233: Mr. BRENNAN.

H. Con. Res. 258: Mr. ERDREICH, Mr. SOLARZ, Mr. DE LUGO, Mr. KASICH, Mrs. MEYERS of Kansas, Mr. WELDON, and Mr. DERRICK.

H. Con. Res. 266: Mr. CHANDLER.

H. Con. Res. 278: Mr. BONKER.

H. Con. Res. 320: Mr. MORRISON of Connecticut, Mr. KILDEE, Mr. LANTOS, Mr. STOKES, Mr. FEIGHAN, and Mr. KLECZKA.

H. Con. Res. 330: Mr. GEKAS, Mr. COBLE, and Mr. SAXTON.

H. Res. 338: Mr. EDWARDS of Oklahoma.

H. Res. 497: Mr. DELAY, Mr. RHODES, Mr. UPTON, Mr. LIGHTFOOT, Mr. MARLENEE, Mr. DORNAN of California, Mr. DAUB, Mr. RIDGE, Mr. KASICH, Mr. WALKER, Mr. LAGOMARSINO, Mr. MICHEL, Mr. GILMAN, Mr. DANNEMEYER, Mr. DIOGUARDI, Mr. PARRIS, Mr. KYL, Mrs. BENTLEY, Mr. WHITTAKER, Mrs. MORELLA, Mr. CARPER, Mr. TALLON, Mr. BROOMFIELD, Mr. KILDEE, Mr. SKELTON, Mr. GALLO, Mr. HASTERT, Mrs. JOHNSON of Connecticut, Mr. BUECHNER, Mr. STUMP, Mr. INHOFE, Mr. MILLER of Washington, Mr. SLAUGHTER of Virginia, Mr. DAVIS of Illinois, Mr. HOUGHTON, Mr. MCCURDY, Mr. PAYNE, Mrs. MEYERS of Kansas, Mr. MCCLOSKEY, and Mr. DONALD E. LUKENS.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

213. By the SPEAKER: Petition of Robert Sides, Gibson County, IN, relative to a redress of grievance; to the Committee on Education and Labor.

214. Also, petition of the Ambassador, Embassy of Japan, Washington, DC, relative to the agreement between Japan and the United States on beef and citrus trade liberalization; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

REMEMBERING MAYOR CHARLES "KUTCH" TOMLJANOVIC

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. MURTHA. Mr. Speaker, this morning I attended the funeral of former Johnstown Mayor Charles "Kutch" Tomljanovic at the Church of St. Rochus in Johnstown.

Despite a lingering illness, when I visited with "Kutch" a couple weeks ago, I found him in good spirits and concerned about the future of his children.

That said a lot about the man who served as Johnstown's mayor from 1978 to 1982. He was forward looking in his approach to problems; he was concerned about the city's future, and particularly the future of young people in the area; he was a man who believed in his community, its strength, and its people.

From a professional perspective, I most remember working with "Kutch" on the city's rebuilding after the disastrous 1977 Johnstown flood. He did an excellent job. From a personal perspective, I most remember the man for his friendship, his sincerity, and his commitment. He was a true friend.

In extending my sympathies to his family and friends, I would also like to insert into the RECORD these two articles.

CITY REMEMBERS "KUTCH"

(By Art Heinz)

Flags were set at half staff Monday and an upcoming city council meeting was rescheduled in recognition of former Mayor Charles "Kutch" Tomljanovic, who died over the weekend after a lengthy bout with cancer.

Mayor Herb Pfuhl, who is away on vacation, also issued a brief written statement through his office to express condolences to the Tomljanovic family Mayor Pfuhl suffered his only defeat for public office at the hands of Mr. Tomljanovic after the 1977 flood.

"We extend our deepest sympathies to the family of former Mayor Charles Tomljanovic in their time of bereavement," the statement said. "I have also instructed (city public works director Joseph) Latch to contact the Tomljanovic family to offer any assistance they may require."

POLICE ESCORT

Mr. Latch, who is acting as the city's chief administrator while the mayor is away, said police vehicles are scheduled to escort the funeral procession on Wednesday when the former mayor is buried. Mr. Latch added that some department directors will be present at the funeral to represent the city administration.

Public viewing of the former mayor will take place today only between 10 a.m. and 9 p.m., according to a spokesman for the Edward Moskal Funeral Home, 79 J St. A Mass of Resurrection will be held at 11 a.m. Wednesday at St. Rochus' Catholic Church along Chestnut Street in Cambria City, the spokesman added.

The former mayor is to be buried at Grandview Cemetery.

FLAGS LOWERED AT CROWN

The city, state and American flags at City Hall, the Public Safety Building and Central Park were lowered at the mayor's urging, Mr. Latch said. Flags in front of the Crown American Corp. Building along Market Street also flew at half staff Monday.

Chris Menna, a Crown spokesman, said the action was taken out of respect for the former mayor.

MEETING DELAYED

Jack Williams, city council president, said Wednesday's scheduled meeting has been moved to 7 p.m. Monday because of the former mayor's death. Many of the councilmen want to attend Wednesday's funeral and burial, he said.

Mr. Williams said he did not think postponing the meeting for less than one week adversely would affect city business. Among the items scheduled for consideration is a proposal from the Pfuhl administration to raise area sewer rates by 100 percent.

Mr. Tomljanovic, who would have been 53 on Monday, was elected city treasurer in 1971. He won a second four-year term in 1975 before successfully opting to run for mayor in 1977.

He served as mayor until 1982, when Mayor Pfuhl was re-elected. Mayor Pfuhl has been the city's chief administrator ever since.

Mr. Tomljanovic is survived by his widow, the former Rosemarie Annett Tomak, and two sons.

CHARLES TOMLJANOVIC, EX-CITY MAYOR, DIES

Former Mayor and City Treasurer Charles "Kutch" Tomljanovic, who had cancer, died shortly after 6 p.m. Sunday at Lee Hospital. He had been a patient at Lee since Friday.

A nursing supervisor said Mr. Tomljanovic had been "in and out" of the hospital. Mr. Tomljanovic had been diagnosed with inoperable cancer in the fall of 1986. Though the diagnosis came as a blow, the longtime Democrat said in a December 1986 interview that he still was interested in politics and that "maybe in '89 I'll take another crack at running for mayor because I've got the experience and I have fiscal responsibility."

"IT KNOCKS YOU FOR A LOOP"

Of the cancer diagnosis, Mr. Tomljanovic said:

"It really knocks you for a loop, and then you figure God must have a reason. There's an old cliche that you don't have anything if you don't have your health. Then you think of children born with more problems than you have, and you start to think, 'This is my cross and I'll carry it.'"

Mr. Tomljanovic lived at 572 Corinne St. with his wife, the former Rosemarie Annett Tomak. The couple was married in 1963. Mr. Tomljanovic would have observed his 53rd birthday today.

The West End businessman formerly operated a chain of pizza and pirogi shops. He made his political debut in 1971 when he won election as city treasurer by defeating the late James Parks, a longtime Republican treasurer.

ELECTED AS MAYOR

He was elected to a second term as treasurer in 1976 when he defeated Republican Walter A. Kleinmeyer by a 4,000-vote margin. He became the city's second "strong mayor" in 1977 when he ousted Republican Herb Pfuhl Jr., from that office by a margin of 1,800 votes. He served as mayor until 1982, when Mr. Pfuhl regained the seat.

During an interview two years ago, the local native and life-long city resident said he believed his administration did a better job than people gave it credit for. Mr. Tomljanovic said the four years he served after the 1977 flood may have been the most difficult the mayor ever faced.

Mr. Tomljanovic was born the seventh of 13 children of the late Ivan and Mary Tomljanovic. He attended West End grade schools and was graduated in 1954 from Greater Johnstown High School. From 1956 to 1957, he served in the Army, most of the time in Korea, and was a member of the boxing team.

BUSINESS VENTURES

He was employed for a few years as a clerk in the Franklin car shops of Johnstown's Bethlehem Steel Corp. and later operated a beauty shop in Hollidaysburg. At about that time, he opened his first pizza shop in Hollidaysburg and Johnstown. Eventually, he operated 14 pizza shops in western Pennsylvania.

A sports enthusiast, Mr. Tomljanovic was chairman of the All-American Amateur Baseball Association Tournament for two years and past president of the oldtimers Baseball Association. He actively sponsored football, baseball, softball, bowling, basketball and hockey teams.

He was a member of the West End Democratic Club and Lodge 5, Croatian Fraternal Union.

In addition to his wife, he is survived by two sons, Charles, 19, and Stephen, 15. The Edward Moskal Funeral Home has charge of the arrangements, and a Mass of Christian Burial has been scheduled for Wednesday at St. Rochus' Catholic Church in Cambria City.

DANIEL J. CONIDI HONORED

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. LIPINSKI. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the achievements and service of a fine gentleman from my district, Daniel J. Conidi. Supplementary to years of devoted service to the needy in his active par-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ticipation in numerous civic services, Mr. Conidi aided the Governor of the State of Illinois in writing a proclamation commemorating the signing of the Emancipation Proclamation over 125 years ago.

Mr. Conidi has had a long and distinguished career as a general investigator, security consultant, and deputy sheriff in our fifth district. Mr. Conidi is the proprietor of an investigative and security consulting firm that provides its clients with a vast array of protective services.

In spite of his personal business commitments, Mr. Conidi can budget his time to allow for his many altruistic endeavors. Mr. Conidi cares about and for the welfare of juveniles with his volunteer and financial support of organizations ranging from the Boy Scouts of America, Chicago Boys and Girls Club, Boys Town, DeMolay, Knights Templar Endowment Home, Shriner's Hospital for Crippled Children, and the Lawrence Hall School for Boys. Mr. Conidi empathizes with veterans struggles and consistently and actively supports establishments like AMVETS, and Disabled American Veterans of America. Mr. Conidi's regard for sustainment of health is followed up by his financial support of the Illinois Masonic Hospital, the Knights Templar Eye Foundation, American Red Cross, March of Dimes, and the Heart Association of Southern Cook County.

Dedication to such noble causes which monitor the well-being of our Nation's children and war veterans, dictates that we honor a gentleman like Mr. Conidi for his many accomplishments, including his contributions in the writing of the proclamation commemorating the signing of the Emancipation Proclamation. I am sure that my colleagues join me in applauding the continued devotion to community service of Mr. Daniel J. Conidi.

PERSONAL EXPLANATION

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. ATKINS. Mr. Speaker, I was unavoidably absent during yesterday's session of the House and was not able to vote on H.R. 4481, the Defense Savings Act of 1988. Had I been present, I would have voted "no" on roll No. 2232, against the Armey amendment in the nature of the substitute, and "aye" on roll No. 224, in favor of the committee amendment in the nature of a substitute.

NEW JERSEY'S PUERTO RICAN STATEWIDE PARADE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. RODINO. Mr. Speaker, on July 31, my hometown of Newark, NJ will once again serve as the host for the 26th Annual Puerto Rican Statewide Parade. During the past 26 years, I have had the great pleasure of attending this annual event and I know that this year's parade will be another dazzling and impressive celebration of Puerto Rican Day in New Jersey.

The Puerto Rican Statewide Parade offers a special opportunity for the citizens of New Jersey to join together in paying tribute to the accomplishments and achievements of the people of Puerto Rican heritage. It is a time for all of us to express our appreciation to the Puerto Rican community for their outstanding contributions in every areas of our society from the arts to the sciences. And it is a time when we can celebrate and enjoy the vibrant culture, history, and traditions of the Puerto Rican people. On this special day, all of us—from every ethnic background—salute our good friends of the Puerto Rican community and share with them this spirit of celebration.

The statewide parade is particularly meaningful because it caps the celebration of Puerto Rican Week in New Jersey. Puerto Ricans make up the second largest group of Hispanics in the United States. They have enriched our society beyond measure and enhanced the rich diversity of life which all Americans take pride in.

This year's statewide parade is dedicated to New Jersey's Puerto Rican Women and honors their many achievements. Nydia Davila-Colom, President of the Hudson County Board of Freeholders, will be the Grand Marshal. This is a well deserved tribute to one of New Jersey's leading public officials and an individual who truly reflects the theme of this year's parade.

I want to salute the Puerto Rican Statewide Parade Committee and its President William Valentin for their tireless efforts in making this celebration possible. This outstanding organization works year round planning this mammoth undertaking and coordinating volunteers and participants. Working together, they have organized a celebration that will be both enjoyable and enlightening.

Mr. Speaker, the Annual Puerto Rican Statewide Parade reminds us all of the important role that Americans of Puerto Rican heritage have played in the history of our Nation. It is an opportunity to express appreciation and to join in celebrating the rich mosaic of American life. I want to extend my very best wishes to all of my friends in New Jersey's Puerto Rican community on this special occasion.

FOR LIBBY YONAN, EVERY DAY IS MEMORIAL DAY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. HYDE. Mr. Speaker, two constituents of mine, of whom I am very proud, are Libby and Frank Yonan of Park Ridge, IL.

Their dedication to the cause of veterans and our POW-MIA's is deep and enduring. It sets an example for the rest of us to admire and aspire to. Libby Yonan was the subject of a newspaper article appearing in the Park Ridge Times-Herald on May 20, 1987. Although that was over a year ago, I am pleased to provide it to my colleagues so they may share some of the pride I feel in their important work:

[From the Park Ridge (IL) Times-Herald, May 20, 1987]

EVERY DAY IS MEMORIAL DAY FOR LOCAL PATRIOT

(By Carroll Salman)

For Libby Yonan, every day is Memorial Day. The Park Ridge resident wears an aluminum bracelet on her wrist, a constant reminder of Captain George D. MacDonald of Evanston, missing in Vietnam since 1972.

"His mother gave the bracelet to me." Yonan recalled. "We met at a national Day of Rememberance for MIAs and POWs. I heard her name mentioned at the rally and I wondered if she was the same person I knew 25 years ago.

Jean MacDonald died a year ago January, Yonan said, just as the remains of her son's plane were being removed from a Vietnamese jungle. The MacDonald family at first accepted the government's identification of Capt. MacDonald's remains, then rejected it.

Her friend's death has deepened Yonan's commitment.

She first came to that commitment when she married Frank Yonan seven years ago and discovered a new world.

"I had never before in my life been involved with anybody who had been in the military. It was all brand new to me," she said.

Frank Yonan, served in the U.S. Army in World War II, stationed in the Pacific. He was captured by the Japanesse and survived the Bataan Death March and nearly four years of captivity.

The Yonans belong to five veterans' organizations and are familiar figures at ceremonies honoring ex-prisoners of war and, more recently, veterans of the war in Vietnam.

She has in recent years, as head of the POW-MIA Committee of the Ladies Auxiliary to Park Ridge Post 3579, Veteran of Foreign Wars, concentrated her efforts on keeping people aware of the missing soldiers from the Vietnam war.

"I became involved because my husband and I are both members of an ex-prisoners of war group," Yonan said. "Now, whenever there's a candlelight ceremony or any other service, I go."

It was at a recent candlelight memorial service that Yonan heard a statistic that shook her to the core.

"I was shocked to hear one of the Vietnam veterans make the statement that, while 59,000 soldiers were killed in the war, 77,000 veterans have since committed suicide," she said. "And then the widow of one of the veterans stood up and tried to tell us about it, but she just couldn't. I came home and cried."

Finding comfort in action, Yonan writes letters and sends Christmas cards to Illinois soldiers listed as missing in action or as prisoners of war. The mail is sent in care of the Vietnam Embassy. She also circulated petitions asking the U.S. Postal Service to issue a stamp commemorating MIAs and POWs.

"My commitment gets deeper every year," she said. "I try to do the best I can."

The job is a big one, and the public's interest has turned in other directions. Yonan is philosophical, yet sad, about it.

"It's hard for me to be optimistic. I do get discouraged," Yonan admits. "The key phrase is 'public awareness.' More could be done. But the time is so long (since the war), and it just seems we should have more results than we have. I know there should be greater progress, and I hope and pray there will be."

What keeps her going is her conviction that American soldiers are still alive in the Vietnam jungles.

"We left so many millions of dollars of aircraft and other military equipment behind in Vietnam, it makes sense that (the North Vietnamese) would keep some of them alive to work on the equipment," she said.

"There have been many sightings of American prisoners of war over the years, so this isn't completely unfounded," she said.

Yonan was encouraged by the recent visit of retired U.S. Navy Captain Eugene "Red" McDaniel, to students at Maine East and Maine South.

McDaniel was a prisoner of war in North Vietnam for six years. He founded the American Defense Foundation and the American Defense Institute five years ago to increase the public awareness of the need for a strong defense.

He, too, is convinced that American soldiers are being held prisoner in Vietnam. Recently, he and eight Republican Congressmen each put up $100,000 and are offering a $1 million reward to any Vietnam citizen who will bring them a living prisoner of war.

"I believe he knows what he's talking about," Yonan said. "He's been there. He believes they are there and must be returned."

THE GREAT PROCRASTINATORS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. STARK. Mr. Speaker, for too long the warnings of environmentalists about what we are doing to our environment have been ignored. The drought and heat waves we are experiencing, though record breaking, are only gentle precursors of what we have to face if we continue our present course of pollution.

I would like include in the CONGRESSIONAL RECORD an excellent editorial that appeared in U.S. News & World Report. It is time for us to stop being "realists" with the environment.

[From U.S. News & World Report, July 11, 1988]

THE GREAT PROCRASTINATORS

(By Harold Evans)

Who are the realists now? For years, citizens concerned about what we are doing to our planet have been derided as idealists, scaremongers and meddlesome do-gooders. It has now suddenly become clear that the "impractical" worriers have been right all along on acid rain, on the erosion of the earth's ozone shield and on global climate change from our pollution of the atmosphere by carbon dioxide, the greenhouse effect.

In all three cases, we and our children will pay dearly for the wishful thinking of the supposedly practical men. Their "realism" thwarted pollution controls that would have cost millions at the time, but now confront us with costs of untold billions for irreversible consequences that might yet produce global catastrophe.

The 1980s are already shaping up as the hottest decade of the century. A single hot summer might be dismissed as a chance fluctuation. But, as physicist James Hansen testified before the Senate last month, average global temperatures are rising by an amount that can't be explained away by mere year-to-year variations. Computer models forecast that heat waves and droughts will become more frequent in the Midwest and Southeast. That is a scenario we have already written for ourselves. It is only a small part of what we will endure if we go on so extravagantly burning fossil fuels, releasing chlorofluorocarbons (CFC's) in refrigeration and destroying rain forests that capture and store carbon dioxide.

Temperatures will rise 2 to 4 degrees more in the first decade of the next century. They will go on rising. So will the sea level. The globe will be wetter and more humid; but dust bowls will develop in the continents in the mid-latitudes.

Time is not on our side. It will take intense diplomacy to get international agreements, to reduce dependence on fossil fuels—though some things can be done quickly, such as at least doubling auto-engine efficiencies in the United States. An average American car driven 10,000 miles a year quite unnecessarily releases into the atmosphere its own weight in carbon as CO_2.

This is why it is so tragic that so much time has been wasted by the pseudo realists. Five years ago, when the Environmental Protection Agency urged immediate action, the President's science adviser, George A. Keyworth III, competed for complacency with the chairman of the National Academy of Sciences' carbon-dioxide panel, William Nierenberg. Keyworth denounced the EPA's view as "unwarranted and unnecessarily alarmist." Nierenberg played the fiddle: "We have 20 years to examine options."

The academy, as it happens, was also pussyfooting in reports following the 1974 Rowland-Molina findings on CFC erosion of ozone. The manufacturers of CFC's (advancing under the guise of the Alliance for Responsible CFC Policy) seized on every weasel word from academy panels. The alliance chairman, Richard Barnett, proclaimed it was "cavalier" to talk of reducing CFC output; the issue should be "managed." Scientists financed by the alliance dwelt on the importance of CFC's for fast-freezing French green beans. In the meantime, millions of tons of pollutant were added to the atmosphere, an ozone hole has appeared and grown faster than feared, and we are doomed to decades of extra radiation even if every nation acts as promptly as the U.S. in ratifying the Montreal treaty for a freeze in CFC production followed by a reduction.

This administration has taken a world lead on ozone and must now accelerate. It is a pity it has behaved so badly over acid rain, where once again the pseudo realists have been overtaken by reality with the news that the pollution is damaging marine life as well as trees and lakes. The classic case for procrastination came in 1986 from a Hudson Institute report, sponsored by Hoosiers for Economic Development. Acidity, they told us, was less the fault of industrial pollution than of bird droppings: "If a bird produces 15 droppings per day, then on average about a million highly acidic droppings shower down on the U.S. each second around the clock."

I have news for the Hoosiers. The noise you hear isn't birds on bombing raids. It's chickens coming home to roost. Large flocks of them. And more are on the way.

BUILDING A NEW SOUTH AFRICA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. BURTON of Indiana. Mr. Speaker, there is no Member of Congress who does not abhor the apartheid system in South Africa. We all stand with all South Africans, black and white, who are working and praying for the day that that bountiful country will be free of the scourge of racism. In working toward that day, a bitter debate has arisen here and around the world on how best to fight apartheid.

I believe there is a better way to fight apartheid than futile attempts to destroy the South African economy, which blacks are using effectively to gain civil rights and political power. The better way is to help create jobs for South African blacks—rather than adding to their misery by putting them out of work through sanctions and disinvestment.

In this spirit, I commend to my colleagues' attention a new project, sponsored by the Institute on Religion and Democracy [IRD]. The project is called BANSA, which stands for "Building a New South Africa." Its purpose is to help build democracy and fight apartheid by helping private, nonprofit organizations with a proven track record in support of job creation, better health care, better education, and building democratic institutions among South African blacks.

At this point, I would like to insert for the RECORD a description of the BANSA project. Again, I encourage my colleagues to support this worthy and hopeful endeavor.

The material follows:

BUILDING A NEW SOUTH AFRICA

Sanctions, disinvestment, divestment. The debate over what to do about South Africa roars on. In the meantime, there are thousands of black South Africans who face very real needs as they attempt to survive under the apartheid system, while working toward its abolition.

In an increasingly polarized South Africa, the democrats are being undermined by extremists on both the Left and the Right. Sadly, church groups often ignore the moderates and assist the radicals. The Institute on Religion and Democracy believes there are positive alternatives to such funding patterns.

There are four specific ways American Christians can support black South Africans today:

1. BLACK ECONOMIC EMPOWERMENT

Black South Africans are becoming increasingly involved in entrepreneurial ventures. These programs focus on developing black business ownership and management skills;

2. IMPROVED EDUCATION

From grade schools to university training, there is a tremendous need for more and better qualified teachers. Seminary scholarships, both at South African seminaries and in the U.S., are of particular concern;

3. BETTER HEALTH CARE

Upgrading multi-racial health-care facilities and medical training services is a high priority for a new South Africa. Included in this area is nutritional improvement;

4. BUILDING DEMOCRATIC INSTITUTIONS

South Africa today is evolving into an increasingly polarized society. This polarization is played out at the expense of democracy. There are, however, brave men and women from all racial backgrounds that are willing to oppose the authoritarian Right and the totalitarian Left, and work for a truly democratic South Africa. These democrats are actively pursuing projects and policies that will replace the injustices of apartheid with democratic institutions, insuring individual liberties and freedoms.

The non-profit organizations listed below all have a proven track record. They do not endorse any partisan political ideology or platform. They are all committed in their field to work for a post-apartheid, democratic South Africa through a non-violent process. It is organizations such as these that have the most potential for thwarting the polarization that is forcing many South Africans into the arms of the radical Left or reactionary Right.

URBAN FOUNDATION

Founded in 1977 by a former South African Supreme Court Judge, the Urban Foundation has been the leading private organization in improving the quality of life for urban blacks. The Foundation took the lead in pressing for property rights for blacks. It is now actively involved in black entrepreneurial development. The Foundation has created "enterprise zones" which offer black-owned small businesses workshops which help to get their new enterprises off the ground. Often in converted warehouses, these enterprise zones have created thousands of jobs within their communities. The Foundation needs help in developing more of these zones.

SMALL CANE GROWERS FUND

This project has made it possible for black sugar cane growers to become established. The Fund loans money at favorable rates to the black farmer, enabling him to plant, fertilize and harvest his sugar cane. As private property owners, these black sugar growers have been highly successful as both farmers and businessmen. The Fund needs additional resources to expand its lending operations.

BLACK TRANSPORT DEVELOPMENT TRUST

This Trust enables black entrepreneurs to purchase transport vehicles such as taxis and mini-buses. The informal black transportation sector in South Africa has proven to be a real success story. There are now over 100,000 black-owned taxis and buses that transport over a million riders per day. This trust enables a black entrepreneur a chance to purchase his first vehicle.

ROSEBANK BIBLE COLLEGE

Located just outside of Johannesburg, this multi-racial, evangelical Bible college has been educating a small student body since 1973. The college is inter-denominational, graduating students that go into the missions field, become full-time pastors, or continue to be active laymen in their respective churches. The college is in particular need of scholarship assistance.

LEAF SCHOOLS

Leadership Education and Advancement Foundation has set up two multi-racial senior high schools in South Africa. These schools have developed their programs around those black and non-white students who are planning a university education. The students go to All Saints or St. Luke's, the two existing schools, for a top-notch final two or three years of university preparation. St. Luke's is located between Pretoria and Johannesburg and is in need of text books, scholarship funding and building renovation.

UNIVERSITY OF ZULULAND

Higher education is critical in building a new, post-apartheid South Africa. The University is currently being swamped with high school graduates, eager to continue their education. External support for the school of nursing and health sciences is particularly needed.

OPERATION HUNGER

Every day Operation Hunger feeds 1.3 million people in South Africa. The organization gets food and clothing to the neediest via community committees. Their administrative overhead is among the lowest in the world for hunger relief operations. Operation Hunger is now actively involved with going beyond "crisis intervention"; it is setting up developmental projects that focus on small agricultural development, brickmaking, beadwork and crafts and other food and wealth-producing programs.

RURAL FOUNDATION

There are over six million people living on farms in South Africa, many of whom lack the basics in health care, education and recreational facilities. The Rural Foundation has been active in developing these programs in the farm communities for over five years. They now have an impact on over 27,000 farm families. Working with the land owners and farm laborers, the Foundation is in particular need of funding to continue their pre-school programs that help teach youngsters simple hygenics and other basic health skills.

NATIONAL INITIATIVE FOR RECONCILIATION

Organized in 1985, the NIR has brought together South Africa's leaders of all color and political persuasion into various meetings and seminars. Firmly rooted in traditional Christian goals, the NIR believes that national reconciliation begins within the church. Attracting key churchmen from the Dutch Reformed Church as well as many black clergy and laity, the NIR is helping to build bonds of trust. The group has special need of funds for their city-by-city reconciliation program, that builds cooperation and an understanding of democratic goals on a local level.

THE EARL F. HUNSICKER BICENTENNIAL PARK IS REDEDICATED

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. RITTER. Mr. Speaker, the Earl F. Hunsicker Bicentennial Park in the Lehigh Valley of Pennsylvania represents the willingness of people to build their community by joining together with their resources, strengths, and gifts. This is the goal and purpose that we celebrate as a nation when we call to mind our bicentennial.

Originally dedicated on August 25, 1976, the plan to build the park stemmed from the bidding for and receiving the opportunity to host the 1976 National Fast Pitch Softball Tournament. With the future in mind, Earl Hunsicker and Aldon Horn of the Allentown Patriots (Pates) went to the Lehigh County Vo-Tech High School to confer with Mel Billig, an instructor in architecture, on the preparation of plans for the project.

In the words of Mel Billig, "Meetings were held, and support was volunteered from all labs contacted, that had something to offer toward the project. Joe Kale of Bethlehem Steel's engineering department was contacted about overseeing the students drawings, and on October 27, 1975 affixed his seal to the set of 17 drawings, and now we were ready to go to Harrisburg for approval. On November 3, 1975, Harry Rosen, a member of the Pates, and myself went to the Department of Labor and Industry in Harrisburg and secured the approval on the project. The approval was given on the project with no changes or notes on the drawings by that department."

And that, Mr. Speaker, is the way it all started—with a dream and a work schedule of 10 months to complete the stadium and park. Through the efforts of the students of the Lehigh County Vo-Tech High School, their instructors, the Allentown Patriots, and the city employees of Allentown, the schedule was met. Through the years, in addition to championship-level softball, the citizens of the Lehigh Valley have witnessed events ranging from band concerts to choral singing to gymnastics exhibitions.

Behind the energy, time, resources, and skills, the participation of business and industry along with the interested public and dedicated citizenry, was a strong, determined, and unifying force. There is no question the original vision of Bicentennial Park was continually fostered by Earl Hunsicker, prominent figure in the history of the Allentown Patriots and fund chairman for this multipurpose facility. Mel Billig explained it one way, "Saturdays were happy times when Earl Hunsicker would never cease to be on hand with one of his Saturday free luncheon specials for all the workmen." To explain it in another way, Mr. Speaker, at this point I include an editorial from the June 7, 1988 Morning Call concerning Earl Hunsicker's dream fulfilled.

EARL F. HUNSICKER: HIS DREAM FULFILLED

"Dad was aware of the honor. He smiled and acknowledged the mayor. There was a sparkle in his eye—Don Hunsicker, son of Earl F. Hunsicker

There was a genuine sparkle, too, among the hundreds of fans assembled Sunday night at Allentown's Bicentennial Park when Earl F. Hunsicker's name formally became part of the stadium. It is the house that Earl built. And although he did not live to see the dedication of the Earl F. Hunsicker Bicentennial Park, in the last days of this life he knew the honor has been formalized.

This first-class ballpark is the direct result of one man's determination, drive and, not to be unkind, peskiness. As John Kunda, The Morning Call's executive sports editor, put it, Earl Hunsicker was "Sort of the Earl Weaver of softball." Mr. Hunsicker loved sports and took it as his personal mission that this city would one day have a top-rate stadium, one which the city could proudly display to its visitors. Allentown has that. . . and it has Earl F. Hunsicker to thank for it.

The 4,500-seat Bicentennial Park was dedicated nearly 12 years ago, Aug. 25, 1976. It has been the site of tournaments, choral festivals, band concerts, gymnastics exhibitions and numerous other events. But it was softball, the magic of green grass, dirt base paths, the crack of a bat slapping a big white ball into center field, that drove Earl F. Hunsicker. And Mr. Hunsicker drove many others. The reality of this stadium is a testimonial to the drive, that perseverance, the peskiness that would not permit the word "no" to be a working part of his vocabulary.

He was in the final days of his life late last year when Allentown Mayor Joseph S. Daddona told him of the city's plans to make formal that which was the accepted wisdom—this is Earl's ballpark. He must have been pleased at the honor. Isn't it a pity that he did not live to see the reality. But as long as the sun shines and men play boys' games, Earl F. Hunsicker, and his life's dream, will be remembered.

Mr. Speaker, I personally had the pleasure of knowing Earl and feel enriched by the experience. Earl Hunsicker lives, not only in the memory of his special family but in the memories of all those whose lives he touched.

CUOMO-CELESTE—ACID RAIN/ENERGY SECURITY INITIATIVE

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. BOEHLERT. Mr. Speaker, in the spirit of political ecumenicism, I'm pleased today to salute the innovativeness, courage, and national leadership on a critically important issue being shown by Governors Cuomo of New York and Celeste of Ohio. This is a Republican saying that about two Democrats, and that doesn't happen every day.

I'm also grateful that along with my able colleague, LOU STOKES, the dean of the Ohio delegation, they have asked me to be a lead cosponsor of the Acid Rain/Energy Security Initiative Act of 1988 (H.R. 5032). I'm pleased, not because this is the perfect compromise that will send us dancing and singing into the streets, but rather because it is a good plan that moves us forward.

Frankly, another good compromise on the table is not enough. Compromise, per se, is not what makes this initiative so important.

What's important is this: First, the people of Ohio have acknowledged that acid rain is for real. Governor Celeste knows that Ohio must be a part of the inevitable solution, or else face a real disaster in terms of the plan that would be enacted over Ohio's "dead body."

Second, what's important is that the leaders of New York and Ohio have made key concessions in the national interest, in a way that delivers compensating benefits to each State: more jobs for the Midwest, fresh hope for our environment and energy security in the Northeast. Isn't cooperation so much better than confrontation?

Finally, and most important, this initiative sends a signal to the leadership in Congress that bipartisan agreement can be reached sooner, rather than later, when the will to succeed is there.

I'm not trying to shift the blame for inaction from the administration. I, too, have been disappointed with its performance on this issue, but the fact remains that both the House and Senate and every committee in Congress is firmly in the control of the Democrats.

We have plenty of evidence to prove that committee chairman and the majority leaders in each House can move legislation when they want to. It's about time they did!

I hope the Governors will continue to be tenacious and use their strong persuasive abilities to urge those leaders to move a bill this year, a bill that's as bold and responsible and beneficial to all regions as the plan we are introducing today.

THE DROUGHT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 13, 1988 into the CONGRESSIONAL RECORD:

THE DROUGHT

The drought is the overriding concern these days for many Americans, and especially the farmers. The parched pastures and fields, the brown grass, and the dried-streams have become all too familiar. Disaster threatens in the farm belt, as the whole nation waits for rain.

Thirty-seven states have been partially or wholly designated as drought emergency areas, with Indiana among the hardest hit. Corn is in the critical stage; another week of drought and heat will mean heavy yield losses. Soybeans are more drought tolerant, and a break in the weather could bring much improvement. Vegetable and fruit crops in some areas have been destroyed, and the tree fruit crop is in danger. While many winter wheat growers are in the midst of a good harvest, the spring wheat crop has suffered major damage.

The success or failure of agriculture affects us all. It is our most basic industry. The implications of the drought are several.

CAUSES

Three of the hottest years in the past century have come in the 1980s, and 1988 may well add a fourth. The unusually dry weather that has characterized the decade is thought by some scientists to be evidence of the greenhouse effect—a warming of the Earth's atmosphere due to man-made pollutants. The drought of 1988 may prove to be a strong argument in favor of action to reverse or at least reduce the ill-effects of man's activities. Other attribute the drought to normal cyclical weather patterns.

PRICE AND SUPPLY

U.S. government-held stocks could reach very low levels, though additional stocks held by private citizens should avert any shortages. Record surpluses a few years ago prompted new export subsidies, which together with increased idling of land have reduced carryover stocks. The worldwide supply of grain is at its lowest level in five years, though no other areas are experiencing the same widespread drought.

EXPORTS

High prices caused by the drought could diminish U.S. exports to newly-regained foreign markets. Secretary of Agriculture Lyng has said that there will be no attempt to restrict sales from government stocks, in order to avoid giving foreign buyers a reason to lose faith again in our reliability as suppliers.

FARM POLICY

The drought, and the speed with which it has taken the U.S. from surplus to near-shortage, should encourage a reexamination of farm policy when the farm bill comes up for renewal in 1990. The United States has yet to find a way to keep an adequate supply of food on hand without encouraging price-depressing surpluses. Policymakers in the past have reacted to depleted stocks by urging farmers to plant fencerow to fencerow. The resulting overproduction led to farm depressions. Policymakers need to keep these historical lessons in mind when responding to this latest drought.

BUDGET

It is hard to gauge the budget impact of the drought, but some things can be predicted. Deficiency payments, for instance, will cost less than earlier thought. Deficiency payments are based on the difference between a government-set target price and the market price of a commodity. Because the drought has driven up market prices, subsidy costs are expected to be some $4-6 billion less than budgeted. Any savings will be redirected to drought assistance.

FOOD PRICES

News reports have fueled the fear that higher food prices could result from the drought, but such reports are exaggerated. Dean Thompson of Purdue University has said that "any notable increase in food prices would not be justified by the drought." Forecasters had predicted that food prices would rise 2-4% this year; with the drought, the revised forecast is 3-5%, still below the overall inflation rate. Some foods, such as fresh produce, might go up significantly. But in most foods the cost of the inputs supplied by farmers is almost negligible; in cereal and bakery products, for instance, wheat represents just 8% of the grocery store cost.

WATER

The most immediate concern for many people is the dwindling water supply. Some areas are experiencing low pressure, shrinking supplies, or outright shortages. Water tables in the Great Plains and the West Coast, already affected by years of heavy irrigation, have been dropping. The drought is reminding us that we have been careless with this vital resource.

FEDERAL ACTION

Nothing the government does will erase the effects of the drought; only rain could do that. Even sound agricultural policy can alleviate only the worst of the distress. Three goals should mark the federal government's response to the crisis: to help ensure an adequate food supply for American consumers, to protect farm income in an equitable manner, and to guard the economic health of rural communities.

To help livestock producers, haying and grazing are being allowed on land taken out of production for government programs. Emergency feed programs are also available. An addtional $50 million has been authorized for beef purchases to bolster cattle prices. Paid land-diversion programs have been re-opened. Drought assistance will also come from low-interest federal loans which become available after a disaster designation. Governor Orr last week requested the Secretary of Agriculture to declare Indiana a disaster area for feed and forage crops.

Further actions under consideration in Washington include: compensating farmers for actual losses, guaranteeing a certain level of deficiency payments, allowing farmers to keep their advance payments, reopening sign-up for crop insurance, and delaying the expected January cut in the milk support price.

It is too early to know the extent of drought damage. Assistance must be targeted to those farmers who experience actual losses. There is a consensus in Washington that farmers will need relief, probably massive relief. We cannot afford to lose those who produce our food and fiber. One of the highest priorities for the Congress and the President this year is to provide short-term drought assistance and to examine the drought's implications for the future.

U.S. FALLING SHORT OF HEALTH GOALS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. MARKEY. Mr. Speaker, I would like to share with my colleagues an article from the Washington Post of July 12, which presents a sobering prognosis for maternal and infant health goals set 10 years ago. A recent report from the Centers for Disease Control predicts that 10 of 13 top-priority goals will not be met by 1990—including reductions in infant mortality and maternal death rates.

It is deplorable that a nation with a health care system so advanced that it is the model for other nations around the world is unable to meet the goals needed to protect our mothers and our children. While strides have been made to increase access to prenatal and postnatal care, we need to do much more. We must continue to work to find the best solutions to these health care problems in order to protect our citizens and our posterity:

U.S. FALLING SHORT OF HEALTH GOALS

ATLANTA.—The nation's infants and mothers will not have the survival rates in 1990 that health officials hoped for a decade ago, according to a new report from the Centers for Disease Control.

Of the 13 top-priority goals concerning pregnancy and infant health in the government's 1990 health objectives for the nation, only three are likely to be met, the CDC said Thursday.

"It's certainly sobering and concerning," said Dr. Ann Koontz, a specialist with the Health Resources and Services Administration in Rockville, Md. "This indicates that we have some significant problems relating to maternal and infant health."

The CDC, using National Center for Health Statistics data, projects that the nation's infant mortality rate—infants dying before age 1—will be 9.1 per 1,000 live births.

That's a drop from the 10.6 rate in 1985, but still short of the 9.0 rate in the 1990 objectives, which were published in 1979.

Based on earlier data from 1970-81, health officials had projected a 1990 infant mortality rate of 7.8, but "the decline in the infant mortality rate has slowed," the CDC said.

The reasons, Koontz said, are not known for certain: "It's a very complex field. We'd all like to see improvements, but there's not been a simple solution."

Another objective was that no racial or ethnic group should have an infant mortality rate worse than 12 per 1,000. Among black Americans, the rate stood at 18.2 in 1985 and is projected to decline only to 15.9 by 1990, the CDC said.

The infant mortality rate among whites stood at 9.3 per 1,000 in 1985 and is projected to fall to 7.9 by 1990, the CDC said.

Economics may play a part in the discrepancy between the mortality rates for blacks and whites. "We know that poor economic circumstances are distributed disproportionately among minority populations," Koontz said.

But the complete reason is not clear, she said, noting that previous studies have shown that among college-educated mothers, black infants still have nearly twice the mortality rate of comparable white infants.

Among the other goals not likely to be met:

No county, racial or ethnic group should have a maternal death rate above five per 100,000 live births. The 1990 national rate is projected at 7.0, with black mothers at 20.5.

No more than 5 percent of babies should be born under 5.5 pounds. The 1990 projection: 6.7 percent.

No more than 10 percent of pregnant women in any county, racial or ethnic group should go without prenatal care in the first three months of pregnancy. The 1990 national projection: 23.6 percent, 38.5 percent for blacks.

One of the goals that is likely to be met concerns the nation's neonatal mortality rate—babies dying in the first 28 days of life. That rate is projected to be 5.7 per 1,000 in 1990, below the target of 6.5.

Two other goals are considered likely to be met: having most babies leave the hospital in car safety seats, and putting into place programs to screen newborns for metabolic disorders.

A 1987 survey found safety-seat use at hospitals of 75 percent, and all states now have such metabolic screening programs, the CDC said.

LEGISLATION TO RESTRICT THE EXPORT OF ALASKAN OIL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. WOLPE. Mr. Speaker, I rise to offer legislation to restrict the export of refined oil from Alaska. This legislation is almost identical to section 2424 of the omnibus trade bill passed by the Congress, but vetoed by the President.

During the debate in the other body about section 2424, assertions were made that the provision was unconstitutional. Although I disagree with those assertions, I have modified the provision to prevent any conceivable question about constitutionality and I am introducing it today as a freestanding bill.

As revised by the conferees, section 2424 would have limited exports produced by any export refinery constructed in the State of Alaska in the future. In the freestanding bill, I have deleted the reference to the State of Alaska. To nonetheless ensure that limits are placed on an export refinery proposed for construction in Alaska, the freestanding legislation specifically addresses future export refineries owned or financed principally by other than U.S. citizens.

All existing refineries in the United States would be exempt from this bill. The export refinery proposed to be constructed by the Alaska Pacific Refinery, Inc., would be covered, as would any other refineries built in the future and financed principally by foreign interests to serve overseas markets.

This bill also deletes the language of section 2424 that would have implemented a provision in the United States-Canada Free Trade Agreement. The administration has worked out language with the Congress to implement this provision and will submit it separately. Therefore, enactment of this provision would now be redundant.

Upon vetoing the original trade bill, President Reagan officially objected to two of its provisions: the plant closing provision and section 2424. As a result those two provisions were deleted from the trade bill we will pass today. I am very pleased that we have moved expeditiously to pass a freestanding plant closing provision today, and I hope that we will be able to do the same for this last remaining provision of the trade bill shortly.

NEWS MEDIA FAIR BUT SOMETIMES SPECULATIVE

HON. EARL HUTTO

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. HUTTO. Mr. Speaker, the news media does a good job of informing the American people of what goes on in our great country. Most of the media is fair and reasonable, but unfortunately, they, at time, get caught up in speculation that causes people to become tainted without justification. For example, in the current defense procurement investigation, there have been firm denials by the U.S. attorney that Members of Congress are the targets of any investigation. Yet there have been several names frequently mentioned, including that of our Florida colleague, BILL CHAPPELL. The following article from the July 11 edition of the Orlando Sentinel, which I herewith submit for the RECORD, discusses this matter in some detail:

[From the Orlando (FL) Sentinel, July 11, 1988]

BILL CHAPPELL CALLED A VICTIM OF THE OLD SMOKE-AND-FIRE GAMBIT

(By Charley Reese)

Rep. Bill Chappell is being given the leak and-innuendo treatment. Nothing that has been leaked contains any evidence of wrongdoing or unethical behavior on Chappell's part; but by constantly associating Chappell's name with an ongoing investigation of corruption involving defense consultants, the old smoke-and-fire gambit is being played.

We create the smoke; and eventually you are to believe that with that much smoke, there must be a fire somewhere, even if no one can find it.

All I know of Chappell's personal affairs is what I read in the newspapers, and what I've read so far is not much more than hogwash.

The great television network, NBC, astounded us with the revelation that Chappell, by agreeing to sponsor a golf tournament, helped raise $100,000 for a community college scholarship fund. Wow, what a wicked thing to do. Most of it came from defense contractors. Wow, how awful of them to contribute to a scholarship fund.

Did they contribute because Chappell is chairman of the Appropriations Committee's subcommittee on defense? You bet your bippy they did, and so what? It would be a vast improvement over the present situation if more members of Congress used their influence for the benefit of good causes rather than their own bank accounts.

If defense contractors contributing to a scholarship fund sponsored by a member of the defense appropriations subcommittee is somehow a terrible thing, then we must surely investigate corporate contributions to black charities and organizations to make sure no black congressman is somehow abusing his office by suggesting that such a donation be made.

I am, of course, pointing to the absurdity of this situation. A $5,000 contribution—the max anyone made to the scholarship fund—is a spit in the ocean to big corporations. In 1985, for example, McDonnell Douglas Corp. gave away $5.9 million. That $5.9 million in donations earned McDonnell Douglas only the 39th rank among corporate givers. IBM, for example, gave away $189 million.

What's puzzling about the media fascination with Chappell is that he's nowhere near the top on any list one might construct to indicate influence peddling. Chappell is among the less well-to-do of congressmen. Among congressmen who accept honoraria for speeches and appearances, which is legal by the way, Chappel ranks 64th. In 1987 his honoraria from all sources totaled $27,500. In that year, Democrat Dan Rostenkowski of Illinois received $245,000 and Democrat William H. Gray of Pennsylvania, $119,038.

In 1987 Chappell received a total of $16,000 in honoraria from defense contractors. Democrat Sam Stratton of New York received $20,000. Republican Bill Dickinson of Alabama received $21,500. The biggest player of honoraria among defense contractors was Northrop, which paid a total of $64,902. Chappell received $2,000 from Northrop. From United Technologies, General Electric and Boeing, three of the top eight, he received zero honoraria.

In short, there is nothing in the record I have seen that indicates Chappell is even especially zealous in seeking legal contributions from the defense industry. Nor, for the matter, is the defense industry—much smaller than most people think—especially generous in making political contributions.

To take routine events and make them seem extraordinary by selectively singling them out, while at the same time loosely linking them to a criminal investigation of corruption is not fair to Chappell, though it's mighty helpful to any liberal Democrat or Republican planning to run against him.

Chappell nor any other member of Congress is at this point a subject of investigation in regard to the consultants' scandal. It's bad enough to deny a presumption of innocence to man who's charged with a crime; it's terrible to deny it to a man who is not even the subject of an investigation.

STATEMENT OF THE HONORABLE THOMAS J. MANTON ESTABLISHING EMERGENCY MEDICAL SERVICE WEEK JULY 13, 1988

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. MANTON. Mr. Speaker, I rise in strong support of House Joint Resolution 539, legislation I introduced to designate the week of September 18–24 1988, as "Emergency Medical Services Week." I would like to express my appreciation to Chairman DYMALLY for bringing House Joint Resolution 539 to the floor. Also, I would like to thank my colleagues who joined me in cosponsoring this important legislation.

Mr. Speaker, EMS week is designed to recognize the invaluable contributions and dedication of emergency medical services teams across the country. These teams include emergency medical physicians, nurses, technicians, paramedics, educators, and administrators. Every day EMS teams save lives. In 1986, 82 million patients received emergency medical care from these committed professionals, often for life threatening injuries and illnesses. From the prehospital setting through the hospital emergency department, EMS professionals are available 24 hours a day, 7 days a week to ensure access to emergency medical care for all our citizens.

The medical community's knowledge and expertise in the field of emergency medicine increases every year. Organizations such as the American College of Emergency Physicians, the National Council of State EMS Training Coordinators and the National Association of Emergency Medical Technicians help emergency personnel remain current with the latest developments in emergency medicine. Furthermore, EMS teams work together to improve and adapt their skills as new methods of emergency treatment are developed.

EMS personnel are a special part of the medical community who are trained to expect the unexpected and may be called upon to treat any illness or injury. They must make rapid decisions on appropriate treatment and the need for hospitalization, often while working under hazardous conditions. Advancements in the specialty of Emergency medicine also have greatly contributed to the reduction of deaths resulting from emergency related injuries during the past 25 years.

Mr. Speaker, perhaps because emergency medical services are so reliable, we often take them for granted. Emergency Medical Services Week affords cities and towns around the Nation the opportunity to honor their local EMS teams for their important contributions to the welfare of the community. Emergency Medical Services Week will also provide EMS teams with an opportunity to educate the public about accident prevention and emergency treatment.

In 1986 and 1987 the Congress passed legislation recognizing the vital public service EMS teams provide. Let us once again honor EMS teams by proclaiming the week of September 18–24 1988, as Emergency Medical Services Week. I urge my colleagues to join me in supporting this important resolution.

THE DREAM COMES TRUE: FIRST TENANT BUYOUT OF PUBLIC HOUSING DEVELOPMENT

HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. ARMEY. Mr. Speaker, the tenant managers of the Carr Square Village in north St. Louis have begun negotiations with the St. Louis Housing Authority and the U.S. Department of Housing and Urban Development to purchase their 658-unit housing project.

If this application is approved, Carr Square would be the first public housing development in the country to be sold to tenants. This is all possible because of the tireless efforts of resident managers like Kimi Gray, Bertha Gilkey, Mildred Haley, Irene Johnson, and other tenant-management activists like Bob Woodson. It was their efforts that succeeded in getting this House to accept both tenant management and urban homesteading in the Housing and Community Development Act of 1987.

The Carr Square tenants cooperative plans a joint venture with a private development firm to secure funds for a modernization and renovation plan. As David Caprara of the National Center for Neighborhood Enterprise in Washington has stated, this is "a visionary method to tackle the problem of low income housing. We see this as a tremendous cycle to generate new housing."

Republicans and Democrats alike can take credit for this positive trend. I particularly enjoyed working with both Congressman JACK KEMP and Delegate WALTER FAUNTROY to help develop these innovative solutions for inner-city housing residents. Both of these gentlemen deserve special praise for their efforts over the past few years. The article below by Cynthia Todd in the St. Louis Post-Dispatch outlines this historic, promising development. I commend this to my colleagues' attention.

[From the St. Louis Post-Dispatch, July 6, 1988]

HOUSING AUTHORITY MAY SELL 658 UNITS TO TENANT GROUP

(By Cynthia Todd)

The St. Louis Housing Authority is considering a proposal to sell 658 units of public housing at Carr Square Village in north St. Louis to the development's tenant-management association, housing officials said Tuesday.

Charles Poole, a spokesman for the authority, said the agency was negotiating to turn over the ownership of the project to the tenant group.

The group is applying through the U.S. Department of Housing and Urban Development to buy the complex, at 1521 Carr Street. An amendment to the Community Development Act, passed in December, allows such sales.

If the application is approved, Carr Square would be one of the first public housing developments in the country to be sold to tenants.

The Department of Housing and Urban Development also is considering the sale of another public-housing development, Kenilworth Parkside in Washington, to its tenant-management association.

"This has always been our objective—to buy the development," said Loretta Hall, the manager of Carr Square and a member of the tenant-management group, which is 15 years old.

Hall said the group hoped to form a cooperative to let tenants buy stock in the complex and to eliminate all subsidized housing in the development for any tenant who is not elderly.

The group proposes to buy the development from the Housing Authority for $1. Once the sale is completed, the group plans to enter into a joint venture with the development firm of McCormack, Baron & Associates of St. Louis to renovate the development, Hall said.

She estimated that the first phase of the project would cost about $235,000. The modernization project could be paid for with bonds, through investments from individuals or through a grant from a foundation, Hall said.

She said that the group had contacted the Ford Foundation and that "prospects look good. But the first thing we have to get is the ownership."

The proposal also provides that the 658 units of public housing lost through the sale would be replaced by:

Making vacant public housing in the city livable.

Buying or building new units of public housing.

Developing more public housing through a partnership with government or private industry.

The proposal would preserve the development for low-income families. It also provides that any resale of property in the development must be made to people who have low incomes.

Michael W. Jones, executive director of the housing authority here, was unavailable for comment. Sources said several city officials supported the proposal.

David Caprara, of the National Center for Neighborhood Enterprise in Washington, said the application was being reviewed. The center helped the tenant group develop the proposal.

Caprara said officials at the department already had given the plan preliminary approval. He hailed the proposal as a visionary method to tackle the problem of low-income housing.

In St. Louis, officials estimate that 3,700 people are on the Housing Authority's waiting list for public housing and another 6,300 people are waiting for Section 8 subsidized housing.

"We see this as a tremendous cycle to generate new housing," Caprara said. He is the director of economic development for center.

"First . . . the city will have replacement housing to improve the quality of life," Caprara said. "Second, Carr Square is contiguous to the Pruitt-Igoe site, and this will enhance the value and accessibility of the site."

The city has proposed a $25 million redevelopment of the old Pruitt-Igoe site, where 33 buildings of public housing for 12,000 people once stood.

KAREN ANN LAGGER, ESSAY WINNER

HON. JACK DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. DAVIS of Illinois. Mr. Speaker, there are many reasons why I am proud to represent the Fourth Congressional District of Illinois. I would like to take this opportunity to share one of them with you and our colleagues in the House.

There are many ways that patriotism is revealed, and one of the most encouraging is when it is displayed in the youth of our Nation. We, as Americans, are all blessed with freedom and democracy from birth. It should be our duty and our pleasure to recognize, appreciate, and protect that blessing, and to pass that responsibility on to the next generation of Americans.

I would like to submit for the RECORD, an essay by Karen Ann Lagger, a high school senior from Lockport, IL. This essay was an entry in a contest sponsored by her high school and the Friends of Free China Group, and won Karen some scholarship money to be used toward an education at the college or university of her choice.

I appreciate the opportunity to share these ideas of freedom with the rest of the House, and I hope that you are all encouraged as much as I with this display of the appreciation of freedom.

The essay follows:

HOW FREEDOM AFFECTS PROGRESS

(By Karen Ann Lagger)

Although Robert Frost was not debating Chinese politics when he wrote, "Two roads diverged in a yellow wood . . . ," this first line of his poem, "The Road Not Taken" carries heavy significance when applied to China's most crucial political controversy: would she be communist or free? The year 1949 brought a painful parting of ways, as parties in China were forced to choose the political path each would follow. The military forces of Mao Tse-tung seduced the nation. However, Chiang Kai-shek and his two million followers, unfooled by Mao's rhetoric, embarked for the neighboring island of Formosa, determined to preserve and nurture true Chinese culture in the spirit of their far-seeing leader, Dr. Sun Yat-sen.

The citizens of the Republic of China on Taiwan are Chinese men and women of the same race as those who live on mainland China. The profound difference between these peoples is that those who live on Taiwan are free, while those on the mainland languish under communism. Even though the People's Republic of China boast infinitely greater land size, natural resources, and population; Taiwan has far surpassed her motherland in economic growth, academic excellence, and political progress. Since the dominant variable distinguishing these two groups is each one's choice of ideological path, the explanation of the Republic of China's superiority must be her freedom. She has clearly chosen the right path.

The first milestone reached by free China on the road of freedom has been economic growth. Economic experts consider Taiwan's burgeoning economy miraculous, and, indeed, they should. Forty years ago these "idealists" were a poverty-stricken people. Today, their per capita income is over $3,000, while communist China's is a pitiful $300 (1988 Almanac, pp. 171, 173). In 1987, Taiwan projected a growth rate over eight percent—higher than that of any other country in the world, while that of her rival on the mainland was only four percent (Chien, p. 107).

The Republic of China's economy, flexible and resilient, is viewed by economic experts as a ". . . dynamic engine that capably restructures to meet demand" (Myers, p. 122). Meanwhile, communist China is not only failing in the international market, but in her domestic markets as well. Mainland citizens consistently choose goods shipped from the Republic of China via Hong Kong (to circumvent trade restrictions). In one year, over two billion dollars in ROC merchandise entered communist China in this way (Relin, p. 27).

Taiwan recognizes that free enterprise is responsible for its dynamic economic success:

> We [in the Republic of China] have privatized some state-owned enterprises. We have concluded, as you have in the United States, that private ownership and the profit motive tend to create efficiency in management and raise levels of productivity (Chien, p. 108).

The communist Chinese closely monitor the success of their counter-parts. In fact, embarrassed by free China's achievements, they have begun emulating some aspects of her free enterprise system.

> Taiwan, after all, was supposed to be nothing more than a renegade province in China . . . Now Taiwan's economy was far superior to China's not only in terms of per capita income, but in terms of technological development as well (Goldman, p. 18).

The People's Republic's leaders have vowed to catch up with free China, even if it means ". . . a fundamental upending of their economic system" (Goldman, p. 18). The Republic of China's economic superiority proves that freedom affects progress.

Educational excellence marks the second milestone on Taiwan's road of freedom. Almost 100% of the country's children regularly attend school, and 90% of the population is literate (1988 Almanac, p. 173). Conversely, in China, only half the population can read at a sixth grade level, and only a small percentage of those will go on to study at "universities" which, by the authorities own admission, operate at a junior high level! (Tierney, Jr., p. 112). The reason for the dramatic difference in results is clear: in the Republic of China students approach education with the liberty to prepare for the profession of their choice and the hope of raising living standards for themselves and their families. Therefore, they study hard. Their desire to achieve is directly related to their opportunity to profit from hard work. In the People's Republic of China, however, little desire to achieve is evident. Why? Because communism stifles the dreams of common citizens for personal betterment. Those who study or work hard and those who do not are treated equally. Because the communists fail to acknowledge the vital link between freedom and academic excellence, they are losing their best and brightest to mediocre futures. The Republic of China's educational excellence proves that freedom affects progress.

The third milestone on Taiwan's road of freedom is political progress. The Chinese on Taiwan are slowly realizing Sun Yat-sen's dream of a nation based upon his Three Principles of the People: nationalism, democracy, and livelihood. Even in its infancy, Free China understood the need for a strong central government to withstand the influence of communism. "Despite communistic threats, we have reached a record of political and social progress toward democracy . . . that is unrivaled in developing nations" (Chien, p. 107).

While leaders acknowledge that they are giving a voice to the people rather slowly, they point out that they are ". . . doing it the way it ought to be done, with emphasis on stability" (Chien, p. 107). The Republic of China's leaders are determined to bring democracy to her people—rationally. Even those who criticize the rate at which the government is relinquishing control, must agree that Taiwan is making progress faster than mainland China. The government there shows no signs of yielding control to its citizens. The "temporary" dictatorship there has become permanent.

When Chiang Kai-shek and his forces embarked for Taiwan, they set out on a road seldom taken: very few nations in our world's history have chosen the road of freedom. Their wise decisions has led them to unparalleled prosperity.

Two road diverged in a yellow wood, and I—
I took the one less traveled by,
And that has made all the difference!

Their choice of freedom was one of great courage, for leaving mainland China meant saying goodbye to loved ones. But the rewards have been great. Free China now enjoys more economic growth, academic excellence and political development than the huge, resource-rich People's Republic. With the Republic of China leading the way, communist China must see that freedom offers opportunity for progress far greater than communism ever could. Perhaps viewing Taiwan, a glowing visual statement of freedom's superiority, will lead their mainland Chinese brothers toward a realization that they have chosen the wrong road.

Historian Dell Murphy once said, "A climate of freedom is, in itself, conducive to greatness. Taiwan has proven that freedom does affect progress by becoming the Third World's shining star: no other country has risen so high, so fast.

Clearly, freedom, the road not often taken by developing countries, does make "all the difference!"

JUDGE ROBERT E. DELAHANTY RETIRES

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. MAZZOLI. Mr. Speaker, I rise today to pay tribute to the Honorable Judge Robert E. Delahanty, who is retiring after 44 years of distinguished service as a practicing attorney and as a judge in the Commonwealth of Kentucky.

Judge Delahanty has faithfully served the citizens of the Commonwealth in various capacities over the years—most recently as judge on the District Court of Jefferson County. He was selected by his colleagues to become the first chief judge of the Jefferson District Court where he presided over a smooth transition from the old municipal court system to the unified State court system which came into being in 1978.

Prior to his election to the bench, Judge Delahanty earned a reputation as a champion of the rights of the individual. In his 24 years of private practice, he successfully fought for issues such as the advocacy of equal opportunities in public accommodations and housing and equal protection and due process in disciplinary proceedings of the Kentucky Bar Association.

Judge Delahanty has been affiliated with several civic and professional associations and has received numerous recognitions over the years. He served as treasurer and president of the Legal Aid Society and, he was the first district court judge to admit television cameras into the courtroom.

But I'm sure his most prized award is one which he received this past October from the Kentucky State Conference of the NAACP—the Clarence M. Mitchell, Jr., Award—for his tireless efforts in the interest of civil liberties and human rights.

Mr. Speaker, there are many citizens in Kentucky who can directly attribute the freedoms they enjoy today to the work and efforts of Judge Robert Delahanty. For this our State—and our Nation—have come that much closer to truly realizing liberty and justice for all.

I wish the judge much health and happiness in his retirement.

TRIBUTE TO LOU SCOTT, EDUCATOR AND CIVIC LEADER

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. WELDON. Mr. Speaker, I rise today to pay tribute to a true Amercian patriot. Lou Scott had dedicated his life to the development of young minds and the improvement of American education. Since 1959, Lou has served as the principal of Penncrest High School in Media, PA, and he has worked tirelessly to make Penncrest one of the finest high schools our country has to offer.

The children are indeed our future, and Lou Scott has continually strived to shape and mold our youth into the most ambitious and intelligent people that our Nation can produce. For the past 30 years, Lou has not only served as principal of Penncrest, but he has also been an active community leader. His service in the U.S. Marine Corps, as president of the Delaware County Principals Association, as well as his active membership in the National Association of Secondary School Principals has made Lou an active participant in the continuous shaping and refining of our Nation's educational system. As Lou retires from his post at Penncrest High School, I, on behalf of this historic 100th Congress, thank him for a job well done.

HONORING THE RETIREMENT OF HOLYOKE FIRE CHIEF LEONARD ANGERS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. CONTE. Mr. Speaker, Leonard H. Angers is retiring in February after 37 years of service to the Holyoke Fire Department. Considering the physically demanding and dangerous nature of firefighting, 37 years of dedication to the city of Holyoke is certainly an outstanding statement of Leonard's willingness to work hard, his willingness to put his health in jeopardy for the safety of his neighbors and his strong commitment to society. His many attributes as both firefighter and friend will be sorely missed by the people of Holyoke.

Leonard first joined the Holyoke Fire Department in February 1952. Over the years he has been steadily promoted through the ranks of the department from lieutenant to fire chief where he has served for the last 10 years.

By starting at the bottom and moving through each position of authority, Leonard had a clear understanding of how to run a fire department. Having worked his way through the ranks himself, he empathized with each member of the department and knew their individuals concerns. He never forgot how it feels to be at the bottom of the ladder so he was always helpful and encouraging to the newest members.

Leonard was not just a good friend to his fellow firefighters, but he was a great leader as well. Under his authority, the Holyoke Department was molded into a responsive and efficient firefighting team. He developed an esprit de corps in those around him and improved the team's attitude and performance a great deal. Leonard's dedication is admirable his performance over the years outstanding, and his kindness and friendship are always abundant. Mr. Speaker, please join me in wishing Leonard Angers the best of luck in the future. He has been a good friend and a dedicated public servant for many years. We all will miss Leonard greatly.

DEMOCRACY IN ACTION

SPEECH OF

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. FLORIO. Mr. Speaker, the end of the primary election season brings with it a time for review and reassessment. Between now and the next election, there will be fertile opportunity to look at the way we select and elect our leaders and standard-bearers.

In the spirit of examination and improvement, recommendations for change are made following elections.

Some of those recommendations could be radical departures, some could be tame tinkerings with the system. Those suggestions should be considered in the serious spirit that they are offered. The preservation of a democratic society is contingent on the exchange of ideas.

Since the State of New Jersey is one of the last States in the 1988 primary cycle, the citizens of New Jersey have, for better or worse, a perspective all their own about the primary season. Some feel that they have learned a great deal more about the candidates and their stands. Some feel that the democratic process has not included them as fully as it should have at the outset.

Despite the misgivings about or the appreciation for the system, their opinions and the way that they feel about the system contribute to that ultimate tinkering. Each word that is spoken builds on the previous work of political scientists, citizens, and voters. The result is always a new, improving system of democracy.

Robert Sommer, formerly of my staff, has had ample opportunity to study the system of democratic elections. Both as a staff member working in Congress and as a political observer working in New Jersey, he has gained an on-hands experience of the process, its pitfalls and its praises. His observations are made in the progressive spirit of improving the system. Particularly, his observations are an examination of that different New Jersey perspective and the steps that he feels should be taken to improve the system.

The dialectic of democracy depends on differing points of view and on differing approaches. The following op-ed article appearing in the New York Times is part of that progressive process of democracy:

GETTING A BIGGER VOICE IN THE PRIMARIES

(By Robert G. Sommer)

Once again, New Jersey voters have been left out of the Democratic and Republican Presidential nominating process. By the time New Jerseyans voted in last month's primaries, George Bush had long since clinched his party's nod for President and Michael Dukakis had vanquished his foes, leaving little more than a last gasp for the Rev. Jesse Jackson.

New Jersey voters should feel frustrated. Caucusgoers in Iowa were able to choose from among 13 candidates for President earlier this year, but residents of the Garden State were left to select from only 3 active campaigners in a race that already had been decided.

There is more at stake than merely a desire to vote when it really counts. Candidates stumping in states with early primaries spend a great deal of time discussing issues that are most important to voters in those states. Farm policy was discussed in great detail in Iowa; in the South voters heard much about defense issues. Meanwhile, issues of importance to New Jersey, like the environment and transportation, went largely unaddressed. The candidates were not required to explain their views on these subjects because of the late date of New Jersey's primary.

As a result, New Jersey voters are not only left out of selecting the nominees of the two parties but also disenfranchised because issues of state concern need not be discussed. Candidates spend an overwhelming majority of their time campaigning in states where the early delegates can be gained.

Many have suggested moving New Jersey's primary to earlier in the year so the state will be in the middle of the race for President. This proposal is fine as far as it goes, but other states can change the dates of their primaries as well, limiting the effectiveness of this action.

New Jersey voters are not the only ones excluded from the process. Many states are left out. In fact, it was because they felt left out that Southern officials banded together to create a regional primary early in the nominating season; voters in more than 10 states went to the polls on the same day to force candidates to address regional concerns.

But simply changing dates is not enough. More changes need to be made. Our current system asks of the voters only: Which candidate do you prefer? Electability is rarely the focus, and the result is a drawn-out process in which candidates compete state to state for the delegates they need to win the nomination. Electing a President was best described by Senator Daniel P. Moynihan of New York as "the endless, debilitating ordeal that denies dignity to the defeated and somehow even diminishes the stature of the victorious."

Michael Dukakis has compared compaigning for President to running a marathon. He is right. The race for President takes too long, even the winners can look back at the finish and those with the best experience can be beaten by a little-known competitor who jumps off to a fast start.

The system needs to be improved:

First, it should be shortened.

Second, all voters—not just a select early few—should be able to participate in choosing their party's nominee for President.

Third, the candidates should be able to discuss policy as it affects all Americans, not just those in the early primaries.

Finally, party officials should have more input in the selection of their party's nominee.

The professional politicians who once chose candidates in those "smoke-filled rooms" at least asked two questions not often heard these days: Which candidate can maintain the party's base and attract enough of the other party's voters and independents to win? Which national ticket will most strengthen state and local slates?

Some reformers have suggested regional primaries along the lines of what was accomplished in the South this year. Others have recommended a national primary.

Both proposals have shortcomings. Regional primaries have weaknesses similar to the current system's. The region slated for the first primary will gain a lion's share of the candidates' attention and issue discussion. A second problem is that those candidates defeated early will be forced to drop out before most people have a chance to vote.

A national primary cuts party leaders out of the process almost entirely. Candidates able to field impressive organizations can bypass the parties and go directly to the voters. This discourages candidates from trying to build powerful coalitions, as they did when party leaders controlled the nomination.

What we need is a national primary to be preceded, not followed, by the parties' conventions. By combining the attributes of electability and voter preference, we would have an ideal nominating system. Valuable input from both party leaders and the voters would be needed to win a party's nomination.

The election would work this way:

Legislators, party leaders and other officials proportionally representing each of the 50 states would convene to nominate candidates for President in January or February of the election year. Any candidate receivng above a threshold percentage of votes, say 20 percent, would be eligible to run in the national primary for the party's nomination. Candidates not receiving sufficient support would be ousted from the contest.

Once through the convention, the remaining candidates would compete in a one-day national primary in May or early June. The winners of the two primaries would be the nominees.

This is hardly a radical proposal. In fact, this is the way Connecticut residents currently nominate their candidate for statewide office.

To be successful, a candidate for President will first have to gain the support of party leaders who are looking for electability in a nominee. Voters will then be able to choose from among the three or four candidates who receive their party's nod.

To win the primary, candidates will have to stump nationwide, expecially in the more populous states, like New Jersey. Rather than tailoring issues to specific groups in particular states, in this relatively short campaign candidates would be forced to make broader, more national appeals.

Finally, New Jersey voters would have a say in nominating candidates for President.

SANTA MARIA MADDALENA FEAST

SPEECH OF

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. MORRISON of Connecticut. Mr. Speaker, Santa Maria Maddalena Feast, the annual festival of the Societa Santa Maria Maddalena, will be held from July 21 to July 24 in New Haven, CT. As the society approaches its 90th anniversary, I would like to take this opportunity to salute its history and its work.

The Societa Santa Maria Maddalena is the oldest Italian-American society in the State of Connecticut. It was founded in New Haven in 1898 by a group of immigrant men from the Italian town of Atrani who felt the need for an alliance to provide mutual aid and service to the community. The society now includes 150 members and an active women's auxiliary.

The society has had no shortage of worthwhile projects. Each year, it sponsors a banquet to honor civil servants at which a "Policeman of the Year" and a "Firefighter of the Year" are honored. In addition, the society and the auxiliary raise funds for a variety of charitable organizations and conduct an ongoing campaign to support the mother church, the Church of Santa Maria Maddalena in Atrani.

I look forward to attending the feast next week and to the opportunity to visit with my good friends who are the members of the Societa Santa Maria Maddalena. Those who came to this country from Atrani and their descendants have brought much to New Haven, and the feast is among the best opportunities to thank them.

DUKAKIS VETOED THE MASSACHUSETTS SOLOMON AMENDMENT

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. SOLOMON. Mr. Speaker, it did not come as much of a surprise to learn that Governor Dukakis vetoed legislation approved by the Massachusetts Legislature conditioning student aid on registration with Selective Service.

The Federal legislation, which I sponsored, was previously approved in the House of Representatives by a vote of 303 to 95. It was overwhelmingly approved by the U.S. Senate and signed into law by President Reagan. Only a narrow minority of liberals in the Congress opposed it.

Yet, soon after the House vote, Mr. Dukakis aligned himself with the extreme liberal viewpoint and vetoed the bill.

The Solomon amendment simply states that if you receive benefits from this great country—that is, Federal student aid—you must fulfill the obligation of registering with the Selective Service System.

This legislation is an excellent bellwether of liberalism.

We all know Mr. Dukakis has made some dissembling statements recently in an attempt to distance himself from the liberal wing of the Democratic Party. He claims to be a moderate or centrist!

Mr. Dukakis' claim to be a moderate is totally contrary to his McGovernite tax-and-spend record. The facts about the Dukakis record will be brought more to light as the election nears.

ON LONG-TERM CARE INSURANCE POLICIES

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. SCHUMER. Mr. Speaker, I have long been interested in ways to pay for the skyrocketing costs of long-term care for our Nation's seniors. In examining private sector proposals to deal with the long-term care problem I came across some innovative ideas being marketed by some life insurance companies.

A small number of life insurance companies have begun to offer beneficiaries a low-cost option on their policies that would allow them to collect a portion of their benefit at the onset of a catastrophic or long-term care need. These policies allow customers to convert existing life insurance policies into these new life/long-term care policies. Perhaps the best aspect of these new plans is their cost: Only 2 to 3 percent higher than traditional life insurance policies.

There is some question about how the benefits would be treated under the Tax Code. Since they are not true death or disability benefits it is not clear how the IRS will treat them. To deal with this question, today I am introducing a bill that would require that these policies have the same treatment under the Tax Code as health insurance benefits.

Consumers are already comfortable with purchasing traditional life insurance policies but have been hesitant to purchase the new long-term care products that have come on the market. These hybrid life/long-term care products may be just the ticket for consumers who want protection in their senior years.

The bill, which is printed below, is crafted very narrowly so that a person would have to be hospitalized more than 150 days in 1 year or be mentally or physically incapable of caring for himself before they could take advantage to the special tax treatment. this would prevent the bill from turning into a loophole in the Tax Code.

Neither the private sector or the public sector alone can completely deal with the overwhelming need for long-term care for our Nation's seniors. Hopefully, the bill will provide incentive for the insurance industry to offer products that provide some long-term care that is affordable and accessible.

The text of the bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 104 of the Internal Revenue Code of 1986 (relating to compensation for injuries or sickness) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) TREATMENT OF CATASTROPHIC OR LONG-TERM CARE BENEFITS UNDER LIFE-INSURANCE CONTRACTS.—

"(1) IN GENERAL.—In the case of any qualified health benefit under a life insurance contract—

"(A) section 72 shall not apply, and

"(B) for purposes of this title, such benefit shall be as an amount received through accident or health insurance for personal injuries or sickness.

"(2) QUALIFIED HEALTH BENEFIT.—For purposes of this subsection, the term 'qualified health benefit' means any amount paid under a life insurance contract if such amount is paid—

"(A) on account of a catastrophic illness, or

"(B) on account of the taxpayer being physically or mentally incapable of caring for himself by reason of a physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

"(3) CATASTROPHIC ILLNESS.—For purposes of this subjection, the term 'catastrophic illness' means any physical or mental illness or condition requiring hospitalization for a period of 150 or more days."

(b) The amendment made by subsection (a) shall apply to amounts received after the date of the enactment of this Act in taxable years ending after such date.

THE FRONT PAGES MISS NATIONWIDE PROTEST IN NAMIBIA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. DYMALLY. Mr. Speaker, we wish to alert our colleagues to a front page story from Namibia that, due to the press restrictions imposed by the South African Government, has not been on any front page delivered to your doorstep.

Since the early 1980's, South Africa has located its military bases near schools, churches, and hospitals in northern Namibia, intimidating the civilians. Soldiers have thrust their guns through the school windows, and mortar shells have landed on school grounds. Not surprisingly, there are numerous reports of students being injured or killed by soldiers.

As a result, a countrywide boycott of schools was sparked when 700 students of a secondary school left the premises and refused to return until the nearby secret police military base is removed. The boycott has spread and over 20,000 students across the country are demanding removal of military bases near their schools. Unions declared their support for the protests by organizing a 2-day stay away last month.

The tradegy is that South African security forces have arrested and continue to detain students and union members. Hundreds of black workers were dismissed from their jobs for participating in the stay away.

South Africa illegally occupies Namibia and imposes on Namibians many of the same apartheid laws imposed on South Africans. As a result, this nationwide protest has received very little coverage.

In spite of the press restrictions, the Lawyers Committee for Civil Rights Under Law has been able to put together a report of the escalating situation in Namibia. We submit that report to our colleagues and urge them to read it.

THE CURRENT CRISIS IN NAMIBIA

(A Background Paper)

On June 6, a lone policeman in civilian clothes drove a Mercedes truck towards the Senior Secondary School in Katutura, a black township in Windhoek, Namibia. Pupils attending a meeting had gathered at the entrance of the school. Suddenly, armed policemen lying concealed in the back of the truck leaped out and began to assault the unsuspecting students with whips and batons. Spreading throughout the township, other contingents of camouflaged police opened fire on residents with rubber bullets and teargas. In the end, forty-three people were detained, ten students were seriously injured and one man, shot in the head, left in critical condition.

This action was one among recent security police efforts to force over 20,000 secondary and primary school pupils to end a 3-month boycott demanding the removal of military bases situated in close proximity to their schools. Churches, parents-teachers organizations, unions and other local groups nationwide have supported the student action, but are also protesting against threats by South African State President Botha to clamp down on opposition organizations and the media.

Security actions similar to that in Katutura have taken place in Rundu, Kavango, Walvis Bay, and Tsumeb. Thousands of black workers staged a two-day stayaway, shutting down diamond mines, meat and furniture industries, and bringing many businesses to a standstill. The nationwide protests have resulted in mass arrests, and scores of people have been injured and assaulted. Several of those detained have been charged under security Proclamation AG9, which provides for 30-day incommunicado detention without charge, renewable for an indefinite period. Those detained include: Ignatius Shihwameni, Secretary General of the Namibian National Students' Organization (NANSO), union leader Macdonald Kantlabathi, and Gwen Lister, editor of the independent weekly newspaper, The Namibian. The Chairman of the South African-appointed Interim Government, Andrew Matjila, claimed that the school boycott and the stayaway were attempts by outside forces to destabilize Namibia and strengthen international demands for Namibian independence. Matjila warned that, if the protests continued, South Africa may impose a state of emergency.

THE SCHOOL BOYCOTT

Since the early 1980s, South Africa has located its military bases near schools, churches, and hospitals in heavily populated areas of northern Namibia. Local people claim that the South African security forces purposely do this to intimidate the civilian population. The placement of these bases, residents report, has resulted in serious injury and, frequently, death, because during SWAPO attacks security forces fire wildly, arbitrarily striking buildings and people. In other instances, soldiers have shot rounds of bullets and lobbed mortar shells directly onto hospital and school premises.

Dr. Abisai Shejavali, the General Secretary of the Council of Churches in Namibia, recently declared: "We know from long experience that military bases erected in the neighborhood of residential areas and schools have caused terrible threat and a loss of lives of civilians." As a result of these practices, Namibian students have mounted a boycott campaign.

The boycott started on March 17 at the Ponhofi Secondary School at Ohangwena, where 700 pupils left the school's premises and refused to come back until the nearby Koevoet counter-insurgency military base was removed. Protracted protests began last year when nine students at Ponhofi were seriously injured during an alleged "crossfire" between SWAPO fighters and the military base. Two of those nine pupils died as a result of the fighting and residents claim that the mortar which injured and killed the students came from the nearby base.

The Ponhofi closing was followed by the closing down of the Ongha Secondary School and the Ombalantu Secondary School several weeks later. the 1000 pupils of the Ombalantu boarding school have to study and live near an army base and a security policy base. On April 11, students arrived at school to discover that, during the night, the nearby bases had been attacked. One mortar landed and exploded inside the school fence, damaging several classrooms. On the morning of April 14, students announced to the staff that they were leaving the school out of fear for their lives.

This was not the first incident to occur at the school. In 1980, a pupil was shot and killed by the soldiers during a soccer match. In 1981, another pupil was injured in the foot when a mortar from the same bases exploded near her. Frequently, soldiers enter the school area and harass students by poking guns through the windows. At the Eengedjo School at Omungwelume 50 pupils were seized and driven towards the Angolan border by South African soldiers who later claimed that they were abducted by SWAPO.

On May 10, the Administrator General Louis Pienaar, announced Mr. Botha's refusal to remove the bases, saying such a move would be too costly. Instead, South Africa suggested that bomb shelters be built at the schools.

A broad cross-section of Namibian society has expressed solidarity with the students through actions and statements. The Chairman of the Ovambo Administration, Peter Kalangula, stated that "the South African Government, in refusing to remove these bases, is creating hatred against the security forces. The people of this country will never forget what is happening to the children today." The Council of Churches in Namibia made "a serious appeal to the South Africa Government and its defence forces to remove all the military bases from the neighborhood of schools, hospitals, and civilian residential areas", and concluded that the SADF should not only move their bases, but leave Namibia. Similar statements were made by the Executive Committee of the Evangelical Lutheran Church and a group of 2,000 parents who met in Katutura on June 8. The National Union of Namibian Workers (NUNW) declared that the students demands were "genuine, legitimate and born out of the bitter experience of the death of their colleagues." The Secretary-General of SWAP, Andimba Toivo ja Toivo, condemned the location of the military bases as "cowardly, sinister, and a desperate action" and declared SWAPO's full support for the students and their boycott.

South African authorities' refusal to remove the bases has damaged Namibian students' already limited educational prospects. However, the protest over the bases is just one aspect of an on-going education crisis. Schooling in Namibia is run on an ethnic basis, with the best facilities going to the wealthier white community. Black students face overcrowded classrooms, unqualified teachers, and the absence of textbooks. Now, because of the presence of the bases, in the words of Lutheran Bishop Kleopas Dumeni, "more than 19,800 students have lost their possibility to study."

TRADE UNIONS ACTION

A 2-day trade union stayaway, led by the 60,000 member strong National Union of Namibian Workers (NUNW), was undertaken in solidarity with the student boycott. Ben Ulenga, general secretary of the Mineworkers Union of Namibia (MUN), said that the strike call was initiated by parents who belong to the unions, and not by the union leadership. "When workers arrived home, they found their children had been tear-gassed, beaten or arrested. As parents, this alone was sufficient reason for serious concern", Ulenga said.

The unions expanded the scope of their demands to include protests against overall security force policies. Along with calls for the removal of the bases, they demanded the release of fellow Namibians detained without trial and the withdrawal of police from the black townships. They further urged employers to state "categorically" their position on the illegal presence of South African troops in Namibia. Management responded with threats of dismissals or comments of "no work, no pay."

The general strike on June 20-21 went ahead despite Interim Government Chairman Andrew Matjila's threat to deploy security forces against "instigators and intimidators" to maintain order. The arrest of Macdonald Kanthlabati, of the Namibian Foodworkers and Allied Union (NAFAU), on June 17, was believed to be related to the stayaway call.

On Monday, June 20, police broadcasts urging workers to ignore the strike call went largely unheeded. Seventy to eighty per cent of black workers stayed at home, shops remained closed, and taxis refused to operate. Especially hard hit by the stoppage was Namibia's mining industry, with the Rossing Uranium mine and the Consolidated Diamond Mines reporting they had been forced to stop production.

It was learned on Wednesday, June 22, that many workers—200 in Windhoek alone—had been dismissed from their jobs because of their participation in the 2-day stayaway. In Okahandja, center of the furniture industry, sacked workers were arrested and charged with trespassing when they reported to their jobsites. Many of the arrestees are alleged to have been severely assaulted and beaten by police.

THE ARREST OF GWEN LISTER

Gwen Lister, editor of The Namibian, was arrested on Friday, June 17, at her offices by South African security policemen. The Namibian, an independent newspaper, has as its editorial policy the promotion of independence for Namibia and the holding of free and fair elections under U.N. Security Council Resolution 435 of 1978. Ms. Lister's arrest was reportedly prompted by a decision to publish allegedly confidential security information which had been leaked to the paper. The front-page story contained details of a proposed new law submitted to the Interim Government by the South West African Police which would confer sweeping new powers on the Commissioner of Police. Similar to the state of emergency measures currently in force in South Africa, the draft law would expand police discretion to suppress any action or person deemed a threat to the "maintenance of law and order," while the activities and utterances of particular individuals could be restricted. Other provisions grant police added powers to ban meetings or gatherings, to limit freedom of movement, to shut down businesses and to prohibit access to certain parts of the territory by declaring them "no-go" areas. The proposal recommended, as well, the creation of a broad range of new offences. One suggestion would make it an offence to make or publish statements calculated to bring the system of national service (e.g., military conscription) into disrepute. Offences prescribed in the draft legislation would be punishable by fines up to 20,000 Rand (US$10,000) and/or 10 years imprisonment.

On Thursday, June 16, security police went to the newspaper's office and demanded that the document be handed over. Lister complied, but later printed what she remembered of its contents when police failed to return as promised. Ms. Lister was never informed the document was considered secret.

Security officials in Namibia and the South African government have criticized The Namibian's insistence on reporting stories involving chares of shootings, rapes, murder and other atrocities committed by the security forces against civilians in the north. The paper has been accused of adopting an attitude opposed to the security forces while advocating SWAPO's objectives.

On a visit to Windhoek on April 8, South African State President P.W. Botha announced that Administrator General Louis Pienaar would be vested with powers to take action against newpapers which instigated "subversion and terrorism." After Mr. Botha's visit, Reggie Diergaardt, Chairman of the Executive Committee for the Coloureds, complained that: "The South African Government should not try and use us to do its dirty work. It wants us to ban newspapers in [Namibia] as it has done in South Africa with The New Nation." Shortly afterwards, both the South West Africa Territory Force (SWATF) and the South West African Police (SWAPOL) reported The Namibian for violations of the South Africa Media Council's Code of Conduct. The Media Council regulates the professional conduct of journalists in South Africa and Namibia. The Namibian was cited for failing to exercise due care with respect to "the presentation of [* * *] atrocities," and for misleading or unbalanced news reportage.

On May 20, Ms. Lister refused to answer questions put by a military board of inquiry concerning a "confidential" document published this year by The Namibian. The document, which had been leaked to the paper, exposed an army plan to introduce cadet training at certain schools in exchange for army equipment and supplies.

Ms. Lister was released from detention after lawyers representing The Namibian sent a formal request to the Cabinet of the Interim Government to order her immediate release or, alternatively, to grant access to her in jail. The Cabinet is given this authority under subsection 4 (4) (a) and (b) of Proclamation AG9.

As the threat of the imposition of a state of emergency grows more real in Namibia, the nationwide protests against South Africa's illegal occupation show no sign of abating. Given the current tense atmosphere in the country, many observers expect the situation to reach national crisis proportions before the end of the month. As Bishop Kleopas Dumeni said: "The situation . . . in the whole country has worsened and will continue to get even worse."

HONORING OUTSTANDING LATINAS IN EDUCATION: GINA ALONSO AND LETICIA QUEZADA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. TORRES. Mr. Speaker, I rise today to recognize two outstanding Hispanic women for their work in education. Ms. Gina Alonso and Ms. Leticia Quezada are being honored at the third annual scholarship fundraiser hosted by the Los Angeles County Chicano Employees Association on Friday, July 29, 1988.

Gina Alonso has been a leader in advocating for the educational welfare of Hispanic students and the Hispanic community for the past 10 years. She is the founder and chairperson for "Latinos for Excellence in Education," a coalition of major Hispanic organizations, parent groups, and community leaders. This coalition meets with Dr. Leonard Britton, superintendent of the Los Angeles Unified School District to work on issues that affect latino students, staff, and community.

Ms. Alonso, holds a master's degree in education and a bachelor's degree in English and Spanish with minors in science and mathematics. She holds a lifetime secondary teaching credential and educational administration credential—kindergarten to 12th grade). She holds a bilingual certificate of competency from the Los Angeles Unified School District.

Ms. Alonso administers and operates her own businesses, including a medical office. She has held numerous positions over the past 14 years, while working for the Los Angeles Unified School District. Among these are, dean of students, bilingual/ESL coordinator and special education teacher. She has also served in numerous extra-curricular leadership roles at the local school, region and district levels, including: bilingual/ESL chairperson, Cinco de Mayo coordinator, academic decathalon judge, accreditation steering committee, pep squad sponsor, girls' State coordinator, class sponsor, publicity representative, president for the faculty and staff association, faculty representative and corresponding secretary for the school community advisory council, student life coordinator, bilingual/ESL parent orientation night coordinator and chapter I, Community Advisory Council installation of officers.

Ms. Alonso is a single parent of a 17-year-old, Ms. Donna Alonso.

Leticia Quezada is the first Hispanic woman elected to serve on the Los Angeles Board of Education. She was elected to represent District 5 which encompasses northeast Los Angeles, East Los Angeles, and the southeast cities of Bell, Huntington Park, Maywood, Cudahy, and Vernon.

Ms. Quezada is also a manager of community relations for the Carnation Co. In the 6 years she has held that position, she has developed and executed public relations and marketing programs to maintain a positive position of the company and its products in the U.S. Hispanic consumer market.

She has held numerous director positions on boards of distinguished community organizations including the Coro Foundation, MALDEF, Comision Feminil de Los Angeles and Volunteers of America of Los Angeles.

Ms. Quezada has received several awards recognizing her outstanding contribution in community and professional service. Among these are the Pro Award from the Publicity Club of Los Angeles, the Aztec Award from the Mexican American Opportunity Foundation, and as an "Unsung Hero" by the Los Angeles Times.

Ms. Quezada has a master's degree in education and graduated with honors from U.C. Santa Cruz with a bachelor's degree in psychology. She holds a lifetime teaching credential and a bilingual/bicultural specialist credential.

Ms. Quezada is married to Steve Uranga, an administrator in the community development department of the city of Los Angeles.

Mr. Speaker, I ask that my colleagues join me in applauding the Los Angeles County Chicano Employees Association and the Hispanic community for their excellent efforts to provide financial assistance to worthy Hispanic college students. In addition, I ask my colleagues to join me in congratulating two outstanding women leaders, Ms. Gina Alonso and Leticia Quezada, for their unselfish contributions to the welfare of the students, staff and community of the Los Angeles School District.

PRESIDENT REAGAN'S CAPTIVE NATIONS WEEK PROCLAMATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. GILMAN. Mr. Speaker, earlier today I had the privilege of attending the White House ceremony when President Reagan signed a proclamation designating the Third week in July as "Captive Nations Week."

At this annual ceremony, attended by vice President Bush and a board range of Members of Congress, other in public life, and representatives of the many "captive nations" behind the Iron Curtain, the President presented particularly cogent remarks about the progress of the march of freedom around the world; how, when people are prepared to struggle for freedom they will, with help, attain it. The most important message, Mr. Speaker, is that the people of the captive national are not forgotten, and never will be forgotten, so long as the American people are free.

Mr. Speaker, so that my colleagues will have the opportuntim to share the President's remarks and proclamation, I include them in the RECORD at this point.

SIGNING CEREMONY FOR CAPTIVE NATIONS WEEK PROCLAMATION, JULY 13, 1988

The PRESIDENT. Thank you very much. Honored guests, fellow Americans, today we mark the 30th Commemoration of Captive Nations Week.

Just 9 days ago, as America celebrated Independence ideal on which this country is founded: A vision of liberty not just for one nation but for all Nations. As Americans we speak out—we work for the freedom of others, and in doing so we remember who we are, what we have, and what America stands for in the world. For we know that to stop striving for the freedom of other nations could soon bring our own freedom into question.

Some years ago, two friends of mine were talking to a refugee from Communist Cuba. He had escapted from Castro, and as he told the story of his horrible experiences, one of my friends turned to the other and said, "we don't know how lucky we are." The Cuban stopped and said, "How Lucky you are? I had someplace to escape to."

In the 20th century, we have witnessed nation after nation fall captive to a foreign power and an alien ideology the tragic fate of these captive nations was foretold by

Lenin with the simple insturction that"* * * The interests of socialisn are above the * * * right of nations to self-determination."

From that belief came the forcible occupation of Baltic States and other lands; the subjugation of Central Europe; the crushing of the Berlin uprising of 1953; the Soviet invasion of Hungary in 1956, Czechoslovakia in 1968, and Afghanistan in 1979; the repression of Poland's Solidarity and of the people of Bulgaria and Romania; and the cruel Communist domination of Cuba, Vietnam, Laos, Cambodia, Angola, Ethiopia, Nicaragua, and others.

But the tide has been turned. Despite decades of suffering, the will to freedom is alive, it has survived its tormentors, it will outlast the Communists.

And truly, I can think of no time in my adult life when the prospects for freedom were brighter than they are today. The free world is strong and confident. The Communist idea is discredited and, around the world, new progressive forces are emerging as political change and liberation sweep the globe. America will continue to encourage the movement toward freedom, democracy, and reform by holding firm to our principles and speaking openly and truthfully about human rights and the fundamental moral difference between freedom and communism. And America shall light the path as the whole world climbs out of the dark abyss of tyranny to freedom.

And within the Soviet bloc there are hopeful signs. Just last week, a Soviet official speaking here at a conference on Eastern Europe said that, "The Brezhnev doctrine is completely unacceptable and unthinkable," citing, "the principles of sovereignty, noninterference and mutual respect." These are encouraging words that we hope will be proved true through deeds. There are few developments that would be more compelling than true self-determination for Central Europe. I have spoken previously of how the Soviets can send that message: let them tear down the Berlin wall.

And while America applauds the changes we are witnessing, the standards remain unchanged—and these are not standards arbitrarily applied from outside, but what the Soviets themselves have formally agreed to—we continue to insist on full implementation of the Helsinki accords and the Universal Declaration of Human Rights.

When I was in Moscow, one of the most moving experiences I had was when I met with a group of Soviet dissidents. They told me their remarkable stories. And I said to them that while we press for human rights through diplomatic channels, they press with their very lives, day in, day out, year after year, risking their jobs, their homes, their all.

Last month, I received a letter from a group of dissidents in the Soviet Union. "Mr. President," they wrote, "we can hardly envisage the struggle for human rights without a struggle for the national rights of nations. * * * As today, so in the future, the freedom of nations is one of the main guarantees for human rights. * * * We are convinced that true history is not written on paper but in the hearts of people, and the good Lord reads these. * * *"

Yes, true history is written in the hearts of people, and today around the world anti-Communist freedom fighters are making history and defining the direction of change for the entire world. The Afghan freedom fighters are authors of one of the great moments in human history, a symbol and an inspiration to freedom fighters everywhere. By standing with the Mujahidin as they fight for an independent and undivided Afghanistan, we are reaffirming our own belief in liberty and the indivisibility of freedom in this world.

I recently met in the White House with Jonas Savimbi, the leader of the Unita forces that control much of Angola against a Communist regime propped up by over 40,000 Cuban troops. I am proud to say that the brave Unita fighters have our support.

In Cambodia, we support the anti-Communist forces as they seek the total withdrawal of Vietnamese troops, and we will work with democratic forces to prevent the murderous Khmer Rouge from taking power.

And close to our own country, the Nicaraguan resistance is fighting a battle against communism that may foretell the future of freedom south of our border. Dr. Henry Zelaya left his medical work in the United States 3½ years ago to return to Nicaragua to fight with and give medical care to the resistance. He said, "Central America is not the target. We're just a stepping stone." He said, "if we are afraid to face the Communists in Central America now, we will have to face them again later." And again I say to the Congress, isn't it time we give freedom fighters in our own hemisphere the same consistent support we give to others in distant lands?

Now, as you may recall, on this occasion last year, I spoke of Petro Ruban, a prisoner in one of the most notorious of the Soviet gulags. In 1976, this Ukrainian Helsinki monitor fashioned a wooden replica of our Statue of Liberty, to be a gift to America on our bicentennial, and for that he was taken away. Later he was arrested again for criticizing the Soviet invasion of Afghanistan—and for demanding that his young son, who was crippled in an accident, be permitted to come to America for medical treatment.

Well, last January his son, Marko was permitted to come here for medical treatment. When Marko got off the plane, his first words in his new country were, "I want to be able to stand on my own two feet."

In his hands he held something very dear to my heart, something he had labored on during the long plane trip from the Soviet Union. The boy whose father had been imprisoned for making a Statue of Liberty had embroidered Lady Liberty onto this towel, which he gave to me as a gift. And I am happy to be able to tell you that Petro Ruban was released from prison and just last night arrived in this country to be reunited with his family. Petro and Marko are here with us today.

I have been told by Natan Scharansky, Armando Valladares and others that the words we speak in America, and the words we broadcast around the world, can be heard in the closed societies and remote dungeons of the Communist world.

I want to say to the men and women within the captive nations who labor for truth and freedom that the American people hear you as well. We follow your struggle, we see your writings, we remember you in our prayers, we watch what happens to you. And whether it's Poland's solidarity or Czechoslovakia's Charter '77, the Jazz Section, or Association of Friends with the U.S., or Hungary's Free Democratic Union of Scientific Workers, or the Helsinki Monitors, or many others, I can tell you, you are not forgotten.

When we look around the world, to Europe, Africa, Asia, and Latin America, we find that the bonds of language, faith, and kinship have not been replaced by a new order built on class struggle. The yearning for national independence has not been extinguished by the totalitarian state. And the tide of history has been revealed to all mankind to be a rising tide of freedom and national liberation.

On behalf of Vice President Bush and myself, this pledge we make to you, to all the peoples of the captive nations around the world: America will never forget your plight, and we will never cease to speak the truth. Your struggle is our struggle; your dream is our dream. And one day you will be free.

Thank you, and God bless you.

And now I'll sign the proclamation.

[A Proclamation by the President of the United States of America]

CAPTIVE NATIONS WEEK, 1988

During Captive Nations Week, we honor the courage, faith, and aspirations of the millions of people the world over who suffer under Soviet domination. They desire, seek, and deserve, as the common heritage of humanity, the liberty, justice, self-determination, and independence we Americans and all free peoples cherish. The citizens of the captive nations daily hear the mighty call of freedom and answer it boldly, sending an echo around the globe to remind totalitarians and all mankind that their voices cannot be quelled—because they are the voices of the human spirit.

Across the continents and seas, the cry for freedom rings out and the struggle for its blessings continues, in the republics of the Soviet Union, in the Baltic States and throughout Eastern Europe, in Cuba and Nicaragua, in Ethiopia and Angola, and in Vietnam, Laos, and Cambodia. It also continues in Afghanistan, despite initial Soviet withdrawal, because the Najibullah regime imposes its will upon the Afghan people. We in America, who have held high the torch of liberty for 2 centuries and more, pause during Captive Nations Week to express our solidarity with those who strive at great personal risk and sacrific to win justice for their nations. We commemorate as well the many freedom fighters and individuals such as Polish Father Jerzy Popieluszko and Ukrainian poet Vasyl Stus who have given their lives in the imperishable cause of liberty. We cannot and will not shirk our duty and responsibility to insist on the speediest end to subjugation, persecution, and discrimination in the captive nations. We repeat our call for all governments to respect and honor the letter and the spirit of the United Nations Charter and the Helsinki Accords.

Last year's Captive Nations Week Proclamation mentioned four people in the Soviet Union imprisoned for their struggle for national rights. Now, 1 year later, two of them, both Helsinki human rights monitors, remain in internal exile—Viktoras Petkus, a Lithuanian, and Lev Lukyanenko, a Ukrainian. Another, Helsinki monitor Mart Niklus, an Estonian, is still in a labor camp. The last, Gunars Astra, Latvia's highly respected national rights activist, was released in poor health earlier this year after 19 years in Soviet Labor camps. He died several months ago at 56 years of age.

America is keenly aware of, and will continue to encourage, the great tide of democratic ideas that now sweeps the globe. We cannot forget decades of tragedy, the tens of millions of lives lost, or the enormity of the suffering inflicted on the innocent. We applaud the courage and faith that have sustained countless people and kept alive the dream of freedom against unthinkable odds. Despite starvation, torture, and murder, the indomitable human spirit will outlast all oppression. We continue to stand ready to cooperate in meeting the just aspirations of the oppressed and needy of the world. We will remain forever steadfast in our commitment to speak out for those who cannot, to seek justice for those to whom it is denied, and to assist freedom-seeking peoples everywhere.

The Congress, by joint resolution approved July 17, 1959 (73 Stat. 212), has authorized and requested the President to issue a proclamation designating the third week in July of each year as "Captive Nations Week."

Now, therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning July 17, 1988, as Captive Nations Week. I call upon the people of the United States to observe this week with appropriate programs, ceremonies, and activities, and I urge them to reaffirm their devotion to the aspirations of all peoples for justice, self-determination, and liberty.

In witness whereof, I have hereunto set my hand this thirteenth day of July, in the year of our Lord nineteen hundred and eighty-eight, and of the Independence of the United States of America the two hundred and thirteenth.

RONALD REAGAN.

IN HONOR OF STEPHEN M. WICHAR

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. HERTEL. Mr. Speaker, I would like to take this time to recognize a truly outstanding citizen and good friend, Mr. Stephen M. Wichar. Stephen Wichar is an exemplary Ukrainian-American citizen who is honored today for the 50 years of community service that he has devoted to the Ukrainian-American community of southeastern Michigan. His leadership, patriotism, and devotion have been a continual source of inspiration not only to Ukrainian Americans in his own community, but to Ukrainians everywhere who continue to struggle for the freedom and recognition that they deserve.

A first generation American Ukrainian, Stephen Wichar was one of the patriotic American citizens who courageously served in the U.S. Army during World War II.

Mr. Wichar's natural leadership abilities are exemplified in the positions that he has held in various Ukrainian-American organizations and committees. He has served as president of the Ukrainian American Center, president of the Ukrainian Village of Warren, vice president of the American Human Rights and Ukrainian Committee, senior vice commander of Ukrainian Americans Veterans Post No. 101, and former editor of the Ukrainian newspaper, the Forum.

Stephen Wichar is also a dedicated advocate of a good education. He is the founder of the Ukrainian American Center Foundation which provides annual scholarships to aspiring and deserving students who seek a quality education.

After 50 years of devotion and service, Stephen is still actively involved in his work. He is currently preparing articles for the millenium album, in celebration of the Ukrainians' 1,000th year of acceptance and practice of Christianity. He is also a frequent contributor to several Ukrainian and English newspapers.

Stephen Wichar is an admirable man who serves as an example of determination and faith to his fellow Ukrainian Americans and to nationalistic Ukrainians living in their homeland. Throughout his life he has dedicated his many talents to the Ukrainian community, and has been a tremendous source of inspiration to his fellow Ukrainians, both young and old. He is a truly invaluable member of our community and a distinguished American citizen. I invite all my colleagues to join with me in expressing my sincere admiration and appreciation to Stephen Wichar. Good luck Stephen, and the best to you on this memorable occasion.

WAR POWERS RESOLUTION

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. BERMAN. Mr. Speaker, there is no subject of greater importance to the Congress than that of balancing the respective constitutional powers of the Executive and Congress, especially as it relates to the making of war.

I would like to include for the RECORD, the incisive statement of the Honorable DANTE B. FASCELL, distinguished chairman of the House Foreign Affairs Committee, which he delivered today before the Senate Foreign Relations Committee review hearing on the War Powers Resolution.

STATEMENT OF HON. DANTE B. FASCELL, CHAIRMAN OF THE COMMITTEE ON FOREIGN AFFAIRS

Mr. Chairman, I am honored to appear before the Special Subcommittee on War Powers to discuss the War Powers Resolution. Your hearings are timely and important. What emerges from this scrutiny of the War Powers Resolution will greatly influence preservation of the delicate balance of war powers between the executive and legislative branches as demanded by our Founding Fathers in the Constitution.

The War Powers Resolution of 1973 was the product of three years of debate and the passage of several predecessor bills. This law is no stranger to us on Capitol Hill. It has been exhaustively examined since 1973 by the Congress and by legal scholars. The Committee on Foreign Affairs and the Committee on Foreign Relations have consistently exercised their oversight responsibilities, including frequent hearings. This particular set of hearings, as well as the hearings which the House Committee on Foreign Affairs will hold later this month, demonstrate that commitment. (Appendix 1 lists the war powers hearings held by the House Committee on Foreign Affairs and its subcommittees since 1973. Appendix 2 is a press statement released by the Committee on Foreign Affairs relating to the publication of "The War Powers Resolution—Relevant Documents, Correspondence, Reports", May 1988.)

I want to commend Senator Biden for his continuing dedication to the rule of law in this country and join my colleagues in wishing him a full recovery. He, along with Chairman Pell and a decisive bipartisan majority in both the Senate and the House, has upheld that principle courageously in the face of unprecedented efforts by the executive branch to unilaterally reinterpret the Anti-Ballistic Missile Treaty of 1972. In a similar fashion, various efforts to reinterpret the War Powers Resolution of 1973 have distorted the public's understanding of the law, which nonetheless has had a powerful impact on the use of military force overseas.

Along with my distinguished colleagues at the witness table today, I hope to offer you a perspective on the original purpose of the War Powers Resolution and on how that purpose has been served during the last 15 years. I also intend to examine some of the common misperceptions and misinterpretations of this law which continue to plague its effective implementation.

18 years ago I introduced the first war powers resolution in Congress. It was May 1970 and President Nixon had committed U.S. Armed Forces to combat in Cambodia without prior congressional consultation or authorization. For five years this country had been racked with one of the most divisive debates ever waged over the commitment of U.S. Armed Forces overseas. Despite, or perhaps because of, that controversy, President Nixon took the extraordinary step of ordering the invasion of a foreign country without any recognition of Congress' responsibilities under the Constitution. We were not consulted; we were excluded from making any contribution to the Executive's judgment. The time had clearly arrived to re-educate ourselves on the constitutional allocation of war powers and to obtain the executive branch's commitment to that cherished principle.

My intention in introducing H.R. 17598 on May 13, 1970, was to clarify the respective responsibilities of Congress and the President under the Constitution to initiate, to conduct, and to conclude armed hostilities with other nations. H.R. 17598 served, as I hoped it would, as the starting point. The bill was soon eclipsed by other legislation and, after three years of debate in the House of Representatives and the Senate, the War Powers Resolution of 1973, which I cosponsored, was enacted over President Nixon's veto.

It is very important to recognize that the purpose of the War Powers Resolution never was to change the constitutionally-mandated powers of either the President or the Congress. The purpose was to affirm these powers and to clarify the procedures under which the President and the Congress would exercise their respective powers.

I find it ironic today that the debate so often centers on whether the War Powers Resolution grants Congress a broad, unconstitutional allocation of war powers. That focus in the debate has encouraged the executive branch to evade the requirements of the law.

Yet during the war powers debates of the early 1970's, the perspective was quite different. We were not aiming to create power for the Congress where none existed under the Constitution. We were trying to reaffirm, in fact rediscover, the war powers that the Constitution allocates to the Congress and to establish procedures that would help implement those powers. The Vietnam War and, in particular, the Cambodian incursion had left many on Capitol Hill wondering whether Congress would have any role to play in committing U.S. Armed Forces in armed conflicts in the future.

Far from attempting to expand Congress' war powers, we had to rebut strongly-held convictions of many members that the War Powers Resolution, as finally passed, expands the war powers of the president. The Senate bill, S. 440, listed actions that the president could take absent a declaration of war. Senator Eagleton made a strong case for defining those circumstances where the president could commit U.S. troops, an exercise which he believed would properly limit the president's authority. I argued against such a list because I believed it would further expand the president's authority as commander-in-chief. Specifically defining the president's authority, as the Senate bill did, would have given the president statutory authority he did not have then and does not have now. The War Powers Resolution avoids that checklist and specifically provides, in section 8(d), that the law is not intended to alter the constitutional authority of the Congress or the president or to add to any existing powers of the president.

Nonetheless, the debate focussed then, as it often does now, on the procedures set out in section 5(b) of the War Powers Resolution. You may recall that former Congresswoman Elizabeth Holtzman (D-N.Y.) believed that section 5(b) would grant the president a power he does not have under the Constitution, namely to commence hostilities and to continue those hostilities for up to 90 days even if they are unconstitutional and illgal. She felt so strongly about this point that she voted against the conference bill and against overriding President Nixon's veto. She was joined on the Senate side by Senator Eagleton, who also voted, for similar reasons, against the conference bill and against overriding the veto.

I emphasize this because there was strong sentiment in Congress at the time that compliance with the War Powers Resolution would expand the president's constitutional power as commander-in-chief, rather than the growing perception today, even on Capitol Hill, that compliance with the law would restrain and even diminish the president's constitutional power as commander-in-chief and his authority to conduct the foreign relations of the United States. That latter perception has encouraged non-compliance by the president and has led to proposals to amend the law.

What procedures does the War Powers Resolution establish to guide the Congress and the president in the exercise of their respective powers under the Constitution? I want to reexamine sections 3, 4 and 5 and explain their purpose and practical operation.

Section 3, the consultation provision, is, in my opinion, the most critical procedure established by the War Powers Resolution. It offers the opportunity for building and sustaining a consensus between the executive and legislative branches for a bipartisan policy on the commitment of U.S. Armed Forces overseas.

On the floor of the House in 1973 I said, "I have urged throughout our committee's consideration that the strongest possible provision be made requiring consultation. It serves a twofold purpose. Not only do we have the benefit of all the facts, but I believe, we as members of Congress could make a significant contribution to the Executive's judgment."

I am even more convinced in that viewpoint today. Appearing before you today are Mr. Broomfield, the ranking Republican on the House Foreign Affairs Committee, and myself, the chairman of that committee. We have worked together on the Foreign Affairs Committee for 27 consecutive years. We were young Congressmen in 1958 when U.S. troops were deployed in Lebanon. We were still here when a terrorist bomb killed hundreds of U.S. Marines at Beirut airport in 1983. In the 1970's we imposed and then later removed an arms embargo against Turkey in connection with the invasion of Cyprus. Together we supported arms control—from John Kennedy's atmospheric test ban treaty to Richard Nixon's SALT I agreement to President Reagan's INF accord.

For nearly three decades, Bill and I have served together in a genuinely bipartisan fashion. Together we have lived through the terms of seven presidents, nine secretaries of state, and more than a dozen national security advisers—all of whom come and go while we remain.

Far more than any senior executive branch official today, Bill and I have lived through and participated in the conduct of American foreign policy during the last 30 years. The purpose of section 3 of the War Powers Resolution is to tap that experience. Our Founding Fathers were quite insightful and wise when they incorporated into the Constitution the principle of advice and consent between the executive and legislative branches of government. The War Powers Resolution embodies and honors that principle.

Before 1973 there was no effective consultation between the president and the Congress prior to or even during the introduction of U.S. Armed Forces into hostile situations overseas. It was the absence of consultation prior to the Cambodian incursion that concerned so many of us. It was the absence of any statutory requirement for consultation which encouraged the president to ignore the Congress.

Since 1973 the president has had to recognize and respond to a statutory requirement to consult with the Congress before introducing U.S. Armed Forces into hostile situations. I am the first to acknowledge that no president has fully complied with the consultation requirement as it was originally conceived. In no instance, with the possible (though qualified) exception of the Persian Gulf, has the Congress been consulted in the manner which the original authors of the War Powers Resolution envisaged when section 3 was drafted, debated and enacted.

"Consultation" does not mean notification immediately prior to military engagement. We paid considerable attention to the meaning of "consultation" during the deliberations on the War Powers Resolution. The report from the Committee on Foreign Affairs (House Report No. 93-287) put it succinctly: "Rejected was the notion that consultation should be synonymous with merely being informed. Rather, consultation in this provision means that a decision is pending on a problem and that Members of Congress are being asked by the President for their advice and opinions and, in appropriate circumstances, their approval of action contemplated. Furthermore, for consultation to be meaningful, the President himself must participate and all information relevant to the situation must be made available."

Everyone knows that intention has never been fully honored by any president, Democrat or Republican. But progress has been made, and we are in far better shape today than we were before 1973. The degree of consultation we have had on our military commitments in the Persian Gulf since mid-1987 has been good. It could and should have been better, especially in the early stages last year, but the consultative process was recognized and implemented, and it continues. It is a far cry from the dog days of Vietnam.

I believe that the consultative process can be improved, but that we do not necessarily have to amend the War Powers Resolution to achieve that improvement. For over a year I have called for the establishment of a leadership consultative group. (Appendix 3 describes the structure and purpose of such a group.) This group, which could be established ad hoc tomorrow by the president and the Congress, would: consist of senior foreign policy advisers within the administration and senior members of the Congress; meet informally but regularly to discuss major foreign policy developments and ideas; and serve as an informal consultative mechanism as envisioned in the War Powers Resolution.

The president not only would consult regularly with the leadership group to forge a bipartisan foreign policy, but the group would be readily identifiable and available for consultation in connection with war powers incidents. The frequency of its meetings with the president would permit consultation on short notice without necesarily signalling the press that a crisis is pending.

I have noticed that recent legislation to amend the War Powers Resolution proposes the creation of a congressional leadership consultative group. I simply would emphasize that you do not have to legislate the creation of such a group. It is in the interests of both the executive branch and the Congress to form a consultative group in a collaborative spirit, because consultation cannot be forced down anyone's throat. Both branches have to recognize the necessity and benefits of consultation both for purposes of the long-term foreign policy of this country and for building a consensus on the introduction of U.S. Armed Forces into hostile situations.

Section 4 of the War Powers Resolution, the reporting provision, unfortunately has become the procedural obstacle to effective implementation of the law. This is a very straight-forward set of procedures designed to inform the Congress of the facts relating to the introduction of U.S. Armed Forces into one of three types of situations. Yet it has been distorted by every president in a word-game.

The Speaker of the House of Representatives and the President pro tempore of the Senate, which section 4 designates as the duly-authorized recipients of a war powers report, have received 18 reports since the first one was submitted on April 4, 1975, in connection with the evacuation of Danang. The latest report was submitted only last week in connection with the actions taken by the USS VINCENNES in the Persian Gulf on July 3, 1988. Every report (except one submitted on March 26, 1986, describing a military engagement in the Gulf of Sidra) states that it is being submitted "consistent with" the War Powers Resolution (or section 4 thereof) or "taking note of" section 4 or 4(a)(1) or 4(a)(2) of the War Powers Resolution. No report states that it is being submitted "pursuant to" the War Powers Resolution or any particular subsection of section 4.

These war powers reports merit close scrutiny. Every president has diligently submitted war powers reports following war powers incidents. They have done so within 48 hours after the introduction of U.S. Armed Forces into section 4(a)(1) situations. That in itself is an improvement over the situation we found ourselves in before 1973 when the president was under no statutory obligation even to communicate with the Congress.

Both the president and many members of Congress maintain that these reports do not constitute formal war powers reports submitted pursuant to section 4(a)(1), and therefore the provisions of section 5 remain inapplicable with respect to such reports. The president usually argues that the requisite circumstances do not exist to classify the report as a formal section 4(a)(1) report; members of Congress usually argue that those circumstances do exist but that the president has not followed proper form or included required information or evidenced clear intent when submitting the report.

Several senators have taken a different point of view in connection with the Persian Gulf and considered the president's reports as sufficient to activate the provisions of Section 5. Rep. Howard Berman, who sits on the Committee on Foreign Affairs, also has argued that form should not dictate substance in these reports, and that they should be read for what they are under the law.

I do not consider these war powers reports to be mere scraps of paper. the president is responsible for complying with both the form and substance of the law. He cannot use the cloak of the War Powers Resolution to baptize his reports in an effort to appease the Congress, and then turn around and deny that the reports have any consequence under the law. If these are not war powers reports, then what are they, and why are they always submitted within the statutory time-limit of 48 hours?

In this connection, I think it would be useful to insert in the record two recent documents: the memorandum of law filed on September 29, 1987, in the U.S. District Court (D.C. Circuit) by the plaintiffs (110 Members of Congress) in *Lowry et al. v. Reagan*, which is currently on appeal to the U.S. Court of Appeals (see Appendix 4), and Rep. Berman's *amicus curiae* brief in the same case (see Appendix 5). They should provide this subcommittee with an enlightening discussion on the dilemma posed by the reporting requirement.

The War Powers Resolution, then, is not really the problem when it comes to enforcement of the requirements of section 4. I note, for example, that S.J. Res. 323 does not propose any amendment to section 4. The real problem is the president's unwillingness to affirmatively comply with both the form and substance of the law, and Congress' reluctance to recognize the reports as legally significant documents.

Section 5 of the War Powers Resolution, which pertains to congressional action in response to a section 4(a)(1) situation or other engagement in hostilities outside the United States, has evoked unwarranted concern by both the president and many members of Congress. The common misinterpretation of this provision is that first, a section 4(a)(1) war powers report must be submitted by the president, and second, that any such submission would trigger a 60-day period at the end of which U.S. Armed Forces must be withdrawn from the area of hostilities.

The wording of section 5(b) is clear. It refers not only to the actual submission of a section 4(a)(1) report but also to a report which "is required to be submitted pursuant to section 4(a)(1)". The Committee on Foreign Affairs was quite specific in 1973 as to what the latter requirement means. The committee reported that "[t]he language '* * * or is required to be submitted * * *' takes into account a situation in which the President for whatever reason may decide not to submit a report. In that case, the 120-day period [up to 90 days in the conference report] would begin after the 72-hour period [48-hour period in the conference report] referred to in section 3 [section 4 in the conference report]."

Nor did the conferees state that the 60-day period begins only after the president has submitted a section 4(a)(1) report. Rather, "[t]he conferees agreed on a 60-day period following the 48-hour period in which the president is required to report under section 4." Whether or not the president reports is not the determinative factor. The requirement to report is the determinative factor.

I never discerned any intention on the part of the conferees in 1973 (and Bill Broomfield and I were there) that the Congress was supposed to remain impotent and blind to all reality simply because the president refused to submit a section 4(a)(1) report. I simply cannot interpret the language "* * * or is required to be submitted * * *" in any way other than that it covers those situations where the president, for whatever reason, chooses not to submit a section 4(a)(1) report.

Perhaps the greatest fallacy that distorts our understanding of the War Powers Resolution is the notion that it mandates automatic withdrawal of U.S. Armed Forces from hostilities within 60 days. The language of section 5(b) requires that "the President shall terminate any use of United States Armed Forces with respect to which such [section 4(a)(1)] report was submitted (or required to be submitted)," unless one of several exceptions exist, including the enactment of specific authorization for such use.

The language "* * * shall terminate any use * * *" is not synonymous with withdrawal. To "terminate any use" may require partial or full withdrawal of U.S. Armed Forces, but it is a much more flexible choice of words than has been understood by proponents and critics alike of the War Powers Resolution. If we had intended to mean complete withdrawal, we would have used those words in 1973.

Further, to "* * * terminate any use * * *" is directly tied to the circumstances described in the section 4(a)(1) report, or those circumstances which should have been described in a section 4(a)(1) report where one is required to be submitted. That report, like so many that have been received from the president, could describe hostilities which commence and end in one day, and which therefore do not continue for any 60-day period. We cannot translate every military incident overseas into a war powers imbroglio. Many of them will merit war powers reports submitted under section 4(a)(1). But our experience has shown that only occasionally will those initial incidents persist for 60 days or more.

The Congress has acted under the War Powers Resolution in two significant situations where the U.S. military presence promised to last for more than 60 days. First, after the situation began to deteriorate in Lebanon in 1983 and the Congress received a report from President Reagan on August 30th of that year, we exercised our authority under section 5 of the War Powers Resolution and authorized continued participation by U.S. Armed Forces in the Multinational Force in Lebanon. Although the law worked, the President's policy in Lebanon suffered crippling setbacks. We need to remember that the War Powers Resolution is no substitute for a wise execution of foreign policy by the executive branch.

The second significant situation was Grenada. Following submission of President Reagan's October 25, 1983, report on the U.S. invasion of Grenada, the House and the Senate passed similar measures declaring that the requirements of section 4(a)(1) became operative on October 25 (the date of the U.S. action). But all U.S. combat troops were removed from Grenada within 60 days (by December 15, 1983), and therefore the Congress was not confronted with the choice presented by section 5 of the War Powers Resolution. Nonetheless, the law (and its 60-day requirement) clearly influenced the president's decision to restrict the Grenada operation to the prudent objectives of protecting American lives, restoring stability, and enhancing the self-government of Grenada.

I believe, however, that the Persian Gulf is a classic war powers situation that has persisted for far more than 60 days. But how the Congress has responded to the situation in the Persian Gulf has far more to do with the character of the President's policies in that region and domestic public opinion than it has to do with any perceived weaknesses in the War Powers Resolution.

The War Powers Resolution has not prevented nor is it intended to prevent the president from using his constitutional power as commander-in-chief to exercise the right of self-defense in hostile situations. It's intent is to insure that the Congress is properly consulted, that it is properly informed, and that its approval is properly rendered in those circumstances where such approval is required.

Finally, a word of caution about section 5(c). Following the Supreme Court decision in *Chadha v. I.N.S.*, a common point of view has evolved that section 5(c) must be unconstitutional because it provides for a "legislative veto".

First, the Supreme Court, indeed no court, has ruled that section 5(c) of the War Powers Resolution is unconstitutional. Second, the concurrent resolution described in section 5(c) is not, strictly speaking, a "legislative veto". A legislative veto occurs when the Congress has granted the president explicit statutory authority and then seeks to revoke that authority through the instrument of a concurrent resolution. The War Powers Resolution does not grant the president, explicitly or implicitly, any authority he does not already have under the Constitution. In fact, section 5(c) is operative only if there has been no prior legislative grant of authority (i.e., the absence of a declaration of war or specific statutory authorization).

Since the Congress has never tested its power under section 5(c), I would be very cautious about abdicating that power simply because of a presumption held by some that it may be in error.

I would submit that the War Powers Resolution is a worthy law, carved out of years of debate and consideration in the Congress during the early 1970's. What some perceive as weaknesses in the War Powers Resolution has more to do with issues that reach far beyond this particular statute. Those issues involve distrust between the executive and legislative branches and the great difficulty we have had in this country with efforts to create a bipartisan foreign policy.

In a sense, these are intangible issues that cannot necessarily be remedied with legislative tinkering. The breakdown in trust and even credibility between the two branches of government, and the failure to forge a bipartisan foreign policy reach far beyond the exercise of war powers.

In four other major areas of foreign policy—arms control, foreign aid, human rights, and international trade—we have had major difficulties over the years in developing a collaborative, bipartisan relationship between the executive and legislative branches, and even within the Congress. Where we do succeed it is the result of consultation and mutual recognition of each branch's proper constitutional role in foreign policy and national security policy. The Marshall Plan, our participation in NATO, our commitment to the security of Israel, our support for the Afghan resistance, and the INF Treaty attest to the potential for a constitutionally-sound approach to the making of foreign policy.

Fortunately, the War Powers Resolution already provides the procedures for consultation and collaboration in the exercise of war powers by this government. Those procedures are well-suited for the making of bipartisan foreign policy, but only if those intangible elements of trust and credibility are also present. No amendment to the War Powers Resolution can inject those characteristics into the process. Before we rush to amend the War Powers Resolution, we should look long and hard at the broader problem that confronts this government: the making and sustaining of a bipartisan foreign policy.

A bipartisan foreign policy is exactly what former Secretaries of State Henry Kissinger and Cyrus Vance call for in their article in the summer issue of *Foreign Affairs.* Relevant to this hearing, they astutely observe: "The legislative branch has clearly defined constitutional responsibilities in overseeing and funding U.S. foreign and defense policies. Congress must be well informed about the plans and actions of the executive branch, and no foreign policy is sustainable if a majority of the Congress, reflecting public opinion, is adamantly opposed."

That being said, I view with keen interest legislation to amend the War Powers Resolution. The Committee on Foreign Affairs will continue to examine proposals as they evolve. We also will follow closely what is said in these hearings which are serving such an important purpose.

APPENDIX

1. Oversight of War Powers Resolution: Hearings by House Foreign Affairs Committee and Subcommittees, U.S. House of Representatives, 1974–1987.

2. Press statement dated June 5, 1988, by the Hon. Dante B. Fascell, announcing the release of the May 1988 edition of "The War Powers Resolution—Relevant Documents, Correspondence, Reports".

3. Proposal for the Creation of a Leadership Consultative Group, by the Hon. Dante B. Fascell, Chairman, Committee on Foreign Affairs, U.S. House of Representatives, March 1987.

4. Plaintiff's Memorandum in Support of Motion for Summary Judgment, *Michael E. Lowry et al.* v. *Ronald W. Reagan,* United States District Court for the District of Columbia, Civil Action No. 87-2196-GHR, September 29, 1987.

5. Brief Amicus Curiae of Representative Howard Berman, *Michael E. Lowry et al.* v. *Ronald W. Reagan,* United States District Court for the District of Columbia, Civil Action No. 87-2196-GHR, November 9, 1987.

APPENDIX 1

OVERSIGHT OF WAR POWERS RESOLUTION: HEARINGS BY HOUSE FOREIGN AFFAIRS COMMITTEE AND SUBCOMMITTEES

War powers: a test of compliance relative to the Danang sealift, the evacuation of Phnom Penh, the evacuation of Saigon, and the Mayaguez incident. Hearings, 94th Cong., 1st sess., May 7 and June 4, 1974. Washington, U.S. Govt. Print. Off., 1975. 136 p.

Seizure of Mayaguez. Hearings, 94th Cong., 1st sess. Washington, U.S. Govt. Print. Off., 1975–1976. 4 v. Hearings held May 14–Sept. 12, 1975.

Deaths of American military personnel in the Korean demilitarized zone. Hearing, 94th Cong., 2d sess., September 1, 1976. Washington, U.S. Govt. Print. Off., 1976. 40 p.

Congressional oversight of war powers compliance: Zaire airlift. Hearing, 95th Cong., 2d sess., August 10, 1978. Washington, U.S. Govt. Print. Off., 1978. 38 p.

The U.S. Supreme Court Decision concerning the legislative veto. Hearings, 98th Cong., 1st sess., July 19, 20, and 21, 1983. 371 p.

Statutory authorization under the War Powers Resolution—Lebanon. Hearing and Markup, 98th Cong., 1st sess., September 21 and 22, 1983. 120 p.

Grenada War Powers: Full compliance reporting and implementation. Markup, 98th Cong., 1st sess., October 27, 1983. 40 p.

War Powers, Libya, and State-sponsored terrorism. Hearings, 99th Congress, 2nd sess., April 29, May 1 and 15, 1986. Washington, G.P.O. 1986. 382 p.

Overview of the Situation in the Persian Gulf. Hearings and Markup, 100th Cong., 1st sess., May 19 and June 2, 9, 10, 11, and 23, 1987. 334 p.

U.S. policy in the Persian Gulf. Hearing, 100th Cong., 1st sess., Dec. 15, 1987. Washington, G.P.O., 1988. 62 p.

APPENDIX 2

FASCELL RELEASES 1988 WAR POWERS RELEVANT DOCUMENTS ANNOUNCES COMMITTEE AGENDA

Representative Dante B. Fascell [D. Fla.], Chairman of the House Committee on Foreign Affairs, today released the May 1988 edition of "The War Powers Resolution—Relevant Documents, Correspondence, Reports," and observed: This committee print is being releases as part of the Foreign Affairs Committee's active oversight of the applicability of the War Powers Resolution to U.S. military operations in general and in the Persian Gulf in particular.

In view of the recent and significant expansion of the U.S. Rules of Engagement in the Persian Gulf and persistent attacks against U.S. and other shipping in the region, Chairman Fascell said: Congress recognizes our long-standing strategic, economic and political interests in the Persian Gulf and supports our commitment to ensuring the freedom of navigation through international waters in the Persian Gulf, as well as our diplomatic efforts to bring the Iran/Iraq war to an end. Congress also realizes that our presence in the Persian Gulf has resulted in circumstances in which U.S. military personnel are confronted with situations in which imminent involvement in hostilities is a harsh reality. Consequently, it is time for the Congress and the administration to act together and decisively in support of our interests in the Persian Gulf and the law of the land.

Accordingly, Chairman Fascell instructed Committee staff to:

review all legislative initiatives relative to U.S. military activities in the Persian Gulf and the War Powers Resolution;

update the comprehensive "War Powers: A Special Study," [last released in April 1982] to include materials relevant to U.S. military actions and naval escort operations which have occurred in the Persian Gulf since the U.S. decision to reflag 11 Kuwaiti oil tankers;

Section 3 of the War Powers Resolution envisions the establishment of a joint Congressional-Executive consultative group in its provision that the President shall consult with Congress before introducing U.S. armed forces into hostilities or into situations in which imminent involvement in hostilities is indicated. In describing the utility of such a group, which Chairman Fascell has been encouraging the development of since the May 1987 Stark incident Fascell stated:

The War Powers Resolution is a living document whose importance to the conduct of United States foreign policy cannot be dismissed, discounted, or denied. Its elegant simplicity restores the Constitutional balance that was created between the President and Congress on questions of peace and war, and affirms our mutual partnership in such matters. Under present circumstances, the need is not necessarily for Congress to amend the War Powers Resolution but rather for the executive branch to comply more fully with the spirit and intent of its provisions.

In its oversight capacity, the Subcommittee on Arms Control, International Security and Science has periodically published committee prints of relevant documents, pertinent correspondence and applicable reports submitted by the President in compliance with War Powers Resolution. The last edition of this committee print was issued in December 1983 and included six reports related to the Sinai, Lebanon, Chad and Grenada. Noting the case of Lebanon, Fascell stated:

As a direct result of U.S. participation in Lebanese peacekeeping operations, the executive branch for the first and only time to date, engaged in consultations with Congress to gain legislative authorization for the deployment of U.S. military forces under the provisions of the War Powers Resolutions. That process—consultations—is especially relevant to present U.S. operations in the Persian Gulf and ultimately to the success of those operations.

Commenting on both the release of the 1988 edition of the committee print on the War Powers Resolution and the committee's planned agenda, Fascell concluded:

Our most successful foreign policy efforts have been those in which the President and Congress have worked together in developing. The implementation of such policies has enjoyed bipartisan support in Congress and gained broad support with the American people. Those policies hve commanded the attention and respect of both our friends and adversaries. Authorization of U.S. military activities in the Persian Gulf under provisions of the War Powers Resolution and establishment of the Joint Consultative Group would underline the continued vitality of the War Powers Resolution, as well as ensure the successful implementation of such policies in the future.

Copies of the May 1988 edition of "The War Powers Resolution—Relevant Documents, Correspondence, Reports" can be obtained through the Subcommittee on Arms Control, International Security and Science at 225-8926 in Room 2401-A Rayburn Building.

PROPOSAL FOR THE CREATION OF A LEADERSHIP CONSULTATIVE GROUP BY HON. DANTE B. FASCELL

As one reflects upon the formulation and implementation of our country's national security and foreign policy—be it the use of U.S. military forces and capabilities, or arms control, or anti-terrorism activities—there is an urgent need to restore an effective and meaningful consultative relationship between the executive and legislative branches of our Government.

It is critical for us to restore and sustain a national security and foreign policy that has bipartisan support in Congress. Such a development would then have the support of the American people and command respect from our friends and adversaries alike around the world.

Accordingly, I propose the establishment of a Leadership Consultative Group to serve as a structure for executive branch consultations with Congress on major foreign policy and national security issues that impact on our constitutionally-granted foreign policy and national security obligations and rights.

This Leadership Consultative Group would:

Consist of a maximum of 18 senior Members from both the House and the Senate;

Hold regular (quarterly) closed meetings with the senior policy decisionmakers within the executive branch;

Engage in discussions on major foreign policy ideas and developments and not day-to-day management considerations; and

Serve as an informal consultative mechanism offering both senior congressional and executive branch personnel opportunities for candid exchanges and assessments on the direction of our country's national security and foreign policy.

Two common characteristics of foreign policy initiatives that go astray are (1) secrecy; and (2) lack of congressional involvement and concurrence.

As a practical matter, secrecy in international affairs is simply a necessity and that option must be preserved. This reality, however, cannot and should not preclude a congressional role in major foreign policy initiatives.

Avoiding congressional involvement is inconsistent with our Constitution, our traditions, and our democratic form of government.

A Leadership Consultative Group could help avert foreign policy fiascoes. How? In three different ways:

By convincing the President that it is not a viable policy;

By concurring with it and standing behind it thereby enhancing its ultimate success; or

By modifying it to reflect congressional concerns.

An informal Leadership Consultative Group would:

Enable the Congress to give its advice and consent;

Preserve secrecy; and

Avoid the establishment of a new legal structure.

PTSD VETERANS NEED EXPANDED TREATMENT

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. GEJDENSON. Mr. Speaker, today I am joined by several of my esteemed colleagues in introducing the PTSD Services Act of 1988. Those of you here may have heard of this psychological disorder in connection with a tragic incident—the occasional news report of a Vietnam veteran who goes off the deep end and goes on a shooting spree at a shopping mall, endangering the lives of innocent people.

It is unfortunate that these tragic incidents prevail in our image of the veteran. Most veterans who suffer from PTSD simply fail to live a normal lifestyle that we as individuals take for granted. Nightmares, flashbacks, hallucinations, anxiety, and depression are just a few of the symptoms that PTSD veterans may suffer.

Today, I am introducing legislation which would serve to expand Veterans' Administration treatment services for PTSD. Specifically, this bill would direct the Veterans' Administration [VA] to place PTSD treatment teams at all Veterans' Administration medical facilities. These teams would consist of mental health professionals who are trained in the diagnosis and treatment of PTSD. At the recommendation of the VA's Special Committee on Post Traumatic Stress Disorder, the VA has already established 15 such treatment teams. But the 15 VA hospitals which have treatment teams represent a very small percentage, less than 9 percent, of the 172 VA hospitals. This bill would provide the funding required, approximately $22 million, to establish these teams at the remaining 157 VA medical centers.

Additionally, this bill would direct the Veterans' Administration to set forth standards for the treatment and diagnosis of PTSD and criteria for training, education, and evaluation of personnel who treat PTSD.

The need for this legislation stems from the fact there is a growing sensitivity and awareness in the mental health community of the prevalence of the disease. However, even highly trained health professionals may not recognize the illness, as PTSD victims display certain symptoms which are common to other mental illnesses such as schizophrenia, anxiety, and other neuroses. An analogy to this can be drawn if we compare it to our current dilemma with Lyme disease. Sufferers of Lyme disease often display symptoms of fever, rash, and headaches and are misdiagnosed with another illness.

Like Lyme disease, PTSD is not a new illness. After World War II we called it shell-shock or battle fatigue. Tragically enough, many World War II veterans are still suffering psychological effects from the war. A VA survey showed that more than 20 percent of the PTSD visits to VA outpatients facilities were by veterans of World War II. So it is not new, it is just gaining recognition as a unique illness which requires specific treatment. Fortunately, in 1980, the American Psychiatric Association included PTSD in its diagnostic and statistical manual, therefore giving it recognition by the medical establishment.

The VA currently operates 13 specialized inpatient units for PTSD treatment. However, these facilities are considered an option of last resort for patients wo are so seriously afflicted that intensive treatment is the only remedy. Additionally, access to these facilities is limited; sometimes by a 6-month waiting list, sometimes by their location, and sometimes by the fact that the condition of the applicant is not considered serious enough to dedicate the precious bedspace that so few facilities provide.

In the end we are left with a tremendous gap between those who need standard VA counseling and those in need of intensive care treatment. I find it discouraging that a veteran is not able to go to the VA hospital in his own State and be guaranteed adequate treatment for an illness which is linked to military service—isn't this the primary purpose of our VA hospitals.

Finally, I would like to emphasize that this is a problem which will require more attention in the future. A study by the VA's Special Committee on Post Traumatic Stress Disorder reveals that the number of veterans being diagnosed with this disorder are growing. We may remember less and less about the details of our wars, but increasingly for veterans, the memory of war is literally becoming their worst nightmare.

THE RURAL ELECTRIFICATION ADMINISTRATION LENDING ASSISTANCE IMPROVEMENT ACT OF 1988

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. BATES. Mr. Speaker, today I introduce with my distinguished colleague from New York, JOSEPH DIOGUARDI, the Rural Electrification Administration Lending Assistance Improvement Act of 1988. We are pleased to be joined by our good friends PHIL CRANE, FLOYD FLAKE, RON PACKARD, MERVYN DYMALLY, HELEN BENTLEY, ROBERT MRAZEK, BOB LAGOMARSINO, BARNEY FRANK, BILL GREEN, and DUNCAN HUNTER. Not only is our proposal bipartisan, covering the full spectrum of congressional political thought, it is also fully supported by the administration. In addition, we have the coalition support of the National Taxpayers Union, the National Tax Equality Association, the National Propane Gas Assocation, the Alliance for Fair Competition and other worthwhile associations of public interest.

This legislation would bring REA lending programs in line with changes in the conditions of rural electric and telephone service. When the program was begun in 1936, few farms had electricity or telephones. Today, these services are available from the Florida Keys to remote Alaskan villages above the Arctic Circle. Quality rural utilities are available in every corner of rural America.

But with REA's orginal task seemingly all but completed, the REA is still going strong, pumping taxpayer money—about $1 billion annually—into areas of the country far removed from the little house on the prairie. And, this money is highly subsidized.

Over the last 15 years, the value of REA subsidies amounts to over $50 billion. Some of these moneys subsidize the power from REA-backed nontaxpaying cooperatives to recharge golf carts at Hilton Head Island, the spa where 18 holes can run $97.50. Other subsidized loans provide power to Kuwait Investment Co.'s pleasure island of Kiawah, South Carolina, as well as other sunshine resorts.

Mr. Speaker, Federal below-market-rate loans don't end with the sunshine resorts. Tax-free REA cooperatives also provide power to the burgeoning leisure economies and condominium complexes of Vail, Aspen, and Snowmass.

Mr. Speaker, a good question is: Why have such extravagant subsidies so long been tolerated when the country cries for cost cutting budget reform. Well, that's a good question. Simply put, with apologies to Will Rogers, "Some Congressmen never met a spending bill they didn't like."

Today, without question, this legislation makes a clear call for reform. And it does so on a sound base. Today, unlike 1936, nearly all REA borrowers are financially healthy and profitable. Some REA electric power supply borrowers and their affiliated distribution members have assets that exceed companies on the Fortune 100 list of largest U.S. enterprises. Our bill recognizes this change and would make the appropriate reform—by replacing high-subsidy REA direct loans with loan guarantees when assisting legitimate rural borrowers.

Under current law, areas that were rural in former times but are no longer rural continue to receive high subsidy assistance. About 5 percent of REA borrowers serve largely metropolitan areas, not rural areas. During the period 1980 to 1985, these urban and suburban borrowers received nearly 20 percent of all electric loans aimed at rural communities. Our bill says "once a borrower, always a borrower" is bad policy. We would stop this practice and assist only legitimate rural borrowers.

The telephone program is no different. A number of REA borrowers are subsidiaries of major, multimillion dollar telecommunications holding companies. One of these outfits, with sales and assets of $2.6 billion and $5.1 billion respectively, took nearly 10 percent of all telephone loans during the 1980 to 1985 period. As a group, these holding companies, representing 7.5 percent of all telephone borrowers took 25.5 percent of the money between 1980 and 1985. These holding companies are playing in the Euro- and Wall Street bond markets. Multimillion dollar companies have no place taking high-subsidy assistance from hardworking taxpayers. Our bill would stop this practice.

Does this legislation cause serious problems in providing affordable, quality utilities to rural America? The answer is no, a resounding no. There would be no drastic increase in farmers' utility bills under our proposal. The Congressional Budget Office and the Office of Management and Budget agree on that. The Congressional Budget Office says that moving to a more market oriented loan rate above the highly subsidized REA rate. "* * * would have little effect on most cooperative's rates as interest charges account for only a small percentage of the average ratepayer's bill." The Office of Management and Budget in conjunction with the Department of Agriculture and the Rural Electrification Administration report that the impact on the typical ratepayer would be "only 74 cents per month."

Now Mr. Speaker, does the package save any money? Yes. Projected savings from current services and countable savings for Gramm-Rudman-Hollings purposes result in nearly $5 billion over the next 5 years. This legislation produces savings that are dramatic and real. At the same time, our legislation remains sensitive to rural America. It does not abolish REA nor does it cause a drastic increase in farmer's utility bills. It is a reform bill that provides continued generous Federal assistance to those who need it while eliminating assistance to those who don't.

In those few cases where a borrower is experiencing financial hardship, our legislation provides a wholly reliable safety-net. This legislation ensures that a borrower in true need gets direct, high-subsidy assistance. The proposal does not threaten quality, reliable, and affordable service to rural America.

Americans have long been generous to those who truely need help. This attribute is the cornerstone of our country's strength. We help one another. However, unless we open our eyes to changes and make the appropriate reforms in Federal spending, we simply won't have enough resources to meet the critical needs of today. Frankly, no one has to be an expert in rural utility service to know that conditions have changed since REA was created in 1936. The help that was once needed has been largely satisfied.

This legislation can reform the program, and reduce our costs without harming rural America or abolishing REA. It allows us, in a substantial way, to find the resources to meet other urgent needs of today's America.

In essence, our bill follows the advice of Mark Twain, which was, "Do what's right and you'll please some of the people and astound the rest." We have an oppportunity here to do what's right and astound those who believe Congress never met a spending bill it didn't like.

I urge my colleagues to join us in supporting this legislation which strikes the proper balance between the legitimate interest of all parties.

Mr. Speaker, I ask unanimous consent that the text of the bill and a more detailed explanation be entered into the RECORD.

The test of the bill follows:

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Rural Electrification Administration Lending Assistance Improvements Act of 1988".

SEC. 2. Section 305(c) of the Rural Electrification Act of 1936 (7 U.S.C. 935(c)) is amended by adding at the end thereof the following:

"Nothing in this section shall be deemed to limit the authority of the Administrator to sell loans made under this section on a nonrecourse basis pursuant to section 304(c) of this Act.".

SEC. 3. Section 306 of the Rural Electrification Act of 1936 (7 U.S.C. 936) is amended by:

(a) deleting from the first sentence thereof ", in the full amount thereof,"; and

(b) deleting the second and third sentence and inserting in lieu thereof the following:

"With respect to loan guarantees issued on or before September 30, 1988, the guarantee shall be in the full amount of the loan and the loan shall be made by the Federal Financing Bank at a rate of interest set pursuant to Section 6 of the FFB Act (12 U.S.C. 2285) and not more than the rate of interest applicable to other similar loans then being made or purchased by the Bank. With respect to loan guarantees issued after September 30, 1988, the guarantee shall not exceed 70 percent of the outstanding undivided principal of and interest on any loan made for the purpose of financing the costs of electric distribution and subtransmission facilities and telephone facilities and shall not exceed 80 percent of the outstanding undivided principal of and interest on loans made for the purpose of financing the costs of electric generation and transmission facilities: *Provided,* That the guarantee shall cease to be effective with respect to the loan, or any portion or derivative thereof, to the extent that the 30 percent or 20 percent, as the case may be, unguaranteed portion of such loan, portion or derivative becomes collateralized or secured in any manner whatsoever, in whole or in part, directly or indirectly, by an obligation or obligations issued or guaranteed by the United States of America or any of its agencies: *Provided further,* That the guarantee shall cease to be effective with respect to the loan, or any portion or derivative thereof, to the extent that the 70 percent or 80 percent, as the case may be, guaranteed portion of such loan, portion or derivative, is at any time separated from the 30 percent or 20 percent unguaranteed portion of such loan, portion or derivative in any way: *And provided further,* That the guarantee shall cease to be effective with respect to the loan, or any portion or derivative thereof, to the extent that the guarantee is used to provide significant support for a bearer obligation which does not comply with all of the registration requirements of the Internal Revenue Service. After September 30, 1988 the Administrator may guarantee no loan made by the Federal Financing Bank, the Rural Telephone Bank or any other lending agency that is an agency or instrumentality of the United States.".

SEC. 4. Section 306A of the Rural Electrification Act of 1936 (7 U.S.C. 936a) is amended to read as follows:

"SEC. 306A. PREPAYMENT OF GUARANTEED LOANS.—A borrower of a loan made by the Federal Financing Bank and guaranteed under section 306 of this Act may, prior to October 1, 1989, prepay such loan, or any loan advance thereunder, by paying the outstanding principal balance due on the loan or advance plus accrued interest through the date of prepayment through the use of private capital or internally generated funds. No sums in addition to the payment of the outstanding principal balance and accrued interest due on the loan may be charged against the borrower. Sums in addition to the principal balance, plus accrued interest, may be charged against the fund or the Rural Electrification Administration.

Prepayment of Federal Financing Bank loans may be financed with private capital or internally generated funds using a section 306 guarantee of not to exceed 80 percent of the undivided pro-rata principal of and interest on the refinancing loan, or any portion or derivative thereof: *Provided however,* That the guarantee shall cease to be effective with respect to the refinancing loan, or any portion or derivative thereof, to the extent that the 20 percent unguaranteed portion of such refinancing loan, portion or derivative becomes collateralized or secured in any manner whatsoever, in whole or in part, directly or indirectly, by an obligation or obligations issued or guaranteed by the United States of America or any of its agencies: *Provided further,* That the guarantee shall cease to be effective with respect to the refinancing loan, or any portion or derivative thereof, to the extent that the 80 percent guaranteed portion of such refinancing loan, portion or derivative is at any time separated from the 20 percent unguaranteed portion of such refinancing loan, portion or derivative in any way: *And provided further,* That the guarantee shall cease to be effective with respect to the refinancing loan, or any portion or derivative thereof, to the extent that the guarantee is used to provide a significant support for a bearer obligation which does not comply with all of the registered requirements of the Internal Revenue Service. Except as hereinabove provided, guarantees and other financial assistance shall not be available to borrowers to refinance loans prepaid under this section: *Provided,* That the Administrator may provide lien accommodations to enable private lenders to obtain security.".

SEC. 5. Section 306B of the Rural Electrification Act of 1936 (7 U.S.C. 936b) is amended to read as follows:

"SEC. 306B. PREPAYMENT OF DIRECT OR INSURED LOANS.—A borrower of a direct or insured loan made under this Act and held by the Administrator may prepay such loan by paying the lesser of the outstanding principal balance due thereon or the present value thereof, discounted from the face value at maturity at a rate set by the Administrator. In the event that a borrower prepays using tax exempt financing, the discount shall be adjusted to make the discount equivalent to fully taxable financing. The borrower shall certify in writing whether the financing will be tax exempt. In the case of an electric borrower prepaying loans at the discounted present value thereof, no loans, loan guarantees or other financial assistance shall be provided pursuant to this Act to the borrower or its successors or for the purpose of furnishing or improving electric service of the type (i.e., power supply or distribution) provided by the borrower within the area so served by the borrower. In the case of a telephone borrower prepaying loans at the discounted present value thereof, no loans, loan guarantees or other financial assistance shall be provided pursuant to this Act to the borrower or its successors or for the purpose of furnishing or improving telephone service in the area served by the borrower.".

SEC. 6. Section 312 of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended by deleting therefrom "15" and inserting in lieu thereof "3".

SEC. 7. Section 313 of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended to read as follows:

"SEC. 313. FINANCIAL ASSISTANCE LIMITATION.—(a) After September 30, 1988, the Administrator may make no insured loans under section 305 unless the Administrator shall have made one of the findings set forth in section 305(b) (1) and (2). Insured loans made after such date shall bear interest at a rate determined at the time the insured loan is approved based upon the interest rate on marketable obligations of the United States with maturities comparable to the maturity of the insured loan less 3 per centum: *Provided,* That the interest rate on such insured loans shall not be less than 5 per centum per annum. The aggregate amount of such loans approved in any fiscal year shall not exceed 5 percent of the total amount of section 306 loan guarantees approved for such fiscal year by the Congress of the United States.

(b) After September 30, 1988, the Administrator shall not guarantee loans under section 306 (i) to or for the benefit of a borrower if the borrower serves more than 20,000 customers and at least 50 percent of the borrower's customers are located within a Metropolitan Statistical Area or a Consolidated Metropolitan Statistical Area with a population in excess of 100,000 as periodically established by the Office of Management and Budget; (ii) if the Administrator finds that the predominant purpose of the loan would be to provide or improve electric or telephone service in an area that is largely for recreational use such as ski or beach resorts; or (iii) to any borrower for the purpose of furnishing and improving telephone service if during the most recent calendar year for which data is available the gross revenues of the borrower or organizations affiliated with the borrower including the gross revenues of the borrower shall have exceeded $100 million.".

SEC. 8. Section 406 of the Rural Electrification Act (7 U.S.C. 946) is amended by:

(a) amending the first sentence of subsection (c) thereof to read as follows:

"(c) Class A stock shall be issued only through September 30, 1988 to the Administrator of the Rural Electrification Administration on behalf of the United States in exchange for capital furnished to the Telephone Bank pursuant to subsection (a). No class A stock shall be issued after September 30, 1988 and fifty-one percent of the maximum amount of class A stock outstanding at any time after September 30, 1985, shall be redeemed and retired by the Telephone Bank on September 30, 1995. The remaining balance of such stock shall be redeemed in equal increments over the next 10 years and completely retired by September 30, 2005.";

(b) deleting the last sentence of subsection (g) thereof; and

(c) deleting subsection (h).

SEC. 9. Section 407 of the Rural Electrification Act of 1936 (7 U.S.C. 947) is amended by adding the following new subsection (d):

"(d) Notwithstanding any other provision of this Act, the telephone bank shall redeem and retire according to an effective implementation plan for privatization all outstanding debentures issued to and held by the Secretary of the Treasury. All of such debentures shall be redeemed and retired not later than September 30, 1995, and thereafter the telephone bank shall not issue telephone debentures to the Secretary of the Treasury and the Secretary of Treasury shall not purchase any such debentures. Telephone bank debentures are not guaranteed or otherwise backed by the full faith and credit of the United States and they are to be treated as corporate securities for the purposes of the securities and banking laws.".

SEC. 10. Subsection (b) of section 408 of the Rural Electrification Act of 1936 (7 U.S.C. 948) is amended as follows:

(a) paragraph (3) is amended to read as follows:

"(3) Loans under this section shall bear interest at the "cost of money rate." The cost of money rate is defined as the average cost of moneys to the telephone bank as determined by the Governor, including but not limited to borrowing, operating, and administrative costs necessary to operate the Bank and including, without limitation, the costs associated with accumulating necessary reserves adequate for the redeeming and retiring of class A stock and to borrow exclusively from private markets without federal guarantee after September 30, 1995: *Provided,* That in no event shall the interest be less than 5 per centum per annum.";

(b) paragraph (4) is amended by deleting therefrom the last sentence thereof; and

(c) paragraph (8) is amended by:

(1) deleting ", if such prepayment is not made later than September 30, 1988"; and

(2) adding at the end the following: "No loans, loan guarantees or other financial assistance shall be provided pursuant to this Act to any borrower prepaying under this section or to its successors or for the purpose of furnishing or improving telephone service in the area served by the borrower.".

SEC. 11. The Rural Electrification Act of 1936 is amended by adding at the end thereof the following new section 413.

SEC. 413. TELEPHONE BANK PRIVATIZATION.—The Telephone Bank Board shall (i) begin immediately to undertake to qualify as a member of a Federally regulated charter organization or leading insurance agency as appropriate and shall adjust all of its financial reporting to the standards used by said charter organization or lending insurance agency except those standards required under the Budget Control and Impoundment Act of 1975; (ii) begin immediately to take steps to build necessary equity reserves to enable the Telephone Bank to borrow privately without any form of Federal guarantee, which steps shall include but not be limited to setting a loan interest rate that will develop adequate cash flow to enable the Telephone Bank to pay interest on private borrowings used to retire Treasury debt and class A stock; (iii) by December 31, 1989, develop an effective implementation plan for privatization as provided in sections 401(b) and 406(c) of this Act; and (iv) by December 31, 1990, hire a competent qualified staff, knowledgeable in private banking practices, to begin the process of converting the Telephone Bank to a private, independent, lending institution.".

MR. GORBACHEV, THEY'VE BEEN WAITING FOR 14 YEARS—ALLOW THE STRELCHIK FAMILY TO BE REUNITED

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. JEFFORDS. Mr. Speaker, while much of America is praising the Soviet Union's new spirit of glasnost and perestroika, I would like to direct my colleagues attention to a human rights case that should have been settled long ago—the case of Boris Strelchik, a Moscow refusenik.

In 1974, the Strelchik family applied to emigrate to Israel, but only Boris' sister, Emma, and her husband were allowed to leave. The Soviet emigration office, OVIR, claimed that Mr. Strelchik's work at the Moscow Radiotechnical Institute of the Academy of Sciences was related to national security, and therefore refused to allow the rest of the family to leave.

Boris was very surprised at OVIR's statement that his work had been declared sensitive, and sought to confirm that designation. He personally contacted the director of his institute, who indicated in writing that since the work Boris had been involved with was published both in the Soviet Union and abroad, there was no reason to deny him emigration permission on security grounds.

Despite Mr. Gorbachev's own statements that 10 years should be the limit for refusing emigration on security grounds, OVIR continues, 14 years later, to dig up this tired excuse for not allowing the family to be reunited. Boris' mother, Tsitsilia, is now 64 years old and suffers from a heart condition. His sister, Vera, is an invalid requiring constant care. Boris has been working ever since their refusal in 1974 as a radio repair man, and has severed all contacts with his old employment. Their only desire is to repatriate to Israel and be reunited with their sister, Emma.

Today, 11 of my colleagues have joined me in signing a letter to General Secretary Gorbachev, urging the Soviet leader to intervene in the Strelchik case. There is no reason why this family should still be suffering the pain of separation and refusal after 14 years of waiting. My colleagues and I hope the new spirit of openness in the Soviet Union will prompt the Soviet Government to answer our appeal and resolve this very unfortunate case.

BASE CLOSING BILL

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mrs. BOXER. Mr. Speaker, I strongly supported the base closing bill which was reviewed by four committees of the House, and which included very important provisions to safeguard the interests of the communities that will be affected by these closures.

I am distressed that the Armey substitute prevailed.

In our effort to reduce waste in the defense budget, we cannot forget that there will be economic dislocations. People will lose their jobs. The commission cannot act responsibly in drawing up its list of targeted installations if it does not consider that fact and reviews opportunities for creation of new jobs. I applaud my colleague, the distinguished representative from Michigan, Mr. HERTEL, for this important addition to the committee bill. It was deleted in the Armey bill.

A corollary to this is that local jurisdictions may want to find new uses for these bases, but many of these bases will not be environmentally safe for conversion. This has been a very serious problem in my district. Many of you are aware of the problems I have had with Hamilton Air Force Base in Novato. For the past year and a half, we have been trying to help the city of Novato to realize exciting plans for that facility. Unfortunately, the developer discovered too late that part of the base has been a dumping ground for toxic waste. His plans have been delayed as we have tried to sort out how much the cleanup will cost and who is responsible for getting it done. We are optimistic, but it has been difficult.

Recently, the Energy and Commerce Committee received a staff report which found that 16 Federal facilities managed by DOE and DOD have serious violations of environmental law, including three military bases.

The committee bill contained responsible provisions to ensure that the Secretary of Defense does not close a base until there has been a study of what needs to be done to make it environmentally safe. The Secretary would have to come up with a plan for environmental cleanup within 5 years, including its cost. Nor could the property be transferred to the General Services Administration for sale until this was done. The cleanup would be funded from a separate, revolving account. This was a reasonable, responsible approach which was deleted from the Armey bill.

I think if such a procedure had been in effect several years ago, we would not have the problem we do today at Hamilton Air Force Base and other bases around the country.

The committee bill was the product of extensive debate and deliberation and reflected a careful balance between the need to close bases that can no longer be justified, and the need to turn over to our constituents property that is safe for conversion.

CONNIE O'HALLARON

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. BUECHNER. Mr. Speaker, I rise today to honor the 14 years of service of Connie O'Hallaron as city clerk of Kirkwood, MO. For all her efforts over nearly a decade and a half, from the mundane pursuit of license processing to the harrowing tasks of emergency mobilizations through snowstorms and floods, Kirkwood Mayor Herb Jones suitably recognized her by proclaiming June 30, 1988, as "Connie O'Hallaron Day."

The hallmark of Connie's record of public service is consistency. In her career as city clerk, she recorded every city council meeting except one in all her 14 years, through 2 mayors, 3 city administrators, 6 city councils, and 2,400 new city ordinances. Add to this the hundreds of hours listening to long stories and angry complaints that would try the patience of any public servant to the limits of endurance.

Connie has always been the very best definition of a citizen. In her 25 years in Kirkwood, living with her six children and her husband, Dan, she has been a model of commitment, wisdom, and caring that everyone around her could emulate. Aspiring candidates in Kirkwood often looked to Connie for civic advice, and her political coaching aided many new careers.

For all you have done for us in Kirkwood, Connie, we offer our warmest gratitude and our best wishes for a happy retirement. I know that we will see you around town and at city council meetings, and hope the new city clerk, Marjorie Klick, will follow in your footsteps, a road well-traveled and surely navigated for 14 years.

PERSONAL EXPLANATION

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. SLATTERY. Mr. Speaker, I was unavoidably detained on legislative business during the recording of rollcall No. 229, on final passage of S. 2527, the Plant Closing Notification Act. Had I been present, I would have voted "yea" on rollcall No. 229.

A PIONEER IN WOMEN'S ATHLETICS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. COUGHLIN. Mr. Speaker, I rise in tribute today to honor a pioneer in women's athletics; an individual who has spent her lifetime teaching and coaching young women; who inspired and led by example. Mr. Speaker, I am referring to Miss Eleanor Frost Snell.

Miss Snell was recently honored by Ursinus College, where she spent 41 years as an athletic coach and instructor. The college, a liberal arts institution in Collegeville, PA, which serves many of my young constituents, established the Eleanor Frost Snell Chair of Health and Physical Education. The $500,000 permanently endowed chair was created to insure the continued professional growth of the individual Ursinus faculty member holding the chair and the enrichment of the department of physical education and health through special events and lectures. Programs that build on the traditional strengths of the women's programs instituted by Miss Snell will be especially encouraged.

In addition to her teaching duties at Ursinus, Miss Snell coached the college's field hockey, basketball and softball team—compiling records in each that are nothing short of spectacular. For instance, her 40-year record at the helm of Ursinus' field hockey team was 197-61-29. In basketball, her record was 269-69-13; in softball, 125-20. And many of Miss Snell's athletes were honored as all-stars in their respective sports.

Another indication of Miss Snell's leadership and dedication is the fact that scores of her student-athletes have gone on to make their own significant contributions in the world of women's athletics.

As a pioneer in creating opportunities for women athletes, Miss Snell is credited with the evolution of the restrictive old rules of early six-girl basketball to the faster action-packed five-girl innovations of recent years.

A sign of the love and respect her former players have for Miss Snell is evident in the 13-month fundraising drive to establish the Snell Chair of Health and Physical Education. A grass-roots effort of activities, from coaching clinics to cocktail parties and a golf tournament created the foundation of funds to create the chair. A fundraising leader and former athlete under Miss Snell called it "a labor of love."

At 87, Miss Snell remains a vibrant, energetic individual. She has profoundly affected the lives of thousands of women and has left an indelible mark on the landscape of national women's athletics.

THE GENEVA CUBS WIN ON FRANK HORTON NIGHT

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. HORTON. Mr. Speaker, the general manager of the Geneva Cubs, Ken Shepard, is sleeping comfortably in his own bed these days. This was not the case earlier this month as Ken had spent 12 straight nights sleeping on a cot in the press box at the Cubs home field, McDonough Park, in Geneva, NY.

When the team's record in the New York-Penn League was 1-10, the 23-year-old general manager promised to sleep in the stadium's press box until the losing streak came to an end. The thought, evidently, had not entered Ken Shepard's mind that his team might continue to lose, tying a league record with 18 straight losses.

Ken's plight was covered on national television and his story was reported in newspapers from coast to coast. The imaginative young man told reporters that, "During the losing streak, the Geneva Cubs were the most publicized minor league baseball team in America. According to Ken, "Nobody likes to see their team losing, but we had to make the best of it."

The victory which helped the egoes of the Geneva Cubs players, and prevented bed sores for their general manager, took place on Saturday, June 9, 1988. The Cubs rallied from behind to beat the Watertown Pirates by a score of 5-2.

Mr. Speaker, I have been a baseball fan all my life. Prior to coming to Congress, I was the president of the Rochester, NY Red Wings minor league ball club. I was at the Geneva Cubs game on Saturday and was truly impressed with the enthusiasm of both the team and the fans as the Cubs tallied this memorable victory.

A lot of factors go into a win by any team, and the intensity of the home team fans can often mean the difference between victory and defeat. I'd like to think that the fans at McDonough Park on the night of the Cubs great victory might have been a little bit louder than usual. After all, Saturday night at the Geneva, NY stadium was Frank Horton Night.

NATIONAL FARM BROADCASTERS WEEK

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. LIGHTFOOT. Mr. Speaker, I'm pleased to introduce a resolution today calling for the designation of the week of November 6 through November 12, 1988, as "National Farm Broadcasters Week".

Farm broadcasters perform vital services to the Nation by serving both the agricultural community and the consumer alike. Although there are fewer than 250 of them nationwide, farm broadcasters provide our country with up to date market information, weather data, nutritional facts, and community activity information. As a former farm broadcaster, I'm privileged to know personally many of the people in this business, and I can vouch for their dedication to their profession. It takes a special person to fill their shoes.

Today, 34 of my colleagues have joined me in sponsoring this resolution, and I'd like to invite the rest of the Members of this body to join us in recognizing the unique role farm broadcasters play in American life.

ENCOURAGING COMPETITIVENESS AND PRODUCTIVITY

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. DANNEMEYER. Mr. Speaker, as the ranking Republican member of the Energy and Commerce Subcommittee on Commerce, Consumer Protection and Competitiveness, I rise to express my opposition to both the so-called clean version of the trade bill and plant-closing legislation.

Unfair trade practices account for only a small percentage of our trade deficit. The real issue is the declining productivity and competitiveness of American industries. It is my belief that the root causes of our trade deficit are the huge federal budget deficits and the instability of foreign exchange rates and interest. Closing our borders is not the solution to opening foreign markets. It is necessary to open markets and to demand fair treatment with our competitors abroad. Protectionism is not the answer. H.R. 4848, which we will consider today, is still protectionist in nature and its combined effect will not encourage competition and economic growth.

Consistent with my position that it was a protectionist and anti-competitive bill, I opposed the conference report of H.R. 3 when it was considered on April 28, 1988. When the House passed a veto override on May 25, 1988, I voted with 112 of my colleagues to sustain the President's veto. I commend the leadership for removing the two provisions which drew strong objections by the President; the plant-closing provision, which will be considered as separate legislation today, and the provision limiting oil exports from new Alaskan refineries.

Unfortunately, in my view, it did not go far enough and I object to a number of provisions which remain in H.R. 4848 including the following: the creation of the Council on Competitiveness, the purpose of which is to revive discredited industrial policy planning; the creation of a centralized international institution which requires negotiators to arrange for the forgiveness of international debt without increasing U.S. taxes or adding to the debt; and the provision which prevents the President from blocking enemy propaganda from entering the United States even during wartime. These provisions, in my view, will inhibit economic growth and development and invite retaliation at a time when the United States is expanding exports.

There are, however, a number of provisions in this legislation which do create incentive for free trade and open access to our competitors. Specifically, the repeal of the windfall profits tax, the provision which gives the President 5-year fast-track negotiating authority for nontariff agreements, the harmonized system of tariffs designed to bring the U.S. tariff system in line with the tariff systems of other nations, and the provisions which reform the Foreign Corrupt Practices Act. Unfortunately, in my judgment, the overall combined effect of H.R. 4848 continues to create an environment which promotes retaliation by our trading partners, enhances the potential to decrease the volume of world trade, and reduces the President's discretion to respond to the trade situation. The counterproductive provisions of this legislation, in my view, outweigh the positive measures. For these reasons, I oppose H.R. 4848.

Plant closing legislation has long been a favorite of labor union bosses who have pressed this issue over the past decade. The disagreement focuses not around the need for prior notification but whether notification should be federally mandated. I do not believe that legislating advance notice of plant closing or a major layoff, is necessary. Facts indicate that federally mandated plant closing requirements will not necessarily enhance economic growth or promote productivity. Consider the following examples: The layoff rate in the United States is at a 9-year low—42.9 percent fewer people are unemployed today because of layoffs than in 1980. Since 1981, 15 new businesses have opened their doors in the United States for every one that has gone broke. Europe has had no net job growth since 1970 while the United States has increased employment in the same period by more than 38 million—more than 15 million in the last 5½ years alone. Germany passed a plant closing law in 1972 and since that time has lost 1 million jobs while, during that same period, the United States has gained 33 million jobs. For every plant closing today, there are six plant openings in the United States. Fortune 500 companies have lost 1.6 million jobs while the Nation as a whole created 15 million jobs.

Current law already requires good faith consultation with respect to business decisions where labor costs are a major factor. According to the General Accounting Office, 88 percent of American employers already give advance notice of layoffs. It is a fact that, when they can, many companies voluntarily provide significantly more notice—and other benefits—than would be required by this legislation. I believe it is essential that businesses voluntarily give workers and communities as much advance warning as possible when a layoff or closing becomes necessary in order to allow employees, employers, and the community the opportunity to adjust to the changes. Each circumstance is different and businesses should be allowed to approach layoffs and closings with the flexibility necessary to respond to specific conditions.

Work force shifts are a natural part of a healthy economy and Congress should not attempt to inhibit these natural economic adjustments. Instead, it should strive to promote policies that encourage business to thrive in a competitive atmosphere and eliminate policies which hinder a company's ability to compete. A strong and healthy economy will result when competitiveness and productivity in American industry, and among our trading partners, is encouraged. In my view, H.R. 4848 and S. 2527 will have the overall effect of discouraging competitiveness and productivity both here and abroad. For these reasons, I oppose both pieces of legislation.

CONGRATULATIONS TO OREGON DAIRY COUNCIL ON AWARD WINNING NUTRITION

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. WYDEN. Mr. Speaker, I would like to congratulate the Oregon Dairy Council, based in Portland, on being honored by Family Circle magazine and the Flook Marketing Institute for excellence in nutrition education in the classroom. The Oregon Dairy Council was one of 17 organizations honored at the annual FMI Convention in Chicago.

The Oregon Dairy Council is the nutritional education branch of the dairy industry in my State and has been providing the public with information concerning food and nutrition for over 50 years. There are 28 such councils distributed throughout the country, and each is affiliated with the National Dairy Council.

The council received a 1988 gold leaf award for "Super Four—A Star-Studded Guide to Food Choices" and a gold leaf certificate of merit for "Taking a New Direction." "Super Four" was a program designed to instruct teens in nutrient density and the basic four food groups, while "Taking a New Direction" is a consumer workbook which supplements instruction on fat content is foods and monitoring its daily intake.

"Super Four" and "Taking a New Direction" were chosen from nearly 100 entries in the Biennial Award Program. Nutrition consultants Vicki Wentzien and Priscilla Buchin, two of the five registered dietitians and nutritionists on the council, were instrumental in the development and implementation of the two programs. Elaine Mackie is tghe council director.

This level of private sector support for improving the health and nutritional welfare of the American people is to be commended.

SANDINISTA REPRESSION

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. SKELTON. Mr. Speaker, early this week the Communist government of Nicaragua revealed yet again its "commitment" to the democratic process. On Sunday afternoon, government thugs wielding clubs and tear gas brought to a violent close the largest opposition rally to take place in years. On Monday, government authorities closed Radio Catolica and suspended the newspaper La Prensa. And on Monday evening, the Sandinistas decided to expel the American Ambassador and seven of his staff.

Last week while George Shultz was visiting the four Central American democracies, Daniel Ortega went off to Cuba to visit his hero, Fidel Castro. I suspect there is some connection between that visit and events this past week. The Sandinistas understand very well that if they honor their promises concerning democracy they risk losing power. A free press reporting the widespread Nicaraguan dissatisfaction with Sandinista rule could be the catalyst to promote such a development. Mr. Speaker, the harsh fact remains, without democracy in Nicaragua there can be no peace in Central America.

COOPER HOLT HONORED BY MARINE CORPS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. MONTGOMERY. Mr. Speaker, on July 8, Cooper T. Holt, the executive director of the Veterans of Foreign Wars and a well-known veterans' advocate here on Capitol Hill, was honored by the assistant commandant of the Marine Corps, Lt. Gen. Joseph J. Went, with a reception at the Washington Navy Yard and an evening parade at the Marine Barracks. It is a rarity for someone to be so honored, and it is certainly fitting in this case. The evening parade at the Marine Barracks is a very impressive and moving ceremony.

Mr. Speaker, it is my pleasure to bring this event in Cooper's honor to the attention of my colleagues, and it is an opportunity for me to pay personal tribute to a gentleman who has worked closely with the Veterans' Affairs Committee and the Congress over the years.

The veterans of this Nation have no more loyal friend and advocate than Cooper Holt. His integrity, his expertise, his easygoing manner, his advice, and his ability to get the job done are emblazoned in both the doctrines of the organization he leads administratively and in the Federal programs for veterans that have been established over the past four decades.

Cooper is a decorated veteran of World War II. A member of the VFW since 1944, he held a series of local, State, and national offices in the organization. In 1956, at the age of 32, he became the youngest commander in chief the VFW ever elected. That distinction still holds true. He was appointed executive director of the VFW Washington office in 1963.

Mr. Speaker, many of my colleagues know Cooper Holt as a trusted and respected friend and adviser on matters of importance to the Nation's veterans and their families. The Congress could not ask for a stronger nor more beneficial working relationship with the VFW.

I congratulate Cooper on this latest honor from the Marine Corps and on a lifetime of good works and good will.

DON'T BE MISLED INTO PAYING FOR FREE SOCIAL SECURITY SERVICES

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. FAWELL. Mr. Speaker, recently a constituent brought to my attention a mailing he received regarding his Social Security earnings records. At first glance, the envelope and letter appeared to be quite official. In large black type is the return address: "Social Security Protection Bureau, Washington, DC." Also, instead of a postage meter or stamp, the words "U.S. Postage Paid" are written with the name of the organization underneath, similar to the way Government envelopes appear. Nowhere on the envelope does the organization state that it is not affiliated with the Federal Government.

Seniors are naturally interested—and concerned—about their Social Security benefits. Unfortunately, entrepreneurs have caught onto the possibilities of direct mail solicitation to seniors eligible for Social Security and Medicare, sometimes preying on their fears that these benefits are in jeopardy.

One should be cautious of organizations with names that use the words "Social Security" and/or "Medicare" in a prominent manner. Such solicitations often imply that seniors must send the organization $7 or $10 in order to protect their retirement benefits. Worse, the organization may imply that membership in the organization is necessary to help retain or increase current benefit levels. The use of loaded words to make emotional appeals can mislead unsuspecting readers.

Some organizations may offer, upon payment of a membership fee, a variety of services or publications. They neglect to inform their members that these services are free from the Social Security Administration [SSA]. For example, a firm may offer to have a newly married woman's name changed in Social Security records; to obtain a Social Security card for a child; or to obtain a statement of a person's earnings record. These services are available at no cost from the SSA and requests for such services do not receive any special attention or handling if sent in by one of these organizations. Anyone may obtain the necessary form for determining one's earnings record by calling my congressional district office (312-655-2052).

Some of the products that the organization may offer are books or pamphlets that promise to provide the reader with "secrets" or "inside information" about Social Security. Generally, they contain information that is already in the SSA's own publications which are available at no cost from local Social Security offices or through my office. I recommend that anyone with questions about Social Security programs, policies, and procedures go directly to the SSA or contact my office for clarification of differing rules.

The "Social Security Protection Bureau" offers, as part of its membership, a gold embossed Social Security card to use instead of the paper card issued by the SSA. It states that if the paper card is ever lost or stolen, an illegal alien could use your number. However, the card issued by the SSA is the only official card for Social Security purposes. In fact, anytime a request for a Social Security number is made for identification purposes, it should be accompanied with photo identification.

The solicitation also offers as a further "valuable benefit" of membership "Representation in Washington, DC to protect your Social Security benefits [sic]." Yet, we could find no such "Washington representation." Repeated calls by my legislative staff to this organization were taken by an answering service, and messages left were not returned. Repeated requests to get the organization's physical address or any other information were answered with, "I don't have that information." Further inquiry led to the discovery that the organization's Washington ZIP Code is uniquely owned by a Fairfax, VA, organization—the "Washington Intelligence Bureau"—who informed us that the "Bureau" is managed by an Alexandria, VA, consultant in direct mail marketing and fundraising.

I cosponsored legislation—now law—which imposes restrictions and fines on misleading and deceptive advertising about Federal programs. It is now illegal to use the name, emblem, or symbols of Social Security or Medicare in a manner that would convey a false impression that any item is approved endorsed or authorized by the Federal Government.

If you are skeptical of a mailing you receive about Social Security or Medicare, you can refer the advertising to a local Social Security office or Better Business Bureau. If voluntary compliance by the sponsoring organizations to change their mailings or publications is not possible, the Federal Trade Commission or the U.S. Postal Service are asked to step in for further investigation.

The most effective defense against misleading and deceptive direct-mail solicitation and advertising practices, however, is a well-informed public. Do not hesitate to contact my district office with your suspicions about any mailing you receive.

DAVIS-UMAN SISTER CITY PROJECT

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. FAZIO. Mr. Speaker, I rise today to welcome the official delegation from Uman, Ukraine, U.S.S.R., which will be visiting Davis, CA, during the last week of July 1988. This visit is part of an effort by the two cities to become sister cities under the sister city international program.

The dedicated people involved with this project in Davis have been working to establish relations between their city and Uman since December of 1983. They began by sending friendship packages to the city and the A.M. Gorky Agriculture Institute. These packages contained letters from the Davis community, including the mayor and Davis school children, and were signed by more than 800 people. Their efforts were rewarded 8 months later when a similar package arrived from Uman containing, among others, a letter signed by hundreds of Uman students. This was especially rewarding since very few American cities have been able to establish contact with Soviet cities.

In 1985, a group from Davis journeyed to the Soviet Union and held a meeting with representatives from Uman. In 1987, another group from Davis visited the Soviet Union and was able to spend a day touring Uman and talking with city officials.

The Davis City Sister Project participants have long looked forward to reciprocating the hospitality shown to them in the Soviet Union and have anxiously awaited the Uman delegation's visit to Davis. A week's worth of activities is planned including meetings with city officials.

I am impressed and pleased with the development of good relations between the American city of Davis and the Soviet city of Uman. In this day and age, it is increasingly important to lessen the threat of a nuclear confrontation between the two nations as has been accomplished by the recently ratified Intermediate Nuclear Forces Treaty. The development of links of friendship as well as a mutual understanding between the citizens of the United States and the Soviet Union can help assist this important endeavor.

I salute the people of Davis and Uman and wish them continued success with their project and with their efforts to bring the world closer together for friendship and peace.

THE INTRODUCTION OF STANDARD REACTOR LEGISLATION

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1988

Mr. UDALL. Mr. Speaker, our former colleague, Senator JOHN MCCAIN, and I have joined today to introduce in our respective House important nuclear legislation. Its purpose is to facilitate development and deployment of standardized nuclear reactors.

Nuclear development along the current track has ended. The end has come because we failed to achieve the degrees of safety and reliability required if nuclear were to engender the level of public support necessary for its viability over the long run. This legislation will lay the groundwork for a new track on which nuclear development might proceed. This legislation will provide insurance should we be unable to develop preferable nonnuclear alternatives to meet our electric needs.

The reactors envisioned in this legislation would be significantly safer, more reliable and more economic than present designs. The new reactors could be built in less time and they would be more readily regulated. Such reactors would regain at least part of the public support for nuclear power that has dissipated in the accidents at Three Mile Island and Chernobyl, in near misses at other plants and in cost overruns.

In brief, we propose to creat a new office within the Department of Energy [DOE]. This office would be charged with creating within one year a program plan, so that by the year 2000, utilities would be able to purchase reactors having the following features:

Safety would be derived more from the inherent design than from complicated safety systems intended to provide defense-in-depth.

The design would engender public confidence; it would be such that people could easily understand why severe accidents were unlikely.

The design would provide confidence that hangups would not occur in the licensing process, that construction could be carried out expeditiously—for example 5 years—and that the reactor would operate with a high reliability.

The fuel cycle associated with the standard reactor would represent a nuclear proliferation risk no greater than that represented by the light water reactor fuel cycle in which spent fuel is not reprocessed.

The legislation lists criteria to be satisfied by the standard reactor design; the decision as to whether the standard plant would be cooled by gas, water, or liquid metal is left to the DOE.

The legislation gives the DOE the option of including in its plan the construction of one or more prototype and/or demonstration projects; we leave the recommendation as to the desirability and nature of prototype and/or demonstrations to the DOE. The DOE's plan would contain a target licensing schedule for prototypes, demonstration reactors, and/or commercial plants. The plan would also specify a schedule for developing information required by the NRC.

The legislation would require the NRC to establish a standard reactor project to undertake activities necessary to assure that regulatory tasks related to standard reactors were completed in a timely manner.

In carrying out tasks assigned by this legislation, the DOE and NRC would be required to take into account the views of interested parties such as States, industry, environmental groups, labor unions, and individual citizens.

Nothing in the proposed legislation would prevent the NRC from granting licenses for existing or future designs put forth by utilities or other qualified entities.

Mr. Speaker, the nuclear promise has not been fulfilled. We have failed to develop reactor designs sufficiently safe in reality and in the public mind. Instead, we produced nuclear plants that are too dangerous and too predisposed to engender perceptions of undue risk. As a result, the nuclear enterprise has been unable to muster the level of public support necessary for its survival over the long term.

At the same time, viable nonnuclear electric alternatives are not clearly in the offing. Acid rain and the greenhouse effect may cause us to turn again to nuclear. If this were to happen, we should be ready to go with designs for reactors that are safe, economic, and readily deployed. The standard reactor legislation that Senator McCAIN and I are introducing today paves the way for the standardized plants that will be a critical element in any nuclear resurgence. I urge my colleagues to support this important initiative.

TESTIMONY ON THE RESOLUTION OF INQUIRY

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. PANETTA. Mr. Speaker, on June 15, 1988, I introduced a resolution of inquiry, House Resolution 473 with 146 original cosponsors, to provide a full accounting of how the $47.9 million humanitarian aid package approved by Congress and signed into law on April 1, 1988, is being administered. Because of the great support this resolution received in this House, I would like to submit a copy of my statement to the House Foreign Affairs of July 13, 1988, for the RECORD.

STATEMENT OF THE HONORABLE LEON E. PANETTA BEFORE THE HOUSE FOREIGN AFFAIRS COMMITTEE, JULY 13, 1988

Mr. Chairman and Members of the Committee, I want to thank you for taking the time and interest to hold this hearing on House Resolution 473. As you know, this is a resolution of inquiry I introduced on June 15, 1988, with the support of 146 of my colleagues, including a number of Committee members, to provide a full accounting of how the $47.9 million humanitarian aid package approved by Congress and signed into law on April 1, 1988 is being administered. I would like to thank George Ingram of the Committee staff for his assistance as well as representatives of the Agency for International Development, GAO and Price Waterhouse as well as the staff of the other responsible committees for assisting me and my staff over the past two weeks.

Let me state at the outset that the issue here is not the policy of the United States in Nicaragua, but whether that policy is being accurately implemented in accordance with the intent of Congress as reflected in the bipartisan humanitarian aid package adopted by Congress earlier this year.

Regardless of one's position on the amount and type of aid provided to the various political elements in Nicaragua, it is our responsibility to ensure that the funds approved by the Congress are fully accounted for. Indeed, Public Law 100-276—the Assistance to Central America law—mandates specifically the type of assistance allowed as well as the requirement for accountability standards, procedures and controls. It is our duty to the American taxpayer to determine if these requirements are being met.

As members of this Committee know, I introduced a similar resolution of inquiry in 1986 with regard to an earlier $27 million humanitarian aid package. During the course of that inquiry, the General Accounting Office discovered that over half of the $27 million appropriated by Congress for humanitarian aid had not reached its intended destination but had ended up instead in offshore bank accounts of private citizens and the Honduran Armed Forces.

A resolution of inquiry is a legitimate tool for members of Congress to obtain important information and documentation as to the administration of any federal program. It is a vehicle to provide information to Congress, to foster cooperation between the executive and legislative branches, and to encourage auditing of how taxpayers' dollars are spent. The resolution proved helpful in 1986 and has once again proved effective in providing a paper trail on most of the financial transactions associated with this program, as well as information regarding the end use of items procured with U.S. dollars.

Therefore, the purpose of the Resolution was to obtain full documentation of whether the $47.9 million aid package was being implemented in a fiscally accountable manner according to the letter and spirit of the public law. Let me make it clear that my interest in introducing this resolution was not to conduct a divisive inquiry but to ensure that the original goals behind this aid package are fulfilled. That is in the interest of the Administration, the Congress and the American people.

The Agency for International Development (AID) was chosen to administer this package. Certainly, AID should be commended for performing a difficult task as well as can be expected under the circumstances. As requested in the resolution of inquiry, AID provided a paper trail on June 30, 1988, for most of the expenditures of funds to date under this legislation.

I have had an opportunity over the last two weeks to review the documentation provided to this Committee and to discuss this material with all the appropriate committees. I am satisfied at this time that AID and the other agencies responsible for oversight and accountability have provided all the documentation available to meet the request outlined in the resolution. While there are certain end use areas that are not completely documented, this is a result of policy judgments rather than the lack or loss of documentation.

Therefore, since all documents relating to legal opinions, accountability standards, humanitarian assistance, assistance for the verification commission and children's survival assistance have been provided in accordance with the Resolution, I would recommend that the Committee adversely report the resolution out of Committee and move to table the resolution on the House floor.

It is clear from the documentation provided that AID has implemented this entire program in a spirit of openness, allowing for close public scrutiny and review. In examining the documentation provided through this procedure, I had the opportunity to examine carefuly how AID is implementing the law. This agency should be commended for how it has handled the administration of this program in the difficult political climate surrounding the issue of humanitarian aid. They have established internal procedures to guide their administration of the funds, and, in addition, their operations are being monitored by the General Accounting Office (GAO), AID's Inspector General's Office, and the private accounting firm of Price Waterhouse.

Having reviewed these documents, I would like to summarize some of my findings for my colleagues in the House to consider and debate in our future discussions of humanitarian aid. The three primary components of the aid package are humanitarian assistance, funds for a Verification Commission, and a children's relief fund.

I. HUMANITARIAN ASSISTANCE

The legislation provides $17.7 million for humanitarian assistance—food, clothing, shelter, and medical services, medical supplies and payment for such items or services—to the contras.

A. DOD SUPPLY SHIPMENTS

The Department of Defense has been providing quartermaster supplies, shelter, and medical supplies to the contras by way of Honduras. These supplies are counted and randomly verified as nonlethal by AID's Inspector General, the GAO and Price Waterhouse as they arrive in Honduras. However, because the shipments are not accompanied by bills of lading, these counts cannot be matched against any DOD documentation. Price Waterhouse has pointed out on at least two occasions in letters to AID (June 13 and June 21, 1988) that there were no DOD bills of lading for the numerous airplane loads, nor have receiving reports been prepared. This has led Price Waterhouse to conclude that there could be discrepancies in the quantities of goods being received by the contras. As discussed with the agencies, this problem can easily be corrected by checking the counts either against a bill of lading or the documentation at the DOD quartermaster stations. This would improve the accountability of the DOD goods shipped from the United States to that region.

B. COMMUNICATIONS EQUIPMENT

The law provides for the purchase of $1.5 million in communications equipment for the contras. To date, over 25 percent of that amount has been spent for batteries and field radios. All three oversight agents—GAO, Price Waterhouse, and AID's Inspector General—have reviewed documentation confirming these expenditures.

C. CASH FOR FOOD

The so called "Cash for Food" program was implemented by AID to provide money for food for contras inside Nicaragua. AID announced this plan on May 13 following consultation with the leadership of the Congress. The plan provides cordobas equivalent to approximately $1 per day per contra, and they are delivered into Nicaragua.

The purpose of this approach was to overcome the obstacles created by the failure of the peace negotiations to resolve how assistance would be provided to those in Nicaragua. While the aid package did not specifically provide for such a program, it was determined by legal opinions of the AID Legal Advisor and the U.S. Department of Justice that the phrase in the law, "payment for such items or services," provides for such cash payments. In addition, it was felt that limiting both the amount of funding provided and the type of currency used would ensure that the funds are used for basic sustenance. To date, $700,000 has been spent on this program.

Although the amounts of cash provided to individuals are small, all of the agencies involved admit that it is difficult to verify that this cash is actually being received and spent on food. Price Waterhouse stated in April 28 and May 13, 1988 memos to AID that:

"Public law 100-276 does not appear to specifically authorize cash payments to soldiers . . . since the law *only* authorizes payments for food, clothing, shelter, medical supplies, and payment for such items or services."

GAO also admits that it is difficult to monitor fully the Cash for Food program. AID's General Counsel noted in a May 19, 1988 memo discussing such cash-for-food payments that "there is a problem of accountability which will have to be watched closely. Auditors will not be able to enter Nicaragua to check on the ultimate use of the currency provided."

It is clear that the difficulties here again are not because of AID's procedures but the breakdown of negotiations that made accountability for direct humanitarian aid impossible. While the limited amount of payment and the use of cordobas may provide some controls on the cash payments, there is again no way to verify fully the end use of these funds. Hopefully, AID working in cooperation with the monitoring agencies can develop methods to better confirm that these funds are being received and spent for the purpose intended.

D. FAMILY ASSISTANCE PROGRAM

The next area is the expenditure, thus far, of approximately $1 million is the "Family Assistance payments." These family assistance payments are provided monthly to senior contra military members and specialists living in Costa Rica, Honduras, and Miami, Florida. The payments range from $25 to $2,750 per month. Price Waterhouse noted in June 2 and June 20, 1988 letters to AID that:

"The commander-in-chief of the contra military forces, Enrique Bermudez, provides a list of authorized recipients, including payment amounts, including his own. There exists no formal set of criteria for designating or removing beneficiaries."

The payroll in Miami ranges between 34 and 41 persons. However, Price Waterhouse points out in its June 2, 1988 letter to AID that "at least seven of the authorized recipients do not reside in the Miami area. In these cases, money orders and cashier's checks are purchased with checks made out to the bank, and these are mailed to the authorized recipients."

On April 28, 1988, Price Waterhouse stated their concerns about this program of family payments:

"Public law 100-276 does not appear to specifically authorize cash payments to soldiers or their families since the law *only* authorizes payments for food, clothing, shelter, medical supplies, and payment for such items or services."

Obviously, none of the three monitoring agents could provide any documentation on the end use of these payments, nor were there any plans to obtain receipts for the expenditures of these funds. These funds are being distributed in accordance with procedures established before this assistance program was enacted.

In addition, Price Waterhouse has documented certain cases in which the family assistance program may have been abused. In a June 20, 1988 memo to AID, the firm noted that in the Danli area, "contra family members are selling a large portion of the supplied food to Hondurans and other Nicaraguan refugees." In addition, Price Waterhouse noted that "these activities are causing a great deal of friction between Nicaraguans in the refugee camp and also between the contra and local Honduran inhabitants."

While it is clear that the authors of this law intended to continue the family assistance payments, it is my belief that Congress intended that these funds be used only as payment for "food, clothing, shelter, medical services and medical supplies." Since it was anticipated that some $4 million of the $17.7 million set aside for humanitarian aid will be used for this program, it is important that AID and the monitoring agencies develop improved methods of verifying the end use of such funds. Since these families reside in Miami, Costa Rica and Honduras—outside of Nicaragua—such accountability can and should be provided for.

E. TRANSPORTATION COSTS

With regard to expenditures for transportation costs to the contras in Honduras, along the Nicaraguan border and air drops to Yatama Indians amounting to close to $1 million, verification of these expenditures was provided in the form of contracts to certain specified delivery agencies.

F. YATAMA INDIANS

The legislation also provided $2.19 million for the Yatama Indians. Thus far, some $300,000 has been spent for this purpose and is being fully verified by AID and the other agencies.

II. VERIFICATION COMMISSION

With regard to the Verification Commission, obviously there was some difficulty in arranging for the payment of $10 million to a Commission which to date has not been officially organized. To provide an incentive in this direction, AID has released $3.2 million to date, with $2.1 million going to General Secretary Soares of the OAS and $1.1 million for Cardinal Obando y Bravo. While there remain questions as to what the Verification Commission is actually doing with these funds, there is no reason to believe that these funds are being abused in any way at this time. AID and the monitoring agencies have made clear that they will verify such expenditures if and when the Commission takes effect.

III. CHILDREN'S SURVIVAL ASSISTANCE PROGRAM

The legislation also authorizes $17.7 million for a Children's Survival Assistance Program to provide medical care to children affected by the war in Nicaragua. To date, $12.2 million has been earmarked for nine private voluntary organizations (PVO's) to provide a wide range of services to children on both sides of the conflict throughout Nicaragua, Honduras, and Costa Rica.

According to AID, less than $1.5 million has actually been spent for this program because of barriers erected by the Nicaraguan government to the expenditure of U.S. funds for children. At this time, the accounting organizations are just beginning to audit these programs. However, since these contracts to the PVO's follow AID's standard contract requirements, there appears to be adequate documentation of the use of these funds.

As I stated upon introducing this Resolution of Inquiry last month, my concern, and that of my cosponsors, is the accountability of millions of federal dollars and adherence to the law passed by Congress and signed by the President. The American people have entrusted us to spend their money wisely. I asked the Administration to provide documents, and it provided all the information it had available in a timely manner. It is my hope that the concerns I have raised based on my review of the documents provided will be addressed in any future debate on assistance to Central America.

Again, thank you, Mr. Chairman and Members of the Committee, for all your attention and cooperation, not only during the course of this hearing but in the processing and review of the many documents provided under the resolution of inquiry.

OLD EXECUTIVE OFFICE BUILDING 100-YEARS OLD

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. McEWEN. Mr. Speaker, today I'm introducing legislation commemorating the 100th anniversary of the Old Executive Office Building, formerly the State, War, and Navy Building.

This architectural wonder is considered one of the finest examples of French second empire style in the country today and was placed on the National Register of Historic Places.

The exterior design of this Victorian wonder was the work of Alfred B. Mullet, an immigrant to the United States who studied architecture in Cincinnati, OH.

In addition to being a artistic accomplishment, the Old Executive Office Building has great historical significance. It has housed many of America's public servants and statesmen, among them: William Jennings Bryan, Cordell Hull, Dwight D. Eisenhower, William Howard Taft, Douglas MacArthur, Henry Stimson, Franklin D. Roosevelt, George Marshall, and Teddy Roosevelt.

Furthermore, the OEOB has been the site of many historical events. Over 1,000 international treaties were signed while occupied by the Department of State, including the United Nations Declaration and the protocol of the treaty ending the Spanish-American War.

Mr. Speaker, I urge my colleagues to join me in honoring one of the most historical and artistically significant buildings in the Nation.

NATIONAL JOURNALISM EDUCATION WEEK

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. BUECHNER. Mr. Speaker, today I come before the House to promote a keener awareness of student journalism. The education of young journalists in preparation for future careers paves the way for a promising future in a society dependent upon the accurate and timely dissemination of information.

Designating the week beginning January 8, 1989, National Journalism Education Week brings the importance of journalism education to the forefront. The hours devoted by the student journalists, as well as the journalist educators and parents, deserves the recognition of this body. For, we in Washington can well attest that this society thrives on information which will lead to an educated citizenry fully equipped to make swift and wise decisions.

An education in journalism prepares future communicators to effectively use the powerful tool of information. The value of this educational experience far exceeds the classroom as students learn to communicate effectively, accurately, and responsibly.

One of the greatest lessons for student journalists is the responsibility to serve the best interest of the audience through truth and clarity. The values and skills that must accompany the crafting of such information are taught through the journalism classroom and corresponding student publications. For student journalists responsibility is the first and last lesson.

I urge my colleagues to join me in support of our future by recognizing and commending the efforts of student journalists. By designating National Journalism Education Week, we are not only acknowledging the importance of the dissemination of information, but also of the solid educational foundation provided through the journalism classroom and student publications. During this week, let us honor the efforts of the students and educators for their commendable achievements in journalism education.

PRESIDENT ASKED TO WITHHOLD SIGNATURE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MARKEY. Mr. Speaker, President Reagan is considering signing an Executive order which would give the Federal Emergency Management Agency and other Federal agencies an active role in developing and implementing radiological emergency planning around nuclear powerplants. This Executive order is designed specifically to push aside the existing safety-related obstacles to the licensing of the Seabrook plant and would do so by imposing Federal authority over States and local governments, something the President promised Congress he would never do. The Massachusetts House of Representatives last week passed a resolution urging the President to withhold his signature from the Executive order. I, too, urge the President to keep his word and not impose Federal authority over the objections of State and local governments, particularly in this instance where the health and safety of local residents is at risk. The text of the resolution of the Massachusetts House of Representatives follows:

RESOLUTION

Whereas, the location of commercial nuclear power plants may pose serious public safety risks to populations residing within a ten mile emergency planning zone surrounding such reactors; and

Whereas, the responsibility for evaluating the severity of public safety risks lies primarily with local and state officials who may be called upon to respond to an emergency at commercial nuclear power plants; and

Whereas, states have legal and constitutional responsibility to protect public health of citizens within their borders, a principal based upon a clear and well developed pattern of law; and

Whereas, President Ronald Reagan in an October 11, 1984 letter to Congressman William Carney affirmed his commitment to the principal of states—rights in emergency response planning, stating, ". . . (T) his administration does not favor the imposition of Federal Government authority over the objections of state and local governments in matters regarding the adequacy of an emergency evacuation plan for a nuclear powerplant . . ."; and

Whereas, the Commonwealth of Massachusetts, after months of careful deliberation by state and local officials, determined that no emergency response plan could provide adequate protection to Massachusetts citizens in the event of a radiological emergency at the Seabrook (New Hampshire) nuclear power plant, and further that no officials of the Commonwealth of Massachusetts would participate in emergency response planning pursuant to licensing of the Seabrook reactor after September 20, 1986; and

Whereas, President Ronald Reagan is presently giving strong consideration to issuing an Executive order that would give the Federal Emergency Management Agency (FEMA) sweeping power to engage in radiological emergency planning around nuclear power plants; ". . . to utilize all the resources of other departments and agencies of the executive branch . . ."; ". . . to accept volunteer assistance form utility employees and other nongovernmental personnel, and to deputize them for any purpose necessary to facilitate and implement offsite emergency response", including a "command-and-control function"; to seize from local and state governments the authority to act in the best interests of the citizens they represent, a clear abrogation of authority established by legal precedent and guaranteed by the United States Constitution; Therefore be it

Resolved, That the Massachusetts House of Representatives respectfully urges the President of the United States to withhold his signature from a pending Executive order entitled, "Federal Emergency Management Agency Assistance in Emergency Preparedness at Commercial Nuclear Power Plants" and to reaffirm his support for the principals of states rights in emergency response planning for nuclear power plants; and be it further

Resolved, that copies of these resolutions be forwarded by the Clerk of the House of Representatives to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from the Commonwealth.

SACRAMENTO AREA FLOOD CONTROL ACT OF 1988

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MATSUI. Mr. Speaker, I rise today on the introduction of legislation by my distinguished colleague, VIC FAZIO, and myself, which is designed to provide Sacramento, CA, with the flood control protection it so desperately needs.

The Sacramento Area Flood Control Act of 1988 authorizes the U.S. Army Corps of Engineers to construct extensive levee improvements on the American and Sacramento Rivers and a flood control dam on the North Fork of the American River. Our legislation also deauthorizes the Auburn Dam, a multipurpose dam which would have impounded 2.3 million acre-feet of water. Congress, by enacting Public Law 89-161, authorized construction of the Auburn Dam, which was to have included a hydroelectric powerplant, as well as construction on the Folsom South Canal. While some initial construction was done, this project has been halted due to environmental and safety concerns, as well as a lack of consensus on the issue.

Our legislation would put on the fast track a plan to provide the Sacramento area with the flood protection required by the Federal Emergency Management Agency [FEMA]. The proposal would also allow for the future enlargement of the facility if sponsors for the energy and power benefits come forward. We cannot allow the safety of the residents of our community to be held hostage while debate over these interests continues. The time to move forward is now, and our legislation is designed to protect Sacramento, while allowing the community to continue its debate over the feasibility and necessity of a larger, multipurpose facility.

Our legislation authorizes the modification of the Folsom Dam to provide interim flood control, and it also finds that Sacramento is making sufficient progress toward a solution to its flood control problem, so that the community will continue to qualify for normal flood insurance rates from the Federal Emergency Management Agency. We are, therefore, providing real flood control protection for the Sacramento area while this project moves forward. We also call for the Secretary of the Interior to conduct a 12-month study of nearby lands to consider the feasibility and desirability of the creation of a national recreation area [NRA].

With regard to funds previously expended on the Auburn Dam, we have included a "pay as you use" approach in our plan. To the extent that the corps determines in its feasibility study that the final design for a flood control facility makes use of existing Auburn Dam works, that portion of the expended funds assigned to flood control will be considered reimbursable in accordance with the section 103 of the Water Resources Development Act of 1986. Additionally, if the facility is enlarged at a later date, those previously expended funds which are useful to the water and power portion of the project will also be subject to these cost sharing provisions.

Our legislation, which would help improve the system of levees, dikes, and weirs that now protect the Sacramento area, and which would authorize the construction of a flood control facility on the North Fork of the American River, is a sound piece of legislation. This package will enlist the Federal Government and the community as partners in the vitally important effort to provide flood control protection for this area. Our plan offers a high level of protection, at a low cost to the taxpayers, and with the least impact on the environment. Clearly, it is imperative to take action now.

THE SMITHSONIAN HONORS THE 100TH CONGRESS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MURTHA. Mr. Speaker, on Tuesday, June 14, 1988, the Smithsonian Institution held a reception in the Enid A. Haupt Memorial Garden in honor of the 100th Congress. This was the first occasion of its kind at the Smithsonian, but I am certain that everyone who had an opportunity to be in that magnificent garden that Wednesday evening hopes that it was the first of what will become an annual event. As they do with every endeavor they undertake, Secretary Robert McC. Adams and the remarkable Smithsonian staff carried this affair off with an impeccable sense of elegance and refinement.

The main purpose of this gathering last week, was to honor a colleague of ours and a great advocate of the Smithsonian Institution, Representative EDWARD P. BOLAND, who has been a regent of the Smithsonian since 1981. Chairman ED BOLAND has been an inspiration to all of us. His untiring effort on behalf of the Smithsonian is one small example of his dedication to this great country.

Mr. Speaker, I would like to submit the text of Secretary Adams' eloquent and fitting remarks from Wednesday's reception as well as Mr. BOLAND's reflections on his involvement with the Smithsonian and ask that it be included in the RECORD.

The articles follow:

SECRETARY ADAMS' REMARKS HONORING THE 100TH CONGRESS AND CITING HON. EDWARD P. BOLAND

Senator, Members of the House of Representatives, and Distinguished Guests, it is a great pleasure to welcome you on behalf of the Board of Regents to the Smithsonian's first annual Garden Party in this beautiful garden named for its donor, Enid A. Haupt. And it is a special privilege to honor not only our Congressional friends but one of particular importance. I doubt that there is anyone here whose life has not been touched, and indeed enhanced, by one of the most principled, quietly effective and selfless of public servants, the Smithsonian's Regent and dear friend, Eddie Boland. As today is indeed Flag Day, I'd like to wave the flag for this outstanding American.

Most of us, including his wife Mary, intersected with the trajectory of Eddie Boland's career when it was already legendary. It surely didn't hurt that he had Tip O'Neill as a colleague, roommate and close friend, but it became obvious early on to political observers of every persuasion that Eddie himself was a formidable mover and shaker. A pragmatist yes, but a pragmatic humanitarian. A committed spokesman for the interests of his constituents yes, but a Representative in that true sense who never lost sight of the larger national interest either.

I was already familiar with the general outlines of Eddie's stature and reputation when I first came to Washington as the new Smithsonian Secretary in 1984. What I could not know then, but quickly came to appreciate, is the style in which he operates: the ultimate team player, he is always careful, modest, wise, and gentlemanly. Almost a glutton for facts, he speaks with quiet authority. I think it's fair to say that there has not been any great Congressional debate in the second half of the 20th Century in which his counsel has not had an impact. The consistency, deep commitment and tireless effectiveness with which he has worked for his district, the Commonwealth of Massachusetts, and the nation will stand the test of time.

A Regent of the Smithsonian since 1981, Eddie Boland has brought to that Board these same, exemplary qualities. His own interest in the funding of American scientific enterprises, and the careful attention with which he has addressed its needs for many years, place him at the center of the numerous, critically important scientific and technological issues facing both this nation and this Institution. They are not easy issues. Many of them involve difficult tradeoffs. But I know I join many others here in the confidence that deliberations about them are in responsible hands when he is dealing with them. With his impending retirement all too soon, the bulk of these and other responsibilities will be passed on to his successors. But the lasting credit is his for the groundwork that has been laid—and I also know that we will continue to turn to him for wise counsel and support.

It's too hot to carry on longer, but before ending I do want to present this small token of our appreciation to you and Mrs. Boland, and to add my personal thanks and best wishes, for all you have done.

MR. BOLAND'S RESPONSE

Mrs. Boland and I want to thank Secretary Adams for those kind and generous remarks.

I have had a number of collateral duties during my tenure in the Congress, but I must say that my service on the Smithsonian's Board of Regents has been the most enjoyable.

The subcommittee which I chair in the House has an office in the Capitol which looks out on our national main street—that magnificent Mall which lies just beyond this garden and the Castle.

When you look down the Mall and see the crowds of people literally swarming around the Smithsonian buildings, you get a pretty clear idea of what the real draw is in this city.

But the Smithsonian is more than a collection of popular museums, more than a repository of past achievements, no matter how grand. As much as it strives to protect and exhibit the glories of the past, the Smithsonian seeks to prepare for the future.

At a time in the world's history when the accumulation of wealth and power seem to some to be the only important pursuits, it has been especially heartening to work with an institution whose founding and sustained mission, is "to increase and diffuse knowledge among mankind."

I am here today to express the gratitude of the Congress to the devoted, dedicated employees who have made and continue to make this institution one of the finest in the world.

I want to wish you, your colleagues, and this institution continued success in the years to come.

TRIBUTE TO LARRY MILLER

HON. JOHN G. ROWLAND

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ROWLAND of Connecticut. Mr. Speaker, it gives me great pleasure to acknowledge an honor that was recently bestowed upon a resident of my district. In May, Kraft, Inc., Walt Disney World and the National School Volunteer Program joined in a cooperative effort to recognize outstanding school volunteers from across the United States. Mr. Larry Miller was honored as 1 of 120 regional finalists in this nationwide search.

For 12 years, Mr. Miller has served as a volunteer at Israel Putnam School in Meriden, CT. He has the distinction of being the first male volunteer at the school and has been instrumental in the implementation of an individualized mathematics program in grades 2–5. For his work at the school, Mr. Miller has received the Pride in Meriden Award for outstanding volunteering in education. Indeed, Mr. Miller has an impressive list of accomplishments for which he should be commended.

What makes Mr. Miller truly special, however, is his personal commitment to the children of the Putnam School. "Grandpa" Miller, as he is affectionately known at the school, shows the utmost joy in helping the children master their math lessons. His enthusiasm for teaching is enough to motivate even the most discouraged students. He is a friend, counselor and role model for all of the children. His devotion to the students is unequaled and his caring attitude unparalleled.

Just one example of his dedication is seen at the school's annual Grandparents' Day. Mr. Miller serves as official grandfather for those children without grandparents and for those whose grandparents cannot attend. This and similar such actions reveal Mr. Miller's concern and love for his students.

Mr. Speaker, I am sure that you and my colleagues will agree that Mr. Miller is a man we all can admire. Such love and devotion to America's young people makes Larry Miller an individual worthy of our praise. I again wish to congratulate Mr. Miller for being honored as one of America's outstanding school volunteers and urge him to keep up the good work. If Mr. Miller's past record is any indication, we can be sure that he will not disappoint us.

DESIGNATING THE CALIFORNIA AND PONY EXPRESS TRAILS AS COMPONENTS OF THE NATIONAL TRAILS SYSTEM

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SHUMWAY. Mr. Speaker, today I am introducing legislation which amends the National Trails System Act to designate the California National Historic Trail and the Pony Express National Historic Trail as components of the National Trails System. As drafted, this legislation is intended to reflect, pursuant to Public Law 98-405, the final recommendations of the eligibility study and environmental assessment for the California and Pony Express Trails prepared by the Department of the Interior/National Park Service which is awaiting formal submission to Congress. These two trails closely parallel one another across the West, and at points in the Great Plains region, become a single pathway.

The Pony Express Trail ran between St. Joseph, MO—the Western terminus of the railroads in 1860—and extended to Sacramento, CA, for a total distance of about 2,000 miles. Upon arrival in Sacramento, the letters and important dispatches were taken by steamer to anxious recipients in San Francisco. The route left Missouri and followed the well-traversed Oregon Trail through Kansas and along the Platte River in Nebraska. Before leaving Nebraska, the route dipped south into Julesburg, CO, then headed north into South Pass, WY. At Fort Bridger, WY, the Pony Express Trail left the emigrant trail and swung south to Salt Lake City, UT, before running due west across the salt desert and Badlands of Nevada, over the Sierra Nevada Mountains, and down into Sacramento.

Pony Express service began on April 3, 1860, and continued until October 24, 1861, when the first transcontinental telegraph line was completed. During the Pony's 18 months of glory, 318 runs were made each way for a total of approximately 600,000 miles. The mail was lost only once.

Although the Pony Express was a financial disaster for its proponents, it proved that correspondence could be delivered in 8 to 12 days over the central route. Like the transcontinental telegraph and railroad which succeeded it, the Pony Express provided an improved communications link between the widely separated eastern and western segments of the country. It heightened the demand for expedient transcontinental linkage prior to the outbreak of Civil War. In fact, the fastest time recorded by the Pony Express occurred in November 1860 when news of President Lincoln's election victory was carried from Fort Kearny, NE, to Fort Churchill, NV, in 6 days. It is interesting to note that the Pony Express route is generally followed by the interstate highways and airplane flight paths of today.

The historical significance of the California Trail is no less impressive. The trail was one of a number of thoroughfares used by settlers and prospectors in their movement to the West during the mid-1800's. The trail breaks from the Oregon Trail—already included in the National Trails System—at the Raft River, in Idaho and heads southwest toward Sacramento, CA. There were many branches and side trails which were all heavily utilized, particularly by prospectors. The California Trail, however, was the main artery to California and Sutter's Mill for the 125,000 or more men, women, children who came to settle or prospect in the year 1818.

Mr. Speaker, my legislation is a simple, straightforward confirmation of what the many bipartisan proponents of the original study provisions included in H.R. 3787 considered during the 98th Congress already knew. That the acknowledgement of these two trails is a national priority in order to preserve our American heritage. I strongly urge my colleagues to support this legislation and see to its swift enactment.

MORAVIAN ACADEMY HONORS DAVID AND MIRIAM DEVEY

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. RITTER. Mr. Speaker, the Moravian Academy was formed some 17 years ago in Bethlehem, PA, with the merger of the Moravian Preparatory School and the Moravian Academy for Girls. It is undoubtedly one of the finest institutions of its kind in the Nation.

In June, Headmaster David J. Devey and his wife Miriam, retired from the academy where both had worked since its formation. They influenced and molded the minds of countless academy students from pre-kindergarten through sixth grade in addition to the academy's upper school which includes 40-60 boarding students that attend each year.

The students at Moravian ate their meals with their headmaster, could hear him cheering for them at sporting events, and frequently felt the warmth of his friendly handshakes. David's door was always open not only to the students, but to faculty and parents as well.

His wife was a tireless volunteer who prepared countless meals for overnight campers in the summer program. Miriam always made sure the students were properly attired and attended to those many other numerous and personal details that made the students aware of her concern and affection.

The Devey's were recently honored for their dedicated service by parents, alumni, faculty, and graduating seniors. The special committee was chaired by Mrs. Albert Baldock and included the current board chairman Paul Van-Reed Miller; Rev. Van S. Merle-Smith and Robert Margolis, past chairmen of the board of trustees; Rev. Douglas Caldwell, senior pastor at the Central Moravian Church; Patricia Chase, alumni president; Mrs. Ernest Normington, reunion chairman; Bishop Edwin A. Sawyer, first president of the academy; Dorothy O. Burcaw, director of the middle school; as well as Mrs. Robert Heck, Mrs. Richard Hammond and Mrs. William Murphy, all on the alumni board. Their combined efforts produced a memorable program and reception which included a beautiful tribute in the form of a resolution of appreciation which I include at this point in the RECORD.

RESOLUTION OF APPRECIATION FOR DAVID AND MIRIAM DEVEY

Whereas David J. and Miriam R. Devey for seventeen years committed themselves totally to our school, its church and our community; and

Whereas Dave and Miriam by example bore witness to the values of a Christian family life; and

Whereas Dave, with a love for teaching and the nurturing of young people inspired us with his compassion, wise counsel and powerful messages; and

Whereas Dave, with his outstanding sense of humor and perfect timing, made us laugh at the appropriate times; and

Whereas Miriam, with good grace, allowed herself to be the perfect foil for her husband's wit; and

Whereas Miriam, with unfailing enthusiasm, supported all school activities, was our teams' best cheerleader and shared her remarkable skills in handicrafts; and

Whereas, the Moravian Academy family with love bids Dave and Miriam a sad goodbye, will miss them greatly, wishes them well and will keep them in their hearts and prayers; therefore be it

Resolved that, by unanimous vote of the Moravian Academy Board of Trustees, hereafter the middle school building will be known as the David J. and Miriam R. Devey Building so that we may publicly acknowledge our indebtedness to them now and forever; be it

Resolved further, that bronze plaques will be affixed to 11 West Market Street, Bethlehem, Pennsylvania to proclaim this for all to see.

ANDOVER TOWNSMAN CELEBRATES 100TH ANNIVERSARY

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ATKINS. Mr. Speaker, I wish to take this opportunity to commend the Andover Townsman, which celebrates its 100th anniversary on July 21. From a hand set 4-page broadside, to a weekly of close to 100 pages, the Andover Townsman has grown with the Andover community and kept pace with our rapidly changing society both in the mechanics of its own production, and in keeping its readers up to date with the world that surrounds them. The Andover Townsman has allowed citizens in the Andover community to keep in touch with each other as the population of Andover has grown from a small town of less than 7,000 at the turn of the century to a large community of 28,000. In the process, the paper has garnered numerous awards from the New England Press Association and the Massachusetts Press Association, including awards for best editorial page, best column, and an award for community service.

Mr. Speaker, please allow me to give a brief history of the Townsman. The first issue of the Townsman hit the newstands on October 14, 1887, published by John N. Cole, owner of the Andover Press. Nearly half a century later, in 1932, Elmer Grover became the editor of the paper he would own a mere 6 years later. After a brief period under the leadership of Joshua Lilly, from 1947 to 1949, the paper made its most recent change of hands when it was sold to Irving E. Rogers, Sr. The late Mr. Rogers also headed up the neighboring Lawrence Eagle-Tribune. Mr. Rogers, and later his son Irving Rogers, Jr., took the paper from an average of 12 pages each issue to its present size of nearly 100 pages over the past 40 years.

The paper itself has come a long way from the hand set four page format in which the Townsman made its start. A highlight along the way was the 1951 switch to the photo-offset method of newspaper production, a completely computerized method which replaced the older, linotye method. The Townsman was one of the first in the area to utilize this method.

In sum, Mr. Speaker, I would like to commend the Andover Townsman on a century of achievement. The Andover Townsman has forged forward technically, while at the same time has provided excellent local coverage for the Andover community. I look forward to the next 100 years of this fine enterprise.

A SECONDARY MARKET FOR EXIMBANK LOANS

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. KLECZKA. Mr. Speaker, I am today introducing legislation to provide for the prompt development of a secondary market in loans guaranteed by the Export Import Bank of the United States. Identical legislation was introduced in the Senate last month by Senators DIXON, CRANSTON, SIMON, and SANFORD.

As the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation have proven, the ability of a lender to sell loans to a secondary market promotes activity in the primary market. Fannie Mae and Freddie Mac encourage lenders to make home loans. I believe that a vibrant secondary market in Eximbank loans will encourage lenders to engage in export financing, just as the secondary market for mortgage lenders promoted the development of a home lending market.

The Export-Import Bank Amendments of 1986 directed the bank to authorize the unrestricted transfer and sale of loans made after October 15, 1986. While this is an important first step, the small volume of loans affected by this action means that a secondary market will necessarily be hampered in its growth. My legislation, which would direct the bank to make available for the secondary market loans made on October 15, 1986 and before, would help develop the critical mass necessary to establish a true secondary market in Eximbank loans.

While the sale of older Eximbank loans may require additional monitoring by the Bank, due in part to differences in guarantee fee payment schedules between old and new loans, such an action will almost certainly encourage American banks to become more involved in export financing. As the Congressional Research Service noted in a report to me, "commercial banks have largely withdrawn from export financing." Eximbank Chairman John Bohn pointed out last year that foreign banks have often shown more willingness to use Eximbank programs than American banks. This legislation, which is designed to encourage bank participation in Eximbank lending programs, addresses that concern.

I urge my colleagues to support this legislation.

At this point, I include in the RECORD an American Bankers Association letter of support for this legislation and an article from the Washington Post which notes the withdrawal of American banks from the export financing sphere; the text of the legislation also follows:

H.R. —

A bill to amend the Export-Import Bank Act of 1945, as amended, to allow full and free transferability of loans guaranteed prior to October 15, 1986.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 2 (c)(3) of the Export-Import Bank Act of 1945, as amended, 12 U.S.C. 635 et seq., is amended by inserting at the end thereof the following new sentence:

"With respect to medium-term and long-term obligations insured or guaranteed by the Bank before the date of enactment of the Export-Import Bank Act Amendments of 1986, the Bank shall authorize the unrestricted transferability of such obligations by the originating lenders or their transferees to other lenders or their transferees without affecting, limiting or terminating the guarantee or insurance provided by the Bank.".

AMERICAN BANKERS ASSOCIATION,
Washington, DC, May 27, 1988.

Hon. GERALD KLECZKA,
U.S. House of Representatives, Cannon House Office Building, Washington, DC.
Attention: Brian Doherty.

DEAR REPRESENTATIVE KLECZKA: I am writing to apprise you of the support of the American Bankers Association for legislation permitting the free transferability of the guarantee of the Export-Import Bank of the United States for loans guaranteed and originated prior to October 15, 1986.

In 1986 Congress authorized such free transferability of loans guaranteed and issued after October 15th of that year, permitting commercial banks to securitize these loans and to create a secondary market for such securities. The availability of such securitization permits lower financing costs, which can be passed on to borrowers, and also permits an increase in the total volume of such loans. Unfortunately, the ExIm Bank has revised its new guarantee programs to make new loans less securitizable by reducing the guarantee's value, and the Bank has also barred the transferability of guarantees originated prior to October 15, 1986. These seasoned loans are attractive candidates for securitization because of the greater value of their guarantee. Also, a viable secondary market in such loans will not be sustainable for several more years if these seasoned loans are excluded.

We have been advised by a significant number of commercial banks active in ExIm Bank programs of their support for such an amendment. They have a strong interest in securitizing their existing loan portfolio and believe that this will increase their safety and soundness through risk diversification and will also permit increased credit extension to borrowers.

For all of the reasons stated above, we urge the Congress to adopt a clarifying amendment in this matter.

Sincerely,

EDWARD L. YINGLING.

[From the Washington Post, Sept. 17, 1987]

U.S. BANKS ACCUSED OF FAILING TO MEET NEEDS OF EXPORTERS

(By Beatrice Motamedi)

SAN FRANCISCO, September 16.—A top federal trade official today accused major U.S. banks of failing to meet the needs of American exporters attempting to sell their goods in foreign markets.

"We are finding some foreign banks of one country financing exports of the United States to a third country," said John A. Bohn Jr., chairman of the U.S. Export-Import Bank.

"They're essentially prepared to take the risk of those markets more than [is] the American side," Bohn told the President's Export Council, holding its semiannual meeting in San Francisco.

Bohn said that foreign banks have frequently shown more enthusiasm for U.S. government trading programs than have American banks.

"If it moves a U.S. export, so much the better," said Bohn, whose agency supports trade by offering export financing, guarantees, insurance and low-cost loans.

Bohn said deregulation, the erosion of the barrier between commercial and investment banking, and the Latin American debt crisis have "badly shaken" the U.S. banking system.

Bohn said major banks now face "intense pressure" to boost their equity capital instead of financing risky projects abroad.

"The trade business does not produce the quick-profit, high-glamor kind of stuff that Wall Street does," Bohn said, adding he believes there is a lack of talented bankers working in the area of international trade.

Bohn said regional banks, which increasingly "outperform" major money center banks, are mindful of the Federal Reserve Board's focus on capital adequacy and are thus reluctant to finance trade deals, except "for very important clients."

Bohn also said he expects the U.S. trade deficit, which rose to a slightly worse-than-expected $16.5 billion in July, to show some improvement in September or October. He predicted exports of transportation equipment, especially aircraft, communications equipment and perhaps agriculture will be up in the fall.

Others at the meeting of the council, a group of top-level industry executives that advises president Reagan on trade matters, voiced frustration over a variety of American exports from fish to high-tech electronics.

Trade officials from California and Alaska, whose economies are heavily dependent on exports, said state industries need more support from the federal government and from U.S. negotiators at an international round of trade talks taking place under the General Agreement on Tariffs and Trade in Geneva.

"California firms need to achieve real progress in the new round [of talks]," said Robert D. Kliest, president of the California Council for International Trade, citing barriers to exports of high-quality California farm crops.

Alaska's salmon industry needs research and development money to fend off competition from government-subsidized fish farmers in Norway, said John A. Smith, commissioner of the Alaska Department of Commerce and Economic Development.

Reports of unfair Japanese trading practices in the area of electronics got support from an unlikely source: Japanese-born Aki Sato, president of NASAM, the U.S. trading arm of Cleveland-based Banner Industries.

In a comment that elicited appreciative chuckles from a mostly American audience, Sato complained of "invisible politics, invisible practices" that have hampered his efforts to promote exports of U.S. high-technology and military equipment, such as aircraft, missiles and satellite parts.

JHOON RHEE

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SIKORSKI. Mr. Speaker, I have known Jhoon Rhee for 2 years. He is a selfless volunteer and a truly wonderful American. He has given his unique talents and energies to America, his chosen country, through his teaching and community service, as a member of the President's Council on Physical Fitness, the National Council on Vocational Education and numerous educational and community causes. Additionally, as part of his public service, he has taught martial arts to Members of Congress for over 20 years. In recognition of his great efforts he was chosen to give the keynote address at the National Independence Day Festival and Parade in America's Capital. His words deserve insertion in this CONGRESSIONAL RECORD.

NATIONAL INDEPENDENCE DAY FESTIVAL AND PARADE, WASHINGTON, DC, JULY 4, 1988

(Keynote Speech By Master Jhoon Rhee, Member of the National Council on Vocational Education)

A TRIBUTE TO AMERICA

Good morning, all my brothers and sisters of America and the world, I am truly humble and honored to be speaking to you on this historical morning of July 4, 1988, not only America's 212th Birthday celebration but more importantly the Birth of Freedom in the United States of America for all mankind. With the burning spirit of our independence and freedom, let us all join together singing Happy Birthday to America.

"Happy Birthday to you, happy birthday to you. Happy Birthday to America, happy birthday to you."

I was born in Korea 56 years ago, but I chose to be an American citizen. Finally, after having waited many years, I was adopted by my generous Uncle Sam, in 1973, to whom I am eternally grateful.

Our Nation's Birthday, July 4th is my favorite holiday because it is the most significant day in human history, marking the beginning of freedom and prosperity for all mankind. Many religious and philosophical leaders, throughout history, have spoken beautiful ideas; our Founding Fathers delivered these ideas into action. I am truly grateful to the Founders for their crowning achievement, ratifying the Constitution of the United States of America two centuries ago.

I believe that the keys to success of America's Founding Fathers were Her educational policy that emphasized the importance of self-discipline and the doctrine of "Manifest Destiny" for the moral and political freedom of all mankind. The core of "Manifest Destiny" is Freedom with self-discipline, the essence of our Constitution. George Mason, One of our wisest Founders, said:

"Liberty is the gift of God not the government and the purpose of the government is to protect that liberty, not to destroy it."

Freedom of religion in America guaranteed Her people, the rights to think and express their ideas. This freedom motivated Her people to discover electricity and invent light bulbs, automobiles, airplanes, telephones, televisions, and many other indispensable inventions. Today the entire world enjoys the fruits of American inventions whose seeds were planted by the Founders. It is no wonder why almost every major invention was made in America!

Have you ever thought that our Constitution was the beginning of freedom for everyone including all British people by overcoming their Empire over two centuries ago? Although the Magna Carta of 1215 was supposed to be in effect in England, prior to the adoption of the U.S. freedom system by the British Empire almost everyone in England was literally a slave to the King because the King had owned the lives and properties of everyone. In light of this view, the doctrine of "Manifest Destiny" is being realized. You might never have thought of it that way, but that is my personal opinion. Most of my friends in England agree with this.

The universal purpose of life is happiness. Our Founding Fathers knew that freedom is indispensable to human happiness. In the declaration of Independence, Thomas Jefferson wrote:

"We hold these truths to be self-evident that all men are created equal, that they are endowed by their Creator with certain inalienable Rights, that among these are life, liberty, and the pursuit of happiness."

We, however, must understand that our Founding Fathers taught their children freedom within the laws of human conscience—they are truth, beauty, and Love for human Happiness. We all know that human conscience separates us from animals. We often misunderstand the true meaning of freedom and confuse it with license or undisciplined freedom, that is triggered by selfish motive or animal instinct. Today, this false philosophy of undisciplined freedom has invaded the mind of the people, and the idea of freedom without responsibility is preventing our children from entering the true life of peace and happiness.

In our time of increasing crimes of violence, let us be reminded of Daniel Webster's stirring words of warning, which he spoke on George Washington's Birthday, February 22, 1852:

". . . If we and our posterity reject religious instruction and authority, violate the rules of eternal justice, trifle with the injunctions of morality, and recklessly destroy the political constitution which holds us together, no man can tell how sudden a catastrophe may overwhelm us that shall bury all our glory in our profound obscurity. . . ."

Unfortunately, unless the leadership of this generation restores the Founders' moral and family values, I am afraid that the history of Daniel Webster's warning is being recorded at this very moment. Thomas Jefferson wrote:

"Yes, we did produce a near perfect republic. But will they keep it, or will they, in the enjoyment of plenty, lose the memory of freedom? Material abundance without character is the surest way to destruction."

I would like to add to it by saying: "Wisdom without character is the surest way to a catastrophe." I believe that the most important mission of the leadership of this generation is to restore the forgotten discipline in our youth. We can accomplish this through motivation for a happy life by teaching them to understand the universal common value and purpose of human life.

I have devoted all my life in motivating our children for academic, moral, and physical excellence through the discipline of Tae Kwon Do, the Korean Martial Art. We require all young black belt candidates to make all A's and B's in school there by placing "Brain Power over Punching Power." This policy has been adopted by many Martial Arts Studios across the country during the past decade.

Modernization of our technology has been magnificent during the last quarter of a century, but are we advancing the minds of our children who will have to run these machines? Let us put all our energy to strengthen our children's minds, before machinery begin to dictate our children.

Let us give our hearts in building true confidence in our children through a balanced education that pertains to knowledge in the mind, honesty in the heart, and strength in the body. What our children need is motivation for their happy lives not by fear but hope through the joy of self-discipline in their early ages. There is an old Korean proverb that says:

"It takes a year to harvest a crop, ten years to see the full beauty of a tree, and 50 years to make a man."

We are in the new age of harmony for all people of the East and West by the Universal Common Wisdom and Virtue that embraces all races, creeds, ideologies, and religious beliefs. I believe, today, there is more hope for marriage between East and West than ever before; I see a clear vision that an era of peace, freedom, and prosperity is at hand. Thanks to the leadership and understanding of a few great leaders of this generation around the world. Let us set a goal to make this one and only world of ours a garden of joy every breath of life for everyone.

"The Martial Arts represent Eastern culture to the West, and Classical music symbolizes Western culture to the East. Rudyard Kipling, considered to be a Poet Laureate of Victorian England, said "East is East and the West is West, and ne'er the twain shall meet."

Since his time, we have seen a dramatic change. Mass communication has made the world smaller and this smaller world has brought an extensive cultural exchange between the East and the West. But exchange is not enough. Let us marry the two cultures to eliminate the narrow gap that still exists.

In 1973, my family and I became citizens of the greatest nation in history. In commemoration of our family blessings, we created a new idea: the Jhoon Rhee Martial Ballet, a combination of Martial arts of the East and classical music of the West. Martial Ballet has been evolved from a form of fighting into an art of human beauty for happiness. The day we wed America, our Martial Arts wed the West's inspirational music.

We saw a new, intriguing beauty and power born of that union. It is a happy marriage of the East and the West which we hope someday will become a significant contribution to peace among all people.

Ladies and gentlemen, it is my honor to present these 55 trained youth in the joy of self-discipline. They are forming a Human "Stars & Stripes" representing the 50 states, 4 territories, and the District of Columbia of the United States of America. We present to you Martial Arts Ballet "Marriage of East and West" to "Beethoven's 5th Symphony".

This time, we would like to present another Martial arts Ballet form called "Chosang" Meaning "Ancestors" to honor "George Washington" to the song "God Bless America".

I would like to close with this inspirational poem by Helen Steiner Rice:

"God bless America,
"America the beautiful"—
May it always stay that way—
But to keep the "old glory" flying
there's a price that we must pay—
For everything worth having
Demands work and sacrifice,
And freedom is a gift from God
That commands the highest price—
For all our wealth and progress
Are as worthless as can be
Without the faith that made us great
And kept our country free!

Let us restore the forgotten discipline by rediscovering our Founding Fathers vision which has been proven to be a success formula reflected in our History and our Constitution. As I mentioned earlier, I became an American citizen by choice. I am still choosing everyday to be a better American. Yes, we all have that choice; so, let us choose to be better Americans to make our country a model nation for the world.

May God bless you; May God bless the upcoming '88 Summer Olympic Games which will be held in my fatherland, Seoul, Korea. This Olympic celebration can be the spark of light for peace, freedom, and prosperity of our generation and generations to come. May God bless America, Her Founding Fathers, and all His children around the globe. Thank you very much.

LISA KOHNER ARONSON SELECTED OUTSTANDING YOUNG WOMAN OF AMERICA

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SMITH of Florida. Mr. Speaker, I rise today to congratulate Lisa Kohner Aronson, who has been selected as an Outstanding Young Woman of America for the third time since 1981. Lisa has been my district office manager in Hollywood since I was first elected in 1982. During the past 6 years, she has served the people of the 16th Congressional District with efficiency and dedication. I am proud that she has been selected for this special honor.

Lisa has been cited for her civic and professional contributions to our community. She has selflessly donated her hard work and valuable time to a variety of organizations in south Florida. Lisa is a member and past president of Broward County Young Democrats, treasurer of the Pembroke Pines Democratic Club, legislative chairwoman of the Lakes/Cooper City section of the National Council of Jewish Women, former vice president of the Pembroke Pines Toastmasters Club, and a member of the Broward County Democratic Executive Committee.

This selection for inclusion in Outstanding Young Women of America is special since women chosen for the publication must be nominated by their peers—former winners themselves. I have known for a long time that Lisa is an outstanding young woman and am pleased that her dedication to our community is being consistently recognized. My wife Sheila and I, Lisa's husband Ron Aronson, and my entire staff in Hollywood and here in Washington are proud of Lisa. This is a well-deserved honor and I am happy to congratulate Lisa for her contributions.

THE TRANSFER OF MORTGAGE SERVICING

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. LAFALCE. Mr. Speaker, I would like to call attention to a growing problem in one area of the financial services industry—the depersonalization of customer services. Over the past few years, we have seen a proliferation of financial institutions and an unprecedented development and growth of a secondary mortgage market. Unfortunately, in the area of servicing of home mortgage loans, this growth has taken place at the expense of the consumer.

Consider the reasons why a person chooses a particular bank to handle the mortgage loan. One factor of course is which bank can offer the best interest rate and points. However, a borrower does not simply look in the newspaper and then take out a loan at an unknown bank offering the best rates. Several more important considerations are central to the borrower's choice: The reputation of the bank in the community, the courtesy with which it answers inquiries, or because the borrower has a personal friend at the bank with whom he goes to church, attends the Rotary Club, or serves on the local PTA.

The borrower needs and expects to receive individualized, personal attention from the bank he or she has chosen. If it is a neighborhood bank, as is often the case, the borrower frequently deals with the branch manager on a regular basis. As a result, the borrower can expect both understanding and forebearance if the borrower unexpectedly cannot meet a mortgage payment. In today's world, as more and more plants and industries are suddenly shut down, it is not uncommon for a worker to suddenly find himself unemployed and unable to meet the monthly payment.

Unfortunately, the majority of borrowers do not receive the necessary individualized attention and understanding. A consumer who signs the loan agreement at a local bank is being misled and disappointed because the lender with whom the borrower expected to have a business relationship is frequently not the one who ultimately services the loan.

The practice of transferring the servicing of a mortgage from one lender to another is a relatively recent phenomenon which has exploded in recent years. In large part, this is due to the enormous growth of the secondary mortgage market which has facilitated and encouraged the practice of selling loans. In addition, many small firms have discovered that it is more profitable to concentrate on originations, and sell the resulting loan servicing. As a result, the servicing, which is often viewed as an administrative hassle, is usually transferred or sold along with the underlying loan.

In fact, although consumers are unaware of it, it has now become more likely than not that the servicing will be transferred. For example, the Mortgage Banker's Association recently estimated that 78 percent of its members now do not service any loans. On the other hand, the country's top 100 mortgage companies have increased their servicing portfolios by 23 percent in 1987.

This year we can expect an even greater increase in the transfer of servicing. Recent changes in accounting rules have given lenders more incentive to sell the servicing of the mortgages. Under the statement of financial accounting standards 91, a lender can only take into current income a fraction of the total loan origination fees and other commitment fee income; the majority of these fees now must be amortized over the life of the loans. Therefore lenders have strong incentive to sell their mortgages in the first year so that they can immediately capture all of the income. By selling the mortgage servicing as well, these lenders can avoid the headaches of administering the servicing portfolios and earn additional immediate income.

While the lenders are busy making profits and selling paper back and forth, the consumer is forgotten. Not only does the servicing transfer take place without the borrower's consent, but it usually occurs without the borrower's prior knowledge. In the most common scenario, the borrower suddenly receives a notice from the purchaser of the servicing directing the borrower to send the next mortgage payment to an unknown bank in some distant State, rather than the local bank with whom the borrower originated the loan and expected to do business. Hence, for 29 out of 30 years, a New York resident might well be forced to do business with a Tennessee or California or Utah bank—something that definitely was not intended.

The transfer of servicing without consent or notice not only treats the borrower unfairly, but also increases the borrower's risks. There are many accounts of borrowers who have faithfully met their payments, yet their payments are not recorded due to a mishandling of the transfer. As a result, late fees are assessed, taxes and insurance policies remain unpaid, and a lien may be put on the borrower's property. It is outrageous that the borrower should be forced to sort out these problems when the borrower was not informed in a timely manner, that the mortgage payments should be sent to a new lender.

In other instances, the new lender does not provide the borrower with the name of a contact or phone number where servicing inquiries may be directed. The borrower then bears the unwanted and unnecessary burden of making out-of-State calls at the borrower's expense to track down who is now responsible for handling servicing problems.

Some institutions do provide notice before the transfer, and some servicing institutions do have 800 telephone numbers. But that is almost beside the point: the point is, no borrower should be forced into dealing with a new bank without the borrower's knowledge and consent. No borrower should be forced into dealing with someone he does not know, when his knowledge of an institution was an important factor in the individual's decision in selecting the bank.

Furthermore, the prevalency of the practice of selling both the loan and the servicing raises a question in my mind. If the very institutions whose "raison, d'etre" is to provide and service residential mortgages, are simply in the business of originating loans, and are not retaining either the loan or the servicing, then what is the continued "raison d'etre?"

For most Americans, the great American dream is the ownership of one's own home. The decision to undertake a 30-year home mortgage is not entered into lightly and will affect the individual for his entire life. Therefore, it is of vital importance that the borrower has confidence and trust in the financing institution. The servicing of the loan is an essential part of the understanding entered into between the lender and the borrower. Allowing financial institutions to sever this essential relationship without the borrower's consent, completely betrays the borrower's faith.

Some of our major financial institutions have begun to recognize the needs of consumers in the area of servicing of home mortgages. For example, Freddie Mac and the Mortgage Banker's Association have issued guidelines requiring both the seller and the purchaser of the servicing to notify the borrower of the actions they have unilaterally decided to take and to provide appropriate names and phone numbers. In addition, some States have enacted statutes requiring notification to the borrower upon the transfer of servicing.

However, while some financial institutions have attempted to address the problem, others have not; and, most importantly, even those who have attempted to do so have done so inadequately. None of the existing guidelines or rules address the borrower's need to have knowledge of and consent to the transfer at the time of the loan. All are premised on the belief that the bank has the right to unilaterally transfer the servicing. I do not see any valid reason for this premise and I am therefore introducing legislation today which will protect the consumer in all mortgage servicing transfers.

The Mortgage Servicing Transfer Act of 1988, prohibits the transfer of servicing without the prior consent of the borrower. All lenders must disclose to the borrower that the servicing may be assigned, sold or transferred. Furthermore, no such transfer can take place unless the borrower has signed a form at the time of the loan agreement which would permit the transfer. It is extremely important that a borrower is not coerced into signing the consent as a quid pro quo for receiving the loan. Therefore, the bill expressly states that the borrower is not under any obligation to consent to the transfer, nor may the lender refuse to make the loan because of the borrower's failure to consent, and the lender must so advise the borrower.

Furthermore, the bill sets forth strict notification requirements for both the seller and the purchaser of the servicing at the time of the transfer. The notification must include names of persons or departments to contact to answer inquiries, as well as toll-free telephone numbers. The notice must also clarify that the transfer does not affect the terms of the mortgage.

When it comes to mortgage servicing, one of the borrower's chief concerns is that he or she is not assessed a late fee for a payment that was actually submitted on time. My bill also provides that during a 60-day period following the effective date of the transfer, a late fee may not be imposed on a borrower who submitted a payment on time but to the wrong servicer.

There is a real need to protect borrowers from the risks associated with the transfer of servicing. It is equally important to recognize that borrowers have a right to receive quality servicing from the institution they have chosen to originate their loan. The legislation I have introduced today is an important step toward ensuring that the customer is not forgotten with the increasing depersonalization of the financial services industry.

GILMAN INTRODUCES EXCISE TAX BILL TO UNDERWRITE COSTS OF COMBATING DRUG TRAFFICKING AND DRUG ABUSE (H.R. 5045)

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. GILMAN. Mr. Speaker, there is nothing as tragic as the reports of thousands of Americans, many of them just children, who lose control of their lives and bring heartbreak and despair to their families because of drug addiction. None of us is untouched by the curse of drugs. This virus has infected our neighborhoods and attacked our cities. It continues to spread throughout our society and threatens to destroy all we hold precious.

It is estimated that there are 30 million cocaine users in this country, over 50 million Americans have tried marijuana and there are over 600,000 American heroin addicts. There are millions of Americans who are addicted to cocaine or its derivative—crack, heroin, PCP, and other dangerous drugs. Americans spend an estimated $130 billion annually on narcotics. The cost to our society in lost productivity and increased health costs and drug related crime and violence is estimated at over $100 billion. Each year the drug-related deaths continue to mount.

Today's drug crises is evident to everyone. Poll after poll underscores that Americans perceive narcotics trafficking and drug abuse to be the most important issue our Nation faces. In the Congress there are a number of substantial anti-narcotics measures being proposed in both bodies and on both sides of the aisle. Congress and the executive branch have created a series of task forces, conferences and study groups each offering a variety of proposals on how our Nation can best combat the drug traffickers and the horrible affects of the deadly drugs that they spread throughout the world.

The furious activity of the last few months, however, has left one major question unaddressed. It is an obvious but significant question: How are we going to pay for the war on drugs?

It is indeed essential for us to discuss the drug crises, to study the various elements of the problem, and to suggest solutions in our speeches; however that is not enough. Those who have fallen victim to drugs need advice, sympathy, and moral support, but that is not enough. Local law enforcement officials who put their lives on the line everyday in the war against drugs deserve high praise for their heroism, but that too is not enough. Specialists in the fields of drug education, treatment and rehabilitation need to hear that their role is absolutely critical if we are ever to rid our Nation of the plague of drugs, but that is not enough. As hard as we try, the war on drugs cannot be fought with words alone.

The final recommendation of the White House Conference for a Drug Free America states:

> Because the connection between alcohol and tobacco and further illegal drug use among youth is so high, additional funds for the war on drugs should be generated by an increase of Federal excise taxes on alcohol and tobacco.

No one likes taxes, especially in an election year. But there are times when it is our responsibility as Representatives of the American people to make difficult decisions, to choose between two evils. I believe the American people will agree that the evil of a hemorrhaging drug epidemic sowing violence and misery across our land is worse than the discomfort of a very modest tax increase.

My proposal, entitled the Anti-Drug Resource Enhancement Act of 1988, would raise over a billion dollars by increasing the excise tax on beer by only 1 cent per can, the excise tax on wine by only 3 cents per bottle, and the excise tax on cigarettes by only 2 cents per pack.

The excise tax on beer and wine has not changed since 1951 and these excise taxes are not indexed for inflation. The 1982 Tax Equalization and Fiscal Responsibility Act [TEFRA] increased the excise tax on tobacco from 8 to 16 cents. The tax on distilled liquor was raised in 1985, and would not be subject to tax increase.

The revenue from the increased excise taxes would go into a special trust fund. Ninety percent of the revenue would be used to supplement the funds already dedicated to the war against drugs, the remaining 10 percent would be used to combat alcohol and tobacco related addiction.

Raising excise taxes is not a new idea. There is a great deal of polling data showing that the American people overwhelmingly support increases on alcohol and tobacco taxes. In a 1986 Gallup poll Americans when asked if they favor doubling the Federal excise taxes on alcoholic beverages to raise revenues to fight drug and alcohol abuse, 66 percent responded positively, 29 percent negatively and 5 percent had no opinion. In a 1987 Harris Survey, when asked to choose the least objectionable tax increase, 75 percent favored increasing excise taxes on alcohol and tobacco.

This antidrug funding proposal is reasonable and modest. The impact on the producing industries will be limited. To the extent that use of these substances declines, there will be a corresponding health benefit. Over 100,000 Americans die each year due to alcohol related diseases and accidents. There are 300,000 tobacco-related deaths each year. Alcoholism is a tragic illness which millions of Americans fall victim to each year. Furthermore, both alcohol and tobacco often serve as gateway drugs, with users trying these legal substances first, before moving on to illicit drugs.

The evidence of the dangers of smoking continues to mount. Surgeon General Koop in the recent report entitled "The Health Consequences of Smoking: Nicotine addiction," stated: "Nicotine is the drug in tobacco that causes addiction. Moreover, the processes that determine tobacco addiction are similar to those that determine addiction to drugs such as heroin and cocaine."

Illegal drugs are weakening this Nation, damaging our national security and killing our citizens. We cannot obtain all the needed resources to fight this battle from the Defense Department's budget, or through siphoning off funding from programs for the poor or elderly. This is no time for smoke and mirrors, no time for clever bookkeeping. It would be utterly irresponsible for us not to enhance our commitment to fight drugs; it would be equally irresponsible to widen the Federal deficit further.

Major newspapers have strongly endorsed increases in excise taxes. In an April 30, 1988, editorial entitled "Yes, Raise the Alcohol Tax," The New York Times stated that "Increasing alcohol taxes is a sound way to either raise or save money." The Washington Post stated on December 3, 1987, that "raising the liquor and cigarette taxes would be a contribution to public health as well as public solvency." And in an editorial entitled "Paying the Piper" the Los Angeles Times called an increase in excise taxes "overdue" and reported that currently "excise taxes amount to less than 4 percent of the gross national product, compared with almost 9 percent in 1971." Let me also add that these editorials call for doubling or quadrupling excise taxes. My proposal, to raise a little over $1 billion, would increase total annual revenue from alcohol and tobacco excise taxes only 10 percent, from about $9 billion to about $10 billion.

Finally, to those who argue that an excise tax is a regressive tax, I say that my proposal would barely impact at all on poor Americans. All that legislation calls for is less than 1 cent per drink. This penny investment in our war against drugs must be weighed against the urgent need to combat the drug traffickers who reap hundreds of billions of untaxed dollars by selling their deadly drugs to the rich and the poor, the young and the old in cities, towns, and rural areas in every congressional district.

Everyone agrees that more has to be done in combating narcotics. But to do more we have to find the money to fund these programs. This proposal is a modest, reasonable way to raise the needed funds. Accordingly, I would invite and welcome the support of my colleagues.

Mr. Speaker, I include a summary of my proposal and the complete text of the bill be inserted at this point in the RECORD.

SUMMARY OF THE "ANTI-DRUG RESOURCE ACT OF 1988"

PURPOSE OF LEGISLATION

To raise $1 billion through increased excise taxes on beer, wine and tobacco. The additional revenue would be placed in a special trust fund to be used to combat drug trafficking and substance abuse. Ninety percent of the funds would be used in the war against drugs, the remaining 10 percent would be used to fight alcohol and tobacco addiction.

WINES CONTAINING NOT MORE THAN 14 PERCENT ALCOHOL

Current tax: 17¢/gallon. Increased by: 15¢ to 32¢/gallon. Impact: 88.2 percent rise. Cost: 3¢ more per 750 ml bottle.[1]

WINES CONTAINING MORE THAN 14 PERCENT ALCOHOL, BUT NOT MORE THAN 21 PERCENT ALCOHOL

Current tax: 67¢/gallon. Increased by: 15¢ to 82¢/gallon. Impact: 22.3 percent rise. Cost: 3¢ more per bottle.

WINES CONTAINING MORE THAN 21 PERCENT ALCOHOL, BUT NOT MORE THAN 24 PERCENT ALCOHOL

Current tax: $2.25/gallon. Increased by: 15¢ to $2.40/gallon. Impact: 6.6 percent rise. Cost: 3¢ more per 750 ml bottle.

CHAMPAGNE

Current tax: $3.40/gallon. Increased by: 15¢ to $3.55/gallon. Impact: 4.4 percent rise. Cost: 3¢ more per 750 ml bottle.

ARTIFICIALLY CARBONATED WINES

Current tax: $2.40/gallon. Increased by: 15¢ to $2.55/gallon. Impact: 6.25 percent rise. Cost: 3¢ more per 750 ml bottle.

BEER

Current tax: $9/barrel. Increased by: $4.43 to $13.43/barrel. Impact: 49 percent rise. Cost: 1.3 cents more per can.

SMALL CIGARETTES WEIGHING MORE THAN THREE POUNDS PER THOUSAND

Current tax: $8.00/thousand (16¢ pack). Increased by: $1.00/thousand. Impact: 12.5 percent rise. Cost: 2 cents more a pack.

LARGE CIGARETTES WEIGHING MORE THAN THREE POUNDS PER THOUSAND

Current tax: $16.80/thousand. Increased by: $2.10 to $18.90/thousand. Impact: 12.5 percent. Cost: 2¢ per cigarette.

All increases go into effect January 1, 1989.

Unoffical rough estimates of revenue generated from proposed increases in excise taxes, based on 1986 figures

Wine	$60,000,000
Beer	540,000,000
Tobacco	575,000,000
Total	1,175,000,000

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Anti-Drug Resource Enhancement Act of 1988".

SEC. 2. INCREASE IN EXCISE TAXES ON WINE AND BEER.

(a) WINE.—

(1) WINES CONTAINING NOT MORE THAN 14 PERCENT ALCOHOL.—Paragraph (1) of section 5041(b) of the Internal Revenue Code of 1986 (relating to rates of tax on wines) is amended by striking out "17 cents" and inserting in lieu thereof "32 cents".

(2) WINES CONTAINING MORE THAN 14 (BUT NOT MORE THAN 21) PERCENT ALCOHOL.—Paragraph (2) of section 5041(b) of such Code is amended by striking out "67 cents" and inserting in lieu thereof "82 cents".

(3) WINES CONTAINING MORE THAN 21 (BUT NOT MORE THAN 24) PERCENT ALCOHOL.—Paragraph (3) of section 5041(b) of such Code is amended by striking out "$2.25" and inserting in lieu thereof "$2.40".

(4) CHAMPAGNE AND OTHER SPARKLING WINES.—Paragraph (4) of section 5041(b) of such Code is amended by striking out "$3.40" and inserting in lieu thereof "$3.55".

(5) Artificially carbonated wines.—Paragraph (5) of section 5041(b) of such Code is amended by striking out "$2.40" and inserting in lieu thereof "$2.55".

(b) BEER.—

(1) IN GENERAL.—Paragraph (1) of section 5051(a) of such Code (relating to imposition and rate of tax on beer) is amended by striking out "$9" and inserting in lieu thereof "$12.30".

(2) TECHNICAL AMENDMENT.—Subparagraph (A) of section 5051(a)(2) of such Code (relating to reduced rate for certain domestic production) is amended by striking out "$7" each place it appears and inserting in lieu thereof "$10.30".

(c) FLOOR STOCKS.—

(1) IMPOSITION OF TAX.—

(A) IN GENERAL.—In the case of any tax-increased article—

(i) on which tax was imposed under part I of subchapter A of chapter 51 of the Internal Revenue Code of 1986 or section 7652 of such Code before January 1, 1989, and

(ii) which is held on such date for sale by any person,

there shall be imposed a tax at the applicable rate on each such article.

(B) APPLICABLE RATE.—For purposes of subparagraph (A), the applicable rate is—

(i) 15 cents per wine gallon in the case of wine described in any paragraph of section 5041(b) of such Code, and

(ii) $3.30 per barrel in the case of beer. In the case of a fraction of a gallon or barrel, the tax imposed by subparagraph (A) shall be the same fraction as the amount of such tax imposed on a whole gallon or barrel.

(C) TAX-INCREASED ARTICLE.—For purposes of this subsection, the term "tax-increased article" means wine and beer.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—A person holding any tax-increased article on January 1, 1989, to which the tax imposed by paragraph (1) applies shall be liable for such tax.

(B) METHOD OF PAYMENT.—The tax imposed by paragraph (1) shall be paid in such manner as the Secretary of the Treasury or his delegate shall by regulations prescribe.

(C) TIME FOR PAYMENT.—The tax imposed by paragraph (1) shall be paid on or before February 14, 1989.

(D) TREATMENT OF TAX-INCREASED ARTICLES IN FOREIGN TRADE ZONES.—Notwithstanding the Act of June 18, 1934 (48 Stat. 998, 19 U.S.C. 81a) or any other provision of law, any tax-increased article which is located in a foreign trade zone on January 1, 1989, shall be subject to the tax imposed by paragraph (1) and shall be treated for purposes of this subsection as held on such date for sale if—

(i) internal revenue taxes have been determined, or customs duties liquidated, with respect to such article before such date pursuant to a request made under the first proviso of section 3(a) of such Act, or

(ii) such article is held on such date under the supervision of a customs officer pursuant to the second proviso of such section 3(a).

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[1] 750 ml is the standard size for a bottle of wine or champagne.

Under regulations prescribed by the Secretary of the Treasury or his delegate, provisions similar to sections 5062 and 5064 of such Code shall apply to any article with respect to which tax is imposed by paragraph (1) by reason of this subparagraph.

(3) Exception for retailers.—The taxes imposed by paragraph (1) shall not apply to wine or beer in retail stocks held on January 1, 1989, at the place where intended to be sold at retail.

(4) Other laws applicable.—

(A) In general.—All provisions of law, including penalties, applicable with respect to the comparable excise tax with respect to any tax-increased article shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply in respect of the taxes imposed by paragraph (1) with respect to such article to the same extent as if such taxes were imposed by the comparable excise tax.

(B) Comparable excise tax.—For purposes of subparagraph (A), the term "comparable excise tax" means—

(i) the tax imposed by section 5041 of such Code in the case of wine, and

(ii) the tax imposed by section 5051 of such Code in the case of beer.

(5) Definitions.—For purposes of this subsection—

(A) Wine.—The term "wine" means any article which is treated as wine for purposes of section 5041 of such Code.

(B) Beer.—The term "beer" has the meaning given such term by section 5052(a) of such Code.

(C) Person.—The term "person" includes any State or political subdivision thereof, or any agency or instrumentality of a State or political subdivision thereof.

(d) Effective Date.—The amendments made by subsections (a) and (b) shall take effect on January 1, 1989.

SEC. 3. INCREASE IN EXCISE TAX ON CIGARETTES.

(a) In General.—Subsection (b) of section 5701 of the Internal Revenue Code of 1986 (relating to rate of tax on cigarettes) is amended—

(1) by striking out "$8" in paragraph (1) and inserting in lieu thereof "$9", and

(2) by striking out "$16.80" in paragraph (2) and inserting in lieu thereof "$18.90".

(b) Floor Stocks.—

(1) Imposition of tax.—On cigarettes manufactured in or imported into the United States which are removed before January 1, 1989, and held on such date for sale by any person, there shall be imposed the following taxes:

(A) Small cigarettes.—On cigarettes, weighing not more than 3 pounds per thousand, $1 per thousand.

(B Large cigarettes.—On cigarettes weighing more than 3 pounds per thousand, $2.10 per thousand; except that, if more than 6½ inches in length, they shall be taxable at the rate prescribed for cigarettes weighing not more than 3 pounds per thousand, counting each 2¾ inches, or fraction thereof, of the length of each as one cigarette.

(2) Liability for tax and method of payment.—

(A Liability for tax.—A person holding cigarettes on January 1, 1989, to which any tax imposed by paragraph (1) applies shall be liable for such tax.

(B) Method of Payment.—The tax imposed by paragraph (1) shall be treated as a tax imposed by section 5701 of the Internal Revenue Code of 1986 and shall be due and payable on February 14, 1989, in the same manner as the tax imposed by such section is payable with respect to cigarettes removed on or after January 1, 1989.

(C) Treatment of Cigarettes in Foreign Trade Zones.—Notwithstanding the Act of June 18, 1934 (48 Stat. 998, 19 U.S.C. 81a) or any other provision of law, cigarettes which are located in a foreign trade zone on January 1, 1989, shall be subject to the tax imposed by paragraph (1) and shall be treated for purposes of this subsection as held on such date for sale if—

(i) internal revenue taxes have been determined, or customs duties liquidated with respect to such cigarettes before such date pursuant to a request made under the first proviso of section 3(a) of such Act, or

(ii) such cigarettes are held on such date under the supervision of a customs officer pursuant to the second proviso of such section. 3(a).

Under regulations prescribed by the Secretary of the Treasury or his delegate, provisions similar to sections 5706 and 5708 of such Code shall apply to cigarettes with respect to which tax is imposed by paragraph (1) by reason of this subparagraph.

(3) Cigarette.—For purposes of this subsection, the term "cigarette" shall have the meaning given to such term by subsection (b) of section 5702 of such Code.

(4) Exception for retailers.—The taxes imposed by paragraph (1) shall not apply to cigarettes in retail stocks held on January 1, 1989, at the place where intended to be sold at retail.

(c) Effective Date.—The amendment made by subsection (a) shall apply with respect to cigarettes removed after December 31, 1988.

SEC. 4. ESTABLISHMENT OF ANTI-DRUG RESOURCE ENHANCEMENT TRUST FUND

(a) In General.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9511. ANTI-DRUG RESOURCE ENHANCEMENT TRUST FUND.

"(a) Creation of Trust Fund.—

"(1) In General.—There is established in the Treasury of the United States a trust fund to be known as the 'Anti-Drug Resource Enhancement Trust Fund'.

"(2) Accounts in trust fund.—The Anti-Drug Resource Enhancement Trust Fund shall consist of—

"(A) an Anti-Illicit Drug Account, and

"(B) an Alcohol and Tobacco-Related Addiction Account.

Each such Account shall consist of such amounts as may be appropriated or credited to it as provided in this section or section 9602(b).

"(b) Anti-Illicit Drug Account.—

"(1) Transfers to account.—There is hereby appropriated to the Anti-Illicit Drug Account amounts equivalent to 90 percent of the increase in net revenues received in the Treasury from the taxes imposed by sections 5041(b), 5051(a), and 5701(b) attributable to the amendments made by the Anti-Drug Resource Enhancement Act of 1988.

"(2) Expenditures from account.—Amounts in the Anti-Illicit Drug Account shall be available, as provided in appropriation Acts, for the purposes of decreasing the supply and demand for illicit narcotics through drug eradication, interdiction, law enforcement, education, treatment, rehabilitation, and other drug-related efforts.

"(c) Alcohol and Tobacco-Related Addiction Account.—

"(1) Transfers to account.—There is hereby appropriated to the Alcohol and Tobacco-Related Addiction Account amounts equivalent to 10 percent of the increase in net revenues received in the Treasury from the taxes referred to in subsection (b)(1) attributable to the amendments made by the Anti-Drug Resource Enhancement Act of 1988.

"(2) Expenditures from account.—Amounts in the Alcohol and Tobacco-Related Addiction Account shall be available, as provided in appropriation Acts, to carry out research, prevention, education, treatment, rehabilitation, and other programs for individuals with any alcohol or tobacco-related addiction.

"(d) Net Revenues.—For purposes of this section, the term 'net revenues' means the amount estimated by the Secretary based on the excess of—

"(1) the taxes received in the Treasury under the sections referred to in subsection (b)(1), over

"(2) the decrease in the tax imposed by chapter 1 resulting from such taxes."

(b) Clerical Amendment.—The table of sections for such subchapter A is amended by adding at the end thereof the following new item:

"Sec. 9511. Anti-Drug Resource Enhancement Trust Fund."

ENERGY AND THE ARCTIC NATIONAL WILDLIFE REFUGE

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. YOUNG of Alaska. Mr. Speaker, many of our colleagues are aware of our energy dependence upon other nations, and the fact that the picture is not looking any brighter for the foreseeable future. Nevertheless, legislation before the Congress to open to environmentally sound oil and gas leasing the Coastal Plain of the Arctic National Wildlife Refuge in my district—the State of Alaska—is the bright spot in terms of responding to this growing international threat. Today I submit for the Record an article from the Denver Post, which underscores the need for prompt action by the Congress on this subject. Because of the vast support nationwide for this legislation, I will do this daily.

The article follows:

[From the Denver Post, Apr. 23, 1987]

Drill With Care in Alaska

Interior Secretary Donald Hodel has recommended that Congress allow oil exploration in the fragile, wildlife-rich coastal plain that forms part of Alaska's Arctic National Wildlife Refuge. Twenty years ago, such a proposal would have been justifiably spurned because of the risk of environmental damage. But today's more ecologically sensitive search and recovery techniques should encourage Congress to allow the exploration—under strict controls.

Tracks left by 1960s-era exploration crews still scar the tender Arctic tundra. But today's quest for oil is carried out from wide-track vehicles that leave barely a trace. And our experience in building the 800-mile Alaska oil pipeline, which many feared would become a man-made disaster, shows that oil facilities can be built with minimal damage to the land and wildlife.

Many environmental groups still argue that the 34-mile by 100-mile shoreline is so valuable to caribou and other wildlife that it should be preserved in pristine form. But years of seismic study have established that this same strip, sandwiched between Canada's oil provinces and the rich Prudhoe Bay field, also is the richest onshore oil and gas prospect in the United States. It could yield billions of barrels of oil.

And we need that oil. See-sawing prices and falling domestic production have hammered at the U.S. oil industry. Denver and Houston, both key energy centers, share 30 percent vacancy rates in office buildings and have lost thousands of oil jobs. Imports, once at 30 percent, have soared to 40 percent and still are climbing.

If the U.S. continues becoming more dependent upon foreign oil, we will once again become prey to OPEC. And it is certain that OPEC's present low prices would begin rising with a vengeance in such a seller's market, threatening both our national economy and our national security.

Thus, it's obvious that the Arctic Refuge will be opened to drilling and exploration sooner or later. It would be better to do it now—under careful controls—than to wait until a new 1973-style energy shortage sent the rigs rushing madly into Alaska amid a national frenzy that would override all enviromental sensitivity.

Of course, there is much more to a sound national energy policy than just probing Alaska's riches. We should keep on promoting energy conservation, through enforced automobile engine standards and other energy-saving devices, better construction materials and cogeneration of electricity. We also must keep up research into solar energy, synthetic fuels and other alternative sources of energy.

But as the Prudhoe Bay experience proves, we've learned a great deal about how to explore responsibly in the Arctic. And it is clearly better for America to develop a balanced and prudent exploration plan now than to lock up the Arctic shore and risk provoking a new energy crisis that would unlock it in the worst of all circumstances in a few years time.

CITIZEN BEE WINNER

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. OXLEY. Mr. Speaker, it is my privilege today to honor an outstanding constituent from Findlay, OH, David Biewer. David has spent the past academic year involved with the Citizen Bee, a civic education competition of the Close Up Foundation, and emerged as the Ohio State winner.

The Citizen Bee is designed to test students' knowledge of American government, history, economics, geography, and current issues. The students progress through school, regional, and State finals, and the top six State winners in Ohio progressed to the national finals in Washington, DC.

I would like to also take this opportunity to congratulate a partnership in the State of Ohio between the State organizer of the Citizen Bee, the Ohio Department of Education and the State sponsors: the Martha Holden Jennings Foundation, the Goodyear Tire & Rubber Co., the Northwest Ordinance and U.S. Bicentennial Commission, the Plain Dealer Charities, Inc., and the Close Up Foundation that worked successfully to bring this unique learning initiative to Ohio. I am proud to mention that in its first year of participation, the State of Ohio had the largest number of students participating—3,000 students from 217 high schools—more than any other of the 21 States that took part in the competition.

David, congratulations on your achievements in the Citizen Bee, and good luck in your future endeavors.

LEGISLATION TO ESTABLISH THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION AS AN INDEPENDENT AGENCY

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing legislation which would establish the National Oceanic and Atmospheric Administration [NOAA] as an independent agency of the Federal Government. This legislation would also codify, for the first time, NOAA's missions and responsibilities, which would serve as organic legislation for the agency.

Mr. Speaker, NOAA serves an extremely important function within the Federal Government, and based on the need to have better information about oceanic and atmospheric conditions with respect to the global warming trend, NOAA is likely to serve an even more important function in the future. NOAA is responsible not only for forecasting our Nation's weather conditions as part of the National Weather Service, but is also responsible for managing our Nation's fisheries as part of the National Marine Fisheries Service. It is also responsible for conducting research and monitoring on the health of our Nation's coastal areas and estuaries so that we can begin to clean up our Nation's waterbodies from the ravages of coastal pollution.

In addition, NOAA is responsible for managing our Nation's exclusive economic zone [EEZ] which may contain substantial new resources, especially hard minerals, which could become extremely valuable in the future as land-based sources of minerals are depleted. NOAA also will have an increasingly important role in developing better information about what has become an increasingly important issue—the question of the greenhouse effect and global warming. As many of the areas across our Nation are now experiencing drought conditions which could be related to the longer term question of global warming, this type of civilian research effort will become increasingly important. Also, having recently learned that the 4 warmest years on record have occurred since 1980—with over a 130 years of recordkeeping—I am becoming increasingly concerned that we are not developing our Nation's capability to learn more about the phenomena quickly enough.

That is partially why, Mr. Speaker, I am introducing this legislation. I believe that NOAA is sufficiently different from the other agencies located within the Department of Commerce that it should be separated and made an independent agency, much like the Environmental Protection Agency [EPA], the National Aeronautics and Space Administration [NASA], the National Science Foundation [NSF], and other independent agencies. I believe that NOAA fits much more appropriately with these agencies than it does within the Department of Commerce and that, because of its increasingly important role natural resource management and research and monitoring, it is time to take this step to make it an independent agency and to codify its existing missions and responsibilities.

Among other reasons, one of the most significant factors which has led to my introduction of this legislation is the arduous budget review process which NOAA is currently subject to within the Department of Commerce. After extensive internal review of the budget within NOAA, the Department of Commerce then also reviews NOAA's budget, often with little appreciation for the scientific and research aspects of NOAA's mission. Then, NOAA's budget is subject to further review within the Office of Management and Budget [OMB] by the division which reviews the Department of Commerce's budget, which also has very little understanding of the scientific, research, and resource management aspects of NOAA's missions, because these types of functions are generally reviewed by a different division within OMB.

This budget slippage problem has been demonstrated with recent events surrounding a possible new initiative to be undertaken by NOAA in the area of global climate change. NOAA has considerable expertise and capability in this area and is the logical agency to take the lead in coordinating a Government-wide effort to better understand this phenomena. Both NASA and the NSF included approximately $25 million in new funding in the fiscal year 1988 budget request, while NOAA included nothing in its fiscal year 1988 request. In its fiscal year 1989 request, finally NOAA included $12 million for this type of research, which is about one-fourth the amount which is estimated to be required for this type of research and monitoring. Clearly, NOAA should be playing a much larger role in this type of research, and I believe that by making NOAA an independent agency NOAA will be better able to participate in the budget process in carrying out this important new initiative to better understand the phenomena known as global climate change.

Mr. Speaker, in January 1969, when the so-called Stratton Commission forwarded a recommendation to the President and the Congress that NOAA be created, the Commission stated the central purpose in recommending the formation of NOAA was to "provide the means for understanding the full range of actions needed to realize the Nation's growing stake in the effective use of the sea." More specifically, the Commission recommended that NOAA be organized and provided with resources to:

First, explore the ocean frontier and interrelationships with the atmosphere; second, define its resources; third, advance capabilities for its use; fourth, provide supporting services including weather ocean forecasts; fifth, minimize conflicts over uses of the marine environment; sixth, coordinate scientific and technical requirements and recommendations in support of foreign policy objectives; and seventh, serve marine industry and the marine interests of the American people.

These basic goals and purposes for NOAA are all still applicable today and in fact even more so as we increase our knowledge and use and competition for ocean resources.

Mr. Speaker, I am introducing another bill today which would extend the territorial sea and the contiguous zone from 3 miles to 12 miles and 12 miles to 24 miles, respectively. This legislation would also establish a new National Oceans Policy Commission which would reassess overall national ocean policy, and make recommendations with respect to necessary domestic law changes as a result of extending the territorial sea and contiguous zone for international purposes.

This new Commission, 20 years after the Stratton Commission report will provide our Nation with important new information and recommendations about how to wisely manage and maintain our important ocean and coastal resources.

Mr. Speaker, by establishing NOAA as an independent agency and by requiring the articulation of our national oceans policy, as a nation, we will be in a better position to manage and utilize these critically important resources as we approach the year 2000.

AMERICA'S FAMILIES NEED AFFORDABLE, QUALITY CHILD CARE

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Miss SCHNEIDER. Mr. Speaker, I rise today to commend eight organizations from the Ocean State who have joined together to respond to one of the most pressing needs of America's families: affordable, quality child care.

The Consumer Value Stores, the Eastland Savings Bank, the Equity Ventures, the Marquette Credit Union, the Woonsocket Industrial Development Corp., the city of Woonsocket, the State of Rhode Island, the June Rockwell Levy Foundation, the Ocean State Charities, and the Rhode Island Foundation have joined forces, finances, and foresight to develop a child care center at the Highland Industrial Park in Woonsocket, RI. The child care center will serve children of employees at the Highland Industrial Park, as well as children from low-income families in the city. With the creative use of tax credits and deductions, the companies leveraged their contributions in order to double the number of available child care slots. The partnership between the Development Corp., charitable organizations, area businesses, and the local government is exactly the kind of thing that will preserve our Nation's competitiveness while responding to the needs of working families.

All signs point toward a need for a flexible, responsive, business community as the number of working mothers grows, and the number of school age children increases. In the next decade, two out of three new entrants into the work force will be women, and most of those will be mothers. The month of June marked the first time in history that more than half of mothers with infants under the age of one were employed. By 1990, the number of children under the age of 10 is expected to increase 14 percent. In other words, the need for child care providers and child care facilities is not going to go away.

Although responsibility for child care lies primarily with the parents, Federal and State governments and the private sector can be instrumental in easing the burdens of today's working parents. In fact, the success of our Nation's competitiveness may rest on our ability to respond to the needs of working parents. As cochair of the Congressional Competitiveness Caucus, I am acutely aware of America's need to develop a work environment which is more hospitable to familes, and particularly single-parent families. Employer-sponsored child care is an important step toward shoring up the underpinning of our economy, the foundation of which rests on our families.

Again, Mr. Speaker and colleagues, I would like to reiterate my pride in these Rhode Island organizations who have shown foresight, generosity, and creativity in developing this private/public partnership. I would like to encourage other communities and corporations to take their lead from these Rhode Islanders.

A CAREFUL LOOK AT FREDDIE MAC

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ST GERMAIN. Mr. Speaker, the savings and loan crisis is spawning a wide variety of proposals.

Mr. Speaker, I suggest that we look carefully at all of the proposals and make certain that we are moving toward worthwhile solutions.

Among these are proposals to lift the restrictions on the sale of stock of the Federal Home Loan Mortgage Corporation. Heretofore, this stock has been available only to the savings and loans, not to the general public.

The Federal Home Loan Bank Board yesterday announced that it planned to lift the restrictions on the stock, effective January 1. There are similar proposals pending in the Congress.

Mr. Speaker, if this action means something substantive for the insurance fund, it may well merit our support. But, there are suggestions that much of this stock is now in the hands of healthy savings and loans and that little benefit would accrue to the savings and loans of greatest need should the market be expanded.

Mr. Speaker, any proposal on Freddie Mac should have specific benefits for FSLIC. The idea should be explored in the Banking Finance and Urban Affairs Committee and the facts placed on the table before any final action is taken on changing the rules of the game. Let's find out exactly what benefits will accrue to areas of greatest need in the savings and loan crisis.

GOV. MICHAEL DUKAKIS ON FOREIGN POLICY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. RICHARDSON. Mr. Speaker, as we look to the future, it is imperative that we evaluate our country's foreign and defense policies, examining these to ensure that our country continues to be the leader of the free world. Our policies must be dynamic enough to meet our changing needs in our changing world.

I would like to bring to the attention of my colleagues a speech delivered on June 14 by Gov. Michael Dukakis of Massachusetts before the Atlantic Council, a private organization of Americans with a special interest in United States-Europe relations. I would like to take this opportunity to submit his speech in its entirety for the RECORD.

NATO: BUILDING ON STRENGTH, MICHAEL S. DUKAKIS, ATLANTIC COUNCIL, WASHINGTON, DC, JUNE 14, 1988

Forty years ago, the United States Senate authorized the President to join with other nations in a collective effort to protect their security and the security of the United States.

That historic proposal was offered by Senator Arthur Vandenberg, a Republican. It was requested by President Harry Truman, a Democrat. It passed unanimously. And it paved the way for NATO—the most successful peacetime alliance in history.

Today, our alliance is being challenged. Militarily and politically. By vigorous new leaders in the Soviet Union. By currents of economic change that are transforming the world. By the need, in the wake of the INF Treaty, to develop a common negotiation strategy for nuclear, conventional and chemical arms.

This fall, we will elect a new President of the United States. And for the next five months, we'll be engaged in a vigorous debate about the future direction of our country. About the kind of leadership we'll need to make change work for us, not against us. About how we enter the next century economically, as well as militarily, strong. And about how we can restore common sense and principle and respect for American values to the foreign policy of our country.

But as we debate the future, let us never forget the lessons we learned during and after the second world war. Let us never forget the strength we derived from our shared commitment—as Democrats and Republicans—to the basic principles of freedom and democracy and respect for the rule of law. These are the principles that define our purpose as a nation. These are the principles that lie at the foundation of the NATO Alliance. These are the principles that keep us united and keep us strong.

Rarely has that strength and unity been more evident than during the past few weeks.

When President Reagan raised his voice in Moscow in behalf of human rights and democracy, he spoke for all of us here in the United States; for hundreds of millions more in both halves of a divided Europe; and for billions around the globe.

The INF Treaty, the first Treaty that not only controls nuclear weapons, but reduces them, was supported by the vast majority of the American people—and stands as a monument to what a determined and united democratic alliance can do.

For eight years, through two Administrations, we Americans and our allies opposed Soviet aggression in Afghanistan; and now the Soviets are on the way out.

After four summits in three years, virtually all of us acknowledge the value of regular, face-to-face discussions between the leaders of the two superpowers.

And most of us now see the possibility for a new and less dangerous competition with the Soviet Union.

But today, rather than celebrating our unity; there are some who suggest that the future of NATO is in doubt.

There are some who suggest that our commitment to NATO will somehow weaken—that the removal of intermediate and shorter range nuclear missiles will lead to a change in American attitudes or in a lessening of American resolve.

I don't buy that at all.

Our commitment to Europe goes far beyond a few hundred missiles.

Europe's security is vital to our security. That's why we have stationed more than 300,000 of our servicemen and women on European soil; that's why we continue to support the NATO doctrine of flexible response.

Our goal has been—and remains—a NATO so strong and so united that no nation will be tempted to begin a war against us.

And we believe that, through our strength and determination, the peace will be maintained.

NATO has worked for forty years. It can work for forty more.

If our allies do their share. And if we stop trying to go it alone as we have done too often during the past seven years. Never again should we announce radical changes in our strategic doctrine or adopt dramatic new bargaining positions on nuclear weapons without consulting our allies in advance.

We must work together. And if we're going to meet the challenges of the 1990's and the 21st century, we must be an active, not a re-active alliance.

We must seize the initiative.

We must take a tough and steady and realistic approach to the Soviet Union.

We must have a coordinated plan for reversing the nuclear arms race and for making deep and mutual and verifiable cuts in strategic arms.

And we must challenge the Warsaw Pact to take a series of specific steps to further reduce the risk of war in Europe.

Our goal? A balance of conventional forces that, once in place, will bring greater security and allow NATO planners to reduce their reliance on tactical nuclear weapons.

That will take reductions in forces, but not the equal reductions that Mr. Gorbachev talked about during the Moscow summit. If we want to eliminate as completely as we can the possibility of a surprise attack, we have to have greater reductions from the side with the most forces—the Warsaw Pact.

An agreement along those lines won't happen overnight. But if we are strong and persistent and united, I believe that substantial progress can be made.

The Warsaw Pact has an enormous advantage in tanks and heavy artillery—the weapons that pose the greatest threat of an offensive strike. And they have done far more than we have to prepare for chemical war.

But when Mr. Gorbachev took office three years ago, he inherited a third-rate economy to go with all those tanks and artillery. And he knows that that kind of disparity cannot be sustained.

For some time, he has talked about reducing tensions in Europe; he has talked about "sufficient" forces instead of superior forces; he has talked about restructuring forces to defensive positions; and he has said that "In the European building, every apartment is entitled to protect itself against burglars, but only in such a way as not to demolish the next apartment."

A united NATO can test his intentions. By proposing a detailed, step by step, plan for substantial reductions in conventional forces, beginning with the combat-ready tanks and artillery units of the Warsaw Pact.

But we don't have to wait for a comprehensive agreement. There are several interim steps we can take, as well.

We should look for new ways to build confidence between the two sides, by increasing inspections of troop maneuvers under the Stockholm agreement.

We can reduce the risk of a surprise attack by persuading the Soviets to withdraw some of their advanced armored equipment from Eastern Europe; and to withdraw bridging equipment from their forward-based divisions.

We should talk frankly with Soviet leaders about military docrine, about force structure and verification techniques.

We should continue working with the Warsaw Pact to find a verifiable way to eliminate the threat of chemical warfare not only in Europe, but throughout the world.

We should do all we can to see that the Soviets invest their limited capital in reforming their economy, rather than building up their military. And we should make it clear that improved economic relations with the Soviet Union will depend on their progress in liberalizing emigration and making good on their commitments under the Helsinki accords.

In short, we should do everything we can to strengthen the security of our Alliance through negotiations.

But while we negotiate, we must strengthen the alliance as well—beginning with our conventional forces.

The commanders of our armed forces have repeatedly warned us of the dangers we face. Maintenance backlogs are growing. We have serious shortfalls in airlift and sealift; in spare parts and ammunition. In the words of one senior Air Force Commander: "At the end of this year we are going to see airplanes without engines."

Now, we all know that the defense budget isn't going to increase in real terms, unless an emergency arises, no matter how the next election turns out. That means that the next President is going to have to make some very tough choices about where our resources should go.

We need a strong and survivable nuclear deterrent; and we have a strong and survivable nuclear deterrent. But we continue to have serious deficiencies in our conventional forces.

We don't need a laundry list of new strategic systems. We need a defense strategy that will set sensible priorities; a strategy that will put our resources where they will make a difference; a strategy that will help reduce the risk of nuclear war, but reducing the risk of conventional war.

We don't need SDI; we need CDI. We need to follow through on the Conventional Defense Initiative, begun by leaders in the Congress, to apply advanced technology to the challenge of fighting—and winning—a conventional war.

We don't need MX Missiles running around on railroad cars. We need an anti-tank weapon that can stop Soviet tanks.

We don't need to spend billions on a 3 hour space plane from Washington to Tokyo. We need to improve our airlift and sealift so we can get our troops to the scene of a conflict in time to win a battle, not just watch one.

The time has come to make tough decisions on defense.

And the time has come, after 40 years, to discuss with our allies, quite honestly and frankly, what we all know—that the world has changed. Our responsibilities must match our capacity to absorb responsibility. The American people expect, and they have a right to expect, our allies in Europe to bear a fair share of both the economic and the miliary burdens of defending freedom around the world.

But an effective European contribution is not measured simply in how many pounds or francs or deutschemarks we spend, but what military capability we buy with our investment. Better cooperation both within Europe and between Europe and the U.S.—in planning, training and research and development—can lead to a stronger defense within available resources.

The issue of burden-sharing is only one of the economic challenges our alliance will face in the years ahead.

Within four years, the unified Common Market will replace the United States as the largest single consumer and the largest single producer in the world marketplace.

The line between trading partner and trading competitor is uncomfortbly narrow. So when differences arise, we must settle them—quickly and fairly. And we must explore every opportunity we can to work together—to expand trade, to build strong economies, to invest in the research and the technology that will improve the standard of living for workers on both sides of the Atlantic—and the standard of living for people all over the world.

Finally, our Alliance must develop a strategy for responding to change in Eastern Europe. The past forty years have been as cruel to Warsaw and Budapest and Prague, as they've been kind to Paris and London and Bonn. As a result, Eastern Europe is as ripe for economic restructuring as the Soviet Union, itself.

Of course, we cannot predict with certainty what course the six East European nations, with their six separate histories—and one common burden—will take. But we know that their future will affect *our* future; and the future of our allies even more.

We must work, as an alliance—to encourage progress towards freedom in eastern Europe; to encourage diversity; to encourage change so that five years from now, not only will we hear talk of Glasnost in Moscow, but of "Offenheit" in East Berlin and "Verejna informace" in Prague; we will hear talk of openness and awakening hope throughout the region.

My friends, as we contemplate change in eastern Europe; as we recall the sight of Ronald Reagan walking arm in arm with Mikhail Gorbachev through Red Square; it is perhaps important to remind ourselves that history is an evolutionary, not a revolutionary, process.

We will continue to have fundamental differences with the Soviet Union. We will continue to need strong and unified alliances. We must continue to be prepared.

And we'll have differences amongst ourselves, as we do within our own Nation.

But in four decades, we have not lost our way; we have not forgotten the lessons of two world wars; we have not let disagreements become divisions or irritation become anger.

We can—and we must—go forward in that same spirit.

For the future depends on us. That was true four decades ago. It is true today.

If we're to build a better world—our Alliance must lead the way. And if America is to be strong, we must lead the Alliance.

28 years ago, another son of Massachusetts launched his candidacy for the Presidency of the United States. John Kennedy awakened our sense of possibility. He rekindled our idealism. And he understood what national strength and national security were all about.

"I believe a strong America is one that leads the free world," he said "not just because we are the richest or the strongest or most powerful, but because we exert that leadership for the cause of freedom around the globe. Because we act, as well as react; because we propose, as well as oppose; and . . . because we are moving on the road to peace."

My friends, America isn't just a piece of land or just another country. We are a nation of immigrants who came here where there were no kings; came here, where there is no one to tell us where to pray or what to print or how to think.

We are the inheritors of a proud and glorious past. We are the trustees of a great and successful democratic experiment. We are leaders, not followers.

And we know, as we turn to face the future, that the best America is not behind us; the best America is yet to come.

DEFENSE BURDEN SHARING

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. HALL of Texas. Mr. Speaker, once again I would like to call attention to the need for our European allies and Japan in particular to begin to do their part in sharing the burden for defending the Western World.

The position of United States is clear in this matter—that for many years we have borne the brunt of the burden both economically and physically—and it is now time for the weight to shift to a more equally balanced load among our allies and our country.

Our allies will argue that they are already carrying a large part of the burden in ways that are not easily measured by direct monetary input—that they are contributing to defense by providing real estate for U.S. barracks and buildings; that they contribute to the upkeep of our bases in their countries; and that they provide high quality manpower at a lower cost than U.S. forces because of their use of conscript forces.

These are valid points, and our allies should be commended for their efforts to contribute to the common defense. However, while it is true our allies make contributions which cannot be measured monetarily, it is fair to say that the United States contributes in great measure to the security of the Western World through unquantifiable means.

It cannot be denied that the presence of U.S. strategic forces throughout the world provides the ultimate guarantee of security not only to the citizens of the United States but to the entire Western World.

The military presence of U.S. naval forces in the Persian Gulf provides the security umbrella necessary to keep oil and petroleum flowing to our European allies and to Japan. The contribution of providing the peacekeeping forces necessary to keep open the Strait of Hormuz for the continued supply of the majority of Japanese and Western Europe fuel sources is a formidable contribution indeed.

Once again, I urge my colleagues to continue to press for a more equitable division of defense spending and sharing among our European allies and Japan. It's time we all took a more equal part in protecting and defending the Western World.

THE KILLING FIELDS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. FEIGHAN. Mr. Speaker, I want to call my colleagues' attention to an article by Anne Manuel, reports editor for America's Watch, that appeared in last week's edition of Nation. This article, entitled "Killing Fields," attests to the deterioration and potential volatile situation we may soon face in El Salvador. This country was once the focus of U.S. policy debate in the region. With the reappearance of death squad activity, the war at a diplomatic and military stalemate and an uncertain political transition ahead, El Salvador will inevitably return to center stage in our foreign policy debate.

I insert the article in the RECORD and commend it to all my colleagues:

KILLING FIELDS

A paid advertisement run recently in a Salvadoran newspaper declared that "the horror of the violence of the past is resurgent in the nation, threatening to drown us in a bloodbath of uncontrollable and disastrous consequences." Once again, the ad continued, "the threat and the terror of dark, nocturnal death . . . runs with impunity through the entire country."

One might expect such a statement to come from El Salvador's private human rights groups or opposition labor federations. But this denunciation was issued by the government's own Human Rights Commission. Although the ad did not assign blame for the several cases of political killings it mentioned, witnesses have linked members of the armed forces to most of them. The statement indicates how serious (and undeniable) the deterioration in the human rights situation has become. Yet the terror has gone largely ignored in Washington and the U.S. press. Perhaps this is because the number of deaths is no longer in the thousands; or perhaps it is because this single-minded capital can focus on only one Central American war at a time.

Figures compiled by Tutela Legal, the human rights office of the Roman Catholic archdiocese, show that death squad murders in the first four months of 1988 have almost equaled the total for all of 1987. For the first time in seven years the rate of civilian killings by the armed forces and the right has risen. The F.M.L.N, guerrillas have also contributed to the carnage, as deaths from land mines, most of which are believed to have been laid by them, are sharply rising. Needless to say, the most important human rights statistic of all—the number of military or police officers prosecuted for human rights violations—remains a steady zero.

The incidents referred to by the government Human Rights Commission have been investigated and documented by others. They are classic Salvadoran horror stories:

On January 31, soldiers were seen picking up three young peasant men near San José Guayabal, Cuscatlán. Their tortured bodies appeared the next day at the Puerta del Diablo, once a notorious death squad dumping ground.

In Tepemechín, Morazán, soldiers tortured and murdered two young peasants on February 26. A farmer heard their screams as pieces of their bodies—ears, a nose, thumbs and a fourth finger—were cut off. A third young man picked up the same night has disappeared; another arrested several weeks later was shot trying to flee; yet another was held for several days of torture and interrogation.

On April 14, uniformed soldiers picked up three sand diggers in Soyapango, San Salvador; their bodies were discovered two days later on the edge of a highway. On April 25, soldiers allegedly took 45-year-old Juan Hector Villanueva from his home in a hamlet outside Soyapango and shot him dead, along with his 77-year-old mother.

The resurgence of death squads and army killings is a major defeat for the Reagan Administration's much-touted El Salvador policy. President José Napoléon Duarte's eclipse by the far-right Arena party (and his sidelining by terminal illness) only make matters worse.

There are hints of renewed Congressional concern about El Salvador, especially in light of Arena's anticipated victory in next year's presidential election. Senators Mark Hatfield and Tom Harkin are pressing to have last November's recommendations by the bipartisan Arms Control and Foreign Policy Caucus incorporated into the 1989 foreign aid appropriations bill. These include a shift from war-related aid to genuine development assistance and linking U.S. military and economic aid to a negotiated settlement of the war.

On another front, more than a hundred members of the House have signed a letter asking the U.S. trade representative to investigate labor rights in El Salvador, in keeping with requirements that governments receiving trade benefits under the Generalized System of Preferences respect worker rights. The trade representative's response to a similar letter circulated by eight representatives last year was that repression in El Salvador has been directed at Communists, not unionists. (At last count, sixteen labor unionists of peasant cooperative members had been murdered and six "disappeared" since April 1987—most allegedly at the hands of government forces or death squads.)

Congress is an imperfect tool to shape foreign policy, especially in the face of executive resistance. Presidential candidates should be pressed to oppose U.S. funding for a counterinsurgency strategy based on terror. And the Reagan Administration must reverse its blank-check approach to El Salvador. A serious threat to cut military aid that is in the pipeline, if army and death squad killings are not ended and the perpetrators punished, would not likely be ignored in El Salvador. In December 1983, the only time such a threat was ever delivered (by none other than George Bush), the impact was considerable and positive. But with the currency of U.S. threats devalued by the Noriega debacle, this one might actually have to be carried out.

ANNE MANUEL.

MARYLAND GUN LAW

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. CARDIN. Mr. Speaker, on May 23, 1988, Gov. William Donald Schaefer of Maryland signed into law a historical bill. In establishing a nine-member board that will create a roster of permitted handguns, the State of Maryland has boldly taken the lead in raising the standards under which handguns will be permitted to be manufactured or sold in our State. The board must determine whether or not a gun has legitimate uses by taking into consideration concealability, ballistic accuracy, weight, quality of materials, quality of manufacture, reliability as to safety, and caliber. The law will have the effect of banning Saturday night specials and nondetectable handguns which will inevitably fail to meet these important standards.

Despite the fact that the National Rifle Association will have a member seated on the board that will make these determinations, the NRA has begun an irresponsible propaganda attack on the citizens of Maryland. This fall the citizens of Maryland will have the opportunity to vote on the new law in a referendum. According to the University of Maryland public polling project, 73 percent of State respondents favored the creation of the State board. I have faith in Marylanders and their ability to see through misleading rhetoric and predict they will overwhelmingly support the new law.

Mr. Speaker, I commend to your attention an article that appeared in the Baltimore Sun on Tuesday, July 12, 1988.

NRA DISTORTIONS

The distortions and scare tactics adopted by groups opposing Maryland's new handgun control law are troubling. For the past two weeks they have been running $75,000 worth of newspaper ads and radio commercials to convince Marylanders the new law would be used to ban the possession of all handguns. That's incorrect. But this doesn't bother the anti-gun-law advocates.

Baltimore County police chief Cornelius Behan called such advertising "utter nonsense" which is "absolutely untrue." "The NRA [National Rifle Association] has a despicable attitude," he said at a press conference yesterday at which an impressive array of law-enforcement officials expressed support of the new law.

We hope this hysterical propaganda isn't typical of what the Maryland Committee Against the Gun Ban intends to use this summer and fail to convince voters to overturn the new law at election time. Stooping to half-truths, twisted facts and wild predictions of wholesale gun confiscations indicates the intellectual vacuousness of their campaign. If there are sound reasons for fighting the handgun control law, opponents should present them honestly and openly.

The law is designed to ban Saturday Night Specials—cheap, unreliable, easily concealed weapons favored by criminals—and handguns that are undetectable. A board headed by the State Police superintendent would draw up a list of approved handguns. But this won't be a stacked committee: It will include a member of the NRA, a gun manufacturer and three public members. The board's decisions could be challenged in court.

Three hundred Marylanders were killed by Saturday Night Specials between 1980 and 1986. Chief Behan estimates these guns are used in as many as 3 out of 10 crimes. Banning the manufacture and sale of this segment of the gun industry could have a marked impact on violent crime.

The NRA seems willing to spend lavishly to defeat this law. Those on the other side, represented by Marylanders Against Saturday Night Specials, don't have much money. But that group does have the backing of the vast majority of elected officials in this state, not to mention law-enforcement officers, clergy and merchants.

Those who own legitimate handguns and are law-abiding citizens have nothing to fear; only the criminals would be affected. That's something Marylanders should keep in mind. Facts, not fiction, are paramount. Voters must be ready to tune out the NRA—or any other group for that matter—when its pitch turns to panic.

INTRODUCTION OF HOUSE CONCURRENT RESOLUTION 339, ON THE FULL PARTICIPATION OF AMERICAN INDUSTRY IN PROVIDING TELECOMMUNICATIONS SERVICES

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. TAUKE. Mr. Speaker, it has been over 4 years since the Bell operating companies were divested from AT&T. In that time, we have seen our competitiveness in the world market decline to a point where a telecommunications trade deficit of over $1 billion is routine.

This has come to pass in great part because a single Federal judge has established himself as a permanent regulatory force in the telephone industry. Consequently, seven of our largest communications companies—the regional Bell companies—have been hamstrung. They are not permitted to enter businesses vital to America's future, like providing information services. They are forbidden from manufacturing telecommunications equipment, or even from engaging in research and development of that equipment. Thus, local telephone companies are often dependent on others, some of whom are competitors, to decide which enhancements to the network will be available. These prohibitions effectively bar over 50 percent of the U.S. telecommunications asset base from being used to provide jobs for American workers.

Judge Greene cannot be blamed. He is forced to set policy on the basis of antitrust law. This approach is faithful to antitrust law, but it is producing a recipe for disaster in U.S. communications policy. A number of efforts have been made in past Congresses to reverse the restrictions on the Bell operating companies, most notably in the last Congress by Senator DOLE, my good friend, Congressman SWIFT, and myself. There was general agreement that Congress should take the lead in setting telecommunications policy. However, the debate became bogged down in the details of exactly how to permit the Bell companies to be fully competitive in the marketplace, while still preserving competition and consumer choice.

In this Congress, the debate was put on hold while Judge Greene conducted his first review of the provisions of the divestiture decree. That review was completed just a few months ago. Many hoped for subtantial revision within the decree. Those hopes were dashed. The Bells are now permitted to transmit information services, but may not become information service providers themselves. They are still not permitted to manufacture telecommunications equipment, or even to think about developing specifications for their own networks. All arguments for lifting the business restrictions imposed by the AT&T consent decree were rejected. In my view, this is fiddling while Rome burns.

Now that the judge has again established telecommunications policy on the basis of narrow antitrust rules, it is time for Congress to assert its proper role over telecommunications policy. Today, the chairman of the Energy and Commerce Committee, Mr. DINGELL, together with my colleagues, Messrs. SWIFT, LOTT, SLATTERY, MADIGAN, DOWDY, OXLEY, MATSUI, NIELSON, and I, are introducing a concurrent resolution which calls for the full participation of American industry, including the Bell operating companies, in the provision of telecommunications equipment and services.

We believe this body will wholeheartedly agree with the provisions of this resolution. It recognizes that universal telephone service and the full benefits of the information age will be enhanced by the full participation of the Bell operating companies. The resolution also acknowledges that full competition by the United States in the global information and high technology marketplace is impossible without the resources and expertise of the Bell companies.

As in past legislation, including H.R. 2030, which Congressman SWIFT and I introduced in this Congress, the resolution explicitly acknowledges the need for safeguards to prevent the bells from taking unfair advantage of their market power to the detriment of competitors and consumers. We do not intend for the consumer to subsidize the Bell companies' entry into these new business ventures.

Most importantly, the resolution reemphasizes the preeminent role of Congress—not the Federal courts—as the appropriate forum for making broad telecommunications policy decisions. This is a message that is long overdue.

I have said on a variety of occasions that in order to balance trade and retain our superiority in technology, we must first shift telecommunications policymaking out of the judicial arena and back to its proper place—the Congress. This concurrent resolution does just that. It is a step forward, providing the means for agreement on policy, and framing the debate for future Congresses. We hope that it is the beginning of a sustained and successful debate on telecommunications policy in the United States, and on the Bell companies' future role in our telecommunications infrastructure.

BURLEY TOBACCO DISASTER ACT

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. McEWEN. Mr. Speaker, at this time I would like to introduce H.R. 4893, the Burley Tobacco Disaster Act of 1988 which I introduced on June 22, 1988.

However, I would like to emphasize at this time my continuing belief in this bill, which would grant to burley tobacco farmers an additional year carryover in marketing quota. Mr. Speaker, the tobacco farmers in the sixth district are worried about their ability to maintain their existing quota. Victims of a previous disappointing year, they are fearful of losing this benefit to their crop. At this time when we are working toward helping livestock and grain producers, we should make sure we help the other agricultural producers as well. These are not big companies, not wealthy farmers, but those whose day-to-day existence depends on the sale of the produce on their lands.

The intent of the 1-year carryover is to give producers a chance to recover from a severely bad year. My legislation will continue the spirit of the law by granting them a second chance to recover from an unpredictable situation.

NATIONAL JOURNALISM EDUCATION WEEK

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. BUECHNER. Mr. Speaker, today I am introducing legislation designating the week beginning January 8, 1989, National Education Week. The education of young journalists in preparation for future careers is invaluable in a society dependent on the accurate and timely dissemination of information. The hours devoted by the student journalists, as well as the journalist educators and parents, deserves the recognition of this body.

Education is the center of a strong democracy. We owe the historic strength of our educational process to the belief held by our forefathers that the citizenry must be literate to facilitate the proper functioning of our society. Spurred by a revolutionary belief in widespread suffrage, this Nation developed the world's first widespread public school system.

Our schools were founded on a commitment to knowledge and the spread of ideas. Journalism, in its purest form, is the institutionalization of the exchange of information and ideas. The community of journalists have devoted itself to the objective reporting of information and the composition of studied expressions of editorial opinion. The free exchange of information is guaranteed in the first amendment of the U.S. Constitution and is exercised each day in the classroom and in the public at large.

Great responsibility accompanies the powerful tool of disseminating information. It must be used in a manner that serves the best interest of the recipient in pursuit of helpful truth and clarity, to better educate the voting citizenry. The values and skills that must accompany the crafting of such information are taught through the journalism classroom and corresponding student publications.

We as citizens owe a great debt to Walter Williams. Although his name is not well known, the contribution he made to the combined fields of education and journalism is felt by all. A virtually uneducated though widely respected journalist, Williams believed in the necessity of the teaching of journalism. He was instrumental in establishing the world's first journalism school, at the University of Missouri-Columbia on July 1, 1908. He served as the first dean of the school and later as president of the university.

Williams' contribution to journalism education is multifaceted. He believed strongly in the craft of journalism, but he realized that the skill was not self-sufficient. A responsible journalist must master both the skill and the information he seeks to craft. To that end, Williams designed a journalism curriculum with foundations in the social sciences and philosophy. Language and literature studies were also elements in the preparation of responsible journalists. Responsibility was the first and last lesson emphasized.

In addition to the classroom experience, students were responsible for the publication of a daily paper. Williams learned from his own career that practical experience is as important as strong academics in the creation of professional journalists. He also set aside a time to recognize the educational and professional aspects of journalism, by designating a journalism week very similar to the one I am proposing today.

Although Williams championed the education of journalists almost exactly 80 years ago, the ideas he pioneered are alive today in the present journalism curriculum. Students are taught the professional standards and restrictions demanded by the professional community. They learn to communicate clearly and accurately. Such training is invaluable for students and our society.

By designating the week beginning January 8, 1988, "National Journalism Education Week," we are recognizing not only the importance of the dissemination of information, but also of the solid educational foundation provided through the journalism classroom and corresponding student publications. During this week, let us honor the efforts of the students and educators for their commendable achievements in journalism education.

ACID RAIN IN MASSACHUSETTS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MARKEY. Mr. Speaker, as the drought continues to plague our Nation's farmlands, as scientists and environmentalists warn us of catastrophic warming trends and ozone depletion, we are forced to realize that we can no longer continue on the same careless path toward environmental disaster. It is time to change our course. I'd like to turn my colleagues' attention to a problem which continues to pose a serious threat to our health and environment. Congress has put the problem of acid rain pollution on the back burner for far too long our hesitancy to act is costing us dearly. It is up to us to find the solution.

The controversy over acid rain is no longer "does it exist?" but "how can we control it?" A research program on acid rain sponsored by the Massachusetts Executive Office of Environmental Affairs leaves little room for skepticism. The study confirms previous findings by the scientific community that acid deposition, caused by the emissions from fossil fuel burning, is indeed endangering our water resources, forests, architectural structures, and human health. It also concludes that more subtle yet equally devastating effects have been overlooked. It is not an exaggeration to call acid rain a major environmental crisis.

The Massachusetts Acid Rain Research Program [MARRP], conducted by the University of Massachusetts at Amherst, recently brought to my attention the results of their continuing study on the impact of acid rain in Massachusetts. Their report, "Acid Rain in Massachusetts," describes a serious and growing problem.

The MARRP project undertook a detailed and comprehensive analysis: sampling nearly every lake and stream in the State. The results strongly contradict the conclusions of a far less rigorous examination by the Environmental Protection Agency. The EPA study sampled only a limited number of lakes in Massachusetts, prompting researchers of the MARRP project to describe the EPA's estimate as "a gross underestimation of the number of acidified and sensitive lakes in Massachusetts and, presumably the eastern United States." This critical miscalculation, which downplayed the seriousness and urgency of acid rain, is indicative of this administration's failed environmental policy and neglect of the acid rain crisis.

The MARRP study demonstrates that acid deposition is destroying our lakes and streams, eliminating fish and those animals that feed upon them and may eventually upset the entire aquatic ecosystem of lakes in the region. For example, Massachusetts' Quabbin Reservoir, which once provided excellent fishing, has shown a steady decline in its fish population. High levels of toxic metals, such as mercury, have been discovered in fish in amounts exceeding the rates acceptable for human intake. While human ingestion can be prevented, there is little we can do to curb the consumption of those contaminated fish by birds and other animals.

MARRP has researched the feasibility of liming lakes and streams in order to abate the acidification process. While this band-aid approach may be useful in critical cases, only 16 percent of Massachusetts lakes are suitable for liming. Even where liming is feasible, we don't know enough about the ecological effects to be assured it will be a long-term solution. A realistic approach which treats the cause, not the symptom, is required.

The record shows that acid deposition is damaging our forests and fields as well. The damage is most acute in high elevation areas where clouds are low-lying and acid concentration is at its highest level. The immediate effects on trees are stunted growth and shorter lifespans. The impact on forests at lower elevation is also startling, vegetation has been estimated to suffer 20 to 50 percent reduction in growth rate. The long-term effects could be devastating as we learn more about the critical role of trees in protecting the environment from the greenhouse effect. Massachusetts also risks losing the thriving tourist business that accompanies each foliage season. MARRP has found little success with short-term solutions in abating the acidification process of trees.

Massachusetts holds an important spot in our Nation's history. Historical monuments and statues are being disfigured by acid deposition. Massachusetts spends millions of dollars annually in maintenance costs, yet no completely effective treatment has been found.

MARRP studies also confirmed previous warnings from the medical community and scientists that acid rain is linked to serious health problems. The impact on the respiratory system is particularly dangerous for an estimated 20 percent of the U.S. population who suffer from respiratory problems, as well as children and the elderly. While this factor alone should warrant stronger regulations, perhaps more alarming is the threat to drinking water. The impact acid rain has on drinking water has been overlooked in past studies. Acidified water flowing through delivery pipes can corrode pipe metal. In Boston, 85 percent of the service pipes are made of lead which is extremely toxic, especially to children. While newer households no longer have lead piping, most older cities have predominantly lead pipes. The potential for health problems is high and action is needed quickly to combat this intolerable health threat to the public.

The MARRP study indicates that may of the short-term solutions for combating acid deposition effects are often too costly, ineffective, or not understood enough to be implemented. While they may be applied to save critical lakes and forests, cleaning up after the fact is not enough. The only way to prevent further damage is to go to the root of the problem. Reductions in sulfur dioxide and nitrogen oxide emissions must be made if we are serious about acid rain control.

Tragically, our Nation's response has been neglectful and ineffective at best. We remain the only industrialized country which has not responded to the crisis. We have failed to work effectively with Canada, one of closest allies, in making substantial reductions of emissions. There has been no leadership from the executive branch, only attempts to pretend the problem does not exist.

I'd like to commend Massachusetts; Executive Office of Environmental Affairs and the authors of the MARRP study for their commitment to improving the quality of life in Massachusetts. While their work is an important contribution, it is only a small part of the solution. Effective acid rain control must be addressed on the national and international level. I hope my colleagues will follow Massachusetts' lead in making acid rain control a priority. I urge my colleagues to support strong and aggressive acid raid legislation and to pass H.R. 2666, the Acid Deposition Control Act, this year.

IGOR USPENSKY FAMILY, A REFUSENIK SYMBOL

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. RITTER. Mr. Speaker, there can be little doubt that we are living in interesting times for human rights and those who seek them in the Soviet Union. For most of the 1980's, human rights, like other spheres of Soviet life, were characterized by stifling stagnation. Now, we finally see signs of change.

Certainly, General Secretary Gorbachev has shown a more liberal approach toward human rights than his predecessors. He has even made some specific improvements: About half of the known political prisoners were released; a freer albeit still only official press is allowed, informal groups and their publications are tolerated, and somewhat greater latitude is granted to officially recognized religious groups. This year, emigration rates for Jews, Germans, and Armenians are significantly higher than in previous years (although still considerably below the record 1979 Jewish emigration rate of 51,000). It is also easier for Soviet citizens to get visas to travel abroad for personal and professional reasons.

While we are now witnessing a brighter time than in the past when Soviet human rights violations were a matter of course, and while we hope that what we are seeing develops into a long-range trend, shadows remain. These shadows, these still all-too-frequent instances of Soviet noncompliance with their commitments under the Helsinki Final Act and other international human rights agreements, act as a barrier preventing a relationship between our two countries solidly based on mutual trust and respect.

One of these shadows is the Soviet Government's treatment of the Igor Uspensky family which has been "adopted" by the Congregation Keneseth Israel of Allentown, PA. Igor, who with his wife Inna, were 2 of the 96 dissidents and their families invited to tea with President Reagan during his recent visit to the Soviet Union. This family has been denied exit permission since 1979 on the grounds of having had access to "state secrets."

But Igor and Inna are only research biologists and are well known for their work as medical parasitologists. There are no "state secrets" involved with Igor's research at the Institute of Medical Parasitology and Tropical Diseases in Moscow where he worked for 21 years. Shortly after he applied to leave, he was dismissed from his position as a senior scientist at the institute. In 1983, Igor was demoted to an elevator operator and is not permitted to publish his papers. His wife worked at the same institute. She also was dismissed because of her application for an exit visa. Igor and Inna along with Igor's 75-year-old mother and 18-year-old son Slava, continue to seek permission to emigrate.

Because of his close ties to constituents in my congressional district, I talked to Igor in a telephone conversation last March. He told me that his work was in medical entomology and did not involve any state or military secrets. His word is corroborated by the fact that the Moscow Institute of Medical Parasitology receives funds from the World Health Organization in Geneva, and, according to international regulations, cannot conduct secret or classified research or conduct any military studies. However, he, along with too many other refuseniks, is still denied an exit visa on the arbitrary grounds of "state secrets."

Yet we note that other similar and long-standing refusenik cases are being resolved. And we are hopeful, some people earlier denied permission to emigrate because of alleged access to "state secrets" are having their cases favorably reviewed by a Supreme Soviet Commission. Because we are seeing some improvements in Soviet Government treatment of refuseniks and other Soviet citizens, Igor Uspensky's plight stand out as a symbol, not just a personal matter.

Soviet diplomats now accept lists of Soviet citizens who want to imigrate, including several lists from the Helsinki Commission, on which I serve as ranking minority member. Igor's name is on the Helsinki Commission list. Soviet officials also at times respond on the merits and inform on the status of such cases. At one time, they even refused to accept such lists. And we all know that the Soviets previously rejected criticisms of their human rights record, dismissing these as attempts by the United States to interfere in their internal affairs. Now, however, the Soviet Government is beginning to discuss human rights issues.

I and other Members and staff attended the reception on June 8 at the Soviet Embassy to meet the delegation of the Supreme Soviet of the Russian SFSR and human rights was a key topic of conversation. We hope it is the beginning of an ongoing dialog. As a followup, I wrote to the Deputy Chairman of the U.S.S.R. Parliamentary Group, the Honorable Alexei Eliseev, to seek his assistance in the Uspensky case. I also complimented him on establishing Embassy Counselor, Gueorgui S. Markossov, as Congressional Affairs Officer. I am hopeful they can be as helpful as the signals indicate they might be.

Further, Mr. Speaker, as a result of a proposal by Soviet officials made during last October's "Capital to Capital" telebridge between the Congress and the Supreme Soviet, the Helsinki Commission has been designated as the body in the U.S. Congress to conduct human rights discussions with the Supreme Soviet. The Commission will be going to Moscow in November for the first meeting of this kind.

Hopefully, Mr. Speaker, the Uspensky matter and others will be resolved by then, but in any case, I know that we will be working hard to ensure that our conference meets with success in resolving some of the outstanding human rights problems. In addition, we will be looking for cooperative efforts where we both can add to the spirit of the "Capital to Capital" program. In this way, we are working to remove all barriers that stand between the United States and the Soviet Union.

WELCOME BENJAMIN CHARNY

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ATKINS. Mr. Speaker, I rise today to welcome Benjamin Charny to the United States.

Mr. Charny will arrive in this country on Saturday, July 16. He has been trying to emigrate from the Soviet Union for years, and had been repeatedly denied permission to do so by the capricious Soviet emigration authorities. Mr. Charny suffers from cancer and a heart condition, and desperately needs medical attention that he can only receive in the United States. Hundreds of Members of Congress have taken an interest in Mr. Charny's case. Many of my colleagues in the House of Representatives have sent telegrams, made phone calls, and signed letters, urging the Soviets to allow Mr. Charny to emigrate, to receive the care he urgently needs and to be reunited with his daughter and brother, both of whom live in this country.

Mr. Speaker, our efforts were not in vain. We learned several weeks ago that Ben Charny was granted permission to emigrate. Yesterday, we were informed that Mr. Charny will be landing this Saturday at Boston's Logan Airport. There, he will be reunited with his daughter, Anna, and his brother, Leon, who, as many of you know, have worked tirelessly to see that Ben Charny received his visa.

My respect for Mr. Charny's family and their devotion to his cause knows no bounds. It was primarily their efforts, and their perseverance over the years that resulted in the granting of Ben Charny's visa. I have worked with them personally, and my admiration for Anna and Leon Charny cannot adequately be expressed in words.

URGING FEDERAL GOVERNMENT TO EVICT ILLEGAL DRUGS OUT OF WORKPLACE

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. KLECZKA. Mr. Speaker, too much has been said, and not enough done, in the war against drug abuse in our country.

Let there be no doubt: Illegal drugs in the United States have clearly caused health, criminal, and productivity problems. I firmly believe that the Federal Government should lead through example and force this deadly enemy out of our communities; our country. And evicting drugs from the workplace is a worthy beginning to this difficult fight—though Draconian measures such as the Walker amendment demand a second look. Although this initiative was attached to every fiscal year 1989 appropriations bill approved in the House of Representatives, I contend that the American people deserve a better strategy than this one.

A recent letter from Mr. David Coverdale, vice president of the Kearney & Trecker Corp. of Milwaukee, WI, states clearly and rationally why we should remove the Walker amendment from the final version of the fiscal year 1989 appropriations. I submit it for your review.

The letter follows:

KEARNEY & TRECKER CORP.,
A CROSS & TRECKER CO.,
Milwaukee WI., June 23, 1988.

Congressman GERALD D. KLECZKA,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN KLECZKA: I know you are aware of the efforts of Representative Robert Walker from Pennsylvania to attach an amendment to several federal appropriations bills that would require federal agencies and all contractors doing business with those agencies to provide a drug free workplace. As I understand it the amendment states:

"No funds authorized to be expended under this act shall be expended in any workplace which is not free from illegal use of controlled substances."

Apparently the provision would require that all federal agencies ensure that workers do not use illegal narcotics in the workplace. The penalty for the federal agency would be a budget cut for the remainder of the federal fiscal year if any employee of a contractor is caught and later convicted of drug use. Further, the contractor would have its contract voided.

It's obvious that the intent of Representative Walker's amendment is laudatory. He feels that this is a method by which government and industry can combat drug use in the workplace. According to his proposal, however, he is imposing additional costs on the contractors. For example, as a supplier to arsenals, Kearney & Trecker would be required to notify all employees of the enforcement of the drug free workplace provision. We would then be responsible for setting up safeguards to ensure that no worker uses illegal drugs while on the job. Naturally, we have taken action along these lines already, as we are aware that the use of drugs on the job are a threat to the safety and health of employees. However, Representative Walker has not delineated what additional safeguards we may be required to establish and enforce.

Further, employees at any contracting firm would be required to sign, as a condition of employment, statements promising to abide by the drug free policy. Should an employee be caught, he or she must then be reported by Kearney & Trecker and face possible criminal prosecution. If convicted, we would be responsible then for notifying the federal agency with which we do business.

It is my understanding that Representative Walker plans to attach this provision to every appropriation bill that comes before Congress this session. It is my opinion that this provision has not been well thought out and should be removed from budget appropriations bills until such time as a workable and non cost-adding mechanism has been clearly delineated by the government. By adding additional costs to its contractors, without regard for the duty to bargain with labor unions and without regard to the privacy of employees, is not in the best interest of our nation. Eliminating drug abuse in the United States is a cause which we all support. Requiring private companies to undertake enforcement and add costs to their products and services sold to the federal government may be counterproductive.

This provision could lead to such horrors as mandatory drug testing in the workplace, a subject that the federal courts continue to rule upon in different manners, particularly where it applies to federal employees. It could lead to costly drug testing procedures and labor relations strife where contractors are unionized.

Will you please direct your attention to these provisions and to the problems that it may create for private industry. This is a situation in which we applaud and support the intent, but have serious reservations about the method.

Sincerely,

DAVID G. COVERDALE,
Vice President, Human Resources.

HEALTH CARE FOR MINNESOTA'S LOW-INCOME CHILDREN

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SIKORSKI. Mr. Speaker, Minnesota is to be applauded for its leadership in helping to alleviate the growing child health crisis. The State has just launched what may be the Nation's first State-financed comprehensive medical-care plan for children in low-income families. On July 1, 1988, Minnesota children ages 1 through 8 whose families' incomes are no higher than 185 percent of the poverty line became eligible for the State's new Children's Health Plan. What is noteworthy about this effort is the creative financing to pay for it—a 1-percent surtax on a pack of cigarettes which is expected to yield nearly $3.5 million a year.

Minnesota is responding to a health care crisis that has left 12 million children nationwide without any health insurance protection of any kind. This represents a 25-percent increase in the number of uninsured children just since 1982. These children are vulnerable to serious illness that remains untreated, and their families face impoverishment from medical bills that remain unpaid.

In Minnesota alone, an estimated 100,000 children are not covered by health insurance and at least two-thirds of them live in families who have no health insurance. Even in the State of California, which has been touted as a model for the Nation in health care access and delivery, 22 percent of children have no health insurance of any kind—no private insurance, no Medicare and no Medi-Cal coverage.

According to a recent report, "The California Dream, The California Nightmare," prepared by Health Access, a coalition dedicated to affordable health care for all Californians, employment no longer guarantees protection for families. Nearly 80 percent of the uninsured in California are working parents and their children.

Minnesota has also initiated two other very important child health programs:

First. The Prenatal Care Initiative expands Medicaid eligibility for low-income pregnant women to reduce the number of low birthweight infants who are at higher risk of long-term disability and infant death. The initiative would also permit Medicaid to offer special services such as health and nutrition education and a home visit after delivery to high-risk women.

Second. A Children's Home Care Option, which would expand Medicaid eligibility to allow severely disabled children to be cared for at home rather than in an institution. This initiative will help maintain family stability while saving the State money in the long run.

Access to and affordability of adequate health care, especially for children and families, are critical issues that are not unique to Minnesota or California. These are national issues affecting everyone's district and all of our constituents. As we develop policy to prevent a national crisis, I urge my colleagues to take note of the model Minnesota effort which has clearly made child health a state priority.

THE HEAT CAN ONLY GET HOTTER

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SMITH of Florida. Mr. Speaker, I would like to take this opportunity to welcome the National Basketball Association [NBA] to the city of Miami and congratulate the NBA's expansion team, the Miami Heat, on a successful and fruitful draft.

Since its establishment in 1946, the NBA has evolved from a 6-team league to a professional association spanning the coasts and encompassing 23 franchises. Last April, the NBA, led by Commissioner David Stern, decided to further expand the league by adding four new teams. To the delight of south Floridians, Miami was one of the cities chosen to receive a charter to build a professional basketball team beginning next season.

The NBA has teased South Florida with the prospect of establishing a professional basketball team in the past. In the mid-1970's, there were rumors that the Buffalo Braves would move to our community. But to the dismay of area sports fans, the Buffalo franchise moved to Los Angeles and changed its name to the Clippers.

However, in 1988, professional basketball will be a reality in Miami. At this time, I am proud to announce the Miami Heat's 1988–89 roster: from the expansion draft, the Heat acquired Scott Hastings, Jon Sundvold, Dwayne "Pearl" Washington, Andre Turner, Connor Henry, Billy Thompson, Kevin Williams, John Stroeder, and Arvid Kramer. In the college draft, Miami obtained Rony Seiklay, Kevin Edwards, Orlando Graham, Nate Johnstone, Sylvester Gray, and Grant Long. Not only has management gained talented players for this inaugural year, but they have also acquired key draft positions for years to come.

After a series of interviews with dozens of candidates, the Heat named Detroit Piston's assistant coach Ron Rothstein to the head coach position of the fledgling team. Rothstein comes to Miami after serving several years with the NBA east champions, and with him comes the winning spirit and attitude necessary to mold the Heat into a perennial basketball power.

The establishment of the Heat to Miami is testimony to what we, in South Florida, have always known: Floridians are the best and most loyal sports fans in the world. It should be noted that even before the Heat drafted a team, 11,000 regular season tickets had been sold.

The Heat has brought together a community of great diversity: Black and white, Anglo and Hispanic, young and old, rich and poor. This new found unity is directly attributable to the tireless efforts of people such as Zev Bufman, Lewis Schaffel, Billy Cunningham, Ted Arison, and Stu Inman. They have transformed professional basketball in Florida from being just a dream in the minds of a few to a reality for all of us. I am pleased to announce that South Florida has contracted a severe and incurable case of NBA Heat fever.

THE SIXTH ANNUAL KOREAN-AMERICAN INTERN EXCHANGE PROGRAM

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. GILMAN. Mr. Speaker, I am pleased to inform our colleagues that the sixth annual Korean-American Student Intern Exchange Program has commenced. During the next 3 weeks, bright college students from the Republic of Korea will be working in congressional offices here on Capitol Hill. They will be afforded the opportunity to learn about our system of government and our way of life.

Simultaneously, American students selected by the participating Members of Congress will be working with the National Assembly in Seoul. These outstanding college students will learn much about Korea: its government, its culture, as well as the heartache of a nation permanently divided along a demilitarized zone, separating freedom from tyranny.

As a Member of the House Foreign Affairs Committee, I have had the pleasure of visiting the Korean Republic several times. After conferring with that nation's leadership, and with many Koreans from every walk of life, I came away impressed with a nation possessing a proud culture and an industriousness that should be the envy of the world.

What a pity it is that so many misunderstandings arise between nations simply because they do not know enough about each other.

It was then that our former colleague from New York (Mr. Wolff) and I devised this Korean-American Exchange Program. It was our goal that at least some members of the younger generation come away learning and understanding much more about another culture. The knowledge obtained through this program will increase a hundredfold, as it is passed on to family, friends, and to future generations.

Some of the correspondence I have received from students who participated in the past was truly inspiring. Perhaps the most poignant, however, was the comment made to me by a young participant several years ago: "I enjoyed learning the difference between the American people and the Koreans," she said, "but I was far more impressed with the similarities."

Under the auspices of the House Foreign Affairs Committee, the Korean-American Student Intern Exchange Program now enters its sixth season. This year, the United States-Asia Institute, under the fine leadership of Executive Director Mary Sue Bissell, and Esther G. Kee, the United States-Asia Institute's senior advisor, has coordinated this program. They have devised a strong and challenging program both for the Koreans in America and for the Americans in Korea. They are to be commended for their patience and perseverance.

The exchange program could not exist, of course, without the continued funding of the USIA. This year as always, the officials of that agency were more than willing to lend their splendid leadership and their oversight. The participation of the USIA in this program is further evidence of their continuing efforts to spread understanding and brotherhood throughout the world.

This year, twelve of our collegues are participating in the program, both by designating constituent students to go to Korea, and by agreeing to accept Korean students for internships in their own Capitol Hill offices. Unfortunately, space limitations required us to turn some interested Members away. Hopefully, in future years, funding can be increased so that this program can be carried out to its fullest potential.

The Members of Congress participating in the 1988 Korean-American Exchange Program are:

Representative CHESTER G. ATKINS, who has designated Ms. Naomi Gendler of Andover, MA as his intern;

Representative DOUG BEREUTER, who has designated Mr. Thomas Massey of Lincoln, NE, as his intern;

Representative HOWARD L. BERMAN, who has designated Ms. Judith Looyenga of Sepulveda, CA, as his intern;

Representative HAMILTON FISH, who has designated Ms. Cathy Ann Harvey-Cook of Washingtonville, NY, as his intern participant;

Representative ROBERT GARCIA, who has designated Ms. Elizabeth Velez of Dix Hills, NY, as his participant;

Hon. HENRY HYDE, who has designated Mr. Paul Shea of Bensenville, IL, as his designee;

Hon. PETER H. KOSTMAYER, who has designated Ms. Sheara Ginsberg of Newton, PA, as his participant in this program;

Representative BILL RICHARDSON, who chose Ms. Rigina Pino of Santa Fe, NM, to be his participant;

Representative STEPHEN J. SOLARZ, who has chosen Mr. Jonathan Koppell of New York City;

Representative LOUIS STOKES, who selected Ms. Rhonda Brown of Shaker Heights, OH, to participate; and

Representative HOWARD WOLPE, who selected Ms. Tien Angela Genine Sydnor of Kalamazoo, MI, as his student representative in Korea.

And Mr. Speaker, I am pleased to announce that my nonpartisan review board has recommended to me that I select—and I am pleased to concur in their recommendation—Ms. Michelle Slobod of Middletown, NY, as my nominee.

Mr. Speaker, I thank all of the above-named colleagues for their participation in this program. Each of them will be hosting one of our fine Korean students during the coming weeks, including: Sung-Yul Kim, Byong-Cheor Na, Myong-Jae Moon, Hae Jung Son, Hyo-Sang Eun, Wook Jang, Bong-Hin Choi, Ji-Soo Kim, Myung-Rim Park, Yu-Kyung Ee, Ki-Hwan Kim, and their escort, Mr. Young-Eun Bae.

After each of these Korean students has interned in Washington for 2 weeks, they will be afforded to visit my own historic mid-Hudson region of New York, a veritable cross-section of all that the United States has to offer.

It is quite apparent that many memories will be garnered during the summer of 1988 that will not be soon forgotten. It is unfortunate that not enough time and words suffice to thank the many fine people that have made this program possible.

INTRODUCTION OF THE COAST GUARD ENVIRONMENTAL COMPLIANCE ACT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. YOUNG of Alaska. Mr. Speaker, I am introducing this bill to respond to the critical problem of hazardous substance contamination at present and at former Coast Guard facilities around the country. The program of compliance with environmental laws mandated for Coast Guard facilities by this bill is modeled after the existing Defense Environmental Restoration Program. This program provides for centralized program management for the cleanup of Department of Defense hazardous waste sites, consistent with the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act [CERCLA], the Superfund Amendments and Reauthorization Act of 1986 [SARA], and the National Contingency Plan [NCP]. The goals of the Environmental Compliance Program established in this bill are identical to the goals of the DOD Program:

First, to identify, investigate, and clean up contaminants from hazardous substances, pollutants, and contaminants;

Second, to correct the environmental damage that creates an imminent and substantial endangerment to the public health or welfare or to the environment; and

Third, to demolish and remove unsafe buildings and structures, including buildings and structures at sites formerly used by or under the jurisdiction of the Secretary of Transportation.

The Secretary of Transportation has identified Coast Guard facilities at four locations as contamination cleanup priorities: Kodiak, AK; Traverse City, MI; Elizabeth City, NC; and Otis Air Force Base, MA. I am pleased that the Representatives of the congressional districts in which these Coast Guard facilities are located are cosponsors of this bill.

In particular, I am concerned that a high level of PCB contamination exists at the Coast Guard Support Center in Kodiak, AK, and at facilities presently owned by the Kodiak Electric Association that were formerly under Coast Guard jurisdiction. The Environmental Protection Agency has been concerned about the level of PCB contamination at these facilities for over 2 years, and discussions on the cleanup of the contamination are presently underway. The EPA has confirmed that the situation that exists in Kodiak is urgent, and that a cleanup program should be developed immediately.

This bill would set up a centralized program to deal with the Kodiak contamination problem and other Coast Guard facility contamination problems across the country. These situations deserve immediate attention, and my cosponsors and I look forward to early action on this bill.

TRIBUTE TO MISS HELEN W. GANDY

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. OXLEY. Mr. Speaker, today I would like to pay tribute to Miss Helen W. Gandy who passed away July 7, 1988. Miss Gandy served her country and her Government well as the private secretary and executive assistant to FBI Director J. Edgar Hoover for over 50 years. Hoover once commented that Miss Gandy is "a truly indispensable person in the Federal Bureau of Investigation."

Coming to Washington from Rockville, NJ in 1918, Miss Gandy began as a confidential clerk with the Justice Department. She served as Hoover's personal secretary from 1921 when he was named assistant director of the FBI. She continued in her capacity when Hoover was named director in 1924. In the forty's, she became executive assistant. Miss Gandy retired shortly after Hoover's death in 1972, after 51 years of service.

Miss Gandy passed away at her adopted home in Florida. She was 91 years old. As a former special agent of the FBI, and on behalf of the Society of Former Agents of the FBI, I wish to honor and to recognize Helen Gandy's long service, commitment, and dedication to furthering the law enforcement goals of the FBI.

LEGISLATION TO EXTEND THE TERRITORIAL SEA AND THE CONTIGUOUS ZONE OF THE UNITED STATES

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing legislation which would extend the territorial sea of the United States from 3 miles to 12 miles, and would extend the contiguous zone from its current 12 miles to 24 miles. This legislation would assert U.S. jurisdiction out to these new boundaries, for international purposes, only.

Mr. Speaker, this legislation would also establish a specific procedure and schedule for analyzing and making recommendations to the Congress and the administration with respect to whether these extensions of jurisdiction should apply to domestic law, and specifically, which statutes, if any, should be amended to reflect these changes.

Mr. Speaker, the reasons I am introducing this legislation at this time are fourfold. First, the legislation is important from a national security perspective. The opaqueness of the oceans is an important attribute which diminishes the detectability of submarines and therefore, is a significant factor as part of our nuclear deterrent. By moving our territorial sea from 3 to 12 miles, the ability of Soviet ships to monitor and detect the movement of United States submarines is lessened. It is my understanding that the Department of Defense strongly supports this change in the geographical extent of the territorial sea. In this regard, I believe that this legislation is extremely important.

Second, the legislation would bring the U.S. position, with respect to the territorial sea and the contiguous zone, into conformance with first, emerging customary international law; and second, the Convention on the Law of the Sea. Although the United States is not a party to the Convention on the Law of the

Sea, and I believe that the next administration should reconsider the U.S. position with respect to the Convention, there are currently only 12 nations which continue to recognize a 3-mile territorial sea as compared to a 12-mile territorial sea. Very recently, the United Kingdom has also extended their territorial sea out to 12 miles. Mr. Speaker from an international law perspective, it makes sense to move at this time to establish a 12-mile territorial sea and a 24-mile contiguous zone consistent with customary international law.

Third, Mr. Speaker, extending the contiguous zone from 12-to-24 nautical miles would enhance our Nation's ability to intercept and board vessels which may be carrying contraband or drugs off our Nation's coast. With a 24-mile contiguous zone, the Coast Guard would be able to board a foreign-flag vessel out to 24 miles, without seeking the consent of the foreign-flag nation, which is currently required beyond 12 miles. Mr. Speaker, this would clearly enhance our Nation's drug enforcement authority.

Fourth, and very important, Mr. Speaker, this legislation would make very clear that this new assertion of U.S. jurisdiction would only apply for international purposes. The legislation would establish a specific process and schedule for developing recommendations to the administration and the Congress with respect to precisely which domestic statutes should be amended to reflect appropriate changes in the State-Federal relationship. In other words, Mr. Speaker, the status quo with respect to domestic law would be maintained for a 2-year period, during which there would be an orderly process and systematic analysis within which specific recommendations for any necessary and appropriate changes to domestic law would be developed.

Further, Mr. Speaker, the legislation would establish a national ocean policy commission which would be responsible for the development of a national ocean policy and the development of these specific recommendations with respect to domestic law. The commission would have 2 years from the time of its formation, and from the time of the effective date of the assertion of internatinal jurisdiction with respect to the territorial sea and the contiguous zone, within which to develop these specific recommendations.

Mr. Speaker, I understand that the administration is considering whether to issue a Presidential proclamation which would extend both the territorial sea and the contiguous zone in a similar manner. I also understand the rationale of this change from the perspectives of national security and enforcement authority, and I have no quarrel with the substance of what is being considered. What I am concerned with, Mr. Speaker, is the high degree of uncertainty which would result from such an approach, because of the very unclear impact such a proclamation would have on domestic law, and specifically, the State-Federal relationship in the 3 to 12-mile zone.

Because this is a very "high stakes" relationship in terms of fisheries, oil and gas, minerals, and other resources, I believe that a very orderly procedure should be established for making recommendations to the Congress and the administration about this State-Federal relationship beyond 3 miles, as part of any assertion of a 12-mile territorial sea. Under this legislation the new 12-mile territorial sea and 24-mile contiguous zone could both be asserted for international purposes and take effect as early as March of next year, as long as a 2-year process was established for making recommendations with respect to domestic law.

Mr. Speaker, I believe that this legislation represents an important step in our Nation's development and wise use of ocean and coastal resources. I believe that this approach for asserting a broader territorial sea and contiguous zone is sound from both international law and domestic law perspectives. I would urge the administration to adopt this type of approach rather than pursuing the notion of a Presidential proclamation, which I believe would create a chaotic atmosphere with respect to the status of the State-Federal relationship beyond 3 miles.

BANK BOARD CONTINUES TO PROTECT THE FADA BUREAUCRACY

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ST GERMAIN. Mr. Speaker, the Federal Home Loan Bank Board is rapidly taking over the numbers game. Last week we had the unveiling of the latest cost figures for implementing the bank board's southwest plan—a large gamble in itself. The initial cost to consolidate insolvent Texas thrifts was increased from $7 billion to $15 billion. Now, the bank board has turned its wondrous numbers machine to work in manufacturing a "profit" for its favorite bureaucracy, the Federal Asset Disposition Association [FADA].

With a stroke of the pen, the bank board has turned FADA's large monthly losses—as much as $1 million—into sizable profits. Under a new contract approved by the bank board, FADA has received $9.7 million in fees for the first 3 months of 1988. On an annual basis this would result in fees to FADA being nearly $39 million for 1988, $17 million more than in 1987. This is despite the fact that FADA has not been assigned any new assets.

One explanation may be in how the contract was negotiated. A senior official for the Federal Savings and Loan Insurance Corporation [FSLIC] who played a very significant role in the negotiations with FADA has recently left his $60,000 a year government job for a $90,000 a year job with FADA.

More gamesmanship can be found in the bank board's recent estimate of the cost of abolishing FADA. In response to a committee request made over 2 months ago, we are now told, with the most superficial support, that the cost of shutting down FADA will be nearly $38 million.

Most of the cost—$25 million—is attributed to delays that will result in the sale of FADA-managed properties. In actuality, the FADA bureaucracy has delayed the sale of assets and created confusion with potential buyers. In addition, FADA assets are under continuous review by FSLIC staff who make all final decisions. Assets sales will likely quicken in FADA's absence.

Another $5 million is added because FSLIC would be expected to pay both the new private sector managers and FADA for a 6-month period. However, most assets under FADA's control are already being managed by private subcontractors. FSLIC staff, including asset managers retained from FADA, can effectively oversee the subcontractors' work and should be able to further cut expenses by directly handling a portion of the work currently contracted.

An inflated $4.4 million is added to cover the cost of FADA's new severance package. Only recently, the bank board permitted FADA to adopt a policy of paying all employees 4 months severance pay if they are terminated because of FADA's shutdown. Under the rules which cover all Federal workers, a maximum of 3 weeks compensation would be paid to most terminated employees. Moreover, according to provisions of the legislation which would abolish FADA, FSLIC would be permitted to retain up to 200 FADA employees. Therefore, severance pay costs should be minimal.

Finally, over $900,000 will be incurred because FADA intentionally entered into long-term leases, including an irrevocable 5-year lease for computer equipment that is not fully compatible with FSLIC's system. This is a prime example of why FADA will be long remembered as a classic example of Government bureauracy out of control.

The answer is clear—if you need a number—any number—call the Home Loan Bank Board.

Mr. Speaker, the bottom line is the fact that FADA is a bottomless pit—the longer FADA operates the more expenses it will incur. Abolishing FADA now will minimize this expense and permit FSLIC to maximize recoveries for the depleted insurance fund.

UNITED STATES-MEXICO REVITALIZATION ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. RICHARDSON. Mr. Speaker, I am becoming increasingly concerned about the manner in which certain special interest groups are trying to influence the legislative process while frightening our constituents and collecting money from them at the same time. Certainly, it is the right of any group with a desire to influence legislation to contact individuals throughout the country and request that they contact their elected representatives to advise them of their concerns. It is also the right of any such group to ask for contributions to defray expenses and further its cause.

I begin to wonder, however, whether some groups are not, in fact, more interested in collecting contributions than furthering the cause which they purport to be fighting for. I am particularly disturbed when requests for donations are accompanied by distorted information designed to strike fear into the hearts of our constitutents. These groups employ misinformation to taint legitimate and worthy legislative initiatives and compel citizens to donate money to an apparently respectable cause.

I am personally offended by the efforts of a group called the U.S. Border Control, of Springfield, VA. This group claims that a bill I have introduced, the United States-Mexico Border Revitalization Act, H.R. 1006, "gives away a swath of land 200 miles wide along our entire southern border * * * to Mexico," and which "moves our southern border up into the heartland of America." Moreover, the group ludicrously claims that "it is quite likely that * * * this 'free trade' zone will become a haven for smugglers, dope pushers and Soviet agents eager to buy or steal America's strategic technologies."

The U.S. Border Control follows these claims by soliciting a donation intended to stop Congressman WILLIAM RICHARDSON, the head of the Hispanic Caucus, from establishing his so-called free trade zone along our southern border. This is only a small sample of a reprehensible campaign of misrepresentation waged primarily to frighten citizens into donating money.

Mr. Speaker, I am incensed that any group would publish such lies about any Member's efforts to address a serious issue. I introduced H.R. 1006 in hopes that it would address several problems currently facing the depressed border region. At this point, I would like to restate the provisions and goals of the United States-Mexico Revitalization Act. In doing so, it is my wish to refocus the dialog on fact and away from misinformation.

The United States-Mexico border region faces a series of problems on both sides of the border. These problems include unemployment, substandard living and health conditions, and a continued influx of illegal immigration. In approaching these problems thoughtfully and effectively, we must recognize that they are, fundamentally, brought on by a lack of economic opportunity. The solution, therefore, must entail the stimulation of this region's economy.

The United States-Mexico Border Revitalization Act is an innovative attempt at stimulating economic growth and development along the border region. H.R. 1006 simply directs the President to "negotiate with the Government of Mexico, on a reciprocal and mutually beneficial basis, for the purpose of developing and entering into a bilateral agreement to establish a United States-Mexico free trade and coproductive zone."

Recognizing the need for flexibility in the President's negotiations for establishing a free-trade and coproduction zone, my proposed legislation sets no geographical limit for the zone. However, it does provide a minimum limit in a general way, in that it recognizes that the United States-Mexico borderlands should be included in any zone that is established as the result of the negotiations with Mexico.

This is, in brief, a description of the United States-Mexico Border Revitalization Act. I hope that this explanation sets a tone for a truthful and productive dialog on this legislation. I welcome any and all criticism, both positive and negative. Such criticism, no matter how combative and vocal, is at the very foundation of the democratic process from which our legislation is born. Democracy is nurtured on truthful, vigorous, and open debate. Democracy is, however, undermined by deception and misrepresentation. Unfortunately, the U.S. Border Control has engaged in such deception in its attempt to defeat the U.S. Border Revitalization Act and garner contributions at the same time.

Mr. Speaker, I only ask that this legislation stand or fall on its merits or faults based on fact. I ask that it not be jeopardized or trivialized by misrepresentation. The problems the United States-Mexico border region faces are too grave, the fate of our citizens and neighbors in the area too intertwined, to be addressed in any manner other than one which is truthful and honest.

FCC PRICE CAP PROPOSAL OFFERS PROMISE OF LOWER CONSUMER PRICES FOR TELECOMMUNICATIONS SERVICES

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. HALL of Texas. Mr. Speaker, I rise today to comment on the Federal Communications Commision's decision last month to issue a further more detailed notice of proposed rulemaking as part of its investigation into the feasibility of replacing its traditional rate-of-return regulation with a system that regulates rates—the so-called price cap proposal. It appears that this revised proposal can provide sufficient information for the Commission to conduct a reasoned analysis and for the Energy and Commerce Committee, of which I am a member, to carry out its oversight responsibilities.

The FCC's proposal offers the possibility of rate reductions for consumers and improved efficiency in the telephone industry. Carriers subject to price caps would be required to cut their rates to reflect a projected productivity increase to 3 percent each year above economywide productivity increases. The Commission estimates that over the plan's first 4 years, these price cuts would result in rate reductions of $1.6 billion more than would occur under current regulation, if applied to the industry as a whole. Consumer interests would appear to be protected further by the provision which would limit the maximum annual price increase or decrease to 5 percent for each service.

I am also pleased that the Commission has indicated its intention to protect rural consumers. However, I would urge the Commission to issue an amended notice and ask for formal comments on mechanisms for providing long-term support for the carrier common-line rates of the National Exchange Carrier Association, maintenance of nationwide uniform toll rates by AT&T and an industrywide rate of return.

Mr. Speaker, I am following the proceedings at the FCC with considerable interest as it evaluates comments from interested parties in fashioning a final decision. This proposal has the potential to benefit consumers and the industry, and I encourage the FCC to work carefully but expeditiously to issue final rules, if possible, before the end of the year.

THE WOMEN BUSINESS OWNERSHIP ACT OF 1988

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. LAFALCE. Mr. Speaker, on behalf of Congressman JOE MCDADE, the ranking minority member of the Small Business Committee, and the other 57 original cosponsors, I am pleased today to introduce the Omnibus Womens Business Ownership Act of 1988. This landmark legislation marks the first attempt by the Congress to address comprehensively the specific problems and concerns of women entrepreneurs. The legislation is based on a series of six hearings that the Small Business Committee held and on the findings and recommendations of a bipartisan committee report entitled, "New Economic Realities: The Rise of Women Entrepreneurs." In addition to the specifics of the bill, the legislation provides formal recognition by the Congress of the rapidly increasing importance of women owned businesses to our national economy and prosperity.

Prior to the 1970's women owned less than 5 percent of American businesses. The percentage of businesses owned by women has skyrocketed to about 30 percent at present—and by the turn of the century it is likely that fully 50 percent of American businesses will be owned by women.

This astonishing development has profound social and economic consequences. At a time when America is suffering from huge budget and trade deficits—and from a chronic failure to significantly increase productivity—it is vital for public policy makers to helps catalyze the tremendous pool of talent and energy these women represent. They are part of the most educated generation of women that has ever existed. They are a gold mine of human capital. No other nation, Japan included, is anywhere close to the United States in maximizing the economic and creative potential of the over 50 percent of the population who are women. Our future competitiveness requires that public policy makers, in partnership with the private sector, assist and affirm this economic revolution.

From a public policy perspective, there can now be no adequate assessment of the general economy without taking into account the activities and concerns of women entrepreneurs. Women owned businesses have become a central factor in the American economy and will become even more crucial in the years ahead.

Women are going into business at a rate two times faster than men and are thus the fastest growing segment of the entrepreneurial community. Since the vast majority of these new female entrepreneurs enter professional and technical service businesses, their influence will continue to grow as the country shifts further away from a manufacturing-oriented economy to one that is based on services, high-technology and information.

Women, however, are also becoming a factor in nontraditional industries and can be found succeeding in virtually every industry category. Mining, construction, manufacturing, transportation, communication, and electrical utility businesses are examples of new fields enjoying surprising growth in the percentage of female ownership.

The achievement of women-owned businesses has been extremely impressive. But there are still barriers to overcome before women can attain full and equal status in the American economy.

The legislation deals with five barriers to women-owned business that merit special attention: First, the need to provide management and technical training to maximize the growth potential of women-owned business; second, problems of access to capital; third, the virtual exclusion of women-owned business from government procurement activities; fourth, the inadequacy of information and data relative to women-owned business; and fifth, the overall general ineffectiveness of current Federal policies toward women-owned business.

THE NEED FOR MANAGMENT TRAINING AND TECHNICAL ASSISTANCE

Given the emergence of women in such large numbers into the business sector, there is a need for appropriate public policies to maximize this important and growing economic resource. A comprehensive Dun and Bradstreet study has concluded that lack of management skill is the primary cause of business failure by small business entrepreneurs.

Sex stereotyping in education prompts women to elect fewer science, mathematics, and technical subjects in school; women are not encouraged to acquire practical knowledge of finance related skills; women are not groomed for the entrepreneurial tradition as are males; and employment experience in related areas, shown to be critical to entrepreneurial success, is either denied or achieved at greater cost.

While the need for management and technical training and assistance is well documented, the Federal Government has given only sporadic support for such activities for women. I believe that managerial training and technical assistance must become increasingly available to potential women enterepreneurs.

Therefore, the legislation I am introducing would fund, on a matching public/private partnership basis, a number of demonstration projects throughout the country to provide sustained, high quality management training and technical assistance for women-owned businesses. The program would be authorized for 3 years and would be supported by $10 million in Federal funding.

ACCESS TO CAPITAL

Small businesses generally cite limited access to capital as a primary detriment to business success. In addition, a woman faces additional barriers when she approaches the lending institution. A recent survey of women business owners estimated that 68 percent believe that they have been discriminated against in business loan applications, and 29 percent of those who received loans believed they were offered on discriminatory terms.

The Equal Credit Opportunity Act of 1974 [ECOA] prohibits discrimination on the basis of race, color, national origin, sex, marital status, or age. The act has been successful in providing equal access to consumer credit, but, due to wholesale Federal Reserve Board regulatory exemptions, it has not been effective with respect to business and commercial transactions.

The legislation would amend the Equal Credit Opportunity Act to require the Federal Reserve Board to promulgate strict limitations regarding inquiries into marital status, and provide for retention of records and affirmative notice of the right to receive reasons for loan denials.

An additional problem is that many small businesses, including women-owned businesses, find that lending institutions are often very reluctant to take the time and trouble to make small loans of $50,000 or less. This is especially a problem for service industries. Therefore, the legislation would create an SBA guaranteed "mini-loan program" utilizing expedited application and evaluation procedures for loans up to $50,000. It is my expectation that the program will experiment with collateralizing "soft" assets. It would serve all small businesses, but should be specifically useful to the service sector of the economy where women-owned businesses are concentrated.

GOVERNMENT PROCUREMENT

The U.S. Government is the largest purchaser of goods and services in the world, spending approximately $177 billion annually. Although Executive Order 12138, issued in 1979, directs Federal agencies to take affirmative action to increase women-owned business' procurement share, the continued underutilization of women shows a lack of serious commitment by Government agencies to the policy enunciated in the Executive order. Despite the fact that women now own about 30 percent of all U.S. businesses, the percentage of prime contract awards to women owned business still remains approximately 1 percent of total procurement dollars.

The same holds true for subcontracting. In government contracts that exceed $500,000 ($1,000,000 for construction) prime contractors are required by statute to negotiate subcontracting plans with goals for small business and small disadvantaged business. Contractors are required to report their actual achievement against these goals on standard reporting forms. There are, however, no similar requirements for subcontracting with women-owned business.

The Federal Acquisition Regulation [FAR] does require agencies to include a clause in most contracts expected to exceed $25,000, that states the national policy to utilize women-owned small business, and that requires prime contractors to use "best efforts" to give such businesses the maximum practicable opportunity to participate in subcontracts. Prime contractors, however, are not required to report on the subcontracts actually awarded to women. There is no data available, therefore, to indicate the level of compliance with the "best efforts" clause.

To improve the access of women-owned businesses to Federal procurement, the legislation would require each agency to develop contracting and subcontracting goals; require agencies to report on the number of contracts and subcontracts awarded; establish full-time Women's Business Specialists in each Federal agency; and require each agency to provide outreach for women-owned businesses and to solicit a representative number of women-owned businesses for each competitive procurement.

I must emphasize that we are not proposing a set-aside program for women. Most of the women who testified at the hearing were opposed to this idea. Rather, it is hoped that these affirmative actions will help women-owned businesses to obtain their fair share in the procurement area.

POOR STATISTICAL DATA

The information and data available concerning women's business ownership is inadequate for present needs. Primary information sources are incomplete, provide inconsistent data, and utilize differing definitions of what constitutes a women-owned business. Moreover, lagtime is often as much as 4 years between the time of data collection and published reports.

To obtain better data, therefore, the legislation would require the Federal Government to significantly improve its data collection regarding women-owned businesses. The bill would require the Bureau of Labor Statistics, the Bureau of the Census, and SBA to include information and data on sole proprietorships, partnerships, and corporations in any reports they may prepare on women-owned businesses. The bill would also require Federal agencies to report the number of women-owned businesses and the number of socially and economically disadvantaged businesses that are first time recipients of contracts from the agency.

INEFFECTIVENESS OF CURRENT FEDERAL POLICY

Approximately 10 years ago, a flurry of activity, fostered in part by the observance of the United Nation's Decade for Women, focused national attention on women's business enterprise. In late 1976, under President Ford, the first National Census of Women Business Owners was published.

In November 1977, the first National Women's Conference sponsored by the Federal Government was held in Houston and resulted in a conference report that recommended the establishment of a government policy to provide greater opportunities for women owned business. An interagency task force on women business owners was appointed by the President in 1977 and in 1978 the task force published its report "The Bottom Line: Unequal Enterprise in America." An Interagency Committee on Women's Business Enterprise was later created to implement the recommendations of the President's task force.

Executive Order 12138 created a National Women's Business Enterprise Policy and prescribed arrangements for developing, coordinating, and implementing a national program for women's business enterprise. The Executive order provided for affirmative action by Federal agencies to facilitate and to strengthen and support such enterprises, to discourage and prohibit discrimination, and to create programs responsive to the special needs of women as entrepreneurs. Such activities were to include management, technical, financial, and procurement assistance; education, training and information dissemination; and procurement.

The Executive order established an Interagency Committee on Women's Business Enterprise to oversee the action ordered, develop goals, policies, and guidelines, mobilize resources, design innovative plans, promote research, convene and consult with experts, and assess progress. The Federal agencies were to assist and cooperate. The Small Business Administration [SBA] was given the responsibility of providing an Executive Director, adequate staff, and administrative support.

The Interagency Committee, however, has not been effective. For example, in recent years, SBA business loans to women have actually decreased in numbers, dollar amounts, and as a percentage of total loans. Loan figures for the past 4 years indicate that in 1984, women received 2,103 business loans, or a total of 10.7 percent of the total number of loans to all businesses, for a total of $212.6 million. In 1987, those figures had fallen to 1,565 loans, or 10.1 percent of total loans, for a total of $203.3 million.

The Interagency Committee still operates, but without any power or purpose. The committee issued its first annual report in 1980. The next annual report was not issued until September of 1987. That report contained a 1-page introduction, 15 paragraphs of text spread across six (6) pages, and the rest of the 100-page report consisted of an appendix containing statistics, reprinting material, and a summary of five (5) meetings. The report is an embarrassment and a waste of taxpayer's money.

In sum, a national policy to emphasize support of women's business enterprise must be developed because past efforts of the Federal Government—across all administrations—has been generally ineffectual.

In order to review, update and reform Federal policy toward women-owned businesses, the legislation would create a nine-member National Women's Business Council made up of high level private sector representatives and government policymakers. The Council would include the SBA Administrator, the Secretary of Commerce, and the Chairman of the Federal Reserve. The Council would be required to submit to the President and the Congress, by December 31, 1989, a multiyear plan of action, with specific goals and timetables, to support women-owned businesses. The Council would differ from the present interagency committee in at least three important ways. First, it would include private sector representatives rather than just agency employees. Second, it will be made up of high level Government officials in policy positions rather than career employees. Third, it will be a policy-making institution—the interagency committee would continue as the implementer of the policies formulated by the Council. The Council would be charged with examining the problems of women-owned businesses at the State and local level. It would also study the many innovative State and local programs which the States and local governments—and private sector—have established to serve this new area of the economy.

I believe this legislation is a good start in addressing the needs of women entrepreneurs. Women-owned businesses have become a major economic power, and constitute a pool of talent and energy unprecedented since waves of immigrants reached our shores. Women as owners of their own businesses, represent a major source of innovation and productive vigor, and our society needs to support and sustain this economic revolution to the fullest extent possible.

Mr. Speaker, if any "theme" emerged from our congressional hearings, it was this: It is vitally important for our future standard of living and international competitiveness that public policy affirm and assist women's business ownership. There can be no adequate amendment of the American economy today without taking into account the activities and concerns of women entrepreneurs. And as an integral part of that public policy effort, the remaining barriers to women's entrepreneurship must be eliminated. I will soon be submitting separately for the RECORD a detailed section-by-section analysis of the bill.

THE EGG PRODUCERS FINANCIAL PROTECTION ACT OF 1988

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. STENHOLM. Mr. Speaker, I am very pleased to join with my colleague, Mr. GEORGE GEKAS, from Pennsylvania, in introducing the Egg Producers' Financial Protection Act of 1988. Joining us are 15 other Members, 10 of whom are members of the House Agriculture Committee. This bill amends the Packers and Stockyards Act of 1921 to extend similar financial protection to egg processors as has been enjoyed by red meat producers since 1976 and poultry producers since 1987. The bill is modeled after the Poultry Producers Financial Protection Act of 1987, which was signed into law by the President last November.

The legislation that we are introducing today represents a long-sought compromise between egg producers, handlers, and processors. The egg industry has negotiated for 3 years on this legislation and the results are contained in this bill. As a result, this package has the strong support of the American Farm Bureau Federation, the National Grange, and the United Egg Producers.

Currently, egg producers are not afforded prompt payment and trust protection that is comparable to that provided to livestock and poultry producers under the act. Other segments of agriculture have similar protection. The Perishable Agricultural Commodities Act of 1984 provided trust protection for fresh fruit and vegetable growers. The Bankruptcy Reform Act of 1984 provided payment assurance for grain producers in case of grain elevator bankruptcy. Finally, the 1984 supplemental appropriations bill was amended to require the Government to pay egg producers within 7 days for egg products. Egg producers both want and need this type of protection.

Since 1985, at least three egg purchasers have declared bankruptcy, owing egg producers and handlers over $8 million. Last month, yet another occurred when Egg City in Hope, AR, declared bankruptcy. Currently, an egg producer's status is that of an unsecured creditor in the event of a failure of the egg purchaser. This legislation would change that. It would provide for an egg purchaser in a trust provision for the benefit of all unpaid egg producers and egg handlers.

Concern has been expressed over the extent to which egg purchasers are able to force producers to carry them financially by failing to pay in a timely manner. In some cases, producers have waited 45 days, or even up to 3 months, for payment while their bills and payments continue to come due. This is unfair and this bill would correct this inequity by requiring that all egg producers and egg handlers be paid for their products or services by the 14th day following the day of transfer of possession of the eggs.

Finally, this bill would provide the Packers and Stockyards Administration the administrative authority to enforce the prompt payment and trust provisions. This will expedite the process of enforcing these provisions, and is similar to the authority provided to the Packers and Stockyards Administration for the red meat and poultry industries.

With regard to other egg business transactions (section 202 of the Packers and Stockyards Act), the sole jurisdiction will remain with the Federal Trade Commission.

As I mentioned earlier, this legislation will correct the problems which egg producers and egg handlers are facing today. Its quick enactment will remove the possiblity of any more egg producers suffering financial losses caused by failure of their buyers. I would encourage my colleagues to join with the gentleman from Pennsylvania and myself in this effort by cosponsoring the bill and supporting it when it reaches the floor for consideration. Mr. Speaker, I include a bill and section-by-section analysis in the RECORD at this point.

H.R. 5086

A bill to amend the Packers and Stockyards Act, 1921 to provide financial protection to egg producers and egg handlers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Egg Producers' Financial Protection Act of 1988".

SEC. 2. DEFINITIONS.

Section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182) is amended—

(1) in paragraph (10) by striking "and" at the end;

(2) by redesignating paragraph (11) as paragraph (17); and

(3) by inserting after paragraph (10) the following—

"(11) the term 'eggs' means eggs produced by poultry;

"(12) the term 'egg handler' means any person, other than an egg producer, engaged in the business of selling eggs or an egg product at wholesale;

"(13) the term 'egg producer' means any person engaged in the business of caring for live poultry, owned by such person or another, for the production of eggs for sale by, or for delivery under an egg production arrangement made by, such person;

"(14) the term 'egg product' means any dried, frozen, or liquid eggs, with or without added ingredients, excepting products which contain eggs only in a relatively small proportion or historically have not been, in the judgment of the Secretary, considered by consumers as products of the egg food industry;

"(15) the term 'egg production arrangement' means any arrangement under which an egg producer cares for live poultry for the production of eggs for delivery to another;

"(16) the term 'egg purchaser' means any person engaged in the business of obtaining eggs or egg products from any other not an employee of such person, regardless of who owns the poultry producing such eggs, by purchase or under an egg production arrangement, for the purpose of—

"(A) selling such eggs or egg products;

"(B) processing such eggs into egg products;

"(C) manufacturing other products derived from or containing such eggs; or

"(D) hatching such eggs;

if such eggs or egg products are obtained by such person in commerce or if such eggs, such egg products, such other products, or poultry hatched by such person from such eggs are sold or shipped in commerce; and".

SEC. 3. STATUTORY TRUST ESTABLISHED.

The Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) is amended by inserting after section 207 the following:

"Sec. 208. (a) It is hereby found that a burden on and obstruction to commerce in eggs and egg products is caused by financing arrangements under which egg purchasers encumber, give lenders security interest in, or place liens on, eggs or egg products obtained by such purchasers by purchase or under an egg production arrangement, or on inventories of or receivables or proceeds from such eggs or egg products, when payment is not made for such eggs or egg products and that such financing arrangements are contrary to the public interest. This section is intended to remedy such burden on and obstruction to commerce in eggs and egg products and protect the public interest.

"(b) All eggs or egg products obtained by an egg purchaser, by purchase or under an egg production arrangement, and all inventories of, or receivables or proceeds from such eggs or egg products, shall be held by such egg purchaser in trust for the benefit of the unpaid egg producer or egg handler from whom such egg purchaser obtained such eggs or egg products, until full payment has been received by such unpaid egg producer or egg handler unless such egg purchaser does not have average annual value of eggs obtained by purchase, or under an egg production arrangement, in excess of $50,000.

"(c) Payment shall not be considered to have been made if the egg producer or egg handler receives a payment instrument which is dishonored.

"(d) An unpaid egg producer or egg handler shall lose the benefit of such trust if, in the event that a payment instrument has not been received, within 30 days of the final date for making payment under section 411 or within 15 business days after the egg producer or egg handler has received notice that the payment instrument promptly presented for payment has been dishonored, the egg producer or egg handler has not preserved his trust under this section. The trust shall be preserved by giving written notice to the egg purchaser and by filing such notice with the Secretary.".

SEC. 4. LIABILITY AND ENFORCEMENT.

Section 308(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 209(a)) is amended—

(1) by inserting "to" after "livestock,"; and

(2) by inserting "or to the purchase or sale of eggs or egg products, or to any egg production arrangement," after "poultry growing arrangement,".

SEC. 5. RECORDS AND RESPONSIBILITY.

Sections 401 and 403 of the Packers and Stockyards Act, 1921 (7 U.S.C. 221, 223) are amended—

(1) by striking "any live" each place it appears and inserting "live"; and

(2) by inserting "egg purchaser," after "dealer," each place it appears.

SEC. 6. JURISDICTION OF THE SECRTARY OF AGRICULTURE.

Section 406 of the Packcers and Stockyards Act, 1921 (7 U.S.C. 227) is amended—

(1) in subsection (f)—

(A) by striking "(f)" and inserting "(g)"; and

(B) by striking "and (e)" and inserting "(e), and (f)"; and

(2) by inserting after subsection (e) the following:

"(f) The Secretary of Agriculture shall exercise jurisdiction over egg products only in a proceeding brought under section 208 or section 411 when such action is necessary to avoid impairment of his jurisdiction.".

SEC. 7. AUTHORITY OF SECRETARY TO REQUEST INJUNCTIVE RELIEF.

Section 408(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 228a(a)) is amended—

(1) by inserting "or eggs or egg products," after "live poultry,"; and

(2) by inserting after "arrangement" the following: "or has failed to pay any egg producer what is due on account of eggs obtained under an egg production arrangement".

SEC. 8. PROMPT PAYMENT FOR PURCHASE OF EGGS.

(a) Enforcement.—Section 411 of the Packers and Stockyards Act, 1921 (7 U.S.C. 228b-2) is amended—

(1) in subsections (a) and (b)—

(A) in the first sentence of each such subsection by inserting after "this Act" the following: "or that any egg purchaser has violated or is violating any provision of section 208 or section 411 of this Act"; and

(B) by inserting "or egg purchaser" after "dealer" each place, other than the first place, it appears;

(2) in the fourth sentence of subsection (b) by inserting before the period the following: "or the ability of an egg purchaser to pay any unpaid egg producer or egg handler"; and

(3) in subsection (c)—

(A) by striking "section 412" and inserting "section 413"; and

(B) by inserting "or egg purchaser" after "dealer".

(b) Review of Orders.—Section 412 of the Packers and Stockyards Act, 1921 (7 U.S.C. 228b-3) is amended—

(1) in subsection (1)—

(A) by striking "section 411" and inserting "section 412"; and

(B) by inserting "or egg purchaser" after "dealer" each place it appears; and

(2) in subsections (c) and (g)—

(A) by striking "and his" and inserting "or the egg purchaser, and the"; and

(B) by inserting "of such dealer or purchaser" after "employees";

(c) Criminal Penalty.—Section 413 of the Packers and Stockyards Act, 1921 (7 U.S.C. 228b-4) is amended—

(1) by inserting ", egg purchaser," after "dealer" the first place it appears;

(2) by inserting "or egg purchaser" after "dealer" the second place it appears;

(3) in paragraph (3) by striking "section 412" and inserting "section 413"; and

(4) by striking "section 411" and inserting "section 412".

(d) Prompt Payment.—The Packers and Stockyards Act, 1921 (7 U.S.C. 181 et. seq.) is amended—

(1) by redesignating sections 411, 412, 413, 414, and 415 as sections 412, 413, 414, 415, and 416, respectively; and

(2) by inserting after section 410 the following:

"Sec. 411. (a) Each egg purchaser obtaining eggs or egg products from any egg producer or egg handler shall, before the close of the fourteenth day following transfer of possession of such eggs or egg products, deliver to the egg producer or egg handler from whom such egg purchaser obtains such eggs or egg products, the full amount due to such egg producer or egg handler on account of such eggs or egg products.

"(b) Any delay or attempt to delay, by an egg purchaser which is a party to any such transaction, the collection of funds as herein provided, or otherwise for the purpose of or resulting in extending the normal period of payment for eggs or egg products obtained by purchase or under an egg production arrangement, shall be considered an 'unfair practice' in violation of this Act. Nothing in this section shall be deemed to limit the meaning of the term 'unfair practice' as used in this Act.".

SEC. 9. CONSTRUCTION.

The amendments made by this Act shall not be construed—

"(1) to expand or otherwise affect the authority of the Secretary of Agriculture with respect to live poultry or poultry products; or

"(2) to limit or otherwise affect the power or jurisdiction of the Federal Trade Commission under the Federal Trade Commission Act to prevent the use of—

"(A) unfair methods of competition in or affecting commerce; and

"(B) unfair and deceptive acts or practices in or affecting commerce; involving eggs or egg products.

SEC. 11. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect 60 days after the date of the enactment of this Act.

Section-By-Section Analysis Of The Amendments To The Packers And Stockyards Act Of 1921

The bill would amend the Packers and Stockyards Act of 1921 to provide financial protection to egg producers and egg handlers.

SECTION 1. SHORT TITLE

The Act may be cited as the "Egg Producers' Financial Protection Act of 1988".

SECTION 2. DEFINITIONS

Defines "eggs" as eggs produced by poultry.

Defines "egg product" as any dried, frozen, or liquid eggs, with or without added ingredients, excepting products which contain eggs only in a relatively small proportion or historically have not been, in the judgement of the Secretary, considered by consumers as products of the egg food industry.

Defines "egg production" as any person engaged in the business of caring for live poultry, owned by such person or another, for production of eggs for sale by, or for delivery under an egg production arrangement made by, such person.

Defines "egg production arrangement" as any arrangement under which an egg producer cares for live poultry for production of eggs for delivery to another.

Defines "egg handler" as any person engaged in the business of selling eggs or an egg product at wholesale.

Defines "egg purchaser" as any person engaged in the business of obtaining eggs or egg products, from any other not an employee of such person, regardless of who owns the poultry producing such eggs, by purchase or under an egg production arrangement, for the purpose of (A) selling such eggs or egg products; (B) processing such eggs into egg products or manufacturing other products derived from or containing such eggs; or (C) hatching such eggs, if such eggs or egg products are obtained by such person in commerce, or if such eggs, such egg products or such other products, or poultry hatched by such person from such eggs, are sold or shipped in commerce.

SECTION 3. STATUTORY TRUST ESTABLISHED

Provides for an egg purchaser in trust provision for the benefit of the unpaid egg producers and egg handlers from whom the egg purchaser obtained such eggs as follows:

The trust will include all eggs obtained by purchase or egg production arrangements and all inventories of, or receivables or proceeds from such eggs or egg products.

Trust will be held until full payment has been received by the unpaid egg producer or egg handler. (Payment is not made if the payment instrument is dishonored.)

The unpaid egg producer or egg handler must make a claim on the trust within thirty (30) days of the final date for payment under the prompt payment regulations or within fifteen (15) business days after the egg producer or egg handler has received notice that the payment instrument has been dishonored. (Written notice preserves claim.)

Egg purchasers are exempt from the trust provision if average annual sales of eggs or egg products, or average annual value of eggs or egg products obtained, is less than $50,000.

SECTION 4. LIABILITY AND ENFORCEMENT

Specifies private right of action for persons protected under the egg provision of the Act.

SECTION 5. RECORDS AND RESPONSIBILITIES

Requires the recordkeeping requirements and USDA subpoenas to enforce the egg provisions of the Act.

SECTION 6. POWERS OF THE FEDERAL TRADE COMMISSION AND THE SECRETARY OF AGRICULTURE

Delineates the powers of the Federal Trade Commission in relation to the Secretary of Agriculture for the purposes of this Act.

SECTION 7. AUTHORITY OF SECRETARY TO REQUEST INJUNCTIVE RELIEF

Allows the Secretary to request the Attorney General to apply to the district court for temporary restraining orders to enforce the egg provisions of the Act.

SECTION 8. PROMPT PAYMENT FOR PURCHASE OF EGGS

Provides administrative enforcement authority for the egg trust and prompt payment provisions of the Act. The egg trade practice provisions would be enforceable only by action in the district court.

Requires prompt payment by an egg purchaser for the sale or delivery of eggs or egg products, for the benefit of egg producers and egg handlers, obtained either by purchase in a cash sale or under an egg production arrangement by the close of the fourteenth (14th) day following the day of transfer of possession.

SECTION 9. CONSTRUCTION

Specifies that the legislation does not affect the Packers and Stockyards Administration's jurisdiction with respect to poultry, poultry products, or the Federal Trade Commission's jurisdiction over eggs or egg products.

SECTION 10. EFFECTIVE DATE

Specifies that this Act shall take effect 60 days after the date of enactment of this Act.

EGG PRODUCERS PROTECTION

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. GEKAS. Mr. Speaker, I am pleased to be introducing the Egg Producers' Financial Protection Act of 1988 today with my colleague from Texas, CHARLES STENHOLM. As Mr. STENHOLM has indicated, this legislation represents a great effort by all sectors of the egg industry to reach an agreement that is acceptable.

Let me start by saying that this issue is not new to me. Since 1984, I have introduced three different bills upon hearing of problems that egg producers have had in receiving prompt payment within my district in Pennsylvania. These producers have been very anxious to receive such protection since virtually every other commodity sector of agriculture is now covered by similar protection.

Mr. Speaker, as you realize, we in Congress prefer to deal with noncontroversial issues—issues where all sides have pulled together through extensive negotiations and reached common ground. Over the past 3 years, I have watched, with great interest, as the Natonal Grange, the American Farm Bureau Federation, and the United Egg Producers have spent countless hours at the negotiation table. The legislation we are introducing today represents the carefully crafted compromise produced through those talks. Many discussions have been held where these farm organizations even flew producers in from several egg-producing States for their direct input into the process.

At this point, it might be useful for me to briefly explain how this compromise differs from the legislation I introduced in the 98th and 99th Congresses. My earlier bills would have allowed the Packers and Stockyards Administration to enforce all existing regulations over egg marketing practices through administrative procedures. This meant that the Department of Agriculture's administrative law judges could have pursued alleged violators of regulations over such areas as contract compliance, monopolistic activities, and other business practices. The United Egg Producers believe that the business practice section of the bill should remain the jurisdiction of the Federal Trade Commission. Subsequently, egg producers agreed to limit the authority of the Packers and Stockyards Administration to only the prompt payment and trust provisions being created by the legislation we are introducing today.

Mr. Speaker, again, I would like to reiterate the years of effort that have been put into reaching this compromise. I would hope that, for the sake of egg producers in Pennsylvania and all over the United States, this Congress would expedite its consideration of this package since it is noncontroversial. It is my understanding that the House Agriculture Committee is planning to mark up this bill soon and I hope it will receive quick attention on the House floor.

ALLEGED ANTISEMITISM COMPOUNDS TRADE PROBLEMS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ACKERMAN. Mr. Speaker, as my colleagues know, I have been deeply concerned about the inability of U.S. companies to sell their high quality, competitively priced products abroad because of the restrictions foreign governments impose. In Korea, for example, the government imposes taxes and tariffs that raise the price of a $10,000 Chrysler automobile to $48,000. At the same time, Korean automobile companies like Hyundai have unfettered access to our market.

I recently had brought to my attention a shocking deposition transcript in a case between Hyundai Motor America and a U.S. dealer that was denied a franchise. In that case, a Hyundai employee suggested that anti-Semitic discrimination may have played a role in the company's refusal to enter into a dealer agreement with a qualified dealer. If true, this conduct—let alone being illegal—would evidence a fundamental disregard for the common decency required to operate a business in this country.

For the benefit of my colleagues, I am including with my statement my letter to Hyundai Motor America.

CONGRESS OF THE UNITED STATES,
7TH DISTRICT, NEW YORK,
July 14, 1988.

Executive Vice President and Chief Operating Officer,
Hyundai Motor America, Garden Grove, CA.

DEAR MR. JAMIESSON: Tony Coelho recently brought to my attention his correspondence with your organization. I have since read a portion of the shocking deposition transcript of one of your employees in Nemet versus Hyundai Motor America. I found the anti-Semitic and racially motivated statements in the deposition attributed to Mr. Ed Gormley, your Northeast Regional Manager, to be offensive. I understand that company officials have confirmed under oath that Mr. Gormley has been disciplined in the past for making anti-Semitic remarks. Nonetheless, your letter to Tony Coelho indicates he apparently continues to serve in a managerial capacity for the company.

Given the importance your company should place on being a good corporate citizen enjoying the benefits of free trade with the United States, I am at a loss to understand how you apparently can permit such reprehensible conduct to continue. As you know, many of us in Congress are deeply troubled about the access Korean companies have to the U.S. market, while U.S. auto companies are effectively kept out of the Korean market by a web of tariffs and taxes. Tolerating irresponsible corporate conduct in this country cannot do anything but jeopardize your access to the U.S. market.

Please write me to outline what efforts are contemplated or under way within your organization to address this problem.

Sincerely yours,

GARY L. ACKERMAN.

VIETNAM VETERANS REGISTRY, INC.

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Ms. SNOWE. Mr. Speaker, in 1985 Larry Horn of Bridgton, ME, started the Vietnam Veterans Registry after he found it impossible to organize a reunion of the staff and patients at a hospital where he was treated, because he could not find anyone. The registry has over 25,000 names now and is continuing to grow. It has gotten national recognition with a recent article in U.S. News & World Report.

I would urge my colleagues to share information about the registry with the Vietnam veterans in their districts. The procedure is simple. A registration form can be obtained by sending a stamped, self-addressed business envelope to the Vietnam Veterans Registry, Inc., P.O. Box 430, Bridgton, ME 04009. If you are looking for someone and they are registered, Mr. Horn will forward a letter to them for you. None of this data will be given out or sold, it is only to be used to help veterans find each other.

I would like to share a recent article on the registry with you which appeared in the Bangor Daily News.

The article follows:

[Bangor Daily News, June 29, 1988]

VIETNAM VET CREATES REGISTRY TO FIND WAR BUDDIES

(By Tom Weber)

Without the staff and patients he knew at the hospital in Vietnam, Larry Horn probably would have died from the injuries he received in a mortar attack in the 1968 Tet Offensive.

Despite the harried atmosphere of the 24th Evacuation Hospital at that time, Horn sensed a genuine compassion that drew him close to many of the people there.

So for the last five years, Horn, who lives in Sweden, Maine, with his wife and two children, has tried to reunite those people who saved his life. But of the 10,000 people involved with the hospital during the war, Horn has been able to track down only 150.

Frustrated, and knowing that other Vietnam veterans across the country were having similar problems finding their combat buddies, Horn bought a home computer in 1985, began collecting names, and called it the Vietnam Veterans Registry.

So far he had logged about 25,000 names.

"I just realized there was no way for Vietnam veterans to reunite," said Horn, who retired from the military in 1970 with a 90-percent disability. "Once someone is discharged, the service no longer keeps records on him."

Horn originally planned to gather 150,000 names over five years. Each entry would include a name, address, where the person was in Vietnam, what he did, and even what battles he fought.

The procedure is simple. A person sends the registry a self-addressed, stamped envelope, and gets back a registration form. When that is returned, the registry sends an inquiry form, with space for as many as five names or the name of a company the person is trying to find. If the names are in the computer, Horn notifies the searcher and forwards his letters.

All information is confidential, and the service is free.

But little happened in the first two years. Horn later wrote to veterans' publications and newspapers, increasing the registrations along with his and his wife's personal investment.

"We're going great guns in terms of registering vets, but in our third year the expenses have gone through the roof," he said. "We now have $10,000 in equipment, and everything is still done out of a 10-by-10-foot room in the house."

Those veterans who heard of the registry from other veterans knew that it as a small operation scrambling to make ends meet. When they entered their names, they often sent along small donations. There were also letters of gratitude, such as the one from a man who had unsuccessfully spent six months and $6,000 trying to find his friends from the war.

But those veterans who learned about Horn's service through the Army or the Veterans Administration get a skewed picture. Without mentioning the tiny size of the operation, or the fact that Horn was running it with his own money, the military publications gave the impression that the registry was well-funded and heavily staffed.

Consequently, many veterans sent no money.

Neither have the large companies that could make the registry work without creating a hardship for Horn and his wife, Fran Deslauriers.

"By the end of the second year, we sent out 500 letters to the top 50 companies in the U.S., and we haven't gotten a cent," Horn said. "We only got $150 from 250 of the larger companies in Maine. Our phone bill alone is more than $100 a month."

Horn's enterprise was mentioned recently in the magazine U.S. News and World Report. With that kind of recognition, he is assured that the registration will grow enormously as veterans discover the valuable service.

But Horn is also sure that he will need corporate benefactors to keep the service afloat. To increase credibility, he has gotten the endorsements of Sen. William S. Cohen, Rep. Olympia Snowe, and Gov. John R. McKernan. The Internal Revenue Service recently granted the service a tax-exemption, which means that veterans can write off their donations.

Meanwhile Horn and his wife, who is a nurse at Mercy Hospital in Portland, will continue to devote themselves to any of the 1.2 million Vietnam veterans who might be looking for each other.

THE NEED FOR EARLY WARNING

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MARKEY. Mr. Speaker, over the last few months, many political observers have questioned why Members of Congress feel so strongly about the issue of plant closing notification. After all, the provision mandating 60 days warning of plant closing was only one small part of a massive trade bill. I believe, however, that such issues of human dignity are compelling and worth fighting for. That is why the plant closing provision was included in H.R. 3. That is why the House overrode the President's veto, and that is why both the House and Senate have overwhelmingly passed separate plant closing legislation.

I wish, Mr. Speaker, that S. 2527 was unnecessary. I wish that we in Congress could protect every American worker from the pain of layoff. I wish that we could stop the plant closings that destroy families and destroy dreams. I wish that every man and woman in this country could go through life secure in the knowledge that their skills will always be needed and that they will never be forced to start over. Until such time, however, we in Congress have an absolute responsibility to make sure that when workers do lose their jobs, they are treated with as much dignity and respect as is possible. In poll after poll, workers say that the most important thing a business can do to ease the pain of being laid off is to give them advance notification. Notification means time so that they can explore alternatives to company closings, time so that they can retrain and look for new jobs, time so that they can prepare their families for the economic and emotional hardship, time so that American workers can pull their lives together and move on.

We have seen that executives of corporations are often provided for through golden parachutes or relocation opportunities. But what about assemblyline workers in that same company? Do they deserve any less respect or consideration? And what about the communities in which they live? Don't they deserve fair treatment?

At the heart of this issue is the very fundamental question of human worth. Opponents of this legislation, seem to believe that timely notification of layoff is a privilege. I profoundly disagree. A worker's dignity and dreams are immeasurable. We have an obligation to do whatever we can to help the working men and women of this Nation preserve their dreams and dignity. The President should sign S. 2527.

DON'T DIVERT BILLIONS OF GALLONS OF WATER FROM THE GREAT LAKES

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. KLECZKA. Mr. Speaker, a drought relief proposal to divert water from the Great Lakes to the Mississippi River has come to my attention. Laudable as this goal is, I strongly oppose this radical plan because of its potentially disastrous long-term economic and environmental consequences.

Citing the threat of severe damage to the Great Lakes, Dr. Kenneth Hare, chairman of Canada's Climate Program Planning Board, claimed that the diversion, combined with the impact of the greenhouse effect, could "quite clearly threaten the future for" neighboring Americans and Canadians.

Over two decades ago, the Supreme Court weighed in against unilateral lake water diversions—such as are currently being threatened by some—when it ruled that any future diversions would have to be approved in advance by the Court.

Faced with declining water levels in the five lakes, the Council of Great Lakes Governors and the Senate Great Lakes Task Force have advised caution in proceeding with this project until its necessity, efficacy, and ecological impact can be fully assessed.

Governors of the Great Lakes States take the need to maintain water levels in the lakes so seriously that they did not support altering them even when their own valuable lakefront properties were being flooded last year.

While opposition to the diversion has been strong throughout most of the Great Lakes region, support for the concept has basically been limited to one State. Oddly enough, some of those now pushing hardest for diversion were firmly opposed only 3 years ago.

Mr. Speaker, I would strongly urge my colleagues and other public officials who support diversion to consider alternatives for assisting shipping down the Mississippi River before pushing ahead with this poorly conceived and potentially ruinous undertaking.

BANKING FOR THE WEALTHY

HON. FERNAND J. ST GERMAIN

OF RHODE ISLANDIN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ST GERMAIN. Mr. Speaker, a few years ago CitiCorp shocked even the most hardened observer of the banking industry by requiring that customers keep $5,000 in their account in order to use a live teller. What the bank didn't count on was the ire of its customers who refused to bank at the ATM machine. CitiCorp's policy was soon shown to the door.

But, some never learn. This week CitiCorp announced that it is requiring customers to maintain a $3,000 minimum balance. Customers with less than $3,000 face stiff monthly fees and charges for every check and ATM transaction. Modest use of the account could easily cost the customer $20.

CitiCorp has actually done us a favor by giving us exhibit 1 on why we need basic banking services—at a reasonable cost—for low and moderate income people. Last week I released a committee print—the "Depository Institutions Act of 1988"—which requires financial institutions to offer a low-cost checking or savings account to customers with $1,000 or less on deposit and who make 10 or fewer withdrawals a month.

Again, if anyone questions the need, I refer them to CitiCorp's blatant effort to price moderate-income families out of their bank.

INSENSITIVITY OF TREATMENT OF NATIVE AMERICAN CITIZENS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. RICHARDSON. Mr. Speaker, today I rise to briefly address certain comments made by President Reagan before students at Moscow University. While speaking to these students about native Americans, the President stated that, "Maybe we made a mistake in trying to maintain Indian culture. * * * Maybe we should not have humored them in that, wanting to stay in that kind of primitive life style. Maybe we should have said, 'No, come join us. Be citizens along with the rest of us'."

These comments epitomize the insensitivity with which this administration has treated its native American citizens. I can only imagine the severe discouragement and frustration our native American citizens must have felt when hearing their President stand before the world and speak with such inexcusable ignorance about their history and themselves. Sadly, these comments are not without precedent. In the first Reagan administration, Secretary of the Interior James Watt viewed native Americans and their culture with similar misunderstanding if not outright contempt and derision.

As the Member of Congress with the largest native American constituency, I have been witness to the misdirected policies borne of such ignorance. I have seen the often insurmountable odds these people face in their struggle for understanding, justice and equality. I have heard their frustration when faced with insensitive and unresponsive government. For this reason, I believe I have a unique responsibility to call attention to these statements.

President Reagan's comments have, duly so, been subject of much criticism. I do not pretend to have anything new to add to this commentary. I do, however, wish to call to the attention of my colleagues the following letter to President Reagan from Louis Naranjo, Jr., Governor of the San Ildefonso Pueblo, which is in my district. One only needs to read Governor Naranjo's letter to understand the sheer and utter ignorance underlying the President's comments.

Mr. Speaker, I call attention to President Reagan's comments and include Governor Naranjo's letter in the RECORD in hopes that this incident will stand as a stark reminder of how much further we must go to erase the prejudice which has hampered native American progress.

PRESIDENT HAS REVEALED IGNORANCE OF INDIAN HISTORY

The following letter, addressed to President Ronald Reagan, was sent to The New Mexican for publication:

Like many other American Indian leaders, I was surprised and very disappointed to hear about the remarks you made to some Russian university students in Moscow about American policies toward the Indian people. You seemed to be saying that the United States decided to "humor" the Indians by letting them stay on their reservations and continue their "primitive lifestyles" but that accommodation was probably mistaken, and that the government should have just made the Indians fit into the white man's way.

Unfortunately, your understanding both of the history of American policy toward the Indian and of the motivation behind that policy seems sadly lacking. The United States did not let Indians stay on the reservations; it forced them onto them, and frequently came back and moved them somewhere else so the whites could take the land the Indians had previously occupied. Even the reservations weren't secure; when the whites needed more land, they came back and carved up the reservations to get it.

Nor has the government ever overdone it in trying to maintain Indian culture. For most of American history, Indian language and culture were brutally suppressed, both by the government agents and by the missionaries the government helped establish among the Indians. Many Indians alive today have vivid memories of being beaten by BIA boarding school teachers for speaking in their native languages.

As for inviting people to "join us, be citizens along with the rest of us," you probably have been reminded several times by now that in 1924 all Indians became U.S. citizens. But long before that, more than a century ago, the government tried to turn us into white men, through the General Allotment Act.

I know you were trying to put America in a good light for the Russian students, but I would bet they know more about American treatment of the Indians than your remarks indicate that you do. I think America would come off looking better to foreigners if our leaders would own up to the cruelty and treachery of past policies toward the Indians, and acknowledge that Indian people are now trying to take control of their destinies themselves. And if the government, your administration for example, had a policy of real support for tribal governments, one that helped tribal governments perform their governmental functions, I think we could make America's sorry record of treatment of the Indian people a thing of the past. As it is, statements like those you made in Moscow emphasize the government's utter failure even to understand the problems of the Indian people, much less to do anything constructive to solve those problems.

LOUIS NARANJO, Jr.,

Governor, San Ildefonso Pueblo.

DROUGHT HURTING MARYLAND FARMERS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. DYSON. Mr. Speaker, even the bright, clear, sunny skies of summer can be cruel. While some families respond to the summer heat by heading off to the shore, there are 7,000 farmers in Maryland's First Congressional District who see disaster in the cloudless horizon.

For 6 of the past 8 years, these farmers have endured drought-stunted harvests. This year, with rainfall far below normal, farmers are once again searching the sky for signs of life-giving water. If it doesn't come soon, disaster will.

Last year's drought cost Maryland's farmers an estimated $113 million. Thirteen counties were declared disaster areas, and since 11 of these were in Maryland's First Congressional District, I heard from thousands of my farming constituents about the weaknesses of the Agriculture Department's disaster relief programs.

The Agriculture Department operates two important programs offering drought-stricken farmers disaster relief. Unfortunately, few of the drought's victims ever qualify for these programs. Despite last year's losses, farmers in Maryland received only $1.2 million of relief from the Crop Insurance Program. The reason is simply that Federal crop insurance is too costly for small family farmers to afford.

My first concern, Mr. Speaker, is for the farmers and their families that desperately need and desire Federal relief. But we must adopt new programs if this relief is to be available to the farms in my district.

Not since the Dust Bowl years of the Great Depression have the Nation's farmers suffered weather as harsh and unforgiving as the drought of 1988. Even as we in Congress are forging new emergency relief legislation, the withering heat continues to beat down on farms from Montana to the Eastern Shore of Maryland, which I represent. As of last week, nearly 1,900 counties across the country had been declared eligible for some form of Federal disaster assistance, and this includes each and every county in my congressional district.

I want to applaud the efforts of the House Agriculture Committee, and especially Chairman DE LA GARZA, in crafting a drought relief bill that offers the hope and help that farmers need to get through this disastrous season. This plan will tell American farmers that the American people support them and are willing to take whatever steps are necessary to protect them from the worst effects of this year's drought.

The relief package is especially important to the farmers in my district. It opens the doors of Federal assistance to smaller, drought burdened farmers that have been shut out of the Crop Insurance Program. Without the help that is offered in H.R. 5015, the Drought Assistance Act of 1988, many of these families will not be in the farming business next year. So we must act, and act swiftly to adopt this important legislation.

Under the terms of H.R. 5015, all farms that lose more than 35 percent of their crops to the drought will qualify for Federal assistance, regardless of whether or not they have Federal crop insurance. For losses above this level, farmers will receive 65 percent of the crop's estimated value.

This cash relief, in combination with other provisions in the bill, should not only protect farm income. It will help to buffer the fragile economy of rural communities and to stabilize food prices for consumers.

Mr. Speaker, H.R. 5015 is tentatively scheduled to come before the Congress on July 28. Between now and then, if the drought drags on and the situation worsens, more may need to be done to shield our farmers from even greater losses. But H.R. 5015 is an excellent beginning. It has broad bipartisan support in both the Senate and the House, where I have joined with 75 of my colleagues in cosponsoring the bill. I am therefore optimistic that we will move swiftly to enact this legislation and that we will have relief available and on its way to our farmers before harvest time.

PLANT CLOSING BILL IMPORTANT FOR THE AMERICAN WORKER

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ANDREWS. Mr. Speaker, over the past 2 weeks both the House and the Senate passed what has come to be known as the "plant closing bill." Simply stated, this bill would require that those few companies which are not otherwise inclined to do so must inform employees of a plant closing or of plans to lay off a substantial percentage of workers at a particular site 60 days in advance of the action.

The benefits of advance notification are clear. It would allow governments and communities time to adjust to a new economic situation. More importantly, it would give workers the opportunity to begin searching or retraining for new employment so that they may continue to support their families. This would not only be good for workers, but would also save the taxpayers' money in the form of lower unemployment compensation payments. In the end the shock to workers and to local economies would be greatly lessened.

It is true that the business community has voiced some legitimate concerns about advance notification. In fact, many of these same concerns caused me to vote with a majority of my colleagues to defeat a different plant closings bill in 1985. However, this time around we worked to ensure that these problems were addressed, and I believe we were successful.

For example, there was legitimate concern that the 1985 bill did not sufficiently allow for the realities of the marketplace which might prevent a company from giving advance notification. This year's plant closings bill recognizes these realities. It provides for the effects of unforseen business circumstances. It provides for situations in which a company is legitimately struggling to avoid closing a facility. It further provides for the different circumstances faced by smaller businesses. I believe that the integrity of independent business decisionmaking is well preserved in this bill.

The administration argues that the plant closings provision would adversely affect the ability of American companies to compete internationally. However, much evidence suggests that this would not be the case.

Many of our principal partners in international trade already have similar laws—including Japan. In fact, many of our European allies have much more strict plant closing laws. In addition, many U.S. companies have determined that an advance notification policy would not hurt competitiveness and have decided to voluntarily implement such a policy.

Perhaps most significantly, the Labor Department's own Task Force on Economic Dislocation and Worker Adjustment contends that an advance notification provision would actually enhance competitiveness by speeding the readjustment of displaced workers into new, productive employment. In this way advance notice would save the country unemployment costs, while it saves workers the anguish of being suddenly unemployed.

This, of course, is not the first time Congress has considered the plant closings issue this year. On May 24, 1988, President Reagan vetoed the omnibus trade bill presented to him by the Congress. Years of study and discussion went into this proposal designed to reform our trade policies to ensure that U.S. workers and U.S. industry receive fair treatment in the international marketplace. The reason given for the President's veto is the very same plant closings provision.

That Congress was determined to bring this provision up as a separate measure even after the trade bill veto illustrates the importance that we in Congress attach to it. Again, it passed overwhelmingly in the House and the Senate and again the President is expected to veto it.

While it is clear that we would need to carefully monitor the effects of this bill, the bottom line is that it succeeds where other bills have failed. The Congress has recognized this. The President should recognize it. Workers deserve advance notification of plant closings.

INTRODUCTORY STATEMENT

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SCHEUER. Mr. Speaker, today I am introducing a concurrent resolution, submitted by Senator INOUYE in the Senate, which recognizes the contributions of the Pacific Forum to peace, economic progress, and security in the Asia-Pacific region.

Since 1975, the Pacific Forum has brought influential leaders from Pacific nations to work toward the resolution of international problems of mutual concern.

On January 9 to 11, six other Congressmen and I participated in the fourth Pacific parliamentary caucus, sponsored by the Pacific Forum and the Atlantic Council.

The caucus brought together Members of Congress and Parliamentarians from a wide variety of perspectives, enhancing problem-solving between the United States and our partners across the Pacific. Trade, especially improved access to Asian markets, and strategic relations were at the forefront of our discussions.

I commend the Pacific Forum for their exemplary contribution to furthering dialog on economic and strategic issues of vital interest to the United States.

H. CON. RES. —

Concurrent Resolution expressing the sense of Congress regarding the Pacific Forum

Whereas a unique private initiative known as the Pacific Forum was established in Hawaii in 1975 to improve dialogue among the nations of the Asia-Pacific region and to enhance political and economic progress in the region through an environment of stability and security;

Whereas the Pacific Forum is an independent nonprofit institution that has generated its own financial support during its more than 13 years of existence;

Whereas the Pacific Forum has conducted a variety of studies, assessments, and seminars on a range of policy issues vital to the public interest;

Whereas the Pacific Forum brings together influential leaders of business, academia, and government of the Pacific nations to work toward the resolution of international problems of mutual concern to the various nations;

Whereas the Pacific Forum has organized the Pacific Parliamentary Caucus, which brings together under private auspices congressional and foreign parliamentary leaders for informal consultations and debate on vital issues of international policy;

Whereas the Pacific Forum seeks to convert ideas into better public policies;

Whereas the Pacific Forum is performing a unique public service in the Asia-Pacific region by contributing to a greater and more sophisticated understanding of complex issues and problems that are sources of friction between nations;

Whereas, because of its record for incisiveness and practical recommendations on issues of public policy, the Pacific Forum has come to be highly respected throughout the Asia-Pacific region;

Whereas, if private initiatives similar to the Pacific Forum had been created at an earlier date, some crises resulting from differences between nations might have been averted; and

Whereas the Congress should recognize the unique abilities of the Pacific Forum and utilize them whenever practical: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the Pacific Forum should be commended and congratulated for its contributions to the foundations of peace, economic progress, and security in the Asia-Pacific region;

(2) the abilities of the Pacific Forum should be utilized by the appropriate committees of the Congress whenever it would be useful and in the best public interest to do so; and

(3) particular considerations should be given by the committees of the Congress whose jurisdictions include matters regarding relations between the United States and the nations of the Asia-Pacific region to utilizing the Pacific Parliamentary Caucus established by the Pacific Forum.

PERSONAL EXPLANATION

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. LELAND. Mr. Speaker, the United States will spend close to $300 billion on this Nation's defense in fiscal year 1989. Congress is ultimately responsible for ensuring that we eliminate unnecessary defense spending. H.R. 4481, the Defense Savings Act, proposes to close military bases which are no longer central to this Nation's defense needs.

Due to unforeseen circumstances on Tuesday, July 12, I was unable to cast my vote for Congressman ARMEY's substitute to H.R. 4481. Had I been present, I would have voted "nay" on this measure, roll No. 223.

UNITED STATES KARATE ASSOCIATION

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. RICHARDSON. Mr. Speaker, I would like to honor a group of outstanding athletes from the Martial Arts Academy who are constituents of mine. These individuals are traveling today to Phoenix, AZ, to compete in the U.S. Karate Association World's championship tournament. Last year this event drew competitors from every State and from more than 20 nations.

The Martial Arts Academy, located in Santa Fe, NM, has been the home of the No. 1 karate team in America for the last 3 years. Recognized by the U.S. Karate Association, the oldest and largest karate organization in the country, this team has won more individual first place titles than any other karate team in the world.

Coached by Mr. Kerry Li, a six-time national champion and three-time world champion, the Martial Arts Academy team also won the team world championships in Irvine, CA, with seven first place titles.

The team roster, consisting of males and females ranging ages 5 to 40, is:

Allen Anderson, Lisa Apodaca, Chris Beltran, David Bohlin, Ian Boyd, Patricia Flores, Steve Flores, Linda Foster, Roxanne Garcia, Raul Gonzales, Vanessa Gonzales, Jim Hadley, Graham Hess, Josh Hess, Debbie Higgins.

Jerry Higgins, Nance Levitt, Michael Lucero, Michelle Lucero, Yvette Lucero, Roderick Lujan, Vicky Lujan, Ralph Marquez Jr., Christy Miller, Diane Miller, Jason Miller, Mark Miller, Nicholas Miller, Alfredo Miranda, Candice Monteil.

James Montoya, Mark Montoya, Perry Montoya, Darlene Ortiz, Eliza Ossorgin, Michael Ossorgin, Riley Ossorgin, Russell Pack, Linda Fortago, Daryl Sakeva, Veronica Salazar, Spencer Schultz, Bill Tallen, Edna Tenorio, Eileen Varela, Henry Varela, Zane Ward, Anthony Zuni.

Also joining the national championship team in Phoenix for the tournament from the Kerry Li's Martial Arts Academy are:

Pedro Coca, Mark Miller, Phil Rael, Damon Goodman, Maria Ley, Eric Lucero, Jeremy Lopez, Elena Padilla Vigil, John Van Damme, Dion C de Baca, Daniel Maki, Matt Martinez.

GEORGE SOROS' INSIGHT ON EAST-WEST ECONOMICS AND POLITICS—JOINT VENTURES AS THE KEY TO PERESTROIKA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. LANTOS. Mr. Speaker, in the aftermath of the recent Moscow summit and the Soviet Communist Party Conference, a great deal has been said and written about the changes currently underway in the Soviet Union. Clearly what is happening there has great importance for the United States and for our foreign policy.

One of the most insightful and important analyses of the Soviet economy in the age of "perestroika" and "glasnost" is a recent article that appeared in the London Financial Times by my good friend George Soros.

Mr. Soros writes from a background that gives him special expertise in this particular area. He was born in Hungary and experienced the upheaval of World War II. He was educated in Hungary after the Communist government came to power there. Since coming to the United States, George Soros has become an extremely successful Wall Street financier and is currently advisor to the Quantum Fund. At the same time, he has established the Soros Foundation, which has an extremely successful record of philanthropy in Hungary and other countries of Eastern Europe, the Soviet Union, and China.

Mr. Speaker, I commend to my colleagues the article by Mr. Soros, "The Soviet Economy: Joint Ventures: A Way To Make Perestroika Work," which appeared in the Financial Times on June 15 of this year.

[From the London Financial Times, June 15, 1988]

THE SOVIET ECONOMY: JOINT VENTURES: A WAY TO MAKE PERESTROIKA WORK

(By George Soros)

The internal transformation under way in the Soviet Union is potentially the most promising historical development since the end of the Second World War. The war brought about the demise of Nazism; the current changes could mean the end of Stalinism in the Soviet Union. Mr. Gorbachev has launched an all-out effort to break with the Stalinist past. There is no reason to doubt his intentions; but one cannot avoid having grave doubts about his chances of success.

Stalin has been dead some 35 years; but so great has been the devastation wrought by his reign of terror that the country has not been able to rid itself of the structures that he has left behind. Khrushchev tried but failed. Gorbachev has already gone much further than Khrushchev ever did in introducing free speech, or glasnost; but in order to attain the kind of popular support which is necessary for a more democratic regime, he must also succeed with his plans for economic reform, or perestroika—and that is where his difficulties lie.

In the absence of economic progress, the hopes raised by glasnost will yield to disappointment and eventually disorder. Disorder will invite repression and the window opened by Gorbachev's initiative will be shut tight.

The Soviet Union is at a great disadvantage when compared with other communist regimes which are attempting to introduce market-oriented reforms. Both China and Hungary have been successful in agriculture and this has provided a solid base for further reforms. China has the overseas Chinese community to draw on and in Hungary the spirit of enterprise has never been totally extinguished. In addition, both countries have received considerable support from the World Bank and other foreign sources. Even so, the reform process has run into difficulties, especially in Hungary.

In the Soviet Union, the infrastructure necessary for economic reform is simply non-existent. Job security on the one hand and the lack of anything attractive to buy with rubles on the other have removed all incentives for efficient production. The only rewards available are the perks of office, and they have nothing to do with efficiency. There is a truly astonishing lack of understanding of the market mechanism at all levels of society. Newly permitted co-operative enterprises encounter almost insuperable obstacles and widespread hostility. In my opinion, perestroika cannot succeed without the infusion of managerial and entrepreneurial skills from abroad.

The Soviet Union has recognized the need for joint ventures but is unwilling to spend hard currency on consumer goods. Without proper access to the domestic market, joint ventures cannot reach the critical mass which would be needed for them to make an impact on the Soviet economy.

The perceived wisdom, both in the East and the West, is that foreign borrowing is best used for investment purposes. This doctrine is perilous for a planned economy because a state mechanism cannot invest efficiently. The amounts wasted can be very large, as the experience of Eastern Europe in the 1970s has shown.

It would be much better for the Soviet Union to allocate a large amount of hard currency for consumer goods. This would help reestablish the value of money and build immediate popular support for perestroika. Given the proper incentives, joint ventures could be relied on to make the right investment decisions. They would create an enclave of efficiency, which would have a much-needed demonstration effect on the rest of the economy.

Presumably, there would be a two-tier currency system consisting of a convertible and a nonconvertible ruble. The difficulty lies in designing the proper transmission mechanism between the two currencies. It is imperative to avoid inflation in non-convertible rubles because it is through the enhanced purchasing power of his money that the ordinary citizen would benefit from perestroika.

This could be accomplished by allowing domestic distributors of consumer goods to bid for convertible rubles on a competitive basis. The resale of these goods for non-convertible rubles would reduce the supply of money and enhance its purchasing power.

Even so, it may be necessary to remove the overhang of unspent rubles by exchanging them for convertible rubles. The availability of desirable consumer goods at reasonable prices would render the exchange tolerable and the enhanced purchasing power of the ruble would allow the authorities to introduce much-needed price reforms in the rest of the economy.

The periodic auctions would establish an exchange rate between convertible and nonconvertible rubles. Goods produced by joint ventures would enjoy a competitive advantage over imports due to their lower hard-currency content. This would be reinforced by a scale of tariffs which would be stiffest for finished goods, and most lenient for capital goods. Another option is to make a preferential allocation of currency for the products of foreign companies which agree to set up joint ventures. Foreign participation in distribution and other services, where the need for efficiency is even greater than in manufacturing, would be also encouraged. Profits could be converted at the exchange rates established by the periodic auctions.

To ensure critical mass, several billion dollars' worth of rubles would have to be auctioned off every year. The auctions could tail off gradually as both exports and import substitution pick up. Even so, the foreign exchange requirements would exceed both the willingness and the ability of the Soviet Union to borrow.

It is at this point that imaginative leadership from abroad could play a decisive role. An international banking syndicate could be formed to finance the auctions as well as the credit requirements of the joint ventures. Half the capital would be subscribed by the Soviet Union (pledging some of its gold reserves) and half by the developed countries, including Japan and even Korea.

Large-scale foreign credit would have to be conditional on a large-scale reduction in conventional armaments. Since both issues are complex and time is short, the two sets of negotiations would be best carried on concurrently.

IN SUPPORT OF THE WOMEN'S BUSINESS OWNERSHIP ACT OF 1988

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. CONTE. Mr. Speaker, it gives me great pleasure to join with the distinguished gentleman from New York, JOHN LAFALCE, the chairman of the Small Business Committee, in support of the Women's Business Ownership Act of 1988. He is to be commended along with my very good friend, JOE MCDADE, the ranking minority member of the Small Business Committee, for initiating this bold and visionary legislation. I am proud to be an original cosponsor.

The rise of women-owned enterprises has been nothing less than phenomenal. Prior to 1970 women owned less than 5 percent of all U.S. businesses. Now they own about 30 percent. By the year 2000 women could own 50 percent of all U.S. businesses.

More and more women are finding that small business self-employment is the major pathway to full economic participation in our economic system. Any barrier to that, be it stereotyping, statute, or sex discrimination, needs to be eliminated now.

The Women's Business Ownership Act of 1988 implements recommendations made in the Small Business Committee report, "New Economic Realities: The Rise of Women Entrepreneurs." Its six titles provide for legislative findings and purposes, management and technical assistance, procurement assistance, access to capital, a national Women's Council, and increased statistical data. It is a comprehensive solution to a pressing national need.

Prosperity requires equal opportunity in our economic system by all segments of our society. The Women's Business Ownership Act of 1988 opens that door for women entrepreneurs. This bill stands for opportunity—the opportunity to be financially equal, the opportunity to participate equally, and the opportunity for equal realization of the American dream—owning your own business.

I have always fought for equal opportunity for all Americans. Recently, I cosponsored and worked for the successful passage of H.R. 4174, the SBA Reauthorization Act of 1988, which contained sections for a new guaranteed loan program and management and training programs for women entrepreneurs. I am also a cosponsor of H.R. 1897, the Equal Access to Commercial Credit Act, which closes a number of loopholes in the Equal Credit Opportunity Act of 1974 that prohibited full access to capital by women.

The Women's Business Ownership Act of 1988 does all that and more. In particular, it focuses on the area of my greatest concern—equal participation in the Federal procurement process.

I believe that the provisions establishing goal setting in prime contracts and subcontracts and agency outreach to women business enterprises will effectively increase WBE participation well beyond the 1 percent now achieved.

While there were many memorable quotes, stories, and statistics during our hearings on women entrepreneurs the comment that best sums up the intent of this bill was by Esther Shapiro, who said she wanted to find a way to go into business together—the women entrepreneur and the Federal Government. Well, Esther, today we are doing just that. The Women's Business Ownership Act of 1988 is going to make us, the Federal Government and women entrepreneurs, partners in prosperity.

Mr. Speaker, I support this bill because it offers a comprehensive menu of initiatives that will implement the recommendations of the committee report.

The Women's Business Ownership Act of 1988 is based on the findings of the Small Business Committee hearings regarding the growing importance of women owned businesses in our economy. Women owned enterprises have become a major contributor to the American economy. In their quest for economic equality and independence women have made substantial gains. However, they are still subjected to gender related discrimination, whether it is in the form of obstructing their ability to raise or secure capital, to acquire managerial skills, or to obtain market opportunities. The purpose of this legislation is the removal of these discriminatory barriers women owned businesses—both startup and on going—now face in the marketplace. The programs and activities included in the Women's Business Ownership Act are intended to provide women entrepreneurs equal opportunity for full participation in the mainstream economy.

The Women's Business Ownership Act of 1988 establishes a management and technical assistance demonstration program. The committee hearings demonstrated the need for specialized programs to provide management training and technical assistance for women business owners. Women today are the most educated generation in the history of this country and are a resource whose potential has not even begun to be fully utilized. When this potential is realized the possibilities are endless. Although many women are pursuing careers in traditionally male dominated fields, many are still lacking the management and technical knowledge needed to run a successful business. Women entrepreneurs need organized training programs, not only to market their ideas, products and services, but to provide information on the technical aspects of starting a business. Public/private partnerships could serve as a source for many innovative ideas. Women need programs which utilize the experience and expertise of America's accomplished women entrepreneurs.

The Women's Business Ownership Act of 1988 requires that special efforts be made in the areas of procurement assistance and subcontracting. The Federal Government through its purchasing of goods and services should reflect the diversity of the business community in the United States. This is hardly evidenced in the 1 percent of Federal procurement dollars which women owned businesses now receive. Affirmative efforts and outreach programs on the part of all Federal agencies is needed to utilize the expanding capabilities of women owned enterprises. Supporting women's business enterprises in the Federal contracting system is just good business.

The Women's Business Ownership Act of 1988 amends the Equal Credit Opportunity Act of 1974 to close a loophole that prevents equal access to commercial credit by women and minorities and requires lenders to establish sound business practices and to apply objective criteria when evaluating loan applications. Women today continue to confront barriers in receiving commercial loans due to their gender. While there are numerous legitimate reasons for denying an individual access to credit, many women business owners have often felt that they were denied a loan for subjective rather than objective reasons. Three provisions have been incorporated in the bill to protect against discrimination and stereotyping of women by financial institutions. Applicants must receive in writing the reasons for the denial of their loan application, the institution must retain loan records for a specified amount of time and women are not required to reveal their marital status.

The Women's Business Ownership Act of 1988 establishes a National Women's Council to deal with the special problems women entrepreneurs face. The council, comprised of nine members, will be responsible for the promotion of aid to, and the promotion of, women owned businesses in the United States. They shall prepare multiyear plans of action specifying goals and actions for a overcoming the discriminatory barriers which inhibit the full participation of women entrepreneurs in the economy. The council assures that the Federal Government will take its proper role in promoting growth, entrepreneurship and innovation in the area of women owned business.

The Women's Business Ownership Act of 1988 calls for the improvement of statistical information and data on women owned businesses in the United States. Most of the data we now rely on does not even identify the gender of the business owner. Improvements in the collection of statistical data will include a combined study by the Department of Labor, the Department of Commerce, and the Small Business Administration and will require Federal agencies to report to the Office of Federal Procurement Policy concerning the number of women owned small businesses which are first time recipients of contracts from the agency.

Women entrepreneurs are not looking for special treatment, they are looking to us for special efforts to help eliminate the absurd barriers they now face in the mainstream economy. They are looking for opportunity. Women are just as willing as men to work hard to make their business survive and prosper. This bill responds to the recommendations made by many of the finest women in America's business community and it deserves our legitimate consideration.

The spirit of entrepreneurship is the mainstay of the American economy. Women, like men, contribute to the GNP and should be given every equal opportunity to reach their full potential in the mainstream economy. Women business owners should be commended for their initiative, and for overcoming the hurdles they faced and continue to face in America's business communities. Discrimination is always a difficult issue to address but through this legislation we hope to eliminate much of the meaningless discrimination women face in the business world and allow them to compete on an equal footing with male owned businesses.

I am proud of my role in helping America's women entrepreneurs. I urge all my colleagues to give this legislation and the report that prompted it, due consideration.

ON NELSON MANDELA'S 70TH BIRTHDAY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. HOYER. Mr. Speaker, Americans are keenly aware, despite the restrictions on press freedom in South Africa, that apartheid is being challenged as never before.

Apartheid is an abomination. It is a moral affront to all humanity. It is also a threat to the stability, peace, and economic future of southern Africa. One of the men most active in the early years of the struggle to bring freedom and dignity to South Africa is Nelson Mandela.

As introduced by the Afrikaner Nationalists in 1948, apartheid is a 40-year-old racist system of economic, political, and social privilege. This institutional repression is being challenged as never before in Nelson Mandela's 26-year imprisonment.

On July 18 Nelson Mandela becomes a septuagenarian. Long ago he became a living symbol of the fight for human dignity that is being waged by the people of South Africa against the apartheid regime.

Nelson Mandela will almost certainly spend his 70th birthday in a South African prison. During the years of his confinement, he has witnessed growing resistance to a system that deprives millions of people of color of fundamental human rights. To this day, he continues as a symbol of the struggle against a regime that elevates one human being above another based on the color of his skin.

Over the years, the South African Government has proven that it is unwilling or unable to begin a process that will end the political and economic domination of southern Africa by a racial minority.

This system threatens each of us, and deprives us of a small measure of our humanity as long as we permit it to persist. Apartheid, as a system of governance, as a system of economic and political domination, is doomed. It will not survive.

In recent months, however, the South African Government has continued its effort to reimpose complete control over a persecuted but restive people.

Now in their fourth year, the state of emergency regulations, totally devoid of due process, were extended on June 11;

The UDF and 17 other antiapartheid organizations were banned;

Rent, consumer boycotts, community services, and school life are defined as "security concerns."

But to quote South Africa's minister of law and order, "The climate of revolution is still boiling just underneath. * * *"

Absent major change in the current situation in South Africa, concerted international economic pressure that deprives white South Africans of the relative prosperity they have come to enjoy and expect is our most effective foreign policy tool. An unprofitable apartheid will loose its broadest constituency.

As we pause to make the birthday of a true freedom fighter, the Congress of the United States is on the verge of imposing sweeping new sanctions against a regime that has made strenuous efforts to co-opt its opponents and silence its critics—efforts that should have been directed toward genuine political reform leading to the dismantling of apartheid.

I had hoped that Nelson Mandela's 70th birthday would be marked by passage in the House of Representatives of a comprehensive sanctions bill. Regrettably, we will miss that target by a few days.

But when the House does act on H.R. 1580, the "Dellums bill," we can celebrate the beginning of what I hope will be an international campaign, led by the United States, that will make apartheid as unprofitable as it is inhumane.

There could be no better testament to America's commitment to principles of freedom and human dignity; there could be no better birthday wish for Nelson Mandela.

TRIBUTE TO THE LATE GLADYS NOON SPELLMAN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. STOKES. Mr. Speaker, I rise to pay tribute to our former colleague, Gladys Noon Spellman, who passed away on June 19, 1988. With her passing the Congress and the Nation lost an outstanding individual and a committed public servant.

During her tenure in the House, Gladys Noon Spellman developed a keen sense of what her constituents wanted. She was a tireless advocate on behalf of the residents of Maryland's Fifth Congressional District. As chairwoman of the Subcommittee on Compensation and Employee Benefits of the House Post Office and Civil Service Committee, she was also a champion of the rights and interests of Federal employees. She also served as a member of the Steering and Policy Committee and was a founding member of the Congresswoman's Caucus.

Mr. Speaker, Gladys was a warm and gracious individual. On several occasions, my family and I traveled with Gladys and her family on our annual New York congressional trip. Our families became good friends.

I will long remember Gladys Noon Spellman as a friend and colleague. My family joins me in extending our deepest sympathy to Gladys' family and friends.

SHAW COMMUNITY CENTER FOOD COMMITTEE HONORS DR. GRAINGER BROWNING, JR.

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. FAUNTROY. Mr. Speaker, it gives me great pleasure to bring to the attention of my colleagues in the House of Representives the outstanding community service of Dr. Grainger Browning, Jr., pastor of the Ebenezer African Methodist Episcopal Church located in Fort Washington, MD.

On Saturday, July 23, 1988, the Shaw Community Center Food Committee will honor Dr. Grainger Browning, Jr., for his visionary leadership in the Christian community and his commitment to improving the quality of life for people in the greater Washington metropolitan area. He is also being recognized for his various contributions as a minister of the Gospel, teacher, and community service administrator.

A graduate of Hampton Institute of Hampton, VA, Dr. Browning pursued a Master of Divinity degree from the Howard University Divinity School in Washington, DC. His professional experience includes positions with the Maryland county government, the Associated Catholic Charities of Washington, DC, and the Massachusetts Public Schools.

Mr. Speaker, I am honored to have the opportunity to extend my personal best wishes to Dr. Grainger Browning, Jr., for the distinguished service he and his church have rendered to our local community. I invite my colleagues to join me in saluting this young man whose life's work has benefited the young and the old.

DELAWARE WINNER OF VOICE OF DEMOCRACY CONTEST

HON. THOMAS R. CARPER

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. CARPER. Mr. Speaker, I want to take this opportunity to bring to the attention of House Members the following inspiring words of Delaware's VFW Voice of Democracy scholarship winner, Stacy M. Conkey of Clayton, DE.

AMERICA'S LIBERTY—OUR HERITAGE

There are two definitions of heritage, the dictionary's and the peoples of America. The dictionary says heritage is property that descends to an heir. To the people of America, our heritage is something much more important. Our heritage is something which our ancestors fought for and we cherish as a most precious gift.

The definition the dictionary gives to liberty is simply freedom. This is all the definition necessary because in that one word many ideas are expressed. America's liberty, or freedom, is our right which represents to us everything that we hold dear. Our liberty is the backbone of everything from our government to our family vacations.

A long time ago, several people got together and decided that they had had enough of a certain King and all the ties that he had placed on them. They had been on their own in a new world for awhile and felt they were ready to run things their own way. They wanted to make everything legal, so a couple of chosen men sat down and wrote everything which was expected as a result of their freedom and all the reasons why. From their determination and need of independence we have our famous Declaration of Independence which marks the beginning of our liberty.

The beginning of America's liberty didn't simply stop there. It took a lot more than writing words on a piece of paper to obtain the freedom we enjoy today. It took fighting and bloodshed, fear and determination, changes and adjustments before the rights we enjoy today were established. And above all, it took a strong sense of righteousness and belief in what they were doing for our ancestors to build the foundation for our lives today. There had to have been many times when things looked so bad that they could have turned back and abandoned all their dreams for freedom. However, they didn't and that's why today we owe it to them to fight just as hard.

There are many ways we can uphold the liberty which has been given to us. The most effective way is by using our voting rights wisely and to their fullest extent. By electing the right people who uphold our government, we can feel secure that we have someone pulling for us and our rights. The many freedoms we enjoy are available because of our democratic government so it is our heritage of liberty has brought many opportunities to our country which others don't enjoy. Because of this, I feel it is our duty to spread the word to other peoples and offer them the same opportunities. We can't push our beliefs on others but we can open our country to those who desire to share heritage. It's been said that good things are better when shared, and if that be the case we should all benefit from offering our country's liberty to others.

This year marks the 200th Anniversary of our liberty and offers us the opportunity to remember our ancestors for all they have given us. Celebrations will be going on everywhere to express the American people's joy for their freedom. Our appreciation has to go beyond parties and fireworks however. We need to carry our joy and appreciation into every day of our lives and do all we can to uphold what we have, build upon it, and spread its opportunities to all those who desire to share in our heritage.

STANDARDS FOR INCINERATION NEEDED

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. DWYER of New Jersey. Mr. Speaker, I am privileged to be counted among the cosponsors and supporters of H.R. 2787, a bill introduced by my colleague from New Jersey, Congressman JIM FLORIO. This bill would amend the Clean Air Act to control emissions from municipal waste incinerators.

On June 26, 1988, the News Tribune of Woodbridge editorialized in support of the bill. I would like to share that editorial with the House at this time:

[From the News Tribune, June 26, 1988]

STANDARDS NEEDED FOR INCINERATORS

There is belated common sense in a proposal by Rep. James Florio to establish uniform standards for the performance of garbage incinerators.

Florio, a Democrat from Camden County, has introduced legislation which would amend the federal Clean Air Act by setting standards for the operation of existing and future incinerators, and by stating rules for disposal of the ash that is left over after garbage is burned.

Such a measure could address the fundamental fear that makes many people oppose the adoption of incineration as an alternative to landfill disposal of solid waste—the fear that what comes out of the stack and what is left over in the furnace will present hazards to the environment and to public health.

There is no lack of data or experience on which to base such standards. Highly sophisticated methods of incineration and severe criteria for emissions already exist and are in use. Putting the most demanding of these standards in the form of law will on the one hand discourage false economy or inadequate research in the development of new incinerators, and will help to reassure those who are afraid of the consequences of burning garbage. For states or smaller jurisdictions to build incinerators on the basis of individually established standards is a case of the cart before the horse.

Congress should take the opportunity afforded by Florio's bill to examine the incineration processes that exist elsewhere in the world and provide that the best of them be employed in solving the garbage problem confronting much of the United States.

COLORADO WINNER OF VOICE OF DEMOCRACY CONTEST

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. HEFLEY. Mr. Speaker, it gives me great pleasure to congratulate Scott O. Rowland for his outstanding script on America's liberty and heritage. Scott is the Colorado winner of the Voice of Democracy scriptwriting contest. This is quite an honor for Scott since he was chosen among 300,000 secondary school students to compete for the nine national scholarships available.

I would also like to commend the Ladies Auxiliary of the Veterans of Foreign Wars of the United States for conducting this contest. It encourages our Nation's young people to improve their writing skills by giving them the opportunity to be nationally recognized and awarded for their efforts. The following is Scott's winning script, titled "America's Liberty—Our Heritage":

AMERICA'S LIBERTY—OUR HERITAGE

Imagine, if you will, Valley Forge, in the year 1777. The American forces have just received two defeats at Germantown and Brandywine. Supplies and morale are at an all time low. But the men stay to fight! Why? Out of love for a country barely born. These Americans created our heritage.

Imagine, again, the Union Army, in the year 1861. Disease and Confederate snipers are taking a heavy toll on the men. Many yearn to return to their farms, their wives and children. But they stay! Why? Out of love for a country that is still but a child. These Americans preserved our heritage.

Imagine, one last time, a classroom in the America of today. The students sit sullenly, not meeting the gaze of their teacher, who sighs wearily. Each and every one of them has failed the history final. This is the culmination of a semester of not doing homework, and listening to their friends, instead of lectures. Why? Out of indifference for a country matured into a world power. These Americans endanger our heritage.

This is very strange. If a Chicano, a Negro, a native American were asked to give up his or her heritage, they would become irate, and very offended. If a Christian, a Jew, a Moslem, were asked to give up his or her heritage, they would defend it in an instant. Yet daily, without conscience or concern, Americans give up their national heritage, and then ask, "What difference does it make"?

The difference that it makes is that our heritage is the source of all the liberties we enjoy today. Our ancestors fought a war to secure these liberties, not only for themselves—but for their posterity. Many more men died to preserve these liberties for us. Surely, we, in this age, can muster ourselves to salute our flag, or honor Veterans Day—or pass history class.

Because if we can't, we risk losing the heritage of liberty that our forefathers fought so hard to create and maintain for us. If we lose it, we've lost it, not only for ourselves, but for those Americans who follow us. It is our turn to create a heritage of liberty for those to come.

THE DIVERSION OF ESSENTIAL CHEMICALS

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. HUGHES. Mr. Speaker, the Wall Street Journal today described in an excellent front page story the enormous problem of the diversion of industrial chemicals from legitimate manufacture and distribution in the United States to the clandestine manufacture of cocaine in South America. Widely used industrial solvents like acetone, ether, methyl ethyl ketone, and toluene are necessary to refine coca paste and cocaine base into cocaine hydrochloride which is exported to the United States. Another chemical, acetic anhydride is used for the conversion of opium into heroin. The CIA reports that Mexico's import of acetic anhydride has increased by an astonishing 1,160 percent over 4 years while its GNP increased only 2.6 percent.

The Judiciary Committee has developed a bill, the Chemical Diversion and Trafficking Act of 1988, part of the omnibus antidrug bill, H.R. 4916, to prevent this diversion. Exports and customers would have to be reported to DEA. The Subcommittee on Crime worked closely with DEA and with the chemical industry to develop a strong bill which will not interfere with legitimate commerce. I want to commend the American chemical industry for recognizing the problem and its willingness to work out an approach that will give DEA information about chemical transactions and exports that will enable DEA to prevent this kind of diversion.

Enactment of this measure will be a very important step in preventing the flow of cocaine from Colombia, Ecuador, Peru, and Bolivia to the United States.

The bill will also be extremely important in controlling the traffic in the chemical precursors of controlled substances such as amphetamines, PCP, and LSD, which are manufactured in clandestine laboratories. This is a critical problem in California, Oregon, Texas, and some other regions.

I insert the Wall Street Journal article in the RECORD at the conclusion of my remarks:

[From the Wall Street Journal, July 13, 1988]

UNITED STATES-MADE CHEMICALS SUPPLY NARCOTICS LABS ACROSS LATIN AMERICA

(By Stanley Penn)

Frank Torres was the balding, nondescript operator of a Miami import-export business when opportunity knocked. It was a Colombian drug ring that wanted to Buy American.

The job sounded easy. Purchase in the U.S. a fairly common chemical—which happens to be vital to cocaine manufacture—and ship it to Colombia. But Frank Torres blew it.

He placed a suspiciously large order for 1,300 barrels of ether with J.T. Baker Inc., a Phillipsburg, N.J., chemicals distributor. He offered to pay cash, and he let slip that the ether was headed for Colombia. Also, he asked that the 55-gallon barrels not be labeled—he would do that himself. The company tipped off federal agents.

By the time Mr. Torres got his ether, agents had planted electronic beepers inside the barrels. They tracked the shipment by satellite from Tuscola, Ill., through New Orleans, to a cocaine factory known as "Tranquilandia" deep in the Colombian jungle. There, a national police raid netted 8.5 tons of cocaine. Mr. Torres now is doing five years in prison.

A STEADY U.S. SUPPLY

Mr. Torres's story is unusual only in that he was so heavy-handed that he was caught. For even as the U.S. rails at Latin American governments for failing to curb narcotics trafficking, a steady flow of American-made chemicals is keeping those countries' drug factories running.

"The evidence we've got is that most of the chemicals used in processing cocaine and heroin in Latin America originate in the U.S.," says Gene R. Haislip, a deputy assistant administrator for the federal Drug Enforcement Administration.

A raid on a Colombian cocaine lab in May underscores the point. The lab, near the cocaine capital of Medellin, was stocked with 154,000 gallons of ether and acetone—enough to produce 33,600 kilograms of cocaine with a New York City street value of $2.7 billion. "Between 80% and 90% of the chemicals originated in the U.S." says a U.S. government source.

American chemical suppliers insist that they aren't happy about such things. They say they try to sell only to reputable customers, and alert the DEA on suspicious orders, as Mr. Torres discovered. Currently, a chemical industry trade group is backing a congressional bill that would give the DEA more power to track exports, and would increase penalties on suppliers who aid narcotics traffickers.

HIDDEN IDENTITIES

Still, some chemical companies concede that at times they don't have the foggiest notion of who really gets what they sell or how it is used. That is partly because narcotics gangs may buy in small batches, use dummy companies and trade with multiple suppliers to disguise their identities.

But federal drug agents believe at least a few distributors and brokers—whom they won't identify—also want it that way. "The level of apathy and actual complicity on the part of [U.S.] businessmen has increased significantly," the DEA's Mr. Haislip charged before a House subcommittee on crime last fall.

In any event, one thing is clear: One way or another, the U.S. chemical industry is supplying a lot more of certain products to Latin America than legitimate businesses there can possibly use.

A Central Intelligence Agency report recently circulated among federal officials says that shipments of ether, acetone, toluene, methyl ethyl ketone (MEK) and acetic anhydride far exceed quantities needed to make such products as paint, artificial sweeteners and aspirin. Narcotics makers use these same chemicals in the reactions that turn raw materials like coca or opium into cocaine or heroin.

CIA statistics indicate just how big the imbalance is. From 1983 to 1986, shipments into Latin America of the so-called ether-substitutes acetone, toluene and MEK soared about 125%, while industrial activity in most of the region rose only 2% to 15%.

A separate DEA analysis concludes that as much as 47% of the 10,000 tons of ether, acetone, and MEK shipped from the U.S. to Colombia, Bolivia, Peru and Ecuador last year may have gone to make cocaine. Together, those four countries produce all the cocaine smuggled back to the U.S.

Chemical suppliers, of course, may have reaped only their routine profits on such sales, which appeared headed to legitimate industrial customers. But middlemen in the illicit chemical trade get huge markups. A 55-gallon barrel of ether that starts out at about $400 in the U.S. may bring $2,200 to $4,500 by the time it hits the Colombian black market.

That represents a bargain for narcotics makers, nonetheless. As long as U.S.-made chemicals keep coming, they don't need cumbersome and costly plants, equipment and scientific manpower to produce their, own.

POSSIBLE REGULATIONS

Congressional anti-drug legislation now under consideration includes one measure that backers hope will complicate this flow of chemicals. U.S. companies would have to notify the DEA 15 days before filling an order from a new foreign customer, so the DEA could check the purchaser's credentials. Now chemical exports are wholly unregulated.

The bill, supported by the Chemical Manufacturers Association, would also stiffen fines, prison terms and related penalties for deliberately dealing with narcotics traffickers, or those who could be reasonably suspected of being traffickers. That is already a crime; the challenge has always been—and remains—proving intent.

On the other hand, the more the measure upsets the supply of chemicals, the greater the likelihood of new headaches. Illicit drug makers, if faced with soaring black-market costs, might decide to steal their chemicals. "That could mean violence—break-ins at warehouses, just like Prohibition," says one source. At minimum, security costs for suppliers and shippers could rise.

For the part two years, the U.S. Customs Service at major ports has been providing the DEA with information on who is exporting such chemicals as ether, acetone and MEK to Latin America. The data have helped the DEA identify some suspect shipments and shippers, an official of the agency says.

UP A BLIND ALLEY

But dead ends and blind alleys still crisscross the trail from supplier to trafficker. Mallinckrodt Inc., a St. Louis-based distributor, acknowledges that it has "discovered on occasion" that its ether and acetone were used in the manufacture of illicit drugs in Latin America. A spokeswoman says, "We have no idea how the material ended up in the wrong hands."

The chemical distribution system contributes to the lack of knowledge, even when there are only a few manufacturers. A case in point is acetic anhydride, needed to make heroin, much of which comes in from Mexico. The U.S. is Mexico's chief supplier of acetic anhydride, and only two companies here, Eastman Kodak Co. and Hoechst Celanese Corp., produce it.

Kodak makes a billion pounds annually, mostly for itself. It sells about two million pounds to six U.S. distributors, who resell to others. Kodak knows the identity of the end users of one million pounds, but can't account for the rest. Hoechst Celanese sells acetic anhydride to "dozens of distributors," a spokesman says. In some instances, "we know who the distributor sells to," the spokesman says. "In some cases, we don't."

Neither company would identify its distributors. However, one major U.S. distributor of the substance is Union Carbide Corp. It says that it doesn't know specifically what its customers do with it.

BUY IT ANYWHERE

At the other extreme are chemicals that are everyday products. Acetone, used in cocaine manufacture, is produced by at least 13 companies and sold by 50 major distributors. It is available at paint and hardware stores across the country.

Some countries try to restrict ether and acetone imports, requiring local users to establish a legitimate need. For traffickers, that is a minor nuisance. "In one Central American country, we've seen cases where it comes in as acetone. They slap new labels on it, and it's shipped out as paint thinner," says a DEA agent.

When Colombia and Ecuador imposed controls on ether, traffickers just stepped up their use of substitutes, including MEK and toluene. From 1983 to 1987, MEK imports into those countries combined rose 82% to 14.4 million pounds, according to Census Bureau figures.

Middlemen also devise roundabout supply routes. U.S. authorities believe some use the tiny country of Suriname on the north coast of South America as a way station. "The chemicals sit in Suriname to let the trail get cold," a U.S. lawman charges. Then suppliers ship the material "down the Suriname coast to Brazil. It goes down the Amazon River, through Brazil, into the back door of Colombia."

NEW ROUTES APPEAR

In 1986, Etienne Boeren-Veen, identified as commander of the Suriname army, was convicted in Miami federal court of conspiring to use Suriname as a haven for cocaine smuggling and for shipping U.S. ether to illicit users. He received a 12-year prison term.

A new worry, according to the CIA, is "the growing importance of the Caribbean as a drug-processing and transshipment point." In the past four years, toluene shipments from the U.S. to the Dominican Republic have risen nearly fourfold, to 774,000 gallons, Census Bureau figures show.

Chemicals are also showing up in Panama, consigned to dummy customers with neither warehouses nor telephone listings, U.S. law-enforcement officials say. Once the material is unloaded from freighters, middlemen smuggle it into Colombia in small boats, the officials say.

According to a U.S. indictment filed in Miami this year, one of the more famous beneficiaries of this illicit trade has been Panamanian strongman Gen. Manuel Noriega. In early 1984, the U.S. alleges, 500 barrels of ether and acetone were delivered by Panamanian troops to a military air base. they were then flown by DC-6 to a narcotics cartel in Colombia. Gen. Noriega received $250,000 in cash, according to the indictment. He has denied the charges.

NO PURCHASE NECESSARY

Of course even rigid control of sales and exports wouldn't hinder some activities. Miami-based Isaac Industries Inc. was shipping acetone to a customer in Ecuador a few years ago when it simply vanished in Panama. "We never recovered our product," says company president David Evans. He figures someone secretly rerouted the shipment to Colombia.

And a small-time back market will always thrive, suggests another U.S. exporter, who ships MEK to Columbia and Ecuador: "Let's say we sell MEK to a paint manufacturer in Latin America," he says. The paint company's warehouse man, "making $200 a month, gets a phone call saying, "I'm willing to buy a drum for $1,000.' What do you think he is going to say?"

THE ARKANSAS DISCOVERY

HON. JOHN PAUL HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. HAMMERSCHMIDT. Mr. Speaker, many of us here in Congress have watched with interest the development of superconductivity. In fact, today the Republican Research Task Force on High Technology and Competitiveness held a hearing on this very subject. I was pleased to have the opportunity to introduce Dr. Allen Hermann and Dr. Zhengzhi Sheng from the University of Arkansas-Fayetteville to the task force.

One point that we heard over and over again this morning is how crucial it is that all of us in this country—industry, academia, government—work together to develop this new technology. As I'm sure my colleagues are aware, there will be awesome opportunities available to the Nation that can adapt this new technology for commercial purposes. As Dr. Hermann mentioned at the hearing, the annual worldwide market projection for high Tech superconductors as projected by Japanese researches at Sumitomo are $360 million annually at the temperature of liquid helium (4.2K), $3.6 billion annually at the temperature of liquid nitrogen (77K), and if no refrigeration is required (400K), $36 billion annually.

Doctors Hermann and Sheng are at the forefront of the worldwide race to unlock the full potential of superconductivity by developing room temperature superconductive materials. Their research, in particular, their August 1987 breakthrough, known around the world as the Arkansas Discovery, has moved us significantly closer to this goal. The breakthrough made at the University of Arkansas has been noted in news and scientific journals around the world. Following are some of the articles written on the Arkansas Discovery:

[From Newsweek, Mar. 21, 1988]

SUPERCONDUCTIVITY HEATS UP

(By Sharon Begley)

For just over a year now, battalions of scientists have been trying furiously to invent their version of the electric future: new "warm superconductors" that carry current with no loss of power and that do so at reasonably high temperatures. But despite 20-hour days, intense rivalry and inspired alchemy, no one had made much progress since early 1987, when researchers concocted superconductors that work at 93 Kelvin (minus 292 degress Fahrenheit). "The whole business had been stuck for a year," says physicist Allen Hermann of the University of Arkansas. "Now we're moving again."

The first signs of progress came when Japanese researchers announced one new family of superconductors built around the element bismuth. Their triumph was repeated almost immediately by Paul Chu's lab at the University of Houston (NEWSWEEK, Feb. 8). In the latest breakthrough, announced in the last two issues of Nature magazine, Hermann and his colleague, chemist zhengzhi Sheng, have come up with another class of superconductor. Both new compounds work at temperatures that are positively balmy, compared with last year's models, and rely on materials that are more readily available.

The first superconductors, discovered in 1911, worked only at temperatures near absolute zero (minus 459 Fahrenheit). Nothing much changed for 75 years. So the discovery of superconductors that operated at warmer temperatures created feverish excitement. Not only did they carry electricity with no resistance, but they did so at higher temperatures and therefore did not require cooling by expensive liquid helium. That led to visions of superconducting computer chips, power lines and motors—all more efficient, compact or cheaper than those from existing materials. But last year's headliners were made with rare earths, which are uncommon and expensive. The latest two compounds aren't; instead, they contain ordinary bismuth or thallium, a metal used as a rat poison. Already, a version of Hermann's thallium compound has bested the rare earths in the temperature war; IBM researchers in San Jose, Calif., report that it works at 125 Kelvin, 30 Kelvin hotter than the earlier materials.

Even more significant than the improvement temperature, the new compounds prove that rare earths are not crucial to warm superconductivity. That means scientists can try recipes using almost anything in the chemical cupboard, which should increase their chance of finding materials that superconduct with no cooling at all. The new compounds have other pluses. Both are more stable than the rare earths, resisting attack by chemicals in the air, and less easily degraded by moisture. They are also simpler to make and seem to be more malleable, so engineers might have less trouble fashioning them into such practical devices as wires.

TRIAL AND ERROR

Don't buy thallium futures yet, though. Scientists don't know whether it or the bismuth compound can carry enough current to serve as, say, power lines. In fact, theorists are still bemused by warm superconductivity; the puzzle has attracted—and frustrated—the best physicists in the world, none of whom has been able to figure out how these compounds work at the atomic level. Inventing new compounds, therefore, has been a matter of trial and error. Hermann says, only half-joking, that his group hit upon thalium "because we'd tried everything else." Having bismuth and thallium to study, in addition to the rare earths, should provide a clearer map toward the field's holy grail; a room-temperature superconductor.

[From Inside R&D, the Weekly Report on Technical Innovation, Mar. 9, 1988]

RARE EARTH-FREE SUPERCONDUCTOR EMPLOYS THALLIUM

Researchers at the University of Arkansas have discovered a rare earth-free superconductor ceramic. New material has a transition temperature of 81 K and uses the highly toxic metal thallium instead of a rare earth element such as yttrium.

Preparation of the thallium-barium-copper oxide superconductor takes 5 min, needs a short duration melt, and does not require oxygen annealing. Preparation process for the thallium compound has been duplicated by superconductor researchers at the University of Houston and at research centers in Switzerland and Japan. The thallium oxide compound may be meltable and possibly could be used to form wires. The Arkansas researchers also found that by replacing some of the alkaline earth metal barium with calcium they could raise the transition temperature of the thallium compound to 123 K. Additional research is needed into crystal structure, materials and controlling the process.

Researchers at Arkansas decided to examine superconductive properties of elements other than rare earths because research with them seemed to be plateauing in terms of temperature levels and fabrication possibilities. Also, rare earth are both rare and costly. Clearly, there is beginning to be a shift in research toward bismuth-based compounds. Arkansas researchers are but one group working in this area. Others are Bell Labs, Bellcore, University of California at San Diego, Colorado State, DuPont, among others. Researchers in Japan have also succeeded in developing rare earth-free superconductors—based on bismuth. (See Inside R&D, Feb. 10, 1988, p. 8.) Keep your eye on Bi-oxide materials.

[From the Research News, Mar. 11, 1988]

THALLIUM SUPERCONDUCTOR REACHES 125 K

(By M. Mitchell Waldrop)

A little more than 2 years after the original, Nobel Prize-winning discovery of high-temperature superconductivity in copper oxide ceramics at 40 K, and almost exactly 1 year after the discovery of 90 K superconductivity in the "1-2-3" copper oxides, the floodgates seem to have opened. The recently announced bismuth-strontium-calcium copper oxide compound, which established the existence of a third type of superconductor with transition temperatures in the 95 K range, now appears to be the harbinger of a broad new class of such materials.

On 22 January, the same day that the bismuth discovery was announced by Japanese researchers, Allen Hermann and Zhengzhi Sheng of the University of Arkansas announced their discovery of a thalliumbarium copper oxide material that achieves zero resistance to electrical current at 81 K. More recently, the same two researchers have found that the addition of calcium produces a new material that retains zero resistance up to 106 K. Both of the thallium compounds have exhibited the Meissner effect, in which they exclude magnetic flux; this is considered the most stringent test of superconductivity.

Finally, on 3 March, researchers at the IBM Almaden Research Center announced that a proprietary combination of the same elements-thallium, calcium, barium, copper, and oxygen-achieves zero resistance and displays the Meissner effect at 125 K, by far the highest critical temperature yet recorded. The IBM group included Victor Y. Lee, Adel Nazzai, Edward M. Engler, and Stuart S. P. Parkin.

Arkansas's Herman told Science that the pace of recent events was brought home to him during the recent World Congress on Superconductivity, which met in Houston during the week of 22 February. "We gave our paper [on the thallium-calcium-barium copper oxide results] on Monday evening at 5 p.m.," he said. "By Tuesday morning DuPont had verified it. By Tuesday evening, Paul Chu's lab in Houston had verified it. And by Wednesday morning we got word that Tokyo had verified it. So it's been confirmed all over the world."

Hermann pointed out that the new, calcium-containing thallium compound exhibits many of the same practical advantages already displayed by the bismuth-containing superconductor, most notably the fact that it is much more stable than the 1-2-3 materials. Moreover, it can be produced by straightforward melt processing, and does not require a painstaking regimen of annealing after it is sintered. "The stability is excellent," Hermann said. "We've left samples around in the lab for 5 weeks without change."

The new material also resembles the bismuth compound in that it does not incorporate rare-earth metals such as yttrium, as do the 1-2-3 superconductors. In principle this should make it considerably cheaper to manufacture in bulk. Of course, thallium itself is in relatively short supply. Worse, it is highly poisonous. (One current use is in pesticides.) On the other hand, Hermann, for one, did not see either of these issues as insurmountable. "I don't think either bismuth or thallium is magical. There's a whole family of these compounds, and I think we're going to find easier ways to make them."

One key parameter for large-scale applications of any superconductor is its critical current, the maximum electrical current density that it can carry before the superconductivity fails. Unfortunately, said Hermann, no one has yet been able to make a meaningful measurement of that quantity in the thallium material because no one has been able to prepare a sample having a single crystalline phase. That will surely be a top priority in the months to come. Intriguingly, however, x-ray diffraction analysis of the material has identified two very different structures, both of which are superconducting at essentially the same temperatures.

In one phase, said Hermann, the elements thallium, calcium, barium, and copper are in the ratio 2:1:2:2. Moreover, the crystalline structure in this case turns out to be quite similar to that of the bismuth superconductor. Both feature two parallel planes of copper oxide separated by a plane of calcium atoms. Indeed, these copper oxide planes appear in all the high-temperature superconductors, and are thought to provide the pathways for supercurrents to propagate. (Most researchers have now dismissed the idea that the supercurrents are carried along one-dimensional copper-oxygen chains.)

In the second phase, however, things are quite different, said Hermann. The four metallic elements are in the ratio 2:2:2:3, and the crystalline structure has three copper oxide planes separated by calcium planes. "I think there are whole families of compounds out there with these copper oxide planes," he says. "We just have to learn how to make them and stabilize them."

[From the High Tc Update, Mar. 15, 1988]

BULK SUPERCONDUCTIVITY MEASURED AT 120K

Last issue's "Nota Bene" was devoted to recent developments with superconducting bismuch compounds. Now, just two weeks later, the hottest news concerns thallium compounds, some of which have been measured to have zero resistance at 125 K. We have been able to include a number of preprints on this topic in this issue's "Preprint" section. A note of caution: the salts of thallium are highly poisonous; the sulphide is an effective rat poison.

A. M. Hermann *et al* at the University of Arkansas announced in February that they had measured bulk superconductivity at 120 K in the $Tl - Ca - Ba - Cu - O$ system with confirmed magnetic onset at 119 K, resistive onset at 123 K, and zero resistance at 106 K. According to Hermann, they have seen a critical current of more than 215 A/cm^2 at nitrogen temperature at zero field, but they think it is actually much higher. Their material has 2122 and 2223 phases: 2122 is similar to bismuth, but 2223 has never been seen before. They think the material has three copper-oxide planes in the unit cell. To process the material, they used a melt process they had developed earlier [See *Appl. Phys. Lett.* 51, 1854 (1987)]. Sheng and Hermann have recently published two articles on this material: a March 3 Nature article describing a thallium-barium (no calcium) compound, with a not-yet-identified crystal structure, and a March 10 Nature article describing research with calcium added to the thallium compound. In addition, the March 7 Phys. Rev. Lett. has an article by Sheng *et al* on the thallium-barium-copper oxide. Additional preprints (listed in this issue) include Hermann *et al* on magnetization measurements; Hazen et al on structure; Sheng *et al* on critical current; and Gao et al on bulk superconductivity in the material.

PHYSICIANS AND MEDICARE

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. HUBBARD. Mr. Speaker, I was recently contacted by my good friend Peter A. Ward, M.D., F.A.C.S., of Paducah, KY, the No. 1 plastic and reconstructive surgeon in Kentucky, regarding physicians' feelings and frustrations about Medicare.

Dr. Ward's letter and enclosed article to me point out a very serious flaw in the Medicare system that should be examined by our U.S. House of Representatives. I therefore submit Dr. Ward's correspondence for my colleagues to read and also to consider the article entitled "Medicine's Changing Environment: Coping With Medicare" by Linda Bosy, a freelance writer in the Chicago area.

JUNE 30, 1988.

Hon. CARROLL HUBBARD,
Mayfield, KY.

DEAR CARROLL: Enclosed is a short article on Medicare which I thought you might enjoy reading. For the most part I think it sums up many physicians' feelings and frustrations about Medicare. I know with the exception of the last paragraph or two, it sums up my feelings and experience with Medicare. However, I would not encourage any young person to enter the field of medicine at this point in time. It is my feeling that as physicians lose more and more of the decision-making process in treating patients, more and more physicians will be leaving the field and perhaps in 5 to 10 years we may actually experience an acute shortage of physicians.

I will be continuing to forward related material to you in the future because you are my representative in Congress and for the good of this Nation I hope you will become interested in the problems facing health care providers and recipients in the coming years.

Sincerely,
PETER A. WARD, M.D., F.A.C.S.,
Paducah KY.

MEDICINE'S CHANGING ENVIRONMENT: COPING WITH MEDICARE

(By Linda Bosy)

In the mid-1960's, renowned cardiac surgeon Michael E. DeBakey, MD, testified in favor of a proposed federal health insurance program, Medicare. His colleagues were shocked when the distinguished member of organized medicine supported the complex reimbursement program designed to cover a majority of health care costs for those 65 and older (and some younger disabled or end-stage renal patients).

Such federal intervention into the private practice of medicine was considered anathema by members of organized medicine, most of whom were fee-for-service practitioners.

Recently in an interview with the AMA's American Medical News, however, Dr. DeBakey admitted that he never would have supported the federal program if he had known what would ensue. Endless regulations incomprehensible even to those charged with administering the program, leave participating and increasingly, nonparticipating physicians and their staffs groping for ways to comply and understand new Medicare rules, let alone explain them to patients or their families.

New regulations introduce each legislative session that reduce physicians' autonomy in treatment decisions, have led Dr. DeBakey and other health professionals to criticize the mounting $77.6 billion federal program.

Some say Medicare, and its state-administered companion, Medicaid, were the harbingers of public and private intervention programs into the practice of medicine.

In the 1987 Congressional session alone, 118 provisions in the Budget Reconciliation Act related to Medicare, adding confusion to the already complicated public program.

Such tinkering each legislative session with the 23-year-old program prompted James H. Sammons, MD, AMA executive vice president, to state recently: "I would hope (Congress) would seriously look at the whole question of Medicare. Congress has just carved it to death, slice by slice, to the point that it doesn't solve any of the problems of the elderly. . . . What it really needs is a first-class overhaul."

Under Medicare, physicians who accept assignment consent to the Medicare allowed amount as full fee payment. About 30% of physicians agree to particpate, but almost all physicians treat some Medicare patients. (In 1986, people over 65 accounted for 40% of the inpatient hospital days, 33% of visits to medical specialists, and 90% of nursing home care, a University of Michigan study reported.)

Most physicians can cite examples of disputed claims and rigorous objections resulting in formal appeals that translate into time and money.

The Health Care Financing Administration (HCFA), Medicare's administrating agency, continues to initiate programs aimed at reducing costs. Its sanctioned prospective payment system, which since 1983, metes out set fees to hospitals for treatment of specified illness categories, has resulted in the closure and merging of hundreds of hospitals across the nation.

Other cost saving experiments have included Medicare health maintenance organizations (HMOs), and a plan to begin a medical preferred provider organization (PPO). In March, HCFA agreed to a demonstration project allowing a union welfare fund to manage retired garment workers' health care with Medicare funds.

Producing a national uproar is HCFA's newest cost-cutting move that requires nonparticipating doctors to refund their fees to patients whose treatment was found "medically unnecessary" by the Medicare claims processing carrier.

In addition to federal legislation, state lawmakers have enacted laws mandating that physicians licensed there must accept assignment. In 1985, Massachusetts became the first state to mandate assignment, and since then, two others have passed various versions of mandatory assignment, including Vermont and Rhode Island.

In 1988, mandated assignment bills were introduced in 16 states. While the proposals were defeated in 10 of those states, legislation pending in Florida, New Jersey, New York, Ohio, and Pennsylvania follow the model of the Massachusetts law, which makes acceptance of the Medicare reasonable charge a condition of licensure.

Such moves have caused consternation and led to activism among physicians. As the executive director of the Connecticut State Medical Society explained it, "Our physicians would have greatly resented mandatory assignment" without consideration of the first statewide, voluntary "courtesy card" program already in effect. Under that program, seniors under certain income levels are assured of receiving medical care by physicians at the current Medicare fee.

Because neighboring Massachusetts had already enacted a mandatory assignment law, "our physicians were under tremendous, unprecedented pressure" to accept assignment, said Timothy Norbeck, the Connecticut society executive.

Not without a heated battle did the Connecticut legislature pass a voluntary assignment bill, calling for acceptance of Medicare fees by physicians treating single elderly patients with incomes of $19,500 or less, and married elderly patients with incomes of $24,000 or less.

Mr. Norbeck noted that the medical society's auxiliary was instrumental in publicizing the courtesy card program throughout the state to physician and senior citizen groups.

As a close observer of medical trends for 21 years, Mr. Norbeck said, "I have never seen one issue, Medicare, cause so much frustration among physicians. I hear this on a daily basis."

That viewpoint is shared by John D. Pattison, MD, a Marion, Ind., internist. "The situation is awful and getting worse." Dr. Pattison, who does not accept assignment but frequently sees Medicare patients, got so frustrated over an incident with Medicare that he helped create the Patient Advocate Committee (PAC). PAC staffers help patients and physicians understand the intricacies of Medicare reimbursement, and give seminars across the country.

Although his children are now grown, Dr. Pattison admitted that if they were at the stage to make career decisions and were considering going into practice of medicine, "I'd tell them they're crazy.

"Today, everyone (physicians) discuss their practices and how the happiness of practicing is going down the tubes," he said.

Stress from complicated Medicare or other insurance paperwork is usually not brought home by Dr. Pattison, but by his wife, who works with him in the office. "My wife tends to bring home more frustration some days," he noted.

"It's sad to see medical treatment out of the hands of doctors and into the courts and elsewhere," he added.

Current statistics suggest that many career-minded young adults are choosing non-medical despite high grades. In the past three years, the number of people applying to medical schools has declined 22 percent, from 35,944 to 28,123. Further declines are expected.

In a 1986 study conducted by the Association of American Medical Colleges, 29 percent of 500 students polled, who has scored well on medical entrance tests, were discouraged to attend medical school by physicians.

Medicare and Medicaid are not the only causes for physician exasperation. Cost cutting proposals by health insurance companies; rising professional liability insurance rates; pressure from large employers to trim health costs; intensifying consumer expectations of medicine and physicians; and baffling legal and ethical issues, present more than minor concerns to the nation's caregivers.

Indeed, the current medical climate "discourages many in medicine. It's hard enough to practice medicine and keep up, let alone keep up with regulatory and administrative changes," said James Stoetzel, MD, a general practitioner from Pine Bluffs, Wyo., about 40 miles west of Cheyenne.

Dr. Stoetzel, who witnessed the debut of Medicare and has dropped in and out of assignment, said Medicare isn't fair to physicians who keep their fees low. (He charges $18 for an office visit.)

Currently involved in a claims appeal with a PSRO, Dr. Stoetzel said his feelings about Medicare or medical economics in general don't disrupt his home life. "I grumble about things, but nothing serious," he said, despite recently suspending the obstetrics portion of his practice due to rising liability premiums.

Medicare has increased the elderly's access to health care, Dr. Stoetzel said, but added that he is disillusioned with the expense in maintaining the program. "The AMA tried to warn them (Congress) in the '60s about administrative costs," he noted.

None of Dr. Stoetzel's children chose to become physicians, but he didn't discourage them—nor would he dissuade others now.

"No matter what, medicine is still an exciting field," said the rural doctor who will spend a portion of his time opposing a move toward mandatory assignment in Wyoming this fall.

THE FATHERS RIGHT OF CHOICE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. DORNAN of California. Mr. Speaker, isn't the decision to be a father as much a matter of choice as that of a mother? I think so. Recently, an Indiana court ruled that the father did have say in whether a child he helped conceive had the right to life. Yet, in spite of a court order, his estranged wife, on the counsel of the American Civil Liberties Union, defied the order, and aborted her baby before the decision could be appealed.

While an Indiana appellate court ruled against the father a few weeks later, I am confident that if the decision is appealed to the Supreme Court, the high court will overrule the appellate court's unfortunate decision.

Mr. Speaker, the medical evidence unequivocally shows that life does begin at conception—not at some arbitrary point in between fertilization and birth. Anyone who objectively examines the issue can draw no other conclusion. I urge my colleagues to read about this tragic case and share in the sorrow of this Indiana father.

[From the Orange County (CA) Register, June 26, 1988]

ABORTED FATHERS—CHOICE TO KILL SHOULD NOT BE JUST FOR WOMEN

(By Mike Perry)

Commercial fishermen aren't wimps. Those who sail out of Seattle must battle the stormy North Pacific. It's grueling, dangerous work and every year men die. Yet one fisherman was openly and unashamedly crying.

Returning from his last trip, he discovered an unpaid bill in the mail. The law would, of course, make sure that he paid the bill even though he knew nothing about it.

As a husband and father, he would have to pay for his wife's abortion.

It wouldn't have been any different if he hadn't been at sea. Even if he had known about the abortion beforehand, he probably could not have stopped it. According to Roe v. Wade, the Supreme Court decision legalizing abortion 15 years ago, abortion is a private matter between the woman and her physician. Because of this, fathers who oppose the abortion of their children have been left in a legal limbo with few rights and even fewer options.

A growing number of men, however, are choosing to fight for legal recognition of their role in the decision to have children.

Earlier this year a 24-year-old Indiana truck driver was devastated to learn that his girlfriend was planning an abortion. In vain he promised to marry her or to take over all responsibility for raising the child. She said that she wanted to marry him and have children someday.

On April 4 he filed a paternity suit and secured a temporary court order barring the abortion. A week later, after hearing arguments from both sides, Circuit Court Judge Robert Brown issued an injunction forbidding the abortion.

On April 12 the case was appealed to the Indiana Supreme Court. The other side was apparently uncertain whether they could win because the next day the Indiana branch of the American Civil Liberties Union called the pro-life team to tell them the abortion had taken place in violation of the court order.

Technically, the case of "Baby H," as it has been called, is now over. But, in the midst of getting counseling for his grief, the father is continuing his court appeal in the hope it will help others.

In Salt Lake City, Michael and Jennifer Reynolds had one child and were expecting a second. She wanted an abortion and he didn't. As their marriage fell apart, Michael filed for divorce and custody of both children and obtained a court order prohibiting an abortion. The abortion took place anyway, but the case also is being appealed.

Often these cases accompany a collapsing marriage. A Long Island orthodontist named David Ostreicher claims that his wife tried to blackmail him by threatening to "kill the baby" if he didn't destroy their prenuptial agreement.

Ostreicher asks how the legal system can permit a woman to "use a fetus as a hostage" and threaten "to abort a husband's child if he doesn't do certain things." He is suing for divorce and monetary damages.

Roe v. Wade is drowning in its illogic. For 15 years the court system has told fathers they have no right to protect their unborn child. Yet those same courts aggressively insist that fathers pay child support.

If abortion is a private matter between a "woman and her physician," then child support must be an equally private matter between a man and his lawyer. If nine months of childbearing can't be legally enforced, then 18 years of child support certainly can't. Fatherhood has to be as much a matter of choice as motherhood.

On the other hand, if rights and responsibility go hand-in-hand then the madness of Roe v. Wade must end. Any society that ignores the special bond between father and child is doomed.

[From the Washington Times, July 14, 1988]

ABORTION RULING COULD CURB DAD'S SUITS

(By Linda Ponce)

An Indiana appeals court ruling that judges cannot block abortions opposed by the father could put an end to similar lawsuits in other states, pro-choice advocates said.

But the counsel to the National Right to Life organization called it "wishful thinking" to expect fathers' rights suits to disappear.

The Indiana Court of Appeals ruled 3-0 Tuesday a judge was wrong to block a Morristown, Ind. woman from ending her pregnancy because of opposition from the husband she is trying to divorce.

The ruling was the first from a state appeals court in a recent flurry of suits fathers filed in several states claiming their rights should be considered in the abortion equation.

The court said Shelby Circuit Court acting Judge Robert T. Thopy ignored U.S. Supreme Court rulings June 27 when he granted Erin Conn's request for an injunction preventing Jennifer Conn, 19, from having an abortion.

The judges said Mr. Conn had no right to veto his estranged wife's abortion decision since it "concerns only her." Mrs. Conn is about eight weeks pregnant and filed her divorce June 17.

The ruling was immediately appealed to the Indiana Supreme Court, and Mr. Conn, 23, asked the state's high court to block the abortion.

"Certainly the court of appeals decision was a disappointment," said James Bopp, National Right to Life counsel, handling the appeal.

He called the judges' opinion unpersuasive and said, "I don't think it will be given much weight by other judges.

Mr. Bopp said the trial judge's injunction remains in effect until the state supreme court rules, and, if Mr. Conn loses, an emergency appeal will be filed with the Supreme Court.

Richard Waples, legal director for the Indiana Civil Liberties Union, who represented Mrs. Conn, said the ruling was significant because it rejected "strained attempts';' to show the case was not bound by Supreme Court precedents.

"At least in Indiana we shouldn't see any more of these cases," he said. "I think it will put a stop to these cases in other states."

James Thunder, general counsel for Americans United for Life, which has monitored similar suits, said the ruling was "something of a setback" that "won't be enough to stop cases from coming."

An American Civil Liberties Union lawyer in New York City, Dawn Johnsen, said she was "completely confident the [state supreme] court will refuse" to issue an injunction against Mrs. Conn since the court recently turned down a similar request.

Pro-choice advocates contend recent fathers' rights cases are right-to-life groups' efforts to chip away at the Supreme Court's 1973 ruling in Roe v. Wade saying states cannot criminalize abortions performed during the first trimester of pregnancy. They say Roe and a 1976 ruling in which the court said states could not require a husband's written consent for an abortion make clear that the decision is between a woman and her physician.

New cases brought by fathers in Indiana and other states, including Utah, New York and Minnesota, contend those precedents deal with government action, not the rights of fathers.

Mr. Bopp said fathers are not seeking an absolute right to consent but want their interests balanced against the mothers' rights.

Trial courts in Minnesota and New York recently refused to block abortions at the fathers' request.

Two other cases are pending in Indiana. In one, currently before the court of appeals, the man won an injunction but the woman had an abortion anyway. In the other, the trial court issued an injunction but withdrew it, and the man appealed directly to the state supreme court.

SEMINOLE TRIBE CLAIMS COMMISSION DISTRIBUTION ACT

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. WATKINS. Mr. Speaker, by request I am today introducing a bill to provide for the division and use of funds previously appropriated and held in trust to benefit the Seminole Nation of Oklahoma and the Seminole Tribe of Florida, the Miccosukee Tribe of Florida and the Unaffiliated Seminoles of Florida. The funds are the result of a 1976 award by the Indian Claims Commission in dockets 73, 73-A, and 151. In those dockets, the Commission awarded the Seminoles $16 million in recompense for Florida lands taken by the U.S. Government in 1823. The background is this: In 1857, after a long war initiated by the Federal Government, 3,301 of the 3,426 Seminoles were captured and removed by force from Florida and relocated in what is now the Third Congressional District of Oklahoma, which I represent. The other 135 Seminoles remained in Florida.

Since 1976, there have been numerous attempts by the Oklahoma and Florida Seminole tribal leaders to reach agreement on an equitable division of the funds, which, with interest, now approach $40 million. In March of this year, tribal leaders of the two groups tentatively agreed on a 75-25-percent split, with the larger share going to the Oklahoma Seminoles. However, that agreement was rejected by the tribal council of the Florida Seminoles, who insist on a 50-50 split. This proposal is unacceptable to Oklahoma Seminoles, who point out that based on historical populations, the funds would be divided 96.08 percent to the Oklahoma group and 3.92 percent to the Florida interests.

It is obvious from this wide disagreement that the Congress must make a determination in the matter and I have, therefore, at the urging of the Oklahoma Seminoles and the Bureau of Indian Affairs, introduced this bill, which is similar to one earlier introduced in the other body. It calls for distribution of the award funds based on dockets 73 and 151, plus accrued interest in the following manner: 75.404 percent of the funds to the Oklahoma Seminoles and 24.596 percent to the Florida Seminoles, including the Miccosukee Tribe and the Unaffiliated Seminoles of Florida, less attorney fees and litigation expenses.

In addition, the bill provides that the funds deriving from Claims Docket 73-A shall be allocated by the Secretary of the Interior among the Florida people on a per capita basis. The Oklahoma Seminoles do not share in funds provided from this docket award.

Assistant Interior Secretary Ross O. Swimmer, who heads the Bureau of Indian Affairs, assures me that before any funds are distributed, the tribes must submit and receive approval of their plans for use of the funds. In other words, upon enactment of this legislation, the Treasury is not going to cut two huge checks to be given without restrictions to the Oklahoma Seminoles and the Florida Seminoles. A plan for use of the funds by each of the tribes must be submitted and approved by the Secretary of the Interior prior to disbursement of the trust funds to the tribes. Chief Ed Tanyan of the Seminole Nation of Oklahoma assures me that plans made with the agreement of the tribal council include a per capita disbursement from part of the funds, and that they plan to hold the major portion of the funds to be used in carefully calculated actions designed to benefit the Seminole people through programs for economic development and other needed programs to provide for the well being of the Oklahoma Seminole community.

The Florida Seminoles have relatively prospered economically, which is not the case of the Oklahoma Seminoles. The Oklahoma Seminoles have many needs which can be met, in part, by a timely distribution of the funds held in trust for the past 12 years.

Another aspect of this situation—the Seminole freedmen—I think cannot be addressed by the Congress and must be resolved ultimately by the courts. Before the removal from Florida the Seminoles owned slaves, who like those in previous servitude, were all freed by the 13th amendment to the U.S. Constitution in 1865. The Seminole freedman were removed with the tribe to Oklahoma and members are now organized as the Dosar Barcus (Barkus) and Bruner Bands of the Seminole Nation of Oklahoma. There was some incidents of intermarriage and intermingling of the two peoples.

A Interior Department solicitor's opinion has held that the freedmen are not entitled to Federal Indian program services due to their nonpossession of Indian blood or ancestry. The Dosar Barcus and Bruner Bands' membership, "with some possible exceptions * * * is not composed of persons who are capable of tracing their ancestry to prediscovery inhabitants of America," which is one of the two criteria to determine who is an "Indian." The other requirement is that the individual is considered an "Indian" by the community in which he lives. The Interior solicitor, while making the above determination has held, on the other hand, that participation of freedmen in the Seminole Nation of Oklahoma's Health Department Services, and health representative programs, manpower program, and community development program must be addressed to the Indian Health Service, the Department of Labor, and the Department of Housing and Urban Development, respectively. Further, it is my understanding that the freedmen have been allowed to participate in food distribution programs administered by the U.S. Department of Agriculture. I personally know freedmen who live in "Indian" housing under the auspices of the Seminole Nation Housing Authority. The freedmen, as the above indicates, are represented on the tribal council by the two bands. Members are, I am informed, permitted to vote in tribal elections. Unlike some of the other slave-owning tribes removed to Oklahoma such as the Cherokees and Choctaws, the Seminoles have never formally "set aside" the freedmen.

Mr. Speaker, I am not an attorney. I do know that a dear friend and former colleague of mine in the Oklahoma State Senate, a respected attorney, the late State Senator Bill Dawson, before his untimely death, spent many hours and weeks and months trying to establish the freedmen's legal and moral claim to share in the award funds. I do not know the right or wrong of it. I do not know the answer. It is my judgment that we could pose this question to five attorneys and get six answers, and I mean no disrespect to the legal profession.

I know it is a thorny question leading me to conclude that if the freedmen are included in the bill, litigation will result; if they are excluded, litigation will result. It is therefore my judgment that the Congress should do the best we can to provide for the equitable division of the accumulated funds between the Florida and Oklahoma Seminoles while leaving the freedmen question to the courts. I have supreme confidence in my colleagues in the entire legislative process and in the Congress, but I do not believe we can legislatively cut this knot without ruining the rope. As a consequence, this legislative proposal omits any reference to the freedmen. Yet I feel morally compelled to explain to my colleagues this situation and make it a part of the legislative history and have it included in the CONGRESSIONAL RECORD.

Mr. Speaker, it is my hope that the appropriate committee action will be speedily taken and the bill will be enacted by this Congress. These people have waited for 165 years and that is long enough.

HOUSE CONCURRENT RESOLUTION 339

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SWIFT. Mr. Speaker, today I join with Congressmen DINGELL, TAUKE, LOTT, SLATTERY, MADIGAN, DOWDY, OXLEY, MATSUI, and NIELSON in introducing House Congressional Resolution 339, a resolution which calls upon the Congress to enact legislation lifting current restrictions on the Bell Telephone Operating Companies that prevent these companies from engaging in their own manufacturing operations and from offering a full range of information services. These restrictions were imposed as a result of the 1984 AT&T divestiture decree. For a variety of reasons we believe that we can no longer rely on the Courts to forge our telecommunications policy.

Mr. Speaker, it is clear that, to those who have familiarized themselves with telephone systems in other countries, the United States has the best system in the world. One of the principal reasons for our good fortune is that in 1934 the Congress established that, as a matter of national policy, telephone service should be universally available at affordable rates. That's the good news. The bad news is that while much has changed that can threaten the viability of that policy, the Congress hasn't legislated a response; and our premier status is threatened.

Science and technology have revolutionized the world of telecommunications to the point that we are at the threshold of the Information Age. The technology necessary to tie into any computer data base in the world from your home desktop computer has been a reality for years. You can now shop, bank, pay bills, make reservations, and do an infinite number of other marvelous things by connecting up your terminal to the telephone line.

The trouble is that in the United States too few people are taking the opportunity to avail themselves of any of these innovative technologies and the myriad of potential consumer applications. Those that do tend to be upscale citizens with either a particular hobby or interest such as monitoring the financial markets. But the average American is simply not participating.

The situation in other countries is quite different. France, for instance, has established a nationwide interactive videotex information services system which they call "Teletel." The French created a special organization with a centralized administration to be responsible for the entire project. There are now over 2.5 million users in homes and offices throughout the country. Ten thousand new users are being added every week. The system offers 4,300 different services to these lucky users. Traffic on the French videotex network is up 170 percent this year over last.

Other countries, such as Germany, are perfecting similar national policies.

Our point isn't that we should have precisely the same policy as France or Germany; it's simply that we should have an updated and pertinent national policy, and that's Congress' job, not the FCC's or the court's.

Mr. Speaker, we should take immediate steps to adopt a policy that will make Information Age services available to all Americans regardless of whether they live in rural or urban areas. As with basic telephone service today, these Information Age services should approach universal availability and should be priced at affordable rates. This policy also needs to be flexible enough to allow U.S. business to respond to competition at home and abroad.

The question we must ask ourselves is whether existing Government policy provides adequate incentives to U.S. industry to invest in this Nation's economic and technological future. The restrictions imposed in the aftermath of the AT&T divestiture provide a negative answer to this question.

We believe we can do better!

In his March 7th Opinion, Judge Harold H. Greene suggested that regional telephone company participation in the development of information service "gateways" will enhance competition because only these companies have a wide enough customer base to introduce such services on a large scale. Similarly, he reasons that if the regional companies are encouraged to participate in this market, there is a greater likelihood that awareness about such services and their potential will grow. This is only partly true. The development of "gateways" alone will not do the job; the regional companies must be permitted to provide information "content" as well as information "gateways."

Judge Greene's opinion raises a key point in the debate about the role U.S. companies will play in the information services marketplace at home and abroad. The regional companies make up half the asset base of the U.S. telecommunications industry. In addition, they possess considerable expertise and resouces. If you believe, as we do, that the health and vigor of our economy depends in no small measure on our Nation's telecommunications infrastructure, then you cannot help but agree that the Congress must act now to develop a policy that encourages the full participation of all segments of the U.S. telecommunications industry in the information content marketplace.

Let me make clear that we are not and do not intend to engage in some of the court bashing that has surrounded the debate on this issue. In fact, at least some of the reason the courts are involved in this matter is the inaction of Congress. Nevertheless, we find ourselves in a situation in which national telecommunications policy is established by the judicial branch of government, and that is being done on the basis of antitrust law, not communications policy. This unusual circumstance cannot be permitted to continue.

Mr. Speaker, there can be no doubt that a national telecommunications policy must commit itself to preserving universally available telephone service at affordable rates for all Americans. In addition, such a policy must recognize that the Information Age has developed because of advances in telecommunications technology resulting from considerable R&D. To ensure that all Americans continue to have access to the best that U.S. ingenuity can provide, our policy must encourage regional company participation in information services content, manufacturing and R&D. Such a policy will enhance competition at home and abroad and will stimulate not only our domestic economy, but the global economy as well.

Mr. Speaker, we must act to encourage the participation of the entire U.S. telecommunications industry as well as all Americans in these Information Age endeavors if the United States hopes to compete effectively in the global economy and be a player in the high technology world. Thank you, Mr. Speaker.

RUNNING ON EMPTY: A NATIONAL ENERGY POLICY NEEDED

HON. JAMES M. INHOFE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. INHOFE. Mr. Speaker, while the United States possesses 5 percent of the world's oil reserves, it uses 20 percent of the world's production, approximately 3.5 billion barrels annually. Every day this year the United States will consume more oil than it did last year. Forty percent of that oil is now supplied to the United States by foreign sources, half of which comes from OPEC countries. This figure is entirely too high and almost equals the record set back in 1979 when the United States imported 45 percent of its oil. We must remember that before the oil embargo of 1973, the United States imported less than 29 percent of its oil needs.

In 1970, domestic oil production peaked at 3.3 billion barrels per year. Since that time U.S. production has dwindled to less than 2.9 billion barrels. However, demand has continued to grow. According to a report by the Heritage Foundation, oil consumption in May 1987 was more than 300,000 barrels higher than the same period in 1986.

The oil glut of 1986 caused a severe decline in domestic oil production. In fact, my home State of Oklahoma is suffering a recession from low oil prices resulting in a loss of more than 60,000 jobs since 1983. Let me give you a few examples of how bad things are for the energy industry in Oklahoma.

Number of Oil and Gas Wells

91,000	1981
35,000	1987

Number of New Oil and Gas Wells

8,500	1981
2,500	1987

In 1981, Oklahoma had 91,000 oil and gas wells. By 1987, that number fell below 35,000. The number of new oil and gas wells dropped from 8,500 in 1981 to a record low of 2,500 in 1987. The problems go far beyond the State of Oklahoma. Much of the Nation is suffering from the drop in oil prices and many bank and savings and loan failures can be attributed to problems in the energy industry.

Because oil is so important to the Nation's economic health, maintaining a constant and dependable source is critical. For that reason, I am working with industry officials and the Department of Energy to create a "National Energy Policy." The policy must be based on what the country's long-term energy needs are and not on short-term profit concerns. In addition, we must realize the national security implications of U.S. dependence on foreign oil supplied by hostile countries.

I have met with many oil businessmen in Tulsa and will continue to work with them to improve domestic production. In addition to supporting a national energy policy. I have recently cosponsored H.R. 2769, by my colleague Representative MICKEY EDWARDS, to establish a 10-point plan to help ensure U.S. energy independence. The 10 provisions of the plan include:

First, Raising the oil depletion allowance from 15 to 27½ percent.

Second, Restoring the percentage depletion allowance for stripper well production of major oil companies.

Third, Allowing the percentage depletion allowance to be fully applicable to producer's net income.

Fourth, Expanding the definition of intangible drilling costs to include geological, geophysical, and surface casing expenses as deductible items.

Fifth, Eliminating the requirement that producers capitalize 30 percent of their intangible drilling costs.

Sixth, Removing intangible drilling costs as a tax preference item for purposes of computing alternative minimum tax [AMT].

Seventh, Providing tax credits for new exploration and development.

Eighth, Repealing the Windfall Profits Tax [WPT].

Ninth, Imposing an excise tax on imported crude oil and petroleum products.

Tenth, And creating a national energy policy.

It is my hope that these efforts will go a long way in helping the depressed domestic energy industry. I urge my colleagues to join me in cosponsoring Representative MICKEY EDWARDS' legislation to ensure U.S. energy independence.

SOCIAL SECURITY "NOTCH"

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. DE LA. GARZA. Mr. Speaker, recently I have received quite a bit of mail from constituents who are affected by and concerned about what is referred to as the Social Security "notch" and on which the Social Security Subcommittee held a hearing back in April. What has prompted this mail has been erroneous information contained in a mailing from the National Committee to Preserve Social Security and Medicare.

Specifically the letter states that "unfortunately your Member of Congress was not among the 188 Congressmen who had cosponsored H.R. 3788 or one of the other bills to resolve this issue." This is incorrect. I, in fact, have introduced legislation to address this inequity and did so back in March of 1987. My bill is House Concurrent Resolution 72. I also at the time of this year's hearing submitted testimony.

When this was brought to my attention in last June I subsequently addressed the chairman of the committee, James Roosevelt. I submit for the RECORD a copy of my letter. I do this since I have yet to receive any acknowledgement or response much less a retraction of this inaccurate statement.

The reason for my statement today is that I feel we have reached a point in time where far too often misinformation like this is disseminated and then treated as the gospel in spite of the actual facts. Just this morning I received a letter from home saying that although I had sent a copy of my proposal it was obvious where I really stood because James Roosevelt said so. In short, I am being called a liar when in actuality it is not I who am the liar. I wonder how many others have been so abused by Mr. Roosevelt. Enough said.

HOUSE OF REPRESENTATIVES,
Washington DC, June 27, 1988.

Mr. JAMES ROOSEVELT,
Chairman, National Committee to Preserve Social Security and Medicare, Washington, DC.

DEAR MR. ROOSEVELT: The attached correspondence which your organization recently sent its members was brought to my attention today. You state therein that "unfortunately your Member of Congress was not among the 188 Congressmen who had cosponsored H.R. 3788 or one of the other bills to resolve this issue." I am certain this is an oversight since this is not true and misinformation which needs to be corrected.

Long since I introduced legislation seeking to address this inequity. Attached is a copy of my bill, H. Con. Res. 72, which I introduced in March 1987. I also at that time sought a hearing on this issue as well as submitted testimony in April when the Ways & Means Committee reviewed this.

All who have written me I have informed of the inaccuracy contained in your correspondence and I trust you will likewise do so to those individuals who are part of your membership in the 25th Congressional District of Texas which I represent and who have been misinformed as to my efforts in this regard.

Please let me hear from you about this matter, and with best wishes, I am

Sincerely,

E (KIKA) DE LA GARZA,
Member of Congress.

LEGISLATIVE BRANCH FAIR EMPLOYMENT PRACTICES ACT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. HAWKINS. Mr. Speaker, I am today introducing the Legislative Branch Fair Employment Practices Act, a bill to provide comprehensive civil rights and labor law protection for legislative branch employees.

As former chairman of the Committee on House Administration and now as chairman of the Committee on Education and Labor, I have long recognized the need to treat all legislative branch employees fairly. As employers we must first guarantee to each applicant and employee a protected right to be free of discrimination, as well as to assure the protection of our basic labor laws at least equal to those in the private sector. And second we must provide meaningful recourse in the event that such rights are violated.

The bill I have introduced today would, if enacted, fulfill these goals. It is comprehensive in nature as it must be if we truly intend to treat all employees with dignity and fairness, whether they work in the private sector or for the U.S. Congress.

I know many of my colleagues have introduced bills to provide protections for legislative branch employees against discrimination based on race, national origin, sex, color, religion, age, or handicap and I applaud their efforts and commitment.

However, Mr. Speaker, I believe these efforts provide only part of the protections we should be affording our employees. Rather, we should ensure that legislative branch employees, like private sector employees, have meaningful labor law protections. The protections provided in my bill from equal pay to maximum hours protection, to collective bargaining rights and guarantees that their work places are safe and free from unhealthy contaminants.

Specifically, my bill calls for coverage of legislative branch employees under the substantive standards of the National Labor Relations Act, the Fair Labor Standards Act, including the provision for equal pay, the Age Discrimination in Employment Act of 1967, the Occupational Safety and Health Act, Title VII of the Civil Rights Act of 1964 and section 504 of the Rehabilitation Act of 1973, while providing an in-house enforcement and administrative structure. I am sure that my colleagues who have fought so diligently for antidiscrimination protection for legislative branch employees will join me in the more comprehensive efforts by cosponsoring this proposal.

RAY TORRES

HON. DAVID E. SKAGGS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SKAGGS. Mr. Speaker, as Members of Congress we are blessed with many fine young men and women who donate their talents and time as interns in our offices.

Last year, an exceptional young man from a high school in my district worked as a summer intern in my Colorado office. Tragically, only a few weeks ago he died quite suddenly while on a hiking trip.

In one afternoon we lost our "Ray of sunshine." That's how some of the people on my staff referred to Ray Torres because he was unfailingly cheerful and pleasant.

The death of Ray Torres was more than a loss to his family and friends. It was a loss to to the community. Ray had a promising future ahead of him. He showed great potential. Despite his youth he had built a record of service—as an outstanding student, as an athlete, and as a congressional intern.

In tribute to this fine man, and to the family who raised him, and so that others may learn from the example Ray set in his own life, I ask that this article about Ray Torres be inserted into the RECORD.

[From the Denver Post, June 21, 1988]

HONOR STUDENT'S DEATH AT FALLS SHOCKS FRIENDS

(By Joni H. Blackman)

Ray Torres and Justin Denison had packed their camping gear and were ready to head home Sunday when they decided to hike up a waterfall in Waterton Canyon.

Minutes later, Torres, a Northglenn High School honors student who last summer worked for U.S. Rep. David Skaggs, slipped on a rock and plunged down the canyon as his best friend watched, screaming.

Torres was flown to St. Anthony Central Hospital, where he died of head injuries at 12:15 a.m. Monday, said spokeswoman Beverly Johnson. His organs will be donated.

The trip was a spur-of-the-moment getaway for the 17-year-old Westminster youths, Denison said, weeping.

"We went up Saturday morning to camp where the North Platte and the South Platte meet," he recalled. "We were just fishing, getting some sun, relaxing for the weekend. On Sunday, we packed up to leave, then saw a waterfall and stopped to look around and take a hike."

They climbed up the rocks and then began to climb down.

"He slipped on some wet moss and fell in front of some people who were sitting in front of the waterfall. . . . I didn't hear anything; I was screaming."

TWO FORKS AREA

Torres fell about 20 feet at a spot about a mile up the Waterton Canyon trail from the South Platte Hotel, in the area that would be flooded by the proposed Two Forks Dam.

"He bounced from one rock to the other, but was still alive when he was transported by Flight for Life in critical condition at 1:20 p.m., said Jefferson County Sheriff's spokesman Bob Deutsch.

Onlookers went for help as Denison climbed down and held his friend. Torres never regained consciousness.

Friends mourned the loss of the bright young man, a wrestler and drummer who wanted to be a pilot.

FULL OF HUMOR

"He was talented and full of humor, a wonderful intern," said Skaggs, a Boulder Democrat. "He set a standard for the students who followed."

At Northglenn High, which lost another student in a climbing accident last year, assistant principal Lou Caricato remembered Torres—ranked 12th in his junior class of more than 600 students—as "a beautiful young man."

Administrative Assistant Leonard Groom was Torres' adviser and had been his wrestling coach at Huron Junior High.

"He was always dedicated to the sport, always willing to learn, a bright kid. . . . I'm so saddened. . . . Of all the kids that you want to be successful, he was certainly one of them," Groom said.

As word spread about Torres' death, Northglenn students called the school. "This will draw some deep feelings from the students," Groom said.

But none so deep, perhaps, as those of the boy to whom Torres was "like a brother."

"He was going to go out for wrestling again next year," Denison said. "He wasn't that good, but he wanted his letter bad. I'm going, to get it. I'm going to get it for him."

FINDING A TRADE POLICY FOR THE UNITED STATES

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, our Nation needs a trade policy. For the last 8 years of this administration, we have been adrift in a sea of trade deficits. In the absence of strong Executive leadership on the trade front, Congress took the initiative to help America regain some of its lost competitiveness when it passed H.R. 3, the Omnibus Trade Act, several weeks ago. Today we have another chance to ensure the future strength and prosperity of this Nation by passing its successor, H.R. 4848.

Regrettably, our President vetoed the last trade bill. In so doing, he jeopardized the chance that America will be able to reassert itself as a world leader in trade and be able to reduce the expected $144 billion trade deficit for this year. I trust that he will not make the same mistake with this trade bill we have before us today.

America has got the biggest, most open market in the world, and our trading partners have been able to build much of their recent economic prosperity on our good-natured behavior. But, our trading partners don't often reciprocate. For example, as a quarter million Korean Hyundais hit our shores last year, not an ounce of American beef was allowed into South Korea. The list of trade barriers and restrictions to beef, wheat, and other agricultural products goes on and on.

We in Congress worked for many, many months on crafting this trade bill, and I believe that we succeeded in formulating a trade bill that is responsible and fair. This bill is a comprehensive approach to our complex trade programs. Its goal is to help us pry open foreign markets that are closed and help America become more competitive. It promotes the expansion of exports by streamlining export licensing requirements and improving export promotion activities. It makes us more competitive by upgrading education and training programs. It aids in the revitalization of academic research programs. It assists small companies in utilizing advanced technologies.

North Dakota will benefit from the enactment of this legislation. It requires the Secretary of Agriculture to prepare a long-term strategy for agricultural exports. It extends the Export Enhancement Program through 1990 and increases the value of those commodities to $2.5 billion. It increases funding for the Foreign Agricultural Service. It makes it easier for producers to take action against unfair trade practices by our trading partners. It helps promote exports of the great State of North Dakota and the rest of the Nation.

This country needs to make a strong statement to our trading partners, and the trade reform bill does just that. This trade bill announces to the world our commitment to be a leader in world free trade, and it asserts our right to be treated fairly. This trade bill improves and strengthens our trade laws, and in so doing enhances our competitiveness.

A Presidential veto of this trade bill will send the wrong message to our trading partners. Another veto will say to the world that we have no coherent and assertive trade policy. I hope that our President will endorse this legislation and thereby strengthen America's trade position.

NEW RIVER REGIONAL DEVELOPMENT ACT

HON. NICK JOE RAHALL, II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. RAHALL. Mr. Speaker, on July 15, 1988, Interstate 64 will be completed with the opening of approximately 35 miles of highway through beautiful and rugged terrain between Sam Black Church and Beckley in southern West Virginia. The completion of this interstate segment will provide for greater travel efficiencies for both local and out-of-state motorists, including many of my colleagues in this body traveling to and from their home districts. It also has the potential to foster a variety of regional economic benefits.

However, in order to take advantage of the greatest range of opportunities interstate access through the region now offers, I believe certain additional developments associated with this segment of I-64 are necessary. These developments are aimed at more firmly integrating the benefits associated with the completion of the interstate in Raleigh County with existing and proposed enterprises in the area. This is the subject of the legislation I am introducing today, the "New River Regional Development Act."

The interstate has the distinction of crossing lands and waters within the boundary of the New River Gorge National River, a unit of the National Park System, at two separate points. It also offers highway access to the proposed New River Parkway and two State parks in the immediate vicinity. The potential this situation offers in terms of increased recreation and tourism opportunities and their associated economic benefits should not be underestimated.

Traveling east to west within the newly completed segment of I-64, motorists and my colleagues will first encounter the Sandstone interchange which provides access down into the New River Gorge itself and in the future, to the proposed New River Parkway which will follow the river on the Raleigh County side until crossing over to Summers County at Hinton. Federal construction funds have already been earmarked for this portion of the parkway as a result of a provision I sponsored to the last highway bill and the project is currently in the final planning and design stages. The New River Parkway Authority is also in the process of investigating issues relating to the southern terminus of the parkway in Mercer County so that it will connect with the West Virginia Turnpike.

For those who do not exit at Sandstone, or will enter the interstate off of the New River Parkway, the highway will immediately take them across the new I-64 bridge over the New River itself and after some miles to the major attraction of this new interstate segment: the 2,179 foot bridge which towers 750 feet above Glade Creek which also lies within the New River Gorge National River boundary. A couple of miles west of the bridge is the Grandview interchange which provides access north to Grandview State Park overlooking the New River and south to Little Beaver State Park. From this interchange, the highway continues into my hometown of Beckley.

Back of Glade Creek, however, there is no opportunity for travelers to stop after crossing the bridge and enjoy the outstanding natural resources and scenic values found in this watershed. The Glade Creek Bridge is only slightly smaller than the awesome expanse of the New River Gorge Bridge on U.S. 19. This bridge has become a major tourist attraction in the region primarily because both it and the view of the gorge can be enjoyed from the National Park Service's Canyon Rim Visitor Center where travelers can relax and learn of what the park and surrounding area has to offer. The same opportunity should be made available at the Glade Creek Bridge.

This is an oversight which needs to be corrected. The Glade Creek corridor from the bridge to the New River, where the mouth of the creek is located at a point east of Grandview State Park, contains a number of outstanding natural values: it is highly scenic, an excellent trout fishery, includes the Kates Branch wetlands and is relatively unaffected by the activities of man making it the closest thing to a wilderness area within the boundaries of the New River Gorge National River. This area is home to many of our crown jewels in West Virginia.

Due to its location, the Glade Creek Bridge would also be an excellent place for visitors to learn about the New River Gorge National River, State parks in the immediate vicinity such as Grandview and Little Beaver, the New River Parkway and other points of interest in Raleigh County and southern West Virginia in general.

For this reason, today I am introducing legislation to authorize the Secretary of the Interior through the National Park Service to construct a visitor facility and scenic overlook in association with the Glade Creek Bridge. Access could be achieved from the Grandview on I-64. These facilities would be operated in much the same fashion and serve the same purpose as the existing Canyon Rim Visitors Center on Route 19.

This legislation also directs the Secretary to undertake planning and design activities for the northern, or upstream, terminus of the New River Parkway. The segment of road involved would be the existing Route 9 between the interchange on I-64 and Grandview State Park, which is located within the New River Gorge National River.

Mr. Speaker, the projects proposed by this legislation are aimed at maximizing the range of opportunities made possible by the completion of I-64 in Raleigh County. The stage will then be set for future revitalizing developments in the area. I am pleased to note that joining me in introducing this measure are my colleagues, HARLEY STAGGERS, Jr., and BOB WISE.

PUBLIC SAFETY RADIO INTEROPERABILITY

HON. HOWARD C. NIELSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. NIELSON of Utah. Mr. Speaker, County Sheriff's Deputy Jim Evans was ambushed and killed by machinegun fire as he pursued a carload of thieves fleeing from a California bank robbery. They were so far ahead of him that he couldn't see them stop and get the automatic weapons out of their trunk. However, city policy officers watching from their helicopter did see the killers set the trap and tried desperately to warn Jim on their radio. Unfortunately, Jim could not hear them. Their separate radio systems were not interoperable.

When the Air Florida Jet crashed into the 14th Street Bridge in January 1982, rescue efforts were hampered by the fact that public safety organizations were unable to communicate with each other. Ambulances were sitting by the Potomac waiting to rescue people who were already dead while injured survivors of a metro accident across town were anxiously waiting for ambulances. Again, the separate radio systems did not interoperate. Amazingly enough, this is not an uncommon occurrence.

Today I am introducing legislation which would require the Federal Communications Commission to set a standard by which all public safety radio equipment would become interoperable. The Commission recently set a national policy for public safety coordination, but, for some unexplained reason, neglected to set a standard to allow all public safety radio equipment to become interoperable. This is a glaring oversight that must be corrected.

Public safety radio equipment must be made interoperable in order to improve rescue operations and save lives. The FCC must set a standard in order to ensure that, in time of crisis, police, firefighters, and ambulance services can adequatelly communciate to save lives and property. Its time for this unnecessary problem to be solved.

Public safety officers across the Nation support a national standard for radio interoperability. I urge my colleagues to join me in order to save lives and improve public safety.

IN OPPOSITION TO SECURITIES MARKET REFORM PROPOSALS

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mrs. COLLINS. Mr. Speaker, the Subcommittee on Telecommunications and Finance today began consideration of H.R. 4997, the Securities Market Reform Act. We have known for some time that legislation of this kind was on the horizon. Now that is has finally arrived, I have two main concerns. First, I am adamantly opposed to our even attempting to implement any of the provisions of the bill in the waning days of the 100th Congress. My second area of concern has to do with specific provisions of the legislation.

H.R. 4997 calls for major restructuring of the operations and regulation of the stock and futures markets. Because these changes will be felt throughout the financial industry, they demand close scrutiny. With elections in November, a target date for adjournment in early October and a full legislative calendar until then, there is simply not enough time to adequately study the proposals before us.

When we began our inquiry into market "reform"—even before this legislation appeared—editorials in the New York Times, the Washington Post, the Chicago Tribune, the Economic and Barrons all admonished Congress not to rush into any changes in the market structure. They all agree that whenever change is considered, it demands careful deliberation.

As for specific proposals in the bill, the most disconcerting would redefine stock index futures and options contracts on stock index futures as securities and place them under the jurisdiction of the Securities and Exchange Commission. Not only do I disagree with the proposal in principle, I question its inclusion in legislation that is designed to correct problems in the financial industry that were either brought to light by, or responsible for, the October market crash. Studies of the October crash by the Presidential Task Force on Market Mechanisms, the Working Group on Financial Markets, the Mid-America Institute for Public Policy Research and the Chicago Mercantile Exchange all found that the futures market was not responsible for the market reversal. So let's stop kidding each other, the market crash is just an excuse to do something that has been talked about for some time: bring futures ad futures options under the aegis of the SEC.

I have been, and will continue to be, a staunch supporter of keeping futures and options under the purview of the Commodity Futures Trading Commission. However, we do not need to get into a fight over who will be in charge of the markets. If we really want to improve the financial industry what we need to look at is strengthening the coordination and communication between the SEC and the CFTC, and make sure that adequate contingency mechanisms are in place should we face another 500 point drop in the stock market.

Needless to say, I see no need to give the SEC even temporary jurisdiction over the futures market, especially in an emergency. it is in times of crisis that we especially need the expertise and experience of an agency familiar with the futures markets to help guide the course for the market.

Another provision in the bill would have the Federal Reserve Board setting margins on futures and futures options at a level comparable to stock options. The first point I want to make here is that the FED has said that it does not want this responsibility. I might also add that the FED is of the opinion that regulation of the futures market should not be removed from the agency with the expertise over this product, the CFTC. The second point I want to make here is that futures margins are not stock margins and should not be treated equally. Stock margins limit the extension of credit to purchase an asset. A futures contract is not an asset. Futures margins are good faith deposits for contract performance. It is therefore not logically possible to discuss futures margins in the context of credit extension.

Finally, unifying clearing and settlement does not require a single clearing mechanism. In the first place, stock and stock index futures markets could not be cleared through a single entity since stock index futures settle on a same day basis while stock markets take five business days to settle. Moreover, concentrating the risk of all positions in one clearing entity could increase, not decrease the chances of a breakdown of the financial system. A measure of unified clearing could mean improved sharing of pay and collect performance data among related markets and respective lenders.

I look forward to working with the subcommittee, the industry, and the regulators to formulate a course of action that will strengthen our financial markets and our economy, and help ensure that both remain competitive in the face of increasing international competition.

HAVE YOUR KIDS BEEN TAGGED?

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. KOSTMAYER. Mr. Speaker, many children will get in accidents this summer. Most of these children will not have any identification on them and contacting parents can be a difficult and time consuming task.

Lifesaver Charities, a nonprofit organization based in Garden Grove, CA, distributes free identification tags to interested parents, businesses, and community groups. These tags can easily be attached to shoes and clothing.

The following article, reprinted from a recent edition of Reader's Digest shows how valuable these tags are in saving children's lives. I commend this article to my colleagues and encourage them to share this information with their constituents.

HAVE YOUR KIDS BEEN TAGGED?

George Wager, a California advertising man, was sitting on his front porch one day in 1983, watching his three kids play in the yard. He had just read a newspaper story about a young boy who was hit by a car. The boy carried no identification and the police couldn't locate his parents. Six hours after the accident the mother was finally found; 20 hours later the boy died of massive head injuries.

Wager looked at his dog and noticed the tags showing his pet's name, address, owner and phone number. The advertising man suddenly realized that his *dog* carried more identification than his kids did.

Wager talked with firefighters, policemen and doctors. They all confirmed the need for a children's ID tag that would include vital medical information and parental consent for any emergency medical procedures a doctor deems necessary. The ad man then designed a tear-resistant, washable tag that could be stitched into shoes or clothes. He named it the Lifesaver tag. And he started giving his tags to anybody who would take them.

At first there was only a trickle of interest among a few emergency workers and health-care officials. Then a policeman in South Dakota heard about Wager's project and talked up the idea among local banks and schools. Before long he had given away 30,000 Lifesaver tags. The idea spread to Ohio and New Jersey. By the spring of 1986, 30 million tags had been distributed.

That's when Reader's Digest published "Have You Tagged Your Kids Today?" The article in our August 1986 issue chronicled George Wager's quest to save the lives of America's children. The result was a tidal wave of enthusiasm.

Scott Sessa of Hush Puppies read the Reader's Digest article and persuaded his company to order a million tags to be distributed with kids' shoes.

Jim Stockdale, then acting secretary of Califorina's Health and Welfare Agency, thought Wager's program was important, and by the end of September 1986 he had seen to it that every preschooler in every day-care center licensed by the state had a tag.

Reader's Digest received requests for 18,000 reprints of the article. George Wager was deluged with more than 300,000 letters from readers asking for tags and additional information. Since the story was published, 95 million tags have been handed out to kids and their parents, bringing Wager's total distribution to some 125 million!

President Reagan thought so much of George Wager that he selected him as the winner of the 1987 President Volunteer Action Award in the public-safety category.

But the importance of this story is not so much in the numbers or the award. It's in the people. Several readers wrote to The Digest simply to say thank you: a father whose son received stitches on his face without delay because he was wearing a Lifesaver tag; a woman whose 12-year-old daughter's tag alerts emergency-room doctors that she is allergic to penicillin.

A letter came from a pediatric nurse. She recounted how one afternoon a toddler was brought into the emergency room of her hospital in Hawaii. "She had strayed from her baby-sitter, was hit by car and sustained massive internal injuries," the nurse wrote. "When they came into the hospital, the sitter kept screaming, 'She's got a tag on her!' I explained to the doctors that the tag was an authorization, and they went to work right away." As it turned out, the slightest delay would have been fatal. This parental consent on the tag saved the child.

Concluded the nurse: "I saw that young child a few days ago, and she is now healthy and happy. If these tags can save just one child, they are worth their weight in gold."

A CONGRESSIONAL SALUTE TO FRED VANDEVENTER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an outstanding community leader in my district, Mr. Fred Vandeventer. Fred will be honored on July 21, 1988, at the annual installation and Keystone dinner of the Wilmington Boys and Girls Club as the outgoing president of that organization. I am pleased to have this opportunity to say a few words about him.

Fred Vandeventer was born in the Netherlands and immigrated to the United States when he was very young. In 1964, his family made a fortuitous move to Long Beach and has resided there ever since. He attended Woodrow Wilson High School, Long Beach City College, UCLA, and California State University at Long Beach, receiving a bachelor of science degree from that university in industrial technology. In 1977, he was hired as assistant safety superintendent for Metropolitan Stevedore. Co. in Wilmington. Very soon after that, he was promoted to contract administrator, the position he holds currently.

Fred has been extremely active in the Boys and Girls Club of Wilmington. He recognized a need for this type of institution in the community and has given an enormous amount of time and energy to the club. He became a member of the board of directors in 1982, served as the secretary of the board of directors from 1983–85, and was president of the board from 1985–87. Since that time, he has overseen completion of a new facility.

What can one say about a man who had dedicated himself to the benefit of the Boys and Girls Club? What can you call him? A philanthropist? A civic leader? I think that Fred Vendeventer can best be described as a person who cares about his community his family and his friends. My wife Lee, joins me in extending our warmest congratulations to Fred on this occasion. We wish Fred and his wife, Linda, all the best in the years to come.

URGING TO VOTE FOR SUPPORT FOR RESOLUTION CONDEMNING NICARAGUAN GOVERNMENT

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. TALLON. Mr. Speaker, I am happy to be able to share with my colleagues and the American people my experience in Nicaragua last weekend.

Along with my colleagues, TOM DELAY, BEVERLY BYRON, and BARBARA VUCANOVICH, I went to Nicaragua in hopes of learning more about the status of human rights in that war-torn country. Our mission was strictly nonpolitical.

We were careful to arrange meetings which would create for us a well-rounded understanding of human rights in Nicaragua and I think that we accomplished this goal. We felt it important that we attempt to open up dialog with the Nicaraguan Government on this vital issue of human rights.

However, one striking aspect clouded our entire trip. The government ignored our presence during this visit. Government officials refused to keep their appointments with us.

Before we arrived in Managua, we were scheduled to meet with Vice President Sergio Rameriz and Minister of Interior Thomas Borge. The government's human rights official, Mary Hartman, also canceled her appointment with us.

Even without the participation of the government, however, we gained a valuable insight into the growing discontent among Nicaraguan citizens. I believe that Americans have been frightfully unaware of the desperation of the Nicaraguan people during the course of the peace process.

I have been to Nicaragua twice before; however, I have never experienced such personal and revealing contact with the Nicaraguan people.

We met with the Superior Council for Private Enterprise, La Prensa, Cardinal Obando Brava, labor leaders, leaders of the various opposition parties, the mothers of political prisoners movement, and Lino Hernandez, head of the Independent Human Rights Commission.

All of these people recounted many horror stories of members of their organizations who have been victims on abuse, interrogation, and torture on the part of the Sandinista government.

Just 2 weeks ago, the vice president of the Superior Council for Private Enterprise was arrested for gathering economic information on the country. He was abducted by Sandinistas in the middle of the night and thrown into jail. Even though Nicaraguan law requires that a trial be held 72 hours after an arrest. This man is still awaiting a trial after 2 weeks.

I think one of the most compelling meetings we had was with Cardinal Obando, head of the peace process verification committee under the Sapoa Agreement. Because of his sensitive position in the peace process, I thought that the cardinal would hesitate to offer any strong sentiments.

Instead, I was shocked that he volunteered several stories of recent abuse which indicated that the Nicaraguan Government is not abiding by either the word or the intent of the cease-fire agreement. Cardinal Obando was harshly critical of the Nicaraguan Government.

Because of what I learned in these meetings, I have a great admiration for the people in Nicaragua who stay there and fight for freedom under a government which either cannot or will not offer them the basic human dignities of food, clothing, shelter, and treasured civil rights.

After these meetings, I went to observe the rally in Nandaime which was a planned protest by opposition parties and labor unions. The Nanodaime march and rally was sanctioned by the government for organizations with permits to protest.

Knowing that my presence at the rally would have been seen by Nicaraguans as a political statement, I chose to watch the march unnoticed from inside a van. There I saw the ultimate violation of freedom of expression. The crack Sandinista crowd control guards attacked a group of several men for not reason at all. They beat and kicked the men and then put them in the back of a jeep.

While I did not witness the later rally where the most violence occurred, that one harrowing scene at Nandaime was the only government action I was able to witness on my mission to Nicaragua to examine human rights.

The Sandinista government has created an atmosphere of oppression and economic devastation. Yet, in this time of desperation the people of Nicaragua seem more determined than ever to fight for their rights and oppose the government. Starving to death, these people are no longer afraid to stand up against totalitarianism.

The expulsion of Ambassador Richard Melton, the closing of La Prensa and Radio Catholica, and the immediate incarceration of opposition leaders are the Sandinista's symbolic statement to their people saying that the Sandinista government will not tolerate this new wave of opposition unrest.

I encourage my colleagues to focus on the essential element in the Nicaragua conflict—simple humam life. Congressman DELAY and I have introduced a resolution with over 200 cosponsors demanding that the Nicaraguan Government give amnesty to political prisoners under the terms of Esquipulus II.

Congressman DELAY and I in conjunction with the Human Rights Caucus will hold a hearing on human rights abuses on July 27. We encourage you to participate and attend.

We in Congress have a responsibility to see that our commitment to human life and democracy guide us in the next few weeks as we contemplate our future involvement in Nicaragua.

A vote for support for the resolution today condemning the Nicaraguan Government will show that we will not tolerate a totalitarian regime in this hemisphere. The courageous people of Nicaragua deserve every opportunity for peace and for simple human rights.

THE SOVIET COMMUNIST PARTY CONFERENCE: A PRAGUE SPRING FOR MOSCOW OR MORE RHETORIC?

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. FASCELL. Mr. Speaker, the recently concluded Communist Party Conference in the Soviet Union treated the world to the unprecedented spectacle of televised open dabate by Soviet party officials. Such a display of candor before the eyes of the Soviet people by a political institution synonymous with secrecy and authoritarian decisionmaking is a stunning indication of the extent to which General Secretary Gorbachev's policy of glasnost has altered the political climate in the Soviet Union. Never before have we been able to witness policy and personal differences between top Soviet leaders aired so openly as we have in the exchanges between Yegor Ligachev and deposed Moscow Party Chief Boris Yeltsin. That Gorbachev would include in his closing address phraseology closely identified with Czechoslovak reformer Dubcek and promise to "give a human face to socialism" shows how far Soviet politics has shifted since Gorbachev became Secretary General in 1985.

Other noteworthy comments by the Soviet leader include: On glasnost and perestroika:

> We are * * * learning to argue and debate and to tell each other the truth. That is, of course, not a small thing. But the processes of democratization—both in the center and at the local level—are unfolding too slowly. One has the courage to admit today: If the political system remains immobile, unchanged, we shall not cope with the tasks of perestroika.
>
> Perestroika has put emphasis on the issue of political rights of individuals. Their realization has been affected especially painfully by the command-and-administer methods of guidance and related curbs on democracy.
>
> I would like to dwell particularly on the political freedoms that enable a person to express his opinion on any matter. Comrades, what we are talking about is a new role of public opinion in this country. And there is no need to fear the novel, unconventional character of some opinions, there is no need to overreact and lapse into extremes at every turn of the debates.

On glasnost's limits:

> On the whole, the processes in the sphere of culture are proceeding without contradictions, without hitches that sometimes go beyond the framework of socialist values * * *. I would not want to dramatize the situation. Besides, there is no special reason for this. But it would not be reasonable to ignore such phenomena and bypass them.

On foreign relations:

> We shall seek to broaden foreign economic relations with capitalist and developing nations on the basis of mutual benefit * * *.
>
> The cardinal changes in our own home required new approaches also to international affairs * * *. One cannot help but admit that the command and administrative methods did not bypass the foreign policy sphere as well. It happened that even the most important decisions were adopted by a narrow circle of persons * * *. This resulted in an inadequate reaction to international events and the policy of other states, and sometimes in mistaken decisions.
>
> Dialogue underlies our contracts along state lines, and readiness for deep-going mutual control is at the basis of the sphere of disarmament.
>
> We can give the following answer to the principal question that worries the Soviet people most of all and one which they would like to hear the appraisal of the work in the past three years—whether it became possible to push back the threat of war: Yes, undoubtedly so.

On ideology:

> New thinking is not a closed and completed doctrine. It is dialectical, which makes it possible to constantly perfect and develop policy in accordance with the course of actual life and, naturally, in keeping with our socialist choice, with the Leninist principles.

To what extent the Soviet shift involves real reforms in addition to changes in style and rhetoric remains to be seen. Gorbachev's performance at the conference reflected a careful political balancing act, as he combined a push for more rapid reform with judicious nods to the conservative apparatchiks who gave a steely welcome to his keynote address.

Gorbachev appears to have emerged with his leadership strengthened, as the conference endorsed his proposals for a radical restructuring of the Soviet Government which would clear the way for Gorbachev to assume greater control of the state machinery and become head of state as well as party leader. His proposal for enhancing the power of local Soviets could clear the way for greater decentralization of economic decisionmaking, and greater efficiency, although how far this will go is subject to doubt since the hegemony of party officials appears intact, with regional party secretaries due to be in charge of the reinvigorated local Soviets.

As welcome as the new display of openness within the Soviet system may be, obviously we must continue to base our relationship with the Soviet Union on a careful appraisal of U.S. interests and on an objective reading of Soviet actions, not just rhetoric.

The blossoming of a genuine Prague Spring in Moscow entails more than borrowing a phrase from Dubcek or tolerating moderate criticism by party officials. It would mean an end to immigration barriers confronted by Jewish refuseniks and divided families and others seeking to leave the Sovit Union. It would also mean an end to the arbitrary harassment, arrests, and imprisonment of those who differ from Soviet orthodoxy and it would guarantee that the tolerance for free expression to be ushered in by glasnost and perestroika extends beyond the ranks of the party faithful to dissidents and ordinary Soviet citizens.

GOVERNOR DUKAKIS FAVORS EXTENDING STEEL VRA PROGRAM

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MURTHA. Mr. Speaker, as chairman of the executive committee of the House steel caucus, I was delighted to see that Gov. Michael Dukakis has stated his support for extending the VRA Program. This is essential to the continued health of the steel industry, steelworkers, and the steel community.

On April 23 of this year Massachusetts Governor Michael Dukakis, speaking on economic issues to 250 business, community, and labor leaders of the Lehigh Valley in Pennsylvania, endorsed extension of the steel import voluntary restraint arrangements. What follows is the verbatim response of Governor Dukakis to this question posed by a representative of Bethlehem Steel Corp.

Question: "Management and labor have done some great things for the steel industry in recent years. But the environment provided by the voluntary restraint agreement is very important. Those arrangements end on September 30, 1989. What would your administration do?"

Governor Dukakis' response:

> We will continue them, but we're going to do so with a very strong commitment. I hope and expect from management and labor to continue the process of modernization, of cooperation, of competitiveness that you have already begun and I hope by September of 1989 you're going to have a Federal partner that is willing to provide some resources to help. That's the kind of collaboration I believe in. So, I hope we can get those—I think extending the VRA is important but it has got to be a part of a total effort in which we are all engaged to reach out, to seek each other out, to make the investments we have to make and I think some public resources are required to look for opportunities to bring down unfair trade practices overseas, to do the kinds of things that all of us want to do to build a strong and healthy and vibrant steel industry. And that has to be an important economic goal of this country.

Mr. Speaker, the VRA Program was to limit for 5 years the volume of unfairly traded steel imports into the U.S. market and thereby provide the domestic steel industry breathing space for restructuring and modernization. Because of start-up problems, the program did not effectively trigger until 2 years into the process.

From 1982 to 1986 the American steel industry lost $12 billion even as it was making impressive gains in cutting costs and improving its international competitiveness. These gains were achieved without the government subsidies so heavily relied on by our foreign competitors. Looking ahead, many of the problems addressed by the program still persist—world over—capacity, rampant unfair trade, weak financial condition of U.S. producers, need for increased capital investment, et cetera. A 5-year extension represents sound public policy.

Mr. Speaker, as chairman of the executive committee of the House steel caucus, I heartily applaud the Governor's position on extending the steel VRA's and I know that my views are shared by the United Steelworkers of America and the member companies of the American Iron and Steel Institute.

HELSINKI HUMAN RIGHTS DAY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. YATRON. Mr. Speaker, I rise today in support of Senate Joint Resolution 338, designating August 1, 1988, the 13th anniversary of the Helsinki accords, as "Helsinki Human Rights Day." This legislation asks the President to issue a proclamation reasserting U.S. commitment to implementing the provisions pertaining to human rights in the Helsinki Final Act and to urge all signatory nations to abide by their obligations. It further directs the President to seek assistance from our allies in promoting respect for human rights, and to continue his efforts to achieve, before the end of the Vienna meeting, the release of political prisoners. The President is also requested to seek the inclusion of a mechanism to assure the human rights progress following the Vienna meetings, and to convey to signatory states the importance of a balanced result at these same meetings.

It is not enough for the United States to be a signatory to the Helsinki Final Act. We must also act as a defender of fundamental freedoms and an enforcer of the human rights promised in this treaty. The ideals in this document can only be attained if the language binding the 35 signatory countries is adhered to. Actions taken by parties to the accords which desecrate this vital instrument should be challenged immediately by other members.

During my tenure as chairman of the Subcommittee on Human Rights and International Organizations, I have learned that one of the most effective ways of combating gross violations of human rights is exposing the violator and calling attention to the victims. Ironically, some of the most grievous perpetrators of human rights abuse are signatories to the Helsinki accords. Repression runs rampant in many countries which have chosen to bind themselves, at least in theory, to the principles embodied in the Helsinki process. Basic individual liberties, including freedom of religion and expression, are denied. Citizens of these nations live daily with the fear of government harassment and intimidation. Those who protest their treatment may be exiled, incarcerated, or killed.

It is this hypocrisy by some member states which makes legislators in our country question United States participation in the Helsinki process, but walking away from our commitment to Helsinki is not the answer. Dialog between member states must continue. We must always represent the millions of people who cannot escape from the suffering and injustice. It is up to us to be their advocate. Their only hope may be through our intervening on their behalf by demanding that every government honor the dictates of the Helsinki accords.

Senate Joint Resolution 338 gives us the opportunity to uphold the dreams of the creators of the Helsinki Final Act, as well as the dreams of the oppressed and abused who are looking to us for leadership. I would like to commend the chairmen of the Helsinki Commission, Senator DECONCINI and Congressman HOYER, for sponsoring this legislation, and for their excellent leadership of the Commission. I want to commend the distinguished chairman of the Committee on Foreign Affairs, Mr. FASCELL, for the many human rights initiatives he has promoted in the Congress and for the important role he has played throughout the years in advancing United States involvement in the Helsinki process. I also want to commend the ranking member of the Human Rights Subcommittee, Mr. SOLOMON, the ranking member of the full committee, Mr. BROOMFIELD, Mr. SMITH of New Jersey, and Mr. GILMAN. All of these gentlemen have worked tirelessly to forge a bipartisan consensus to promote human rights worldwide.

TONY RUBLE: PIONEERING SAMARITAN

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MILLER of Ohio. Mr. Speaker, it is with a great deal of personal pride and pleasure that I bring to the attention of the U.S. House of Representatives the story of a man who has truly been one of the most impressive and conscientious samaritans that I've known.

After nearly a half century of service to mankind, Rev. Anthony J. "Tony" Ruble—the superintendent of Lancaster, OH, Maywood Mission—will retire. Frankly, Mr. Speaker, I can't picture the mission, or its good work and kind people, without Tony. His influence, service, and example have been a part of Lancaster for decades. His programs will stand as testament to kindness and hard work. His work has defined the essence of being a good samaritan, and I admire him greatly.

The Reverend Anthony J. Ruble was born and reared in Carroll, OH, where he graduated from the public schools. He came to Lancaster in 1930 and joined his uncle in the hotel business. In 1934 he began his public ministry as an apprentice and assistant to the Reverend S.N. Root, then superintendent of the Maywood Mission. He graduated from Rio Grande College in 1940, and received his B.A. from Otterbein College in 1942. He completed graduate work in Bonebrake Theological Seminary. In 1940 he became the pastor of the Good Shepherd Chapel, where he served for a brief time during World War II.

Tony follows the pioneering spirit of the Maywood Mission founder, the Reverend William H. Eck. Under the guidance of Reverend Ruble the Maywood Mission has remained a local organization guided by a board of trustees selected from, and by, the churches of Lancaster. Board members come from Protestant, Catholic, and Jewish congregations.

Among the programs brought to Lancaster under Tony's leadership are:

The area's first free medical and dental clinics and the well-child clinic for children of the county in conjunction with the local medical association. Children of working mothers are cared for at the mission's day-care center. Tony also organized a home for emergency care of displaced children. A store was instituted at Tony's direction to distribute usable clothing and household items at a nominal cost to those in need. One of the largest religious book and supply stores in this area was also originated by Tony.

As a former mayor of Lancaster, and a lifelong resident of the city, I witnessed the growth and development of the mission under Tony's terrific leadership. This is a man who has been putting into practice the service-to-mankind philosophy that so many others refer to, but few pursue. His work has answered the prayers of the needy on more than one occasion and his legacy in Lancaster and the surrounding community will remind us all that people like Tony are, truly, one in a million.

It is important, I feel, that the House of Representatives and my congressional colleagues know about the work of a good man, a decent man, an honest man. Tony has always been an individual of tremendous faith and pride. He has assumed the responsibility for making God's work on Earth his own labor of love.

Upon the occasion of his retirement, I want to extend to my good friend my best wishes and appreciation for making the lives of so many brighter, prosperous, and more productive. The mission will always be a part of Tony Ruble and he, in turn, will always be a part of it.

DEAF AWARENESS WEEK

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. GUNDERSON. Mr. Speaker, as a congressional trustee of Gallaudet University, I have today introduced legislation designating the week of March 7, 1989, as "Deaf Awareness Week." I am pleased to be joined by nearly 50 of my colleagues in recognizing the events of March 1988 at Gallaudet University.

Gallaudet University is a liberal arts institution, located in Washington, DC, educating thousands of deaf and hearing-impaired students from young preschoolers to Ph.D. candidates.

Between March 6 and March 13, 1988, this campus served as the backdrop for a major social protest by the deaf community, their families, and friends surrounding the selection of Gallaudet's seventh president, who was not deaf or hearing impaired. On March 13, 1988, Dr. I. King Jordan, Jr., was elected the eighth president of Gallaudet University—the first deaf president in Gallaudet's distinguished 124-year history.

In special recognition of the energizing events of this week-long social movement we witnessed 4 months ago on the Gallaudet University campus, "Deaf Awareness Week" provides us the opportunity to reflect upon the significance and importance of this historic social movement for deaf and hearing-impaired Americans. It serves to educate and sensitize us all—recognizing deaf and hearing-impaired individuals for their unique abilities and qualities.

Mr. Speaker, I urge all my colleagues to join in this initiative designating the week of March 7, 1989, as "Deaf Awareness Week," recognizing the significant contribution that this historic social movement had for all Americans, especially those who are deaf and hearing impaired.

INTRODUCTION OF WHISTLEBLOWER LEGISLATION

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MINETA. Mr. Speaker, today I am introducing the Aviation Whistleblower Protection Act of 1988, a bill to protect aviation employees against management retaliation when employees give safety information to the Government or take other steps to promote safety. The legislation is cosponsored by Congressman GLENN ANDERSON, the chairman of the Committee on Public Works and Transportation, Congressmen JOHN PAUL HAMMERSCHMIDT and NEWT GINGRICH, the ranking Republicans on the full Committee on Public Works and Transportation and the Aviation Subcommittee, respectively, and by Congressmen KLECZKA, GLICKMAN, and OBERSTAR, who have introduced their own aviation whistleblower bills.

Similar whistleblower legislation has been enacted to cover employees in a number of industries and Government agencies, including employees of defense contractors, employees furnishing information about violation of the Clean Water Act, nuclear powerplant workers, miners, and truckers.

The legislation introduced today will help ensure that the aviation industry operates at the highest levels of safety. In the overwhelming majority of cases, the management of aviation companies is fully committed to safety. However, the competitive pressures of operating in a deregulated environment create temptations to cut costs at the expense of safety. At hearings which the Aviation Subcommittee held on whistleblower legislation, it was revealed that in a number of cases, management had threatened to retaliate against employees who contacted the Government with safety information or who were unwilling to perform tasks which the employees believed created a threat to safety.

The bill introduced today will help ensure that threats of retaliation do not deter employees from doing everything possible to promote safety. Basically, the bill protects employees against discharge or discriminatory treatment when the employee discloses safety information to the Government, participates in safety-related proceedings, or refuses to perform a task which the employee believes would create a serious threat to safety. To ensure that employees do not abuse these protections, the bill requires that to be protected an employee must have a reasonable basis for believing that a safety problem. The bill also provides that if an employee acts in bad faith in filing a complaint against his employer, the employee may be held liable for the employer's legal fees, up to $5,000. With these provisions, the bill will protect employees who act reasonably and in good faith, but employees will not be able to use the protections of this act to shield actions which are not motivated by safety concerns.

The bill provides that an employee who believes that he or she has been dismissed improperly for taking a safety-related action can appeal the dismissal to the Department of Labor. At our hearing, there was discussion of whether the Department of Labor or the Federal Aviation Administration would be the most appropriate agency to handle the cases. Our basis for choosing the Department of Labor was that this Department has expertise in determining the motivation of an employer in dismissing an employee. In many cases under this law, the main issue will be whether a dismissal was in retaliation for the employee taking safety-related actions or whether the dismissal was based on some other legitimate grounds.

We recognize that the Fedeal Aviation Administration has more expertise in determining whether an employee has a reasonable basis for making a safety-related complaint, which will sometimes be an issue in cases under this bill. To take advantage of FAA's expertise in this area, the bill provides that when there is an issue of the reasonableness of an employee's belief of a safety problem, FAA must participate in all proceedings before the Department of Labor and that the deciding officials at the Department must give great weight to the views of FAA on these issues.

Mr. Speaker, the legislation I am introducing today can make an important contribution to furthering aviation safety. We hope to have this legislation considered by the Committee on Public Works and Transportation and the full House in the near future. A section-by-section summary of the bill follows:

Section 1. Short title.

This section provides that the Act may be cited as the "Aviation Whistleblower Protection Act of 1988."

Section 2. Protection of aviation whistleblowers.

(a) *Prohibited Conduct.*

Provides that it shall be unlawful for an employer of any "covered employee" (defined below) to discharge or otherwise discriminate against an employee because the employee: (1) discloses to an appropriate government official information which the employee reasonably believes evidences a danger to the safe operation of civil aircraft or a violation of criminal law; (2) participates in a whistleblower proceeding or other safety related or criminal proceeding; or (3) refuses to perform a task which would allow immediate operation of an aircraft if the employee has a reasonable basis to believe that operation of the aircraft would be likely to result in serious injury and the employee promptly notifies the Federal Aviation Administration of the refusal and the reasons therefor. The bill does not protect any employee who, without the knowledge and consent of his employer, knowingly violates requirements of the Federal Aviation Act, or regulations issued thereunder, or violates criminal law.

(b) *Complaint Procedure.*

A covered employee who believes that he or she has been discharged or discriminated against in violation of the Act may, within 180 days, file a complaint with the Secretary of Labor without regard to exhaustion of other remedies. Within 60 days of receipt of a complaint, the Secretary of Labor shall conduct an investigation to determine whether there is reasonable cause to believe that the complaint has merit. If there is a finding of reasonable cause, the Secretary shall issue an order providing relief to the employee, including rehiring or reinstatement with back pay, and the payment of all costs and expenses, including legal fees.

The Secretary's order shall be the final order unless the complainant or the person named in the complaint requests a hearing before an Administrative Law Judge within 15 days of receipt of the order. A request for a hearing shall not operate to stay any reinstatement required by in the Secretary's order.

The Administrative Law Judge shall complete the hearing within 180 days, and issue a decision within 60 days after conclusion of the hearing.

The ALJ's decision shall be the final order, subject to judicial review, unless a party petitions for review within 15 days. If there is a petition for review, the Secretary of Labor shall complete review and issue a final decision within 60 days. The bill provides that in any proceeding in which there is an issue of whether an employee's belief of a safety problem was reasonable, the Federal Aviation Administration shall participate in the proceeding and the Secretary of Labor or the Administrative Law Judge shall give great weight to the views of the FAA on such issue.

The bill further provides that if the Secretary of Labor finds that a complaint is frivolous or has been brought in bad faith, the Secretary may award the prevailing employer a reasonable attorney's fee, not exceeding $5,000.

(c) *Judicial Review.*

The bill provides that any person adversely affected by an order of the Department of Labor may obtain review of the order in the United States Court of Appeals for the circuit in which the complainant resided on the date of the violation.

(d) *Enforcement.*

The bill provides for the Secretary of Labor or any party on whose behalf an order is issued by the Secretary to obtain enforcement of the order in the United States District Court for the District in which the violation is alleged to have occurred.

(e) *Posting of Notice.*

The bill requires employers to post a notice in a form approved by the Secretary of Labor setting forth information appropriate to carry out the purposes of the Act.

(f) *FAA Responsibilities.*

The bill provides that whenever the Federal Aviation Administration receives information relating to a safety problem, the Administrator shall take such action as may be necessary to ensure that the employer is promptly made aware of the danger. If the employee does not wish to have his or her identify disclosed to the employer, FAA shall take such steps as may be needed to protect the employee's identify.

(g) *Definition of Covered Employee.*

The "covered employees" protected by this Act are (1) an individual employed by a United States person (other than the United States, or a state or local government) as a member of an aircraft flight or cabin crew, a check pilot, a chief or standardization pilot, an aircraft mechanic, an aircraft repairman, an aircraft dispatcher or an aircraft refueler); (2) an individual employed by a United States person (other than the United States, or a state or local government) whose employment responsibilities relate to (a) manufacture of aircraft, engines, propellers, appliances or spare parts; (b) control of air traffic; or (c) manufacture, installation or maintenance of equipment or computer programs to be provided directly or indirectly to the Federal Aviation Administration for use in the air traffic control and navigation systems.

Section 3. Civil Penalties for Posting of Notice Requirements.

Establishes a civil penalty of $1,000 per violation for violation of the requirements imposed by this bill for employers to post notices of the provisions of this Act.

FREDDIE MAC STOCK

HON. JOHN HILER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. HILER. Mr. Speaker, on June 30, I cosponsored H.R. 4945, along with Mr. ANNUNZIO and Mr. WYLIE that would have lifted the restrictions on the ownership of the nonvoting preferred stock of the Federal Home Loan Mortage Corporation [Freddie Mac]. This was a companion measure to S. 2467 introduced by Senator D'AMATO on June 6. Under current law, only savings institutions may own Freddie Mac preferred stock. Yesterday, the Federal Home Loan Bank Board announced that they would administratively lift the Freddie Mack stock ownership restrictions January 1. Beginning then, any person may purchase or sell Freddie Mac's preferred stock. This should permit $2 to $3 billion to be injected into the Nation's ailing thrift industry. I am quite pleased that Mr. M. Danny Wall, the chairman of the Federal Home Loan Bank Board, saw the wisdom in this means to increase capital in the thrift industry. We must take advantage of every means available to improve the financial position of the thrift-industry. America has benefited from a strong and healthy thrift industry and this must continue.

I would like to commend Senator D'AMATO for his fine work on this issue on the Senate side and my colleages Congressmen ANNUNZIO and WYLIE. I believe that with this measure that we have taken an important first step in solving the problems of America's thrift industry.

IN HONOR OF OFFICER ERNEST PONCE DE LEON

HON. BILL GRANT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. GRANT. Mr. Speaker, on July 8, the citizens of Tallahassee, FL, were rocked by a human tragedy of enormous proportions. Three escapees from the Maryland House of Correction, at large since June 25, killed Tallahassee Police Officer Ernest Ponce De Leon during a routine identification check in a convenience store parking lot.

Officer Ernest Ponce De Leon is the first policeman to be slain in the Tallahassee Police Department's 143-year history.

That these desperate men and their female companion should bring their rein of terror to Tallahassee was a horrible twist of fate. Yet, through the herioc efforts of Officers Ponce De Leon and Greg Armstrong, these dangerous criminals will not have the opportunity to commit the armed robberies they obviously were planning for Tallahassee or anywhere else.

The three escapees and their companion were approached by the officer, who had received a call to investigate a carload of suspicious people. According to local police reports, as one escapee was searching his luggage for identification, another jumped from the car and shot Officer Ponce De Leon at point blank range.

Officer Armstrong then heroically shot the escapees. Two of the men ran but were captured a short distance from the scene. All three men have been charged with first degree murder.

Officer Ponce De Leon's funeral this week was witnessed by thousands of people, a testimony to his dedication to duty, his compassion for the people he served and his warmth as a caring human being.

Ernest Ponce De Leon had only been a full-time police officer for 2 years. The 40-year old father of two worked for 10 years as a juvenile probation counselor with the Florida Department of Health and Rehabilitative Services.

His sense of duty to his community led him to volunteer as a reserve officer with the Tallahassee Police Department in 1981. But even after becoming a full-time officer in 1986, Ernest Ponce De Leon never forgot about the children whose lives he tried to save.

This is what Wayne Wallace, a former coworker, had to say about Ernest's dedication to his kids.

"We had a kid that was a Macomb Street project kid. He was pretty young, but still so streetwise, and he'd been through every program we had.

"Ponce stayed on top of him; he knew what that kid was doing every minute. He'd drop in on him at school, at home, everywhere. He put out an awful lot of energy. We used to kid him and say, 'When are you going to adopt him, Ponce?'"

Officer Ponce De Leon's dedication to children at risk was so strong, he planned to leave the police force to work with the Missing Children's Information Clearing House, part of the Florida Department of Law Enforcement. He postponed the move only because the force was shorthanded.

Mr. Speaker, Officer Ernest Ponce De Leon's death at the hands of hardened career criminals is a tragedy which the community of Tallahassee is having difficulty coming to grips with. Officer Ponce De Leon embodied the values we as a society consider emulative; love of family, honor and respect for himself and his fellow policemen.

We owe Ernest Ponce De Leon our highest praise and the promise to carry on his commitment to healing young lives. This is the least we can do for someone who gave so much to his community so selflessly.

JOHN HEAGARTY—CITIZEN BEE WINNER

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. PRICE of North Carolina. Mr. Speaker, it is my privilege today to honor an outstanding student from my congressional district, John Heagarty of Raleigh.

John is the North Carolina State winner of the Citizen Bee, a competition sponsored by the Close Up Foundation. The Citizen Bee tests students' knowledge of American history, government, economics, geography, and current issues under "sudden death" elimination rules.

John progressed through school, regional, and State competitions to emerge as the North Carolina finalist. This achievement means that John has yet to answer a question incorrectly during a competition round.

In an age when media attention focuses on the weaknesses of high school students in many of the Citizen Bee subjects, John represents what every student should strive to achieve.

Thanks also must go to Southwestern Bell for funding the North Carolina competition and to the North Carolina Department of Public Instruction for organizing the competition.

Congratulations, John, on a job well done.

ACID RAIN: A PROBLEM THAT MUST SOON BE DEALT WITH

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MAVROULES. Mr. Speaker, I rise today in the hope of bringing a much disregarded issue back to the forefront, acid rain.

I ask my colleagues how often do you think of the negative effect on our environment caused by acid rain? A likely response would be very little. Acid rain may not be a quickly visible problem like homelessness or the drought, but it can be just as damaging to our Nation in the long run. Although the effects of acid rain may occur slowly, the result is irreversible. We must stop our environment from being subject to such a disastrous future.

Acid rain is precipitation with an above-normal degree of acidity caused by the absorption of sulfur dioxides and nitrogen oxides. The combustion of fossil fuels is the primary cause of these oxides. These fossil fuels include petroleum products and coal. Because the use of coal has increased greatly in the last 20 years and this trend is expected to continue, the causes of acid rain must be dealt with. I ask my colleagues to be conscious of this threat and act now, before the irreversible effects are prevalent.

The environmental problems that can result from acid rain are the loss of fish in lakes, damage to crops and forests, and corrosion of materials. Because of this threat, a Federal program should be developed to curb acid rain. This is why I have cosponsored H.R. 2666, the Acid Deposition Control Act. Others believe the legislation to reduce sulfide dioxide emission should be delayed in order to research the problem further. Because of the imminent danger that acid rain presents, we should follow the old, but very wise phrase, "don't put off tomorrow what you can do today." Today we should act because there may not be an environment tomorrow to save. Four years ago, a report by the Office of Technology Assessment cited that 3,000 lakes and 23,000 miles of stream in the Eastern United States have been acidified or were on the brink of acidification, killing or threatening all aquatic life. These statistics should open our eyes to the true threat that acid rain poses.

So I ask my colleagues, do we want to take action while we still can to save our lakes, forests, and crops, or will we wait and watch our most beautiful assets that have been with us since the beginning of time erode and vanish due to a disorientation of priorities. Let the prevention of acid rain be a first priority and join me in saving our environment.

DAVIS-UMAN SISTER CITY PROJECT

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. FAZIO. Mr. Speaker, I rise today to welcome the official delegation from Uman, Ukraine, U.S.S.R. which will be visiting Davis, CA. during the last week of July 1988. This visit is part of an effort by the cities to become sister cities under the sister city international program.

The dedicated people involved with the project in Davis have been working to establish relations between their city and Uman since December 1983. They began by sending friendship packages to the city and the A.M. Gorky Agriculture Institute. These packages contained letters from the Davis community, including the mayor and Davis schoolchildren, and were signed by more than 800 people. Their efforts were rewarded 8 months later when a similar package arrived from Uman containing, among others, a letter signed by hundreds of Uman students. This was especially rewarding since very few American cities have been able to establish contact with Soviet cities.

In 1985, a group from Davis journeyed to the Soviet Union and held a meeting with representatives from Uman. In 1987, another group from Davis visited the Soviet Union and was able to spend a day touring Uman and talking with city officials.

The Davis city sister project participants have long looked forward to reciprocating the hospitality shown to them in the Soviet Union and have anxiously awaited the Uman delegation's visit to Davis. A week's worth of activities is planned including meeting with city officials.

I am impressed and pleased with the development of good relations between the American city of Davis and the Soviet city of Uman. In this day and age, it is increasingly important to lessen the threat of a nuclear confrontation between the two nations as has been accomplished by the recently ratified Intermediate Nuclear Forces Treaty. The development of lines of friendship as well as a mutual understanding between the citizens of the United States and the Soviet Union can help assist this important endeavor.

I salute the people of Davis and Uman and wish them continued success with their project and with their efforts to bring the world closer together for friendship and peace.

EDUCATION AND ECONOMIC GROWTH: PUBLIC/PRIVATE PARTNERSHIPS

HON. TOM SAWYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SAWYER. Mr. Speaker, on March 25 of this year, John D. Ong, chairman and chief executive officer of the B.F. Goodrich Co., which is headquartered in my congressional district, delivered the following address on employment and training needs our Nation will face in the 21st century to the National Alliance of Business Conference. I would like to share the address, "Workplace 2000: Managing Change," with our colleagues as it provides a valuable insight on the importance of improved educational attainment to our Nation's growth and prosperity.

WORKPLACE 2000: MANAGING CHANGE

During the past several decades, business has passed through phases where various disciplines received special attention. We have seen special emphasis on marketing, manufacturing, financial, etc. During the coming decades, I believe we will see increasing attention paid to those who manage a company's human resources. The basis for that conclusion is tied to the entry level hiring crisis we will face before the year 2000.

Among the many projects that the National Alliance of Business has undertaken is a major study of projected economic trends in this country over the next decade. The study, which we call "Employment Policies: Looking to the Year 2000," provides a "big picture" look at training and employment from now until the turn of the century.

NAB published the "Year 2000" study in 1986. Since that time, other studies have been released that verify our principal finding: The next decade will be a period of great economic opportunity, but also of grave economic danger, for the United States. In particular, we are already moving into an entry-level hiring crisis.

In essence, this crisis is a challenge to American business. Complaints from business about the quality of entry-level workers have been frequent in the past. But business is realizing that complaints aren't enough. The problems we're facing need to be identified and understood. And once we understand the problems, we need to act to solve them.

So what are the problems? Let's begin with some pretty obvious facts about our economy. We're already living in an economy that is rapidly changing—and that change is going to continue. Technological innovation, foreign competition and shifts in consumer preferences add up to a workplace in which change is the only constant.

A few figures will indicate what I'm talking about. In the past 10 years, the American economy created over 20 million new jobs; 90 percent were in the service and information industries. The next 10 years will show similar results.

While we're right in the middle of one revolution here at home, we're experiencing another from abroad. The rise of competition from Japan, Europe, Asia and Latin America has been so pervasive that I think many of us have lost sight of just how dramatic it's been. Less than 20 years ago, the United States manufactured about 50 percent of the world's television sets, 90 percent of the world's radios, 76 percent of the automobiles, and 47 percent of the world's steel. Now we produce barely 6 percent of the world's TV sets and radios combined, 28 percent of the cars, and 20 percent of the world's steel.

These changes have caused pain. Millions of people have been thrown out of work. Millions more have had to learn new skills in order to remain on the job. There's every indication that the future will bring us more of the same. And it's clear that low-skill positions are being replaced by jobs requiring more extensive education and training.

Considering the upheavals we've faced in the past and will face in the future. It's a tribute to the strength of our economy that it's remained what it's always been: the greatest job creation machine in history.

What's most exciting about the near future is that our economy has the potential to do even better. If we are able to operate at peak efficiency, we will be creating jobs faster than people will be entering the labor market to fill them. By 1985 we could be generating two million more jobs than there are people in the labor force.

It will be an older work force. The baby boom generated entered the labor force in the seventies and eighties, and now it's being followed by the so-called baby bust generation, which is significantly smaller in numbers. Because fewer young workers will be entering the labor force, we will have to know how to make better use of our older workers. Retraining will become even more significant than it is now.

Two-thirds of the new workers coming into the labor force will be women, pushing women's share of the labor force from the current 42 percent to almost 50 percent in the year 2000. Already, most working women are married, and most have children. That trend is going to continue.

But if working parents are to do their jobs, they need quality child care. They need flexible schedules to respond to emergencies. This is particularly true of single working mothers—and there are millions of women in this demanding situation. Employers have to be aware of how their employees are affected by their family responsibilities—responsibilities that can extend to caring for elderly and infirm parents as well as young kids.

Our traditional supply of entry-level workers—young people—is declining. At the same time, the number of young people coming from disadvantaged backgrounds—from urban ghettoes and rural poverty—is increasing. The black labor force will grow at twice the rate of the white labor force. Fewer young entry-level workers will be available, and, if present trends continue, a greater percentage of those who are available will lack the skills our jobs require.

The entry-level hiring crisis is right now. We know that the need for skilled workers is increasing: By 1990, it is estimated that three out of four jobs will require more than a high school education. Yet we are turning out 700,000 high school drop-outs a year. Our high-tech economy is creating jobs that could go begging because millions of our young people lack the basic educational skills that employers believe they should take for granted.

We're in danger of creating a permanent underclass in this country, separated from the mainstream—an underclass based on ignorance, and poverty, largely confined to urban and rural locations far from the major areas of job growth, and too readily identificable by racial and ethnic origins.

The signs of the underclass aren't hard to find: 46 percent of black children are currently growing up in poverty. Thirty-nine percent of Hispanic children are in the same situation. Overall, the percentage of children growing up in poverty is increasing in this country rising from 16.8 percent in 1975 to almost 20 percent in 1985.

Only about half of these children—black, Hispanic and white—ever graduate from high school. Only about half of young black men are even in the labor force; only a third have jobs; one quarter has never been employed.

We can't afford to let these trends continue. We can't stand by and watch as millions of young people surrender the opportunity for productive lives in return for permanent idleness. Our economy can't afford it and our Nation can't tolerate it.

We at the Alliance are not looking for a magic bullet, a blueprint, for America's economic future. Any attempt to establish single, rigid economic policy for a country as large and as varied as the United States would create infinitely more problems than it could ever solve. But at the same time, we're not going to stand by idly. We have some basic ideas on what should be done and who should do it.

We at the National Alliance of Business like to talk about partnerships, because the Job Training Partnership Act, which provides the funding and structure for most of the job training programs for the disadvantaged in the United States, is based on the idea of partnership. While the federal government provides the overall policy direction and most of the money, public/private partnerships at the state and local level decide what kinds of programs will be offered and how they will be operated.

But the partnership must be expanded beyond JTPA to the educational system in order to prepare the young workers of the future.

Educational reform has been a hot issue in this country for several years now, and just about every state has taken some action to toughen standards and put new emphasis on basic math and literacy skills.

Nations like Japan manage to give virtually their entire population a good basic education, and there's no reason why we shouldn't do the same. I'm not an expert on whether we're like Japan or different from Japan, but I do know that we owe it to our kids not to let them drop out, or let them graduate without knowing how to read and write.

We need to get kids interested in education, and show them how it relates to life in the real world. One of the saddest things about so many kids is that they don't see the significance of education. That's one area where a public-private partnership can pay off dramatically. Schools need to hear from business, to learn exactly what employers are looking for when they hire young people. Employers need to realize that there's more to be done with the education system than complaining about it.

In Boston, schools and business have joined together to form an organization known as the Boston Compact, which is an excellent example of what I'm talking about. The Compact works to show students how education can be translated into employment. At the same time, it involves business in education and promises employment to Boston high school graduates. We at the Alliance are working to expand on the Compact's achievement through the Compact Project, which is helping seven other cities to establish similar partnerships.

The local school system should also be the center for efforts to educate the 23 million adults in this country who are illiterate. Some of our large corporations have well-established basic education programs for their employees, but this isn't feasible for most companies, and it seems unreasonable to ask business to do this kind of training in the first place. The $30 or $40 billion that business spends on training each year could be much better spent on job-specific skills, which is the kind of training that business prefers to do.

We need a long-term link between private enterprise, education and training in order to deal with the constant technological change that we're already experiencing. For example, in the five-year period from 1979 to 1984, 11.5 million Americans lost their jobs as a result of plant shutdowns or relocations, technological improvements, or shrinking output. While the vast majority found new jobs, 1.3 million dislocated workers remained unemployed, despite an expanding economy.

In this sort of environment, the old idea of education as something that ended once you started working is worse than uselessness, and people who cling to it will be left behind. Studies have indicated that from 20 to 40 percent of dislocated workers need some form of remedial education to become employable. The old blue-collar jobs that required a willingness to work hard but few formal skills are fast disappearing.

Research done by NAB indicates that many companies are turning to job training programs operated by local public/private partnerships. It's a policy that makes sense, and it's a policy that more companies ought to explore.

Public/private partnerships provide a basic tool for addressing the mismatches between workers and jobs that we see developing. If workers are to adjust to an ever-changing, technologically sophisticated workplace, and if employers are to adjust to a changing work force, there must be a vehicle for interaction and understanding. The partnership approach is part of the great American tradition of voluntary action, and it's an approach that can help make that tradition even greater than it is today.

CONGRATULATIONS TO THE CAMP FIVE MUSEUM

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ROTH. Mr. Speaker, next week, there will be a special celebration in Laona, WI, as the Camp Five Museum marks its 20th anniversary. This is a fitting commemoration of two decades of vision and hard work to make Camp Five a living memorial to the rich history of the logging industry in northern Wisconsin.

The Camp Five Museum is a public foundation, dedicated to recreating and maintaining an authentic example of the logging camps which dotted the north woods in a bygone era when loggers cut trails through the wilderness and had to live off the land for extended periods while harvesting lumber for the mills further south. The sights and sounds of a logging operation evoke the memories of colorful, hard-working loggers who risked their lives to bring out the huge logs for processing into lumber and paper.

The museum runs a rail line, known as the "Lumberjack Special," into the camp, providing an added tourist and historical attraction.

A special feature of the celebration will be the formal presentation of the Presidential Environmental Youth Award to the museum, in honor of its work with the Milwaukee Boy Scouts to educate scouts about ecological issues.

This celebration, and the award, are fitting tributes to the museum's executive director, Mary Connor, to the director of development, Sara Connor, and to the officers and directors, who are led by the president, Mrs. Edward Dellin, the treasurer, Mr. John Weitzel, and the chairman of the board of advisors, Mrs. F.J. Lenfesty.

On behalf of the U.S. Congress, I offer my congratulations to all, and my best wishes for the future.

CHINA CONTINUES TO VIOLATE HUMAN RIGHTS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SMITH of New Jersey. Mr. Speaker, today's edition of the Wall Street Journal contains an article about the People's Republic of China's increasing use of coercive policies to enforce their one-child-per-couple population control policy.

The Journal article reports that some officials are adopting new persuasion tactics, such as cutting off water and electricity to families who refuse to practice birth control. The article goes on to point out that in pursuit of birth control, Chinese officials intrude into the most intimate aspects of couples' lives in ways Americans would find intolerable.

Chinese officials often claim that their policies have the support of the people. However, the Journal article puts the lie to this claim. Few rural women agree to have abortions, and many who do first put up a strong fight, the article points out.

I hope my colleagues will carefully consider this ongoing violation of fundamental human rights by the Chinese Government. The United States should continue to demonstrate our strong objection to these coercive practices and urge others in the world community to press the Chinese Government to respect the rights of their people. The article follows:

[From the Wall Street Journal, July 14, 1988]

BEIJING BOOM: CHINA'S BIRTHRATE RISES AGAIN DESPITE A POLICY OF ONE-CHILD FAMILIES

(By Adi Ignatius)

KETOU VILLAGE, CHINA.—Rao Changqin is recalling her determination—despite the wishes of the state—to bear a son.

After first giving birth to a girl, Ms. Rao defied China's one-child limit and had a second child, another girl. Then the 35-year-old farm worker in this tiny village outside Beijing bore a third child, this time the long-sought son. For the two unauthorized births she and her husband were fined a total of $1,348. That is more than they earn in a year, so the couple went deeply into debt.

"I had to keep trying until I had a boy," Ms. Rao says calmly, perched on a sofa in a Ketou government office and surrounded by the Communist Party officials who failed to persuade her to submit to an abortion.

Ms. Rao's defiance, and the defiance of others like her, spells new trouble for China. This country's birthrate is once again on the rise, despite draconian birth-control measures in recent years that included "voluntary" mass sterilization and a one-child policy that led thousands of peasants to murder their new-born girls. Already one in three pregnancies ends in abortion and yet some 22 million babies were born last year. That is one every 1.4 seconds. Ironically, China's economic reforms are partly responsible for the rise. They have increased the incomes of the country's most rural population and thus enabled peasants to pay fines and produce children in spite of government wishes.

NEW PERSUASION TACTICS

As a result, the rate of growth in China's population is rising after the nation had virtually halved the alarming 2% annual increase of two decades ago. Last year, the country's population grew 1.44%, up from a rate of 1.41% in 1986 and 1.1% in 1985. (By comparison, the annual rate in the U.S. is about 0.9%, in India about 2%.) If this continues, China's 1.08 billion population will swell to 1.5 billion by 2010, straining anew the country's efforts to modernize.

"China's population [growth] is almost out of control again," warns a recent editorial in the official Guangming Daily.

So the government is intensifying its birth-control efforts. It is doubling fines (a second child in Ketou now brings a penalty of about $1,000) and instead of simply penalizing offending families, the government also is basing the pay and promotion of certain officals on their success at limiting births. As a result, some of the officials are adopting new "persuasion tactics," such as cutting off water and electricity to families who refuse to practice birth control.

A QUOTA OF BABIES

For instance, here in Ketou, the task of controlling births falls to Jia Dianlai, a 48-year-old bureaucrat in a crisp Mao suit who has served as the village's top party official for 20 years. If births exceed state quotas, he stands to lose up to 10% of his handsome $500 annual salary—and maybe even his job. If he does well, he could earn several hundred dollars in bonuses.

Mr. Jia has his work cut out for him. At 3%, Ketou's annual population growth rate is more than double the national average. Nearly two-thirds of the village's 270 families have had two or more babies. Mr. Jia himself has four children—all born, he hastens to explain, before the single-child policy took effect in 1979.

"I'm under a lot of pressure," he says, noting that rural people cling to "feudal ideas." Chief among those ideas is the belief that more children—particularly boys—equals more happiness. Boys not only are more effective beasts of burden on the farm but are a source of security for Chinese couples. After a male in the countryside marries, he and his wife move in with his parents, and support them in their old age.

Mr. Jia was among several officials who tried to persuade Ms. Rao to have an abortion. He pleaded with her to consider society's overall needs, not just her desires. But she prevailed and paid the fines. After she gave birth to her son, Mr. Jia and others kept up the pressure. Finally, after months of tense "persuasion meetings," and facing an additional $800 in fines, Ms. Rao agreed to be sterilized.

In the future, officials might not be so patient. The battle to limit population growth is being fought with renewed vigor in every city and village. Posters and billboards exhort people to marry late and have only one child.

In urban areas, where inflation is squeezing family incomes, crippling penalites for those who have second children have essentially ended the practice. But in the countryside, where officials have frequently granted exceptions to the single-child rule, the fight is just beginning.

In pursuit of birth control, Chinese officials intrude into the most intimate aspects of couples' lives in ways Americans would find intolerable. For instance, Ketou officials maintain a detailed dossier on each of the village's 210 women of child-bearing age. Two thick notebooks list the result of each pregnancy, the birth-control method used and any fines imposed. (In some villages, such files chart women's menstrual cycles.) The records show that two-thirds of the women in Ketou have had more than one child. About a quarter have had three or more.

Ketou has 31 officials involved in enforcing birth-policy guidelines. They frequently visit local households, providing free birth-control devices and urging mothers to have abortions and undergo sterilization. Female officials even conduct spot checks in the home to make sure intrauterine devices are still in place.

But Ketou women dodge the officials. "If a woman knows that we are coming, she frequently runs away," says Liu Guofang the village director. "As a result, a lot of my visits take place after hours. Even then, sometimes they run away."

Few rural women agree to have abortions, and many who do first put up a strong fight. Chen Yuping, a 32-year-old Ketou chemical worker and the mother of one child, recently became pregnant. Mr. Jia recruited her husband's employer, a branch of the People's Construction Bank of China, to help press her to have an abortion. A bank official told her that if she had the baby, her husband's salary would be halved, to $6.75 a month.

"They also laid my husband off for 15 days so he could persuade me not to have the baby," she recalls, rocking nervously in her chair. Finally, she succumbed. The baby is gone but the resentment remains. "I felt it was unfair," she says, staring blankly at a wall across the room.

To show a visitor not all women resist, Mr. Jia goes to the microphone in his office and calls over the loudspeakers scattered across the flat countryside, "Liu Lianping. Liu Lianping. Please come to the party office."

Within minutes a shy 24-year-old appears. She is dressed in a pink silk jacket. She enters a room filled with officals and takes a seat on a thick sofa against the wall. The officials begin telling her story for her.

Ms. Liu had her first child, a boy, two years ago. She was urged not to have another. "She was easy to deal with," the party secretary boasts.

But other officials sitting in the room tell a different tale. In fact, they say, it took weeks of visits, including one from the party secretary himself, before Ms. Liu agreed to have an IUD inserted. They recall her mother-in-law vehemently telling officials to mind their own business.

As the story proceeds, Ms. Liu suddenly interrupts. "I finally decided, why not give in," she says. "I already had a child."

Sending Ms. Liu back to work at the village chicken farm with a wave of his hand, Mr. Jia says, "In this generation, we have to make some sacrifices. Otherwise, things will be very difficult in the future."

In stark contrast to Ketou, the 12th Street neighborhood in Shenyang, an industry city in northeast China, has one of the best records in the country. Since 1980, not a single child has been born outside state quotas for 12th Street, where about 40,000 people live. This achievement underscores the fact that birth control is much easier to carry out in cities, where most workers are still employed by the state and are therefore vulnerable to pay cuts. In the countryside, on the other hand, farmers have access to a free market, and their direct reliance on the state is waning.

PAYING THE PRICE

At 12th Street, there are no exceptions to the one-child policy. For couples who have a second child, both husband and wife lose 10% of their salaries for 14 years. And they lose preferential treatment in getting access to apartments, schools and free education. In some cases, employers—who also bear responsibility of population control—have dismissed workers who have additional children.

"Anyone can make the calculation," says Jian Hong, a bespectacled 38-year-old teacher and mother who lives in the 12th Street area. "Who in their right mind would have a second child?"

This sentiment is echoed in cities across China. Sun Wei, for example, lives in a tiny, 200-square-foot apartment in Beijing with her husband and six-year-old daughter. Their family income is about $50 a month, too little, she believes, to support another child. She willingly had an abortion after becoming pregnant in January. "You couldn't pay me to have a second child," she says.

Because 12th Street did well last year, the three senior neighborhood officials divided a bonus from the city government of $135. Smaller bonuses went to lower-level birth-control officials. But the incentives can cut both ways: If the neighborhood does badly, these bureaucrats face penalties equal to at least 4% of their income.

CHAIRMAN MAO'S LEGACY

A consensus hasn't always existed among China's leaders that population must be controlled. Chairman Mao Tse-tung used to argue that "the more people, the greater China's strength," and he ignored experts' calls for curtailing growth. (China now has 22% of the world's population but only 7% of its arable land.)

When the chairman's broader economic policies led to mass starvation in the early 1960s, the government launched programs to limit births. But family-planning efforts soon broke down, and birth rates soared during the 1960s and 1970s until the end of China's chaotic Cultural Revolution in 1976. In 1963, the peak year, 30 million babies were born, pushing the population growth rate to 3.3%.

Today, babies from that era have reached child-bearing age themselves, contributing to the new surge in births. The current cycle isn't likely to peak before 1995, and some international demographers warn that the country may see similar booms every 20 years or so. That worries Chinese officials bent on modernization.

Already, food production isn't keeping up with population expansion. China had to import about 15 million tons of grain last year at a cost of more than $1 billion in scarce foreign exchange. Peasants currently tend cramped farms averaging only about one-quarter of an acre each, while, in the cities, workers have just a few square feet of living space apiece. The government has hoped to double current per-capita income to more than $800 by the year 2000, but that too is threatened by China's chronic, if cyclical, population explosion, officials warn.

China has lost control of population growth, says Mr. Jia, the Ketou official. "So we have to work harder, if we fail to limit population. China's living standard will never improve."

A TRIBUTE TO THE PIXIE RESTAURANT

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. SCHUETTE. Mr. Speaker, today I would like to take the opportunity to congratulate The Pixie, a family owned and operated restaurant in Mount Pleasant, MI, which is celebrating its 40th year in business.

Norman LaBelle started The Pixie in the spring of 1948. During the first several years of business the restaurant was open only half of the year, remaining closed in the winter months. It was a classic example of the American drive-in, complete with car hops and window trays. Today, the restaurant retains that atmosphere amidst heavy competition from franchises of the large international fast food chains.

The Pixie is now owned and operated by Mr. LeBelle's sons, Bart and Doug. They estimate that in 40 years, they have served over 7 million of their famous Coney Dogs, as well as countless burgers, french fries, and soft drinks. More importantly, The Pixie has povided jobs for many high school and university students, and others in the area. Over 2,400 people have been employed by the restaurant since its founding.

With such success, the LaBelles have founded a management company that operates a total of 24 restaurants in Michigan and Indiana and employs 1,500 people.

Mr. Speaker, I hope my colleagues in the House will join me today in congratulating Mount Pleasant's oldest family owned and operated restaurant for their success, and in thanking them for their contributions to the community.

BASTILLE DAY

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mrs. BENTLEY. Mr. Speaker, today France celebrates Bastille Day commemorating the storming and seizure of the royal prison by the people of Paris in 1789. To many the Bastille was a symbol of oppression and cruelty by a despotic monarch. Its capture was a turning point in the French Revolution and an important step toward the achievement of democratic government.

Throughout history France has played an important role in the affairs of our country.

The statesman and soldier Marquis De Lafayette not only served as a major general in the American Army, but also persuaded his government to send aid to the Colonists which was crucial in the overthrow of British rule. It is generally held that without this aid the Colonial Army would never have achieved victory. After the war Lafayette assisted in the negotiations that won independence for America.

Here in Washington we see work of engineer and architect Pierre Charles L'Enfant whose plan formed the basis for the development of this Capital City.

Both of these men are honored with monuments in the area: L'Enfant's in Arlington Cemetery and Lafayette's in a nearby park.

On the 199th anniversary of this historic day let us remember its significance in the dawning of democracy in France. Let us also not forget the vital support given by France to our own country in her struggle to win democracy.

H.R. 4955, REMOVAL OF OWNERSHIP RESTRICTIONS FROM FREDDIE MAC PREFERRED STOCK

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. WYLIE. Mr. Speaker, today I was going to rise and urge my colleagues to support H.R. 4955, a bill that I introduced along with my Banking Committee colleagues Congressmen ANNUNZIO and HILER on June 30, 1988. This bill would remove ownership restrictions from Freddie Mac preferred stock and as a result would infuse additional capital in the savings and loan industry.

However, yesterday the Federal Home Loan Bank Board, acting in its capacity as the Board of Directors of Freddie Mac, voted unanimously to establish the major elements of the lifting of the restrictions. I wish to commend Bank Board Chairman Danny Wall for exercising his administrative authority on lifting the ownership restrictions. Mr. Speaker, it is an excellent example of Chairman Wall's ability to recognize a need and I think the mood of Congress to move responsively and responsibly to implement congressional intent. When this legislation was introduced in the Senate by Senator D'AMATO, 15 of his colleagues on the Senate Banking Committee joined in cosponsoring this proposal.

Currently, Freddie Mac preferred stock can only be purchased by members of the Federal Home Loan Bank System, and stockowners cannot hold more than 1 percent of the total 15 million shares created. These restrictions have caused the preferred stock to be extremely undervalued and illiquid. Market analysts suggest that the removal of these restrictions would cause the value of the stock to double or even triple, raising over $1 billion in capital for thrifts—at no expense to the Treasury. The funds would be raised by as yet untapped private investors who have been excluded from investing in Freddie Mac preferred stock.

An increase in the price of the stock since introduction of this legislation in the Senate gives some insight into the stock's true potential. In fact, before June 6, Freddie Mac preferred stock was trading at approximately $62 a share. On June 30, the stock closed at $101.

In my State of Ohio there are 193 thrift institutions that currently own Freddie Mac participating preferred stock. These institutions own 830,360 of the total 15,000,000 shares available—or 6 percent. This stock at its value before June 6 represented over $51 million in capital on the books of these thrifts. With the recent increase in price, the total value of Freddie Mac preferred stock owned by Ohio thrifts is now over $86 million.

Although most savings institutions are healthy, raising $1 billion for the industry would help increase the net worth of those institutions that teeter between solvency and insolvency. Moreover, the lifting of the stock restrictions is good news for housing. Unfetted Freddie Mae Stock now should show its true market potential and enhance Freddie Mac's ability to raise further capital.

Removing the ownership restrictions on Freddie Mac's preferred stock would in no way change its operations. The preferred stock would continue to be nonvoting, and Freddie Mac would continue to be a federally chartered and monitored institution whose board of directors would continue to be the Federal Home Loan Bank Board.

The removal of ownership restrictions has widespread support. Leland Brendsel, current President of Freddie Mac, and the immediate two past Presidents of the Corporation, Kenneth J. Thygerson—now president of Imperial Corp. of America—and Philip R. Brinkerhoff—now president of Santa Barbara Savings & Loan—have all endorsed this proposal. In addition, the National Council of Savings Institutions, U.S. League of Savings Institutions, Mortgage Bankers Association, National Association of Realtors, and National Association of Home Builders have expressed their support for this proposal.

Once again, I applaud yesterday's action taken by Chairman Wall. This is a positive action which is a step in the right direction toward easing the problems faced by the thrift industry and renewing some of the financial burden of the Federal Savings and Loan Insurance Fund and most importantly, this decision is good for housing and the American home buyer.

A TRIBUTE TO GUILDA MAE BROWN

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an extraordinary citizen and member of my community, Guilda Mae Brown, on the special occasion of her 90th birthday.

Guilda Mae was born in Peru, IN, on September 3, 1898, to Admonia Smith Gable and Benjamin Gable. She was 1 of a family of 11 children, all born at home.

Guilda Mae grew up on a farm in North Manchester, IN, and her daily chores of cow milking and egg gathering kept her quite busy. She loved the outdoors and was a nature girl at heart. In her spare time she would especially enjoy hunting for frogs and hardshell turtles because her mother would fry her catches as a treat.

Guilda Mae completed high school and went directly to work for the phone company as a telephone operator. She loved her job, and the town of North Manchester was so small that she knew all the customers personally.

She met her husband, Burgess Byron Brown, at a Fourth of July celebration in 1922 and in less than a year they were married. The couple had three children, Jacqueline, Joy, and Burgess Byron Jr., and with their three children, they moved to California in 1937. Guilda Mae's husband, Burgess Byron Brown, suffered an unfortunate death in 1946 and at the age of 43 Guilda Mae was left to raise two children, ages 11 and 14.

Guilda Mae is a proud mother and a proud woman who has six grandchildren and six great-grandchildren. Her constant guidance, unselfish love, patience, understanding, and strong moral values greatly influenced and contributed significantly to the respect and admiration that her children share for her and for life itself.

Guilda Mae reads her Bible and prays daily. She takes the Scripture to heart, "Whatever your hand findeth to to, do it with all your might." She is an inspiration to her family and dearly loved by all. Happy birthday to Guilda Mae.

INTRODUCING LEGISLATION TO MODIFY THE PROVISIONS OF THE 1986 TAX REFORM ACT

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mrs. KENNELLY. Mr. Speaker, today I am introducing legislation to modify the provisions of the 1986 Tax Reform Act which are causing undue hardship for dependents who are trying to work and save some of their earnings; namely, the so-called kiddy tax provisions.

Prior to the 1986 Tax Reform Act, tax law treated dependent children as separate taxpayers. This encouraged parents whose income would otherwise be taxed at a high rate to transfer some income-producing property to their child in order to have the income taxed at the child's lower marginal tax rate.

The 1986 Tax Reform Act attempted to eliminate the benefit of income shifting for tax purposes by placing limitations on a dependent's standard deduction. Specifically, under the 1986 act, the standard deduction of a dependent equals the greater of $500, or earned income up to the regular standard deduction for individuals—which was $2,540 in 1987. The problem with this provision is that it penalizes dependents for saving money from their jobs by imposing taxes on their savings if they earn over $500. For instance: If a teenager earns $2,000 and does not save any of it, his standard deduction exceeds earned income and he owes no taxes. On the other hand, if the same teenager were to earn only

$1,000 and have $300 of interest income from his savings, his standard deduction would equal the amount of his earned income, and he would owe taxes on the $300 interest accrued from his savings account. Clearly, because the law does not allow dependents to apply their standard deduction against unearned income once they earn over $500, it affects far more people than is reasonable and also discourages our youth from saving part of their earnings.

The legislation I am introducing today will modify this provision so that the standard deduction will equal the sum of $500 plus earned income up to the regular standard deduction for individuals. This slight modification will allow working dependents to earn over $500 and not owe taxes until either their unearned income exceeds $500 or their combined income exceeds the regular standard deduction. Under this proposed rule, using the same example I used earlier, a teenager earning $1,000 and saving $300 would not owe any taxes.

This change does not undermine our original intention of preventing the excessive shifting of income. Rather, it works within the established framework and attempts to adjust the rules to make the limitations on a dependent's standard deduction more equitable. Most importantly, this legislation restores the incentive for our younger generation to work and save for their futures. I encourage my colleagues to support this important modification in the 1986 Tax Reform Act.

WORLD MARRIAGE DAY

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. EMERSON. Mr. Speaker, today I am introducing legislation designating February 12, 1989 as "World Marriage Day." This legislation is intended to recognize the institution of marriage's importance to the fabric of our Nation. Through the observance of a special day, we can hope to foster a better appreciation for the family as the basic foundation of our society.

I want to pay special tribute to Mr. and Mrs. Ron Roth of Cape Girardeau, MO, who brought the idea of World Marriage Day to my attention. Mr. and Mrs. Roth have been actively involved in Worldwide Marriage Encounter, an organization devoted to helping couples improve their lives together. As a result of their experiences, they suggested that we pay tribute to the often-overlooked values enjoyed by men and women who commit themselves to one another through marriage.

The designation of February 9, 1989, coincides with the celebration of World Marriage Day by Worldwide Marriage Encounter, a "pro-marriage" organization which is affiliated with 12 different religious denominations. Next year's celebration activities are expected to take place in over 60 countries worldwide.

I urge my colleagues to join me in designating this special day as a reminder of an institution we too often take for granted in our fast-paced modern society.

TRANSPORTATION OF HAZARDOUS MATERIALS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation amending the Hazardous Materials Transportation Act concerning the transportation of hazardous materials in the vicinity of bodies of water which may also serve as sources of drinking water.

Section 1 of this legislation requires the Secretary of Transportation to establish certain regulations with respect to notification of local officials, time of transportation, and approval of specific route and time of travel.

Section 1 of the bill also requires the Secretary of Transportation to establish regulations governing the transportation of hazardous materials on public highways which may have been deemed hazardous. In these cases the secretary should determine what prohibitions or restrictions should be applied to the transportation of these materials on these highways.

Section 2 of this legislation establishes minimum and maximum civil penalties for violation of the regulations established in section 1. Violators would be subject to civil penalties of not less than $10,000 and not more than $100,000 for each violation.

Section 3 of my proposal would provide $4,000,000 in fiscal year 1989 to carry out and enforce the regulations established as a result of this act. These funds may be in addition to other moneys appropriated to carry out the Hazardous Materials Transportation Act.

Finally, section 4 requires the Secretary of Transportation to conduct a study on methods to contain hazardous materials spills on bridges, and how to respond to spills which are likely to leak into and contaminate water supplies.

In my view, not enough is being done to regulate the transportation of these dangerous materials. I hope my colleagues will carefully consider the potential disasters which may occur if we do not take prompt action. We must not only consider improving our monitoring system, but also how we should respond should an accident take place.

IN HONOR OF HEAL THE BAY SUMMER

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. LEVINE of California. Mr. Speaker, I rise today to bring to the attention of my colleagues in the U.S. House of Representatives the important work of an outstanding local organization in the 27th Congressional District, Heal the Bay, and to declare that the summer months of 1988 be designated Heal the Bay summer in order to inform and educate the residents of and visitors to Santa Monica about the state of the Bay and what can be done to make this beautiful natural resource safer and cleaner and to achieve the goal of the Federal Clean Water Act to have swimmable and fishable ocean waters.

During its brief two and half years of existence, Heal the Bay has been highly successful in promoting public education about what has been happening to our bay and what needs to be done to clean it up.

Through efforts by Heal the Bay to raise bay issues publicly through rallies, press conferences and testimony before many government agencies, elected officials and the general public have joined together to "heal the bay". Heal the Bay defeated the city of Los Angeles' attempt to do less than fully treat its sewage, and has been appointed Friends of the Court status on the EPA law suit against the City. It has assumed a major commitment to oversee the city's compliance with the settlement terms.

All these things and more have been accomplished by Heal the Bay as an all volunteer organization operating out of members' homes. Now, that is changing. Recently, a new Heal the Bay office was opened and its first board meeting held there. Heal the Bay is eager to increase its membership to 100,000.

This will be the summer of recognition for Heal the Bay. Santa Monica Place, the regional shopping center in downtown Santa Monica, will be building its entire summer promotion around Heal the Bay.

The Santa Monica Bay attracts more than 20 million people from throughout Los Angeles and the world to its broad sandy beaches each year. I know that through the good work of Heal the Bay and our commitment as community leaders, we will continue in our efforts to preserve and protect the Santa Monica Bay.

TECHNICAL CORRECTIONS

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. ROSTENKOWSKI. Mr. Speaker, today, I am introducing a bill to make technical corrections to certain Public Health Service provisions similar to provisions included in H.R. 4333, the Technical Corrections Act of 1988.

H.R. 4333 includes amendments to the continuing health care provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985. Each of the provisions included in this bill makes a corresponding technical correction to the Public Health Service Act, which involves the jurisdiction of the Committee on Energy and Commerce.

I am introducing these provisions as a separate bill from H.R. 4333, in order that they may be considered by the Committee on Energy and Commerce. The provisions included in this bill have been deleted from H.R. 4333 to avoid a sequential referral of H.R. 4333.

Mr. Speaker, I look forward to working with my distinguished colleagues on the Committee on Energy and Commerce in a cooperative effort so that the provisions of this technical corrections bill can be enacted this year as a freestanding bill, separate from H.R. 4333.

CONTINUING PROBLEMS IN NICARAGUA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. LIPINSKI. Mr. Speaker, I rise today to express my disappointment with the Sandinista government of Nicaragua. The mass demonstrations of recent days, with workers carrying placards stating "Democracy, Yes—Communism, No", have shown the desire of the Nicaraguan people for individual freedom and opportunity, and the inability of the Sandinistas to address their concerns. The forced closing of La Prensa and Radio Catolica which followed these demonstrations has proven, once again, that communism cannot exist with a free press and the free exchange of ideas.

By blaming American diplomats for recent unrest, the Ortega regime has attempted to deflect criticism of its legitimacy and its ability to provide for its people. In this "workers' paradise," large-scale labor strikes are now in their fifth month and the Sandinistas have cynically refused to negotiate their end while increasing their campaign of repression against striking union members. Just recently, two members of the trade union CUS were murdered by Sandinista police; and a leader of one of these ongoing strikes, who took part in the July 10 demonstrations, was arrested and severely beaten. I have followed this labor situation very closely in the last few months and am deeply disturbed by the Ortega regime's callous attitude toward the hard working men and women of Nicaragua.

The bottom line is that the Sandinistas cannot be trusted and that America must temper its future discussions with the Ortega regime with vigilance and caution.

FORT LEE FIRE DEPARTMENT CELEBRATES 100 YEARS OF DEDICATED VOLUNTEER FIRE SERVICE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. TORRICELLI. Mr. Speaker, I rise to address the Members today and pay tribute to the genuine concern, caring, and commitment of the Fort Lee Fire Department and the uncommon courage, devotion, and valor of its members. The department will be celebrating 100 years of dedicated volunteer fire service to the residents and community of Fort Lee on July 17, 1988 with a gala party and parade.

The volunteer members of the Fort Lee Fire Department act in the highest traditions of the fire service when they face the reality of danger, often in disregard for their own personal safety, with prompt action and clear purpose. It is with great admiration and respect that I recognize their skill, spirit, energy, and commitment to the safety and betterment of their community.

I hope the House will join in saluting all the volunteers of the Fort Lee Fire Department, past and present, who represent the highest ideals and traditions of the American spirit. Mr. Speaker, let me conclude my remarks by extending my appreciation for their efforts and accomplishments, participation and involvement, and offer my best wishes in the future.

DR. LEON HEBERTSON

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. THOMAS of California. Mr. Speaker, I would like to take this opportunity to salute Dr. Leon M. Hebertson, a resident in my district in California, who for the past 12 years has served with distinction as the director of the Kern County Health Department.

Dr. Hebertson has played an invaluable role in marshalling county resources to deal with a variety of complex environmental and personal health issues.

In addition to his work as a public official, Dr. Hebertson also served for two decades in clinical and medical assignments in the U.S. Army, bringing his medical expertise to military installations across the country.

Kern County has been fortunate to have Dr. Hebertson at the helm of its health department and I am proud to acknowledge his retirement today.

IN OPPOSITION OF H.R. 4264

HON. CONNIE MACK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. MACK. Mr. Speaker, I rise in opposition to H.R. 4264, the National Defense Authorization Act for fiscal year 1989. I regard it as unfortunate that some valuable aspects of this legislation are outweighed by negative provisions dealing with arms control and weapons systems.

I do support certain provisions of this bill related to drug enforcement. For example, the conference agreement included $300 million for drug interdiction activities. I am especially pleased that the bill included a provision adding detection, surveillance, and monitoring of efforts to smuggle illegal drugs into the United States by air or land to the mission of the military services. I have consistently supported the use of our military forces for these drug interdiction activities.

I must vote against H.R. 4264, however, because of several provisions concerning certain weapons systems. The bill which includes a funding level for the strategic defense initiative [SDI] which is a reduction of $836 million from the request level. I also oppose other cuts in the bill for ICBM modernization and the Stealth bomber.

Further, the bill includes language limiting SDI testing and prohibiting expenditures of funds for the new antisatellite [ASAT] missile. Because of these and other provisions, I oppose the conference report for H.R. 4264, the National Defense Authorization Act for fiscal year 1989.

INTRODUCTION OF BILL TO EXTEND FEDERAL CIVIL SERVICE CREDIT FOR CERTAIN NATIONAL GUARD TECHNICIANS

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mrs. MORELLA. Mr. Speaker, I am introducing legislation today to correct an inequity affecting a small number of former civilian employees of the National Guard.

National Guard technicians are full-time, civilian employees of the Army and Air National Guard. They provide the day-to-day support necessary to make the Guard an effective military reserve force; they maintain the military equipment assigned to the Guard, recruit new members for the Guard, maintain all necessary records, and represent the Guard in the community. These employees perform a vital service to the National Guard and are an important link in the defense capabilities of our Nation.

Twenty years ago, the 90th Congress recognized the importance of the National Guard technicians by enacting the National Guard Technicians Act of 1968. Public Law 90-486 brought this class of employees into the Civil Service Retirement System and clarified their status as Federal employees. Unfortunately, Congress did not grant full credit for prior service, though this was standard practice. They were granted only 55 percent credit for annuity computation purposes. The effective date imposed by the law was January 1, 1969, which denied credit to those technicians who had moved to other Federal employment prior to that date. In many instances, the former National Guard technicians had simply moved to a similar position with the Army or Air Force Reserve.

The 94th Congress became aware of this inequity and took some corrective action, though lack of vital demographic information precluded complete resolution at that time. However, the Committee on Post Office and Civil Service did recognize the inequity and House Report No. 94-461 stated: "To the committee's knowledge, no other group of employees brought under the Civil Service Retirement System has been penalized in this manner."

Despite attempts in each intervening Congress, no further action was taken until the 99th Congress. Public Law 99-661 contained a provision granting credit for pre-1969 National Guard technician service to those who were employed under the Civil Service Retirement System at the time of application. It did not extend the same benefit to those former technicians who had previously retired, or separated, from Federal service.

There are about 100 pre-1969 National Guard technicians who had retired from Federal service prior to enactment of Public Law 99-661. Most of these individuals are World War II and Korean conflict veterans; their average age is 65. They average 6.77 years of civilian service in the National Guard; their service ranges from a few months to as many as 20 years and they were denied the opportunity of applying for retirement credit. There are a few surviving spouses of deceased former National Guard technicians who have been denied benefits as a result of this inequity.

Mr. Speaker, the intent of my bill is to correct this 20-year-old inequity by allowing Federal retirement credit for all prior service as a National Guard technician. It would ensure fair and equal treatment for all those men and women who have served their country as technicians in the National Guard and guarantee them retirement compensation for work they have performed for the government and that has been paid for entirely by Federal funds.

The bill does not provide for the Federal Government to pay back any amount due to recomputation, but applies only to monthly payments accruing after the enactment of this bill. Furthermore, because of the age and financial ability of most of these former National Guard technicians, the requirement of a "pay back" deposit is made optional; this is normal civil service practice.

Mr. Speaker, I urge my colleagues to cosponsor this bill to assist these public servants who deserve to receive credit for their work as civilian employees of the National Guard.

Original cosponsors: Representatives MONTGOMERY, BURTON, YATRON, YOUNG, BEVILL, GONZALEZ, MYERS of Indiana, MFUME, DARDEN, ROBINSON, MCCURDY, FAZIO, KANJORSKI, SHUMWAY, COATS, MILLER of Ohio, HUNTER, HARRIS, CHAPMAN, CHAPPELL, and PETRI.

TRIBUTE TO 25 YEARS OF THE ADVISOR

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. BORSKI. Mr. Speaker, I rise to pay tribute to the Advisor, a weekly newspaper in my district which has given its nearly 20,000 readers a quarter century's commitment to community news and development.

The late 1950's and early 1960's saw a tremendous growth in new housing built in northeast Philadelphia, Mr. Speaker. But it takes more than bricks and cement to build a community. To become a community, residents of an area must find common interests, and work together on projects which improve their environment. Once the core of a community becomes committed to their common future, then other residents will join in. In my district, and throughout Philadelphia, weekly newspapers are a prime source of the spirt of a community, and an important vehicle for sharing information about the community.

The Advisor first appeared 25 years ago, and it immediately became a valuable resource to its community. Its strong emphasis on advertising and neighborhood events supplied useful information to new residents. The Advisor was a valuable resource that helped people get the best of their new home, and their new community.

A decade ago, the Advisor was purchased by the Intercounty Group, publishers of many of the finest weekly papers in Philadelphia. Under its new leadership, the Advisor took the next step toward serving its community, by committing its resources to local news coverage, community columns, and photojournalism.

The Advisor is carefully read by its readership of over 50,000 every week, and its measured, objective, and careful coverage of community, government, and political news make it one of the best publications of its kind anywhere. The Advisor should also be commended for its coverage of religion and education in the far northeast section of Philadelphia, and its "poets Corner," which encourages would-be writers young and old to try their hand at writing.

On July 26, 1988, the Advisor will celebrate its 25th anniversary of serving the people of Parkwood Manor, Morrell Park, Modena Park, Crestmont Farms, and Millbrook. Mr. Speaker, I congratulate Intercounty Newspaper Group President Richard McCuen, Vice President Joseph Croce, and Editor Fred Paul Gusoff, on their outstanding service to their readership, and I wish them another quarter century of service and success.

THE SDI REPORT OF THE DEMOCRATIC CAUCUS

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1988

Mr. FLIPPO. Mr. Speaker, I rise to comment on the Democratic Caucus staff report on the strategic defense initiative entitled "Strategic Defense Strategic Choices," which was released in May.

As a member of the task force of the caucus which produced this report, I believe it is a timely report containing a number of valid observations and criticisms of the SDI Program. However, the overall tone of the report is too negative and some of the technical, arms control, and economic issues raised are in error or biased in favor of the SDI critics who appeared before the task force. The report is an overkill. We need to form a balanced and objective assessment of SDI, recognizing that there are aspects of the program which are questionable, without tearing down the entire program.

We need to start from the policy level in thinking about, and evaluating, the SDI Program. The program was initiated to conduct the necessary research to determine if there is an alternative to mutual assured destruction as the U.S. policy for deterrence. Its basic objective remains to find a better way to assure deterrence of nuclear conflict than the threat of retaliation. As a corollary to this objective, the program is compatible with the promising ongoing START process to effect major reductions in the inventories of United States and Soviet strategic offensive weapons.

The goal of SDI is to defend, rather than to retaliate, to protect rather than destroy, to reduce, rather than increase our dependence on strategic offensive arsenals. I believe these basic policy objectives are still valid and it behooves us to continue to pursue the SDI research vigorously, while working toward a consensus on the composition and direction of the program.

In commenting further on the report, I would like to say a few words on the historical perspective of ballistic missile defense [BMD], the criticism of the phase I strategic defense system, the question of affordability, the role of defense, the issues of technical feasibility and the paramount topic of strategic stability.

The report properly sets the historical context of SDI, including references to the ARPA project Defender and the Army Nike-Zeus, Sentinel, and Safeguard programs, dating back to the late 1950's. However, it consistently reflects a negative view, supported by selective quotations from expert sources, on the capability of BMD viz-a-viz strategic ballistic missiles, and it does not accurately portray the positive influence of BMD in the arms control process.

The case is presented that the Safeguard site which we deployed in 1975 and the Moscow site deployed by the Soviets, which has been upgraded recently, were both easily defeated by offensive tactics. This case is overstated. While it is true that single BMD sites, deployed in compliance with the ABM Treaty, represent a modest defense capability, they can provide protection against a light attack, such as an accidental launch, and they contribute to deterrence.

We have passed the Spratt amendment to the fiscal year 1989 authorization bill, calling for consideration of a treaty compliant SDI deployment for accidental launch protection. This is a positive step which can lead to a symmetrical BMD deployment with the Soviets, and a start toward greater protection against the threat of nuclear attack. While we all understand that the treaty compliant, single site can be overwhelmed by a large-scale attack, we have properly committed this body to the position that it is worthwhile to have some defense rather than no defense. Senator NUNN led the effort in the Senate to establish a similar position, and the joint conferees of the Armed Services Committees have endorsed this position.

With respect to the relationship of BMD to the arms control process, we need to profit from the lessons of history and, in particular, remember the positive effects of the Safeguard program. Most students of the SALT I arms control process agree that our resolve in developing and deploying Safeguard led the Soviets to the bargaining table. Safeguard was instrumental in winning an agreement on the ABM Treaty and the interim offensive accords. There is evidence that the SDI Program is likewise having a salutary effect on the ongoing arms control talks. Furthermore, should we be successful in obtaining a START agreement to cut strategic offensive arms by 50 percent, a continued SDI Program would be even more vital than it is today.

Contrary to some opinions, strategic defense is in harmony with a world in which offensive arms are being drawn down. It becomes essential to the survivability of forces and a hedge against potential violations of arms reduction agreements. The feasibility of defense is enhanced when the stockpiles of offensive missiles are reduced and it assumes a larger role in the maintenance of deterrence and stability.

The report is misleading in stating that the "proven logic behind the prohibition against a nationwide defense is that an arms race in strategic defense systems fosters the proliferation of offensive missiles * * *." The ABM treaty has had no discernible effect on the Soviet buildup in strategic offensive weapons. It can scarcely be imagined what greater rate of buildup would have taken place if we did not have an ABM Treaty. Their relentless and unprecedented development and deployment of nuclear weapons has forced our strategic modernization program and we can only hope that the START negotiations will bring about the restraint and moderation which the ABM Treaty failed to achieve.

I share the sentiment expressed in the report that BAMBI, Hi Frontier and space based interceptor [SBI] concepts are not appropriate for a phase I strategic defense system [SDS]. The report presents valid arguments against this class of defensive weapons, including problems of survivability and cost effectiveness. Fortunately, there are indications that the Pentagon is reconsidering the inclusions of such space weapons in the phase I systems.

The Defense Science Board [DSB], in advising the Secretary of Defense, has recommended delay on any space weapons and pursuit of a more gradual, incremental SDI plan. This approach embraces a first step of improving space surveillance assets and early consideration of a treaty compliant system, such as I discussed earlier. Succeeding steps stay with all ground-based weapons through the evolution to a system equivalent to the phase I SDS. Space-based weapons are deferred to phases which follow the alternative phase I system. This is a prudent approach which removes the most objectionable element of the current SDI Program.

No one is more sensitive to the question of the affordability of defense systems that I am, since I participate in the continual struggle with the conflicting budget priorities of defense and social programs in the Ways and Means Committee. However, the report erects a frightening strawman of phased defense deployments, costing $249 billion to $452 billion over a 10-year period, which have no basis in fact and which should not be used as a reason to condemn SDI.

The budget we need to consider for SDI is the administration request for the RDT&E funding over the next several years. This request contains no such astronomical levels as postulated, but even the required R&D budget has been repeatedly scaled back by congressional actions. We should regard the price tag for a large scale potential deployment as a contingency which we may have to face up to later, not as an immediate concern. The only deployment which may make sense in the hour run is for a treaty compliant system of about two orders of magnitude less cost than the report strawman. Such deployment should prove affordable, while maintaining the necessary level of research.

The report quotes my colleague LES ASPIN, chairman of the House Committee on Armed Services, to the effect that the objective of SDI is not to eliminate deterrence, but to reinforce it through active defense of our retaliatory forces. In the short run, I believe that is an accurate observation and a legitimate objective. Certainly, it is an appealing vision that strategic defense might ultimately provide a shield to protect the American people against nuclear attack, and we should continue to do research to see if that is feasible. But, it is not inconsistent with the ultimate objective to fashion earlier opinions for defense of our retaliatory forces and preservation of our existing deterrent.

The report is replete with technical feasibility questions which create doubt that any type of strategic defense system can ever perform cost-effectively against a responsive threat. I will not attempt to answer all of these questions, but I would like to take on one simple notion which is at the heart of the case against defense. That is the first of the summary conclusions from the staff's technical analyses which raise serious doubts that this can be done cost-effectively. If an all ground-based architecture is defined for phase I, it can be shown that defensive interceptors can be added to the inventory, in response to the proliferation of offensive missiles, at less marginal cost. In other words, the Nitze criterion for cost-effectiveness at the margin can be met for the defense. Of course, this assumes costs for both defensive and offensive missiles, but even if defensive interceptors such as ERIS exceed current target objectives by a factor of 10, the basic conclusion holds true.

This is not to say that there are not formidable problems remaining to demonstrate the feasibility of the defense system, even an all ground-based alternative for phase I. The problem of discrimination, for example, is a tough research problem noted in the report, but it is being aggressively investigated. The challenge we face is to examine the problems objectively and fairly and to avoid the pitfall of indicting the entire SDI Program by exaggerating the limitations of defense and the invincibility of offense.

The strategic stability section of the report directs its attack on a presumed unilateral deployment of a space-based phase I system, as an alternative to further arms control agreements. This view would be correct if any defense beyond a treaty-compliant system and if the SDI Program were fundamentally in conflict with arms control. Since this is not the case, the thrust of the stability discussion is misleading at best and harmful to our future security if adopted as a foundation for defense program planning.

The proposed Democratic objectives which follow the stability analysis—having to do with strengthening the ABM Treaty, negotiation of limits on ASAT weapons, and increasing the survivability of nuclear arsenals—can be supported, and indeed I do support them, without subscribing to the proposition that SDI threatens strategic stability.

Finally, the new directions for SDI proposed in the report contains much that I can agree with, but it continues to emphasize the dominance of offense over defense and the specter of a unilateral U.S. breakout from the ABM Treaty. On guarding against Soviet breakout, the argument is that penetration aids, such as MaRV and thrusted replica decoys is a better response. I believe that both penetration aids and the option to deploy a reciprocal level of defense are prudent hedges against this possibility. On protecting against accidental launches, the discussion seems to proceed from the assumption that it would be a destabilizing initiative by the United States to deploy a treaty-compliant defense system, rather than a recognition that the Soviets already have such a system. It is well within our capability to deploy a system that is strictly in compliance with the treaty.

Mr. Speaker, I do not wish to portray the SDI Program as one without deficiencies, both in program direction and management. I agree that mistakes have been made and that the program has been beset by persistent ambiguities about where it is headed. Nevertheless, I believe that it is in the best interest of both our strategic posture and arms control prospects to carry it forward vigorously. It is not really a question of whether we can afford the R&D budget. We cannot afford the risk of not conducting the program.

In conclusion, the Democratic Caucus Staff Report understandably assails the recent emphasis of the SDI Program on the early deployment of space-based weapons, but it fails to give proper support to a prudent alternative. The Defense Science Board has defined such an alternative, one which maintains compliance with the ABM Treaty while following an evolutionary path toward stronger strategic defense capability. This evolution stresses early emphasis on deployment of space-based sensors, not weapons, and includes a single site deployment option which redresses an existing asymmetry with the Soviet Union. The DSB stepped deployment concept, combined with research on advanced concepts and technologies, results in a balanced program which merits a broad consensus of support in the Congress and the administration.

SENATE—*Monday, July 25, 1988*

The Senate met at 10 a.m., and was called to order by the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

But they that wait upon the Lord shall renew their strength; they shall mount up with wings as eagles; they shall run, and not be weary; and they shall walk, and not faint.—Isaiah 40:31.

Eternal God, infinite in truth, justice, love and strength, as August recess nears and adjournment sine die approaches, the workload continues, pressure builds, minds and bodies grow weary.

Help the Senators know that the busier they are, the more they need a few minutes alone with God daily. Help them to understand that time with God, however brief, is never wasted or lost, but rather enhances the hours that remain and energizes them, mentally and physically.

Give each Senator the wisdom to take 5 minutes in the day just to wait on God without distraction, that they may mount up with wings as eagles, that they may run and not be weary, that they may walk and not faint.

We pray this in the name of Him who knew the "exquisite leisure of God"—who was never in a hurry—yet finished His work. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 25, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable THOMAS A. DASCHLE, a Senator from the State of South Dakota, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. DASCHLE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CHAPLAIN'S PRAYER

Mr. BYRD. Mr. President, I thank the Chaplain for a great and instructive prayer. I hope that we will follow the suggestions that he made in the prayer and that we profit greatly thereby physically, mentally, and spiritually.

BIRTHDAY WISHES FOR THE REPUBLICAN LEADER

Mr. BYRD. Mr. President, last Friday was the birthday of our distinguished Republican leader. I do not know whether he has reached the point yet that I have reached when I do not like to talk about birthdays very much, except someone else's birthday. I am sure he has not reached that point yet.

We all congratulate him and wish him many, many more birthdays of useful and productive service to our country and to his State. He is a good Senator and a good leader. I enjoy every day working with BOB DOLE.

Wouldn't this old world be better
  If the folks we meet would say—
  "I know something good about you."
  And treat us just that way?

Wouldn't it be fine and dandy
  If each handclasp, fond and true,
Carried with it this assurance—
  "I know something good about you."

Wouldn't life be lots more happy
  If the good that's in us all
Were the only thing about us
  That folks bothered to recall?

Wouldn't life be lots more happy
  If we praised the good we see?
For there's such a lot of goodness
  In the worst of you and me.

Wouldn't it be nice to practice
  That fine way of thinking, too?
You know something good about me.
  I know something good about you.

We know something good about our friend and colleague and leader, BOB DOLE. Happy birthday. It is a little late, but the Democrats were having an event in Atlanta, else I would have said these words last Friday. I will break the rules of the Senate and say, BOB, happy birthday to you.

Mr. President, I yield the floor.

Mr. DOLE. Mr. President, I will just take a minute of my time. I want to thank the distinguished majority leader for his kind remarks. I know he means every word of it. I appreciate it, and I appreciate the effort to move the schedule. I appreciate more our personal relationships that have grown and developed. I thank the majority leader very much.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is now recognized.

CONGRATULATIONS TO THE DEMOCRATS

Mr. DOLE. Mr. President, I also want to congratulate the Democrats. They had a good week last week. Hopefully, we will do as well in mid-August in New Orleans. I think the race is on, whatever happens. I know that in the interim period, between now and August 14, we have a lot of work to do.

ORDER OF BUSINESS

Mr. DOLE. As I understand, I think the majority leader does have the right to go to the remaining appropriations bills after consultation, and I will consult with Senator HATFIELD, plus I think there are a couple other time agreements—endangered species and nutrition.

So we are in pretty good shape. I understand the majority leader would like to get to the drought bill hopefully this week if we reach agreement. I think that can be done. We will start checking that on this side.

Mr. BYRD. Mr. President, will the distinguished leader yield?

Mr. DOLE. I will be happy to yield.

Mr. BYRD. Mr. President, I will outline the work for the next few days in this fashion. Generally speaking, I think it would go like this:

We hope to take up the endangered species legislation this morning, and work on that for a while. I hope it will not take too long to complete action on that bill. There are some problems with it, but I believe they can be worked out once we get the bill up.

Then at 2 o'clock today, unless by unanimous consent we wish to defer taking up the Labor-HHS appropriations bill, perhaps because we may be making progress on the endangered species bill and would like to finish it or some such, at 2 o'clock we take up the labor-HHS appropriations bill.

I hope that by tomorrow afternoon, following the two conferences, we can take up the child nutrition legislation and do that. I hope that we can follow that at some very early point with the drought bill. I understand that the committee will submit its report today, and it should be back from the printers tomorrow. The 2-day rule would carry us over to Thursday. I hope that we can get unanimous consent to take up the drought bill perhaps sometime Wednesday, and in the meantime, we will be making progress on the Labor-HHS appropriations bill.

I would like to follow child nutrition and drought legislation with the Agriculture appropriations bill, and then take up State, Justice, Commerce appropriations. That would only leave, if things develop progressively, as I have indicated here in a tentative way, the Defense appropriations bill.

By midnight Wednesday next week, August 3, the time on the plant closing bill under the Constitution would have run its course, and by then, we should know what the President's decision will be on the plant closing bill. If he should decide to veto that bill, then the Senate would take that bill up immediately, as far as I can see now. That would be the 4th, Thursday of next week.

And then once action is completed on that veto override, one way or the other, in the event the President vetoes, and he may not—I have no way of prejudging that—I should then like to go to the trade bill.

I will be talking with Senator BENTSEN, who will manage that bill on the floor, so that we might, hopefully, expect to get to the trade bill the latter part of next week. So that we would have before the Republican Convention—and I should say parenthetically the Senate will not be in on the Friday before the convention as it was not in on the Friday before the Democratic Convention—14 days in which to do child nutrition, endangered species, drought legislation, Agriculture appropriations, Labor-HHS appropriations, State-Justice-Commerce appropriations, Defense appropriations, veto override, if there is a veto, of the plant closing bill, and the trade bill, all of which is a pretty full platter.

I thank the distinguished Republican leader for all the fine cooperation and support that he has given. We have been able to make good progress thus far, and I hope we can continue to make progress on the bills as I have outlined them during the next 3 weeks.

Mr. DOLE. I say to the majority leader, as there will be a trade bill—I am not certain when—I assume at that point, depending on Senator BENTSEN's schedule, if there is some agreement among the leadership and members of that committee to try to fend off any amendments, we could probably finish that bill fairly soon. I understand the House and the Senate leaders on that particular bill sort of want to keep the bill as it was prior to the veto with the exception of the Alaska provision and then plant closing which we have done on a separate track.

Mr. BYRD. Yes.

Mr. DOLE. It is my understanding everything else they would like to pretty much keep as is without additional amendments, and I would be happy to visit with the majority leader about that at the appropriate time.

Mr. BYRD. Yes. I thank the distinguished Senator, and I look forward to that visit. May I say before I yield—the Republican leader has the floor—we will not be in late this evening. I would say 6 o'clock, 6:30, thereabouts. I thank the distinguished Senator for yielding.

Mr. DOLE. I thank the Senator.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to exceed 20 minutes with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Wisconsin is recognized.

NO TIME TO WEAKEN OUR ANTIBRIBERY LAWS

Mr. PROXMIRE. Mr. President, the majority and minority leaders discussed the possibility of Senate action on the trade bill before the Republican Convention, and this Senator has a heavy heart when it comes to that bill.

Mr. President, do we need to strengthen the enforcement of our principle anti-international bribery law, the Foreign Corrupt Practices Act, or should Congress make enforcement of the law virtually impossible, as the trade bill, which comes back before the Senate in a few days, would do? A recent case illustrates dramatically why we should strengthen our enforcement of the Foreign Corrupt Practices Act. The case also tells us why we should not pass the trade bill without removing the language that would make successful prosecution of bribery a virtual impossibility.

In June a jury in Kentucky awarded two former officials of the Ashland Oil Co. $69.5 million as compensation for being fired by the company for refusing to take part in conspiracies, perjury and other crimes connected with Ashland Oil's bribery of officials in Oman. The dismissed Ashland officials had charged that Ashland paid tens of millions of dollars in bribes to foreign officials to get scarce crude oil and then tried to cover up the illegal conduct. The jury found that Ashland "with corrupt intent to bribe" had made payments to three figures of said foreign officials under the Foreign Corrupt Practices Act. The jury decided that Ashland with the same corrupt intent had made payments to a fourth official—this one from Abu Dhabi—"knowing or having reason to know" that all or a portion of the $17 million "would be used to bribe a government official of Abu Dhabi."

Mr. President, note that "having reason to know." This is the clause in the Foreign Corrupt Practices Act on which the jury based its decision against Ashland Oil. And this is the precise phrase that the trade bill language would delete. Instead, it would leave only "knowing" in the law. This means that the prosecution would have to prove that Ashland officials knew that bribes were being paid by their agent. If this language now in the trade bill had been the law the Ashland Oil bribes were before the jury, there would have been little or no chance of a jury decision against Ashland. How does a prosecutor establish knowledge? How does he take a juror into the mind of a corporation official who initiated and provided the money for the bribe? He cannot.

Now, Mr. President, it is true that the Foreign Corrupt Practices Act in the Ashland Oil case did not bring a successful criminal prosecution of the Ashland Oil executives. These executives were found guilty of participating in "a pattern of racketeering activity" principally through multiple violations of the FCPA antibribery section in a civil case. Sure, the Ashland company was forced to pay millions of dollars in compensation to former vice presidents for wrongful dismissal because those former officials had refused to take part in conspiracies, perjury and other crimes. But how serious a penalty was this? Would it really deter other corporations with hundreds of millions of dollars at stake from paying bribes that netted tens of millions of dollars in profits for the corporation even after the multimillion dollar awards paid? The grim fact, Mr. President, is that with these huge amounts at stake, unless there is a real prospect of a jail sentence corporation executives as they did so often before the passage of the Foreign Corrupt Practices Act calculate the bribe as a good and sure investment for landing a contract worth many millions of dollars of profit.

So if the Foreign Corrupt Practices Act is such a terrific law, why didn't it deter the Ashland Oil corporation? And why didn't the executives of the

Ashland Oil corporation who were found guilty of violating the law by a jury suffer criminal penalties? The answer is that the SEC, which prosecuted the case, decided for injunctive relief in this case and won it. But there has been no criminal prosecution. This Senator has written to the Justice Department to find out why not. This case establishes the fact that the current Foreign Corrupt Practices Act is not too tough. Can anyone seriously contend that the law is so tough that it needs to be enfeebled, as language in the trade bill would do, by dropping the absolutely critical "reason to know" language? That language in the present law provides an objective standard that permits prosecution of a corporate briber. The trade bill that will be before the Senate shortly strikes out the "reason to know" language and requires the prosecution to prove what is in the responsible executive's mind. So it guts the law because such proof is virtually impossible.

Mr. President, I ask unanimous consent that an article by Morton Mintz in the July 10 Washington Post, headlined "SEC Draws Fire for Handling of Bribery Charges Against Ashland Oil After Private Lawsuits Succeed," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 10, 1988]

SEC DRAWS FIRE FOR HANDLING OF BRIBERY CHARGES AGAINST ASHLAND OIL AFTER PRIVATE LAWSUITS SUCCEED

(By Morton Mintz)

Lawyers for two former executives who won a $69.5 million award from Ashland Oil Co. contend that their victory shows the Securities and Exchange Commission pulled its punches in handling charges of overseas bribery and other illegal conduct by Ashland.

The two former vice presidents had said in wrongful-dismissal lawsuits and in SEC testimony that Ashland paid tens of millions of dollars in bribes to foreign officials to get scarce crude oil and then tried to cover up the illegal conduct. They said they lost their jobs after refusing to participate in conspiracies; perjury and other crimes.

Last month, a U.S. District Court jury in Covington, Ky., awarded Bill E. McKay $44.6 million and Harry D. Williams $24.9 million after a 35-day trial. The jury said the liability should be shared by Ashland; its former chairman and chief executive, Orin E. Atkins; John R. Hall, who succeeded Atkins in 1981, and Richard W. Spears, senior vice president for human resources and law.

The SEC filed a much narrower civil lawsuit in July 1986 charging that Ashland and Atkins had bribed an official of Oman to get oil from the sultanate. The suit was filed in tandem with a consent decree, a final court judgment in which Ashland and Atkins neither admitted nor denied past violations while agreeing to face criminal penalties for future ones.

The jury and the SEC each had essentially the same evidence of possible violations of the Foreign Corrupt Practices Act (FCPA) of 1977. The gap between the jury's verdict and the SEC action shows that the SEC dealt with the matter too lightly, according to John R. McCall and Kenneth M. Robinson, the lawyers for McKay and Williams.

"I can understand how counsel for McKay and Williams are proud of their achievement, and they certainly have the right to crow about it," said SEC enforcement chief Gary G. Lynch. "But any criticism of the commission's investigation, or of the results that we achieved, is simply unwarranted."

Punitive damages accounted for only $3 million of the awards to McKay and Williams. Compensatory damages were tripled—to $66.5 million—for conspiring to violate, and for violating, the Racketeer Influenced and Corrupt Organizations Act. RICO makes it unlawful for any person associated with an enterprise affecting commerce to lead or to join in "conduct of [the] enterprise's affairs through a pattern of racketeering activity."

The jury found that the three individual defendants had all conducted or participated in "a pattern of racketeering activity" principally through multiple violations of the FCPA antibribery section and of a law prohibiting travel for the purpose of violating the section.

The defendants asked Judge William O. Bertelsman to oveturn the verdict or order a new trial, contending in part that he allowed improper evidence to be introduced and improperly instructed the jury. If he denied both motions, they said they will appeal to the Sixth U.S. Circuit Court of Appeals.

In an unusual practice permitted in the Sixth Circuit, Judge Bertelsman created three advisory panels before the trial began to prod the parties to settle. The panels, made up of a total of 14 jurors who held five-day summary trials, returned large—but nonbinding—verdicts for McKay and Williams.

The first panel "awarded" trebled RICO damages of $9 million to McKay and $6 million to Williams, plus punitive damages of $2 million each. The second panel gave each man $9 million in trebled RICO damages but no punitive damages.

The third panel was told to assume the judge has directed a verdict for the plaintiffs and decide the damages. Although the jurors said they might not have held the defendants liable, their award totaled $77 million, $7.5 million higher than the combined verdict from the real jury.

The SEC's 1986 lawsuit, which followed months of negotiations with Ashland's law firm, Cravath, Swaine & Moore, named only one person paid by the oil company, James T.W. (Tim) Landon of Oman, as a foreign government oficial under the FCPA's antibribery provisions. The complaint also alleged only one bribe, described by Ashland as a $25 million investment in a Landon-controlled chromium mine in Rhodesia.

But the jury found that Ashland, "with corrupt intent to bribe," had made payments to three figures it said were foreign officials under the FCPA: Landon and Yehia Omar of Oman, and Hassan Y. Yassin of Saudi Arabia (who also has operated a consulting firm in McLean).

With the same corrupt intent, the jury said, Ashland had made payments to a fourth recipient, Sadiq Attia, "knowing or having reason to know that" all or a portion of the money—$17 million—"would be used to bribe a government official of Abu Dhabi."

Last December, SEC Chairman David S. Ruder told Senate Banking Committee Chairman William Proxmire (D-Wis.) that the Division of Enforcement "concluded that the evidence was . . . insufficient to support further charges of violations" of the FCPA.

In an interview after the jury verdict, Lynch said "there was not sufficient evidence that we felt comfortable we could prevail" if charges were brought based on Ashland payments to Omar. "Even before we sat down to negotiate, we had decided privately to exclude Omar, Abu Dhabi, and Saudi Arabia from the consent decree. . . .

"It was clear to us that the Landon transaction was the strongest, because we believed we could establish that Landon was a government official at the time the chrome transaction occurred," Lynch said.

He called a multiple-count complaint unnecessary. "We were suing for injunctive relief," and "we could get it with Landon," he said. "There was no need to push and take on a litigation risk in a case that was much less certain." He extended this argument to the omission of the Abu Dhabi and Saudi Arabia cases.

But Robinson disagreed. "The finest judicial scrutiny our American judicial system can provide has now determined that the earlier government efforts were incomplete," McCall said. It's "ridiculous" for the SEC to claim the evidence was insufficient to convince a jury that bribery far beyond that which it alleged hadn't occurred, he said.

Lynch also defended the SEC's decision not to ask a federal court to find Ashland and Atkins had violated a 1975 consent decree and to hold them in criminal contempt.

"We did have a concern about meeting the higher burden of proof in order to prove criminal contempt," Lynch said. (In a criminal case, guilt must be proved beyond a reasonable doubt; in a civil case, all that's needed is a preponderance of the evidence—meaning it's more likely than not that a defendant did what he's accused of doing.)

One difficulty in going the criminal route was that "the major thrust" of the 1975 decrees involved unlawful political contributions, and "these were foreign bribes," Lynch said.

But the lawyers for McKay and Williams dismissed this explanation. They pointed out that the 1975 consent decrees prohibited false or fictitious bookkeeping entries, and said the $25 million Oman item that the SEC called a bribe, as well as the Abu Dhabi and Saudi Arabia payments, all were recorded by Ashland as ordinary outlays.

"It was like shooting ducks in a barrel," Robinson said. "There was no answer that any Ashland official could give on the stand to explain the fraud that was in the documents that they wrote. And how the SEC could miss that is beyond description. . . .

"The SEC should have seen it. These were indictable offenses . . . I don't see the evidence that the SEC even slapped Ashland's wrist. They just closed the book by executing another consent decree—a promise to pay, which is all that it is."

Arthur F. Mathews, who was an SEC deputy enforcement chief in 1969, said in an interview that "in the horse-trading for not litigating," Cravath, Swaine "got the staff to strike Yehia Omar . . . If I had to guess, they did not include Yehia Omar in their action because they thought it was a toss-up whether you could prove it, and they gave it up in the bargain."

McCall said the SEC staff may well have done all it could have, particularly in light of the Reagan administration's apparent reluctance to enforce the FCPA's antibribery provisions.

The SEC commissioners, for example, voted 3 to 2 to reject the division's initial recommendation for a lawsuit that named only Landon as the recipient of a bribe. Only after the division reargued its case did the commission reverse itself, allowing Lynch to file the lawsuit.

Lynch said the SEC disregarded a report by an outside counsel who concluded that the Oman transactions had not violated the FCPA or the 1975 consent decree. Williams and McKay had challenged the independence of the outsider, Pittsburgh attorney Charles J. Queenan. Queenan is a friend of Cravath, Swaine presiding partner and Ashland director Samuel C. Butler, who submitted the report to the SEC as the work of an independent counsel.

"We did not accept the conclusion that it was an 'independent counsel' report," Lynch said. The SEC staff "did our own very thorough investigation of the matter," he said. "It is clear that if we had accepted the Queenan report's findings, we would not have filed an action."

Butler did not respond to a reporter's request for comment.

The Kentucky jury also concluded that McKay was ousted in part because he refused to violate federal perjury statutes in statements to the IRS and the SEC.

In 1982, the IRS had sent Ashland officials a five-question form inquiring about possible bribes, kickbacks or other illegal payments. Under penalty of perjury, Hall and Atkins—but not McKay—omitted mention of the $17 million Abu Dhabi payment. The IRS apparently has not investigated the discrepancy, however.

Williams, who worked in Washington for Ashland, said: "The SEC has known for several years of my allegation that McKay and I were fired for providing information to the SEC enforcement staff as part of its investigation. This was specifically confirmed by the jury. Yet the SEC has yet to take any steps against Ashland to protect its own witnesses, even though this would appear to be an obstruction of justice and a violation of the Federal Victim and Witness Protection Act."

Williams' remarks were made after the Lynch interview. The commission did not respond to a request for comment.

Sen. Proxmire, who monitors FCPA enforcement, also has raised questions about the Justice Department's role in the Ashland case. The department had full access to the SEC's files from the start of the SEC staff investigation in May 1983.

Last October, after a Washington Post series on Ashland's payments to overseas consultants, Proxmire asked the department if it had investigated the matter and if "it has concluded that violations of the FCPA have taken place."

If the conclusion was that there'd been no violations, "I would like an explanation of the rationale underlying such a judgment," Proxmire said. "If the department has not investigated these allegations, I request that you do so and let me know the results."

Assistant Attorney General John R. Bolton said on Jan. 20 that he would respond when he received a report from the fraud section of the Criminal Division.

On June 20, Proxmire, having heard nothing more for six months, sent Attorney General Edwin Meese III a news story on the jury verdict in Kentucky and asked "whether the Department of Justice will not initiate a criminal action . . ." If not, Proxmire said he wanted to know why. A department spokesman said a response is being prepared.

REPORT OF THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS PURSUANT TO SECTION 302(b) OF THE CONGRESSIONAL BUDGET ACT OF 1974

Mr. PROXMIRE. Mr. President, under section 302(a) of the Congressional Budget Act, the statement of managers accompanying a conference report on a concurrent budget resolution includes an allocation of budget totals among the committees of the Senate and House of Representatives that have jurisdiction over spending authority.

Section 302(b) of the act requires the committees to allocate such spending authority among either their subcommittees or programs over which they have jurisdiction. This section also requires the committees to divide their allocations into amounts that are controllable and amounts that are mandatory under existing law. After consultation with appropriate committees of the other House, the committees are required to report the allocations they have made.

The allocations received by the Committee on Banking, Housing, and Urban Affairs from the managers of the conference were for direct spending authority that was assumed for Federal programs and activities over which this committee has original and complete jurisdiction.

The Committee on Banking, Housing, and Urban Affairs received the following allocations for fiscal year 1989 related to programs under its jurisdiction:

Fiscal Year 1989:	
Direct spending authority:	*Millions*
Budget authority	$8,504
Outlays	6,279

The committee has made its subcommittee allocation as shown in the following table.

The amount allocated is equal to the allocations made to this committee in House Concurrent Resolution 93, 100th Congress.

Fiscal Year 1989:	*Millions*
Banking, Housing, and Urban Affairs:	
Budget authority	$3,535
Outlays	3,359
Housing and Urban Affairs Subcommittee:	
Budget authority	4,969
Outlays	3,341
International Finance and Monetary Policy Subcommittee:	
Budget authority	0
Outlays	−421

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL POW/MIA DAY PROCLAIMED BY GOVERNOR MARTIN OF NORTH CAROLINA

Mr. HELMS. Mr. President, today I dropped a note to North Carolina's Gov. Jim Martin, thanking him for having proclaimed September 16 as "National P.O.W./M.I.A. Recognition Day" in North Carolina.

In a moment I shall ask unanimous consent that the text of Governor Martin's proclamation be printed in the RECORD. First, however, a brief comment of my own.

Mr. President, throughout my nearly 16 years in the Senate, and for years before I came to the Senate, I have shared in the agony of families of American fighting men who were captured and held prisoner by the Communist Government of Vietnam. I cannot begin to count the number of meetings I have attended, or the efforts I have made, to persuade our own government to do far more to gain freedom for the captured men still alive, and full information about those who lost their lives.

The uncertainty has indeed been agonizing—and that uncertainty continues to this day. True enough, the Government of Vietnam is beginning to release bits and pieces of information. A few bodies have been returned. But not nearly enough has been done.

Governor Martin's proclamation correctly assesses the situation, and properly calls on our citizens to recognize the importance of pushing for a resolution of all doubt and uncertainty regarding the gallant Americans who went to Vietnam to fight a war they were not allowed to win.

Mr. President, I ask unanimous consent that the text of the proclamation issued by Gov. G. Martin be printed in the RECORD.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

NATIONAL POW/MIA RECOGNITION DAY 1988

By the Governor of the State of North Carolina

A PROCLAMATION

We take solemn inspiration and resolve from the sacrifices of brave Americans who have endured captivity for their allegiance to our beloved land and ideals. We owe a great deal of gratitude to these men and women who defended our nation and who are now prisoners of war or missing in action in North or South Vietnam.

The fortitude of the families of missing or imprisoned Americans is remarkable. Our state and nation should not rest until our efforts to secure the release of any American personnel held against their will or the full accounting of those still missing are successful. This must be done to relieve the suffering of their families.

North Carolina and the United States will never forget the heroism of our men and women who served in America's wars. Thus, the Prisoner of War/Missing in Action issue will remain a high priority for our citizens until it is resolved to the satisfaction of the American people and its government.

Now therefore, I, James G. Martin, Governor of the State of North Carolina, do hereby proclaim September 16, 1988 as "National P.O.W./M.I.A. Recognition Day" in North Carolina and urge our citizens to commend its observance.

FREE ENTERPRISE: WHAT IT MEANS TO YOUNG PEOPLE TODAY

Mr. HELMS. Mr. President, about 20 years ago there lived in Raleigh, NC, a courtly gentleman who was the epitome of what we mean when we refer to love of God and country. Mr. A.J. Fletcher was then in his eighties, but still actively directing the operation of a number of successful business enterprises. He was one of the most remarkable men I have ever known.

In the configuration of today's corporations, it is not always easy to determine which of the corporate officers is "the boss." There was no such problem at Capitol Broadcasting Co. A.J. Fletcher was the boss. Yet he presided over that company and several others with unfailing civility and compassion for the hundreds of people who worked with him. He was decisive; he was firm—but he was always fair.

Mr. President, A.J. Fletcher died as he approached his midnineties. He was active almost to the end. He and I talked regularly on the telephone, and he never concluded a conversation without imploring me to do everything I could to preserve and protect the free enterprise system. He followed the deliberations of Congress closely. He knew what was going on. And he often expressed apprehension that politicians were veering far off the course set by our Founding Fathers.

Mr. Fletcher was, of course, absolutely correct. He contended, as he once put it, that "Too many people today are demanding that government do things that government simply cannot do, and was never intended to do." He worried about Federal deficits and the national debt. He also worried that young people were mistakenly being led to believe that socialism is an acceptable alternative to the free enterprise system. And that, he contended, would be the beginning of the end for the freedoms of the American people.

I said earlier, Mr. President, that A.J. Fletcher was a remarkable man—and certainly he was. He was born into poverty in the mountains of western North Carolina. His father was a circuit-riding Baptist preacher whose income was so small that it did not begin to afford more than a minimal standard of living for his family. A.J. Fletcher and his brothers and sisters learned hard work while they were yet children. They learned also about dedication and honesty, and how to save. Every one of them became productive and successful adults.

A.J. Fletcher never finished college, but he earned a law degree by attending night classes in Raleigh, conducted by Judge Gulley. Mr. Fetcher became a successful, respected lawyer. He learned how to invest his earnings, which were small at the beginning. To him, investing in the free enterprise system was the opening sentence of the story of America's greatness.

Mr. President, at the time of his death, Mr. Fletcher was worth millions. During this career, he devoted enormous sums of money to uplifting the vision and hope for young people. He founded an opera company, for example, because he wanted to provide young people with an opportunity to understand and appreciate the great music of the ages that seemed to be fading away in the consciousness of so many Americans.

Mr. Fletcher's opera company, now known as the National Opera Company, not only encouraged countless young men and women to develop their talents; many of them went on to sing professionally in operas in Europe as well as the United States. But the National Opera Company, once known as the Grass Roots Opera company, literally took opera to the grassroots.

Nearly 2 million schoolchildren, mostly in the small towns of North Carolina and other States of the region, heard opera for the first time when Mr. Fletcher's opera company performed in small towns and cities.

The National Opera Company never made a profit. It was never intended that it would. It was A.J. Fletcher's dream that the company would train and inspire young people and add a dimension to their perspective which probably would have been denied them otherwise. It is fair to say that A.J. Fletcher gladly financed the opera company out of his own pocket.

I began, Mr. President, by referring to Mr. Fletcher when he was in his eighties—some 20-off years ago. I did so because it was at that time that I witnessed Mr. Fletcher's decision to inaugurate another project to inspire and encourage young people.

He was concerned that almost no emphasis on the meaning of America's free enterprise system was then being taught in the schools of North Carolina. He groped for a way to cause high school students to give thought to the genius of America, as de Toqueville put it. To A.J. Fletcher, that genius—that miracle—was faith in God and the free enterprise system.

He wanted high school students to think about it, talk about it, write about it. So he established the A.J. Fletcher Foundation, which would have as one of its purposes the awarding of annual scholarships to scores of young people. So there began the citizenship awards which for 20 years have been presented to high school students in countless communities around North Carolina.

To earn the citizenship awards, students must submit essays on the free enterprise system and what it means to them in terms of their futures. I have had the privilege of reading a number of the award-winning essays of 1988. All are excellent; each fulfills the purpose that Mr. A.J. Fletcher had in mind two decades ago when he established the annual Citizenship Award as a part of the A.J. Fletcher Foundation.

As an example of the quality of the essays, Mr. President, I shall in a moment submit the thought of one of the many 1988 award winners, a young lady named Kristie Liner, a student at Alamance Christian School, Graham, NC. The essay is brief—there is no requirement that any essay be lengthy—but it clearly discloses that Kristie Liner understands what the free enterprise system means to her and all other young people. And that is precisely what Mr. Fletcher had in mind two decades ago.

I congratulate Jim Goodmon, A.J. Fletcher's grandson, who today is chief executive officer of Capitol Broadcasting Co., in Raleigh, and president of the A.J. Fletcher Foundation, for fulfilling his grandfather's wishes. I also congratulate David Witherspoon, vice president of the foundation. David manages the operations and functions of the foundation.

Mr. President, I ask unanimous consent that Kristie Liner's award winning essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

THE HOME OF THE FREE

(By Kristie Liner)

A four-word phrase which is often used to describe America is "the land of opportunity." It is called this in a most appropriate way. Our nation, founded primarily on the basis of freedom, enables all who are willing to exert some amount of energy and initiative, to acquire and claim something as their own.

As teenagers, we can choose the direction in which we want to live our lives; then, we can work to reach the goal that we have set for ourselves. However, we tend to forget that even this liberty to choose is a benefit of our freedom. In communist countries, citizens are not free to work as they choose, or where they choose. Instead, they are commanded to work only the jobs that their government assigns and to report their work to those "above" them. This method of rule deprives a person of striving for a goal and robs him of his own self-respect, while it also creates little cause for pride in one's work.

Although God has created every man equal, he has also created every man different. Instead of imitating others and envying their work, we need to develop our talents and work with what we have. Our free enterprise system allows us to do just that. From the poorest to the richest, everyone has an opportunity to make a living. We need only to take advantage of the opportunities our free nation offers.

Above all else, we must keep our country free. To do so, we cannot lose sight of the past. That is where we fought for our nation that was founded on godly principles. It is a great shame when a nation forgets her past and that it is "in God we trust."

FIRST CITIZENS BANK: NO. 1 IN AMERICA

Mr. HELMS. Mr. President, living as we are at a time when it is fashionable to emphasize the negative while scarcely noting the good, constructive things going on around us, it is not surprising that many Americans seldom give thought to their blessings.

Especially is this true regarding the accomplishments in and by the private sector which, for all of its faults, has provided the most abundance and the highest standard of living in the history of mankind. In all candor, the major news media have scant interest in the private sector—except when an occasional irresponsible participant in the free enterprise system abuses his trust and is caught in acts of dishonesty. Then it is made to appear that such acts are typical, when in fact they are not. Small wonder that so much political hay is made by those who favor government control, if not ownership, of every vestige of this capitalistic system. Little is said to remind the American people that the vast majority of citizens are honest and prudent and responsible.

Mr. President, these thoughts came to mind when I learned the other day that North Carolina has yet another No. 1 achievement which has gone virtually unnoticed.

One of the largest banks in our State—First Citizens Bank & Trust Co., of Raleigh—has ranked for 2 years straight as the safest and soundest among the 150 largest banks in the country.

Just suppose, Mr. President, that First Citizens Bank had been rated as the most unsound and most unsafe in the country. Would that have been front-page news? You bet. There would have been editorials blistering the U.S. banking system and the bankers who operate it. There would have been calls for Federal intervention.

But even in my own State, insofar as I have been able to determine, only some newspapers in smaller cities and towns took note of the First Citizens achievement—and then with my only relatively brief items tucked away on the inside pages.

Mr. President, First Citizens Bank is a success story that began decades ago when a country banker named R.P. Holding decided to establish a bank which would concentrate on providing prudent banking services to the farmers and small businesses of North Carolina. Mr. Holding died in the late 1950's, but he left behind not only a strong, sound bank; he also had trained his three sons in the fundamental principles of running that bank.

Two of the sons remain in the top management of First Citizens today. The third, Robert P. Holding, Jr., died several years ago. Lewis R. Holding today is chairman of the board and chief executive officer; Frank B. Holding is vice chairman.

The surviving Holding brothers—and Bob Holding, Jr., before his death—have guided First Citizens to a remarkable position of greatness in the American financial and economic picture. First Citizens Bank is now a $3 billion institution with 323 banking offices across North Carolina.

Every 3 months, a San Francisco-based bank analysis firm, Bank Valuation, identifies the 150 safest and soundest banks among the larger institutions in the Nation. For eight straight quarters, First Citizens Bank of North Carolina has been in first place.

The quarterly study by Bank Valuation offers a detailed profile of American's largest banks, ranking each of them in terms of quality and degree of credit-risk exposure. Five measures of each bank's performance are analyzed every 3 months, and assigned weighted values: First, liquidity; second, credit risk; third, profitabilty; fourth, interest rate match; and fifth, capital adequacy.

Mr. President, in early March of this year, prior to First Citizens Bank's having been rated No. 1 in soundness and safety for the eighth straight quarter, the chairman of the board and CEO of First Citizens issues a report to shareholders. In a moment, I shall ask unanimous consent that excerpts from Mr. Lewis R. Holding's report be printed in the RECORD.

In that annual report, Mr. Holding cautioned the bank's shareholders that—

> We are proceeding into 1988 with extreme caution. The stock market crash in October sent a clear signal that there are serious problems with our economy that Congress does not seem to recognize. The budget and trade deficits have reached abhorrent levels. We, as a nation, continue to live beyond our means. . . Our elected leaders do not appear to have the fortitude to deal with these issues.

Mr. President, Senators may wish to read Mr. Holding's entire report which, as I say, I shall insert in the RECORD momentarily. But before I do that, let me quote exerpts from his concluding paragraph in which he said—

> It appears that First Citizens Bank has been doing that right things at the right times. . . Our continued goal is to operate our business on a sound and profitable basis and provide the quality service necessary to retain and attract quality customers.

That just about says it all. It explains why this substantial banking institution, which began decades ago as a small country bank, today ranks No. 1 in America in soundness and safety.

First Citizens Bank brings pride to my State, and I am personally very proud of Lewis and Frank Holding, and the thousands of their competent, dedicated associates. I extend my congratulations to all of them.

Mr. President, I ask unanimous consent that the text of excerpts from Mr. Lewis R. Holding's report to shareholders be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

EXCERPT FROM REPORT

DEAR SHAREHOLDER: I am pleased to report to you the results of a very eventful and profitable year for First Citizens BancShares.

I am pleased to announce increased earnings for 1987. The corporation's net income for the year totaled $25.1 million, compared to $23.3 million in 1986, an increase of 7.9 percent. Per share income for 1987 totaled $2.57, compared to $2.40 in 1986, an increase of 7.1 percent. Improved earnings for the year are the result of a lower effective income tax rate, increased loan levels and increases of trust and service charge fee income.

Net income for the fourth quarter totaled $5.7 million, compared to $6.3 million earned during the fourth quarter of 1986, an 8.7 percent decrease. Per share income for the quarter ending Dec. 31, 1987, was 58 cents, compared to 64 cents earned per share in the corresponding period of 1986, a decrease of 9.4 percent. The decline in fourth quarter earnings was due to narrower interest rate spreads and increased operating expenses.

Total consolidated assets of First Citizens BancShares, Inc. and subsidiary were $3.1 billion, compared to $3.0 billion at year-end 1986, a 2.8 percent increase. Total deposits of First Citizens Bank as of Dec. 31, 1987, were $2.7 billion, compared to $2.6 billion at year-end 1986, reflecting an increase of 2.3 percent.

Assets managed by the Trust Department surpassed the $1 billion milestone in the third quarter. This was achieved through efforts of the Bank's trust marketing program, which has enabled trust assets to double in the last three years.

Your Board authorized the corporation to purchase shares of its outstanding common stock during the fourth quarter. First Citizens BancShares has the authority to purchase on the open market or in private transactions up to 300,000 shares of its outstanding Class A common stock and up to 100,000 shares of its outstanding Class B common stock. We believe that these stock purchases are an attractive investment for the holding company.

We have also agreed to purchase six offices of Barclays Bank of North Carolina. The offices, located in Ahoskie, Bayboro, Clinton, Rockingham, Tarbor and Windsor, have deposits of approximately $46 million. Finalization of the transaction is contingent upon approval of the applicable regulatory agencies. The acquisition will allow First Citizens to enter four new counties: Bertie, Edgecombe, Hertford and Richmond. Management is committed to making the customer transition from Barclays to First Citizens as simple and convenient as possible. The transaction should be finalized this summer.

We are proceeding into 1988 with extreme caution. The stock market crash in October sent a clear signal that there are serious problems with our economy that Congress does not seem to recognize. The budget and trade deficits have reached abhorrent levels. We, as a nation, continue to live beyond our means. While real per capita disposable income has risen approximately 13.6 percent over the last five years, real personal consumption has risen 20.1 percent. Americans saved at a rate estimated at only 3.8 percent in 1987, the lowest savings rate in forty years. Our elected leaders do not appear to have the fortitude to deal with these issues.

We believe that economic growth will continue at a sluggish pace, with interest rates staying at or slightly above current levels. There is expected to be some increase in the inflation rate.

First Citizens' earnings potential is expected to follow the fourth quarter trend, with 1988 income experiencing the same pressures that affected our margins last quarter.

It is our opinion that we need to continue cautiously into 1988 and future years. We are committed to managing our company by maintaining only the highest asset quality and high levels of liquidity. We would rather sacrifice earnings than jeopardize the integrity of our balance sheet or the soundness of the Bank.

The challenges that we face are many. In sections that follow, we outline how First Citizens is meeting the challenges facing our industry, our state and our company.

It appears that First Citizens Bank has been doing the right things at the right times. Our 21-month position as the soundest of the 150 largest banks in the United States is testimony that our strategies work. Our continued goal is to operate our business on a sound and profitable basis and provide the quality service necessary to retain and attract quality customers.

Sincerely,

LEWIS R. HOLDING,
Chairman of the Board.

NATIONAL HOSIERY WEEK TO BE OBSERVED AUGUST 15-20

Mr. HELMS. Mr. President, the week of August 15-20 marks the 17th annual observance of National Hosiery Week. It is with great pleasure that I take this opportunity to recognize an industry which has contributed so much to the free enterprise system of our Nation as well as to the economy of North Carolina.

Mr. President, the textile industry has been forced to deal with an unfair burden in past years due to the vast number of imports. Although this trend continues to plague our system, I am pleased that in the past year we have seen the first import decrease since 1981. Imports in 1987 represented just 3.7 percent of the domestic hosiery market. This is a significant first step in halting the giant inroads which imports have made in the U.S. hosiery market.

There has been more good fortune for the hosiery industry during the past year in the area of foreign trade. Export figures for 1987 leaped 43 percent over 1986 exports to 5,636,400 dozen pairs. This helped make 1987 the third consecutive year of increasing production for the industry.

It is vital that we continue to support the textile and apparel industry which employs so large a share of the American people. The hosiery industry represents a significant portion of the textile and apparel complex. It alone employs more than 70,000 in 438 plants around the Nation and continues to grow. The large size of the hosiery industry makes it a major contributor to our Nation's economy.

NAHM members make and distribute 85 percent of U.S. hosiery, contributing more than $6 billion to the U.S. economy each year. Yet, Mr. President, it is in the many smaller communities where the hosiery industry makes its most valuable contribution. In many communities around the country, hosiery companies constitute a large part of the local economy. In many cases, a hosiery company will serve as the major employer in the area, providing good, stable jobs for its employees.

Mr. President, the American textile industry in general, and the hosiery industry especially, has made great efforts to improve productivity in its mills and to sharpen the quality of its product. This effort to make the hosiery industry more competitive has resulted in significant technological and design improvements in the manufacture of hosiery. At the same time, the industry has maintained its high technical and safety standards. The increase in production in 1987 to 319,911,000 dozen pairs is an all-time high for the hosiery industry.

Mr. President, National Hosiery Week is of special importance to me because North Carolina is the leading textile State in the Nation. North Carolina takes pride in the leadership of the hosiery industry and the fine quality of life that it has provided for so many people.

On behalf of my fellow North Carolinians, I extend my sincere thanks and congratulations to the hosiery industry and to its many thousands of employees for the outstanding job they do and for the contribution they make to our State and Nation.

THE DEMILITARIZATION OF THE REPUBLIC OF CYPRUS: A CALL TO ACTION

Mr. PRESSLER. Mr. President, 14 years ago last week, Turkey conducted a brutal invasion and occupation of the sovereign nation of Cyprus. Today, despite efforts by both the United Nations and our country to encourage a resolution of this dispute, Turkish troops remain illegally in Cyprus, artificially dividing the Cypriot people and their homeland.

Recent developments indicate that the time has come for the withdrawal of Turkish forces from Cyprus. This year's series of meetings between Prime Minister Papandreou of Greece and Prime Minister Ozal of Turkey have been a first step toward the normalization of relations between those two countries. However, both leaders recognize that their goals in this regard cannot be reached until the Cyprus matter is resolved satisfactorily. Such a resolution necessarily includes the removal of all Turkish troops from Cyprus. It is therefore in Turkey's interests to explore a mechanism for removing those forces.

Clearly the best opportunity for such a withdrawal is the demilitarization program now being pursued by newly elected Cyprus President George Vassiliou. Under President Vassiliou's plan, Turkey would withdraw its 35,000 occupation forces and 65,000 illegal Turkish settlers from Cyprus. In an unprecedented action, the Republic of Cyprus would then dismantle its own defense systems and dissolve its national guard. Also withdrawn would be all Greek and Turkish contingents in Cyprus under the 1960 Treaty of Alliance. When the withdrawal of these troops is complete, the only forces remaining on Cyprus would be an international peace force under the auspices of the United Nations, and a small joint Greek-Turkish Cypriot police force, also under U.N. supervision. These steps and effective international guarantees would effectively protect the Republic of Cyprus from future threats to its external and internal security.

The benefits of such a demilitarization program cannot be underestimated. Demilitarization would allow the two Cypriot communities to work together to resolve their outstanding differences. Withdrawal of Turkish and Greek troops from Cyprus would eliminate the most likely source of conflict between these two NATO allies, thereby strengthening the southeastern flank of NATO. In addition, demilitarization would allow Turkey to utilize the funds now expended on its illegal occupation of Cyprus to fulfill its NATO obligations.

The United Nations is on record in two U.N. General Assembly resolutions in favor of the demilitarization concept. I urge our colleagues to join me in actively promoting the demilitarization of the Republic of Cyprus as the best currently available opportunity for peace in that troubled nation.

BUDGET SCOREKEEPING REPORT

Mr. CHILES. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 308(B) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $0.2 billion in budget authority, and by $2.9 billion in outlays. Current level is under the revenue floor by $10.6 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section 311(A) of the Budget Act is $153.9 billion, $1.4 billion below the maximum deficit amount for 1988 of $155.3 billion.

I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC., July 25, 1988.
Hon. LAWTON CHILES,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1988 and is current through July 14, 1988. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution (H. Con. Res. 93). This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the 1986 first concurrent resolution on the budget.

Since my last report Congress has taken no action that affects current level of spending or revenues.

Sincerely,

JAMES L. BLUM,
Acting Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE 100th CONGRESS, 2D SESSION AS OF JULY 14, 1988

[Fiscal year 1988—In billions of dollars]

	Current Level[1]	Budget resolution H. Con. Res. 93[2]	Current level +/− resolution
Budget authority	1,145.8	1,146.0	−.2
Outlays	1,031.8	1,034.7	−2.9
Revenues	922.2	932.8	−10.6
Debt subject to limit	2,537.6	[3]2,565.1	−27.5
Direct loan obligations	34.4	34.6	−.2
Guaranteed loan commitments	155.1	156.7	−1.6

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] In accordance with sec. 5(a)(1)(b) the budget authority and outlays include an adjustment that reflects the amount reserved for subsequent allocation under section 302(a) of the Congressional Budget Act.

[3] The permanent statutory debt limit is $2,800.0 billion.

PARLIAMENTARIAN STATUS REPORT 100th CONGRESS, 2D SESSION SENATE SUPPORTING DETAIL, FISCAL YEAR 1988 AS OF CLOSE OF BUSINESS JULY 14, 1988

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			911,050
Permanent appropriations and trust funds	792,035	674,291	
Other appropriations	569,646	574,400	
Offsetting receipts	−202,566	−202,566	
Total enacted in previous sessions	1,159,115	1,046,125	911,050
II. Enacted this session:			
Recession of Jewish Education Centers Abroad (Public Law 100–251)	−8	−5	
Veterans Home Loan Program Emergency Amendments (Public Law 100–253)		1	
Assistance and Support for Central America (Public Law 100–276)		43	
Veterans Emergency Supplemental (Public Law 100–304)	709		
Veterans' Benefits and Services Act of 1988 (Public Law 100–322)	1	1	
Atomic Veterans Compensation Act (Public Law 100–321)[1]			
Catastrophic Health Care (Public Law 100–360)		5	
College-aid Annual Appropriation for Territories (Public Law 100–339)	(2)	(2)	
Total enacted this session	702	45	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Disaster relief	142	85	
Special milk	5	1	
Special benefits	83	83	
Special benefits for disabled coal miners	7		
Medicaid	51	51	
Social services block grants	50	48	
Veterans compensation:			
Previous law	282		
H.R. 1811	15	12	
Payment to air carriers	8	2	
Coast Guard retired pay	6	6	
National wildlife refuge fund	1	1	
Total entitlement authority	649	288	
VI. Adjustment for economic and technical reestimates	−14,650	−14,650	11,200
Total current level as of July 14, 1988	1,145,816	1,031,808	922,250
1988 budget resolution (H. Con. Res. 93)	1,146,000	1,034,700	932,800
Amount remaining:			
Over budget resolution			
Under budget resolution	184	2,892,	10,550

[1] This act increases the current law estimate for veterans compensation, which requires an appropriation. The amount is shown in section V.

[2] Less than $500 thousand.

Note.—Numbers may not add due to rounding.

WELCOME BACK, SENATOR JESSE HELMS

Mr. DOLE. Mr. President, I just want to take a minute to say how good it is to see my colleague, my friend, JESSE HELMS back in the Senate, looking and sounding so fit.

JESSE was not away that long. But he is a very special Member of the Senate family, and his presence was missed.

We are all, of course, very grateful that his surgery went smoothly. And as is obvious from his appearance, that JESSE's recovery has been rapid and complete.

I know how anxious JESSE was to get back to work. He is an extraordinarily diligent Senator—with an exceptional voting record—99.7 percent attendance in the 99th Congress and 100 percent for the first half of the 100th. JESSE never misses a vote, unless it is absolutely necessary.

The people of North Carolina are very fortunate. Because no one represents their interests with more strength or more conviction than JESSE HELMS.

So. Mr. President, again, I want to say welcome back JESSE—it's good to have you home.

BICENTENNIAL MINUTE

JULY 25, 1866: ELECTION OF SENATORS BY STATE LEGISLATURES

Mr. DOLE. Mr. President, 122 years ago today, on July 25, 1866, Congress passed an act regulating the time and manner by which State legislatures would elect Members of the U.S. Senate.

The Constitution had assigned this responsibility to the individual State legislatures without specifying how and when elections of Senators should take place. For more than 75 years, the States acted independently, generally electing Senators by concurrent votes of the two houses of the State legislature. But this practice not infrequently led to deadlocks between the two houses and Senate seats went embarrassingly vacant. The new State of California, for instance, was unable to elect a Senator three times in the

1850's. Changes in party majorities in the legislatures sometimes resulted in two Senators from different parties claiming the same seat.

As a result of this scandalous situation, a bill was introduced in the Senate to set the time and manner for electing Senators, and the form of their credentials. For 5 years the bill languished in the Judiciary Committee, while the Senate was preoccupied with the larger issues of the Civil War. But in 1866, after another troublesome election in the New Jersey State Legislature, the measure was revived. This bill provided that on the first Tuesday after the meeting and organization of a legislature, when a Senator was to be elected, the two houses were to meet separately and vote for a Senator. On the following day, the two houses would meet jointly and the results of the voting compared. If both houses did not give a majority to the same man, then the joint assembly would meet every succeeding day at noon and take at least one vote to a day until they agreed upon someone.

This measure became law on July 25, 1866, but had little effect in discouraging deadlocks. The problem festered for another half century until it was solved by an amendment to the Constitution providing for election of Senators directly by the people.

RETIREMENT OF LOREN B. BELKER

Mr. EXON. Mr. President, at the end of this month, I have the difficult task of bidding farewell to my longtime friend and trusted adviser, Loren Belker, who will be retiring.

One of the lessons in life is that change is inevitable. However, Loren's retirement will be a very difficult change for me to contemplate.

Loren Belker is a true renaissance man. There are not many such men left in today's modern and technical-oriented American society. He is an accomplished leader, businessman, politician, author, and musician. Most importantly, he is a loving husband, father, and friend.

Loren has served as my administrative assistant and head of my staff for the past 5½ years. Prior to that, he worked for the Bankers Life Nebraska Co. for almost 30 years.

During that time he rose to the position of vice president at one of Nebraska's most successful businesses.

Politically, Loren has had an integral, key leadership role in each of my campaigns from Governor of the State to my race for the U.S. Senate. He was chairman of my 1970 and 1974 gubernatorial campaigns as well as my first 1978 Senate race. Of course, as my administrative assistant, he played a key role in all aspects of my 1984 reelection as well. However, even more important than all he did for me as a candidate is his work in building Nebraska's Democratic Party, played right along with his other major accomplishments. Beginning in the late 1960's, when we first met as church members, Loren undertook with a handful of other dedicated individuals the task of expanding our Democratic Party in a largely Republican State. His work has paid rich dividends. Nebraska Democrats are now competitive statewide in elections all the way from county commissioners to the Governor's mansion to the House of Representatives and the U.S. Senate.

This was a very difficult task and one which perhaps can only be appreciated by those who have been in such a position. In short, Loren Belker helped to lead us from the desert to the oasis of political maturity and competitiveness across the board. The fruit of his labor will be enjoyed for years to come as we Nebraska Democrats continue to compete, to get our share of the victories.

The list of accomplishments for most individuals who are about to retire would end here.

However, Loren is a man of many dimensions. He has authored three very successful books, one of which was on the Lincoln, NE bestseller list. In addition, Loren is an accomplished musician. For 10 years in his youth, he was a big band singer. Loren has kept up with his music. He was prominently featured in a Public Broadcasting documentary on the big band era just 3 years ago. Last year, Loren cut a new album which is a remarkable performance.

Mr. President, while I have tried to outline for the Senate a snapshot of the life and accomplishments of Loren Belker, no one else can truly appreciate him and what he has meant to me. He has always been there at my side when I needed him. Trust and true friendship through thick and thin are rare commodities. Both are part of Loren's makeup. When I needed him to guide my staff, he readily left Lincoln, NE and moved to Washington, DC. He has performed magnificently. And, just as important, it has been a wonderful experience to have such a good friend nearby.

So, as Loren Belker retires at the end of this month, I want to express to him the thanks of a grateful Nation and State of Nebraska for his unselfish public service. Like so many of our dedicated staff, he could have received better financial reward elsewhere. I want to express the gratitude of a grateful Democratic Party for Loren Belker, for all of his accomplishments, his dedication, and his skill. Finally, for my wife, Pat, and myself, I want to thank him and his wonderful wife, Darlene, from the bottom of our hearts for his help, devotion, and all of the wonderful friendship through these years.

Our travels through life bring many rewards, none more rewarding than our closest and best true-blue friends. The good Lord has been abundant to me in this area, none closer than the Belkers.

As Loren and Darlene move on to spend more time together in semiretirement in California, next to their family, I wish them both God speed. May He keep them both in the palm of his hand as they move on to new horizons and a continuation of their creative and talent-laden life together. We will miss them greatly but we will always be close.

RECESS

Mr. BYRD. Mr. President, I have discussed with the Republican leader having the vote at 11:30 and that is agreeable with him.

Therefore, I ask unanimous consent that the Senate stand in recess until the hour of 11:30 a.m. today.

There being no objection, the Senate recessed at 10:36 a.m. until 11:30 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. CONRAD).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

DEMOCRACY IN NICARAGUA

Mr. BYRD. Mr. President, I believe there is one rule XIV item.

The PRESIDING OFFICER. As if in morning business, the clerk will report.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 351) to advance democracy in Nicaragua.

Mr. BYRD. Mr. President, I object to any further proceedings at this time on this joint resolution.

The PRESIDING OFFICER. Objection is heard.

ENDANGERED SPECIES ACT AUTHORIZATION

Mr. BYRD. Mr. President, I move that the Senate proceed to the consideration of Calendar Order No. 467, S. 675.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD. I announce that the Senator from Oklahoma [Mr. Boren], the Senator from North Dakota [Mr. Burdick], the Senator from Florida [Mr. Chiles], the Senator from California [Mr. Cranston], the Senator from Connecticut [Mr. Dodd], the Senator from Nebraska [Mr. Exon], the Senator from Iowa [Mr. Harkin], the Senator from Hawaii [Mr. Inouye], the Senator from Ohio [Mr. Metzenbaum], the Senator from Maryland [Ms. Mikulski], the Senator from Georgia [Mr. Nunn], and the Senator from Tennessee [Mr. Sasser], are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden], is absent because of illness.

I further announce that, if present and voting, the Senator from Maryland [Ms. Mikulski], would vote "yea."

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. Armstrong], the Senator from Minnesota [Mr. Boschwitz], the Senator from New York [Mr. D'Amato], the Senator from Washington [Mr. Evans], the Senator from Utah [Mr. Garn], the Senator from Utah [Mr. Hatch], the Senator from New Hampshire [Mr. Humphrey], the Senator from Nebraska [Mr. Karnes], and the Senator from Oregon [Mr. Packwood], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced as follows: yeas 78, nays 0, as follows:

[Rollcall Vote No. 253 Leg.]

YEAS—78

Adams
Baucus
Bentsen
Bingaman
Bond
Bradley
Breaux
Bumpers
Byrd
Chafee
Cochran
Cohen
Conrad
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Durenberger
Ford
Fowler
Glenn
Gore
Graham
Gramm
Grassley
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Mitchell
Moynihan
Murkowski
Nickles
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—0

NOT VOTING—22

Armstrong
Biden
Boren
Boschwitz
Burdick
Chiles
Cranston
D'Amato
Dodd
Evans
Exon
Garn
Harkin
Hatch
Humphrey
Inouye
Karnes
Metzenbaum
Mikulski
Nunn
Packwood
Sasser

So the motion was agreed to.

ENDANGERED SPECIES ACT AUTHORIZATION

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 675) to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, 1991, and 1992.

The Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public Works, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

SECTION 1. DEFINITIONS.

Paragraph (15) of section 3 of the Endangered Species Act (16 U.S.C. 1532) is amended by inserting "also" before "means the Secretary of Agriculture".

SEC. 2. LISTING.

(a) Candidate Species.—Subparagraph (C) of section 4(b)(3) of the Endangered Species Act of 1973 (16 U.S.C. 1533(b)(3)(C)) is amended by adding at the end thereof the following clause:

"(iii) The Secretary shall implement a system to monitor effectively the status of all species with respect to which a finding is made under subparagraph (B)(iii) and shall make prompt use of the authority under paragraph 7 to prevent a significant risk to the well being of any such species.".

(b) Similarity of Appearance.—Subsection (e) of such section 4 (16 U.S.C. 1553(e)) is amended by striking out "regulation," and inserting in lieu thereof "regulation of commerce or taking,".

SEC. 3. RECOVERY PLANS.

Section 4(f) of the Endangered Species Act (16 U.S.C. 1553(f)) is amended to read as follows:

"(f)(1) Recovery Plans.—The Secretary shall develop and implement plans (hereinafter in this subsection referred to as 'recovery plans') for the conservation and survival of endangered species and threatened species listed pursuant to this section, unless he finds that such a plan will not promote the conservation of the species. The Secretary, in developing and implementing recovery plans, shall, to the maximum extent practicable—

"(A) give priority to those endangered species or threatened species, without regard to taxonomic classification, that are most likely to benefit from such plans, particularly those species that are, or may be, in conflict with construction or other development projects or other forms of economic activity;

"(B) incorporate in each plan—

"(i) a description of such site-specific management actions as may be necessary to achieve the plan's goal for the conservation and survival of the species;

"(ii) objective, measurable criteria which, when met, would result in a determination, in accordance with the provisions of this section, that the species be removed from the list; and

"(iii) estimates of the time required and the cost to carry our those measures needed to achieve the plan's goal and to achieve intermediate steps toward that goal.

"(2) The Secretary, in developing and implementing recovery plans, may procure the services of appropriate public and private agencies and institutions, and other qualified persons. Recovery teams appointed pursuant to this subsection shall not be subject to the Federal Advisory Committee Act.

"(3) The Secretary shall report annually to the Committee on Environment and Public Works of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives on the status of efforts to develop and implement recovery plans for all species listed pursuant to this section and on the status of all species for which such plans have been developed.".

SEC. 4. MONITORING OF RECOVERED SPECIES.

Section 4 of the Endangered Species Act (16 U.S.C. 1533) is amended by re-designating subsections (g) and (h) as subsections (h) and (i) and by inserting the following new subsection:

"(g) Monitoring.—(1) The Secretary shall implement a system in cooperation with the States to monitor effectively for not less than five years the status of all species which have recovered to the point at which the measures provided pursuant to this Act are no longer necessary and which, in accordance with the provisions of this section, have been removed from either of the lists published under subsection (c).

"(2) The Secretary shall make prompt use of the authority under paragraph 7 of subsection (b) of this section to prevent a significant risk to the well being of any such recovered species.".

SEC. 5. COOPERATION WITH THE STATES.

(a) Monitoring of Recovered Species.—Paragraph (1) of section 6(d) of the Endangered Species Act (16 U.S.C. 1535(d)(1)) is amended to read as follows:

"(d) Allocation of Funds.—(1) The Secretary is authorized to provide financial assistance to any State, through its respective State agency, which has entered into a cooperative agreement pursuant to subsection (c) of this section to assist in development of programs for the conservation of endangered and threatened species or to assist in monitoring the status of candidate species pursuant to subparagraph (C) of section 4(b)(3) and recovered species pursuant to section 4(g). The Secretary shall allocate each annual appropriation made in accordance with the provisions of subsection (i) of this section to such States based on consideration of—

"(A) the international commitments of the United States to protect endangered species or threatened species;

"(B) the readiness of a State to proceed with a conservation program consistent with the objectives and purposes of this Act;

"(C) the number of endangered species and threatened species within a State;

"(D) the potential for restoring endangered species and threatened species within a State;

"(E) the relative urgency to initiate a program to restore and protect an endangered species or threatened species in terms of survival of the species; and

"(F) the importance of monitoring the status of candidate species within a State to prevent a significant risk to the well being of any such species.

"(G) the importance of monitoring the status of recovered species within a State to assure that such species do not return to the point at which the measures provided pursuant to this Act are again necessary.

"So much of the annual appropriation made in accordance with the provisions of subsection (i) of this section allocated for obligation to any State for any fiscal year as remains unobligated at the close thereof is

authorized to be made available to that State until the close of the succeeding fiscal year. Any amount allocated to any State which is unobligated at the end of the period during which it is available for expenditure is authorized to be made available for expenditure by the Secretary in conducting programs under this section.".

(b) APPROPRIATIONS.—Section 6 of the Endangered Species Act (16 U.S.C. 1535) is amended by adding the following new subsection:

"(i) APPROPRIATIONS.—(1) To carry out the provisions of this section for fiscal years after September 30, 1988, there shall be deposited into a special fund known as the cooperative endangered species conservation fund, to be administered by the Secretary, an amount equal to five percent of the combined amounts covered each fiscal year into the Federal aid in wildlife restoration fund under section 3 of the Act of September 2, 1937, and paid, transferred, or otherwise credited each fiscal year to the Sport Fishing Restoration Account established under section 1016 of the Act of July 18, 1984.

"(2) Amounts deposited into the special fund shall be available annually, without further appropriation, for allocation in accordance with subsection (d) of this section.".

SEC. 6. PROTECTION OF PLANTS.

Section 9(a)(2)(B) of the Endangered Species Act (16 U.S.C. 1538(a)(2)(B) is amended to read as follows:

"(B) remove and reduce to possession any such species from areas under Federal jurisdiction; maliciously damage or destroy any such species on any such area; or remove, cut, dig up, or damage or destroy any such species on any other area in violation of any law or regulation of any state or in the course of any violation of a state criminal trespass law;".

SEC. 7. PENALTIES AND ENFORCEMENT.

(a) CIVIL PENALTIES.—Paragraph (1) of subsection (a) of section 11 of the Endangered Species Act (16 U.S.C. 1540) is amended by striking "$10,000" and inserting in lieu thereof "$25,000", and by striking "$5,000" and inserting in lieu thereof "$12,000".

(b) CRIMINAL VIOLATIONS.—Paragraph (1) of subsection (b) of section 11 of the Endangered Species Act (16 U.S.C. 1540) is amended by striking "$20,000" and inserting in lieu thereof "$50,000", and by striking "$10,000" and inserting in lieu thereof "$25,000".

(c) REWARDS.—Subsection (d) of section 11 of the Endangered Species Act (16 U.S.C. 1540) is amended by adding at the end thereof the following sentence: "Whenever the balance of sums received under this section and section 6(d) of the Act of November 16, 1981 (16 U.S.C. 3375(d)) as penalties or fines, or from forfeitures of property, exceed $300,000, the Secretary of the Treasury shall deposit an amount equal to such excess balance in the cooperative endangered species conservation fund established under section 6(i) of this Act.".

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

Section 15 of the Endangered Species Act of 1973 (16 U.S.C. 1542) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 15. (a) IN GENERAL.—Except as provided in subsections (b), (c), and (d), there are authorized to be appropriated—

"(1) not to exceed $35,000,000 for fiscal year 1988, $36,500,000 for fiscal year 1989, $38,000,000 for fiscal year 1990, $39,500,000 for fiscal year 1991, and $41,500,000 for fiscal year 1992 to enable the Department of the Interior to carry out such functions and responsibilities as it may have been given under this Act;

"(2) not to exceed $5,750,000 for fiscal year 1988, $6,250,000 for each of fiscal years 1989 and 1990, and $6,750,000 for each of fiscal years 1991 and 1992 to enable the Department of Commerce to carry out such functions and responsibilities as it may have been given under this Act; and

"(3) not to exceed $2,200,000 for fiscal year 1998, $2,400,000 for each of fiscal years 1989 and 1990, and $2,600,000 for each of fiscal years 1991 and 1992, to enable the Department of Agriculture to carry out its functions and responsibilities with respect to the enforcement of this Act and the Convention which pertain to the importation or exportation of plants.

"(b) EXEMPTIONS FROM ACT.—There are authorized to be appropriated to the Secretary to assist him and the Endangered Species Committee in carrying out their functions under section 7(e), (g), and (h) not to exceed $600,000 for each of fiscal years 1988, 1989, 1990, 1991, and 1992.

"(c) CONVENTION IMPLEMENTATION.—There are authorized to be appropriated to the Department of the Interior for purposes of carrying out section 8A(e) not to exceed $400,000 for each of fiscal years 1988, 1989, and 1990, and $500,000 for each of fiscal years 1991 and 1992, and such sums shall remain available until expended.".

● Mr. BURDICK. Mr. President, this bill amends one of our Nation's foremost environmental laws, the Endangered Species Act, to improve our ability to protect and restore species in danger of becoming extinct.

The Endangered Species Act amendments in S. 675 were approved unanimously by the Committee on Environment and Public Works late last year. Many of these changes also are in the bill passed by the House.

They continue our efforts over the past two decades to conserve threatened and endangered species. In that time we also have found ways to be flexible in our approach to protecting these species.

As a result, there have been few irresolvable conflicts. In virtually every case we have prevented harm to plants and animals near extinction without interfering with other important activities.

The bill reported by the committee continues that successful approach to preserving our biological heritage by authorizing modest increases in spending to carry out the act through 1992.

The bill focuses on helping species recover more quickly to the point where they no longer require protection under the act. In the end, recovery of species is our best means of reducing conflicts.

Mr. President, I have asked Senator MITCHELL, the chairman of the Subcommittee on Environmental Protection, to serve as manager of the bill during its consideration on the floor.

I would like to take this opportunity to recognize him for his leadership in developing one of the most important pieces of environmental legislation considered in this Congress.

I also want to acknowledge the contributions made by the ranking member of the committee, Senator STAFFORD, and the ranking member of the Subcommittee on Environmental Protection, Senator CHAFEE.

And I urge my colleagues to support the prompt consideration and passage of these important improvements in the Endangered Species Act.●

Mr. MITCHELL. Mr. President, this is an important moment for all Americans who care about the quality of our environment. Today, for the first time since 1982, the full Senate considers legislation to renew and refine the Endangered Species Act.

The bill before us, S. 675, contains a number of provisions to improve our ability to meet the goals of the Endangered Species Act and to continue the authorization for appropriations to implement the act through fiscal year 1992.

I express my appreciation to the chairman of the committee for his kind remarks and thank him for his efforts in behalf of this legislation. As always, Senators STAFFORD and CHAFEE played valuable roles in the bill's development and I thank them. And finally, I thank the 43 cosponsors of S. 675 and the other Senators who have expressed support for this bill.

More than 20 years have passed since the first legislation was enacted to protect plant and animal species which are in danger of becoming extinct. The present comprehensive Endangered Species Act became law in 1973 and was amended in 1976, 1977, 1978, 1979, and 1982.

The long and painstaking development of our Federal Endangered Species Program demonstrates an unwavering dedication to the protection of these species and their habitat by the Congress and the American public.

The established policy of this Nation to prevent the extinction of plants and animals recognizes that each species is a unique solution to the problems faced by all living things and, therefore, each may be of immense value to us in any number of ways.

Aspirin originally was derived from a willow. A marine snail off the coast of California contains a chemical useful in reducing blood pressure. A small plant from Madagascar is now known to produce one of the best treatments we have for certain types of cancer.

The greatest contribution made by plant and animal species, however, is the opportunity they provide for human society to increase its knowledge of living organisms. As living organisms ourselves, it is in our self-interst not to limit the growth of that knowledge.

We protect the most obscure species, then, not just because they may provide us with a cure for cancer but because all the world's living material continually provides us with ways of improving our existence, and species which seem unimportant today may become useful or essential tomorrow.

In the long run, full and proper implementation of the Endangered Species Act is the best means of protecting the diversity of other life forms and the quality of our lives.

The legislation we are considering today, therefore, will provide for effective implementation of the Endangered Species Act through 1992. It is a strong statement of our continuing commitment to protect fully those species of plants and animals which are on the brink of extinction.

The 5-year extension of the Endangered Species Act is intended to provide greater stability and certainty in the provisions of the act and its implementing regulations. Short authorization periods and frequent amendments and regulatory revisions have kept the endangered species program in a state of flux, resulting in inefficiency and misallocation of extremely limited resources within the program.

In the past, 3-year reauthorizations of the act have meant that Congress has been asked to make sound judgments on alleged problems based on never more than 18 months of experience with any given version of the law and regulations. This endless tinkering with the act has kept the U.S. Fish and Wildlife Service in a perpetual stage of rulemaking, which is not in the interest of endangered species protection or economic development. This bill will allow sufficient time for the new amendments to be implemented and evaluated adequately.

The spending levels last authorized in 1982 have been raised in section 8 of this legislation to offset the effects of inflation from 1982 to 1988. Similarly, for fiscal years 1989 through 1992, the spending authorizations are increased approximately 4.3 percent annually to anticipate the expected rise in cost of living. The percentage increases are based on the Congressional Budget Office's estimates of the annual change in the Consumer Price Index.

The administration opposes these increased authorization levels. But the Federal spending levels authorized by the Senate bill are identical to those approved by 399 Members of the House of Representatives last December.

Moreover, the increased funding authorized for endangered species programs by both bills is very modest compared to the increased State and Federal responsibilities for protection and recovery of these species.

For example, from the end of fiscal year 1981 through fiscal year 1988:

Approximately 235 species will have been added to the Endangered Species Act, an 86-percent increase;

The number of approved recovery plans, which identify actions needed to restore a species' numbers, will have increased 350 percent; and

The number of cooperative agreements with States to implement recovery activities will have increased 170 percent.

Overall, the number of species protected under the act and, consequently, the number of required consultations and recovery activities is increasing by about 10 percent per year. Yet the amount of funds appropriated to meet these increased responsibilities will have increased a total of only 4 percent since fiscal year 1981.

The spending limits established by section 8 of S. 675 seek to ensure that, at a minimum, we maintain our efforts to protect endangered species against the debilitating effects of inflation since 1982, and that we put increased emphasis on recovery of species so that they no longer require protection under the act.

Of the more than 400 U.S. species that have been listed as threatened or endangered to date, just 4 have rebuilt their numbers sufficiently to be removed from the lists. Only another 16, or about 4 percent of all listed U.S. species, are thought to be recovering.

Consequently, in addition to the appropriations authorized by section 8 of S. 675, many of the bill's substantive amendments to the Endangered Species Act are intended to speed the restoration and delisting of more species.

Section 3 of the bill, for example, amends section 4(f) of the act to require explicitly the development and implementation of recovery plans without regard to a species' taxonomic classification, for example, bird, mammal, invertebrate or plant.

The administration opposes this provision of the bill. But as this committee stated in the report accompanying its 1982 amendments to the act, "preferential treatment for 'higher life forms,' species of a higher taxonomic order, has no basis in the act nor in these amendments."

Unfortunately, however, for the 5-year period from fiscal year 1982 through fiscal year 1986, 5 percent of the listed U.S. species—12 species of birds, mammals, and sea turtles—received about 45 percent of the available funding for development and implementation of recovery plans and actions.

Little or no money was expended for recovery of listed insects, mollusks, crustaceans, and plants, even though the continued need to protect such species under the act may result in greater conflicts with human activities.

Section 3 of S. 675 requires Federal resources to be allocated on the basis of biological information, with priority given to those species that are most likely to benefit from such support and that are, or may be, in greatest conflict with development activities.

This section of the bill also requires that each recovery plan for a species incorporate descriptions of site-specific management actions to achieve recovery, criteria by which to judge success of the plan, and timeframes and estimates of costs to carry out the planned recovery.

These descriptions, criteria, and estimates currently are not provided uniformly in recovery plans. Recovery plans have been written for 243 of the 425 U.S. protected species but most have not received funding to begin implementation and provide no means by which to judge their success.

Incorporation of this information will ensure that plans are as explicit as possible in describing the steps to be taken in the recovery of a species and will provide a means by which to judge the progress being made toward recovery.

Section 4 of S. 675 also will facilitate progress toward recovery and delisting by assuring that a species' status will continue to be monitored for 5 years once it is no longer protected by other provisions of the act, and by assuring that a species will be relisted promptly if it again declines to the point where it is likely to become threatened or endangered.

Section 5 of the bill amends section 6 of the act by establishing a cooperative endangered species conservation fund from which matching funds would be allocated annually to the States without further appropriation to provide the kind of adequate, long-term support needed to recover species.

Many of the successful comebacks made by species on the brink of extinction have resulted from section 6 cooperative State and Federal endeavors.

Bald eagles and peregrine falcons are two dramatic beneficiaries of the section 6 program. The progress made in restoring these two species in Maine and elsewhere over the past decade demonstrates that it is within our power to bring about positive results.

But as we have seen with these and other species, the recovery of most endangered species requires a sustained effort over many years. Instead, Federal support has been such a roller-coaster that long-term projects have been discouraged.

Moreover, the amount of Federal matching grants to States under the act is roughly the same as it was in 1977. Yet, there are four times as many cooperative Federal-State agreements eligible for support today as there were in 1977 and twice as many species in need of assistance.

The current Federal contribution to cooperative recovery projects with the States is so small that fully two-thirds of all U.S. species protected under the act receive not a cent of benefit from it.

I will offer shortly a committee amendment to ensure that any matching funding for the cooperative program with the States is subject to the annual appropriations process, and I will have more to say about the importance of supporting this program at that time.

I will just remind my colleagues that the conference report to the original 1973 act stated that:

> The successful development of an endangered species program will ultimately depend upon a good working arrangement between the federal agencies, which have broad policy perspective and authority, and the state agencies, which have the physical facilities and the personnel to see that state and federal endangered species policies are properly executed. The grant program authorized by this legislation is essential to an adequate program . . . The conferees wish to make it clear that the grant authority must be exercised if the high purposes of this legislation are to be met.

We have yet to exercise that authority in a consistent and effective manner.

Section 7 of S. 675 seeks to improve recovery efforts by increasing the maximum fines and penalties for violations of the act and allowing some of these proceeds to be used under the section 6 Federal: State Cooperative Program.

The maximum civil penalties—except for nonknowing violations, for which the existing $500 maximum would remain unchanged—and criminal fines would be increased by a factor of two and a half. These penalties, fines and net proceeds from the sale of seized items would then be used not only for recovery programs but also for payment of rewards and to offset the cost of caring for seized specimens.

Existing penalties and fines under the act have not been changed since 1973 despite an increase in the cost of living over that period of approximately 150 percent. Since 1973, the costs to the Government of restoring species and rectifying the adverse effects of violations also have increased and now can greatly exceed the current penalties and fines for violations of the act.

There is a clear link between violations, which necessarily impair efforts to recover species, and funding for cooperative Federal: State endeavors, which are essential to the act's goal of recovery.

Increased penalties and fines also are needed to provide greater deterrence against violations of the act, since the profits to be made from illegal activities often dwarf current penalties.

The present act also is deficient in the level of protection provided for plants, which is insufficient and still lags far behind that provided for animals.

Consequently, section 6 of S. 675 amends section 9 of the act to make it unlawful not only to remove and reduce to possession any endangered species of plant from areas under Federal jurisdiction, but also to maliciously damage or destroy such species on Federal lands. It also would be unlawful to remove, cut, dig up, or damage or destroy any endangered species of plant on any other area in violation of State law or in the course of any violation of a State criminal trespass law.

Currently, anyone who captures, kills or otherwise harms an endangered animal commits a violation of the act for which substantial criminal and civil penalties may be imposed. By contrast, it is not unlawful to pick, dig up, cut or destroy an endangered plant unless the act is committed on Federal land; and even on Federal land, there is no violation of the act unless the plant is removed from the area of Federal jurisdiction.

The basis for this differential treatment of plants and animals under the act apparently was the recognition that landowners traditionally have been accorded greater rights with respect to plants growing on their lands than with respect to animals. The amendment made to the act by section 6 of S. 675 does not interfere with the rights traditionally accorded landowners but instead reinforces them in a way that also benefits the conservation of endangered plant species.

The need for additional protection of endangered plants on Federal lands is highlighted by the Fish and Wildlife Service's decision not to identify critical habitat for such species when they are listed in order to avoid identifying their location and making them vulnerable to illegal collection and vandalism. For example, no critical habitat was designated for any of the 24 plant species occurring in whole or in part on Federal lands which were listed between May 1986 and March 1987.

Additional protection for endangered plants on private and other non-Federal lands also is needed. The act currently offers no protection for endangered plants on these lands. Since early 1985, 59 of the 69 plant species listed occur in whole or in part on non-Federal lands. Many of these plants occur on lands acquired by nonprofit conservation organizations or on privately owned lands where the landowner has signed a voluntary agreemen to help protect the species. Yet generally ineffective State trespass laws are often the only deterrent against vandals and unscrupulous collectors.

Endangered plants have been vandalized or taken from private land against the wishes of landowners. Most private landowners take pride in the presence on their lands of unique or rare species and are eager to cooperate in their protection. However, private landowners often cannot effectively deter the theft or destruction of plants within their property because the penalties for violations of State law are often too low to provide sufficient deterrence. The penalties authorized by the Endangered Species Act provide a much stronger deterrent to these unlawful activities.

Section 1 of the bill also is aimed at improving protection of plants by amending the act to give the U.S. Fish and Wildlife Service enforcement authority, concurrent with that of the Agriculture Department's Animal and Plant Health Inspection Service [APHIS], over the importation and exportation of plants protected by the act or the Convention on International Trade in Endangered Species [CITES].

Currently, that authority is vested solely in the Secretary of Agriculture, who has delegated it to APHIS. The resources allocated by APHIS to prevent the sizable and sophisticated illegal international trade in protected plants are inadequate.

In an effort to improve enforcement, APHIS and the Fish and Wildlife Service had a memorandum of understanding in 1984 and 1985 under which the Fish and Wildlife Service investigated some import and export violations. During that period, the Fish and Wildlife Service initiated five prosecutions under the agreement for illegal trade in plants protected under CITES. By contrast, during the period 1981 to 1985, according to information submitted by the Department of Justice, APHIS did not initiate a single prosecution of an alleged violator of CITES or the act.

The amendment to the act made by this legislation, therefore, is intended to supplement the existing enforcement with respect to import and export violations involving protected plant species. It is not intended to shift primary enforcement responsibility at ports for such violations away from the Department of Agriculture to the Fish and Wildlife Service.

Finally, section 2(a) of the bill amends the act to require the Secretary to implement a system to monitor effectively the status of candidate species, that is those species that appear to warrant listing but that have not yet been listed or denied listing. In addition, the existing emergency listing authority is to be used whenever, as a result of the monitoring, it is determined to be appropriate to prevent a significant risk to the well-being of any such species.

The Service currently has sufficient information to warrant preparation of a formal listing proposal for approximately 950 so-called category I candidate species. At the present level of resources, however, the Service projects that it may take approximately 20 years to list these candidate species. Under the current law, these species receive no protection until they are formally proposed for listing.

In the past 3 years several candidate species are reported to have gone extinct before listing was completed. Other species have undergone substantial declines in numbers or distribution before they were protected. The bill before us today will correct this shortcoming.

It will establish a system that will help prevent extinctions or substantial declines of candidate species. Such a system will be an important land use planning and habitat protection tool for State and Federal agencies, private conservation organizations, private landowners, and the scientific community. The advanced notice that a species may be listed in the future reduces the potential for serious conflict later with other activities.

Mr. President, in developing this legislation, we endeavored to resolve as many of the concerns expressed by other Senators as was possible.

For instance, the issues involved in the management of threatened species such as the wolf and grizzly bear were considered thoroughly and are addressed at great length in the report accompanying S. 675.

In that report, we expressed our view that the present hunting of grizzly bears in Montana is consistent with the goals of the Endangered Species Act and that the Secretary of the Interior has flexibility to allow regulated taking of experimental populations of wolves and other species when necessary to avoid public opposition to the establishment or maintenance of such populations.

We have addressed a number of additional concerns that have been identified since the bill was placed on the calendar last December. Consequently, we now are prepared to sponsor amendments and to accept amendments by other Senators that will do the following:

First, require the Environmental Protection Agency to undertake a program of education and study with regard to its Endangered Species Protection Program to prevent harm to endangered or threatened species from pesticides with minimum disruption to agriculture;

Second, delay implementation of regulations requiring shrimp fishermen to protect endangered and threatened sea turtles by using turtle excluder devices;

Third, extend the present certificates of exemption for scrimshaw products;

Fourth, delete the appropriations provision in section 5 of the bill; and

Fifth, amend the definition of the term "person" in the act to clarify that the requirements of the act apply to municipal corporations.

With the amendment to the appropriations provision in section 5 of S. 675, we are not aware of any objection by Senators to any of the provisions in the bill, which, as I stated earlier, focus on recovering endangered and threatened species to the point where they no longer require protection.

The legislation now has 43 cosponsors. At least six other Senators have written in support of today's action on S. 675. Moreover, as I suggested earlier, very similar legislation passed the House of Representatives on December 17, 1987, by a vote of 399 to 16.

Mr. President, it has now been nearly 3 years since the authorization to appropriate funds to carry out the Endangered Species Act expired. During this period, the Senate has not acted on legislation passed twice by the House of Representatives or reported twice by the Committee on Environment and Public Works.

It is important that the Senate show its strong support for the Endangered Species Act during the 100th Congress.

I hope my colleagues will vote to approve this legislation to ensure that we use our Nation's resources in a manner that protects our natural biological heritage. In the end that will be the best use of our resources.

Mr. MOYNIHAN. Mr. President, I rise today to offer my support for S. 675, the Endangered Species Act Amendments of 1987. As an original cosponsor of this legislation, I am gratified that it is now being considered by the Senate.

I would like to commend the Senators from Maine and Rhode Island, Senators MITCHELL and CHAFEE, for their diligence as advocates for the improvements in the Endangered Species Act contained in S. 675. I hope that this legislation will soon be placed before the President for his signature.

Among the important changes contained in this legislation are new listing and recovery plan requirements, the establishment of a secure source of funding for Federal-State programs, and dramatically increased penalties for violations of the act.

Despite the valuable improvements contained in this legislation, I remain concerned that our enforcement ability remains weak. And, although I would like to see much greater resources provided to the Fish and Wildlife Service and other agencies to enforce the Endangered Species Act against illegal takings of protected species of the United States, the focus of my remarks today will be on the need for greater enforcement powers against illegal international trade in endangered species.

As the Senators from Maine and Rhode Island are aware, I had considered offering an amendment today to increase the authority of the President and U.S. Trade Representative to enforce international agreements that govern international trade in wildlife. However, because of the need to expedite the consideration of this very useful legislation, and the certain opposition from the administration to my amendment, I have decided to withhold for now.

Still, if I do not see serious movement by the administration to enforce international agreements on trade in endangered species, I will be back with this amendment on another bill. And soon.

Let me explain. My amendment is not complex. It is identical to S. 2638, which I introduced on July 13. It would make actionable under section 301 of the Trade Act of 1974, as unreasonable, foreign country practices that diminish the effectiveness of international agreements that protect endangered or threatened species. I have also introduced legislation that applies the same concept to international fishery conservation agreements.

Section 301 provides the President broad discretion to impose trade sanctions against unfair foreign trade practices. For example, the President could impose tariffs or quotas on a country's exports to the United States, or in the case of a developing country the President could revoke the benefits of the Generalized System of Preferences.

In addition, private parties who are impacted by illegal wildlife trade would be permitted to file a petition with the U.S. Trade Representative, who administers section 301, asking for trade sanctions.

At first glance, my amendment may sound like a major departure in U.S. trade law. However, I consider it a modest extension of section 301. Indeed, perhaps a clever lawyer could argue that foreign country practices that diminish international agreements on endangered species are already actionable under section 301. However, the problem is that under this administration such an argument would be rejected—and a petition with such allegations dismissed.

Nevertheless, U.S. law already provides that trade by a foreign country which diminishes the effectiveness of either an agreement on endangered species or one on fishery conservation, subjects a country to sanctions. Under the Packwood-Magnuson amendment to the Fishery and Conservation Management Act of 1976, a country may lose its fishing rights in the U.S. exclusive economic zone. Under the Pelly amendment to the Fisherman's Protective Act of 1967, the President may embargo fish or wildlife imports from the offending country.

And, indeed, on a number of occasions countries have had their fishing quotas reduced under the Packwood-Magnuson amendment. The most recent example is the certification made against Japan for taking 300 minke whales in Antarctic waters last winter. The only problem with reducing fishing quotas in the exclusive economic zone in response to Japan's illegal whaling is that Japan has no such fishing quota to lose. Neither does almost any other country.

Meanwhile, the President refused to impose, pursuant to the Pelly amendment, an embargo against fishery products from Japan, the only other authorized response against the Japanese hunt. The United States enjoys a sizable fishery products trade surplus with Japan, and United States fishery exporters were understandably concerned that possible Japanese counter-retaliation might fall on them.

It may also be that the administration does not take the Japanese whaling violation very seriously. The Pelly amendment embargo sanction has never been imposed for illegal trading in any fishery or wildlife species, despite numerous documented cases of trade violations.

The Fish and Wildlife Service has been somewhat bolder of late, but they have limited enforcement powers against foreign countries. The Endangered Species Act and the Lacey Act give them the authority to prevent the import of wildlife from a country, and they have imposed bans against violators such as Singapore, Bolivia, and the Philippines in recent years.

In short, U.S. law already provides for trade sanctions against countries that violate international agreements protecting wildlife and marine resources. But the existing sanctions are not sufficiently effective. They are too narrow or too blunt.

The President needs more flexibility than an embargo against fish or wildlife provides. Other products should be potential targets of trade sanctions. And an embargo is perhaps a too provocative response. My section 301 amendment would provide the needed flexibility.

In the case of Japan, for example, if the President imposed penalty tariffs on automobiles or semiconductors in response to illegal whale trading, as he could under section 301, the Japanese Government might reconsider its current policy. It would also strengthen the position of those officials in Japan who want a more responsible Japanese Government policy, but lack the necessary leverage to impose it upon the Ministry of Agriculture, Forestry, and Fisheries, which permitted the whaling to go forward. We much increase the accountability of the famed Ministry of International Trade and Industry for wildlife trade issues.

As distinguished members of the Finance Committee, both the Senators from Maine and Rhode Island are keenly aware of section 301. Indeed, Senator CHAFEE joined me as lead sponsor of the section 301 title of the omnibus trade bill. In those revisions to section 301 the denial of workers rights, as defined in the conventions of the International Labor Organization, will become actionable as an unreasonable practice under section 301. I want to do the same for the agreements that protect endangered species.

Of course, the administration and a number of my colleagues in the trade bill conference resisted the expansion of section 301 to workers' rights. They claimed that section 301 is only intended to provide leverage to enforce trade agreements, to open foreign markets to U.S. exports. They also claimed we could not possibly enforce ILO standards against most U.S. trade partners—even though most of them are members of the ILO.

But, as we know, the ILO and the legal conventions giving definitions to workers rights emerged precisely because of international trade concerns. Indeed, these agreements were drafted to prevent countries from gaining an advantage in trade by compromising the health and safety of their workers.

In the same regard, international agreements have emerged that put legal limits on the commercial exploitation of species, so that they can continue to be traded. The alternative is extinction. Certainly the 1946 International Whaling Convention was motivated not by those who sought conservation for conservation sake, but out of a recognition that the continued unrestricted hunting of whales would both extinguish the species and the industry.

The major legal agreement that protects endangered species was signed in 1973. It is called the Convention on International Trade in Endangered Species of Wild Fauna and Flora, CITES for short. The operative term in the title of the agreement is "international trade." This is not an agreement fundamentally about the conservation of habitat or biological research. It is an agreement, now with 95 signatories, which establishes a permit system to control the legal trade of endangered species and to prevent their illegal trade. A trade agreement.

But a major problem with CITES is that it has no enforcement provisions. If the member countries fail to enforce the agreement, it cannot succeed. We implement CITES through the Endangered Species Act. Other signatories have not been as rigorous in their enforcement.

CITES does have a modest Secretariat based in Lausanne, Switzerland. And CITES has been doing its best to identify countries that are undermining the agreement, despite its inability to force compliance.

In 1987, for the first time, CITES published a list of country infractions. This document would be a useful starting point for the consideration of possible sanctions under section 301. Four countries were singled out for having "serious general problems of CITES implementation": United Arab Emirates, French Guiana (France), Bolivia, and Paraguay. In 1987, the United Arab Emirates withdrew from CITES rather than face the censure contained in the report.

Other countries that have serious CITES problems include: Burundi, Yemen Arab Republic, Japan, Indonesia, Thailand, Taiwan, Singapore, Honduras, Mexico, Italy, and West Germany.

The major wildlife products that are illegally traded are elephant ivory tusk, rhinocerus horn, reptile skins, and sea turtle shells. The illegal market in these products is, according to the World Wildlife Fund, between $1 to $2 billion annually.

As a consequence of demand for ivory for jewelry and ornamental carvings, the population of the African elephant has fallen by approximately 50 percent in the last decade. The black rhinocerus has been reduced by 90 percent since 1970. The rhino horn is carved into daggers in Arab countries, and is believed to have medicinal value in Asian countries.

Although most trade in the reptiles of South America is banned under CITES, as many as one million skins were illegally exported from Brazil, Paraguay, Bolivia, and Colombia last year. Most are shipped to Italy, France, and Japan, where they are worked into finished products and often reexported to the United States with false documentation.

Sea turtle shells are prized for their ornamental value in Japan. Imports into Japan have come from Indonesia, Cuba, Panama, Singapore, and the Philippines. Most of the exports to Japan have been made illegally according to these countries. Japan has entered many reservations from CITES for sea turtles, thereby removing itself from CITES trade restrictions in them.

Unfortunately, Japan's sea turtle problem and recent whale hunt are only symptomatic of a widespread indifference in Japan to the consumption of illegally traded wildlife. Japan trades in more endangered species than any other country, and has more CITES reservations than any other signatory. Japan accepts large quantities of wildlife "laundered" through Singapore, Taiwan, Thailand, and Hong Kong. Japan is also a major source of illegal demand for bear gall bladder and musk deer from India, China, Nepal and Pakistan, and lizard skins from Bangladesh and other Asian nations.

The problem for CITES is not an absence of evidence of illegal trade. The problem is enforcement. Under these circumstances, the United States should enforce CITES through our trade laws, whether it is section 301 or some other legislation still to be proposed.

At the same time, I recognize that we must be somewhat careful in how fast and how far we go toward the unilateral enforcement of CITES and other such agreements. That is why I have today written a letter to Ambassador Clayton Yeutter, the U.S. Trade Representative.

In the letter I call upon Ambassador Yeutter to use the current Uruguay Round of GATT negotiations to complete a code on enforcement measures for conservation agreements, such as CITES. After all, GATT article XX already permits signatory countries to take measures to conserve natural resources. That is the legal basis upon which we could defend action under section 301, and upon which a new GATT Code should be negotiated.

In short, it is time to bring trade in wildlife within the mainstream of international and U.S. trade law. That is the only hope that I see to slow the rapid depletion of species that are hunted for their commercial value.

The tide of mounting extinctions is ominous. It is estimated that one species of wildlife becomes extinct each day. And in a gathering tide, it is possible that we will lose up to 20 percent of the 5 to 10 million species of wildlife by the year 2000. And illegal trade is a major threat. One reliable estimate holds trade responsible for 20 percent of all birds that are endangered, over 30 percent of all mammals, and 50 percent of all reptiles.

Mr. President, we must use section 301 and the GATT to slow the pace of extinction that haunts us. And we must do it immediately.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I am proud to be here today with my good friend and chairman of the Subcommittee on Environmental Protection, Senator MITCHELL, as we move to consideration of amendments to the Endangered Species Act of 1973. We have been trying to get the Senate to renew this law for several years. Our colleagues in the House have been waiting patiently and today, for the first time since 1982, the Senate is going to act.

This is not an obscure or highly technical subject. Everyone has heard of the Endangered Species Act. Everyone knows it is a significant law. But some people may not know why it is so significant.

When this act first became law in 1973, 15 years ago, it was an important environmental achievement for two reasons. First, it not only established a comprehensive program for wildlife preservation in this country, the United States of America, but it also became a model for the entire world. And I think that is very important for us to remember; that the Endangered Species Act sets a goal for the whole rest of the world. What we do in the United States sets the pace, sets the tone of leadership for the balance of the rest of the world. And that is as it should be.

Certainly this law is about saving such well-known species as the bald eagle, that majestic bird, and the powerful grizzly bear, the whooping crane and the California sea otter. But it is also about saving the fragile piping plover, a shore bird found in Rhode Island, and hundreds of obscure plants, flowers, and insects.

We often hear that the reason we need to save species of plants and wildlife is because one of these rare organisms may hold the cure to cancer. "Do not kill any of the wildlife or the insects or the flora and fauna because somewhere we may be killing off the solution to cancer." And that is right and that is good. Or "it may carry a genetic secret that will revolutionize agriculture as we know it today." And that is right and that is good. But there are other reasons as well.

This law has a higher purpose than just saving these flora and fauna for some practical reason. This law recognizes that endangered species are of esthetic, ecological, educational, historical, recreational, and scientific value to all of us as citizens of this Nation and as citizens of the world, and the law declares its purpose as providing "a means whereby the ecosystems upon which (they) depend may be conserved."

Aldo Leopold, the famous environmentalist and founder of modern wildlife ecology told us:

> If the biota, in the course of aeons, has built something we like but do not understand, then who but a fool would discard seemingly useless parts? To keep every cog and wheel is the first precaution of intelligent tinkering.

Mr. President, this excellent advice should be remembered by all of us as we prepare to vote on the bill before us.

The extinction of a single species can be an act of uttermost recklessness. Our distinguished former colleague, a member of the Environment Subcommittee, James Buckley from New York, said that the process by which human actions cause the extinction of species is tantamount to book burning. In fact, it is even worse than book burning because it involves books that have not been deciphered and read.

Mr. President, extinction is an act of finality. Extinction means it is gone. Remember, we used to read about the passenger pigeon. The skies were darkened by the passenger pigeon in the middle part of the last century and the passenger pigeon was going to last forever. And so it was killed and slaughtered, an open season on it forever. Suddenly, we discovered that there were only a few left and finally they are all gone—extinct. It was done, an act of incredible finality. The public is painfully aware of this and it is incumbent, it seems to me, upon all of the Members of this body to recall that.

The history of the Endangered Species Act includes a period in the late 1970's when there was considerable controversy—in the press, in Congress, and in the courts. At issue was the question of balance between the need to preserve endangered species and the need to build a massive dam project. The law was amended at that time and it has worked well ever since.

In 1982, we passed another series of amendments that, in many respects, strengthened the original law. With the support of environmentalists as well as development interests, we included new provisions to improve the law—to make it more flexible without weakening the underlying law.

In 1985, it was again time to consider an extension of the law. The Committee on Environment and Public Works approved a bill to extend the law through fiscal year 1988 with increased funding levels. No substantive amendments were included because of our decision that no major changes were needed. Unfortunately, the Senate did not have an opportunity to consider that bill.

The bill we are considering today has been in the making since 1985. This version of the bill was approved unanimously by the Committee on Environment and Public Works on November 10, 1987. Senator MITCHELL's statement and the committee report do an excellent job of explaining the bill so I will not repeat what has already been said.

In many respects, the whole world is watching what we do here today. David Attenborough, a noted British zoologist and host of the PBS series "The Living Planet" explained why when he testified before Congress:

> The Endangered Species Act is a courageous national statement that Americans care about their magnificient land and its wealth of living resources. What the United States, the world leader of conservation does, is carefully watched—and duplicated by many other nations as best they can.

This is a standard that the other nations try to meet.

> If this country were suddenly to lessen its commitment to the welfare and survival of its wildlife, what hope would other less wealthy countries have of persuading their

government and their people to conserve and protect, particularly when pressing short-term decisions to spend money and allocate land are much harder to take there than they are here?

In this country where we fortunately have an abundance of both.

Mr. President, in this context, I wish to comment on a recent administrative decision that concerns me and may well be illegal. Prior to June 1986, regulations implementing the act made it clear that the law applies to any action authorized, funded, or carried out by a Federal agency. It is not limited to actions within the United States. It is covered wherever our Federal agencies operate. Last year, however, those regulations were rescinded.

This was done despite increasing concern about the destruction of tropical rain forests and the loss of biological diversity. The act is designed to make sure that we, the U.S. Government, do not contribute to these problems. In fact, section 7 of the law says that we must help solve these problems.

It is important, therefore, to note that in considering the bill before us today, the Congress is not in any way ratifying or approving that rescission of the regulation. With or without those specific regulations, the law is clear.

It applies to Federal agencies that are operating within or outside of the United States. Any other interpretation is intolerable and I believe illegal.

Mr. President, the Endangered Species Act is one of our most important environmental laws and I think it is necessary for all of us to recognize that and to remember it.

The time has come for us to review it, debate it, and pass a bill extending the authority to fund it. People care about this law and it is our job as elected Senators to see that it is extended. I urge my colleagues to vote for it and against any weakening amendments that may be offered today.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I support S. 675, the Endangered Species Act Amendments of 1987 and commend the principal sponsors of this important legislation, Senator GEORGE MITCHELL, the chairman of the Subcommittee on Environmental Protection and Senator JOHN CHAFEE, the ranking member of the subcommittee. I am glad to be a cosponsor.

Authorization of appropriations for the Endangered Species Act expired in 1985. The bill authorizes increased appropriations through fiscal year 1992 and also makes significant program amendments to the act.

The bill would initiate new arrangements to monitor the status of species that have recovered and have been delisted as endangered for up to 5 years after their delisting. It also provides for emergency relisting in the event of species decline. For rare and vulnerable species that are candidates for listing, there is established a plan to monitor the status of candidate species to prevent decline or loss of such species. It is estimated that the Department of the Interior faces a backlog of nearly a thousand vulnerable species. At the current rate of processing candidates, I am told it would take more than 20 years to list and plan recovery for species already in the backlog. Rare and vulnerable candidates should be more closely monitored.

Among other provisions, the bill would strengthen the cooperative programs between the Federal Government and the States for the conservation and recovery of endangered wildlife, and the bill provides increased protection for endangered plants from vandals and unscrupulous collectors. In addition, the legislation would strengthen penalties for international violations of the Endangered Species Act and give the U.S. Fish and Wildlife Service enforcement authority concurrent with the Animal and Plant Health Inspection Service of the Department of Agriculture in the importation and exportation of protected plants. Cooperative enforcement may improve investigation and prosecution of illegal trade in protected plants.

Mr. President, I am very glad that we have this bill before the Senate today. It was reported from the Environment and Public Works Committee in the last session of this Congress and the House has completed action on a companion measure. That measure passed the House by a overwhelming margin and there is wide support for this bill in the Senate, with 42 cosponsors. The Endangered Species Act is one of the country's important environmental laws.

I know there are a number of amendments, and I hope we will be able to work through any printed or unprinted amendments in an expeditious manner and bring this important piece of legislation to a final vote in the Senate.

I urge my colleagues to support this very worthwhile and necessary piece of legislation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. Mr. President, at this time it is my intention to offer three amendments that I believe are noncontroversial and cleared on both sides and to move them en bloc after they are described, provided there is no objection to that procedure.

AMENDMENT NO. 2651

Mr. President, the first amendment I offer in behalf of the committee. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] proposes an amendment numbered 2651.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, at the start of line 21, insert "(b)".

On page 3, after line 20, insert the following new subsection:

(a) Paragraph (13) of section 3 of the Endangered Species Act (16 U.S.C. 1532) is amended to read as follows:

"The term 'person' means an individual, corporation, partnership, trust, association, or any other private entity; or any officer, employee, agent, department, or instrumentality of the Federal Government, of any State, municipality, or political subdivision of a State, or of any foreign government; any State, municipality, or political subdivision of a State; or any other entity subject to the jurisdiction of the United States.".

On page 9, line 11, strike ", without further appropriation,".

Mr. MITCHELL. Mr. President, these amendments to S. 675 by the committee address two issues.

The first change to the bill adds a new subsection to clarify the meaning of the act's definition of the term "person" in response to a decision this past March by the U.S. Court of Appeals for the Ninth Circuit.

The question before that court was whether the city of Ranchos Palos Verdes, CA, is a "person" under the Endangered Species Act.

The city had been charged with the misdemeanor of unlawful taking of an endangered species, the Palos Verdes Blue Butterfly, in violation of the act.

The district court, in looking at the language of the act, concluded that construing the term "person" to include municipal corporations rendered the language logically inconsistent. The court, therefore, concluded that the city was not a "person" as defined in the act and granted the city's motion to dismiss.

The court of appeals affirmed this decision, finding that "the legislative history does not give any clear indication that municipal corporations were either included in or excluded from the definition of 'person'."

The appellate court noted that "[i]f Congress intended a different construction, the statute is easily amended."

With or without the amendment, enforcement is not precluded because a municipal corporation can only act through its officers, employees, agents and instrumentalities, all of whom the court concluded are clearly subject to prosecution under the act.

But, Mr. President, I believe that there is no question that Congress did intend a different construction, one that would treat municipal corporations and similar entities as persons subject to the requirements of the act.

The amendment I am offering amends the definition of the term "person" to clarify that such entities are to be treated as persons under the act.

Mr. President, the second issue addressed by the amendment is one that has been discussed and agreed to by the leadership of the Committee on Environment and Public Works and the Committee on Appropriations.

Under that agreement, the amendment would make grants to the States from the cooperative endangered species conservation fund established by section 5(b) of the bill subject to the annual appropriations process.

As approved by the Environment and Public Works Committee, section 5(b) of S. 675 amends section 6 of the Endangered Species Act by adding a new subsection that establishes a cooperative endangered species conservation fund from which moneys are made available annually from the general revenues of the Treasury to the States without further appropriation. The amount of general revenues deposited annually in the fund are to be equal to 5 percent of the total Pittman-Robertson and Wallop-Breaux Federal aid accounts for State programs to restore wildlife and sport fish.

The funding level of these Federal aid programs serves only as a means of determining the amount of general revenues to be deposited in the fund. The cooperative endangered species conservation fund established by the bill does not consist of any revenues credited to the other Federal aid programs for sport fish and wildlife, nor is it intended that the bill's provision affect the funding levels of these other programs in any manner.

As I have stated, to address the concerns of the administration and the Appropriations Committee, I have offered this amendment to retain the endangered species conservation fund but to make any funds made available from it subject to the annual appropriations process.

I and other members of the Environment and Public Works Committee remain convinced that reliable and adequate matching funding for the section 6 cooperative Federal/State program is essential to implementation of the Endangered Species Act. Other laws, such as the Federal Aid in Wildlife Restoration Act, Federal Aid in Sport Fish Restoration Act, and the Migratory Bird Conservation Fund Act provide such matching funding for grants to States for game and sport fish management and for Federal wetlands acquisition. Section 5(b) of S. 675 would have provided a similar base of support of conservation and recovery of endangered and threatened species.

Adequate and reliable funding for endangered species grants to States is justified on two grounds.

First, through the cooperative agreement provisions of section 6 of the Endangered Species Act, the Congress recognized that State officials bear much of the responsibility for managing federally protected species. The valuable personnel and expertise of the State fish and wildlife agencies always have been an integral part of our endangered species program. For instance, while the U.S. Fish and Wildlife Service has fewer than 200 law enforcement officers and only a few hundred biologists, the States have over 5,000 such officers and several thousand wildlife biologists. Moreover, because the habitat of most protected species is on State-owned or private land, there is a clear need for a strong Federal/State partnership.

Second, recovery of threatened and endangered species has proven to be a very long-term process. For many species such efforts have been underway for a decade or longer and recovery still is not in sight. Interruptions in funding may have irreversible adverse consequences for a species' recovery. Therefore, recovery efforts require stable, predictable and sufficient funding to the States.

To date, the annual congressional appropriations process has not been able to provide that type of support for the cooperative endeavors of Federal and State endangered species programs.

Section 6 funding has been inadequate and the amount provided per cooperative agreement has declined significantly over the past several years. In 1977 a section 6 funding level of $3.9 million provided about $185,000 for each of the 21 cooperative agreements in effect. For fiscal year 1987 the appropriation of $4.3 million provided only about $49,000 for each of 87 agreements in effect.

Section 6 funding also has been unreliable over the past 7 years. The combination of administration requests to provide no section 6 funding and to rescind funding already provided, along with the uncertainty of congressional appropriation levels, has made it very difficult for the States have reduced their request for section 6 grants and curtailed their endangered species activities because of their uncertainty about whether and how much funding would be available. Some States, such as Ohio, have eliminated their requests for section 6 grants because the time and resources required to put together the requests have not resulted in adequate and reliable enough funding to make it worthwhile.

I know that the distinguished majority leader and chairman of the Appropriations Subcommittee on Interior and Related Agencies shares my view of the importance of a successful cooperative program for the conservation and recovery of endangered species.

I also understand his strongly held position that we should retain the current process of appropriations. And I appreciate his cooperation in resolving this matter.

It is my hope, therefore, that we can provide the necessary certainty and level of support for the section 6 program to achieve the goals we share without the guaranteed funding mechanism established by section 5(b) of the bill.

The amendment that I have offered would allow the Committee on Appropriations to do that.

Mr. **BYRD**. Mr. President, I thank the distinguished chairman of the Subcommittee on Environmental Protection for his cooperation in amending the bill to make the release of Federal matching funds to the States subject to annual appropriations.

He is correct that I share completely his commitment to the conservation and recovery of endangered and threatened species. And I recognize, as he does, that the best means of achieving that goal is through effective implementation of the 87 cooperative Federal/State agreements in effect under section 6 of the Endangered Species Act.

Finally, let me say that I appreciate fully the importance of adequate and reliable funding in carrying out these agreements and in achieving the goals of the act. The repeated efforts by the administration to rescind funds appropriated for the section 6 program have not been sound, and they have been rejected consistently by the Appropriations Committee and the Congress.

I will be happy to work with the Senator from Maine and other members of our respective committees toward increasing the support made available under section 6 of the Endangered Species Act and assuring that the funding is provided on a reliable basis from year to year.

Mr. **MITCHELL**. I thank the majority leader and Appropriations Subcommittee chairman for his support and cooperation and look forward to working with him to improving support for cooperative Federal/State endeavors to protect and restore endangered and threatened species.

AMENDMENT NO. 2652

Mr. President, the second amendment in this group I offer in behalf of Senator BURDICK, the chairman of the full Environment Committee. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] for Mr. BURDICK (for himself and Mr. SYMMS) proposes an amendment numbered 2652.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . EDUCATION, STUDY, AND REPORT.

(a) The Administrator of the Environmental Protection Agency in cooperation with the Secretary of Agriculture and the Secretary of the Interior, promptly upon enactment of this Act, shall conduct a program to inform and educate fully persons engaged in agricultural food and fiber commodity production of any proposed pesticide labeling program or requirements that may be imposed by the Administrator in compliance with the Endangered Species Act (16 U.S.C. 1531 et seq.). The Administrator also shall provide the public with notice of, and opportunity for comment on, the element of any such program and requirements to be effective on or after September 15, 1988, based on compliance with the Endangered Species Act, including (but not limited to) an identification of any pesticides affected by the program; an explanation of the restriction or prohibition on the user or applicator of any such pesticide; an identification of those geographic areas affected by any pesticide restriction or prohibition; an identification of the effects of any restricted or prohibited pesticide on endangered or threatened species; and an identification of the endangered or threatened species along with a general description of the geographic areas in which such species are located wherein the application of a pesticide will be restricted, prohibited, or its use otherwise limited, unless the Secretary of the Interior determines that the disclosure of such information may create a substantial risk of harm to such species or its habitat.

(b) The Administrator of the Environmental Protection Agency, jointly with the Secretary of Agriculture and the Secretary of the Interior, shall conduct a study to identify reasonable and prudent means available to the Administrator to implement the endangered species pesticides labeling program which would comply with the Endangered Species Act of 1973, as amended, and which would allow persons to continue production of agricultural foods and fiber commodities. Such study shall include investigation by the Administrator of the best available methods to develop maps and the best available alternatives to mapping as means of identifying those circumstances in which use of pesticides may be restricted; identification of alternatives to prohibitions on pesticide use, including, but not limited to, alternative pesticides and application methods and other agricultural practices which can be used in lieu of any pesticides whose use may be restricted by the labeling program; examination of methods to improve coordination among the Environmental Protection Agency, Department of Agriculture, and Department of the Interior in administration of the labeling program; and analysis of the means of implementing the endangered species pesticides labeling program or alternatives to such a program, if any, to promote the conservation of endangered or threatened species and to minimize the impacts to persons engaged in agricultural food and fiber commodity production and other affected pesticide users and applicators.

(c) The Administrator of the Environmental Protection Agency in cooperation with the Secretary of Agriculture and the Secretary of the Interior shall submit an interim report on September 15, 1988, and a final report within one year of the date of enactment of this Act, presenting the results of the study conducted pursuant to subsection (b) of this section to the Committee on Merchant Marine and Fisheries and the Committee on Agriculture of the United States House of Representatives, and the Committee on Environment and Public Works and the Committee on Agriculture, Nutrition, and Forestry of the United States Senate.

Mr. MITCHELL. Mr. President, the amendment concerns the proposal last year by the EPA to protect endangered and threatened species by restricting pesticide use in portions of 910 counties across the country.

The amendment will encourage the EPA to devise a program to protect endangered and threatened species from pesticides with minimum disruption to production of agricultural commodities.

First, it requires the EPA to conduct an educational program with the Departments of the Interior and Agriculture.

Second, the EPA is required to provide the public with adequate notice of, and opportunity for comment on, any proposed program to restrict pesticide use.

Third, the EPA is directed to conduct a study with the Departments of the Interior and Agriculture to identify alternatives which would protect species from pesticides and which would minimize any adverse effect on agriculture.

The amendment does not mandate a delay in the EPA efforts.

Instead, it will strengthen the EPA efforts with greater outside input and by encouraging more flexibility in protecting endangered and threatened species from pesticides.

● Mr. BURDICK. Mr. President, this amendment to S. 675 addresses a potential conflict between the protection of endangered and threatened species and the production of agricultural commodities.

The amendment concerns the proposal last year by the Environmental Protection Agency to protect these species by restricting pesticide use in 910 counties across the country.

The EPA's endangered species labeling project was meant to ensure that Federal approval of pesticides complies with the requirements of the Endangered Species Act.

The EPA tried to go forward with this project without adequate public participation and without sufficient coordination with other Federal and State agencies.

As a result, last year in the continuing resolution for fiscal year 1988, the Congress prohibited the EPA from implementing any program until September 15 of this year.

It should be possible to devise an effort that will protect endangered species with minimum disruption to agriculture, and my amendment will encourage such an outcome.

Mr. President, the purpose of my amendment is to make sure that any EPA program to protect endangered and threatened species from pesticides does not repeat the mistakes of the past.

The amendment will not delay further the implementation of this project or any other program developed by the EPA to protect endangered or threatened species from pesticides.

Instead, my amendment will take advantage of the time we have between now and September 15 to make sure that when the EPA does go forward it will do so in a sound manner.

That means proceeding not only in a way that complies with the Endangered Species Act but also in a way that maximizes acceptance of the program, and therefore voluntary compliance with it.

The amendment would do this by first requiring the EPA to conduct an educational program in cooperation with the Departments of the Interior and Agriculture.

Second, the EPA would be required to provide the public with adequate notice of, and opportunity for comment on, the essential elements of any proposed program to restrict pesticide use.

I believe these requirements are essential, prior to implementation of any program, to ensure knowledge, understanding and compliance within the user community.

Third, the EPA is directed to conduct a study jointly with the Department of Agriculture and the Department of the Interior to examine various alternative approaches.

Alternatives are to be identified which would protect endangered or threatened species from pesticides and which would minimize any adverse effect on the production of food and fiber.

The EPA is to find the best methods of developing any maps, and to consider alternatives to mapping, in order to identify those circumstances in which use of pesticides may be restricted.

Additional review will be given to alternative pesticides and application methods and to other agricultural practices which can be used in place of any pesticides whose use must be restricted.

The study encourages the EPA to find means of both conserving species and minimizing impacts to the farmers, ranchers, and foresters who earn their living from food and fiber production.

An interim report on the study must be submitted to Congress by September 15, 1988, to coincide with the end of the delay in EPA's endangered species pesticide labeling project.

A final report on the study must be submitted to the Congress within 1 year of the date of the enactment of this act to permit inclusion of the results in the program implemented by the EPA.

I stress again that my amendment to S. 675 in no way mandates a delay in the EPA's efforts to ensure that its registration of pesticides complies with the Endangered Species Act.

Its intent is to strengthen any EPA program with greater outside input and to encourage more flexibility in protecting endangered and threatened species from pesticides.●

AMENDMENT NO. 2653

(Purpose: Amends subsection 10(f) of the act to permit for an additional 5 years the continued sale of scrimshaw which is covered by a valid certificate of exemption issued pursuant to the Endangered Species Act)

Mr. MITCHELL. Mr. President, I now offer the third of this block of three amendments. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. MITCHELL. Mr. President, this is in behalf of Senator EVANS and Senator ADAMS.

The PRESIDING OFFICER. Without objection, the amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. EVANS (for himself and Mr. ADAMS), proposes an amendment numbered 2653.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . SCRIMSHAW CERTIFICATES.

(a) Section 10(f)(8)(A) of the Endangered Species Act of 1973 (16 U.S.C. 1539(f)(8)(A)) is amended to read as follows:

"(8)(A)(i) Any valid certificate of exemption which was renewed after October 13, 1982, and was in effect on March 31, 1988, shall be deemed to be renewed for a 6-month period begining on the date of enactment of the Endangered Species Act Amendments of 1988. Any person holding such a certificate may apply to the Secretary for one additional renewal of such certificate for a period not to exceed 5 years beginning on the date of such enactment.".

(b) Section 10(f)(8)(B) of the Endangered Species Act of 1973 (16 U.S.C. 1539(f)(8)(B)) is amended by striking "original" and inserting "previous".

(c) Section 10(f)(8) of the Endangered Species Act of 1973 (16 U.S.C. 1539(f)(8)) is amended by adding at the end thereof the following subparagraph:

(D) No person may, after January 31, 1984, sell or offer for sale in interstate or foreign commerce, any pre-Act finished scrimshaw product unless such person holds a valid certificate of exemption issued by the Secretary under this subsection, and unless such product or the raw material for such product was held by such person on October 13, 1982.".

(E) Section 10(f) of the Endangered Species Act of 1973 (16 U.S.C. 1539(f)) is amended by striking paragraph (9).

Mr. MITCHELL. Mr. President, the amendment would extend certificates of exemption for existing licenses, which have recently expired, for scrimshaw production.

The House-passed endangered species legislation contains a similar provision.

The amendment extends the exemption for 16 certificate holders who, prior to enactment of the Endangered Species Act on December 28, 1973, had obtained legally an inventory of whale ivory or scrimshaw products.

The exemptions provided by the amendment do not establish rights to import additonal whale products.

Mr. EVANS. Mr. President, this amendment would extend certificates of exemption for existing licenses, which have recently expired, for scrimshaw production.

Currently, there is a provision in the House-passed endangered species reauthorization legislation, H.R. 1467, that would extend existing certificates of exemption, thus permitting the continued sale of scrimshaw products and unworked whale ivory by certificate holders for an additional 5 years. In 1976, the act was amended to allow persons who held scrimshaw or whale ivory before December 28, 1973, to obtain a certificate of exemption to sell their stocks. No other persons may sell in interstate or foreign commerce finished scrimshaw products as defined in the act. The program has since been extended, and the number of certificate holders is currently 16, 4 of which are located in Washington State. These 16 certificates recently expired on March 31, 1988, and large inventories still remain. There is no means for disposal of old stock if these certificates are not renewed.

The expiration of these certificates has forced those businesses in my State involved in scrimshaw production to layoff employees. These businesses have cooperatively and willingly abided by the current law regarding the commerce of scrimshaw products. The problem of the expired certificates could be readily solved by amending S. 675, the Endangered Species Act reauthorization legislation. An extension amendment was included as a part of the House-passed endangered species reauthorization legislation.

It is critical that it be understood that we are supporting an extension of what, before the March 31, 1988, expiration was the status quo for those persons who, prior to the act, had legally obtained an inventory of scrimshaw products. The exemption sought here does not pertain to the right to import additional whale products but rather to an inability to dispose of legally acquired inventory. A 5-year extension simply reflects Congress' intention that these businesses, which were originally given extra time in which to dispose of their inventory, would be given an additional period for that same purpose.

This particular program has been extended twice before. However, while the number of certificate holders has dropped from approximately 60 to 15, large stocks from existing certificate holders still remain. When the last extension was granted, the National Marine Fisheries Service [NMFS] established a computerized inventory system for items covered by certificates of exemption. This system enables NMFS to identify accurately each of the several thousand items in the certificates of exemption system and to track the sale of the items in interstate and foreign commerce. This system has not only eliminated many enforcement concerns, but also assures constant and accurate depletion of inventories. It is my understanding that this program is effective and I am aware of no problems with regard to enforcement of illegally obtained inventories.

I urge my colleagues to join me in allowing prompt passage of this amendment and S. 675, the Endangered Species Act amendments. This endeavor will allow many artisans in my State who specialize in scrimshaw production to their craft, and importantly S. 675 will strengthen one of our Nation's most important and powerful environmental laws—the Endangered Species Act of 1973. We, in Washington State, have a special appreciation for our fragile environment and the wildlife that inhabit it. I am pleased to see that the Senate has recognized the value in moving this worthy piece of legislation.

Mr. ADAMS. Mr. President, I rise in support of this amendment which would allow current scrimshaw dealers to continue production for 5 additional years. While this may seem a minor issue to some, it is a major concern to the 40 workers in my State affected by the recent expiration of their production licenses.

"Scrimshaw" is carved or engraved whale ivory. For centuries whalers have created works of art from whale bone and teeth as a hobby in their spare time. Because of our growing concern for the preservation of whales, however, this ancient activity is rapidly disappearing along with the whaling industry. In 1973, when the original Endangered Species Act was passed, there were 60 businesses in the United States engaged in the manufacture and sale of scrimshaw products. In recognition that these businesses possessed substantial stocks of bone and teeth materials obtained prior to the act's passage, scrimshaw was allowed temporary exemption from its provisions for a period thought sufficient to allow these products to be sold. The act also provided for the renewal of exemptions by application to the Secretary of Interior.

Since 1973, the number of scrimshaw dealers has dropped to 16 in the United States, four of which are in Washington State and which employ about 40 people. While the reserves of preexisting whale bone and teeth supplies are diminishing, a significant supply continues to exist, requiring an additional extension of the most recent certificate of exemption.

This amendment is noncontroversial, as it pertains only to preexisting supplies of scrimshaw. It provides an automatic 6-month renewal effective upon passage of S. 675 for holders of certificates on March 31, 1988. It would allow these holders to apply for one additional renewal of their exemption for a 5-year period. This extension should allow them sufficient time to fully deplete their remaining inventory while adjusting business practices to reflect the future lack of scrimshaw.

The last certificates of exemption expired on March 31, 1988. Since that date, scrimshaw dealers have been unable to sell their products in interstate commerce, which constitutes the majority of their business. As a result, employees have been laid off and hardships suffered. I urge my colleagues to provide them with some necessary relief by supporting this amendment and granting the Endangerd Species Reauthorization Act a swift passage.

Mr. McCLURE. Mr. President, reserving the right to object, and I shall not——

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. I wonder if the Senator from Maine would yield for a question with respect to the question on EPA action on herbicides and pesticides?

Mr. MITCHELL. Certainly.

Mr. McCLURE. I have not seen the amendment but I think I understand what it is intended to do and that has to do with the construction of the maps and establishment of boundaries of the areas within which the restrictions would apply; am I correct?

Mr. MITCHELL. Yes, indeed. You are correct.

Mr. McCLURE. Mr. President, again I have not seen the language in the amendment. I have discussed it with Senator SYMMS from Idaho, my junior colleague, because we had two problems in Idaho to which I think this is addressed. And I want to describe one of the situations and ask the distinguished Senator if, indeed, this would solve that kind of a problem.

I think sometimes people forget that the casual application of a statute, that is the—sometimes some people would say unthinking application of a statute has an unintended consequence and I think this was one such case.

I think this was one such case. My State of Idaho, of course, has large areas of Federal lands, but one county, the largest county in the State, which happens also to be Idaho County, extends from the Oregon-Washington border on the west side of Idaho and the Montana border on the east side of Idaho. It is a county larger than the States of Delaware or Rhode Island.

That county, which the west half is largely individual property, includes an indian reservation, but it is not Federal lands in the sense of Forest Service or BLM lands. The eastern half is Forest Service land.

Out in the eastern part of that massive county, they found a plant that has been identified as an endangered species—McFarlane's 4 o'clock. I think it was found on somewhere between 8 and 12 acres of land.

In the designation of the restriction of herbicides and pesticides, they designated the entire county, and I remind my colleagues again that the entire county is larger than the State of Rhode Island. They designated that massive area for protection to ensure the protection of this plant on somewhere between 8 and 12 acres of ground.

I think anyone would say that is ridiculous. I do not think anybody would really logically contend that the scope of the problem was meant by the scope of the restriction. If I understand correctly, the amendment being offered would deal with that question of how you restrict the geographical area or designate the geographical area so that there is a reasonable relationship between the action and the threat to an endangered or threatened species; am I correct?

Mr. MITCHELL. Yes, the Senator is correct. While the amendment does not specify that county or that circumstance, it does direct the Departments of the Interior and Agriculture to identify alternatives which would protect species from pesticides and which would minimize any adverse effect on agriculture. In my view, hearing the description as provided by the Senator, that is the kind of thing that this would be directed toward.

Mr. McCLURE. I thank the Senator. Further reserving my right to object and further directing a question to the distinguished manager of the bill, in the southeastern corner of the State on the Utah-Wyoming-Idaho border, there is a lake that is bisected by the State line, Bear Lake, and there is a wildlife refuge at Bear Lake, which is a very important species specific almost with respect to the whooping crane, the sandhill crane and other water fowl in the marshy lands at the northern end of that lake.

There was some concern that since the whooping crane occasionally passes by that way that it might be necessary to restrict the herbicides and pesticides that have agricultural application in that county. That, of course, was not confined to the wildlife refuge because those birds do not know where the wildlife refuge boundary is. They sometimes land and feed on farmland.

The original registration was a proposal for the registration of the entire county, and many in that area thought that that was a larger area than was necessary to be specifically directed toward the species that is within the wildlife refuge.

Again, I want to say the whooping crane, of course, is one of the most threatened of the species in the United States. The California condor, among our birds, is probably more threatened. Probably even the piping plover. I do not want to derogate the piping plover.

The fact it is occasionally there, not typically or even always or even annually, but occasionally sighted there among the population of sandhill cranes seems to many people in the area to be an unnecessary extension of the restriction to a situation in which an endangered species was not that intimately involved.

I understand this amendment which is being offered now would give the Secretaries of the Departments the opportunity to apply some flexibility to the questions of the kind that are raised in the application registration of pesticides and herbicides.

Mr. MITCHELL. The Senator is correct. I am unable, of course, to comment specifically on the example he cites. I do not know what is meant by "occasionally," and I would not want my answer to be construed as a directive in this particular case. But the circumstances he described are those which are of the type considered by the authors of this amendment in preparing it to give some flexibility and to direct the Secretaries to take the steps necessary to preserve the species, but to do so in a manner that minimizes the disruptive effect upon agriculture and the use of pesticides.

Mr. McCLURE. I thank the Senator. I will belabor this discussion only a moment longer with respect to what I mean by "occasionally." They are not even sighted there every year. It is only now and then through a period of a decade that they will have seen a whooping crane at that location. Because of that infrequent occurrence, the application is probably justifiably less stringent than it would be if they were constantly there or typically there.

Mr. MITCHELL. That certainly would be a relevant factor to be considered.

Mr. McCLURE. I thank the Senator for yielding, and I have no objection.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, we have no objections either to proceeding en bloc or to the individual measures. The three amendments have been considered by this side.

The PRESIDING OFFICER. Is there objection? If there is no objection, all three committee amendments will be considered en bloc.

The question is on agreeing to the amendments en bloc.

The amendments numbered 2651, 2652, and 2653, were agreed to en bloc.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Alabama.

AMENDMENT NO. 2654

(Purpose: To resolve the controversy over sea turtle protection and shrimp fishing and to assist the Secretary of Commerce in making recommendations and in carrying out his duties under law, including the Endangered Species Act)

Mr. HEFLIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. HEFLIN] for himself, Mr. MITCHELL, Mr. BREAUX, Mr. COCHRAN, Mr. GRAMM, Mr. JOHNSTON, Mr. SHELBY, and Mr. STENNIS propose an amendment numbered 2654.

Mr. HEFLIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On Page 10, between lines 18 and 19, insert:

SEC. 8. SEA TURTLE CONSERVATION.

(a) The Secretary of Commerce shall delay the effective date of regulations promulgated on June 29, 1987, relating to sea turtle conservation, until May 1, 1990, in inshore areas, and until May 1, 1989, in offshore areas, with the exception that regulations already in effect in the Canaveral area of Florida shall remain in effect. The regulations for the inshore area shall go into effect beginning May 1, 1990, unless the Secretary determines that other conservation measures are proving equally effective in reducing sea turtle mortality by shrimp trawling. If the Secretary makes such a determination, the Secretary shall modify the regulations accordingly.

(b)(1) IN GENERAL.—The Secretary of Commerce shall contract for an independent review of scientific information pertaining to the conservation of each of the relevant species of sea turtles to be conducted by the National Academy of Sciences with such individuals not employed by Federal or State government and having scientific expertise and special knowledge of sea turtles and activities that may affect adversely sea turtles.

(2) PURPOSES OF REVIEW.—The purposes of such independent review are—

(i) to futher long-term conservation of each of the relevant species of sea turtles which occur in the waters of the U.S.;

(ii) to further knowledge of activities performed in the waters and on the shores of the U.S., Mexico and other nations of the world which adversely affect each of the relevant species of sea turtles;

(iii) to determine the relative impact which each of the activities found to be having an adverse effect on each of the relevant species of turtles has upon the status of each such species;

(iv) to assist in identifying appropriate conservation and recovery measures to address each of the activities which affect adversely each of the relevant species of sea turtles;

(v) to assist in identifying appropriate reproductive measures which will aid in the conservation of each of the relevant species of sea turtles;

(vi) in particular to assist in determining whether more or less stringent measures to reduce the drowning of sea turtles in shrimp nets are necessary and advisable to provide for the conservation of each of the relevant species of sea turtles and whether such measures should be applicable to inshore and offshore areas as well as to various geographical locations; and

(vii) to furnish information and other forms of assistance to the Secretary for his use in reviewing the status of each of the relevant species of sea turtles and in carrying out other responsibilities contained under this act and law.

(3) SCOPE OF REVIEW.—The terms and outlines of such independent review shall be determined by a panel to be appointed by the President of the National Academy of Sciences, except that such review, shall include, at a minimum, the following information:

(i) estimates of the status, size, age structure and, where possible, sex structure of each of the relevant species of sea turtles;

(ii) the distribution and concentration, in terms of U.S. geographic zones, of each of the relevant species sea turtles;

(iii) the distribution and concentration of of each of the relevant species of sea turtles, in the waters of the U.S., Mexico and other nations of the world, during both the migratory and reproductive phases of their lives;

(iv) identification of all causes of mortality, in the waters and on the shore of the U.S., Mexico and other nations of the world, for each of the relevant species of sea turtles;

(v) estimates of the magnitude and significance of each of the identified causes of turtle mortality;

(vi) estimates of the magnitude and significance of present or needed head-start or other programs designed to increase the production and population size of each of the relevant species of sea turtles;

(vii) description of the measures taken by Mexico and other nations to conserve each of the relevant species of sea turtles in their waters and on their shores, along with a description of the efforts to enforce these measures and an assessment of the success of these measures; and

(viii) the identification of nesting and/or reproductive locations for each of the relevant species of sea turtles in the waters and on the shores of the U.S., Mexico and other nations of the world and measures that should be undertaken at each location as well as a description of worldwide efforts to protect such species of turtles.

(4) COMPLETION AND SUBMISSION OF REVIEW.—Such independent review shall be completed after an opportunity is provided for individuals with scientific and special knowledge of sea turtles and activities that may affect adversely sea turtles to present relevant information to the panel. It shall then be submitted by the Secretary, together with recommendations by the Secretary in connection therewith, to the Committee on Environment and Public Works of the United States Senate and the Committee on Merchant Marine and Fisheries of the United States House of Representatives on or before April 1, 1989. In the event the independent review cannot be completed by April 1, 1989, then the panel shall give priority to completing the independent review as it applies to the Kemp's ridley sea turtle and submitting the same to the Secretary by that date, or as expeditiously as possible, and thereafter shall complete expeditiously as possible the remaining work of the independent review.

(5) REVIEW OF STATUS.—After receipt of any portion the independent review from the panel, the Secretary shall review the status of each of the relevant species of sea turtles.

(6) RECOMMENDATIONS OF SECRETARY.—The Secretary, after receipt of any portion of the independent review from the panel, shall consider, along with the requirements of existing law, the following before making recommendations:

(i) reports from the panel conducting the independent review;

(ii) written views and information of interested parties;

(iii) the review of the status of each of the relevant species of sea turtles;

(iv) the relationship of any more or less stringent measures to reduce the drowing of each of the relevant species of sea turtles in shrimp nets to the overall conservation plan for each such species;

(v) whether increased reproductive or other efforts in behalf of each of the relevant species of sea turtles would make no longer necessary and advisable present or proposed conservation regulations regarding shrimping nets;

(vi) whether certain geographical areas such as, but not limited to, inshore areas and offshore areas, should have more stringent, less stringent or different measures impose upon them in order to reduce the drowning of each of the relevant species of sea turtles in shrimp nets;

(vii) other reliable information regarding the relationship between each of the relevant species of sea turtles and shrimp fishing and other activities in the waters of the U.S., Mexico and other nations of the world; and

(viii) the need for improved cooperation among departments, agencies and entities of Federal and State government, the need for improved cooperation with other nations and the need for treaties or international agreements on a bilateral or multilateral basis.

(7) MODIFICATION OF REGULATIONS.—For good cause, the Secretary may modify the regulations promulgated on June 29, 1987, relating to sea turtle conservation, in whole or part, as the Secretary deems advisable.

(8) SECRETARY AND EDUCATIONAL EFFORTS.—The Secretary shall undertake an educational effort among shrimp fishermen, either directly or by contract with competent persons or entities, to instruct fishermen in the usage of the turtle excluder device or any other device which might be imposed upon such fishermen;

(9) SEA TURTLE COORDINATOR.—In order to coordinate the protection, conservation, reproductive, educational and recovery efforts with respect to each of the relevant species of sea turtles in accordance with existing law, the National Marine Fisheries Service shall designate an individual as Sea Turtle Coordinator to establish and carry out an effective, long-term sea turtle recovery program.

(10) PURPOSE OF SECTION 8.—Section 8 is intended to assist the Secretary in making recommendations and in carrying out his duties under law, including the Endangered Species Act (16 U.S.C. 1531 et seq.), and nothing herein affects, modifies or alters the Secretary's powers or responsibilities to review, determine or redetermine, at any time, his obligations under law.

(11) DEFINITIONS.—For the purpose of this section, the terms:

(i) 'relevant species of sea turtles' means the Kemp's ridley sea turtle, U.S. breeding populations of the loggerhead, the leatherback, and the green sea turtle, other significant breeding populations of the loggerhead, the leatherback and the green sea turtle;

(ii), 'status' means whether a given species of turtle is endangered, threatened or recovered;

(iii) 'size' means the size of a given species of sea turtle; and

(iv) 'age and sex structure' shall be considered to mean the distribution of juveniles, subadults and adults within a given species or population of sea turtles, and males and females within a given species or population of sea turtles.

Mr. HEFLIN. Mr. President, this amendment embodies a compromise aimed at resolving the controversy over sea turtle protection and shrimp fishing. The purpose of the amendment is to assist the Secretary of Commerce in making recommendations and in carrying out his duties under law, including the Endangered Species Act, and under this act which is under consideration.

The amendment has been developed with Senator MITCHELL, the chairman of the Subcommittee on Environmental Protection, and I understand that it is acceptable to him and the rest of the leadership of the Committee on Environment and Public Works.

Subsection (a) of the amendment postpones the regulations of the Secretary of Commerce requiring shrimp fishermen to use "turtle excluder devices" until May 1, 1990, in the case of inshore waters, and until May 1, 1989, in the case of offshore waters. The delay in the inshore waters was included in the House-passed bill; the delay in the offshore waters is a provision not found in the House bill.

In addition, subsection (b) directs the Secretary of Commerce to contract with the National Academy of Sciences to carry out an independent review of scientific information pertaining to the conservation of the Kemp's ridley sea turtle, U.S. breeding populations of the loggerhead, the leatherback, and the green sea turtle, and other significant breeding populations of the loggerhead, the leatherback and the green sea turtle.

The independent review required by subsection (b) is intended to further the long-term conservation of sea turtles; to provide information on the relative impact of activities in the waters and on the shores of the United States, Mexico, and other nations that adversely affect sea turtles; to identify appropriate reproductive and other measures that will contribute to the conservation and recovery of sea turtles; and in particular to assist in determining whether the measures in the regulations promulgated by the Secretary in June 1987 to reduce the drowning of sea turtles in shrimp nets are either more, or less, stringent than is necessary and advisable to provide for the conservation of such turtles, and whether such measures should be applicable to inshore and offshore areas as well as to various geographical locations.

The review required by this subsection is to be carried out by individuals chosen by the National Academy of Sciences on the basis of their scientific expertise and special knowledge of sea turtles and activities that may adversely affect sea turtles. The individuals carrying out the review are to be respected individuals of independent judgment and are not to be employees of the Federal Government or any State government.

The committee intends that those carrying out the review will examine all available studies, reports, and other information. In addition, during the course of the review, an opportunity is to be provided for individuals with scientific and special knowledge of sea turtles and activities that may affect adversely sea turtles to present relevant information to the panel conducting the review.

The terms and outlines of the review are to be determined by a special panel appointed by the President of the National Academy of Sciences, except that the legislation requires that those terms and outlines include a consideration of certain information, including the status, size and age structure and, where possible, sex structure of affected sea turtle populations; the causes, magnitude, and significance of mortality to sea turtles in the waters and on the shores of the United States, Mexico, and other nations; the magnitude and significance of head-start or other programs to increase production and population size of sea turtles; and the sea turtle conservation measures, enforcement of such measures, and success of such measures taken by Mexico and other nations.

The review called for by this subsection is to be completed and submitted by the Secretary, together with any recommendations with regard to existing or new sea turtle conservation measures, to the Senate and House of Representatives no later than April 1, 1989.

After receipt of the independent review conducted by the National Academy of Sciences panel, the Secretary is required to review the status of each species of sea turtle covered by the amendment.

Before making recommendations, the Secretary is required to consider specific information and matters, including the requirements of existing law; the reports from the panel conducting the independent review; any written views and information of interested parties; the review of the status of each sea turtle species; the relationship of any more or less stringent measures to reduce the drowning of sea turtles in shrimp nets to the overall conservation plan for each turtle species; whether increased reproductive or other efforts in behalf of sea turtles would make no longer necessary and advisable present or proposed conservation regulations regarding shrimping nets; and whether certain geographical areas such as, but not limited to, inshore areas and offshore areas, should have more stringent, less stringent or different measures imposed upon them in order to reduce the drowning of sea turtles in shrimp nets.

The Secretary may, for good cause, modify the regulations promulgated on June 19, 1987, relating to sea turtle conservation, in whole or in part, as the Secretary deems advisable.

Finally, the Secretary is required to conduct a program to educate and instruct shrimp fishermen in the usage of turtle exclude devices or any other devices that might be imposed on shrimp fishermen, and the Secretary is required to designate an individual to coordinate the conservation and recovery of sea turtles.

Mr. MITCHELL. Mr. President, the distinguished senior Senator from Alabama is correct that this amendment is acceptable to me and the committee.

Over the past several months I have worked with the Senator in his effort to develop legislation that will help us resolve the controversy between sea turtle protection and shrimp fishing.

A major purpose of the legislation developed by my colleague from Alabama is to improve our scientific knowledge of sea turtles and to identify measures that can be taken by the United States, Mexico, and other nations of the world to further the long-term conservation of Kemp's ridley sea turtles, and other species of sea turtles that occur in our waters.

The Senator's willingness to undertake difficult and time-consuming discussions has led to the development of legislation that has found broad acceptance. As a result, we will be better able to protect sea turtles and the Congress will be able to renew and refine the Endangered Species Act for the first time since 1982. He deserves our thanks for those very significant accomplishments.

Mr. SHELBY. Mr. President, I rise today in support of an amendment to the Endangered Species Act proposed by the distinguished senior Senator from my home State of Alabama. Generally, the amendment would delay the implementation of the turtle excluder device [TED] regulations for 2 years in inshore waters and 1 year in offshore waters pending further study.

Many of you may recall that in March of this year, I initiated a letter to C. William Verity, the Secretary of the Department of Commerce, which contained similar language to that of this amendment. The letter, signed by seven other gulf coast Senators, urged that the TED regulations be held in abeyance until additional studies could be performed in order to find another means to preserve the dwindling sea turtle population without destroying the shrimp industry.

As I said in March, there is insufficient evidence to indicate that the use of TED's will significantly affect the survival rate of sea turtles. It appears that the National Marine Fisheries Service has taken what can be viewed as a somewhat overzealous approach in its effort to protect the endangered turtles. There simply is no conclusive evidence, presently, that shrimpers are to blame for the dwindling sea turtle population. Conversely, there is ample evidence that TED's pose a hazard in rough weather and unnecessarily weigh and drag shrimpers' nets.

Until we know more about the impact of other factors on sea turtles such as the robbing of turtle nests for eggs, the illegal capture of turtles for human consumption, the changing climatic conditions, and the pollution of marine waters, I am strongly opposed to any regulations. The shrimp industry is being treated unfairly in being asked to risk economic ruin while others are not required to do similarly. The burden of saving the sea turtles should be shared equally. It is my understanding that no quantitative studies have been completed to estimate the relative contributions to total turtle mortality from different impacts. Yet small family businesses are being asked to endure an enormous hardship which may be unnecessary.

The shrimp industry generates about 10 million pounds of shrimp annually with a dock value of about $20 million. Shrimpers say that TED's would reduce their catch by one-third. The initial cost of TED's to the shrimp industry during the first year is estimated at $4.6 to $8.13 million. By 1990, the cost is expected to be $7.85 to $15.7 million. The enormous cost of TED's is obvious. There are not many businesses that can cut their revenues by one-third, increase their costs, and still survive.

At a time when so many American jobs have been lost because of import injury, we should be working to create jobs rather than destroying them. I believe that we can work together to find a suitable alternative to the turtle excluder device—an alternative that will protect sea turtles—and yet not overburden the vital shrimp industry.

Mr. CHAFEE. Mr. President, this is a compromise that is acceptable to this side.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 2654) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEFLIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEFLIN. Mr. President, I wish to thank Bob Davison of the committee staff for his work in helping draft the amendment that we have just adopted, and to thank Elizabeth Gardner of my staff. A great deal of time has gone into this matter. I believe we have come up with a good approach toward this very controversial issue on the gulf shore of Alabama. Cosponsors of this amendment in addition to Senator MITCHELL are Senator SHELBY, Senator GRAMM of Texas, Senator COCHRAN of Mississippi, Senator STENNIS of Mississippi, Senator BREAUX of Louisiana, and Senator JOHNSTON of Louisiana.

Mr. MITCHELL. Mr. President, I again thank Senator HEFLIN for his constructive work in helping reach a compromise on what was a difficult issue.

Mr. President, that completes all of the amendments that have been cleared on both sides. I understand that the Senator from Idaho has a statement at this time, so I will yield the floor so that he may make that statement. I will meet with the manager on the Republican side to see if we can review the amendments now being proposed by the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator from Maine. I do appreciate the fact that the staffs and managers are consulting with respect to a couple of amendments I hope they will find acceptable.

Mr. President, it has been 15 years since the Congress passed the Endangered Species Act. A lot has happened since then. Depending on your perspective, some of it has been good and some not so good.

Idaho, like many Western States, is largely owned by the Federal Government. Almost 65 percent of my entire State, some 35 million acres are controlled by Washington. Many of my colleagues will never fully understand how that affects Idaho workers, families, communities, and the State in general.

I would like for each of you to consider what it would be like for each of you to have to give up control of two-thirds of the land in your own State. Which two-thirds would you choose? Worse yet, what if the Government decided for you?

How would you go about selecting which segment of your population would be allowed to remain on lands settled by their families perhaps hundreds of years ago and which would be required to relocate?

And how would you choose which of your industries and communities would be dismantled "for the good of the Nation"? How would you expain to working mothers and fathers that they would no longer have a job to support their families because the Government knew best how to allocate uses of the land? And how would you explain to the children of those working parents that there would be few gifts under the Christmas tree this year because every penny available had to be used just to keep food on the table and to prevent foreclosure on their mortgaged home?

But, as an elected official, the most difficult explanation of all would be to explain to your neighbors and friends how people thousands of miles away with little or no knowledge about their community or traditions or way of life, people who have nothing personal to lose in the outcome of the decision could have more voice in the process than they themselves.

Those of us in the West are placed in such a position almost every day because of what goes on here in this Chamber. Decisions that adversely affect my constituents are easy for some Members of this body. They are easy because you and your constituency have nothing at stake in the matter that affects your day-to-day lives. In fact, in most cases you probably gain political stature at home but believe me my friends, those decisions are hurting a lot of men, women, and families in States like Idaho.

Those of us who have served our constituencies for a substantial length of time have learned to cope with the realities of such actions. But that is not the case with the ordinary, hard working folks back home in Bonners Ferry and St. Maries, and Orofino, and across the State to Bear Lake.

They will never understand why they cannot be left alone to live their lives and raise their families in peace. They will never understand why animals and birds and plants have become more important than their right to the pursuit of happiness, their reasonable expectation of being able to make a decent living, and their need to feed, shelter, and clothe their families.

The population of States such as Idaho are limited because people cannot settle down and live just anywhere. That 35 million acres is off limits. They settle in one of the small rural communities where agriculture or a sawmill or a mine provides a few good paying jobs. Or perhaps they settle in one of the few of our communities large enough to be considered a city that has grown up along a railroad or highway. The entire population of my State is less than a million people, not many more than show up on The Mall for our Fourth of July celebration in Washington, DC.

I only wish some of my colleagues could walk in the shoes of my constituents. If you could, you would soon learn that they are much like your own constituents.

So why are they treated like second-class citizens? Because there are individuals and organizations in this country who are more concerned about birds and plants and animals than people. While I respect their right to that opinion, I disagree with it. On my list of priorities, the men, women, and children of this Nation come first, not the grizzly bear or the piping plover or the gray wolf.

And while I agree we should do what we can to protect and maintain all life, when it comes down to making a decision between a man or woman being able to feed their family or saving a tree or a bear, I am going to support the human being.

Mr. President, I have two amendments I eventually intend to offer today. Both are aimed to strengthen the act—and I underscore "strengthen the act"—by making additional information available to those of us with responsibility for making certain it is being properly applied and managed.

The goals of the Endangerd Species Act were and still are noble. In a nutshell, it was created to secure the right to life for animals, plants, and fish in imminent danger of disappearing forever. In my opinion, that noble goal has been badly distorted by self-serving organizations and individuals whose agendas are often substantially less noble than those envisioned by the Congress when they passed the act.

Let me cite a couple of examples. First if the case of the snail darter at the proposed Tellico Dam site. It may be argued that at the time, some sincerely thought the fish to be threatened. But the fish was only the "surrogate" as environmental attorneys are now calling them. There were also questions raised about the loss of prime farmland if the dam were constructed as well as questions about the economics of the entire project.

Let me make it clear, Mr. President, that those were all legitimate issues and it was proper for conservationists to raise them. What I question is whether it is appropriate to use the Endangered Species Act to accomplish objectives for which it was never intended.

The ESA was never intended to be a farmland protection act or a water projects economics act. If the Congress had thought it necessary to pass a law to cover those issues, there is no doubt in my mind it would have done so. The question of whether or not the dam should have been built should have centered around those issues instead of on the Endangered Species Act.

As you know, once we got around to looking for them, we found snail darters in a number of other places. In a nutshell, that is the problem.

Let me make it clear that I do not intend to accuse all conservation organizations of misuse of the act, but there are enough of them playing that game that it needs to be noted publicly. If they would have just taken the time to look for darters in other places before crying wolf—excuse the pun—it would have saved everyone, including the taxpayers of this Nation millions of dollars and all that wasted effort we could have been using constructively.

It is my perspective that many contemporary conservation organizations need an issue in order to raise money. I do not fault them for that. What I do find fault with is the use of misleading, incomplete or dishonest information and tactics meant to deceive this body and the American people in the name of fundraising.

Their strategy is simply to find a means of creating polarization between individuals, businesses, and interest groups, and then capitalizing on the situation by soliciting what are usually tax deductible donations for their "worthy cause."

Let me cite a more current example for you. Controversy is raging over the spotted owl in Washington, Oregon, and California. The reason I use this issue as an example is that, perhaps for the first time, we have hard evidence of an attempt at deception by environmental attorneys to deceive both the general public and the Congress.

I am sure many of my colleagues and their staffs have been besieged over the past year or two by lobbyists for environmental organizations wanting to discuss the absolute necessity of preserving old-growth forests in the Pacific coast States. The reason they have given you for their demand is the preservation of the spotted owl.

Before I get too far into this issue, let me say that I believe, at least as far as this issue is concerned, that both the U.S. Forest and the U.S. Fish & Wildlife Service have acted about as responsibly as could be reasonably expected under the circumstances. While I do not necessarily agree with all the conclusions they appear to be reaching, I cannot say I am too surprised at the outcome.

As usual, a number of conservation groups requested endangered species listing for the spotted owl immediately just as they had with the snail darter. To the credit of the Forest Service and Fish and Wildlife, both decided that more information was needed in order to determine whether or not the owl really warranted listing.

And guess what? The more they looked, the more owls they found. Surprising? Not really. The conservation groups had done a good job at setting the stage for their newest assault. Through use of the media and congressional supporters, they had managed to convince many people to accept as fact two basic premises. First, that there were hardly any owls remaining, and second, that the owl's habitat was exclusively old-growth forests.

By linking the two questions, the conservationists succeeded in shifting the focus of the issue away from the spotted owl itself and onto the issue of old-growth preservation which was their real agenda all along. The sad part of it is, that they have become so adept at deception that a lot of people swallowed their line without question.

Meanwhile, back in the forests of the great Northwest, researchers and biologists were finding a lot of owls. Not only that, but lo and behold, they even found owls nesting and breeding in second growth forests. While no one argues with the fact that current evidence indicates the owl does need access to some old growth forest, it does not appear to be nearly as critical as prophesied by conservationists.

Now, let me turn to the transcript of the Sixth Annual Western Public Interest Law Conference held at the University of Oregon in Eugene on March 5, 1988.

It has been no secret that conservation organizations have been using the University of Oregon, which, I might add, is a State owned and supported university, as a base for researching and filing appeals and litigation against the Forest Service for several years.

I am going to quote directly from the transcript of that meeting so that my colleagues will be able to hear, word for word, the strategy to deceive and misguide both the public and Congress and to misuse the Endangered Species Act. This is a prime illustration of why we need to make some changes in the way the act is administered.

The speaker I am quoting is Mr. Andy Stahl, a resource analyst for the Sierra Club in Seattle, WA. He began his presentation with the following:

> I'm going to talk about litigation strategies to delay Federal timber sales on Bureau of Land Management and Forest Service land which log old-growth forests.
>
> Here's the problem facing a litigator entrusted in delaying a Federal old-growth timber sale: There is simply no specific statutory protection for old-growth forests.

He goes on to say:

> * * * the ultimate goal of litigation is to delay the harvest of old-growth forests so as to give Congress a chance to provide specific statutory protection for those forests.
>
> Until legislation is adopted which protects these forests, we need at least one surrogate, if you will, that will provide protection for the forests. A surrogate must have three qualities to be a good surrogate. First, it must be unique to old-growth forests; secondly, it must be measurable using scientific methods; and third, it must, of course, enjoy some amount of statutory protection.

Mr. Stahl continues:

> Well, as the strategy for protecting old-growth matured, it appeared that wildlife would offer the most fruitful hunting grounds for a surrogate that meets the three criteria. It's quite biologically sensible to hypothesize that one or more species of wildlife would, in fact, be unique to old-growth forests * * *. In addition, wildlife are measurable; you can count them. And thanks to the work of Walt Disney with Bambi and her friends—I think she was female—wildlife enjoys substantial substantive statutory protection.
>
> Well, the northern spotted owl is the wildlife species of choice to act as a surrogate for old-growth protection and I've often thought that thank goodness the spotted owl evolved in the Northwest, for if it hadn't, we'd have to genetically engineer it. First of all, it is unqiue to old-growth forests and there's no credible scientific dispute on that fact. Second of all, it uses a lot of old-growth. That's convenient because we can use it to protect a lot of old-growth. And third, and this is more a stroke of good fortune in one sense * * * it appears that the spotted owl faces an imminent risk of extinction.

The speaker goes on to say:

> Well, there are four statutes that are being used to delay the harvest of old-growth forests. The first, and to date the most important of these has, of course, been NEPA. We have used NEPA to compel the agencies to admit that the spotted owl might go extinct.

He then cites the fact that the National Wildlife Federation and three other organizations filed an appeal against the Forest Service in 1984. As a result of that appeal:

> * * * the Assistant Secretary of Agriculture instructed the Forest Service to prepare an EIS on the spotted owl. Very important, because the—at the same time, conservation biologists were coming up with the mathematical models necessary to predict the chance the owl would go extinct. And the Forest Service hired some of those biologists and sure enough, the draft spotted owl EIS predicts that the owl will go extinct within the next hundred years.

Mr. Stahl continues by laying out how, through the use of NEPA and litigation, they obtained a so-called admission that the owl "might" go extinct. Not that it would, only that it might.

To quote again:

> About two dozen conservation groups, relying partly on the admissions in the Forest Service draft spotted owl EIS, filed a petition with the Fish and Wildlife Service to have the owl listed as a threatened and endangered species. That petition was denied, not surprisingly * * *. So what's being done is taking the admissions of one Federal agency and using them against another.

Finally, I believe Mr. Stahl does a credible job of summarizing the contempt that some conservationists harbor for the ESA, NEPA, et cetera, when he stated that:

> The most important part of these cases is not the law—the law is actually fairly clear or relatively clear in all these statutes—but the facts that go into making the cases.

In my opinion, when these individuals and organizations grow so bold and sure of themselves they feel they can openly and publicly flaunt the misuse of laws such as the ESA, there has to be a message for the Congress in there somewhere. After all, we are the ones who passed those laws in the first place.

The two amendments I intend to offer today will be helpful in achieving two main goals. First, they will provide additional, important information that, in my opinion, is necessary in making sound decisions about the recovery of listed species. We have the responsibility to see that the taxpayers of this country are getting their moneys worth from this program. They have a right to know how their dollars are being spent.

Second, my amendments will provide a means of assuring communities, local government, and States directly affected by recovery efforts that their concerns are being considered in the overall process.

My first amendment will require a comprehensive economic analysis of costs associated with new recovery plans as well as with revisions to existing plans. Despite the fact that many argue that economics has nothing to do with recovery of a species listed under the ESA, I would argue that just the opposite is true.

Every recovery action that occurs, including preparation of recovery plans, has both direct and indirect costs. Who pays those costs? Ultimately, it is the American taxpayer, and in my opinion, that taxpayer has the right to know how and where his hard earned dollars are being spent.

The reaction by many in the conservation community to my amendment will be that I am attempting to weaken the act. Nothing could be further from the truth. They will also argue that the sole criteria for listing should be biological in nature. Let me make it clear that I agree with that. However, there are those in the conservation community who evidently do not, as evidenced by the snail darter fiasco and the revelations about the real agenda behind the spotted owl controversy.

However, I believe that the team put together to draft a recovery plan is probably also the best forum for examining the economics of the plan.

In States like Idaho, there are always at least three agencies involved in the listing and management of threatened or endangered species. The first is the Fish and Wildlife Service who have the responsibility of carrying out and enforcing the ESA.

The second agency involved is the land management agency such as the Forest Service or BLM. These agencies are responsible for cooperating with the F&WS by protecting habitat identified as necessary for recovery.

And finally, State fish and game departments usually are responsible for handling and control of the critters themselves.

In some cases, the intermingling of Federal and State responsibilities are in conflict. An example is the current Wyoming law that classifies the wolf as a predator.

Conservationists—and the Fish and Wildlife Service—take the position that recovery plans are simply biological opinions about what must be done to save a species from extinction. They argue that it is not an action plan and therefore, is not subject to NEPA.

However, that same group is also quick to demand implementation of a recovery plan by the appropriate land management agency the minute it is approved. By doing so, it is suddenly transformed into an action plan but the Fish and Wildlife Service no longer has to deal with it. Instead, the Forest Service, BLM, TVA, or other similar agency is forced to take the heat while the conservationists and agency responsible for the whole mess just sit back and watch.

It is my perception that while we spend millions each year on threatened and endangered species programs through numerous agencies, a good portion of that is being directed at relatively few species. As in the case of the spotted owl, we also spend millions studying species that probably shouldn't be on the list in the first place while those that really need help get no notice at all.

The question I lay before you is, other than the fact that the Congress passed a law mandating protection of listed species, what can we actually accomplish by listing that we could not by channeling more funds directly into conservation programs?

At the time we passed the ESA, it was absolutely essential because we needed to slow down and take a good look at the problem. However, I do not believe that is currently the case. There are few of us today who fail to recognize that we cannot allow the extirpation of a species if other options are available. In most cases, there are other options.

However, we must put a halt to flagrant misuse of the act. By doing so, I believe that Senators and Representatives from public land States would become more receptive to cooperating with attempts to recover species in trouble than we tend to be currently.

Let me cite another specific example. The fight over reintroduction of the mountain caribou raged on for a number of years in Idaho. This was a case where a population, not an entire species was listed. There are thousands of caribou in Canada and Alaska. A reintroduction program in the Selkirk Mountains of northern Idaho could have been accomplished much sooner, at a fraction of the cost to the taxpayers, and without creating polarization and fears in affected local communities had the caribou not been listed in the first place.

In fact, the local people would have supported a reintroduction with no limitations on the number of animals to be transplanted had they not been on the list. Once again, the problem was the threat to the economic base of the communities involved and the people responded as one would expect—they opposed the reintroduction of the caribou and the fight was on.

The polarization created became a fund raising issue for conservation groups and the caribou became the trojan horse or surrogate as in the case of the spotted owl. Introduction of the animals was a means to an end, and the end was halting timber sales and other commodity uses of public lands.

I believe we should do a better job of investigating whether or not an animal or bird or plant is actually in immediate danger of extinction before we proceed with listing.

The argument that any delay in listing will necessarily mean the disappearance of the species forever is pure and simple rhetoric. Just look at the thousands of plants and animals already on the list and it does not take long to realize that the biggest delay of all is probably caused by the rush to list after a cursory and sometimes biased and subjective examination of whether or not a problem actually exists.

The caribou is a good example. Despite statements to the contrary, there was no herd in Idaho that was threatened with extinction. There was a herd just north of the international border in British Columbia and two or three individual animals from that herd wandered into the United States periodically.

We should have simply recognized the fact that there used to be a herd in the area, and then sat down and worked out a reintroduction program. The time and money we would have saved could have been directed at some species buried far down the list of priorities that really needed the protection and help the ESA was intended to provide. The reason it does not work that way is because many such critters and plants simply do not appeal to the public like the caribou. Thus, they are not good surrogates and fundraisers for conservation organizations so they are largely overlooked since time and funds are obviously limited.

When the Congress passed the ESA, the intentions were good. But, I do not believe we ever envisioned a program so abused as the one we have today. I want to start correcting those oversights so we can concentrate on rebuilding a cost-effective effort.

We will never be able to do that unless we slow down the rush to list when it is not necessary. We also must begin to ask more questions about where available funds are spent and begin concentrating on those species in greatest danger of extinction.

Mr. President, my understanding from staff is that there have been discussions about the two amendments which I would offer. Rather than go ahead and offer them, perhaps it would be constructive at this point to have a brief quorum call and determine whether or not there is a possible meeting of the minds with respect to these issues.

I therefore suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ADAMS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, we have been engaged in a discussion about specific amendments which I am prepared to offer, and various suggestions have been made by staff as to changes that might lead to an acceptance of the amendments by the managers.

I do not want to overstate that because I think it would be fair to state that the managers see more problems than promises in the amendments. However, I think it is obvious that there are others who are waiting to speak, and rather than hold the Senate up to deny them access to the floor and the opportunity to speak, it would be my intention to yield the floor without speaking further with respect to the amendments. While others are speaking—and if I understand correctly, it is the intention of the majority leader to take us off this bill at the hour of 2 o'clock—between now and the time that we return to the consideration of this bill I will continue to work with the distinguished managers and their staffs to see if, indeed, there is something we can do to work out an acceptable resolution of what I think is a very serious problem but in a way which the managers do not find raises a greater problem from their perspective.

Mr. President, I yield the floor.

Mr. MITCHELL. Mr. President, Senator CHAFEE and I look forward to further discussions with Senator McCLURE. In the interim I understand that Senator SYMMS wishes to address the subject of the legislation, and I will yield the floor.

The PRESIDING OFFICER. The Senator from Idaho [Mr. SYMMS].

Mr. SYMMS. Mr. President, I would like to encourage my senior colleague not to withdraw what I consider to be some very important amendments. I do not think anyone in the Senate is trying to say that protecting unique life forms and safeguarding singular genetic codes that distinguish one species from another, preventing them from disappearing from the planet is not a worthy pursuit.

The problem for those of us who come from "Government-owned" States—I repeat, "Government-owned" States; 64 percent of all land in the State of Idaho is owned by the Federal Government—is that when broad reaching regulations are issued in the name of protecting a species it can raise havoc with the lives of the people who have to try to earn a living. I think Senator McCLURE has brought up an issue which needs to be aired in full in this Senate, and I would like to see people come to the well and make a decision. Are they going to vote for the benefit of the working men and women in the country or are we going to be rigid and unwilling to broaden aspects of this law enough that common sense can be applied. Let me give you an example—Owyhee County is probably larger than two or three of our States in the Union. Most of it is owned by the Federal Government. I had the opportunity one night to be at a meeting at Rimrock High School in Bruneau, with several people from the Fish and Wildlife Service, some of whom had flown in from Portland, OR, others from Boise, all of whom had higher incomes than the ranchers that attended the same meeting. The issue was whether or not the Bruneau snail was going to be declared an endangered specie. Fortunately, through the hard work of some of us, and particularly I would say my senior colleague, with his position on the Appropriations Committee, we have reached somewhat of an agreement that this snail should not be classified as an endangered specie.

It is pretty hard to tell the working men and women of America that the Bruneau snail in a stream of a little more than a few acre feet of water is somehow more important on this planet than the lives of the people who live in the area. That is really the issue. Had it not been for the act's rigid language, endangered species protection in a generic sense would have a lot more popular support from the public than it has today. We have problems with wolves, with bears, with spotted owls, the Bruneau snail, and the McFarlane's 4 o'clock weed. You can just go on and on with these examples.

And I know when this came up on the floor of the House—I had first been elected to the House back in 1972, was sworn in in 1973, and this was one of the first bills that came up. I feared at the time when it passed the House—I was not on the committee that brought the bill up—that we were going to be out there trying to protect certain life forms, whether they really were endangered or not, at the expense of the homosapien. I voted against it when it came up before the House. Later, it finally reached passage. There was very little opposition to the bill, and the conference was worked out with the Senate. It passed, I think—I do not recall, but it may have been a unanimous passage when the conference report passed.

When I voted against the bill, I made it clear that I was not against the noble cause of the people who were pushing the Endangered Species Act—and I do not impugn the motives of any of my colleagues who are enthused about this. It would be extremely shortsighted for humankind to assume that the diversity of the world in which we live can be destroyed or diminished without having negative repercussions on our own lives and on our own existence.

A broad array, Mr. President, of plant and animal species yields many benefits. New benefits in treatments for disease are often derived from unique or exotic plants. Those who work in agriculture have seen the practical application of biological diversity over and over again. So we are not opposed to that. Hardier, more disease-resistant crops are made possible because of the preservation of diverse genetic traits in plant species. Genetic diversity yields a similar benefit to animal husbandry. Our Nation's livestock industry vitally needs improvements if it is going to remain competitive. We do this in every aspect of modern American agriculture to try to improve plant genetics, animal genetics, tree fruit genetics, to improve the qualities of the products that we are producing.

But now that we have fully recognized the wisdom of protecting endangered and threatened species, I want to express some of my reservations about the amendments before the Senate, and the statute which it amends.

To begin with, a respect for diversity of life is more of a question of morals than it is of politics. All of the fines, jail sentences and penalties of the Endangered Species Act will never take the place of a moral belief in the sanctity of life. I think my colleagues will find that many of the people whose lives are affected by this, the ranchers, the loggers, the producers of natural resource wealth in this country are some of the Nation's best conservationists. They believe in using and replenishing the resources that we were blessed with in this continent and on this Earth. At the same time, an attitude of wanton disregard for life will result in the extinction regardless of how tough or how heavy-handed law enforcement is. Besides, this Nation is not and hopefully never will be the kind of police state where such attitudes can be changed by the sheer brute force of Government.

True, Mr. President; the rate of extinction has decreased since the passage of the Endangered Species Act but in my opinion so has the Neanderthal tendency to kill regardless of the consequences. Americans today are better educated. We manage our game species carefully so as not to overhunt them. We have a heightened awareness of the critical role that nongame species play in the natural ecosystems, and in my opinion, this advance in common understanding can take more credit for the improvement in species protection than can this act which has cost this country enormous amounts of money in terms of the tie-up of the development of water projects, the tie up of timber plans, grazing, all kinds of things that relate directly to the lives of the people—the people, I repeat—of the United States of America.

In fact, Mr. President, the economic burdens placed upon communities by the Endangered Species Act has done more harm to species protection than to help it. Under the act's broad authorities, the Fish and Wildlife Service has time and time again usurped local authority and overridden good sense in the name of protecting genetic diversity. If you talk to them, and I do not fault those people, they are going by what the law says.

What some of us are saying is that it is time we take a long, hard look at this bill with serious intent to make it less technical, less restrictive, if you will, and supply a large, broad dose of common sense. That is what my senior colleague is trying to do.

The fact is that the local authorities and farmers, ranchers, loggers, and miners who bear the brunt of endangered species regulations often have a greater moral conscience when it comes to the sanctity of life than the faceless bureaucracy that oppresses them.

The problems that face this Nation are more often solved by consensus than by conflict. Yet, the Endangered Species Act has resulted in more conflict than almost any other statute enacted by Congress. The rigid implementation of its regulation often conflicts violently with the views of reasonably common-sensed individuals. For example, I mentioned earlier the Owyhee County snail. The cattlemen in Owyhee County cannot be accused of lacking a respect for life merely because they object to regulations which jeopardize the water supply for their cattle. Their cattle must have water to be productive, and to stay alive. That is the only way the cattlemen in Owyhee County have found they can survive. They must keep their herds in good health so they can replenish the numbers of cattle that they sell each year so they can raise their families.

In this case, regulation has been suggested in the name of protecting less than one square foot of habitat that may or may not be essential to what may or may not be a unique species of snail.

Fortunately, and I praise the leadership of the Fish and Wildlife Service, they have decided that listing the snail under the Endangered Species Act may not be the best way of protecting it. I compliment Mr. Dunkle for that.

The Endangered Species Act is especially objectionable in its treatment of predatory animals. More flexibility is needed when managing predatory wildlife since the question of what promotes true diversity is less clear.

For example, when Yellowstone National Park was formed wildlife managers worked very hard to eradicate the gray wolf as a means of protecting deer and elk. That decision was not made out of wanton disregard for animal life but, to the contrary, in an effort to improve the species which they deemed to be more important and valuable to the park, deer, and elk.

What happened was, in retrospect, that decision could possibly have been shortsighted. But now that the decision is made the Yellowstone ecosystem has adapted to a food chain which excludes the wolf. Who is to say we would not be just as shortsighted by reintroducing the wolf now? That is what we are doing. We are reintroducing the wolf, and clearly the food chain has to make more room for the wolves. It must either make more room for the wolves and less room for other predators, or it will overconsume the available prey for the predators, in this case the elk and the deer. In either case, it is not a moral question as to the value of preserving wolves, but merely a question of which species should be promoted.

I see my senior colleague on the floor. He will recall our late, great friend who was a forest supervisor at the Boise National Forest, the late Bill Gurnsey, who used to accuse—and I have seen him do it—some of the district rangers of finding a dead German shepherd and then calling it a wolf. Then pretty soon we would have a study going on whether we have wolves in a certain area of the forest, and create a huge enormous layer of bureaucracy that the people who were trying to make a living have to deal with. It is very costly, Mr. President. It is very costly to this country in terms of the energy of our people to have them diverted with, in many cases, needless paperwork. The production of new wealth and more happiness for our people is tied up in studying whether to introduce a wolf in some forest ranger district. In other words, when I say that, I am talking about preventing a logger from cutting down an old slowed-down, no longer growing tree that is fully mature and can be made into a house for people. In so doing, we prevent people from enjoying the benefits of a low-priced available, affordable home to live in, even though new trees can be planted that will grow at a rate of 10 times faster than the old tree.

This problem is further complicated by the extension of the Endangered Species Act to habitat. Severe land use constraints are created by the act in the name of protecting land that may, or may not, be necessary to the survival of an endangered species. These land use constraints can cause tremendous economic disruption—depriving timber dependent communities of much needed forest resources, denying ranchers and sheepmen much needed rangeland, and even denying access to public land for sportsmen and other recreationalists.

Again, Mr. President, remember that public attitudes toward wildlife are much more important to the long-term survival of endangered species than Government regulation could ever hope to be. In view of this, the economic disruption and community instability caused by the Endangered Species Act should be seen in its true light, as a detriment to real wildlife protection, and not vice versa.

It would be a great error for Congress to assume that once it has spoken on an issue, its answer should stand as permanent and definitive. While wanton disregard for the diversity of life is morally wrong, Congress's initial response, the Endangered Species Act, has done more to foster such wrong attitudes than to correct them. I would urge the Senate to open its eyes to the flaws in this act, and to use the debate on reauthorization as a means of correcting them.

Mr. President, I believe that the series of amendments that my senior colleague has brought before this body should be debated fully. They should be voted on by Members of the Senate. If we do not get it done this year, maybe we will next year or the year after. We must go back and change the extreme impact this legislation has on the commonsensed people of the United States, allowing them to live together in peace and freedom with some consensus as to what Government's role should be.

Senators can say that those from the West do not understand the problem because the East has been overdeveloped. I think the point is that the people who are living on the land, whether it be Rhode Island or Washington State or Alaska or Idaho, have a better appreciation, in many cases, and a better understanding of protecting those species that are endangered than the bureaucracy along the banks of the Potomac.

Mr. FOWLER. Mr. President, I am pleased that we have an opportunity today to discuss a modest extension of the Endangered Species Act, one of the landmark statutes of Federal environmental protection efforts.

Since my colleagues on the Environmental Committee reported out this bill last December, Senators have widely discussed this bill's impact on wildlife and people alike. We have debated the question: What level of Government involvement is appropriate to preserve our wildlife heritage for future generations? Some of us have differed over the methods to this end, but our goals have remained the same—an unquestioning commitment to the conservation of species whose survival is threatened or endangered by human actions.

In recent years, our scientists have recorded the signs that we are putting extreme stress on our environment: The ozone hole over the South Pole seems to have grown; our summers seem to be getting hotter; our basic climate patterns seem to be changing.

These stresses, together with great increases in human population—and the attendant pollution and destruction of natural habitat—is leading to a crisis of global proportions for wildlife. Scientists estimate that 2,000 species of reptiles, birds, and mammals are now headed for extinction, that 70 percent of the bird species in the Amazon will be lost by the end of this century. Clearly, this is no time to balk at protecting endangered species in our own country.

There are a number of ways of looking at this issue.

We can look at it as a moral responsibility. Our mandate for stewardship is spelled out in the opening chapters of Genesis. We inherited a natural world that, with all its diversity, its hundreds of thousands of plant and animal species, maintains a very fine and intricate balance. This balance developed over millenia. We threaten to upset and in some cases eradicate it in a matter of decades.

We can also look at it as a matter of self-interest, to preserve and study the diversity of life. We never know which species may prove a future source of food, or may provide an enzyme that cures disease—or even a message in its DNA that holds the key to other scientific mysteries. That is what we risk losing with each species that falls into the black hole of extinction at our hands.

How does the death of the last dusky seaside sparrow affect us? What will result from the declining numbers of sea turtles? How do we measure the loss of the California condor from the wild? No one knows for certain.

How many species can we lose to extinction before we feel our world diminished? It would be hard to find a scientist who could tell us for sure. But common sense tells us that we can't go on losing species at the current rate.

This bill renews our efforts to stem these losses. I hope that, thanks to the perseverance of my colleague from Maine and the cooperation of the senior Senator from my neighboring State of Alabama, we will be able to move forward with this legislation today. Because our rich wildlife heritage is also a source of common national pride, of our very national identity. There is no getting around it.

This bill puts into action our ongoing promise to our children and grandchildren that they will enjoy a natural world at least as wondrous and varied as our own. The authors of this legislation deserve our commendation. And I believe conscience requires us to support their efforts.

Although I do not anticipate any amendments that would strengthen this bill, I will support any that may be offered. I will also oppose any amendments—and I understand there may be a few—that would diminish our progress toward this goal, and I urge my colleagues, likewise, to oppose such amendments.

Mr. GRAHAM. Mr. President, I am pleased to be a cosponsor of S. 675, a bill to reauthorize the Endangered Species Act. At the same time I commend my distinguished colleague, Senator GEORGE MITCHELL, for all his hard work on behalf of this legislation. This reauthorization will help to ensure the preservation and protection of future generations of all species.

. S. 675 contains increased civil and criminal penalties for violations of the act, requiring the Secretary to take into account damages and the necessary costs of recovery in assessing such penalties. Furthermore, the additional revenues from the increased penalties could be funnelled back to the Department of Interior for help in recovery of the damaged species.

The bill additionally improves the development and implementation of recovery plans for listed species and allows grants to States to assist in monitoring status of candidate species and recovered, delisted species. The 5-year authorization allows for increases each year to offset the projected annual rise in consumer price index.

In Florida, we understand the urgency of funding the research, recovery, and habitat restoration associated with endangered animals. We have tracked only 26 Florida panthers during 1987. Only 30 to 50 are left in the entire world—all in south Florida—all dependent for survival on Federal funding for recovery of the species through section 6 of the act.

The American crocodile now lives in only two small areas of extreme south Florida. Part of Everglades National Park and the Upper Keys. There are several hundred of them, but only 20 nesting females have been identified in the last few years.

The beach mouse, the everglades kite, and the whooping crane all have only a tenuous hold on survival. The cranes have actually vanished from Florida and the Florida Game and Fresh Water Fish Commission is experimenting with plans to reintroduce the birds into the area of the Kissimmee River.

Also at risk is a warm water mammal called the manatee. The threat to the manatee became so grave during the time when I was Governor of Florida that we formed the "Save the Manatee Commission" to expand State efforts to prevent the manatee's extinction.

These species represent only a sample of the numerous endangered animal and plant species deserving protection throughout the United States. Failure to reauthorize and provide continued funding under the Endangered Species Act could condemn these species—some sooner, some eventually—to extinction.

Human activities have limited the ability of these species to thrive. We have the responsibility to remedy that danger. This is exactly what the reauthorization of S. 645 seeks to accomplish.

I urge my colleagues to recognize that responsibility and to vote in favor of the endangered species reauthorization bill.

Thank you, Mr. President.

Mr. BAUCUS. Mr. President, I have long been a strong Endangered Species Act supporter, and I support this bill. But my home State of Montana has a number of concerns regarding this legislation, and I share those concerns. The people in this Nation are able to point pridefully to great wildlife populations thriving in the Rocky Mountains. Glacier and Yellowstone National Parks and the Bob Marshall Wilderness are magnificent testaments to our Nation's commitment to Montana's wild habitat. But a greater testament to Montana's wildlife commitment is Montana's people. Despite many gains that we derive from protecting wildlife and wildlife habitat in our State, we also pay a price. For some, like the sheep rancher living within a wolf's range, the cost can be unacceptably high. In our interest of establishing healthy wildlife populations and ecosystems for future generations, we must not forget the people in small towns scattered throughout a grizzly bear's range, nor the sheep farmer whose sheep become prey to the wolf. In light of this, I ask the chairman of the subcommittee, Senator MITCHELL, to maintain a continued commitment to work with me in resolving Montana's unique problems.

Mr. MITCHELL. Mr. President, I thank the Senator. I have worked long and hard with the Senator from Montana to respond to Montana's concerns. I appreciate the sensitivity and difficulty under which a State must operate in recovering threatened and endangered predators. I pledge my commitment to continue working with Senator BAUCUS to resolve Montana's unique problems where the Endangered Species Act is concerned, and I appreciate his support for this bill.

Mr. GORE. Mr. President, as an original cosponsor of S. 675, a bill to reauthorize the Endangered Species Act of 1973, and as a strong supporter for many years of this landmark legislation, I rise to urge my colleagues to support this bill, resist amendments that would weaken its goals, and pass it by an overwhelming margin. I congratulate my distinguished friend from Maine [Mr. MITCHELL] for his leadership on this issue, and for his commitment to the idea that Government has a positive role to play in wildlife protection efforts.

We can no longer attribute the increasing decline in our wild animals and plants to natural processes. Most of today's extinctions and endangerments have resulted from exploitation, habitat alteration or destruction, environmental pollution, or the introduction of species into areas where they are not native. Congress recognized the value of preserving disappearing fish, wildlife, and plants when it passed the Endangered Species Act in 1973. Since that time, this act has been properly regarded as the country's most important and powerful environmental law, and a model for the world.

Yet, as important as the Endangered Species Act has been, we are faced with inadequate funding and an erosion in Federal/State cooperative efforts to protect and recover those species threatened with extinction. Mr. President, in the last two decades, more than 300 kinds of plants and animals vanished from the United States while waiting for protection under the Endangered Species Act. Worldwide, experts say as many as 17,500 species are disappearing annually. Because of a huge backlog in processing candidate species for listing, thousands of fish, wildlife and plants are being lost every year.

A reauthorization bill is needed, certainly. But more than just a simple reauthorization is required—the Endangered Species Act needs to be strengthened. The legislation we are considering today goes a long way toward that goal. This bill is supported by every major environmental, conservation and animal welfare organization. It passed the other body by an overwhelming margin, and it was approved unanimously by the Committee on Environment and Public Works in November. There has been more than enough opportunity to study this legislation, and the time has come for its passage.

Mr. President, I want briefly to note some of the highlights of S. 675 as it came out of committee.

To limit importing and exporting protected plants, this bill gives the U.S. Fish and Wildlife Service enforcement authority concurrent with USDA's Animal and Plant Health Inspection Service. This cooperative enforcement should improve investigation and prosecution of illegal trade in protected plants.

The monitoring of candidate species has been a matter of concern for many years. This legislation establishes a system to increase monitoring of species awaiting listing as either listed or endangered. This should help prevent the decline or loss of species by encouraging timely steps for protection.

If necessary, existing procedures for emergency listing also may be used to prevent a significant risk to an endangered species.

In its requirements for recovery plans, S. 675 corrects an imbalance—an imbalance that has seen preferential treatment for the more visible higher life forms—birds, mammals and reptiles—often at the expense of preparing recovery plans for lower forms such as crustaceans and plants. Under this bill, resources for recovery actions must be allocated more evenly among those species listed as threatened or endangered. A more uniform allocation should help produce better results and more successful recoveries.

To ensure that successful recovery programs do not lapse, and to provide valuable information for ongoing recovery programs, this bill provides for the monitoring of recovered species for 5 years. In addition, grants are made available to States to assist in monitoring candidate species as well as recovered and delisted species.

It is already unlawful to remove any endangered plant from Federal property. This bill will make malicious damage or destruction illegal as well. In addition, Federal penalties and enforcement will be added to State provisions to assist in the effort to prevent the illegal removal, damage or destruction of endangered plants from private property by criminal trespassers.

Penalties and fines for intentional violations of the act are increased significantly, providing a greater deterrence and attacking a situation in which profits to be made from illegal activities can, and often do, outweigh the penalties.

Finally, increased appropriations are authorized through fiscal year 1992. The last authorization expired in 1985, and the funding that has been provided since that time has been inadequate. I am not convinced that what is being provided in S. 675 is enough, but I do know that these new authorized funding levels are a step in the right direction.

So, Mr. President, the bill we are considering today is desperately needed. It is good legislation, and it addresses the needs that have been detailed by the administrators of the Endangered Species Act and those organizations that have been closely associated with it. It is my understanding that some amendments may be proposed that will have the effect of weakening the bill. I intend to oppose such amendments, and I encourage my colleagues to do the same.

With passage of this legislation, we will reaffirm the commitment of the Senate to the effort to protect endangered animal and plant species. We will reassert environmental leadership for this country and for the world. The time has come for the reauthorization and strengthening of the Endangered Species Act, and I urge the adoption of this legislation.

Mr. **LAUTENBERG**. Mr. President, I rise in support of S. 675, the reauthorization of the Endangered Species Act.

The Endangered Species Act is one of the primary pieces of legislation protecting our Nation's plant and wildlife resources. The act is critical to the protection of the biological diversity upon which human life depends. It reaffirms our concern for preserving our national heritage for future generations and exemplifies our environmental leadership to the Nation and the world.

Since its enactment in 1973 more than 400 U.S. species have been protected by this legislation. But much more remains to be done. Nearly 1,000 U.S. species have been identified as candidates that warrant listing and protection under the act because of their well-documented vulnerability to extinction. Yet only 50 species are added to the act's list every year. Each day species are pushed closer to the brink of extinction. The economic and environmental costs of this extinction are incalculable. The continued existence of these wildlife and plant species is dependent upon protection received pursuant to designation under the Endangered Species Act.

S. 675 contains a number of provisions which strengthen the Endangered Species Act. The bill authorizes increased appropriation of funds to carry out the Endangered Species Act. It requires the status of candidate species to be monitored, contains provisions to improve the development, implementation and review of recovery plans, and requires the monitoring of the status of species which have recovered. Of particular importance, the bill establishes a "cooperative endangered species conservation fund" to provide Federal funds to States for projects to conserve endangered species. Finally, the bill increases protection for plants and increases the maximum amounts of civil penalties and criminal fines for violations of the act.

In my State of New Jersey we are proud of our natural resources and we have worked hard to protect endangered and threatened plants, animals, and birds. Many areas in New Jersey, including the Pine Barrens, the Great Swamp National Wildlife Refuge and the Forsythe National Wildlife Refuge provide habitat for endangered and threatened species.

New Jersey has taken the lead in reestablishing the peregrine falcon population east of the Mississippi River. The species disappeared in New Jersey in the 1950's when DDT use became prevalent and by 1964, no breeding pairs were present east of the Mississippi River. New Jersey's restoration program has resulted in 15 breeding pairs, more than any other State in the region. One pair sits atop the Golden Nugget Casino in Atlantic City.

New Jersey also provides sanctuary to the bald eagle, our national symbol of freedom. Through a cooperative captive breeding program with the Fish and Wildlife Service, State wildlife specialists have been successful in an effort to incubate and raise fledglings which could not survive in the wild. Several eagles hatched in captivity have already been returned to their natural habitat.

Preservation of plants and wildlife is of paramount national and international importance. We must act to protect our endangered and threatened species, for our benefit and for the benefit of future generations. I urge my colleagues to support S. 675.

Mr. **KASTEN**. Mr. President, I rise today in support of S. 675, the Endangered Species Act of 1988.

At a time when hundreds of thousands of species are being exterminated by human negligence in the tropics, it is important to remember that we have endangered species in our own country as well—and that it is our duty to do all we can to preserve them.

We have already lost the passenger pigeon, who used to darken the skies over my home State of Wisconsin, as well as a full three-quarters of the native species of birds in Hawaii. Other species are still hanging on, but gradually losing hope of survival as their numbers dwindle.

Almost 500 species of American plants and wildlife are already on the endangered list—and 3,900 other species are moving in that direction.

To give these species the chance they deserve, it is essential that we pass S. 675. the Endangered Species Act would revitalize the listing process, so that truly endangered species would be recognized as such—and listed as endangered before it's too late to save them. The bill would also protect endangered species of plants found on private lands by prohibiting their theft, and of plants found on public lands by outlawing their deliberate destruction.

This bill would demonstrate the commitment of Congress to the task of preserving America's rich biological diversity. Everyone wants to preserve the large, showy animals on the endangered list—animals like the whooping crane. We need to show our willingness to protect the less glamourous but equally important species of plants and animals: the insects that pollinate our trees and shrubs, the bloodroot that helps cure our gum diseases, and the countless other living things that have medicinal applications for human beings.

The Endangered Species Act shows that we have the necessary commitment. It seeks to preserve endangered species across the board—large and small, beautiful and less so.

I urge my colleagues to reauthorize and strengthen this Endangered Species Act, because it's the single most important wildlife conservation statute in the entire world.

The act recognizes that we and all the other species share this world, but that only we humans are endowed with the power and intellectual foresight to preserve it. We enjoy a great privilege, the gift of reason; it carries with it an equally great responsibility. I urge my colleagues to reflect seriously on the duty we have toward our fellow species, and toward ourselves—and I urge them to pass this bill.

Mr. WEICKER. Mr. President, I wish to express my strong support for S. 675, legislation to reauthorize and revise Endangered Species Act programs for fiscal years 1988-92.

Mr. President, we most often discuss the threats to the Earth's biodiversity in the context of the developing world and, in particular, the tropics and subtropics. And we do so with good reason, for that is where the great loss of life is occurring at an astonishing pace. But without in any way suggesting that we should do less on that front, I am convinced we must redouble our efforts to stop extinction here in the United States—be it that of the dusky seaside sparrow, which disappeared from our eastern shores last summer, or the Palo Verdes blue butterfly, which saw its last remaining habitat, a meadow south of Los Angeles, transformed into a baseball field a few years ago, or any of 1,000 other species teetering on the brink.

In the 20 years I've served in Congress, 300 unique forms of life have disappeared from our country. Their loss is much more than a matter of sentimental concern. Science and natural history have taught us that biodiversity is not a luxury for us as Americans any more than it is for the people of Brazil or Indonesia or Costa Rica. It is inextricably linked to human survival.

Unrestricted and unregulated beachfront development, the draining of wetlands, the denuding of timberlands, the conversion of prairies and meadows to farmland and suburban developments—all these are taking a toll on the livability of our national landscape. Animals and plants which are dependent on a particular habitat feel it first. But mankind is suffering the effects as well—and will do so to an even greater extent in the future unless safeguards are enacted and enforced now.

It was 15 years ago, Mr. President, that Congress first put teeth into Federal laws to protect animals and plants at risk of extinction by passing the Endangered Species Act. One thousand species are now listed as threatened or endangered under the act and recovery plans have been developed for just over half of them. I am pleased to note that recovery plans for the right whale, of which there are only a few hundred left, and the humpback whale, roughly 5,000 of which remain, will soon be finalized. But what of the 1,000 species awaiting listing as threatened or endangered and the 3,000 others that have been nominated for this status and which await further action?

The intent of the Endangered Species Act is not being lived up to, by the Interior Department's Fish and Wildlife Service or the Congress of the United States. For its part, the Congress allowed the authorization for programs under the act to expire in 1985 and has since allowed them to limp along on level funding. S. 675 would not only renew that authorization, setting appropriations at a level that would enable FWS to reduce the current backlog. It further sets new criteria for determining the content and timetables of recovery plans for species certified endangered or threatened and mandates better monitoring of species awaiting listing. It also creates an innovative new endangered species cooperative fund—itself funded through higher civil and criminal penalties assessed for violating the act—from which grant moneys would go to the States to keep track of recovered species and for other purposes.

Mr. President, this is good legislation addressing a problem which affects us all, Eastern and Western States alike. It is not an "us" versus "them" situation. Our fate and that of our fellow creatures is a common one. I urge my colleagues to support S. 675.

Mr. RIEGLE. Mr. President, I rise today to urge my colleagues to support S. 675, the reauthorization of the Endangered Species Act of 1973. For the past 15 years the Endangered Species Act has been an effective and flexible piece of legislation which protects wild plants and animals. I believe that the Endangered Species Act takes important steps toward environmental preservation. As a cosponsor of S. 675, I feel it is imperative to continue to improve and strengthen provisions of the act.

Since 1973, the Endangered Species Act has stood as a deterrent to the destruction of animal and plant species in jeopardy of extinction. The act was developed in response to the growing recognition that our Nation and the world were losing species to extinction at a rate far greater than at any time in history. The extinction of plants and animals could have a profound impact on the world's health, food supply, and scientific research. I am very concerned about these trends which, if continued, will mean that nearly 20 percent of the world's species will have become extinct by the year 2000.

In my own home State of Michigan, efforts have been made to protect the Kirtland's warbler from extinction. The Kirtland's warbler is a bird that nests only in one small area of the Lower Peninsula of Michigan. Lands have been set aside for Kirtland's warbler management in both States and national forests. I am pleased that this year, the U.S. Fish and Wildlife Service has begun important research using radio transmitters to help us understand what areas these special birds require so we can better manage their remaining habitat. It has been a long and difficult struggle for the survival of the Kirtland's warbler.

Recently, the House of Representative appropriated $530,000 in the Interior appropriations bill for 1,100 acres of critical habitat for the Kirtland's warbler in Michigan. I believe that these acquisitions are necessary to fight the threats to the warbler by impending subdivision and development and I am working hard to ensure that the conference committee on Interior maintains this same amount of funding. These purchases would permit the necessary habitat management required under this endangered species recovery effort.

Reauthorization of the Endangered Species Act will guarantee that the Kirtland's warbler—in addition to nearly a thousand other animal and plant species—are protected. S. 675 would gradually increase authorized appropriations from the current level of $39.2 million to $65 million over 5 years. The bill improves the present protection of species listed in the act and establishes a monitoring system for those species awaiting listing. The bill also provides for improved cooperation between the States and the Federal endangered species programs by upgrading the cooperative endangered species conservation fund to encourage States to become partners in the task of protecting and restoring endangered species.

I take this opportunity to call upon my colleagues to support S. 675. We must continue to protect those species which are close to extinction and ensure their preservation for future generations.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

The PRESIDING OFFICER (Mr. DIXON). Under the previous order, the hour of 2 p.m. having arrived, the Senate will now proceed to the consideration of H.R. 4783, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 4783) making appropriations for the Departments of Labor, Health and

Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1989, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1989, and for other purposes, namely:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, **[**$72,289,000**]** *$71,638,000* together with not to exceed **[**$46,607,000**]** *$50,406,000* which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

TRAINING AND EMPLOYMENT SERVICES

For expenses necessary to carry into effect the Job Training Partnership Act, including the purchase and hire of passenger motor vehicles, **[**$3,705,129,000**]** *$3,769,316,000,* plus reimbursements, to be available for obligation for the period July 1, 1989, through June 30, 1990, of which $59,713,000 shall be for carrying out section 401, **[**$70,572,000**]** *$68,172,000* shall be for carrying out section 402, **[**$9,966,000**]** *$9,633,000* shall be for carrying out section 441, $2,000,000 shall be for the National Commission for Employment Policy, **[**$3,000,000**]** *$5,000,000* shall be for all activities conducted by and through the National Occupational Information Coordinating Committee under the Job Training Partnership Act, **[**and $7,000,000 shall be for service delivery areas under section 101(a)(4)(A)(iii) of the Job Training Partnership Act in addition to amounts otherwise provided under sections 202 and 251(b) of the Act:**]** *$12,000,000 shall be used to begin acquisition, rehabilitation, and construction of six new Job Corps centers and $2,500,000 shall be for programs serving American Samoans under the Job Training Partnership Act: Provided,* That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers.

[For necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers as authorized by the Job Training Partnership Act, $80,916,000, to be available for obligation for the period July 1, 1989 through June 30, 1992.**]**

For activities authorized by sections 236, 237, and 238 of the Trade Act of 1974, as amended, including necessary related administrative expenses, **[**$50,000,000**]** *$47,870,000.*

[Of the funds provided under this heading in the Department of Labor Appropriations Act, 1988, for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers, not to exceed $30,000,000, may be expended as necessary, for center operations to maintain existing Job Corps centers and current enrollment levels. Such funds for center operations shall be available for obligation for the period July 1, 1988 through June 30, 1989. Such transfer shall in no way reduce the obligation of the Department of Labor to comply with the provisions of Public Law 100-202 for the rehabilitation and relocation of existing centers and the expeditious obligation of funds for the planning and construction of new centers.**]**

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, **[**$269,880,000**]** *$273,000,000.*

To carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, **[**$76,120,000**]** *$77,000,000.*

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and payments as authorized by title II of Public Law 95-250, as amended, and of trade adjustment benefit payments and allowances, as provided by law (part I, subchapter B, chapter 2, title II of the Trade Act of 1974, as amended), $134,000,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year: *Provided,* That amounts received or recovered pursuant to section 208(e) of Public Law 95-250 shall be available for payments.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For activities authorized by the Act of June 6, 1933, as amended (29 U.S.C. 49-49l-1; 39 U.S.C. 3202(a)(1)(E)); title III of the Social Security Act, as amended (42 U.S.C. 502-504); necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, and sections 231-235 and 243-244, title II of the Trade Act of 1974, as amended; as authorized by section 7c of the Act of June 6, 1933, as amended, necessary administrative expenses under sections 101(a)(15)(H)(ii), 212(a)(14), and 216(g)(1)(2)(3) of the Immigration and Nationality Act, as amended (8 U.S.C. 1101 et seq.); and necessary administrative expenses to carry out the Targeted Jobs Tax Credit program under section 51 of the Internal Revenue Code of 1986, $22,833,000, together with not to exceed **[**$2,472,714,000**]** *$2,484,890,000* which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which the sums available in the basic allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502-504), and the sums available in the basic allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, shall be available for obligation by the States through December 31, 1989, and of which $21,733,000 together with not to exceed $751,296,000 of the amount which may be expended from said trust fund shall be available for obligation for the period July 1, 1989, through June 30, 1990, to fund activities under section 6 of the Act of June 6, 1933, as amended, including the cost of penalty mail made available to States in lieu of allotments for such purpose and of which $157,479,000 (including not to exceed $3,000,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980) shall be available only to the extent necessary to administer unemployment compensation laws to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic allocation was based, which cannot be provided for by normal budgetary adjustments based on State obligations as of December 31, 1989.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 1990; $124,000,000.

LABOR-MANAGEMENT SERVICES

SALARIES AND EXPENSES

For necessary expenses for Labor-Management Services, $73,059,000, of which $5,000,000 for a pension plan data base shall remain available until September 30, 1990.

PENSION BENEFIT GUARANTY CORPORATION

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96-364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 1989, for such Corporation: *Provided,* That not to exceed $41,232,000 shall be available for administrative expenses of the Corporation: *Provided further,* That contractual expenses of such Corporation for legal and financial services in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as non-administrative expenses for the purposes hereof, and excluded from the above limitation: *Provided further, That (a) part 4 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by redesignating section 414 (29 U.S.C. 1114) as section 415 and by inserting after section 413 (29 U.S.C. 1113) the following new section.*

"MORATORIUM ON EMPLOYER REVERSIONS UPON PLAN TERMINATION

"SEC. 414. (a) IN GENERAL.—In any case in which a notice of intent to terminate a defined benefit plan (other than a multiemployer plan) is filed on or after June 21, 1988—

"(1) subsections (a) and (b)(9) of section 408 shall not apply with respect to any transaction constituting a distribution to the employer in connection with such termination, and

"(2) each party in interest having any authority with respect to the management or disposition of the assets of the plan shall be jointly and severally liable for a breach of fiduciary duty under this part unless, in the final distribution of assets of the plan, any amount that would have been available for distribution to the employer under the terms of the plan (but for any amendments to the plan adopted in conformance with the requirements of this section) is distributed to participants or beneficiaries or paid into a trust established by the employer or plan administrator in accordance with subsection (b).

"(b) TRUST.—The employer or plan administrator shall designate the trustee of a trust established pursuant to subsection (a). The terms of the trust shall provide for final distribution of the assets held by the trust in accordance with such applicable law as may be in effect on the date of distribution from the trust pursuant to subsection (d) and shall otherwise be consistent with any terms of the plan providing for such trust and such regulations as the Secretary may prescribe.

"(c) EXCLUSIVE PURPOSES OF TRUST.—Any trust established pursuant to subsection (a) shall be used exclusively for—

"(1) receiving and holding any amount paid into the trust under this section,

"(2) defraying the reasonable administrative expenses incurred in carrying out the trusteeship under this section, and

"(3) making the final distribution from the trust under subsection (d).

Any income earned on the balance in such trust shall be paid into such trust.

"(d) END OF MORATORIUM.—Subject to applicable law as in effect on October 1, 1989—

"(1) subsection (a) shall not apply with respect to terminations pursuant to which no distribution of plan assets has commenced as of such date, and

"(2) during the 30-day period beginning on such date, any trust established pursuant to subsection (a) shall be dissolved and any balance (including income) in such trust at the time of its dissolution shall be distributed from the trust in accordance with the terms of the trust.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of such Act is amended by striking the item relating to section 414 and inserting the following new items:

"Sec. 414. Moratorium on employer reversions upon plan termination.

"Sec. 415. Effective dates.".

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $214,489,000 together with $526,000 which may be expended from the Special Fund in accordance with sections 39(c) and 44(j) of the Longshore and Harbor Workers' Compensation Act.

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title V, chapter 81 of the United States Code; continuation of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 per centum of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, [$292,000,000] *$255,000,000*, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to September 15 of the current year: *Provided*, That in addition there shall be transferred from the Postal Service fund to this appropriation such sums as the Secretary of Labor determines to be the cost of administration for Postal Service employees through September 30, 1989.

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, [$688,214,000] *$691,394,000*, of which $633,435,000 shall be available until September 30, 1990, for payment of all benefits as authorized by section 9501(d) (1), (2), and (7) of the Internal Revenue Code of 1954, as amended, and of which $30,210,000 shall be available for transfer to Employment Standards Administration, Salaries and Expenses, and [$24,054,000] *$27,234,000* for transfer to Departmental Management, Salaries and Expenses, and $515,000 for transfer to Departmental Management, Office of Inspector General, for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5)(A) of that Act: *Provided*, That in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation or other benefits for any period subsequent to June 15 of the current year: *Provided further*, That in addition, such amounts shall be paid from this fund into miscellaneous receipts as the Secretary of the Treasury determines to be the administrative expenses of the Department of the Treasury for administering the fund during the current fiscal year, as authorized by section 9501(d)(5)(B) of that Act.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, [$246,517,000] *$246,851,000*, including not to exceed [$43,000,000] *$42,334,000*, which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than fifty percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970: *Provided*, That none of the funds appropriated under this paragraph shall be obligated or expended for the assessment of civil penalties issued for first instance violations of any standard, rule, or regulation promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful, or repeated violations under section 17 of the Act) resulting from the inspection of any establishment or workplace subject to the Act, unless such establishment or workplace is cited, on the basis of such inspection, for ten or more violations: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, order or administrative action under the Occupational Safety and Health Act of 1970 affecting any work activity by reason of recreational hunting, shooting, or fishing: *Provided further*, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of ten or fewer employees who is included within a category having an occupational injury lost work day case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of five or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended for the proposal or assessment of any civil penalties for the violation or alleged violation by an employer of ten or fewer employees of any standard, rule, regulation, or order promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful or repeated violations and violations which pose imminent danger under section 13 of the Act) if, prior to the inspection which gives rise to the alleged violation, the employer cited has (1) voluntarily requested consultation under a program operated pursuant to section 7(c)(1) or section 18 of the Occupational Safety and Health Act of 1970 or from a private consultative source approved by the

Administration and (2) had the consultant examine the condition cited and (3) made or is in the process of making a reasonable good faith effort to eliminate the hazard created by the condition cited as such, which was identified by the aforementioned consultant, unless changing circumstances or workplace conditions render inapplicable the advice obtained from such consultants: *Provided further,* That none of the funds appropriated under this paragraph may be obligated or expended for any State plan monitoring visit by the Secretary of Labor under section 18 of the Occupational Safety and Health Act of 1970, of any factory, plant, establishment, construction site, or other area, workplace or environment where such a workplace or environment has been inspected by an employee of a State acting pursuant to section 18 of such Act within the six months preceding such inspection: *Provided further,* That this limitation does not prohibit the Secretary of Labor from conducting such monitoring visit at the time and place of an inspection by an employee of a State acting pursuant to section 18 of such Act, or in order to investigate a complaint about State program administration including a failure to respond to a worker complaint regarding a violation of such Act, or in order to investigate a discrimination complaint under section 11(c) of such Act, or as part of a special study monitoring program, or to investigate a fatality or catastrophe.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, $164,597,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the purchase of not to exceed twenty passenger motor vehicles for replacement only; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the Department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of major disaster: *Provided,* That none of the funds appropriated under this paragraph shall be obligated or expended to carry out section 115 of the Federal Mine Safety and Health Act of 1977 or to carry out that portion of section 104(g)(1) of such Act relating to the enforcement of any training requirements, with respect to shell dredging, or with respect to any sand, gravel, surface stone, surface clay, colloidal phosphate, or surface limestone mine.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $190,397,000, of which $2,829,000 shall be for expenses of revising the Standard Industrial Classification, together with not to exceed $46,323,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund: *Provided,* That $3,550,000 shall remain available until September 30, 1990.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of 5 sedans, and including $2,468,000 for the President's Committee on Employment of the Handicapped, [$117,339,000] *$118,839,000,* together with not to exceed $285,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

Not to exceed [$148,887,000] *$160,006,000* may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 2001-08 and 2021-26.

OFFICE OF THE INSPECTOR GENERAL

For salaries and expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, [$39,497,000] *$40,222,000,* together with not to exceed $5,701,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

GENERAL PROVISIONS

SEC. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

SEC. 102. None of the funds appropriated under this Act shall be used to grant variances, interim orders or letters of clarification to employers which will allow exposure of workers to chemicals or other workplace hazards in excess of existing Occupational Safety and Health Administration standards for the purpose of conducting experiments on workers health or safety.

[SEC. 103. None of the funds appropriated in this Act shall be obligated or expended for the purpose of closing any Job Corps Center operating under part B of title IV of the Job Training Partnership Act prior to January 1, 1990.]

SEC. [104] *103.* Notwithstanding any other provision of this Act, no funds appropriated by this Act may be used to execute or carry out any contract with a non-governmental entity to administer or manage a Civilian Conservation Center of the Job Corps which was not under such a contract as of September 1, 1984.

SEC. [105] *104.* None of the funds appropriated in this Act shall be used by the Job Corps program to pay the expenses of legal counsel or representation in any criminal case or proceeding for a Job Corps participant, unless certified to and approved by the Secretary of Labor that a public defender is not available.

This title may be cited as the "Department of Labor Appropriations Act, 1989".

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES PROGRAM OPERATIONS

For carrying out titles III, VII, *VIII, X,* XVI, and XXIII of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V and section 1110 of the Social Security Act, *and title IV of the Health Care Quality Improvement Act of 1986, as amended,* [*$769,554,000*] *$1,642,685,000,* of which not to exceed [$800,000] *$1,000,000,* to remain available until expended, shall be available for renovating the Gillis W. Long Hansen's Disease Center, 42 U.S.C. 247e, and of which $500,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act [and of which $5,000,000 shall be made available until expended to make grants under section 1610(b) of the Public Health Service Act for renovation or construction of non-acute care intermediate and long term care facilities for AIDS patients] *and of which $20,800,000 shall be available for an infant mortality initiative funded through the community health centers and migrant health centers: Provided,* That grants made under the Excellence in Minority Health Education and Care Act shall be awarded competitively and, notwithstanding section 788A, any university which awards a graduate degree in the health professions and which has a majority enrollment of minority students shall be eligible to apply and compete for a grant: *Provided further,* That not to exceed $10,000,000 of funds returned to the Secretary pursuant to section 839(c) of the Public Health Service Act or pursuant to a loan agreement under section 740 or 835 of the Act may be used for activities under titles III, VII, and VIII of the Act: [*Provided further,* That when the Department of Health and Human Services administers or operates an employee health program for any Federal department or agency, payment for the full estimated cost shall be made by way of reimbursement or in advances to this appropriation:] *Provided further, That amounts received pursuant to these provisions of law in accordance with 31 U.S.C. 9701 may be credited to appropriations under this heading, notwithstanding 31 U.S.C. 3302 and shall remain available until expended: Provided further, That the provisions of section 741(i) of the Public Health Service Act shall also apply to schools participating in the Nursing Student Loan Program or lenders participating in the Health Education Assistance Loan Program: Provided further,* That during fiscal year 1989, and within the resources and authority available under section 338 of the Public Health Service Act, gross obligations for the principal amount of direct loans under sections 335(c), 338C(e)(1), and 338E of that Act shall not exceed $500,000.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

For carrying out subsections (d) and (e) of section 1602 of the Public Health Service Act, $21,600,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title VI of the Public Health Service Act, to be available without fiscal year limitation for the payment of interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

CENTERS FOR DISEASE CONTROL

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out title III, *XVII, XIX,* and section 1102 of the Public Health Service Act, sections 101, 102, 103, 201, 202, and 203 of the Federal Mine Safety and Health Act of 1977, and sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, [$819,941,000] *$979,357,000,* of which $2,000,000 shall remain available until expended for equipment and construction and renovation of facilities: *Provided,* That training *of private persons* shall be made subject to reimbursement or advances to this appropriation for not in excess of the full cost of such training: *Provided further,* That funds appropriated under this heading shall be available for payment of the costs of medical care, related expenses, and burial expenses hereafter incurred by or on behalf of any person who had participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health and Human Services and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: *Provided further,* That collections from user fees[, including collections from training and reimbursements and advances for the full cost of proficiency testing of private clinical laboratories,] may be credited to this appropriation: *Provided further,* That amounts received by the National Center for Health Statistics from reimbursable and interagency agreements and the sale of data tapes may be credited to this appropriation and shall remain available until expended: *Provided further,* That in addition to amounts provided herein, up to $12,486,000 shall be available from amounts available under section 2313 of the Public Health Service Act, to carry out the National Health and Nutrition Examination Survey: *Provided further, That employees of the Public Health Service, both civilian and Commissioned Officer, detailed to States or municipalities as assignees under authority of section 214 of the Public Health Service Act in the instance where in excess of 50 percent of salaries and benefits of the assignee is paid directly or indirectly by the State or municipality shall be treated as non-Federal employees for reporting purposes only. In addition, the full-time equivalents for organizations within the Department of Health and Human Services shall not be reduced to accommodate implementation of this provision: Provided further, That the office building at the Centers for Disease Control (CDC) Clifton Road site in Atlanta, Georgia and the laboratory facility in Chamblee, Georgia, referred to in the Centers for Disease Control—Disease Control, Research and Training Appropriation appearing in Title II of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act for the fiscal year ending September 30, 1988, Public Law 100-202, December 22, 1987, 101 Stat. 1329-264—1329-265, shall be constructed in conformity with design plans prepared by the CDC, and shall be acquired without regard to the provisions of the Public Buildings Act of 1959 regarding prospectus approval by lease-purchase contracts entered into by the General Services Administration prior to their construction using funds appropriated annually to GSA from the Federal Buildings Fund for the rental of space which shall hereafter be available for this purpose. The contracts shall provide for the payment of the purchase price and reasonable interest thereon by lease or installment payments over a period not to exceed 30 years. The contracts shall further provide that title to the buildings shall vest in the United States at or before expiration of the contract term upon fulfillment of the terms and conditions of the contracts. The Federal Buildings Fund shall be reimbursed from the annual appropriations to the CENTERS FOR DISEASE CONTROL—DISEASE CONTROL, RESEARCH, AND TRAINING (or any other appropriation hereafter made available to the CDC for construction of facilities) and such appropriations shall be hereafter available for the purpose of reimbursing the Federal Buildings Fund. Obligations of funds under these transactions shall be limited to the current fiscal year for which payments are due without regard to 31 U.S.C. sections 1502 and 1341(a)(1)(B).*

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to cancer, [$1,489,897,000] *$1,591,036,000; of which at least $75,000,000 shall be available only for cancer prevention and control.*

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out sections 301 and 1105 *and title IV* of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, [$1,018,983,000] *$1,056,003,000.*

NATIONAL INSTITUTE OF DENTAL RESEARCH

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to dental diseases, [$127,315,000] *$132,578,000.*

NATIONAL INSTITUTE OF DIABETES, AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to diabetes and digestive and kidney diseases, [$546,902,000] *$565,908,000.*

NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to neurological [and communicative] disorders and stroke, [$557,046,000] *$477,878,000.*

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorder, $96,100,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to allergy and infectious diseases, [$732,453,000] *$758,352,000.*

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to general medical sciences, [$623,087,000] *$690,653,000.*

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to child health and human development, [$407,650,000] *$431,388,000.*

NATIONAL EYE INSTITUTE

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to eye diseases and visual disorders, [$228,235,000] *$234,218,000.*

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311 *and title IV* of the Public Health Service Act with respect to environmental health sciences, [$216,985,000] *$223,168,000.*

NATIONAL INSTITUTE ON AGING

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to aging, [$202,096,000] *$225,578,000.*

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to arthritis, and musculoskeletal and skin diseases, [$156,174,000] *$161,931,000.*

RESEARCH RESOURCES

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to research resources and general research support grants, [$355,767,000:] *$367,987,000, of which $10,000,000 shall remain available until expended to provide for the repair, renovation, modernization, and expansion of existing facilities and purchase of associated equipment, and to make grants and enter into contracts for such purposes: Provided,* That none of these funds, with the exception of funds for the Minority Biomedical Research Support program, shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants.

NATIONAL CENTER FOR NURSING RESEARCH

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to nursing research, [$27,417,000] *$28,107,000.*

JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, [$16,074,000] *$16,474,000,* of which $1,852,000 shall be available for payment to the Gorgas Memorial Institute *for maintenance and operation of the Gorgas Memorial Laboratory.*

NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 *and title IV* of the Public Health Service Act with respect to health information communications, [$64,836,000] *$70,626,000.*

OFFICE OF THE DIRECTOR

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, [$71,578,000] *$65,578,000* including purchase of not to exceed five passenger motor vehicles for replacement only: *Provided further, That $6,000,000 of this amount be used to support an additional 200 full-time equivalent positions (FTEs) for a total level of no less than 13,102 FTEs to be distributed throughout the National Institutes of Health.*

BUILDINGS AND FACILITIES

For construction of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, [$20,000,000] *$12,500,000,* to remain available until expended *of which $2,500,000 shall be available only for the Frederick Cancer Research Facility.*

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For carrying out the Public Health Service Act with respect to mental health, drug abuse, alcohol abuse, and alcoholism, [$507,594,000] *and the Protection and Ad-*

vocacy for Mentally Ill Individuals Act of 1986, $1,583,191,000, of which $4,787,000 shall be available, on a pro rata basis, for grants to the States for State comprehensive mental health services plans pursuant to title V of Public Law 99-660 (100 Stat. 3794-3797) and of which $200,000 for renovation of government owned or leased intramural research facilities shall remain available until expended.

FEDERAL SUBSIDY FOR SAINT ELIZABETHS HOSPITAL

To carry out the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, $24,000,000 which shall be available in fiscal year 1989 for payments to the District of Columbia as authorized by section 9(a) of the Act: *Provided*, That any amounts determined by the Secretary of Health and Human Services to be in excess of the amounts requested and estimated to be necessary to carry out sections 6 and 9(f)(2) of the Act shall be returned to the Treasury.

In fiscal year 1989 and thereafter, the maximum amount available to Saint Elizabeths Hospital from Federal sources shall not exceed the total of the following amounts: the appropriations made under this heading, amounts billed to Federal agencies and entities by the District of Columbia for services provided at Saint Elizabeths Hospital, and amounts authorized by titles XVIII and XIX of the Social Security Act. This maximum amount shall not include Federal funds appropriated to the District of Columbia under "Federal Payment to the District of Columbia" and payments made pursuant to section 9(c) of Public Law 98-621. Amounts chargeable to and available from Federal sources for inpatient and outpatient services provided through Saint Elizabeths Hospital as authorized by 24 U.S.C. 191, 196, 211, 212, 222, 253, and 324; 31 U.S.C. 1535; and 42 U.S.C. 249 and 251 shall not exceed the estimated total cost of such services as computed using only the proportionate amount of the direct Federal subsidy appropriated under this heading.

Office of Assistant Secretary for Health

PUBLIC HEALTH SERVICE MANAGEMENT

For the expenses necessary for the Office of Assistant Secretary for Health and for carrying out title III, *XVII, and XX* of the Public Health Service Act, **[**$67,144,000**]** *$69,903,000*, together with not to exceed $1,050,000 to be transferred and expended as authorized by section 201(g) of the Social Security Act from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds referred to therein and **[**$3,950,000**]** *$7,500,000* to be transferred and expended for patient outcome assessment research as authorized by section 9316 of Public Law 99-509, of which **[**$2,568,000**]** *$4,875,000* will come from the Federal Hospital Insurance Trust Fund and **[**$1,382,000**]** *$2,625,000* will come from the Federal Supplementary Medical Insurance Trust Fund, and, in addition, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements and the sale of data tapes shall be credited to this appropriation and shall remain available until expended: *Provided*, That in addition to amounts provided herein, up to $10,155,000 shall be available from amounts available under section 2313 of the Public Health Service Act, to carry out the National Medical Expenditure Survey.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan and for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), such amounts as may be required during the current fiscal year.

VACCINE INJURY COMPENSATION TRUST FUND

For payments from the Vaccine Injury Compensation Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death resolved during the current fiscal year with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act as amended by Public Law 100-203, and from such trust fund such sums as may be necessary, not to exceed $80,000,000, for compensation of claims adjudicated by the United States Claims Court arising from liability related to the administration of vaccines before October 1, 1988**[**: *Provided*, That administrative expenses of the Department of Health and Human Services under the National Childhood Vaccine Injury Act of 1986 shall be reimbursed from the Trust Fund.**]**

Health Care Financing Administration

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, **[**$24,732,589,000**]** *$26,236,000,000* to remain available until expended.

For making, after May 31, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 1989 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

Payment under title XIX may be made for any quarter beginning after June 30, 1988 and before October 1, 1989, with respect to any State plan or plan amendment in effect during any such quarter, if submitted in, or prior to such quarter and approved in that or any such subsequent quarter.

For making payments to States under title XIX of the Social Security Act for the first quarter of fiscal year 1990, $9,000,000,000, to remain available until expended.

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, and section 278(d) of Public Law 97-248, $31,227,000,000.

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, and XIX of the Social Security Act, **[**$93,817,000**]** *$94,417,000*, together with not to exceed **[**$1,769,919,000**]** *$1,839,819,000* to be transferred to this appropriation as authorized by section 201(g) of the Social Security Act, from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds or any other trust fund which may be established by law for catastrophic coverage under the Medicare program: *Provided*, That **[**$212,400,000**]** *$100,000,000* of said trust funds shall be expended only to the extent necessary to process workloads not anticipated in the budget estimates *of this Act***[**, including the cost of administration of catastrophic health insurance if enacted into law**]**, and to meet unanticipated costs of agencies or organizations with which agreements have been made to participate in the administration of title XVIII and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further, That for the purposes of conducting a pilot test of the Health Care Financing Administration's proposal for providing administrative law judge hearings to Medicare beneficiaries, a maximum of ten qualified persons who meet the requirements for administrative law judges appointed under 5 U.S.C. 3105 may be appointed at the GS-14 grade level to conduct hearings under titles XI and XVIII but such appointments shall terminate not later than March 31, 1990: Provided further*, That all funds derived in accordance with 31 U.S.C. 9701, are to be credited to this appropriation.

Social Security Administration

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, as provided under sections 201(m), 217(g), 228(g), and 1131(b)(2) of the Social Security Act, $93,631,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, including the payment of travel expenses on an actual cost or commuted basis, to an individual, for travel incident to medical examinations, and when travel of more than 75 miles is required, to parties, their representatives, and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsideration interviews and to proceedings before administrative law judges, $628,581,000, to remain available until expended: *Provided*, That monthly benefit payments shall be paid consistent with section 215(g) of the Social Security Act.

For making, after July 31, of the current fiscal year, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year 1990, $211,000,000, to remain available until expended.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out the Supplemental Security Income Program, title XI of the Social Security Act, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, $9,473,953,000, to remain available until expended: *Provided*, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For carrying out the Supplemental Security Income Program for the first quarter of fiscal year 1990, $2,936,000,000, to remain available until expended.

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, not more than [$3,705,000,000] *$3,820,000,000*, may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That travel expense payments under section 1631(h) of such Act for travel to hearings may be made only when travel of more than seventy-five miles is required: *Provided further*, That $97,870,000 of the foregoing amount shall be apportioned for use only to the extent necessary to process workloads not anticipated in the budget estimates, for automation projects and their impact on the work force, and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That none of the funds appropriated by this Act may be used for the manufacture, printing, or procuring of social security cards, as provided in section 205(c)(2)(D) of the Social Security Act, where paper and other materials used in the manufacture of such cards are produced, manufactured, or assembled outside of the United States*: Provided further, That notwithstanding any other provision of law, amounts appropriated by this Act for the Social Security Administration shall be used to maintain not less than 66,545 full-time equivalent positions.*

Family Support Administration

FAMILY SUPPORT PAYMENTS TO STATES

For making payments to States or other non-Federal entities, except as otherwise provided, under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C., ch. 9), [$7,855,137,000] *$8,204,337,000*, to remain available until expended.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act, for the last three months of the current year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or other non-Federal entities under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act, and the Act of July 5, 1960 (24 U.S.C., ch. 9) for the first quarter of fiscal year 1990, [$2,644,000,000] *$2,700,000,000*, to remain available until expended.

LOW INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, [$1,567,000,000] *$1,187,000,000.*

REFUGEE AND ENTRANT ASSISTANCE

For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-422), $400,000,000.

WORK INCENTIVES

For carrying out a work incentive program, as authorized by part C of title IV of the Social Security Act, including registration of individuals for such programs, and for related child care and other supportive services, as authorized by section 402(a)(19)(G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, $92,551,000 which shall be the maximum amount available for transfer to the Secretary of Labor and to which the States may become entitled pursuant to section 403(d) of such Act, for these purposes.

COMMUNITY SERVICES BLOCK GRANT

For making payments under the Community Services Block Grant Act and section 408 of Public Law 99-425, [$354,398,000] *$385,864,000* of which [$20,000,000] *$21,000,000* shall be for carrying out section 681(a)(2)(A), [$3,925,000] *$4,200,000* shall be for carrying out section 681(a)(2)(D), [$2,968,000] *$3,000,000* shall be for carrying out section 681(a)(2)(E), [$7,000,000] *$6,500,000* shall be for carrying out section 681(a)(2)(F), [$239,000 shall be for carrying out section 681(a)(3), $2,872,000] *$4,000,000* shall be for carrying out section 408 of Public Law 99-425 and [$2,394,000] *$2,500,000* shall be for carrying out section 681A with respect to the community food and nutrition program.

PROGRAM ADMINISTRATION

For necessary administrative expenses to carry out titles I, IV, X, XI, XIV, and XVI of the Social Security Act, the Act of July 5, 1960 (24 U.S.C., ch. 9), title XXVI of the Omnibus Budget Reconciliation Act of 1981, the Community Services Block Grant Act, title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980, [$79,533,000] *$82,464,000.*

Assistant Secretary for Human Development Services

SOCIAL SERVICES BLOCK GRANT

For carrying out the Social Services Block Grant Act, $2,700,000,000.

HUMAN DEVELOPMENT SERVICES

For carrying out, except as otherwise provided, *the Runaway and Homeless Youth Act*, the Older Americans Act of 1965, the Developmental Disabilities Assistance and Bill of Rights Act, the Child Abuse Prevention and Treatment Act, section 404 of Public Law 98-473, the Family Violence Prevention and Services Act (title III of Public Law 98-457), the Native American Programs Act, title II of Public Law 95-266 (adoption opportunities), *title II of the Children's Justice and Assistance Act of 1986*, chapter 8-D of title VI of the Omnibus Budget Reconciliation Act of 1981 (pertaining to grants to States for planning and development of dependent care programs), the Head Start Act, the Comprehensive Child Development Centers Act of 1988, the Child Development Associate Scholarship Assistance Act of 1985, and part B of title IV and section 1110 of the Social Security Act, [$2,531,808,000] *$2,573,465,000.*

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For carrying out part E of title IV of the Social Security Act, [$1,074,907,000] *$1,119,907,000.*

Departmental Management

GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six medium sedans, [$68,160,000] *$64,860,000*, together with not to exceed $7,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, $46,430,000, together with not to exceed $40,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $16,173,000, together with not to exceed $4,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, [$8,373,000] *$7,519,000: Provided*, That not less than [$3,500,000] *$2,500,000* shall be obligated to continue research on poverty conducted by the Institute for Research on Poverty.

GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 202. None of the funds made available by this Act for the National Institutes of Health, except for those appropriated to the "Office of the Director," may be used to provide forward funding or multiyear funding of research project grants except in those cases where the Director of the National Institutes of Health has determined that such funding is specifically required because of the scientific requirements of a particular research project grant.

SEC. 203. Appropriations in this or any other Act shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for not to exceed 2,400 commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents, between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; expenses for medical care for civilian and commissioned employees of the Public Health Service and their dependents, assigned abroad on a permanent basis in accordance with such regulations as the Secretary may provide; rental or lease of living quarters (for periods not exceeding five years), and provision of heat, fuel, and light and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers, and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act, at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS-18; not to exceed $9,500 for official reception and representation expenses related to any health agency of the Department when specifically approved by the Assistant Secretary for Health.

SEC. 204. None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term, *or except for such medical procedures necessary for the victims of rape or incest.*

SEC. 205. Funds advanced to the National Institutes of Health Management Fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 327A of the Public Health Service Act.

SEC. 206. Funds appropriated in this title for the Social Security Administration shall be available for not to exceed $10,000 for official reception and representation expenses when specifically approved by the Commissioner of Social Security.

SEC. 207. Funds appropriated in this title for the Health Care Financing Administration shall be available for not to exceed $2,000 for each fiscal year for official reception and representation expenses when specifically approved by the Administrator of the Health Care Financing Administration.

SEC. 208. No funds appropriated for the fiscal year ending September 30, 1989, by this or any other Act, may be used to pay basic pay, special pays, basic allowances for subsistence and basic allowances for quarters of the commissioned corps of the Public Health Service described in section 204 of title 42, United States Code, at a level that exceeds 110 percent of the Executive Level I annual rate of basic pay: *Provided,* That amounts received from employees of the Department in payment for room and board may be credited to the appropriation accounts which finance the services: *Provided further,* That none of the funds made available by this Act shall be used to provide special retention pay (bonuses) under paragraph (4) of 37 U.S.C. 302(a) to any regular or reserve medical officer of the Public Health Service for any period during which the officer is assigned to the clinical, research, or staff associate program administered by the National Institutes of Health.

SEC. 209. None of the funds appropriated in this title shall be used to transfer the general administration of programs authorized under the Native American Programs Act from the Department of Health and Human Services to the Department of the Interior.

SEC. 210. Funds provided in this Act may be used for one-year contracts which are to be performed in two fiscal years, so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

SEC. 211. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service, who shall be exempt from all FTE limitations in the Department, to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization. In addition, commissioned officers assigned under this section shall be exempt from all limitations on the number and grade of officers in the Public Health Service Commissioned Corps.

SEC. 212. For the purpose of insuring proper management of federally supported computer systems and data bases, funds appropriated by this Act are available for the purchase of dedicated telephone service between the private residences of employees assigned to computer centers funded under this Act, and the computer centers to which such employees are assigned.

SEC. 213. Funds available in this title for activities related to acquired immune deficiency syndrome (AIDS) may be transferred between appropriation accounts upon the approval by the House and Senate Committees on Appropriations of a transfer request submitted by the Secretary of Health and Human Services.

SEC. 214. Funds made available for fiscal year 1989 and hereafter to the National Institutes of Health shall be available for payment of nurses and allied health professionals [at the rates of pay and with schedule options and benefits and other authorities authorized for similiar employees of the Veterans Administration pursuant to 38 U.S.C. 4107 and 4111] *using pay, schedule options, benefits, and other authorities as provided for the nurses of the Veterans' Administration under 38 U.S.C. chapter 73.*

SEC. 215. The National Institutes of Health is directed, without regard to 31 U.S.C. 3324 or 41 U.S.C. 5, to enter into a lease-purchase contract for construction on the NIH campus in Bethesda, Maryland, an office building of approximately 700,000 gross square feet, together with necessary underground and multi-level parking, and funds made available in this and subsequent fiscal years for operations of the National Institutes of Health shall be available to carry out the conditions of the lease-purchase contract.

SEC. 216. Of the funds appropriated in this Act for the National Institutes of Health, a reduction of $6,765,000 is to be applied to all appropriations as a result of improved procurement practices.

SEC. 217. NIH Building Numbered 31 is hereby named the Claude Denson Pepper Building.

SEC. 218. Funds appropriated by this Act may be used to pay physicians' comparability allowances as authorized under 5 U.S.C. 5948.

SEC. 219. Section 465(B) of 42 U.S.C. 286 is amended by inserting between (5) and (6) an additional charge to the Secretary to "publicize the availability of the above products and services of the National Library of Medicine".

SEC. 220. Notwithstanding any other provision of law, no personnel ceilings may be imposed nor any action may be taken to restrict the full-time equivalent (FTE) levels for Public Health Service programs, projects, and activities funded by this or any other Act.

This title may be cited as the "Department of Health and Human Services Appropriations Act, 1989".

TITLE III—DEPARTMENT OF EDUCATION

COMPENSATORY EDUCATION FOR THE DISADVANTAGED

For carrying out the activities authorized by chapter 1 of title I of the Elementary and Secondary Education Act of 1965, as amended, [$4,663,719,000] *$4,589,800,000,* of which a total of $8,000,000 [shall be available] for purposes of sections 1437 and 1463 and *$4,000,000 for subpart 3 of part F,* [*which*] shall become available on October 1, 1988 and remain available until September 30, 1989, and may be expended by the Secretary at any time during that period; and the remaining [$4,655,719,000] *$4,577,800,000* shall become available on July 1, 1989 and shall remain available until September 30, 1990: *Provided,* That of these remaining funds, $3,900,000,000 shall be available for the purposes of section 1005, [$200,000,000] *$175,000,000* shall be available for the purposes of section 1006, [$30,000,000 shall be available for the purposes of section 1017(d), $25,000,000 shall be available for the purposes of part B, $269,029,000] *$275,000,000* shall be available for the purposes of subpart 1 of part D, [$151,269,000] *$150,000,000* shall be available for the purposes of subpart 2 of part D, [$32,616,000] *$32,000,000* shall be available for the purposes of subpart 3 of part D, [$42,050,000] *$41,000,000* shall be available for the purposes of section 1404, [and $5,755,000] *$4,800,000* shall be available for the purposes of section 1405: *Provided further, That the provisions of subparagraphs (C) and (D) of section 1006(a)(1) shall not apply to the amounts made available under this appropriation for section 1006.*

For carrying out section 418A of the Higher Education Act, [$8,900,000] *$8,776,000.*

IMPACT AID

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13), [$715,000,000] *$714,036,000,* of which [$10,000,000, which shall remain available until expended, shall be for payments under section 7 of said Act,] $15,000,000 shall be for entitlements under section 2 of said Act, and [$690,000,000] *$699,036,000* shall be for entitlements under section 3 of said Act of which [$553,000,000] *$565,000,000* shall be for entitlements under section 3(a) of said Act.

For carrying out the Act of September 23, 1950, as amended (20 U.S.C. ch. 19), $25,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act, of which $10,000,000 shall be for awards under section 10 of said Act, $12,000,000 shall be for awards under sections 14(a) and 14(b) of said Act, and $3,000,000 shall be for awards under sections 5 and 14(c) of said Act.

SCHOOL IMPROVEMENT PROGRAMS

For carrying out the activities authorized by chapter 2 of title I, part A of title II, title III, part A, subpart 1 *and subpart 2* of part C, and part E of title IV, [sections 4601 and 4605,] *section 4604,* title V, and parts A and C of title VI of the Elementary and Secondary Education Act of 1965, as amended; section 722 of the Stewart B. McKinney Homeless Assistance Act; section 403 of the Civil Rights Act of 1964; subpart 2 of part C and subpart 2 of part D of title V of the Higher Education Act, as amended; [part B of title III] *title IV* of Public Law 100-297; title IX of the Education for Economic Security Act; and the Follow Through Act, [$1,118,538,000] *$1,104,180,000*: *Provided*, That of the amounts provided, [$517,430,000] *$502,000,000* shall be for chapter 2 of title I of the Elementary and Secondary Education Act, of which [$489,500,000] *$473,700,000* for part A shall become available on July 1, 1989 and remain available until September 30, 1990 and [$27,930,000] *$28,300,000* for part B *including $1,000,000 for national school volunteer programs* shall become available on October 1, 1988: *Provided further*, That, [*$114,888,000*] *$130,000,000* for grants to States and Outlying Areas under part A of title II, [$3,000,000] *$2,500,000* for subpart 1 *and $1,000,000 for subpart 2* of part C of title IV, and $207,000,000 for grants to States and Outlying Areas under title V of the Elementary and Secondary Education Act, $4,358,000 for subpart 2 of part C of title V of the Higher Education Act, and [$4,787,000] *$5,000,000* for section 722 of the Stewart B. McKinney Homeless Assistance Act shall become available on July 1, 1989 and shall remain available until September 30, 1990: *Provided further*, That, of the amounts provided, $115,000,000 shall be for title III, *$9,000,000 shall be for section 2012* and $1,500,000 shall be for section 6201(d) of the Elementary and Secondary Education Act.

Unobligated balances of funds appropriated for fiscal years 1985 and 1986 for title VI of the Education for Economic Security Act shall be available until September 30, 1989 for carrying out activities authorized by [section 4601] *part F of title IV of which not less than $1,000,000 shall be for activities authorized by section 4603* of the Elementary and Secondary Education Act.

BILINGUAL, IMMIGRANT, AND REFUGEE EDUCATION

For carrying out, to the extent not otherwise provided, title VII and part D of title IV of the Elementary and Secondary Education Act and part B of title III of the Refugee Act of 1980, [$201,782,000] *$197,009,000*, of which $112,106,000 shall be for part A, $10,903,000 shall be for part B, [$33,564,000] *$28,000,000* shall be for part C of title VII *of which no funds shall be used for activities authorized by section 7043* and $30,000,000 shall be for part D of title IV of the Elementary and Secondary Education Act.

EDUCATION FOR THE HANDICAPPED

For carrying out the Education of the Handicapped Act, [$1,921,882,000] *$2,008,623,000*, of which [$1,478,539,000] *$1,508,200,000* for section 611, [$205,075,000] *$250,000,000* for section 619, and [$68,358,000] *$73,000,000* for section 685 shall become available for obligation on July 1, 1989, and shall remain available until September 30, 1990: *Provided*, That up to $479,000 may be used for section 621(d) of said Act.

REHABILITATION SERVICES AND HANDICAPPED RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973 and the Helen Keller National Center Act, as amended, [$1,656,592,000] *$1,669,395,000*, of which [$1,441,577,000] *$1,450,000,000* shall be for allotments under sections 100(b)(1) and 110(b)(3) of the Rehabilitation Act, [and $16,590,000] *$17,200,000* shall be for special demonstration programs under sections 311 (a), (b), and (c), and [$5,000,000] *$4,800,000* shall be for the Helen Keller National Center.

VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational Education Act, the Adult Education Act, and section 702 of the Stewart B. McKinney Homeless Assistance Act, [$1,091,966,000] *$1,076,130,000* which shall become available for obligation on July 1, 1989, and shall remain available until September 30, 1990: *Provided*, That [$25,658,000] *$26,800,000* shall be available for title IV of the Carl D. Perkins Vocational Education Act, of which [$7,276,000] *$7,050,000* shall be for part A, including $5,744,000 for section 404, [$14,361,000] *$14,750,000* shall be for section 411 [and $431,000 shall be for section 415 of part B,] and [$3,590,000] *$5,000,000* shall be for part C of said title: *Provided further*, That [$7,851,000] *$8,000,000* shall be available for State councils under section 112 of the Carl D. Perkins Vocational Education Act: *Provided further*, That [$6,845,000] *$9,000,000* shall be made available to carry out title III-A and [$32,791,000] *$34,250,000* shall be made available for title III-B of said Vocational Education Act: *Provided further*, That [$3,734,000] *$3,900,000* shall be available for part E of title IV of the Carl D. Perkins Vocational Education Act: *Provided further*, That $2,000,000 provided herein for part D of the Adult Education Act shall be only for section 383 of said Act.

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 2, and 3 of part A and parts C, D, and E of title IV of the Higher Education Act, as amended, [$5,907,736,000] *$5,837,095,000*, which shall remain available until September 30, 1990: *Provided*, That the maximum Pell grant that a student may receive in the 1989-90 award year shall be $2,300: *Provided further, That notwithstanding section 479A of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), student financial aid administrators shall be authorized, on the basis of adequate documentation, to make necessary adjustments to the cost of attendance and expected student or parent contribution (or both) and to use supplementary information about the financial status or personal circumstances of eligible applicants only for purposes of selecting recipients and determining the amount of awards under subpart 2 of part A, and parts B, C, and E of title IV of the Act: Provided further, That notwithstanding section 411F(1) of the Higher Education Act of 1965, as amended (20 U.S.C. 1001 et seq.), the term "annual adjusted family income" shall, under special circumstances prescribed by the Secretary of Education, mean the sum received in the first calendar year of the award year from the sources described in that section: Provided further, That notwithstanding section 484 of the Higher Education Act of 1965, as amended (20 U.S.C. 1001 et seq.), in order for a student to be eligible to receive grant, loan, or work assistance under title IV of that Act, that student shall be required to have earned a high school diploma or its recognized equivalent if (1) that student is enrolled or accepted for enrollment in a course of study in preparation for an occupation for which the student must be certified by an agency other than the eligible institution or institution of higher education in order to begin practice or service, and (2) a high school diploma or its recognized equivalent is a requirement for that certification.*

GUARANTEED STUDENT LOANS

For necessary expenses under title IV, part B of the Higher Education Act, $3,174,400,000, to remain available until expended.

HIGHER EDUCATION

For carrying out title III of the Higher Education Act of 1965, as amended, [$180,000,000] *$169,978,000*, of which up to [$18,000,000] *$7,700,000* for section 332 of part C of title III of said Act shall remain available until expended: *Provided*, That [$82,500,000] *$84,978,000* of funds appropriated for title III of said Act shall be available only to historically black colleges and universities, *of which $4,500,000 is available until expended under section 403 of H.J. Res. 90, as passed by the Senate, if enacted*: *Provided further*, That up to $7,300,000 of funds appropriated for part A of title III of said Act shall be available for non-competing continuation awards made to four-year institutions in fiscal year 1988.

For carrying out subparts 4 and 6 of part A of title IV; part B and subpart 1 of part D of title V; titles VI and VIII; part D of title VII; parts A, B, C, D, E, and F of title IX; subpart 1 of part B and parts A and C of title X; and sections 420A and 1204(c) of the Higher Education Act of 1965, as amended; title XIII, part H, subpart 1 of the Education Amendments of 1980, as amended; and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961, [$397,368,000] *$373,530,000*, of which $22,744,000 for part D of title VII shall remain available until expended: *Provided*, That $8,300,000 provided herein for carrying out subpart 6 of part A of title IV shall be available notwithstanding sections 419G(b) and 419I(a) of the Higher Education Act of 1965 (20 U.S.C. 1070d-37(b) and 1070d-39(a)): *Provided further*, That [$2,000,000 of the amount provided herein for subpart 4 of] *$1,000,000 of the amount provided herein for subpart 4 of part A of* title IV of the Higher Education Act shall be for the Ronald E. McNair Post-Baccalaureate Achievement Program: *Provided further, That $239,000 of the amount provided for part B of title IX shall be competitively awarded to a consortium of historically black colleges and doctoral degree-granting institutions to provide supplemental need-based financial aid to students and faculty from historically black colleges who are pursuing doctoral studies: Provided further, That the Secretary shall, in carrying out section 802 of the Higher Education Act of 1965, give special consideration to applications from private urban institutions of higher education, or combinations thereof, with minority student enrollment exceeding 66 percent of total student enrollment, and with plans to develop from a traditional academic curriculum to a universal cooperative education program applicable to all undergraduate four year major fields of study.*

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS

Pursuant to title VII, part F of the Higher Education Act, as amended, for necessary expenses of the college housing and academic facilities loans program, the Secretary shall make expenditures, contracts, and commitments without regard to fiscal year limitation[: *Provided*, That during fiscal year 1989, gross commitments for the principal amount of direct loans shall be $62,231,000.]

For payment of interest on funds borrowed from the Treasury pursuant to section 761(d) of the Higher Education Act, as amended, $1,675,000, to remain available until expended: *Provided, That notwithstanding section 761(e) of the Higher Education Act, no new commitments for loans may be made.*

HIGHER EDUCATION FACILITIES LOANS

The Secretary is hereby authorized to make such expenditures, within the limits of funds available under this heading and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for the current fiscal year. For the fiscal year 1989, no new commitments for loans may be made from the fund established pursuant to title VII, section 733 of the Higher Education Act, as amended (20 U.S.C. 1132d-2).

COLLEGE HOUSING LOANS

Pursuant to title VII, part F of the Higher Education Act, as amended, for necessary expenses of the college housing loan program, previously carried out under title IV of the Housing Act of 1950, the Secretary shall make expenditures, contracts, and commitments without regard to fiscal year limitation using loan repayments and other resources available to this account. Any unobligated balances becoming available from fixed fees paid into this account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating expenses of this account.

EDUCATION RESEARCH AND STATISTICS

[INCLUDING TRANSFER OF FUNDS]

For necessary expenses to carry out section 405 of the General Education Provisions Act, as amended, [$50,343,000] *$44,960,000*: *Provided*, That [$5,500,000 of the sums appropriated shall be used to continue] *$4,000,000 of the sums appropriated shall be used to complete* a rural education program by the nine regional laboratories.

For necessary expenses to carry out section 406 of the General Education Provisions Act, as amended by Public Law 100-297, [$23,669,000 including $300,000 for implementation of the Fellows Program] *$20,000,000*, and an additional $9,500,000 shall be for the National Assessment of Educational Progress[: *Provided*, That in addition $6,630,000 shall be transferred from the "Program administration" account.]

LIBRARIES

For carrying out, to the extent not otherwise provided, titles I, II, III, IV, and VI of the Library Services and Construction Act (20 U.S.C., ch. 16), and title II, parts B, C, and D of the Higher Education Act, notwithstanding the provisions of section 221, [$142,644,000] *$135,089,000*: *Provided*, That $22,595,000 of the sums appropriated shall be used to carry out the provisions of title II of the Library Services and Construction Act and shall remain available until expended.

Special Institutions

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101-106), including provision of materials to adults undergoing rehabilitation on the same basis as provided in 1985, [$5,381,000] *$5,400,000.*

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles II and IV of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), [$33,231,000] *$33,031,000, of which $200,000 shall be for the endowment program as authorized under section 408 and shall be available until expended: Provided, That none of the funds provided herein may be used to subsidize the tuition of foreign students.*

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf and the partial support of Gallaudet University under titles I and IV of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), including continuing education activities, existing extension centers and the National Center for Law and the Deaf, [$66,800,000] *$65,000,000*, of which $1,000,000 shall be for the endowment program as authorized under section 407 and shall be available until expended.

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), [$180,647,000: *Provided*, [That of the funds appropriated under this head in the Department of Education Appropriations Act, 1988, not to exceed $500,000] *$176,147,000, of which $1,500,000* shall be for a matching endowment grant to be administered in accordance with the Howard University Endowment Act (Public Law 98-480) and shall remain available until expended.

Departmental Management

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, [$249,849,000: *Provided*, That $500,000 shall be available until expended for carrying out the National Summit Conference on Education Act of 1984] *$260,600,000, of which $5,200,000 shall be available only for additional staff and related expenses necessary to increase the number of on-site student aid program reviews, and of which $5,600,000 shall be available for necessary expenses of the National Student Loan Data System upon enactment of amendments to section 485B of the Higher Education Act which will decrease student loan and default costs by more than the cost of the system on an annual basis.*

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $41,341,000.

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, [$17,911,000] *$18,400,000.*

GENERAL PROVISIONS

SEC. 301. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the costs of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 302. Funds appropriated in this Act to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, and Gallaudet University shall be subject to audit by the Secretary of Education.

SEC. 303. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

SEC. 304. (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 305. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 306. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

This title may be cited as the "Department of Education Appropriations Act, 1989".

TITLE IV—RELATED AGENCIES

Action

OPERATING EXPENSES

For expenses necessary for Action to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, [$168,863,000] *$171,897,000.*

Corporation for Public Broadcasting

For payment to the Corporation for Public Broadcasting, as authorized by the Commu-

nications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 1991, $302,500,000 of which $57,500,000 shall be available for section 396(k)(10) of said Act: Provided, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: Provided further, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex: Provided further, That funds provided herein for fiscal year 1991 shall be available pending authorization.

[COMMISSION ON RAILROAD RETIREMENT REFORM

[For necessary expenses of the Commission on Railroad Retirement Reform established by section 9033 of the Omnibus Budget Reconciliation Act of 1987 (Public Law 100-203), $1,000,000, which shall remain available until expended.]

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171-180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by the President, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia; and for expenses necessary pursuant to Public Law 93-360 for mandatory mediation in health care industry negotiation disputes and for convening factfinding boards of inquiry appointed by the Director in the health care industry; and for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 125a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95-454 (5 U.S.C. chapter 71), [$26,127,000] *$24,937,000.*

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), $4,079,000.

NATIONAL COMMISSION ON CHILDREN

For necessary expenses of the National Commission on Children established by section 9136 of the Omnibus Reconciliation Act of 1987, Public Law 100-203, $800,000, which shall remain available until expended.

NATIONAL COMMISSION TO PREVENT INFANT MORTALITY

For necessary expenses of the National Commission to Prevent Infant Mortality, established by section 203 of the National Commission to Prevent Infant Mortality Act of 1986, Public Law 99-660, $500,000, which shall remain available until expended. Notwithstanding any other provision of law, the Commission shall be composed of sixteen members, including seven at large members.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345), $750,000.

NATIONAL COMMISSION ON MIGRANT EDUCATION

For necessary expenses of the National Commission on Migrant Education established by section 1439 of Public Law 100-297, [$2,000,000] *$1,000,000*, which shall remain available until expended.

[NATIONAL COMMISSION ON RESPONSIBILITIES FOR FINANCING POSTSECONDARY EDUCATION

For necessary expenses of the National Commission on Responsibilities for Financing Postsecondary Education established by section 1321 of the Higher Education Amendments of 1986 (Public Law 99-498), $800,000, which shall remain available until expended.]

NATIONAL COUNCIL ON THE HANDICAPPED

SALARIES AND EXPENSES

For expenses necessary for the National Council on the Handicapped as authorized by section 405 of the Rehabilitation Act of 1973, as amended, [$974,000] *$1,174,000.*

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, $138,647,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, $6,551,000.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For the expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), [$6,002,000] *$5,831,000.*

PHYSICIAN PAYMENT REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1845(a) of the Social Security Act, $3,059,000, to be transferred to this appropriation from the Federal Supplementary Medical Insurance Trust Fund.

PROSPECTIVE PAYMENT ASSESSMENT COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 601 of Public Law 98-21, $3,664,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $355,000,000 [which shall include amounts becoming available] *of which $28,000,000 shall be available* in fiscal year 1989 pursuant to section 224(c)(1)(B) of Public Law 98-76: *Provided*, That the total amount provided herein shall be credited to the account in 12 approximately equal amounts on the first day of each month in the fiscal year.

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for unnegotiated checks, $3,100,000, to remain available through September 30, 1990, which shall be the maximum amount available for payments pursuant to section 417 of Public Law 98-76.

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board, [$59,312,000] *$60,350,000*, to be derived from the railroad retirement accounts: *Provided, That such portion of the foregoing amount as may be necessary shall be available for payment of personnel compensation and benefits for not less than 1,290 full-time equivalent employees: Provided further*, That $200,000 of the foregoing amount shall be available only to the extent necessary to process workloads not anticipated in the budget estimates and after maximum absorption of the costs of such workloads within the remainder of the existing limitation has been achieved: *Provided further*, That notwithstanding any other provision of law, no portion of this limitation shall be available for payments of standard level user charges pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j); 45 U.S.C. 228a-r).

LIMITATION ON RAILROAD UNEMPLOYMENT INSURANCE ADMINISTRATION FUND

For further expenses necessary for the Railroad Retirement Board, for administration of the Railroad Unemployment Insurance Act, not less than [$13,678,000] *$13,950,000* shall be apportioned for fiscal year 1989 from moneys credited to the railroad unemployment insurance administration fund: *Provided, That such portion of the foregoing amount as may be necessary shall be available for the payment of personnel compensation and benefits for not less than 310 full-time equivalent employees.*

LIMITATION ON REVIEW ACTIVITY

For expenses necessary for the Railroad Retirement Board for audit, investigatory and review activities, as authorized by section 418 of Public Law 98-76, not more than [$2,700,000] *$3,500,000*, to be derived from the railroad retirement accounts and railroad unemployment insurance account.

SOLDIERS' AND AIRMEN'S HOME

OPERATION AND MAINTENANCE

For maintenance and operation of the United States Soldiers' and Airmen's Home, to be paid from the Soldiers' and Airmen's Home permanent fund, [$37,657,000] *$37,700,000: Provided*, That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army upon recommendation of the Board of Commissioners and the Surgeon General of the Army.

CAPITAL OUTLAY

For construction and renovation of the physical plant, to be paid from the Soldiers' and Airmen's Home permanent fund, $15,000,000, to remain available until expended.

UNITED STATES BIPARTISAN COMMISSION ON COMPREHENSIVE HEALTH CARE

For necessary expenses of the United States Bipartisan Commission on Comprehensive Health Care established by section 401 of the Medicare Catastrophic Coverage Act of 1988, H.R. 2470, as passed the Senate on June 8, 1988, $1,046,000, which shall remain available until expended.

UNITED STATES INSTITUTE OF PEACE

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $8,000,000.

TITLE V—GENERAL PROVISIONS

SEC. 501. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 502. No part of any appropriation contained in this Act shall be expended by an executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract in full compliance with such Act and regulations promulgated thereunder.

SEC. 503. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

SEC. 504. Appropriations contained in this Act, available for salaries and expenses, shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 505. Appropriations contained in this Act, available for salaries and expenses, shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

SEC. 506. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curricula, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

SEC. 507. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided,* That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 508. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 509. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress.

SEC. 510. The Secretaries of Labor, Health and Human Services, and Education are each authorized to make available not to exceed $7,500 from funds available for salaries and expenses under titles I, II, and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $2,500 from the funds available for "Salaries and expenses, Federal Mediation and Conciliation Service"; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $2,500 from funds available for "Salaries and expenses, National Mediation Board".

SEC. 511. None of the funds appropriated by this Act shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or a participant's parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section.

SEC. 512. In administering funds made available under this Act for research relating to the treatment of AIDS, the National Institutes of Health shall take all possible steps to ensure that all experimental drugs for the treatment of AIDS, particularly antivirals and immunomodulators, that have shown some effectiveness in treating individuals infected with the human immunodeficiency virus are tested in clinical trials as expeditiously as possible and with as many subjects as is scientifically acceptable.

[SEC. 513. No funds appropriated under this Act shall be expended in any workplace that is not free of illegal use or possession of controlled substances which is made known to the federal entity or official to which funds are appropriated under this Act. Pursuant to this section an applicant for funds to be appropriated under this Act shall be ineligible to receive such funds if such applicant fails to include in its application an assurance that it has, and will administer in good faith, a policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances by its employees.]

SEC. 513. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 514. (a) Subject to subsection (b), none of the funds made available by this or any other Act may be used by the Secretary of Labor to withdraw approval of the California State occupational safety and health plan, or to exercise exclusive Federal safety and health authority in the State of California, under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

(b) The prohibition established in subsection (a) shall apply until the California Supreme Court has rendered a final disposition in the case of Ixta v. Rinaldi (Case No. 3 Civil C 002805).

Mr. CHILES. Mr. President, Senate Budget Committee scoring of the Labor, HHS, and Education appropriations bill as reported by the full Appropriations Committee shows that the bill is under its 302(b) budget authority allocation by $1.5 million and just meets the outlay target. I commend my colleague, the distinguished ranking minority member of the subcommittee, Senator WEICKER, for his help in keeping this bill within out 302(b) allocations. However, since this bill just meets the budget outlay target, any amendments that would increase outlays will be subject to a 302 point of order.

Mr. President, I have a table from the Budget Committee showing the official scoring of the Labor, HHS, and Education appropriations bill and I ask unanimous consent that it be inserted in the RECORD at the appropriate point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 4783—LABOR/HHS/EDUCATION—SPENDING TOTALS (SENATE REPORTED)

[In billions of dollars]

	Fiscal year 1989	
	Budget authority	Outlays
302(b) BILL SUMMARY		
H.R. 4783, Senate reported (new budget authority and outlays)	125.3	104.8
Enacted to date	14.0	40.3
Adjusted to conform mandatory programs to resolution assumptions	+.4	+.5
Scorekeeping adjustments		
Bill total	139.7	145.6
Subcommittee 302(b) allocation	139.7	145.6
Difference	−([1])	0
Bill total above (+) or below (−):		
President's request	−.1	+.2
House-passed bill	−.4	−.1
SUMMIT CAP SUMMARY		
International affairs spending in bill	+([1])	+([1])

SENATE BUDGET COMMITTEE SCORING OF H.R. 4783—LABOR/HHS/EDUCATION—SPENDING TOTALS (SENATE REPORTED)—Continued

[In billions of dollars]

	Fiscal year 1989	
	Budget authority	Outlays
Allocation under international affairs cap	+(1)	+(1)
Difference	+(1)	+(1)
Domestic discretionary spending in bill	39.4	45.0
Allocation under domestic cap	39.4	45.0
Difference	−(1)	−(1)

[1] Less than $50 million.

Note.—Details may not add to totals due to rounding.

Prepared by Senate Budget Committee staff.

Mr. CHILES. Mr. President, the bill and report before the Members provides for $139.6 billion for the Departments of Labor, Health and Human Services, Education, and related agencies. Of this amount, only $39.4 billion is for discretionary programs, over which the Appropriations Committee has direct control. This is a $1.7 billion increase over fiscal year 1988 and, on an overall basis, the bill provides a 4-percent increase over the levels provided in fiscal year 1988.

Mr. President, based on the official CBO and Budget Committee scoring, the bill before the Members is at the 302(b) level for discretionary outlays of $45.04 billion. We are slightly under our 302(b) level for discretionary budget authority of $39.42 billion. As the Members know the bill must meet both the outlay and the budget authority ceilings, and therefore, any amendments to the bill will require both outlay and budget authority offsets.

The recommendations included in the bill accommodate as best as possible the many requests we have received from the other Members of the Senate, the many interest groups who have contacted us, and the 225 public witnesses that appeared before the subcommittee in public hearings. In the process of developing these recommendations we have consulted with the authorizing committees to also reflect as best as possible their concerns and priorities.

These many requests could have been met more fully had the subcommittee received a higher 302(b) allocation. As many of the Members will remember, there was an extended committee debate regarding these allocations, and the final Labor-HHS Subcommittee allocation is $900 million less than the levels contained in the conference agreement in the budget resolution for these same programs.

Mr. President, I will not take the Members' time to go over the many details included in H.R. 4783, the bill now before the Members. I would like to briefly mention, however, several of the funding highlights included in the bill.

For AIDS we have included $10 million more than the House and $10 million more than the administration. The allocation of these AIDS funds has been closely coordinated with Senator WEICKER, our ranking member, and we have added funds for more positions, facilities, and clinical trials than was requested by the administration.

Biomedical research efforts are increased 8.6 percent; health service programs are increased 10.2 percent and all the several programs for drug abuse research, drug education, and drug treatment are increased 16 percent over last year.

We have included $561,000,000, the fully authorized level for maternal and child health.

For the Social Security Administration we have included the necessary funding and language to add 1,500 full-time equivalent positions over the requested level.

We have included a 16-percent or a $43 million increase for mental health research.

Chapter 1 compensatory education programs for the disadvantaged are funded at $4,589,800,000 or $262 million over fiscal year 1988.

Student financial assistance programs total $5,837,095,000, $292,303,000 more than the administration request, to provide assistance to over 5.6 million students.

Finally, for the low-income home energy assistance program, we have included the administration's request which is $345 million less than this year's funding level. With a higher 302(b) allocation, more could be recommended for this program.

Mr. President, finally, I would like to thank Senator WEICKER and his staff for their very fine cooperation and assistance in the preparation of this bill and the accompanying report. At this time I yield to Senator WEICKER for any opening statement he may wish to make.

The **PRESIDING OFFICER.** The Senator from Connecticut is recognized.

Mr. WEICKER. Thank you.

Mr. President, I would like to commend my good friend from Florida for the job he has done in putting together a fiscal year 1989 Labor-HHS, education bill we can all support. Given the constraints imposed on the Labor-HHS Appropriations Subcommittee from the 2-year budget summit agreement and this year's 302(b) allocation, I believe the bill before us today, H.R. 4783, maintains the Federal Government's commitment to those who need our help the most.

It increases funds for AIDS research, education, and health care programs. It restores proposed cuts in the vaccine stockpile and State operations costs for the Childhood Immunization Program. It also provides the funds needed to pay for a new H-flu vaccine now available to our children.

H.R. 4783 restores the massive cuts proposed in the President's budget for geriatrics training, nurse training, and the education of all our health professionals. The bill before us today rejects the administration's proposal to phase out the protection and advocacy program for the mentally ill and, instead, provides a modest increase for this program, the one program that is designed to monitor the most basic health and safety conditions inside our State institutions.

Funds are increased for education programs for the handicapped and economically disadvantaged. The maximum Pell grant award is increased from $2,200 to $2,300 and funds are provided for new programs created under the chapter 1 reauthorization bill. The legislation before us today also includes funding for the newly established National Commission on Children as well as the Commission on Comprehensive Health Care.

Finally, this bill restores the right of poor women who are the victims of rape or incest to choose to have an abortion paid for under the Medicaid Program. As I know my colleagues are aware, current law says that a poor woman, who becomes pregnant as a result of rape or incest, is not eligible for a Medicaid-funded abortion. The full Committee on Appropriations voted to change the law and restore the rape or incest exceptions to the funding restrictions imposed on Medicaid funds in this bill. I urge my colleagues to support the committee position on this issue.

I might add, Mr. President, if there are those who do have amendments on this or any other matter, that are of a philosophical nature, I would suggest they bring those amendments to the floor and let us have up-or-down votes. I do not intend, and I would hope that the Senate does not intend, to see this bill which in effect is responsible for all the education funding, all the health care funding, and all the science funding in the United States, get bogged down to the point where it becomes part of a continuing resolution rather than standing on its own two feet.

We can and do take days and days and days on defense items and foreign policy items. The matters in this bill are the ones that most directly impact on the families of America, the education of their children, health care and health care costs, the money we invest in research for heart, cancer, arthritis, diabetes, the money that we invest for safety in the workplace, all these matters are under the aegis on this legislation and there is no reason why it should not be presented and have up-and-down votes on those matters that are of concern to Senators and then move it off the floor and into conference and to the President's desk for signature.

Mr. President, I do have one outstanding concern regarding the labor, HHS and education bill and that is the funding level for the Low Income Home Energy Assistance Program [LIHEAP]. The bill before the Senate today would cut the Fuel Assistance Program by $345 million. At the appropriate time, I intend to offer a sense of the Senate resolution calling for the restoration of funds to this program.

Having said all that, I urge my colleagues to support H.R. 4783. It is a good bill and a bill that provides for the most basic labor, health, and education programs in our country and I urge its adoption.

Mr. President, I understand the distinguished chairman of the Appropriations Committee, Senator STENNIS, who has given all of us the greatest in guidance, both as to the substance and as to the integrity of our commitments, wishes to say a few words.

I take this occasion to express my appreciation to him not only for his chairmanship of the Appropriations Committee but for his friendship ever since the first day I walked into the U.S. Senate. To have sat alongside him and received his good counsel and advice, has been one of the greatest privileges accorded to me during my 18 years in the U.S. Senate.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I am pleased that the Senate will consider today the labor, HHS, education and related agencies appropriation bill for fiscal year 1989. This bill, which provides approximately $140.4 billion in total budget authority for fiscal year 1989, reflects the diligent care and able effort which our entire committee has rendered. In particular, however, it is evidence of the hard work and excellent leadership of subcommittee Chairman CHILES and the ranking minority member, Senator WEICKER. I also wish to compliment the highly skilled work of the staff of their subcommittee: Mr. Mike Hall, Mr. James Sourwine, Ms. Mary Malaspina, Mr. Peter Rogoff, Ms. Susan Quantius, Ms. Nancy Anderson, Ms. Annette P. Feathers, Ms. Maureen Byrnes, Ms. Ricki Sheehan, Mr. Craig Higgins, and Ms. Dona Pate.

Mr. President, to experience it day after day, week after week and session after session, the work that now goes with the careful microscopic examination and preparation of these large appropriation bills, is amazing. It is rendering a very fine service to the country. These members do take their time and give it a great abundance of time in passing judgment, exchange of views, and seeking information carrying these large loads. I see it going on all the time, and I think they are appreciated for doing it, but I think they ought to be recognized even more.

I now wish to briefly highlight a few important items regarding this bill.

First and foremost, I am pleased to report that this bill is within the 302(b) allocation for budget authority and outlays. Similarly, this bill complies with the budget summit agreement reached between the administration and the Congress on November 20, 1987.

Second, the bill as reported to the Senate is only $1.8 billion above the President's $138.6 billion request and approximately $4.6 billion above the House-passed bill.

Finally, I would ask my colleagues to resist any further amendments adding additional funds which would violate the bill's spending ceiling set by the committee's 302(b) allocation. Let me also mention that the Senate rules do not permit legislative amendments on appropriation bills.

In conclusion, I firmly support this bill and ask that it be adopted so that we can proceed to conference with our House counterparts in a timely manner. It remains my sincere desire to complete Senate action on all 13 regular appropriation bills as soon as possible.

Mr. President, I thank the Chair and the membership and yield the floor.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida.

Mr. CHILES. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc with certain exceptions as follows:

Page 39, lines 25 and 26; page 46, lines 2 and 3; page 51, lines 7 through 10; page 56, lines 1 through 17; and page 56, lines 17 through 25; and page 57, lines 1 through 4; and that the bill as thus amended be considered as original text for the purpose of further amendments, providing that no point of order be waived by reason of this agreement.

The PRESIDING OFFICER. Is there objection to the Senator's request?

Mr. CHILES. Mr. President, I would like to hold that up for a minute. Senator WEICKER is not here.

The PRESIDING OFFICER. The request is withdrawn.

Mr. CHILES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be allowed to proceed for 6 minutes as in morning business.

The PRESIDING OFFICER. Is there any objection?

The Senator from Vermont is recognized, as in morning business, for 6 minutes.

(The remarks of Senator LEAHY pertaining to legislation are located in today's RECORD under "Reports of Committees."

Mr. LEAHY. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont yields the floor.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST

Mr. CHILES. Mr. President, earlier I was ready to propose a unanimous-consent agreement that certain committee amendments be considered en bloc. I withheld that at the time. I would like to remake that request. I ask unanimous consent that the committee amendments be agreed to en bloc with certain exceptions as follows: page 8; lines 5 through 14 on page 10; page 46, lines 2 and 3; page 51, lines 7 through 10; page 56, lines 1 through 17; and page 56, lines 17 through 25; page 57, lines 1 through 4, and that the bill as thus amended be considered as original text for the purpose of further amendments providing that no point of order be waived by reason of this agreement.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, reserving the right to object, I want to thank the chairman and the Senator from Connecticut for withholding that request for some time to permit consultation. Nonetheless, I am constrained to object to the request.

Mr. CHILES. Mr. President, objection has been heard. I want to sort of put the Senate on notice. This means that we have about 200 amendments, many of which are just dollar figures that have been changed in the House bill. Those amendments will all have to come up. So I think people ought to be making their plans accordingly because we are going to have a few amendments.

COMMITTEE AMENDMENTS

Mr. CHILES. Mr. President, committee amendment No. 1 is in line 5 at page 2: Strike the number $72,289,000, and insert $71,638,000; and on line 6, strike the number $46,607,000 and insert the number $50,406,000. I urge that the amendments be adopted.

The PRESIDING OFFICER. The question is on agreeing to the two amendments en bloc.

The amendments were agreed to en bloc.

Mr. CHILES. Mr. President, I think we had better move to reconsider the vote by which the amendments were agreed en bloc.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the two committee amendments were approved en bloc.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 2, line 12, strike the number $3,705,129,000 and insert in lieu thereof $3,769,316,000. I urge adoption of the amendment.

The PRESIDING OFFICER. Is there debate on the amendment? If not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 2, line 16, strike the number $70,572,000 and insert in lieu thereof $68,172,000. I urge adoption of the amendment.

The PRESIDING OFFICER. Is there debate on the amendment? If not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 2, line 17, strike the number $9,966,000 and insert in lieu thereof, $9,633,000.

The PRESIDING OFFICER. Is there debate on the committee amendment? If not, the question is on agreeing to the amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 2, line 19, strike the number $3,000,000 and insert in lieu thereof $5,000,000.

The PRESIDING OFFICER. Is there debate on the amendment?

If not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 2, line 22, strike all after the words "Partnership Act," and strike the remainder of line 22, all of line 23, all of line 24, all of line 25, through the words "of the Act:", and insert the following language: "$12,000 shall be used to begin acquisition, rehabilitation, and construction of six new Job Corps centers and $2,500,000 shall be for programs serving American Samoans under the Job Training Partnership Act: *Provided*, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers."

The PRESIDING OFFICER. Is there debate on the amendment now pending?

If not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 3, strike all of lines 6, 7, 8, 9, and 10.

The PRESIDING OFFICER. Is there debate on the amendment now pending?

If not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 3, line 13, strike the number $50,000,000 and insert in lieu thereof $47,870,000.

The PRESIDING OFFICER. Is there debate on the amendment now pending?

If, not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 3, strike lines 14 through 24 and on page 4 strike lines 1 and 2.

The PRESIDING OFFICER. Is there debate on the amendment now pending?

If, not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 4, line 9, strike the number $269,880,000 and insert in lieu thereof $273,000,000.

The PRESIDING OFFICER. Is there debate on the amendment now pending?

If, not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 4, line 12, strike the number $76,120,000 and insert in lieu thereof $77,000,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 5, line 16, strike the number $2,472,714,000 and insert in lieu thereof $2,484,890,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 11, line 14, strike the number $292,000,000 and insert in lieu thereof $255,000,000.

The PRESIDING OFFICER. The Chair makes inquiry as to whether there is objection to the Senate proceeding not in the order in which the amendments are set forth.

Without objection, the Senate will proceed accordingly.

The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 11, line 26, strike $688,214,000 and insert in lieu thereof $691,394,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, on page 12, line 6, strike $24,055,000 and insert in lieu thereof $27,234,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 12, line 24, strike $246,517,000 and insert in lieu thereof $246,851,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 12, line 25, strike $43,000,000 and insert in lieu thereof $42,334,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, on page 18, line 19, strike $117,339,000 and insert in lieu thereof $118,839,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 18, line 25, strike $148,887,000 and insert in lieu thereof $160,006,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 19, line 6, strike $39,497,000 and insert in lieu thereof $40,222,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 19, strike the language on lines 23, 24, 25, and 26.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 20, line 1, strike the number 104 and insert in lieu thereof the number 103.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on age 20, line 7, strike the number 105 and insert in lieu thereof the number 104.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. On page 11, line 26, strike the number $688,214,000 and insert in lieu thereof $691,394,000.

Mr. HELMS. Mr. President, will the Senator repeat that?

Mr. CHILES. I missed one. It is page 11, line 26, talking about black lung—$688,214,000, changed to $691,394,000.

The PRESIDING OFFICER. That amendment has been agreed to previously.

Mr. CHILES. I thank the Chair.

Mr. President, on page 11, line 14, strike the number $292,000,000 and insert in lieu thereof $255,000,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 20, line 23, add the following language: "and title IV of the Health Care Quality Improvement Act of 1986, as amended." That amendment is partially on 23 and adding line 24.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I call for the regular order.

The **PRESIDING OFFICER.** The clerk will now report the committee amendment on page 20, line 20.

The legislative clerk read as follows:

On page 20, line 20, insert VIII and X.

The **PRESIDING OFFICER.** The amendment is now before the Senate. Is there debate on the amendment?

AMENDMENT NO. 2655

Mr. **HELMS.** Mr. President, I send an amendment to the desk and ask that it be stated.

The **PRESIDING OFFICER.** The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2655 to the committee amendment on page 20, line 20.

On page 20, line 20 strike "X".

Mr. **HELMS.** Mr. President, momentarily, I shall ask for a rollcall on my amendment to strike title X of the Public Health Service Act from the committee amendment.

A few years ago, I recall quoting a statement to the effect that $1½ billion in the hands of terrorists could not have inflicted the long-term harm to our society that title X expenditures have done. I agreed with that statement then and I agree with it now, and I believe the American people would agree also if they could be made aware of the facts.

In the judgment of this Senator, for far too long many Senators and Congressmen have been afraid to address the problems in this program for fear of the wrath of Planned Parenthood and the rest of the abortion industry in America. I think it is time that we lay the facts on the table. The American people need to make a judgment for themselves.

Despite the new regulations, there are still problems with title X and Congress should have the courage to correct them. The American taxpayers have the right to know that their tax dollars are being used by Planned Parenthood and the abortion industry in this Nation to subsidize abortion-related activities clearly in violation of the original intent of this legislation; that the title X moneys—hard-earned tax dollars—are being used to provide free contraceptives to minors in community after community across this land and in the schools of this country without parental consent; and that the title X program has failed miserably to curb teenage pregnancies and teenage abortions and, in fact, probably is exacerbating the problem.

Let us look at what course this program has taken with respect to maintaining the intended wall of separation between abortion and family planning.

It is obvious that Congress intended a strong wall of separation between abortion and family planning. In explaining section 1008—the language disqualifying programs from title X funds if they were involved in abortion—the sponsors were clear:

> With the "prohibition of abortion" the committee members clearly intended that abortion is not to be encouraged or promoted in any way through this legislation.

Yet, once passed, the bureaucratic termites—with the pressure of special interest groups—began eating away at this program's purpose and its prohibition on abortion. It was only a matter of time before they had reshaped the title X program from one which was not intended to be involved in abortion at all to one where millions of dollars in tax funds subsidize the abortion industry.

Under current policies, title X recipients can engage in abortion so long as they play the shell game and use non-title X moneys to perform—and I stress the word "perform"—abortions. Title X funds have been used to inspect facilities to determine their suitability to provide abortion services. Title X moneys have been used to pay dues to organizations that advocate abortion.

In 1982, the General Accounting Office [GAO] investigated this matter and found the following: One clinic provided loans for abortions from non-program funds but charged to the title X program the administrative costs associated with the referral and loans. Another clinic—these are just examples—handed out materials which listed various birth control methods with the barrier method and early abortion in the event of failed contraception. Four clinics provided clients brochures prepared by abortion clinics. Several clinics in Indiana, just for example, provided and witnessed the signing of consent forms required by an abortion clinic.

Now, how is that for abuse of the legislative intent?

GAO also discovered that HHS had neither clarified its policy with respect to abortion related activities nor used its regulations and guidelines to communicate to title X recipients its position on section 1008. In conclusion, the study recommended that the Secretary establish operational guidance to title X recipients and incorporate this guidance into Title X Program regulations and guidelines.

I do not know about other Senators, but I find it disturbing that over the course of the last decade a large portion of the title X moneys have been used for secret sex programs for our Nation's teenagers. I used the word "secret" because the bureaucrats have, through confidentiality and income eligibility requirements, made sure that important people are left in the dark. Those important people are the parents of the teenagers.

I believe American parents deserve an explanation as to why they must give consent before their child gets her ears pierced, yet, they are not even notified when their child receives contraceptives funded with Federal tax dollars through title X.

I suppose many in Congress have tolerated these secret sex clinics because the so-called experts had told them—and they believed it—that these kinds of programs were the solution to the teen pregnancy problem. Do not believe it, Mr. President.

Well, 16 years and $1.8 billion later, it is obvious that the "experts" were wrong. Just laying aside the morality of it all, the experts were wrong in their forecast as to what would happen. Just look at the facts. There were studies by Zantner and Kantner in 1971, 1976, and 1979 show a near doubling of pregnancies from 1971 to 1979 among unmarried girls and young women aged 15 to 19 from 8.5 percent, to 16.2 percent, followed by a slight decrease in 1982 to 13.5 percent.

The Congressional Research Service reports that illegitimate births among this age group have increased from 190,000 in 1970 to 263,000 in 1980. Abortions among this age group have doubled since 1973 from 232,000 to 445,000 in 1980.

> In Minnesota, where a 1981 law required parental notification for abortion, the pregnancy, abortion, and birth rates among adolescents plummeted.

According to a 1985 report by the House Select Committee on Children, Youth, and Families, from 1980 to 1983, abortions to Minnesota teenagers, aged 15 to 19, dropped 40 percent.

The teenage birth rate decreased 23.4 percent, and pregnancies decreased 32 percent. That is where they required parental notification.

It is bad enough that the American taxpayers are forced to provide enormous sums of money, $1.7 billion to date, to stock the teen contraceptive armory. But now the title X cannons are being aimed at America's classrooms.

Since Planned Parenthood and other pro-abortion groups have failed in curbing teenaged pregnancy to date, they have decided that they must get to the teens before they become sexually active.

According, Mr. President, to a 1986 publication by the Centers for Population Options, 17 States have school-based clinic programs providing contraceptives, prescriptions for contraceptives, or referral for contraceptives. All of this without the parents' knowing one thing about it. It is not lawful to let the parent know what the teenager is doing.

There are 53 high school sites and 8 junior high school sites, and title X provides about 3 percent of the public funds used by these clinics.

Have they worked? In the sense of getting more teens hooked on contraceptives, yes. Have they reduced teenaged pregnancy? Absolutely not.

A few examples. In Muskegon Heights, MI, Planned Parenthood has set up shop in a local high school and, in 1985, Planned Parenthood boasted in an information packet that it had successfully reduced the birth rate in the high schools from 13 percent, when the clinic opened, to 10.3 percent, 3 years later. But later in the materials Planned Parenthood had to admit no significant change in the pregnancy rate. So, the writing's on the wall. The school-based sex clinics have increased abortions and have not reduced pregnancies.

In Kansas City, the clinics increased contraceptive use from 50 percent in 1983 to 63 percent in 1985, yet the pregnancy rates remained about 10 percent in both years; although the proportion who reported that they had had a baby dropped only slightly.

These are just examples; I could go on and on. But, even if leaving parents out in the cold and school-based sex clinics had reduced teenage pregnancies, I question the long-term implications of this kind of policy by the Government of the United States; using funds furnished by the taxpayers of this country. A fair question, I think, is: Is it prudent for the physical health of our children to be pumping them with contraceptives, often powerful drugs? And what about the rising incidence of sexually-transmitted diseases among our youth? The most effective methods of protection against pregnancy will not protect our children against sexually-transmitted diseases. The statistics show, in fact, a dramatic increase in the incidence of sexually-transmitted diseases among young people. The most current statistics show that one in seven teenagers has a sexually-transmitted disease. Of course, what about AIDS? There are 148 cases of AIDS among those in the age bracket 13 to 19.

There are 7,686 cases among the age bracket from 20 to 29; many of whom are believed to have become infected as teenagers. These figures will certainly grow as the AIDS virus spreads.

Sexual activity is a significant risk factor for contracting AIDS. Nobody denies that. And I think we have to face up to the question: Do we not owe it to our children to do the best we can to make sure they do not contract AIDS? And how do you do that? This legislation, as it now stands, says: Well, just do not let the parents know you are getting contraceptives. That is their cure for it.

The American people certainly, I think, have a right to know how each of us stands on contraceptives without parental consent. The American people have a right to know how each of us feels on school-based sex clinics, and the subsidizing of the abortion industry with hard-earned tax dollars. That is why I am raising these issues on the Senate floor. That is the reason I am going to ask for the yeas and nays on the pending amendment, if title X is not eliminated from this bill.

I will drop the subject if title X is eliminated from this bill. But we are going to vote on these issues otherwise. If this Senate is really interested in restoring the original intent of this legislation, it should rebuild, right now, the intended wall of separation between abortion and contraceptives by prohibiting organizations engaged in abortion from receiving title X funds. If the Senate is really interested in reducing teenage pregnancies, the incidence of sexually transmitted disease and AIDS among our young people, I suggest that we stop applying Band-Aids to the symptoms and start addressing the problem—which, incidentally, is teenage promiscuity, not teenage pregnancy. And I suggest most of all that we restore to the parents of America their right to guide, monitor, and control the sexual activity of their children.

There are a lot of people around this town who run for the hills when this word comes up. They do not like to hear us talk about it. The word is "morality." But I think we need to return to some moral principles, the kind on which this country was founded. We need to teach our children that sex outside of marriage is wrong. It may be old-fashioned but it is still wrong. We have spent millions of dollars on "Just Say No" campaigns against drugs and alcohol. Why not do it the same way with teenage sex?

So, it is put up or shut up time now. I may be defeated on this amendment. If I am, we will keep trying. But I am absolutely persuaded, Mr. President, that we must end the collaboration between the title X program and the abortion industry. We must end the raging assault the title X cannons have leveled against our parents and against our children.

I hope Senators will vote for my amendment to strike title X from the committee amendment.

I ask for the yeas and nays, Mr. President.

The **PRESIDING OFFICER**. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **CHILES**. Mr. President, I do not know how long a debate we are going to need on this, but I have listened with some interest to the remarks of the Senator from North Carolina. When I hear him say that here we have spent money on family planning and yet we still have teenage pregnancies—well, we spend money to have game wardens, and we still have poachers. We spend money on law enforcement people and prisons, and we still have murders. We do not say that we are going to do away with the game laws, we are going to do away with money that we spend on that because we still have some instances.

I think the question we need to ask ourselves, Mr. President, is: The money that is spend on family planning, how many pregnancies has it prevented? How much greater would the number of teen pregnancies be? How much greater, Mr. President, would the number of abortions be, if you did not have some of these services available? And I do not have any problem saying their number would be legion. Their number would be legion.

So, when we want to talk about saving lives and whether we say life begins at the moment of conception or at the moment of gestation or when it begins, I do not think there is any doubt that thousands of people that I know in my State that are dedicated and in the service of family planning have those same concerns.

They work tirelessly and endlessly to promote those concerns. They are effective, and they allow many people who are poor who do not have the advantage of some of the education that others do an opportunity to chart their own course in life and to have some say-so about what that life is going to be without having the pregnancies that come on at times in which they cannot take care of the children or times in which they would terminate that pregnancy by virtue of an abortion had they not been given some kind of knowledge and some kind of understanding that they could and should plan their destiny and their families.

I see time after time where you have that teen pregnancy that one can almost set a clock that if there is not an intervention, if there is not any education, a young girl who becomes pregnant at age 13 or 14 will have two or three more children by the time she is 18. She will repeat and repeat. But where there is some kind of counseling, where there is some kind of family planning, in many instances, you will not have that kind of repeat, and she will be able to get her child into some kind of child care where she can continue to work and take care and have a meaningful life of her own. That, I think, is what we are talking about here. That is what much of this money is spent for.

I know the Senator from Connecticut is going to want to speak. After that, I think maybe we should enter a motion to table this amendment.

Mr. **WEICKER** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Connecticut.

Mr. **WEICKER**. Mr. President, I concur with the arguments presented by the distinguished Senator from Florida, and I am sure there will be many more amendments offered upon which the Senator from North Carolina and I will disagree. I will be brief.

What is at issue here is what is at issue in many of the areas of controversy between the Senator from North Carolina and the Senator from Connecticut, and that is the value of, and the necessity for knowledge and education.

The Senator from North Carolina, in this amendment, is objecting to title X, which is an education program meant to assure that the tragedy of unwanted pregnancy does not occur, or unwanted abortion does not occur, or infant mortality does not occur, or low birthweight babies does not occur. That is what is at issue here, just a matter of knowledge to assure that people understand the consequences of their acts, that they understand the alternatives available to them—education and knowledge.

This amendment, to eliminate title X comes from the same school. It comes from the same school of thought that says, "Let's not educate on the subject of AIDS for fear that we are going to teach homosexuality," when, indeed, the only manner that we have to deal with this disease is education, is knowledge. We have no vaccine; we have no chemotherapy. All we have is education, but you cannot educate, you cannot give that knowledge for fear that you will teach homosexuality. So those who are at greatest risk never receive the knowledge necessary to avert the tragedies of that disease.

After the U.S. Senate gets through with its huffing and puffing on what to do with the crisis of drugs confronting this Nation, I simply suggest that nothing we do will ever be able to dry up the supply coming into the United States. Our job is to dry up the demand by educating our children, 5 years of age on, if necessary, as to what taking drugs mean to their lives—death or something close to it. But the only way we do that is by education, by knowledge. The billions that are required now will be far less than the trillions that will be required eventually to go ahead and combat that problem.

So whether you talk pregnancies, whether you talk AIDS, whether you talk drugs, yes, knowledge is the basis of any assistance or any victory which we hope to attain. But apparently there is a school of thought of no knowledge, no education; let the consequences speak for themselves.

I do not think that is a course of action that any civilized nation would deem prudent.

Title X is not an abortion program. It is a knowledge program. It has been enormously successful. Indeed, the Department of Health and Human Services, which monitors the program, has not found any violation of the prohibition within that program for abortions. So there has been no violation there. The family planning programs under title X proceed to disseminate knowledge.

There will be more on the subject in the course of debate. Do we want to go ahead and confront the problems of this Nation through knowledge, or are we to swim in a sea of ignorance and reap the consequences therefrom?

For those who differ from this Senator on the subject of choice and the subject of abortion, they should stand up en masse and be for title X because, indeed, if the precepts of that program are followed, then you do not even get into the subject of abortion.

I really have no more to say on this because I suspect this is going to be far-reaching in terms of the debate. I do not want to use up the time of the Senate, but I want to make one other comment insofar as this legislation is concerned. I am talking about all of the legislation.

This bill has as its purpose the funding of those agencies and programs administered by the Federal Government which impact upon education, health, science, labor, and safety in the workplace. Twenty-eight residents of the State of Connecticut are dead because of inadequate OSHA funding and OSHA inspections.

It has to do with the education of our children, those who are economically disadvantaged and those who are handicapped. When we passed 94-142 13 years ago, we said we are going to fund 40 percent of that program. We have never gone over 12 percent. Now, we have 8 percent in this bill. Even now that is in danger.

The funding for research and education, insofar as AIDS is concerned, is in this bill, but we are going to delay it because of philosophical disagreements on this floor. I point out to my colleagues that 2 years ago the Senator from Florida and the Senator from Connecticut instructed that an AIDS mailer go out to the American public, and because of the philosophical debates within the administration, that mailer is 1 year late—1 year late.

Now, you answer me the question: How many of our fellow citizens contracted the disease in that 1 year and who will now die because somebody wanted to have an academic or philosophical debate?

Make no mistake about it, whether it is delay on the Senate floor or delay in the actions of this Government, there is a price to be paid.

We are within 1 month from our young people attending the various institutions of learning in this country thanks to economic assistance from their Government—student loans, grants. It is all in this bill. Heart disease, cancer, diabetes, arthritis, all those matters that make us weep daily as we lose loved ones, friends. The research that goes into finding cures, it is all in this bill. Childhood immunization, it is in this bill. Geriatric training so that we have adequate personnel to deal with this aging population, it is in this bill.

Funds to reduce the nurse shortage that the Nation is now experiencing, nurse training, are in this bill. Vocational education, it is in this bill. I go down the check list.

I have said before and I will say it again, here the chairman of the committee is being put through this exercise of having to read over 200 committee amendments. What a travesty. What a waste of power.

I understand having an up and down vote on the amendment of the distinguished Senator from North Carolina. If somebody objects, let them have an amendment and let us have it out and be done with it. But why hold hostage the diseased, the ill, the children, the elderly, the workers of this Nation to the philosophies of a few on this Senate floor or within the administration? A waste of power that is ours to exercise is only matched by the tragedy that that waste visits on others.

Unless there is objection, I would move to table the amendment, but I certainly will withhold for the Senator from Illinois.

Mr. SIMON. If my colleague will withhold for a couple of minutes, let me add a few words.

First—and I see he is not on the floor right now—I welcome our colleague from North Carolina back in good health. We are all very pleased to have him back. He looked like he was in good health and I know he is in good health when he offers an amendment like this once again.

I commend my colleague—I see him walking on the floor, and I hope he heard my words. We are very pleased to have the Senator back in good health.

Mr. HELMS. I thank the Senator.

Mr. SIMON. I join my colleagues from Connecticut and Florida in opposing this amendment, but let me just add one other word. When we talk about teenage pregnancy, there are really two things that we ought to be looking at that we have not looked at as effectively as we should. There are about a million teenage pregnancies each year in this country, about 400,000 of which end up in abortions.

I was doing a study of unemployment in our State and then taking a look at the teenage pregnancy rate and found an amazing correlation between the two. You show me a county in my State—and I am sure the same is true in North Carolina, in Florida, in Connecticut—with a high unemployment rate and I will show you a county with a high teenage pregnancy rate.

There is a second correlation, and that is the relationship between dropout rates in schools and teenage pregnancy rates. You show me a district with a high dropout rate, and I will show you inevitably an area with a high teenage pregnancy rate.

I am all for the educational programs, and I will vote against the amendment of my friend from North Carolina, but to effectively move on this problem we are going to have to face up to the problem of unemployment in this country, we are going to have to face up to the dropout problem in this country in our schools and have programs that really deal with those things much more effectively.

I hope, as we move ahead, we can more intensively look at the problem of dropouts, look at the problem of unemployment, and then we are going to see fewer teenage pregnancies and fewer abortions as a result.

Mr. MELCHER. Mr. President, unless there is an objection——

Mr. HELMS. Let me have a couple of minutes, if the Senator will, and I thank him very much.

First off, let it be made a matter of record that at the outset I offered the managers of the bill a proposition which in their own good judgment they declined. I said to them that I would withhold offering 10 of the 14 amendments I wanted to offer if the rape and incest provision were dropped. They discussed this offer and so that is why we will be on this bill for quite some time. I do want to expedite consideration of this bill as much as possible.

Now, as for the justification that has certainly been implied for not letting parents know that their children are being given contraceptives at schools and how well this is working, I must submit that what has been said is not accurate. I know those who have said it believe it, but there is no study of which I am aware that confirms their position.

Now, Planned Parenthood, for example, has claimed that more than 800,000 unintended pregnancies a year are avoided as a direct result of the federally funded Family Planning Program, more than one-half of them among teenagers. Now, one wonders how Planned Parenthood arrived at such a conclusion. Knowing Planned Parenthood, I know how they arrived at it. They reached up into thin air and pulled it down. They have no substance for proving a negative.

Mr. President, I have a study by two distinguished Americans, Joseph A. Olsen and Stan E. Weed, concluding that federally funded Family Planning Programs have not—and I repeat for emphasis, have not—reduced teenage pregnancy. In fact, to quote from the report, "Greater teenage involvement in family planning programs appears to be associated with higher rather than lower teenage pregnancy rates."

Now, if I were of a mind to, I could consume a great deal of the Senate's time by reading this study, but I will not do that. I do not want to take up the Senate's time, but I do believe it is imperative that Senators at least have it available to read in the RECORD.

If they read it, I think they will realize that there is evidence to show that involvement in these so-called family planning clinics will not reduce teenage pregnancies.

Therefore, I ask unanimous consent, Mr. President, that a copy of the Olsen-Weed study be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EFFECTS OF FAMILY PLANNING PROGRAMS FOR TEENAGERS ON ADOLESCENT BIRTH AND PREGNANCY RATES

This study was completed under a contract with the Brigham Young University Law School as part of an on-going research project dealing with legal, social, and public policy issues concerning children, youth, and families.

Joseph A. Olsen and Stan E. Weed. Institute for Research and Evaluation. Salt Lake City, UT. A non-profit research organization.

A major goal of family planning programs providing contraceptive services to teenagers is to reduce their unintended pregnancies. In the past two decades, the number and proportion of adolescents served by organized family planning programs have increased substantially. Previous studies have estimated the effects of family-planning pograms on teenage fertility rates, but the impact of these programs on adolescent pregnancy rates has not been examined directly. This study provides direct estimates of how adolescent family-planning programs impact both pregnancy and birth rates among teenagers. A regression analysis of interstate variation in 1978 birth and pregnancy rates showed about 30 fewer births to adolescents for every 1000 teenage clients served by organized family planning programs, an effect similar to that reported in a number of previous studies. However, instead of the expected reduction in teenage pregnancies, greater adolescent involvement in family planning programs was associated with significantly higher teenage pregnancy rates. The observed effect is dramatically different from one hypothesized on the basis of the expected reduction in adolescent pregnancies due to improvements in contraceptive practice among teenagers attending organized family planning clinics.

INTRODUCTION

Adolescent pregnancy remains a significant area of public concern in the United States and has received considerable attention in both the public media and the professional literature. Out-of-wedlock birth rates, abortion rates, and overall pregnancy rates continue to rise, with more than a million teenagers becoming pregnant each year (Tietze, 1978; Alan Guttmacher Institute, 1981; Dryfoos, 1982; and Meckleberg and Thompson, 1983). This rise has occurred despite major efforts to increase adolescent participation in organized family-planning programs. Since passage of the 1970 Family Planning Services and Population Research Act, family planning clinics have become more numerous, with sponsorship and funding coming from the federal government through state departments of health, Planned Parenthood affiliates, hospitals, and other independent agencies. State funds have also been provided on a matching or ratio basis to supplement the federal funds. Concern about the growing incidence of teenage pregnancy has been an important factor in expanding these programs and special efforts have been made to extend these services to adolescents.

The goals and purposes of the U.S. family planning program have been to reduce the number of unwanted and mistimed pregnancies by broadening access to family-planning services. There has apparently been considerable progress in making these services more accessible in general and at reaching more teenagers in particular. For example, in 1970 about 23% of all patients at family-planing clinics were under 20 years of age. Five years later, 30% of the caseload were teenagers and the number of adolescents served had increased more than 200% (Moore and Burt, 1982). By 1980, nearly three times as many black teenagers and almost 17 times as many white teenagers received family planning services from organized programs as in 1969. In 1980, 30% of teenagers estimated to be "at risk of unintended pregnancy" were involved in organized family planning programs, while in 1968 the corresponding figure was less than 5% (Alan Guttmacher Institute, 1982). Of the estimated 2.7 million adolescent women who received contraceptives from a medically supervised source, 56% were clinets of an organized family planning program (Torres et al., 1981). Substantial increases in the accessibility and availability of family planing services for adolescents have been observed. By 1976, only 3% of teenagers who did not use birth control said it was because they did not know how or where to obtain it (Zelnik and Kantner, 1979).

Despite this "unprecedented volume of utilization" (Dryfoos, 1985), Rodman et al., (1984) recommend even greater federal support to make reproductive health services available to adolescents:

"It is therefore important to maintain publicly supported services for adolescents, especially since these services are highly cost effective. By increasing rather than decreasing federal support for clinics that provide teenagers with effective and confidential services, we would make it possible for more teenagers to get responsible advice and comprehensive service in sexual health. This would in effect make it possible for adolescents to exercise responsibility and competence in their sexual behavior. It would almost certainly fulfill one of the goals about which there is consensus in American society—"reducing the rate of unwanted pregnancy among teenagers." (Rodman et al., 1984:152).

In addition to levels of government support and general social policy priorities, questions have also been raised about alternate funding strategies and legal issues involving minors' rights. Many involved with family-planning programs feel that subsidized family-planning services, including those to teenagers, are better administered through federal categorical programs than through block grants to states or other local option mechanisms. They argue that block-grant or local option-approaches might lead to non-uniform and less adequate levels of service and access in some geographical areas, and that some states may de-emphasize or even discontinue the programs.

The legal questions surrounding the issue of teenagers' access to family-planning services often surface in the form of laws, administrative regulations, and judicial decisions dealing with parental consent and notification. Family-planning clinics have generally opposed legislation or administrative policy which would make their services less accessible to adolescent clients. They argue that teens will be less likely to use family-planning services if parental involvement were required and that they would consequently have more unwanted and mistimed pregnancies.

Before dealing with these issues—funding strategies, parental involvement, and reduced teen use if parental involvement is mandated—we must first determine the extent to which family-planning clinics effectively contribute to the reduction of teenage pregnancy rates. In fact, all policy and funding decisions require a clear picture of how well the program achieves its intended outcomes. This empirical question is the first basic concern of the present research.

Well informed decisions about social policy with respect to teenage pregnancy depend on accurate estimates of program effects. As Robert Boruch has put it in the foreword to a recent book evaluating family-planning programs in the Third World, "We need to understand whether and why our efforts succeed or fail in order to do better" (Hernandez, 1985).

A number of studies have examined the relationship between adolescent involvement in family-planning programs and teenage birth rates by using regression analysis of areal data. Such studies use traditional multiple-regression procedures for given geographical areas, rather than using individuals as the unit of analysis (see Hermalin, 1978). A significant negative regression coefficient for the effect of teenage family planning involvement on adolescent fertility would be consistent with the hypothesis that teenage participation in family planning programs leads to lower teenage birth rates.

These studies have used various areal units (states, Standard Metropolitan Statistics Areas (SMSAs), counties or groups of counties), different time periods, and a variety of analytic approaches. These studies also show considerable variation in how dependent, independent, and control variables have been conceptualized and operationalized. Thus it is probably understandable that no clear consensus has emerged. Some find no significant association between family-planning involvement and adolescent birth rates (Bauman et al., 1977; Morgan, 1983) while others find that family-planning involvement is significantly related to lower teenage fertility rates (Cutright and Jaffe, 1977; Forrest et al., 1981).

As the outcome measure or dependent variable, these studies have focused exclusively on live births and have ignored the pregnancies that ended in abortion or miscarriage. Some studies of SMSAs (Borders and Cutright, 1979) and states (Hansen, 1980; Henry and Harvey, 1982) have considered abortion rates as the primary dependent variable, but they did not include the use of family-planning programs among their predictors nor provide a separate analysis of teenage abortion rates. Westoff et al. (1981) have discussed potential reductions in abortions due to improved contraceptive practice, but they did not directly address the specific role of family-planning programs for teenagers. The choice of an appropriate dependent variable depends to some extent on what one sees as the purpose or aim of providing family-planning services to teenagers. As Tyler has put it:

"If we focus on freedom from unplanned births, then abortion is a means for achieving our goal. If we focus on freedom from unplanned pregnancy, then abortion is a measure of the problem we face, and contraception becomes the solution. . . . While the planned parenthood movement believes in preserving freedom of reproductive choice, the objective of the service program is best measured in terms of preventing unplanned pregnancies, not just unplanned births" (1982:221).

There is general agreement that the goal of organized family-planning programs is to reduce unintended pregnancies among adolescents and that the preferred outcome measure would be the rate of unintended pregnancies to teenagers (Forrest et al., 1981). However, teenage birth rates are more readily available and have been adopted as the primary effectiveness criterion for previous research in this area. While data availability has been seen as the major impediment to a more appropriate analysis, Forrest et al. have argued that "the restriction of the outcome measure to birth rates imposes a more rigorous criterion for program effect than pregnancy rates would have." They conclude that "since fewer than half of the unintended pregnancies prevented by the family planning program would have shown up as births, birth rates [would] show less impact from the program than pregnancy rates" (1981:111). Accordingly, the use of birth rates as the primary dependent variable should produce a conservative estimate of the true family planning program effect: a reduction in births as a result of using family-planning programs should allow us to hypothesize an even larger reduction in total preganancies. The second major purpose of this research is to directly test this hypothesis.

Methods

In this study, the dependent variable is operationalized according to the strategy that Forrest et al. preferred but were unable to pursue with their county-level data. That is, "ideally, the outcome measure in the multivariate analysis would have been the number of unintended pregnacies per 1000 women in a specific population subgroup" (1981:111). The necessary elements to derive total teenage pregnancy rates are (1) births, (2) abortions, and (3) miscarriages. Age-specific live-birth counts and rates are provided on an on-going basis by the National Center for Health Statistics. Information about abortions to teenagers is less accessible. Age-specific abortion counts are provided to the Centers for Disease Control (CDC) but only by 35 of the 50 states.

Another issue concerns the difference between abortion figures based on the place of occurrence and figures according to the place of residence. While the proportion of abortions occurring outside the state of residence is now much lower than before the 1973 Supreme Court abortion decision, there are still some states (i.e., Mississippi, West Virginia, South Dakota, and Wyoming) where abortion rates based on residence are considerably higher than those based on place of occurrence, and other states (i.e., District of Columbia, Kansas, and North Dakota) where abortion rates based on place of occurrence are subtantially above rates based on residence. AGI provides counts and rates by both occurrence and residence but typically does not include the necessary age breakdowns to determine teenage abortion figures by place of residence. However, their Factbook on Teenage Pregnancy (AGI, 1981) and other special tabulations available from AGI do include data on abortions as well as births to teenagers by place of residence. The AGI data is generally more comprehensive and complete than that available from CDC and includes all 50 states and the District of Columbia.

If abortion data are difficult to locate, the necessary information on miscarriages is almost impossible to find. While figures on "fetal deaths" can be found in the Mortality statistics published by the National Center for Health Statistics, reporting covers only still-births and other fetal losses occurring after 22 weeks of gestation. Miscarriages early in pregnancy are not included, and there is significant underreporting even after 22 weeks. AGI estimates miscarriages at 20% of births and 10% of abortions. Accordingly, the total number of pregnancies is given by the following expression: Pregnancies equal 1.2 (births) plus 1.1 (abortions). While interstate variation in teenage miscarriage rates is not captured with this procedure, it probably gives a more accurate estimate of the total number of pregnancies than could be obtained by either ignoring spontaneous abortions or attempting to use the sketchy figures on fetal deaths.

If a primary aim of family planning services to teenagers is to reduce teenage pregnancies, it is possible to assess the effectiveness of such programs by using the same methods and strategies employed in previous studies that have examined the effects of family-planning programs on fertility rates but using, instead, pregnancy rates as the department variable. The general hypothesis for such a study would be that higher levels of involvement in family planning programs would be associated with lower pregnancy rates among teenagers. While there is a general expectation that family-planning use should reduce pregnancy rates, judgments about the effectiveness of the programs must consider the size as well as the direction of the expected effects. Such estimates based on changes in contraceptive method use patterns for teenage family planning patients have been provided by Forrest, et al. (1981) who project between 208 and 272 fewer pregnancies per 1000 teenagers who use family-planning clinics. Forrest (1984) has also used estimates of program effects on birth rates to project a reduction of 282 pregnancies for every 1000 teenage family planning clients. This provides a measure of the hypothesized effect of family planning programs which could be empirically tested. More specifically, if a pregnancy rate is defined as: Pregnancy rate equal pregnancies divided by females age 15-19, 1000, and a family planning utilization rate is defined as: Family planning utilization rate equal teenage family planning patients divided by females age 15-19, 1000, then the (unstandardized) regression of the family planning utilization rate in an appropriately specified model predicting the teenage pregnancy rate should be about −.240. This translates into 240 fewer pregnancies for every 1000 teenage family planning patients if the effects predicted by Forrest et al. (1981) are realized. If these programs have important "spillover" effects such that they encourage more effective contraception among non-clients through outreach or general educational programs, or if they are able to promote better service to teenagers among private physicians, one would expect an even larger negative coefficient, say

−.300. On the other hand, if there are important "substitution" effects such that some teenagers shift from private physicians to clinics as their source of contraceptive services, one would expect a somewhat smaller coefficient, say −.180.

It is important to clearly identify what effects are being estimated and what hypotheses are being tested with this kind of analysis. Since the birth, abortion, pregnancy, and family-planning utilization rates are aggregate figures for states, the coefficients should be interpreted roughly as follows: Controlling for other factors, states with higher rates of teenage involvement in organized family planning programs will have lower teenage birth (or abortion, or pregnancy) rates. The expected difference in birth, abortion, or pregnancy rates will be equal to the product of the appropriate coefficient and the difference in family planning utilization rates. For example, say that only 100 of every 1000 women age 15-19 in State A are enrolled in organized family-planning programs, while 300 of every 1000 from this age group in state B are involved in organized family-planning programs. If the coefficient estimating the effect of family-planning utilization on the teenage birth rate were −.100, then, controlling for other factors affecting adolescent birth rates, state B could expect to have an adolescent birth rate lower than that of state A by a factor of 20 births per 1000 15-19 year-old women. Since the overall teenage birth rate in the United States in recent years has been approximately 50 to 55 births per 1000 15-19 year-old women, this would represent quite a substantial reduction.

Appropriate control variables must also be included in the model in order to minimize the potential bias in estimates of the program effect. While many variables could be examined, there are certain critical socio-demographic variables which we have found most useful for these purposes. In this research, we have used the following as control variables for each state and the District of Columbia:

Poverty: Percent of persons in state below the federal poverty level.

Married: Number of 15-19 year-old women in the state who were married per 1000 women age 15-19 in the state.

Urban: Percent of the state living in urban areas.

White: Percent of state population that is white.

Stability: Percent of state population 14 years and older living in the same house as they did 5 years ago.

In addition to these basic background variables, a measure of prior teenage fertility (for 1970) was also employed in a follow-up analysis to control for the extent to which family planning programs sites may have been specifically located in areas with persistently and historically higher teenage fertility rates.

In this kind of analysis it is also important to weight the state level observations proportionately to the number of young women aged 15-19 in each state. This accomplishes two major functions. First, it allows the overall national birth, fertility, and family planning utilization rates to be recovered directly from the analysis. Secondly, small states with atypical values on the different variables do not unduly influence the results of the analysis. Although unstandardized regression coefficients are less susceptible than certain other parameters to the failure to properly weight the data, the weighted analysis is usually more appropriate when it is possible. The weights for each state level observation in this analysis are defined as: Weight equal women age 15-19 in the state divided by women age 15-19 in all states 51. This constrains the sum of the weights to be equal to the overall number of observations—51 (50 states plus the District of Columbia). Only the results of the weighted analysis are presented in this paper. The critical coefficients from the unweighted analysis were quite similar, although slightly larger in absolute magnitude.

RESULTS AND DISCUSSION

The unstandardized regression coefficient reflecting the family planning program enrollment effect on teenage pregnancies when the control variables are included is .119, significantly different from the expected coefficient of −.240 and also significantly different from the standard null hypothesis of a zero coefficient (see Table 1).

TABLE 1.—REGRESSION ANALYSIS OF 1978 TEENAGE PREGNANCY RATES

	Zero order correlation	Unstandardized coefficient	Standardized coefficient	T-Value
Family planning	0.654	0.119	0.247	[1]3.344
Poverty	.541	.254	.044	.394
Married	.650	.282	.491	[2]5.026
Urban	.147	.295	.246	[1]2.927
White	−.675	−.726	−.304	[1]−3.678
Stability	−.474	−.302	−.209	[1]−2.903

[1]p<.01. p<.001.

TABLE 2.—REGRESSION ANALYSIS OF 1978 TEENAGE BIRTH RATES

	Zero order correlation	Unstandardized coefficient	Standardized coefficient	T-Value
Family planning	0.340	−0.031	−0.095	−1.580
Poverty	.857	1.333	.345	[1]3.752
Married	.902	.240	.619	[2]7.771
Urban	−.450	−.051	−.063	−.922
White	−.416	−.185	−.115	−1.707
Mobility	.001	.009	.009	.160

[1]p<.01. [2]p<.001.

TABLE 3.—CORRELATIONS, MEANS, AND STANDARD DEVIATIONS

	Fertility	Pregnancy	Family planning	Poverty	Married	Urban	White	Stability
Pregnancy	0.628							
Planning	.340	0.654						
Poverty	.857	.515	0.398					
Married	.902	.650	.399	0.754				
Urban	−.450	.147	−.050	−.471	−0.404			
White	−.416	−.675	−.450	−.458	−.324	−0.207		
Stability	.001	−.474	−.327	.107	−.132	−0.331	0.138	
Mean	52.45	107.42	125.80	11.40	119.86	74.54	83.21	55.95
Std. Dev.	14.45	21.24	43.97	3.71	36.96	17.72	8.90	14.76

The fit of this model for teenage pregnancy was quite good with a multiple correlation coefficient of .920 and a corresponding R-squared value of .846. Using this same model to predict adolescent birth rates produced the results shown in Table 2. The multiple correlation for adolescent fertility was .947 with a corresponding R-squared value of .897. These multiple correlations are somewhat higher than those generally reported for this kind of analysis in previous studies. This may be because we have used states as the unit of analysis, because we have been able to use better data (particularly the AGI abortion and pregnancy estimates), or because we have employed a more useful set of control variables.

In addition to comparisons of the overall fit of the model, the unstandardized regression coefficients representing the effect of family planning enrollment on teenage fertility are quite similar. While not reaching customary levels of statistical significance, our coefficient of −.031 for the effect of family planning enrollment on teenage fertility is quite typical of the effects reported in other such studies. Cutright and Jaffe (1977) found coefficients of −.024 for whites and −.026 for blacks below 200% of the federal poverty level, and coefficients of −.010 for whites and −.032 for blacks above this income level. Field (1981) reported a coefficient of −.047 for out-of-wedlock births. The coefficient found by Morgan (1983) was non-significant and positive and therefore omitted from their final model. With 1970 data, Forrest et al. (1981) found positive coefficients of .071 for whites and .076 for blacks. However, by the mid 1970s, a negative coefficient had emerged for whites (−.023) and the black coefficient had been reduced to .015. Adding prior fertility produced negative coefficients of .024 for whites and −.002 for blacks. Their change score model produced coefficients of −.030 for whites and −.017 for blacks.

This analysis thus confirms the basic finding of a number of previous researchers showing a reduction in the teenage birth rate associated with greater family-planning enrollment of teenagers. The size of that reduction is estimated to be about 30 fewer live births for every 100 teenage family planning program clients. However, using this same analytic strategy with pregnancy rates instead of birth rates as the dependent variable, we find a net increase of about 120 pregnancies among all 15-19-year-old women for every 1,000 teenage family planning clients (see Figure 2), rather than the expected reduction in the adolescent pregnancy rate.

From this data, it appears that previously used projections of pregnancies averted through teenage family planning program involvement may have missed the mark substantially. In particular, the procedure used by Forrest (1984) produces projected effects which are extremely discrepant from the direct empirical estimates of these same program effects. Rather than the projected reduction of 200 to 300 pregnancies for every 1000 teenagers involved in family planning programs, we instead observe an increase of more than 100 pregnancies for every 1000 teenage family planning program clients.

Additional research will be required to verify and make a confident determination of the reasons for these findings. However, we feel that it is critically important to focus on adolescent pregnancy and its major components (births and abortions) in future analysis of the effects of family planning services on adolescent fertility related behavior.

In attempting to understand the unexpected positive correlation between family-planning involvement and teenage pregnancy rates, we have considered various possible explanations. It is unlikely that these results are simply due to large numbers of teenagers using clinics rather than private physicians as their source of contraceptives. Nearly half of all teenage contraceptive clients still receive service from private physicians (Torres et al., 1981). Even if all clinic clients had been diverted from private physicians, we should see a zero coefficient, not a significant positive one.

Also, we found, as did Forrest, et al. (1981), that adding prior fertility to the model did not appreciably change the observed effects. Specifically, for both fertility pregnancy rates, the regression coefficient for prior fertility was nonsignificant and produced only a minor change in the coefficient for family planning program involvement. The negative coefficient predicting teenage fertility from family planning program involvement was reduced only slightly, from −.031 to- .028. The positive coefficient predicting teenage pregnancy from family planning involvement remained statistically significant ($t=2.86$, $P<.01$), and was also slightly reduced, from .119 to .106. The results appear quite similar whether or not prior fertility is incorporated into the model.

There is also the task of reconciling the reduction in the teenage birth rate with the increase in the overall adolescent pregnancy rate. In a related vein, Bauman et al. (1977) found observed reductions in birth rates to be due primarily to abortion rather than to family planning. It is also possible that at least part of the observed reduction of teenage birth rates from adolescent family-planned program involvement may result from higher abortion rates due to more effective referral and counseling by family-planning clinics. Including the teenage abortion rate as an independent variable in predicting adolescent fertility rates produced results consistent with this hypothesis. The abortion rate had a significant independent effect on adolescent fertility ($B=.184$, $t= .204$, $p<.05$). Also, the coefficient predicting adolescent fertility from family-planning involvement was reduced from −.031 to −.004.

This finding concerning the effect of abortion on teenage fertility is similar to effects reported by Bauman et al. (1977), Brann (1979) and Morgan (1983). However, the disappearance of the family planning effect on adolescent fertility when the teenage abortion rate is included among the predictors is different from the findings of Forrest et al. (1981) who also controlled for the abortion rate in their analysis of teenage fertility. Several factors might explain this discrepancy. In addition to their use of counties (or groups of sparsely populated counties) rather than states as the unit of analysis, they also used abortion rates by place of occurrence rather than by place of residence, and rates for all women age 15-44 rather than specific rates for teenagers. Our analysis of age-specific abortion rates by place of residence would be the generally preferred alternative, but such rates have not been consistently available at the county level.

Any assessment of program impact must address certain obvious questions of causal inference. Treating adolescent fertility or pregnancy as a dependent variable and teenage involvement in family planning programs as an independent variable implies a causal model which assumes that higher rates of involvement in family planning programs should produce (cause) changes in the observed levels of teenage childbearing or adolescent pregnancy. Family-planned advocates and researchers in fact usually make this assumption of causal direction. Our analysis has been structured according to this assumption, and our estimates of family-planning program effects on adolescent pregnancy rates have a logical and empirical basis similar to that of earlier estimates (e.g. Cutright and Jaffe, 1977; Forrest et al., 1981) of the effects of family planning programs on teenage fertility rates. The temporal ordering of the family planning involvement measure (1977) with respect to the fertility and pregnancy measures (1978), and the controls for prior (1970) fertility provide additional evidence that this causal assumption is tenable and that the analysis presented here constitutes an appropriate test. Still, we recognize the need for further work and feel that appropriate panel or time-series analyses with more complete models will help to more fully answer the relevant empirical questions and provide better evidence concerning the nature and direction of the critical causal relationships.

One reviewer of this article has pointed out that we have actually estimated three different models with respect to the relationships between teenage family planning utilization, fertility, and abortion rates. These three models are shown in Figure 3. Each of these models tests specific hypotheses of interest to our inquiry. However, some may prefer a more comprehensive "true" model incorporating the essential causal relationships which could be subjected to a direct overall test. Strong theoretical evidence may permit formulation of such a model, which could then be empirically examined to see how well it accounts for the observed data. We look forward to the development and refinement of such models as more attention is directed toward this area.

SUGGESTIONS FOR FURTHER RESEARCH

Since we are unaware of other studies directly examining the relationship between family planning involvement and teenage pregnancy rates (as opposed to teenage fertility rates), replicating these findings would be an important means of increasing our confidence in the parameter estimates reported here. It is a decided advantage that the basic data analyzed here have already been published and are readily available to other researchers who may wish to use additional predictors, other analytic techniques, different model specifications, etc.

While 1978 was the only year for which we were able to locate the necessary data to develop teenage pregnancy rates, estimating the proposed model for prior and subsequent years would provide important corroborative evidence for our basic conclusions. If the necessary data were available at the county (or SMSA) level, we could replicate the study with other units of analysis and perhaps pursue the possibility of certain multilevel contextual effects. A time-series analysis of these issues would also be enlightening. While controlling for prior fertility did not seem to affect the results, applying an appropriate time-series model would help us to understand more about the dynamic nature of the process.

In this study, we have adopted a standard approach of developing pregnancy rates for all women age 15-19. It may be fruitful, if it is possible, to look at pregnancy (and family planning-utilization) rates separately for younger (ages 15-17) and older (ages 18-19) teenagers. It would also be interesting to look at the relationship between pregnancy and family-planning utilization rates separately for married and unmarried teenagers. Freshnock and Cutright (1979) have examined this issue for older women but not for teenagers. In a sense, this method would require converting of one of the variables we have used as a control variable into a group specification variable. The same procedure might be used for urbanization, income, and race. We may also want to compare the effects we have found concerning teenage pregnancy rates with effects of family planning programs on pregnancy rates among older women.

In this paper we have considered the influence of family planning programs in terms of the number of teenage clients and the corresponding population rates. It may be useful to look at other measures of program output (i.e., percent of clients adopting medical methods of contraception, and/or program and contraceptive method continuation rates). Namerow and Philliber (1982) have reviewed a number of studies of program and contraceptive method continuation among adolescents; and Herold (1981) and Furstenberg et al. (1983) have addressed some of the crucial methodological problems in assessing contraceptive continuation among adolescents. While this work helps us better understand adolescent contraceptive continuation patterns, getting accurate and reliable data in this area remains a major challenge.

It may be useful as well to examine measures of program input and other program characteristics (funding level per client, average clinic size, staff to client ratio, percent of clinics sponsored by hospitals and health departments, etc.) as well as factors thought to be related to the effectiveness of family planning programs for adolescents such as parental notification or consent requirements, laws regulating the availability of contraceptives to minors, policies and guidelines relating to sex education, etc. Hout (1977) has analyzed models of the determinants of general family-planning program activity and overall patient involvement levels. However, studies accounting for program operations directed to teenagers and the relative involvement of teenagers in family-planning programs are still lacking.

In addition to general overall analysis of aggregate variables, research to help explain the underlying generating process is also needed. Survey data can help here, as can studies of clinic participants. However, the power of such designs to capture the various system responses to a rather complex intervention and dissemination strategy is somewhat limited. In one study of 15–18-year-old young women enrolled in a comprehensive health care program, Kastner (1984) found that the perceived level of comfort and logistical access involved in the acquisition of contraceptives was significantly related to greater sexual activity. In contrast, an analysis of individual-level survey data from the 1971 Johns Hopkins study of young women by Moore and Caldwell (1977) found no significant relationship between their measure of overall met need for family-planning in the respondent's state of residence and transition to non-virginity. More appropriate research designs will be needed in order to adequately specify the nature of the generating mechanism responsible for the observed aggregate effects.

Summary and Conclusions

While other studies have assessed the effects of family planning programs serving teenagers on adolescent birth rates, previous projections of the effects of these programs on pregnancy rates have been based on extrapolation from the estimated fertility effects (Forrest et al., 1981; Chamie and Henshaw, 1981; Forrest, 1984). For example, Forrest divides the estimated program effect on teenage births by the proportion of all teenage pregnancies ending in a live birth to derive the projected effect on teenage pregnancies.

Our study provides direct estimates of the effect of teenage family planning program involvement on teenage pregnancy rates as well as on teenage birth rates. A reduction in teenage fertility due to greater adolescent participation in family planning programs similar to that reported by a number of other researchers has been replicated and confirmed. Although the lower fertility may be due to easier access to abortion, the findings of our study and other studies indicate quite clearly that greater teenage involvement in family-planning leads to decreased childbearing among adolescents. However, instead of the expected reduction in overall teenage pregnancy rates, greater teenage involvement in family planning programs appears to be associated with higher, rather than lower, teenage pregnancy rates. The observed effect is dramatically different from one hypothesized on the basis of the expected reduction in adolescent pregnancies due to improvements in contraceptive practice among teenagers attending organized family planning clinics.

We have examined a number of possible explanatons for such a paradoxical result and are anxious to consider other plausible interpretations which might be proposed and empirically tested by other researchers. For example, as we mentioned previously, other control variables could change the relationship we are seeing in this model between family-planning programs and the teenage pregnancy rate. We have tried different control variables (such as education, employment, school enrollment, income, etc.) but so far have not identified a different or better set which substantially change the magnitude or the direction of the relationshp we have reported. Furthermore with the amount of variance explained by this model, it doesn't leave a great deal of room for additional variables to drastically change these aggregate level effects.

Perhaps a different kind of control variable which taps the belief, attitude and value dimension of teenagers would change the results in some way. Unfortunately, these are not readily available on a large-scale aggregate basis. We plan to pursue this possibility in future research.

Another possible explanation for these paradoxical results challenges the traditional assumption that the visibility and accessibility of family-planning programs to teenagers has no influence on sexual activity among adolescents. Although that explanation cannot be examined with this data, neither can it be eliminated. A positive relationship between family-planning enrollment and pregnancy rates (even after including appropriate control variables) could be expected if the programs lead to a greater number of pregnancies through increased sexual activity than are concurrently averted through improved contraceptive practice. That this possibility has been generally dismissed in the past makes it no less important to examine now, as we consider ways to more effectively deal with the problems of teenage pregnancy.

All of these possibilities, of course, must be examined with further research efforts and additional data. Nonetheless, the basic hypothesis tested in this research, that increased family-planning services leads to a reduction in teenage pregnancy rates as intended and projected, was not confirmed. Hopefully, the higher pregnancy rate associated with the increase in family-planning services can be explained.

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Mr. HELMS. I thank the Chair.

I thank the Senator from Connecticut.

Mr. WEICKER. Mr. President, I move to table the amendment of the Senator from North Carolina, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut to lay on the table the amendment of the Senator from North Carolina. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD. I announce that the Senator from Oklahoma [Mr. Boren], the Senator from North Dakota [Mr. Burdick], the Senator from California [Mr. Cranston], the Senator from South Dakota [Mr. Daschle], and the Senator from Iowa [Mr. Harkin] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. Armstrong], the Senator from Minnesota [Mr. Boschwitz], the Senator from Washington [Mr. Evans], the Senator from Utah [Mr. Garn], the Senator from Utah [Mr. Hatch], the Senator from Nebraska [Mr. Karnes], the Senator from Idaho [Mr. McClure], and the Senator from Oregon [Mr. Packwood] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 65, nays 21, as follows:

[Rollcall Vote No. 254 Leg.]

YEAS—65

Adams
Baucus
Bentsen
Bingaman
Bond
Bradley
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
D'Amato
Danforth
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Fowler
Glenn
Gore
Graham
Grassley
Hatfield
Heinz
Hollings
Inouye
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Pell
Pryor
Quayle
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Weicker
Wilson
Wirth

NAYS—21

Breaux
Ford
Gramm
Hecht
Heflin
Helms
Humphrey
Johnston
McCain
McConnell
Nickles
Pressler
Proxmire
Reid
Roth
Shelby
Symms
Thurmond
Trible
Wallop
Warner

NOT VOTING—14

Armstrong
Biden
Boren
Boschwitz
Burdick
Cranston
Daschle
Evans
Garn
Harkin
Hatch
Karnes
McClure
Packwood

So the motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, any moment, I plan to send an amendment to the desk—assuming that it is in order, and I assume that it is in order—and I would like to take a moment to explain the amendment.

The PRESIDING OFFICER. There is a first-degree committee amendment pending.

Mr. HEINZ. Mr. President, the amendment I will be sending to the desk would appropriate an additional $2 million for certain adoption services, and it would contain an offset in an equal amount of $2 million in order to be budget neutral.

Specifically, the amendment that I plan to send to the desk would add funds to the Adoption Opportunities Program, which is an authorized and existing program and to two newly authorized programs that, to my knowledge, have never been previously funded. Those programs are the Post-Legal Adoption Services Program and the Minority Children's Placement Program. The Adoption Opportunities Program currently authorized at $6 million, and this bill appropriates $5 million for it. Each of the two new initiatives are authorized at $3 million, and this bill does not provide any funds for the two new programs. The $2 million will be divided between the three programs.

Mr. President, those two new programs represent very important initiatives. Those particular programs are designed to help, on the one hand, special needs children, children with physical, mental, and other emotional disabilities, children who have been in foster care, I might add, for a very long period of time in many instances, costing a great deal of money, in particular noninfant minority children—and I do stress this, noninfant—minority children. And then, on the other hand, the second program deals with providing the post-legal adoption services necessary to help keep adoptive families together.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I would like to bring to the attention of my colleagues, and I do beg their indulgence and attention, that even as we all are seated here there are some 36,000 children with special needs waiting to be placed in adopted homes. I might add that there is a stereotype that these kids with developmental disabilities and other handicaps are somehow not adoptable. That stereotype is not only unwarranted, it is untrue, and there are absolutely thousands upon thousands of very successful stories.

The adoptions do not always turn out as well as they should because we do not do a very good job of helping the people who adopt children with special needs understand how to cope with some of the responsibilities that they have been willing to accept.

And I might also add that of those 36,000 children with special needs, some 42 percent of them are minority. I mentioned that some have handicaps, some 37 percent, indeed, are handicapped, and 68 percent of them have been in foster care for 2 years or more, and these children have a median age of some 12 years of age.

Perhaps my colleagues are not particularly familiar with the Adoption Opportunities Program. It is an excellent program because it is based on the premise—a successful one—that no child is unadoptable. The program, of course, is used to help find homes for children in need of permanent adoptive families and to eliminate barriers which might prevent the adoption of children with special needs.

Let me give my colleagues an example. In Philadelphia, Sandra Lawrence adopted Rasheen. Rasheen was adopted when he was 5 years old, some 6 years ago. He was in foster care for the first 5 years of his life. He had a speech problem. He was a slow learner. He is now 11 years old. He is enrolled in a program for gifted children. His parents, his adopted parents, are extraordinarily fond of him, and thanks to the fact that Sandra Lawrence used the services of the Adoption Opportunities Program she was able to find Rasheen and fulfull the ambition of being a mother.

Experience has shown that this is, therefore, an extremely successful program.

At the same time, experience in the form of studies, very careful studies, have shown that the number of minority children in foster care who are legally free and waiting for adopted families is quite disproportionate. More than half of the children who are free or have been free for adoption are of racial or ethnic minority background while the majority of children whose adoptions are finalized, as a matter of fact, have been white.

The Minority Children Placement Program that would receive a modest amount of money from my amendment is designed to try to reverse that trend by increasing the placement of minority children in adopted families with a special emphasis on the recruitment of minority families for minority children. It is not always, I am sorry to say, that way.

In addition to the need to increase minority placements, let me indicate, too, that there is a great need for Post-Legal Adoption Services to help adopted families. What are the Post-Legal Adoption Services?

Mr. President, what I am talking about is the time after which an adoption has been legally achieved, the parent or parents have their new adopted son or daughter and in the case of children with special needs they simply may not have the understanding, the background in order to cope with children who may have a developmental disability.

The reason that we have been heretofore relatively unsuccessful in providing guidance or help for those families that have adopted such a child is that our adoption placement agencies currently work under very limited budgets.

Mr. President, could we have order? There is, I am sorry to say, a good deal of noise on the floor.

The PRESIDING OFFICER. The Senate will please be in order.

The Senator from Pennsylvania.

Mr. HEINZ. I thank my colleagues and the Chair.

Mr. President, as I said, most agencies dealing with adoption, first, have limited budgets, and, second, focus nearly all their efforts on placement, on helping people adopt children, on trying to get some of these very difficult-to-adopt kids out of foster care and placed. They have virtually no money left over for counseling, for advice, so that once an adoption is finalized, the families are left trying to make it on their own and sometimes placements that might otherwise succeed, fail simply because of the lack of support services that could help a family make necessary adjustments.

I have been told by parents of children in my home State of Pennsylvania, those in particular who are trying to maintain a family with a troubled child, that they just have not been able to get the kind of help and advice that they need, except in very rare instances.

In one case, when a family went for advice with a troubled child they had adopted, the advice they got was, "Well, send the child back to the adoption agency."

That, Mr. President, is not the quality of advice that people should be receiving. Funding the Post-Legal Adoption Services Program will indeed make supportive services available to insure that adoptive families stay together. It will enlarge what is currently the small handful—and I do mean handful—of agencies and private therapists who specialize in Post-Legal Adoption Counseling. There are very few of them primarily because there is so little money.

Mr. President, my amendment, as I have described it, will provide some $2 million for what I believe to be absolutely essential, worthy programs.

There is an irony in the fact that we are appropriating in this legislation in excess of $1.1 billion for foster care—$1.1 billion for foster care. I am asking for two-tenths of 1 percent of that amount so that we can place a significant number of the children who are in foster care, some 36,000 of them, and since these are kids who are in foster care for many years, we know that for a fact that foster care is not cheap. If you want to work out the mathematics, if you assume it is $5,000 per child in foster care, and that would be very low—in some States like New York it would be much more than that—you want to assume it is $5,000, we are talking about just on these 36,000 children we are spending $180 million a year. If it is $10,000, we are spending $360 million on these kids to keep them annually in foster care. Remember, the average kid that I am talking about is in foster care a minimum of 2 years. So we are spending huge sums on these children that I have described. Whether it is a quarter of a billion dollars or whether it is a half billion dollars, I am not exactly sure, but it is in that ballpark.

And what I am saying is that the $2 million that I propose that we fund these programs with is an enormously productive, cost-effective, and humane investment.

How do we get the money? I am under no illusions that this Senate is going to waive the Budget Act for $2 million. I do not enjoy proposing offsets, but I think I found one that is acceptable. And that offset is that we reduce the funding—this is what my amendment proposes—that we reduce the funding for the National Institute of Dental Research by $2 million, from $15 million to $13 million, for the studies that are earmarked to conduct behavioral research on dental fear and anxiety.

Now, I have a dentist appointment Wednesday morning at 7:30, and I am just as nervous and fearful about that appointment as the next person. I do not like having my teeth drilled. I do not like having people poke around in my mouth.

I am not opposed to our doing research on how to eliminate my or anybody's else anxieties on that account. But I have to say that, relative to the equities involved, that doing $2 million less in the way of research—we are still going to do 13 million dollars' worth of research—on dental pain, behavior, fear and anxiety is a very reasonable tradeoff, all the more so because, according to the people we have been in touch with at the National Institute for Dental Research, they are getting $1 million more than they asked for, than they think they need. They are not even sure how they are supposed to spend it.

So, it seems to me that, while we are all for scientific and behavioral studies—and that is what these are—given the fact that what we are trying to do is improve the quality of life for people, particularly in this appropriation, who have very real and desperate needs, that the $2 million that I have proposed can be taken, without serious interruption, from the research on dental fear and anxiety and employed quite successfully and many times over, to increase the likelihood that more special needs children like Rasheen, the one I have described a moment ago, can find a home and both be a happier child and make adoptive parents happy and fulfilled, as well.

So, Mr. President, I urge my colleagues to support the amendment.

Mr. President, since I understand the committee amendment is still pending, I ask unanimous consent that I may offer my amendment at this time. If not, I will offer it at another time.

Mr. CHILES. Mr. President, I say to my distinguished friend from Pennsylvania that I think it would be better if he offered it at another time. We are trying to get the committee amendments adopted. We had an objection to adopting them en bloc, so we are having to take them, so we can open the bill up for amendments. I have been trying to tell Senators that we wanted to adopt those first. I tried to get the Senator's attention when he got the floor, but he got himself warmed up.

Mr. HEINZ. I would be willing, of course, to lay my amendment aside, but I did want to bring it up. I do want to offer it at the most appropriate time. I certainly will do so, because I gather that—well, Mr. President, let me just ask if there is any objection to my offering the amendment at this time. I do not know why there should be, but there may be.

The PRESIDING OFFICER. Is there objection?

Mr. CHILES. I think there is. I think there is a pending amendment. It was amended by the distinguished Senator from North Carolina. His perfecting amendment or his amendment to the pending amendment failed. We are back on the pending amendment and that is where we are.

Mr. HEINZ. Well, I will withhold offering the amendment at this time, Mr. President. We will wait for the appropriate time. I hope it comes soon.

Mr. CHILES. I thank the Senator.

Mr. HELMS. Mr. President, I thank the Chair.

Mr. President, we just had a vote which was sort of a test vote. As much as anything else, I wanted to hear what the managers of the bill would be saying to the Senators as they came in to vote. As so often happens around this place, very few Senators are on the floor to hear the debate. Some, perhaps many, are listening on their television sets in the office.

But I was struck by the fact that my distinguished friends were saying, "Oh, this just strikes all of title X. Anyway, there is nothing about parental consent in the law."

Well, the fact is that the bureaucrats over at the Department of Health and Human Services have taken care of that. They are allowing the distribution of contraceptives and other materials without the notification of the parents, providing this information and these contraceptives to minors.

The fact is clear: The Federal Government is now actively involved in the distribution of birth control drugs and devices to our Nation's schoolchildren without—I repeat, without—parental consent.

Now, the amendment which I shall send to the desk in just a moment would simply restore to parents the right to decide if their child should receive federally funded contraceptives.

I do not know how the Senators will vote, but this Senator says no.

AMENDMENT NO. 2657

Mr. President, I shall have some more remarks, but just to get the process going, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 2657 to the committee amendment on page 20, line 20.

At the end of the pending amendment add the following: *Provided*, That none of the funds made available under this Act or an amendment made by this Act for the Department of Health and Human Services shall be obligated or expended after January 31, 1989, if on that date the Secretary of that Department has not, using existing power, promulgated regulations to prohibit the provision of contraceptive drugs or devices, or prescriptions for such drugs or devices, paid for under this Act to an unemancipated minor without the prior written consent of such minor's parent or guardian, such regulations to include that the term "unemancipated minor" means an unmarried individual who is 17 years of age or under and is a dependent as defined in section 152(a) of the Internal Revenue Code of 1954.

Mr. HELMS. Mr. President, let me first make one matter clear. I am not advocating, nor would I advocate, congressional restrictions on the use of safe conptraceptives by married couples with their own money. The issue here is not whether we will restrict contraceptives, but whether we will have parental involvement when the Federal Government goes into the business of dispensing contraceptives to minors in our communities and in our schools.

Now, just picture the situation, Mr. President, for a moment. A married couple has a family. They worked hard all their lives, paid their taxes, saved their money, tried to instill religious and moral values into their children. And one of those values has got to be that sexual activity should be confined to marriage.

But as the matter now stands, that concept runs full force into the bureaucracy of the U.S. Government through the bureaucrats who have fixed it so that contraceptives are now being distributed to minors without parents' knowledge. And I say that is wrong.

But let us continue the scenario. The young teenager comes in contract with the so-called family planning clinic. This clinic is funded in part with the tax dollars of the parents that I just mentioned hypothetically. The teenager goes to the clinic and he or she is told that the clinic will provide contraceptives, often powerful prescriptive drugs or devices, without the parents being involved whatsoever, without the parents knowing anything about it.

The teenager is told by an agent of the Federal Government that there is no need to worry about what the parents may think, that the dispensing of contraceptives will be kept a secret between the teenager and the clinic.

In effect, Mr. President, what we have now in the Title X Program is this: The Federal Government takes money from the American parents and then uses that money to give contraceptives—often powerful drugs—to their teenager children without notice or consent, all behind the backs of the parents.

Mr. President, this is wrong. This is immoral. And this is evidence of a Federal Government out of control and going far beyond anything the Founding Fathers ever had in mind.

Mr. President, title X shows how the Federal Government has unsurped parental authority and undermined the strength of the family in this country. I will repeat what I said earlier this afternoon. Back in 1970, as a Family Planning Program to assist low-income families, title X was enacted as a part of the whole program to become the Federal program which supplies teenaged America with any and every kind of contraceptive device, all without parental consent, thanks to the Federal Government, parents who are primarily responsible for feeding and clothing their children have absolutely no authority over whether their child should possess, let alone use, contraceptives. It is all in secret.

When the Department of Health and Human Services attempted to turn the tide in 1983 by promulgating parental notification amendments, opponents of the administrative measure claimed that any parental involvement would discourage teenage children from going to family planning clinics to obtain contraceptives, and that the teenage pregnancy rate would reach epidemic proportions. According to this line of reasoning, in order to reduce the pregnancy rate among teenagers, it was imperative for the Government to step in, replace the family, and shield minors from any so-so in the matter by their parents.

But, Mr. President, the past 15 years have proved that this argument about reducing pregnancies is just absolutely inaccurate. Despite total lack of parental involvement in the Federal Government's distribution of contraceptives to minors, the teenage pregnancy and the abortion rates have skyrocketed. Planned Parenthood had its way. The parents were shut out. They were excluded from even any knowledge about what their children were doing.

Between 1971 and 1980, the number of teenage girls who experienced premarital unplanned pregnancies increased by 206.3 percent. The number of illegitimate births among this age group has increased from 190,000 in 1970 to 263,000 in 1980, and abortions among this age group have doubled since 1973 from 232,000 in 1973 to 445,000 in 1980. Furthermore, almost one-half of all pregnancies among these teenagers are ended in abortion each year.

A number of States repealed their consent laws in the late 1970's, but interestingly enough, Mr. President, there are no studies to my knowledge which show a decrease in the pregnancy rate following the repeal of these parental consent laws. So, Mr. President, there is simply no basis for the argument that allowing parents to decide whether their children should receive contraceptives will cause the teenage pregnancy rate to skyrocket. I think anybody who has ever been a parent knows that. Rather, I am convinced parental involvement will discourage teenage pregnancy and the rates will decline.

Furthermore, opponents of parental consent requirements would have us believe that parental involvement in Federal programs for minors is the exception rather than the rule. But the truth, Mr. President, is quite to the contrary. Except in rare situations, parents are always involved in their children's participation in Federal social programs.

For example, Social Security payments for minors are routinely paid to the parent, not the child. Aid to Families With Dependent Children is paid to the parent, not the child. Even if the dependent teenager is herself a mother, her benefits are added to her mother's payments. Food stamps are paid to the head of household, not the child.

So how could it make sense, Mr. President, that parents, actively involved in all other Federal programs for their children, should be shoved around, pushed aside, when the federally funded benefit for the child happens to be birth control pills or a birth control device?

Now then, Mr. President, in addition, denial of parental consent undercuts the ancient common-law rule that parents must consent to any medical services before their child could receive them. A number of States in this country have codified this rule, as well as rules expanding parental consent requirements to other nonmedical situations, including school trips and school sports, et cetera, et cetera, et cetera.

As a matter of fact, Mr. President, in many States a teacher cannot give a child even an aspirin tablet without first obtaining the parent's permission.

So the teacher cannot give a child an aspirin tablet for a headache, but the teacher can hand out a contraceptive. If that makes sense, I fail to understand how it does. Because where title X contraceptives are involved, the same minor can walk right into the family planning clinic and get any contraceptive device he or she may want without a parent's ever knowing one thing about it.

Obviously, Mr. President, some in this body disagree with me that the parents, and not the Federal Government, should have the final say on whether a minor should get contraceptives, but no one can argue with the health risks associated with oral contraceptive use.

The patient package insert lists 51 physical disorders associated with this contraceptive, including loss of vision; hepatic tumors; breast, cervical, vaginal, and liver cancer; gallbladder disease; a decrease in glucose tolerance; elevated blood pressure; headaches; bleeding irregularities; and depression.

Additional studies have concluded that there exists a significant relationship between oral contraceptive use and breast cancer, particularly if the patient's relatives—aunt or grandmother—has had breast cancer.

One such study, in fact, conducted in 1980, I think it was, concluded: "Family history is a significant factor in the relationship between OC"—that is oral contraceptive—"usage and breast cancer."

Because of these adverse effects, and the real threat of cancer, leaving aside the moral aspects of it all, the FDA has advised physicians to take a complete medical and family history and thorough physical examination before prescribing oral contraceptives. To expect a 13 year old, 14 year old, or a 15 year old to have the requisite knowledge to supply this essential information about family history taxes reality, Mr. President. Parents need to be involved in deciding whether a minor should take oral contraceptives.

That is why I feel so strongly, Mr. President, that this Congress must act now to ensure the health of our children and restore parental rights to monitor the social behavior of their own children.

The pending amendment would do just that and only that. The parents, not the Federal Government, should have the final word on whether a minor should be allowed to be fitted with a contraceptive device or be given birth control pills or whatever.

I think the time is long overdue to end this assault on parental rights, and I do hope my colleagues will think carefully before they vote on the pending amendment.

Mr. HELMS. Mr. President, I thank the Chair, and I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, if I understand this amendment, it would require the Secretary to issue these regulations prior to any funds being obligated. I think that is a change in the law. I know it is a change in the law.

I think the question is whether we should again be trying to legislate that. When we talk about even written consent, I think that we are trying to micromanage the Department. It seems to me that it would not be wise for us to be trying to do this.

Mr. President, I think I might have a tabling motion that I would like to enter on this, but I will reserve that until I see if the distinguished Senator from Connecticut wants to say anything.

Mr. WEICKER. Mr. President, I will be brief in my comments. It is very easy to trivialize an enormously important program by innuendo, by sensationalistic phrases, words, et cetera. The fact is that title X is a serious attempt to avoid, through education, the problems that associate or can associate with sexual behavior that leads to unwanted pregnancies or leads to many of the other problems which I have alluded to in my past remarks.

I do not know how we start to micromanage here on the Senate floor as to the matter of education. That is a matter best left in the hands of educators, doctors, indeed, those individuals who run the Title X Program.

Now, to say that there is no such thing as a contraceptive or just sort of block it out as if it did not exist, that is educating in ignorance. It is there; it is one tool. It does not guarantee results any more than it protects from disease, but it is one aspect of the Education Program.

My colleagues who feel strongly about the abortion matter—and I respect their beliefs—if they want to avoid the condition that brings on abortion, then they should be the most vigorous advocates for title X. This entire matter has been reviewed in the past and rejected by the U.S. Senate.

I wish it were, I might add, that all teenagers would go to their parents for advice in this area. The fact is they do not, which is why we have title X in the main. They want somebody else to talk to. They prefer to talk to their doctor; they prefer to talk to their teachers. If we did our job as parents, both in terms of inculcating morals in our children and giving them the advice relative to drugs, relative to AIDS, relative to the results of promiscuity, we would not need any of these programs; everything would be OK. But we do not, for a variety of reasons.

Most of them, admittedly, are not excusable, but there are those situations where there is no home. Then who does the job? Who does the job? I hope in that sense we do not try to have politicians take on the role of educators and doctors.

We have an administration which admittedly is of a bent closer in philosophy to that of the distinguished Senator from North Carolina than this Senator. Out of the Department of Health and Human Services itself has come the statement that, unlike what was alluded to by the Senator from North Carolina, no, title X is not an abortion advocacy program.

So I hope this program, even though it has its detractors within the administration as it does on the Senate floor, will continue the job which was intended by the Congress of the United States, which is to educate, not to selectively educate, but to educate, to avoid unwanted pregnancies, to give advice when there is pregnancy, and to avoid abortion. That is what is at issue.

If you only want to go ahead and tell half the truth or half the facts, then you are going to be stuck with half the results. I think we all know the tragedy that associates with that. I support the distinguished Senator from Florida. I have nothing further to say.

Does the distinguished Senator from Florida wish to move to table at this time?

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I have been listening with great interest to the debate on this matter. I have been one of those who has stood on the floor of the Senate on numerous occasions during my almost 10 years' service in the Senate with the Senator from North Carolina. He and the Senator from Nebraska have a very similar position on the matter of abortion, and we have voted I suspect quite close when this matter of abortion has come up time and time again. But I cannot be with the Senator from North Carolina on the measure that he just offered, which lost by a substantial vote on the tabling motion, and I cannot be with him on this matter.

I think I know the Senator from North Carolina very well. I think the Senator from North Carolina is very sincere, but being sincere does not make all of his positions right. It seems to me that those of my colleagues who for many years have stood here and tried to do what they could to eliminate Federal funding for abortion would be taking a step in the wrong direction, Mr. President, if we were going to handicap the family planning agencies as to what they could or could not do in this specific area.

I know that it is popular among those who see the abortion question as does the Senator from Nebraska. Maybe it is because I am old-fashioned. Maybe it is because I was brought up that way. But there is just a possibility that I might be right, and all of the popular support for abortions almost on demand to me is wrong. It is equally wrong, I would suggest, for the people who are against abortion, as is this Senator, especially the Federal funding of abortion, to be automatically against any family planning. It does not make any sense. I simply say, Mr. President, that I hope we beat down in overwhelming fashion the amendment offered by the Senator from North Carolina.

There will be some Senators who will join the Senator from North Carolina in his amendment. They will want to vote for it. I hope that every Member of the Senate who supports the Senator from North Carolina on the measure before us does it because of his convictions and not because there are those who are keeping score and will very likely use the votes pro or con on this amendment as a scorekeeping move and then the people will be blanketed that Senator So and So voted against that particular measure. "He voted 10 times in a row," they will say, Mr. President, or 12 or 15 or 20 or however many votes of this type we are confronted with, maybe more, in the Senate today and tomorrow and the next day and the day after that. I simply say that this Senator—and I speak only for myself—is against abortion unless it is for the saving of the life of the mother, unless it is performed as a result of a promptly reported rape, or incest.

People argue with me on that, but that is where I stand. I have always stood there, and I think I always will. But to so hamstring the family planning agencies that they cannot even offer contraceptives of some type to our children I think, if their will would prevail, would result in more and more unwanted and unplanned for babies, and the move for legislation of abortion at any term of a pregnancy therefore would gain speed.

I simply say that we cannot legislate morality even in the Senate, Mr. President. That might come as a shock to some, but I do not think we can. The children of my wife and I are grown and married so I do not have a concern, but I do have a concern with our eight grandchildren. I think if they ever reach a place in their lives where they would need help, they should have it. I would hope that those eight grandchildren of my wonderful wife Pat and I, whom we love very dearly, would go to their mother or father or their church officials or their teachers, but we live in a society today when I am not sure that they are likely to do that.

Excuse the personal note, Mr. President. Let me go beyond that and think of the millions and millions of young people of today living in what most of us would agree is a very permissive society sexually. I for one am not going to cast a vote to say, if they go to a family planning agency, the family planning agency cannot and should not offer them any kind of contraceptive. I think that is not an irrational approach although some people might think it is. It is an approach and a feeling that this Senator has very deep in his heart. I think anyone who is against abortion on the one hand, then is against anybody providing the means where abortions might not be necessary, the means being contraception, has not thoroughly thought through the issue. I hope the Members of the Senate will, when we vote, vote down the amendment offered by my friend from North Carolina.

Mr. President, I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the distinguished Senator from Nebraska, but as I listened to him I wondered which amendment he was discussing. I do not think he was discussing the pending amendment. But just to make sure, let me read what the amendment says. Before I do so, all it says is that parents have a right to know when Government funds are being used to provide their minor children with contraceptives. That is the full thrust of it. But let me read it into the RECORD again:

> None of the funds made available under this Act or an amendment made by this Act for the Department of Health and Human Services shall be obligated or expended after January 31, 1989 if on that date the Secretary of that Department has not, using existing power, promulgated regulations to prohibit the provision of contraceptive drugs or devices, or prescriptions for such drugs or devices, paid for under this Act to an unemancipated minor without the prior written consent of such minor's parent or guardian, such regulations to include that the term "unemancipated minor' means an unmarried individual who is 17 years of age or under and is a dependent as defined in section 152(a) of the Internal Revenue Code of 1954.

Now, Mr. President, for the last four weeks I have been a little bit under the weather, or at least under doctor's instructions to take it easy. I can tell the Chair that taking it easy is not easy. The minor surgery I had was a piece of cake if you do not like cake. But the long period required by the surgeon for taking it easy—that is to say, to not come back to the Senate—gave me a great opportunity to think about a lot of things. During the period, and particularly last week, I heard a great deal said about the family, and how we must uphold the family. They are very good words, I sat there and I thoughy about it. I said we are getting somewhere, as I heard candidates and others talking about the importance of the family.

This amendment simply asks one question which Senators are going to answer yes or no when they come here to vote. Do parents have the right to decide whether their child should receive a contraceptive? Do they or do they not have that right? I say they do, and especially when the Federal Government is providing the money for the contraceptives. I rest my case. I will, of course, abide by whatever the Senate decides but it seems to me that this matter is so clearcut and so obvious that it ought not take but a moment's hesitation to decide in favor of the parents to make the judgment—not some bureaucrat, not some flunky, but the parents of the children involved.

Otherwise all of this rhetoric about upholding the family is meaningless. If we take that right way away from the parents, then we have disengaged the whole process of upholding the family as the basic unit of our society.

Mr. President, I yield the floor.

Mr. EXON. Mr. President, I think I understand the amendment perfectly. I think the Senator from North Carolina knows that the Senator from Nebraska understands the amendment perfectly. I think those who come to cast a vote on this will understand the amendment perfectly because, to use the words of a former President of the United States, it is crystal clear. The amendment offered by the Senator from North Carolina—and the Senator from North Carolina has phrased and put a twist on the amendment. If one did not see through that, one would say, "Why, certainly, a mother or a father or both of them should have the right to counsel their child in matters of this nature." The facts of the matter are they are not in large numbers doing that today.

I would simply say that I do indeed understand the amendment. Contrary to the way the Senator from North Carolina has cleverly phrased it, if this law goes into effect, that is not going to face that child, that 17-year-old girl that is just 1 day over 16, and 16 plus 1 day makes her 17—if she does not go to her parents or her church leaders for advice and counsel, then she has a place through family planning to turn to.

I hope she would take the other route. But I think it is not sound advice—to give to the U.S. Senate—that we should support the amendment offered by the Senator from North Carolina with the hope that we can legislate morality, and we can legislate in the mind of a young 17-year-old who needs some help. I, therefore, hope that this amendment offered by the Senator from North Carolina will be voted down, and we can move ahead in an expeditious fashion on the bill.

Mr. CHILES. Mr. President, I believe that this debate is as old as history and man itself. We have been talking about whether, I think as long as history runs, you should even say the word sex or not. It has been a taboo through the ages. And I guess everybody is pretty well clearly defined about it other than we worry about how we are going to be recorded on one of these votes, and how you are going to trigger some group against you or not. But I think there is one school that feels like you do not speak of it, you do not talk about it, it is supposed to be a taboo, and it is supposed to go away and act as if it just does not happen. Somehow, Mr. President, it does happen. It is the way life is appropriated, and I guess in some ways maybe that is good.

But I think what we have to face up to is really asking ourselves how do we help the situation? Do we help it by putting on the Helms amendment to say you have to have written consent from parents before you can dispense anything, before you can talk about it because we had to go further? The same school of thought would say do not mention the word in school. Do not talk about it. Do not have anything to say about it, and that school believes very strongly that you cause kids to be more active. There are others, and I think I have to put myself in that class that says they are active. They know. They know something. They do not know enough. And they are not getting the kind of wisdom they should be getting at home. If they were, we would not be seeing this explosion of pregnancies that we are seeing.

The question is I think we always tend to again equate ourselves and the population out there as we see our children and we see our own. I do not think we think about if there are kids out there in those schools who really do not have parents the way we think of parents. They do not care about them. They do not talk to them at all. They are not home. Or the homes are broken. It is great to say you are going to get written consent from those. It is never going to happen to be where the pregnancies are occurring. They happen to be out of those kinds of homes. Those are the ones. You know, we can put this in and make ourselves feel moral. I think we certainly will not do anything on the other side.

As I say, I think we all kind of know in our heart of hearts how we ought to stand on it. It is a question of how we want to get recorded. That is another thing. But that is part of this process as well. But, Mr. President, I move to table the Helms amendment.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD. I announce that the Senator from Oklahoma [Mr. BOREN], the Senator from North Dakota [Mr. BURDICK], the Senator from California [Mr. CRANSTON], and the Senator from South Dakota [Mr. DASCHLE] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Washington [Mr. EVANS], the Senator from Utah, [Mr. GARN], the Senator from Utah [Mr. HATCH], the Senator from Nebraska [Mr. KARNES], and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

I further announce that, if present and voting, the Senator from Nebraska [Mr. KARNES] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 34, as follows:

[Rollcall Vote No. 255 Leg.]

YEAS—54

Adams
Baucus
Bentsen
Bingaman
Bond
Bradley
Bumpers
Chafee
Chiles
Cochran
Cohen
Danforth
Dixon
Dodd
Durenberger
Exon
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heinz
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Specter
Stafford
Stennis
Warner
Weicker
Wilson
Wirth

NAYS—34

Breaux
Byrd
Conrad
D'Amato
DeConcini
Dole
Domenici
Ford
Gramm
Grassley
Hecht
Heflin
Helms
Humphrey
Kassebaum
Kasten
McCain
McClure
McConnell
Melcher
Murkowski
Nickles
Pressler
Quayle
Reid
Roth
Rudman
Shelby
Simpson
Stevens
Symms
Thurmond
Trible
Wallop

NOT VOTING—12

Armstrong
Biden
Boren
Boschwitz
Burdick
Cranston
Daschle
Evans
Garn
Hatch
Karnes
Packwood

So the motion to lay on the table amendment No. 2657 was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The **PRESIDING OFFICER.** The Senator from Florida.

Mr. CHILES. Mr. President, on page 20, line 20, insert the language VIII and X, and I urge adoption of the amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 20, at line 23, amend by adding the language "and title IV of the Health Care Quality Improvement Act of 1986, as amended."

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 20, line 25, strike the number $769,554,000 and insert in lieu thereof $1,642,685,000.

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 20, line 26, strike the number $800,000 and insert in lieu thereof $1,000,000.

I urge the adoption of the amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. On page 21, at line 5, after the word "Act," strike the remainder of that line, all of line 6, all of line 7, all of line 8, and that portion of line 9 through "patients" and add, in lieu thereof:

> and of which $20,800,000 shall be available for an infant mortality initiative funded through the community health centers and migrant health centers: *Provided,*

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 21, at line 22, after the word "Act:" strike the remainder of line 22, all of lines 23, 24, and 25, and on page 22, line 1 and line 2 through the word "appropriation" and add:

> *Provided further,* That amounts received pursuant to these provisions of law in accordance with 31 U.S.C. 9701 may be credited to appropriations under this heading, notwithstanding 31 U.S.C. 3302 and shall remain available until expended: *Provided further,* That the provisions of section 741(i) of the Public Health Service Act shall also apply to schools participating in the Nursing Student Loan Program or lenders participating in the Health Education Assistance Loan Program: *Provided further,*

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 23, line 3, add XVII an XIX.

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 23, line 9, strike the number $819,941,000 and insert in lieu thereof $979,357,000.

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 23, line 12, after the word "training," add "of private persons".

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 24, line 2, following the word "fees," strike the remainder of line 2, all of line 3, and line 4 through "laboratories."

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 24, line 13, add the following language:

> *Provided further,* That employees of the Public Health Service, both civilian and Commissioned Officer, detailed to States or municipalities as assignees under authority of section 214 of the Public Health Service Act in the instance where in excess of 50 percent of salaries and benefits of the assignee is paid directly or indirectly by the State or municipality shall be treated as non-Federal employees for reporting purposes only. In addition, the full-time equivalents for organizations within the Department of Health and Human Services shall not be reduced to accommodate implementation of this provision: *Provided further,* That the office building at the Centers for Disease Control (CDC) Clifton Road site in Atlanta, Georgia and the laboratory facility in Chamblee, Georgia, referred to in the CENTERS FOR DISEASE CONTROL—DISEASE CONTROL, RESEARCH AND TRAINING APPROPRIATION appearing in Title II of the Departments of Labor, Health and Human Service, and Education, and Related Agencies Appropriation Act for the fiscal year ending September 30, 1988, Public Law 100-202, December 22, 1987, 101 Stat. 1329-264—1329-265, shall be constructed in conformity with design plans prepared by the CDC, and shall be acquired without regard to the provisions of the Public Buildings Act of 1959 regarding prospectus approval by lease-purchase contracts entered into by the General Services Administration prior to their construction using funds appropriated annually to GSA from the Federal Buildings Fund for the rental of space which shall hereafter be available for this purpose. The contracts shall provide for the payment of the purchase price and reasonable interest thereon by lease or installment payments over a period not to exceed 30 years. The contracts shall further provide that title to the build-

ings shall vest in the United States at or before expiration of the contract term upon fulfillment of the terms and conditions of the contracts. The Federal Buildings Fund shall be reimbursed from the annual appropriations to the CENTERS FOR DISEASE CONTROL—DISEASE CONTROL RESEARCH, AND TRAINING (or any other appropriation hereafter made available to the CDC for construction of facilities) and such appropriations shall be hereafter available for the purpose of reimbursing the Federal Buildings Fund. Obligations of funds under these transactions shall be limited to the current fiscal year for which payments are due without regard to 31 U.S.C. sections 1502 and 1341(a)(1)(B).

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 26, line 9, add "and title IV" and then at line 10, strike "$1,489,897,000" and add in lieu thereof "$1,591,036,000; of which at least $75 million shall be available only for cancer prevention and control."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 26, line 14, add "and title IV" and then at line 17 strike the number $1,018,983,000 and insert in lieu thereof $1,056,003,000.

The PRESIDING OFFICER. Is there objection to the consideration of the amendments en bloc? If not, the question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 26, add, at line 19, "and title IV," and, at line 21, strike the number $127,315,000 and add in lieu thereof $132,578,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

AMENDMENT NO. 2658

(Purpose: To prohibit the use of appropriated funds to require any person or entity to peform, or facilitate in any way the performance of, any abortion)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an amendment numbered 2658 to the committee amendment.

At the appropriate place in the pending committee amendment insert the following new section:

SEC. . None of the funds made available under this Act shall be used to require any person or entity to perform, or facilitate in any way the performance of any abortion.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, the clerk has read the sum and substance of the amendment. It is very short.

In the view of this Senator, at least, it is not controversial in the sense that it is parallel to the language that this body has adopted on other occasions on other bills.

The amendment would provide conscience clause protection for recipients of funds under this act, and their employees, who refuse to assist in providing abortions. The amendment is similar to a provision applying to the Bureau of Prisons, which this body adopted unanimously last year.

The conscience clause protection for individuals and entities who refuse to engage in abortion-related activity is standard policy in most States. Currently, 44 States protect doctors or organizations who refuse to participate in abortion procedures.

The Federal system also extends considerable protection to those persons and organizations who oppose abortion on principle.

Federal courts have consistently held that individuals and entities may not be compelled to participate in an abortion, and that conscience clauses constitutionally provide protection from such coercion. For example, the Supreme Court, in its 1973 decision in Doe versus Bolton, the companion case to Roe versus Wade, recognized the right of individuals and private hospitals to refuse to perform abortions. The Court noted:

> Under section 26-1202(E) the hospital is free not to admit a patient for an abortion. It is even free not to have an abortion committee. Further, a physician or any other employee has the right to refrain, for moral or religious reasons, from participating in the abortion procedure.

These provisions obviously are in the statute in order to afford appropriate protection to the individual and to denominational hospitals.

The Supreme Court, in Poelker versus Doe, specifically addressed the rights of public hospitals to refuse to engage in abortion related activities, and found that such hospitals need not perform abortions.

The most extensive Federal statutory protection can be found under the Public Health Service Act. The 1973 "Church amendment," protects personnel and organizations who receive funds under the Public Health Service Act—including Hill-Burton funds—under the Community Mental Health Centers Act, and under the Developmental Disabilities Services and Facilities Constructions Act. In general, the Church amendment prohibits officials from compelling PHS recipients to perform abortions or sterilization procedures, if doing so would be contrary to the recipient's religious beliefs or moral convictions. The Church amendment also prohibits discrimination against personnel for participation or lack of participation in abortion.

Subsequent statutes provided additional protection, including protection from discrimination based on participation or lack of participation in abortion or sterilization procedures. In addition, the Public Health Service Act Amendments of 1979 bar recipients of Federal funds from denying admission or otherwise discriminating against any applicant for training or study because of the applicant's unwillingness to counsel, suggest, recommend, assist, or participate in performing abortions because of the applicant's religious beliefs or moral convictions.

Other conscience clauses, including that included in the fiscal year 1989 appropriations for the Bureau of Prisons, protect individuals and groups who might otherwise be compelled to facilitate an abortion procedure.

But recipients of funds under the Department of Health and Human Services enjoy only patchwork abortion conscience clause protection, if they are protected at all. Only recipients of funds under the three acts above are protected recipients of funds provided under other acts enjoy no statutory protection. Moreover, recipients of funds under the three acts above provide inadequate protection for recipients who are unable, consistent with their conscience, to counsel, refer, or process papers for abortion.

Mr. President, my amendment, which I have offered, addresses this patchwork approach, with its lack of coverage for Federal employees, military physicians, and certain private grant recipients.

The intention of this amendment is to broaden coverage both in the form of action it protects against, and the scope of abortion-related activity that may be avoided without penalty or discrimination against personnel, whether Federal or private, who declined to participate in abortion for reasons of ethics or morality or religion.

The amendment pending would prevent the use of funds provided under this bill to discriminate in the employment, promotion, or termination of any person, or extension of staff privileges to any person, because that person refused to engage in abortion related activities that he/she considered a violation of his or her conscience. The amendment would also prevent the use of Federal funds to require any person or entity to perform, or facilitate in any way the performance of, any abortion.

The amendment would apply to department employees, recipients of Federal assistance who refuse to participate, or facilitate in any way the performance of, an aborton, and employees of those recipients.

Facilitation of an abortion would be construed broadly to include abortion related activities including counseling, referral, making arrangements for an abortion, processing papers that would in any way facilitate an abortion, or other abortion related activities.

Mr. President, this amendment is long overdue. As I stated at the outset, the Senate has adopted a number of similar provisions as amendments to various statutes. The Senate has acted wisely in those cases, honoring a long and prudent tradition in this country of respecting conscientious objection to certain activities. One of those activities regarding which we respected conscientious objection is the performance of abortion or of abortion-related activities. And the reason for that, and the reason that is wise and prudent, and the reason, I suppose, that the Senate has overwhelmingly adopted such amendments in the past, is that abortion is a very special kind of activity. It is a very special kind of medical procedure. It is not simply the removal of disease tissue or some kind of therapeutic treatment. It is the termination of a human life.

Senators will disagree, I regret to say, about the significance of that human life. Some feel that it is every bit equivalent to the human life of a child who has just been born or a person who has been living for some period of time. And other Senators have another point of view. But I think the record shows that Senators have been accommodating on this issue, have been broad-minded on this issue, liberal, if you will, on this issue of providing protection to those who cannot involve themselves in abortion or abortion-related activities for reasons of conscience.

There are plenty of reasons, in the view of this Senator and many in this body, for persons to have such objections because, in our view, abortion terminates a human life. To us, that is a great injustice, but that is another case to argue on another day.

The case that we seek to argue tonight is that individuals and entities ought to have the right to decline for reasons of conscience, decline to participate in abortions or in any activities that facilitate the performance of abortions.

That is the sole purpose of the amendment. In short, it reads:

> None of the funds made available under this Act shall be used to require any person or entity to perform or facilitate in any way the performance of any abortion.

That is the entire amendment; one sentence.

It is clear; it is clear-minded, I think. It is needed because absent this amendment, persons involved with programs which receive their appropriations under the bill now before us might or might not be protected in the exercise of their conscience in this matter.

In some cases they would. There is sufficient statute in some cases, but in other cases there is not and, in fact, with respect to the programs appropriated by this act, the coverage is rather narrow.

The purpose of the amendment is to broaden it to include all who might be reasonably in need of such protection. I hope the Senate will adopt the amendment.

Mr. WEICKER. Will the distinguished Senator yield?

Mr. HUMPHREY. I will be happy to yield to the Senator or yield the floor.

Mr. WEICKER. The distinguished manager of the bill asked me to inquire of the Senator from New Hampshire whether he would require a rollcall vote on this matter and also whether or not if it were accepted by the manager of the bill whether he would require a rollcall vote as well.

Mr. HUMPHREY. I do not see the need for a rollcall vote. The Senate established its point of view on this issue a number of times. If the managers are willing to accept the amendment, then this Senator does not wish a rollcall vote.

Mr. WEICKER. I know the distinguished manager of the bill is prepared to accept the amendment. I do not want to imply this manager on the minority side is willing to accept it. However, I will certainly defer to the wishes of the chairman of the committee, insofar as the aspect of a rollcall vote is concerned. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BREAUX). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, my understanding is this language is similar to the language that is going to appear on the State, Justice, Commerce bill. Under those circumstances, one of our committees is already providing this language on it. I recommend that we accept the language.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. WEICKER. I do not agree as to the acceptance of the amendment, but I certainly am satisfied to have a voice vote on it.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment (No. 2658) was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment, as amended, was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 27, line 1, strike "and", and at line 2, strike "communicative".

Mr. President, did the amendment, as amended, include language on line 26 of page 24?

The PRESIDING OFFICER. Is the Senator from Florida referring to line 26 on page 26?

Mr. CHILES. Line 26 on page 26. The Senator from Florida had proposed to include in that amendment to also strike the figure $546,902,000 and insert in lieu thereof $565,908,000. I do not know whether that was included in that amendment or not.

The PRESIDING OFFICER. The Chair will inform the Senator from Florida that has not been included.

Mr. CHILES. Then, Mr. President, at page 26, line 26, strike the figure $546,902,000 and insert in lieu thereof the figure $565,908,000.

Also, Mr. President, at page 26, line 24, add the language "and title IV".

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendments were agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, at page 27, line 1, after "neurological" strike "and", and on line 2, strike "communicative".

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 27, line 3, add after section 301 "and title IV." And on line 4, after "neurological," strike "and communicative," and at line 5, strike the figure $557,046,000 and insert in lieu thereof the figure $477,878,000.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendments were agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 27, after line 5, add new language,

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorder, $96,100,000.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 27, line 13, add "and title VI," and at line 15, strike the figure $732,453,000 and add in lieu thereof the figure $758,352,000.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the committee amendments were agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 27, line 17, add "and title IV" and at line 19 strike the number "$623,087,000" and add in lieu thereof "$690,653,000."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. BYRD. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, at page 27, line 22, add "and title IV" and at line 24, strike the number "$407,650,000" and add in lieu thereof "$431,388,000."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. BYRD. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 28, at line 2, add the language "and title IV" and on line 4 strike the number "$228,235,000" and add in lieu thereof "$234,218,000."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. BYRD. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, at page 28, line 7, add "and title IV" and on line 9 strike the number "$216,985,000" and add in lieu thereof "$223,168,000."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. CHILES. I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. On page 28, line 11, add "and title IV" and on lines 12 and 13 strike the number "$202,096,000" and insert in lieu thereof "$225,578,000."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. CHILES. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, at page 28, line 16, add "and title IV" and at line 18 strike the number "$156,174,000" and insert in lieu thereof "$161,931,000."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. CHILES. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, at page 28, line 20, add "and title IV" and at lines 22 and 23, strike the number "$355,767,000" add in lieu thereof "$367,987,000, of which $10,000,000 shall remain available until expended to provide for the repair, renovation, modernization, and expansion of existing facilities and purchase of associated equipment, and to make grants and enter into contracts for such purposes:"

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. CHILES. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, at page 29, line 7, add "and title IV" and at line 9 strike the number "$27,417,000" and insert in lieu thereof "$28,107,000."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. CHILES. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, at page 29, line 12, strike the number "$16,074,000" and insert in lieu thereof "$16,474,000" and at line 14 add "for maintenance and operation of the Gorgas Memorial Laboratory."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. CHILES. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, at page 29, line 17, add "and title IV" and at line 19 strike the number "$64,836,000" and insert in lieu thereof '$70,626,000."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. WEICKER. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, at page 29, line 22, strike the number "$71,578,000" and insert in lieu thereof "$65,578,000" and at line 24 add "*Provided further,* That $6,000,000 of this amount be used to support an additional 200 full-time equivalent positions [FTE's] for a total of no less than 13,102 FTE's to be distributed throughout the National Institutes of Health."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. WEICKER. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RESTORATION OF SSIG FUNDING

Mr. EXON. Mr. President, I would like to discuss with the distinguished chairman of the Labor-HHS-Education Appropriations Subcommittee my concern over the funding level for the SSIG Program.

As the chairman knows, I have expressed my concern on this issue before. A $30 million reduction in the State Student Incentive Grant [SSIG] Program will have a severe impact on postsecondary educational assistance for students in my State of Nebraska and elsewhere in this country. This is a 41-percent reduction.

The SSIG Program provides funding to States for the establishment and continuation of State grant programs. States must match, at least, dollar for dollar, the Federal SSIG funds. By virtue of this State match requirement students receive a minimum of $2 for every dollar of Federal money appropriated for this program. That is a bargain at any time, but it is especially important in this time of spiraling education costs and the dwindling availability of affordable financial assistance.

Mr. CHILES. My colleague from Nebraska is correct. The SSIG Program was designed to create incentives for the States to fund their own educational assistance programs. These grants are need-based and awarded at the discretion of the State agency administering the program. Last year, total State grant payout was over $1 billion, of which $76 million was from Federal appropriations. Many States have mature State grant programs and consistently overmatch the Federal payment. However, I know that Nebraska and many other States are still at or near the 50-50 match. In that respect, I understand the concerns of my friend, the senior Senator from Nebraska. There is little doubt that if Federal funding is reduced, many of these 50-50 States may also reduce their share of the funding. Under these conditions, States like Nebraska could lose not 41 percent of their funding, but closer to 82 percent of their funding.

Mr. EXON. That is absolutely correct. Earlier this year, during debate on the trade bill, one of the themes of this Chamber was education. Why are we not willing to back our rhetoric with definitive action? Restoring funding to the SSIG Program would send a message loud and clear to the States that education is important. If we are not willing to back this program, why should we expect the States to do so?

Part of the argument for decreasing the funding for this program is that the program achieved its objective long ago. I submit that this is not true. Currently one-third of the States only match dollar-for-dollar or barely overmatch the Federal SSIG contribution. If this program achieved its objective years ago, then why are so many States still so dependent on Federal SSIG money to support State grant programs? In all States, SSIG funding provides a powerful incentive for States to help its needy student and increase its commitment to higher education. This program is just beginning to prove its success and effectiveness. Why cut it now?

As the Senator from Florida is aware, I had intended to offer an amendment to recover the $30 million that was cut from this program; however, that would require offsets which are not readily available in an already slim appropriations bill. While there are programs in this bill I consider less vital than SSIG, I realize that my colleagues may not share my views.

I also realize as much as anyone in this body that we are facing an extremely difficult budget era. However, as a member of the Budget Committee, I also know that the 302(b) allocation for this subcommittee was way below the recommendation of the congressional budget resolution. The House Labor-HHS appropriations bill has $350 million more in education funding than the Senate bill. Mr. Chairman, I respectfully ask for your commitment that you and the other Senate conferees will work to increase SSIG funding to at least current levels during the conference committee consideration of this bill.

Mr. CHILES. Mr. President, I believe that I can make that commitment to my colleague from Nebraska. I know how much he supports this program. I appreciate the cooperation of the Senator from Nebraska on this issue and will do what I can to accommodate his request in conference.

UNANIMOUS-CONSENT AGREEMENT—COMMITTEE AMENDMENTS TO H.R. 4783

Mr. CHILES. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, with certain exceptions as follows:

On page 8, line 5 through line 14 on page 10; page 51, lines 7 through 10; page 56, lines 1 through 17; page 56, lines 17 through 25, and page 57, lines 1 through 4; page 30, lines 7 and 8; page 30, lines 14 through 19; page 32, lines 4 and 5; page 32, line 13; page 33, lines 23 through 26; page 34, line 5; page 35, line 4; page 35, line 5; page 35, line 19 through page 36, line 3; page 38, line 3; page 38, lines 24 and 25, and page 39, lines 1 and 2; page 39, line 9; page 39, line 21; page 39, lines 25 and

26; page 40, lines 7 through 16; page 40, line 20; page 40, line 23; page 46, lines 2 and 3; page 49, lines 4 through 25, and page 50, lines 1 through 5.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

Mr. CHILES. Mr. President, I move that the bill, as thus amended, be considered as original text for purpose of further amendments, provided that no point of order be waived by reason of this agreement.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the majority leader, after consultation with the minority leader, may proceed at any time to the consideration of the bill that is now pending, H.R. 4783, the labor, HHS, and educational appropriation bill.

The PRESIDING OFFICER. Without ojection, it is so ordered.

Mr. BYRD. Mr. President, there will be no more rollcall votes today.

SENATOR JESSE HELMS

Mr. DOLE. Mr. President, I have included in the RECORD earlier today a statement welcoming back my colleague and friend, Senator JESSE HELMS, who has been out for 2 or 3 weeks because of surgery. He is fully recovered, as he has already demonstrated today. He is back on the floor and back on his feet.

I would just indicate, as I did in my statement, that JESSE does not like to miss votes, so you know it was important when he missed a vote. He has had almost perfect attendance in this Chamber except in those rare cases where he has had to be absent several years ago because of a back operation and this time because of other surgery.

So, again, we welcome him back.

UNITED STATES-CANADA FREE TRADE AGREEMENT

Mr. DOLE. Mr. President, I am pleased to join the distinguished majority leader in sponsoring the legislation the President has sent us today to implement the free trade agreement between the United States and Canada.

It is easy to characterize this agreement as historic. It truly is historic in the sense that it is the most comprehensive bilateral trade agreement ever negotiated. And it is a good agreement that should result in substantially increased economic activity, more jobs, and enhanced competitiveness for both the United States and Canada.

Nevertheless, soon after the agreement was made public, it became obvious that there were a number of issues that needed to be clarified to assure that the agreement would be as fair as possible to both countries. The administration has made every effort to make certain that we would have the opportunity to comment on these issues, and this legislation reflects most of the concerns that we expressed.

I hope that we will be able to build on this agreement in the future. There is more that should be done. But this implementing legislation is an important step in its own right and deserves to be enacted.

We have little time left this year. Since this will be treated as a revenue measure, the House will have to act first. By law, they will have 60 days to complete committee and floor action. The Senate will have 15 days for committee action and 15 additional days for floor action. But we all know that, in reality, we have less time than that remaining this year.

According to the press reports, this agreement is having some difficulties in Canada. They have interests there who must fear that we may have got more out of the agreement than they have. That might come as a surprise to some of us if we relied solely on the expressions of concern from some interests in the United States. But it probably means that we have a pretty good agreement—one that is fair to both countries.

I would hope that we can act expeditiously to show our commitment to better trade relations with our largest trading partner and our commitment to improved economic activity in both the United States and Canada.

I know the majority leader does plan to move to this fairly soon. I know it is having some difficulty in Canada, but perhaps if we could move expeditiously here, as I know the majority leader will, it might be of some help to those who support this very important agreement in Canada.

There are a number of issues that have been resolved, a number of issues raised by Members on both sides of the aisle and by those who have an interest outside of the Congress, around the country. I think this legislation now is in pretty good shape and I hope the Senate would give its approval at the earliest possible time.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on July 14, 1988, received a message from the House of Representatives announcing that the Speaker had signed the following enrolled bill:

S. 2527. An act to require advance notification of plant closings and mass layoffs, and for other purposes.

Under the authority of the order of the Senate of February 3, 1987, the enrolled bill was signed on July 21, 1988, during the adjournment of the Senate, by the Deputy President pro tempore [Mr. MITCHELL].

MESSAGES FROM THE HOUSE

At 1:23 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4848. An act to enhance the competitiveness of American industry, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bill and joint resolutions:

H.R. 4264. An act to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes;

S.J. Res. 318. Joint resolution to designate the week of July 25-31, 1988, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War"; and

S.J. Res. 338. Joint Resolution to designate August 1, 1988, as "Helsinki Human Rights Day."

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore [Mr. STENNIS].

MEASURES PLACED ON THE CALENDAR

The following joint resolution was read the second time, and placed on the calendar.

S.J. Res. 351. Joint resolution to advance democracy in Nicaragua.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on July 22, 1988, he had presented to the President of the United States the following enrolled bill:

S. 2527. An Act to require advance notification of plant closings and mass layoffs, and for other purposes.

The Secretary of the Senate reported that on today, July 25, 1988, he had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 318. Joint resolution to designate the week of July 25-31, 1988, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War"; and

S.J. Res. 338. Joint resolution to designate August 1, 1988, as "Helsinki Human Rights Day."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3594. A communications from the Secretary of Agriculture, transmitting, pursuant to law, the fourth quarterly commodity and country allocation table; to the Committee on Agriculture, Nutrition and Forestry.

EC-3595. A communication from the President of the National 4-H Council, transmitting, pursuant to law, the 1987 annual report; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3596. A communication from the Chief Scientist, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the Agency requests for appropriations to support Marine Pollution Research, Development, and Monitoring for the fiscal year 1989; to the Committee on Appropriations.

EC-3597. A communication from the Director, Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, a report with information on real and personal property of the Department of Defense of September 30, 1987; to the Committee on Armed Services.

EC-3598. A communications from the Acting Director of the Defense Security Assistance Agency transmitting, pursuant to law, the Air Force's proposed Letter to Offer to the United Kingdom for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-3599. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, the Air Force's proposed Letter to Offer to Egypt for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-3600. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, the Air Force's proposed Letter to Offer to Egypt for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-3601. A communication from the Chairman of the Board of Governors of the Federal Reserved System, transmitting, pursuant to law, the System's monetary policy report; to the Committee on Banking, Housing, and Urban Affairs.

EC-3602. A communication from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals; to the Committee on the Budget.

EC-3603. A communication from the Inspector General of the Department of Treasury, transmitting, pursuant to law, a copy of an Internal Revenue Service Internal Audit Report entitled "Review of Reimbursable Superfund Costs—Fiscal Years 1984 through 1987"; to the Committee on Environment and Public Works.

EC-3604. A communication from the Secretary of Health and Human Resources, transmitting, pursuant to law, a report of demonstration activities; to the Committee on Finance.

EC-3605. A communication from the Secretary of Health and Human Resources, transmitting, pursuant to law, the Twelfth Annual Report on the Child Support Enforcement program; to the Committee on Finance.

EC-3606. A communication from the Secretary of the Treasury transmitting, pursuant to law, a report on the efforts to persuade members of the Multilateral Investment Guarantee Agency to adopt policies and procedures set out in the 1988 Continuing Resolution; to the Committee on Foreign Relations.

EC-3607. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on the status of U.S.-Soviet discussions on the conflict in Angola; to the Committee on Foreign Relations.

EC-3608. A communication from the Assistant Director for Administration of the National Science Foundation, transmitting, pursuant to law, copies of a new system of records in accordance with the Privacy Act; to the Committee on Governmental Affairs.

EC-3609. A communication from the Executive Secretary of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, copies of a new system of records in accordance with the Privacy Act; to the Committee on Governmental Affairs.

EC-3610. A communication from the Administrator of the Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, copies of a new system of records in accordance with the Privacy Act; to the Committee on Governmental Affairs.

EC-3611. A communication from the Director, Administration and Management, Department of Defense, transmitting, pursuant to law, copies of a new system of records in accordance with the Privacy Act; to the Committee on Governmental Affairs.

EC-3612. A communication from the Chairman of the United States Merit Systems Protection Board, transmitting, pursuant to law, a report entitled "Attracting Quality Graduates to the Federal Government: A View of College Recruiting"; to the Committee on Governmental Affairs.

EC-3613. A communication from the Chairman of the United States Sentencing Commission transmitting, pursuant to law, a report summarizing the activities of the Commission in its second year of operation; to the Committee on the Judiciary.

EC-3614. A communication from the Secretary of Education, transmitting, pursuant to law, a copy of a document entitled "Institutional Eligibility Final Regulations"; to the Committee on Labor and Human Resources.

EC-3615. A communication from the Secretary of Education, transmitting, pursuant to law, a document entitled "Final Regulations for the Educational Research Grant Program"; to the Committee on Labor and Human Resources.

EC-3616. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, the 1987/88 Annual Report of the Presidential Advisory Committee On Small and Minority Business Ownership; to the Committee on Small Business.

EC-3617. A communication from the President of the United States, transmitting, pursuant to law, a report on an incident in the Persian Gulf involving United States military personnel; to the Committee on Foreign Relations.

EC-3618. A communication from the President of the United States, transmitting, pursuant to law, the final legal text of the United States-Canada Free Trade Agreement; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on Agriculture, Nutrition, and Forestry, with an amendment in the nature of a substitute:

S. 2631. A bill to provide drought assistance to agricultural producers, and for other purposes (Rept. No. 100-426).

Mr. LEAHY. Mr. President, it certainly comes as no surprise to my colleagues that the country has been going through one of the worst droughts in its history. In fact, it is the worst drought occurring this early in the year in my lifetime.

I know the distinguished Presiding Officer's own State has been seriously hurt. In part, I know that because of the strong expressions of concern the distinguished Presiding Officer and his distinguished colleague have made to me about the situation in Illinois and, as we have seen, in so many other States.

Mr. President, just before we recessed a week ago, Senator LUGAR and I introduced a bipartisan bill on drought relief. Almost half the Senate has joined with us in cosponsoring that bill. The cosponsors have given more than their names to this legislation. They have contributed a great deal of wisdom about what should be in the bill. In many ways, you could say a fair number of Senators on both sides of the aisle are the architects and writers of that bill.

Mr. President, I want to inform all Senators about the progress of this bill. We will file with the Senate the Drought Assistance Act of 1988 this afternoon. In fact, I ask unanimous consent that in conjunction with my remarks today I be allowed to file the report and the Drought Relief Act of 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, the week before we left, the Agriculture Committee reported this drought bill. We did it after three marathon sessions. I must note that all Senators of the committee were willing to stay around the clock, if necessary. The staff worked throughout the weekend. It was one of the best examples of bipartisan cooperation I have seen. At the end of that week, we have produced a good piece of drought legislation.

When the committee began considering this bill, I said to the committee that this is a bill that had to be reported quickly. We have farmers and ranchers throughout this country who are facing disaster. We want them to face hope. We want them to know that no matter how bad it is, next spring they will still be in business, they will be putting in new crops, and they will be harvesting the crops they are unable to harvest this year.

We can give them the hope in this bill, and offer that hope because drought-stricken farmers need hope. They cannot count on press releases or simple expressions of concern from around the country, even though I think most of the country feels great concern for them. They need to know real legislation is moving. They need to know how much aid it will give to farmers.

I can say, Mr. President, that I am absolutely certain that they can count on at least the aid that is in the drought relief bill which is being reported to the Senate this afternoon.

I have discussed this with the Senate majority leader. He has agreed to put this bill on as fast a track as possible. I hope that all Senators will join with us in giving the distinguished majority leader unanimous-consent agreements for as short a time agreement as possible. If we did that, it is possible we could be up as early as Wednesday.

I am committed to moving this bill through the Senate, and I am committed to moving it through conference as quickly as possible. I need my colleagues' cooperation. I am willing to work with any Senator on either side of the aisle to this end. We cannot let this bill become a Christmas tree. This bill is for drought relief. This bill is not for the relief of every concern known to Senators. It is not going to be a Christmas tree. The bill is not going to be a catchall bill. It is not going to be a new farm bill. It is going to be a drought relief bill for the farmers and ranchers who need it today.

There will be a farm bill next year. Let us look to that for changes in farm policy. Let us look at this bill for drought relief.

We have to send a message of hope to American farmers and ranchers. With this bill, we do send that message of hope. We tell them: "You will be in business next year. The people of this country are committed to keeping you there. We will keep you there."

I am also very pleased that when Senator LUGAR and I met with President Reagan a couple weeks ago, he said that he would sign this bill if we get it through. I think we can. I think we can have it on the President's desk this month if we continue to have the bipartisan cooperation in this body and the cooperation we received in the other body. If we do, a very vital segment of our population—the farmers and ranchers of this country—will know that when the Government says it will act, when it promises relief, it really means it.

Mr. President, I send a copy of the bill as reported to the desk.

Mr. President, I have a complete list of cosponsors which are as follows:

Mr. Leahy (for himself, Mr. Lugar, Mr. Melcher, Mr. Dole, Mr. Pryor, Mr. Cochran, Mr. Boren, Mr. Boschwitz, Mr. Heflin, Mr. McConnell, Mr. Harkin, Mr. Bond, Mr. Fowler, Mr. Wilson, Mr. Daschle, Mr. Karnes, Mr. Breaux, Mr. Durenberger, Mr. Riegle, Mr. Grassley, Mr. Simon, Mr. Pressler, Mr. Gore, Mr. Kasten, Mr. Stennis, Mr. Quayle, Mr. Exon, Mrs. Kassebaum, Mr. Bentsen, Mr. McClure, Mr. Dixon, Mr. Danforth, Mr. Moynihan, Mr. Heinz, Mr. Metzenbaum, Mr. Burdick, Mr. Sasser, Mr. Conrad, Mr. Kennedy, Mr. Levin, Mr. Specter, Mr. Rockefeller, Mr. Wallop, Mr. Ford, Mr. Sarbanes, Ms. Mikulski, and Mr. Shelby).

Mr. **LEAHY**. Mr. President, on behalf of the Committee on Agriculture, Nutrition, and Forestry, I am submitting the attached program allocation pursuant to section 302(b) of the Congressional Act, based on the resolution adopted on June 6, 1988.

I ask unanimous consent that the committee's section 302(b) program allocation and program account assignments be printed in the RECORD.

There being on objection, the material was ordered to be printed in the RECORD, as follows:

AGRICULTURE, NUTRITION, AND FORESTRY COMMITTEE 302(b) ALLOCATIONS

Program	Budget authority	Outlays
Rural development, electric and telephone programs—Direct spending	$1,416	$946
Cons., land management and forestry programs—Direct spending	579	575
FmHA and farm credit programs—Direct spending	3,904	2,851
Farm and commodity programs—Direct spending	16,856	16,777
Ocean freight differential—Direct spending	69	69
Nutrition and fin. asst.—Entitlements funded in appns accnts	17,961	18,021
Committee total—Direct spending	22,824	21,218
Committee total—Entitlements funded in appns accnts	17,961	18,021

ACCOUNT CODES INCLUDED IN PROGRAM DESIGNATIONS

Rural development, electric and telephone programs—Direct spending:
12 4230 0 3 271 BD1 2064.
12 4230 0 3 271 BD3 2064.
12 4230 0 3 271 FA2 2064.
12 4231 0 3 452 BA1 2064.

Cons., land management and forestry programs—Direct spending:
12 8210 0 7 301 BC1 2064.
12 5219 0 2 302 BA1 2064.
12 8028 0 7 302 BC1 2064.
12 8210 0 7 302 BC1 2064.
12 9922 0 2 302 BA3 4264.
12 9921 0 2 806 BA1 2064.

FmHA and farm credit programs—Direct spending:
12 4140 0 3 351 BA1 2064.
12 4140 0 3 351 FA3 2064.
78 4131 0 3 351 BD1 2064.
12 4155 0 3 452 BD1 2064.
12 4155 0 3 452 FA3 2064.

Farm and commodity programs—Direct spending:
12 4336 0 3 351 BA1 2064.
12 4336 0 3 351 FA2 2064.
12 5210 0 2 351 BA1 2064.
12 1500 0 1 352 BA1 2064.
12 5070 0 2 352 BA1 2064.
12 8137 0 7 352 BC1 2064.
12 8203 0 7 352 BC1 2064.
12 8214 0 7 352 BC1 2064.
12 8218 0 7 352 BC1 2064.
12 8227 0 7 352 BC1 2064.
12 8232 0 7 352 BC1 2064.
12 9971 0 7 352 BC1 2064.
12 9972 0 7 352 BC1 2064.

Ocean freight differential—Direct spending: 69 1751 0 1 403 BA1 2064.

Nutrition and fin. asst.—Entitlements funded in appns accnts:
20 1850 0 1 351 AA1 RDRD.
12 3502 0 1 605 AA1 RDRD.
12 3505 0 1 605 AA1 RDRD.
12 3539 0 1 605 AA1 RDRD.
91 9191 0 1 605 FA2 RDRD.
91 9191 0 1 950 FA7 APRD.

Mr. **LEAHY**. Mr. President, I also take the opportunity, once again, to thank Senator CHILES on his efforts to obtain the additional funding needed to provide for the improvements in the nutrition programs. I expect to take the nutrition improvements bill to the floor very soon. That action would not have been possible without the chairman of the Budget Committee, Senator CHILES' hard work.

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, without amendment and with a preamble:

H.J. Res. 475. A joint resolution to designate October 1988 as "Polish American Heritage Month."

S. Res. 432. A resolution to honor Eugene O'Neill for his priceless contribution to the canon of American literature in this the one-hundredth anniversary year of his birth.

S.J. Res. 141. A joint resolution designating August 29, 1988, as "National China-Burma-India Veterans Appreciation Day."

S.J. Res. 169. A joint resolution designating October 2, 1988, as a national day of recognition for Mohandas K. Gandhi.

S.J. Res. 248. A joint resolution to designate the week of October 2, 1988, through October 8, 1988, as "Mental Illness Awareness Week."

S.J. Res. 261. A joint resolution designating the month of November 1988 as "National Alzheimer's Disease Month."

S.J. Res. 263. A joint resolution to designate the period commencing November 13, 1988, and ending November 19, 1988, as "Geography Awareness Week."

S.J. Res. 272. A joint resolution to designate November 1988 as "National Diabetes Month."

S.J. Res. 273. A joint resolution designating October 6, 1988, as "German-American Day."

S.J. Res. 289. A joint resolution to designate the month of November 1988 as "National Hospice Month."

S.J. Res. 290. A joint resolution to designate the period commencing September 25, 1988, and ending on October 1, 1988, as "National Historically Black Colleges Week."

S.J. Res. 294. A joint resolution designating August 9, 1988, as "National Neighborhood Crime Watch Day."

S.J. Res. 295. A joint resolution to provide for the designation of September 15, 1988, as "National D.A.R.E. Day."

S.J. Res. 298. A joint resolution designating September 1988 as "National Library Card Sign-Up Month."

S.J. Res. 302. A joint resolution to designate October 1988 as "National Down Syndrome Month."

S.J. Res. 303. A joint resolution to designate the month of October 1988 as "National Lupus Awareness Month."

S.J. Res. 306. A joint resolution designating the day of August 7, 1989, as "National Lighthouse Day."

S.J. Res. 312. A joint resolution designating the week beginning September 18, 1988, as "Emergency Medical Services Week."

S.J. Res. 315. A joint resolution designating 1989 as "Year of the Young Reader."

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, without amendment and an amended preamble:

S.J. Res. 319. A joint resolution to designate the period commencing November 6, 1988, and ending November 12, 1988, as "National Disabled Americans Week."

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 320. A joint resolution to commemorate the fiftieth anniversary of the passage of the Food, Drug, and Cosmetic Act.

S.J. Res. 322. A joint resolution to designate the week of September 23-30, 1988, as "National American Indian Heritage Week."

S.J. Res. 324. A joint resolution to designate February 1989 as "America Loves Its Kids Month."

Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, with an amendment and with a preamble:

S.J. Res. 325. A joint resolution designating the third week in May 1989 as "National Tourism Week."

Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 328. A joint resolution to designate the day of September 14, 1988, as "National Medical Research Day."

S.J. Res. 329. A joint resolution to designate October 24-30, 1988, as "Drug Free America Week."

S.J. Res. 330. A joint resolution to provide for the designation of September 16, 1988, as "National POW/MIA Recognition Day."

S.J. Res. 332. A joint resolution to designate the period commencing December 11, 1988, and ending December 17, 1988, as "National Drunk and Drugged Driving Awareness Week."

S.J. Res. 333. A joint resolution to designate the week of October 9, 1988, through October 15, 1988, as "National Job Skills Week."

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, with an amendment and an amendment to the title and with a preamble:

S.J. Res. 335. A joint resolution to designate the last full week of October, October 23 through October 29, 1988, and the last full week of October hereafter as "National Adult Immunization Awareness Week."

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 336. A joint resolution designating October 16, 1988, as "World Food Day."

S.J. Res. 342. A joint resolution to designate the week of November 28 through December 5, 1988, as "National Book Week."

S.J. Res. 345. A joint resolution to designate October 8, 1988, as "National Day of Outreach to the Rural Disabled."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary:

Richard L. Voorhees, of North Carolina, to be United States District Judge for the Western District of North Carolina;

Karl S. Forester, of Kentucky, to be United States District Judge for the Eastern District of Kentucky;

Fern M. Smith, of California, to be United States District Judge for the Northern District of California; and

Jan E. Dubois, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania.

By Mr. PELL, from the Committee on Foreign Relations:

Robert S. Gelbard, of Washington, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bolivia (Exec. Rept. No. 100–18):

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Robert S. Gelbard.

Post: Bolivia.

Contributions, amount, date, and donee:

1. Self: None.
2. Spouse: None.
3. Children and Spouses Names—Alexandra P. Gelbard: None.
4. Parents—Ruth and Charles Gelbard: None.
5. Grandparents Names—Pearl and Barnett Fisher, deceased; Mariam and Nathan Gelbard, deceased.
6. Brothers and Spouses Names—Nicholas and Karen Gelbard: None.
7. Sisters and spouses: N/A.

Christopher W.S. Ross, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria (Exec. Rept. No. 100–19):

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Christopher W.S. Ross.

Post: American Ambassador to Algeria.

Contributions, amount, date, and donee:

1. Self: None.
2. Spouse: None.
3. Children and Spouses Names—Anthony G. Ross, no spouse: None.
4. Parents Names—Claude G. and Antigone A. Ross: None.
5. Grandparents Names—Grace Ross: None. All other grandparents deceased.
6. Brothers and Spouses Names: Geoffrey F. Ross, no spouse: None.
7. Sisters and spouses: None.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. JOHNSTON (for himself, Mr. KASTEN and Mr. MATSUNAGA) (by request):

S. 2650. A bill to establish the National Park of Samoa; to the Committee on Energy and Natural Resources.

By Mr. BYRD (for himself and Mr. DOLE) (by request):

S. 2651. A bill to implement the United States-Canada Free-Trade Agreement; to the Committee on the Judiciary, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Banking, Housing, and Urban Affairs, the Committee on Energy and Natural Resources and the Committee on Finance, jointly pursuant to 19 U.S.C. 2191(c).

By Mr. HEINZ:

S. 2652. A bill relating to the treatment of certain State plans under section 72(e) of the Internal Revenue Code of 1986; to the Committee on Finance.

By Mr. SASSER (for himself and Mr. GRAHAM):

S. 2653. A bill to establish a National Commission on the Thrift Industry; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHNSTON (for himself, Mr. KASTEN, and Mr. MATSUNAGA):

S. 2650. A bill to establish the National Park of Samoa; to the Committee on Energy and Natural Resources.

NATIONAL PARK OF SAMOA

● Mr. JOHNSTON. Mr. President, I am pleased to introduce legislation at the request of my good friend, the Governor of American Samoa, A.P. Lutali, and to initiate its consideration in the U.S. Senate. The House companion measure, H.R. 4818, was introduced on June 14, 1988. Regrettably, it is late in the legislative session and I do not see the possibility of enacting this proposal in the 100th Congress. This is a major piece of legislation which would add a new unit to the National Park System. There is simply insufficient time to give it full consideration; particularly in light of the many public lands bills already under consideration by the Committee on Energy and Natural Resources. Nevertheless, I believe that it is useful to have the bill introduced and to initiate its consideration.

Because the Governor is a man known for his eloquence, I believe it would be appropriate that I ask unanimous consent to have the Governor's letter to me on this proposal placed in

the RECORD at this point. His remarks on behalf of this legislation best present the benefits and importance of this legislation to the people of American Samoa, and to the rest of the Nation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TERRITORY OF AMERICAN SAMOA,
OFFICE OF THE GOVERNOR,
Fagatogo, June 27, 1988.

Hon. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Dirkson Building, Washington, DC.

DEAR SENATOR JOHNSTON: On behalf of the people of American Samoa, I respectfully request that you introduce the attached legislation, a bill establishing the National Park of Samoa, into the United States Senate. I will be asking Senator McClure, Senator Inouye, and Senator Matsunaga to serve as cosponsors. Since American Samoa has no representative in the Senate, your leadership and the support of the Senate Energy Committee will be crucial in presenting this important legislation for consideration of the entire Senate.

The people of American Samoa are very desirous of having a portion of our precious tropical rainforests and coral reefs protected by National Park Status. The Samoan culture has always regarded our rain forests and coral reefs as priceless and irreplaceable. Indeed the conservation ethic of the National Park System is relatively modern, compared to the conservation ethic of Samoa. Unlike continental peoples, who could always move to a new frontier, our ancestors were bound by the limits of their islands home.

It is because of the foresight of our ancestors that we retain today a primeval rainforest that truly merits National Park Status. Indeed if the Senate passes this legislation, this Park will be the only National Park in the world that has within its boundaries the two most complex and least understood natural ecosystems: tropical moist forest and coral reefs. In a world in which 100-200 square kilometers of tropical rainforest vegetation disappears each year, our Samoan rain forests become increasingly valuable. Their intrinsic beauty and value is increased by their uniqueness, for over 20 percent of the plant species are found only here and no where else. Only in our Samoan forests can the "pe'a vao" or Samoan flying foxes be seen gliding like hawks on afternoon thermals. Our rainforests are also unique in their gentleness. There are no snakes, crocodiles, poisonous insects or other dangerous animals. Because there are no thorns, our people commonly walk barefoot in the forests. In short, the forests are beautiful and safe places where other Americans can see the mysteries and beauty of the primeval rainforest.

Our decision to seek National Park Status has not been made in haste. In accordance with the dictates of Samoan custom, we have very carefully considered this proposal over a long period of time. Together with the U. S. National Park Service, our territorial government has carefully produced a study that I believe delineates our finest areas for National Park Status. We have sought the advice of experts in tropical biology, but more importantly we have looked within to the wisdom of our own people in designing a park that is scientifically unique, aesthetically pleasing, and compatible with our own culture and traditions. We have consulted carefully with our territorial leaders and particularly the chiefs and orators of the villages whose land is contemplated for inclusion within the National Park. In all cases, support for the National Park by the people of Samoa has been overwhelming.

The National Park proposal is supported by the people of Samoa for a number of reasons. First, many of our traditions and legends are closely associated with the rainforest and with the sea. Every chief's title in Samoa is directly tied to the land, and in our culture chiefs act as stewards of the land. If the rainforest ever completely disappears, many beautiful and important aspects of our culture will vanish with it. Second, as American Samoa continues to increase its economic self-sufficiency, it is important to seek new ways of diversifying our economic potential. Tourism is an important component in the optimal economic mix for our developing economy. However we seek tourists who will come to appreciate the beauty of our natural heritage and cultural traditions, and we believe that the National Park will act as a magnet for those types of visitors. Third, while continuing to educate our children to a high level of proficiency, we must continually seek means to reinforce their own unique cultural heritage. We believe that the interpretive skills of the National Park Service will provide us with an important new resource to help our children appreciate the accomplishments of their ancestors. Fourth, as our Territory continues to assume a role of leadership among our island neighbors, we wish to set an example not only in conservation, but also in cooperation with the United States. The proposed National Park will assist in this goal. Finally, although we are proud of our relationship with the United States, our remoteness prevents our citizens from taking advantage of some of the resources those in the mainland take for granted. The United States citizens and Nationals of American Samoa are further from any National Park facility than those in any other State or Territory. Our citizens would value the high-quality recreation and interpretive resources provided by a National Park.

We believe that the Samoa National Park is also in the broader interests of the United States. Rainforest conservation is a stated objective of U.S. foreign policy, and yet the way in which the United States deals with its own domestic rainforest resources means more to foreign nations than any speech or policy statement ever could. The United States, through the Montreal Accords, has also committed itself to a decrease in the emission of greenhouse gases responsible for global warming. Deforestation, particularly in the tropics, is the second largest contributor of carbon dioxide to the atmosphere. Creation of this National Park will be a symbol of our National commitment to this problem. We also believe that the unique features of this legislation, which have been designed to highlight and preserve the Samoan culture, will provide an important indication of the United States' support for the indigenous cultures of the South Pacific. Finally, because of our remoteness, few of our fellow citizens in the mainland have had an opportunity to learn of the beauty of culture and island home. We believe that this National Park will help the citizens of the United States to develop an increased awareness and appreciation for the heritage of a small but important minority group in the United States, the Samoan people.

There is a saying in the Samoan islands 'E manumanu le tava'e i lona fulu': "The tropic bird is covetous of its beautiful tail feather." Like the tropic bird, Samoa has one beautiful natural feature that stands out above all others—its tropical forests. Our representative and friends in the House Interior Committee have introduced H.R. 4818 to help preserve our priceless heritage. I now ask you as our friend in the Senate to present this bill for consideration so that we can preserve forever this unique wonder, the only paleotropical rainforest on U.S. soil.

Thank you for your consideration.

Cordially,

A.P. LUTALI,
Governor. ●

By Mr. HEINZ:

S. 2652. A bill relating to the treatment of certain State plans under section 72(e) of the Internal Revenue Code of 1986; to the Committee on Finance.

TAX TREATMENT OF CERTAIN STATE RETIREMENT PLANS

● Mr. HEINZ. Mr. President, after nearly 30 years as a Pennsylvania college professor, training teachers and rehabilitation workers to serve the handicapped, one of my constituents, "Dr. M.," retired last year and filed with the State to receive his pension benefits. But Dr. M. was in for a surprise. He thought he was withdrawing his own contributions of $51,530 tax free because he had already paid income taxes at the time contributions were made. This was money he had diligently saved for his retirement—money that would have to last a long time. He never dreamed that the Federal Government was going to tax him on his lump sum payment. To his shock, on April 15 of this year, he had to pay $14,155 of that pension money to the Federal Government.

The outrageous thing about Dr. M's tax payment, Mr. President, is that it was a mistake—a tax no one intended to make him pay—the result of a drafting error in the Tax Reform Act of 1986. Even worse, he would not have had to make this tax payment if Congress had enacted the technical corrections to the Tax Reform Act in time.

Let me explain what happened. In tax reform, Congress changed the tax treatment of pension lump sum payments made prior to the payment of the first monthly annuity check. At that time, Congress protected people in existing plans that already permitted these lump sums. However, the language written in the bill only excluded existing plans that paid the lump sums before "retirement." The pension plans for State employees in Pennsylvania, and in a few other States that pay these lump sums after retirement, but before the annuity starting date, were left out of this exclusion by mistake. We should have excluded plans making this payment "before the annuity starting date," not before the "retirement date." This was a simple mistake that the technical corrections bill would have fixed if it had been enacted last year. Our failure to act means that Dr. M had to pay a tax of $14,155 on his pension—and several thousand of his fellow Pennsylvania retirees have been forced to pay similar unfair penalties.

I know my Senate colleagues share my frustration that the House has failed to move quickly on a technical corrections bill so that the Senate can take it up. Today I am introducing this bill—which is the exact language from the Technical Corrections Act—in the hopes of bringing this issue to the attention of my colleagues, and providing a means of resolving this problem even if technical corrections cannot be acted upon quickly. This bill is identical to H.R. 4197.

I am pleased to be joined today by my colleague, Senator INOUYE, in introducing legislation to correct this error, which adversely impacts the retirees of the States of Pennsylvania, Oregon, and Hawaii. I urge this body to act quickly to address this unintended inequity.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2652

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (h) of section 1122 of the Tax Reform Act of 1986 is amended by adding at the end thereof the following new paragraph:

(9) SPECIAL RULE FOR STATE PLANS.—In the case of a plan maintained by a State which on May 5, 1986, permitted withdrawal by the employee of employee contributions (other than as an annuity), section 72(e) of the Internal Revenue Code of 1986 shall be applied—

"(A) without regard to the phrase 'before separation from service' in paragraph (8)(D), and

"(B) by treating any amount received (other than as an annuity) before or with the 1st annuity payment as having been received before the annuity starting date."

(b) The amendment made by subsection (a) shall take effect as if enacted on the date of the enactment of the Tax Reform Act of 1986.●

By Mr. SASSER (for himself and Mr. GRAHAM):

S. 2653. A bill to establish a National Commission on the Thrift Industry; to the Committee on Banking, Housing, and Urban Affairs.

NATIONAL COMMISSION ON THE THRIFT INDUSTRY

● Mr. SASSER. Mr. President, I rise to introduce, along with my good friend and colleague Senator GRAHAM of Florida, legislation that would establish a National Commission on the Thrift Industry. The Commission's purpose is first, to study the deteriorating financial condition of the Nation's thrift industry, particularly the financial condition of the Federal Savings and Loan Insurance Corporation [FSLIC]. Second, the Commission would make recommendations to Congress as to how best to proceed to return the thrifts and the FSLIC to solvency.

The Commission would be comprised of experts in the field, leaders of business and labor, distinguished academics, Members of Congress; and other individuals with distinctive qualifications. Appointments would be made to the Commission in the same manner as they were to the National Economic Commission. In other words, we would establish a blue ribbon panel to look at this deepening national problem.

Mr. President, the condition of the thrift industry and the FSLIC is worsening everyday. Indeed, the banking committee has received testimony that indicates that the cost of resolving the FSLIC insolvency could be as high as $65 billion. There is no doubt in my mind that these projections will keep increasing.

Moreover, the obvious questions that come to mind are: What is the actual cost and what resources are available to pay the bill?

Mr. President, I believe that an expert opinion as to the actual cost and an evaluation of the various resources available to pay for the problem are vital. This legislation provides for that expert opinion.

Along with the questions of the eventual cost of restoring the thrifts to financial solvency, a whole host of regulatory issues also need to be explored. There have been proposals to restructure the deposit insurance system and the bank and thrift regulatory agencies, as well as to increase capital in the thrift industry. All of these proposals deserve serious consideration.

Mr. President, the state of the thrift industry and the FSLIC may be the most serious issue facing the next administration and the next Congress. The Congress and the administration should have the benefit of an evaluation by and the recommendations of a panel of impartial experts.

Senator GRAHAM and I look forward to expeditious consideration of this legislation by the Senate.

Mr. President, I ask unanimous consent that the text of the legislation establishing the National Commission on the Thrift Industry appear in full in the RECORD immediately following this statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. ESTABLISHMENT OF COMMISSION.

There is established a commission to be known as the National Commission on the Thrift Industry (in this subtitle referred to as the "Commission").

SEC. 2. MEMBERSHIP OF COMMISSION.

(a) APPOINTMENT.—The Commission shall be initially composed of 12 members, appointed not later than October 1, 1988. After the meeting of the Presidential Electors in December 1988, the Commission shall be expanded to 14 members. The members shall be as follows:

(1) 2 citizens of the United States, appointed by the President.

(2) 1 Senator and 2 citizens of the United States, appointed by the President pro tempore of the Senate upon the recommendations of the Majority Leader of the Senate.

(3) 1 Senator and 1 citizen of the United States, appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate.

(4) 1 Member of the House of Representatives and 2 citizens of the United States, appointed by the Speaker of the House of Representatives.

(5) 1 Member of the House of Representatives and 1 citizen of the United States, appointed by the Minority Leader of the House of Representatives.

(6) 2 citizens of the United States, 1 of whom is a Democrat and 1 of whom is a Republican, appointed by the President-elect as established by the allocation of electoral college votes in the Presidential election of November 8, 1988.

(b) ADDITIONAL QUALIFICATIONS.—

(1) Individuals appointed under subsection (a)(1) may be officers or employees of the Executive Branch or may be private citizens.

(2) Individuals who are not Members of the Congress, and are appointed under paragraphs (2) through (6) of subsection (a) shall be individuals who—

(A) are leaders of business or labor, distinguished academics, or other individuals with distinctive qualifications or experience; and

(B) are not officers or employees of the United States.

(c) CHAIRPERSON.—The Commission shall elect a Chairperson from among the members of the Commission.

(d) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(e) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(f) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(g) PROHIBITION OF ADDITIONAL PAY.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission. Members appointed from among private citizens of the United States may be allowed travel expenses, including per diem, in lieu of subsistence, as authorized by law for persons serving intermittently in the government service to the extent funds are available for such expenses.

SEC. 3. FUNCTIONS OF COMMISSION.

(a) CONTENTS AND SPECIFIC RECOMMENDATIONS.—The Commission shall conduct an investigation and evaluation of, and shall report and make recommendations on;

(1) the current and future financial condition of the Federal Savings and Loan Insur-

ance Corporation [FSLIC] and the current and future ability of the FSLIC to eliminate the inventory of troubled thrifts;

(2) sources of income for the FSLIC should the Commission determine that the current financial resources of the FSLIC will be insufficient to eliminate the inventory of troubled thrifts;

(3) problems in the structure of the deposit insurance system, such as the calculations of premiums, and proposals for such reforms as a risk-based premium;

(4) options for reform and restructuring of the thrift industry, such as a merger of bank and thrift deposit insurance and regulatory agencies, a separation of the insurance and regulation functions of the Federal Home Loan Bank Board, and bank holding company acquisitions of failing and healthy thrifts, and healthy thrifts only;

(5) future methods of increasing capital levels in the thrift industry and the level of capital currently supplied by investor, versus bank holding company, purchasers of troubled thrifts; and

(6) the current and future ability of the thrift industry to serve as a source of home mortgage credit.

(b) FINAL REPORT.—

(1) Subject to section 2103(b)(3), the Commission shall submit to the President and to the Congress on March 1, 1989, a final report which shall contain a detailed statement of the findings and conclusions of the Commission, including its recommendations for administrative and legislative action that the Commission considers advisable.

(2) Any recommendation may be made by the Commission to the President and to the Congress only if adopted by a majority vote of the members of the Commission who are present and voting.

(3) On February 1, 1989, the President may issue an order extending the date for submission of the final report to September 1, 1989.

SEC. 4. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this subtitle, hold such hearings and sit and act at such times and places, as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organizations, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) The Commission may request from the head of any Federal agency or instrumentality such information as the Commission may require for the purpose of this subtitle. Each such agency or instrumentality shall, to the extent permitted by law and subject to the exceptions set forth in section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), furnish such information to the Commission, upon request made by the Chairperson of the Commission.

(2) Upon request of the Chairperson of the Commission, the head of any Federal agency or instrumentality shall, to the extent possible and subject to the discretion of such head—

(A) make any of the facilities and services of such agency or instrumentality available to the Commission; and

(B) detail any of the personnel of such agency or instrumentality to the Commission, on a non-reimburseable basis, to assist the Commission in carrying out its duties under this subtitle, except that any expenses of the Commission incurred under this subparagraph shall be subject to the limitation on total expenses set forth in section 2105(b).

(c) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(d) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to discharge its duties under this subtitle, subject to the limitation on total expenses set forth in section 2105(b).

(e) STAFF.—Subject to such rules and regulations as may be adopted by the Commission, the Chairperson of the Commission (subject to the limitation on total expenses set forth in section 2105(b)) shall have the power to appoint, terminate, and fix the compensation (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director, and of such additional staff as the Chairperson deems advisable to assist the Commission, at rates not to exceed a rate equal to the maximum rate for GS-18 of the General Schedule under section 5333 of such title.

(f) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 5. EXPENSES OF COMMISSION.

(a) IN GENERAL.—Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of the Treasury.

(b) LIMITATION.—The total expenses of the Commission shall not exceed $250,000.

(c) GAO AUDIT.—Prior to the termination of the Commission, pursuant to section 2106, the Comptroller General of the United States shall conduct an audit of the financial books and records of the Commission to determine that the limitation on expenses has been met, and shall include its determination in an opinion to be included in the report of the Commission.

SEC. 2106. TERMINATION OF COMMISSION.

The Commission shall cease to exist on the date that is 30 days after the date on which the Commission submits its report.●

●Mr. GRAHAM. Mr. President, today I join with my good friend and colleague, Senator SASSER to introduce a bill to establish a National Commission on Thrift Industry. The bill establishes a Commission to study the state of the thrift industry. Our country needs to be able to deal with the fundamental problems that industry faces now and will face in the future.

A recent Newsweek article states, "Key congressional figures now admit more help is needed, but the problem is so tricky it probably will be passed on to the next administration and Congress. Meanwhile, the cost of saving the S&L's keep rising—just like compound interest."

By establishing this Commission we can present to the House and Senate a more comprehensive set of proposals to resolve the current crisis in the thrift industry—an industry behind which every deposit of up to $100,000 the Federal Government has placed its full faith and credit.

Recently the Banking Committee received testimony which estimated that the present deficit in the insurance fund ranges from a low estimate of $20 billion to a high estimate of $60 billion. The testimony contained dire predictions that those numbers will escalate if this problem is not dealt with immediately.

We all need to understand the structural interrelationship of the industry which allows profits to be privatized and losses to be socialized, through the FSLIC system to the taxpayers of this country.

We cannot stand by and see this situation continue to deteriorate. That is why Senator SASSER and I are introducing this bill today. We need to encourage a thoughtful and meaningful examination—by seasoned professionals—of some complicated problems. We need a careful diagnosis of what we can do to keep the remaining S&L's healthy, to keep the system alive and to justify the confidence of the American people.●

ADDITIONAL COSPONSORS

S. 675

At the request of Mr. MITCHELL, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 675, a bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, 1991, and 1992.

S. 684

At the request of Mr. HEINZ, the names of the Senator from Connecticut [Mr. WEICKER] and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 684, a bill to amend the Internal Revenue Code of 1986 to make permanent the targeted jobs credit.

S. 1673

At the request of Mr. CHAFEE, the names of the Senator from Wyoming [Mr. WALLOP], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 1673, a bill to amend title XIX of the Social Security Act to assist individuals with a severe disability in attaining or maintaining their maximum potential for independence and capacity to participate in community and family life, and for other purposes.

S. 1751

At the request of Mr. LAUTENBERG, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1751, a bill to require vessels to manifest the transport of municipal or other vessels nonhazardous commercial wastes transported offshore to ensure that these wastes are not illegally disposed of at sea.

S. 1851

At the request of Mr. BIDEN, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1851, a bill to implement the International Convention on the Prevention and Punishment of Genocide.

S. 1955

At the request of Mr. GLENN, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1955, a bill to study the expansion of the Coastal Barrier Resources System to include undeveloped, unprotected areas along the Great Lakes shoreline.

S. 2063

At the request of Mr. DURENBERGER, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 2063, a bill to amend the Internal Revenue Code of 1986 to provide that income of a child on investments attributable to the child's earned income shall not be taxed at the parents' rate of tax.

S. 2199

At the request of Mr. CHAFEE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 2199, a bill to amend the Land and Water Conservation Act and the National Historic Preservation Act, to establish the American heritage trust, for purposes of enhancing the protection of the Nation's natural, historical, cultural, and recreational heritage, and for other purposes.

S. 2240

At the request of Mr. JOHNSTON, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 2240, a bill to amend the act to reauthorize the State Mining and Mineral Resources Research Institute Program, and for other purposes.

S. 2299

At the request of Mr. LEAHY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as cosponsor of S. 2299, a bill to eliminate the exemption for Congress from the application of certain provisions of Federal law relating to employment, and for other purposes.

S. 2330

At the request of Ms. MIKULSKI, the names of the Senator from Ohio [Mr. METZENBAUM] and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 2330, a bill to promote the integration of women in the development process in developing countries.

S. 2378

At the request of Mr. KENNEDY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2378, a bill to amend the comprehensive Anti-Apartheid Act of 1986 to strengthen the sanctions against South Africa.

S. 2379

At the request of Mr. SASSER, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 2379, a bill to authorize the insurance of certain mortgages for first-time homebuyers, and for other purposes.

S. 2411

At the request of Mr. MITCHELL, the names of the Senator from Florida [Mr. CHILES] and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 2411, a bill to amend the Internal Revenue Code of 1986 to extend the low-income housing credit through 1990.

S. 2461

At the request of Mr. MOYNIHAN, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 2461, a bill to amend part E of title IV of the Social Security Act to extend and make necessary improvements in the independent living program under such part, and for other purposes.

S. 2469

At the request of Mr. HEINZ, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 2469, a bill to amend chapters 83 and 84 of title 5, United States Code, to expedite the processing of retirement applications of Federal employees, and for other purposes.

S. 2470

At the request of Mr. METZENBAUM, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Alabama [Mr. SHELBY], the Senator from Maryland [Ms. MIKULSKI], the Senator from Ohio [Mr. GLENN], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 2470, a bill to promote technology competitiveness and energy conservation in the American steel industry.

S. 2480

At the request of Mr. MOYNIHAN, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 2480, a bill to amend the Internal Revenue Code of 1986 to clarify that section 457 does not apply to nonelective deferred compensation or basic employee benefits.

S. 2500

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 2500, a bill to amend title 28, United States Code, to provide for an exclusive remedy against the United States for suits based upon certain negligent or wrongful acts of omissions of U.S. employees committed within the scope of their employment, and for other purposes.

S. 2523

At the request of Mr. REID, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 2523, a bill to amend title 23, United States Code, to require States to promptly suspend or revoke the license of a driver found to be driving under the influence of alcohol and for other purposes.

S. 2614

At the request of Mr. HOLLINGS, the names of the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 2614, a bill to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the Earth system and the effect of changes in that system on climate and human well-being.

S. 2631

At the request of Mr. LEAHY, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 2631, a bill to provide drought assistance to agricultural producers, and for other purposes.

S. 2636

At the request of Mr. DURENBERGER, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 2636, a bill to amend title XVIII of the Social Security Act to establish a program of voluntary certification of long-term care insurance policies and to protect Medicare beneficiaries from making practices related to such policies, and for other purposes.

S. 2649

At the request of Mr. D'AMATO, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 2649, a bill for the relief of Henry Johnson.

SENATE JOINT RESOLUTION 149

At the request of Mr. HELMS, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of Senate Joint Resolution 149, a joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week."

SENATE JOINT RESOLUTION 269

At the request of Mr. WEICKER, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Joint Resolution 269, to designate the week beginning October 30, 1988, as "National Marine Technology Week."

SENATE JOINT RESOLUTION 273

At the request of Mr. LUGAR, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Joint Resolution 273, a joint resolution designating October 6, 1988, as "German-American Day."

SENATE JOINT RESOLUTION 306

At the request of Mr. Chafee, the name of the Senator from Indiana [Mr. Quayle] was added as a cosponsor of Senate Joint Resolution 306, a joint resolution designating the day of August 7, 1989, as "National Lighthouse Day."

SENATE JOINT RESOLUTION 330

At the request of Mr. Dole, the name of the Senator from South Carolina [Mr. Thurmond] was added as a cosponsor of Senate Joint Resolution 330, a joint resolution to provide for the designation of September 16, 1988, as "National POW/MIA Recognition Day."

SENATE JOINT RESOLUTION 337

At the request of Mr. Cochran, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of Senate Joint Resolution 337, a joint resolution acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 21, 1988, as "National Military Families Recognition Day."

SENATE JOINT RESOLUTION 346

At the request of Mr. Lautenberg, the names of the Senator from Mississippi [Mr. Stennis], the Senator from North Dakota [Mr. Burdick], the Senator from Arizona [Mr. DeConcini], the Senator from New York [Mr. Moynihan], the Senator from North Dakota [Mr. Conrad], the Senator from Utah [Mr. Hatch], the Senator from Michigan [Mr. Levin], the Senator from Illinois [Mr. Dixon], the Senator from South Dakota [Mr. Daschle], the Senator from Rhode Island [Mr. Pell], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Joint Resolution 346, a joint resolution to designate March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE JOINT RESOLUTION 347

At the request of Mr. Kennedy, the names of the Senator from Connecticut [Mr. Weicker], the Senator from Vermont [Mr. Leahy], the Senator from Hawaii [Mr. Inouye], the Senator from Minnesota [Mr. Boschwitz], the Senator from Nebraska [Mr. Exon], the Senator from Arizona [Mr. DeConcini], and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of Senate Joint Resolution 347, a joint resolution in support of the restoration of a free and independent Cambodia and the protection of the Cambodian people from a return to power by the genocidal Khmer Rouge.

SENATE JOINT RESOLUTION 350

At the request of Mr. Simon, the names of the Senator from Alabama [Mr. Shelby], the Senator from Idaho [Mr. McClure], the Senator from Arizona [Mr. McCain], and the Senator from Missouri [Mr. Bond] were added as cosponsors of Senate Joint Resolution 350, a joint resolution designating Labor Day weekend, September 3-5, 1988, as "National Drive for Life Weekend."

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. DeConcini, the names of the Senator from West Virginia [Mr. Rockefeller], and the Senator from Georgia [Mr. Nunn] were added as cosponsors of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Charles E. Thornton, Lee Shapiro, and Jim Lindelof, citizens of the United States who were killed in Afghanistan.

SENATE RESOLUTION 394

At the request of Mr. Heinz, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of Senate Resolution 394, a bill expressing the sense of the Senate that funding in fiscal year 1989 for the Federal-aid highway and mass transit programs should be at the levels enacted in the Surface Transportation and Uniform Relocation Assistance Act of 1987.

AMENDMENT NO. 2554

At the request of Mr. Lautenberg, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of amendment No. 2554 proposed to H.R. 4794, a bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

AMENDMENTS SUBMITTED

RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

SHELBY AMENDMENT NO. 2650

(Ordered to lie on the table.)

Mr. SHELBY submitted an amendment intended to be proposed by him to the bill (H.R. 4784) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1989, and for other purposes; as follows;

On page 48, line 10, strike out the period and insert in lieu thereof a colon and the following: "*Provided further,* That $400,000 shall be made available to the City of Northport, Alabama for the development of a pilot program to demonstrate the benefits of a multipurpose cadastre or land information system through the development of various methods of collecting, storing and retrieving data on land for a variety of land conservation, water resource and engineering applications.".

ENDANGERED SPECIES ACT AUTHORIZATION

MITCHELL AMENDMENT NO. 2651

Mr. MITCHELL proposed an amendment to the bill (S. 675) to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, 1991, and 1992; as follows

1. On page 3, at the start of line 21, insert "(b)".

2. On page 3, after line 20, insert the following new subsection:

(a) Paragraph (13) of section 3 of the Endangered Species Act (16 U.S.C. 1532 is amended to read as follows:

"The term "person" means an individual, corporation, partnership, trust, association, or any other private entity; or any officer, employee, agent, department, or instrumentality of the Federal Government, of any State, municipality, or political subdivison of a State, or of any foreign government; any State, municipality, or political subdivision of a State; or any other entity subject to the jurisdiction of the United States.".

3. On page 9, line 11, strike ", without further appropriation,".

BURDICK (AND SYMMS) AMENDMENT NO. 2652

Mr. MITCHELL (for Mr. Burdick and Mr. Symms) proposed an amendment to the bill, S. 675, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . EDUCATION, STUDY AND REPORT.

(a) The Administrator of the Environmental Protection Agency in cooperation with the Secretary of Agriculture and the Secretary of the Interior, promptly upon enactment of this Act, shall conduct a program to inform and educate fully persons engaged in agricultural food and fiber commodity production of any proposed pesticide labeling program or requirements that may be imposed by the Administrator in compliance with the Endangered Species Act (16 U.S.C. 1531 et seq.). The Administrator also shall provide the public with notice of, and opportunity for comment on, the elements of any such program and requirements to be effective on or after September 15, 1988, based on compliance with the Endangered Species Act, including (but not limited to) an identification of any pesticides affected by the program; an explanation of the restriction or prohibition on the user or applicator of any such pesticide; an identification of those geographic areas affected by any pesticide restriction or prohibition; an identification of the effects of any restricted or prohibited pesticide on endangered or threatened species; and an identification of the endangered or threatened species along with a general description of the geographic areas in which such species are located wherein the application of a pesticide will be restricted, prohibited, or its use otherwise limited, unless the Secretary of the Interior determines that the disclosure of such information may create a substantial risk of harm to such species or its habitat.

(b) The Administrator of the Environmental Protection Agency, jointly with the Secretary of Agriculture and the Secretary of the Interior, shall conduct a study to identify reasonable and prudent means available to the Administrator to implement the endangered species pesticides labeling program which would comply with the Endangered Species Act of 1973, as amended, and which would allow persons to continue production of agricultural foods and fiber commodities. Such study shall include investigation by the Administrator of the best available methods to develop maps and the best available alternatives to mapping as means of identifying those circumstances in which use of pesticides may be restricted; identification of alternatives to prohibitions on pesticide use, including, but not limited to, alternative pesticides and application methods and other agricultural practices which can be used in lieu of any pesticides whose use may be restricted by the labeling program; examination of methods to improve coordination among the Environmental Protection Agency, Department of Agriculture, and Department of the Interior in administration of the labeling program; and analysis of the means of implementing the endangered species pesticides labeling program or alternatives to such a program, if any, to promote the conservation of endangered or threatened species and to minimize the impacts to persons engaged in agricultural food and fiber commodity production and other affected pesticide users and applicators.

(c) The Administrator of the Environmental Protection Agency in cooperation with the Secretary of Agriculture and the Secretary of the Interior shall submit an interim report on September 15, 1988, and a final report within one year of the date of enactment of this Act, presenting the results of the study conducted pursuant to subsection (b) of this section to the Committee on Merchant Marine and Fisheries and the Committee on Agriculture of the United States House of Representatives, and the Committee on Environment and Public Works and the Committee on Agriculture, Nutrition, and Forestry of the United States Senate.

EVANS (AND ADAMS) AMENDMENT NO. 2653

Mr. MITCHELL (for Mr. Evans and Mr. Adams) proposed an amendment to the bill, S. 675, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . SCRIMSHAW CERTIFICATES.

(a) Section 10(f)(8)(A) of the Endangered Species Act of 1973 (16 U.S.C. 1539 (f)(8)(A)) is amended to read as follows:

"(8)(A)(i) Any valid certificate of exemption which was renewed after October 13, 1982, and was in effect on March 31, 1988, shall be deemed to be renewed for a 6-month period beginning on the date of enactment of the Endangered Species Act Amendments of 1988. Any person holding such a certificate may apply to the Secretary for one additional renewal of such certificate for a period not to exceed 5 years beginning on the date of such enactment.".

(b) Section 10(f)(8)(B) of the Endangered Species Act of 1973 (16 U.S.C. 1539(f)(8)(B)) is amended by striking "original" and inserting "previous".

(c) Section 10(f)(8) of the Endangered Species Act of 1973 (16 U.S.C. 1539(f)(8)) is amended by adding at the end thereof the following subparagraph:

"(D) No person may, after January 31, 1984, sell or offer for sale in interstate or foreign commerce, any pre-Act finished scrimshaw product unless such person holds a valid certificate of exemption issued by the secretary under this subsection, and unless such product or the raw material for such product was held by such person on October 13, 1982.".

(d) Section 10(f) of the Endangered Species Act of 1973 (16 U.S.C. 1539 (f)) is amended by striking paragraph (9).

HEFLIN (AND OTHERS) AMENDMENT NO. 2654

Mr. HEFLIN (for himself, Mr. Mitchell, Mr. Breaux, Mr. Cochran, Mr. Gramm, Mr. Johnston, Mr. Shelby, and Mr. Stennis) proposed an amendment to the bill, S. 675, supra; as follows:

On Page 10, between lines 18 and 19, insert:

SEC. 8. SEA TURTLE CONSERVATION.

(a) The Secretary of Commerce shall delay the effective date of regulations promulgated on June 29, 1987, relating to sea turtle conservation, until May 1, 1990, in inshore areas, and until May 1, 1989, in offshore areas, with the exception that regulations already in effect in the Canaveral area of Florida shall remain in effect. The regulations for the inshore area shall go into effect beginning May 1, 1990, unless the Secretary determines that other conservation measures are proving equally effective in reducing sea turtle mortality by shrimp trawling. If the Secretary makes such a determination, the Secretary shall modify the regulations accordingly.

(b)(1) In General.—The Secretary of Commerce shall contract for an independent review of scientific information pertaining to the conservation of each of the relevant species of sea turtles to be conducted by the National Academy of Sciences with such individuals not employed by Federal or State government and having scientific expertise and special knowledge of sea turtles and activities that may affect adversely sea turtles.

(2) Purposes of Review.—The purposes of such independent review are—

(i) to futher long-term conservation of each of the relevant species of sea turtles which occur in the waters of the U.S.;

(ii) to further knowledge of activities performed in the waters and on the shores of the U.S., Mexico and other nations of the world which adversely affect each of the relevant species of sea turtles;

(iii) to determine the relative impact which each of the activities found to be having an adverse effect on each of the relevant species of turtles has upon the status of each such species;

(iv) to assist in identifying appropriate conservation and recovery measures to address each of the activities which affect adversely each of the relevant species of sea turtles;

(v) to assist in identifying appropriate reproductive measures which will aid in the conservation of each of the relevant species of sea turtles;

(vi) in particular to assist in determining whether more or less stringent measures to reduce the drowning of sea turtles in shrimp nets are necessary and advisable to provide for the conservation of each of the relevant species of sea turtles and whether such measures should be applicable to inshore and offshore areas as well as to various geographical locations; and

(vii) to furnish information and other forms of assistance to the Secretary for his use in reviewing the status of each of the relevant species of sea turtles and in carrying out other responsibilities contained under this act and law.

(3) Scope of Review.—The terms and outlines of such independent review shall be determined by a panel to be appointed by the President of the National Academy of Sciences, except that such review, shall include, at a minimum, the following information:

(i) estimates of the status, size, age structure and, where possible, sex structure of each of the relevant species of sea turtles;

(ii) the distribution and concentration, in terms of U.S. geographic zones, of each of the relevant species of sea turtles;

(iii) the distribution and concentration of of each of the relevant species of sea turtles, in the waters of the world, the U.S., Mexico and other nations of the world, during both the migratory and reproductive phases of their lives;

(iv) identification of all causes of mortality, in the waters and on the shore of the U.S., Mexico and other nations of the world, for each of the relevant species of sea turtles;

(v) estimates of the magnitude and significance of each of the identified causes of turtle mortality;

(vi) estimates of the magnitude and significance of present or needed head-start or other programs designed to increase the production and population size of each of the relevant species of sea turtles;

(vii) description of the measures taken by Mexico and other nations to conserve each of the relevant species of sea turtles in their waters and on their shores, along with a description of the efforts to enforce these measures and an assessment of the success of these measures; and

(viii) the identification of nesting and/or reproductive locations for each of the relevant species of sea turtles in the waters and on the shores of the U.S., Mexico and other nations of the world and measures that should be undertaken at each location as well as a description of worldwide efforts to protect such species of turtles.

(4) Completion and Submission of Review.—Such independent review shall be completed after an opportunity is provided for individuals with scientific and special knowledge of sea turtles and activities that may affect adversely sea turtles to present relevant information to the panel. It shall then be submitted by the Secretary, together with recommendations by the Secretary in connection therewith, to the Committee on Environment and Public Works of the United States Senate and the Committee on Merchant Marine and Fisheries of the United States House of Representatives on or before April 1, 1989. In the event the independent review cannot be completed by April 1, 1989, then the panel shall give priority to completing the independent review as it applies to the Kemp's ridley sea turtle and submitting the same to the Secretary by that date, or as expeditiously as possible, and thereafter shall complete expeditiously as possible the remaining work of the independent review.

(5) Review of Status.—After receipt of any portion the independent review from

the panel, the Secretary shall review the status of each of the relevant species of sea turtles.

(6) RECOMMENDATIONS OF SECRETARY.—The Secretary, after receipt of any portion of the independent review from the panel, shall consider, along with the requirements of existing law, the following before making recommendations:

(i) reports from the panel conducting the independent review;

(ii) written views and information of interested parties;

(iii) the review of the status of each of the relevant species of sea turtles;

(iv) the relationship of any more or less stringent measures to reduce the drowing of each of the relevant species of sea turtles in shrimp nets to the overall conservation plan for each such species;

(v) whether increased reproductive or other efforts in behalf of each of the relevant species of sea turtles would make no longer necessary and advisable present or proposed conservation regulations regarding shrimping nets;

(vi) whether certain geographical areas such as, but not limited to, inshore areas and offshore areas, should have more stringent, less stringent or different measures impose upon them in order to reduce the drowning of each of the relevant species of sea turtles in shrimp nets;

(vii) other reliable information regarding the relationship between each of the relevant species of sea turtles and shrimp fishing and other activities in the waters of the U.S., Mexico and other nations of the world; and

(viii) the need for improved cooperation among departments, agenies and entities of Federal and State government, the need for improved cooperation with other nations and the need for treaties or international agreements on a bilateral or multilateral basis.

(7) MODIFICATION OF REGULATIONS.—For good cause, the Secretary may modify the regulations promulgated on June 29, 1987, relating to sea turtle conservation, in whole or part, as the Secretary deems advisable.

(8) SECRETARY AND EDUCATIONAL EFFORTS.—The Secretary shall undertake an educational effort among shrimp fishermen, either directly or by contract with competent persons or entities, to instruct fishermen in the usage of the turtle excluder device or any other device which might be imposed upon such fishermen;

(9) SEA TURTLE COORDINATOR.—In order to coordinate the protection, conservation, reproductive, educational and recovery efforts with respect to each of the relevant species of sea turtles in accordance with existing law, the National Marine Fisheries Service shall designate an individual as Sea Turtle Coordinator to establish and carry out an effective, long-term sea turtle recovery program.

(10) PURPOSE OF SECTION 8.—Section 8 is intended to assist the Secretary in making recommendations and in carrying out his duties under law, including the Endangered Species Act (16 U.S.C. 1531 et seq.), and nothing herein affects, modifies or alters the Secretary's powers or responsibilities to review, determine or redetermine, at any time, his obligations under law.

(11) DEFINITIONS.—For the purposes of this section, the terms:

(i) 'relevant species of sea turtles' means the Kemp's ridley sea turtle, U.S. breeding populations of the loggerhead, the leatherback, and the green sea turtle, other significant breeding populations of the loggerhead, the leatherback and the green sea turtle;

(ii), 'status' means whether a given species of turtle is endangered, threatened or recovered;

(iii) 'size' means the size of a given species of sea turtle; and

(iv) 'age and sex structure' shall be considered to mean the distribution of juveniles, subadults and adults within a given species or population of sea turtles, and males and females within a given species or population of sea turtles.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

HELMS AMENDMENT NO. 2655

Mr. HELMS proposed an amendment to the reported amendment on page 20, line 20 of the bill (H.R. 4783) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1989, and for other purposes; as follows:

On page 20, line 20 strike "X"

GRAMM AMENDMENT NO. 2656

(Ordered to lie on the table.)

Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 4783, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . None of the funds made available under this Act, or an amendment by this Act, to carry out program authorized under title X of the Public Health Service Act shall be available after January 31, 1989, unless the Secretary has promulgated regulations requiring that the recipient of such funds consider the financial resources of the parents or guardians of an unemancipated minor and the discretionary income of such minor in determining whether such minor is a person from a low-income family for purposes of section 1006(c) of the Public Health Service Act (42 U.S.C. 300a-4(c)).

HELMS AMENDMENT No. 2657

Mr. HELMS proposed an amendment to the reported amendment on page 20, line 20 of the bill (H.R. 4783), supra; as follows:

At the end of the pending amendment, add the following:

Provided, That, none of the funds made available under this Act or an amendment made by this Act for the Department of Health and Human Services shall be obligated or expended after January 31, 1989 if on that date the Secretary of that Department has not, using existing power, promulgated regulations to prohibit the provision of contraceptive drugs or devices, or prescriptions for such drugs or devices, paid for under this Act to an unemancipated minor without the prior written consent of such minor's parent or guardian, such regulations to include that the term 'unemancipated minor' means an unmarried individual who is 17 years of age or under and is a dependent as defined in section 152(a) of the Internal Revenue Code of 1954.

HUMPHREY AMENDMENT NO. 2658

Mr. HUMPHREY proposed an amendment to the reported amendment on page 26 line 19 to the bill (H.R. 4783), supra; as follows:

At the appropriate place in the pending committee amendment insert the following new section:

SEC. . None of the funds made available under this Act shall be used to require any person or entity to perform, or facilitate in any way the performance of any abortion.

DOCUMENTATION OF CERTAIN VESSELS

HOLLINGS AMENDMENT NO. 2659

Mr. BYRD (for Mr. HOLLINGS) proposed an amendment to the bill (S. 2417) to authorize a certificate of documentation for certain vessels; as follows:

Strike all after the enacting clause, and insert the following:

That notwithstanding sections 12105, 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for the following vessels: Scotch 'N Water (ex Victorious), United States official number 264090; ERSA, United States official number 229511; Compass Rose III, United States official number 559647; and M/V Polar Ice, United States official number 604676.

SEC. 2. Notwithstanding sections 508 and 510(g) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158 and 1160(g)), section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), and United States Department of Transportation Contract Numbered MA-3915 and amendments thereto, the Secretary of Transportation is authorized to allow, and the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for, the vessel M/V Ocean Cyclone (ex Coastal Spartan), United States official number 248959, to acquire, purchase, process, and transport fish and fish products in the fisheries of the United States: *Provided,* That if the vessel is scrapped, it shall not be scrapped other than in the domestic market without the prior approval of the Secretary of Transportation.

SEC. 3. Notwithstanding sections 508 and 510(g) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158 and 1160(g)), and United States Department of Transportation Contract Numbered MA-6772 (IFB PD-X-945) and amendments thereto, the Secretary of Transportation is authorized to allow, and the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for, the vessel M/V Ocean Tempest (ex Horseshoe Splice), United States official number 248773, to acquire, purchase, process, and transport fish and fish products in the fisheries of the United States: *Provided*, That if the vessel is scrapped, it shall not be scrapped other than in the domestic market without the prior approval of the Secretary of Transportation.

CLEAN AIR STANDARDS ATTAINMENT ACT OF 1987

WIRTH AMENDMENT NO. 2660

(Ordered to lie on the table.)

Mr. WIRTH submitted an amendment intended to be proposed by him to the bill (S. 1894) to amend the Clean Air Act to establish new requirements for areas that have not yet attained health-protection ambient air quality standards, to provide new deadlines for such attainment, to delay the imposition of sanctions, to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; as follows:

At the appropriate place in the bill insert the following:

SEC. . Year-round Daylight Savings Time.

Section 3 of the Uniform Time Act of 1966 (15 U.S.C. 260a) is amended by adding at the end thereof the following subsection:

(d)(1) Notwithstanding any other provision of this Act or any other law, a State in the Pacific or Mountain time zone may, by law, in lieu of the provisions of subsection (a) of this section, provide for year-round daylight savings for that State by advancing the standard time or times in such State by one hour. When time is advanced pursuant to this subsection, that time or times, as so advanced, shall be, except to the extent otherwise provided in paragraph (2), the standard time or times for the State.

(2) Any State may, be law, provide for year-round daylight savings time for only a portion of the State if that State desires to match the standard time of that portion of the State with a bordering State which has, by law, provided for year-round daylight savings time pursuant to paragraph (1) of this subsection.

(3) Any time advanced pursuant to this subsection shall remain in effect during the period provided by State law. Upon the expiration or repeal of any such State law advancing the standard time or times in a State pursuant to this subsection, the standard time or times in such State, or and after such termination or repeal, shall be in accordance with the provisions of this Act and other applicable laws, other than this subsection.

(4) Notwithstanding the foregoing provisions of this subsection, no State shall advance the standard time in such State pursuant to paragraph (1) of this subsection unless—

(A) the State contains at least one nonattainment area for the national primary ambient air quality standard for carbon monoxide;

(B) the State has determined that attainment of the national primary ambient air quality standard for carbon monoxide is not likely despite the implementation of requirements of the Clean Air Act of 1977;

(C) the State has determined that yeararound daylight savings time is a necessary part of its efforts to attain the national primary ambient air quality standard for carbon monoxide;

(D) the State has included in its implementation plan a provision setting forth its intention to adopt year-round daylight savings time; and

(E) the State has included with the implementation plan information to demonstrate that adoption of year-round daylight savings time may reduce carbon monoxide levels in a nonattainment area in such State.

● Mr. WIRTH. Mr. President, I was an original cosponsor of legislation introduced by Senator MITCHELL and many other Members of the Senate to clean up the air in urban areas across the country. That legislation, which was approved by the Environment and Public Works Committee and which is now part of S. 1894, would extend the deadline for cities to meet the national health standard for carbon monoxide and ozone. But the bill also requires these cities—from New York City to Denver to Los Angeles—to adopt tough new measures to reduce air pollution.

I strongly support this legislation and if the Congress enacts this legislation into law, we will see a steady improvement in air quality in the Nation's cities. But high-altitude cities across the Western States face special problems in their efforts to reduce air pollution.

We are making progress. Last year, Colorado became the first State in the country to require the use of oxygenated fuels during the winter. That reduced carbon monoxide pollution by nearly 10 percent. Next year's program will be even more effective since the oxygen content of fuels will increase.

And Colorado has been a national leader in encouraging people to drive less, especially on high pollution days. Our "Better Air Campaign" also cut carbon monoxide pollution by 10 percent.

But we can and must do more. Today, I am introducing an amendment to S. 1894 that will give States like Colorado another tool they can use to clean the air.

This amendment, Mr. President, would give States like Colorado the option of switching to year-round daylight saving time if they can show that such a change would help reduce air pollution.

The problem in States like Colorado is that winter temperature inversions trap auto emissions near the ground. These winter air inversions occur frequently in the evening. As a result, cities like Denver typically experience their highest carbon monoxide levels on winter evenings. However, if Colorado were to stay on daylight saving time year-round, evening rush hour would occur at warmer daylight hours, when pollution is more likely to disperse.

The Colorado Department of Health has carefully studied this proposal. They have concluded that shifting Colorado to year-round daylight saving time would reduce carbon monoxide air pollution by 9 percent. That represents a significant reduction, and it would be virtually cost free. There are very few, if any, other pollution reduction strategies that can make that claim.

This amendment would streamline the process for States that want to shift to daylight saving time. It would not relieve the States from adopting other measures that they must take to reduce air pollution. And it would require the States to make a showing that such a change would reduce air pollution. But if the States can make that showing, this amendment would remove the procedural obstacles to getting that done.

Mr. President, S. 1894 is a good bill. It will protect the health of millions of Americans who live in cities across the country and who are exposed every day to dirty air. This amendment strengthens the bill by giving Western States an additional tool to fight air pollution. I encourage my colleagues to support this amendment, and S. 1894.●

NOTICE OF HEARING

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that the hearing on August 2, 1988, before the Subcommittee on Public Lands, National Parks and Forests will include an additional measure pending before the subcommittee. The measure is H.R. 4050, for the relief of certain persons in Riverside County, CA, who purchased land in good faith reliance on an existing private land survey.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS AND THE SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. CHILES. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests, and the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on July 25, 1988, 2 p.m., to conduct a joint hearing on S. 2420, a bill to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON HEALTH

Mr. CHILES. Mr. President, I ask unanimous consent that the Subcommittee on Health of the Committee on Finance be authorized to meet during the session of the Senate on July 25, 1988, at 2 p.m., to hold a hearing on the problems resulting from the lack of health insurance coverage in the United States.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

DICK CONLON: AN EXTRAORDINARY MAN

● Mr. SARBANES. Mr. President, Dick Conlon, who died recently in a tragic boating accident, was an extraordinary man. Born and raised in Dubuque, IA, he was graduated from the University of Minnesota and began his professional career in journalism, working for 4 years as a reporter for the Duluth Herald & News Tribune. In 1962 he moved to the Minneapolis Tribune and then, in 1964, made a decisive move that was to change the course of his life. He accepted one of the congressional fellowships offered annually by the American Political Science Foundation, and came to Washington.

Following his year as a congressional fellow, Dick and Marti, his wife, decided to remain in Washington. Dick spent the next 3 years as press aide to Senator Walter Mondale. Then, in March 1968, he became executive director of the Democratic Study Group.

No brief summary could possibly do justice to Dick Conlon's accomplishments in his 20 years at the DSG. Dick created a range of research services that today serve as a model for legislative research efforts, adhering scrupulously to impeccable standards of accuracy and analysis. In fact, he considered the DSG's ambitious research program to be his greatest achievement but, with characteristic modesty, attributed the high quality of DSG research to the hard work of the DSG staff.

Under Dick's guidance, the DSG became and remained a rallying point for the sustained efforts inevitably required, year in and year out, to address the major, complex issues of domestic and foreign policy. He committed his formidable energies and skills to the challenge of procedural reform, a challenge which by its nature is tortuous and complex, which demands painstaking analysis and balancing of a multitude of points of view, and which cannot be resolved in a day or a week, but only over time. The House of Representatives is today a far more democratic institution than it was 20 years ago, when such apparently routine practices as recorded votes on amendments, open committee meetings, and more open and democratic procedures in the Democratic caucus were the exception rather than the rule. That this is so is due in large measure to Dick's perspicacity and tenacity, although Dick, again characteristically, always insisted that the reforms were an institutional and not an individual achievement.

After all is said and done, however, the key to Dick Conlon's effectiveness was, simply, the kind of person he was. Dick combined the perspective of a philosopher with the skill of a master strategist and tactician. He was wise as well as smart. He had a high respect for words and used them well, always their master, never their slave. He brought together a concern for society as a whole and a concern for individuals; his overarching vision of an open, diverse and just society was at one with his fierce respect for institutions and procedures. He was an adviser and friend to Members who worked with him in the House, and to the dozens of young people who over the years worked for him at the DSG.

The tragedy of Dick's death falls most cruelly on his wonderful family, to whom he was devoted: His wonderful wife Marti, who unfailingly supported and encouraged him at the DSG despite the ceaseless demands of his work; his three children, sons Charles and Michael and daughter Kellie Paris; and the young grandchildren in whom he took such pride. But his death is a loss for all of us. It was a privilege to know Dick Conlon. We are better for having known him. We will not forget him.

Mr. President, numerous articles concerning Dick Conlon appeared in the press at the time of his death. I ask to have these articles, along with a March 31 statement by DSG Chairman Representative MIKE LOWRY and Dick Conlon's response of April 20, reprinted in the RECORD.

The articles follow:

[From the New York Times, June 23, 1988]

RICHARD CONLON DIES IN ACCIDENT; HEAD OF DEMOCRATIC UNIT WAS 57

(By Linda Greenhouse)

WASHINGTON, June 22.—Richard P. Conlon, executive director of the Democratic Study Group in the House of Representatives, one of the most influential staff members in Congress, died Sunday in a boating accident on the Chesapeake Bay.

Mr. Conlon, who was 57 years old, was sailing a friend's boat with his wife, Marti, when he was knocked overboard by the boom. He disappeared, and his body was found Tuesday by the Maryland state police.

A week ago Mr. Conlon was the guest of honor at a party attended by several hundred members of Congress and their aides, marking his 20th anniversary as director of the Democratic Study Group. The group, which describes itself as a service and coordinating organization for House Democrats, is an authoritative source of legislative research and political strategy.

Of the 262 House Democrats, 236 are members of the group, which has a moderate-to-liberal orientation; 17 more Democrats and 21 House Republicans pay the $2,500 annual dues in order to receive the group's reports on issues and legislation.

THE HEART AND SOUL

Informing their colleagues of Mr. Conlon's death, Representative Mike Lowry of Washington, the current chairman of the study group, and four former chairmen said in a statement: "For 20 years, Dick Conlon was the heart and soul of virtually every progressive effort in the Congress to strengthen the House of Representatives as an institution and to promote justice and equity in our public policies."

Representative Tony Coelho of California, the majority whip, said in an interview today, "Dick was one of the people who made this place work." Mr. Coelho said that Mr. Conlon enjoyed such credibility with so many House members that virtually no major legislation could pass without his personal support. If Mr. Conlon opposed a leadership initiative, Mr. Coelho said, the leadership would often have to decide whether to modify its position or work through other House members to try to persuade Mr. Conlon to see the matter in a new light.

Mr. Conlon, a liberal who was a long-time admirer of Hubert H. Humphrey, worked actively for civil rights legislation and was an opponent of both the war in Vietnam and military assistance to the Nicaraguan rebels. His personal specialties were campaign finance and House procedure. Representative Lowry, in a 20th anniversary tribute to Mr. Conlon in the Congressional Record, credited him with a key role in bringing about changes in the 1970's that diminished secrecy and weakened the hold of the seniority system in the House.

Mr. Conlon, a slim, gray-bearded man who projected energy and enthusiasm, was also a strong defender of the institutional prerogatives of Congress. Last year, after President Reagan ordered the beginning of naval maneuvers in the Persian Gulf, Mr. Conlon was instrumental in organizing 110 House members to bring a lawsuit to force him to comply with the terms of the War Powers Resolution. The lawsuit was dismissed in Federal District Court here and is now on appeal.

Mr. Conlon was born Nov. 16, 1930 in Dubuque, Iowa. He graduated from the University of Minnesota and began a career as a journalist, first for The Duluth Herald & News Tribune and then for The Minneapolis Tribune. He came to Washington in 1963 on a Congressional fellowship sponsored by the American Political Science Association, under which he spent a year working in both the House and Senate. "The program changed my life," he said in an interview several years ago. "Like most reporters, I had an itch to get in and straighten things out."

He remained on Capitol Hill, working for three years as a press assistant to Walter Mondale, then a Senator from Minnesota. In 1968, he began his tenure as executive director of the Democratic Study Group.

In addition to his wife, Mr. Conlon is survived by two sons, Charles and Michael; a daughter, Kellie J. Paris, and two grandchildren.

[From Roll Call, July 3, 1988]

HOUSE MOURNS INFLUENTIAL DSG DIRECTOR CONLON, 57

(By John P. Gregg)

The House last week mourned the loss of Richard Conlon, a staffer at the heart of the institution whose behind-the-scenes efforts made it a more open and democratic body, less governed by seniority alone.

Conlon, the executive director of the Democratic Study Group for the past 20 years, died June 19 in a sailing accident on the Chesapeake Bay. Conlon was hired by former Rep. James O'Hara (D-Mich) to head the DSG in 1968.

During his tenure, Conlon worked closely with reform-minded Members and outside public-interest groups to effect changes in Democratic Caucus rules that required monthly meetings of the caucus and secret-ballot caucus votes on committee chair assignments. Because of these reforms, chairmen became far more accountable to rank-and-file Members.

Conlon had a hand in requiring recorded votes on amendments, a reform that Rep. Mike Lowry (D-Wash), the chairman of the DSG, called "one of the most significant rules changes in the history of the House." Conlon championed campaign-finance reform legislation and recently mobilized support for a House challenge, using the War Powers Act, to President Reagan's Persian Gulf policy.

Another Conlon legacy is the DSG itself, which, thanks to his efforts, became a crackerjack research organization that provides Members with up-to-the-minute information on pending legislation and policy issues. Despite the shock of Conlon's death, the DSG published reports the following day.

Lowry, Majority Leader Tom Foley (D-Wash), and other former DSG chairmen released a joint statement last week that said, "His death is a tragic loss to many of us personally and an incalculable loss to progressive democratic forces in the House and throughout the country."

O'Hara, now an attorney with Patton, Boggs and Blow in Washington, noted, "While chairmen of the DSG came and went, Dick Conlon stayed . . . [providing] continuity and institutional memory to the reform movement."

He added, "Dick had a complete commitment to the House functioning as a more democratic institution."

Peter Barash, the staff director of a House Government Operations subcommittee, remarked, "Dick Conlon is the paradigm of the person who works behind the scenes . . . but has an enormous influence on government."

David Cohen, co-director of the Advocacy Institute, credited Conlon with making "the majority of the majority party effective to pursue its goals."

And Rep. Jerry Lewis (R-Calif), the chairman of the House Republican Policy Committee, said that when he headed the House Republican Research Committee, he sought to model that panel after Conlon's DSG.

Ironically, the DSG had celebrated Conlon's 20-year reign with a party less than a week before his death. The invitations included a picture of Conlon, who loved to sail, on a boat.

Conlon, who was 57, is survived by his wife, three children, and two grandchildren.

A memorial service will be held for Conlon on Tuesday (June 28) at 5 p.m. in the Ways and Means hearing room in Longworth.

[From the Washington Post, June 23, 1988]

RICHARD CONLON

When Richard Conlon, who died in a sailboat accident last weekend, became the chief staffer for the Democratic Study Group almost exactly 20 years ago, the House of Representatives was a largely conservative and tradition-bound quarter of American politics. Elderly committee chairmen were vested with great power by operation of the seniority system, and an alliance between conservative southern Democrats and small-town Republicans dominated the House on issues far more often than its Democratic speakers could. At a time when the presidency and the executive branch were beginning to be transformed, when the Senate was in the throes of reform and state governments were growing larger and more competent, the House, intended by the founders to be the branch of government most responsive to changes in opinion, seemed to be almost impervious to change.

Today the House is a vastly different institution, and Mr. Conlon was one of the handful of people responsible. He helped to establish the Democratic Study Group, not just as a lobby but also as an organization that provided reliable information on issues before the House. And he helped provide the leadership that abolished such hoary practices as unrecorded votes and automatic succession to chairmanships, insisting instead that members be accountable to their constituents, and chairmen to their colleagues. The political result through most of the 1970s and 1980s has been to favor the liberal Democratic causes Mr. Conlon supported. But the institutional changes guarantee that the House will be more responsive to any majority, as was shown when Republicans took effective control on the tax and budget issues of 1981.

Of course, Mr. Conlon did not work alone; various House Democrats and national political trends helped produce the results he sought. But he brought to his work important qualities of intellectual integrity and steadiness of purpose that helped make the DSG's victories not the momentary triumph of a faction but the restoration of a branch of government to something nearer its original purpose. His death came while he was still in the midst of his work, but he left behind major accomplishments.

[From the National Journal, June 25, 1988]

A HOUSE DEMOCRAT

(By Richard E. Cohen)

Richard P. Conlon, executive director of the House Democratic Study Group (SDG), died on June 19 in a boating accident on the Chesapeake Bay. He was 57.

Conlon was a rare breed among congressional aides. He was an institutionalist. He cared deeply about the way Congress operates—especially the House and, most especially, the Democrats in the House. He worked on many levels: legislative, electoral, systemic, informational. He certainly was a Democrat, but he was most passionately, a democrat, who believed that government must reflect the public will.

Conlon cared about results and the contents of legislation. As an institutionalist, he also pursued the Jeffersonian ideal that Members of Congress ought to work harder to assert their responsibility as lawmakers.

Like many of the House's institutionalists, Conlon could be unrelenting in advocating what he believed were the best interests of the House and his party. Friends and foes alike called him "the 436th Member." Some critics viewed him as "the prince of darkness."

Woes to the Member of Congress, especially a House Democrat, who stood in his way. During the 1985 House debate on the tax reform bill, Ways and Means Committee chairman Dan Rostenkowski, D-Ill., wanted to kill the tax credit for an individuals' contribution to a political candidate. But DSG leaders, energized by Conlon, challenged and initially defeated Rostenkowski, coming away with the only House floor amendment to the committee-reported bill. The chairman later got his way in a House-Senate conference committee but, a Conlon ally said, "Rostenkowski was ready to kill him."

Woe, also, to the congressional reporter who did not give Conlon's view—which was usually the accurate view—of a story in which he was involved. Certain reporters, notably yours truly, had a bad habit of crediting the "Watergate babies" elected in 1974 for the major internal House reforms that were approved by the Democratic Caucus after that election. As Conlon said very clearly, the 75 freshman Democrats provided the votes, but painstaking efforts of DSG leaders over many years performed the essential spade work and developed the tactics that led to the ouster of three autocratic committee chairmen and forced Members to be more accountable to the caucus. And when I wrote in 1979 that the DSG was suffering an "identity crisis" because it had achieved most of its goals, Conlon tartly responded that the report "would be news to DSG members" and that the organization had reached the peak of its influence.

Conlon held his post for 20 years—a remarkable feat, considering that a new chairman took control every two years. Ironically, friends celebrated the anniversary at a big Capitol Hill reception four days before his death; the invitation showed Conlon at the helm of a boat.

He had taken the DSG job after serving as a reporter in Minnesota and as a press secretary to then-Sen. Walter F. Mondale, D-Minn., and he quickly plunged into the effort of Members seeking to force a vote on ending the Vietnam war. Years later, he rallied DSG forces against aid to the Nicaraguan contras by publishing a long series of reports on events in the region, and he organized a lawsuit by 109 House Members challenging the constitutionality of U.S. reflagging of Kuwaiti tankers in the Persian Gulf.

"No person in this town has been more crucial than Dick to the success of progressives in the House for 20 years," said Rep. David R. Obey, D-Wis., a close ally and former DSG chairman. "His agenda was never finished. In the later years, our big problem was not the House rules but how to respond to the Reagan Administration's economic policy and foreign policy abuses." Obey, himself a major player, credited Conlon as the "driving force" behind the rules changes that weakened seniority and strengthened the party leaders. "Everything he did was to teach Members by producing information that was accurate and straight but pushed home a point."

On the campaign front, he organized the Democratic Study Group Campaign Fund in 1974 to give candidates access to low-cost polling. "Dick felt that in-house polling was a way to control escalating campaign costs, with professional standards," said political scientist Thomas E. Mann, who organized the program with Conlon in its early years and who is director of government studies at the Brookings Institution.

Starting in the early 1980s, the polling function passed to the Democratic Congressional Campaign, Committee, largely because its chairman, Rep. Tony Coelho of California, began raising enough money for the committee to underwrite the services. Coelho's aggressive style initially caused friction between the DSG and the campaign committee. "Dick opposed the cult of personality and feared that it could be manipulated by someone in the future," said Martin D. Franks, who was executive director of the campaign committee form 1981-87. "By 1985, he was satisified with how we operated, and the two groups were restored to their proper roles, with DSG oriented to issues and inside the House."

Probably the most important aspect of that service, and the feature least visible to the public, has been the yellow DSG legislative fact sheets perfected by Conlon, which Members and aides of all ideological persuasions (plus more than a few reporters) use as crib sheets on pending bills.

At a time when congressional aides leave the Hill to earn big bucks in law or consulting firms or to write lightweight collections of Capitol Hill anecdotes, Conlon showed that professionalism can mean selfless and driven service to make Congress work better. His death came at a time when mounting legal and ethical misdeeds among House Members threaten the House's integrity and when the House is most in need of leadership to develop workable reforms in such areas as campaign finance and House operations. These are issues on which Conlon was a legislative genius.

Because Conlon won't be around, some Members might not feel as challenged to address the problems as they would have; others won't have the tactical help and institutional memory that they badly need. The public will be the loser.

TRIBUTE TO RICHARD P. CONLON ON TWENTIETH ANNIVERSARY AT DSG

(By Hon. Mike Lowry)

Mr. LOWRY of Washington. Mr. Speaker, 20 years ago this month, Richard P. Conlon became director of the Democratic Study Group. During the past two decades, few staff members have had a greater impact on this institution. He has not only played an important role in many of our national policy debates, he has had an enormous impact on the decisionmaking process itself. As principal strategist of the reform effort in the 1970's that transformed the House of Representatives, he has made a unique and enduring contribution to the legislative process, to us as Members, and to the people we serve.

Mr. Speaker, as chairman of the Democratic Study Group, I rise today to pay special tribute to Dick Conlon on the occasion of his 20th anniversary as DSG's executive director. On behalf of all DSG members, I take this opportunity to honor Dick for his overriding commitment to protecting the integrity of the political process, his commitment to the use of the Democratic Party to promote the public interest, and his unwavering dedication to strengthening the House as an institution.

Today we congratulate and salute Dick Conlon for his extraordinary achievements in reforming House organization and procedures, and in building DSG into the preeminent research institution in the Congress.

In recognition of Dick Conlon's years of leadership at DSG and dedicated service to its members, I would like to take a moment on this special occasion to relate some of his most important accomplishments over the past 20 years, and particularly his instrumental role in congressional reform.

Richard Conlon became the third DSG executive director in March 1968. The first was William G. Phillips, who served from 1959 through 1965, and the second was John Morgan, who served from 1966 until 1968.

Dick accepted the position against the advice of many of his friends and colleagues. They saw a bleak future for the organization after the heavy losses in the 1966 election and the prospects for further dwindling of liberal Democratic strength in 1968.

But Dick saw it differently. He recognized that there would be an even greater need for an organization to act as a focal point for mobilizing liberal Democrats in the House. He saw an opportunity to expand DSG's operations as a research and policy institution, and to establish the Democratic Study Group as the vanguard of the congressional reform movement.

Dick Conlon was the right man at the right time. His activist, pragmatic approach, his intense interest in reform, his political insight, his shrewd tactical skills, his commitment to progressive Democratic policies, all melded perfectly with the needs and interests of DSG members at the time.

Congressional reform soon became the top priority of DSG. There was broad consensus among DSG members on the objectives of the reform effort: to end secrecy in the House, to democratize House and caucus procedures, to assure that committee chairman are accountable to the full Democratic caucus, and to give junior Members an opportunity to participate in the legislative process.

Dick played a vital role in the achievement of those goals. Working with key DSG reform leaders, he conceived and drafted most of the rules changes, devised the political strategy to win their approval, and managed the overall execution of the reform effort.

He was also the contact point with a coalition of outside groups and worked closely with them to rally public opinion and mobilize Democratic members in support of the reform proposals.

Dick made two strategic decisions at the beginning of the reform effort that were critical to its eventual success: First, to pursue a limited number of achievable reforms, Congress by Congress, rather than attempt a comprehensive reform package; and second, to revitalize the party caucus as the basic determinant of party policy and as the instrument of reform.

Dick had the foresight to recognize that changes in basic caucus procedures would open the door to fundamental reform.

The first procedural changes occurred in 1969, with the approval of DSG proposals to require monthly meetings of the Democratic caucus, and to permit individual Members to bring matters before the caucus for debate and vote. Another basic reform reestablished caucus control over committee assignments, thus paving the way for the automatic secret ballot vote on committee chairmen.

It was also Dick Conlon's idea to create a caucus committee to study and recommend changes in the seniority system and other House and party procedures. His rationale was that such a committee would legitimize the reform effort, and insulate the reform proposals from attack as radical changes advocated by liberal DSG members.

Of course, Dick continued to play a key role in the reforms proposed by the "Hansen" committee, and does so today in the deliberations of that committee, now chaired by our colleague MARTIN FROST.

Conlon's proposal to create a caucus committee illustrates his selfless commitment to the success of the reform effort. He would readily submerge his own involvement and downplay the association with DSG if it would ultimately help win approval of the reforms.

Dick followed that strategy in the case of the record teller vote reform in 1970. He devoted his considerable energies to mobilizing support both inside and outside the House for this crucial reform to permit recorded votes on amendments.

He generated favorable public opinion through a massive press campaign, prepared detailed reports on secrecy in the House, and recruited support from labor, education, and public interest groups. He worked with DSG leaders to form a bipartisan coalition in the House, and enlisted Members who had not been identified with the reform movement to sponsor this rules change.

Dick masterminded and executed every aspect of this effort to permit record votes on amendments, while minimizing the public perception of DSG's role in achieving one of the most significant rules changes in the history of the House.

In addition to the record teller vote and other antisecrecy reforms, the principal target of DSG's reform effort in the 1970's was the seniority system. The objective was not to abolish the system, but rather to assure that those who gain power through seniority are accountable and responsive to the Democratic caucus. Dick's strategy in that effort established the model that has been used again and again in DSG's initiatives to influence substantive policy decisions.

That basic strategy is to survey Members to determine their attitudes on the issue and selected policy options, prepare comprehensive analyses based on a thorough documentation of the facts, mobilize public opinion, and use the caucus to build support for policy initiatives.

In the case of the seniority system, DSG launched an educational effort after a survey of Members revealed considerable misunderstanding of seniority rule and its impact on power relations within the House. Dick prepared a report documenting the voting patterns of conservative Democrats in opposition to national Democratic programs and policies; and a second report tracing the evolution of the seniority system.

These two reports—based on meticulous research and analysis, thoroughly objective, presenting the arguments on both sides of the issue—had a tremendous impact on Democratic Members and won their support for the effort to break the iron grip of seniority rule.

Dick Conlon also built DSG into a highly respected research operation—the acknowledged best source of legislation research in the Congress. Dick devoted a great deal of time and effort to expanding DSG's research services, and insisted on the highest standards of objectivity and accuracy. Now nearly all Democratic Members, and a score of Republicans, rely on DSG's daily and weekly legislative reports and periodic special reports on major political issues.

DSG's prodigious research output on legislation and policy issues is phenomenal. Under Dick's supervision, hundreds of reports numbering thousands of pages are published every year. The staff prides itself in preparing a summary of every bill that comes before the House, even if doing so requires working through the night in order to provide Members with what is sometimes the only available analysis of the pending bill.

Dick recognized from the beginning that the credibility of the research services would enhance DSG's prestige and establish the foundation for its policy initiatives.

Those policy initiatives are carefully selected by the DSG leadership, and are generally limited to issues of overriding national importance, such as tax and budget policy, or to issues on which DSG has developed a specific expertise, such as campaign finance reform.

On the issue of tax reform, for example, DSG has a long history of leading progressive Democrats in efforts to close loopholes and eliminate inequities in the tax code. In recent years, Dick spearheaded DSG initiatives to achieve deficit reduction through tax reform, working with key Ways and Means Committee members and others in 1983 to develop a series of tax reform measures to met deficit reduction targets. He directed similar efforts in 1985 to mobilize and document broad public and Member support for using revenues from tax reform for deficit reduction rather than rate reduction.

In this Congress, DSG has been extremely active in the debate on Contra aid, publishing a long series of reports on developments in Nicaragua and the peace process. Dick was personally involved in the development of the Democratic alternative considered earlier this month, and worked tirelessly to help Members understand the issues involved in the Contra debate.

Dick also worked long hours with me in developing the DSG court challenge of the President's failure to report to Congress on the reflagging of Kuwaiti tankers in the Persian Gulf. A total of 109 Members have joined me in the filing of this most important challenge under the War Powers Act. It would not have been possible without Dick's efforts.

The issue of overriding interest to Dick Conlon, however, is the one that he has worked on assiduously over the years: campaign finance reform. DSG undertook major long-term campaign in 1978 to win support for partial public financing of elections to the House of Representatives.

Dick played a key role in the development and execution of the reform effort on H.R. 1, which was defeated in committee in early 1979, and the subsequent effort on the Obey-Railsback limit on PAC contributions, which passed the House later that year but was filibustered in the Senate.

More recently, he developed the idea to minimize Members' dependence on PAC contributions, and encourage participation of individual citizens, by providing a 100-percent tax credit on small contributions from people in the Member's home State. In support of that effort, he directed a comprehensive analysis of campaign funding trends over the past 10 years to document the increasing dependence of congressional candidates on PAC money and the decline in individual campaign contributions.

The 100-percent tax credit proposal was the only successful floor amendment to the 1986 Tax Reform Act. Dick was instrumental in achieving support for the proposal in the Democratic caucus and narrowly in the House. It was dropped in conference, but we can be sure that Dick will turn his attention to that proposal again at the appropriate time.

Dick has had a significant impact in other ways in the campaign process itself. He rejuvenated the DSG campaign fund and began an extensive program of services for nonincumbent candidates. He also conceived and engineered highly successful direct-mail campaigns usually written by him. He developed special campaign workshops in 1970 which served as a model for similar workshops sponsored by the party campaign committees. Dick also invented a new polling concept, using DSG professional pollsters and volunteers trained by them, which enabled candidates to conduct at-cost professional polls.

In addition to helping candidates compete more effectively, Dick also helps newly-elected Members make a smooth transition as they begin their service in the House. Under his guidance and direction, DSG began the practice in 1970 of sponsoring orientation briefings for new Members before the start of the Congress.

Mr. Speaker, perhaps the greatest tribute that would be paid to Dick Conlon is that he has made a difference. The House of Representatives is truly a far more democratic institution because of his work here.

I am sure all of my DSG colleagues join me in saluting Dick Conlon for his remarkable contributions to this House over the past 20 years.

Dick, we congratulate you, we thank you, and we look forward to your continued leadership at DSG for many years to come.

DICK CONLON OF THE DEMOCRATIC STUDY GROUP

(By Hon. Mike Lowry)

Mr. LOWRY of Washington. Mr. Speaker, in my March 31 remarks regarding Dick Conlon's 20th anniversary as executive director of the Democratic Study Group, I noted that one of his most important achievements is the widely respected research service he created at DSG over the past two decades. DSG research has an unparalleled reputation for integrity and accuracy, among other reasons, because of Dick's insistence that a correction or supplement be issued promptly whenever a DSG report is not precisely accurate or is incomplete in some respect. Thus, it was no surprise that I found the following letter on my desk when I returned to Washington from the Easter recess;

DEMOCRATIC STUDY GROUP
HOUSE OF REPRESENTATIVES,
Washington, DC, April 12, 1988.

Hon. MIKE LOWRY,
Chairman, Democratic Study Group,
U.S. House of Representatives.

DEAR MIKE: It is very pleasant to receive recognition for one's accomplishments—especially when that recognition is unsolicited. I was truly overwhelmed by your remarks in the March 31 Congressional Record regarding my 20 years at DSG, and I am deeply appreciative.

However, you are far too generous in the credit you give me for the various accomplishments of DSG over the past two decades. I do accept credit for development of DSG's research product; it continues to be my proudest achievement. However, the continued excellence of our research would not be possible were it not for the commitment and hard work of the DSG staff.

But, it is what you said with respect to my role in the enactment of the congressional reforms of the early 1970s that requires me to write this letter. You give me far too much credit, and I cannot allow the record to stand that way.

I did play an important role in the reform effort and I am immensely proud of that role. But the reforms were an institutional—not an individual—achievement. It was the Members of the DSG Executive Committee, not Dick Conlon, who initiated the reform effort, who decided which reforms to pursue, who devised the political strategy to win their approval, who made the strategic decision to pursue reforms on a step-by-step basis over several Congresses rather than attempting to enact a comprehensive reform package at one time.

And it was DSG Chairman Jim O'Hara who, in 1968 when others were pressing for more dramatic reforms, saw that the key to reform in the House was revitalization of the Democratic Caucus and who proposed monthly caucuses as a way of achieving this end. Indeed, were it not for this relatively innocuous first step, none of the far-reaching reforms which were adopted could have been achieved.

Similarly, the reforms of the 1970s would not have been possible without the leadership of the Chairmen who followed Jim O'Hara: Don Fraser, Phil Burton, and Tom Foley.

Other DSG leaders and Members who made major contributions to the success of the reform effort included Dick Bolling, Mo Udall, Sam Gibbons, Julia Butler Hansen, Jack Bingham, Frank Thompson, Jr., John Blatnik, Chet Holifield, John Culver, Dave Obey, Tip O'Neill, Ab Mikva, Henry Reuss, Bill Ford, Jim Corman, Tom Rees, Brock Adams, Don Edwards, Neal Smith, Frank Evans, John Seiberling, Dante Fascell, Lloyd Meeds, Bob Eckhardt, and Bob Kastenmeier.

It was these Members and others like them who were responsible for the success of the reform effort in the House. It was my great honor to have had the opportunity to work for and with them.

Again, Mike, my thanks to you and the former Chairmen who helped you for your thoughtfulness and the generosity of your remarks.

Sincerely,

RICHARD P. CONLON,
Executive Director.

THE RETIREMENT OF RICHARD BAIN

● Mr. MURKOWSKI. Mr. President, I rise today to pay tribute to a man who could be described as the man who made the harmonica an acceptable and even desired form of entertainment. His name is Richard Bain. Mr. Bain has recently retired, after having spent the last 36 years as Deputy Director of Ceremonies and Special Activities for the Office of Public and Consumer Affairs, Veterans' Administration Central Office.

At age 15, Richard Bain toured the country with the late Borrah Minevitch's "Harmonica Rascals" playing in leading theaters, clubs, and hotels. After 3 years in the Navy, he returned to the stage where he was featured with such great performers as Fred Waring and Horace Heidt. Mr. Bain recorded transcriptions with Kay Kyser and his orchestra for NBC. He also appeared as a soloist with Arthur Fiedler at Boston's Esplanade, the Buffalo and New England Philharmonic Orchestras, as well as soloing with the

Florida; New Jersey; Cumberland, MD; and Arlington, VA Civic Symphonies.

Mr. Bain became a member of the U.S. Navy Band after being recalled into the Navy during the Korean conflict and was the first harmonica soloist ever assigned to a major service band. Mr. Bain became a very popular and sought after entertainer with congressional leaders, Supreme Court Justices, and even played for many heads of state. However, his most memorable assignment was playing for the late President and Mrs. Eisenhower's 42d wedding anniversary.

During his military service, he served as writer and adviser on several film projects and received the Navy Achievement Medal and a commendation from the Chief of Naval Operations for his efforts. Upon his retirement, he was awarded the Navy Commendation Medal for his contributions as a harmonica soloist, narrator, and public affairs officer for the Navy Band.

Mr. Bain has had the honor of participating in such special national events at Veteran's Day Memorials at Arlington Cemetery and nationwide, the Winter Olympics in Lake Placid, and helping produce the opening ceremonies for President Reagan's first inaugural. Most recently he was requested to assist in the Liberty Weekend/Rededication of the Statue of Liberty where he was responsible for coordinating all the appearances of the numerous military musical organizations. Mr. Bain's participation in the events has brought widespread attention and honor to our Nation's veterans, a group of men and women whose ultimate sacrifice deserves such honor and respect. I am sure that if asked, Mr. Bain would say his service is a way of thanking our veterans for their loyalty and dedication to our country.

It is an honor to recognize a man who has spent the majority of his life bringing joy to others through his music.●

KIRYAT ONO SYMPHONIC YOUTH BAND

● Mr. **LAUTENBERG.** Mr. President, I would like to draw my colleagues' attention to the performance on July 27, 1988 of the Kiryat Ono Symphonic Youth Band from the music conservatory near Tel Aviv, Israel at Temple Emmanu-El in Westfield, NJ.

The band was founded 24 years ago by Aharon Alkalay, and is still under his direction. It is making its 10th overseas tour and its 4th appearance in the United States in conjunction with the 40th anniversary of the State of Israel.

Consisting of about 50 youngsters between the ages of 13 and 18, the band provides an important educational and cultural framework for the youngsters of the Kiryat Ono area. Their repertoire is wide and varied, including international light and classic items, Israeli compositions, and traditional brass and wind pieces. As a nonprofit institution, its aims are to promote good relations between Israel and other countries through the performances of the band before the general public, to give young musicians an opportunity to take part in international festivals, and to give band members an opportunity to see and learn about the Diaspora and its link with Israel.

In addition to performing frequently at official functions in Israel, the band has played in Europe, Canada, South Africa and South America as well as the United States. The band participated in our Bicentennial Celebration in 1976 and received certificates of appreciation from Presidents Ford and Carter after performing twice at the White House. In 1986, one of their appearances was in Washington, DC where they participated in the International Youth Musical Festival sponsored by the U.S. Senate.

Before the Kiryat Ono Band embarked on the 1986 trip, they gave a farewell concert in Israel under the patronage of U.S. Ambassador, Thomas Pickering. In his letter to the then Foreign Minister, Yitzhak Shamir, the Ambassador said,

> It is informal exchanges such as these, all the work of diplomats and statesmen aside, which form the basis for strengthening the ties of friendship and understanding that bind us.

Mr. President, I am proud that New Jersey is welcoming these fine musicians and ambassadors of good will to our shores. I commend Temple Emmanu-El for sponsoring their performance, and Arthur Sudfield for arranging it. I hope that as many people as possible can hear their wonderful music while they are in the United States.●

WINDFALL PROFIT TAX ON CRUDE OIL

● Mr. **BAUCUS.** Mr. President, the windfall profit tax on crude oil placed a heavy burden on the oil producing industry. While this burden may have seemed justified when price decontrol of crude oil made $50 per barrel prices and outlandish industry profits likely, those times have come and gone. Falling oil prices have crippled the domestic oil industry, and compliance with the windfall profit tax has exacerbated the problem. While the tax is no longer generating revenue, the industry is nevertheless saddled with the administrative paperwork necessary for compliance with the tax and must divert millions of dollars away from active exploration for nonproductive bookkeeping. As a result, the windfall profit tax has helped force down domestic oil production and has led to the import of greater amounts of foreign oil. Furthermore, last year alone the Internal Revenue Service used 150 staff-years and spent nearly $10 million to administer a tax program that does not collect any revenue. Certainly this is not the kind of policy this country needs.

Mr. President, I would like to bring to your attention a recent editorial which appeared in the Great Falls Tribune entitled "Windfall Profit Tax Should Be Repealed." This piece presents the belief that the continued existence of the windfall profit tax would be unwise and that the domestic oil industry is no longer in a position to bear its burden. I note that since this editorial appeared the price of west Texas intermediate crude oil has fallen another $2 per barrel, making the situation of the domestic oil industry even worse. However, I am pleased to note that repeal of the windfall profit tax on crude oil is included in the omnibus trade and competitiveness bill. I urge all of my fellow Senators to keep this in mind as they consider the trade bill.

Mr. President, I ask that the editorial be printed in the RECORD.

The editorial follows:

[From the Great Falls Tribune, June 14, 1988]

WINDFALL PROFIT TAX SHOULD BE REPEALED

Predictions that the price of crude oil, now around $17 a barrel, is heading down strengthen the case for a major change in federal energy-tax policy. Oil industry "windfalls" are but a dream in the current market. So a windfall profits tax makes no sense. One way or another, it should be repealed.

The aim of the windfall levy, first imposed eight years ago, was to keep producers from making "excessive" profits following decontrol of domestic petroleum prices.

The effect, though, was to divert money from the oil industry into other investments. One industry official estimates that U.S. oil production would be 1 million barrels a day higher if this tax had not been imposed. So the policy contributes to America's dangerous over-reliance on foreign oil.

Moreover, the conditions that inspired the tax—the soaring oil prices of the late '70s—are no more. A decade ago some observers forecast $70-a-barrel oil. Their crystal balls were short on long-term vision.

Even though the windfall-profits tax raises no revenue when prices are low and the industry is struggling, it still imposes as much as $100 million yearly in paperwork costs on oil companies, according to the American Petroleum Institute. That expense discourages investment in new exploration.

The policy costs taxpayers, too. The federal government pays $13 million annually in administrative costs.

In Montana, oil production is at its lowest ebb of the past decade. It amounted to 24 million barrels in 1987. No federal windfall taxes were paid on this production, but there's little doubt that federal tax policies combined with dropping prices to create the drilling slowdown in this state and other domestic oil patches.

The U.S. oil industry should not be placed in a deep freeze until the next energy crunch arrives. A well-planned increase in exploration and production is preferable to the OPEC noose around our necks.

And this must be accompanied by a renewed emphasis on energy conservation and development of alternative fuels.

The foolishness in the federal tax policy has finally become clear to many legislators. Good sense won a partial victory in Congress when an amendment to repeal the tax was tacked onto trade legislation. But the trade bill contained some protectionist provisions, and the Senate sustained President Reagan's veto of the measure.

Congressional opponents of the levy owe it to both producers and consumers to continue their fight. They should begin the search now for a more worthy legislative vehicle for a repeal measure.

Foreign oil suppliers are the only parties who have reaped a windfall from this tax.●

COURT OF INTERNATIONAL TRADE REMANDS ANOTHER ITC OPINION

● Mr. HEINZ. Mr. President, as Senators know, I have on several occasions expressed my opposition to the nomination of ITC Chairman Susan Liebeler to the court of appeals for the Federal circuit. My opposition is based on her unique methods of analysis which have failed to withstand inspection by the Court of International Trade. On March 15 of this year, yet another of the Commission's rulings was remanded. The CIT overturned a negative injury determination in "Cold-Rolled Carbon Steel Plates and Sheets from Argentina." The CIT ordered this remand because it found that the determinations of two of the four commissioners comprising the majority negative determination were not supported by legally sufficient reasoning.

One of the two was Mrs. Liebeler. The other was Vice Chairman Anne Brunsdale, who is the subject of my comments today, because her mode of analysis has also been questioned and determined to be legally indefensible.

In the case I referred to, Commissioner Brunsdale reached a negative injury determination by using an elasticity of supply estimate to measure the effects of imports on domestic shipments, prices and sales. The Court of International Trade acknowledged that reliance on elasticity estimates has been held both reasonable and lawful in at least one previous case when it said that Commissioner Brunsdale's approach "has the potential for explaining, within the confines of the statutory framework, and in an improved manner, how less than fair value imports affected the domestic industry."

The Court, however, disapproved its use in the case at hand. The elasticity estimate used by Commissioner Brunsdale was based not on data collected in the investigation but on a Department of Commerce study which used data compiled between 1956 and 1976. One does not have to be an expert in economics to know that the steel industry in Pennsylvania has undergone quite a few changes since 1956.

The Court acknowledged the irrelevance of the statistics when it stated:

> It is at least open to question whether data compiled for periods which were decades prior to this investigation can reliably be used to establish assumptions about the state of the current steel industry given subsequent advances in technology and other changes in the industry. This question cannot be ignored by the ITC if the elasticity estimate is to control the result.

I agree with this statement. Not only was the estimate very old, it did not pertain to the specific products of cold-rolled carbon steel plates and sheets but covered steel products in general.

Mr. President, I am disappointed that someone with Commissioner Brunsdale's background and experience would rely on empirical data which is so far from being reliable or relevant. I also have reservations about the use of elasticity and causation theory generally, but I will discuss that on another occasion. The theory's appropriateness is not the issue at hand in this case. Rather it is Commissioner Brunsdale's use of faulty data which leads to patently incorrect conclusions, no matter how fine the theory is. The use of selectively limited data to arrive at convenient conclusions about the elasticity of supply and demand only obfuscates the many subtle problems and transitions in the steel industry. I would suggest it is better to examine all the data available on each of the factors in the statute, as most ITC Commissioners have traditionally done, so that the most comprehensive picture can be obtained.

At the same time, I would be remiss if I did not mention that Commissioner Brunsdale has acknowledged her mistake and has agreed with the Court that it is better to allow the parties an opportunity to participate expressly in the process of estimating relevant elasticities. In her response to the Court's remand, Commissioner Brunsdale stated:

> I understand the Court to be suggesting that evidence on the specific subject of elasticity estimates would be more acceptable if it were the subject of expert testimony to the Commission, submitted to scrutiny by the parties through adversarial participation in the administrative process, addressed to the specific products involved in the investigation, and founded in a contemporaneous assessment of the characteristics of the relevant industry. My approach in investigations subsequent to my decision on the original remand is responsive to each of the Court's concerns.

Mr. President, I raise these points today in the hope that Senators will seriously consider the methods by which the ITC arrives at its rulings. The Commission appears to be increasingly divided over its fundamental approach to injury analysis, and I believe there are a number of important questions to be answered with respect to Commissioner Brunsdale's faith in and utilization of elasticity estimates. ITC rulings have a major effect on jobs in this country. It is vital that these rulings are based on a solid reading of the law and congressional intent.●

LEGAL ANALYSIS OF THE APPROVAL OF THE COMPACT OF FREE ASSOCIATION BY PALAU

● Mr. JOHNSTON. Mr. President, on January 28, 1988, the Committee on Energy and Natural Resources held a hearing on legislation to authorize the entry into force of the Compact of Free Association between the United States and the Government of Palau. One of the issues which was discussed at this hearing was the constitutionality of the approval process of the compact in Palau. Representatives of the Government of Palau requested that a legal analysis of one aspect of this legal issue, done at their request by Geoffrey C. Hazard, Jr., professor of law at the Yale Law School, be put into the record of the committee's hearing. Unfortunately, that was not done.

In lieu of including this analysis in the hearing record, I request that it be printed in the RECORD along with the background vitae of Professor Hazard.

The material follows:

CURRICULUM VITAE

Geoffrey C. Hazard, Jr., Sterling Professor of Law, Yale Law School, Director, American Law Institute.

Address: Yale Law School, 401A Yale Station, New Haven, CT 06520-7397.

EDUCATION

Swarthmore College, B.A. 1953, Columbia University, LL.B. 1954. Honorary Degrees: M.A., Yale University 1971, LL.D., Gonzaga University, 1985, LL.D., University of San Diego, 1985.

PROFESSIONAL APPOINTMENTS

Admitted to practice: Oregon, 1954; California, 1960; Conn., 1982. Practiced in Oregon, 1954-57. Deputy Legislative Counsel, State of Oregon, 1956-57. Executive Secretary, Oregon Legislative Interim Committee on Judicial Administration, 1957-58. Executive Director, American Bar Foundation, 1964-70. Director, American Law Institute, 1984-

ACADEMIC APPOINTMENTS

Professor of Law, Yale University, since 1971; Garver Professor of Law 1976-81; Nathan Baker Professor of Law, 1981-86; Sterling Professor, 1986-

Associate Professor of Law, University of California, Berkeley, 1958-61.

Professor of Law, University of California, Berkeley, 1961-64.

Visiting Professor, University of Michigan, 1963.

Professor of Law, University of Chicago, 1964-71.

Visiting Professor, Stanford University, 1974.

Associate Dean, Yale School of Organization and Management, 1979-80.

Acting Dean, Yale School of Organization and Management, 1980-81.

Deputy Dean, Yale School of Organization and Management, 1981-82.

Visiting Professor, Universite d'Aix-Marseille, 1982.

Visiting Professor, Harvard University, 1983.

TEACHING SUBJECTS

Civil Procedure, Legal Ethics, Federal Jurisdiction.

PROFESSIONAL ACTIVITIES

Member, American Bar Association, Committee on Professional Discipline, 1985—

Reporter, American Bar Association Special Commission on Evaluaton of Professional Standards, 1978-83.

Reporter, American Law Institute, Restatement of Judgments, Second, 1973-81.

Reporter, American Bar Association Special Commission on Standards of Judicial Administration, 1971-77.

Consultant, American Bar Association Special Committee on Code of Judicial Conduct, 1970-72.

Member, Administrative Conference of United States, 1972-78.

Advisory Board, Yale Law and Policy Review.

Member: California State Bar, Connecticut Bar Ass'n, American Bar Ass'n, American Law Institute, Ass'n Bar of City of New York, Institute of Judical Administration, Fellows of American Bar Foundation.

BOOKS

Research in Civil Procedure (1963; Walter E. Meyer Research Institute of Law).

Law in a Changing America (1968; editor).

Quest for Justice (1973; editor, American Bar Association).

Going to Law School? (1974; editor, with Thomas Ehrlich).

Civil Procedure (3rd ed. 1985; with Fleming James, Jr.).

Ethics in the Practice of Law (1978).

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California Special Legislative Commission on the Insanity Defense, Report (1962).

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"The Research Program of the American Bar Foundation," 51 *A.B.A.J.* 539 (1965).

"Reflections on Four Studies of the Legal Profession," in *Law and Society, A Supplemental to Social Problems* (Summer, 1965).

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"Rationing Justice," 8 *J. Law & Econ.* 1 (1965).

"Limitations on the Uses of Behavorial Science in the Law," 19 *Case Western L. Rev.* 71 (1967).

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"Challenges to Legal Education," in Sutherland, ed. *The Path of the Law from 1967* (1968), pp. 185-194.

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YALE LAW SCHOOL,
401A YALE STATION,
New Haven, CT, November 17, 1987.

ARNOLD H. LEIBOWITZ, Esq.,
Busby, Rehm and Leonard, P.C., Suite 200, 1330 Connecticut Avenue, N.W., Washington, DC.

DEAR MR. LEIBOWITZ: On behalf of the Government of Palau you have asked for my opinion whether the doctrine of res judicata, particularly the rule of claim preclusion, will bar relitigation of the legal controversy concerning the ratification of the Compact of Free Association between the Republic and the United States. Although the question is seriously arguable on both sides, in my opinion the rule of claim preclusion does operate and ought to be applied by a court called upon to decide the question.

1. The rule of Claim Preclusion

The rule of claim preclusion is that when a final judgment has been entered, "the claim is extinguished." Restatement Second of Judgments S17. Under this rule, "the claim extinguished includes all rights of the plaintiff to remedies against the defendant with respect to all or any part of the transaction, or series of connected transactions, out of which the action arose." Restatement Second of Judgements S24(1). Comment *a* to S24 states:

"The present trend is to see [the term] claim in factual terms and to make it coterminous with the transaction regardless of the number of substantive theories, or variant forms of relief flowing from those theories, that may be available to plaintiff; regardless of the number of primary rights that may have been invaded; and regardless of the variations in the evidence needed to support the theories or rights. The transaction is the litigative unit or entity which may not be split."

The claim in the present situation included a request for a declaratory judgment along with a demand for an injunction. With particular regard to actions involving a request for a declaratory judgment, Comment *d* to Restatement Second of Judgments S33 states:

"Pleaders sometimes interpolate declaratory prayers redundantly in standard actions but this should not produce differences in the res judicata consequences of those actions. Thus a pleader demanding money damages may also ask for a corresponding declaration. For res judicata purposes the action should be treated as . . . concluded . . . with the usual consequences of merger, bar, and issue preclusion. The same applies to a prayer for a declaration which would be the substantial equivalent of a judgment of rescission or reformation."

As further discussed herein, I conclude that the consent judgment enterd at the instance of the Ibedul in *Merep v. Salii,* an action that challenged the validity of the ratification of the Compact of Free Association between the Republic of Palau and the United States, precludes reasertion of a claim that the ratification was invalid.

2. The Prior Litigation Over COFA

The Compact of Free Association ("COFA") is a proposed agreement between the Republic of Palau and the United States that is to govern the future relationships between the signatories. Among other provisions of COFA is one that has the effect of permitting United States forces to enter Palauan territory and make use of facilities therein notwithstanding that those forces may be equipped with nuclear-powered naval and air craft and nuclear weapons. This provision in particular was highly material in the negotiation of COFA and also highly controversial among a significant portion of the population of Palau. According to the Constitution of Palau prior to the Constitutional Amendment of August, 1987, a vote of 75 percent of the voters would be required for such a provision concerning nuclear forces to be approved on behalf of the Republic of Palau. Under the Constitution of Palau as amended in August, 1987, the Republic's approval could be given with less than such supermajority.

There have been several elections in which the nuclear forces provision has been at issue. The intense political controversy disturbed the domestic situation in Palau and also complicated and protracted the negotiations with the United States Government. In each of these elections a substantial majority of votes favored the proposed arrangement, but not a majority exceeding 75 percent. Accordingly, the question of procedure for approval of the provision turned out to be critical.

The question of procedure for approval of the provision has been the subject of several suits in the courts of Palau. One of these was *Innbo v. Republic of Palau.* This suit was filed before the Constitutional Amendment but was settled concurrently with the settlement in *Merep v. Salii. Merep v. Salii* was filed July 29, 1987, by three Palau plaintiffs against Lazarus Salii, President of Palau, and other officers of the Republic. The plaintiffs in *Merep v. Salii* alleged themselves to be "citizens, residents, taxpayers, and registered voters," The action sought an injunction against holding an election to ratify an amendment to the Constitution of Palau that would permit approval of COFA by less than a 75 percent majority of the voters. The action further sought an injunction against a second election that would be conducted pursuant to that amendment and in which the approval of COFA was to be submitted to vote of the people. The action thus challenged the validity of the amendment and any election pursuant to it.

The request for a preliminary injunction in *Merep v. Salii* was denied. An election was held in which the Amendment to the Constitution was approved. A further election was thereupon held under the amended Constitution. In the second of these elections, 73 percent of the votes favored the proposed COFA. Under the amended Constitution, this was a sufficient vote to ratify COFA.

Thereafter, on August 28, 1987, *Merep v. Salii* was dismissed by stipulation. The stipulation stated:

"The parties hereto, by and through their respective attorneys, hereby stipulate that the above-entitled cause be dismissed with the following stipulations:

"(1) That the Compact of Free Association has been approved and ratified by democratic means and ratified by the Olbiil Era Kelulua in Senate Resolution No. 2-101 and House Resolution No. 2-0065-16S thereby rendering the Complaint herein effectively moot;

"(2) That the Memorandum of Understanding by and between the President Lazarus E. Salii of the Republic of Palau and High Chief Ibedul of Koror State, Republic of Palau, dated August 28, 1987, which will be honored by the parties thereto, and is incorporated by reference."

The Memorandum of Understanding referred to above recites that

"High Chief Ibedul has been a consistent and forceful opponent of the Compact of Free Association, specifically with regard to the provisions therein authorizing the United States to bring nuclear-propelled and nuclear capable vessels and aircraft into the territory of the Republic . . ."

The Memorandum also states that the people of the Republic had twice voted overwhelmingly an approval of COFA. It goes on to provide that "the Ibedul shall cause to be dismissed the pending Civil Action," i.e., *Merep v. Salii;* that the President agrees that the power of eminent domain will not be used to acquire land for use by the United States under the Compact; and that "Both President Salii and High Chief Ibedul agree to henceforth cooperate toward the progressive development of the Republic of Palau . . . and to lead the Republic of Palau toward the honorable end of the Trusteeship period . . ."

One judicial day after entry of the settlement and consent judgment described above, the action of *Ngirmang v. Salii* was filed. This action was by women citizens, describing themselves as "citizens, residents, taxpayers and registered voters and electors." It challenged the procedures used for the approval of COFA on essentially the same grounds as had been advanced in *Merep v. Salii.* Defendant moved to dismiss on the ground of res judicata. The motion was opposed on the grounds that "the plaintiffs in the *Merep v. Salii* case did not represent us 'women'" and that "Therefore, their agreement with the government will not prevent us from bringing this action through our Constitutional rights." On September 8, 1987, a stipulation for dismissal of *Ngirmang v. Salii* "on the merits" was entered, apparently signed by all the plaintiffs. This dismissal was entered along with a memorandum by Justice Hefner. The judge's memorandum stated that the dismissal was pursuant to Rule 41(a)(1), identical with the counterpart provision of the Federal Rules of Civil Procedure, and also that "There are indications in the record and in the proceedings in this matter that the Dismissal signed by the Plaintiffs may not be voluntary. There are indications that the Dismissal was brought by intimidation through the use of violence."

Neither *Merep v. Salii* nor *Ngirmang v. Salii* was designated as a class suit, and in neither proceeding were any steps taken under Rule 23 to certify the suit as a class suit. Rule 23 is identical to the counterpart in the Federal Rules of Civil Procedure, and indeed the whole procedural code in the Palau courts corresponds to the Federal Rules.

3. The Specific Question Presented

The essential question is whether the consent judgment entered in *Merep v. Salii* should preclude a later suit challenging the procedure used in the approval of COFA by the Republic of Palau. No opinion is expressed as to whether the judgment in *Ngirmang v. Salii* had such an effect. If *Merep* is preclusive, *Ngirmang* is essentially irrelevant, while if *Merep* is not preclusive *Ngirmang* does not add preclusive effect. The question to be addressed therefore is the preclusive effect of *Merep v. Salii.*

There are two ways in which the effect of *Merep v. Salii* can be considered. The first is to consider it a representative suit of some kind by the named plaintiffs against the President, Mr. Salii. The second is to consider the effect of the Ibedul's involvement and the consent judgment on the basis of the settlement agreement between him and Mr. Salii.

4. *Merep v. Salii* as a Representative Suit

Merep v. Salii could be considered to be a non-class representative suit by the named plaintiffs as citizens, taxpayers, and voters, challenging public action by officials of government. In times past, suits of this character were sometimes recognized as properly maintainable even though not denominated as class suits, essentially on the pattern of a derivative suit by a single stockholder. In the corporate derivative suit, the right asserted by the stockholder is derivative from the corporate body, the stockholder being regarded as representing the interest of the corporate body as such rather than the interest of other stockholders as such. By the same token, a citizen or taxpayer could enforce a right concerning a public corporate body without undertaking or purporting to maintain the action as a class suit. On this basis, the plaintiffs in *Merep v. Salii* could be regarded as proceeding in a representative capacity even though they did not proceed through a class suit. It would follow that the dismissal of their action could be regarded as having the claim preclusive effects of a representative action even though it was not a class suit. Compare Restatement Second of Judgments S59, Comment *c* and Reporter's Note thereto.

However, while the foregoing analysis is analytically tenable, in my opinion it would be unlikely to prevail. The disposition by the individual plaintiffs in *Merep v. Salii* could have preclusive effect on later litigation challenging the approval of COFA only if those plaintiffs were regarded as representative of other citizens, taxpayers, or voters. Rules 23, 23.1 and 23.2 contemplate that a representative suit should proceed under active supervision and control of the court, particularly in regard to dispositions based on settlement. No such supervisory measures were engaged in *Merep v. Salii.* In my opinion the dismissal of a citizens derivative suit on the basis of a settlement would not be regarded as preclusive against other citizens in the absence of review and approval by the court substantially as required by Rule 23(d) and (e). See, 7B Wright, Miller & Kane, Federal Practice & Procedure S1997; Note, 84 Mich.L. Rev. 308 (1985).

5. The Participation of the Ibedul

The involvement of the Ibedul in the settlement presents very different considerations. The Ibedul has standing in the matter in virtue of his office and authority as such, authority that is extrinsic to the litigation and which does not derive from his designation as a party in the litigation or because he purported therein to be a party representative of others. In substance, the Ibedul intervened in the litigation and thereupon entered into a settlement with the opposing party, President Salii. Alternatively, the situation can be considered as one is which the Ibedul took notice of the litigation without having intervened as a party. On either analysis, he exercised authority on the basis of his office to reach a settlement that terminated the legal controversy and which was then memorialized in a consent judgment of dismissal. The substance of the settlement is clear: That the challenge to approval of COFA was dropped, that the Ibedul's instrumental role in the negotiations over COFA was recognized, that the powers of the Council of Chiefs were enlarged with respect to lands available to the United States under COFA, and that the people of the Republic of Palau should proceed to their independent status as a freely associated state. The essential question is whether such a settlement is binding so as to preclude subsequent reassertion by taxpayers, citizens or voters of the claim resolved in the settlement.

6. The Authority of the Ibedul

According to information provided me, the office or societal role of the Ibedul involves several aspects. The office is a traditional chiefdom, indigenous to Palau, that originated before the overlay of colonial control and which has continued through the various Spanish, German, Japanese, and American administrations. It has recognition in terms both of the traditional law of Palau and of the State of Koror ("customary law" in Western terminology) and of the modern Palauan law of Western origin. The Constitution of the State of Koror provides various express and implied references to traditional law, authority and leadership. See particularly Articles III (citizenship), IV, Sec. 2 (preservation of "role or function of a traditional leader as recognized by custom and tradition"), VI, Sec. 1 ("The House of Traditional Leaders, consisting of the Nigarameketii and Rubekulkldeu shall be the supreme authority of the State of Koror.") and Sec. 2(3) (The House of Traditional Leaders . . . shall represent the State in engaging in any dialogue with any entity, including . . . the national government of the Republic of Palau . . .". See also the discussion in *Acting High Chief Reklai v. Isimang,* Civil Action No. 144-80, Trial Division, Supreme Court of Palau March 12, 1982.

The Ibedul has a capacity in the State of Koror as such and in Palau as such. The State of Koror is the state in which most of the population of Palau now lives and in which is located the nation's capital and center of its political life. The Ibedul is the president and speaker or spokesman of The House of Traditional Leaders of Koror, a status by lifetime appointment that approximates that of head of state. In virtue of and in addition to that status, the Ibedul is the traditional leader of those communities now called states that comprised the Southern Confederation in traditional Palauan society. His counterpart is the Reklai, whose office is based in the state of Melekeok in the Northern Confederation. However, the Ibedul has a national stature as well, owing partly to the stronger position of Koror as the largest state and partly to his own public presence, character and abilities. For example, in practice the Ibedul convenes the Council of Chiefs of Palau. Thus, in terms of traditional law, preserved by the Palau as a whole as well as Koror. In the Western tradition, an analogy may be drawn between his position and that of the King of Austria in the late medieval Holy Roman Empire of the German Nation, who was titularly only one sovereign among sovereigns but in established practice was the head of the collective entity.

The Ibedul has like leadership authority within the State of Koror and in the Idid clan, one of the ten traditional clans of Koror, and in his village. The authority of the Ibedul in his multiple roles is both secular and founded on traditional religion. In the controversy over COFA in particular, the Ibedul was the national spokesman for the opposition. He participated extensively and influentially, both in the domestic aspects of the controversy in Palau and in international forums, most notably his appearance before the United Nations Trusteeship Council.

Obviously there is no exact counterpart to the Ibedul in the American jurispurdence. Reference to American jurisprudence is required, however, because the American doctrine of res judicata is applied in Palauan law to determine the effect of a prior judgment.

7. The Applicable Law

Section 303 of 1 Palau National Code provides:

"Rules of the common law, as expressed in the Restatements of the Law approved by the American Law Institute, and, to the extent not so expressed, as generally understood and applied in the United States, shall be the rules of decision in the courts of the Republic in applicable cases . . ."

Accordingly, substantial reliance is placed on the Restatement Second of Judgments in this opinion. Moreover, as noted, Palau has adopted the Federal Rules of Civil Procedure. The scope of the rules of res judicata, including claim preclusion, are intimately connected to the rules of procedure upon which a judgment is predicated. See Restatement Second of Judgments, Introduction pp. 6-9. Federal decisions on matters of res judicata therefore are also authoritative. See Restatement Second of Judgments S87, Comment *a.* In any event, the most relevant precedents are federal court decisions and on the question at issue there appears to be no significant divergence between the law as announced in those decisions and that found in other decisions.

8. The Conclusiveness of a Consent Judgment

The judgment in *Merep v. Salii* entered pursuant to the stipulation between the Ibedul and the defendants was a consent judgment. The preclusive effect of such a judgment has two aspects. One aspect is the preclusion of issues, the other is the preclusion of the claim involved. A consent judgment may result in issue preclusion only where the agreement for judgment resolves certain facts that have been contested. However, no problem of issue preclusion is presented in the present case because no relevant factual resolutions were included in the judgment. The relevant aspect of the judgment in *Merep v. Salii* therefore is its claim preclusive effect.

As stated in 18 Wright, Miller & Cooper, Federal Practice and Procedure S4443:

"Consent judgments entered upon settlement by the parties may assume forms that range from simple orders of dismissal with or without prejudice to detailed decrees . . . [T]he judgment results from a basically contractual agreement of the parties . . .

"The basically contractual nature of consent judgments has led to general agreement that preclusive effects should be measured by the intent of the parties. In most circumstances, it is recognized that consent agreements ordinarily are intended to preclude any further litigation on the claim presented but are not intended to preclude further litigation on any of the issues presented. Thus consent judgments ordinarily support claim preclusion but not issue preclusion."

Although the claim preclusion and issue preclusion effects of a judgment are analytically distinct, claim preclusion may have the effect of precluding opportunity for further litigation of issues involved in the claim. Thus, if a corporation settles a claim without having litigated the issues therein, the settlement is generally conclusive on the corporation's stockholders. See Restatement Second of Judgments S59. This effect follows although the stockholders might otherwise have a right to bring suit on behalf of the corporation and, in the course thereof, to litigate issues upon which the claim depends. Hence, when a claim is resolved by a consent judgment, claim preclusion prevents reopening the claim by reasserting issues upon which the claim depended. That principle applies generally to litigation affecting the interests of a person that are under the managing authority of another. See Restatement Second of Judgments S41, Comment *b* and Illustrations 1 and 2.

Concerning the intent of the parties to the settlement in *Merep v. Salii*, there is no question as to what that intent was. Apart from the usual recitals in a settlement are its references to the importance of resolving the controversy over COFA for the political stability and future national identity of Palau. In addition there were extensive contemporaneous public statements to this effect by the Ibedul and the President. Hence, the consent judgment was intended to terminate the legal claim involved. The question then is whether this settlement between the Ibedul and President Salii and the other defendants is conclusive upon citizens of Palau who may yet wish to relitigate the issue.

9. The Representative Position of the Ibedul

The conclusiveness of the settlement depends upon the Ibedul's position as a representative. The concept of representation is often specifically associated with class suits but the scope of the concept is much broader. As stated in 18 Wright, Miller & Cooper, supra, S4454:

"The most pervasive principle that extends preclusion to nonparties relies on representation by a party . . . Representative capacity must be established . . . by private or public appointment . . . The most general representative capacities involve management of another person's interests for purposes that go beyond a particular lawsuit . . . Such representatives are established by private appointment, by public designation, or a combination of private appointment and public confirmation. The broad managerial purposes that underlie the representative capacity include authority to conduct litigation that concerns the interests being managed."

The closest analogy to the Ibedul that is found in American law is of course the position of chief of a Native American tribe. Another analogy is to the head of a state or municipal government or a municipal corporation. Another is to the head of a polity having some characteristics of a national state even through it is a constituent of a larger federation, such as the Province of Quebec in relation to Canada. Another is to the chief officer of a nonprofit membership corporation or the counterpart officer of an unincorporated public association.

Under any of these analogies, the chief of the entity has general authority to act for the entity in litigation. The entity in turn has authority to conduct and conclude litigation that is preclusive upon its members as regards entity activities and transactions. See generally Restatement Second of Judgments.

Another analysis of the Ibedul's authority is suggested by the fact that the Ibedul is head not simply of a polity but also of a clan and a group of interconnected clans. A group of clans is considered a family or extended family for some purposes. On that basis, the Ibedul can be considered the head of a family who in the present instance has assumed responsibility for concluding a legal dispute on behalf of the family.

Of these analgies, as indicated above the closest analogy to the Ibedul as a representative of Palau citizens concerns judgments in litigation involving Native American tribes. The most recent relevant decision is *Arizona v. California*, 460 U.S. 605 (1983). That case involved the effect of a prior judgment in litigation conducted by the United States on behalf of a Native American tribe. Claim preclusive effect was given to the judgment. Since that judgment was preclusive on the tribe and its members, a judgment entered by act of the tribe itself, acting through its leader, ought to be accorded at least as full effect. In *Arizona v. California*, the Supreme Court stated, 460 U.S. at 626–627:

"Finally, the absence of the Indian Tribes in the prior proceedings in this case does not dictate or authorize relitigation of their reserved rights. As a fiduciary, the United States had full authority to bring the . . . rights claims for the Indians and bind them in litigation. *Heckman v. United States*, 224 U.S. 413 (1912). We find no merit in the Tribes' contention that the United States' representation of their interests was inadequate whether because of a claim conflict of interests arising from the government's in securing water rights for other federal property, or otherwise."

In a footnote to its citation of *Heckman*, supra, 460 U.S. at 627 n. 20, the Court stated:

"Contrary to the dissent . . . *Heckman's* square holding that the United States' representation of Indian claims is binding . . . has not been undermined, let alone 'repudiated,' by subsequent cases . . . (citing and discussing precedents)."

Moreover, earlier in its opinion in *Arizona v. California*, the Court referred to the importance that claim preclusion has to stability of the property interests that were involved in the litigation in that case. 460 U.S. at 620. It can be said that the same considerations of stability apply, perhaps even more forcefully, in settlement of constitutional issues such as those involved in *Merep v. Salii*.

The principle of preclusion through a representative has been applied in cases involving unincorporated associations. See generally Wright, Miller & Cooper, supra, S4456. The most recent Supreme Court case in point, *International Union, UAW v. Brock*, 106 S.Ct. 2523 (1986), speaks to the standing of an association to litigate matters concerning its members. However, the issue of standing correlates to the issue of res judicata, for if the litigation by an association does not have preclusive effect on the claims involved, it would hardly be worthwhile to sustain the association's standing to sue. As the court said, 106 S.Ct. at 2532–33:

"While a class action creates an *ad hoc* union of injured plaintiffs who may be linked only by their common claims, an association suing to vindicate the interests of its members can draw upon a pre-existing reservoir of expertise and capital . . .

"In addition, the doctrine of associational standing recognizes that the primary reason people join an organization is often to create an effective vehicle for vindicating interests that they share with others."

At the same time, the Court noted, 106 S.Ct. at 2533:

"Should an association be deficient [in adequately representing the interests of its members] . . . a judgment won against it might not preclude subsequent claims by the associations members without offending due process principles. . . . However, the Secretary has given us absolutely no reason to doubt the ability of the UAW to proceed here on behalf of its aggrieved members, and his presentation has fallen far short of the heavy burden of persuading us to abandon settled principles of associational standing."

For applications of the principle of claim preclusion in litigation by associations, see also *Washington v. Washington State Commercial Ass'n*, 443 U.S. 658 (1979); *Ellentuck v. Klein*, 570 F.2d 414 (2d. Cir. 1978); *Bolden v. Pennsylvania State Police*, 578 F.2d 912 (3rd Cir. 1978).

Application of claim preclusion on the basis of family relationship has usually occurred in contexts involving future interests in property, under the rubric of "virtual representation." See Wright, Miller & Cooper, supra, S4457. In recent years the concept of virtual representation has been applied in a variety of factual contexts, many of which can be compared with the situation in *Merep v. Salii*. See *United States v. ITT Rayonier, Inc.*, 627 F.2d 996 (9th Cir. 996 (1980) (two agencies of government); *United States v. Geophysical Corp.*, 732 F.2d 693 (9th Cir. 1984) (general partner and limited partner). However, it must be recognized that the definition of virtual representation is somewhat amorphous and it is difficult to forecast when it will be applied so as to accord preclusion to a consent judgment. See, e.g., *Delta Airlines, Inc. v. McCoy Restaurants, Inc.*, 708 F.2d 582 (11th Cir. 587 (1983); *Fuji Photo Film Co. v. Sinohara Shoji Kabushiki Kaisha*, 754 F.2d 591 (9th Cir. 1985).

Perhaps the strongest analogy to the situation in *Merep v. Salii* is representation of a citizen by a governmental body of which he is a member. The Idebul was chief of state to the State of Koror and of a tribal and clan unit that is analogous to a municipal corporation. On that basis, the essential question is whether the claim involved in the prior action was essentially or primarily a public claim as distinct from being essentially a private party claim. As stated in 18 Wright, Miller & Cooper, supra, at 512-513:

"Problems of preclusion between private and governmental litigation must be addressed by tests quite different from those that apply to preclusion among different governmental bodies. Many questions can be answered readily. If the rights asserted are so far public that private suitors lack standing to pursue them, there is no occasion to worry about preclusion between public and private litigation. Many rights, on the other hand, are so manifestly individual and private that the government either lacks occasion to litigate at all or clearly cannot foreclose private remedies. In the center, however, delicate questions may arise as to the interplay between public and private rights. In this area, government litigation may at times preclude private litigation that seeks meaningful individual relief."

Illustrative of preclusion from a prior judgment in litigation by a public authority is *City of Tacoma v. Taxpayers of Tacoma*, 357 U.S. 320 (1958), where the public body had unsuccessfully opposed issuance of a license for a power facility and then individual citizens sought similar relief. See also, e.g., *Kersh Lake Drainage Dist. v. Johnson*, 309 U.S. 485 (1940); *Badgley v. City of New York*, 606 F.2d 358 (2d Cir. 1979); *Southwest Airlines Co. v. Texas Int'l Airlines, Inc.*, 546 F.2d 84 (5th Cir. 1977); *Rynsburger v. Dairymen's Fertilizer Cooperative*, 266 Cal.App. 2d 269, 72 Cal.Rptr. 102 (1968); Restatement Second of Judgments S41, Reporter's Note to Comment *d.*

In contrast to public enforcement actions concerning public rights, "it should be presumed that public enforcement actions are not intended to foreclose traditional common law claims or private remedies expressly created by statute." Wright, Miller & Cooper, supra at 515. The primary example of rights in the latter category are those arising under Title VII of the Civil Rights Act of 1964. See *General Telephone Co. v. EEOC*, 446 U.S. 318 (1980); see also, e.g., *Jones v. Caddo Parish School Board*, 735 F.2d 923 (5th Cir. 1984) (individual parent not bound by judgment in government agency action concerning school desegregation).

The subject matter of the litigation in *Merep v. Salii* clearly can be regarded as involving a "public right" that private parties have standing to present. Arguably, it might be regarded as involving both a public right and a concurrent private right. The public right concerns the validity of various procedures for approving COFA, it being in dispute whether the procedure of legislative action plus referendum was a valid alternative to the procedure of super-majority referendum. The Ibedul in his official capacities, domestically and in foreign relations on behalf of Palau, was intimately involved in that question and had vigorously participated in disputation over it prior to deciding that settlement of the matter was advisable. On that basis, the judgment involving the Ibedul is preclusive against reassertion of the same claim by private parties.

On the other hand, it would be possible to analyze the situation as involving a concurrent private right that is not precluded by determination of the public right. The private right could be said to be the interest of individual voters in establishing the exclusivity of the super-majority procedure for approving COFA in that such a procedure would give greatest weight to their individual votes. That is, the controversy could be said to be one over "voting rights." On this basis, there is authority that an individual right of action would survive termination of the public right. See *Town of Lockport v. Citizens for Community Action*, 430 U.S. 259, 263 n.7 (1977).

While the latter analysis is not wholly implausible, and an unqualified conclusion therefore not possible, it seems clear that the crux of the claim involved in *Merep v. Salii* is not whether the individual voters have a right to an undiluted franchise as electors, but whether the super-majority referendum procedure involving their unquestioned power as electors is exclusive of other procedures by which COFA might be approved. That is, it was not a question of whether or how much weight was to be given the ballots of the voting public, but whether the super-majority balloting procedure preempted procedures that did not require such balloting. In my opinion, this involves a "public right" that individual citizens may have standing to enforce but not a concurrent private right of the kind that should survive a resolution in litigation by a public authority. On that basis, the consent judgment terminated the claim and bars further relitigation of the controversy.

The conclusion that the consent judgment by the Ibedul precludes private parties from relitigating the issue of the procedure for approving COFA could be regarded as troubling. Resolution of the controversy by settlement obviated the involvement of the courts in determining the question. If the premise is adopted that a question of this character cannot be concluded without a judicial pronouncement through some kind of litigation, then the rule of preclusion seems to preempt the citizen's access to court and the participation of the courts in the process. In this day of pervasive judicial review, indeed it sometimes appears that no public question of major consequence can be resolved without a confirming decree.

Yet the fact remains that courts are properly involved only when there is a legally determinable controversy, even if that controversy involves public rights. The Ibedul is a high constitutional and traditional authority who was directly involved in a highly important, complex, and divisive question going to the organic foundations of his country. He reached the conclusion that the legal and political controversy over that question should be resolved by a publicly proclaimed compact with his erstwhile antagonist in the controversy. On that basis, he entered a consent judgment determining the legal claims involved. If such a "judgment call" were made by the head of an unincorporated association concerning an associational right, or by public agency concerning a public right, it would be officious for the courts to override the resolution on the ground that their pronouncement on the merits had not been obtained. The same would be true where the "judgment call" is made by an official whose authority rests both in public law and an affiliation recognized by traditional law.

Accordingly, I conclude that the consent judgment in *Merep v. Salii*, entered pursuant to the agreement between the Ibedul and President Salii, terminated the legal claim challenging the validity of the procedure by which COFA was ratified.

Sincerely,

GEOFFREY C. HAZARD, JR.●

NATIONAL VIETNAM VETERANS' READJUSTMENT STUDY

● Mr. INOUYE. Mr. President, I am pleased to join my colleague from Hawaii in supporting an important measure which will authorize a phychological study of Asian-American and Polynesian-American Vietnam veterans. All veterans should receive equitable treatment, and this study will ensure that the psychological issues of this special group of our veterans are dealt in a focused and effective manner.

The proposed study would supplement the National Vietnam Veterans' Readjustment Study [NVVRS] of psychological problems. The NVVRS study is required to identify the psychological problems and needs of Vietnam veterans. In light of the large number of minority veterans, the NVVRS oversampled certain subgroups in order to obtain statistically significant results. Although the NVVRS took into account several minority populations and sampled them accordingly, Asian-Americans and Polynesian-Americans were not included in the groups oversampled.

The 1987 report of the Hawaii Veterans' Health Care Task Force recognized the unique cultural differences of the Asian-Americans and Polynesian-Americans, as compared to other ethnic groups. The task force concluded that the underutilization of treatment facilities by Asian-American and Polynesian-American veterans may be caused by cultural barriers, and does not necessarily indicate a lack of need for treatment.

The postwar experiences of Asian-Americans and Polynesian-Americans may differ from those of other groups and must be studied in further specificity. The task force report noted that Asians and Polynesians traditionally have a "sense of great patience and forbearance" and tend not to vocalize their complaints. The task force reported that the cultural values of the two groups may cause psychological problems unique to their particular groups.

In addition to their culture, Asian-Americans also had the added burden of their ethnicity. In Vietnam, Asian-Americans were engaged in war in which they looked just like the enemy. This is an important factor to consider since it may have resulted in additional psychological difficulties.

There were approximately 85,000 Asian-American veterans who served in the armed services during the Vietnam era. In light of the task force's conclusion that Polynesian and Asian-American veterans may have unique problems which have a bearing on their seeking needed treatment, it is inconceivable that a group of this size would not be considered significant enough to warrant a study to determine the psychological effects of the Vietnam conflict.

This measure will provide for a study to determine the psychological needs of Asian-American and Polynesian-American Vietnam veterans. I believe that it is vital that we provide equitable care for all of our veterans who served bravely in Vietnam. Regardless of their ethnicity, all of our Nation's veterans are entitled to the most focused and effective treatment for physical and psychological problems.

The Veterans' Committee, in their wisdom included this important study in S. 2011 which it recently approved, and is currently preparing for consideration by the full Senate. I urge my colleagues to support this study, embodied in S. 2011, when it reaches the Senate floor.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Ms. Elizabeth Gardner, a member of the staff of Senator HEFLIN, to participate in a program in Taipei, Taiwan, by the Tamkang University, from July 15-23, 1988.

The committee has determined that participation by Ms. Gardner in the program in Taipei, Taiwan, at the expense of Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Laurie Sedlmayr, a member of the staff of Senator DECONCINI, to participate in a program in Taipei, Taiwan, by Soochow University, from July 15-24, 1988.

The select committee has received a request for a determination under rule 35, for Mr. Joseph Britt, a member of the staff of Senator KASTEN, to participate in a program in Taipei, Taiwan sponsored by the Tamkang University, from July 15-24, 1988.

The committee has determined that participation by Mr. Britt in the program in Taiwan, at the expense of the Tamkang University, is in the interests of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Dave Sullivan, a member of the staff of Senator HELMS, to participate in a program in Johannesburg, South Africa, sponsored by the Institute for American Studies of the Rand Afrikaans University, from July 14-25.

The committee has determined that participation by Mr. Sullivan in the program in South Africa, at the expense of the Institute for American Studies, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Jo Sherman, a member of the staff of Senator SIMPSON, to participate in a program in Chile sponsored by the Adolfo Ibanez Foundation, from July 16-22, 1988.

The committee has determined that participation by Ms. Sherman in the program in Chile, at the expense of the Adolfo Ibanez Foundation, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Tom Kleine and Mr. Gordon Macdonald, members of the staff of Senator HUMPHREY, to participate in a program in Chile, sponsored by the Adolfo Ibanez Foundation, from July 16-23, 1988.

The committee has determined that participation by Mr. Kleine and Mr. Macdonald in the program in Chile, at the expense of the Adolfo Ibanez Foundation, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Mark Irion, a member of the staff of Senator DIXON, to participate in a program in Toronto, Canada, sponsored by the International Exchange Council, from July 17-21, 1988.

The committee has determined that participation by Mr. Irion in the program in Canada, at the expense of the International Exchange Council, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. William P. Pitts, a member of the staff of Senator HEINZ, to participate in a program in Taipei, Taiwan, sponsored by the Tunghai University, from July 17-25, 1988.

The committee has determined that participation by Mr. Pitts in the program in Taiwan, at the expense of the Tunghai University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Anthony R. Hemstad, a member of the staff of Senator EVANS, to participate in a program in Chile, sponsored by the Adolfo Ibanez Foundation, from July 16-23, 1988.

The committee has determined that participation by Mr. Hemstad in the program in Chile, at the expense of the Adolfo Ibanez Foundation, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Senator and Mrs. Hatfield, participate in a program in Taiwan sponsored by the Chinese Cultural University, from July 18-22, 1988.

The committee has determined that participation by Senator and Mrs. Hatfield in the program in Taiwan, at the expense of the Chinese Cultural University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Rita Lewis, a member of the staff of Senator DASCHLE, to participate in a program in Taichung, Taiwan, sponsored by the Tunghai University, from July 17-25, 1988.

The committee has determined that participation by Ms. Lewis in the program in Taichung, Taiwan, at the expense of the Tunghai University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Floyd Fithian, a member of the staff of Senator SIMON, to participate in a program in Taipei, Taiwan, sponsored by the Soochow University, from July 15-23.

The committee has determined that participation by Mr. Fithian in the program in Taipei, Taiwan, at the expense of the Soochow University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Pamala Plummer, a member of the staff of Senator WARNER, to participate in a program in Taipei, Taiwan, sponsored by the Soochow University, from July 15-24, 1988.

The committee has determined that participation by Ms. Plummer in the program in Taipei, Taiwan, at the expense of the Soochow University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Taylor Bowlden, a member of the staff of Senator SYMMS, to participate in a program in Taipei, Taiwan, sponsored by the Soochow University, from July 15-24, 1988.

The committee has determined that participation by Mr. Bowlden in the program in Taipei, Taiwan, at the expense of the Soochow University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Bill Jarrell and Ms. Angela Plott, members of the staff of Senator SYMMS, to participate in a program in

Chile, sponsored by the Adolfo Ibanez Foundation, from July 16-23, 1988.

The committee has determined that participation by Mr. Jarrell and Ms. Plott in the program in Chile, at the expense of the Adolfo Ibanez Foundation, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Jennifer Hillman, a member of the staff of Senator STANFORD, to participate in a program in Taiwan, sponsored by Tamkang University, from July 15-26, 1988.

The committee has determined that participation by Ms. Hillman in the program in Taiwan, at the expense of the Tamkang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Rena Coughlin, a member of the staff of Senator GRAHAM, to participate in a program in Taipei, Taiwan, sponsored by Tamking University, from July 15-24, 1988.

The committee has determined that participation by Ms. Coughlin in the program in Taipei, Taiwan, at the expense of Tamking University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Ann Harkins, a member of the staff of Senator LEAHY, to participate in a program in Taipei, Taiwan, sponsored by the Tunghai University, from July 16-26, 1988.

The committee has determined that participation by Ms. Harkins in the program in Taipei, Taiwan, at the expense of the Tunghai University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Kirk Robertson, a member of the staff of Senator PRYOR, to participate in a program in Chile sponsored by the Adolfo Ibanez Institute, from July 16-23, 1988.

The committee has determined that participation by Mr. Robertson in the program in Chile, at the expense of the Adolfo Ibanez Institute, is in the interest of the Senate and the United States.

THE GREAT LAKES COASTAL BARRIER ACT OF 1987

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of the Great Lakes Coastal Barrier Act, S. 1955.

Shoreline protection is of great concern in all Great Lake States including my State, New York. At present time approximately 90 percent of our shoreline wetlands have been lost. It is time we took decisive action to protect our delicate, vulnerable shorelines.

This legislation will prohibit most expenditures of Federal funds promoting development along the shorelines of the Great Lakes. In New York, this includes approximately 5,100 acres of land. Discouraging development in these areas will achieve many beneficial goals such as helping to prevent damage to shoreline barriers which provide critical spawning, nesting, and feeding areas for fish, waterfowl, and other wildlife.

In addition to the preservation of wildlife and environment, this bill will also mean savings for our taxpayers. By disallowing Federal funding of development projects in coastal barrier areas, there will be a minimization of national flood insurance programs that have cost U.S. taxpayers millions of dollars. Preventing development in areas where the water level is high will disallow the need to provide relief for problems resulting from flooding.

It is time to prevent the further erosion of the Great Lakes shoreline. The Great Lakes Coastal Barrier Act is the most efficient way to protect our wildlife and environment while at the same time saving taxpayers money. The success of this legislation will assure future generations the preservation of the Great Lakes which so many of us have enjoyed.

I urge my colleagues to consider carefully the merits of this legislation and to work for its swift passage.●

DEFENSE PROCUREMENT

● Mr. SIMON. Mr. President, our colleague, the distinguished senior Senator from Illinois [Senator DIXON] won adoption of a measure in the Defense Authorization Act intended to assure that defense procurement practices help rather than hinder efforts to improve defense industry readiness.

As we all know, defense procurement too often is a hodge-podge process—with little consideration given to the effects such actions have on strenthening our industrial base. Our military strength is more than just a matter of how much hardware we have on Pentagon shelves. Beyond that, we must be able to depend upon the capacity of U.S. industrial suppliers, small and large, and their abilities to respond to our defense needs in time of national emergency.

A recent article written by Dennis Melamed, Keith Hammonds, and Zachery Schiller for Business Week, published July 18, 1988, examined this issue in some detail. I commend it to the attention of my colleagues and ask that it be printed in the RECORD.

The article follows:

[From Business Week, July 18, 1988]

THE PENTAGON IS TAKING ITS SHOPPING LIST OVERSEAS

On station in the Persian Gulf a year ago, the U.S.S. Kidd, a guided missile destroyer, developed a problem in one of its mooring systems. Replacement parts were located by Baldt Inc. of Chester Pa., the Navy's prime mooring-chain supplier for the past 50 years. In 48 hours the Kidd was back protecting U.S.-flag shipping.

Baldt is the sole remaining U.S. supplier of chain for anchors, and its future might seem secure—except for one thing. Pressed by the Pentagon to cut its budget and by State Dept. officials to improve relations with U.S. allies, the Navy is looking abroad for suppliers. "There's not enough business to sustain multiple manufacturers," complains Baldt President James E. Palmer. Navy work accounts for 75% of his 87-year-old company's $10 million annual sales, and without it, he says, "this company would not survive." Adds James S. Walsh, president of Wyman Gordon Co., a Worcester (Mass.) maker of castings and forgings: Washington "ought to protect its defense base . . . not open it to foreign competition."

A LOT OF CRAP

The Pentagon disagrees, and there's little evidence that its foreign-purchase strategy is making the U.S. more vulnerable militarily. But that's small comfort to hundreds of small makers of weapons components. "I'll bet you there's a lot of crap in [Pentagon] warehouses, because they're buying on price overseas," says Anthony D. Waitekus, president of $14 million Overton Gear & Tool Corp. in Addion, Ill. Waitekus is especially upset with General Electric Co., which until last year bought from Overton a substantial number of the gears it uses to make turret and transmission drives for the M-1 tank and Bradley armored personnel carrier. GE has moved half its Bradley gear orders to a Belgian supplier. It won't say why.

There's no doubt that such switches hurt contractors. Some $9 billion of the Pentagon's $149 billion procurement budget went to foreign weapons makers in 1986, double the amount in 1981. And because the Pentagon usually counts only prime contract awards, not subcontracts, its foreign orders are "significantly understated," says a Commerce Dept. official. The Pentagon doesn't disagree, but feels it isn't worth the effort to collect exact numbers.

That makes it hard for small contractors to quantify the damage. For instance, manufacturers of injection-molding machines that are used to make plastic components for submarines, jet engines, and radar sights want protection from Japanese imports. But "we really aren't sure of the scope of our problem because of how our products are used," says one molding-machinery maker. One company makes a plastic part, sends it to a second who makes three, and ships them to a third who assembles them for a prime contractor. "There is no good way to trace this chain," says the executive.

FAVORITISM?

At least not until very late in the game. Industry officials estimate that 50% to 80% of all multilayer ceramic packages in U.S. defense systems now come from Japan. Admittedly, the total market for the most advanced packages is only about $30 million a year. But the chips are essential for radar, communications, and navigational systems, and there's not much incentive for U.S. producers "to stay in the business with that kind of foreign penetration," says Robert J. Sisolak, vice-president of General Ceramics Inc., of Anaheim, Calif. Only four U.S. companies still make multilayer ceramic packages.

The situation is similar in ball bearings. The International Trade Commission figures that, in dollars, imports now account for about a third of U.S. ball-bearing consumption. The industry guesses their unit share may be double that. Because most ball bearings go into civilian products, producers can't prove a military threat. But "as imports increase, the domestic industry's capacity to invest in the future is decreased," the Anti-Friction Bearing Manufacturers Assn. told the Commerce Dept. last year, asking for protection.

The Pentagon isn't alone in squeezing subcontractors: Prime contractors do it, too. In 1987, for example, Boeing Aerospace Co. contracted to sell up to 14 Airborne Warning & Control Systems (AWACS) to France and Britain. But its contract, potentially worth more than $2 billion, has a hook: Over an unspecified period, Boeing guarantees to buy components from French and British suppliers worth a staggering 130% of the price of the planes. Such so-called offsets appear regularly in foreign weapons sales.

The implications of this for U.S. competitiveness are "undetermined," said the Office of Management & Budget in a review of the Boeing deal. But the courts soon may offer an opinion. On Apr. 8 the National Council for Industrial Defense, a labor-industry coalition, filed suit in Federal District Court in Washington charging that the Pentagon has failed to comply with existing regulations requiring that it buy from U.S. and Canadian sources. The Pentagon, charges the council, has adopted "illegal procurement policies" in its foreign weapons deals. The Pentagon was to reply by July 5.

UNIMPRESSED

Some subcontractors even claim that buying defense components abroad increases the risk of technology loss to the Soviet Union. The Navy, for example, is ordering gears for ships from West Germany's Lohmann & Stolterfoht, which is "also a contractor to the Russian Navy," says Richard B. Norment, executive director of the American Gear Manufacturers Assn.

For the most part, the Defense Dept. is unimpressed. It has proposed to ease the pressure on ball-bearing makers by placing its orders domestically for at least three years. But it won't issue a general order protecting all defense contractors from foreign competition.

"Protectionism is self-defeating" because manufacturers tend to get lazy about improving their technology, says Robert B. Costello, Defense Under Secretary for acquisitions. His boss, Deputy Secretary William H. Taft IV, recently overruled a recommendation by the Joint Logistics Commanders, representing all the services, to protect domestic makers of precision optics for night-vision goggles and optical displays used in fighters such as the F-16. These companies aren't threatened by overseas competition, Taft ruled. Congress isn't so sure. In March both the House Armed Services Committee's Chairman, Les Aspin, and Senator Strom Thurmond asked Taft to review his ruling. One reason: Foreign buys accounted for more than 50% of the Pentagon's precision-optics purchases in 1986.

Whether Congress will do more is uncertain. It is considering legislation requiring the Pentagon to develop a master policy for offshore buying. Tacked on is an order to phase out offset agreements. That isn't enough to satisfy suppliers. Still, says Senator Alan J. Dixon, a proponent of more subcontractor protection: "It's a first step.●

NELSON MANDELA DAY

● Mr. SIMON. Mr. President, July 18, 1988, marked the 70th birthday of Nelson Mandela, the imprisoned leader of the African National Congress. Mr. Mandela has been in a South African prison for 25 years, serving a life term for a controversial treason sentence. Nelson Mandela serves as a symbol of hope and determination to all South Africans who are working for peaceful change. He represents the belief that South Africa will one day realize the full potential of all its people and become a country in which all South Africans can participate fully.

Nelson Mandela is one of many South African political prisoners, and this is a time for us to renew our call for the release of all political prisoners in South Africa. His birthday is a time to remember what he, his family, and countless other South Africans have suffered for the hope of a better South Africa.

To millions of South Africans, Americans, and people all over the world, Nelson Mandela represents the suffering and hope of all who seek positive change and an end to apartheid in South Africa. One day the South African Government will recognize the virtues of ending apartheid. My hope is that it will occur while peaceful change is still possible.●

NUCLEAR WASTE DISPOSAL

● Mr. HECHT. Mr. President, the highly respected international journal, the Economist, recently editorialized on the subject of nuclear waste disposal. The British are currently trying to figure out what to do with low level and intermediate level nuclear waste.

The editorial is very perceptive, and does an intriguing job of analyzing the motivations of the various groups involved in the international debate on nuclear waste management. The British are very seriously considering subseabed disposal, as are many other countries.

The editorial supports a position I took last year in the Senate Energy Committee, and again on the floor of the Senate. The Economist correctly points out that high level radioactive waste "has to be left to cool for 50 years before any long-term disposal can be considered." The need for long-term storage of high level nuclear waste above ground before even considering deep geological disposal in a repository is the point I made in committee, and on the Senate floor, and now the Economist has confirmed that this is clearly the prevailing view in the international scientific community.

The Economist also observes that Great Britain has a thriving and profitable industry engaged in reprocessing nuclear waste produced by other countries, and recycling the waste for fuel. Mr. President, this is a growing international market that the United States could dominate. These are jobs that we could have in America, instead of exporting them overseas. Reprocessing is a way for the United States to build our international competitiveness, to preserve our technological edge.

Instead, the Congress has chosen to send those jobs overseas, to weaken our Nation's ability to build some degree of energy independence, and to surrender technological and industrial superiority, in the nuclear waste management field at least, to other nations.

Mr. President, other countries are going ahead with reprocessing and recylcing nuclear waste. Other countries are going to keep their residual waste above ground where they can keep their eyes on it for about 50 years, before they consider permanent disposal. Other countries are aggressively researching the feasibility of subseabed disposal of nuclear waste. Only the United States, among the world's great powers, is foolishly and blindly moving down the path of deep geological disposal of 10-year-old, unreprocessed nuclear waste.

Sooner or later, for economic and safety reasons, we will get back on track with the rest of the world. In the meantime, we better renew our participation in the international research effort on the subseabed disposal of nuclear waste, so our scientists and engineers do not fall behind their counterparts in other nations.

Mr. President, I ask that the editorial from the June 11, 1988 issue of the Economist be printed at this point in the RECORD.

The editorial follows:

[From the Economist, June 11, 1988]

FACE UP TO NUCLEAR WASTE

BURY IT DEEP BENEATH THE SEA

Britain has made a £400m-a-year business out of reprocessing other countries' spent nuclear fuel and storing their radioactive wastes. It has done this without knowing where it should ultimately put the stuff. The result is a pile of nuclear muck big enough to fill Big Ben 40 times over. There are several ways to get rid of this pile. Each would cost several billion pounds, and all of them are controversial. The choice is hard but cannot be ducked any longer. Britain's decision will be part of an answer to worldwide indecision. The buildup of spent nuclear fuel, of obsolete atomic power stations, of retired nuclear submarines still moored to docks and of other irradiated detritus has led to a game of pass-the-radioactive-parcel, in which the parcel goes to whichever country can be bribed to take it. Until this game is ended, responsibly, the future of nuclear power will be under a cloud.

The immediate British problem—with which the nuclear industry's advisory body, Nirex, is now wrestling—involves low-level and intermediate waste. Highly radioactive waste, the sort that generates heat, has to be left to cool for 50 years before any long-term disposal can be considered. The choice for the low and intermediate stuff is between two philosophies: putting this waste where it can be easily got at and watched; or putting it as far away as possible, where it is less watchable but less likely to hurt people.

Advocates of keeping the stuff ready-to-hand, perhaps in big bunkers on land, include Greenpeace, an environmentalist lobby. If the waste were put far away, they say, little could be done if it went wrong. Chernobyl showed that things can go dramatically wrong in the nuclear industry, despite (indeed because of) its sophistication. Such uncertainty should not be buried. Those with a deep antipathy to nuclear power want the world to face visible reminders of its costs and unpleasantness. Oddly, though, those who want nearby storage also include pro-nuclear people who ask: what if scientists discovered a better way of packaging the waste? Accessibility would mean that waste could be retrieved, repackaged, redistributed, even re-used.

There are too many snags with accessibility. Anything that makes it easier for people to get at radioactive waste makes it easier for radioactivity to get at people. Small leaks might be fixed, but not a large release—the result of a landslip, or a bombing, or a manmade failure of a manmade container. Leaking bunkers could contaminate the surrounding water and air. And the clinching reason why total isolation should win, and accessibility lose, is that this time there is only one issue: impenetrable containment. It is certain that low-level waste will not heat up or explode. It must be made certain that such waste will stay where it is put. Leaving aside exotic solutions, such as shooting the stuff far into space, the closest thing to that physical certainty is found deep, deep underground.

Under land or sea? Burial deep in the earth offers several layers of protection. In a wise deep-burial scheme, natural geological barriers would be a back-up to manmade containment. In a natural disaster, bad enough to crack a bunker on or near the surface, the bedrock would serve as a radioactive shield above containers damaged deep underground. Burial beneath the sea would give a third layer of protection; seawater and the seabed can absorb radiation.

SEALED FOR A FEW THOUSAND YEARS

Two sorts of undersea-burial have been put to Nirex. British Nuclear Fuels and others want to send waste out from the coast along an underground network of trolleys to an offshore burial site. They say this would combine the advantages of accessibility and of isolation. If anything went wrong, the trolleys would be rolled back to the shore. This is a bad compromise. The benefits of access are marginal; the dangers and the costs inherent in it are not. The BNF scheme calls for a complicated network of tracks, all to be laid in a radiation-proof tunnel. Such a tunnel would be constant hostage to fortune, needing maintenance, prone to settling and cracking-minutely, perhaps, but enough to release radiation.

The right solution will be the simplest, most secure and most irreversable. A small British firm, Consolidated Environmental Technologies, suggests vertical shafts, 50 feet in diameter and half a mile into the seabed. Waste would be dumped down the shafts and sealed there for good. The technique remains unproven but the principle is sound. It looks the best way to get rid of existing waste, and the best chance of ensuring a safe grave for debris still to come.●

EMPLOYMENT FOR VETERANS

● Mr. KERRY. Mr. President, it is a sad fact that here in the richest country in the world, 1 in 8 veterans in America is unemployed. Nearly one-third of the 1 million workers displaced annually are veterans. Vietnam veterans, who constitute the majority of unemployed veterans, are especially hard hit by declining employment in the manufacturing sector.

To address this problem, Senator JOHN HEINZ and I recently introduced S. 2491, the Veterans Services Improvements Act. This legislation takes the steps necessary to improve the current haphazard system which distributes information and provides assistance to unemployed veterans. The bill simplifies the process by which individuals obtain information about services and benefits to displaced veterans, apply for such services and benefits, and initiate administrative appeals for benefits.

The legislation makes one agency, the U.S. Department of Labor, responsible for coordinating all education and training assistance available to veterans. The Secretary of Labor must designate the appropriate office in each State to provide services and benefits to displaced veterans. The Secretary must also provide for centralized administration and coordination of these activities.

It also requires the Department of Labor to enter into memoranda of understanding with the other relevant Federal and State agencies to ensure that veterans receive coordinated services. The bill also established a computerized job bank and job matching program to identify job vacancies with qualified unemployed veterans.

It is a human tragedy that more than 200,000 veterans are permanently displaced from employment. Veterans have a lot to contribute to this country, and we need to give them every opportunity we can. Lets remember that the best bet is to hire a vet. This legislation will help us do that. I urge my colleagues to join us as cosponsors of this legislation.●

ENVIRONMENT AND PUBLIC WORKS COMMITTEE ALLOCATIONS PURSUANT TO SECTION 302(b) OF THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974

Mr. BURDICK. Mr. President, I ask that a statement entitled Environment and Public Works Committee, Allocations Pursuant to Section 302(b) of the Congressional Budget and Impoundment Control Act of 1974 be printed at this point in the RECORD.

The statement follows:

ENVIRONMENT AND PUBLIC WORKS COMMITTEE, ALLOCATIONS PURSUANT TO SECTION 302(B) OF THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974

The Committee on Environment and Public Works received the following estimated allocations for fiscal year 1989:

Direct spending:	*Millions*
Budget authority	$15,156
Outlays	1,335
Credit authority	249
Allocations to the subcommittees are as follows:	
Water Resources, Transportation and Infrastructure Subcommittee:	
Budget authority	13,937
Outlays	154
Environmental Protection Subcommittee:	
Budget authority	361
Outlays	352
Nuclear Regulations Subcommittee:	
Budget authority	858
Outlays	829
Credit	249

RACINE AREA VFW BASEBALL TEAM

● Mr. KASTEN. Mr. President, I rise today to offer my best wishes to the Racine Area VFW Baseball Team. This team is made up of young men 15 years old and under from J.I. Case, Washington Park, and St. Catherine's High Schools in Racine—and these youngsters are about to represent Wisconsin in the Continental Amateur Baseball Association World Series in Cedar Rapids, IA.

All these players have worked very hard for the right to play in this World Series. They have built on a winning approach—the principle that working hard and doing your best makes you a winner. And once you become a winner in your heart, winning on the scoreboard can't be far behind.

To the players, to coach Peter Di Gaudio, and to all their families and fans in the Racine area, I wish the best of luck in the World Series. You're already champions as far as we're concerned.●

DOCUMENTATION OF CERTAIN VESSELS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 794, S. 2417.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2417) to authorize a certificate of documentation for certain vessels.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2659

Mr. **BYRD**. Mr. President, on behalf of Mr. HOLLINGS, I send to the desk a substitute amendment.

The **PRESIDING OFFICER**. The substitute amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. HOLLINGS, proposes an amendment numbered 2659.

Mr. **BYRD**. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause, and insert the following:

That notwithstanding sections 12105, 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for the following vessels: Scotch 'N Water (ex Victorious), United States official number 264090; ERSA, United States official number 229511; Compass Rose III, United States official number 559647; and M/V Polar Ice, United States official number 604676.

SEC. 2. Notwithstanding sections 508 and 510(g) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158 and 1160(g)), section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), and United States Department of Transportation Contract Numbered MA-3915 and amendments thereto, the Secretary of Transportation is authorized to allow, and the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for, the vessel M/V Ocean Cyclone (ex Coastal Spartan), United States official number 248959, to acquire, purchase, process, and transport fish and fish products in the fisheries of the United States: *Provided*, That if the vessel is scrapped, it shall not be scrapped other than in the domestic market without the prior approval of the Secretary of Transportation.

SEC. 3. Notwithstanding sections 508 and 510(g) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158 and 1160(g)), and United States Department of Transportation Contract Numbered MA-6772 (IFB PD-X-945) and amendments thereto, the Secretary of Transportation is authorized to allow, and the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for, the vessel M/V Ocean Tempest (ex Horseshoe Splice), United States official number 248773, to acquire, purchase, process, and transport fish and fish products in the fisheries of the United States: *Provided*, That if the vessel is scrapped, it shall not be scrapped other than in the domestic market without the prior approval of the Secretary of Transportation.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment.

The amendment (No. 2659) was agreed to.

The **PRESIDING OFFICER**. The question is on the engrossment and third reading of the bill.

The bill (S. 2417) was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. **BYRD**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **DOLE**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **BYRD**. Mr. President, I ask unanimous consent that Calendar Order Nos. 791, 792, 793, and 795 be indefinitely postponed.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

FOREIGN AGENTS REGISTRATION IMPROVEMENT ACT

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 799.

The **PRESIDING OFFICER**. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1268) to amend the Foreign Agents Registration Act of 1938 (22 U.S.C.) by removing references to "political propaganda" and substituting "advocacy materials".

The **PRESIDING OFFICER**. Is there objection to the present consideration of the bill.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

That this Act may be cited as the "Foreign Agents Registration Improvement Act of 1988".

SEC. 2. (a) Section 1(j) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(j)) is amended by striking out "propaganda" and inserting in lieu thereof "advocacy material".

(b) Section 1(o) of such Act is amended by striking out "propaganda" and inserting in lieu thereof "advocacy material".

(c)(1) Section 4 of such Act (22 U.S.C. 614(a)) is amended by striking out in the section heading "Propaganda" and inserting in lieu thereof "Advocacy Material".

(2) Section 4(a) of such Act is amended—

(A) by striking out "propaganda" and inserting in lieu thereof "advocacy material"; and

(B) by striking out "and a statement, duly signed by" and all that follows through "transmittal".

(3) Section 4(b) of such Act is amended—

(A) by striking out "propaganda" each time it appears and inserting in lieu thereof "advocacy material";

(B) by striking out "registered under this Act with the Department of Justice, Washington, District of Columbia, as";

(C) by striking out "and address"; and

(D) by striking out "; that, as required by this Act, his registration statement" and all that follows through "as may be appropriate".

(d) Section 4(c) of such Act is amended by striking out "propaganda" and inserting in lieu thereof "advocacy material".

(e) Section 4(e) of such Act is amended by striking out "propaganda" each of the two places it appears and inserting in lieu thereof "advocacy material".

(f)(1) Section 6(a) of such Act (22 U.S.C. 616(a)) is amended—

(A) by striking out in the first sentence "all statements concerning the distribution of political propaganda furnished" and inserting in lieu thereof "other filings made"; and

(B) by striking out in the second sentence "statements" and inserting in lieu thereof "filings".

(2) Section 6(b) of such Act is amended by striking out "propaganda" and inserting in lieu thereof "advocacy material".

(3) Section 6(c) of such Act is amended by striking out "propaganda" and inserting in lieu thereof "advocacy material".

(g) Section 8(a)(2) of such Act (22 U.S.C. 618(a)(2)) is amended by striking out "or in any statement under section 4(a) hereof concerning the distribution of political propaganda".

(h) Section 11 of such Act (22 U.S.C. 621) is amended by striking out "propaganda" and inserting in lieu thereof "advocacy material".

The **PRESIDING OFFICER**. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The **PRESIDING OFFICER**. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 1268) was passed.

Mr. **BYRD**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **DOLE**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR TOMORROW

ADJOURNMENT UNTIL 10:30 A.M.

Mr. **BYRD**. I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10:30 tomorrow morning.

The **PRESIDING OFFICER**. Is there objection? Without objection, it is so ordered.

RESOLUTIONS AND MOTIONS OVER, UNDER THE RULE

Mr. **BYRD**. Mr. President, I ask unanimous consent that on tomorrow no motions or resolutions over, under the rule, come over.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

CALL OF CALENDAR WAIVED

Mr. **BYRD**. Mr. President, I ask unanimous consent that on tomorrow the call of the calendar be waived.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

MORNING BUSINESS

Mr. **BYRD**. Mr. President, I ask unanimous consent that after the two leaders are recognized on tomorrow there be a period for morning business not to extend beyond the hour of 11 o'clock a.m. and that Senators may speak therein for not to exceed 5 minutes each.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ADJOURNMENT UNTIL 10:30 A.M., TUESDAY, JULY 26, 1988

Mr. **BYRD**. Mr. President, if there be no further business to come before the Senate I move, in accordance with the order previously entered, that the Senate stand in adjournment until the hour of 10:30 tomorrow morning.

The motion was agreed to, and, at 6:47 p.m., the Senate adjourned until Tuesday, July 26, 1988, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 25, 1988:

DEPARTMENT OF JUSTICE

RICHARD L. THORNBURGH, OF PENNSYLVANIA, TO BE ATTORNEY GENERAL.

THE JUDICIARY

ROBERT LEON JORDAN, OF TENNESSEE, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF TENNESSEE, VICE ROBERT L. TAYLOR, RETIRED.

UNITED NATIONS

VERNON A. WALTERS, OF FLORIDA, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 43D SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

INTERNATIONAL ATOMIC ENERGY AGENCY

JOSEPH F. SALGADO, OF CALIFORNIA, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 32D SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

CAROL C. ADELMAN, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE CHARLES W. GREENLEAF, JR., RESIGNED.

EXECUTIVE OFFICE OF THE PRESIDENT

JOSE A. COSTA, JR., OF FLORIDA, TO BE A MEMBER OF THE ADVISORY BOARD FOR RADIO BROADCASTING TO CUBA FOR A TERM EXPIRING OCTOBER 27, 1990, VICE JOSE LUIS RODRIQUEZ, TERM EXPIRED.

THE JUDICIARY

MILDRED M. EDWARDS, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF 15 YEARS, VICE FRANK E. SCHWELB, ELEVATED.

NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

ROBERT H. MATTSON, OF OREGON, TO BE A MEMBER OF THE NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT FOR A TERM EXPIRING SEPTEMBER 30, 1991 (REAPPOINTMENT).

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

DONALD KAGAN, OF CONNECTICUT, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 1994, VICE GERTRUDE HIMMELFARB, TERM EXPIRED.

NATIONAL SCIENCE FOUNDATION

THE FOLLOWING-NAMED PERSONS TO BE MEMBERS OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION FOR TERMS EXPIRING MAY 10, 1994:

D. ALLAN BROMLEY, OF CONNECTICUT, VICE CHARLES E. HESS, TERM EXPIRED.

DANIEL C. DRUCKER, OF FLORIDA, VICE WILLIAM F. MILLER, TERM EXPIRED.

DEPARTMENT OF DEFENSE

MILTON L. LOHR, OF CALIFORNIA, TO BE DEPUTY UNDER SECRETARY OF DEFENSE FOR ACQUISITION (NEW POSITION).

IN THE NAVY

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. JAMES D. WILLIAMS, [redacted]/1120, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER OF THE U.S. NAVY FOR APPOINTMENT TO THE GRADE OF REAR ADMIRAL (LOWER HALF) WHILE SERVING AS ASSISTANT JUDGE ADVOCATE GENERAL OF THE NAVY UNDER TITLE 10, UNITED STATES CODE, SECTION 5149(B):

CAPT. WILLIAM L. SCHACHTE, JR., [redacted]/2500 JUDGE ADVOCATE GENERAL'S CORPS, U.S. NAVY.

WITHDRAWAL

Executive message, transmitting a withdrawal of a nomination from further Senate consideration, received on July 25, 1988:

IN THE NAVY

CAPT. WILLIAM L. SCHACHTE, JR., [redacted]/2500, JUDGE ADVOCATE GENERAL'S CORPS, U.S. NAVY, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5149(B), TO BE ASSIGNED AS ASSISTANT JUDGE ADVOCATE GENERAL OF THE NAVY.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, July 26, 1982, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 27

9:00 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To hold oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

Judiciary

Constitution Subcommittee

Business meeting, to mark up S. 702, S. 797, S. 2000, bills to require the Attorney General to collect data and report annually on crimes motivated by racial, ethnic, or religious prejudice, and H.R. 3146, to allow the advertising in interstate commerce of lotteries, gift enterprises, and similar activities if the activity is legal in the State in which it is conducted.

SD-234

9:30 a.m.

Armed Services

To resume hearings on the defense acquisition process.

SH-216

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Judiciary

To hold hearings on the nominations of Edward S.G. Dennis, Jr., of Pennsylvania, to be an Assistant Attorney General, and Francis A. Keating II, of Oklahoma, to be an Associate Attorney General.

SD-226

10:00 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to consider S. 2283, to require the Secretary of the Treasury to mint and issue five-dollar coins in commemoration of the 100th anniversary of the statehood of Idaho, Montana, North Dakota, South Dakota, Washington, and Wyoming, S. 2544, to amend the Federal securities laws in order to facilitate cooperation between the United States and foreign countries in securities law enforcement, proposed legislation to provide for the enhancement of the value of thrift institution charters by creating incentives to investors to place additional private capital in the Nation's thrift industry, and pending nominations.

SD-538

Foreign Relations

Business meeting, to consider options to enforce the committee subpoena for the Oliver North diaries.

SD-419

Labor and Human Resources

Business meeting, to mark up S. 1885, Act for Better Child Care Services of 1987, S. 2647, Stafford Student Loan Default Prevention and Management Act, S. 10, Emergency Medical Services and Trauma Care Improvement Act, S. 1950, Adolescent Family Life Demonstration Projects Act of 1987, proposed Stewart B. McKinney Homeless Assistance Act Reauthorization, and S. 2477, Medical Testing Improvement Act of 1988.

SD-430

2:00 p.m.

Judiciary

To hold hearings on pending nominations.

SD-226

JULY 28

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To continue oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

10:00 a.m.

Foreign Relations

To hold closed joint hearings with the Select Committee on Intelligence on U.S. policy options toward South Africa intelligence issues.

SH-219

Judiciary

To hold hearings on the nomination of Harold G. Christensen, of Utah, to be Deputy Attorney General.

SD-226

Select on Intelligence

To hold closed joint hearings with the Committee on Foreign Relations on U.S. policy options toward South Africa intelligence issues.

SH-219

JULY 29

9:30 a.m.

Select on Indian Affairs

Business meeting, to consider pending calendar business; and to resume hearings on S. 187, to provide for the protection of Native American rights for the remains of their dead and sacred artifacts, and for the creation of Native American cultural museums.

SR-385

10:00 a.m.

Environment and Public Works

To hold hearings on proposed legislation to declare portions of the Delaware River in the vicinity of Philadelphia to be non-navigable.

SD-406

Finance

Social Security and Family Policy Subcommittee

To hold hearings on proposed legislation to require the Social Security Administration to provide periodic statements to covered workers regarding Social Security taxes paid and benefit levels that can be expected.

SD-215

AUGUST 2

9:00 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 2044, to require further review by the Federal Communications Commission (FCC) to ensure thorough deliberation on proposed changes in the method of regulation of interstate basic service rates, and to review FCC price cap proceedings.

SR-253

9:30 a.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on miscellaneous public lands measures, including H.R. 2530, H.R. 2952, H.R. 3559, H.R. 4212, H.R. 4315, S. 1290, S. 2565, and S. 2586.

SD-366

Foreign Relations

East Asian and Pacific Affairs Subcommittee

To hold hearings on U.S. policy toward Indochina.

SD-419

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold oversight hearings on the thrift industry.

SD-538

Environment and Public Works

Environmental Protection Subcommittee

Business meeting, to mark up S. 2272, to authorize funds for fiscal years 1989 and 1990 for the Fish and Wildlife Conservation Act of 1980, S. 2384, to authorize funds for fiscal years 1989 through 1991 for the Atlantic Striped

Bass Conservation Act, and other related measures.

SD-406

2:00 p.m.

Commerce, Science, and Transportation

Consumer Subcommittee

To hold hearings on S. 2549, Drunk Driving Prevention Act.

SR-253

AUGUST 3

9:00 a.m.

Rules and Administration

Business meeting, to mark up S. 182, to establish a uniform poll closing time in the continental United States for Presidential elections, S. 1786, to establish a series of six Presidential primaries at which the public may express its preference for the nomination of an individual for election to the office of President of the United States, and proposed legislation relating to the procedure by which broadcast tapes of Senate proceedings will be made available to the public.

SR-301

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed Commercial Space Launch Act Amendments, and S. 2395, to revise insurance requirements for persons licensed to provide satellite launch services and to make other changes relating to commercial access to space.

SR-253

10:00 a.m.

Banking, Housing, and Urban Affairs

To continue oversight hearings on the thrift industry.

SD-538

AUGUST 4

9:00 a.m.

Rules and Administration

To hold hearings on S. 1766, to authorize the Indian American Forum for Political Education to establish a memorial to Mahatma Gandhi in the District of Columbia.

SR-301

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 2352, to provide for the transfer of certain lands in the State of Arizona.

SD-366

2:30 p.m.

Finance

International Trade Subcommittee

To hold hearings on the nominations of Don E. Newquist, of Texas, and Ronad A. Cass, of Massachusetts, each to be a Member of the United States International Trade Commission, and Salvatore R. Martoche, of New York, to be Assistant Secretary of the Treasury for Enforcement.

SD-215

AUGUST 8

10:00 a.m.

Foreign Relations

East Asian and Pacific Affairs Subcommittee

To resume hearings on U.S. policy toward Indochina.

SD-419

AUGUST 10

9:00 a.m.

Office of Technology Assessment

The Board, to meet on pending business matters.

EF-100, Capitol

9:30 a.m.

Commerce, Science, and Transportation

Consumer Subcommittee

To hold hearings on S. 2047, to require health warning labels on containers of alcoholic beverages.

SR-253

AUGUST 11

9:00 a.m.

Veterans' Affairs

To hold oversight hearings to review certain veterans health care programs.

SH-216

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on the computer network and high performance computing.

SR-253

SEPTEMBER 20

9:30 a.m.

Commerce, Science, and Transportation

Foreign Commerce and Tourism Subcommittee

To hold oversight hearings to review the U.S. and foreign commercial service.

SR-253

SENATE—*Tuesday, July 26, 1988*

The Senate met at 10:30 a.m., and was called to order by the Honorable Quentin N. Burdick, a Senator from the State of North Dakota.

The **PRESIDING OFFICER**. The prayer will be offered by the Reverend Jerry Salveson, American Legion national chaplain, Fargo, ND.

PRAYER

The Reverend Jerry Salveson, American Legion national chaplain, Fargo, ND, offered the following prayer:

Let us pray:

Lord God, Heavenly Father, we pause before You this morning to acknowledge that You are the King of kings and the Lord of lords, and to give You thanks.

Thanks for those first immigrants who landed on the shores of Virginia and covenanted together over 381 years ago, that this would be one nation under God.

Thanks for those brave early Americans who risked everything, including their lives, to declare that this could be an independent nation, dependent only upon divine providence, and signed their names to the Declaration of Independence over 200 years ago.

Thanks for all the brave Americans who, over the past centuries, have answered the call to arms, not only to secure freedom but to sustain freedom whenever it was threatened.

Thanks to those who gave their all, even their very lives, that we might have all that we have.

Thanks for all those men and women of America who have, throughout our history, responded to the call to serve as leaders of our Nation in national, State, and local government leadership.

Thanks for these men and women who now serve You in government, and especially these who serve as U.S. Senators.

Father, as they now gather for the business of this day, give them wisdom beyond their own intellect, knowledge beyond their own learning and courage beyond their own strength.

Lord, You gave us this Nation and you have given this deliberative body a great responsibility in providing leadership. May every thought, word, and action of each Member of this body be according to Your plan and purpose.

Heavenly Father, You have blessed America in the past. God, bless America again. We offer this prayer in the authority of Your Almighty Name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER**. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, July 26, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Alan J. Dixon, a Senator from the State of Illinois, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. **DIXON** thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The **ACTING PRESIDENT** pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

RESERVATION OF THE LEADERS' TIME

Mr. **BYRD**. Mr. President, I ask unanimous consent that the time of the two leaders be reserved.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. **BYRD**. I thank the Chair.

MORNING BUSINESS

The **ACTING PRESIDENT** pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Wisconsin.

WHAT IS WORSE THAN THE INTERNATIONAL DRUG TRAFFIC: THE ARMS TRAFFIC

Mr. **PROXMIRE**. Mr. President, recently I called to the attention of the Senate the grim fact that there were 25 wars going on in the world last year alone. This is more than in any other year in history. Most of those wars are still continuing. None of those wars have been taking place in North America or Europe. They have been confined to the Middle East, Africa, Central America, and parts of Asia. The prosperous, developed parts of the world have been spared. Wars have been overwhelmingly visited upon the desperately poor where life is already cruel and painful. The weapons with which these miserable souls maim and kill each other constitute the only efficient and improved element of their sad and too often short lives.

And where do those weapons come from? Overwhelmingly they come from the developed and prosperous countries of the world. Germany, France, Israel are all major arms exporters. So, sad to say, is the United States. The biggest of all by far is the Soviet Union. Mr. President, what an outrageous, insane business this is. Every morning our fine chaplain opens the Senate with a prayer. Often it is an inspiring message. He pays tribute to the good Lord—our Prince of Peace. He prays eloquently for a recognition of the sanctity of human life—all human life. The poor as well as the rich. Blacks as well as whites. Lebanese and Chinese as well as Americans and Englishmen. We listen. We believe. And then we go on our way. We permit the sale of American produced weapons to Communist China, to the Middle East, to Central America.

And oh, for how long those sales haunt us. It seems only a few years ago when we sold our F-14 fighters to the Shah of Iran. Now the Shah's successor, Khomeni, has turned Iran into our implacable enemy, and those American produced F-14's come back to attack American ships patrolling the Persian Gulf. The immense arsenal of weapons our forces abandoned in Vietnam are now in the hands of Communist forces throughout the world, including North Korea and eastern Europe.

Recently, that delightful satirist, Art Buchwald, wrote a column on what he called "The Wild, Wild World of Weapons Dealing."

In his article, Buchwald engages in an exchange with a fictional arms dealer named Feaster. The dialog goes like this:

Buchwald: I expect terrorists are big customers of arms dealers.

Feaster, the arms dealer: The best. And they're getting bigger all the time. For a while they just bought a stray case of ma-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

chineguns here and a gross of hand grenades there. But now they're really upgrading their material and ordering designer weapons. As a result, they have to be treated with respect.

BUCHWALD: Do you have any restrictions on what you sell terrorists?

FEASTER: No, but we ask them to try to avoid using the stuff in their own country. There is nothing wrong with selling bazookas to the Japanese Red Army to shoot down planes in Rome, while the Italian terrorists blow up an air terminal in Tokyo. It is what is known as terrorist reciprocation.

BUCHWALD: Every country seems to be selling arms to the people it considers to be its enemies.

FEASTER: That's what makes the business profitable for us. The reason weapons are so plentiful is that when we have orders from both sides we can make them so much cheaper. Take Lebanon, for example. There isn't a group in the entire country that won't buy everything we can provide. Every car bomb in Beirut has our name on it.

BUCHWALD: And you don't feel guilty that you are playing a small part in fanning the flames of war?

FEASTER: No. We're for peace. The other day a man from Lebanon came into the store and wanted dynamite detonators and a Volkswagen to blow up the headquarters of a medieval church. As I was wrapping the package, I happened to mention that that particular faction had purchased 1,000 mortars just the day before. He thanked me and bought a tank to knock out their mortars. If I hadn't brought this up, someone in Beirut might have gotten hurt. So we do a lot of good in this business. Unfortunately, no one ever hears about it, mainly because arms dealers prefer to keep their good deeds to themselves.

Buchwald is a supremely funny man. But what a travesty on our morality that we permit American arms dealers, who are among the biggest in the world, to sell these weapons of death all over the world and especially to impoverished countries whose people are struggling to stay alive.

Mr. President, here is a trade worse than the widely condemned drug trade. Members of the Congress properly condemn drug pushers as vermin who deserve extermination. Senators have pushed hard for the death penalty for anyone who sells these habit-forming and destructive drugs that have become such a bane in this great, rich country we love. These illegal drugs warp and shrivel the lives of fine young people. In some cases, they even kill. We have begun to engage in a war on drugs. That war is inadequate. It is overdue. But we recognize drugs as evil, and we are confronting that evil.

On the other hand, what are we doing to stop the spread of military weapons throughout the world and especially to the pitifully poor developing world? The answer is that we are engaged in international arms sales as a matter of public policy ourselves. We subsidize many of these arms sales with the taxpayers' money. It is true that the United States is not the only international arms seller in the world. We are not the biggest. The Soviet Union is.

But why should we not do two things? First, prohibit the sale of American arms to any foreign country unless such arms exports are in the clear national security interest of the United States. Second, use our great economic clout and our good offices as the leader of the free world to negotiate an agreement with all the developed countries of the world, including the Soviet Union, to end this traffic in death.

Unless we recognize and act on our moral duty to human beings throughout the world by striving to stop the disgraceful traffic in arms, massive terrorism is likely to come to the United States and soon. With the steady progress in nuclear weapon technology, the prospect increases with each passing year that our country could be plagued in the future with nuclear terrorism. Should we wait until this national tragedy develops before we recognize the terrible immorality of the international sale of arms? We should strive to end the international sale of arms by our country or by any country. We should start to end it right now.

Mr. President, I yield the floor.

Mr. PRESSLER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

RESOLVING THE DEADLOCK ON THE SIOUX INDIAN AWARD

Mr. PRESSLER. Mr. President, I report to the Senate that I held a number of meetings regarding our Indian tribes in South Dakota last week. I held an official meeting of the Senate Select Committee on the Aging on the Pine Ridge Reservation to examine the special problems of Indian elderly. I also held a meeting regarding a water pipeline to western South Dakota which would bring water to this reservation. In the Rapid City, over 280 individuals attended a meeting to discuss S. 705, the Sioux Nation Black Hills Act, known informally as the Bradley bill. This legislation would restore 1.3 million acres of Federal land to the Sioux Indians.

In general, I found relations between Indians and non-Indians to be good, but I think they are suffering somewhat because of the existence of the Bradley bill. I am opposed to that, and I do have a proposed piece of legislation that might resolve this problem. I described the proposed legislation at my Rapid City meeting and had some very stimulating discussions on it.

I have not yet decided to introduce this legislation, but I am circulating it to members of our congressional delegation and the Indian tribes to examine.

Under this legislation, the Secretary of the Interior would hold an election on the disbursement of the funds that were awarded by the U.S. Supreme Court to the Sioux Nation in 1980. I have a historic interest in this issue since I worked on legislation to acquire res adjudicata in the 1970's when I was a Member of the House of Representatives to help the tribes to bring their case back to the courts.

In 1980, the U.S. Supreme Court ruled that the Sioux Nation be paid compensation in the amount of $105 million. After 8 years in an escrow account, the judgment award has never been disbursed. This judgment award has grown to $202 million. There seems to be disagreement between the tribal leaders and the individual tribal members about accepting it. I think that the tribal members want a disbursement of those funds.

If such election were to be held, the Secretary of the Interior might make a list of all the Indian lineal descendents who qualify for that money. They would be eligible to vote in an election. If a majority of those individuals voting in the election favor the distribution of the judgment award, the money would be released to all eligible tribal members. In addition it would extinguish all claims, including any claims against any land.

Mr. President, I think that such a resolution would reduce racial tensions in our State. We then could get on with the business of assisting the Indian elderly increasing educational opportunities and developing jobs on the reservations. Currently, there are very few small businesses; and ultimately few jobs for people to take on the reservations.

We are hung up in a dispute over the Bradley bill. I think we need to take positive steps to resolve these public policy issues. I say that as one who has spent a fair amount of my time in the House and the Senate working on matters regarding our Indian people in South Dakota.

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

THE ENDANGERED SPECIES ACT

Mr. REID. Mr. President, I rise in strong support of S. 675, the Endangered Species Act Amendments of 1987. The Environment and Public Works Committee reported this important wildlife protection law almost 9 months ago.

In 1983, as a freshman Member of the House of Representatives, I had the opportunity to become involved in a real estate development matter; an involvement which confirms the necessity of the Endangered Species Act. At that time, a Las Vegas land company was attempting to develop a portion of Ash Meadows, a 12,000-acre desert area 75 miles west of Las Vegas, adjacent to Death Valley. Ash Meadows is similar to desolate Death Valley in many ways. It is very hot, flat and dry as it receives less than 3 inches of rainfall a year. Ironically, there is, however, considerable water at Ash Meadows. It is a major discharge point for an underground aquifer stretching 100 miles. All of the water at Ash Meadows is "fossil" water, believed to have entered the ground water system thousands of years ago. The water I saw at Ash Meadows entered the aquifer before David slew Goliath; before Moses led the Israelites across the Red Sea. For its size, Ash Meadows contains the highest number of endemic species in the continental United States, more than 20 plants and animals that occur nowhere else. It has been likened to a "natural oasis in an ocean of desert, a kind of mainland Galapagos."

At the end of the last Ice Age—between 8,000 and 10,000 years ago—the lake covering Ash Meadows began to dry up. Pockets of springs at higher elevations were isolated. It is within these "aquatic islands" that several species of endangered desert fishes swim, including the famed Devil's Hole pupfish. Measuring barely four-fifths of an inch, this rather unimpressive fish has been preserved through 20,000 generations. Without question, this area holds many unrivaled evolutionary secrets.

Much has been written about the Devil's Hole pupfish; a truly unique desert fish. Jerry Adler provides a succinct description of the importance of this endangered species. In a 1984 Newsweek article, Adler states:

> The Devil's Hole pupfish of Ash Meadows, Nev., is a species so endangered that you need an appointment to see one. Modern-day pupfish are descendants of a fossil species that thrived in the vast, vanished lake that covered most of this terrain during the last ice age. As the waters retreated to a handful of springs and ponds, more than 10,000 years ago, the fish went with them—and thus isolated, began evolving on different paths, so that at least three distinct types of pupfish are found in Ash Meadows alone.
>
> When the federal government placed the Devil's Hole pupfish on its list of endangered species, it merely recognized a fact that the pupfish have had to live with for 10,000 years. They evolved just inches away from extinction, on a rocky shelf the size of a conference table in a deep spring-fed pool. Steep rocky cliffs rising 50 feet to the desert floor surround the pool, allowing just enough sunlight to support a thin crop of algae. If the water table dropped a foot, if a rockslide blocked the sun, the pupfish wouldn't last two weeks.

The land company envisioned the creation of a medium-sized city, with industrial parks, mobile homes, hotels and golf courses. However, these springs and streams, which are home to the Warm Springs, Ash Meadows, and Devil's Hole pupfish would also provide the water source for the proposed development. No one knows what effect the proposed desert community would have on this unique biological area. Fortunately, all was resolved before battle lines were drawn between the developer and the pupfish.

After considerable negotiation, an agreement concerning the disposition of the Ash Meadows area was reached to the satisfaction of all parties. Congressional involvement resulted in the purchase of this property by a private organization, which then turned the property over to the U.S. Government. On June 14, 1984, the Secretary of the Interior announced the establishment of the Ash Meadows National Wildlife Refuge—the 422d refuge in the national system. The addition of the Ash Meadows area to the wildlife refuge system is, indeed, an accomplishment. Clearly the Endangered Species Act provided the impetus to protect this rare desert oasis and the somewhat unremarkable, yet critical, desert fish.

In summary, Jerry Adler says it best:

> The tenacity of the pupfish in the face of adversity has aroused widespread admiration. It is their continuing evolution, in their tiny corner of the desert, that give the pupfish their extraordinary claim to our attention; the point of saving the pupfish is not exactly to have them forever, but to allow the drama that was set in motion by the movement of the glaciers 10,000 years ago to play itself out to its unguessable conclusion.

Mr. President, because of the Devil's Hole pupfish and other sundry fauna and flora, it is incumbent upon us to reauthorize and strengthen the Endangered Species Act.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico is recognized.

INSTITUTE OF AMERICAN INDIAN AND ALASKAN NATIVE CULTURE AND ARTS DEVELOPMENT EXHIBIT

Mr. BINGAMAN. Mr. President, I rise today to make my colleagues aware of a unique collection of traditional and contemporary Native American art now on display in the Rotunda of the Russell Senate Office Building through August 5. With the generous support of Chevron USA, Inc., I am proud to sponsor this exhibition comprised largely of works by students of the Institute of American Indian and Alaska Native Culture and Arts Development, a renowned arts education institution in Santa Fe, NM.

For more than 20 years, the institute has instilled in young Native American artists the importance of remaining firmly committed to the preservation of their unique cultural heritage, and, at the same time, it has worked to foster and encourage an exploration of contemporary and personal artistic expression.

The exhibit, "One With the Earth," exemplifies the aesthetic and creative beauty of Native American arts and crafts and enhances our knowledge and appreciation of a richly-endowed heritage. The exquisite beadwork, pottery, basketry, sculpture and paintings in the exhibit represent the talent and commitment of American Indians, each of whom has contributed proudly to the continuum of art that began thousands of years ago.

Since its first show several years ago portions of the institute's collection have been exhibited in Europe, South America, and the Far East, encouraging the continuation of this important facet of our culture. The exhibition currently on display effectively illustrates a renaissance in the appreciation of American Indian art and culture. The collection demonstrates the continuing evolution of Native American art from traditional styles and motifs to contemporary mediums developed from an historical legacy. The exhibit further represents a wide variety of artistic forms and expressions, which give the public an opportunity to experience more than stereotypical images of Indian art. Through a heightened awareness of American Indian art, we can better understand and appreciate the spiritual, cultural, and historical significance of a sensitivity to our surroundings.

This exhibition contains the work of nearly 50 Native American artists, many of whom are acclaimed and admired in both the national and international arts communities. Through their work, we all can experience art through a Native American perspective, which has been so appropriately expressed by the Institute: "The Earth gave forth her treasures. We used them. And beauty was begun." I wholeheartedly urge my colleagues to visit this exhibition.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina is recognized.

DEATH PENALTY FOR DRUG KINGPINS

Mr. SANFORD. Mr. President, several weeks ago I voted in the minority against a measure that purported to impose the death penalty on so-called drug related murders. There were good reasons for that opposition as a number of my colleagues and I have set forth in the RECORD.

In today's Washington Post another reason was cited which I find very compelling. It was entitled, "Death Penalty Could Bar Trials of Kingpins."

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 26, 1988]

"SELF-DEFEATING" DRUG BILLS?—DEATH PENALTY COULD BAR TRIALS OF "KINGPINS"

(By Michael Isikoff)

Among all the election-year ideas for combating the drug problem, few have proved more politically popular than the ultimate one—a federal death penalty for major narcotics traffickers.

"It is about time we say to the Darth Vaders of the drug world that you will face the ultimate sanction," proclaimed Sen. Alfonse M. D'Amato (R-N.Y.), as a measure imposing the death penalty for drug-related killings sailed through the Senate by a 65-to-29 vote last month.

But as the plan has gained momentum, winning endorsements from President Reagan and Vice President Bush, some law enforcement officials warn that it could prevent many of the biggest drug "kingpins" from even being tried, much less executed.

The reason is that most of the biggest drug traffickers, such as the leaders of the cocaine cartels, live abroad. And almost no country will agree to extradite any of its citizens to a nation where they face the prospect of the death penalty, according to federal prosecutors and State Department legal experts.

"You have to consider the practical consequences of what you're doing," said Richard Gregorie, chief assistant U.S. attorney in Miami, whose office has indicted more drug kingpins than any other U.S. attorney's office in the country. "If we imposed the death penalty, we wouldn't be able to get any of the true drug lords. It would be self-defeating."

As a questionable weapon in the war on drugs, the death penalty proposal does not stand alone, according to many experts. As Congress races to enact major drug legislation in time for this fall's election campaign, scores of sweeping proposals have been advanced. They include: bringing in the military to help interdict drugs at the border; imposing harsher sanctions on illegal drug users; instituting widespread drug testing in the workplace, and spending billions in new funds for anti-drug programs aimed at treating and deterring drug abusers.

But many experts and law enforcement officials question whether such measures can make a serious dent in the nation's narcotics trade. And in almost every case, they say, the most politically popular ideas will have the least impact on the most serious and alarming aspects of the drug problem, for example, the rise of "crack" use among inner-city youths or the spreading activities of urban gangs trafficking in drugs.

"What we really may be getting here is a pig in a poke," said Peter Reuter, an economist for the Rand Corp. who specializes in federal drug policy. "We don't have the slightest idea what the consequences of some of these proposals are going to be. Yet we're on the verge of putting into place some far-reaching changes in the law that may have very little to do with the problems they are designed to solve."

The most graphic example cited by many law enforcement professionals has been the attempt to enlist the military in interdiction, an effort embodied by a House-passed amendment to a defense authorization bill in May directing the Pentagon to "substantially" reduce drug smuggling within 45 days. Since then, a House-Senate conference committee on the defense bill has narrowed the scope of the military's role considerably, although the Pentagon still would be given primary responsibility for surveillance and intelligence.

In recent interviews, officials of the Drug Enforcement Administration and the U.S. Customs Service contended that the movement to bring in the military illustrates a lack of understanding among lawmakers about how drug smugglers operate.

According to these officials, the biggest cocaine shipments enter the country on ships, hidden inside routine commercial cargo such as roses or concentrated orange juice.

The Customs Service is physically able to inspect no more than 3 percent of the 7 million cargo containers that enter the country every year, according to agency figures. Finding the right containers among the hundreds typically aboard each ship is a painstaking task and largely immune to detection by Airborne Warning and Control System (AWACS) planes or other intelligence assets at the Pentagon's disposal, they say.

"I don't know of anything the military can do to help us in this area," said Patrick O'Brien, special agent in charge of the U.S. Customs Service in Miami. "We've given a lot of thought to the container problem and the only way to stop it is getting on the forklifts and start opening up all the boxes . . . What good does another AWACS plane do? . . . What you need is information on specific cargoes on specific ships."

In recent weeks, attention in Congress has shifted from stopping the supply of drugs from abroad to curbing demand at home. With 205 bills and resolutions on the drug issue introduced this session, congressional leaders have created special "task forces" charged with piecing together disparate elements into an omnibus bill. Operating under an unusual "fast track" procedure that bypasses most public hearings and subcommittee deliberations, House Speaker Jim Wright (D-Tex.) and Senate Majority Leader Robert C. Byrd (D-W.Va.) have pledged to have a mammoth package on the floor of each chamber by next month.

In the process, a seemingly endless array of novel and catchy ideas has tumbled forth. A recently unveiled Senate Democratic plan, put together by a task force headed by Daniel Patrick Moynihan (N.Y.) and Sam Nunn (Ga.), would more than double anti-drug spending to more than $6 billion a year, create a national drug "czar" and institute new penalties for drug offenders, such as denying them federally backed mortgages and disqualifying drug-abusing lawyers and accountants from practicing before federal courts or agencies.

Meanwhile, a Senate Republican package put together by a task force headed by Phil Gramm (Tex.) has emphasized the Reagan administration's "zero tolerance" and "user accountability" themes. Among its features: mandatory drug testing for members of Congress and their aides, forcing states to randomly test recipients of drivers' licenses for drug use, creating an "Airport Drug Interdiction Zone" in which commercial aircraft could be seized without probable cause, and denying most federal benefits, including access to public housing and job training programs, to persons convicted of drug offenses.

"What the Republicans are saying is, 'you [the drug user] are responsible for your own actions and the best thing society can do for you is make sure you have real disincentives'" to stop using drugs, said Jeffrey Eisenach, a visiting fellow at the Heritage Foundation, who helped draft the Republican plan.

The Republican plan, while it has received little public attention so far, has stirred the most opposition to date among drug professionals, in part on civil liberties grounds. "This is the kind of bill that would make Mussolini blush," said Ethan Nadelmann, a Princeton professor who has become the leading academic champion of drug legalization.

But many specialists in the drug field also point out that these and other proposed user sanctions are the least likely to deter those segments of society most afflicted by the drug problem, particularly inner-city youths who have turned increasingly to crack.

"For these kinds of people, the kind of punitive sanctions they are talking about don't mean anything—long-term risks are not even in their consciousness," argues Doug Lipton, director of research and the Narcotic and Drug Research Inc., a leading New York-based clearinghouse on drug use.

"The 'zero tolerance' approach may be fine if you want to deter middle-class yacht owners from keeping a stash of marijuana on their boats," he said. "But what are these kids going to lose—their welfare hotels?"

Experts also warn that many of the legislative proposals can backfire. Denying job training to convicted drug users may cut off one of the few avenues they have toward rehabilitation. Massive drug testing may have the paradoxical effect of prodding workers to shift from marijuana, which stays in the urine from one week to a month, to cocaine or crack, which leaves the urine after two or three days, or to alcohol, which is not subject to urine testing.

"People are most likely to shift their drug use to make sure that if you take it on a Friday night, you won't test positive on Monday morning," Nadelmann said.

Senate Democrats contend that their approach—redirecting the bulk of spending toward treatment, rehabilitation and education—is more humane, and ultimately more productive, than the Republican plan emphasizing sanctions. Among the Democratic bill's provisions, for example, is $1.2 billion in new block grant funding for drug treatment programs, a step aimed at reducing waiting periods of more than 20 weeks in some cities for admission to treatment clinics.

"What we're trying to do is help people and not punish them," said one Democratic staffer. "The idea is to begin to meet the goal of drug treatment on request."

But many drug experts say the treatment-oriented approach also runs into problems: There is little available information on which cocaine treatment programs work and, according to Lipton, "there is no data with respect to crack" treatment. For every 100 persons who enter the door of an inner-city cocaine treatment clinic, 80 or more are likely to leave before the program is complete.

"The Republicans have a nasty point on this," said Reuter, the Rand economist. "The fact is treatment techniques for cocaine are not very good . . . and it's fair to say that if you spend large sums of money on cocaine treatment right now, you won't have much to show for it in terms of reduction of cocaine users. But you might have something to show for it in five years—it's that kind of time frame."

That, however, is precisely the point raised by many specialists in the drug field—there are no easy "quick-fix" solutions to a problem that grows and contracts in response to broad and societal trends.

"There's nothing in our history that suggests this can be solved in a short period of time, that you can get a rapid turnaround," said David Musto, a Yale University medical historian who has written extensively on the history of drug control. "My concern is as we turn against drugs, and come to hate the drug users, there's almost no countervailing force out, there's almost no limit to what you can do . . . and you can create a lot of havoc in people's lives."

Mr. SANFORD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Sanford). Without objection, it is so ordered.

ROGER MICHAUD

Mr. COHEN. Mr. President, I would like to share with my colleagues some of the accomplishments of one of my constituents, Roger Michaud of Lewiston, ME. Roger Michaud exemplifies the word "diversity"—he is both an entrepreneur and a performer, and his career has been shaped by his many talents and interests. While his pursuits have included a broad spectrum of ventures and activities, they have all been characterized by creativity, persistence, and significant success.

Roger is the founder of American Stabilis, a Lewiston firm that manufactures heating products for customers from Maine to Disney World in the United States and from Saudi Arabia to Lebanon and Greece abroad. A graduate of Georgetown University Law School, he is also a developer, an advertising executive and a member of a popular local rock and roll band, the Moon Dawgs.

Roger is a recognized leader in the Lewiston-Auburn community, in part because he is one of the most fervent believers in the twin cities' potential to be a model for Maine and northern New England. His advertising company is responsible for an ongoing campaign promoting Lewiston-Auburn as "the right move." Never satisfied with his accomplishments, he is determined to take advantage of every opportunity to improve not only his business, but the region as well.

"Success," Roger says, "is pursuing exciting ideas that will improve life." I applaud his enthusiasm for new challenges and his commitment to making his community a better place to live and work. Mr. President, I request unanimous consent that the following article from the Lewiston Sunday of July 10, which sums up Roger Michaud's multifaceted career, be inserted in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Lewiston (ME) Sunday, July 10, 1988]

His Life Is His Job:

(By Bonnie Washuk)

Lewiston.—He's a hometown guy who sings and plays the keyboard in a well-known local band, the Moon Dawgs.

He's also the ambitious founder of American Stabilis, Inc., a Lewiston firm that manufactures heating products for customers as near as Lewiston and as far away as Lebanon and Greece.

Roger Michaud, 40, wears many different hats. And he likes it that way.

Since graduating from St. Dominic Regional High School more than two decades ago, Michaud has been a member of the rock 'n' roll band, a law student, the developer of the state office complex at 200 Main St., and a manufacturing executive.

Success seems to have flowed from each of his endeavors. In his latest venture, Michaud launched an advertising company, which produced the Lewiston-Auburn promotion "The Right Move."

What's the relationship among all his activities? "There is none," Michaud quips.

"You get involved in one thing, which breeds another. You just keep going," he said recently from his American Stabilis executive office. "My hobbies are my work. Sitting on a beach and getting a tan is not my idea of what I want to do in life. What I want to do I do every day, and that's why this is not a job. It's my life."

MOON DAWGS AND MURRAY

As a teen-age student, Michaud had visions of becoming a rock star. Back in the 1960s, when the Moon Dawgs were new and hot, the group played throughout New England and Canada. Michaud recalled one performance when the band shared the stage with Anne Murray.

"It was in Nova Scotia. She was just starting out," he said of the singing star. "Obviously Anne Murray's been more successful than the Moon Dawgs."

While his heart was with the band, Michaud bowed to his parents' wish to see their only child graduate from college.

"Any 16- or 18-year old (enjoying success) at music would rather continue than enter the working world," he noted. But at some point, he added, a person's got to make a choice.

"There's no question this was the right choice. (Music) is a pretty fickle business. But I certainly plan to continue playing and writing music. I really enjoy music. It's a great release."

Michaud graduated from St. Michael's College in Vermont in 1970 and from the Georgetown University Law School in 1972. He worked for a year to establish American Stabilis, and by 1974 it was open for business in the old Hill Mill building in Lewiston.

Why did he go from law school to manufacturing?

"I studied to become a lawyer, but it didn't interest me," he explained. "I just really wanted to come back home and start a business. And I did."

Michaud got the idea for his company from a man he met while in graduate school.

The man's father lived in France and designed a heating system that radiated heat by means of self-contained individual room units instead of one central furnace.

With that spark of inspiration lighting his brain all the way from Washington, D.C., to Lewiston, Michaud redesigned the system and began to manufacture the "Thermostructure" here.

The product, however, didn't sell well, probably because it was so new and odd-looking to Americans.

"It was vertical," Michaud said. "I thought it was very attractive. But American eyes are trained to look at horizontal (heating units). Obviously, we didn't make a business of that."

The setback didn't slow Michaud and his infant company. The firm continued to pioneer new heating products and eventually convinced prospective customers that it had built a better mousetrap. It wasn't easy, Michaud said.

"It's difficult enough to start a new business, but when you start a new business and continuously create a niche in the marketplace with new products, it's not as easy as selling commodities," he said. "It was a new company with a new product, with no capital. We had all the earmarks of failure. I guess it was just plain stubbornness and hard work that we managed to stay alive and go beyond."

THE BIG BREAK

After Thermostructure, Michaud's company designed prototypes of what its sales agent thought would sell in the market. After showing them at a show in Chicago, the firm was awarded its first major project—a job to supply the posh IBM Crown Center in Kansas City, Mo., with attractive-looking heating convectors that matched the design of the building. Word began to spread about American Stabilis.

Today its customers number in the thousands, its employees over 100, and it has sales agents across the country and on several continents.

Since 1974, American Stabilis has been in the industrial park, where it manufactures heating products, including energy-efficient heating systems; base-boards and convectors that blend with interior decorations; automated thermostats that can be programmed to turn heat or air conditioning up or down; and a device that regulates how furnace boilers heat water.

Those products are everywhere, Michaud said, from Maine homes to Walt Disney World in Florida, from plush executive suites throughout the country to the $70 billion King Khalid Military City in Saudi Arabia.

Creating new heating parts led the company to create a new product line: custom-designed computer parts.

One of the biggest competitors of American Stabilis is Honeywell.

"We've done everything from microwave satellite communications to guidance systems in some military applications," Michaud said. "We've put together a team of people who can meet the most demanding vendor qualifications survey. That is probably the net result of being in business for 13 years. I think most people don't realize how sophisticated we are for a small company."

While the firm's record sounds impressive, Michaud said American Stabilis has yet to reach its peak.

"We struggle every day," he said. "My goal is not just to make a lot of money. My goal is to build an industry. I don't think we're there. There (are) opportunities every day. How can you say you're there when you see an opportunity and you don't take it? You're never there."

Within the next year, Michaud intends to double the business of American Stabilis. The timing, he said, is right.

"We've spent the last four years repositioning the company, doing what we think was necessary, putting systems in place," he said. "We've worked hard to be able to get the kind of national attention to our products and manufacturing (that we have). We don't want the flash-in-the-pan thing. We want long-term growth in all three product divisions."

THE MOVE TO ADVERTISING

An outgrowth of Michaud's Moon Dawg performances, and of his own experience in marketing American Stabilis products, has been the creation of a small advertising company called Adcom.

It develops radio, television, print and telemarketing advertising campaigns. The first job for Adcom was "The Right Move." Michaud wrote and sang the lyrics to the jingle.

In September, he joined forces with another '60s rock 'n' roller, Ed Boucher of EAB Recording Studios of Lewiston, who provides the audio for the company's ads.

Adcom, Michaud said, is tailored to small businesses and capitalizes on the use of generic themes.

"Basically we take a production that we can sell," he said. "For instance, we can sell a concept of 'It's About Time for the Best' to a furniture dealer in San Diego and use it for a car dealer here in Maine. Because we take the production and sell it in multiple markets, each user pays very little for that campaign."

A promotion must have a "national quality" appeal. If not, Michaud said, the ad can backfire.

"The major advertisers spend a tremendous amount of time and money in production," he noted. "If you don't meet that production quality—and local productions often don't—your advertising can actually work against you. (People will) say: 'Gee, that's corny. That's local.'"

Still, Adcom uses local talent to produce its messages. "You'd be surprised at the amount of talent in town," Michaud said, citing Boucher as an example.

Michaud grew up in Lewiston and graduated from St. Dominic's in 1966. A family man, he still lives here, and is bullish about his town.

"Competition is what stirs growth," he said. "If you look at this community and see how the incomes have developed, see how it has grown, more and more people are getting in on the pie. That's how it should be. Because when you see someone else make it, you say, "Gee, maybe I can make it, too."'.

Lewiston-Auburn's success story began, Michaud said, "when a lot of people stopped being so negative and said, 'If they did it, we can do it.' People are willing to risk."

Success, Michaud said, is more than getting rich and retiring; it's pursuing exciting ideas that will improve life.

"I suppose no matter what the industry, there are lots of people who are literally committed to a goal and who will pursue that at all costs," he reflected. "That's pretty much what I've done. Basically, I knew I'd have a tough time working for someone else. I didn't want a job. The day this becomes a job is the day I leave. It's my life"

ETHICS IN GOVERNMENT

Mr. STEVENS. Mr. President, this morning it was my privilege and honor to introduce the Vice President of the United States at a major speech which he gave to 650 congressional interns. The topic of this morning's address, which was given by the Vice President at the Library of Congress, was "Ethics in Government." In the address, the Vice President set forth the specifics of a plan which he has developed to implement a six point ethics program and to create a White House Ethics Office. As the former chairman of the Senate Ethics Committee, I know, from firsthand experience, how difficult it is to establish a workable and effective code of conduct which will assure a high ethical standard while, at the same time, allowing room for the exercise of sound judgment by decision makers. I am impressed that the program unveiled by the Vice President this morning is the most comprehensive and reasoned approach to a government ethics initiative which I can recall during my nearly 20 years in the Senate. I would like to share the Vice President's remarks with my colleagues, and I ask unanimous consent that his speech and an accompanying factsheet be included in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

EXCERPTS OF REMARKS FOR VICE PRESIDENT GEORGE BUSH

I want to talk to you plainly and frankly today about a matter of crucial importance to our Nation.

The subject is ethics and the standards and code of conduct that I will bring to the White House and to government service. This is an issue I have felt strongly about since I first came to Washington to serve in the Congress some 20 years ago. Last year, in a speech at Albion College, I spoke of my vision of ethics and public service; today, I want to fill in the details, to formulate a comprehensive statement and plan on ethics in government.

I have been guided in this exercise by four controlling principles.

First: It has been an article of faith in my family since my early childhood that public service is the highest calling.

As a young and apprehensive Navy pilot; a freshman Congressman; representative to the People's Republic of China; Director of Central Intelligence; Ambassador to the U.N.; Chairman of the RNC; and indeed, as Vice President, I have tried always to be guided by a moral compass of decency, integrity, fairness and public purpose.

In my first term in Congress, before most of you were born and a full decade before it finally became law, I sponsored and fought for legislation that would reform our election laws and set a standard for ethical behavior in the Congress and in the executive branch.

Legislation I sponsored in 1968 would have made it a crime to promise employment in return for election support, would have limited campaign contributions from both individuals and businesses, and would have required that members of the legislative branch and their families report income, expenditures, and gifts on their behalf.

The Federal Financial Disclosure Act I sponsored in 1969 would have provided for public financial disclosure by members of the executive branch, the courts, the President and his Cabinet, the Congress, and candidates for federal office. I asked for curbs on congressional travel expenses, which were then and are still widely abused. I supported a code of ethics for members of the Congress that I thought should be followed. And I led by example, voluntarily disclosing as early as 1969 my own personal finances.

This was years before Watergate and close to a decade before passage of the 1978 Ethics in Government Act. It's a cause I championed for a simple reason—one, I think, that each of you has already learned, even in your short tenure here in Washington: It's a privilege to serve. It's an honor to hold the public trust. And it is a disgrace to violate it.

Those who take on the people's trust must hold themselves to an exacting code of conduct. We can expect, and indeed, tolerate nothing less from the people who work for the government.

That message will be unmistakable in my Administration. To give effect to this commitment, I will establish an office at the highest level of government—that of Senior Counselor to the President, whose first responsibility will be ethics. I intend to ensure that my standards are my Administration's standards.

Second: In fairness to the people who often make real sacrifices to serve the government, who may leave professions, jobs and hometowns to join my Administration, the high standards of conduct to which they will be held accountable must be expressed in unambiguous terms, with clear, concise, and simple definitions, eliminating needless restrictions. We must not discourage good people from serving their country.

Third: The sanctions imposed by law for breach of the standards of conduct must be fair and proportionate. Today, there is little or no room under conflicts law for the exercise of discretion and the fashioning of measured responses.

To put it in high relief, one is either charged with a felony or nothing at all. This is plainly unacceptable. The threshold for judging ethical conduct in government is not, should not, and will not be whether an appointee has committed a criminal offense, but whether that individual has exercised honest, unbiased judgment and scrupulously avoided any appearance of impropriety or conflict of interest.

Fourth: However, we elect to define the rules, they must be equitably applied to all who enjoy the privilege of public service—including Congress. To exempt Congress from any of these rules, as does current conflict of interest law, is to establish a double standard that breeds suspicion, cynicism, and abuse. No one, no institution, no body of government should be above the law. That is not the American way.

With these principles in mind, I want to walk you through the specifics of my ethics program. The starting point is people. The best policy to foster ethical behavior in government is to attract and retain individuals who subscribe to the highest moral standards.

The test for appointment to office in the Bush Administration, therefore, will be unquestioned character, integrity, talent, and dedication to public service.

After 40 years in business and public life, I have a long list of experienced hands to call upon—people will accept positions of public trust not for personal profit, but for the satisfaction of selflessly serving their country.

I want those in government to be proud to serve the people of this nation—to know that by being entrusted with the public's interest, they are serving a higher calling. I firmly believe that the dedication and good purpose of the people I will bring to Washington will be infectious and long-lasting. I am convinced that the vast majority of people in public service—in the Executive, the Congress, and the Judiciary, are men and women of total integrity.

That brings me to the second aspect of my ethics policy. While it takes honest and dedicated men and women to govern properly and to govern well, there must also be a clear and concise code of ethics to guide them.

The present system of federal ethics law is a confused guiltwork of executive policy statements, administrative regulations, and criminal laws. Indeed, virtually every agency of government issues its own set of standards of conduct. There are gaps, inconsistencies, and ambiguities where there should be bright-line rules.

In my administration, the code of conduct will be clear and uniform. It will reflect common sense. Nothing will be overly technical. What is intuitively right—what your conscience tells you—will invariably be the written rule.

These rules must be given voice—the third aspect of my ethics program.

Even the best of the people and the best of laws require molding and forceful leadership. Toward that end, I will establish a White House Ethics Office.

The office will be headed by the Senior Counselor to the President and permanently staffed with people whose sole responsibility is the implementation of my ethics program. It will spearhead legislative proposals; promulgate a simple and uniform government ethics code; provide professional guidance to White House personnel on questions concerning compliance with the code; investigate possible breaches of the code; recommend sanctions, when warranted, directly to the President; and conduct mandatory annual briefings of all senior White House personnel on the basic requirements of federal ethics law.

I am mindful that some of these tasks have been undertaken in the past by the Office of Government Ethics. I do not intend to frustrate those efforts, only to complement them. Indeed, I want to enhance the powers and prestige of that office. In my administration, the Office of Government Ethics will not be looked upon as the instrument or step-child of the Executive, but an independent arbiter of federal ethics law.

The need for independence in the enforcement of the law is particularly compelling with respect to high government officials. With respect to investigation of any such officials, I wholeheartedly endorse the concept of an independent counsel. And because no body of government should hold itself above the law, legislation should be enacted without delay applying the independent counsel law to Congress. The law must apply fairly, and to all.

I have set forth my model for the promulgation and enforcement of the standards of conduct. I now want to address their day-to-day implementation.

Under the current regulatory scheme, the front line responsibilities for implementation of and monitoring compliance with federal ethics law is committed to Designated Agency Ethics Officials in each of the departments and major agencies of government. More often than not, these officials have numerous and competing job responsibilities. Ethics programs can, consequently, be given short shrift.

To ensure that this does not happen, several measures will be taken to increase the prestige and visibility of Agency Ethics Officials and the resources committed to the programs they administer.

A permanent ethics office will be established in each department and major agency of government, headed by senior agency officials, with a small, permanent staff dedicated solely to implementing and monitoring compliance with the ethics program. The staff must be given adequate funds to do the job, and the office will be included as a separate line item in the budget process. In addition, mandatory annual briefings will be required for senior government personnel within each respective department or agency of government.

Those briefings and, indeed, all of the structural changes I've outlined for you today will fall on deaf ears and will be of little utility of the laws and standards of conduct they seek to administer are confused, inartfully drawn, and inadequately applied.

I want to repeat for you the first order of business in my Administration: Make the code of conduct reflected in government regulations and in the criminal code simple, uniform, fair, far-reaching, and intuitively correct.

If elected, I will therefore propose a sweeping restatement of federal conflict of interest law. The changes I will propose include the following:

First, federal conflict of interest laws will be amended to recognize differences in the gravity of the conduct under review. Be it conduct while in government, or subsequent lobbying activity after government service, prosecutors will be free to exercise their judgment and discretion in pursuing civil remedies, as well as enhanced criminal sanctions. A wider variety of misconduct will consequently be reached, with fair and proportionate responses for each.

Second, all blind trusts will be managed by institutions, not individuals.

Third, current law does not adequately address the misuse of office before departure from government in order to feather a future nest in the private sector, nor does it adequately prohibit the use of confidential information by ex-government employees and their new employer. The law will be amended to deal with these two situations.

Fourth, statutory prohibitions against acting on matters of a personal financial interest will be extended to members and senior staff of Congress.

Fifth, the statutory prohibitions on the "revolving door"—that is, the absolute bar on lobbying an agency or department of government in which an employee worked for a period of one year—will be extended similarly to members and senior staff of Congress. The practice of Congress to legislate rules of conduct for others and not for itself is without justification or excuse. The Senate has made a start by passing the Thurmond bill, which I endorse. I urge the House to pass this legislation promptly because it goes to the very heart of proper intentions and the public's perception of honest government.

Nothing could be more critical to making our government work. Honesty, integrity, loyalty, and service, all that we speak of under the heading of ethics—these are the life blood of democratic societies and democratic government.

A country founded on the concepts of freedom and fair play, of honor and decency, relies on its public officials to live up to those ideals, and not to abuse the trust the people have vested in them. You have spent a summer, or a semester, working here in the excitement of Washington. I have dedicated a lot of my adult life to serving my country, and in that time, the vast majority of the men and women I have worked with have been dedicated, honorable professionals, who gave long hours to their work and little thought to personal gain.

America attracts such people to public service, because high ideals—the high ideals of American democracy and freedom—attract high-minded individuals. We believe in the power of the ethical man to shape society for the better. We believe in the power of truth to make us strong and guide us through a troubled world.

We believe that what we do here, in Washington, couldn't be more important: We are the keepers and the protectors of the flame, the democratic hopes, not just of a nation, but of the world too often subject to tyranny, autocracy, and corruption. By protecting the integrity of the institutions of democracy, we keep America, and so freedom, strong. We keep our American way alive.

Thank you all very much and God bless you.

FACT SHEET: VICE PRESIDENT'S SPEECH ON ETHICS IN GOVERNMENT

Speaking before Congressional Interns, the Vice President outlined a comprehensive ethics in government program saying, "What is intuitively right, will invariably be the written rule."

THE ETHICS PROGRAM RESTS ON SIX PRINCIPLES

First the right people. The recruitment of people dedicated to public service in a *sine qua non* to any ethics program. Talent and moral fiber will be the yardstick by which candidates will be measured for jobs in the Bush administration.

Second, bright-line and well understood rules of conduct. The code of conduct for government employees must be expressed in unambiguous terms, with clear and concise definition.

Third, Congress must be covered by federal ethics law. To hold otherwise is to set a double standard that feeds public distrust and breeds cynicism.

Fourth, federal ethics law should provide for civil, as well as enhanced criminal sanctions. This serves two purposes: (i) it permits prosecutors to enforce the law in a wider variety of situations and (ii) it provides for penalties that are fair and proportionate to the conduct under review.

Fifth, substantive provisions of federal ethics laws should be amended to reach "revolving door" abuses that are not proscribed under current law.

Sixth, the prestige and powers of the Office of Government Ethics and Designated Agency Ethics Officials should be enhanced and reinforced.

SIMPLIFICATION OF THE GOVERNMENT ETHICS CODE

The Vice President stated that he would simplify and improve the current government ethics code to make it clear and understandable. The standards of conduct will be based on common sense. None will be hypertechnical. What is intuitively correct will invariably be the written rule.

WHITE HOUSE ETHICS OFFICE

The Vice President will establish a White House Ethics Office, the staff and resources of which are dedicated solely to compliance with the federal ethics program. The responsibilities of this office would be to:

(i) Establish bright-line rules for White House and executive branch personnel.

(ii) Issue advisory opinions to White House personnel regarding conflict of interest issues.

(iii) Investigate alleged ethical improprieties committed by White House personnel.

(iv) Supervise mandatory annual ethics briefings for White House personnel.

DESIGNATED AGENCY ETHICS OFFICIALS ("DAEO'S")

DAEO's are the front-line of the federal ethics program. The Vice President proposes to increase that profile and visibility and the resources dedicated to agency ethics programs.

(i) He would establish a permanent ethics office in each department and major agency, headed by senior government officials of a rank such as Deputy Assistant Secretary;

(ii) He would provide a permanent staff for each such office dedicated solely to implementing and monitoring compliance with the ethics program;

(iii) The office/staff would be provided with adequate funds to do the job and, indeed, would be included as a separate line item in the budget process;

(iv) The Vice President would require mandatory annual briefings for all senior government personnel by agency ethics officials.

RECRUITMENT OF TALENTED PEOPLE, DEDICATED TO PUBLIC SERVICE

The centerpiece of any federal ethics program is the recruitment and retention of talented people. The Vice President pledged to seek people of unquestioned character, integrity, and dedication to public service.

STANDARDS OF CONDUCT

The Vice President pledged to establish unambiguous, clearly defined bright-line rules for standards of conduct of White House and Executive Branch personnel. He proposes to include in the Code the following, without limitation:

(i) All blind trusts will be managed by institutions—not individuals;

(ii) No Presidential appointee may receive outside earned income for services rendered while holding office;

(iii) The term "negotiations" for prospective employment, for purposes of triggering disqualification or refusal action under 18 U.S.C. 208, will mean any affirmative step taken by a government employee to initiate job discussions or to follow-up on a job feeler.

(iv) Formal rules will be adopted to govern all White House contacts with investigative agencies, including the requirement that all such contacts be made through the Office of White House counsel.

SUBSTANTIVE CONFLICTS OF INTEREST

18 U.S.C. 208 makes it a felony to act on certain matters of a personal financial interest while in office. The felony is punishable by up to two years in jail and a fine of $10,000. It is limited in its use and application as currently drawn. The Vice President proposes to:

(i) Extend 18 U.S.C. 208's prohibitions on acting on matters of a personnel financial interest to members and senior staff of Congress.

(ii) Prohibit the acceptance of anything of monetary value—e.g., meals, entertainment, travel—by members and staff of Congress and executive branch personnel from lobbyists.

(iii) Provide for civil sanctions and proof of misconduct by a preponderance of the evidence for violation of 208.

(iv) Provide for enhanced criminal sanctions for conduct that is undertaken with corrupt purpose and specific intent to violate 208's prohibitions against acting on matters of a personal financial interest.

POST-EMPLOYMENT RESTRICTIONS

18 U.S.C. 207 makes it a felony to engage in certain post-employment activities that raise questions of conflicts of interest. The scope of the post-employment restrictions imposed by the statute is sometimes confused. The statute is therefore limited in its use and application. Violation of the statute is punishable by up to two years in prison and a fine of $10,000. The Vice President proposes to:

(i) Eliminate the power of the Office of Government Ethics to subdivide agencies and cabinet departments for purposes of defining the scope of post-employment restrictions under 18 U.S.C. 207, as proposed in the Senate's Integrity in Post-Employment Act of 1988 ("the 1988 Post-Employment Act").

(ii) Bar members of Congress (and senior Congressional staff) from lobbying Congress for one year—a one-year "cooling-off" period—as proposed in the 1988 Post-Employment Act.

(iii) Provide for civil sanctions and proof of misconduct by a preponderance of the evidence for violation of 207's post-employment restrictions, as proposed in the 1988 Post-Employment Act.

(iv) Provide for enhanced criminal sanctions for knowing and intended violation of 207's post-employment restrictions, as proposed in the 1988 Post-Employment Act.

(v) Prohibit the use of confidential information in post-employment activity with civil and criminal sanctions imposed upon both the former employee and his/her new employer in the private sector.

BICENTENNIAL MINUTE

JULY 26, 1948: SENATE "TURNIP DAY" SESSION BEGINS

Mr. DOLE. Mr. President, article II, section 3 of the Constitution provides that the President of the United States may "on extraordinary occasions, convene both Houses, or either of them," by proclamation. Forty years ago today, on July 26, 1948, President Harry Truman called the Senate and House of the 80th Congress into extraordinary session.

Only 27 such sessions have convened in the past 200 years, and none has occurred since 1948. President John Adams summoned the first such session in 1798 on the issue of suspension of relations with France. President Lincoln called the Congress into extraordinary session in the summer of 1861 as the enormity of the unfolding Civil War became clear. On April 2, 1917, President Woodrow Wilson convened an extraordinary session to ask for the declaration of war that signaled America's entry into the First World War.

Extraordinary sessions have also been called to discuss domestic issues. President Truman called for the 1948 session during his acceptance speech at the Democratic National Convention. He set it to convene on July 26, "Turnip Day" in his home State of Missouri. Truman conceived of the session as a political ploy to challenge the Republican majorities in both Houses of Congress to enact the domestic policy platform pledges of their recently concluded national convention. He realized that time and tempers were short and that little was likely to be accomplished.

Lasting for two sweltering midsummer weeks, the "Turnip Day" session met the President's expectations. This allowed Truman to campaign vigorously against the "do-nothing 80th Congress" throughout the fall, a strategy that contributed to his upset victory in November.

TRIBUTE TO DONALD H. ROBERTS

Mr. ROCKEFELLER. Mr. President, I rise in honor of an outstanding West Virginian. Donald H. Roberts began employment with the West Virginia Department of Welfare in April of 1961 as a "visitor" in the Food Stamp Program. He issued the first food stamps in the country in McDowell County, WV in 1961, during the administration of President John F. Kennedy.

Later, Mr. Roberts became administrative assistant to Mrs. Grace Strain who was director of the Food Stamp Program. In May 1979, Mr. Roberts was promoted to the position of assistant commissioner of the division of economic services for the West Virginia Department of Human Services.

Mr. Roberts will be retiring as director of West Virginia's Donated Foods Program on July 29 after 27 years of service. I would like to commend Mr. Roberts on his many years of dedicated service to the people of West Virginia. He is truly an outstanding person and citizen.

UPDATING THE AIDS EPIDEMIC

Mr. CRANSTON. Mr. President, according to the July 25, 1988, AIDS Weekly Surveillance Report, 69,085 Americans have been diagnosed with AIDS; 38,897 Americans have died from AIDS; and 30,138 Americans are currently living with AIDS.

Mr. President, 3,305 more Americans have developed AIDS and 1,702 Americans have died from this horrible disease since I last noted these statistics 1 month ago.

Mr. President, on Sunday, Food and Drug Administration [FDA] Commissioner Frank Young announced that people with AIDS would be allowed to import treatments for AIDS for personal use that have not yet been approved in the United States. I believe this represents a compassionate step by the FDA to give people with AIDS hope.

Tragically, people with AIDS currently have few options. There is only one approved drug and far more individuals are interested in participating in clinical trials than there are slots. Out of frustration and desperation, people with AIDS will try virtually any drug or treatment that they believe has a chance, no matter how slim, of succeeding. Entire networks have been formed for buying and distributing such treatments. Many individuals are looking overseas for any promising therapies. The FDA's new ruling will provide people with that opportunity.

Mr. President, an article in today's Washington Post, entitled "Ruling on AIDS Drugs: Dangerous Trap for Research?" describes the very difficult issues that must be weighed in making decisions regarding expanding the availability of AIDS drugs—in particular, how is the need to offer people with AIDS greater options and greater hope balanced with the need to conduct controlled clinical trials in order to gather important data on experimental drugs.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RULING ON AIDS DRUGS: DANGEROUS TRAP FOR RESEARCH?

(By Michael Specter)

The federal government may have set a dangerous trap for itself with its decision to permit people with AIDS to bring unapproved drugs into the country for personal use.

Food and Drug Administration chief Frank E. Young has struggled to cope with the growing hostility of desperate AIDS patients who regard the federal response to the news analysis AIDS epidemic as inadequate. But many researchers and activists say the shift will do little to improve the outlook for patients and may harm research progress.

"As a practical reality I just don't know what other position he could have taken." said Dr. Samuel I. Broder, director of the clinical oncology program at the National Cancer Institute and a leading AIDS researcher. "But we are not going to conquer the AIDS virus by using this approach."

The problem, as Broder and other researchers acknowledge, is that so few other approaches exist for the more than 1 million Americans believed to be infected with HIV, the virus that causes acquired immune deficiency syndrome. Only one drug, AZT, has been licensed by the FDA to treat people with AIDS, and that drug has many toxic side effects.

Because there has been so little tangible help available for people with AIDS, the FDA has tried to refrain from enforcing rules that prevent the distribution of drugs that have not been approved. But in its attempt to offer compassion, some scientists say, the government may be offering false hope instead of none.

"I don't want to be the one to rob people of their hope," Young said yesterday in an interview. "All right, the drug they are using may not be safe and effective. But if you are dying, should the government stop you from exercising free choice? It is a very tough line to draw."

An entire underground industry that produces and distributes other drugs has evolved to fill the vacuum. Although it is most visible in the cities hit hardest by the epidemic—New York, San Francisco and Los Angeles—the network has slowly spread across the country.

Young's announcement Saturday, at the National Lesbian and Gay Health Conference, came before a group of the hardest critics of the federal government's AIDS policies. For years, AIDS advocates have urged the government to move faster to approve drugs under study and to cast its net wider in seeking potential treatments.

By making this decision, many AIDS activists say federal health officials are simply acknowledging reality. Thousands of people infected with the AIDS virus have been treating themselves with homemade remedies for years.

"Nobody should be deceived into thinking that this policy is any solution to the problem of access to experimental therapies for the overwhelming majority of people with AIDS," said Jeffrey Levi, executive director of the National Gay and Lesbian Task Force. "Most people do not have access to the underground market and cannot afford the drugs if they do have access."

The immediate result of the FDA ruling will be that many people will now have greater access to dextran sulfate, a drug being tested for safety and effectiveness in treating AIDS.

The drug is used in Japan to treat several disorders, including high cholesterol, and it will now be possible for people to bring it from that country for personal use.

Scientists are concerned that if enough of those infected with HIV begin to treat themselves without the advice of physicians, they will never be able to sort out which drugs work and which do not.

With AZT, for example, it was necessary to compare its effectiveness to people who took no drug before scientists could say with certainty that the drug could prolong the lives of AIDS patients.

If people in trials of new drugs are also giving themselves unapproved medication, it could become nearly impossible to make those determinations, many scientists say.

But AIDS advocates say that being realistic is part of the mandate of the Public Health Service and that sick people are going to continue to try whatever they think will improve their health.

"The reality is that people with HIV are going to be treating themselves with whatever they can get hold of," said Joseph Brewer, codirector of Project Inform, a San Francisco-based organization that collects and distributes information and treatments for infected people. "The research community has got to accept that as its basic challenge. They have to find a way to do credible, reliable research in that context."

That may prove an impossible goal to achieve. The greater number of treatments a patient has been exposed to, the greater the difficulty any researcher will have in deciding what worked and what didn't.

For the moment, all sides agree that little has worked so far. Researchers are excited about several drugs that are under development—but could be years away from approval. That is not good enough for the tens of thousands who will die while the testing is under way.

In the meantime, the government will be forced to try to placate people with gestures.

"What other approach can you take without turning a humanitarian arm of government into a police agency?" asked NCI's Broder.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (H.R. 4783) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1989, and for other purposes.

The Senate resumed consideration of the bill.

Mr. BYRD. Mr. President, if there are Senators who have amendments I hope they will take advantage of the opportunity to offer them at this time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, I ask unanimous consent that the amendment, committee amendment at page 8, line 5 through line 14 on page 10 dealing with pensions, be temporarily set aside to allow us to take up the next amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXCEPTED COMMITTEE AMENDMENT, PAGE 30, LINES 7 AND 8

Mr. CHILES. Mr. President, on page 30, lines 7 and 8, I would add the language "of which $2,500,000 shall be available only for the Frederick cancer research facility."

The PRESIDING OFFICER. Is there objection? The question is on agreeing to the amendment.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **HELMS.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **HELMS.** Mr. President, may I inquire of the Chair what is the pending business?

The **PRESIDING OFFICER.** The committee amendment on page 30, lines 7 and 8.

AMENDMENT NO. 2661

Mr. **HELMS.** Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2661.

None of the funds made available under this Act, or an amendment made by this Act for the Department of Health and Human Services shall be obligated or expended after January 31, 1989 if on that date the Secretary of that Department, using existing power, has not promulgated regulations prohibiting funds from being used to provide the following on the premises of any elementary or secondary school: contraceptive drugs or devices, prescriptions for contraceptive drugs or devices, transportation for contraceptive drugs or devices, referrals for contraceptive drugs or devices, abortions transportation to aid in obtaining an abortion, counseling to encourage an individual to obtain an abortion, or referrals for obtaining an abortion.

The **PRESIDING OFFICER.** The Senator from North Carolina.

Mr. **HELMS.** I thank the clerk for reading the entire amendment. I think it is important for those few who may be listening at this time to know precisely what the amendment provides.

Mr. **CHILES.** Would the Senator from North Carolina yield just for a moment?

Mr. **HELMS.** Certainly.

Mr. **CHILES.** I just wanted to ask the Senator from North Carolina, we had temporarily set aside—asked unanimous consent to set aside the first amendment which would come up dealing with pensions and ERISA. While the Senator was gone we brought some people to the floor to try to take up that amendment. They are around.

I did not want to interrupt the Senator.

Mr. **HELMS.** I anticipate the Senator's request and I will ask unanimous consent to lay aside my amendment.

Mr. **CHILES.** If we were ready. I did not want to interrupt the statement once he started his statement.

Mr. **HELMS.** No; I had not started. I will gladly ask unanimous consent that my amendment be temporarily laid aside.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **CHILES.** I thank the Senator for doing that.

Mr. **HELMS.** I thank the Senator.

EXCEPTED COMMITTEE AMENDMENT, PAGE 8, LINE 5 THROUGH LINE 14 ON PAGE 10

Mr. **CHILES.** Mr. President, then I would ask that we consider the committee amendment on page 8, line 5 through line 14 on page 10, dealing with pensions.

I yield the floor.

The **PRESIDING OFFICER.** That amendment is the regular order.

Mr. **CHILES.** Yes; I yield the floor.

The **PRESIDING OFFICER.** The Senator from Ohio.

Mr. **METZENBAUM.** Mr. President, I rise to support the committee amendment protecting older workers and retirees from pension raiding.

Mr. President, 14 years ago, Congress enacted this Nation's first pension laws to prevent companies from breaking their pension promises. That law, ERISA, was primarily aimed at those companies which did not properly fund their obligations for pensions. By and large, we accomplished what we set out to do. Today, most pension plans are properly funded, and we have an insurance system to stand behind pension promises.

Yet today, millions of workers and retirees face a new threat to their retirement security.

Ironically, today, many pension plans are so well funded employers are terminating them in order to recover large sums of money. The sad fact is that company after company have turned their pension plans into piggy banks, raiding them at will, and betraying those who depend on them for a decent standard of living in their golden years.

The committee amendment is identical to a bill I introduced earlier this session. It will put a temporary hold on these pension raids so that Congress can enact a permanent change in our pension laws.

Mr. President, this temporary measure makes it a fiduciary violation for a pension trustee to distribute so-called residual assets to an employer. If an overfunded pension plan is terminated, the residual assets would either have to be allocated to workers and retirees, or placed in an escrow account.

This measure will prevent pension assets from being used as a cheap source of financial capital.

Mr. President, pension terminations are a substantial and growing problem. Year after year this issue has been subject to hearings in the House and the Senate. And year after year billions and billions more disappear from pension plans.

In 1980, $18.5 million disappeared.

One year later, in 1981, $158.6 million disappeared.

In 1982, the House Select Committee on Aging conducts a hearing where witnesses describe how their pensions are being terminated. By the end of that year, another $404 million disappeared.

In 1983, the same committee conducts a hearing entitled "pension asset raids" and yet another $1.6 billion is gone. The problem continues to escalate.

In 1984, the Senate Labor Subcommittee conducts a hearing on my legislation to impose a temporary moratorium on pension reversions.

I expressed my shock that $2.2 billion had already been grabbed out of pension plans. And by the end of the year, another $3.564 billion vanishes from the pension plans.

In 1985, the House Subcommittee on Labor-Management Relations and the Select Committee on Aging conduct a hearing entitled "overfunded pension plans." And yet another $6.663 billion is removed by year's end.

Is there no end? Will Congress never act? Will Congress sit idly by while more and more billions of dollars continue to be ripped off from these pension plans that were originally set up to take care of retired workers?

In 1986, $4.292 billion disappears and Congress continues to twiddle its thumbs.

In 1987, the Senate Finance, Senate Labor, House Labor-Management Relations and Ways and Means Committees all conducted hearings involving this issue, and $1.723 billion more was removed.

And this year? According to Pensions and Investment Age, a respected journal in this area, May 30, 1988, issue reports "Occidental Petroleum Co.'s move to recapture $95.5 million in surplus assets by terminating one of its last remaining pension plans—the largest such reversion in almost a year—could be a sign the termination/reversion era is still alive.

"Occidental, a Los Angeles energy concern, is aggressive among corporations in terminating pension plans and recouping assets after it acquires companies.

"Including its latest filing, Occidental will have recaptured more than $624 million from terminating 13 plans since 1983."

As a matter of fact, Mr. President, it is fair to report that when we were about to enact some legislation in this area, when it looked like Congress was going to act, I met and had lunch with the distinguished and respected head of that company in the Senate dining room and discussed with him the need to provide for some future concerns, future changes, future improvements in the pensions of workers who were going to retire in future years so that inflationary aspects of the dollar could be taken into account.

He said that he recognized that and thought that it was very fair, but unfortunately we passed no legislation and the fact is that Occidental terminated the plan and there was no provision made for those employees who retire in the future.

Occidental is not alone. Occidental is but one of many corporations who find themselves in this same position of taking dollars out after leverage buyouts, after takeovers, taking the dollars, taking them home to the employers and totally forgetting their responsibility to the employees, except for that fixed benefit amount that was provided at an earlier date.

Stephen Cordy, a senior associate-pension group head of Morgan Stanley & Co., said: "My view is, perhaps you will see an increase in pensions."

Mr. President, these so-called pension reversions cause workers and retirees to lose retirement security. An internal Labor Department study concluded that workers and retirees lose as much as 45 cents of every pension dollar promised.

Those who build a company deserve better.

At the Senate Labor Subcommittee hearing on April 4, 1984, we heard from a panel of retirees who described in detail the suffering caused by these terminations.

I recall the testimony of Mr. Jean Bush. When he retired he was senior vice president and on the Board of Directors of Raymond International.

He testified that 51 percent of Raymond's retirees were getting less than $1,800 a year. In combination with Social Security, many were left with incomes below the poverty level. He was a senior vice president, not just one of the workers in the plant. He testified as follows:

> I am outraged to learn that Raymond International intends to terminate its pension plan without so much as a thought about the welfare of its retirees. I see no justification for terminating the plan in the first place. But then to have them take back the ($30 million in) so-called surplus assets, caused by high interest rates and other factors, is unconscionable—especially since they intend to use the money to pay back loans borrowed for the leveraged buyout. My understanding of ERISA is that the money contributed into the fund is to be invested solely for the benefit of the participants and beneficiaries, not for the benefit of a few top company executives * * * there is no question that the money in the pension fund was never intended to be used by a few top executives in the company to repay loans made for their own selfish interest. It was meant to secure our future.

Last year, the Senate Labor Subcommittee conducted yet another hearing on this subject. And again we heard from workers and retirees. We heard about a North Carolina company which wanted to take $20 million out of its plan to finance a merger; a company which is paying a pension benefit averaging $61 a month.

This company actually pledged its pension assets to the banks who financed the merger. But it wanted to break its pledge to provide a decent standard of living for its retirees.

Mr. President, last year the Senate and House Labor committees attempted to put some curbs on the practice—to deter pension terminations. Unfortunately, the final conference version of that bill dropped those reforms. However, the chairman of the Finance Committee promised to work with the Labor Committee in addressing this problem before the end of this year.

I look forward to working with him and his committee to restore confidence in our pension system.

Mr. President, this issue has been the subject of hearing after hearing. It was the subject of an extensive study and report to the Secretary of Labor by his own advisory committee which concluded that reforms were necessary. It has been subject to legislation passed by the Senate and House last year. Yet 38 million older workers and retirees remain at risk.

Mr. President, this is a situation that cries out for change.

But do not listen to me. Listen to the Secretary of Labor.

Last year, the Secretary of Labor testified before the Labor Subcommittee that current law does not properly protect retirees and workers. He pointed to the fact that under current practice employers can strip every dime of excess assets from their plans. He testified that:

> I think it has become fairly obvious that requiring employers to terminate their pension plans in order to recover assets well in excess of those needed to maintain proper funding is inconsistent with a stable and secure pension system. There is concern that the plans, having been stripped of all their assets in excess of termination liabilities, might not have sufficient assets to maintain sound funding during an economic downturn. Furthermore, without a cushion of assets plan sponsors will be less likely to increase benefits or grant cost-of-living increases to employees.

Mr. President, there are those who argue that the surplus assets all belong to employers. They say sharing the surplus bestows a gift on workers and retirees.

How absurd.

Let them tell the Raymond retiree who is living below the poverty line that a share of the $20 million in pension assets management used to finance a leveraged buyout would be a gift. Or tell that retiree in Cornelius, NC, who is living on $61 a month that another dime amounts to a gift.

Mr. President, it is not absurd; it is demeaning and degrading to the working men and women of this country.

I believe we must act now to suspend the ability of employers to dip into their pension plans as an easy source of capital.

Why?

Because today there are some $218 billion in so-called surplus assets that could be removed from our Nation's private pension system.

We must act now before millions of workers and retirees see the promise of a secure future broken by companies seeking quick cash.

The time for study and hearings and talk is over. It is time to remedy this serious flaw in our pension laws. The Senate Appropriations Committee voted to retain this provision by a strong bipartisan vote of 19 to 8, to force the labor and tax writing committees to address this problem with a substantive change in our pension laws.

Mr. President, I rise to support the committee amendment protecting older workers and retirees from pension raiding.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I have listened with interest to my colleague from Ohio talk about this provision dealing with a moratorium on reversion of pension funds. I happen to have been involved in pension management. I also happen to have served with the Senator from Ohio on the Senate Labor Committee where we worked on issues dealing with pensions. We worked on ERISA. I personally oppose the moratorium on pension reversions on an appropriations bill. I would oppose it on any bill, but I certainly oppose it on an appropriations bill because the Appropriations Committee is not the proper committee to be dealing with pension issues. Pension law is very detailed. It is very important. It touches the lives of a large percentage of all Americans. We do not want to consider something of this magnitude on which we do not have the expertise and we do not have adequate time to consider the proposal. Certainly, the Senate Appropriations Committee, where we considered a moratorium, as the Senator from Ohio has advocated, has never had a hearing and really has no expertise in this area.

I think it is important to strike that language. That is one of the things that this resolution would do. It would strike the moratorium language. That is the positive side.

The negative side on the resolution is that it calls for the Finance Committee, as soon as possible, to come up with an excise tax on reversions of 60 percent until May 1 of next year.

I do not think that is a good idea. I guess it is the better of the two alternatives. It is better than a moratorium. But I think we do have to be very careful when we are dealing with pension law. We have to be very careful because we are talking about millions of people and billions of dollars. I am concerned that if we adopted the thrust of the Senator from Ohio's argument to stop reversions, to tell employers if you overfund plans, "that is not your money, those are employee funds", in the interest of doing that, supposedly to help the employees, we are going to have the exact opposite result.

I happen to be an employer. I am a fiduciary of a pension plan. I receive statements once a year from the actuaries, for which you pay a lot of money for advice on how to fund pension plans. They basically end up with two amounts: here is your minimum funding and here is your maximum funding.

Mr. President, employers decide. They are given the choice. They have to fund their pension plans a certain amount per year. We are talking about defined benefit plans, a minimum amount, or they can go so far as the maximum amount, a maximum amount allowable under the tax laws. Employers make that decision.

Most employers want to adequately fund their pension plans. As a matter of fact, most employers have done so; 90 percent of all defined benefit plans are well funded. Some, as the Senator from Ohio said, have excess funds. He wants to discourage that. I am afraid that is exactly what is going to happen with his resolution. If we follow his thrust, we are going to discourage adequate funding of pension plans. You are going to encourage employers to underfund pension plans, and I find that to be very negative toward the employees we are trying to help.

So I have a strong difference of opinion with the Senator from Ohio in his attempt to penalize overfunding of pension plans. I do not think we should do that. I do not think we should encourage employers to underfund pension plans. We will find that the Pension Benefit Guaranty Corp. is going to have greater liabilities because a greater number of pension plans are going to go upside down with the greater liability we promised to fund.

I want to make a couple very quick comments on the Pension Benefit Guaranty Corp., if we are really going to get into pension law. We are not going to do it on this appropriations bill, and I will tell the chairman and ranking member of the Appropriations Committee I am glad we are not going to do it on this bill. We are going to postpone it for technical corrections or another bill and I think that is better. But if we are going to get into pension law, then we need to deal with some of the serious problems we have in pension law.

When we talk about the Pension Benefit Guaranty Corp., they now have an underfunded liability of about $4 billion. That has doubled in the last year-and-a-half. We passed a couple of bills, so-called reforms, to help secure the stability of PBGC, the Pension Benefit Guaranty Corp., but so far they have not been effective enough. We may need to go further. There are a couple firms, as I know the Senator from Ohio is aware, that have dumped enormous amounts of liability on the PBGC. For one firm, LTV, we are talking about almost $2 billion.

Wheeling-Pittsburgh has dumped $500 million on the PBGC. And the PBGC is not a Government entity. It is basically a quasicorporation that is financed by all of the private employers that have pension systems in this country which have to fund that liability.

We have seen premiums grow from $1 to $2.60, now to $8, and escalating well beyond $15 and on. Premiums have risen and risen dramatically. They will have to rise even more dramatically if we totally penalize reversions, either through taxation or by outlawing them.

Basically you are going to encourage underfunding of pension plans and when you do that, when those plans are terminated, there is going to be a shortfall, and when the shortfall calls, that means PBGC is going to have to come up with the difference with those guaranteed amounts that were passed in ERISA in 1974. That means that the balance of the employers across the country are going to have to up the ante, up the premium, up the interest.

There are things we can do about that, and this Senator has some possible amendments that could correct a part of the problem that would prohibit firms such as LTV from dumping $2 billion on the pension system, or maybe Wheeling-Pittsburgh from dumping $500 million, or other firms that might be tempted to unload some of their unfunded liabilities on the rest of the employers of this country.

So when we are dealing with pension law, when we take that issue on technical corrections or other bills, maybe we will need to consider more significant reforms than just the excise tax on reversions. Because again I think it is a little shortsighted. I do not think it is to the benefit of the working men and women of this country, to millions of people who are dependent on defined benefit pension systems. I would hate to see us encourage the flight away from defined benefit systems.

As a matter of fact, the defined benefit pension system in my guesstimate, totals to about $800 billion. It is a very large system we are talking about. Let us not do anything that would encourage employers to leave that system. Let us not do anything that would encourage employers to underfund that system that provides for the bulk of financial security for a large number of our constituents and citizens throughout this country.

So again, Mr. President, I will reluctantly accede to this sense-of-the-Senate resolution because it is only a sense-of-the-Senate resolution. As we take up technical correction bills, or whatever other legislation, certainly I maintain my right as a Senator to offer additional amendments to ERISA or any other law.

Mr. President, I would like to enter a letter into the RECORD. My friend from Ohio read from a letter from the Secretary of Labor. I also have a letter from the Secretary of Labor dated June 23, 1988. Secretary McLaughlin states her strong opposition to the moratorium proposed by my friend from Ohio, and I ask unanimous consent that it be entered in the RECORD as well.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, DC, June 23, 1988.

Hon. LAWTON CHILES,
U.S. Senate,
Washington, DC

DEAR SENATOR CHILES: I am writing, both in my capacity as Secretary of Labor and Chairman of the Board of the Pension Benefit Guaranty Corporation, to express my strong opposition to a provision which would impose a moratorium on asset reversions resulting from the termination of single-employer pension plans. I am advised that the Secretary of the Treasury joins me in this position.

It is my understanding that such a provision appears in the Committee print as part of H.R. 4783, the FY-89 Labor-HHS-Education Appropriations bill which you will be considering today.

The moratorium on reversions is intended to provide Congress with an opportunity to reconsider legislation that would require employers who terminate overfunded plans to pay some or all of the "excess" assets to employees. Congress, acting with the Administration's support, considered and explicitly rejected this notion and affirmed current law in the Omnibus Budget Reconciliation Act of 1987.

The Administration opposed proposals to change current law to require the allocation of excess assets to employees at plan termination for the same reasons that the Administration now opposes the proposed moratorium on reversions:

"The proposals would discourage employers from properly funding employees' benefits under ongoing defined benefit plans. Proper funding should be encouraged even though it may result in a plan having excess assets on termination. A properly funded defined benefit plan provides employees with the best retirement benefit security possible.

"The proposals would penalize employers that have properly funded their defined benefit plans. Employers are required to back their defined benefit promises to employees even if plan assets are insufficient. Thus, employers that have properly funded their benefit promises should not be denied their current law right to recover excess assets on plan termination.

The proposals would discourage employers from establishing and maintaining defined benefit plans, which provide the most certain and secure retirement income for employees."

Sincerely,

ANN MCLAUGHLIN.

AMENDMENT NO. 2662

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. KERRY). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for himself and Mr. BENTSEN, proposes an amendment numbered 2662.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, line 5, strike all after "*Provided further,*" through page 10, line 14, and insert in lieu thereof the following: it is the sense of the Senate that:

(a) To temporarily discourage the practice of pension asset reversions by employers, Congress should enact a 60 percent penalty on asset reversions that will extend until May 1, 1989.

(b) The current 10 percent penalty provision on asset reversions be paid by employers in the month following the month in which the reversion occurs;

(c) The effective date of the 60 percent penalty provision and the change to payment rules for the 10 percent penalty provision should be effective for notices of intent to terminate provided to participants on or after the date of adoption by the Senate of this amendment;

(d) These provisions on pension asset reversions and associated penalties will be included in appropriate revenue legislation that will be considered by the full Senate before the end of the current legislative session;

(e) During the period that the 60 percent penalty provision is in effect, the four committees of jurisdiction in both Houses—the Senate Finance Committee, the Senate Labor and Human Resources Committee, the House Ways and Means Committee and the House Education and Labor Committee—should craft legislation that addresses the important policy questions raised by employer terminations of pension plans and asset reversions.

Mr. METZENBAUM. Mr. President, this is the sense-of-the-Senate resolution indicating a course of action with reference to the Finance Committee indicating the Finance Committee's willingness to proceed forward to deal with this problem promptly. I think it has been worked out with the Finance Committee chairman and others. I urge its immediate adoption.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from Ohio.

The amendment (No. 2662) was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. I thank the chairman of the Budget Committee as well as the chairman of the Finance Committee and others who have worked to bring about the adoption of this amendment. I hope we can solve the problem in this matter. Thank you very much.

I particularly want to thank the chairman of the Budget Committee for his leadership on this issue in the committee. I am very grateful to him.

Mr. CHILES. I thank the Senator from Ohio.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair for recognizing me.

I inquire. What is the pending business?

The PRESIDING OFFICER. The pending business, if there is no further debate, is the question on the committee amendment, as amended.

The amendment to which the Metzenbaum amendment was attached has not yet been disposed of.

Mr. HELMS. I thank the Chair.

The PRESIDING OFFICER. The question is on the excepted committee amendment, as amended.

The excepted committee amendment, as amended, was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 30, LINES 7 AND 8

The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from North Carolina to the committee amendment on page 30, lines 7 and 8.

Mr. HELMS. Mr. President, I ask unanimous consent that no interruption be shown in the RECORD between the reading of the now pending amendment and the debate thereon.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, this amendment, as we always say around this place, is very simple. I happen to think it is not only forthright, but it is imperative that the Senate take stock of what is going on in the schools of America. This amendment would put an end to Federal subsidizing of the so-called family planning movement's assault on the American classrooms. Specifically, it would prohibit any Federal funds provided under this act from being used on the premises of any elementary or secondary school to provide contraceptive drugs or devices, prescriptions for such drugs or devices, referrals for such drugs or devices or abortion, transportation for abortions, counseling or referrals for abortions.

At some time, at some point, we must come to our senses about what we are doing in this business of telling the young people in our schools of America implicity that it is OK to engage in sexual activity. That may not be what is intended, but that is the message that the young people are getting. How else do we propose for them to interpret the dispensing of contraceptives, particularly using Federal tax money?

There is nothing goody-goody two shoes about this amendment. It is a matter of morality. And those who want to scoff at the Senator from North Carolina for raising this question, let them proceed. One way or another, I am going to do everything I can to make sure that the American people understand what is going on. They do not understand now. They do not know what is going on. I cannot tell you how many people with whom I have talked have expressed amazement and consternation that such an activity would even be contemplated. In one or two cases I have had to document in writing to my friends that this is going on before they would believe it.

Senators, of course, are aware—certainly in the abstract—of the teenage pregnancy problem, but I think it is worthwhile to specify a few figures.

Between 1971 and 1980, the number of teen pregnancies nearly doubled, from 8.5 to 16.2 percent in 1979. Birth rates climbed from 163,000 in 1970 to 290,000 in 1980; and, needless to say, abortions have soared into the stratosphere, from 232,000 in 1973 to 445,000 in 1980.

All of this has occurred despite the fact that contraceptive use increased during the same period by 300 percent among blacks and by 1,700 percent among whites.

Recognizing their failure to curb teenage pregnancy, the planned parenthood types claim that inaccessibility to teens is one reason pregnancy rates continue to climb. They make no bones about it. To hear them tell it, the secret to curbing teenage pregnancy lies in the ability to convince children as young as 11 years old that it is OK. That is the implicit message. Teach them birth control before they become sexually active. I ask, what is going on?

The schoolgrounds have become the kingdom, and the school-based health clinic is the key to that kingdom.

A lot of people do not even know what a school-based clinic is. It should be a familiar term around the Senate—I am not sure it is—certainly in terms of what it is and what it does and what it is intended to do.

About 50—give or take one or two—so-called school-based programs have crept into the schools all across this country. In Arizona, California, Colorado, Connecticut, Illinois, Indiana, Maryland, Missouri, Michigan, Minnesota, New Mexico, New York, North Carolina—I am sad to say—Ohio, Texas, Delaware, Florida, and Mississippi.

The major purpose of these clinics is to provide birth control. You cannot put any other face on it. That is what they are there for. What other message is there for teenagers than it is OK to go ahead and just be safe?

I was amazed yesterday when the Senate rejected, by a substantial margin, an amendment I offered which simply specified that the parents had to give written consent before their children could be given contraceptives in schools. The parents are being shut out. They are not supposed to know what is going on. Yet, politicians get up and say, "We must uphold the family." We heard it all last week. But you look and see who is supporting what in terms of the family.

According to a 1986 publication by Support Center for School-Based Clinics, 52 percent of these clinics prescribed birth control, 28 percent dispensed birth control, and 20 percent referred to family planning agencies.

Do you know who is footing the bill? Mr. and Mrs. John Q. Public, the parents of the children in school, who are being told implicitly that it is OK, go ahead and do it, but just do it safely.

According to the 1986 report, "Maternal and Child Health Block Grants" provide 27 percent of the money for these school-based clinics. The Early Periodic Screening, Diagnosis, and Treatment Program—it goes by the initials of EPSDT—provides 14 percent. Title X, which the Senate endorsed overwhelmingly yesterday, of the Public Health Service Act, provides a substantial amount. Title XX of the Public Health Service Act and Title XIX of the Social Security Act, commonly known as Medicaid, provide about 2 percent of the funding.

In any case, it is the money taken from the taxpayers that, in large measure, is funding the secret operation in the schools. Parents are shut out. In many cases, they are not asked about it. They are not allowed to comment on it. They know nothing about it. So here we go. I do not know whether they had a title X program in Rome just before it fell, but if they had a title X program, that was part of the cause.

There are many parents around this country who do know what is going on and who complain that they can get no satisfaction from their protests to Members of Congress about what is going on. I think they are right in protesting, and I think they are right in complaining, because, after all, parents are primarily responsible for their children's well-being and are being not just deprived, but are being robbed of their authority to help guide their own children's behavior—social, moral, and otherwise.

How could a parent have any effect at home when the child who goes to school has only to check into one of these school-based clinics to get contraceptives and all sorts of information? How are the parents to cope with that?

The peer pressure for children today is enormous, and we are contributing to that peer pressure by allowing taxpayers' money to be used for this sort of thing.

Let us put the right face on it. No other face will fit. These school-based birth control clinics legitimize teenage promiscuity. What they do is say, "Go ahead and do it. Just be as safe as possible about it."

The problem is that they are not safe morally, physically, or otherwise. It is a breakdown of just about everything this country was intended to stand for.

We are saying loud and clear, "Sex before marriage is OK. We have sort of a quick fix answer to the consequences." That is what the kids hear them saying.

If you try to go in there and talk morality you will get blown out of the water. If you try to go in there and talk about religious matters from a moral standpoint you are thrown out the window.

But it is OK, to give these teenagers contraceptives and all this great advice which the kids understand very clearly is it is OK, we just got a quick fix, take this little package or take this little device, go about your business.

But one thing is for sure: by every statistical measurement that I have seen school-based clinics have not proved to be a quick fix for anything because no credible evidence has been offered anywhere to suggest that these school-based sex clinics have reduced teen pregnancy rates. As a matter of fact, even the strongest proponents of the program admit failure, but you never hear anything about that. You hear all of the inspired oratory on this floor about, "Well, you know, we've got to do what we can about the teenage pregnancy thing but don't try anything involving morality, or teaching; just give them the contraceptives and hope for the best." What you get when you hope for the best in this case is the worst.

Just look at the facts. Let us look at the so-called model clinics, the St. Paul clinics. There was an article sometime back in the Family Planning Perspectives publication entitled "Adolescent Pregnancy Prevention Services in High School," in which the authors boast about the decline in the fertility rate, the birth rate, and the increase in the number of females on contraceptives.

I don't think that an increase of the number of the teenage girls from 7 to 25 percent using contraceptives and an increase in abortions is anything to boast about at all.

In a later article in this Family Planning Perspective publication, 1986, the author stated that the percentage of those on birth control for the 1983-84 school year rose even higher, to 35 percent. But nowhere in either article was there a conclusion by the authors that pregnancy rates have declined. And that is the point. We are shoveling out all of this money under the most pious of pretenses and we are just making a rotten situation worse.

What about the clinic in Muskegon Heights, MI. That fine organization, Planned Parenthood, runs that clinic, and they boasted in a 1985 information packet that they distributed that it had successfully reduced the birth rate in the high school from 13 percent when the clinic opened to 10.3 percent 3 years later, but then the material said, "There was no significant change in the pregnancy rate." Again, there was an increase in contraceptive use and an increase in abortions.

And then there is a clinic in Kansas City, KS. In this Family Planning Perspective article entitled "School-Based Clinics: A National Conference," Mr. Gerard Kitzi, executive director of a corporation which operates the Kansas City clinic, admitted that despite increased use of contraceptives by teenagers in the high schools, from 50 percent in 1983 to 63 percent in 1985, "The proportion who said that they had ever been pregnant remained about 10 percent in both years, although the proportion who reported that they had had a baby dropped slightly."

Again, there was an incease in the abortion rate and an increase in contraceptive use but no decrease in pregnancies.

I say again we are making a rotten situation worse and we are doing it with money of the taxpayers of the United States.

The failure stories go on and on. Despite attempts to load our teenagers down with pills and paraphernalia, the pregnancy rates are not going down. And I am convinced that they will go up both numerically and percentagewise the longer we continue to ignore the disease and put Band-Aids on the symptoms. Teenage pregnancy is not a disease. Teenage promiscuity is the disease.

Off-campus clinics have added fuel to the fire.

There is an article published by Family Planning Perspective entitled "Number of Sex Partners Not Increased by Giving Contraceptives to Teens."

In that article, the authors boast that the number of people these children are dillydallying with has not increased. That is their success story. But the sad fact is that the authors admit that sexual activity among teenagers increased by more than 60 percent from the time of the initial visit to 1 year later. So who wonders about that?

Remember, tax money is being used to hand out these little packages and when they are handed out, the implicit message is, "It is fine; just be careful," to which this Senator says "Baloney."

But to continue that one report, in addition, 11 of the 17 teenagers who had not engaged in sexual activity on the initial visit by this so-called family planning crowd had—I am quoting now from the article—"initiated their sexual careers," 1 year later.

What an unfortunate, disgusting choice of words.

Now, the planned parenthood types have thrown up their hands and said, "Teenagers are going to have sex anyhow. We should teach them to have responsible sex."

I disagree. First, it should be obvious to all of us that we are never going to solve fundamentally moral problems by giving up on morality. Common sense and recent experience, I think, teach this basic lesson. There is a right way and a wrong way. And I may be old-fashioned, but I think the old-fashioned way was better. We owe it to our children to delineate beween wrong and right.

One heartening thing—and no thanks to Planned Parenthood for this or title X or the Department of Health and Human Services—but there is an element of religious morality creeping in. Planned Parenthood is not treaching it. No, sir. Nor is title X. That would be outrageous to have anything religious financed by the Federal Government. It demonstrates that there is an effort out there to teach young people the true worthwhile facts of life.

A study by a Zelnick researcher for the Alan Guttmacher Institute, reports about one-half of all 18-year-old females have never engaged in sexual activity—and hooray for them. But that has never been told to these young people as they hand out these little packages of you know what at the expense of the American taxpayer.

Now, of those unmarried teenage girls who were categorized as "sexually active," almost one in seven had engaged in that activity only once, and about 40 percent had not engaged in that activity in the previous month. So, despite what Planned Parenthood, and the news media wants you to believe, there are moral decent young people in this country.

Mr. President, this Nation has pulled out all the stops to try to curb drug use and alcohol abuse among our Nation's teenagers, yet we remain so conspicuously silent about teenage sex. We have said no to drugs. We have said no to alcohol. I think we ought to level with the young people and spell out for them what the alternatives are in terms of the fulfillment of a constructive, decent, happy life.

But that is not done. Oh, no. We must not get into that. We must hand them that little package of you know what and just say, "Be careful." Now if that is not an invitation to proceed, I do not know what one could be.

If you want to accuse me of saying we ought to return to traditional values and work at it, I plead guilty. I think we need to include rather than exclude the parents in this whole process. I will not ever understand how anyone could vote, as this Senate voted yesterday, to say that parents shall be excluded from the process of the development of the activities of their children. But, yet, that is what this Senate said yesterday, clearly. And I am sure they were popping the champagne corks down at Planned Parenthood last night, licking their chops in anticipation of even more Federal tax dollars taken from the American people.

Sure, we need to get drugs out of the schools. We need to continue to insist to these children that they should leave alcohol alone. But there are some other things that we ought to insist about as well.

So this amendment is just, as the saying goes, one small step. It is a beginning. I propose to prohibit Federal funds, the American taxpayers' money appropriated under this act, from being used to provide so-called family planning or abortion services on school property. And I am persuaded that we absolutely should prohibit Federal dollars from being used to aid and abet the contraceptive industry's assault on moral and physical well-being of the Nation's schoolchildren.

Mr. President, I ask unanimous consent that the article entitled "SBC"—that means school based clinics—"SBC Advocate Admits Clinics Fails to Reduce Number of Teenage Pregnancies" be printed in the RECORD.

There being no objection, the article ordered to be printed in the RECORD, as follows:

[From the National Right to Life News, March 10, 1988]

SBC ADVOCATE ADMITS CLINICS FAIL TO REDUCE NUMBER OF TEEN PREGNANCIES

(By Richard Glasow, Ph.D., NRLC Education Director)

A spokesman for the primary proponent of school-based clinics has admitted in a speech that a preliminary study of SBCs demonstrate that they have had "no measurable impact" on teen pregnancy rates.

That startling admission undercuts the primary rationale for installing SBCs in schools—facilities which pro-lifers have shown to promote and facilitate abortions. (For an in-depth examination of SBCs, *see* the forthcoming book, *School-Based Clinics, The Abortion Connection*, which can be obtained from NRL Education Trust Fund.)

Douglas Kirby, director of research for the Center for Population Options (COP) candidly unveiled the results of a COP-sponsored study in a March 2 workshop speech at the annual meeting of the National Family Planning and Reproductive Health Association held in Washington, D.C. Although he prefaced his comments during his speech on the "Effectiveness of School-Based Clinics" with the caveat that they had not "finalized" the results, Kirby stated that "I am reasonably confident that what I am going to say will hold true" when the final report is published in late summer or early fall, 1988.

Reading between the lines, one might perceive that the study did not support the conclusions that the CPO would have wanted. To its credit, CPO apparently will not attempt to either suppress or discredit entirely its own study. Kirby offered some explanations why the study did not show that SBCs reduced teen pregnancies.

But a fair reading of reasons that the school clinics had too small an impact to measure all come down to the fact that no matter how much SBCs provide in services, it will never be enough. In other words, the proponents will not admit that their program is unsuccessful in achieving its goals. They always argue that success is just "around the corner," if they could only make the program larger and even more comprehensive.

Despite the survey's apparently disappointing results, the Center for Population Options has not abandoned its promotion of SBCs. Judging from Kirby's comments at the workshop about other findings of the research project, CPO will no longer be emphasizing that SBCs can prevent teen pregnancy and will instead adopt a different approach. An example would be to underscore the provision of general health care to inner-city teens, which would be much less controversial.

Pro-lifers may take heart in the fact the SBC proponents have finally conceded that school clinics are ineffective in reducing teen pregnancies. However, this development has no bearing on the two principal right-to-life objections to SBCs—their promotion of abortion and undermining of parental rights.

FUNDING FOR VETERANS EMPLOYMENT SERVICES

Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I rise to express my strong support for the provision in this measure as reported by the Committee on Appropriations relating to fiscal year 1989 funding for programs administered by the Assistant Secretary of Labor for Veterans' Employment and Training [ASVET]. In my letter of June 9, 1988, to subcommittee chairman LAWTON CHILES and ranking minority member LOWELL WEICKER, I strongly encouraged that $19.2 million in increased funding be made available to the ASVET to implement important new requirements in sections 3(a) and 8 of the Veterans' Employment, Training, and Counseling Amendments of 1988 (Public Law 100-323), enacted on May 20, 1988, that I authored which are designed to make much needed improvements in veterans' employment services.

I want to express my deep appreciation to the two Senators for, in fact, recommending a funding level of $68,812,000 for the Local Veterans' Employment Representative [LVER] Program, an increase of $15,447,000 over fiscal year 1988 funding, which will comply with the requirement under section 3(a) of the new law that the Secretary make available to the States funding for 1,600 LVER's and associated administrative costs. The funding level recommended by the Appropriations Committee would have the effect of achieving our committee goal of a stable, professional work force of LVER's to furnish employment and training services to veterans consistently and effectively without the disruptions due to budget-reduction proposals of the Office of Management and Budget that have occurred in recent years.

I am also delighted that the committee has recommended $3.2 million to meet the requirement under section 8 of Public Law 100-323 that the ASVET make available the funds necessary to operate a National Veterans' Employment and Training Services Institute [NVETSI] for the training of Disabled Veterans' Outreach Program specialists [DVOP's], LVERS, and other personnel, including travel expenses and per diem for attendance at the Institute. This program, which formerly has been funded by deobligated State grant funds, is now a statutorily-established entity and its funding should be ensured through direct congressional action. The training provided by the NVETSI is a valuable investment in the current work force of approximately 3,143 DVOP's and LVER's who furnish employment and training services to veterans on a daily basis. Training and staff development are integral to the success of an organization—not only in terms of professional development, but also in terms of staff productivity and organizational effectiveness.

Finally, I want to thank Jim Sourwine, of the subcommittee staff, for his, as always, very professional and courteous assistance on this issue.

Mr. President, I ask unanimous consent that my June 9 letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, June 9, 1988.

Hon. LAWTON CHILES,
Chairman, Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR LAWTON: I am writing to urge your support for both $3.8 million in FY 1988 supplemental funding and $19.2 million in increased FY 1989 funding to be made available to the Assistant Secretary of Labor for Veterans' Employment and Training (from the Employment Security Administration account in the Unemployment Trust Fund). These increases are needed for the implementation of important new requirements in sections 3(a) and 8 of the Veterans' Employment, Training, and Counseling Amendments of 1988 (Public Law 100-323), enacted on May 20, 1988, that are designed to make much-needed improvements in veterans' employment services. (Enclosed are copies of the enrolled bill, S. 999, and a Committee print providing explanatory materials.)

Section 3(a) of the new law makes amendments to title 38 that require the Secretary of Labor, beginning with FY 1988, to make available to the States funds sufficient to support the assignment of 1,600 Local Veterans' Employment Representatives (LVERs) nationwide, plus the funding necessary to support the States' administration of the LVER program. Under section 8, the Secretary is required, in order to provide for the efficient and effective provision of employment, job training, counseling, placement, job-search, and related services to veterans, to establish and make available the funds necessary to operate a national Veterans' Employment and Training Services Institute (NVETSI) for the training of Disabled Veterans Outreach Program Specialists (DVOPs), LVERs, and other personnel, including travel expenses and per diem for attendance at the Institute.

The provision in section 3(a) requiring the Secretary to make funding for 1,600 LVERs and associated administrative costs available to the States would increase the number of LVERs from the 1,232 for which funds have been provided in FY 1988 and maintain the LVER workforce at the new level. The intent here is to create a stable, professional workforce of LVERs to furnish employment and training services to veterans consistently and effectively without the disruptions due to budget-reduction proposals that have occurred in recent years. Over the past several years, the Department of Labor (DoL) has made extensive use of the waiver provision in its regulations (20 CFR 652.123(a)(1)) in order to avoid assigning an LVER at each local employment service office (LESO) which has 1,000 new or renewed applications from veterans or eligible persons during the most recent 12-month reporting period. The number of LVERs has declined to the point at which adequate services are not being provided. For example, for the program year ending June 30, 1987, 1.2 million of the 2.5 million veterans who registered for employment services at LESOs nationwide received no reportable service—largely due to inadequate staffing—and the situation is worsening. From July 1, 1987, through March 31, 1988, of the 1.7 million veterans who registered, more than half, 898,000 received no reportable service.

A stable workforce of 1,600 LVERs would also help offset—at least as far as services to veterans are concerned—the cuts in the Administration's proposed budget for regular Wagner-Peyser grants for FY 1989. These cuts would reduce DoL's Employment Service funding from $723 million in fiscal year 1988 to $678.5 million in fiscal year 1989. This proposal cutback would come on top of a reduction in Wagner-Peyser grants from the program year 1987 level of $755.2 million. In actual dollars, Employment Service funding over a 2-year period would be cut by 10 percent. This reduction would be further compounded by an increase in salaries and benefits of 4 to 6 percent, mandated by State legislatures, and inflation in rents, telephone, and other costs.

The FY 1988 increase of $3.8 million I am requesting would make possible immediate compliance with the statutory requirement of funding for 1,600 LVERs and associated administrative costs. for FY 1989, $68,417,000—$15 million above the President's request—is needed in order to provide for the 368 additional LVERs and administrative expenses required to meet the 1,600-LVER statutory mandate.

Veterans who have carried the burden of our Nation's defense should have a full opportunity to participate in the economic system their service and sacrifices have preserved. According to the Bureau of Labor Statistics, as of March 31, 1988, the unemployment rate for veterans in the 20-to-24 age category was 17.3 percent and for veterans in the 25-to-34 age category it was 10.2 percent, compared to a nationwide unemployment rate of 5.9 percent (unadjusted). In addition, nearly 26 percent of all workers whose jobs are displaced by foreign competition are veterans while veterans make up only 13 percent of the workforce.

I would also note that Public Law 100-323 does much more than simply provide for increased, assured funding for LVERs' services. The new law contains numerous provisions to require greater accountability by State employment agencies receiving LVER and DVOP funds and to provide for increased efficiency and effectiveness in the provision of employment and training services for veterans. For example, section 7(a) makes amendments to require each State's federally-funded Director for Veterans' Employment and Training (DVET) to conduct, not less frequently than annually, an evaluation of the services provided to veterans at each LESO and to make recommendations for corrective action. Section 2(a) makes amendments to require the Secretary, in determining the terms and conditions under which funds are made available to a State, to take into consideration the DVET's evaluations. In addition, section 4 makes amendments to require each State to develop DVOP and LVER performance standards that are consistent with the statutory duties and functions of DVOPs and LVERs and to take into account both the prototype standards which the Secretary is required to develop and any comments of the DVET on the State's draft standards.

Finally, in order to provide for the implementation of section 8 of the new law, I urge your support for $4.2 million in FY 1989 for the operations of the NVESTI. The training provided by the Institute will be an important and worthwhile investment in the DVOPs and LVERs who furnish employment and training services to veterans on a daily basis.

With some 937,000 veterans currently unemployed, I strongly urge your favorable consideration of these requests to provide needed services to those who have defended our freedom and ideals throughout the world.

With warm regards,

Cordially,

ALAN CRANSTON,
Chairman.

COMMUNITY SERVICES APPROPRIATION

Mr. HEINZ. Mr. President, I rise to urge the managers of the fiscal year 1989 Departments of Labor, Health and Human Services, Education, and related agencies appropriation to retain the Senate-approved level of funding for the community services block grant when this measure goes to conference.

The House version of H.R. 4783 cut $28 million from CSBG, a cut which will have dire implications for low-income families in my State. The Senate, quite wisely, rejected this reduction and instead increased CSBG by $3 million over fiscal year 1988. This small increase will help to keep alive badly needed services to those in need.

For instance, in the Lehigh Valley of Pennsylvania CSBG funds have been used to support the Sixth Street Shelter in Allentown. Vicky Lysek, the shelter's director, has a portion of her $15,000 annual salary paid from these funds. Her two caseworkers make $10,000. The three of them, with help from supporters in the community, operate a two-building transitional shelter for those facing severe housing crises. Most stay at the Sixth Street Shelter about 60 days. The shelter has strict rules, and those who do not abide by them are probably those who face problems other than housing, and they are referred to other social services. For those who make it through the first 2 weeks, virtually all resolve their housing problems after leaving the Sixth Street Shelter.

This tremendous success requires good people, Mr. President, people who are willing to put in long hours helping the homeless and others in need to overcome the crises they face. Salaries of $10,000 or $15,000 are hardly adequate, but that is all that can be provided given the available funding. If we cut that funding any further, Mr. President, as the House would have us do, we can be certain that this shelter and countless other community services across the Nation will not have the resources they need to keep good people at work.

So it is essential that the Senate insist upon its amendment, and not recede to the House level of funding for the community services block grant. I look forward to working with the managers to be certain that community services receive the support that they deserve.

OFFICIAL SENATE PHOTOGRAPH

Mr. BYRD. Mr. President, from time to time, the Members of the Senate gather in the Chamber for an official photograph. Today, there will be a photograph. It will be unprecedented, in the strict sense, in that it will be an official picture of the Members of the Senate taken on the Senate steps outside.

I am advised by Dr. Richard Baker, the Senate Historian, that there was a picture taken in 1874 on the occasion of Lincoln's birthday on the steps outside, but it lacked the full membership of the Senate. There were quite a number of Senators absent, I am told by him.

Then in 1918, there was a picture taken of Senators on the Senate steps on the occasion of the presentation by the French Government of the two very oversized vases that sit in the Senate lobby. And again there were a number of Senators absent.

On this occasion, I hope that we will have an excellent attendance of Senators.

The picture will be taken between 2 o'clock and 2:10, I should think. I have discussed this with the distinguished Republican leader. We will stay in recess until 2:30 to be sure we have ample time for the taking of the photograph.

ORDER TO PROCEED TO THE CONSIDERATION OF S. 2560

Mr. BYRD. Mr. President, with the concurrence of the distinguished Republican leader, I ask unanimous consent that when the Senate reconvenes at 2:30 p.m. today, the bill that is presently before the Senate be temporarily laid aside and that the Senate proceed to consideration of S. 2560, Calendar Order No. 757, a bill to amend the Temporary Emergency Food Assistance Act of 1983 to improve child nutrition and for other purposes.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for now, if it is agreeable with the distinguished Republican leader, until the hour of 2:30 p.m. today, and I urge the cloakrooms to announce to all Senators the taking of the official photograph, hoping we can have good attendance. I hope that Senators will be out on the Senate steps promptly following the conferences at 2 p.m.

Thereupon, at 12:41 p.m., the Senate recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

HUNGER PREVENTION ACT OF 1988

The PRESIDING OFFICER. The clerk will report Calendar Order 757, S. 2560.

The assistant legislative clerk read as follows:

A bill (S. 2560) to amend the Temporary Emergency Food Assistance Act of 1983 to require the Secretary of Agriculture to make available additional types of commodities, to improve child nutrition and food stamp programs, to provide other hunger relief, and for other purposes.

The Senate proceeded to consider the bill (S. 2560).

Mr. LEAHY. Mr. President, I send to the desk a list of the cosponsors and ask unanimous consent that this list be the controlling list.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The sponsor and cosponsors of the Hunger Prevention Act of 1988 are as follows:)

Sponsor: Senator Leahy.

Cosponsors (57): Senators Lugar, Harkin, Dole, Boschwitz, Kennedy, Chiles, Bentsen, Melcher, Pryor, Boren, Heflin, Conrad, Fowler, Daschle, Breaux, Cochran, McConnell, Bond, Wilson, Karnes, Johnston, Mitchell, Burdick, Metzenbaum, Glenn, DeConcini, Dodd, Riegle, Levin, Bradley, Hollings, Adams, Reid, Rockefeller, Sanford, Domenici, Chafee, Bingaman, Kerry, Simon, Stafford, Hatfield, Heinz, Danforth, Durenberger, Mikulski, Ford, Gore, Bumpers, Pell, Lautenberg, Weicker, Cranston, Moynihan, Wirth, Exon, and Sarbanes.

Mr. LEAHY. Mr. President, I can truly say I am delighted to present to the Senate a bill, in this case, the Hunger Prevention Act of 1988. This bill reflects the determination of the Senate Agriculture, Nutrition, and Forestry Committee to take a stand on hunger. It reflects the continuing concern of the Congress on the persistent evidence of hunger and poor nutrition in our country.

The latest census reports on poverty in America are disturbing. Let me give you a couple examples, Mr. President. In 1986, 32 million Americans were living in poverty. Almost 13 million of the poor are children. Almost a quarter of all children in this country are poor.

The data shows that 85 percent of the poor are women, children, the handicapped, and the elderly. The U.S. Conference of Mayors recently reported that the need for emergency food assistance increased by almost 20 percent in the cities surveyed during 1987—this is on top of a 28-percent increase in demand for emergency food assistance in 1986.

This balanced bipartisan legislation represents the most significant improvements to our Federal food programs in over a decade. This law will provide a vital lifeline to millions of needy Americans.

In fact, one aspect of this bill is quite different from most nutrition legislation. The bill is designed to assist persons in getting off food stamps and into the work force.

For example, the bill increases the maximum deduction for day care expenses so that parents can work and afford day care. This is a very low-cost provision since their earned income reduces their food stamp levels.

The bill also allows States to design effective employment and training programs to assist able-bodied adults in qualifying for and getting permanent jobs. These State programs will receive Federal funding to help reimburse the expenses of families related to their intensive job training.

The success of these State designed programs will be monitored—the goal of each program will be to get persons off food stamps by helping them find, and then to keep decent jobs.

Mr. President, hunger in America is a moral issue. It is not just a political issue. It is not just an economic issue. Hunger in America is a national issue. There is hunger in Vermont. There is hunger in New York City. There is hunger in Atlanta—there is hunger in New Orleans, there is hunger in all 50 States and the District of Columbia. It is an urban and a rural plague. There is desperation among the homeless, and a continuing pressure on the working poor.

We simply must provide for the nutritional needs of poor Americans—and the problems are getting worse with each day the great drought of 1988 continues.

There is already increasing upward pressure on food prices that will make it harder for the poor to buy a nutritional diet for their families. Some experts are predicting the drought will cause a 2- to 3-percent increase in food prices beyond the expected increase caused by inflation. The bill will only increase the maximum food stamp benefit levels by eight-tenths of 1 percent, and then not until January 1, 1989.

I am greatly concerned that farm families who once provided food for thousands will now need to rely on the aid provided in this bill so they can feed their own families.

Part of the story can be told by tracing what happened to TEFAP, the Temporary Emergency Food Assistance Program, which began in 1981 to provide surplus commodities for distribution to our Nation's hungry. This progam, begun by President Reagan and later enacted into law through the efforts of Senator DOLE, surprised most experts. The need for this program proved to be enormous.

Over 15 million Americans each month have received cheese, nonfat dry milk, flour, rice and other surplus commodities. In the last 4 years almost $4 billion worth of surplus commodities were distributed to needy Americans. There are now over 20,000 TEFAP distribution sites nationwide.

In 1987, for example, 390 million pounds of cheese, 130 million pounds of flour, 90 million pounds of powdered milk and 130 million pounds of rice were distributed along with millions of pounds of cornmeal and honey.

Earlier this year, USDA informed us that surplus stocks had dwindled, and that by the midyear we would have no cheese, rice, or honey, and very little nonfat milk for TEFAP.

Soon we began to hear from all over the country about the need for TEFAP. We realized that what had been a temporary program to dispose of surpluses ended up identifying an unrelenting demand for food assistance on the part of millions of American families.

TEFAP activities have also served to stimulate other charitable and voluntary activities in local communities. TEFAP commodities have formed the foundation for voluntary efforts on the part of corporations, communities, churches, and families working to help others. TEFAP has attracted thousands of volunteer workers to operate the thousands of food banks that have sprung up in recent years.

As national concern about hunger increased, there were a number of congressional efforts that led to the bill we are considering today.

Senator KENNEDY and I joined together earlier this year in introducing the Emergency Hunger Relief Act, S. 2123. He has tirelessly worked to raise public awareness of hunger in America. Most of the concepts in his Emergency Hunger Relief Act, S. 2123 which I cosponsored, are incorporated in the bill before us today. I am indebted to him and to the enthusiasm and leadership he has shown on these issues.

I am also grateful to the leadership shown by Senator CHILES and the Budget Committee for providing additional direct spending in the budget resolution for nutrition. In fact, without the foresight of my good friend from Florida, we would not be on the floor today with this bipartisan package of emergency hunger relief.

With the funds provided in the budget, the Agriculture Committee set out to develop a balanced bill to address the various hunger needs in this country. S. 2560 provides food for TEFAP, improves the Food Stamp Program, including an increase in basic benefit levels, as well as expanding certain child nutrition programs.

I can honestly say that had it not been for the senior Senator from Florida, Senator CHILES, this bill would have run into an insurmountable roadblock. Because of him, instead of a roadblock, we have a well-paved road in direction of passage.

As I mentioned before, this bill reflects the strong bipartisan heritage in the Agriculture Committee on nutrition issues. Beginning with the work of George McGovern and BOB DOLE, then between BOB DOLE and myself, and now in the Nutrition Subcommittee with TOM HARKIN, BOB DOLE, and RUDY BOSCHWITZ, we have kept nutrition issues apart from politics.

But I also have to give much credit to the bipartisan assistance of Senator LUGAR which was absolutely essential to this legislation. Senator MELCHER, who always has taken the lead in regard to TEFAP improvements, deserves thanks for his tireless efforts. In fact, I am proud that this bipartisan support has extended to the whole Senate. In this regard, I have already asked unanimous consent that 56 Senators be added as cosponsors along with myself and Senator LUGAR.

Let me read just down the list of names: Myself, Senators LUGAR, HARKIN, DOLE, BOSCHWITZ, KENNEDY, CHILES, BENTSEN, MELCHER, PRYOR, BOREN, HEFLIN, CONRAD, FOWLER, DASCHLE, BREAUX, COCHRAN, MCCONNELL, BOND, WILSON, KARNES, JOHNSTON, MITCHELL, BURDICK, METZENBAUM, GLENN, DECONCINI, DODD, RIEGLE, LEVIN, BRADLEY, HOLLINGS, ADAMS, REID, ROCKEFELLER, SANFORD, DOMENICI, CHAFEE, BINGAMAN, KERRY, SIMON, STAFFORD, HATFIELD, HEINZ, DANFORTH, DURENBERGER, MIKULSKI, FORD, GORE, BUMPERS, PELL, LAUTENBERG, WEICKER, CRANSTON, MOYNIHAN, WIRTH, EXON, and SARBANES.

I think, Mr. President, when you look at the names here, names that involve both parties, you realize that these Senators represent the full political spectrum. Hunger is not a partisan issue and cannot be. Hunger exists in this country. Anybody denies reality if they deny the existence of hunger in America. They deny reality if they do not accept the fact that Government, if it is to serve the people at all, should take as one of its primary missions the eradication of hunger. Certainly, we are in the position to take a step toward that. Private groups will help, individuals will help, and families will help. When you have hunger at these levels in America, what is a government for if it does not step in to help those who cannot help themselves?

Briefly, the bill keeps the TEFAP Program going for 2 more years as a vital lifeline for millions of needy Americans. The required purchase of $145 million in high protein foods for TEFAP will not make up for the huge reductions in U.S.D.A. surpluses donated to TEFAP in the past. But these provisions will greatly assist each State in providing food assistance to its citizens.

The bill also increases the basic levels of food stamp assistance. I am very concerned that the retail price increases caused by the drought will seriously affect the ability of poor families to buy enough food for their families. This bill will help millions of families on food stamps to buy a few more meals than they otherwise would have been able to buy. The bill does this by putting benefit levels back to their original level of 80 percent of the low-cost food plan.

The bill provides funding to provide more food assistance through soup kitchens to help homeless families. This responds to a heavy increase in demand on soup kitchens, food pantries and other emergency feeding sites in recent years. I have gone around to see a number of those soup kitchens around the country. I know how important they are.

The bill makes several improvements in the Food Stamp Program that will assist farmers and other rural families. It simplifies program administration and reduces paperwork burdens on States.

The bill also is designed to improve the quality of breakfasts provided to poor children in the School Breakfast Program.

New employment and training provisions will allow each State flexibility in setting up job training programs tailored to their local caseloads. States will be able to concentrate efforts on those most in need of job assistance, while sending those ready for employment to State employment offices to actively search for work under the guidance of the employment office.

These new provisions will give each State the tools it needs to get food stamp recipients off the program and into the work force.

There is a whole lot of other details I could go into. I know my friend, the ranking Republican member of the committee, Senator LUGAR is here. I know he has a statement. I would like to yield to him for that purpose.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. DASCHLE. Will the Senator yield for just a moment before he begins?

Mr. LUGAR. I am happy to yield.

Mr. DASCHLE. Mr. President, I ask unanimous consent that Rick Hall of my office be granted privileges of the floor during the consideration of S. 2560 and any amendments thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. I thank the Senator for yielding.

Mr. LUGAR. Mr. President, I likewise ask unanimous consent that Joe Richardson and Jean Jones, of the Congressional Research Service, be granted privileges to the floor during considerations of S. 2560.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. I thank the Chair.

Mr. President, I thank my friend, the distinguished chairman of the Agriculture Committee, Senator LEAHY, for yielding to me. I salute him again for his leadership in our committee in fashioning the excellent bipartisan approach and the excellent bipartisan legislation that S. 2560 surely represents. I am pleased to have this opportunity to speak on this important and very far-reaching nutrition bill.

As my colleagues are aware, the general state of our economy remains strong. The June unemployment rate dropped to 5.3 percent—its lowest rate since May 1974. More Americans are working than ever before in good paying jobs. Seventy-three percent of the jobs created have paid at least $15,600 per year. Thirty-seven percent paid over $31,200 per year.

We are witnessing the sixth year of growth of a strong economy, it is important that we not forget those who have not shared in this economic growth. S. 2560 is bipartisan legislation meant to help precisely those individuals. This bill will enable working mothers to seek out better day care for their dependents. It will provide more food for the homeless. It is an important and caring effort for less fortunate Americans during a time when the incomes of most Americans are rising.

S. 2560 contains improvements to several vital nutrition programs. First, the bill reauthorizes the Temporary Emergency Food Assistance Program, known as TEFAP. TEFAP provides surplus commodities to needy Americans. TEFAP has succeeded in distributing billions of dollars of surplus commodities to the needy at a relatively low cost of using networks of volunteers at the local level.

Recently however, our stocks of surplus commodities have declined and distribution of many commodities has been suspended. S. 2560 requires the Secretary of Agriculture to purchase $145 million of food for distribution through TEFAP. The bill allows the Secretary the necessary discretion to purchase a variety of commodities at times he deems to be appropriate during each of the next 2 fiscal years.

Another provision in the bill that I strongly support provides additional food assistance for soup kitchens. During a hearing before the Agriculture Committee, Assistant Secretary of Agriculture John Bode testified that less than 1 percent of TEFAP recipients were homeless individuals. It has long been my view that food assistance should be targeted toward those in our society who are most in need. It is difficult to imagine a group more in need than the homeless. Thus, this bill requires the Secretary to purchase $40 million of food for each of the next 2 fiscal years for use largely in soup kitchens which serve those in our society most in need.

S. 2560 also increases the basic food stamp benefit level and makes several other changes in the Food Stamp Program including increasing the deduction for dependent care to $160 per child per month in order to encourage food stamp parents to seek employment as well as to provide better day care for their dependents.

The bill also makes improvements to several child nutrition programs. For example, the bill allows an additional meal or snack to be served to children who stay in day care centers for more than 8 hours. These children of working parents who must work extended hours will have better nutrition as a result of this provision.

Mr. President, this bill is the result of compromise. In some areas, I would have preferred a different approach. However, in the spirit of cooperation, a consensus was reached that merited strong bipartisan support.

Mr. President, we have in this bill accomplished a substantial boost in thoughtfulness about child care for those children and those parents most in need. We have made a statement about the homeless in our country, in very practical ways, to try to involve volunteers in our local communities and the compassionate spirit of many Americans to serve both the homeless and those who have dependent children and those most in need of nutritional supplements.

As pointed out by the distinguished chairman of the Agriculture Committee, we have recognized that even in a time of prosperity and relatively low inflation rates, any increase in inflation impinges very sharply on those most in need. Therefore, even the modest changes in the Food Stamp Program are meant to recognize that situation.

I believe this is good legislation. I hope it will have strong bipartisan support, and I urge my colleagues to vote for this legislation.

Mr. LEAHY. Mr. President, I thank the distinguished chairman for his kind words.

I cannot emphasize enough the necessity for this bipartisan legislation.

I could not help but think about this necessity during this weekend. On Sunday afternoon, when my family and I and good neighbors and friends joined together for a pleasant afternoon and a meal. We could eat what we wanted; and if we decided to abstain from food, we did it by choice. On some days, I have more reason to abstain than others. But it is our choice. We think of the millions of Americans who have no choice as to whether they go hungry—they have to go without food and their children have to go without food. As the distinguished Senator from Indiana has mentioned, the homeless do not have that choice as to whether to go without. Children and infants really do not get to make the choice. That is why this bill is here.

AMENDMENT NO. 2663

(Purpose: To provide for a substitute amendment)

Mr. LEAHY. Mr. President, after the committee reported this bill with an 18 to 1 vote, the Department of Agriculture continued to meet with staff and recommended certain noncost changes in the bill. Senator LUGAR and I, along with other committee members, have worked out a package of provisions with the Department in the spirit of bipartisan cooperation. Several of these changes respond to a letter which the Department provided the Congress and are included in the amendment in the nature of a substitute to be offered by Senator LUGAR and myself. This substitute amendment will be explained by Senator LUGAR in detail.

I would like to now address the issue of quality control reform. We had hoped to include in this bill improvements in the food stamp quality control system. Committee staff has been working with the Department of Agriculture, the National Governor's Association, the American Public Welfare Association, and House Agriculture Committee staff to work out a compromise acceptable to all parties.

I am very pleased to report that such a compromise has apparently been worked out with the Department and the States. It will be included in the House bill which will be conferenced with this bill.

These changes are in part based on information contained in National Academy of Science studies on quality control.

These quality control improvements are not in any manner intended to affect current litigation which should proceed as though these changes were not made in the law. It is important that the courts considering current claims not consider these changes as in some way signaling acceptance or rejection of a certain line of argument or any particular interpretation. No such signals are intended.

These changes in quality control will set the tolerance level based on the national average error rate level plus 1 percent. In this way, only those States with the highest error rates will have to pay penalties. However, in contrast to the current system, interest will be collected from States for claims unpaid after 24 months. Also, claim's appeals will be heard by administrative law judges [ALJ's] and fewer issues will be appealable.

These changes are intended to greatly reduce the amount of litigation surrounding these claims and to make the claims collectible. Under current law, the Department has only been able to collect a tiny fraction of the outstanding claims which have been tied up in litigation for years.

Under this bill, ALJ decisions appealed to Federal court will be handled more quickly since the record used for review will be the record established before the ALJ. Also, Federal courts will be required to provide deference to the ALJ decisions. The intent is to reduce to amount of time spent in court, to speed up any appeals processes, to reduce the number of issues to be heard in Federal court, and to make claims much easier to collect.

Streamlined procedures will apply to claims of less than $50,000.

From the State's perspective, States will have more realistic performance measures to strive toward, both in terms of being fined and rewarded for good performance.

The current quality control system is simply not working—it will be replaced with an effective workable system that will pressure States to continually strive to reduce errors in processing food stamp applications. I appreciate the time and effort spent on this issue by Assistant Secretary John Bode, by the National Governor's Association and by the American Public Welfare Association, as well as by Senate and House Committee staff.

I would like to mention one other point before closing. Both the $145 million and the $40 million mandatory purchases of commodities for TEFAP and soup kitchens, respectively, are atypical and should be explained. The bill language was based on the budget resolution which provided new funding for these emergency feeding programs.

The bill sets up mandatory entitlement programs. The States have a legal right to the amounts of commodities determined by the formulas set forth in the bill. States could clearly file litigation to obtain such commodities, or obtain damages in the amount necessary to buy such commodities, under that entitlement language.

The Secretary of Agriculture is under a clear legal duty to provide those amounts of commodities and the States enjoy the legal right, enforceable through legal process, to receive those commodities. This point confirms the understanding of the Senate Budget Committee and the Senate Agriculture Committee and is consistent with the budget resolution. I would like to note that this same point was emphasized in Senate Report 100-397 (on page 13) on this bill.

In summary, the Hunger Prevention Act of 1988 represents a vital lifeline to millions of needy Americans. It is a balanced bipartisan package, paid for with money specifically put in the budget by the budget resolution for this purpose.

The drought has made passage of this bill even more imperative. Surplus commodity levels will drop even more reducing TEFAP inventories. At the same time, retail food costs are expected to increase much faster than the increases in food stamp levels required by this bill.

I urge support for the Hunger Prevention Act of 1988.

Mr. President, I send the substitute amendment to the desk, for Senator LUGAR and myself, and I ask unanimous consent that it be treated as original text for the purpose of amendment.

The PRESIDING OFFICER (Mr. FOWLER). Without objection, it is so ordered.

The substitute amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Vermont [Mr. LEAHY], for himself and Mr. LUGAR, proposes an amendment numbered 2663.

Mr. LUGAR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under Amendments Submitted.)

Mr. LUGAR. Mr. President, I thank the distinguished chariman for offering this amendment on behalf of Senator LEAHY and myself, because it is a thoughtful response to suggestions made principally by the administration and suggestions made by others in this body, our colleagues.

For a moment, I should like to describe the changes which differentiate this substitute amendment from the original text.

The first change in the substitute amendment concerns the Food Stamp Employment and Training Program. Based upon provisions in the 1985 farm bill, USDA promulgated regulations that would require 35 percent of nonexempt food stamp recipients to be placed in employment and training programs beginning in fiscal year 1989. Starting in fiscal year 1990, 50 percent would have to be placed in such programs. The Department believes that broad-based programs such as these will be the most successful in placing the most recipients in jobs.

The bill as reported by committee had a different focus. The bill's approach was to give States the option to concentrate their efforts on those recipients who are the least likely to find employment on their own. States could so concentrate their efforts or could use a broad-based system as is required under current regulations. Thus, the bill as reported did not contain any required percentage of participation.

The substitute amendment reflects a splitting of the difference on this issue. The substitute would continue in force the 35-percent participation standard through fiscal year 1990 and do away with the increase to 50 percent.

The U.S. Department of Agriculture sought changes clarifying that their cost in processing and transporting additional TEFAP commodities would be paid for out of the funding made available by this bill. Also, the Department requested in writing that the definition of "soup kitchens and congregate meal sites" be changed to make it easier for the Department to focus this new assistance on the more needy. These changes are included in this amendment.

The Department further requested that the reference to the April, 1983, low cost food plan be deleted and that the additional TEFAP commodities be chosen based on their nutrient content per calorie. Both of these changes have been accepted in this amendment.

The Department was further concerned that the bill did not sufficiently limit entities that could sponsor summer feeding programs. While not going as far as the Department wanted, this amendment further limits those private nonprofit sponsors that can receive Federal reimbursements. In addition to other requirements, it only allows each sponsor to serve no more than 2,500 children per day at no more than five sites.

The amendment also clarifies a provision in the bill which ensures that individuals eligible for the Women, Infants and Children Program are not denied benefits because they are homeless.

This amendment also includes one change recommended by our colleague, the Senator from Minnesota, Senator BOSCHWITZ, and two offered on behalf of the distinguished Senator from New Mexico, Senator DOMENICI. The change of Senator BOSCHWITZ will assist migrant farmworkers that receive emergency assistance from State or local governments. Current law excludes certain households from income payments which benefit food stamp households if made by a State or local government to a third party if such governmental assistance represents "emergency and special assistance."

However, current regulations do not apply this exclusion to payments which benefit migrant households. This amendment corrects that omission by treating migrant households the same as other households.

Senator DOMENICI supported demonstration project authority to allow the Department to conduct a study of the cost-effectiveness of providing food stamp recipients with special cards with benefit levels encoded in computer chips. This would replace the expenses involved in printing and using food stamp coupons and would reduce the risk of coupon thefts.

The second change requested by Senator DOMENICI authorizes the Department to conduct a multiple year study to test the effectiveness of the new employment and training provisions.

I support each of these changes which substantially improve the committee-reported legislation and will make the bill far more acceptable to the administration.

I thank the Chair.

Mr. LEAHY. Mr. President, I thank the distinguished Senator from Indiana for his detailed and thorough analysis of the substitute amendment, an amendment that was put together with his strong help and expertise. I appreciate his efforts in this regard. I would like to add that the substitute amendment contains four provisions specifically addressing the drought.

Several provisions of the bill as reported will prove extremely timely and helpful to drought victims and to poor families faced with rising food costs.

These provisions include the increase in the basic food stamp benefit levels which should partially address the expected increase in retail food prices.

Also the purchase of a variety of high protein foods for TEFAP may prove vital to thousands of families affected by the drought. These rural and farm families, often too proud to apply for food stamps, will be able to get high protein foods such as tuna fish, canned meats, and peanut butter. This $145 million purchase will supplement the flour, butter, and cornmeal that they would have otherwise received.

Many other provisions of the bill will help. This amendment also provides that the Secretary may temporarily waive provisions of the TEFAP Act, if necessary, to quickly get foods to drought victims, or victims of other natural disasters such as floods.

The amendment allows States to help other States. States not affected by a natural disaster may reallocate some or all of their entitlement to commodities, at their option, to States affected by such a disaster. This applies both to the TEFAP and soup kitchen assistance programs.

The amendment also provides for a food stamp income exclusion benefiting drought or flood victims. The amendment disregards emergency assistance payments benefiting victims of a drought or other disaster.

This exclusion would only apply under rules issued by the Secretary if the payment is paid by a State or local government, and if not paid directly to the affected family. To be excluded, these Government payments would have to be to a supplier of services or materials needed because of the disaster.

Once again I thank Senator LUGAR for his assistance regarding this substitute amendment.

Mr. President, I believe there is general agreement on this amendment and on the specific amendment before us, if it is in order, I ask that it be agreed to.

The PRESIDING OFFICER. Is there any further debate on the amendment?

Do both leaders yield back their time?

Mr. LUGAR. We yield back our time.

Mr. LEAHY. On just the amendment.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment (No. 2663) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, in just a moment I am going to yield to the Senator from Iowa.

The Senator from Iowa has chaired the hearings and has worked in an indefatigable fashion, and I will leave it to the reporter of the debates to spell that correctly for me. He has been one whose involvement both in the House of Representatives and in the Senate has been invaluable during the time I have been in the Senate. I have had the pleasure of working with him both when he was a House Member and now as a Senate Member. He has been an absolutely essential person in getting nutrition legislation through the Congress.

I yield to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa [Mr. HARKIN] is recognized.

Mr. HARKIN. I thank my good friend, the distinguished colleague, the Senator from Vermont, the committee chairman, for the very kind words.

Hearing those kind words I am reminded of what Will Rogers once said. He said to someone who had introduced him most kindly, as the distinguished chairman just introduced me, Will Rogers, having received an introduction like that once said, "Well, the gentleman who just introduced me surely will go to Heaven for his charity unless he goes elsewhere for his exaggeration."

But I do want to thank the chairman for his kind remarks.

Mr. President, at the beginning of this Congress I remember quite well the opening day of our committee when the distinguished Senator from

Vermont took over the chairmanship of the Senate Agriculture Committee. At that time, he gave his opening remarks setting the tone and temper for our committee by talking about the rising problem of hunger in America and malnutrition, the need to meet this growing requirement that we have to meet, the nutritional needs of our poor, impoverished in our country.

I remember that day well and I remember the distinguished chairman's charge to me and to the Subcommittee on Nutrition to investigate and hold hearings on domestic hunger.

He wanted the subcommittee, which I was privileged to chair and he was privileged to chair, to determine the ability of Federal food assistance programs to deal with the growing problems of domestic hunger.

As chairman of the Subcommittee on Nutrition, I held hearings both here and in the field, visiting food pantries and soup kitchens, working as a volunteer at community action agencies, conducting numerous interviews and reviewing current studies on domestic hunger. The resources of the administration, private agencies, public interest groups, State and local governments, the General Accounting Office and the Congressional Research Service have been utilized to conduct this investigation. I also might add that full committee, subcommittee, and personal staff of not only mine but other members have volunteered many hours of personal time working with less fortunate, the poor, the needy. They, as well as I, are personally acquainted with the problems caused by and associated with domestic hunger. The results of my subcommittee's investigation are fairly represented and addressed in the legislation we have before us today.

Again, I wish to commend our distinguished chairman, Senator LEAHY, for his leadership and his personal commitment to this effort. From day one when he first took over the chairmanship of this committee, his focus has been in the area of making sure that we get the necessary legislation to this floor to address the hunger needs in America.

I also want to take this opportunity to commend the ranking minority member, Sentor LUGAR from Indiana. He has been stalwart and steadfast in his support of meaningful legislation to address this problem. He has always been at the meeting, at the hearings, at the markup, and he has offered valuable suggestions, constructive criticism where needed, and has also been very supportive of making sure that we meet this need that we have in America.

I also want to recognize other members of the Senate Committee on Agriculture, Senator MELCHER, Senator DOLE, Senator PRYOR, and Senator BOSCHWITZ, just to name a few.

I also want to thank the staffs, both the personal staffs and committee staffs. In particular I want to recognize Mark Halverson, the staff director of the Subcommittee on Nutrition and Investigations; Bob Andros, who is on detail from the General Accounting Office; also, Ed Barron, Laura Madden; and I also want to particularly recognize Dave Johnson and Chuck Conner, both of the full committee staffs. They have just done a superb job in pulling this very strong bipartisan package together and presenting it to the Senate today. Many public interest groups such as the Food Research Action Center, the Center for Budget and Policy Priorities, the Harvard Physicians Task Force and Bread for the World contributed significantly to our research efforts. Many others have contributed to and/or expressed support and encouragement for our efforts. No statistics, no rote recitation of facts and figures, no narrative or prose can describe the suffering of mind and body that associates itself with hunger and poverty in America. The fact that such conditions exist in America is both alarming and tragic. It should represent a blight on our collective conscience. For those unable to acquire the nutritional necessities of life through gainful employment, this represents a form of economic repression that ought to be totally alien to our great country and our way of life.

As I have studied this problem of hunger in America, there are a few thoughts I would like to share with my colleagues that I feel accurately portray the serious nature of this problem and the need for the legislation proposed today by the Agriculture Committee Chairman.

First, poverty has increased substantially this decade, yet food stamp participation has declined. There can be all kinds of reasons and arguments why this may or may not have happened, but the fact is food stamp participation has declined and hunger has increased. We have literally lost ground in our war against hunger.

Second, our food system programs as currently structured and funded are not adequate to address the problem. For example, WIC participation, one of the best hunger-fighting programs this country has ever come up with, the Women, Infants, and Children Program, which has proven statistically through the years a saving for every dollar we invest saves at least $3 in health care costs for the women, infants, and children, it serves, WIC participation is less than half of the eligible population due to funding limitations.

Food stamp participation is less than 60 percent of those living below the poverty program.

TEFAP commodities have been exhausted while food banks and pantries report ever increasing demands for their services.

The demographics of our poor and hungry population have changed dramatically since the 1970's. We are witnesses to the feminization and I might add the childrenization, if I can use that word, of poverty. There are few, if any, mentally and physically capable males on our welfare roles today who are not already employed.

The Congressional Research Service reported the following: that 12.3 million of our 32.4 million poor people in America are children—12.3 million out of 32.4 million are children; another 12 million of our poor people are adult females, most of them with dependent children; another 4.5 million of our poor people are elderly; and over 85 percent of America's poverty population are women, children, elderly or handicapped. Over 85 percent of America's poverty population are women, children, elderly or handicapped.

USDA's Food and Nutrition Service reported that 20 percent of our Nation's poor are gainfully employed but not enough to rise above poverty status. It also reported that 78 percent of food stamp household are headed by women and over 80 percent of food stamp benefits go to households with children.

As I review some of the provisions of this bill that have been excluded due to budgetary constraints and in an effort to craft a bipartisan package that adequately addresses the problem of domestic hunger, I must confess that some painful choices have been made by all interested parties. I wish, and I know other Senators wish, that more could be done.

Nevertheless, I am pleased with what has been done and what is in this package. Any further cuts from what is in this package, any amendments that would seriously restrict the functioning of what we have in this package, I believe, would not be in the best interest of trying to again get a bill through that addresses this problem.

Relative to possible amendments to this bill that I understand that may be proposed by the Senator from Texas, Senator GRAMM, I want to state that this bill represents a successful bipartisan effort to comply with our existing budgetary restraints, including the Gramm-Rudman-Hollings Act. Moreover, it successfully addresses the inflationary effect of the drought on food prices. Without this bill, hunger in America is going to increase.

If the amendments that I have seen floating around that I understand may be offered—they may not be offered, but may be offered—by the Senator from Texas, Senator GRAMM, if these amendments are adopted, the bill could be signed but never take effect. These amendments to this bill could materially change the Gramm-Rudman-Hollings rules and subject food stamps to sequestration, which is prohibited by Gramm-Rudman-Hollings. For this reason and others, I am hopeful that these amendments would not be offered. If they are, I hope they would go down to resounding defeats.

We have already said in Gramm-Rudman-Hollings that food stamps will be exempt from sequestration. To adopt that amendment today would be to change the basic structure of Gramm-Rudman-Hollings.

On the other hand, the Gramm amendments do give us an opportunity to reaffirm our fiscal priorities—that we as a nation and as a legislative body are committed to addressing hunger as a priority before other wants and needs are addressed.

Mr. President, I am pleased, as the chairman of the Subcommittee on Nutrition, to be able to recommend this bill to my colleagues as a critical and responsible step in addressing the widespread hunger found in our country today. I urge its adoption as presented and without further amendment.

Again, I wish to thank the distinguished chairman, Senator LEAHY, and the distinguished ranking member, Senator LUGAR, for their great help in getting this package before the Senate.

Mr. KENNEDY. Mr. President, parliamentary inquiry.

As I understand it, there is a time limitation on the bill.

Mr. LEAHY. Mr. President, I believe most of my time on the bill is gone, but I certainly would not object to the Senator from Massachusetts speaking.

Mr. KENNEDY. Mr. President, I ask unanimous consent to have 5 minutes off the bill.

The PRESIDING OFFICER. The Senator from Vermont has 3 minutes remaining.

Mr. LEAHY. The Senator from Massachusetts has asked unanimous consent for 5 minutes off the bill.

The PRESIDING OFFICER. Hearing no objection, it is so ordered.

Mr. KENNEDY. Mr. President, I give my strong support to the Hunger Prevention Act of 1988.

The distinguished chairman of the Senate Committee on Agriculture has worked tirelessly this year to respond to the crisis of hunger in America.

In March of this year, Senator LEAHY and I introduced the Emergency Hunger Relief Act of 1988, S. 2123. Most of the provisions of that legislation, which received broad bipartisan support in both Houses of Congress, are included in the Hunger Prevention Act of 1988.

It is due to the skill of the Senator from Vermont that we were able to obtain these landmark improvements in Federal nutrition programs. I am very grateful for his work in obtaining committee support for the various provisions of the Emergency Hunger Relief Act which are contained in the legislation before us.

I also want to commend the other members of the Senate Committee on Agriculture, especially Senator HARKIN, chairman of the Nutrition Subcommittee, for their leadership on this critical issue.

I am very encouraged and pleased by the broad bipartisan support that this legislation received in the committee, and I hope that it will receive similarly overwhelming support from the Senate.

A decade ago, a group of physicians supported by the Field Foundation toured the United States. They found that while our battle against poverty continued, an impressive victory could be declared—the war on hunger had been won. As of 1977 we had, through extensive Federal, State, local, and grassroots efforts, essentially eradicated hunger and malnutrition in America.

In 1985, physicians from the Harvard School of Public Health made a similar journey—and found just the opposite. They reported that as many as 20 million Americans suffer serious hunger for some portion of each month.

This is a tragic turnabout that history will not forgive—and that none of us should accept. The cause of the resurgence of hunger in this land of plenty is no mystery. In the early 1980's, the combination of recession and budget cuts allowed hunger to reappear again—and millions of Americans are vulnerable to it once more.

Nutrition cuts never heal. We can restore the programs, but we can never repair the lives of the innocent victims scarred by our neglect. There is widespread hunger in America in 1988, and it is unacceptable.

We know that Federal nutrition programs are a lifeline for many poor Americans. We knew in 1981 and 1982 that cuts in those programs would cause vulnerable citizens to suffer—and yet the cuts were made anyway.

It is time to right those wrongs. We know what needs to be done. One major problem is that food stamp benefits are no longer adequate to feed a family for 3 weeks—let alone for a full month. Food stamp benefits must be raised enough so that no Americans are forced to go hungry for the last part of every month.

This legislation takes a major step toward that goal, it includes a provision originally introduced in the Emergency Hunger Relief Act of 1988 which will increase direct food stamp benefits to the poor by $1.5 billion over the next 5 years.

Earlier this month I spent an afternoon in a soup kitchen in the Bedford-Stuyvesant neighborhood of Brooklyn. The advocates who worked in that kitchen and in the neighborhood stressed to me the importance of food stamps. I was especially impressed by one woman, the director of another soup kitchen in the area, who explained the need to increase food stamp benefits, so that people could have the dignity of eating in the privacy of their own homes—instead of trudging, often in harsh weather with children in tow, to a soup kitchen.

But she and her colleagues also stressed that increasing the benefit is not enough—we must make food stamps more accessible to those who need them. Today the shameful truth is that food stamp eligibility requirements are designed more toward keeping people out of the program than toward helping them come in. The legislation before us will reinstate funding for food stamp information activities, so that those who need help can find a way to get it.

Other improvements in the Food Stamp Program have also been included in this bill. The monthly reporting and retrospective budgeting requirement in current law will become a State option, thus decreasing unnecessary and burdensome paperwork requirements.

The chairman is to be commended for the additional simplifications and improvements that the committee has included in this package, in order to reduce barriers to farmers, the elderly and the disabled.

Another important provision of S. 2123 that has been included in the bill before us is the change in the definition of "household," which recognizes the soaring cost of housing and the need to stem the rising tide of homelessness in America. The inclusion of this change will reduce homelessness by ensuring that fewer citizens will be forced to choose between feeding their families and paying their rent.

If we are to meet the challenge that lies ahead, we must also strengthen other nutrition programs. TEFAP, the Temporary Emergency Food Assistance Program, is reauthorized for 2 years by the legislation before us. TEFAP plays an important role for many families by filling the gap when food stamps are insufficient or when a family is ineligible for food stamps or unwilling to apply for them.

The legislation before us also seeks to expand basic child nutrition programs. For the better part of the decade of the 1980's, children have borne the brunt of nutrition budget cuts. Obviously, we need a strategy to reduce the deficit, but we must never endorse a scheme that means keeping food from poor children.

The committee package will help to meet this challenge by expanding the School Breakfast Program and the Child Care Food Program. It also contains a provision to allow nonprofit agencies to administer the Summer Food Service Program.

Again, I commend Senator LEAHY, Senator LUGAR, and the committee for their hard work on this issue. They have crafted an exemplary package, which will do a great deal to assist millions of poor Americans and provide urgently needed support for those who have continued to wage the battle against hunger over the past 7 years—even as Federal funds were drastically decreased.

This measure represents a new declaration of war on hunger by the Congress, and this time, we must see to it that the war stays won. We could, obviously, do more. But we cannot afford to do less. America needs forceful and effective leadership against hunger—and this measure will provide it.

I thank the chairman of the committee and the ranking minority member.

Mr. DASCHLE. Mr. President, I rise in support of S. 2560, the Hunger Prevention Act of 1988. I would like to begin my remarks by reflecting on some disturbing trends.

First, despite the economic recovery of the last 5 years, the problems of hunger and malnutrition are, if anything, getting worse. The poverty rate, which is the single most important factor contributing to hunger, reached 13.6 percent in 1986. This is higher than at any point in the Nixon, Ford, or Carter administrations. The Physicians Task Force on Hunger estimates that some 20 million Americans now suffer from hunger or malnutrition. As if it should come as any surprise, the administration's economic policy of trickle-down simply isn't working.

Second, one in every five American children—some 12.9 million—are poor, and their numbers are increasing; 2,000 children a day join the ranks of the poor, placing them at extraordinarily high risk of suffering from malnutrition and related long-term health problems. In my State of South Dakota, almost 40 percent of the poor or near poor are children.

Third, the trends in poverty and hunger have pushed well beyond the boundaries of the inner-city ghetto. For the first time in decades, the rural poverty rate now exceeds the urban rate, with severe consequences for children growing up in rural areas. For instance, one recent report shows that rural children are almost three times as likely as their urban counterparts to be growth stunted—a widely used indicator in the diagnosis of the nutritional status of children.

Finally, these trends have developed at the same time that participation in the Food Stamps Program—by far the most important Federal feeding program—has declined, dropping below 19 million participants last year for the first time in this decade. For any of several reasons, millions of deserving households are not receiving food stamps. And for many who do participate, their food stamp allotments don't get them through the month. By the third or fourth week, they show up at food pantries, soup kitchens, and other emergency feeding projects. A study conducted last year of a food pantry in Rapid City, SD, showed that 75 percent of the patrons had one or more dependent children. In one third of these households, the children had to skip one or two meals each day because of lack of food.

Mr. President, election years are good times for taking accounts, for reflecting on our country's welfare, for reassessing our national priorities. No one can examine the trends that I have just reviewed and say that we have given sufficient attention to one of our most important priorities: Providing good nutrition to our children and feeding those who are hungry.

The bill before us takes several important steps toward redressing our collective negligence. It addresses our collective embarrassment at having serious hunger in a country that produces food in greater quantity, of better quality, with more efficiency than any other country in the world.

Mr. President, I will not take the time to review the many provisions of this bill that warrant its adoption. My distinguished colleagues on both sides of the aisle have already eloquently done so. But I would like to emphasize several provisions that I find to be particularly important.

First, the bill before us would strengthen the Temporary Emergency Food Assistance Program, by requiring the Secretary to purchase $145 million worth of high protein commodities for use by poor households. The best estimates show that of all the households that have been receiving TEFAP commodities, 41 percent consider such assistance a regular source of food. More importantly, this program serves many hungry individuals who do not receive food stamps. In many communities, the single most important barrier to participation in the Food Stamp Program is the stigma it carries.

In my State of South Dakota, for instance, many elderly citizens badly need some sort of food assistance, but can't bring themselves to go down to the local welfare office to apply, or then go down to their neighborhood grocery and use the coupons. A recent study of the nutritional status of the rural poor concluded, however, that the TEFAP Program has much less of a stigma attached to it. It is getting to people that the Food Stamp Program simply does not serve.

Second, this bill takes positive steps to help people decrease their dependency on Federal food assistance and find productive employment. For instance, the bill provides for a significant increase in the child care deduction for food stamps recipients so that they can work or obtain the education and training they need in order to find work. It also provides for reimbursement for certain child care and transportation expenses incurred by individuals participating in food stamps employment and training programs. And it earmarks funds for job training programs on Indian reservations, which suffer by far the highest unemployment rates in the country. All of these provisions express the position of this Chamber that perpetual dependency on public assistance is unacceptable, that we need to help people break out of the cycle of poverty. This is a statement that we made last month in passing the welfare reform bill, and we reaffirm it here.

Third, this bill eliminates many of the administrative or regulatory barriers that now keep needy households from participating in the Food Stamps Program. It makes it easier for farmers facing bankruptcy or liquidation to qualify, by ensuring that their previous year's taxable income is not the sole basis for determining eligibility. The bill provides for telephone interviews and the mailing of food coupons, thereby increasing the accessibility of food stamps to individuals in rural areas. It simplifies the procedure for claiming the excess medical deduction, a change which will greatly improve the ability of low-income elderly to qualify.

Despite these excellent changes, however, there remain a number of barriers that are not addressed in this bill. Unfortunately, there was simply not enough room in the budget to include all of the reforms that we might have wanted. I here want to mention one important barrier that remains. It is one I intend to pursue more vigorously in the future, perhaps in another forum.

Mr. President, the Food Stamps Act of 1977 clearly states that when calculating a household's income for food stamps eligibility purposes, the "cost of producing self-employed income" shall be excluded. Yet current USDA regulations guarantee no such exclusion. Under current regulations, farmers and other self-employed individuals cannot apply depreciation expenses against their income for eligibility purposes. Neither can they deduct payments of principal for a loan used to buy tools or equipment. That they are not permitted to do so is clearly unfair and, in my view, almost certainly illegal. It is certainly preventing many needy farm families from receiving food assistance. And it is undermining one of the principal purposes of this bill; to encourage employment and self-sufficiency.

Unfortunately, the cost of including the necessary reforms in this package would cost anywhere from $25 to $50 million. This fact presented the committee with a difficult paradox. On the one hand, the cost estimate clearly revealed that many farmers and self-employed individuals are being improperly denied benefits. At the same time, the cost is so high that we could not enact the reforms without taking money from other pressing nutrition needs. We would have to divert money from soup kitchens and child nutrition programs just to force the administration to do what it already should be doing under current law.

As a result, I came to the conclusion that this issue is a matter for litigation, not legislation, should the Department not see fit to reverse its current practices. I soon will be requesting that the committee look into this matter. I know it is a concern of the distinguished Senator from Vermont, and I hope that my other colleagues on the Agriculture Committee will join in this effort.

In conclusion, Mr. President, I believe this bill to be a very important effort to address the problems of hunger and malnutrition in this country, and I strongly commend my distinguished colleagues who have worked so hard in fashioning this consensus package.

Like many of them, I wish that we could do more. The increase in the basic food stamps benefit provided for in this bill is modest at best. The amounts allocated to TEFAP will only partially offset the reduction in commodity distributions brought about by declining USDA inventories. And, as I have pointed out, not all of the important barriers to participation in the Food Stamps Program have been eliminated. But, as with all measures foreign and domestic, we must operate within serious budget constraints. This bill does that, while targeting vital food assistance to those most in need.

I urge my colleagues to support this important legislation. While we should try to do more, it would be morally irresponsible for us to do less.

FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS

Mr. DASCHLE. Mr. President, I would like to take just a moment to engage the distinguished chairman and ranking member in a brief colloquy concerning the committee report. My colleagues will recall that during the committee consideration of the Hunger Prevention Act, I requested report language that reflected the committee's intent with respect to the Food Distribution Program on Indian Reservations.

In areas where this program is administered, it is a substitute for food stamps, not a supplement to it. As a consequence, current regulations state that the Indian commodity package "shall represent an acceptable nutritional alternative to the Food Stamp Program benefits." The language I requested emphasized that the food stamp increases provided for in this bill would require the Secretary to increase the Indian commodity package, as well.

I was pleased that the committee agreed to this report language. It will move us at least a modest step toward alleviating the problems of hunger and malnutrition that now exists on Indian reservations.

I would just like to clarify the committee intent on this point.

As I understand it, the committee expects that the increases in the food stamp benefit levels provided for in this bill will trigger an increase in the value and nutritional content of the Indian commodity package of approximately 1.8 percentage points.

I ask the distinguished chairman and ranking minority member if that understanding is correct.

Mr. LEAHY. The Senator's understanding is correct.

Mr. LUGAR. I agree; the Senator's understanding is correct.

Mr. DASCHLE. I thank my distinguished colleagues.

AMENDMENT NO. 2664

(Purpose: To permit the Secretary of Agriculture to make certain commodities available to the Department of Defense for use in child care)

Mr. DASCHLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE] proposes an amendment numbered 2664.

Mr. DASCHLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 36, after line 10, subtitle B of title II of the bill, is amended by adding at the end thereof the following new section:

SEC. 214. DEPARTMENT OF DEFENSE CHILD CARE FEEDING PROGRAM.

Section 17(h) of the National School Lunch Act (42 U.S.C. 1766(h)) is amended—

(1) by inserting "(1)" aftter the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Secretary is authorized to provide agricultural commodities obtained by the Secretary under the provisions of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) and donated under the provisions of section 416 of such Act, to the Department of Defense for use by institutions providing child care services to the dependents of such Department, when such commodities are in excess of the quantities needed to meet the needs of all other child nutrition programs, domestic and foreign food assistance and export enhancement programs, if the Secretary finds such appropriate. The Secretary may require reimbursement from the Department of Defense for the costs, or some portion thereof, of delivering such commodities to overseas locations.".

Mr. DASCHLE. Mr. President, one of the most important but often unnoticed virtues of this country's agricultural price support system is that it generates Government stocks of food that are distributed to needy households. Government commodities go to low-income elderly through programs authorized by the Older Americans Act; to infants and pregnant women through the Commodity Supplemental Food Program; to native Americans through the Food Distribution Program on Indian Reservations; to low-income households through the Temporary Emergency Food Assistance Program; to hungry children participating in the School Lunch, School Breakfast, and Summer Feeding Programs.

Several of these programs are expanded or strengthened under the bill now before us. But despite the successful operation of these programs, the Government still has surplus stocks of certain commodities. For instance, the Government now has on hand considerable quantities of butter and cornmeal that are not committed to other programs.

The amendment I am proposing would make USDA commodities available to the Department of Defense for use in institutions providing child care to the dependents of military personnel overseas, when such commodities are in excess of the quantities needed to meet the needs of other domestic and foreign food assistance programs. I emphasize, Mr. President, only when such commodities are in excess of the quantities needed to meet the needs of other domestic and foreign food assistance programs.

The Department of Defense already operates child care centers in the United States that participate in the Child Care Feeding Program. However, because this program is administered by state governments, there is no legislative authority to provide excess commodities to military child care food programs overseas. This amendment would give the Secretary that authority.

It would simply make the overseas institutions eligible for excess commodities in USDA storage. It would thus take a modest but useful step toward correcting the existing inequity in how Federal feeding efforts operate on military bases in the United States and how they operate on military bases overseas.

Let me once again emphasize that this amendment is not designed to help the Department of Defense. It will not provide more resources for Pentagon weapons procurement or private consultants. It will help the dependents of enlisted men and women stationed overseas.

There is certainly no reason why any commodities should remain in

USDA storage when they can be used to feed military dependents overseas. Right now, the range and quantity of excess commodities are very small, but DOD child care centers could make good use of whatever is currently available. And we should have this authority on the books should substantial quantities become available in the future.

USDA has expressed support for this amendment and helped in drafting the appropriate legislative language.

This amendment has no cost to USDA and could potentially save money spent on storing surplus commodities.

Mr. CONRAD. Mr. President, I am pleased to join my colleague, Senator DASCHLE of South Dakota, in cosponsoring this amendment to the Hunger Prevention Act of 1988. Our colleague, Congressman BYRON DORGAN of North Dakota, sponsored this legislation in the House. Through his effort, this provision has been included in the House Emergency Hunger Relief Act of 1988.

Our amendment would significantly strengthen the Temporary Emergency Food Assistance Program. This program has been successful in distributing "ready-to-use" products to America's hungry since it was established in 1983. While providing food to the needy it has also served to diminish large surpluses of commodities, including dairy products, honey, and rice.

The amendment we are introducing would carry the dual purpose of the TEFAP one step further.

In addition to processed foods, raw commodities would be distributed to the hungry of this country. This practice makes sense. Large stockpiles of raw commodities like wheat and corn are sitting idle in storage when they could be placed into the hands of processors and developed into needed food.

In North Dakota, a successful model project of this nature has been developed. Through the efforts of the Tri-Valley Opportunity Council of Minnesota, 27,500 bushels of Durum wheat has been obtained from the CCC and processed into pasta products by Leonardo Co. in Cando, ND. Transportation of the pasta has been provided through the extraordinary volunteer efforts of farmers and Burlington Northern. The pasta is being distributed by food bank networks throughout North Dakota and Minnesota.

Our amendment would promote the establishment of this project so that other States may benefit as well. The bill requires the USDA to solicit applications at least once per year from groups like the Tri-Valley Opportunity Council. This will encourage further processing and distribution of surplus raw commodities to hungry Americans.

Mr. President, this amendment is a simple, no-cost provision. Yet its potential for feeding the hungry and utilizing surpluses is tremendous. Its inclusion in the agriculture committee's bipartisan hunger prevention package would most certainly strengthen the overall intent of this legislation—to improve the nutritional health of needy Americans.

Mr. LEAHY. Mr. President, if the Senator will yield for a unanimous-consent request. Mr. President, I ask unanimous consent that the substitute amendment we adopted a few minutes ago be treated as original text for purposes of amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. I certainly support the amendment of the Senator from South Dakota.

Mr. LUGAR. Mr. President, we are pleased to support the distinguished Senator's amendment on our side.

The PRESIDING OFFICER. Do the Senators yield back all time?

Mr. LUGAR. I yield back my time.

Mr. DASCHLE. I yield back my time

The PRESIDING OFFICER. The question occurs on agreeing to the amendment of the Senator from South Dakota [Mr. DASCHLE].

The amendment (No. 2664) was agreed to.

Mr. DASCHLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2665

(Purpose: To require the Secretary of Agriculture to solicit application for assistance under the Temporary Emergency Food Assistance Act of 1983)

Mr. DASCHLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Dakota (Mr. DASCHLE), for himself, Mr. CONRAD, and Mr. BOSCHWITZ, proposes an amendment numbered 2665.

Mr. DASCHLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 36, after line 10, title II of the bill is amended by adding at the end thereof the following new subtitle:

Subtitle C—Food Processing and Distribution

SEC. 220. ENCOURAGEMENT OF FOOD PROCESSING AND DISTRIBUTION BY ELIGIBLE RECIPIENT AGENCIES.

(a) SOLICITATION OF APPLICATIONS.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Agriculture shall, to the extent that inventory levels permit, solicit applications in accordance with paragraph (2) for surplus commodities available for distribution under section 202 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note).

(2) REQUIREMENTS.—The solicitation by the Secretary of Agriculture under paragraph (1) shall be in the form of a request that any eligible recipient agency (as defined in section 201A of the Temporary Emergency Food Assistance Act of 1983) submit an application to the Secretary that shall include an assurance that the agency will—

(A) process any agricultural commodity received in response to such application into end-use products suitable for distribution through the Temporary Emergency Food Assistance Program;

(B) package such products for use by individual households; and

(C) distribute such products to State agencies responsible for the administration of the Temporary Emergency Food Assistance Program, at no cost to the State agency, for distribution through the Temporary Emergency Food Assistance Program.

(3) PROHIBITION ON PAYMENT OF PROCESSING COSTS.—Funds made available under section 204 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) or funds of the Commodity Credit Corporation shall not be used to pay any costs incurred for the processing, storage, transportation or distribution of the commodities or end-use products provided to entities submitting applications under this section prior to the delivery of such commodities or products to the State agency.

(b) REVIEW OF APPLICATIONS.—

(1) TIME OF REVIEW.—Not later than 60 days after the Secretary of Agriculture receives an application solicited under subsection (a), the Secretary shall approve or disapprove of such application.

(2) NOTICE OF DISAPPROVAL.—If the Secretary disapproves of the application submitted under subsection (a), the Secretary shall inform the applicant of the reasons for such disapproval.

(c) IMPLEMENTATION.—The solicitation required under subsection (a) shall be in addition to any other action the Secretary of Agriculture is authorized or required to take under any other provision of law to provide information regarding the availability of agriculture commodities for distribution under the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) or any other law.

Mr. DASCHLE. Mr. President, the second amendment I offer on behalf of myself, Senator CONRAD, and Senator BOSCHWITZ. Its purpose is to expand the assistance available to needy individuals who now benefit from the Temporary Emergency Food Assistance Program [TEFAP]. Several of my distinguished colleagues have already noted that USDA inventories have so declined in recent months that many basic commodities are no longer available for distribution through this important program. For instance, distributions of cheese, rice, and honey stopped 2 months ago. There are only limited quantities of nonfat dry milk, and their availability is determined on a month-to-month basis.

For this reason, the bill before us would strengthen the Temporary Emergency Food Assistance Program, by requiring the Secretary to purchase 145 million dollars' worth of high protein commodities for use by poor households. As I noted in my opening remarks, I consider this an important part of the bill. But even with this provision, the value of TEFAP distributions for the near future will be only a fraction of what they've been in the recent past.

My amendment would increase the use of Government surpluses in feeding the hungry by requiring the Secretary to make unprocessed commodities available to nonprofit organizations currently eligible under the Temporary Emergency Food Assistance Program. These groups could then process the raw commodities into food products for needy households. Under this amendment, the Secretary would be required to solicit applications for projects of this type and justify his decision on any application that is denied.

This amendment is exactly the same as one introduced on the House side by Representatives BYRON DORGAN, TIM JOHNSON, and TIM PENNY. It is based on a successful pilot project in Minnesota. In 1987, a nonprofit organization called the Tri-Valley Opportunity Council received a special allocation of 28,000 bushels of Durum wheat from USDA stocks and processed the wheat into pasta. That pasta is now being distributed to food banks in Minnesota and North Dakota, and the council has received requests from all over the country.

Efforts such as these are highly cost-effective ways of getting food to the hungry. All of the processing costs are paid by the recipient organization, while the U.S. Government saves the expense of storing any commodities that are used. The food products would be distributed by the States through the TEFAP distribution system that is already in place.

Given the budgetary constraints we now face, given the dwindling amounts of processed foodstuffs available for TEFAP, this is exactly the kind of creative, private effort we should try to encourage. It speaks directly to the tragic situation that we all decry: That we have millions of bushels of surplus crops in this country and still have people who are hungry or malnourished.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Is there a Senator in opposition to the amendment offered by the Senator from South Dakota?

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. BOSCHWITZ].

Mr. BOSCHWITZ. Mr. President, I rise today as a cosponsor of the amendment offered by Senator DASCHLE.

This amendment would require the Department of Agriculture to solicit applications for surplus commodities, if available, for distribution to organizations that will process these commodities into food products suitable for distribution through the Temporary Emergency Food Assistance Program, TEFAP. The organizations submitting applications for the commodities would be responsible for arranging for processing and distribution of the surplus commodities.

The Tri-Valley Opportunity Council, based in Crookston, MN, has received Durum wheat from the Department of Agriculture and has converted this wheat into pasta products for distribution to food banks throughout Minnesota and North Dakota. Last spring, Senator DURENBERGER and I contacted the Department of Agriculture in support of Tri-Valley's request for a donation of 27,500 bushels of Durum wheat to be processed into pasta products.

I have long believed that private sector efforts are an important component in helping alleviate hunger in our country and the Temporary Emergency Food Assistance Program is a good example. I will continue to lend my support to initiatives that encourage still greater public-private cooperation and interaction in reducing hunger and malnutrition in America.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I support the amendment of Senator DASCHLE to set up procedures for the processing of TEFAP commodities into a variety of useful food products. This provision has no Federal costs and should increase the variety of food distributed to needy families through TEFAP.

The drought coupled with shortages of several TEFAP commodities, such as cheese, rice and powdered milk, make it important to provide for increasing the variety of TEFAP food products.

Again, I just want to commend the Senator for his amendment. It is a great amendment. Basically, what it says is if the States want to take products and process them into usable commodities for the poor at their expense, they can do it, and they can be put right into the TEFAP Program, taking things like durum wheat and making it into pasta; taking flour and making it into bread. A lot of poor people may not have the cooking facilities and ability to handle the raw materials. The State could. I think it is a great addition to the bill.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, we support the distinguished Senator's amendment on our side, and we are prepared to yield back all time on our side.

Mr. DASCHLE. I yield back the time on my time.

The PRESIDING OFFICER. The question occurs on agreeing to the amendment.

The amendment (No. 2665) was agreed to.

Mr. HARKIN. I move to reconsider the vote by which the amendment was agreed to.

Mr. DASCHLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. Mr. BOSCHWITZ.

Mr. BOSCHWITZ. Will the distinguished minority manager of the bill yield me 4 minutes?

Mr. LUGAR. I will be happy to yield the distinguished Senator from Minnesota 4 minutes on the bill.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BOSCHWITZ. Mr. President, today I rise in support of the Hunger Prevention Act of 1988. I thank my colleagues on the Senate Agriculture Committee and their staff for their hard work in crafting this bipartisan nutrition legislation.

Back in 1983, I joined the Nutrition Subcommittee because of my growing concern over the problem of hunger and my interest in the ways the Federal Government can address that problem. I have been a strong supporter of Federal nutrition programs such as WIC, School Lunch, School Breakfast, and Food Stamps. These existing Federal nutrition programs have made a substantial contribution to reducing hunger in America. While they may not have relieved all hunger, they have surely gone a long way toward providing nutritious food for our poorest people. I also believe that the private sector has an important role to play in reducing hunger and malnutrition in our country.

With this bill, the members of the Agriculture Committee have once again developed nutrition legislation in a bipartisan fashion. The Hunger Prevention Act is a well-balanced package which makes improvements in the Food Stamp Program, the Temporary Emergency Food Assistance Program, TEFAP, other commodity programs, and child nutrition programs.

Earlier this year, I introduced the Nutritional Assistance Improvements Act. Senators DOLE, HEINZ, DURENBERGER, BOND, and MCCAIN supported me in this effort. The purpose of this particular bill was to indicate my priorities for nutrition legislation. A great deal of emphasis had been placed on including various food stamp provisions in the nutrition bill, and while I had no objection to including food stamp provisions in the bill, I wanted to broaden the scope of the discussions to include child nutrition programs and other commodity programs as well.

I am pleased that my colleagues supported several provisions from my bill and included them in the Hunger Prevention Act. The Hunger Prevention Act of 1988 has been prompted by the lack of commodities for the Temporary Emergency Food Assistance Program. TEFAP was begun by the Reagan administration in 1981, largely to reduce the huge stockpiles of commodities owned by the Government. Due to the success of TEFAP coupled with changes in farm policy to reduce Government-owned stocks, we have seen a dramatic decline in Government-owned commodities. This bill extends TEFAP for 2 years and requires USDA to purchase commodities for distribution through TEFAP.

There are several other provisions of the bill that I would like to address briefly. I am pleased with the provisions from my bill that requires the Department of Agriculture, USDA, to purchase commodities to be distributed to soup kitchens and other congregate meal sites that serve the homeless and needy. Another provision from my bill ensures that the Commodity Supplemental Food Program continues to receive cheese as a bonus commodity. Two new sites have just begun this year in Minnesota, and I have been a strong supporter of this efficient and effective program that serves women, children, and the elderly.

I felt that it was imperative to include child nutrition provisions in this nutrition package. I have long believed that the Federal Government has the responsibility to ensure that today's children grow up to be the healthy, strong leaders of tomorrow. The Hunger Prevention Act increases the reimbursement for the School Breakfast Program and provides reimbursement for an additional meal or snack for children who are cared for in child care centers for 8 hours or more. I had pushed for providing the additional reimbursement for day care homes as well as centers and was disappointed that it was not included in the final bill. I intend to push for this increase for day care homes when we work on reauthorizing child nutrition programs next year.

As a long time supporter of the WIC Program, I would certainly like to see additional funding for WIC along with this package. However, I realize WIC funding is an appropriations issue. This bill does include a couple provisions regarding the WIC Program. The bill ensures that WIC recipients who are homeless are not denied WIC benefits solely because they are homeless. While Minnesota has been doing a good job serving the homeless through WIC, we want to make sure other States do also. The bill also authorizes demonstration projects, setting up a pilot project in 10 States allowing WIC recipients to purchase fresh fruit and vegetables with coupons at farmers' markets.

Mr. President, again I emphasize my support for the Hunger Prevention Act and urge my colleagues to support this important legislation.

I yield the floor.

AMENDMENT NO. 2666

(Purpose: To provide that funds to be made available to purchase additional commodities under the additional commodities programs be reduced by an amount equal to the value of any surplus commodities donated to the Temporary Emergency Food Assistance Program and to soup kitchens by the Commodity Credit Corporation)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 2666.

Mr. GRAMM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, strike out lines 3 through 6, and insert in lieu thereof the following new subsection:

"(e) AMOUNTS.—

"(1) IN GENERAL.—During each of the fiscal years 1989 and 1990, the Secretary shall spend $145,000,000 to purchase, process and distribute additional commodities under this section.

"(2) LIMITATION.—

"(A) GENERAL RULE.—Amounts to be spent by the Secretary under paragraph (1) shall be reduced by an amount equal to the value of any surplus commodities donated to the Temporary Emergency Food Assistance Program by the Commodity Credit Corporation.

"(B) DETERMINATION OF AMOUNT OF REDUCTION.—The amount of any reduction required under subparagraph (A) shall be equal to the acquisition cost to the Commodity Credit Corporation in obtaining the donated surplus commodities, as determined by the Secretary.

"(C) REGULATIONS.—The Secretary shall promulgate regulations necessary to carry out this paragraph.

On page 19, line 14, insert after the period the following new sentences: "Amounts to be spent by the Secretary under this subsection shall be reduced by an amount equal to the value of any surplus commodities donated to States by the Commodity Credit Corporation. The amount of any reduction required under the preceding sentence shall be equal to the acquisition cost to the Commodity Credit Corporation. The amount of any reduction required under the preceding sentence shall be equal to the acquisition cost to the Commodity Credit Corporation is obtaining the donated surplus commodities, as determined by the Secretary.".

On page 21, strike lines 21 through line 9 on p. 22 and reletter the following sections accordingly.

Mr. GRAMM. Mr. President, this is a very simple amendment. I am a little surprised that the managers of the bill have not simply decided to take this amendment. Let me remind my colleagues how we came to this point in having a bill considered which is going to provide $185 million a year to buy commodities and to distribute those commodities to needy people.

Last year we recognized that we were depleting our CCC stocks of commodities. In fact, in the Senate budget resolution this year we had the following line:

The Senate Agriculture Committee is preparing legislation to respond to the imminent depletion of commodities in the Temporary Emergency Food Assistance Program.

The basic logic of this bill, Mr. President, is that we are running out of surplus commodities. These surplus commodities in a "temporary bill" have in the past been distributed to needy persons. We set up TEFAP to distribute these commodities, to pay for their distribution, to provide them to needy people. In the process we have reduced surplus stocks, doing the Lord's work twice: Once in giving food to people who need it, and again in getting all of this cheese that is simply deteriorating in some cave somewhere out to people who need it. It would be very hard for someone to object to that basic principle.

Now, Mr. President, we find ourselves in a position where we do not have all these surplus commodities sitting around. Our stocks have been reduced. So rather than this temporary program ending with the surpluses ending, we are now going to make it a new State entitlement program.

Now, Mr. President, we could debate the wisdom of this as we might want, but this amendment does not address this concept itself. It simply says this: We have $185 million that we are going to use. If during the period of time this bill is in effect it turns out we are wrong and there are surplus commodities, then take the surplus commodities, distribute them, and reduce the $185 million you are going to spend buying those commodities by the acquisition cost of the surplus.

Now, in case that is confusing to anybody, let me give you an example. Let us say it turns out, despite the fact we have this great mountain of cheese which we have bought and stored away somewhere to mold and to deteriorate, we are again buying a lot of this stuff; that, in fact, it is beginning to build back up in these huge piles of commodities. This bill mandates we spend $185 million, that we go out into the market and buy additional cheese, and that either we leave the cheese that is bought under the commodity programs there deteriorating or we give that cheese away in addition to the $185 million.

Now, Mr. President, all my amendment does is try to guarantee we do what the Senate said it was going to do when this particular bill was budgeted in the budget resolution. When the bill was budgeted, we said we were depleting our stocks and therefore we were going to go out and spend money to buy commodities and then give the commodities away, to substitute for the stocks that have been depleted and therefore cannot be distributed. But, Mr. President, if the stocks turn out to be available, does not wisdom dictate that we take that cheese and give it away rather than go out and buy other cheese to give away?

If we submit this amendment to 100 Americans drawn at random from any other part of our society other than our asylums, I think this amendment would be broadly supported. So I urge my colleagues to vote for this amendment, to assure that we do what we claimed we were going to do. That we are going to provide $185 million worth of commodities to poor people in America, but if we have the commodities in surplus, rather than going out and buying them twice, we simply are going to use what we have in surplus, and charge it against the $185 million, which, after all, we are providing because of imminent depletion of our commodities. But if the taxpayer is buying commodities and putting them in storage under another program, we cannot make the people who do the work, pay the taxes and pull the wagon pay for everything twice.

I hope my colleagues will see the wisdom of this amendment and adopt it. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Vermont, the chairman of the committee, controls 20 minutes in opposition.

Mr. LEAHY. Does the Senator from Montana want part of my 20 minutes? I will be glad to yield.

Mr. MELCHER. I will be delighted to use 5 minutes of the time.

Mr. LEAHY. I yield 5 minutes to the Senator from Montana.

Mr. MELCHER. I thank the distinguished Senator.

Perhaps what the author of the amendment, the distinguished Senator from Texas, missed is that this provision does not mean that if you have cheese available you buy more cheese. If cheese is in surplus, it will be used in the TEFAP Program for distribution to the needy.

There are 15 million Americans who participate in the TEFAP Program. What the bill tries to do, very wisely and prudently, is to provide an extra $145 million for the purchase of commodities that could be utilized in the TEFAP Program. It need not be cheese. It can be other nutritious foods—high-protein foods to be distributed to these needy families, and to be distributed to the elderly who participate in the TEFAP Program.

Let us put this in perspective. Of the 15 million people throughout the 49 States and the District of Columbia who participate annually in the TEFAP Program, getting food assistance once a month, sometimes only once every other month, nearly 40 percent are elderly.

One might add: Why do they not use food stamps? Many of the elderly do not participate in the Food Stamp Program, or if they do, the amounts are so meager that they can use additional food in order to have nutritious diets. The reason, however, that many of the elderly do not participate in the Food Stamp Program is that they believe they lose dignity by using food stamps.

Of the 15 million people using TEFAP nearly half are poor families with children. Children need the additional food, solid, nutritious food for their proper development. TEFAP helps those families and helps those children.

The Senator from Texas would, with his amendment, deny portions of the bill, $145 million, to augment the food supplies that are distributed in communities through TEFAP.

Let me say this: Of the means of supplying additional nutritious food to hungry people in this country, one of those is TEFAP. It is community based. It has run very smoothly over the past 5 years. Over one-half billion dollars' worth of commodities per year have been distributed to these families, and to these elderly people. I think it is one of the most successful programs we have had to provide nutrition for hungry people, and hunger, remember, in this country should not exist. This is a land of plenty. It is a land of abundant food supply. Surely none of us want to deny to any of the needy people that use TEFAP the opportunity for this meager food supply, and meager helping hand that they get through TEFAP. Divided up among 15 million people, 145 million dollars' worth of additional food commodities, good nutritious food, amounts to roughly $10 per person per year. The need is there. TEFAP helps them meet that need.

In the land of America, with all of our abundant food supplies, this is a nutrition program that is working. This additional $145 million per year is a means of augmenting TEFAP and making it work better. I hope the amendment by the Senator from Texas is defeated.

Mr. President, today we consider a vital piece of legislation, the Hunger Prevention Act of 1988. The condition of "hunger" does not need to exist in an America of food abundance. We have plenty of food for the needs of all Americans.

TEFAP, the Temporary Emergency Food Assistance Program fights hunger directly. It gets surplus food, some of it high protein, in the quickest way possible every month to the folks who need it.

If TEFAP is going to continue to fight hunger for the next 2 years, those needy people have to be assured the commodities will keep coming; 15 million people throughout the country participate in their own communities.

Who are the needy people?

Nearly 40 percent are elderly. Other food assistance programs are not tailored to fit their particular situation, yet their need for a nutritionally balanced diet is acute.

Nearly 50 percent of those 15 million Americans are families with children. Nutritious foods are key to their overall development. These children are hungry. TEFAP helps them.

And Mr. President, 75 percent of TEFAP users are at or below Federal poverty guidelines. Yes TEFAP targets our help with foods we produce in abundance.

To those who lack purchasing power to have adequate nutrition, TEFAP, says, "yes" we'll help out. TEFAP is a lifeline, a bridge. It is a helping hand. States with large rural populations have now successfully begun to reach the neediest through TEFAP. And for urban areas, TEFAP serves to coordinate and facilitate a neighborhood food donations.

Effective—yes Mr. President, and efficient. Please try and imagine this: Take $50 million administrative funds, huge storehouses of commodities—to that add a State and Federal partnership, assist with local organizational spirit and volunteers and you get—the completed product—food to the needy. That is a recipe of success, urgently needed and quickly delivered.

This summer, we are facing the worst drought in decades. As prices of foods go up, the market basket of food costs more. The need for TEFAP will be even greater and we must hold the line on TEFAP. We cannot afford to slip even further in our commitment to the truly hungry.

Surplus dairy stocks are being drawn down. Just $122 million of surplus cornmeal, flour and butter will be delivered to TEFAP recipients in 1989. With the $145 million of high protein commodities purchased for TEFAP, the level will reach some $270 million. In 1987 more than $800 million surplus commodities were delivered—the level proposed in this bill is not one-half of former levels, but one-third.

This is not excessive, it is a bare bones minimum that we can do to ensure this program continues, and that its participants have some nutritious foods.

Mr. President, the Temporary Emergency Food Assistance Program has delivered over 5 billion pounds of surplus commodities in the past 5 years to 20,000 sites in 49 States and the District of Columbia. It remains a program whose urgency is even greater in 1988.

In closing, I want to emphasize that the budget provides for these additional monies for nutritional asssitance. And, If you reduce the TEFAP spending provisions of this bill, then you deprive its participants of the very basic nutrition necessary for sustenance.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I yield myself 5 minutes.

I commend the Senator from Montana for what he said. And I wholeheartedly agree. Let us be realistic about what we have. The TEFAP purchase is just for the next 2 years. We are talking about a 2-year amendment. We are not talking about the next 10 years, or the next 20 years of good harvest or bad harvest. We are in the middle of a very serious drought. Let us understand what the distinguished Senator from Texas is doing. His amendment kills the TEFAP Program—effectively kills it. It is what I would call the let them eat flour and cornmeal amendment.

We began this bill partly because TEFAP was running out of high protein foods—running out of cheese and powdered milk. Those are the foods that the recipients want and need the most. This Gramm amendment says that for each dollar's worth of commodities donated to the TEFAP Program, that the Department cannot buy a dollar's worth of high protein food. They will be giving away surplus flour next year. They will give away cornmeal. They will give away some butter. Millions of dollars' worth of flour, cornmeal and butter. But not too many of us here in the Senate would want to live on flour, cornmeal and butter. Instead of providing tuna fish, canned meats, peanut butter, or other high protein foods plus the flour, cornmeal and butter, families are going to get just flour, cornmeal and butter. That is really not enough. Under our bill that family gets the tuna fish, flour, cornmeal, peanut butter, and so on. When you stop to think that we are looking at a way of getting protein into people's diet that is why we have this bill before us. Almost 50 percent of TEFAP families have children, and almost 40 percent of TEFAP families are headed by elderly persons. The commodities they are going to get ought to be augmented with some high protein foods.

TEFAP has become a vital lifeline to these 15 million Americans of which Senator MELCHER has referred. This lifeline to 15 million Americans per month must be extended. The amendment before the Senate would cut that lifeline, would leave them without that lifeline, and would leave them without the support that we are trying to provide. I do not think we can turn our back on those people. We cannot turn our back on families that are made up 50 percent of children, and 40 percent headed by elderly persons.

Mr. President, this is extremely important. This goes way beyond just numbers and statistics on a chart. I have visited these TEFAP centers. I have been to them in rural areas, and I have been to them in urban areas. I am willing to say right now I could go into any State in the Union, any State represented in this Chamber, whether I have ever been there or not, and find within a very short time serious hunger, and hunger that could be alleviated by the TEFAP Program. We all have hunger in our States. We know that. Let us not, with the amounts of money that we have kept within the budget limitations, stop food from getting to those people.

Mr. President, I reserve the remainder of my time.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I am a little bit amazed by these arguments I am hearing because they are awfully wonderful, but they do not have anything to do with the issues before us. I remind my colleagues that when this program was budgeted nobody talked about adding a new program. I think what we are seeing here is the old classic bait-and-switch tactic. When the budget resolution was adopted, the language said that this program was in response to the imminent depletion of commodities. That in fact we have had all of these surpluses which are paid for by taxpayers, and we have very wisely gone out and given those surpluses to people who were hungry. Nobody here is objecting to that program.

What my amendment simply says is if the purpose of the $185 million was to buy commodities where they do not exist in surplus and distribute them to people who are in need, if in fact the commodities are in surplus, why should we go out in competition with consumers and buy more commodities to give away? That is what my amendment is about.

So no one argued when this was budgeted that this was an augmentation program to be in addition to a surplus distribution program. This was supposed to be a substitute. What I am saying is if it is supposed to be a substitute, then if the butter is available, do not make the taxpayer go out and buy more butter just to give away. Give the butter the taxpayer already bought away.

As far as all of the discussion about the poor and the needy, let me remind my colleagues that we are not talking about the only nutrition program in America. One out of every five Americans receive some form of Federal food help. We are not talking about a great miserly nation allowing people to starve. We are talking about the most generous nation on Earth.

Quite frankly, I think these programs are a poor substitute for what I would call an American nutrition program. That is an economy so strong that people will go to work, earn a paycheck, go to the grocery store and put groceries on the kitchen table. If this is a substitute for that, it is a very poor substitute. We are not talking about the only nutrition program in America when one out of every five people in America is getting some form of food assistance. What we are talking about is a program that was supposed to be substituting for the fact that surplus commodities were being used up—which is a blessing in itself since we were paying big money to store these commodities.

All my amendment says is if these products are in surplus, use them. If they are not in surplus, go out and buy them. But there is an alien argument that we are hearing for the first time when people talk about augmentation—that we'll use the surplus, and we'll spend the money that we are providing because the surplus is going away. I have never heard this argument before. I do not think it makes any sense.

All my amendment says is that if you have the commodity in surplus, give it away. Do not go out and buy it the second time. I cannot understand the logic of being opposed to that.

Mr. President, I reserve the remainder of my time.

Mr. HARKIN. Mr. President, will the Senator yield me 3 minutes?

Mr. LEAHY. First, I yield myself 1 minute.

Mr. President, this is obviously not an augmentation. We have gone from the billion dollar per year TEFAP Program to something considerably less. We are not going to go out and buy food already in surplus to hand out. We are looking for those kinds of high-protein foods that can be distributed to supplement the flour, cornmeal and butter.

The suggestion is made that the obvious alternative to TEFAP is to go out and get a job. Well, I think most people I have met in TEFAP centers would like to do that, but jobs are not always available to the elderly, the disabled and to children.

I suggest that Senators who may feel that there is no need for TEFAP should take a day or so and go around to some of those TEFAP centers and see the people who receive the food. They might have an entirely different view. The suggestion is made that they can simply go to work and buy the food. Tell that to a 3- or 4-year-old child, to an elderly handicapped person, to a typical TEFAP recipient: "Go get a job. We can't afford to feed you in this country."

I yield 4 minutes to the Senator from Iowa.

Mr. **HARKIN**. I thank the Senator for yielding to me to respond to the Senator from Texas.

Mr. President, I remind the Senator from Texas, as the distinguished chairman did, that this is a program on which we spent over $1 billion a year the last 4 years because of the hugh surplus commodities we had and now do not have. That is No. 1.

No. 2, the Senator from Texas had three amendments, and this is one of them. I looked at those amendments and, frankly, those amendments are designed, each of them, to kill this bill. One is designed to kill it next week, one is designed to kill it next month, and this amendment is designed to kill it next year.

The Senator from Texas makes an interesting argument. He said that if we give out surplus commodities then we have to reduce the $145 million we have in here by whatever the value of those commodities is. That is what the Senator says his amendment does, and on the surface it sounds reasonably plausible. But you have to look behind it.

If you think that all foods are equal, then I suggest you might want to support the amendment of the Senator from Texas. If you think a Twinkie is equal to a hamburger, support the amendment. I call this the Twinkie amendment because the Senator from Texas does not mention cheese as a surplus commodity. He uses the words "any surplus commodity."

So if the TEFAP Program gives out butter and gives out flour, then we have to reduce the $145 million by that amount. If you think a stick of butter is equal to a stick of peanut butter, or if you think a pound of butter is equal to a pound of chicken or tuna fish or hamburger or red meat, you might want to support the amendment of the Senator.

I am surprised that anyone would think all foods are equal. They are not. Of course, we have some surplus commodities. If the Senator wants to attack the surplus commodity program of the farm bill, please do so. But we have surpluses now of butter, some of flour, some of cornmeal, and a few other things. But the high-protein commodities, we do not have, and the drought will make things even worse on the poor.

So, really, what the Senator is saying is his amendment is not that we reduce dollar for dollar the amount of high-protein food we give out. He did not draft his amendment that way. Maybe that is what he intended, but the amendment before us does not say that. It says "any surplus commodity." If they give out butter, they cannot buy chicken or peanut butter, high-protein foods that the poor need.

As I read the amendment, it says, basically, let the poor eat butter. Let them have all the butter they want. They can have butter for breakfast, they can have butter for lunch, and they can have butter for dinner. They can sleep with butter.

I can tell you right now that this is not going to help them any. They also need high-protein food. The Senator says that one out of five Americans receives food assistance. That is true. I do not take that as a badge of pride.

The TEFAP amendment has filled a void, a need. Those commodities are gone, and we need to fill that with this bill. Do not be fooled by the argument that we are buying it twice, as the Senator said—that we are buying it as surplus commodities and buying it again. We are going to spend $145 million to buy high-protein food to supplement the others.

Does the Senator from Texas want to throw those surplus commodities away? Why not give them away to the people who need them?

Mr. **GRAMM**. Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER**. The Senator has 10 minutes remaining.

Mr. **GRAMM**. Mr. President, first of all, to my knowledge, we do not have any Twinkies in surplus stock. Is the Senator suggesting that we have Twinkies in our surplus commodity program? I am not aware that they are available.

He talks about hamburger instead of Twinkies. We bought $400 million worth of hamburger to try to offset the whole-herd buyout, which was a crazy program instituted by Congress that decimated the beef cattle business. What did we do with the $400 million? We used it in our subsidy programs. We just bought another $50 million of beef to offset the effects of the drought and are using that in our subsidy programs and our lunches, and that is good. Nobody is suggesting that we buy Twinkies instead of hamburger. We never bought Twinkies, so far as I know. We bought a lot of hamburger, and I support that.

We hear the argument that the stocks are not available. If they are not available, then this amendment is no problem. What this amendment says, very simply, is this: The whole idea behind this program is the argument that we have these big surpluses. We were going to give them away. Now we have tended to eliminate those surpluses. So the people who were getting the cheese and the butter are now going to find it not available, so we now are going to go out and spend $185 million buying it and giving it to the needy.

My point is this: If the commodities are available in surplus, then take the commodities out of the CCC and give it to them and reduce the $185 million by the amount we paid for those commodities. In fact, as I understood it, in reading the mandate in the budget, that is exactly what this program was supposed to do. It was supposed to respond to the imminent depletion of commodities. All I am saying is if commodities are not being depleted, let us deplete the commodities instead of depleting the pockets of the taxpayers.

Finally, I think it is perfectly reasonable to be for this program, if we thought the commodity distribution program was indispensable. I supported the distribution program because we had the commodities there, wasting, and I thought giving it to people made good sense.

Let us not think this is the only program. One out of five Americans is getting benefit under our food programs. This is a program that was supposed to offset the depletion of commodities. My amendment says if the commodities are not depleted, deplete them before you deplete the pockets of the working men and women of America. Do not go out and buy butter when you have butter in mounds somewhere. Give them butter that the taxpayers already paid for. Do not buy new butter.

So far as this being a killer amendment is concerned, I do not see it. I think this is a taxpayer protection amendment.

Finally, in terms of going to TEFAP centers, I have been to TEFAP centers. In fact, I have spoken at TEFAP centers. I got the Campbell Soup Co., to deliver a whole semitrailer truck full of soup to a food kitchen in Port Arthur, TX. It was a good program they had underway, and I got free enterprise to participate in it.

So the question here is not some debate which the opponents of this amendment would like to create between people who have a heart and are so generous, who give away somebody else's money and not their own, and someone who does not want to give anything away.

My amendment simply says if you have the surplus commodity, give it away first; do not go out and buy butter if you have already bought butter and have it in surplus. Give away what you bought first.

If in fact you have enough in surplus to provide the $185 million, then the reason for this program no longer exists because it was to deal with the "imminent depletion." I assume we were not trying to create another program here; we were simply making up for the depletion of resources.

I am saying let us deplete those resources before we go out and buy them a second time.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, may I ask my colleague for 5 minutes on the bill?

Mr. LEAHY. I yield 5 minutes to the distinguished Senator from Indiana.

Mr. LUGAR. Mr. President, I have no quarrel with my distinguished colleague from Texas about his interest in nutrition and his interest in the TEFAP Program in particular.

I believe he testifies correctly that he has manifested very considerable and diligent interest in the problems of nutrition for the poor.

I suppose my argument against his amendment comes down to the fact that the use of the words, the use of language in this argument may be confusing to all of us, including, conceivably, my colleague from Texas.

For example, he says if the surplus stocks are not available, then there is no problem in the situation. If the commodities are available, we ought to use them. That makes good sense.

The problem is that the word "commodities" covers a lot of different food items and, as some of my colleagues have pointed out during this debate, there are indeed some commodities that will remain in surplus as best we can tell, specifically corn meal, wheat flour, and butter. There appears to be an adequate supply of each of these three items.

There are not adequate supplies of other items, rice, cheese, nonfat dry milk, and honey. These are items which have been a part of the TEFAP Program, a part of a balanced diet for poor people who use the program.

It seems to me there are two essential questions that colleagues must answer in trying to address this amendment. Both have been raised by the distinguished Senator from Texas.

First of all, he points out there are many programs that help needy Americans; maybe as many as 20 percent of Americans are benefited in some way. So he suggests this is one of many programs. That is true in a way.

But I would submit, Mr. President, those we intend to help have very special characteristics. We have tried to define those in introducing the bill. We are dealing with people who are desperate, who have a sense not only of not knowing where to go and do not have prospects for employment, have very heavy obligations, have dependent children, are homeless. They might be counseled and the bill in fact calls and USDA required and we accepted the idea, that 35 percent of persons in the Food Stamp Program must participate in employment and training programs. There is a movement toward child care so that persons can take advantage of these programs and find a job. At the same time this bill progresses the whole state of the art in terms of new hope through jobs and through child care associated with seeking jobs and training for jobs.

Mr. President, second it seems to me to be unfortunate to suggest that all commodities are equivalent. I do not think that is an accurate idea with regard to diet, with regard to human need, with regard to the nutrition aspect of this situation.

So Senators will have to guage how reasonable that definition of commodities is. I think it is unreasonable and, therefore, I will oppose the amendment.

I would suggest beyond that that the Senator has some merit in the thought that it is not only a question of surplus but about the $145 million which is going to be spent on TEFAP. It is an additional $145 million in addition to the surplus of butter, flour and cornmeal that remains. And that is a fairly modest amount, Mr. President, as some colleagues have pointed out, and I have the figures here in front of me.

In the TEFAP Program in the last 3 fiscal years we spent $720 million, $814 million, and it declined to $523 million fiscal year 1988. By all definitions it is going to decline to $145 million plus whatever the value may be of the wheat flour, cornmeal, and the butter that will be distributed next year and that estimate at best is $121 million.

The PRESIDING OFFICER (Ms. MIKULSKI) The Senator's time has expired.

Mr. LUGAR. I thank the Chair.

Mr. LEAHY. Madam President, I hope that people understand that if they vote for the Gramm amendment, they, in fact, kill the TEFAP Program. They can vote against it and provide tuna fish and canned meat, peanut butter, high-protein foods that would not be available to the recipient.

I urge Senators however they vote that they spend some time in the TEFAP kitchen and see hundreds and thousands of volunteers around working to get food so that everyone will have to admit are the people who need it the most. We ought to fulfill that commitment also to the volunteers who are providing the food.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I wonder if the distinguished chairman will just yield.

Mr. LEAHY. I do not think I have time remaining.

The PRESIDING OFFICER. The Senator has 9 seconds.

Mr. LEAHY. The Senator could ask unanimous consent for some additional time.

Mr. GRAMM. Reserving the right to object, Madam President, will 2 minutes be added to this side as well?

Mr. LEAHY. I have no objection to that, Madam, President.

The PRESIDING OFFICER. Without objection, the request of the Senator from Iowa is granted.

Mr. HARKIN. I thank my colleague.

I want to read the exact language from the Senator's amendment. It said that this money, this $145 million shall be reduced by an amount equal to the value of any surplus commodities donated to TEFAP by CCC, any surplus commodities.

We are not going to go out and buy butter if we are giving butter away. That is ridiculous. The bill says specifically the money has to be used to buy high-protein food.

Again I say, as to this amendment, if you believe butter is equal to tuna fish or peanut butter, I suppose you could vote for it but that is not true.

Sure, what the bill says is we give away butter but use the money provided in the bill to go out and buy high-protein food to supplement the diets of poor people.

So the Senator's mentioning that we are going to buy butter—"do not buy butter until you give it away," are his words—that is going to happen. We are going to give away the surplus butter but use the money to go out and buy tuna fish, hamburger, or cheese or other high-protein foods like that.

I just want to make that point one more time, that the Senator does not use a specific commodity. He says any surplus commodities. So if we give away butter we cannot go out and buy other high-protein foods. That is really what is so onerous about this amendment.

I yield back the time.

Mr. GRAMM. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Texas has 7 minutes and about 20 seconds.

Mr. GRAMM. Madam President, first of all, we never bought any tuna fish under the TEFAP Program. That program is about commodities. It is not about fish products, canned tuna fish.

We, by the taxpayer, provide nutrition benefits to one out of every five Americans. I am not aware that TEFAP ever provided any tuna fish anywhere.

Madam President, I would have to say, and I want to be sure that I am kind to everybody, but I do not think it is fair to say this amendment kills this bill. I think that basically shows that people do not want to debate this issue. I would have to say, as I have said on many occasions, when you give away taxpayer money that does not tell us a lot about how generous and caring you are. It is when you give away your own money that you tell us how generous and caring you are, not when you give away someone else's money.

I am not willing to take a backseat to anybody in caring about the poor and needy in our society.

But to say this somehow kills this bill is simply not true. All this amendment is trying to do is to try to bring us back to where we were in this program.

I remind my colleagues—and it seems to me that many would like to forget it—that the whole purpose of the bill before us was a recognition last year that we face the imminent depletion of commodities. Tuna fish was not among those commodities. So arguing about tuna fish versus butter is interesting. I assume there are some people who like tuna fish or it would not have been mentioned over and over, but that is not relevant to the discussion we are having today.

If we are debating fishing treaties or something like that, it is relevant, but it is not relevant to surplus commodities.

Now, Madam President, basically the whole purpose of this bill, as it says very clearly in the budget, was to respond to imminent depletion of commodities. The commodities are not there and so we are going to go out and spend money to buy the commodities and give the commodities away.

All I am trying to do is to say if the commodities are there, if we do have butter in surplus and cornmeal in surplus and flour in surplus, let us not spend money going out and buying butter in order to give it away when we have already bought butter and have it in surplus.

As I listened to this, there are only two things that come through to me that could make any sense about the arguments of the opponents. One is they really do not want to do what they claim to be doing. They do not want to substitute for the old program that is no longer operational because we do not have surpluses. They want to continue to distribute the surpluses and they want to create a new $185 million program.

But that is not what we claimed we were going to do when the budget was adopted.

Second, maybe there are people who just want to buy commodities. But again I ask my colleagues if we have butter in surplus, should we not distribute that butter rather than spending $128 million to buy new butter and give that butter away?

So, Madam President, I think the amendment makes perfectly good sense. I do not think it kills the bill. I think it just simply makes the bill comply to what we claim we are going to be doing, and I urge my colleagues to vote for the amendment.

I understand time on the opposition side has expired. I will yield back the remainder of my time and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired or been yielded back, the question is on agreeing to the amendment of the Senator from Texas [Mr. GRAMM]. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Nebraska [Mr. KARNES], the Senator from Alaska [Mr. STEVENS], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. WEICKER] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 14, nays 81, as follows:

[Rollcall Vote No. 256 Leg.]

YEAS—14

Bond
Garn
Gramm
Hatch
Hecht
Helms
Humphrey
McClure
Murkowski
Nickles
Rudman
Symms
Thurmond
Wallop

NAYS—81

Adams
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Grassley
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Trible
Warner
Wilson
Wirth

NOT VOTING—5

Armstrong
Biden
Karnes
Stevens
Weicker

So the amendment (No. 2666) was rejected.

Mr. LEAHY. Madam President, I move to reconsider the vote by which the amendment was rejected.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Madam President, I have been advised by the distinguished Senator from Texas that the other two amendments that he had unanimous consent to bring up are not going to be brought up. I mention that especially for the benefit of the distinguished majority leader and others who have to run this place.

Madam President, I yield to the distinguished Senator from Indiana.

AMENDMENT NO. 2667

(Purpose: To require that certain funds provided to States under the Temporary Emergency Food Assistance Act of 1983 be used to provide information to recipients of commodities under such Act concerning the storage and preparation of such commodities)

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, I send an amendment to the desk on behalf of Senator GRASSLEY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR], for Mr. GRASSLEY, proposes an amendment numbered 2667.

Mr. LUGAR. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, line 3, insert before the period the following: ", and that provides information to such persons concerning the appropriate storage and preparation of such commodities".

Mr. LUGAR. Madam President, on behalf of Senator GRASSLEY I rise to offer an amendment to a portion of this bill dealing with TEFAP. On behalf of Senator GRASSLEY, I will read his statement into the RECORD. I am pleased to announce that Senator LEAHY, the distinguished chairman of the committee, joins me as a cosponsor.

This amendment will simply provide recipients of TEFAP commodities with information allowing them to receive the most nutritional benefit from commodities. It provides that a portion of the TEFAP funds be used for information about food stamps which will also be used for information on the commodities. It provides that a portion of the TEFAP funds used for information about food stamps will also be used for information on the commodities.

It has been brought to our attention on numerous occasions that recipients of surplus commodities are not always able to make the best use of the food they receive. They frequently lack sufficient information about how to appropriately store the food or how to easily prepare it.

Some community action agencies and State human services agencies already make available such information to recipients. It is my intent that the models of these agencies will serve as examples to other agencies for initiating this program. This amendment will provide new resources to these agencies to develop and distribute this information.

The bill authorizes 3 percent of administrative funds for the purpose of providing information and referral to persons who need ongoing nutritional programs, such as provided by food stamps and WIC. According to my amendment, a portion of the 3 percent for administration will be used to inform TEFAP recipients about ways to cook the food and store the food so that it tastes good to their families, lasts longer in their cupboards, and provides the maximum nutritional benefit.

I know of no opposition on this side of the aisle.

The PRESIDING OFFICER. The Senate is not in order.

Mr. LEAHY. The Senate is not in order.

The PRESIDING OFFICER. The Senate will not proceed until other Senators withhold their conversation. There will only be one speaker on the floor of the Senate. The Senator from Indiana has the floor.

Mr. LUGAR. Madam President, I thank the Chair.

I know of no opposition on this side of the aisle to the amendment. I am prepared to yield back all time on our side.

Mr. LEAHY. I yield back all time on our side. The amendment is perfectly acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2667) was agreed to.

Mr. LUGAR. I move to reconsider the vote by which the amendment was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TREATMENT OF FOSTER CARE AND ADOPTION ASSISTANCE

Mr. BOND. Madam President, when the Senate Agriculture Committee was considering this legislation, I was prepared to offer an amendment to change the treatment of foster care and adoption assistance payments when computing food stamp eligibility. However, I was convinced by members of the committee to hold off for the time being.

As Chairman LEAHY knows, I believe that we should do everything we can to ensure that families are willing to adopt, to participate in foster care. Excluding foster care and adoption assistance income when determining eligibility for food stamps is certainly one large step we can take.

However, it now appears that the courts may take care of the problem for us. The U.S. Circuit Court of Appeals for the Second Circuit very recently struck down aspects of the U.S. Department of Agriculture's regulations on the treatment of foster care payments as income for food stamp purposes.

Also, two other courts have struck down aspects of the Department's regulations which count foster care payments as income and which include the foster child in the food stamp household.

In light of these losses in court I would urge the Department to reconsider its policy of making it difficult for families to take in foster children or children to be adopted. I would like to hear from the chairman of the committee for his views on this subject.

Mr. LEAHY. I thank the Senator from Missouri for his remarks on this issue and, as I stated at full committee markup, I am also concerned about the Department's treatment of foster care and adoption assistance income and urge the Department to reconsider its position in light of these court opinions.

Mr. BOND. Madam President, I would also like to thank the chairman for his remarks and also note that I will continue to monitor this policy in hopes that the treatment of foster care and adoption assistance payments will be amended in all States. I would hope the chairman would join me in that effort if needed.

Mr. LEAHY. I share your concerns and would be pleased to look into this matter further in terms of the need for future legislation.

Mr. BREAUX. Madam President, it is difficult to understand why, despite the fact that the United States of America is one of the richest nations in the world, an estimated 20 million Americans—as many as one of every 12 of our citizens—go hungry for some portion of each month. And why, in the middle of what has been called the longest peacetime expansion since World War II, we have seen a substantial growth in that portion of the U.S. population that lives below the poverty line. In recognition of this condition, we included a substantial increase in funding for nutrition programs in the budget resolution for 1989. S. 2560, the Hunger Prevention Act, is a balanced and proper way of using this money.

Madam President, I am a cosponsor of S. 2560 and would like to take this opportunity to discuss some of the highlights of the bill. We would be reauthorizing the Temporary Emergency Food Assistance Program, known as TEFAP, for 2 years. We would increase the basic food stamp benefit by a moderate amount and devote additional resources to certain child nutrition programs. We would institute a number of improvements in the way food stamp eligibility is determined and in which food stamps are made available to recipients. These changes are long overdue.

TEFAP was started in 1983 as a way of reducing government-held surplus stocks of commodities by distributing them to the poor. As its title suggests, this program was originally supposed to be temporary. However, many individuals and hunger programs have become dependent on the direct food assistance it provides. TEFAP has spurred the development of networks of nonprofit organizations that efficiently and thoroughly get food to the poor. The Federal Government could not, without the expenditure of vast sums of money, duplicate the level of manpower and the dedication that has been built into these networks. If these organizations lose access to TEFAP commodities, we could lose the networks.

The State of Louisiana has distributed nearly 80 million pounds of USDA commodities since 1984. A major portion of those commodities were provided through TEFAP. Each distribution reaches about 208,800 households or 641,343 individuals. In May, because of decreases in the amount of available TEFAP commodities, Louisiana estimated that 40 percent of low income individuals who have received direct food assistance in the past would not get any in July. My home State is going through very tough economic times and is seeing some of the highest unemployment in the country. In 1985, Louisiana had a poverty rate of 18.1 percent, making it one of the poorest States in the country. Since that time, conditions have not gotten much better and families in the State of Louisiana need the food that they get from TEFAP.

The Food Stamp Program is the subject of recurring debate in this body and we have all heard the stories of mothers who will not use food stamps in a grocery store near their home for fear that their friends will know. We have also heard of families that refuse to take advantage of the food stamp benefits that they may be eligible for out of fear of being slapped with the stigma of a welfare queen or drain on society. TEFAP does not carry this stigma—many families and individuals, especially senior citizens, will use TEFAP to supplement their meager diets when they refuse to apply for or use their food stamp benefits.

The legislation we are considering would also boost the basic food stamp benefit over the next 3 years until it is equal to 80 percent of the low cost food plan, as it was in the mid-1970's. Current benefits are based on a USDA minimum plan that provides at most 81 cents per person, per meal for a four person family. A family of four that is receiving the maximum food stamp allotment would see an increase of about $5 per month, which comes to about six more meals. Hopefully, this way, we will see fewer families going hungry on the 28th, 29th, 30th, and 31st of each month.

We are also making a few changes in the way food stamp eligibility is determined. A recent study of two States by the General Accounting Office showed that the error rate for the improper termination or denial of food stamp benefits could be as high as 20 percent. Food stamps are supposed to be the first line of defense against hunger in the United States. Still, only about 60 percent of the 32 million people that live in poverty in this country today are getting food stamps. We are providing additional funds, to be matched by the States, for outreach activities that will let people know of their eligibility and how to go about getting food stamps. We would change the definition of a household for the purpose of food stamp eligibility to prevent families from losing their benefits when they are forced for financial reasons to move in with their parents or brother or sister.

Finally, Madam President, we are taking steps to improve the nutritional assistance that goes to our children. Here we are expanding the Child Care Food Program by increasing the reimbursement to day care centers in low income areas where children are kept for more than 8 hours in a day. They would receive an additional meal or snack. We would also increase the reimbursement under the School Breakfast Program by 3 cents per meal. This does not sound like much, but it will assure higher quality and nutritional content in these children's morning meal, which has proven to be so important in children's development.

Madam President, there are plenty of other provisions in this bill that are worthy of note. All of them have bipartisan support in the Agriculture Committee and were introduced by Members from both sides of the aisle. We have a good bill here, one which will help the most vulnerable members of our society; namely, our children and one which will shore up the foundation of fragile poor and single parent households. I urge my colleagues to maintain the spirit of cooperation in which this necessary legislation was put together and join me in passing the Hunger Prevention Act of 1988.

Mr. CHILES. Madam President, some months ago we learned of the imminent depletion of cheese and other surplus food commodities distributed to low-income households through the Temporary Emergency Food Assistance Program-TEFAP. In a rich society where one-fifth of the children and about one-seventh of the total population live in poverty, this news served as a call to action. We could not allow a primary source of nutrition for the homeless and low-income people of this country to simply disappear. As chairman of the Budget Committee, I began working with other Senators, including the distinguished chairman of the Senate Agriculture Committee, Senator LEAHY, to find room for an expeditious and effective bipartisan response to the hunger crisis.

In a year when budgets are tight and many Government programs are forced to make sacrifices, a new anti-hunger initiative had to be crafted very carefully. The combination of last year's budget summit agreement and the Gramm-Rudman-Hollings deficit target for 1989 left us little room for maneuver. We had to define the most critical needs and target the funding to the neediest in the most cost-effective manner. The nutrition bill before us was drafted within these fiscal restraints but takes a great leap forward in meeting our moral obligation to the hungry and poor.

The initial 1989 budget proposal that I submitted to the Budget Committee in March included $500 million for the continuation of nutrition assistance when TEFAP food commodities run out. Funding would grow to $750 million in 1990 and 1991. These funds would be used for purchasing cheese and other commodities for distribution to low-income families and individuals. Other funds in my initial budget proposal would be used to increase food stamp benefits and make other improvements in the program.

Since these funds were considered to be entitlement spending, they were not counted within the discretionary spending caps of the budget summit agreement. However, as required, we made sure that this additional spending would keep the 1989 deficit below the GRH deficit target.

This nutrition assistance proposal in the budget resolution was approved on a strong bipartisan basis by the Senate Budget Committee and later by the full Senate. Nutrition funding then became one of the toughest issues during conference negotiations with the House. In fact, it was the very last issue worked out in the conference agreement.

The House-passed budget resolution had no provision for continued funding of nutrition assistance. Some House conferees were concerned about the Senate funding level for nutrition since the House-passed resolution had a smaller amount of unallocated entitlement authority that could be used for such purposes. I fought hard to keep as much of the $500 million of first-year funding as possible. I felt that this was not only a matter of representing the will of the Senate, which had endorsed nutrition funding on a strong bipartisan basis, but of the urgency which Congress needed to address the pending exhaustion of TEFAP commodities and the overall hunger problem.

The final conference agreement on the budget resolution provides about $1.7 billion in funding over 3 years for the continuation of nutrition assistance. In the first year, 1989, the conference report includes $275 million in function 600, income security, targeted specifically for nutrition. In the Senate, of the additional new funds available for new entitlement initiatives in function 950, we crosswalked $75 million to the Senate Agriculture Committee for nutritional aid.

Thus, a total of $350 million in new entitlement funds is provided in the final budget resolution for nutrition legislation in 1989. Additionally, the budget resolution assumes that $50 million in discretionary funds under the jurisdiction of the Appropriations Committee will be used to pay the administrative costs of TEFAP, as in current law.

In 1990, the budget resolution provides an additional $575 million of new entitlement authority for nutrition legislation. In 1991, a total of $594 million of new entitlement authority is available. Continuation of the $50 million per year for administrative costs is also assumed.

After budget negotiations over these funding levels were completed, the Senate Agriculture Committee began drafting legislation that would use the new entitlement authority in the most effective way. Outside nutrition experts and nutrition assistance workers were brought in to help fashion legislation that would have the most impact on the poor and hungry while staying within the budgetary constraints. The Agriculture Committee was forced to choose the most essential improvements to nutrition programs from a long list of options.

The nutrition bill we are now considering indicates to me that the Agriculture Committee made the right choices, while remaining within all the budgetary constraints. Of course, there is no single perfect approach to attacking the hunger problem in this country. Different people have different needs. The approach in this nutrition bill succeeds because it targets assistance to the needs of different groups: low-income people who need emergency food supplies; households that need direct cash assistance; the homeless who do not have cooking facilities; children who need meals at schools or child care centers to supplement their home diet.

The improvements in Federal nutrition policy in the Hunger Prevention Act targeted at the neediest are significant:

In response to the imminent depletion of surplus commodities, the bill provides $145 million in each of the next 2 years to TEFAP to purchase high protein commodities to be distributed to the poor and homeless.

The bill also provides $40 million per year to purchase commodities for distributions to soup kitchens and other congregate food centers that serve the homeless and others without cooking facilities.

Targeting these funds to TEFAP and soup kitchens was necessary to counteract the exhaustion of surplus food commodities. It was necessary to provide this additional nutrition assistance outside the Food Stamp Program since many impoverished people and TEFAP recipients do not receive food stamps.

The bill makes substantial improvements to the Food Stamp Program, a primary safety net program for poor families and individuals. The bill increases the basic level of benefits over each of the next 3 years by roughly $5 per month per household. By adjusting the formula used to calculate food stamp benefits for households, the bill will help relieve the plight of the many households whose benefits run out before the end of the month. The bill also attempts to reduce the administrative burden on food stamp recipients and administrators.

The bill makes substantial improvements in child nutrition programs by targeting food assistance increases to the School Breakfast Program, the Child Care Food Program, the Summer Food Program and the Commodity Supplemental Food Program.

While significantly enhancing the Federal Government's efforts in the area of nutrition assistance, this bill stays within the budgetary strictures. I commend the distinguished chairman of the Agriculture Committee, Senator LEAHY, and the ranking minority members, Senator LUGAR, for their efforts to complying with the funding limits set in the budget resolution while fashioning a very strong bill. I would also like to thank the distinguished ranking minority member of the Budget Committee, Senator DOMENICI, for his cooperation during this year's budget negotiations.

This nutrition bill is a reminder that the budget crisis need not serve as an impediment to critical legislative initiatives. With careful advanced planning during budget negotiations and coordination between Senators and their staffs during drafting of this legislation, we were able to make room for the improvements to our nutrition assistance programs included in this measure. Good policies, especially those that address the most basic requirements of the neediest in our society, need not fall victim to what may appear as an "insensitive" budget process. While we work to keep the deficit down, we are at the same time able to work to relieve the hardships of those who have not fully shared in our country's blessings.

Mr. SYMMS. Madam President, I do not want to minimize the hardship faced by the jobless, the homeless, or the children of the underprivileged. But we should not exaggerate those hardships in our effort to appear compassionate. When it comes to compassion, the Reagan administration can claim more than anything Congress has done.

Nationally, the jobless rate has dropped below the recessionary level at which President Reagan entered office. More Americans are working today than ever before. Every month, 300,000 new jobs are being created. No act of compassion could be greater than to give hard-working Americans a chance to make their own living.

We used to hear a lot about the "misery index," the unemployment rate plus the inflation rate. In 1980, the "misery index" was pushing 22 percent. Today it is less than half that—obviously many Americans are better off than they have been in quite a while.

As for hunger, if the problem is getting worse, it can't be because of a lack of Federal programs. Hardly any other part of the Federal budget has grown faster in recent years. If hunger has grown while Federal programs have grown, and this when the economy is doing better, then there must be something wrong with the Federal programs.

In the last 15 years, Federal spending to provide food assistance to the needy has increased 20 fold, from under $1 billion to more than $18 billion. We now have 13 different food assistance programs with a total of 70 million beneficiaries, some people are enrolled in more than one program.

A family of four can qualify for up to eight different programs simultaneously. Anyone with an income of 30 percent or less above the poverty line can qualify for food stamps. For other food aid programs, the cut-off level is $18,315 for a family of four. That's well above the average income for working Americans.

We provide free breakfasts, school lunches, home-delivered meals for the elderly and special food assistance for infants, pregnant women and many others. The bill before us would dramatically expand Federal food assistance even though it cannot claim to improve the nutrition of one single person.

I might note, Madam President, that the Secretary of Agriculture has, in a letter to the Senator from Vermont [Mr. LEAHY] stated that the U.S. Department of Agriculture "opposes this legislation." In a statement of administration policy, the Secretary, along with the Director of the Office of Management and Budget, declares that he will advise the President to veto this bill.

I, for one, will support that veto. The bill invites food stamp fraud and abuse by liberalizing the household definition. It increases school breakfast reimbursement rates farther above breakfast costs, expands upper and middle income Child Care Food Program meal subsidies, and abandons the Thrifty Food Plan as the basis of Food Stamp Program benefits.

Private voluntarism, Madam President, is by far a better way to address the problem of hunger. In my own State of Idaho, I helped found an organization known as Working Partners. In its first year, 1987, this group gathered nearly 93,000 pounds of voluntarily donated food. If these results were expanded nationwide, the outcome would be a food assistance outpouring three times the size of current Federal programs.

Madam President, I ask unanimous consent that the fourth edition of "Working Partners," December 1987, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WORKING PARTNERS STOCK SHELVES IN 1987

(Senator Steve Symms)

One year ago, a few Idahoans set out to find a private-sector solution to the problem of hunger in Idaho. Shortly thereafter, Working Partners was born.

Our goal for 1987 was to raise 7 tons of food statewide to help keep shelves full in the Salvation Army's food banks. To the surprise of everyone (especially us!), the goal was far surpassed.

Working Partners raised more than 92,000 pounds of food for Idaho's hungry in 1987.

In more than 30 events from Coeur d'Alene to Pocatello, thousands of people worked together at football games, fun runs, fairs, benefits, concerts and other functions collecting food for those a little less fortunate than most of us. And it happened because Idahoans in all seven regions of Working Partners rolled up their sleeves and joined with one another to help their neighbor.

It is a pleasure to join with the Idaho Republican Party and the Idaho Federation of Republican Women in thanking everyone for their time, resources and most of all for their spirit of selflessness. It was a classic example of a team effort among sponsors, organizers, volunteers, participants, donors and the media that made it all happen.

With 1987 setting the pace for Working Partners, we have a lot to look forward to in 1988. So let's roll up our sleeves again and dig in.

ORGANIZATION AND GOALS OF IDAHO'S WORKING PARTNERS

(By Al Henderson)

We have now wrapped up our first year of "Working Partners." It started as a dream program that fell into place due to the open and caring hearts of many Idahoans around the state. Equally important, though, were the leadership efforts displayed by many of you in all of Idaho's seven regions. Thank you again for your many hours of hard work. I assure you that it was noticed and definitely appreciated.

Our first year efforts have far surpassed our regional quotas of 2,000 lbs., which would be 14,000 lbs. for all of Idaho. Our actual poundage on December 31, 1987 was 92,919 lbs., almost 7 times more food for the hungry than we originally set as our first year goal. Congratulations to all of us for a job well done!

COMMENTS FROM THE REGIONAL CHAIRMEN

Patti Anne Lodge, Region 3:

Working Partners spirit is just beginning to develop in Canyon County. With the buds of enthusiasm come strong feelings of excitement as the Republicans show that they truly care about the less fortunate of our communities. This Working Partners program is the best thing that has happened to the GOP in Canyon County. Other worthy organizations are calling to ask about the program and how we can help them meet their needs and the needs of those less fortunate. By helping the less fortunate we Republicans not only share our good fortune but spread the philosophy that we truly care about others.

Nancy M. Paine, Region 5:

Seeing individual contributions come in from Republicans, several cub scout dens and Green Giant was exciting. Also, the support from local grocery store managers and the media was real evidence that the community will become involved in a worthwhile project like Working Partners, with an organization like the Salvation Army being the benefactor.

Region Chairperson	*Pounds*
Coeur d'Alene, Hilde Kellogg	4,160
Lewiston/Moscow, Carolyn Durant	7,282
Caldwell/Nampa, Patti Anne Lodge	12,094
Boise/Meridian, Joan Carley	41,558
Twin Falls, Nancy Paine	8,125
Pocatello, L. Ed Brown	16,700
Idaho Falls, Sheila Olsen	3,000
Total	92,919

Mr. DOLE. Madam President, this bill S. 2560, the Hunger Prevention Act of 1988, represents a bipartisan consensus of members of the Agriculture Committee. Since the fiscal year 1989 budget resolution allowed some additional spending for Federal food assistance programs, we have worked to target the additional funds where they are most needed.

Those poverty groups who continue to be most vulnerable are single women with children, the homeless, and the rural poor. This bill contains a well-balanced set of provisions to address the needs of each of these segments of our society. Further, the bill meets the established budget goals.

As a Member of the Senate who has been very vocal in efforts to reduce the Federal deficit, I am not certain we can afford to do this. But there are low-income people within our society who have demonstrated need, and we must adjust our fiscal priorities accordingly.

TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

Madam President, extending the Temporary Food Assistance Program [TEFAP] for 2 more years will greatly help those who have come to depend on the commodities provided through soup kitchens, food banks, churches, and other local charitable organizations. This legislation has evolved as a response to the dilemma presented by the Department of Agriculture's running out of surplus commodities in stock. For many years, it seemed as though we would have endless mountains of cheese in caves. As it turns out, the Dairy Price Support Program is having its intended effect, and production has been reduced.

Rather than require USDA to purchase specific CCC types of commodities, this legislation would allow a greater variety of commodities to be available—the so-called section 32 commodities like canned fruits and vegetables and high protein foods such as canned meat and fish and peanut butter.

Senator HATFIELD and I initiated this program back in 1983 as an amendment to the 1983 jobs bill, in response to both the huge surpluses of agricultural commodities in storage and the needs for food assistance in communities throughout this country. Since then, it has become known as TEFAP and has been valuable in providing assistance to individuals and families who, for some reason, may fall between the cracks of the regular nutrition program structure. The homeless are a very difficult group to reach, and this program is one of the few that can be effective.

FOOD STAMP PROGRAM CHANGES

Madam President, perhaps the most significant—and expensive—provision of this bill would change the thrifty food plan to 80 percent of the low-cost food plan that was previously in existence. For some time now, there has been a general feeling that food stamp benefits were too low. This provision will have an across-the-board effect and increase the purchasing power of every food stamp household.

I am particularly supportive of the changes made to help farmers and the rural poor. Under this legislation, outreach will be provided, so that people in low-density population areas will at least be aware of potential sources of assistance. Further, transportation difficulties would be somewhat alleviated. For example, food stamp coupons would be mailed to households in rural areas and other direct benefit delivery systems are allowed.

The Food Stamp Act currently allows an income exclusion for the "cost of producing self-employed income." Regulations only allow for the exclusion of the interest payments on the loan used to buy equipment necessary to earn a living. This is not fair to farmers who often need to borrow money to buy equipment needed for farm operations. This bill makes it clear that payments on loans, whether for the interest or on the principal, taken out to buy farm equipment are to be considered a "cost of producing self-employed income." Further S. 2560 would allow self-employed farmers with regular income but irregular expenses to annualize their income and expenses in the same way as other self-employed persons.

During the economic crisis in the Farm Belt, many farmers found it difficult to qualify for food stamps, but clearly needed help. This legislation would make it easier for farmers in transition by creating a 1-year grace period for the exception of assets on farms in transition. Land and machinery used in farming would remain exempt from eligiblity calculations for 1 year after a farm household has stopped farming before being counted against the Food Stamp Program's asset limits.

CHILD NUTRITION

Although many members of the Agriculture Committee would have preferred to put more resources into the Special Supplemental Food Program for Women, Infants, and Children [WIC], we were precluded from doing so, because funding for this program is an appropriations issue.

Therefore, the committee has chosen to expand the School Breakfast, Child Care, and Summer Food Programs. Although these increases are modest, they represent some needed fine-tuning in the child nutrition programs. The distinguished Senator from Minnesota, Senator BOSCHWITZ, is to be commended for his legislative contributions to the child nutrition programs this year. His efforts and tireless leadership have resulted in the inclusion of these provisions in this bill which we have before us today.

FEDERAL INVESTMENT IN NUTRITION PROGRAMS

While we are attempting to expand certain Federal food programs, it is important to realize exactly how much the Federal Government is already contributing to this effort. Today, the Federal Government invests about $22 billion in a wide array of nutrition programs, with the Food Stamp Program comprising about $12.7 billion of this amount. President Nixon was actually responsible for expanding the Food Stamp Program nationwide and federalizing benefit levels so that people throughout this country were assured of the same level of assistance. Funding for the Food Stamp Program was about $7 billion in 1979—it is now being funded at a level of about $13 billion. In 1979, total food program expenditures were about $11 billion; today the Federal Government is spending close to $22 billion on more than 10 separate programs.

We have the Special Supplemental Food Program for Women, Infants, and Children—usually referred to as WIC—and the School Lunch, School Breakfast, and Summer Food Programs. Funding for the combined child nutrition programs now totals about $6.8 billion, up from $4.7 billion in 1980.

CONCLUDING REMARKS

Madam President, perhaps not all of us in this Chamber will agree with the exact specifications of this Hunger Prevention Act, but S. 2560 represents months of staff work and negotiations on a bipartisan basis. Although it is not perfect, it has the overwhelming support of Agriculture Committee members. The chairman and ranking minority members, the distinguished Senators from Vermont and Indiana, are to be commended for the bipartisan spirit in which this legislation evolved. And I thank the distinguished Senator from Minnesota, [Mr. BOSCHWITZ], for holding the reins of the Nutrition Subcommittee when I was not able to be present.

Mr. RIEGLE. Madam President, I rise today in support of the Hunger Prevention Act of 1988, S. 2560, and urge all of my colleagues to support its speedy passage. Currently, nearly 32 million Americans live in poverty and over one-third of these—13 million—are children. Even more alarming is the fact that only 60 percent of these people receive the most basic nutritional assistance through the Food Stamp Program. It is clear our current food assistance programs do not meet the ever-expanding hunger problems faced by this country. This bill, if passed, will go far to alleviate some of the hunger that our current food programs are unable to handle.

Passage of this bill will make it possible to reach more needy people and feed more children. The Child Nutrition Program will be enhanced and the nutrition content of the School Lunch and Breakfast Programs increased. We will also be able to continue the Temporary Emergency Food Assistance Program [TEFAP] and provide high protein commodities to many people who do not have enough food to get through the month, many of whom are senior citizens.

I am also pleased that this legislation includes a Work Training Program which will provide reimbursement for child care to those people working, looking for work, or receiving job training. This should help more people off food stamps and into the work force.

This legislation is desperately needed. For nearly a decade there have been steady reductions in hunger assistance programs and steady increases in domestic hunger and malnutrition. It is my belief that this legislation will help to eliminate some of the hunger and poverty that exists in this country. We need to help people to help themselves move out of the vicious poverty cycle and into the work force.

Mr. CHAFEE. Madam President, I wish to commend the members of the Senate Agriculture Committee for the excellent bill before us today, the Hunger Prevention Act. The tragic drought in the Midwest has reduced the availability or surplus commodities for the Temporary Emergency Food Assistance Program [TEFAP]. Meanwhile, the number of homeless and those not covered by other programs remains high. The committee has responded to this problem swiftly and effectively.

This bill requires the Department of Agriculture to purchase 145 million dollars' worth of high-protein commodities for TEFAP for each of fiscal year 1989 and 1990. These commodities are essential to the continual effectiveness of soup kitchens and other congregate feeding centers. Studies have shown that these programs are among the most successful in combating hunger.

The bill also makes substantial improvements in our existing nutrition programs. Title II raises the basic food stamp benefit level, and provides an additional 3 cent reimbursement to schools for each school breakfast served. Money put into this program is money well spent, as a study released in May has shown. In this study, children participating in the School Breakfast Program made greater gains on standardized tests than their peers who did not participate.

Madam President, there is no excuse for allowing people in this country to go hungry. This bill is an important step in bringing better nutrition to a particularly vulnerable and growing segment of our population—children in poverty. I encourage my colleagues to support the pending legislation and thereby give these children at risk a good sound start on life.

Mr. KARNES. Madam President, I rise in support of S. 2560, the Hunger Prevention Act of 1988. As a member of the Committee on Agriculture, Nutrition, and Forestry, and as an original cosponsor of this important piece of legislation, I feel that we are overdue in addressing some of the inequities that have become apparent in the nutrition programs.

This measure contains important improvements in child nutrition programs, assistance to the elderly and disabled, and the elimination of certain inequities in program assistance to farmers and those in rural areas. These improvements are vital to the well-being of our children. As a nation, we must ensure that the nutritional needs of our children are met.

S. 2560 will increase the amount of funding for school breakfasts for children by 3 cents per meal. For preschoolers, this bill will provide reimbursement for an additional meal or snack to small children who must be in day care centers for 8 hours or longer. Children are currently provided reimbursement for two meals and one snack. For expectant mothers it authorizes funds for a demonstration project relating to the Women, Infant, and Children Program, popularly known as WIC at farmers' markets, food banks, and in day care homes.

The bill also makes revisions to the current Food Stamp Program that are designed to streamline program operations, reduce the complexity of application forms, reduce the number of hearings necessary, require mail issuance of benefits in rural areas, simplify verification of medical deductions for the elderly, and promote better compliance with program rules by participants.

This bill makes a substantial effort to reach out to those Americans living in rural areas. It takes into account the difficulties rural residents have in finding transportation to become nutrition program participants. The bill also provides for the outstanding of eligibility workers in rural areas and sets standards for closings or relocations of food stamp offices.

S. 2560 reduces barriers to program participation for farmers and allows farmers 1 year, if they leave farming, to sell farm equipment and land before their value is counted as an asset for food stamp purposes. The bill also provides a 50 percent Federal match for Nutrition Outreach Programs by States that wish to inform low income households about food stamps.

There are a number of other provisions, including soup kitchen assistance and funding for the Temporary Emergency Food Assistance Program, known as TEFAP, that will serve to strengthen the delivery of nutrition assistance nationwide to those who need it.

The cost of this measure has been of some concern to me. The cost of the entire package in new spending will be $350 million in fiscal year 1989 and $570 million in each of the next 2 fiscal years. But we must not lose sight of the fact that children across the country need special attention to meet their nutritional needs. Clearly, child development is directly and positively related to wholesome and balanced nutrition that is especially critical during the formative years of young children.

As a family man, nothing disturbs this Senator more than the thought of children going to bed hungry or malnourished in a country that produces many times the amount of food it produces. It is our duty to pass legislation to prevent this scenario from occurring in America. Reasonable expenditures for child nutrition are a wise and compassionate investment in the future of our children, giving them the foundation they need to be happy children who become healthy and productive adults.

I am pleased to cast a strong vote in favor of such a bill that will help hungry people, young and old, throughout the country.

Mr. LEAHY. Madam President, I ask unanimous consent that I have 3 additional minutes primarily to make sure that we have everything cleaned up.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Madam President, I think that all amendments have been disposed of. If that is the case, we will very soon go to final passage. I understand a request for the yeas and nays will be made. I know the distinguished Senator from New Mexico wished to proceed.

Mr. DOMENICI. If I might.

Mr. LEAHY. Of course.

Mr. DOMENICI. I do not know the parliamentary situation. Can somebody yield me time?

Mr. LUGAR. Madam President, I am pleased to yield to the distinguished Senator from New Mexico.

Mr. DOMENICI. Madam President, I support the legislation before the Senate today; indeed, I am a cosponsor of this bill. And I compliment the chairman, the ranking member, and all those who worked to bring this legislation to the floor. In particular I compliment by friend the chairman of the Budget Committee who worked tirelessly to be sure sufficient funding was included in this year's budget resolution to provide funding room for these essential programs.

But I think it is important, Madam President, that as we provide this additional funding for the Federal Food Stamp Program and other key nutrition programs, that we not lose sight of the fact this country has—and always will—put a high priority on providing food assistance to those in need.

It is not generally known but we extend nearly $2 billion a month to provide food assistance to needy households, persons, and children.

As the chairman of the Agriculture Committee has said this is not a partisan issue.

To make that point even clearer, I ask unanimous consent to have entered into the RECORD a table showing the funding for Federal food assistance programs over the last many years.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

FEDERAL COST OF ALL FNS FOOD PROGRAMS

[In millions of dollars]

Fiscal years	Food Stamp[1]	Food donations[2]	WIC[3]	Child nutrition[4]	Total[5]
1969	250.5	250.3		584.1	1,084.9
1970	576.9	311.9		687.1	1,575.9
1971	1,575.9	345.7		943.3	2,864.9
1972	1,866.7	337.3		1,207.3	3,411.3
1973	2,207.4	281.9		1,388.8	3,878.1
1974	2,837.5	218.4	10.4	1,577.1	4,643.4
1975	4,618.7	78.5	89.3	2,029.4	6,815.9
1976	5,685.5	49.1	142.6	2,329.6	8,207.0
1977	5,461.0	61.9	255.9	2,678.3	8,457.1
1978	5,519.7	95.7	379.6	2,936.7	9,029.4
1979	6,939.8	150.0	525.4	3,467.8	11,157.0
1980	9,214.5	195.8	724.7	4,048.5	14,267.6
1981	11,233.5	235.9	874.4	4,553.5	16.654.8
1982	11,043.8	462.0	948.2	3,737.2	16,279.9
1983	12,672.1	1,379.8	1,123.1	4,086.0	19,347.7
1984	12,403.7	1,492.2	1,386.3	4,275.4	19,644.1
1985	12,525.6	1,438.1	1,493.6	4,411.9	19,957.4
1986	12,520.0	1,472.4	1,583.1	4,625.5	20,201.0
1987	12,499.0	1,411.2	1,679.8	4,903.0	20,493.0
1988 estimate	13,200.0	1,450.0	1,750.0	5,001.5	21,401.5

[1] Includes benefits, State administrative and other programs costs, and Puerto Rico's Nutrition Assistance Program (1982–84). Excludes transfers (Table 1) and costs of commodities distributed on Indian Reservations, fiscal years 1980–82.

[2] Includes entitlement commodities, bonus commodities, cash-in-lieu of commodities and Temporary Emergency Food Assistance Program. Excludes Child Nutrition Programs (Table 2).

[3] Includes bonus commodities in fiscal years 1982–85 (Table 3).

[4] Includes School Programs (Table 14), the Child Care Food Program (Table 10), the Summer Food Service Program (Table 12), Child Nutrition State administrative expenditures, Nutrition Education and Training Program (Table 15), Nutrition Studies, and the Food Service Equipment Assistance Program (through fiscal year 1981).

[5] Includes Food Program Administration [FPA] and the Northern Marianas (block grant).

Source: FNS/USDA.

Mr. DOMENICI. Madam President, Federal food assistance has increased from $14.3 billion in 1980 to well over $21.0 billion for this year.

Again, I support this legislation wholeheartedly, but I don't think it would be fair to somehow leave the American public with the impression, as some have here on the floor today, that there has been significant cuts in these programs.

Modifications were made to the Food Stamp Program in 1981 that were designed to target assistance on those in need. But Food Stamp Program costs have not declined as a result of those changes. Indeed the program is projected to reach a peak funding of about $13.2 billion this year.

Again I rise to make these points not as criticisms of the bill before us today, only to make sure the record correctly reflects what the funding levels have been for these programs over the last several years.

Madam President, I thank the committee for including in the committee amendment two additions to the Food Stamp Act—a demonstration and study—that I proposed.

DEMONSTRATION OF FOOD STAMP COMPUTER BENEFIT CARDS

Madam President, one key to continuing our economic growth in the coming years will be our ability to improve our productivity as a nation, particularly in service industries, health care, education, and government. My amendment would encourage States to use new advanced computer technology to provide food stamp benefits more efficiently and effectively, and to improve the overall productivity of human service operations.

The amendment would authorize a demonstration program to plan, develop and use intelligent computer benefit cards to replace the current system of food stamp coupons. An intelligent computer benefit card would carry information on a computer chip, embedded within a credit card media, on the eligibility of the individual and the amount of benefits to which he is entitled. The card would be used instead of current food stamp coupons by an eligible individual to purchase food.

Madam President, it is estimated that the Federal Government will spend up to $45 million in fiscal year 1989 for the production, distribution, protection, and eventual destruction of food stamp scrip. Food stamps can only be used once and then are canceled. Implementing a reusable computer benefit card could reduce the administrative costs associated with printing, transporting and canceling food stamps. It could also streamline operations and improve productivity.

Some States are now planning projects which use benefit cards containing more limited information on a magnetic strip. These cards require online access to a central data base each time they are used. This is an important first step. However, cards which use an actual computer chip—"intelligent" or "smart" cards—represent the next generation of this technology which needs to be nurtured. The smart cards do not need to connect to a central computer with each use.

I offered, and it was accepted, an amendment to the our welfare reform bill authorizing a similar demonstration program for AFDC and Medicaid. It is my belief that this type of technology may eventually be able to allow for the consolidation of disparate Federal benefit programs on this one simple card. It is a dream, but I believe one worth pursuing.

Madam President, I understand that the chairman of the Nutrition Subcommittee, Senator HARKIN, shares an interest in this subject. He has commissioned a study by the Office of Technology Assessment on the use of computer benefit cards in the delivery of public assistance benefits more broadly. This study provides important background information on a number of issues and options. I look forward to working with Senator HARKIN on this topic in the future.

Madam President, it is time to move forward in applying our technological prowess to the delivery of services to our low-income population and to determine whether this technology can work in the public sector.

STUDY OF THE EFFECTIVENESS OF THE FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM

Madam President, we now have an employment and training program for food stamp recipients to try and help them gain the skills to find a job or a better job, to improve their earnings, and leave the food stamp rolls. States were required to have such a program in place by April 1987. This bill makes changes in the employment and training program to target some assistance on individuals who need more intensive skill training.

I support employment and training programs for food stamp recipients. Here, as in our recent debate on the welfare reform bill, we have seen renewed consensus on providing job training and work opportunities to try to help people move from dependence to independence. That is a concept I heartily endorse.

We have also seen significant additional Federal investments in these programs. In 1989, the Federal Government will spend at least an estimated $116 million on the Food Stamp Employment and Training Program, an increase of 75 percent over 1987. The Senate welfare reform bill provides even greater resources—up to $1 billion by 1992 in new spending for job training of AFDC recipients.

Madam President, we need to evaluate how well these new programs are working in carrying out their very important goals. What are program participants—and Federal taxpayers—gaining from our additional investments? Are food stamp recipients finding their way into stable jobs and permanently off the rolls as a result of this job training? If not, how could the program be improved? The Department of Agriculture has some work underway in this area, but additional effort is needed.

Moreover, the results of these studies should be funneled back into development and periodic updating of the new "outcome-based" performance standards required under the bill.

My amendment, Madam President, simply authorizes the Secretary of Agriculture to conduct studies and make reports on the net effectiveness of the Food Stamp Employment and Training Program in an effort to attempt to answer those questions. The amendment seeks better information on which to make essential programmatic decisions.

Mr. MELCHER. Madam President, I ask for the yeas and nays on final passage of the bill.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. Madam President, I do wish to thank the distinguished majority leader and the distinguished minority leader, the distinguished Senator from Indiana, and the distinguished Senator from Iowa who have worked so well to bring us to the point where what could have been a multiday bill is now just about a minute from completion. I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Is there a time agreement on this bill?

Mr. LEAHY. I think we have about 2 minutes remaining.

The PRESIDING OFFICER. There is a time agreement.

Mr. BUMPERS. Who controls the time?

Mr. LEAHY. How much time remains to the Senator from Vermont?

The PRESIDING OFFICER. Four minutes and 40 seconds.

Mr. LEAHY. I yield 2 minutes to the Senator from Arkansas.

Mr. BUMPERS. Madam President, I probably will not take the 2 minutes. I just want, first of all, to congratulate the distinguished chairman of the Agriculture Committee and the ranking member for bringing this bill to the floor. I vote for this bill enthusiastically.

But having said that, when you look at the statistics on hunger in the country, and when you consider the richness of this great Nation, this bill can only be described as minimal. The studies show that 20 million people in this country, 20 million people, almost 10 percent, suffer hunger at some time during every month of the year.

And the amount we are increasing the levels for food stamps from 78.2 to 80 percent of the cost of the low-cost food plan—how on earth could anybody object to a program that increased by 1.8 percent, the low-cost food plan which might alleviate hunger for just a few of those 20 million people? The cost is minimal. This is a step in the right direction. As I say, while I applaud those who have engineered this bill through here by extending the Food Emergency Assistance Act it seems to me that we still have not done nearly enough to alleviate the shame of the Nation, namely hunger in America.

I thank the distinguished chairman for yielding.

Mr. LEAHY. Madam President, I am willing to yield back whatever remaining time I had. I yield back.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, how much time remains on this side?

The PRESIDING OFFICER. Nineteen minutes and forty-one seconds.

Mr. LUGAR. Madam President, I am prepared to yield back that time. I want to thank the distinguished chairman of the committee for his leadership, all members of the committee, and the excellent staff for the work they have done.

I yield back all time on our side.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. Stevens] and the Senator from Connecticut [Mr. Weicker] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. Weicker] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 90, nays 7, as follows:

[Rollcall Vote No. 257 Leg.]

YEAS—90

Adams
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Grassley
Harkin
Hatfield
Hecht
Heflin
Heinz
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Thurmond
Trible
Wallop
Warner
Wilson
Wirth

NAYS—7

Armstrong
Garn
Gramm
Hatch
Helms
Proxmire
Symms

NOT VOTING—3

Biden
Stevens
Weicker

So, the bill (S. 2560), as amended, was passed, as follows:

S. 2560

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Hunger Prevention Act of 1988".

(b) Table of Contents.—The table of contents is as follows:

Sec. 1. Short title; table of contents.

TITLE I—EMERGENCY HUNGER PREVENTION

Subtitle A—Temporary Emergency Food Assistance Program

Sec. 101. Domestic use as a higher priority than foreign sales.
Sec. 102. Supplementation of commodities.
Sec. 103. Extension of TEFAP.
Sec. 104. Additional commodities program.
Sec. 105. Distribution costs and regulations.
Sec. 106. Extension of dairy export incentive program.
Sec. 107. Extension of export sales of dairy products.

Subtitle B—Soup Kitchens and Other Emergency Food Aid

Sec. 110. Soup Kitchens and Other Congregate Meal Sites and Food Pantries.

Subtitle C—Basic Food Stamp Benefit Levels

Sec. 120. Low cost food plan.

Subtitle D—Commodity Supplemental Food Program

Sec. 130. Continuation of cheese supplies.

TITLE II—NUTRITION IMPROVEMENTS

Subtitle A—Food Stamp Act of 1977

Sec. 201. Relatives living together.
Sec. 202. Categorical eligibility.
Sec. 203. Income standards of eligibility.
Sec. 204. Reporting requirements and calculation of household income.
Sec. 205. Emergency assistance payments to migrant farmworker households.
Sec. 206. Value of allotment.
Sec. 207. Benefits for households subject to prorating.
Sec. 208. Optional food stamp information activities.
Sec. 209. Extension of homeless amendments.

Subtitle B—Child Nutrition Act of 1966 and National School Lunch Act

Sec. 210. Improvement of school breakfast program.
Sec. 211. Addition of one snack or one meal to the Child Care Food Program.
Sec. 212. Access of homeless women, infants, and children to the special supplemental food program.
Sec. 213. Summer feeding program.
Sec. 214. Department of Defense child care-feeding program.

Subtitle C—Food Processing and Distribution

Sec. 220. Encouragement of food processing and distribution by eligible recipient agencies.

TITLE III—ADMINISTRATIVE IMPROVEMENTS AND SIMPLIFICATION

Sec. 301. References to the Food Stamp Act of 1977.

Subtitle A—Reducing Unnecessary Paperwork

Sec. 310. Early resolution of disputes.
Sec. 311. Simplified application forms.
Sec. 312. Statement of required verification.
Sec. 313. Opportunities to make reports to food stamp offices.

Subtitle B—Assuring Accurate Issuance of Benefits

Sec. 320. Correcting improper denials and underissuances.
Sec. 321. Special training of state personnel involved in certifying farm households.
Sec. 322. Training of certification workers and community resources.
Sec. 323. Preventing incorrect issuances.

Subtitle C—Reducing Barriers in Rural America

Sec. 330. Transportation difficulties in rural areas.
Sec. 331. Outstationing eligibility workers.
Sec. 332. Standards for closings or relocations of food stamp offices.

Subtitle D—Eliminating Inequities for Farmers and Others

Sec. 340. Continuation of food stamps to participants in cash-outs of other benefit programs.
Sec. 341. Annualizing self-employment income and expenses from farming.
Sec. 342. Households in transition.
Sec. 343. Technical correction to exclusion of energy assistance from food stamp income.
Sec. 344. Treatment of resources that may not lawfully be converted to cash.

Subtitle E—Reducing Barriers for the Elderly and Disabled

Sec. 350. Disabled persons receiving benefits under standards at least as stringent as those in the Social Security Act.
Sec. 351. Simplified procedure for claiming excess medical deduction.
Sec. 352. Coordinated application.

TITLE IV—FAMILY SELF-SUFFICIENCY

Sec. 401. References to the Food Stamp Act of 1977.
Sec. 402. Exclusion for advance payment of earned income credit.
Sec. 403. Deduction for dependent care.
Sec. 404. Limitation on resources.
Sec. 405. Employment and training.

TITLE V—DEMONSTRATION PROJECTS

Sec. 501. Farmers' market coupons demonstration project.
Sec. 502. Food bank demonstration project.
Sec. 503. Day care home demonstration project.
Sec. 504. Demonstration projects for development and use of intelligent computer benefit cards to pay food stamp benefits.
Sec. 505. Study of effectiveness of the food stamp employment and training program.

TITLE VI—IMPLEMENTATION

Sec. 601. Implementation.

TITLE I—EMERGENCY HUNGER PREVENTION

Subtitle A—Temporary Emergency Food Assistance Program

SEC. 101. DOMESTIC USE AS A HIGHER PRIORITY THAN FOREIGN SALES.

Section 202 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any other provision of law, the programs authorized by sections 153 and 1163 of the Food Security Act of 1985 (15 U.S.C. 713a-14 and 7 U.S.C. 1731 note) shall not be operated in a manner that will, in any way, reduce the quantities of dairy products that traditionally are made available to carry out this Act or any other domestic feeding program.".

SEC. 102. SUPPLEMENTATION OF COMMODITIES.

The Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding after section 203C, the following new section:

"SEC. 203D. STATE AND LOCAL SUPPLEMENTATION OF COMMODITIES.

"(a) AUTHORIZATION.—The Secretary shall establish procedures under which State and local agencies, charitable institutions, or any other persons may supplement the commodities distributed under the program authorized by this Act for use by emergency feeding organizations with nutritious and wholesome commodities that such entities or persons donate to State agencies and emergency feeding organizations for distribution, in all or part of the State, in addition to the commodities otherwise made available under this Act.

"(b) USE OF FUNDS AND FACILITIES.—States and emergency feeding organizations may use the funds appropriated under this Act and equipment, structures, vehicles, and all other facilities involved in the storage, handling, or distribution of commodities made available under this Act, and the personnel, both paid or volunteer, involved in such storage, handling, or distribution, to store, handle or distribute commodities donated for the use of emergency feeding organizations under subsection (a).

"(c) INFORMATION PROGRAM.—Not to exceed 3 percent of the funds allocated to each State for the costs associated with the distribution of commodities under this Act may be used for the costs of conducting a program, unless all or a portion of such 3 percent is not approved by the Secretary, that provides information to persons receiving commodities under this Act concerning the availability of other food assistance programs such as the food stamp program authorized by the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the Special Supplemental Food Program for Women, Infants, and Children authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), and that provides information to such persons concerning the appropriate storage and preparation of such commodities.

"(d) VOLUNTEER WORKERS.—State and eligible recipient agencies shall continue, to the maximum extent practicable, to use volunteer workers and commodities donated by charitable and other organizations in the operation of the program authorized by this Act.

"(e) DROUGHT RELIEF AND OTHER DISASTER ASSISTANCE.—The Secretary may temporarily waive the provisions of this Act, except for the provisions of sections 213 and 214, to the extent necessary in order to better facilitate the delivery of food assistance to persons adversely affected by a drought, flood, hurricane, or other natural disaster affecting substantial numbers of persons in a State, county or parish.".

SEC. 103. EXTENSION OF TEFAP.

(a) AUTHORIZATION.—The first sentence of section 204(c)(1) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended—

(1) by striking out "through September 30, 1988" and inserting in lieu thereof "through September 30, 1990"; and

(2) by inserting before the period at the end thereof the following: "and for the distribution of commodities under section 110 of the Hunger Prevention Act of 1988".

(b) LOCAL SUPPORT.—The first sentence of section 204(c)(2) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "20" and inserting in lieu thereof "40".

(c) NOTICE OF AVAILABILITY OF COMMODITIES.—Section 210(c) of the Temporary Emergency Food Assistance Act of 1983 (7

U.S.C. 612c note) is amended by striking out "fiscal year ending September 30, 1988" and inserting "fiscal years 1989 and 1990".

(d) Program Dates.—

(1) In general.—Section 212 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "1988" and inserting "1990".

(2) Conforming amendment.—Subsections (a)(1), (a)(2), (b), and (c) of section 202A of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) are amended by striking out "fiscal year 1988" each place such appears and inserting in lieu thereof "fiscal years 1988 through 1990".

SEC. 104. ADDITIONAL COMMODITIES PROGRAM.

The Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end thereof the following new sections:

"SEC. 213. INCORPORATION OF ADDITIONAL COMMODITIES.

"(a) In General.—The Secretary shall administer the program authorized under this Act in a manner that incorporates into the program additional commodities purchased by the Secretary under section 214 to be distributed to States for use in such States by emergency feeding organizations, as defined in section 201A(1). Such additional commodities, to the extent practicable and appropriate, shall include commodities purchased within a given State for distribution within such State.

"(b) Supplement Commodities Available.—The Secretary shall supplement the commodities made available to emergency feeding organizations under sections 202, 202A and 203D(a) with nutritious and useful commodities purchased by the Secretary under section 214.

"SEC. 214. REQUIRED PURCHASES OF COMMODITIES.

"(a) Purpose.—It is the purpose of this section to establish a formula so that the amount, measured by their value, of additional commodities that are to be allocated to each State can be precisely calculated for fiscal years 1989 and 1990. The share of commodities, as measured by their value, to be allocated to each State shall be based 60 percent on the number of persons in households within the State having incomes below the poverty level and 40 percent on the number of unemployed persons within the State.

"(b) Definitions.—As used in this section—

"(1) Additional commodities.—The term 'additional commodities' means commodities purchased under this section in addition to the commodities otherwise made available under sections 202, 202A, and 203D(a).

"(2) Average monthly number of unemployed persons.—The term 'average monthly number of unemployed persons refers to the average monthly number of unemployed persons within each State in the most recent fiscal year for which such information is available as determined by the Bureau of Labor Statistics of the Department of Labor.

"(3) Poverty line.—The term 'poverty line' has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

"(4) Total value of additional commodities.—The term 'total value of additional commodities' means the actual cost (including the distribution and processing costs incurred by the Secretary), as paid by the Secretary, for all additional commodities purchased under subsection (e).

"(5) Value of additional commodities allocated to each State.—The term 'value of additional commodities allocated to each State' means the actual cost for additional commodities (including the distribution and processing costs incurred by the Secretary) as paid by the Secretary, under this section and allocated to such State.

"(c) Purchase of Commodities.—The Secretary shall purchase a variety of nutritious and useful commodities to supplement the commodities otherwise provided under the program authorized by this Act.

"(d) Types and Varieties.—In determining the types and varieties of commodities to purchase under subsection (c), the Secretary shall, to the extent practicable and appropriate, purchase commodities—

"(1) with high protein and nutrient content per calorie;

"(2) that are easily and safely stored;

"(3) that are convenient to use and consume;

"(4) that are desired by the needy individuals who are likely to be the recipients of such commodities; and

"(5) in certain cases, that do not require any cooking.

"(e) Amounts.—During each of the fiscal years 1989 and 1990, the Secretary shall spend $145,000,000 to purchase, process, and distribute additional commodities under this section.

"(f) Mandatory Allotments.—In each fiscal year, the Secretary shall allot—

"(1) 60 percent of the total value of additional commodities provided to States in a manner such that the value of additional commodities allocated to each State bears the same ratio to 60 percent of the total value of additional commodities as the number of persons in households within the State having incomes below the poverty line bears to the total number of persons in households within all States having incomes below such poverty line, and each State shall be entitled to receive such value of additional commodities; and

"(2) 40 percent of the total value of additional commodities provided to States in a manner such that the value of additional commodities allocated to each State bears the same ratio to 40 percent of the total value of additional commodities as the average monthly number of unemployed persons within the State bears to the average monthly number of unemployed persons within all States during the same fiscal year, and each State shall be entitled to receive such value of additional commodities.

"(g) Reallocation.—The Secretary shall notify each State of the amount of the additional commodities that such State is allotted to receive under subsection (f), and each State shall promptly notify the Secretary if such State determines that it will not accept any or all of the commodities made available under such allocation. On such a notification by a State, the Secretary shall reallocate and distribute the amount such State was to receive under the formula prescribed in subsection (f). The Secretary shall further establish procedures to permit States to decline to receive portions of such allocation during each fiscal year as the State determines is appropriate and the Secretary shall reallocate and distribute such allocation. In the event of any drought, flood, hurricane, or other natural disaster affecting substantial numbers of persons in a State, county or parish, the Secretary may request that States unaffected by such a disaster consider assisting affected States by allowing the Secretary to reallocate commodities to which each such unaffected State is entitled to States containing areas adversely affected by the disaster.

"(h) Administration.—Subject to subsections (e) and (f), purchases under this section shall be made by the Secretary at such times and under such conditions as the Secretary determines appropriate within each fiscal year. All such commodities purchased for each such fiscal year shall be delivered at reasonable intervals to States based on the allotments calculated under subsection (f) or reallocated under subsection (g) before the end of such fiscal year. Each State shall be entitled to receive that value of additional commodities that results from the application of the formula set forth in this section to the total value of additional commodities.

"(i) Maintenance of Effort.—If a State uses its own funds to provide commodities or services to organizations receiving funds or services under this section, such State shall not diminish the level of support it provides to such organizations or reduce the amount of funds available for other nutrition programs in the State in each fiscal year.

"(j) New Formula.—Notwithstanding the provisions of this section that set forth the specific formula for allocating additional commodities to each State, the Secretary is authorized to promulgate a different precise formula, after prior notice and comment as required by section 553 of title 5, United States Code, only to the extent that—

"(1) any such formula is effective at the outset of, and throughout any given fiscal year;

"(2) any such formula can be used to precisely calculate the amount of commodities to be made available to each State by the Secretary for each fiscal year; and

"(3) such formula provides that each State is entitled to receive that value of additional commodities which results from the application of such formula to the total value of additional commodities.

"(k) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section.".

SEC. 105. DISTRIBUTION COSTS AND REGULATIONS.

(a) Distribution Costs.—Section 204(c)(1) of the Temporary Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end thereof the following new sentence: "Also States may use funds provided under this paragraph to pay for the costs associated with the distribution of commodities to emergency feeding organizations such as soup kitchens and other congregate meal sites, food pantries, food banks, and similar charitable institutions within a given State under the program authorized under section 110 of the Hunger Prevention Act of 1988, and to pay for the costs associated with the distribution of additional commodities provided pursuant to section 214.".

(b) Regulations.—Section 210 of the Temporary Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end thereof the following new subsection:

"(e) The Secretary is authorized to issue final regulations without first issuing proposed regulations (except as otherwise provided for in section 214(g)) for public comment in order to carry out the provisions of sections 213 through 215. If final regulations are issued without such prior public comment the Secretary shall permit public comment on such regulations, shall consider pertinent comments, and shall make such modifications of such regulations not later than 1 year after the date of enactment of this subsection. Such final and modified regulations shall be accompanied by a statement of the basis and purpose for such regulations.".

SEC. 106. EXTENSION OF DAIRY EXPORT INCENTIVE PROGRAM.

Section 153(a) of the Food Security Act of 1985 (15 U.S.C. 713a-14) is amended by striking out "1989" and inserting in lieu thereof "1991".

SEC. 107. EXTENSION OF EXPORT SALES OF DAIRY PRODUCTS.

Section 1163 of the Food Security Act of 1985 (7 U.S.C. 1731 note) is amended—

(1) in subsection (a), by striking out "fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988" and inserting in lieu thereof "each of the fiscal years 1986 through 1991"; and

(2) in subsection (c), by striking out "1988" and inserting in lieu thereof "1991".

Subtitle B—Soup Kitchens and Other Emergency Food Aid

SEC. 110. SOUP KITCHENS AND OTHER CONGREGATE MEAL SITES AND FOOD PANTRIES.

(a) PURPOSE.—It is the purpose of this section to establish a formula so that the amount, measured by their value, of additional commodities that are to be delivered to each State can be precisely calculated for fiscal years 1989 through 1991. The share of commodities, as measured by their value, to be delivered to each State shall be based 60 percent on the number of persons in households within the State having incomes below the poverty level and 40 percent on the number of unemployed persons within the State.

(b) DEFINITIONS.—As used in this section—

(1) ADDITIONAL COMMODITIES.—The term "additional commodities" means commodities purchased under this section in addition to the commodities traditionally made available to soup kitchens and other congregate meal sites, food pantries, food banks, and similar nonprofit charitable institutions providing nutrition assistance to relieve situations of emergency and distress through the provision of food and meals to needy persons by the Commodity Credit Corporation or the Secretary of Agriculture.

(2) AVERAGE MONTHLY NUMBER OF UNEMPLOYED PERSONS.—The term "average monthly number of unemployed persons" refers to the average monthly number of unemployed persons within each State in the most recent fiscal year for which such information is available as determined by the Bureau of Labor Statistics of the Department of Labor.

(3) FOOD BANKS.—The term "food bank" refers to public and private nonprofit institutions that maintain an established operation involving the provision of food or edible commodities, or the products thereof, to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that provide meals or food to needy persons on a regular basis as an integral part of their normal activities.

(4) FOOD PANTRIES.—The term "food pantries" refers to public and private nonprofit institutions that maintain an established operation of donating foods to needy persons on a regular basis as an integral part of their normal activities.

(5) POVERTY LINE.—The term "poverty line" has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

(6) SOUP KITCHENS AND OTHER CONGREGATE MEAL SITES.—The term "soup kitchens and other congregate meal sites" refers to charitable institutions that maintain an established feeding operation to provide food assistance to needy persons in situations of emergency and distress on a regular basis as an integral part of their normal activities.

(7) TOTAL VALUE OF ADDITIONAL COMMODITIES.—The term "total value of additional commodities" means the actual cost (including the processing and distribution costs of the Secretary), as paid by the Secretary, for all additional commodities purchased under subsection (c).

(8) VALUE OF ADDITIONAL COMMODITIES ALLOCATED TO A STATE.—The term "value of additional commodities allocated to a State" means the actual cost for additional commodities (including the processing and distribution costs of the Secretary) as paid by the Secretary, for commodities purchased under this section and allocated to such State.

(c) AMOUNTS.—During each of the fiscal years 1989 through 1991, the Secretary shall spend $40,000,000 to purchase, process, and distribute additional commodities to States that will enable such States to distribute such commodities purchased under this section to soup kitchens and other congregate meal sites, food pantries, food banks, and similar charitable institutions that provide nutrition assistance to relieve situations of emergency and distress through the provision of food and meals to needy persons. The Secretary shall issue regulations that give a preference to soup kitchens and other congregate meal sites regarding the commodities distributed under this section.

(d) MANDATORY ALLOTMENTS.—In each fiscal year, the Secretary shall allot—

(1) 60 percent of the total value of additional commodities provided to States in a manner such that the value of additional commodities allocated to each State bears the same ratio to 60 percent of the total value of additional commodities as the number of persons in households within the State having incomes below the poverty line bears to the total number of persons in households within all States having incomes below such poverty line, and each State shall be entitled to receive such value of additional commodities; and

(2) 40 percent of the total value of additional commodities provided to States in a manner such that the value of additional commodities allocated to each State bears the same ratio to 40 percent of the total value of additional commodities as the average monthly number of unemployed persons within the State bears to the average monthly number of unemployed persons within all States during the same fiscal year, and each State shall be entitled to receive such value of additional commodities.

(e) REALLOCATION.—The Secretary shall notify each State of the amount of the additional commodities that such State is allotted to receive under subsection (d), and each State shall promptly notify the Secretary if such State determines that it will not accept any or all of the commodities made available under such allocation because such allocation is in excess of the State's needs. On such a notification by a State, the Secretary shall reallocate and distribute the amount such State was to receive under the formula prescribed in subsection (d). The Secretary shall further establish procedures to allow States to decline to receive portions of such allocations during the fiscal year as the State determines is appropriate and the Secretary shall reallocate and distribute such allotments. In the event of any drought, flood, hurricane, or other natural disaster affecting substantial numbers of persons in a State, county or parish, the Secretary may request that States unaffected by such a disaster consider assisting affected States by allowing the Secretary to reallocate commodities to which each such unaffected State is entitled to States containing areas adversely affected by the disaster.

(f) ADMINISTRATION.—Subject to subsections (c) and (d), purchases under this section shall be made by the Secretary of Agriculture at such times and under such conditions as the Secretary determines appropriate within each fiscal year. All such commodities purchased in each such fiscal year shall be delivered at reasonable intervals to States based on the allotments calculated under subsection (d) or reallocated under subsection (e) before the end of such fiscal year. Each State shall be entitled to receive that value of additional commodities that results from the application of the formula set forth in this section to the total value of additional commodities.

(g) INCREASED COMMODITY LEVELS.—Commodities provided under this section shall be in addition to the commodities otherwise provided (through commodity donations traditionally provided by the Secretary or the Commodity Credit Corporation to charitable institutions) to soup kitchens and other congregate meal sites, food pantries, food banks, and similar institutions as defined in subsection (b). The value of the commodity donations traditionally provided to such institutions may not be diminished as a result of the purchases required under this section or under section 214 of the Temporary Emergency Food Assistance Act of 1983, and shall not be less, in any fiscal year, than the value of such commodity donations made in fiscal year 1987.

(h) MAINTENANCE OF EFFORT.—

(1) FEDERAL MAINTENANCE.—The purchase of commodities required under sections 104 and 110 of the Hunger Prevention Act of 1988, shall not be made in such a manner as to cause any reduction in the value of the bonus commodities that would otherwise be distributed, in the absence of sections 104 and 110, to the Temporary Emergency Food Assistance Program, to charitable institutions, or to any other domestic food assistance program, such as the programs authorized under the National School Lunch Act, the Child Nutrition Act of 1966, the Food Stamp Act of 1977, or sections 4 and 5 of the Agriculture and Consumer Protection Act of 1973.

(2) OTHER MAINTENANCE.—Local agencies receiving commodities purchased under this section shall provide an assurance to the State that donations of foodstuffs from other sources shall not be diminished as a result of the receipt of commodities under this section.

(i) NEW FORMULA.—Notwithstanding the provisions of this section that set forth the specific formula for allocating additional commodities to each State, the Secretary is authorized to establish a different precise formula, after prior notice and comment as required by section 553 of title 5, United States Code, only to the extent that—

"(1) any such formula is effective at the outset of, and throughout any given fiscal year;

"(2) any such formula can be used to precisely calculate the amount of commodities to be made available to each State by the Secretary for each fiscal year; and

(3) such formula provides that each State is entitled to receive that value of additional commodities which results from the application of such formula to the total value of additional commodities.

(j) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

(k) Coordination.—In distributing foods purchased under this section, each State shall consult, coordinate, and secure recommendations for such distribution from State and local boards, where such boards exist, established to oversee the distribution of foods under the emergency food and shelter program, and from national and State food bank organizations, and shall take such recommendations into account.

Subtitle C—Basic Food Stamp Benefit Levels

SEC. 120. LOW COST FOOD PLAN.

(a) Food Plan Definition.—Section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended—

(1) by striking out "Thrifty" and inserting in lieu thereof "Low cost";

(2) by striking out "thrifty" each place it appears and inserting in lieu thereof "low cost"; and

(3) by striking out "(4)" and all that follows through the period at the end thereof and inserting in lieu thereof the following: "(4) on January 1, 1989, adjust the cost of such diet to reflect the cost of the low cost food plan in the preceding June, and (5) on October 1, 1989, and on each October 1 thereafter, adjust the cost of such diet to reflect the cost of such diet in the preceding June.".

(b) Value of Allotment.—Section 8(a) of the Food Stamp Act of 1977 (7 U.S.C. 2017(a)) is amended by striking out "the thrifty food plan" and inserting in lieu thereof "79 percent of the low cost food plan during the period beginning January 1, 1989, and ending September 30, 1989, 79.5 percent of the low cost food plan during fiscal year 1990, and 80 percent of the low cost food plan during fiscal year 1991 and each fiscal year thereafter, to be rounded to the nearest lower dollar increment for each household size during each such period,".

(c) Conforming Amendment.—Section 21(b)(2)(C)(ii) of the Food Stamp Act of 1977 (7 U.S.C. 2030(b)(2)(C)(ii)) is amended by striking out "the thrifty food plan" and inserting in lieu thereof "79 percent of the low cost food plan during the period beginning January 1, 1989, and ending September 30, 1989, 79.5 percent of the low cost food plan during fiscal year 1990, and 80 percent of the low cost food plan during fiscal year 1991 and each fiscal year thereafter, to be rounded to the nearest lower dollar increment for each household size during each such period,".

Subtitle D—Commodity Supplemental Food Program

SEC. 130. CONTINUATION OF CHEESE.

Notwithstanding any other provision of law, the Commodity Credit Corporation shall provide 7,000,000 pounds of cheese in each of the fiscal years 1989 and 1990 to the Secretary of Agriculture and the Secretary shall provide such amounts of cheese to the Commodity Supplemental Food Program authorized under section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) before the end of each fiscal year.

TITLE II—NUTRITION IMPROVEMENTS

Subtitle A—Food Stamp Act of 1977

SEC. 201. RELATIVES LIVING TOGETHER.

The first sentence of section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended—

(1) by striking out ", (2)" and inserting in lieu thereof "or (2)";

(2) by striking out ", or (3) a parent of minor children and that parent's children" and all that follows through "parents and children, or siblings," and inserting in lieu thereof ". Parents and their minor children"; and

(3) by striking out "one of the parents or siblings" and inserting in lieu thereof "one of the parents".

SEC. 202. CATEGORICAL ELIGIBILITY.

The second sentence of section 5(a) of the Food Stamp Act of 1977 (7 U.S.C. 2014(a)) is amended—

(1) by striking out "during the period"; and

(2) by striking out "and ending on September 30, 1989".

SEC. 203. INCOME STANDARDS OF ELIGIBILITY.

Section 5(c)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2014(c)(1)) is amended by inserting after the paragraph designation the following: "in the case of a household that includes an elderly or disabled member,".

SEC. 204. REPORTING REQUIREMENTS AND CALCULATION OF HOUSEHOLD INCOME.

(a) Calculation of Household Income.—Section 5(f) of the Food Stamp Act of 1977 (7 U.S.C. 2014(f)) is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2)(A) Households not required to submit monthly reports of their income and household circumstances under section 6(c)(1) shall have their income calculated on a prospective basis, as provided in paragraph (3)(A).

"(B) Households required to submit monthly reports of their income and household circumstances under section 6(c)(1) shall have their income calculated on a retrospective basis, as provided in paragraph (3)(B), except that in the case of the first month, or at the option of the State the first and second months, in a continuous period in which a household is certified, the State agency shall determine the amount of benefits on the basis of the household's income and other relevant circumstances in such first or second month.".

(b) Optional Monthly Reporting.—Section 6(c) of such Act (7 U.S.C. 2015(c)) is amended by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1)(A) A State agency may require certain categories of households to file periodic reports of income and household circumstances in accordance with standards prescribed by the Secretary, except that a State agency may not require periodic reporting by—

"(i) households in which all adult members, who are not elderly or disabled, are migrant or seasonal farm workers;

"(ii) households in which all members are homeless individuals; or

"(iii) households that have no earned income and in which all adult members are elderly or disabled.

"(B) Each household that is not required to file such periodic reports on a monthly basis shall be required to report or cause to be reported to the State agency changes in income or household circumstances that the Secretary considers necessary to assure accurate eligibility and benefit determinations.".

(c) Monthly Notice.—Section 6(c)(2) of such Act (7 U.S.C. 2015(c)(2)) is amended—

(1) by striking out "and (D)" and inserting "(D)"; and

(2) by inserting before the period the following: ", and (E) be provided each month (or other applicable period) with an appropriate, simple form for making the required reports of the household together with clear instructions explaining how to complete the form and the rights and responsibilities of the household under any periodic reporting system".

SEC. 205. EMERGENCY ASSISTANCE PAYMENTS TO MIGRANT FARMWORKER HOUSEHOLDS.

Section 5(k)(2) (7 U.S.C. 2014(k)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (G) and (H) respectively; and

(2) by inserting after subparagraph (D) the following new subparagraphs:

"(E) emergency assistance for migrant or seasonal farmworker households;

"(F) temporary emergency assistance for victims of a natural disaster such as a drought, flood or hurricane;".

SEC. 206. VALUE OF ALLOTMENT.

Clause (2) of the last sentence of section 8(c) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)) is amended by striking out "following any period" and inserting in lieu thereof "that applies following any period of more than 30 days in".

SEC. 207. BENEFITS FOR HOUSEHOLDS SUBJECT TO PRORATING.

(a) In General.—Section 8(c) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)) (as amended by section 206 of this Act) is further amended—

(1) by designating the first and second sentences as paragraphs (1) and (2), respectively;

(2) in paragraph (2) (as so redesignated), by redesignating clauses (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end thereof the following new paragraph:

"(3) An eligible household applying after the 15th day of the month shall receive, in lieu of its initial allotment and its regular allotment for the following month, an allotment that is the aggregate of the initial allotment and the first regular allotment, which shall be provided in accordance with paragraphs (3) and (9) of section 11(e).".

(b) Conforming Amendment.—Section 7(h) is amended—

(1) by striking out "(1)"; and

(2) by repealing paragraph (2).

SEC. 208. OPTIONAL FOOD STAMP INFORMATION ACTIVITIES.

(a) Optional Information Activities.—Subparagraph (A) of section 11(e)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(A)) is amended to read as follows: "(A) at the option of the State agency, inform low-income households about the availability, eligibility requirements, application procedures, and benefits of the food stamp program; and".

(b) Administrative Costs.—Section 16(a)(4) of such Act (7 U.S.C. 2025(a)(4)) is amended by striking out "permitted" and inserting in lieu thereof "including those undertaken.".

SEC. 209. EXTENSION OF HOMELESS AMENDMENTS.

Section 11002(f)(3) of the Homeless Eligibility Clarification Act (7 U.S.C. 2012 note) is amended by inserting ", except those amendments made by subsection (b)," after "this section".

Subtitle B—Child Nutrition Act of 1966, and National School Lunch Act

SEC. 210. IMPROVEMENT OF SCHOOL BREAKFAST PROGRAM.

The first sentence of section 4(b)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(3)) is amended by striking out "3 cents" and inserting in lieu thereof "6 cents".

SEC. 211. ADDITION OF ONE SNACK OR ONE MEAL TO THE CHILD CARE FOOD PROGRAM.

Section 17(f)(2)(B) of the National School Lunch Act (42 U.S.C. 1766(f)(2)(B)) is amended by inserting before the period the following: ", or in the case of an institution (but not in the case of a family or group day care home sponsoring organization), two meals and two supplements or three meals and one supplement per day per child, for children that are maintained in a child care setting for eight or more hours per day.".

SEC. 212. ACCESS OF HOMELESS WOMEN, INFANTS, AND CHILDREN TO THE SPECIAL SUPPLEMENTAL FOOD PROGRAM.

(a) DEFINITIONS.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended by adding at the end thereof the following new paragraph:

"(15) 'Homeless individual' means—

"(A) an individual who lacks a fixed and regular nighttime residence; or

"(B) an individual whose primary nighttime residence is—

"(i) a supervised publicly or privately operated shelter (including a welfare hotel or congregate shelter) designed to provide temporary living accommodations;

"(ii) an institution that provides a temporary residence for individuals intended to be institutionalized;

"(iii) a temporary accommodation in the residence of another individual; or

"(iv) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.".

(b) GENERAL AUTHORITY.—The last sentence of section 17(c)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(c)(1)) is amended to read as follows: "The program shall be supplementary to—

"(A) the food stamp program;

"(B) any program under which foods are distributed to needy families in lieu of food stamps; and

"(C) receipt of meals from soup kitchen, shelters, or other emergency food assistance programs.".

(c) STATE ADMINISTRATION.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended—

(1) in paragraph (1)(C)(iv), by striking out "migrants" and inserting in lieu thereof "migrants, homeless individuals,";

(2) in paragraph (8)(A), by inserting "organizations and agencies serving homeless individuals," after "Indian tribal organizations,";

(3) in paragraph (13), by striking out "cultural eating patterns." and inserting in lieu thereof the following: "cultural eating patterns, and, in the case of homeless individuals, the special needs and problems of such individuals."; and

(4) by adding at the end thereof the following new paragraph:

"(17) The State agency may adopt methods of delivering benefits to accommodate the special needs and problems of homeless individuals.".

SEC. 213. SUMMER FEEDING PROGRAM.

(a) ELIGIBLE SERVICE INSTITUTIONS.—Section 13(a)(1) of the National School Lunch Act (42 U.S.C. 1761(a)(1)) is amended—

(1) in subparagraph (B), by inserting ", public or private nonprofit higher education institutions participating in the National Youth Sports Program, private nonprofit organizations," after "county governments";

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by striking out "and" at the end of subparagraph (D); and

(4) by inserting after subparagraph (D) the following new subparagraph: "(E) 'private nonprofit organizations' means only such organizations (not including private nonprofit school food authorities or summer camps) that (i) serve no more than 2,500 children per day and operate at not more than 5 sites, and (ii) use self-preparation facilities to prepare meals or obtain meals from a public facility (such as a school district, public hospital, or State university); and".

(b) ELIGIBLE PRIVATE NONPROFIT ORGANIZATIONS.—Section 13 of the Act is amended by inserting after subsection (h) the following new subsection:

"(i) In addition to the requirements of subsection (a)(3), eligible private nonprofit organizations (excluding summer camps and private non-profit school food authorities) entitled to participate in the program as service institutions shall be limited to those that—

"(1) operate in areas where a school food authority or the local, municipal, or county government has not indicated by March 1 of any year that such authority or unit of local government will operate a program under this section in such year;

"(2) exercise full control and authority over the operation of the program at all sites under their sponsorship;

"(3) provide ongoing year-round activities for children;

"(4) demonstrate adequate management and fiscal capacity to operate a program under this section; and

"(5) meet applicable State and local health, safety, and sanitation standards.".

SEC. 214. DEPARTMENT OF DEFENSE CHILD CARE FEEDING PROGRAM.

Section 17(h) of the National School Lunch Act (42 U.S.C. 1766(h)) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Secretary is authorized to provide agricultural commodities obtained by the Secretary under the provisions of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) and donated under the provisions of section 416 of such Act, to the Department of Defense for use by institutions providing child care services to dependents of such Department, when such commodities are in excess of the quantities needed to meet the needs of all other child nutrition programs, domestic and foreign food assistance and export enhancement programs, if the Secretary finds such appropriate. The Secretary may require reimbursement from the Department of Defense for the costs, or some portion thereof, of delivering such commodities to overseas locations.".

SUBTITLE C—FOOD PROCESSING AND DISTRIBUTION

SEC. 220. ENCOURAGEMENT OF FOOD PROCESSING AND DISTRIBUTION BY ELIGIBLE RECIPIENT AGENCIES.

(a) SOLICITATION OF APPLICATIONS.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Agriculture shall, to the extent that inventory levels permit, solicit applications in accordance with paragraph (2) for surplus commodities available for distribution under section 202 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note).

(2) REQUIREMENTS.—The solicitation by the Secretary of Agriculture under paragraph (1) shall be in the form of a request that any eligible recipient agency (as defined in section 201A of the Temporary Emergency Food Assistance Act of 1983) submit an application to the Secretary that shall include an assurance that the agency will—

(A) process any agricultural commodity received in response to such application into end-use products suitable for distribution through the Temporary Emergency Food Assistance Program;

(B) package such products for use by individual households; and

(C) distribute such products to State agencies responsible for the administration of the Temporary Emergency Food Assistance Program, at no cost to the State agency, for distribution through the Temporary Emergency Food Assistance Program.

(3) PROHIBITION ON PAYMENT OF PROCESSING COSTS.—Funds made available under section 204 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) or funds of the Commodity Credit Corporation shall not be used to pay any costs incurred for the processing, storage, transportation or distribution of the commodities or end-use products provided to entities submitting applications under this section prior to the delivery of such commodities or products to the State agency.

(b) REVIEW OF APPLICATIONS.—

(1) TIME OF REVIEW.—Not later than 60 days after the Secretary of Agriculture receives an application solicited under subsection (a), the Secretary shall approve or disapprove of such application.

(2) NOTICE OF DISAPPROVAL.—If the Secretary disapproves of the application submitted under subsection (a), the Secretary shall inform the applicant of the reasons for such disapproval.

(c) IMPLEMENTATION.—The solicitation required under subsection (a) shall be in addition to any other action the Secretary of Agriculture is authorized or required to take under any other provision of law to provide information regarding the availability of agriculture commodities for distribution under the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) or any other law.

TITLE III—ADMINISTRATIVE IMPROVEMENTS AND SIMPLIFICATION

SEC. 301. REFERENCES TO THE FOOD STAMP ACT OF 1977.

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

Subtitle A—Reducing Unnecessary Paperwork

SEC. 310. EARLY RESOLUTION OF DISPUTES.

Section 6(a) (7 U.S.C. 2015(a)) is amended by adding at the end thereof the following: "Before terminating or disqualifying any person or household from participation in such program the State agency shall, where appropriate under regulations established by the Secretary, attempt to conciliate (by telephone, mail, or otherwise) the basis of the intended termination or disqualification with the person or household, except that conciliation need not be pursued if a recipient is found ineligible—

"(1) after having been found guilty of an intentional program violation as described in section 6(b);

"(2) for being an ineligible student under section 6(e), an ineligible alien under section 6(f), or a recipient of supplemental security income benefits in a State providing supplementary payments as described in section 6(g);

"(3) for having income in excess of the income eligibility limits established under section 5(b), or resources in excess of the resource eligibility limits established under section 5(g);

"(4) for knowingly transferring assets in a manner prohibited by section 6(h); or

"(5) under conditions as set forth in section 6(d)(3) for being on strike.".

SEC. 311. SIMPLIFIED APPLICATION FORMS.

Section 11(e)(2) (7 U.S.C. 2020(e)(2)), is amended by inserting after "exigencies as determined by the Secretary" the following: ", and in approving such deviation, the Secretary takes into account whether such State forms are easy to use, brief and readable. In consultation with the Secretary of Health and Human Services, the Secretary shall develop a program to provide assistance to States that request assistance in the development of brief, simply-written and readable application forms including application forms that cover the food stamp program, the aid to families with dependent children program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), and medical assistance programs administered by the Secretary of Health and Human Services under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.). Each application form shall contain, in plain and prominent language on its front cover, a place where applicants can write their names, addresses, and signatures, and instructions in understandable terms informing households of their right to file the application without immediately completing additional sections, describing the expedited processing requirements of section 11(e)(9) and informing households that benefits are provided only from the date of application.".

SEC. 312. STATEMENT OF REQUIRED VERIFICATION.

Section 11(e)(3) (7 U.S.C. 2020(e)(3)) is amended by inserting before the semicolon at the end thereof the following: ", and that the State agency shall—

"(A) provide each applicant household, at the time of application, a clear written statement explaining what acts the household must perform to cooperate in obtaining verification and otherwise completing the application process;

"(B) assist each applicant household in obtaining appropriate verification and completing the application process;

"(C) not require any household to submit additional proof of a matter on which the State agency already has current verification as determined under regulations issued by the Secretary, unless the State agency has reason to believe that the information possessed by the agency is inaccurate, incomplete, or inconsistent;

"(D) subject to subparagraph (E), not deny any application for participation under this program solely because of the failure of a person outside the household to cooperate (other than an individual failing to cooperate who would otherwise be a household member but for the operation of any of the individual disqualification provisions of subsections (b), (d), (e), (f), and (g) of section (6)); and

"(E) process applications, by taking appropriate steps to verify information otherwise required to be verified under this Act;".

SEC. 313. OPPORTUNITIES TO MAKE REPORTS TO FOOD STAMP OFFICES.

Section 11(e)(5) (7 U.S.C. 2020(e)(5)) is amended by inserting after "agency" the following: "and the standards that permit applicants and recipients to have reasonable access to State agency employees who undertake the certification of such households, in person and by telephone, so that applicants and recipients are readily able to contact appropriate employees at the certification office or have an opportunity to report changes in circumstances that shall be promptly acted on by the appropriate State agency employees.".

Subtitle B—Assuring Accurate Issuance of Benefits

SEC. 320. CORRECTING IMPROPER DENIALS AND UNDERISSUANCES.

Section 11 (7 U.S.C. 2020) is amended by adding at the end thereof the following new subsection:

"(p) When a State agency learns, through its own reviews under section 16 or through other reviews, through reviews conducted by the Secretary, or through other sources, that it has improperly denied, terminated, or underissued benefits to an eligible household, the State agency shall promptly restore any improperly denied benefits to the extent required by sections 11(e)(11) and 14(b), and shall take other steps to prevent a recurrence of such errors where such error was caused by the application of State agency practices, rules or procedures inconsistent with the requirements of this Act or with regulations or policies of the Secretary issued under the authority of this Act.".

SEC. 321. SPECIAL TRAINING OF STATE PERSONNEL INVOLVED IN CERTIFYING CERTAIN HOUSEHOLDS.

(a) TRAINING.—Section 11(e)(6) (7 U.S.C. 2020(e)(6)) is amended—

(1) by striking out "and (C)" at the end of subparagraph (B) and inserting in lieu thereof "(C)"; and

(2) by inserting at the end thereof the following: "(D) the State agency, at its option, may undertake intensive training to ensure that State agency personnel who undertake the certification of households that include a member who is self-employed or who engages in farming are qualified to perform such certification;".

(b) TRAINING MATERIALS.—Section 16 (7 U.S.C. 2025) is amended by adding at the end thereof the following new subsection:

"(k) Not later than 180 days after the date of the enactment of the Hunger Prevention Act of 1988, and annually thereafter, the Secretary shall publish instructional materials specifically designed to be used by the State agency to provide intensive training to State agency personnel who undertake the certification of households that include a member who is self-employed or who engages in farming.".

(c) TECHNICAL CORRECTIONS.—Section 16 (7 U.S.C. 2025) is amended by redesignating subsection (h), as added by section 121(b)(5) of the Immigration Reform and Control Act of 1986, as subsection (j).

SEC. 322. TRAINING OF CERTIFICATION WORKERS AND COMMUNITY RESOURCES.

(a) TRAINING CERTIFICATION WORKERS.—Section 11(e)(6)(C) (7 U.S.C. 2020(e)(6)(C)) is amended—

(1) by striking out "undertake to"; and

(2) by inserting "so that eligible households are promptly and accurately certified to receive the allotments to which they are entitled under this Act" after "such certification".

(b) COMMUNITY RESOURCES.—Section 11(e)(6) (7 U.S.C. 2020(e)(6)) (as amended by sections 321(a) and 322(a) of this Act) is further amended by adding at the end thereof the following new subparagraph: "; and (E) the State agency, at its option, may provide, or contract for the provision of, training and assistance to persons working with volunteer or non-profit organizations that provide program information activities and eligibility screening to persons potentially eligible for food stamps.".

SEC. 323. PREVENTING INCORRECT ISSUANCES.

Section 11(e) (7 U.S.C. 2020(e)) (as amended by section 312) is further amended by inserting before the semicolon at the end of paragraph (3), the following: ", and that the State agency shall provide the household, at the time of each certification and recertification, with a statement describing the reporting responsibilities of the household under this Act, and provide a toll-free or local telephone number, or a telephone number at which collect calls will be accepted by the State agency, with which the household may reach an appropriate representative of the State agency for a reasonable period of time each business day to report changes in circumstances or to obtain program information, and inform the household of the hours such telephone number is available".

Subtitle C—Reducing Barriers in Rural America

SEC. 330. TRANSPORTATION DIFFICULTIES IN RURAL AREAS.

Section 11 (7 U.S.C. 2020) (as amended by section 320), is further amended by adding at the end thereof the following new subsection:

"(q) The State plan of operation described in subsection (d) shall include a procedure for designating project areas or parts of project areas that are rural and in which low-income persons face substantial difficulties in obtaining transportation. Each State shall designate such areas according to its approved procedures, and in each area so designated:

"(1) All persons contacting certification offices serving those areas during regular business hours shall be informed that the household may be certified to receive food stamps without an in-office interview if appearing for such an interview would create a hardship. In cases in which an in-office interview would create a hardship, the State agency shall interview the household by telephone, in its home, or at another location convenient to the household.

"(2) The State agency shall issue coupons by mail or otherwise directly deliver benefits to all eligible households in any such area, except that any household with mail losses exceeding levels established by the Secretary shall not be entitled to such a mailing and the State agency shall not issue coupons by mail in those localities within such area where the mail loss rates exceed standards set by the Secretary.".

SEC. 331. OUTSTATIONING ELIGIBILITY WORKERS.

Section 11(e) (7 U.S.C. 2020(e)) is amended—

(1) by striking out "and" at the end of paragraphs (21) and (23);

(2) by redesignating paragraph (24) as paragraph (25); and

(3) by inserting after paragraph (23) the following new paragraph:

"(24) that each town or community of more than 5,000 persons that is more than 30 miles away from the certification office designated to serve such town or community shall be visited on a regularly scheduled basis (but in no event less often than twice a month, with the time and place of such visits to be publicized in the affected areas) by a certification worker who shall accept applications for participation, conduct interviews, accept verification, and provide other client services that can be performed conveniently outside the office, unless such town or community is served by the State agency in some other manner designed to provide reasonable access to the food stamp program, including compliance with subsection (q); and".

SEC. 332. STANDARDS FOR CLOSING OR RELOCATING FOOD STAMP OFFICES.

Section 16(b) (7 U.S.C. 2025(b)) is amended by inserting after "including standards for" in clause (1) the following: "State agency review (including consultation with the public and appropriate public officials) of plans for the closing or relocation of offices of the State agency so that potential adverse effects of such plans on the access of eligible persons to the food stamp program are examined (with special emphasis on the needs of low-income people in rural areas, the elderly, the disabled, and the homeless) and adequate plans for minimizing any adverse impact before offices are moved or relocated are prepared and implemented, and standards for".

Subtitle D—Eliminating Inequities for Farmers and Others

SEC. 340. CONTINUATION OF FOOD STAMPS TO PARTICIPANTS IN CASH-OUTS OF OTHER BENEFIT PROGRAMS.

Section 5(d)(1) (7 U.S.C. 2014(d)(1)) is amended by striking out "to a household, except as provided in subsection (k)," and inserting in lieu thereof the following: "to a household (except that any such gain or benefit that customarily is not in the form of money payable directly to the household (such as in-kind assistance or vendor payments) shall be excluded notwithstanding its conversion in whole or in part to direct payments to households pursuant to any demonstration project carried out or authorized under Federal law including demonstration projects created by the waiver of provisions of Federal law),".

SEC. 341. ANNUALIZING SELF-EMPLOYMENT INCOME AND EXPENSES FROM FARMING.

Section 5(f)(1)(A) (7 U.S.C. 2014(f)(1)(A)) is amended—

(1) in the second sentence by striking out "preceding" and inserting in lieu thereof "first"; and

(2) by inserting after the first sentence the following new sentence: "Notwithstanding the preceding sentence, household income resulting from the self-employment of a member in a farming operation, who derives income from such farming operation, and who has irregular expenses to produce such income may, at the option of the household, be calculated by averaging such income and expenses over a 12-month period.".

SEC. 342. HOUSEHOLDS IN TRANSITION.

Section 5(g) (7 U.S.C. 2014(g)) is amended by adding at the end thereof the following new sentence: "In the case of farm property (including land, equipment, and supplies) that is essential to the self-employment of a household member in a farming operation, the Secretary shall exclude from financial resources the value of such property until the expiration of the 1-year period beginning on the date such member ceases to be self-employed in farming.".

SEC. 343. TECHNICAL CORRECTION TO EXCLUSION OF ENERGY ASSISTANCE FROM FOOD STAMP INCOME.

Section 5(d)(11) (7 U.S.C. 2014(d)(11)) is amended—

(1) in the matter preceding subparagraph (A), by striking out "under" and inserting in lieu thereof "for the purpose of providing energy assistance";

(2) in subparagraph (A), to read as follows: "(A) under any Federal law, or"; and

(3) in subparagraph (B)—

(A) by striking out "any" and inserting in lieu thereof "under any"; and

(B) by striking out "for the purpose of providing energy assistance".

SEC. 344. TREATMENT OF RESOURCES THAT MAY NOT LAWFULLY BE CONVERTED TO CASH.

Section 5(g) (7 U.S.C. 2014(g)) (as amended by section 342 of this Act), is further amended by adding at the end thereof the following new sentence: "No household shall be rendered ineligible under this subsection by its failure to dispose of a resource used in farming operations whose liquidation would produce no funds in excess of any liens, mortgages, or other security interests or where the household's liquidation of the resource would be contrary to a legal duty.".

Subtitle E—Reducing Barriers for the Elderly and Disabled

SEC. 350. DISABLED PERSONS RECEIVING BENEFITS UNDER STANDARDS AT LEAST AS STRINGENT AS THOSE IN THE SOCIAL SECURITY ACT.

Paragraph (2) of section 3(r) (7 U.S.C. 2012(r)) is amended to read as follows:

"(2)(A) receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) or Federally or State administered supplemental benefits of the type described in section 212(a) of Public Law 93-66 (42 U.S.C. 1382 note); or

"(B) receives Federally or State administered supplemental assistance of the type described in section 1616(a) of the Social Security Act (42 U.S.C. 1382e(a)), interim assistance pending receipt of supplemental security income, disability-related medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), or disability-based State general assistance benefits, if the Secretary determines that such benefits are conditioned on meeting disability or blindness criteria at least as stringent as those used under title XVI of the Social Security Act,".

SEC. 351. SIMPLIFIED PROCEDURE FOR CLAIMING EXCESS MEDICAL DEDUCTION.

Section 5(e) (7 U.S.C. 2014(e)) is amended by adding at the end thereof the following new sentences: "State agencies shall offer eligible households a method of claiming a deduction for recurring medical expenses, that are initially verified, under the excess medical expense deduction provided for in subparagraph (A) in lieu of submitting information or verification on actual expenses on a monthly basis. The method described in the preceding sentence shall be designed to minimize the administrative burden for eligible elderly and disabled household members choosing to deduct their recurrent medical expenses pursuant to such method.".

SEC. 352. COORDINATED APPLICATION.

The second sentence of section 11(i) (7 U.S.C. 2020(i)) is amended to read as follows: "In addition to implementing paragraphs (1) through (4), the State agency shall inform applicants for benefits under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that such applicants may file, along with their application for such benefits, and based on a joint interview for food stamps and for benefits under part A of title IV of the Social Security Act, an application for benefits under this Act.".

TITLE IV—FAMILY SELF-SUFFICIENCY

SEC. 401. REFERENCES TO THE FOOD STAMP ACT OF 1977.

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

SEC. 402. EXCLUSION FOR ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Section 5(d) (7 U.S.C. 2014(d)) is amended—

(1) by striking out "and (13)" and inserting in lieu thereof "(13)"; and

(2) by inserting before the period at the end thereof the following: ", (14) any payment made to the household under section 3507 of the Internal Revenue Code of 1986 (relating to advance payment of earned income credit)".

SEC. 403. DEDUCTION FOR DEPENDENT CARE.

(a) IN GENERAL.—Section 5(d) (7 U.S.C. 2014(d)) (as amended by section 402) is further amended by inserting before the period at the end thereof the following: ", and (15) any payment made to the household under section 6(d)(4)(I) for work related expenses or for dependent care".

(b) DEDUCTION.—Section 5(e) (7 U.S.C. 2014(e)) is amended—

(1) in the matter preceding paragraph (1) of the fourth sentence by inserting "and expenses that are paid under section 6(d)(4)(I) for dependent care" after "third party"; and

(2) in paragraph (1) of the fourth sentence, by inserting after "$160 a month" the following: "for each dependent".

SEC. 404. LIMITATION ON RESOURCES.

The second sentence of section 5(g) (7 U.S.C. 2014(g)) is amended by inserting after "$4,500" the following: "through fiscal year 1988, $4,700 in fiscal year 1989, $4,900 in fiscal year 1990, $5,150 in fiscal year 1991, $5,400 in fiscal year 1992, and $5,500 in fiscal year 1993 and thereafter".

SEC. 405. EMPLOYMENT AND TRAINING.

(a) COMPONENTS OF EMPLOYMENT AND TRAINING PROGRAMS.—Section 6(d)(4)(B) (7 U.S.C. 2015(d)(4)(B)) is amended—

(1) in clause (i), by striking out "have no obligation" through "State agency shall";

(2) in clause (v)—

(A) by inserting "or the State under regulations issued by the Secretary," after "the Secretary"; and

(B) by inserting "employment educational and training activity" after "other";

(3) by redesignating clause (v) as clause (x); and

(4) by inserting after clause (iv), the following new clauses:

"(v) High school or equivalent educational (combined with training when appropriate) programs.

"(vi) Remedial educational programs directed towards the achievement of a basic literacy level.

"(vii) Instructional programs in English as a second language.

"(viii) On-the-job-training programs.

"(ix) Job readiness activity programs to help prepare participants for employment.".

(b) EMPLOYMENT ASSIGNMENTS AND CONCILIATION.—Section 6(d)(4) (7 U.S.C. 2015(d)(4)) is amended—

(1) by redesignating subparagraphs (H), (I), (J), (K), and (L) as subparagraphs (I), (J), (K), (L) and (M) respectively; and

(2) by inserting after subparagraph (G), the following new subparagraph:

"(H)(i) The State agency may make an initial assessment of the educational and employment skills of each participant in the program and may conduct a review of such participant's circumstances. On the basis of such assessment and review, such agency may develop an employability plan for each such participant.

"(ii) In assigning participants to any program activity the State agency shall take into account the physical capacity, skills, experience, health and safety, family responsibilities, and place of residence of such participant, and shall not require the participant, without the consent of such participant, to travel an unreasonable distance from the home of such participant or remain away from such home overnight. The State agency may base the assignment on available resources, the participant's circumstances, and local employment opportunities.

"(iii) The Secretary shall issue regulations under which each State agency shall establish a conciliation procedure for the resolution of disputes involving the participation of an individual in the program and (if such a dispute is not resolved through conciliation) provide an opportunity for a hearing concerning such dispute. Such a hearing may be provided through a hearing process established for purposes of resolving disputes with respect to the program established under this subsection.

"(iv) Federal funds made available to a State agency for purposes of the program authorized under this subsection shall not be used to supplant non-Federal funds used for existing services and activities that promote the purposes of this section. State or local funds expended for such purposes shall be maintained at least at the level of such expenditures for fiscal year 1987.".

(c) CHILD CARE EXPENSES.—Section 6(d)(4)(I) (7 U.S.C. 2015(d)(4)(I)) (as redesignated by subsection (b) of this section), is amended to read as follows:

"(I)(i) The State agency shall provide payments or reimbursements to participants in programs carried out under this paragraph, including individuals participating under subparagraph (G), for—

"(I) the actual costs of transportation and other actual costs (other than dependent care costs), up to a maximum of $100 per participant per month, that the State agency determines are necessary to enable such individual to participate in the program; and

"(II) the actual costs of such dependent care expenses that are determined by the State agency to be necessary for the participation of an individual in the program (other than an individual who is the caretaker relative of a dependent in a family receiving benefits under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in a local area where an employment, training, or education program under title IV of such Act is in operation), but in no event shall such payment or reimbursements exceed $160 per dependent per month, except that the State agency may raise such maximum level to the maximum level set by the State agency under title IV of the Social Security Act for reimbursement of child care expenses for individuals participating in an employment, education or training program under such title.

"(ii) In lieu of providing reimbursements or payments for dependent care expenses under clause (i), a State agency may, at its option, arrange for dependent care through providers by the use of purchase of service contracts or vouchers or by providing vouchers to the household.

"(iii) The value of any dependent care services provided for or arranged under clause (ii), or any amount received as a payment or reimbursement under clause (i), shall—

"(I) not be treated as income for the purposes of any other Federal or Federally-assisted program that bases eligibility for, or the amount of benefits on, need; and

"(II) not be claimed as an employment-related expense for the purposes of the credit provided under section 21 of the Internal Revenue Code of 1986.".

(d) PARTICIPATION AND PERFORMANCE STANDARDS.—

(1) PARTICIPATION STANDARDS.—Section 6(d)(4)(K) (7 U.S.C. 2015(d)(4)(J)) (as redesignated by subsection (b) of this section), is amended—

(A) in clause (i)—

(i) by striking out "any fiscal year" and inserting in lieu thereof "fiscal years 1989 and 1990; and

(ii) by striking out "minimum percentages (not to exceed 50 percent through September 30, 1989)" and inserting in lieu thereof "minimum annual percentages (not to exceed 35 percent)"; and

(B) by striking out clause (iv).

(2) PERFORMANCE STANDARDS.—Section 6(d)(4) (7 U.S.C. 2015(d)(4)) is amended by inserting after subparagraph (K) (as redesignated by subsection (b)) the following new subparagraph:

"(L)(i) The Secretary shall establish, in accordance with this subparagraph, performance standards that are applicable to employment and training programs carried out under this paragraph.

"(ii) The performance standards referred to in clause (i) shall be developed by the Secretary after consultation with the Secretary of Labor, the Secretary of Health and Human Services, appropriate State officials designated for purposes of this clause by the chief executive officers of the States, other appropriate experts, and representatives of households participating in the food stamp program. Such performance standards (which shall be coordinated with the corresponding performance standards under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) and the performance standards under title IV of the Social Security Act (42 U.S.C. 601 et seq.), taking into consideration the differing characteristics of such households)—

"(I) shall be measured by employment outcomes and shall be based on the degree of success that may reasonably be expected of States (in carrying out employment and training programs) in helping individuals to achieve self-sufficiency;

"(II) shall take into account the extent to which persons have elected to participate in employment and training programs under this paragraph, job placement rates, wage rates, job retention rates, households ceasing to need benefits under this Act, improvements in household members' educational levels, and the extent to which household members are able to obtain jobs for which they receive health benefits;

"(III) shall encourage States to serve those individuals who have greater barriers to employment and thus have greater difficulties in achieving self-sufficiency; and

"(IV) shall include guidelines permitting appropriate variations that take into account the differing conditions (including unemployment rates and rates of elective participation under subparagraph (G) in employment and training programs under this paragraph) that may exist in different States.

"(iii) Proposed measures for the performance standards referred to in clause (i) shall be published by the Secretary not later than 1 year after the date of the enactment of the Hunger Prevention Act of 1988. The performance standards shall be established and implemented not later than October 1, 1990.

"(iv) The performance standards developed and issued under clause (ii) shall be varied in any State, to the extent permitted under clause (ii)(IV), to the extent necessary to take into account specific economic, geographic, and demographic factors in the State, the characteristics of the population to be served, and the types of services to be provided.".

(e) INDIAN TRIBAL PARTICIPATION.—Section 6(d)(4) (7 U.S.C. 2015(d)(4)) (as amended in section 405(b)) is further amended by adding at the end thereof the following new subparagraph to read as follows:

"(O)(i) Upon the application and approval by the Secretary of a tribal organization, that exercises governmental jurisdiction over a Federally recognized Indian reservation, to conduct an employment and training program to carry out the purpose of this section, the maximum amount that may be paid by the Secretary under section 16(h)(1) for purposes of the program authorized by this subsection to the State in which the reservation of such tribe is located shall be reduced by the Secretary in accordance with clause (ii) and an amount equal to the amount of such reduction shall be paid directly to such tribal organization (without the requirement of any non-Federal share) for the operation of its employment and training program on or near the Federally recognized Indian reservation.

"(ii) The maximum amount of the reduction under clause (i) with respect to any State in which a tribal organization is located with an application approved under such clause shall be an amount equal to the amount that bears the same ratio to the maximum amount that could be paid under this subsection to the State as the average monthly number of the adult members of Indian tribes represented by such tribal organization, who live on such Federally recognized Indian reservation over which the tribal organization exercises governmental jurisdiction, bears to the number of all adult individuals in the State receiving food stamps.

"(iii) The employment and training program set forth in the application of a Tribe or organization under clause (i) need not meet any requirement of the program under this section that the Secretary determines is inappropriate with respect to the application of such employment and training program on the reservation.

"(iv) The employment and training program of any tribal organization may be terminated voluntarily by such organization or may be terminated by the Secretary on a finding that the tribe is not conducting such program in substantial conformity with the terms of the application approved by the Secretary, and the maximum amount that may be paid under this subsection to the State within which the tribal organization is located (as reduced pursuant to clause (i)) shall be increased by any portion of the amount retained by the Secretary with respect to such program (and not payable to such tribal organization for obligations already incurred). The reduction under clause (i) shall in no event apply to a State for any fiscal year beginning after such program is terminated if no other such program remains in operation in the State.

"(v) For purposes of this subsection, the term 'tribal organization' shall have the same meaning given such term in section 3(p) and shall include any organized group of Alaska Natives (Alaska Natives organization) eligible to operate a Federal program under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), or such group's designee, and tribal organizations in the State of Oklahoma recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(vi) For purposes of this subsection, the term 'Federally recognized Indian reservation' includes former Indian reservations in Oklahoma and includes the 12 geographical regions, established pursuant to section 7(a) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(a)), within which an Alaska Native organization is located without regard to the ownership of the land within the boundaries.

"(vii) Notwithstanding any other provisions of this section, the Secretary shall issue procedures to authorize employment, training and education programs for Alaska Natives, in which not more than one Alaska Native organization in each of the 12 geographical regions established pursuant to section 7(a) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(a)), can administer such program.

"(viii) Any Alaska Native, otherwise eligible or required to participate in a work, education, and training program, residing within the boundaries of one of such 12 geographic regions containing an Alaska Native organization whose application has been approved by the Secretary, shall be eligible to participate in the work, education, and training program administered by such Alaska Native organization.

"(ix) Nothing in this subsection shall be construed to grant or defer any status or powers other than those expressly granted in this subsection or to validate or invalidate any claim by Alaska Natives of sovereign authority over lands or people.

"(x) If the Secretary approves an Alaska Native organization's application, the maximum amount that may be paid under section 16(h)(1) to the State in which such Alaska Native organization is located shall be reduced by the Secretary in accordance with clause (xi) and an amount equal to the amount of such reduction shall be paid directly to such Alaska Native organization (without the requirement of any non-Federal share) for the operation of its work, training, and education program. In determining whether to approve an application from an Alaska Native organization, the Secretary shall consider whether approval of the application would promote the efficient and nonduplicative administration of work, education, and training programs in the State.

"(xi) The amount of the reduction under clause (x) with respect to any State in which an Alaska Native organization with an application approved under such clause is located shall be an amount equal to the amount that bears the same ratio to the maximum amount that could be paid under section 16(h)(1) to the State as the number of adult Alaska Natives receiving food stamps who reside within the boundaries of one of the 12 geographical regions described in clause (vi) containing such Alaska Native organization bears to the number of all such adult recipients in the State of Alaska.

"(xii) The work, training, and education program set forth in the application of an Alaska Native organization under clause (x) need not meet any requirement of the program under this section that the Secretary determines is inappropriate with respect to such work, training, and education program.

"(xiii) The work, education, and training program of any Alaska Native organization may be terminated voluntarily by such Alaska Native organization or may be terminated by the Secretary upon a finding that the Alaska Native organization is not conducting such program in substantial conformity with the terms of the application approved by the Secretary, and the maximum amount that may be paid under section 16(h)(1) to the State within which the Alaska Native organization is located (as reduced pursuant to clause (x)) shall be increased by any portion of the amount retained by the Secretary with respect to such program (and not payable to such Alaska Native organization for obligations already incurred). The reduction under clause (x) shall in no event apply to a State for any fiscal year beginning after such program is terminated if no other such program remains in operation in the State.".

(f) Incentive Payments.—Section 16(h) (7 U.S.C. 2025(h)) is amended by adding at the end thereof the following new paragraph:

"(6) The Secretary shall develop, and transmit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a proposal for modifying the rate of Federal payments under this subsection so as to reflect the relative effectiveness of the various States in carrying out employment and training programs under section 6(d)(4).".

(g) Households.—Section 5(d)(5) (7 U.S.C. 2014(d)(5)) is amended by inserting after "child care expenses" the following: "(except for payments or reimbursements for such expenses made under an employment, education, or training program initiated under such title after the date of enactment of the Hunger Prevention Act of 1988)".

(h) Transporation Costs.—Section 16(h)(3) (7 U.S.C. 2025) is amended by striking out "in connection with" and all that follows through "per month" and inserting in lieu thereof "under section 6(d)(4)(I)".

(i) Conforming Amendments.—Section 5 (7 U.S.C. 2014) is amended—

(1) in subsection (d)(15), by striking out "6(d)(4)(H)" and inserting in lieu thereof "6(d)(4)(I)"; and

(2) in the matter preceding paragraph (1) of the fourth sentence of subsection (e), by striking out "6(d)(4)(H)" and inserting in lieu thereof "6(d)(4)(I)".

TITLE V—DEMONSTRATION PROJECTS

SEC. 501. FARMERS' MARKET COUPONS DEMONSTRATION PROJECT.

(a) Purpose.—The purpose of this section is to authorize the establishment of a grant program to encourage State demonstration projects designed to—

(1) provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods (such as fruits and vegetables), from farmers' markets; and

(2) expand the awareness and use of farmers' markets and increase sales at such markets.

(b) General Authority.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by adding at the end thereof the following new subsection:

"(m)(1) Subject to the availability of funds appropriated for purposes of this subsection, the Secretary shall award a 3-year grant to each of 10 States that submit applications that are approved for the establishment of demonstration projects designed to provide recipients of assistance under subsection (c) with coupons that may be exchanged for foods at farmers' markets.

"(2) A grant provided to any State under this subsection shall be provided to the chief executive officer of the State, who shall—

"(A) designate the appropriate State agency or agencies to administer the program in conjunction with the appropriate nonprofit organizations; and

"(B) assure coordination of the program among the appropriate agencies and organizations.

"(3) The Secretary shall not make a grant to any State under this subsection unless such State agrees to provide State funds for the demonstration project in an amount that is equal to not less than 30 percent of the total cost of the demonstration project.

"(4)(A) The Secretary shall establish a formula for determining the amount of the grant to be awarded under this subsection to each State for which an application is approved under paragraph (6), according to the number of recipients proposed to participate as specified in the application of the State.

"(B) If the sums appropriated for any fiscal year pursuant to the authorization contained in paragraph (10) for grants under this subsection are not sufficient to pay to each State for which an application is approved under paragraph (6) the amount which the Secretary determines each such State is entitled to under this subsection, each State's grant shall be ratably reduced.

"(5) Each State that receives a grant under this subsection shall ensure that the demonstration project for which the grant is received complies with the following requirements:

"(A) Persons who are eligible to receive Federal benefits under the project shall only be persons who are receiving assistance under subsection (c).

"(B) Construction or operation of a farmers' market may not be carried out using funds—

"(i) provided under the grant; or

"(ii) required to be provided by the State under paragraph (3).

"(C) The value of the Federal share of the benefit received by any recipient under the project may not be—

"(i) less than $10 per year; or

"(ii) more than $20 per year.

"(D) The coupon issuance process under the project shall be designed to ensure that coupons target areas with—

"(i) the highest concentration of eligible persons;

"(ii) the greatest access to farmers' markets; and

"(iii) certain characteristics, in addition to those described in clauses (i) and (ii), that are determined to be relevant by the Secretary that maximize the availability of benefits to eligible persons.

"(E) The coupon redemption process under the project shall be designed to ensure that coupons may be redeemed—

"(i) only by producers authorized by the State to participate in the project; and

"(ii) only to purchase unprepared food for human consumption.

"(F)(i) Except as provided in clause (ii), the State may not use for administration of the project for any fiscal year more than 15 percent of the total amount of funds available for the project from the Secretary in such fiscal year.

"(ii) In the first full year of a State's grant for the demonstration project, the State may use for administration of the project not more than 15 percent of the total amount of funds available for the project from any source in such fiscal year.

"(G) The State shall ensure that no State or local taxes are collected within the State on purchases of food with coupons distributed under the project.

"(6)(A) A State that desires to receive a grant under this subsection shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require.

"(B)(i) Each application submitted under this paragraph shall contain—

"(I) the estimated cost of the program and the estimated number of individuals to be served by such program;

"(II) a description of the State plan for complying with the requirements established in paragraph (5); and

"(III) criteria developed by the State with respect to authorization of producers to participate in the program.

"(ii) The criteria developed by the State as required by clause (i)(III) shall require any authorized producer to sell fresh nutritious unprepared foods (such as fruits and vegetables) to recipients, in exchange for coupons distributed under the project.

"(C) The Secretary shall establish objective criteria for the approval of applications submitted under this paragraph.

"(D) In approving applications submitted under this paragraph, the Secretary shall—

"(i) give preference to applications from States that are operating a similar project with State or local funds;

"(ii) ensure that at least five of the States selected have existing programs as of the date of enactment of this subsection similar to those authorized under this subsection;

"(iii) give preference to States that intend to operate such program on a Statewide basis;

"(iv) give preference to applications from States that propose projects that are determined by the Secretary to—

"(I) have possible national significance; or

"(II) show unusual promise in promoting similar projects;

"(iv) give preference to applications that show promise of continued operation of the project for which the grant is requested after the grant expires;

"(v) require that if a State receives a grant under this section and that State is operating a similar project with State or local funds, that State shall not reduce the amount of State and local funds available to the project after receiving funds for the project under this subsection; and

"(vi) give preference to applications for projects that would serve areas in the State that have—

"(I) the highest concentration of eligible persons;

"(II) the greatest access to farmers' markets; and

"(III) any other characteristics, as determined appropriate by the Secretary, that maximize the availability of benefits to eligible persons.

"(7)(A) The value of the benefit received by any recipient under any project for which a grant is received under this subsection may not affect the eligibility or benefit levels for assistance under any other State or Federal program.

"(B) Any projects for which a grant is received under this subsection shall be supplementary to the food stamp program carried out under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and to any other Federal or State program under which foods are distributed to needy families in lieu of food stamps.

"(8) Each State that receives a grant under this subsection shall submit a report to the Secretary for each year of the grant period. Each such report shall include—

"(A) the number of recipients served under the project for which the grant is received;

"(B) the rate of redemption of coupons distributed under the project;

"(C) the types of foods purchased with the coupons;

"(D) the average amount distributed in coupons to each recipient;

"(E) any change in the amount of food purchased at farmers' markets after the establishment of the project;

"(F) any change in the number of farmers participating in farmers' markets after the establishment of the project;

"(G) a description of how coupons were distributed to and redeemed by recipients in the State project; and

"(H) any other information determined to be necessary by the Secretary.

"(9)(A) The Secretary shall evaluate the projects for which grants are received under this subsection and submit to the Committee on Agriculture of the House of Representatives, the Committee on Education and Labor of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on such evaluations.

"(B) Such report shall be submitted before the end of the 2-year period beginning on the date that the last grant is awarded under this subsection.

"(10) There are authorized to be appropriated to carry out this subsection $2,000,000 for fiscal year 1989, $2,800,000 for fiscal year 1990, and $3,500,000 for fiscal year 1991.

"(11) For purposes of this subsection:

"(A) The term 'recipient' means a person who is chosen by a State to receive benefits under a project.

"(B) The term 'State agency' has the meaning provided in subsection (b)(13), except that such term also includes the agriculture department of each State.".

SEC. 502. FOOD BANK DEMONSTRATION PROJECTS.

(a) In General.—The Secretary of Agriculture may carry out demonstration projects to provide and redistribute to needy individuals and families through community food banks and other charitable food banks—

(1) agricultural commodities or the products thereof made available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431); and

(2) to the extent practicable, agricultural commodities or the products thereof made available under section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c).

(b) Food Types.—The Secretary shall determine the quantities, varieties, and types of agricultural commodities and products thereof to be made available to community food banks under this section.

(c) Report.—Not later than January 3, 1990, the Secretary shall submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report describing any demonstration projects carried out under this section. The report shall include an analysis and evaluation of the distribution and redistribution of food under the demonstration projects and the feasibility of expanding the projects to other community food banks.

(e) Termination.—The authority provided under this section shall terminate on September 30, 1991.

(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $400,000 for each of the fiscal years 1989 through 1991.

SEC. 503. FAMILY OR GROUP DAY CARE HOME DEMONSTRATION.

(a) In General.—The Secretary of Agriculture shall conduct a demonstration project to begin 30 days after enactment of this Act, but in no event earlier than October 1, 1988, in one State regarding the Child Care Food Program authorized under section 17 of the National School Lunch Act (42 U.S.C. 1766) in which day care institutions and family or group day care sponsoring organizations shall receive a reimbursement (in addition to that received under subsections (d) and (f) of section 17) for providing one additional meal or supplement for children that are maintained in a day care institution or in a family or group day care home setting for eight or more hours per day.

(b) Location.—The Secretary of Agriculture shall select one State in which to conduct the demonstration project established under subsection (a). The State shall have a large number of children served by family or group day care homes and shall have a large proportion of its Child Care Food Program meals served under such program in homes rather than in day care centers.

(c) Purpose of Demonstration.—The demonstration project established under subsection (a) shall be structured in a manner that will enable the Secretary of Agriculture to determine—

(1) if the additional meal or supplement for children staying in day care homes longer than eight hours would increase participation in the Child Care Food Program by family and group day care homes;

(2) the extent to which meal service increases at such homes; and

(3) the nutritional impact of the additional meal or supplement.

(d) Report.—Not later than August 1, 1989, the Secretary of Agriculture shall prepare and submit, to the Committee on Agriculture of the House of Representatives and the Senate Committee on Agriculture, Nutrition, and Forestry, a preliminary report that describes the results of the project conducted under this section. As expeditiously as possible after the conclusion of such project, the Secretary shall prepare and submit to such Committees a final report concerning the project.

(e) Termination.—The demonstration project required by this section shall terminate not later than 12 months after the date on which the project was fully initiated.

SECTION 504. DEMONSTRATION PROJECTS FOR DEVELOPMENT AND USE OF INTELLIGENT COMPUTER BENEFIT CARDS TO PAY FOOD STAMP BENEFITS.

Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by adding at the end thereof the following new subsection:

"(f)(1) In order to encourage States to plan, design, develop, and implement a system for making food stamp benefits available through the use of intelligent benefit cards or other automated or electric benefit delivery systems, the Secretary may conduct one or more pilot or experimental projects, subject to the restrictions imposed by subsection (b)(1), designed to test whether the use of such cards or systems can enhance the efficiency and effectiveness of program operations while ensuring that individuals receive correct benefit amounts on a timely basis. Any intelligent benefit cards developed under such a demonstration project shall contain information, encoded on a computer chip embedded in a credit card medium, including the eligibility of the individual and the amount of benefits to which such individual is entitled.".

SECTION 505. STUDY OF THE EFFECTIVENESS OF THE FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM.

Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) (as amended by section 504), is further amended by adding at the end thereof the following new subsection:

"(g)(1) In order to assess the effectiveness of the employment and training programs established under section 6(d) in placing individuals into the work force and withdrawing such individuals from the food stamp program, the Secretary is authorized to carry out studies comparing the pre- and post-program labor force participation, wage rates, family income, level of receipt of food stamp and other transfer payments, and other relevant information, for samples of participants in such employment and training programs as compared to the appropriate control or comparison groups that did not participate in such programs. Any such studies shall, to the maximum extent possible—

"(A) collect such data for up to 3 years after the individual has completed the employment and training program; and

"(B) yield results that can be generalized to the national program as a whole.

The results of such studies and reports shall be considered in developing or updating the performance standards required under section 6.

"(2) There are authorized to be appropriated to carry out the purposes of paragraph (1), in addition to amounts otherwise authorized for such purpose, $3,000,000 for each of fiscal years 1990 and 1991.".

TITLE VI—IMPLEMENTATION

SEC. 601. EFFECTIVE DATES.

(a) In General.—Except as otherwise provided for in subsection (b), this Act and the amendments made by this Act shall become effective and be implemented on October 1, 1988.

(b) Special Rules.—

(1) The amendments made by sections 101, 103, 301, 321(c), and 343 shall become effective and be implemented on the date of enactment of this Act.

(2) The amendments made by sections 120, 201, 207, and 402 shall become effective and be implemented on January 1, 1989.

(3) The amendments made by sections 208, 210, 211, subsections (a)(1), (c), (f), and (i) of section 405, and sections 310 through 352 shall become effective and implemented on July 1, 1989.

Mr. LUGAR. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Madam President, many people have helped on this measure, and I want to note their names for the Record:

From the Agriculture Committee: Jim Cubie, Janet Breslin, Ed Barron, Bob Young, Laura Madden, Chris Sarcone, Shannon Shinn, Tracey Roberts, Mary Kinzer, Patricia Coates, Mark Halverson, and John Phillips.

From Senator Lugar's staff: Chuck Connor and David Johnson.

From Senator Boschwitz's staff: Terri Ninteman.

From Senator Dole's staff: Chris Bolton.

From Senator Chiles' staff: Rick Brandon, Alan Cohen, and Barbara Chow.

From Senator Domenici's staff: Bill Hoagland and Jim Ricutti.

There are many others, including the distinguished staff director of the Senate Agriculture Committee, Dr. Charles Riemenschneider, as well as Sarah Van der Lippe of Senator Kennedy's office. She has been actively involved in this process from the beginning and I appreciate her efforts.

I ask unanimous consent that the name of the Senator from Iowa [Mr. Grassley] be added as a cosponsor of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Madam President, I ask unanimous consent that I be permitted to add other names.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. I also wish to thank, again, as I did earlier, Senator Chiles, who worked hard to make it possible to fit this money within the budget.

Mr. LUGAR. Madam President, I thank the distinguished chairman for listing each of the persons on the majority and minority staffs. I shall not repeat their names.

I join the chairman again in thanking the members of the committee for their cooperation and for the excellent suggestions they made, which were incorporated in what I believe is a very constructive piece of legislation.

ORDER OF PROCEDURE

Mr. BYRD. Madam President, the Senate will not be able to proceed further at this time with the Labor-HHS appropriation bill, but it may be able to do so later in the evening or in the morning.

For the present I would like to have the Senate proceed with the consideration of the Commerce, Justice, State, Judiciary appropriation bill, but Senator Hollings will be a few minutes in getting to the floor.

MORNING BUSINESS

Mr. BYRD. Madam President, I ask unanimous consent there be 10 minutes of morning business and that Senators may speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Madam President, might I inquire as to the parliamentary situation. Are we now in morning business?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. And how long are Senators permitted to speak?

The PRESIDING OFFICER. The total period for morning business is not to extend beyond 10 minutes under the current unanimous consent agreement.

Mr. HARKIN. Madam President, could I then speak for up to 10mintues?

The PRESIDING OFFICER. The Senator is correct.

TRIBUTE TO SENATOR ROBERT BYRD

Mr. HARKIN. Madam President, I want to take this time and opportunity to speak from the heart and to pay tribute at this time to a singularly great American. I have not yet taken the floor to express my feelings about the announcement by the distinguished Senate majority leader, Senator Byrd, that he would be stepping down from his position as majority leader next year. I have given it a great deal of thought and I have considered what I might say about that decision. So I want to take this time to express those thoughts to him and to my colleagues.

Madam President, I rise to pay tribute to an American original, a success story unparalleled, a statesman in the truest sense of the word, a person whom I am honored to call a friend and a confidant, our Senate majority leader, Robert C. Byrd.

For the past 22 years, Robert Byrd has served in Senate leadership posts, most notably since 1977 as majority and minority leader.

This Senator has had the pleasure of serving with him in the Senate for the past 4 years. And in that brief time, I have come to know the majority leader as a man of rare character, integrity, and conviction.

In an era when it seems even the simplest of human interactions must be ratified in writing, Senator Byrd's word is better than the most iron-clad written contract. His bond is his word, and this has won him admiration and respect from his colleagues on both sides of the aisle.

This Chamber has witnessed thousands of speeches in which millions of words have been uttered. Yet, I dare say, not since the time of Daniel Webster and Henry Clay has the Senate been graced with such elegant discourse as we have heard from Senator Robert Byrd.

His eloquence flows not just from his words, but from his very manner and bearing. Many a time I have stood in this Chamber, awestruck by his ability to quote from memory entire passages from Shakespeare, the Bible, and other poetic classics.

Like Harry Truman, he is a devoted student of history. This body has been well served by his knowledge of and careful devotion to Senate tradition.

He has compiled a distinguished record of service for his home State of West Virginia, indeed for the entire Nation. And his decision to step down as majority leader this fall marks the end of an important chapter in Senate history.

But, of course, there will be many more chapters. I know that Robert Byrd, as he continues in the Senate, though no longer its official leader, will exert a strong influence on his colleagues, who will turn to him time and time again for wisdom and guidance and that indelible quality of leadership which needs no ratifying title.

Harry Truman once said, "There is only one test of friendship. It is a test of the heart. You know without being told who is your friend and who is not your friend."

And I can say truly, to this Senator, Robert Byrd, has been a friend of the heart.

I know this bond is in part a product of backgrounds we share, both of us sons of coal miners, our youths disturbed by the untimely deaths of our mothers. But I hesitate to carry this comparison too far. Robert Byrd, has crossed many barriers that never marred my path, and ascended to heights I can only still aspire toward.

Valedictorian of his class, yet forced by poverty to forgo a college education, he worked as a gas station attendant, a meat cutter, a skilled welder, and later with his savings opened a small grocery store. It is no accident that his career as a public servant bears the unmistakable stamp of a man who knows the meaning of hard work, understands the inherent dignity of manual labor, and feels a deep empathy for the concerns of working men and women in this country.

While a member of the West Virginia House and Senate, and after many long nights and weekends of study, Robert Byrd earned his college degree.

Even more amazingly, 29 years after his graduation from high school, while serving in the U.S. Senate, he earned his juris doctor degree, cum laude, from American University's College of Law. All the while, though putting in long hours at work and study, Robert Byrd was first and foremost a man devoted to his wife, Erma, his two daughters, and later six grandchildren.

And so it was no surprise, and an honor richly deserved, when Robert Byrd was presented the Horatio Alger Award in 1983 for his many attainments in the face of so much adversity.

If anything, perhaps the prize should be renamed the Robert Byrd Award, for even the famed Horatio Alger character can hardly match the true life story of the senior Senator from West Virginia.

His story is unique, yet it is in many ways the quintessential story of the American dream—how, through resolve and pluck, through study and hard work, opportunity and success can be had by any young man or woman in this country.

Of course, some start out with more advantages and connections and education and money than others. Robert Byrd did not have any of these advantages, yet he made it through that incredible determination and will that we have come to know in the Senate. He is one in a million.

Others, just as motivated, just as dedicated, but who did not get the right breaks, who perhaps did not possess all of Robert Byrd's remarkable talents and abilities or his warm personality, did not make it.

And here is where our colleague from West Virginia has really shone. His success, unlike some, has not left him callous to those less fortunate.

He has not turned his back on his roots, or his humble beginnings. Instead, he has dedicated his life to making that difficult path he trod just a little smoother for those born not to wealth and privilege and power.

He has worked hard for more affordable and accessible education, for job training, for better health care and nutrition, especially for children so they get off to a good start in life, for good jobs at good wages for every citizen.

Robert Byrd, who knows what it is to come up from the bottom, from poverty and despair, has sought to make the American dream not just a one-in-a-million shot in the dark, but a reality for, all those who, like him, want the opportunity to make a contribution to this great Nation.

So I join with my colleagues in honoring Senator Robert Byrd as he takes leave of the post of majority leader, only to move on to another worthy position of leadership in the Senate in the years to come.

I thank him for his guidance and support, his friendship, and for his example.

For, yes, Robert Byrd has lived a life of great personal success. But even more importantly, he has lived a life of service, of sharing what he had, and reaching out so that others too could achieve their dreams. This is his greatest and continuing legacy. And this is why I am proud to pay tribute to my friend and colleague from West Virginia.

The PRESIDING OFFICER (Mr. Simon). The majority leader.

Mr. BYRD. Mr. President, by happenstance I found myself in the Chamber here when the distinguished Senator from Iowa began his remarks.

I wish to say how truly grateful I am for his kind words. I would be less than honest if I did not say that I deeply appreciate his encomium. I am greatly flattered by what the distinguished Senator has said. But I am humbly grateful.

I also appreciate the nice things that Senator Harkin said about me at the convention in Atlanta. There he was again most kind, charitable, and gracious in his remarks.

Senator Harkin is a Senator who is dedicated to the service of his people and he works hard for them. He is effective and he is courageous.

I shall always treasure his friendship, and I assure him that as long as I remain a Member of the Senate, I shall always be here to help him if I can in any way that I can.

I shall not forget his kind words, and they serve to encourage me to try all the more to live up to the faith and confidence he has expressed in me.

I thank the Senator very, very much.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the distinguished Republican leader has been consulted with respect to the intention of the majority leader to proceed to take up the Commerce, Justice, State, the Judiciary, and related agencies appropriations bill.

COMMERCE, JUSTICE, STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION, FISCAL YEAR 1989

Mr. BYRD. Mr. President, with the Republican leader's knowledge and approval, I ask unanimous consent that the Chair lay before the Senate now H.R. 4782.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 4782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes, namely:

TITLE I—DEPARTMENT OF COMMERCE

General Administration

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce provided for by law, [$39,204,000] *including not to exceed $2,000 for official entertainment, $41,000,000: Provided, That $250,000 shall be available for the Clearinghouse for State and Local Initiatives on Productivity, Technology and Innovation.*

Bureau of the Census

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, [$94,835,000] *$96,995,000.*

PERIODIC CENSUSES AND PROGRAMS

For expenses necessary to collect and publish statistics for periodic censuses and programs provided for by law, [$527,304,000] *$538,399,000, to remain available until expended: Provided, That none of the funds appropriated or made available by this Act or any other Act with respect to any fiscal year may be used to collect data about the race of individuals who are members of Asian American or Pacific Islander ethnic groups on the short form or the long form for the 1990 decennial census in any manner other than that used on such forms for the 1980 decennial census. Nothing in this provision shall be construed to prevent the collection of data about racial groups not identified on the short form or the long form of the 1980 decennial census.*

Economic and Statistical Analysis

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs of the Department of Commerce, [$29,667,000] *$33,000,000.*

Economic Development Administration

Economic Development Assistance Programs

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, $183,500,000, of which (a) $1,400,000 is for a grant to the Crownpoint Institute of Technology in the State of New Mexico to assist in the rehabilitation and reconstruction of facilities, including site stabilization and drainage repairs; (b) $2,000,000 is for a grant to the Philadelphia Port Corporation in Philadelphia, Pennsylvania, for the Fruit Shed Expansion project at Tioga Marine Terminal I and Piers 82 and 84 to assist in the expansion of storage and handling facilities; (3) $4,500,000 is for a grant to the University of Kentucky in Lexington, Kentucky, to assist in the construction of the Advanced Science and Technology Commercialization Center; and (4) $250,000 shall be obligated for the Center for International Trade Development at Oklahoma State University: Provided, That during fiscal year 1988 total commitments to guarantee loans shall not exceed $150,000,000 of contingent liability for loan principal: Provided further, That none of the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' or consultants' fees in connection with securing grants and contracts made by the Economic Development Administration.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $24,989,000: Provided, That the number of Deputy Assistant Secretary positions shall not be greater than four: Provided further, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provision of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-nine permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1989, and such positions shall be maintained in the various States within the approved organizational structure in place on December 1, 1987, and where possible, with those employees who filled those positions on that date.

International Trade Administration

OPERATIONS AND ADMINISTRATION

[For necessary expenses for international trade activities of the Department of Commerce provided for by law, $161,432,000.]

For necessary expenses for international trade activities of the Department of Commerce, including trade promotional activities abroad without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $300,000 for official representation expenses abroad; and purchase of passenger motor vehicles for official use abroad; $179,917,000, to remain available until expended, of which $7,060,000 is for the Office of Textiles and Apparels, including $3,360,000 for a grant to the Tailored Clothing Technology Corporation: Provided, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities. Notwithstanding any other provision of law, upon the request of the Secretary of Commerce, the Secretary of State shall accord the diplomatic title of Minister-Counselor to the senior Commercial Officer assigned to any United States mission abroad: Provided further, That the number of Commercial Service officers accorded such diplomatic title at any time shall not exceed eight.

Export Administration

OPERATIONS AND ADMINISTRATION

[For necessary expenses for export administration and national security activities of the Department of Commerce provided for by law; conducting investigations and obtaining information necessary to enforce the Export Administration Act of 1979, as amended, and as provided for by 50 U.S.C. app. 2411; and awards of compensation to informers as authorized by 22 U.S.C. 401(b); $37,465,000.]

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $5,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law; $40,481,000, to remain available until expended: Provided, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities.

Minority Business Development Agency

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $40,102,000, of which $25,718,000 shall remain available until expended: Provided, That not to exceed $14,384,000 shall be available for program management for fiscal year 1988: Provided further, That none of the funds appropriated in this paragraph or in this title for the Department of Commerce shall be available to *reimburse the fund established by 15 U.S.C. 1521 on account of the performance of a program, project, or activity, nor shall such fund be available for the performance of a program, project, or activity, which had not been performed as a central service pursuant to 15 U.S.C. 1521 before July 1, 1982, unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such action in accordance with the Committees' reprogramming procedures.*

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the United States Travel and Tourism Administration including travel and tourism promotional activities abroad for travel to the United States and its possessions without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; and including employment of American citizens and aliens by contract for services abroad; rental of space abroad for periods not exceeding five years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; advance of funds under contracts abroad; payment of tort claims in the manner authorized in the first paragraph of 28 U.S.C. 2672, when such claims arise in foreign countries; and not to exceed $12,000 for representation expenses abroad; $13,800,000.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

[For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft as authorized by 31 U.S.C. 638a and 31 U.S.C. 638a(b); construction of facilities, including initial equipment as authorized by 33 U.S.C. 883i; and alteration, modernization, and relocation of facilities as authorized by 31 U.S.C. 883i; $1,181,858,000.**]**

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; 439 commissioned officers on the active list; construction of facilities, including initial equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; $1,263,854,000, to remain available until expended, of which $1,700,000 is for the St. Paul Pribilof Island Trust; and in addition, $30,000,000 shall be derived from the Airport and Airways Trust Fund; and in addition, $45,600,000 shall be derived by transfer from the Fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries"; and in addition, $6,500,000 shall be derived by transfer from the Coastal Energy Impact Fund: Provided, That grants to States pursuant to section 306 and 306(a) of the Coastal Zone Management Act, as amended, shall not exceed $2,000,000 and shall not be less than $450,000: Provided further, That the funds made available in this paragraph shall be obligated in accordance with the report accompanying the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1989, as filed in the Senate as if such report were enacted into law.

FISHERIES PROMOTIONAL FUND

Of the funds deposited in the Fisheries Promotional Fund pursuant to section 209 of the Fish and Seafood Promotion Act of 1986, $3,000,000 shall be made available as authorized by said Act, to remain available until expended.

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95-372, not to exceed **[**$719,000**]** *$726,000,* to be derived from receipts collected pursuant to that Act, *to remain available until expended.*

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96-339), the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 94-265), and the American Fisheries Promotion Act (Public Law 96-561), there are appropriated from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed **[**$1,919,000**]** *$1,938,000, to remain available until expended.*

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office, including defense of suits instituted against the Commissioner of Patents and Trademarks, $113,529,000 and, in addition, such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, to remain available until expended.

NATIONAL BUREAU OF STANDARDS

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Bureau of Standards, $146,231,000, to remain available until expended, of which $250,000 shall be available for a grant to the Southwest Radiation Calibration Center at the University of Arkansas, and of which not to exceed $6,050,000 may be transferred to the "Working Capital Fund".

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration, $13,630,000.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communication Act of 1934, as amended, $21,590,000, to remain available until expended: Provided, That not to exceed $1,500,000 shall be available for program management as authorized by section 391 of the Communications Act of 1934, as amended: Provided further, That notwithstanding the provisions of section 391 of the Communications Act of 1934, as amended, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved during any fiscal year: Provided further, That notwithstanding sections 391 and 392 of the Communications Act, as amended, up to $1,700,000 shall be available for the establishment and administration of the Pan-Pacific Educational and Cultural Experiments by Satellite program (PEACESAT).

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 101. During the currrent fiscal year, applicable appropriations and funds made available to the Department of Commerce by this Act shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by said Act, *and, notwithstanding 31 U.S.C. 3324, may be used for advanced payments not otherwise authorized only upon the certification of officials designated by the Secretary that such payments are in the public interest.*

SEC. 102. During the current fiscal year, appropriations made available to the Department of Commerce by this Act for salaries and expenses shall be available for hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 103. No funds in this title shall be used to sell to private interests, except with the consent of the borrower, or contract with private interests to sell or administer, any loans made under the Public Works and Economic Development Act of 1965 or any loans made under section 254 of the Trade Act of 1974.

SEC. 104. During the current fiscal year, the National Bureau of Standards is authorized to accept contributions of funds, to remain available until expended, from any public or private source to construct a facility for cold neutron research on materials, notwithstanding the limitations contained in 15 U.S.C. 278d.

SEC. 105. Hereafter, in procuring information processing and telecommunications services of the National Oceanic and Atmospheric Administration for the Advanced Weather Interactive Processing System, the Secretary of Commerce may provide, in the contract or contracts for such services, for the payment for contingent liability of the Federal Government which may accrue in the event that the Government decides to terminate the contract before the expiration of the multiyear contract period. Such contract or contracts for such services shall limit the payments which the Federal Government is allowed to make under such contract or contracts to amounts provided in advance in appropriation Acts.

SEC. 106. (a) This section may be cited as the "Process Patent Amendments Act of 1988".

(b) Section 154 of title 35, United States Code, is amended by inserting after "United States" the following: "and, if the invention is a process, of the right to exclude others from using or selling throughout the United States, or importing into the United States, products made by that process,".

(c) Section 271 of title 35, United States Code, is amended by adding at the end the following new subsection:

"(g) Whoever without authority imports into the United States or sells or uses within the United States a product which is made by a process patented in the United States shall be liable as an infringer, if the importation, sale, or use of the product occurs during the term of such process patent. In an action for infringement of a process patent, no remedy may be granted for infringement on account of the noncommercial use or retail sale of a product unless there is no adequate remedy under this title for infringement on account of the importation or other use or sale of that product. A product which is made by a patented process will, for purposes of this title, not be considered to be so made after—

"(1) it is materially changed by subsequent processes; or

"(2) it becomes a trivial and nonessential component of another product.".

(d)(1) Section 287 of title 35, United States Code, is amended—

(A) in the section heading by striking "Limitation on damages" and inserting "Limitation on damages and other remedies";

(B) by inserting "(a)" before "Patentees"; and

(C) by adding at the end the following:

"(b)(1) An infringer under section 271(g) shall be subject to all the provisions of this title relating to damages and injunctions except to the extent that those remedies are modified by this subsection or the Process Patent Amendments Act of 1988. The modifications of remedies provided in this subsection shall not be available to any person who—

"(A) practiced the patented process;

"(B) owns or controls, or is owned or controlled by, the person who practiced the patented process; or

"(C) had knowledge before the infringement that a patented process was used to make the product the importation, use, or sale of which constitutes the infringement.

"(2) No remedies for infringement under section 271(g) of this title shall be available with respect to any product in the possession of, or in transit to, the person subject to liability under such section before that person had notice of infringement with respect to that product. The person subject to liability shall bear the burden of proving any such possession or transit.

"(3)(A) In making a determination with respect to the remedy in an action brought for infringement under section 271(g), the court shall consider—

"(i) the good faith demonstrated by the defendant with respect to a request for disclosure,

"(ii) the good faith demonstrated by the plaintiff with respect to a request for disclosure, and

"(iii) the need to restore the exclusive rights secured by the patent.

"(B) For purposes of subparagraph (A) the following are evidence of good faith:

"(i) a request for disclosure made by the defendant;

"(ii) a response with a reasonable time by the person receiving the request for disclosure; and

"(iii) the submission of the response by the defendant to the manufacture, or if the manufacturer is not known, to the supplier, of the product to be purchased by the defendant, together with a request for a written statement that the process claimed in any patent disclosed in the response is not used to produce such product.

The failure to perform any acts described in the preceding sentence is evidence of absence of good faith unless there are mitigating circumstances. Mitigating circumstances include the case in which, due to the nature of the product, the number of sources for the product, or like commercial circumstances, a request for disclosure is not necessary or practicable to avoid infringement.

"(4)(A) For purposes of this subsection, a 'request for disclosure' means a written request made to a person then engaged in the manufacture of a product to identify all process patents owned by or licensed to that person, as of the time of the request, that the person then reasonably believes could be asserted to be infringed under section 271(g) if that product were imported into, or sold or used in, the United States by an unauthorized person. A request for disclosure is further limited to a request—

"(i) which is made by a person regularly engaged in the United States in the sale of the same type of products as those manufactured by the person to whom the request is directed, or which includes facts showing that the person making the request plans to engage in the sale of such products in the United States;

"(ii) which is made by such person before the person's first importation, use, or sale of units of the product produced by an infringing process and before the person had notice of infringement with respect to the product; and

"(iii) which includes a representation by the person making the request that such person will prompty submit the patents identified pursuant to the request to the manfacturer, or if the manufacturer is not known, to the supplier, of the product to be purchased by the person making the request, and will request from that manufacturer or supplier a written statement that none of the processes claimed in those patents is used in the manufacture of the product.

"(B) In the case of a request for disclosure received by a person to whom a patent is licensed, that person shall either identify the patent or promptly notify the licensor of the request for disclosure.

"(C) A person who has marked, in the manner prescribed by subsection, (a), the number of the process patent on all products made by the patented process which have been sold by that person in the United States before a request for disclosure is received is not required to respond to the request for disclosure. For purposes of the preceding sentence, the term 'all products' does not include products made before the effective date of the Process Patent Amendment Act of 1988.

"(5)(A) For purposes of this subsection, notice of infringement means actual knowledge, or receipt by a person of a written notification, or a combination thereof, of information sufficient to persuade a reasonable person that it is likely that a product was made by a process patented in the United States.

"(B) A written notification from the patent holder charging a person with infringement shall specify the patented process alleged to have been used and the reasons for a good faith belief that such process was used. The patent holder shall include in the notification such information as is reasonably necessary to explain fairly the patent holder's belief, except that the patent holder is not required to disclose any trade secret information.

"(C) A person who receives a written notification described in subparagraph (B) or a written response to a request for disclosure described in paragraph (4) shall be deemed to have notice of infringement with respect to any patent referred to in such written notification or response unless that person, absent mitigating circumstances—

"(i) promptly transmits the written notification or response to the manufacturer or, if the manufacturer is not known, to the supplier, of the product purchased or to be purchased by that person; and

"(ii) receives a written statement from the manufacturer or supplier which on its face sets forth a well grounded factual basis for a belief that the identified patents are not infringed.

"(D) For purposes of this subsection, a person who obtains a product made by a process patented in the United States in a quantity which is abnormally large in relation to the volume of business of such person or an efficient inventory level shall be rebuttably presumed to have actual knowledge that the product was made by such patented process.

"(6) A person who receives a response to a request for disclosure under this subsection shall pay to the person to whom the request was made a reasonable fee to cover actual costs incurred in complying with the request, which may not exceed the cost of a commercially available automated patent search of the matter involved, but in no case more than $500.".

(2) The item relating to section 287 of title 35, United States Code, in the table of sections for chapter 29 of such title is amended to read as follows:

"287. Limitation on damages and other remedies; marking and notice.".

(e)(1) Chapter 29 of title 35, United States Code, is amended by adding at the end the following:

"§295. Presumption: Product made by patented process

"In actions alleging infringement of a process patent based on the importation, sale, or use of a product which is made from a process patented in the United States, if the court finds—

"(1) that a substantial likelihood exists that the product was made by the patented process, and

"(2) that the plaintiff has made a reasonable effort to determine the process actually used in the production of the product and was unable so to determine,

the product shall be presumed to have been so made, and the burden of establishing that the product that was not made by the process shall be on the party asserting that it was not so made.".

(2) The table of sections for chapter 29 of title 35, United States Code, is amended by adding after the item relating to section 294 the following:

"295. Presumption: Product made by patented process.".

(f)(1) The amendments made by this section take effect 6 months after the date of enactment of this Act and, subject to paragraphs (2) and (3), shall apply only with respect to products made or imported after the effective date of the amendments made by this section.

(2) The amendments made by this section shall not abridge or affect the right of any person or any successor in business of such person to continue to use, sell, or import any specific product already in substantial and continuous sale or use by such person in the United States on January 1, 1988, or for which substantial preparation by such person for such sale or use was made before such date, to the extent equitable for the protection of commercial investments made or business commenced in the United States before such date. This paragraph shall not apply to any person or any successor in business of such person using, selling, or importing a product produced by a patented process that is the subject of a process patent enforcement action commenced before January 1, 1987, before the International Trade Commission, that is pending or in which an order has been entered.

(3) The amendments made by this section shall not deprive a patent owner of any remedies available under subsections (a) through (f) of section 271 of title 35, United States Code, under section 337 of the Tariff Act of 1930, or under any other provisions of law.

(g)(1) The Secretary of Commerce shall, not later than the end of each 1-year period described in paragraph (2), report to the Congress on the effect of the amendments made by this section on those domestic industries that submit complaints to the Department of Commerce, during the 1-year period, alleging that their legitimate sources of supply have been adversely affected by such amendments.

(2) A report described in subsection (a) shall be submitted with respect to each of the five 1-year periods which occur successively beginning on the effective date of the amendments made by this section and ending five years after that effective date.

SEC. 107. (a) This section may be cited as the "Patent Law Foreign Filing Amendments Act of 1988".

(b)(1) Section 184 of title 35, United States Code, is amended—

(A) in the third sentence by—

(i) striking out "inadvertently"; and

(ii) inserting "through error and without deceptive intent" after "filed abroad"; and

(B) by adding at the end thereof the following new paragraph:

"The scope of a license shall permit subsequent modifications, amendments, and supplements containing additional subject matter if the application upon which the request for the license is based is not, or was not, required to be made available for inspection under section 181 of this title and if such modifications, amendments, and supplements do not change the general nature of the invention in a manner which would require such application to be made available for inspection under such section 181. In any case in which a license is not, or was not, required in order to file an application in any foreign country, such subsequent modifications, amendments, and supplements may be made, without a license, to the application filed in the foreign country if the United States application was not required to be made available for inspection under section 181 and if such modifications, amendments, and supplements do not, or did not, change the general nature of the invention in a manner which would require the United States application to have been made available for inspection under such section 181.".

(2) Section 185 of title 35, United States Code, is amended by inserting immediately before the period in the last sentence the following: ", unless the failure to procure such license was through error and without deceptive intent, and the patent does not disclose subject matter within the scope of section 181 of this title.".

(3) Section 186 of title 35, United States Code, is amended by inserting "willfully" after "whoever", the second place it appears.

(c) The Commissioner of Patents and Trademarks shall prescribe such regulations as may be necessary to implement the amendments made by this section.

(d)(1) Subject to paragraphs (2), (3), and (4) of this subsection, the amendments made by this section shall apply to all United States patents granted before, on, or after the date of enactment of this section, to all applications for United States patents pending on or filed after such date of enactment, and to all licenses under section 184 granted before, on, or after the date of enactment of this section.

(2) The amendments made by this section shall not affect any final decision made by a court or the Patent and Trademark Office before the date of enactment of this section with respect to a patent or application for patent, if no appeal from such decision is pending and the time for filing an appeal has expired.

(3) No United States patent granted before the date of enactment of this section shall abridge or affect the right of any person or his successors in business who made, purchased, or used, prior to such date of enactment, anything protected by the patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased, or used, if the patent claims were invalid or otherwise unenforceable on a ground obviated by this section and the person made, purchased, or used the specific thing in reasonable reliance on such invalidity or unenforceability. If a person reasonably relied on such invalidity or unenforceability, the court before which such matter is in question may provide for the continued manufacture, use, or sale of the thing made, purchased, or used as specified, or for the manufacture, use, or sale of which substantial preparation was made before the date of enactment of this section, and it may also provide for the continued practice of any process practiced, or for the practice of which substantial preparation was made, prior to the date of enactment of this section, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before such date of enactment.

(4) The amendments made by this section shall not affect the right of any party in any case pending in court on the date of enactment of this section to have its rights or liabilities—

(A) under any patent before the court, or

(B) under any patent granted after such date of enactment which is related to the patent before the court by deriving priority rights under section 120 or 121 of title 35, United States Code, from a patent or an application for patent common to both patents,

determined on the basis of the substantive law in effect before the date of enactment of this section.

This title may be cited as the "Department of Commerce Appropriations Act, 1989".

TITLE II—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $89,244,000.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission, as authorized by law, $10,893,000.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and rent of private or Government-owned space in the District of Columbia; $240,591,000, of which not to exceed $6,000,000 for litigation support contracts shall remain available until September 30, 1990: Provided, That of the funds available in this appropriation, not to exceed $5,000,000 shall be available for office automation systems for the legal divisions covered by this appropriation, and for the United States Attorneys, the Antitrust Division, and offices funded through Salaries and expenses, General Administration, to remain available until expended: Provided further, That the Chief, United States National Central Bureau, INTERPOL, may establish and collect fees to process name checks and background records for noncriminal employment, licensing, and humanitarian purposes and, notwithstanding the provisions of 31 U.S.C. 3302, credit not more than $150,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services.

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust and kindred laws, $45,386,000.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, $391,212,000: Provided, That out of any increases appropriated during fiscal year 1989 for the Office of U.S. Attorneys, sufficient funds shall be allocated to the U.S. Attorneys Office of the Southern District of Florida to maintain such office's authorized level of 112 permanent full-time attorneys.

UNITED STATES TRUSTEE SYSTEM FUND

For the necessary expenses of the United States Trustee Program, $47,784,000, to remain available until expended and to be derived from the Fund, for activities authorized by section 115 of the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554): Provided, That deposits to the Fund are available in such amounts as may be necessary to pay refunds due depositors: Provided further, That obligated balances remaining in the appropriation "Salaries and expenses, oversight of bankruptcy cases" as of September 30, 1988, be merged with the "United States Trustee System Fund".

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109; allowances and benefits similar to those allowed under the Foreign Service Act of 1980 as determined by the Commission; expenses of packing, shipping, and storing personal effects of personnel assigned abroad; rental or lease, for such periods as may be necessary, of office space and living quarters of personnel assigned abroad; maintenance, improvement, and repair of properties rented or leased abroad, and furnishing fuel, water, and utilities for such properties; insurance on official motor vehicles abroad; advances of funds abroad; advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; hire of motor vehicles for field use only; and employment of aliens; $472,000.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service; including acquisition, lease, maintenance, and operation of vehicles and aircraft; $185,000,000: Provided, That notwithstanding the provisions of title 31 U.S.C. 3302, the Director of the United States Marshals Service may collect fees and expenses for the service of civil process, including: complaints, summonses, subpoenas and similar process; and seizures, levies, and sales associated with judicial *orders of execution; and credit not to exceed $1,000,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services.*

SUPPORT OF UNITED STATES PRISONERS

For support of United States prisoners in non-Federal institutions, $87,649,000, which shall remain available until expended; of which not to exceed $5,000,000 shall be available under the Cooperative Agreement Program for the purposes of renovating, constructing, and equipping State and local correctional facilities: Provided, That amounts made available for constructing any local correctional facility shall not exceed the cost of constructing space for the average Federal prisoner population to be housed in the facility, or in other facilities in the same correctional system, as projected by the Attorney General: Provided further, That following agreement on or completion of any federally assisted correctional facility construction, the availability of the space acquired for Federal prisoners with these Federal funds shall be assured and the per diem rate charged for housing Federal prisoners in the assured space shall not exceed operating costs for the period of time specified in the cooperative agreement.

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses and for per diems in lieu of subsistence, as authorized by law, including advances; $51,569,000, to remain available until expended, of which not to exceed $1,350,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $28,137,000, of which not to exceed $20,873,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980 (Public Law 96–422; 94 Stat. 1809) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants: Provided, That notwithstanding section 501(e)(2)(B) of the Refugee Education Assistance Act of 1980 (Public Law 96–422; 94 Stat. 1810), funds may be expended for assistance with respect to Cuban and Haitian entrants as authorized under section 501(c) of such Act.

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524, as amended by the Comprehensive Forfeiture Act of 1984 and the Anti-Drug Abuse Act of 1986, [such sums as may be necessary] *$147,056,000* to be derived from the Department of Justice Assets Forfeiture Fund: *Provided, That obligations from the fund shall be made in the priority order set forth in the Attorney General's guidelines on seized and forfeited assets dated December 10, 1987: Provided further, That funds transferred pursuant to section 524(c)(1)(H) of title 28 United States Code shall be made without regard to fiscal year limitation.*

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For expenses necessary for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed 2,600 passenger motor vehicles of which 1,850 will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; $1,424,977,000, of which not to exceed $15,100,000 for INF treaty activities shall remain available until expended; of which not to exceed $10,000,000 for automated data processing and telecommunications and $1,000,000 for undercover operations shall remain available until September 30, 1990; of which not to exceed $3,000,000 for research related to investigative activities shall remain available until expended; and of which not to exceed $500,000 is authorized to be made available for making payments or advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to terrorism: Provided, That the Director of the Federal Bureau of Investigation may establish and collect fees to process fingerprint identification records for non-criminal employment and licensing purposes, and notwithstanding the provisions of 31 U.S.C. 3302, credit such fees to this appropriation to be used for salaries and other expenses incurred in providing these services: Provided further, That not to exceed $45,000 shall be available for official reception and representation expenses: Provided further, That not to exceed $11,358,000 for a language translation system shall remain available until expended.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed 549 passenger motor vehicles of which 489 are for replacement only for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; $503,219,000, of which not to exceed $1,200,000 for research shall remain available until expended; and of which not to exceed $1,700,000 for purchase of evidence and payments for information, not to exceed $4,000,000 for contracting for ADP and telecommunications equipment, and not to exceed $2,000,000 for technical equipment shall remain available until September 30, 1990.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; purchase for police-type use (not to exceed 525, of which 512 shall be for replacement only) without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and research related to immigration enforcement; $804,323,000, of which not to exceed $400,000 for research shall remain available until expended: Provided, That none of the funds available to the Immigration and Naturalization Service shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $25,000 except in such instances when the Commissioner makes a determination that this restriction is impossible to implement: Provided further, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: Provided further, That capital assets acquired by the Immigration Legalization account may be made available for the general use of the Immigration and Naturalization Service after they are no longer needed for immigration legalization purposes.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 159 of which 109 are for replacement only) and hire of law enforcement and passenger motor vehicles; $963,012,000: Provided, That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: Provided further, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: Provided further, That of the amount appropriated under this heading, $4,204,000 shall be for "Federal Prison Industries" to replace equipment destroyed during the Mariel Cuban disturbances.

NATIONAL INSTITUTE OF CORRECTIONS

For carrying out the provisions of sections 4351–4353 of title 18, United States Code, which established a National Institute of Corrections, $9,686,000, to remain available until expended.

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, $203,693,000 to remain available until expended: Provided, That labor of United States prisoners may be used for work performed under this appropriation: Provided further, That not to exceed 20 percentum of the funds appropriated to "Buildings and Facilities" in this Act or any other Act may be transferred to "Salaries and Expenses," Federal Prison System upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate in compliance with provisions set forth in section 607 of this Act.

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such con-

tracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of (not to exceed five for replacement only) and hire of passenger motor vehicles.

LIMITATION ON ADMINISTRATIVE AND VOCATIONAL EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $2,374,000 of the funds of the corporation shall be available for its administrative expenses, and not to exceed $7,677,000 for the expenses of vocational training of prisoners, both amounts to be available for services as authorized by 5 U.S.C. 3109, and to be computed on an accrual basis to be determined in accordance with the corporation's prescribed accounting system in effect on July 1, 1946, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

[For grants as authorized by the State and Local Law Enforcement Assistance Act of 1986 (Public Law 99-570, 100 Stat. 3207-42 to 3207-48), $70,000,000. In addition, $5,000,000 for the purpose of reimbursement to States for costs of incarcerating illegal aliens and certain Cuban Nationals as authorized by section 501 of the Immigration Reform and Control Act of 1986 (Public Law 99-603).]

For grants, contracts, cooperative agreements, and other assistance authorized by the Justice Assistance Act of 1984, Runaway Youth and Missing Children Act Amendments of 1984, and the Missing Children Assistance Act including salaries and expenses in connection therewith, $87,383,000, to remain available until expended, of which $3,300,000 is provided under part E of the Justice Assistance Act of 1984, notwithstanding the provisions of section 407 of such Act to provide a grant to the National Crime Prevention Council for the purpose of continuing and expanding the National Citizens Crime Prevention Campaign: Provided, That of the unobligated funds previously appropriated for the Juvenile Justice and Delinquency Prevention Act which are subject to provisions of sections 222(b), 223(d), and 228(e) of title II of such Act, $2,000,000 to remain available until expended, shall be made available for salaries and expenses in connection with the Justice Assistance Act of 1984. In addition, for grants as authorized by the State and Local Law Enforcement Assistance Act of 1986 (Public Law 99-570, 100 Stat. 3207-42 to 3207-48), including salaries and expenses in connection therewith, $70,000,000 to remain available until expended: Provided further, That the Director, Bureau of Justice Assistance may increase the limitation, not to exceed 20 per centum, on administrative costs pursuant to 42 U.S.C. 3796n upon notification to the Director by States unable to comply with the limitation. In addition, for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith, $66,692,000, to remain available until expended, of which not less than $3,000,000 shall be allotted under subpart II of part B of the Act to assist those States deemed not in substantial compliance with the jail removal mandate found in section 224(a)(14) of the Act. In addition, $5,000,000 for the purpose of making grants to States for their expenses by reason of Mariel Cubans having to be incarcerated in State facilities for terms requiring incarceration for the full period October 1, 1988 through September 30, 1989, following their conviction of a felony committed after having been paroled into the United States by the Attorney General: Provided further, That within thirty days of enactment of this Act the Attorney General shall announce in the Federal Register that this appropriation will be made available to the States whose Governors certify by February 1, 1989, a listing of names of such Mariel Cubans incarcerated in their respective facilities: Provided further, That the Attorney General, not later than April 1, 1989, will complete his review of the certified listings of such incarcerated Mariel Cubans, and make grants to the States on the basis that the certified number of such incarcerated persons in a State bears to the total certified number of such incarcerated persons: Provided further, That the amount of reimbursements per prisoner per annum shall not exceed $12,000.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

SEC. 201. A total of not to exceed $75,000 from funds appropriated to the Department of Justice in this title shall be available for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

SEC. 202. Notwithstanding any other provision of law, materials produced by convict labor may be used in the construction of any highways or portion of highways located on Federal-aid systems, as described in section 103 of title 23, United States Code.

SEC. 203. Appropriations for "Salaries and expenses, General Administration", "Salaries and expenses, United States Marshals Service", "Salaries and expenses, Federal Bureau of Investigation", "Salaries and expenses, Drug Enforcement Administration", "Salaries and expenses, Immigration and Naturalization Service", and "Salaries and expenses, Federal Prison System", shall be available for uniforms and allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 204. (a) Subject to subsection (b) of this section, authorities contained in Public Law 96-132, "The Department of Justice Appropriation Authorization Act, Fiscal Year 1980", shall remain in effect until the termination date of this Act or until the effective date of a Department of Justice Appropriation Authorization Act, whichever is earlier.

(b)(1) With respect to any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration which is necessary for the detection and prosecution of crimes against the United States or for the collection of foreign intelligence or counterintelligence—

(A) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1989, may be used for purchasing property, buildings, and other facilities, and for leasing space, within the United States, the District of Columbia, and the territories and possessions of the United States, without regard to section 1341 of title 31 of the United States Code, section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)), section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255), the third undesignated paragraph under the heading "Miscellaneous" of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34), section 3324 of title 31 of the United States Code, section 3741 of the Revised Statutes (41 U.S.C. 22), and subsections (a) and (c) of section 304 of the Federal Property and Administrative Service Act of 1949 (63 Stat. 395; 41 U.S.C. 254 (a) and (c)),

(B) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1989, may be used to establish or to acquire proprietary corporations or business entities as part of an undercover investigative operation, and to operate such corporations or business entities on a commercial basis, without regard to section 9102 of title 31 of the United States Code,

(C) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1989, and the proceeds from such undercover operation, may be deposited in banks or other financial institutions, without regard to section 648 of title 18 of the United States Code and section 3302 of title 31 of the United States Code, and

(D) proceeds from such undercover operation may be used to offset necessary and reasonable expenses incurred in such operation, without regard to section 3302 of title 31 of the United States Code,

only, in operations designed to detect and prosecute crimes against the United States, upon the written certification of the Director of the Federal Bureau of Investigation (or, if designated by the Director, a member of the Undercover Operations Review Committee established by the Attorney General in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, as in effect on July 1, 1983) or the Administrator of the Drug Enforcement Administration, as the case may be, and the Attorney General (or, with respect to Federal Bureau of Investigation undercover operations, if designated by the Attorney General, a member of such Review Committee), that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation. If the undercover operation is designed to collect foreign intelligence or counterintelligence, the certification that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation shall be by the Director of the Federal Bureau of Investigation (or, if designated by the Director, the Assistant Director, Intelligence Division) and the Attorney General (or, if designated by the Attorney General, the Counsel for Intelligence Policy). Such certification shall continue in effect for the duration of such undercover operation, without regard to fiscal years.

(2) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraphs (C) and (D) of subsection (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

(3) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (B) of paragraph (1) with a net value of over $50,000 is to be liquidated, sold, or otherwise disposed of, the Federal Bureau of Investigation or the Drug Enforcement Administration, as much in advance as the Director or the Administrator, or the designee of the Director or the Administrator, determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(4)(A) The Federal Bureau of Investigation or the Drug Enforcement Administration, as the case may be, shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1989—

(i) submit the results of such audit in writing to the Attorney General, and

(ii) not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(B) The Federal Bureau of Investigation and the Drug Enforcement Administration shall each also submit a report annually to the Congress specifying as to their respective undercover investigative operations—

(i) the number, by programs, of undercover investigative operations pending as of the end of the one-year period for which such report is submitted,

(ii) the number, by programs, of undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted, and

(iii) the number, by programs, of undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operations, the results obtained. With respect to each such closed undercover operation which involves any of the sensitive circumstances specified in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, such report shall contain a detailed description of the operation and related matters, including information pertaining to—

(I) the results,

(II) any civil claims, and

(III) identification of such sensitive circumstances involved, that arose at any time during the course of such undercover operation.

(5) For purposes of paragraph (4)—

(A) the term "closed" refers to the earliest point in time at which—

(i) all criminal proceedings (other than appeals) are conducted, or

(ii) covert activities are concluded, whichever, occurs later,

(B) the term "employees" means employees, as defined in section 2105 of title 5 of the United States Code, of the Federal Bureau of Investigation, and

(C) the terms "undercover investigative operations" and "undercover operation" means any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration (other than a foreign counterintelligence undercover investigative operation)—

(i) in which—

(I) the gross receipts (excluding interest earned) exceed $50,000, or

(II) expenditures (other than expenditures for salaries of employees) exceed $150,000, and

(ii) which is exempt from section 3302 or 9102 of title 31 of the United States Code,

except that clauses (i) and (ii) shall not apply with respect to the report required under subparagraph (B) of such paragraph.

SEC. 205. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term or in the case of rape: Provided, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.

SEC. 206. None of the funds appropriated under this title shall be used to require any person to perform, or facilitate in any way the performance of, any abortion.

SEC. 207. Nothing in the preceding section shall remove the obligation of the director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: Provided, That nothing in this section in any way diminishes the effect of section 206 intended to address the philosophical beliefs of individual employees of the Bureau of Prisons.

SEC. 208. Notwithstanding subsections (c) and (d) of section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633), the Administrator of the Office of Juvenile Justice and Delinquency Prevention may not—

(1) terminate any State's eligibility for funding under subpart I of part B of title II of such Act, or

(2) determine that the State's plan fails to meet the requirements of such section,

for fiscal year 1989 because of the failure of such State to comply with the requirements of section 223(a)(14) of such Act before such fiscal year.

SEC. 209. (a) Title 8 United States Code, section 1356 is amended by adding the following new subsections:

"(m) Notwithstanding any other provisions of law, all adjudication fees as are designated by the Attorney General in regulations shall be deposited into a separate account entitled 'Immigration Examinations Fee Account' in the Treasury of the United States, whether collected directly by the Attorney General or through clerks of courts: Provided, however, That all fees received by the Attorney General from applicants residing in the Virgin Islands of the United States, and in Guam, under this subsection shall be paid over to the treasury of the Virgin Islands and to the treasury of Guam.

"(n) All deposits into the 'Immigration Examinations Fee Account' in excess of fifty million dollars shall remain available until expended to the Attorney General to reimburse any appropriation the amount paid out of such appropriation for expenses in providing immigration adjudication and naturalization services and the collection, safeguarding and accounting for fees deposited in and funds reimbursed from the 'Immigration Examinations Fee Account'. At least annually, deposits in the amount of fifty million dollars shall be transferred from the 'Immigration Examinations Fee Account' to the General Fund of the Treasury of the United States.

"(o) The Attorney General will prepare and submit annually to Congress statements of financial condition of the 'Immigration Examinations Fee Account', including beginning account balance, revenues, withdrawals, and ending account balance and projections for the ensuing fiscal year.

"(p) The provisions set forth in subsections (m), (n), and (o) of this section apply to adjudication and naturalization services performed and to related fees collected on or after October 1, 1988."; and

(b) Title 8 United States Code, section 1455(g) is amended by inserting after "Treasury of the United States" the following: "except that all fees collected by the Attorney General on or after October 1, 1988, under the provisions of this subchapter, shall be deposited in the 'Immigration Examinations Fee Account' in the Treasury of the United States established pursuant to the provisions of section 286 (m), (n), (o), and (p)".

This title may be cited as the "Department of Justice Appropriation Act, 1989".

TITLE III—DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

[For] *Notwithstanding section 110 of Public Law 100-204, for* necessary expenses of the Department of State and the Foreign Service, not otherwise provided for, including obligations of the United States abroad pursuant to treaties, *international agreements, and binational contracts (including obligations assumed in Germany on or after June 5, 1945)* and expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and section 2 of the State Department Basic Authorities Act of 1956, as amended (22 U.S.C. 2669); *telecommunications; expenses necessary to provide maximum physical security in Government-owned and leased properties and vehicles abroad;* representation to certain international organizations in which the United States participates pursuant to treaties[, conventions] ratified by the Senate, *conventions,* or specific Acts of Congress; acquisition by exchange or purchase of passenger motor vehicles as authorized by 31 U.S.C. 1343, 40 U.S.C. 481(c) and 22 U.S.C. 2674, except that passenger motor vehicles with additional systems and equipment may be purchased without regard to any price limitation otherwise established by law as authorized by 31 U.S.C. 1343(c), [$1,793,500,000] *$1,792,000,000*; and in addition not to exceed $250,000 in registration fees collected pursuant to section 38 of the Arms Export Control Act, as amended, may be used in accordance with section 38(b)(3)(A) of such Act (section 1255(c) of Public Law 100-204).

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), $4,590,000.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided for, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314), and to provide for the protection of foreign missions in accordance with the provisions of 3 U.S.C. 208, $9,100,000.

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292-300), $240,021,000, to remain available until expended as authorized by 22 U.S.C. 2696(c): *Provided,* That none of the funds appropriated in this paragraph shall be available for acquisition of furniture and furnishings and generators for other departments and agencies.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service pursuant to the requirement of 31 U.S.C. 3526(e), $4,500,000, to remain available until expended as authorized by 22 U.S.C. 2696(c).

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8 (93 Stat. 14), $10,890,000.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, $107,684,000.

International Organizations and Conferences

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

[For] *Notwithstanding section 102(a) (1) through (11) of Public Law 100-204, for* expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties[, conventions] ratified by the Senate, *conventions* or specific Acts of Congress, [$485,940,000] *$489,906,000*: *Provided,* That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For payments, not otherwise provided for, by the United States for expenses of the United Nations peacekeeping forces as authorized by law, $29,000,000.

INTERNATIONAL CONFERENCES AND CONTINGENCIES

For necessary expenses authorized by section 5 of the State Department Basic Authorities Act of 1956, contributions for the United States share of general expenses of international organizations and representation to such organizations as provided for by 22 U.S.C. 2656 and 2672 and personal services without regard to civil service and classification laws as authorized by 5 U.S.C. 5102, $6,000,000, to remain available until expended as authorized by 22 U.S.C. [2696(c)] *287(e)*, of which not to exceed $200,000 may be expended for representation as authorized by 22 U.S.C. 2269 and 4085.

International Commissions

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties[, conventions] ratified by the Senate, *conventions* or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the International Boundary and Water Commission, United States and Mexico, and to comply with laws applicable to the United States Section, as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, [$10,261,000] *including preliminary surveys, operations and maintenance of the interceptor system to be constructed to intercept sewage flows from Tijuana and from selected canyon areas as currently planned, and the operation and maintenance upon completion of the proposed Environmental Protection Agency and Corps of Engineers pipeline and plant project to capture Tijuana sewage flows in the event of a major breakdown in Mexico's conveyance system, $10,364,000: Provided, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89).*

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, including the Rio Grande Rectification Improvement project, to remain available until expended as authorized by 22 U.S.C. 2696(c), [$3,166,000] *$3,198,000.*

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, [$4,316,000] *$4,359,000*; for the International Joint Commission and the International Boundary Commission, as authorized by treaties between the United States and Canada or Great Britain.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, as authorized by law, [$10,548,000] *$10,653,000*: *Provided,* That the United States share of such expenses may be advanced to the respective commissions, pursuant to 31 U.S.C. 529.

Other

UNITED STATES BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS

For necessary expenses, not otherwise provided, for Bilateral Science and Technology Agreements, as authorized by section 105 of Public Law 100-204, [$1,900,000] *$2,000,000,* to remain available until expended as authorized by 22 U.S.C. 2696(c).

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation as authorized by section 601 of Public Law 100-204, [$13,700,000] *$15,000,000,* to remain available until expended as authorized by 22 U.S.C. 2696(c).

SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

For expenses, not otherwise provided for, to enable the Secretary of State to carry out the provisions of title VIII of Public Law 98-164, [$4,600,000] *$5,000,000.*

FISHERMEN'S GUARANTY FUND

For expenses necessary to carry out the provisions of section 7 of the Fishermen's Protective Act of 1967, as amended, $1,742,000, of which $900,000 is to be derived from the receipts collected pursuant to that Act, to remain available until expended.

General Provisions—Department of State

SEC. 301. Funds appropriated under this title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapter 59 of 5 U.S.C.; for services as authorized by 5 U.S.C. 3109; and hire of passenger transportation pursuant to 31 U.S.C. 1343(b).

SEC. 302. The Secretary of State shall report to the appropriate committees of the Congress on the obligation of funds provided for diplomatic security and related expenses every month.

SEC. 303. Section 303 of the Department of State Appropriations Act, 1988 (as contained in section 101(a) of Public Law 100-202), is amended in the first sentence—

(1) by striking out "$290,000" and inserting in lieu thereof "$340,000";

(2) by striking out "and"; and

(3) by inserting after "Public Law 86-420" the following: ", and section 109(c) of the Department of State Authorization Act, Fiscal Years 1984 and 1985".

This title may be cited as the "Department of State Appropriation Act, 1989".

TITLE IV—THE JUDICIARY

Supreme Court of the United States

SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase or hire, driving, maintenance and operation of an automobile for the Chief Justice, not to exceed $10,000 for the purpose of transporting Associate Justices, and hire of passenger motor vehicles [as authorized by 31 U.S.C. 1343 and 1344; $15,840,000]*; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; $15,453,000.*

CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a-13b), [$2,200,000] *including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances; special clothing for workmen; and personal and other services (including temporary labor without regard to the Classification and Retirement Acts, as amended), and for snow removal by hire of men and equipment or under contract, without compliance with section 3709 of the Revised Statutes, as amended (41 U.S.C. 5) $2,131,000, of which $75,000 shall remain available until expended.*

United States Court of Appeals for the Federal Circuit

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for *all* necessary expenses of the court, [as authorized by law, $8,227,000] *$7,566,000.*

United States Court of International Trade

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges; salaries of the officers and employees of the court; services as authorized by 5 U.S.C. 3109; and necessary expenses of the court, [as authorized by law; $8,159,000] *including exchange of books and traveling expenses, as may be approved by the court; $7,889,000: Provided, That travel expenses of judges of the Court of International Trade shall be paid upon written certificate of the judge.*

Courts of Appeals, District Courts, and Other Judicial Services

SALARIES AND EXPENSES

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the Claims Court, bankruptcy judges, magistrates, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and *all* necessary expenses of the courts, [as authorized by law, $1,178,336,000] *including the purchase of firearms and ammunition, $1,106,768,000: Provided, That of the total amount appropriated, $500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions: Provided further, That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney for each authorized judgeship, exclusive of the seven attorneys assigned preargument conference duties: Provided further,* That such sums as may be available in the fund established pursuant to 28 U.S.C. 1931 may be credited to this appropriation as authorized by section 407(c) of the Judiciary Appropriation Act, 1987 (Public Law 99-591; 100 Stat. 3341-64).

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations, the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended, the compensation and reimbursement of expenses of persons furnishing investigative, expert and other services under the Criminal Justice Act [(18 U.S.C. 3006A(e)),] and the *compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel, and the* compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by [28 U.S.C. 1875(d)] *law*; [$109,900,000] *$86,478,000*, to remain available until expended [as authorized by 18 U.S.C. 3006A(i)].

FEES OF JURORS AND COMMISSIONERS

For fees and expenses *and refreshments* of jurors [as authorized by 18 U.S.C. 1871 and 1876]; compensation of jury commissioners [as authorized by 28 U.S.C. 1863]; and compensation of commissioners appointed in condemnation cases pursuant to rule 71A(h) of the Federal Rules of Civil Procedure [(28 U.S.C. Appendix Rule 71A(h)); $44,193,000]*; $43,600,000, to remain available until expended: Provided That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code.*

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities; $41,423,000, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts [as authorized by law, including travel as authorized by 31 U.S.C. 1345 and], *including travel, advertising,* hire of a passenger motor vehicle, [as authorized by 31 U.S.C. 1343(b), $34,228,000] *and rent in the District of Columbia and elsewhere, $33,087,000, of which an amount not to exceed $5,000 is authorized for official reception and representation expenses.*

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90-219, [$11,581,000] *$10,669,000.*

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, [$5,129,000] *$5,183,000.*

GENERAL PROVISIONS—THE JUDICIARY

SEC. 401. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 402. Pursuant to section 140 of Public Law 97-92, during fiscal year 1989, Justices and judges of the United States shall receive the same percentage increase in salary accorded to employees paid under the General Schedule (pursuant to 5 U.S.C. 5305).

SEC. 403. Appropriations made in this title shall be available for salaries and expenses of the Temporary Emergency Court of Appeals authorized by Public Law 92-210 and the Special Court established under the Regional Rail Reorganization Act of 1973, Public Law 93-236.

SEC. 404. The position of Trustee Coordinator in the Bankruptcy Courts of the United States shall not be limited to persons with formal legal training.

SEC. 405. Notwithstanding any other provision of law, the Administrative Office of the United States Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of the United States Bankruptcy Courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested parties as the Court may direct and approve. The Director of the Administrative Office of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives. The provisions of this paragraph shall terminate on October 1, 1989.

SEC. 406. Such fees as shall be collected for the preparation and mailing of notices in bankruptcy cases as prescribed by the Judicial Conference of the United States pursuant to 28 U.S.C. 1930(b) shall be deposited to the "Courts of Appeals, District Courts, and Other Judicial Services, Salaries and Expenses" appropriation to be used for salaries and other expenses incurred in providing these services.

SEC. 407. Section 603 of title 28, United States Code, is amended by striking "three" and inserting in lieu thereof "six".

SEC. 408. The second paragraph of section 332(f) of title 28, United States Code, is amended by striking ‘level V" and inserting in lieu thereof, ‘level IV".

SEC. 409. (a) Section 152(a)(2) of title 28, United States Code, is amended—

(1) in the item relating to the district of Alaska by striking out "1" and inserting in lieu thereof "2",

(2) in the item relating to the district of Arizona by striking out "4" and inserting in lieu thereof "5",

(3) in the item relating to the district of Colorado by striking out "4" and inserting in lieu thereof "5", and

(b) The provision of subsection (a) of this section shall be effective upon enactment of this Act, subject to the availability of appropriated funds.

This title may be cited as "The Judiciary Appropriation Act, 1989".

TITLE V—RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

READY RESERVE FORCE

For necessary expenses to acquire and maintain a surge shipping capability in the National Defense Reserve Fleet in an advanced state of readiness and related programs, $110,751,000, to remain available until expended, of which $3,000,000 shall be available for maintenance and related expenses of the National Defense Reserve Fleet: Provided, That reimbursement may be made to the Operations and Training appropriation for expenses related to this program.

OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT AUTHORITY)

For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amended, $248,900,000, to remain available until expended.

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, $66,250,000, to remain available until expended: Provided, That reimbursements may be made to this appropriation from receipts to the "Federal Ship Financing Fund" for administrative expenses in support of that program in addition to any amount heretofore appropriated.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: Provided, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses, not otherwise provided for, for arms control and disarmament activities, including not to exceed $55,000 for official reception and representation expenses, authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.), [$30,830,000] *$32,000,000: Provided, That notwithstanding section 49(a) of the Arms Control and Disarmament Act, as amended, $2,200,000 shall be transferred to the Department of Energy for the Reduced Enrichment in Research and Test Reactor Program.*

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

For expenses of the Board for International Broadcasting, including grants to Radio Free Europe/Radio Liberty, Incorporated as authorized by the Board for International Broadcasting Act of 1973, as amended (22 U.S.C. 2871-2880), [$194,900,000] *$192,100,000*, of which not to exceed $52,000 may be made available for official reception and representation expenses as authorized by section 304(a)(8) of the Board for International Broadcasting Act of 1973, as amended (22 U.S.C. 2873(a)(8)).

ISRAEL RELAY STATION

For an additional amount for the Board for International Broadcasting for the purpose of making and overseeing grants to Radio Free Europe/Radio Liberty, Incorporated, and its subsidiaries and of making payments as necessary in order to implement the agreement signed on June 18, 1987, between the United States Government and the Government of Israel to establish and operate a radio relay station in Israel for use by Radio Free Europe/Radio Liberty and the Voice of America, $35,000,000, to remain available until expended.

CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION

SALARIES AND EXPENSES

For the necessary expenses of the Christopher Columbus Quincentenary Jubilee Commission as authorized by Public Law 98-375, $212,000, to remain available until November 15, 1992, as authorized by section 11(b) of Public Law 98-375.

[COMMISSION ON AGRICULTURAL WORKERS

[SALARIES AND EXPENSES

[For necessary expenses of the Commission on Agricultural Workers as authorized by section 304 of Public Law 99-603 (100 Stat. 3431-3434), $600,000.]

COMMISSION ON THE BICENTENNIAL OF THE UNITED STATES CONSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Commission on the Bicentennial of the United States Constitution authorized by Public Law 98-101 (97 Stat. 719-723), $11,436,000, [of which $5,000,000] *to remain available until expended, of which $7,500,000* is for carrying out the provisions of Public Law 99-194, including $2,992,000 for implementation of the National Bicentennial Competition on the Constitution and the Bill of Rights and [$2,008,000] *$4,508,000* for educational programs about the Constitution and the Bill of Rights below the university level as authorized by such Act; *and of which $790,000 is for a grant to the University of Texas to develop an Encyclopedia of the United States Congress, and $109,000 is to establish a bicentennial exhibit to commemorate the First Federal Congress at the National Portrait Gallery of the Smithsonian Institution.*

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

[For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $5,707,000, of which $700,000 is for civil rights monitoring activities authorized by section 5 of Public Law 98-183: *Provided,* That not to exceed $20,000 of this appropriation may be used to employ consultants: *Provided further,* That none of the funds appropriated in this paragraph shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service, exclusive of one special assistant for each Commissioner: *Provided further,* That none of the funds appropriated in this paragraph shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairman who is permitted 125 billable days.]

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $5,841,000, of which $2,000,000 is for regional offices and $700,000 is for civil rights monitoring activities: Provided, That not to exceed $20,000 may be used to employ consultants: Provided further, That not to exceed $185,000 may be used to employ temporary or special needs appointees: Provided further, That none of the funds shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service, exclusive of one special assistant for each Commissioner whose compensation shall not exceed the equivalent of 150 billable days at the daily rate of a level 11 salary under the General Schedule: Provided further, That not to exceed $40,000 shall be available for new, continuing or modifications of contracts for performance of mission-related external services: Provided further, That none of the funds shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairman who is permitted 125 billable days: Provided further, That the General Accounting Office shall perform a mid-year audit of the Commission to determine compliance with this section and shall report its findings to the Appropriations Committees of the Senate and House of Representatives by June 1, 1989.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94-304, [$701,000] *$780,000*, to remain available until expended as authorized by section 3 of Public Law 99-7.

COMMISSION FOR THE STUDY OF INTERNATIONAL MIGRATION AND COOPERATIVE ECONOMIC DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Commission for the Study of International Migration and Cooperative Economic Development as authorized by title VI of Public Law 99-603, [$1,690,000] *$890,000.*

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621-634), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $20,000,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act, as amended, and sections 6 and 14 of the Age Discrimination in Employment Act; [$179,812,000] *$181,758,000, of which $1,200,000 shall be used to conduct a study in cooperation with the National Academy of Sciences to analyze the potential consequences of the elimination of mandatory retirement on institutions of higher education, as authorized by Public Law 99-592 (100 Stat. 3344): Provided, That the final rule regarding unsupervised waivers under the Age Discrimination in Employment Act, issued by the Commission on August 27, 1987 (29 CFR sections 1627.16 (c) (1)-(3)), shall not have effect during fiscal year 1989: Provided further, That none of the funds may be obligated or expended by the Commission to give effect to any policy or practice pertaining to unsupervised waivers under the Age Discrimination in Employment Act, except that this proviso shall not preclude the Commission from investigating or processing claims of age discrimination, and pursuing appropriate relief in federal court, regardless or whether an unsupervised waiver of rights has been sought or signed.*

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-02); not to exceed $300,000 for land and structures; not to exceed $300,000 for improvement and care of grounds and repair to buildings; not to exceed $4,000 for official reception and representation expenses; purchase (not to exceed ten) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $100,660,000, of which not to exceed $300,000 of the foregoing amount shall remain available until September 30, 1990, for research and policy studies: Provided, That none of the funds appropriated by this Act shall be used to repeal, to retroactively apply changes in, or to continue a reexamination of, the policies of the Federal Communications Commission with respect to comparative licensing, distress sales and tax certificates granted under 26 U.S.C. 1071, to expand minority and women ownership of broadcasting licenses, including those established in the Statement of Policy on Minority Ownership of Broadcasting Facilities, 68 F.C.C. 2d 979 and 69 F.C.C. 2d 1591, as amended 52 R.R. 2d 1313 (1982) and Mid-Florida Television Corp., 60 F.C.C. 2d 607 Rev. Bd. (1978), which were effective prior to September 12, 1986, other than to close MM Docket No. 86-484 with a reinstatement of prior policy and a lifting of suspension of any sales, licenses, applications, or proceedings, which were suspended pending the conclusion of the inquiry: Provided further, That none of the funds appropriated to the Federal Communications Commission by this Act may be used to diminish the number of VHF channel assignments reserved for noncommercial educational television stations in the Television Table of Assignments (section 73.606 of title 47, Code of Federal Regulations): Provided further, That none of the funds appropriated by this Act may be used to repeal, to retroactively apply changes in, or to begin or continue a reexamination of the rules and the policies es-

tablished to administer such rules of the Federal Communications Commission as set forth at section 73.3555(c) of title 47 of the Code of Federal Regulations.

Federal Maritime Commission

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission as authorized by section 201(d) of the Merchant Marine Act of 1936, as amended (46 App. U.S.C. 1111), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-02; [$13,585,000] *$13,737,000: Provided, That not to exceed $1,500 shall be available for official exception and representation expenses.*

Federal Trade Commission

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; $66,918,000: Provided, That the funds appropriated in this paragraph are subject to the limitations and provisions of sections 10(a) and 10(c) (notwithstanding section 10(e)), 11(b), 18, and 20 of the Federal Trade Commission Improvements Act of 1980 (Public Law 96-252; 94 Stat. 374).

International Trade Commission

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $37,069,000.

Japan-United States Friendship Commission

JAPAN-UNITED STATES FRIENDSHIP TRUST FUND

For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94-118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, $1,415,000; and an amount of Japanese currency not to exceed the equivalent of $1,700,000 based on exchange rates at the time of payment of such amounts as authorized by Public Law 94-118.

Legal Services Corporation

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $308,555,000 of which $264,349,000 is for basic field programs, $7,022,000 is for Native American programs, $9,698,000 is for migrant programs, $1,100,000 is for law school clinics, $1,000,000 is for supplemental field programs, $624,000 is for regional training centers, $7,228,000 is for national support, $7,843,000 is for State support, $865,000 is for the Clearinghouse, $510,000 is for computer assisted legal research regional centers, and $8,316,000 is for Corporation management and administration.

Marine Mammal Commission

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, $962,000.

Office of the United States Trade Representative

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $15,383,000, of which $1,000,000 shall remain available until expended: Provided, That not to exceed $69,000 shall be available for official reception and representation expenses.

Securities and Exchange Commission

SALARIES AND EXPENSES

For necessary expenses of the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, [$135,221,000] *and not to exceed $9,000 for official reception and representation expenses, $150,000,000, of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Association of Securities Commissioners.*

Small Business Administration

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $2,500 for official reception and representation expenses, $237,148,000, of which $40,000,000 shall be available for grants for performance in fiscal year 1989 or fiscal year 1990 for Small Business Development Centers as authorized by section 21(a) of the Small Business Act, as amended: Provided, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased loan guaranty fee or debenture guaranty fee unless specifically permitted by subsequently enacted authorizing legislation: Provided further, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased user fee or management assistance fee unless the Administration notifies the Appropriations Committees of the Senate and the House of Representatives and the Committees on Small Business of the Senate and the House of Representatives at least 30 days prior to the imposition of such fee. In addition, $89,110,000 for disaster loan-making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster Loan Fund".

REVOLVING FUNDS

The Small Business Administration is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to its revolving funds, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for the "Disaster Loan Fund", the "Business Loan and Investment Fund", the "Lease Guarantees Revolving Fund", the "Pollution Control Equipment Contract Guarantees Revolving Fund", and the "Surety Bond Guarantees Revolving Fund".

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business Loan and Investment Fund", $169,000,000, to remain available without fiscal year limitation: Provided, That no funds appropriated under this Act may be used to sell direct loans which are held by the Small Business Administration or any loan guaranty or debenture guaranty made by the Small Business Administration under the authority contained in the Small Business Investment Act of 1958, and which was held by the Federal Financing Bank on September 30, 1987.

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety Bond Guarantees Revolving Fund", authorized by the Small Business Investment Act, as amended, $9,497,000, to remain available without fiscal year limitation.

POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND

For additional capital for the "Pollution control equipment contract guarantee revolving fund" authorized by the Small Business Investment Act, as amended, $13,656,000, to remain available without fiscal year limitation.

State Justice Institute

SALARIES AND EXPENSES

For necessary expenses of the State Justice Institute, as authorized by Public Law 98-620, $11,130,000, to remain available until expended: Provided, That authorities contained in Public Law 98-620, The State Justice Institute Act of 1984, shall remain in effect until the termination date of this Act or until the effective date of a State Justice Institute Authorization Act, whichever is earlier.

United States Information Agency

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.), to carry out international communication, educational and cultural activities; *and to carry out related activities authorized by law,* including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $270,000, of this appropriation), as authorized by 22 U.S.C. 1471, expenses authorized by the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.), living quarters as authorized by 5 U.S.C. 5912, and allowances as authorized by 5 U.S.C. 5921-5928 and 22 U.S.C. 287e-1; and entertainment, including official receptions, within the United States, not to exceed $20,000 as authorized by 22 U.S.C. 1474(3); [$620,347,000] *$619,032,000, none of which shall be restricted from use for the purposes appropriated herein and of which $38,500,000 shall be available for the Television and Film Service: Provided,* That not to exceed [$1,070,000] *$1,132,000* may be used for representation abroad as authorized by 22 U.S.C. 1452 and 4085: *Provided further,* That not to exceed $9,546,300 of the amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2452(a)(3)), shall remain available until expended: *Provided further,* That not to exceed $500,000 shall remain available until expended as authorized by 22 U.S.C. 1477(b), for expenses (including those authorized by the Foreign Service Act of 1980) and equipment necessary for maintenance and operation of data processing and administrative services as authorized by 31 U.S.C. 1535-1536: *Provided further,* That not to exceed $4,650,000 may be credited to this appropriation from fees or other payments received from or in connection with English teaching, library, motion picture, and television programs as authorized by section 810 of the United States Information and Educational Exchange Act of 1948, as amended: *Provided further, That the funds appropriated by this paragraph shall be available notwithstanding section 201(2) of Public Law 100-204 and notwithstanding section 701 of the United States Information and Educational Exchange Act of 1948, as amended.*

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of Fulbright, International Visitor, Humphrey Fellowship, *Private Sector,* and Congress-Bundestag Exchange Programs, as authorized by the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), [$142,310,000. For the Private Sector Exchange Programs as authorized by the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $7,730,000] *$150,040,000, of which $10,290,000 is for Private Sector programs including $3,000,000, to remain available until expended, for the Eisenhower Exchange Fellowship Program.*

RADIO CONSTRUCTION

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception as authorized by 22 U.S.C. 1471, $65,000,000, to remain available until expended as authorized by 22 U.S.C. 1477b(a): *Provided, That not to exceed $7,500,000 of these funds may be available for the purchase, rent, construction, improvement and equipping of facilities for and startup operations of television broadcasting to Cuba: Provided further, That all such television broadcasting activities shall be conducted for the same purposes and, to the extent feasible, under the same conditions, direction and controls as the radio broadcasting activities authorized by the Radio Broadcasting to Cuba Act: Provided further, That notwithstanding the preceding proviso, section 7 of the Radio Broadcasting to Cuba Act shall not apply to television broadcasting station licensees.*

RADIO BROADCASTING TO CUBA

For an additional amount, necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti Program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception as authorized by 22 U.S.C. 1471, $11,175,000.

EAST-WEST CENTER

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, $20,000,000[: *Provided,* That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing for the payment thereof, in excess of the rate authorized for Executive Level V in the General Schedule of the Classification Act of 1949, as amended].

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, [$16,875,000] *$15,800,000.*

TITLE VI—GENERAL PROVISIONS

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 602. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

[SEC. 604. No funds appropriated under this Act shall be expended in any workplace that is not free of illegal use or possession of controlled substances which is made known to the Federal entity or official to which funds are appropriated under this Act. Pursuant to this section an applicant for funds to be appropriated under this Act shall be ineligible to receive such funds if such applicant fails to include in its application an assurance that it has, and will administer in good faith, a policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances by its employees.]

SEC. 604. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. 605. Funds appropriated to the Legal Services Corporation and distributed to each grantee funded in fiscal year 1989 pursuant to the number of poor people determined by the Bureau of the Census to be within its geographical area shall be distributed in the following order:

(1) grants from the Legal Services Corporation and contracts entered into with the Legal Services Corporation under section 1006(a)(1) shall be maintained in fiscal year 1989 at not less then $8.75 per poor person within the geographical area of each grantee or contractor under the 1980 census or 2 cents per poor person more than the annual per-poor-person level at which each grantee and contractor was funded in fiscal year 1988, whichever is greater; and

(2) each such grantee shall be increased by an equal percentage of the amount by which such grantee's funding, including the increase under (1) above, falls below $15.75 per poor person within its geographical area under the 1980 census: Provided: That none of the funds appropriated in this Act for the Legal Services Corporation shall be used to bring a class action suit against the Federal Government or any State or local government unless—

(1) the project director of a recipient has expressly approved the filing of such an action in accordance with policies established by the governing body of such recipient;

(2) the class relief which is the subject of such an action is sought for the primary benefit of individuals who are eligible for legal assistance; and

(3) that prior to filing such an action, the recipient project director has determined that the government entity is not likely to change the policy or practice in question, that the policy or practice will continue to adversely affect eligible clients, that the recipient has given notice of its intention to seek class relief and that responsible efforts to resolve without litigation the adverse effects of the policy or practice have not been successful or would be adverse to the interest of the clients:

except that this proviso may be superseded by regulations governing the bringing of class action suits promulgated by a majority of the Board of Directors of the Corporation who have been confirmed in accordance with section 1004(a) of the Legal Services Corporation Act: Provided further, That none of the funds appropriated in this Act made available by the Legal Services Corporation may be used—

(1) to pay for any publicity or propaganda intended or designed to support or defeat legislation pending before Congress or State or local legislative bodies or intended or designed to influence any decision by a Federal, State, or local agency;

(2) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or other device, intended or designed to influence any decision by a Federal, State, or local agency, except when legal assistance is provided by an employee of a recipient to an eligible client on a particular application, claim, or case, which directly involves the client's legal rights or responsibilities;

(3) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or any other device intended or designed to influence any Member of Congress or any other Federal, State, or local elected official—

(A) to favor or oppose any referendum, initiative, constitutional amendment, or any similar procedure of the Congress, any State legislature, any local council or any similar governing body acting in a legislative capacity,

(B) to favor or oppose an authorization or appropriation directly affecting the authority, function, or funding of the recipient or the Corporation, or

(C) to influence the conduct of oversight proceedings of the recipient or the Corporation;

(4) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or any other device intended or designed to influence any Member of Congress or any other Federal, State, or local elected official to favor or oppose any Act, bill, resolution, or similar legislation, except that this proviso shall not preclude funds from being used to provide communication directly to a Federal, State, or local elected official on a specific and distinct matter where the purpose of such communication is to bring the matter to the official's attention if—

(A) the project director of a recipient has expressly approved in writing the undertaking of such communication to be made on behalf of a client or class of clients in accordance with policy established by the governing body of the recipient; and

(B) the project director of a recipient has determined prior to the undertaking of such communication, that—

(i) the client and each client is in need of relief which can be provided by the legislative body involved;

(ii) appropriate judicial and administrative relief have been exhausted; and

(iii) documentation has been secured from each eligible client that includes a statement of the specific legal interests of the client, except that such communication may not be the result of participation in a coordinated effort to provide such communications under this proviso; and

(C) the project director of a recipient maintains documentation of the expense and time spent under this proviso as part of the records of the recipient; or

(D) the project director of a recipient has approved the submission of a communication to a legislator requesting introduction of a private relief bill:

except that nothing in this proviso shall prohibit communications made in response to a request from a Federal, State, or local official: Provided further, That none of the funds appropriated in this Act made available by the Legal Services Corporation may be used to pay for any administrative or related costs associated with an activity prohibited in clause (1), (2), (3), or (4) of the previous proviso: Provided further, That none of the funds appropriated under this Act for the Legal Services Corporation will be expended to provide legal assistance for or on behalf of any alien unless the alien is present in the United States and is—

(1) an alien lawfully admitted for permanent residence as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20));

(2) an alien who is either married to a United States citizen or is a parent or an unmarried child under the age of twenty-one years of such a citizen and who has filed an application for adjustment of status to permanent resident under the Immigration and Nationality Act, and such application has not been rejected;

(3) an alien who is lawfully present in the United States pursuant to an admission under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157, relating to refugee admissions) or who has been granted asylum by the Attorney General under such Act; or

(4) an alien who is lawfully present in the United States as a result of the Attorney General's withholding of deportation pursuant to section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h)):

Provided further, That an alien who is lawfully present in the United States as a result of being granted conditional entry pursuant to section 203(a)(7) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(7)) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity shall be deemed, for purposes of the previous proviso, to be an alien described in clause (3) of the previous proviso: Provided further, That none of the funds appropriated for the Legal Services Corporation may be used to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, including the dissemination of information about such policies or activities, except that this provision shall not be construed to prohibit the training of attorneys or paralegal personnel necessary to prepare them to provide adequate legal assistance to eligible clients or to advise any eligible client as to the nature of the legislative process or inform any eligible client of his rights under statute, order, or regulation: Provided further, That none of the funds appropriated in this Act for the Legal Services Corporation may be used to carry out the procedures established pursuant to section 1011(2) of the Legal Services Corporation Act unless the Corporation prescribes procedures to insure that financial assistance under this Act shall not be terminated, and a suspension of financial assistance shall not be continued for more than thirty days, unless the grantee, contractor, or person or entity receiving financial assistance under this Act has been afforded reasonable notice and opportunity for a timely, full, and fair hearing and, when requested, such hearing shall be conducted by an independent hearing examiner, subject to the following conditions—

(1) such request for a hearing shall be made to the Corporation within thirty days after receipt of notice to terminate financial assistance, deny an application for refunding, or suspend financial assistance and such hearing shall be conducted within thirty days of receipt of such request for a hearing;

(2) the Corporation shall make such final decision within thirty days after completion of such hearing; and

(3) hearing examiners shall be appointed by the Corporation in accordance with procedures established in regulations promulgated by the Corporation:

Provided further, That none of the funds appropriated in this Act for the Legal Services Corporation may be used to carry out the procedures established pursuant to section 1011(2) of the Legal Services Corporation Act unless the Corporation prescribes procedures to ensure that an application for refunding shall not be denied unless the grantee, contractor, or person or entity receiving assistance under this Act has been afforded reasonable notice and opportunity for a timely, full, and fair hearing to show cause why such action should not be taken and subject to all other conditions of the previous proviso: Provided further, That none of the funds appropriated in this Act for the Legal Services Corporation shall be used by the Corporation in making grants or entering into contracts for legal assistance unless the Corporation insures that the recipient is either (1) a private attorney or attorneys (for the sole purpose of furnishing legal assistance to eligible clients) or (2) a qualified nonprofit organization chartered under the laws of one of the States, a purpose of which is furnishing legal assistance to eligible clients, the majority of the board of directors or other governing body of which organization is comprised of attorneys who are admitted to practice in one of the States and who are appointed to terms of office on such board or body by the governing bodies of State, county, or municipal bar associations the membership of which represents a majority of the attorneys practicing law in the locality in which the organization is to provide legal assistance: Provided further, That none of the funds appropriated in this Act for the Corporation shall be used, directly or indirectly, by the Corporation to promulgate new regulations or to enforce, implement, or operate in accordance with regulations effective after April 27, 1984 unless the Appropriations Committees of both Houses of Congress have been notified fifteen days prior to such use of funds as provided for in section 607 of this Act: Provided further, That none of the funds appropriated to the Legal Services Corporation for fiscal years prior to fiscal year 1986 and carried over into fiscal year 1989, either by the Corporation itself or by any recipient of such funds, may be expended, unless such funds are expended in accordance with the preceding restrictions and provisos, except that such funds may be expended for the continued representation of aliens prohibited by said provisos where such representation commenced prior to January 1, 1983, or as approved by the Corporation: Provided further, That if a Presidential Order pursuant to Public Law 100-119, the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, is issued for fiscal year 1989, funds provided to each grantee of the Legal Services Corporation shall be reduced by the percentage specified in the Presidential Order: Provided further, That if funds become available to the Legal Services Corporation because a national support center has been defunded or denied refunding pursuant to section 1011(2) of the Legal Services Corporation Act, as amended by this Act, such funds may be transferred to basic field programs to be distributed in the manner specified by this Act: Provided further, That none of the funds appropriated by this Act or prior Acts or any other funds available to the Corporation or a recipient may be used by an officer, board member, employee or consultant of the Corporation or by any recipient to implement or enforce the 1984 and 1986 regulations on legislative and administrative advocacy (Part 1612) or to implement, enforce or keep in effect provisions in the regulation regarding legislative and administrative advocacy and training (Part 1612, 52 FR 28434 (July 29, 1987)) which impose restrictions on private funds except to the extent that such restrictions are explicity set forth in sections 1007 (a)(5), (b)(6), (b)(7), and 1010(c) of the Legal Services Corporation Act, as amended: Provided further, That the Corporation shall not impose requirements on governing bodies of the recipients that are additional to, or more restrictive than, the provisions of this Act and section 1007(c) of the Legal Services Corporation Act, as amended, including, but not limited to (1) the procedures of appointment, including the political affiliation and the length of terms of board members and (2) the size, quorum requirements and committee operations of such governing bodies: Provided further, That none of the funds appropriated under this Act to the Legal Services Corporation may be used by the Corporation or any recipient to participate in any litigation with respect to abortion: Provided further, That the Corporation shall utilize the same formula for distribution of fiscal year 1989 migrant funds as was used in fiscal year 1988.

SEC. 606. No funds appropriated under this Act may be used to procure any item or service from a foreign entity which engages, directly or indirectly, in activities which, if it were a United States person, would violate section 8 of the Export Administration Act of 1979 (50 U.S.C. Appendix, section 2401 et seq.).

SEC. 607. (a) None of the funds provided under this Act shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions *or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.*

(b) None of the funds provided under this Act shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $250,000 or 10 per centum, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 per centum funding for any existing program, project, or activity, or numbers of personnel by 10 per centum as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress, unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

SEC. 608. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

Mr. BYRD. Mr. President, I hope that the Senate can make a great deal of progress on this bill today.

There are four general appropriations bills remaining. There will be a supplemental appropriations bill also which we hope to dispose of shortly after it is received from the House.

The Labor, HHS appropriations bill has been temporarily laid aside because the managers on the minority side could not be here at the moment. So, I apologize to the two managers of the Commerce, Justice, and State bill for the brevity of notice which they have. But I most appreciate their willingness to proceed nonetheless with this bill.

Senator HOLLINGS will be here shortly. Senator RUDMAN is here.

I urge Senators to be prepared for rollcall votes yet today and for work into the evening. We do not have much time remaining. We only have 12 days between now and the time that the August recess begins. It seems a long time but it is just 12 days. I believe I am correct on that. Three days this week, 5 next, that is 8, and 4 days the following week, that is 12—12 days. And we have a lot of work to do. We have the four appropriations bills which we hope to complete by that time.

We have the drought relief bill, the supplemental appropriations bill, the override of the President's veto of the plant closing bill in the event the President decides to veto that bill, and I have no way of knowing what his intentions are.

And then we have the trade bill following that action, and I need not proceed further. I have already indicated quite a mountain of work, but with the right determination and the willing cooperation of all Senators we can do it and do more.

So for the moment, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I thank the Chair.

Mr. President, what is the pending business?

The PRESIDING OFFICER. H.R. 4782.

Mr. HOLLINGS. Mr. President, it is a pleasure to present the recommendations of the Committee on Appropriations with respect to the Commerce, Justice, State, the Judiciary and Related Agencies Appropriations Act for Fiscal Year 1989, H.R. 4782. While I am sure that it can be equally said for the other Appropriations Subcommittees, this has been truly a bipartisan effort with our distinguished ranking minority member, the distinguished junior Senator from New Hampshire, Mr. RUDMAN.

We had a splendid markup session on June 10 with a large attendance—at 10 a.m. on a bright sunny day—and we ordered the bill reported on June 16 with a few minor changes to the subcommittee's recommendations.

The committee's recommendations total $15,006,408,000. We are some $7,039,700,000 over what the House approved, as they did not appropriate for items that were not authorized. For instance, they appropriated only $275,000,000 for three minor items in the Department of Justice, but the bulk of the Department was left unfunded since there has not been a Justice Authorization Act since 1980. Similarly, they left out all the funding for the SBA, Legal Services, the Maritime Administration, a good number of the independent agencies, and the EDA, Patent Office and Bureau of Standards in the Commerce Department. We rejected that procedure, as that will only lead us to a continuing resolution. If there is one thing the Senate is agreed on it is that we must avoid a continuing resolution this year. We intend to do that and let me assure the Members that our recommendations do not begin new programs but merely maintain existing programs on a limited basis due to the overall fiscal restraints.

This bill is the only one that comes under all three of the subceilings established by last year's budget summit. We established controls to operate within the committee's 302(b) allocation. There is a table on page 4 of the report that shows our recommendations against the suballocations for defense international affairs, and the domestic functions. The bottom line is that because of the constricted outlays, we have some $69,000,000 in our budget authority allocation that we did not use.

Mr. President, basically the formula we followed in drafting the bill was along the lines of the committee's 302(b) allocation scheme. The defense and international affairs functions are at the requested levels, except that we made a few minor adjustments in the State and USIA accounts to fulfill congressional priorities, such as maintaining the educational and cultural exchanges at the current level. We have also earmarked $7,500,000 in appropriation for the Voice of America to make a test of television broadcasting to Cuba which is known as TV Marti.

On the domestic accounts we started with the 1988 level, added 1 percent to all the salaries and expense accounts, and used the remainder for the highest priority requests, which basically are almost mandatory in nature. Those limited increase items are set out on page 5 of the report and include the $188,500,000 necessary for the 1990 Census; maintaining the production of the NOAA weather and land remote sensing satellites, the new weather radars, and initiating NOAA's portion of the multiagency Global Climate Change Program; the uncontrollable increases in the Bureau of Prisons including the activation of the four new prisons in New Jersey, Oregon, Pennsylvania, and Georgia that will come on line in 1989; and the funds necessary to manage the Assets Forfeiture Fund and particularly the funds going to the States.

The NOAA account is always of particular interest. Due to savings in the Polar Orbiting Satellite Program, we were able to restore practically all of last year's congressional restorations and add-ons.

Again, for the benefit of the press, I want to note that we met in public—in broad daylight. I emphasize that before pointing out that the bill again includes three restrictions on the Federal Communications Commission. The minority and women's ownership provision and ban on swapping channels is the same as last year. The restriction on changing the FCC's cross-ownership rule has been modified to ensure that it is abundantly clear, that it is general and not aimed at any one person or entity.

Those are the major increases that we recommend. Certainly we are disappointed that we could not cover the increases requested in Justice and Judiciary but our allocation would not stretch that far. We could only meet their needs in a very limited way, such as helping the FBI with the language translation system needed for the Foreign Counterintelligence Program. Just about everyone in Congress is now working on a drug supplemental. We will use any additional funds that are allocated to the Commerce, Justice, State Subcommittee to meet the unfunded requirements of the Department of Justice and the Judiciary.

Mr. President, as I indicated earlier, the appropriations we recommend—with a few exceptions such as NOAA's global climate change initiative—are to continue the programs we have in place. However, I want to note that during the committee's consideration of this bill, a legislative amendment dealing with process patents and patent law foreign filing was added. These amendments were included in the vetoed trade bill and are sponsored by the chairman of the Subcommittee on Treasury, Postal Service and General Government, the distinguished senior Senator from Arizona [Mr. DECONCINI]. The Senator from Arizona wanted to include these items in an appropriations bill and under an arrangement worked out at the committee markup, these provisions were added as a general provision of the Department of Commerce title of this bill.

By way of summary, let me again thank my distinguished colleague and former chairman, Senator RUDMAN, of New Hampshire. It is really a delight and privilege to work on this bill for many reasons, one in particular, and that is the work of Senator RUDMAN, his leadership and contribution. We worked in tandem, and I think we worked out most of the knotty problems with respect to the bill.

Going to the bill itself, Mr. President, this bill is $15,006,408,000. It is $7,039,700,000 below what the House approved, but we must understand that the House does not pass them unless authorized and if we waited on that, we would never pass the foreign operations bill as their Committee on Foreign Affairs that they have over on the House side, while we have relations over here, is yet to pass in many years and similarly the other bills. So we are moving ahead and we are including the provisions in the bill for the unauthorized items that the House did not include.

On the domestic accounts, we have added 1 percent to all the salaries and expense accounts, and those items are set out in the report. They included $188,500,000 necessary for the 1990 census and maintaining the NOAA weather and land remote sensing satellites, the new weather radars, and the Bureau of Prisons. We have uncontrollable increases there, Mr. President. We are including the activation of four new prisons in New Jersey, Oregon, Pennsylvania, and Georgia. And then the funds necessary to manage the Assets Forfeiture Fund, particularly those funds going to States.

Now, I could emphasize other parts and I will leave that to my colleague, if necessry. I yield to him at this time.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. I thank the Chair and thank my distinguished chairman.

Mr. President, let me simply say that it is always a pleasure to work on this bill with Senator HOLLINGS. This is now the sixth year that I have done so. We have a very good subcommittee, very conscientious members, and it is developed with a true sense of bipartisanship because of the importance of the agencies that are covered in this budget—the State Department, the Commerce Department, the Justice Department, the Federal judiciary, and numerous independent Federal agencies that are very important to the conduct of this Nation's business.

As reported, the bill totals approximately $15 billion in both budget authority and outlays and is within the 302(b) allocation for domestic discretionary spending. Although it is $497.3 million below the President's request, the recommendations represent an increase of $982 million, or 6.9 percent, above the funding levels approved for 1988. In the Justice Department alone, we have been able to add $444.5 million, or 8.8 percent, above last year's level.

Senator HOLLINGS and I would have liked to have done more. However, three factors prevented us from meeting all the requirements identified by the President. First, the 302(b) allocation given to the subcommittee is $441.9 billion in budget authority and $379 million in outlays below the request for domestic discretionary spending.

Second—and this is a very important point. I hope those in the agencies who read the RECORD will pay some attention to this—the subcommittee is faced with funding a number of increases that are scored as discretionary spending but which are de facto mandatory. These increases include $188.5 million for the decennial census; $140.5 million for NOAA weather and Landsat satellites; $59.7 million for the assets forfeiture fund; $63.2 million to restore INS programs funded from carryover balances in 1988; and $243.2 million in uncontrollable increases for the maintenance of Federal prisons and to activate four new facilities.

Third, the recommendations reflect the continuation of congressional priorities in the areas of economic development; ocean, coastal and fishery programs of the National Oceanic and Atmospheric Administration; loan programs of the Small Business Administration; and legal services for the poor. These priorities have not changed from the beginning of this administration, and they are not likely to change now.

It is my expectation the Congress will be addressing further funding for law enforcement programs in a drug bill later this year. I remain fully committed to providing as many resources as possible for these activities, and I will be working to ensure that the programs of the Justice Department and the Federal Judiciary are given the funds they need in the war against drugs.

I would like to raise one final issue; the administration is objecting to language included in the bill to direct the obligation of funds provided for NOAA in accordance with the committee report. The language was included after the committee learned of a letter sent by the Director of the Office of Management and Budget to the Secretary of Commerce instructing him to ignore committee report language and congressional intent in the obligation of funds for fiscal year 1988. The letter also directs the Secretary to fund "higher priority activities originally included in the President's fiscal year 1988 budget." The implications of this are that even if the Congress explicitly denies funding for certain Presidential requests, the administration is free to redirect funds from other programs to implement its priorities. Taken to its logical extreme, the Congress would merely act to provide funds in lump sum appropriations which the administration could use as it saw fit. This is an amazing position for an administration which purports to uphold the principles of a limited central government and a balance of power between the legislative, executive, and judicial branches.

A memorandum was sent by Director Miller to cabinet officers and agency heads on July 8, 1988, which appears to deny the effect of this policy for the remainder of fiscal year 1988. However, it seems to indicate the policy will be implemented in 1989.

The language included by the committee is a limited response to a specific problem, and is not as sweeping as language previously adopted in the Senate as a part of the energy and water appropriations bill. That language incorporated report language for the entire bill, whereas our language applies only to funds appropriated to NOAA, and is intended as a limited response to a specific problem.

Mr. President, I ask unanimous consent that a memorandum and letter from OMB Director James Miller be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, DC, May 25, 1988.
Hon. WILLIAM C. VERITY,
Secretary of Commerce, Washington, DC.

DEAR BILL: Thank you for the Department of Commerce's report on the status of FY 1988 wasteful, unnecessary and low priority projects (so called "report pork"). I appreciate your prompt response.

After a careful review of this report, I cannot concur with the Department's plans to obligate an additional $25 million for 21 of these projects. Limited Federal resources do not allow us the luxury of funding projects that are of low Federal priority. I respect your effort to accommodate Congressional interests as included in report language. However, funding these projects would mean reduced funding for higher priority programs included in the President's FY 1988 budget.

In light of the Department's limited budgetary resources and the desire to fully fund the President's priorities included in the FY 1988 Budget, I ask that you do not obligate any additional funds on "report pork" projects. Instead, please redirect the money to fund higher priority activities originally included in the President's FY 1988 Budget.

I recognize the need to notify Congress of the Department's plans to reprogram funds. However, there is no statutory requirement for concurrence from Congress on reprogramming actions. I fully support your notifying Congress and ask that you submit appropriate reprogramming notifications as quickly as possible.

I look forward to working with you on this and other issues in the future.

Sincerely yours,

JAMES C. MILLER III,
Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, DC, July 8, 1988.

Memorandum for Cabinet officers and agency heads.

From: James C. Miller III, Director.

Subject: FY 1988 Wasteful, Unnecessary, and Low-Priority Spending Projects and Directives.

On March 15, 1988, I advised you that the spending directives included in the House and Senate Reports accompanying individual appropriations bills and the Conference Report accompanying the Continuing Resolution do not have the force of law and asked you to justify any spending decisions responding to such directives. Under the Constitution and applicable judicial precedents, this distinction between law and legislative history is fundamental, and we must uphold it.

After numerous discussions with the Congressional leadership on the issue of FY 1988 spending, however, I think it clear that for FY 1988 appropriations individual Members of Congress relied on what they perceived to be a former practice of funding projects identified in Committee reports. I am convinced that their sincere views deserve consideration as a matter of comity between the Branches. Accordingly, you may use your discretion in obligating funds under the FY 1988 Continuing Resolution, taking into consideration the legislative history as expressed in the accompanying Committee reports. Of course, you should exercise this discretion in light of the scarce budgetary resources that are available, and priority should be given to the most productive and essential projects.

With regard to future practice, we must be especially careful to preserve the distinction between the binding legislation that has been passed by both Houses of Congress and approved by the President on the one hand, and Committee reports that are useful in understanding legislative intent but that do not have the force of law on the other. I believe the Congressional leadership is now fully aware of the principle involved. Looking prospectively, especially to FY 1989 appropriations, we can be assured of greater mutual certainty between Congress and the Executive Branch regarding the President's discretion and the need for Congress to enact spending directives into law if they are intended to have binding force. This approach should strengthen compliance with the Bipartisan Budget Agreement and enhance our ability to reduce the budget deficit in the years ahead by restricting wasteful, unnecessary, and low-priority spending.

Mr. RUDMAN. Mr. President, once again I thank the Senator from South Carolina for his leadership and cooperation in preparing this bill. It is a carefully crafted, balanced attempt to meet the priorities of both the administration and the Congress, and I commend him for his efforts.

Mr. President, I yield the floor.

Mr. President, I believe the chairman has much business now to conduct. I see the chairman of the full committee is seeking recognition. So I yield the floor.

Mr. HOLLINGS. I yield to our distinguished chairman.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. I thank the Senator.

Mr. President, as chairman of the committee I am genuinely pleased that the Senate will consider today the Commerce, State, Justice appropriation bill for fiscal year 1989. This bill, which provides approximately $15 billion in total budget authority for fiscal 1989, reflects the diligent care and able effort which our entire committee has rendered.

In particular, however, it is evidence of the hard work and excellent leadership of Subcommittee Chairman HOLLINGS and the ranking minority member, Senator RUDMAN. I also wish to compliment the highly skilled work of the staff of their subcommittee: Mr. Warren Kane, Mrs. Dorothy Seder, Mrs. Terry Olson, Mr. John Shank and Mrs. Judee Klepec.

I now wish to briefly highlight a few important items regarding this bill.

First and foremost, I am pleased to report that this bill is the eleventh regular fiscal year 1989 appropriation bill to be considered by the Senate this year. As such, it should be within the 302(b) allocation for budget authority and outlays. Similarly, this bill complies with the budget summit agreement reached between the administration and the Congress on November 20, 1987.

Still, this is a striking thing to me, and I think generally to those who are familiar with the facts—the outstanding success that agreement, made a few years ago, has brought to the problem of the annual administration. I am pleased indeed that that development reflects credit on the House of Representatives, the U.S. Senate, and the Chief Executive of the Nation and his staff.

Second, the bill as reported to the Senate is approximately $497 million below the President's request and approximately $7 billion above the House-passed bill. The difference between the House and Senate levels is principally due to the fact that the House bill does not fund programs which have not received House authorization.

So, therefore, Mr. President, those figures do not represent what is the usual contrast between the amounts, and there is nothing to be alarmed about because some of the items were not considered due to their lack of authorization. If they are authorized, we can consider them, I am sure.

Finally, I would ask my colleagues to resist any further amendments adding additional funds which would violate the bill's spending ceiling set by the committee's 302(b) allocation. Let me also mention that the Senate rules do not permit legislative amendments on appropriation bills.

In conclusion, I firmly support this bill and ask that it be adopted so that we can proceed to conference with our House counterparts in a timely manner, for it is my sincere desire to complete Senate action on all 13 regular appropriation bills before the August recess.

Mr. President, I yield the floor now repeating though what I did in the conference held at noon today about the high importance, and almost necessity that we move as rapidly as reasonably possible to get these appropriations bills in here, fully considered, and agreed on with the House, and the Chief Executive so that the problems of our Government can be met, and the problems and processes can be attended to on time.

Mr. President, I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the outstanding progress we made in the Appropriations Committee has been due to the outstanding leadership of our distinguished chairman, the Senator from Mississippi. In spite of his ailments he is there. He has followed us through like a tiger, and he keeps order. He works us extra hours, and frankly we are inspired by his leadership. So we are delighted to be able to present this bill.

Mr. CHILES. Mr. President, Senate Budget Committee scoring of the Commerce-Justice bill as reported by the full Appropriations Committee shows that the bill is under its 302(b) budget authority allocation by $47 million but over its outlay target by $13 million. I commend the distinguished chairman of the subcommittee, Senator HOLLINGS and the ranking minority member, Senator RUDMAN for their efforts to stay within their 302(b) allocations in crafting this bill.

Mr. President, I have a table from the Budget Committee showing the official scoring of the Commerce-Justice-State appropriations bill and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 4782

COMMERCE-STATE-JUSTICE SUBCOMMITTEE—SPENDING TOTALS

[Senate Reported—In billions of dollars]

	Fiscal year 1989—	
	Budget authority	Outlays
302(B) bill summary:		
H.R. 4782, Senate reported (new BA and outlays)	15.0	11.5
Enacted to date	+(*)	3.5
Adjustment to conform mandatory programs to resolution assumptions	−(*)	−(*)
Scorekeeping adjustments	—	—
Bill total	15.0	15.0
Subcommittee 302(b) allocation	15.1	15.0
Difference	−0.1	+(*)
Bill total above (+) or below (−): President's request	−.4	−0.4
Summit cap summary:		
Defense (050) spending in bill	.1	.1
Allocation under defense cap	.1	.1
Difference	+(*)	+(*)
International affairs spending in bill	3.8	3.9
Allocation under international affairs cap	3.8	3.9
Difference	.0	.0
Domestic discretionary spending in bill	10.9	10.9
Allocation under domestic cap	10.9	10.9
Difference	−.1	.0

(*) Less than $50 million.

Note.—Details may not add to totals due to rounding.

COMMITTEE AMENDMENTS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the committee amendments, with the exception—this is an exception for the distinguished Senator of North Carolina, Senator HELMS, the senior Senator—with the exception of the amendment beginning on line 1 through 25 of page 72, through line 15 of page 75. That deals with the Federal Communications Commission.

So I ask unanimous consent that the committee amendments with that exception be considered and agreed to en bloc, and that the bill as amended be considered as original text for the purpose of further amendment with the understanding that no points of order shall be waived by reason thereof.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The committee amendments were agreed to, with the exception of the committee amendment on lines 1 through 25, page 72 through line 15, page 75.

AMENDMENT NO. 2668

(Purpose: To permit more time for rulemaking for certain nonimmigrant visas)

Mr. HOLLINGS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], proposes an amendment numbered 2668.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate point, add the following section: "None of the funds appropriated or made available by this Act shall be used prior to October 1, 1989, to issue or implement any final rule in the rulemaking proceeding commenced August 8, 1986 (51 Fed. Reg. 28576-28589)."

Mr. HOLLINGS. This amendment simply postpones the finalization of the new H-1 visa regulations to allow a cooling-off period for their consideration. A similar post mortem until October 1, 1988, was in the continuing resolution.

However, more time is needed to complete and consider the neutral study being conducted under contract with the Immigration Service. The H-1 visa is for temporary workers of distinguished merit and ability. It encompasses persons in the arts, professions, professionals, professional athletes, and more. While there is recognition that H-1 visa regulations need updating, there has been acute division over how to proceed. The Immigration Service commissioned an independent study by Booz, Allen and Hamilton, which should be available sometime this summer. But time is needed now to consider the study and develop regulations from there.

Mr. RUDMAN. Mr. President, the amendment is cleared on this side.

Mr. STENNIS. Mr. President, may we have order? These are important matters. May we have quiet?

The PRESIDING OFFICER. The Senator's point is well taken.

The Chair will point out that because of the nature of the amendment, it takes unanimous consent to consider it at this time. Is there objection?

Mr. HOLLINGS. I ask unanimous consent that the excepted amendment be laid aside so we may consider this.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 2668) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President, I ask unanimous consent to set aside the excepted amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2669

(Purpose: To provide $150,000 for NATO Information Office)

Mr. HOLLINGS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], proposes an amendment numbered 2669.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 52 before the period on line 18 insert ": *Provided*, notwithstanding section 15(a) of the Department of State Basic Authorities Act, the Department of State shall make available by grant or contract $150,000 to the Atlantic Council to support the NATO Information Office".

Mr. HOLLINGS. Mr. President, this amendment merely moves into the bill a recommendation in the committee's report that the Department of State provide $150,000 to the Atlantic Council for the NATO Information Office. We have consulted with the Department, and they have advised that the authorization of the funds will be clarified by having this language in the bill.

Mr. RUDMAN. Mr. President, the matter has been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2669) was agreed to.

Mr. HOLLINGS. I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Helms exception be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2670

(Pupose: To provide an additional $5,000,000 to National Bureau of Standards and earmark $4,000,000 for the EROS Data Center)

Mr. HOLLINGS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated. The assitant legislative clerk read as follows:

The Senator from South Carolina (Mr. HOLLINGS), for himself, Mr. RUDMAN, Mr. PRESSLER, Mr. ROCKEFELLER, Mr. LAUTENBERG, Mr. BUMPERS, and Mr. MCCAIN, proposes an amendment numbered 2670.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

On page 2 line 18 strike "$538,399,000" and insert "$535,399,000";

On page 5 line 24 strike "$179,917,000" and insert "$178,917,000";

On page 9 line 24 strike "$1,263,854,000, to remain available until expended," and insert "$1,265,854,000, to remain available until expended; of which $4,000,000 shall be available for the EROS Data Center in South Dakota pursuant to section 602 of Public Law 98-365; and of which $1,941,500, including $941,500 previously appropriated, shall be available only for construction and renovation of facilities at the Stuttgart Fish Farming Experimental Station, Stuttgart, Arkansas; and"

On page 11 line 15 strike "$113,529,000" and insert "$110,529,000";

On page 11 line 22 strike "$146,231,000" and insert "$151,231,000".

Mr. HOLLINGS. Mr. President, this amendment provides an additional $5,000,000 for the National Bureau of Standards as well as earmarking $4,000,000 for the EROS Data Center in the appropriations to the National Oceanic and Atmospheric Administration.

The National Bureau of Standards provides U.S. industry with the precise measurements and quality control techniques needed to improve manufacturing and our economic competitiveness. As the chairman of the Committee on Commerce, Science and Transportation, as well as this subcommittee, I take some pride that last year we gave NBS its first real increase in many years.

Since the committee considered this year's bill, we have heard both from the new Deputy Secretary of Commerce Donna Tuttle and from Members who have urged us to increase support for the Bureau's important programs, lest we lose the momentum we now have underway. Secretary Tuttle was particularly helpful in identifying ways in which we could increase support for NBS programs. I am personally delighted that we have been able to propose this amendment.

The amendment would add $5,000,000 and also reduce the adjustments to base included in the committee's recommendation. These changes allow several NBS increases including an increase for computer security which is now at the $3,000,000 level requested by the administration and by Senator LEAHY and others. This amount will enable the Bureau to begin full implementation of the Computer Security Act of 1987. An increase of $500,000 is provided for new fire research, particularly on ignition of upholstery and general toxicity studies. Senator LAUTENBERG has requested this increase, on behalf of the International Association of Firefighters. At the request of Senators MCCAIN and RUDMAN, $500,000 is added to an existing small program which is studying alternative refrigerants. Current refrigerant chemicals, especially chlorofluorocarbons, have been identified as contributing to the depletion of the Earth's protective ozone layer. We badly need, new less harmful refrigerants. I hope that both the Department of Energy and the Environmental Protection Agency can also contribute additional funds to this important program.

The amendment also adds funds in areas critical to American industrial competitiveness: lightwave and fiber optics technology, advanced chemistry, and bioprocess engineering. The administration requested increases in all of these areas. At the same time, we will continue to prevent any cuts in the base programs of the Center for Fire Research and the Center for Building Technology.

Finally, we will be able to provide a total of $3,000,000 in fiscal year 1989 funding, in addition to already-appropriated fiscal year 1988 moneys, to start a series of three manufacturing technology centers. These regional centers, to be funded jointly by NBS and the States, will help transfer new manufacturing technologies and expertise to small- and medium-sized American manufacturers hard-pressed by foreign competition.

At the same time, the distinguished senior Senator from South Dakota, has discussed with the ranking minority member and myself the situation at the EROS Data Center in Rapid City, SD. Last year we provided $5,200,000 through the National Oceanic and Atmospheric Administration to the EROS Data Center for processing the data from the land remote sensing satellites. NOAA did not budget any funds for 1989 for the EROS Data Center as it was assumed that the two current Landsats, 4 and 5, would cease operating before October 1. Fortunately, these satellites have continued to operate beyond their assumed lives, and are now expected to continue producing images until at least midway through fiscal year 1989.

We have provided $9,000,000 for the operation of Landsat 4 and 5, and as Senator PRESSLER correctly points out, we should also make provisions for the EROS Data Center, including the archival of the data already secured so it is not lost.

Accordingly, this amendment would provide these additional funds by reducing the amount recommended for periodic censuses by $3,000,000, the International Trade Administration by $1,000,000 and the Patent and Trademark Office by $3,000,000. In addition, NOAA has $2,000,000 within the amount recommended that can be applied to the EROS Data Center requirement.

Mr. President, within the amount appropriated last year, and recommended for 1989, the committee has approved $1,941,000 for construction and renovation of the facilities at the Fish Farming Experiment Station at Stuttgart, AR. There has been a delay in allocating the current funding, and at the request of the senior Senator from Arkansas [Mr. BUMPERS], we have earmarked this funding in the bill.

Mr. RUDMAN. Mr. President, the intent of this amendment is to provide additional funds for high priority research programs of the National Bureau of Standards, and to continue Landsat archiving and related activities at the EROS Data Center in South Dakota.

The Senator from South Carolina has been a leader in efforts to improve the activities of the National Bureau of Standards in assisting American businesses to remain competitive in emerging high technology industries. The amendment will provide an additional $5 million above the committee recommendation to enhance this effort.

Of particular interest to me and to Senator MCCAIN of Arizona is the enhancement of $500,000 for the Center for Building Technology for research on alternatives to chlorofluorocarbons, or CFC. These industrial compounds are believed to be partially responsible for ozone depletion and the global warming trend. The Center for Building Technology had approximately $150,000 for this research in 1988, and the enhancement will allow them to leverage other funds received from the Department of Energy and the Environmental Protection Agency to develop alternatives to CFC. I congratulate Senator MCCAIN for bringing this matter to the attention of the committee, and I join him in supporting this research.

In addition, $4 million will be available for the operations of the EROS Data Center in South Dakota. Due to the continued operation of Landsat 5, these funds will be necessary to process and archive data being received by that satellite.

Senator HOLLINGS and I are in agreement that we will support this funding for 1 additional year. However, since the Landsat system is being commercialized, and since the archiving of land remote sensing data is not one of NOAA's primary missions, we also agree—as does the Senator from South Dakota—that future funding needs will be met by other Federal agencies, not by NOAA.

Finally, I should note that $2 million of the funds required for the EROS Data Center are being absorbed within the funds originally provided for NOAA. It is our intention these funds will be absorbed within the base budget request of the National Oceanic and Atmospheric Administration, not within the restorations and enhancements recommended by the committee.

Mr. President, I thank Senators HOLLINGS, PRESSLER, MCCAIN, and ROCKEFELLER for developing this amendment on a bipartisan basis, and I yield the floor.

Mr. PRESSLER. Mr. President, I rise in support of this amendment to provide the necessary funding to establish and operate the National Satellite Land Remote Sensing Data Archive at the Earth Resources Observation System [EROS] Data Center near Sioux Falls, SD.

Earlier this month, I attended a hearing of the Commerce Committee on S. 2614, a bill introduced by Senator HOLLINGS, which will focus and coordinate this country's energies in the research of global climatic change. I recommend that every Member of the Senate read the record from that hearing. The greenhouse effect and the depletion of the ozone layer may well pose the greatest challenge to this Nation and the world in the next few decades. I am proud to be an original cosponsor of that legislation.

Witness after witness stressed the importance of collecting data and preserving existing data on global climate change. The EROS Data Center is integral to the preservation of billions of dollars worth of global change data already collected. This valuable historical data base must not be lost.

Prior to this year, the cost of maintaining and preserving the accumulated Landsat data has come out of the NOAA appropriation for Landsat operations. But Landsats 4 and 5 are expected to end their useful lives soon, so the administration requested no funding for Landsat 4 and 5 operations for fiscal year 1989. Unfortunately, along with the operations money went the archiving money. So we're faced with a situation where 15 years worth of global change data could be lost at the very time we need it most—just as global change programs by NASA, NOAA, and NSF are gearing up.

This is a relatively small amount of money, $4 million, but it will accomplish a very important task. This was recognized back in the 98th Congress, when Public Law 98-365 was passed, calling for the establishment of a National Satellite Land Remote Sensing Data Archive. The current national attention on global climatic change illuminates the urgent need to fund this archive.

I have discussed this matter in detail with Senators HOLLINGS and RUDMAN. We are all agreed on the necessity of maintaining this data. But as I have already explained, the actual establishment of this archive has been thwarted repeatedly by burying the archiving funds in Landsat operations and refusing to acknowledge the Data Archive as a separate line item. Although a small part of this appropriation may be used to continue processing incoming data from Landsat 5 for the remainder of its useful life, the sponsors of this amendment wish it to be understood that the $4 million figure is based on the funding required to maintain the data archive.

The purpose of this appropriation is not just to continue maintaining the existing Landsat data set. More important, it also fulfills the congressional requirement for the establishment of a National Satellite Land Remote Sensing Data Archive as mandated by Public Law 98-365, section 602.

Also it is important to note two agreements which were signed earlier this year concerning archiving at the EROS Data Center. The first is a memorandum of understanding between the U.S. Geological Survey and the National Aeronautics and Space Administration [NASA], dated March 16, 1988. In that memorandum, NASA agreed to place its active short- and long-term archives for experimental land remotely sensed data at the EROS Data Center including data from the EOS Program.

The second memorandum of agreement is between the National Oceanic and Atmospheric Administration [NOAA] and the USGS, dated May 21, 1988. It states that NOAA initially will fund the basic data set acquisition and Archive operations, fulfilling the requirement of Public Law 98-365 that the Secretary of Commerce establish the Archive. Thereafter, funding and operational responsibility will be transferred from NOAA to USGS. The agreement further states that performance is subject to the availability of appropriated funds. It should be understood that we are now appropriating those funds, $4 million, needed to establish the National Satellite Land Remote Sensing Data Archive.

I applaud the cooperative efforts shown by USGS, NOAA, and NASA to utilize the resources of the EROS Data Center and fund the archiving of the accumulated Landsat data. The Department of the Interior USGS report to Congress on program alternatives for the EROS Data Center emphasizes the importance of a multiagency approach to utilization of the center. It is important that we follow the recommendations of that report and build on the agreements already reached.

I cannot stress this point strongly enough. NOAA has consistently and irresponsibly avoided its legal obligation to establish this Archive. This legislation will establish the Archive. It is now time for a truly cooperative effort by the agencies using the data from the EROS Data Center, now and in the future, to contribute to its maintenance. I am tired of the finger-pointing game which has been going on for years with regard to the Archive. Everybody wants the data preserved, but nobody wants to pay for that preservation. We can't have it both ways. In order to ensure a coordinated approach by the agencies most directly involved, I will be meeting later this week with representatives of NASA, NOAA, and the Interior Department to discuss fiscal year 1990 funding for the Archive. I hope we can establish a long-term plan to resolve the issue once and for all.

Before I finish, I want to take a moment to thank Senators HOLLINGS and RUDMAN for their recognition of the problem and their help in this matter. Their assistance and that of their staff, particularly Warren Kane and John Shank, is greatly appreciated.

Mr. President, I strongly urge passage of this amendment. With this action, we will finally establish this important archive and preserve much of the base climatic data needed by our growing global change research programs.

Mr. MCCAIN. Mr. President, I would like to express my support for this amendment which provides needed resources for the National Bureau of Standards and the National Oceanic and Atmospheric Administration. I am particularly grateful to Senator HOLLINGS and Senator RUDMAN for accommodating my request to provide $500,000 for a vital program within the National Bureau of Standards which works with the private sector to test substitute compounds for ozone-depleting chlorofluorocarbons.

Chlorofluorocarbons are manmade substances used widely throughout industry as refrigerants, foam blowing agents and solvents. While these compounds have been most useful to us in air conditioners, refrigerators, and insulation, they represent a formidable environmental hazard. CFC's have been implicated in the depletion of the ozone layer which protects the earth from dangerous ultraviolet radiation from space. The Earth's increased exposure portends a variety of harmful consequences including the increased incidence of skin cancer and cataracts, suppression of the human immune system and decreased crop growth and yield. In addition, CFC's are greenhouse gases associated with global warming. The potential ramifications of climatic change are dramatic and far reaching. Certainly the recent drought situation has focused attention on these critical environmental issues.

I believe very strongly that the key to protecting the ozone layer and a vital component in addressing global warming is the soonest possible development of and transition to safe substitutes for the ozone-depleting substances we currently use. Several weeks ago, I introduced legislation to establish a public/private sector task force to identify initiatives we can undertake to facilitate the development process and further reduce ozone depleting emissions. The testing of alternative CFC compounds conducted by the National Bureau of Standards is an example of where we can and must bolster our efforts to get this formidable job done. The additional resources provided in this amendment will help us do just that. Indeed, I intend to propose the authorization of additional moneys for the program when the National Bureau of Standards is reauthorized next year.

Mr. President, we have august environmental responsibilities as the privileged stewards of this earth. This amendment will help us live up to that obligation and avoid severe economic disruption as we phase down existing compounds.

Again, I thank Senator HOLLINGS and Senator RUDMAN for their foresight and assistance in this important endeavor.

Mr. BUMPERS. Mr. President, I thank the distinguished chairman of the subcommittee, Senator HOLLINGS, for including in the amendment now under consideration language to ensure that $1 million appropriated in this bill, as well as $941,000 appropriated in fiscal year 1988, for new construction and rehabilitation at the Stuttgart, AR, Fish Farming Experimental Station will be spent for that purpose. The Commerce Department has been delinquent in releasing the fiscal year 1988 funds, and this language ensures that both the fiscal year 1988 and fiscal year 1989 funds will be spent as intended by Congress.

The Stuttgart Station, the Nation's leading laboratory on fresh-water aquaculture research for a wide variety of fishes, particularly catfish, has been in existence since 1958. The station is authorized by Public Law 85-342, and the bench research laboratory there is now 25 years old. In fiscal year 1987, Congress specifically appropriated $50,000 for a plan to assess the cost of rehabilitation and expansion of the Stuttgart facility's 25-year laboratory.

The plan developed for the expansion calls for a $3.3 million project for maintenance and upgrading the facilities in Stuttgart. This construction would include $300,000 for rehabilitation of the water supply system and wells, $500,000 for rehabilitation of the parking lot and waste treatment system, and $2.5 million for construction of a new building for research, extension, and administration. The amount provided in this bill, and the amount previously appropriated, are the initial downpayments on this important rehabilitation and construction work.

The inspector general's office of the Department of Commerce has issued a report stating that the National Marine Fisheries Service funding of the Stuttgart Station is not warranted. Nothing could be further from the truth. The IG's report has been effectively refuted by the Director of the station, and I will not go into those arguments here.

But at this point I would like to engage in a short colloquy with the chairman, Senator HOLLINGS. I understand that the IG's report has been reviewed, and that by providing these funds in this legislation the conclusion of the IG—that the Stuttgart Farm is beyond the mission of the NMFS—is specifically refuted and the intent of Congress is being clearly established. Is that corect?

Mr. HOLLINGS. My distinguished colleague, Senator BUMPERS, is correct.

Mr. BUMPERS. I thank the chairman.

Mr. LAUTENBERG. Mr. President, this is a very important amendment that will fund much-needed research to reduce the hazards of fire.

Every year, thousands of Americans are killed or injured in unwanted fires, often due to inhalation of toxic smoke. Fires also have long-term effects on firefighters, who may face an increased risk of developing cancer and other health problems as a result of exposure to toxic smoke.

The International Association of Firefighters, in conjunction with the Center for Fire Research [CFR], has been active in efforts to reduce the dangers of unwanted fires. In particular, researchers have focused on two issues of special importance: the toxicity of smoke from unwanted fires, and the flammability of upholstered furniture. There is a real need to develop nationally accepted testing procedures in these areas. But until now, efforts have been constrained by a lack of resources.

The research this funding will provide promises to help save the lives of many Americans in the future, including many of our Nation's firefighters. That is an important goal, and one that deserves to be treated as a priority.

Mr. President, as a society, I believe we have an obligation to help protect our firefighters from the hazards of fire. Every day, these brave men and women put their lives on the line. Not for money, fame or glory. But to serve the people of their community.

The bravery of our Nation's firefighters was highlighted recently due to a great tragedy in Hackensack, NJ. Five firefighters died there while fighting a fire when a roof collapsed. The death of these five heroes—Capt. Richard, Lt. Williams, Lt. Richard Reinhagen, and firefighters Stephen H. Ennis, Willliam Krejsa, and Leonard Radumski—has been felt not only in Hackensack, but among firefighters around the country.

We cannot bring these five brave men back to life. But we can dedicate ourselves to preventing similar deaths in the future. The research that would be funded by this amendment should do just that. It is the least we can do to demonstrate the Nation's appreciation for the courageous and selfless contributions of America's firefighters.

Mr. President, I want to express my sincere thanks to my good friend, the distinguished Senator from South Carolina, Senator HOLLINGS, for his assistance in finding money for this amendment. I know it was not easy, particularly given the extremely tight budgetary constraints facing the Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee. But Senator HOLLINGS has long demonstrated his commitment to the Center for Fire Research and to our Nation's firefighters.

I urge my colleagues to support the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2670) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2671

Mr. HOLLINGS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the Helms exception is set aside.

The amendment by the Senator from South Carolina will be stated.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 2671.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(The amendment is printed in today's RECORD under Amendments Submitted.)

Mr. HOLLINGS. Mr. President, this is the language that provides for the Technology Competitiveness Act, for which we have already appropriated $5 million last year and another $3 million this year, with respect to the Regional Research Centers in the National Bureau of Standards, to go along with the amendment we just adopted.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, we have no objection on this side.

CLEARINGHOUSE ON STATE AND LOCAL COMPETITIVENESS INITIATIVES

Mr. BUMPERS. Mr. President, I want to thank my friend from South Carolina, Senator HOLLINGS, for his assistance in ensuring that the clearinghouse on State and local initiatives will be established this year in the Department of Commerce.

I proposed that a clearinghouse be established last year in S. 930. Both the House and the Senate endorsed the proposal in the Omnibus Trade and Competitiveness Act as section 5122. On July 13 the House voted again for the clearinghouse in adopting the revised trade bill, again as section 5122. I am sure the Senate will do so when it takes final action on the revised trade bill.

For fiscal 1988, the Congress appropriated $250,000 to establish the clearinghouse in the continuing appropriations resolution. House Joint Resolution 395 and House Report 100-498. That appropriation was subject to enactment of authorizing legislation, which shortly will be provided in the revised trade bill. These fiscal 1988 funds are to remain available until expended by the Department to establish the clearinghouse.

For fiscal 1989 the pending appropriations bill again appropriates $250,000 for the clearinghouse. Senate Report 100-388, at page 14. These funds are to be expended in fiscal 1989 and they will supplement any funds which remain available for the clearinghouse from the fiscal 1988 appropriation.

The only reason why we have not increased the funding for the clearinghouse in fiscal 1989 is that the clearinghouse will only be established in late fiscal 1988 and it will have funds left over from its fiscal 1988 appropriation to use in fiscal 1989.

The Department of Commerce strongly supports the clearinghouse. It would prefer that the clearinghouse be located in the Office of the Secretary, rather than in the Office of Productivity, Technology and Innovation, where it is placed in the revised trade bill. But, I trust that this difference of opinion will not lead to any delay on the Department's part in establishing the clearinghouse.

I expect that the Department will move promptly to appoint a director for the clearinghouse, hire its initial staff and commence its operations.

With the funds left over from the fiscal year 1988 appropriation and the appropriation available in fiscal 1989, there will be sufficient funds for the clearinghouse to be quite active in fiscal 1989.

By the end of fiscal 1989, the clearinghouse should be fully capable of serving its intended function of providing detailed information on the competitiveness initiatives of State and local governments.

It should be able to begin serving as a valuable advisor to State and local governments and to Federal Government agencies and the Congress.

The clearinghouse will, of course, have to establish its priorities.

It will need to review the excellent work already done by the National Governor's Association and others in documenting these State and local initiatives. It must determine how it can supplement this information with more detailed and different information.

The clearinghouse must make itself useful to its constituency in the State and local governments.

It may be that the most useful information the clearinghouse can provide to start with is an annotated directory of all the State and local officials who are active in competitiveness initiatives.

The clearinghouse may want to pull together the most useful bibliography of publications regarding these initiatives.

It may want to publish a monthly or quarterly newsletter with information about conferences and publications in the field.

It may be that the clearinghouse may want to initiate a detailed study of several of the most interesting competitiveness initiatives, perhaps, for example, those which focus on enhancing productivity or quality control.

The clearinghouse may do well to establish an advisory committee to help it find its niche.

The clearinghouse must prove itself. It must show that it is not duplicating other sources of information. It must show that it can be trusted as an ally of State and local governments and as an expert advisor to Federal agencies and the Congress.

The clearinghouse must act as an entrepreneur, establishing its agenda and its priorities and, most important, its credibility.

I look forward to working with the director of the clearinghouse and with other officials of the Department of Commerce to make the clearinghouse an effective agency.

Again, I want to thank Senator HOLLINGS for his strong support for the clearinghouse, both in consideration of the legislation in the commerce committee and in providing the appropriations which will make the clearinghouse a reality.

I ask unanimous consent that an outline of the legislative history of the clearinghouse and its appropriations be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OUTLINE OF LEGISLATIVE HISTORY OF CLEARINGHOUSE ON STATE AND LOCAL INITIATIVES

AUTHORIZING LEGISLATION

April 7, 1987: Introduction of S. 930, The Competitiveness Enhancement Act of 1987, by Senator Dale Bumpers. Introductory Statement of Senator Dale Bumpers. 133 Congressional Record S 4724-4728 (April 7, 1987).

April 29, 1987: Introduction of H.R. 2219, the Competitiveness Enhancement Act, by Congresswoman Claudine Schneider and Congressman Doug Walgren. H.R. 2219 is the House version of S. 930.

April 30, 1987: Hearing of the Subcommittee on Science, Research and Technology, House Committee on Science, Space and Technology, on H.R. 2219 and other legislation. Statement of Senator Dale Bumpers and testimony of Mr. Richard B. Geltman, National Governors' Association, and Mr. Joe Kazmarek, President of Impact Technologies. "The Role of Science and Technology in Competitiveness," Hearings before the Subcommittee on Science, Research and Technology, House Committee on Science, Space and Technology, April 30, 1987.

May 19, 1987: Hearing of the Senate Committee on Commerce, Science and Transportation on S. 930 and other legislation. Testimony of Senator Dale Bumpers. "Technology Competitiveness Act of 1987," Hearings before the Senate Committee on Commerce, Science and Transportation, May 19, 1987.

June 22, 1987: Senate Commerce, Science and Transportation Committee files report on S. 907, the Technology Competitiveness Act of 1987. "Technology Competitiveness Act of 1987 (S. 907)," Report of the Senate Committee on Commerce, Science and Transportation, Senate Report 100-80. Section 202 of S. 907 contains a simplified version of S. 930.

June 24, 1987: Introduction of S. 1420, the Omnibus Trade and Competitiveness Act. S. 1420 was the vehicle for Senate debate on the nine trade and competitiveness bills reported from Senate Committees. Section 4102 of S. 1420 is identical to Section 202 of S. 907.

July 17, 1987: Perfecting amendment to Section 4102 offered by Senator Dale Bumpers. Statement of Senator Dale Bumpers and Senate Debate on Amendment of Senator Bumpers making technical corrections to Section 4102 of S. 1420. 133 Congressional Record at S 10163-10168 (July 17, 1987).

July 21, 1987: Senate adopts S. 1420 as an amendment in the nature of a substitute for H.R. 3, the House-passed Omnibus Trade and Competitiveness Act. Section 4102 of the Senate amendment was the Senate version of the clearinghouse for purposes of the conference on the trade and competitiveness bill with the House.

August 4, 1987: House Committee on Science, Space and Technology files report on H.R. 2916, the Technology Competitiveness Act of 1987. "Technology Competitiveness Act of 1987 (H.R. 2916)," Report of the House Committee on Science, Space and Technology. House Report 100-266 (August 4, 1987). Title IV of H.R. 2916 contains a simplified version of H.R. 2219, the House version of S. 930, and it served as the House version of the clearinghouse for purposes of the conference on the trade bill with the Senate.

April 20, 1988: Conference Committee on Omnibus Trade and Competitiveness Act files report on H.R. 3, the Omnibus Trade and Competitiveness Act. "Omnibus Trade and Competitiveness Act of 1988," Report of the Conference Committee on H.R. 3. House Report 100-576 (April 20, 1988). Section 5122 of the conference version of H.R. 3 contains the clearinghouse provision.

April 21, 1988: House adopts conference report on H.R. 3.

April 27, 1988: Senate adopts conference report on H.R. 3. Statement of Senator Dale Bumpers on clearinghouse provision in conference report on H.R. 3. 133 Congressional Record S 4900-4901 (April 27, 1988).

May 24, 1988: President vetoes H.R. 3.

May 24, 1988: House overrides Presidential veto of H.R. 3.

June 8, 1988: Senate fails to override Presidential veto of H.R. 3.

July 13, 1988: House adopts H.R. 4848, the revised Trade and Competitiveness Act. Section 5122 of revised trade and competitiveness bill contains the clearinghouse provision as earlier reported by the conference on H.R. 3.

Projected: July-August, 1988, Senate adopts revised Trade and Competitiveness Act, H.R. 4848 and President signs H.R. 4848 into law.

APPROPRIATIONS LEGISLATION

September 25, 1987: Senate Appropriations Committee files report on H.R. 2763, the appropriation bill for the Department of Commerce. Senate Report 100-182 (September 25, 1987). The report states that $500,000 is appropriated to establish the clearinghouse in Fiscal 1988.

October 15, 1987: Senate adopts H.R. 2763.

December 11, 1987: Senate adopts H.J. Res. 395, the Continuing Appropriations Resolution. Statement of Senator Dale Bumpers on H.J. Res. 395. 133 Congressional Record S 17944-17945 (December 11, 1987). The Senate version of the continuing resolution incorporated the recommendations of the Senate version of H.R. 2763.

December 22, 1987: Conference Committee files report on H.J. Res. 395, the Continuing Appropriations Resolution. House Report 100-498 (December 22, 1987). The report states that $250,000 is appropriated to establish the clearinghouse in Fiscal 1988.

June 20, 1988: Senate Appropriations Committee files report on H.R. 4782, the appropriations bill for the Department of Commerce. H.R. 4782 states that $250,000 is appropriated for the clearinghouse in Fiscal 1989. Senate Report 100-388, at page 14.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The question is on agreeing to the amendment.

The amendment (No. 2671) was agreed to.

Mr. HOLLINGS. I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President, I yield to the distinguished Senator from Washington.

AMENDMENT NO. 2672

(Purpose: To propose an amendment to allocate United States Information Agency funds to the Seattle Goodwill Games Organizing Committee for cultural exchanges and other related exchange activities)

Mr. ADAMS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the excepted committee amendment will be set aside.

The amendment by the Senator from Washington will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. ADAMS) proposes an amendment numbered 2672.

Mr. ADAMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On Page 83, at the end of line 15 insert after the word "amended": *"Provided further*, That not to exceed $500,000 shall remain available until expended for the Seattle Goodwill Games Organizing Committee for cultural exchanges of persons and other exchange-related activities associated with the 1990 Goodwill Games to be held in Seattle, Washington."

Mr. ADAMS. Mr. President, this amendment makes available $500,000 of support from the USIA for cultural and exchange activities of the Goodwill Games. It is not an appropriations add-on to this bill, but rather will be taken from funds already included in the bill. The use of this $500,000 for this purpose was authorized last year in the State Department authorization bill which was enacted into law.

I want to thank Senator HOLLINGS for his cooperation in securing this appropriation. The money will be put to good use. The 1990 Goodwill Games will be the largest Soviet-American exchange program ever conducted. The USIA funds will be highly leveraged by millions of dollars of private funds.

We are witnessing positive and historic change in the Soviet Union. At events like the Goodwill Games, those striving for glastnost in the Soviet Union will come in contact with those believing in democracy in America. Such a convergence will improve understanding between the people of our country and the Soviet Union which is in everyone's interest as we strive to reduce tension between the superpowers in the future.

I believe the amendment has been cleared on both sides and I urge its adoption.

Mr. EVANS. Mr. President, as people throughout the world begin to focus their attention on Seoul, South Korea—the host city for the 1988 Olympic Summer Games—people in the Pacific Northwest are already looking ahead to 1990 when they will have the honor of hosting many of the same athletes for the 1990 Goodwill Games. But we are excited about more than just the prospect of hosting the world's greatest athletic performers because coincident with the games will be a remarkable array of cultural programs to add depth and richness to the relationships forged on the fields of competition.

Seattle will be the host city for the 1990 Goodwill Games. Organizers already are working actively to help ensure that in 1990 the emerald city of the State of Washington will be the best possible showcase for the many world-class athletic contests and cultural and exchange programs.

Last year the President signed into law a 2-year authorization to spend over 2 years $1 million from funds otherwise appropriated for cultural exchange activities undertaken by the U.S. Information Agency [USIA]. The earmarking of funds in this bill will simply fulfill the commitment which already has been made and will enable the organizers to complete necessary planning work already in progress.

Many activities are planned. Among those which are contemplated are an exhibition of art treasures from the Kremlin, a joint United States-Soviet book publishing project, an exhibition of contemporary Soviet art, and a major performing arts festival. These and other programs most assuredly will help to promote goodwill and demonstrate that the Goodwill Games are more than just sport.

Mr. HOLLINGS. Mr. President, we support the amendment.

Mr. RUDMAN. Mr. President, there is no objection on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2672) was agreed to.

Mr. ADAMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ADAMS. Mr. President, I express my appreciation to the manager and to the ranking member for their assistance and I deeply appreciate the help.

Mr. HOLLINGS. Very good.

I yield to our distinguished Senator from Florida.

The PRESIDING OFFICER. Without objection, the excepted committee amendment will be set aside.

AMENDMENT NO. 2673

(Purpose: To curtail abuses in management of the housing benefits given to select employees of the United States Mission to the United Nations)

Mr. CHILES. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. CHILES] proposes an amendment numbered 2673.

On page 58, after line 17, insert the following:

SEC. 304. None of the funds provided in this or any other Act may be used to provide housing benefits or tax relief of any kind for individuals serving at the United States Mission to the United Nations other than the Permanent Representative of the United States and the senior Deputy Permanent Representative, except as needed to cover expenses associated with terminating the existing housing program and no unique financial compensation to individuals serving at the Mission may be provided without specific legislative authority. Furthermore, The Department of State will submit to the appropriate Committees of Congress by October 9, 1988, a program to meet the unique personnel needs of the United States Mission to the United Nations.

Mr. CHILES. Mr. President, in these times of tight budgets, I believe we all have a responsibility to see that Federal dollars are spent wisely—both at home and abroad. To this end, I rise to offer an amendment aimed at curbing abuses in the State Department's Housing Program for Employees at the U.S. Mission to the United Nations.

Internal investigations by the Department of State have revealed serious management problems at the Mission, particularly with the Mission's $2 million a year Housing Program.

The U.S. Mission to the United Nations is staffed by some 130 people, including a total of five Ambassadors. It has an operating budget of some $4 million per year. One-half of the Mission's operating budget—$2 million—is used to provide housing for 44 people assigned to the United Nations.

This is an extraordinary amount of money. Taxpayers are spending an average of over $47,000 per employee per year to house 44 employees in New York. You don't have to be a New Yorker to know that this is way out of line.

In fact, we could save $1 million a year by basing these 44 staff members in Washington, DC, and flying them to New York every single day.

We could save over $1 million a year by ending the State Department leases and moving these people into hotel rooms. A good hotel in New York is less expensive than the apartments we're renting.

Mr. President, there are over 85,000 Federal employees in the New York metropolitan area. But only 44 get this kind of benefit.

This problem is not new. Since 1975, concerns have been raised within the State Department over management of the Housing Program. In 1987, State Department inspectors expressed deep concern about management practices at the Mission and made 56 specific recommendations concerning problems requiring correction.

Last September, I met with Vernon Walters, our Ambassador to the United Nations. At that time, I was given assurances that the problems in the Housing Program would be corrected by February 1988. Nevertheless, at this time no significant changes in the Housing Program have been put in place.

Congress originally provided statutory authority to subsidize housing costs for a limited number of Foreign Service officers who are required for representational purposes to reside in the extraordinarily high-rent area immediately surrounding the United Nations in Manhattan.

However, the present Housing Program is made available to a variety of employees of the Mission. There are secretaries living in $35,000 a year Park Avenue apartments—and there are senior executive service officials in $45,000 a year houses in New Rochelle. The way they're running this program, you don't have to be a Foreign Service officer; you don't have to have representational duties; you don't even have to live on Manhattan to get a housing bonus.

In short, the current Housing Program is:

First, significantly at variance with the benefits afforded other Federal employees serving in the New York metropolitan area;

Second, unnecessary expenses to meet the recruitment needs of the Mission; and

Third, being implemented in a manner inconsistent with statutory authority and the intent of Congress in establishing the program.

Mr. President, I want to be clear: This amendment is not intended to point the finger at any individual officer of the State Department. I believe it is a problem which started years ago, long before our present Ambassador to the United Nation was appointed.

Our current Ambassador, Gen. Vernon Walters, has had a long and distinguished career. Furthermore, the entire U.S. Mission to the United Nations is unique. Its mandate, its location, and the fact that our permanent representative to the United Nations is a member of the President's Cabinet make this post unlike that of any other foreign mission. On foreign policy matters, the Mission and its staff continue to serve with distinction.

Termination of the present Housing Program will remove a key incentive used by the Mission to recruit highly qualified personnel to serve in New York. I understand this. For this reason, the amendment also directs the Department of State, with the support of the Mission, to develop a pilot program to encourage Foreign Service personnel to serve in New York. In doing so, I hope they will look first to nonfinancial incentives.

It is imperative that the Department of State recognize that Congress considers the U.S. Mission to the United Nations to be one of the most important posts supporting this Nation's foreign policy. The Department must make every effort to provide the highest quality personnel to this important Mission.

I do not believe that the State Department has made adequate efforts to respond to the personnel needs of the Mission. Instead, it has maintained this extremely costly Housing Program as an incentive to get people to go to New York.

The Department's failure to substantially reduce the cost of the Mission's Housing Program, or deal with the Mission's recruitment difficulties, is particularly disturbing in light of recent State Department claims that its operating budget is so limited that it will be forced to curtail U.S. diplomatic representation abroad. Here is an area where some legitimate savings can be achieved.

This is an amendment that I think has been cleared on both sides.

Mr. HOLLINGS. Mr. President, I am prepared to take this amendment to conference with us.

The distinguished Senator from Florida has been fairly diligent. He has been to the State Department and conferred with them. I have also discussed this with Ambassador Walters. There is a real problem in the sense Ambassador Walters points out of getting top-flight personnel because New York City is a high-cost town. Yet, on the other hand, we have 75,000 Federal employees living in a high-cost town.

We did not seem to have need for some 45 to 50 to be subsidized as they were under this particular budget.

We have asked the Department of State to come back with a solution to the problem. We did not want to decimate the fine effort being made by Ambassador Walters. We all have the highest regard for him, and we know he needs every bit of support he can get, but he has to be able to discipline his own group in the State Department itself, and they just have not responded.

I think this amendment is very much in order and I am glad to accept it at this time and take it to conference.

Mr. RUDMAN. Mr. President, I think it ought to be pointed out here that the average cost of this subsidy has been about $45,000 rent subsidy per employee. It has been limited to about 45 or 50 employees but the original intent and it is our understanding had been for a few of the very top level people in the U.N. mission, and considering the number of people who work for the U.S. Government in high-rent areas—I might submit Washington, DC, is a high-rent area—it seems to the committee and we agree with the Senator from Florida that subsidies of $40,000 to $50,000 a year does not seem like a sensible thing to do.

So I agree with the chairman. I do think we have to make some special consideration for certain of those people who live there particularly at the highest level of the mission. On the other hand, this kind of Pandora's box is with no bottom. So I would agree heartily that we accept it and go to conference and hopefully by the time we get there we will get a response from the State Department and both the chairman and the Senator from Florida and others might be able to have some agreement with them.

So I would have nothing else to say. We support the amendment offered by the Senator from Florida.

Mr. CHILES. I thank the chairman and ranking member. I hope we can work this out between now and then.

The PRESIDING OFFICER. Is there further debate on the amendment? The question is on agreeing to the amendment of the Senator from Florida.

The amendment (No. 2673) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. I yield to the distinguished Senator from Arkansas.

AMENDMENT NO. 2674

(Purpose: To reduce certain appropriations for consulting service)

Mr. PRYOR. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration.

Mr. RUDMAN. Mr. President, if the Senator will withhold, I believe we must have unanimous consent first to lay aside the pending Helms exception.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. PRYOR) proposes an amendment numbered 2674.

Mr. PRYOR. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

SEC. . (a)(1) Nothwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expanded by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

Mr. PRYOR. Mr. President, I rise today to offer an amendment to the Commerce, State, Justice appropriations bill to reduce expenditures for consulting services. As many of my colleagues know, I have pledged to offer similar amendments to each and every appropriations bill which comes before the Senate.

Already the Senate has accepted five of these amendments, one each to Treasury-Postal, Foreign Operations, Housing and Urban Development, Transportation, and the Interior appropriation bills.

All of us are concerned with the procurement scandal unfolding over in the Pentagon. But I want to assure my colleagues that the buddy system which is at work in the defense industry is well entrenched in the civilian agencies as well.

At a June 13 hearing of the Federal Services Subcommittee—which I chair—the Office of Management and Budget [OMB] testified that Federal agencies spent up to $26 billion in fiscal year 1987 on consultant services. These same agencies only reported spending $243 million for the same time period. The agencies are obviously using a narrow definition of consultants.

Mr. President, at this hearing, the Deputy Director of OMB, Mr. Joseph Wright, made these kinds of remarks about the Government's use of consultants: I paraphrase:

> The amount of consultant services used by the Federal Government is seriously understated;
>
> It has taken OMB much too long to revise its A-120 Circular which governs the procurement of consultant services;
>
> There is no consistency among the agencies of the Federal Government in terms of what they report as consultant contracts to the Federal Procurement Data System [FPDS].

Furthermore, Mr. Wright said:

> I do not see much progress. For example, in 1987, 50 percent of consultant contracts were noncompetitive. * * * In addition, over two-thirds of the contract awards in 1987 were for modifications to existing contracts. * * *

It is also important to note that within this appropriations function, the inspectors general at USIA, State, and SBA are in some form or fashion in noncompliance with 31 U.S.C. 1114(b), which requires that IG's monitor this area of Government contracting.

Mr. President, I hope what I'm about to say will demonstrate the magnitude of the underreporting of consultant contracts within this appropriations function. GAO provided me with a comparison of the figures these agencies reported, versus what they actually spent for consultants fiscal year 1987. The reported figure: $19,795,000. In contrast, when the GAO used a more accurate definition of consultants, it came up with $175,517,000. Again, $19 million reported; $175 million spent.

My amendment uses both a Cabinet Council on Management and Administration [CCMA] study and the new OMB Circular A-120 to establish the universe of contracts we are limiting. I asked GAO to use the CCMA study to produce estimated figures for agency expenditures within this appropriation function for these kinds of contracts in fiscal year 1987. This is essentially our baseline. A baseline, I might add, that has never existed in the past, and which is absolutely essential if we are ever going to control this area of ever-increasing Government spending.

Mr. President, the estimated savings that would accrue from my amendment, using the fiscal year 1987 baseline is up to $21.5 million. This is certainly a meaningful effort at deficit reduction.

I should note that GAO supplied two sets of figures. One set includes everything that could be construed as consultant services. In this category, which includes some unknown level of consultant activity such as contracts for technical representatives and quality control studies, I am requiring that agencies limit their spending to 95 percent of what they spent in fiscal year 1987, a 5-percent savings.

The second category, which GAO, OMB, and I all agree consists of consultant contracts, involves management and professional services, special studies and analyses, technical assistance and management reviews of program-funded organizations. Here I am requiring the agencies to limit their spending to 85 percent of what they spent in fiscal year 1987, a 15-percent savings. Also, I should note that the agencies, with OMB's guidance, will be required under my amendment to calculate their own fiscal year 1987 cost data, to which the cuts will be applied.

Mr. President, some have questioned whether this formula actually will produce savings. In order to respond objectively, I asked the Congressional Budget Office [CBO] to do a formal cost estimate of my amendment. CBO's conclusion is that the savings are real. I quote from the CBO letter, signed by Acting Director James L. Blum: "CBO expects that the language is sufficient to achieve the desired reduction in appropriation levels."

I hope my colleagues will join me in supporting this effort. In doing so, I believe we will restore some modest control to an area of procurement that has taken on a life of its own.

Mr. President, I thank you for recognizing me, and I thank the distinguished managers on both sides of the aisle for allowing me to present this amendment at this time.

This is one of six amendments that I have offered thus far to the appropriations bills coming before the U.S. Senate.

These amendments have taken 15 percent from category IV, defined by a 1984 administration study as consulting services contracts.

We have also taken from category VII consulting contracts 5 percent from the consulting dollars for fiscal year 1989.

We think—let me underline "think"—that these departments and these agencies in this particular appropriation bill, had a total in 1987 of $175 million in consulting contracts.

Mr. President, I am taking an estimated $21,519,000 from this particular appropriation bill and returning these dollars to the U.S. Treasury. We think it is sound policy, and we also think this is a policy that is going to, for the first time, to make these particular consulting arrangements rise to the surface so we can better identify them in the future. In short, an estimated $21,519,000 will be saved with this particular amendment.

I am very hopeful that both of the managers will look favorably upon this amendment.

Mr. **HOLLINGS**. Mr. President, we anxiously accept this. Any time we catch OBM off base, it heartens this particular Senator.

What the Office of Management and Budget has done is victimized the various departments by circumventing the ceilings in fiscal 1987 and gone to an escalation of these consultants.

I remember when we started off in 1981 we cut everybody's budget, your budget, my budget, all the departments' budgets, 10 percent.

We have added 119,000 civilians over in the Department of Defense, and that does not count all the consultants and their contracts.

So I am glad we are actually trying to cut back some of that staff.

The distinguished Senator is right on target.

It saves, as the Senator says, $21,519,110.

I accept the amendment.

The **PRESIDING OFFICER**. The Senator from New Hampshire.

Mr. **RUDMAN**. Mr. President, I must admit I have very mixed feelings about the amendment of the Senator from Arkansas. The amendment addresses concerns that developed during hearings held by the Senator before his Subcommittee on Federal Services. Although I am not on the subcommittee, I am a member of the full Governmental Affairs Committee. Therefore I am sensitive to his concerns that the Office of Management and Budget and other Federal agencies have not adequately reported and tracked Federal consulting contracts.

On the other hand, I am strongly in support of contracting for services with the private sector whenever appropriate. Unless there is an overriding interest in having a specific function performed by Government employees, I believe it is more appropriate for that function to be contracted to the private sector.

No one denies that problems have developed recently with consultants hired by Federal agencies. However, these problems have extended to Federal employees as well, and it would not be fair to blame all contractors for the actions of just a few. In addition, I am not sure the problem will be solved simply by reducing the funds available for contracting. It seems to me reforms in the way contracts are awarded and monitored is a more productive approach.

I am prepared to accept the Senator's amendment at this time, but I will want to carefully review its implications before we go to conference with the House of Representatives.

Mr. President, I join my distinguished chairman in accepting the amendment offered by the Senator from Arkansas.

Mr. **PRYOR**. Mr. President, I thank my two friends from South Carolina and New Hampshire for accepting this amendment and I look forward on the upcoming appropriations bills to using the same method in limiting some of these consulting contracts.

Mr. President, I yield the floor and thank the managers of the bill.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment (No. 2674) was agreed to.

Mr. **HOLLINGS**. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **RUDMAN**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **HOLLINGS**. Mr. President, I ask unanimous consent that the Helms exception be set aside so the distinguished Senator from West Virginia may propose an amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The Senator from West Virginia.

Mr. **ROCKEFELLER**. I thank the Chair and I thank the distinguished manager of the bill.

Mr. President, I ask unanimous consent that Sally Susman, Loretta Dunn, and Ira Wolf be granted the privilege of the floor during the consideration of the amendment which I will now offer.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

AMENDMENT NO. 2675

(Purpose: To express the sense of the Congress on certain policies and practices in Japan affecting commerce in American high technology products)

Mr. **ROCKEFELLER**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report.

The bill clerk read as follows:

The Senator from West Virginia [Mr. ROCKEFELLER] proposes an amendment numbered 2675.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . (a) The Congress finds that—

(1) the United States had a $60 billion bilateral trade deficit with Japan in 1987;

(2) American high technology products and innovations, especially those at the cutting edge, are competitive internationally in price and quality;

(3) the costs of research and development can best be covered by commercialization of the products developed, and successful commercialization requires prompt and effective protection of the intellectual property involved;

(4) foreign applicants in Japan received only 14 percent of the patents issued while in most other developed countries foreigners receive more than half of the patents awarded;

(5) a number of patent practices hinder the effects of foreign companies when they seek to obtain and enforce patents in Japan; and

(6) these practices, in a nation that is one of our major trading partners and allies, allow for certain business practices contrary to the interests of foreign firms (including American firms).

(b) It is the sense of the Congress that—

(1) the appropriate Federal officials should closely analyze and consider possible ways to address the following constraints that may confront foreign companies and individuals when they seek to obtain and enforce patents in Japan:

(A) the Japanese Patent Office is not insulated sufficiently from the industrial policy-setting mechanisms of the Ministry of International Trade and Industry (hereinafter referred to as "MITI"), given that senior career officials from MITI run the Patent Office, and many MITI officials are assigned to key positions in the Patent Office for periods of two or three years;

(B) there is inadequate protection of trade secrets;

(C) the Japanese Patent Office is seriously understaffed;

(D) it often take five to seven years or more to obtain a patent in Japan, during which time the patent term is running, thus shortening significantly the actual period of patent protection, but during which time the applicant cannot stop anyone from using the applicant's invention;

(E) applications are not accepted in any language other than Japanese, for purposes of obtaining a filing date;

(F) the grace period for disclosure of an invention is only six months and for a very limited type of disclosure, as compared to the one-year general grace period provided in the United States;

(G) patent examiners favor narrow, single-claim applications;

(H) patent examiners' comments on errors in applications are extremely vague;

(I) an applicant's ability to correct a translation error is very restricted;

(J) 18 months after a patent application is filed, the application is laid open for public inspection (i.e., published) and anyone can copy it or surround it with patent applications that are slight modifications of the original application;

(K) pre-issuance opposition procedures place an additional burden on the applicant, since a company or individual filing an opposition may have as long as three or four years to prepare opposition, but the applicant has only three months to translate, prepare, and file a response to that opposition;

(L) pre-issuance opposition procedures may result in a significant delay in issuance of a patent thus reducing the effective patent term;

(M) an applicant is permitted to file many applications covering slight changes in a technology, including applications based on the laid-open applications of others, in which case an inventor must oppose, often at great expense, each such application allowed by the Japanese Patent Office and published for opposition or run the risk that the issuance of these multiple patents will prevent that inventor from producing a product which that inventor originated;

(N) patent claims are interpreted very narrowly, with no doctrine of equivalence to give just rewards to a patentee;

(O) proof of infringement of process patents is extremely difficult because adequate procedures to uncover facts do not exist; and

(P) patent fraud statutes are seldom enforced;

(2) in light of such constraints, the appropriate Federal officials should encourage Japan to make changes in its patent system to ensure that foreign firms, especially American firms, are in no way disadvantaged and should seek to use the newly established United States-Japan Working Group on Intellectual Property as the focal point of efforts to change those practices that result in the inadequate protection of intellectual property;

(3) the appropriate Federal officials should urge Japanese authorities to take all possible action to prevent the manipulation of the patent system by Japanese companies;

(4) the principles underlying the administration of patent systems throughout the world should be the fostering and protection of true innovation and new products and processes, since the misappropriation of innovative technology serves no country's interest; and

(5) the appropriate Federal officials should also use the following forums to encourage Japan to make changes in its patent system to assure that these principles are observed:

(A) the harmonization talks in the World Intellectual Property Organization's Committee of Experts;

(B) the trilateral harmonization discussions among the United States Patent and Trademark Office, the Japanese Patent Office, and the European Patent Office; and

(C) the Uruguay Round of Multilateral Trade Negotiations.

Mr. ROCKEFELLER. Mr. President, I am offering an amendment today concerning the protection of intellectual property in Japan.

In order for the United States to reduce our trade deficit, both our global deficit as well as our bilateral deficit with Japan, we will have to export much more. Most of what we sell will have to be manufactured goods, and high technology products will represent a significant portion of these new sales.

We have spent a lot of time in the 100th Congress debating how to make America competitive again so that we can export more and turn around the trade deficit. Many of the problems we have are home grown. Others originate overseas, and one critical factor that will help American firms sell in international markets is the removal of trade barriers abroad. These barriers include tariffs, traditional nontariff barriers, and more subtle constraints on U.S. exports. Last month, my Subcommittee on Foreign Commerce and Tourism looked at one of these more subtle factors as it relates to American exports—the Japanese patent system.

We learned a lot about the Japanese patent system and how it operates as a constraint on American companies, especially those in the high-tech area, who are trying to sell their cutting edge products in Japan.

It is important to recognize that the patent systems around the world have some basic differences in how they operate. There are various multilateral negotiations underway to try to harmonize these patent systems, including ours and the Japanese, and that is good.

But, we also learned at this hearing, from the experiences of American firms, that the Japanese patent system often acts as a constraint on foreign firms trying to export to that country. Mr. President, the amendment I am proposing today outlines the way some of those constraints work. I want to stress that these are problems that confront American companies working at the cutting edge of technology.

Mr. President, the principles underlying the administration of a patent system should be the fostering and protection of true innovation, new products, and new processes. The misappropriation of innovative technology serves no country's interests. Neither we nor Japan can allow the Japanese patent system to act as a constraint on trade and the development of new technology.

Therefore, this amendment expresses the sense of the Congress that the administration should urge that Japan make changes in the patent system to assure that foreign firms are not disadvantaged. The Japanese Government should make sure that Japanese companies cannot manipulate the patent system as they have done in the past and are doing now.

The first meeting of the United States-Japan Working Group on Intellectual Property will be held later this summer. I want the Japanese Government to know that the United States Congress stands firmly behind our negotiators, that we will be watching that session closely, and that we are deeply concerned about this issue.

Mr. President, the United States has a lot to do to make itself competitive again. But, even if we deal with our own problems, we still must deal with barriers abroad, and that is what this amendment is all about.

I want to make two final points. First, this amendment is not meant to be critical of the Japanese Patent Office and its staff. Like patent offices throughout the world, its employees are hard working, highly trained professionals who enforce the laws and regulations of their own country. The problem we confront is not the patent office but the system itself and the way Japanese companies can use this system to prevent foreign competitors from using that foreign technology to sell in Japan.

Second, this resolution is not meant to be critical of Japan. Their patent system was not designed to keep foreign products out of Japan. But the result of the system has been that foreign firms are often denied adequate intellectual property protection and frequently forced to sacrifice this protection in order to attain access to the market in Japan. Now that Japan is an economic superpower, it is time for the Japanese to review their patent system to assure that it does not act as a constraint on trade.

Mr. President, it is vital that this Government take every possible measure to protect the patent rights of American companies internationally. This amendment calls on the administration to make all possible efforts to assure this protection in Japan.

Mr. DECONCINI. Mr. President, I commend Senator ROCKEFELLER and the other Members of the Committee on Commerce, Science, and Transportation Subcommittee on Foreign Commerce and Tourism for initiating an inquiry into the patent system of Japan. The subcommittee has identified features of Japanese patent law and practice which make it extremely difficult for innovative U.S. companies to obtain and enforce patents and sell products based on or incorporating inventions in the Japan market.

I support this amendment. The formation of a United States-Japan Working Group on Intellectual Property is appropriate. The serious and disturbing Japanese practices detailed in this amendment, and any other practices, which prevent U.S. companies from benefitting from their own inventions in Japan must be carefully studied. The explanations of the Japanese Government must also be carefully considered. I would expect, as the working group proceeds, the Japanese will raise questions about the fairness of U.S. intellectual property laws and enforcement mechanisms. Such claims should also be fully considered.

The effective protection of U.S. owned intellectual property in other countries has become, in recent years, an important fair trade goal. Congress made that clear in the 1984 amendment to section 301 of the Trade Act of 1984. The omnibus trade bill passed this year specifies this goal as one of the principal negotiating objectives of the United States. We recognize and I believe the Government of Japan recognizes that existing international regimes for the protection of intellectual property must be improved and new regimes must be created. Current inadequacies are the reason that intellectual property protection is an important issue in the ongoing Uruguay round of GATT negotiations, and that a patent harmonization treaty is currently being considered by a committee of experts at the World Intellectual Property Organization.

The United States patent system has developed over the past 198 years. The Japanese patent system is now 103 years old. The systems have fundamental differences. The Paris Convention for the Protection of Industrial Property, to which the United States and Japan are signatories, is based on the premise of equal national treatment. That means that whatever the details of the patent law in a signatory country may be, national and foreign inventors must be treated equally. The Paris Convention provisions have been the only international norm to which countries must comply in developing their national patent laws.

The amendment offered today by Senator ROCKEFELLER raises questions as to whether the Japanese patent law and practice discriminates against foreign inventors. Discriminatory treatment is an exceedingly important issue which must and I trust will be addressed by the working group. However, this is a new day, and in the trade related context, discrimination is not the end of the inquiry.

Last week, President Reagan found Brazil's refusal to provide adequate patent protection for U.S. pharmaceutical and fine chemical inventions to be an unfair trade practice under section 301 of the Trade Act of 1974. In response, the President decided to impose sanctions in the form of higher tariffs on Brazilian imports. I raise this action by the United States Government not to equate the gross inadequacy of the Brazilian patent law and the failure of the Brazilian Government to negotiate the issue in good faith with the apparent deficiencies of the Japanese patent law which have not yet been the subject of negotiation. I do so only to underline the difference between the past and the present. Brazil's failure to provide patent protection for pharmaceutical and fine chemicals was not discriminatory against United States inventors. Brazilian inventors are simiilarly disadvantaged. However, the fact that discrimination does not exist is not defense against the fact that the Brazilian refusal to recognize patent rights for pharmaceutical products allow the unauthorized appropriation of this form of United States intellectual property within Brazil.

A final point about this amendment and the task of the working groups needs emphasis. Obtaining patent rights is only meaningful to the extent that those rights can be enforced in a prompt and efficient manner. The amendment points out that it takes 5 to 7 years to obtain a patent in Japan. I understand that enforcing patents in the Japanese courts is an extremely long and difficult process with a statistically small chance for success. We all recognize that patent rights are very time sensitive. I hope the working group will consider the time delays in procuring a patent in Japan as well as the time delays in enforcing patent rights.

During the past 2 years as the chairman of the Judiciary Committee Subcommittee on Patents, Copyrights and Trademarks, I have come to fully understand how complex are U.S. intellectual property laws. Japanese laws are certainly equally complex. I know that the United States Government representatives on the working group will closely consult with the owners of intellectual property who have first hand practical experience in Japan. However, I think it is important to ultimately reach an understanding with Japan, that the private sector intellectual property experts discuss these issues with their counterparts in Japan. For several years, the American Intellectual Property Law Association has had meetings to discuss United States/Japan patent law issues with the Japan Patent Association and the Japanese Patent Attorneys Association. I understand the the United States.—Japan Business Council is forming a working group of United States and Japanese experts to discuss these issues. Such activity in the private sector will be a positive contribution to the efforts of the governmental working group.

Japan and the United States are important trading partners. Economic issues, including the protection of intellectual property, must be openly discussed in a positive spirit of mutual cooperation. While past and current problems must be discussed, I believe the important thing is to diligently strive for solutions to justly reward the creators of intellectual property.

Mr. ROCKEFELLER. Mr. President, I believe that this is an amendment which has been cleared on both sides and, therefore, hopefully would be acceptable.

Mr. HOLLINGS. Mr. President, on this side, we accept the amendment of the distinguished Senator from West Virginia.

Mr. RUDMAN. Mr. President, the amendment is acceptable on this side.

Mr. HOLLINGS. Mr. President, I ask that the amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia [Mr. ROCKEFELLER].

The amendment (No. 2675) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that Senator DECONCINI be added as a cosponsor of the amendment that we just agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Helms exception be set aside so that the distinguished Senator from Illinois may present an amendment.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Without objection, it is so ordered.

AMENDMENT NO. 2676

Mr. SIMON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Clerk will report.

The bill clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 2676.

Mr. SIMON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

"The Commerce Department is instructed to study, and report back to Congress on the feasibility of establishing a central computer bank for U.S. corporations that are in need of personnel with foreign language skills, and a computer bank of personnel with such foreign language skills seeking employment. The Commerce Department shall report back to Congress in writing 180 days after the enactment of this measure."

Mr. SIMON. Mr. President, I believe this amendment is acceptable to both sides. We face a situation right now where American corporations do not know where to turn sometimes to get people with language skills that they need. For example, the distinguished Senator from West Virginia, who just had his amendment accepted, I suppose most of our colleagues do not know that he can speak Japanese, probably the only Member of the U.S. Senate who can.

There are talents hidden in this Nation. Because of the work I have done in foreign languages, I receive letters from companies saying, "How do we get people with these skills?" At the same time, I get letters from people who say, "I have these skills. Nobody seems to want them."

This simply asks that there be a study in the Commerce Department of whether we can set up some kind of a computer bank and where, frankly, there could be a small fee to pay for it. It would be of no cost, but we can move in the right direction.

It simply asks for a study. I believe there is no objection to the amendment.

Mr. HOLLINGS. Mr. President, I have discussed this amendment with the Senator from Illinois. It is time that we determine the feasibility of a computer bank of this nature. We on the majority side are prepared to accept the amendment.

Mr. RUDMAN. Mr. President, the amendment is acceptable to this side, as well.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Illinois [Mr. SIMON].

The amendment (No. 2676) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I would just like to offer a comment to those of our colleagues who may be observing the proceedings on the floor and their staffs. We do not have that many amendments that are left to consider on this bill. There are a number of Senators who said they might offer amendments, numbering maybe six or seven.

I think it would be in everyone's interests, since it is relatively early, if we could ask some of those people who have amendments which they know will be acceptable to come to the floor and possibly those who are going to wish to offer a contested amendment to get a chance to do that this evening. I just wanted to make that observation to those on our side or on both sides, for that matter, that we could finish the bill this evening, early, or certainly tomorrow.

I hope that those who have amendments to offer will come to the floor and offer them.

I yield the floor.

AMENDMENT NO. 2677

(Purpose: To direct the Federal Communications Commission to proscribe all obscene and indecent material broadcast by means of radio communication in accordance with section 1464 of title 18, United States Code)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2677.

At the appropriate place in the pending amendment, add the following:

SEC. By January 31, 1989, the Commissioner of the Federal Communications Commission shall promulgate regulations in accordance with Section 1464, Title 18, United States Code, to enforce the provisions of such Section on a 24 hour per day basis.

Mr. HELMS. Mr. President, the purpose of this amendment—and it ought not to be necessary, but it is necessary—is simply to direct the Federal Communications Commission [FCC] to enforce the law, period.

Specifically, the amendment directs the FCC to take administrative action to keep all indecent programming off of radio and television regardless of the time of day.

Now, some may say, "What is he talking about?" I will tell you what I am talking about.

In 1934, Congress enacted a law, 18 U.S.C. 1464, prohibiting the broadcast of indecent or obscene material on radio and television.

It is apparent from the legislative history of this statute that Congress enacted this law to protect the American people, especially children, from the psychological ravages of pornography.

I applaud the action that Congress took then. As the leader of the free world, we are charged with the responsibility of promoting the common good and defending decent, moral values upon which this country was founded. Without a foundation grounded on moral precepts, Mr. President, this country is going to crumble.

But, Mr. President, as so often is the case, some bureaucrats down at the FCC decided that the law does not really mean what it says. Last year the FCC expressly created what is called a safe harbor for broadcast of indecent material between midnight and 6 a.m.

Now, that is not what the law says. It does not say anything about midnight to 6 a.m. It says it shall not be broadcast.

Now, this safe harbor rule is in direct contradiction to the law that Congress passed in 1934. So the FCC is, in fact, engaging in legislating which, of course, is far beyond its authority under the three-party system of government we have.

The safe harbor gives broadcasters a green light if they want to pump out garbage over the airways. Anything goes, the FCC has said, after midnight up until 6 a.m. Lest any Senator feel that this Senator is being "blue nosed" about this matter, let me tell you what I am talking about. I am not talking about a few dirty words, or profane words, or merely suggestive language. I am talking about disgusting and vile descriptions of sexual and excretory activities, descriptions and references to such acts as bestiality, sodomy, and child sex. How do you like them apples, Mr. President?

This filth, obviously, has no business being broadcast on the public airwaves, let alone being sanctioned by the FCC between midnight and 6 a.m. Here are some specific examples of what could be on the air between midnight and 6 a.m. First there is a transcript of the lyrics of a song "Making Bacon." And the words of this song describe various sexual acts and makes explicit references to sexual organs.

The second example, and these are just a few of the examples, the second example is an excerpt from a play called "The Jerker" which was broadcast on a radio station in Los Angeles, It is a sick, sick discussion between two homosexuals on how they perform their perversion.

Third is an excerpt from the morning program aired in New York in which the host of the program refers to sexual organs and sex acts in the most disgusting and degrading manner. He uses all sorts of innuendos in his discussions.

The point is this, and I make it again for the purpose of emphasis: The Federal Communications Commission, on its own, has ruled that all three of these examples, and many others like them, are indecent material before midnight, but come the stroke of midnight, bong, bong, bong, bong, bong, it is OK. And it is OK up until the clock strikes 6 in the morning.

Now, what kind of sense does that make? It is outrageous, Mr. President, that this kind of trash could be allowed after midnight or any other time, particularly when it is in contravention of the law passed by this Congress in 1934.

It gives me no pleasure to stand here on the floor of the Senate and talk about this filth and I am not going to do it further. Yet I want to emphasize that this kind of stuff is going on after midnight and before 6 a.m.

I wrote to the Chairman of the FCC, Mr. Dennis Patrick, and I asked him if these three examples would be allowed by the FCC after midnight. He responded in the affirmative. Specifically, and let me quote him: "It is very unlikely * * * that the Commission would have found the licensees in violation of the indecency proscription had they aired the subject program after midnight."

I say again this Senator does not believe that this sort of trash should be allowed at 2 p.m. or 2 a.m. or 3 a.m. or whatever time. Garbage is garbage, no matter what the time of day or night may be.

The Supreme Court has long recognized the importance of protecting, particularly our children, from such indecent material as this. In New York versus Ferber, the court stated:

> A State's interest in safeguarding the physical and psychological well-being of a minor is compelling.

The Court went on to say that the State is justified in banning indecent and sexually explicit material. Yet, I say again, the FCC chooses not to enforce the law. Instead, the FCC has created a facade saying it is all right 1 minute after midnight and up until 6 in the morning.

Recent surveys indicate that 98 percent of American homes have televisions. The average American family has five radios in its home and most children have their own radios. So, how can it be argued that children are not affected by garbage on radio and television? How can the FCC justify allowing garbage after midnight? Does the FCC really believe that children will not be listening that late?

The latest Arbitron ratings for New York, Los Angeles, and Chicago show that one third of all children between the ages 12 and 17 listen to the radio after midnight in those cities. More than 1 million children listen to the radio after midnight in those cities alone.

Furthermore, with VCR recording machines and programmable tape decks, children can record this garbage and watch and listen to it later. This creates a new problem of delayed access, and renders the FCC's channeling concept futile. So much for the FCC argument that it's alright to air indecent material late at night because children are not in the audience.

If the FCC's "safe harbor" rule stands, we will see deejays that talk about sex acts by using innuendos and double meanings. We will hear more filth and trash than we have ever heard before.

Even worse, what happens when a child unintentionally tunes in and hears or sees material describing, by innuendo, how to have sex? Or when an 8-year-old girl turns on her radio to hear the deejay describe sex acts by the use of metaphors? Or when a 10 year old boy who hears a recitation of how homosexuals do their perverted acts? How much damage will be done? I hope that we will not have to find out.

But a child's easy access to radio and television is only one of many reasons to ban indecent material. Mr. President, some people still find this material offensive. The reasons are quite clear. Television and radio are the most pervasive and persuasive means of communication in our society. Televisions and radios have permeated every aspect of American society.

Indecent material comes directly into our homes, into our living rooms and assaults the millions of Americans that still find this filth repugnant.

Critics say, "Well, just turn off the radio when you hear indecent language or turn off the television if you see indecent material."

Mr. President, as Supreme Court Justice Stevens stated, "that's like saying that the remedy for an assault is to run after the first blow." Once you have heard the trash, it is too late. The damage is done.

Some may try to argue that adults must be allowed access to indecent material on public radio and television. The Supreme Court refutes this argument in "Pacifica versus FCC. The Court stated there is no absolute right to have indecent material broadcast on public radio and television, because adults "may purchase tapes and records or go to theaters and nightclubs to hear" this kind of material or they can watch cable television.

If adults want this kind of trash, they can go to another garbage dump. But let us not pollute the public airwaves and, in turn, the minds of our children.

So, Mr. President, what is the result of allowing indecent material to be broadcast, even if it is only late at night? Well, it offends those Americans who abhor this type of indecent material. It leaves negative impressions on the minds of our children. It sets a terrible example for our youth, examples that they naively imitate. It corrupts our children and denigrates the moral fabric of our society.

Mr. President, we hear so much talk about the problems in this country and about how we as a nation have neglected our children. Here is an opportunity to do something positive for America's children.

I urge the Senate to adopt my amendment.

Mr. President, I ask unanimous consent that a letter I wrote dated April 7, 1988, to Mr. Bruce Fein of the Heritage Foundation, and a letter to me from the same gentleman dated April 20, 1988, with a memorandum of law from Citizens for Decency Through Law, Inc., be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, we have been working with staff on this amendment, staff on both sides of the aisle, trying to come up with precise language that will be agreeable to all.

I wish to modify my amendment, and I send that modification to the desk.

THE PRESIDING OFFICER. The Senator has the right to modify, and the amendment will be so modified.

The amendment, as modified, is as follows:

At the appropriate place in the pending amendment, add the following:

Sec. . By January 31, 1989 the Federal Communications Commission, shall promulgate regulations in accordance with Section 1464, Title 18, United States Code, to enforce the provisions of such Section on a 24 hour per day basis.

Mr. HELMS. I thank the chair.

I yield the floor, temporarily, at least.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, as I understand the Senator, under the modification, it says by "January 31, 1989, the Federal Communications Commission shall promulgate regulations in accordance with section 1464, title 18 of the United States Code, to enforce the provisions of such section on a 24 hour per day basis"; is that correct?

Mr. HELMS. Yes, sir. The Senator is correct.

Mr. HOLLINGS. I favor the amendment, Mr. President. You cannot get passed the logic pornography and garbage at any hour is pornography and garbage. You have convinced me. I do not know how we can get to it: it is OK after 12 but not in between 6 am to midnight? It is unheard of and I am prepared to accept the amendment.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. I join the chairman. The amendment is an amendment that really does no more than ask the FCC to do what they are supposed to do. I do not see how you can oppose that in any form. We support it.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from North Carolina.

Mr. HELMS. Let me thank the managers of this bill for their courtesy in this matter. I want to thank the staffs on both sides for working with us. I think it is a good amendment, and I hope it will be productive, and I thank the Senator.

EXHIBIT 1

U.S. SENATE
Washington, DC, April 7, 1988.

Mr. BRUCE FEIN,
Heritage Foundation,
Washington, DC.

DEAR MR. FEIN: I have some grave concerns regarding the F.C.C.'s recent rulings on the subject of indecent material.

As you know, in November the F.C.C. ruled that indecent material could be broadcast after midnight. This is in direct contradiction to 18 USC 1464 which prohibits indecent and obscene material on radio and television.

I have several questions that I would like for you to consider. First, is the "safe harbor" rule required as a result of *F.C.C.* v. *Pacifica Foundation?*

Second, is the F.C.C. accurate when it states that "Supreme Court precedent precluded it from banning non-obscene programming from the airwaves altogether"?

Third, can indecent material be banned for adults as well as children from public radio and television? Or does Pacifica prohibit such a ban?

Thank you for your assistance on this very important matter.

Sincerely,

JESSE HELMS.

BRUCE FEIN & ASSOCIATES
Great Falls, VA, April 20, 1988.

Hon. JESSE HELMS,
Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR HELMS: This letter responds to your April 7, 1988 inquiry as to whether the Supreme Court's pronouncement in *F.C.C.* v. *Pacifica Foundation,* 438 US 726 (1978) would preclude either a Commission rule or federal statute banning indecent programming during all hours of the day. The Pacifica Foundation decision and sister First Amendment rulings provide no definitive answer. But formidable constitutional argument can be fashioned to support an absolute ban on indecent broadcasts.

In these circumstances, the strong congressional custom is to enact a constitutionally uncertain law if it is thought to promote sound public policy, and make the federal judiciary the final arbiter regarding its validity. Congress, for instance, recently enacted a law prohibiting Mr. Murdoch from obtaining an extension of an F.C.C. waiver of a rule prohibiting his dual ownership of the Boston Herald and a Boston broadcast outlet. A federal appeals court held that prohibition unconstitutional.

In Pacifica Foundation, the Court upheld a Commission restriction on indecent broadcasting when children were probable members of the audience. Indecent programming, the Court explained, consisted of patently offensive broadcast reference references to excretory or sexual organs and activities. That type of programming could be proscribed consistent with the First Amendment, the Court reasoned, to protect a home audience from unwanted broadcast assaults on their sensitivities to safeguard the well-being of youth, and to protect parental authority over children. Adults, the Court added, would not be denied access to indecent programming because they "may purchase tapes and records or go to theaters and nightclubs to hear these words." 438 US at 750 n. 28.

The rationale of Pacifica Foundation would justify a wholesale congressional or F.C.C. ban on indecent programming. The broadcast media have established a uniquely pervasive presence in the lives of all Americans, including children and adults. See 438 US at 748. Further, broadcasting is uniquely accessible to children. Id. at 749. Videocassette tapes, players, and records offer children delayed access to indecent programming irrespective of the hour of the boardcast. Such equipment is now available in over 25 percent of all households, and that percentage is spiralling. Thus, time-of-day limits on indecent programming to forestall access by children are futile. The twin intellectual pillars of Pacifica Foundation thus support the constitutionality of an absolute prohibition on indecent programming every hour of the day.

As the Court recognized in that case, the result does not limit adults to hearing only what is fit for children. They may purchase tapes, and records or go to theaters and nightclubs to hear these words. Additionally, banning indecency entails no censorship of ideas. There are few, if any, thoughts, the Court declared in Pacifica Foundation, that cannot be expressed by the use of less offensive language 438 US at 743 n.18. In other words, indecent language seeks to arouse sexual appetites or fantasies, but not to evoke deliberation. It appeals to the cerebellum, not the cerebrum.

The Pacifica Foundation opinion, however, left for another day a definitive constitutional ruling on indecency restrictions when there was no danger of children in the audience. 438 US at 750 n.28. But the pervasiveness of VCRs in the home, as noted earlier, makes indecent broadcasting available to children no matter when transmitted over the airwaves. Thus, there is no time of day when indecent material can be broadcast without fear that children will adjust a VCR to tape the programming for later viewing or listening. This fact of the contemporary broadcast world should dispel the Court's hesitancy in *Pacifica Foundation* to sanction an absolute ban on indecent broadcasting.

Sincerely,

BRUCE FEIN,
President.

MEMORANDUM OF LAW REGARDING FCC PROHIBITION OF OBSCENE AND "INDECENT" BROADCASTS ON RADIO AND TELEVISION

Congress has before it a bill which would instruct the Federal Communications Commission (FCC) to proscribe all "obscene" and "indecent" broadcasts over the public airwaves. This memorandum addresses and answers several questions regarding the proposed law, including:

(1) Whether "indecent" broadcasts are protected by the First Amendment such that they cannot be prohibited by the FCC;

(2) Whether §326 of the Communications Act of 1934 prohibits the banning of "indecent" material.

This memorandum concludes that neither the Constitution nor §326 of the Communications Act of 1934 prevent Congress from completely prohibiting "indecent" broadcasts, and that the FCC's decision to allow "indecent" broadcasting during specified hours is in violation of federal law.

I. CONGRESS CONSTITUTIONALLY MAY PROHIBIT "INDECENT" SPEECH FROM BEING BROADCAST OVER THE PUBLIC AIRWAVES

The FCC already has the power to prohibit "indecent" radio and television broadcasts under 18 USCS §1464, which prohibits "any obscene, indecent, or profane language by means of radio communication," and provides for criminal fines and penalties for violators. This regulation was upheld as constitutional in the landmark Supreme Court case of *FCC* v. *Pacifica,* 438 U.S. 726 (1978).

A. *"Indecency" is different from "obscenity," and varies according to the context of the speech.*—To determine the constitutionality of a Congressional ban on "indecent" broadcasts, the term "indecent" first must be defined and contrasted with the definition of "obscenity." In Pacifica the Supreme Court held that "indecency" is distinct and different from the legal term "obscenity," and defined it as "nonconformance with accepted standards of morality." 438 U.S. at 740. The Court also noted Justice Harlan's use of "indecent" as a shorthand term for the second prong of the "obscenity" test—"patent offensiveness." See *Manual Enterprises, Inc.* v. *Day,* 370 U.S. 478, 8 L.Ed.2d 639 (1962). Indeed, the Court noted that the FCC itself "has long interpreted §1464 as encompassing more than the obscene." *FCC* v. *Pacifica,* 438 U.S. at 741. "Obscenity," of course, is unprotected by the first amendment and subject to complete prohibition. See *Miller* v. *California,* 413 U.S. 15 (1973).

But the definition of "indecency" has another aspect that distinguishes it from "obscenity" in a more fundamental way. Unlike "obscenity," "indecency" is based not just on the type, form or content of expression, but on the context within which the expression is communicated. An "obscene" broadcast would still be "obscene" if it were broadcast in a vacuum. It would make no difference whether the audience consisted of adults, children or even if there was no audience. It would make no difference whether the "obscene" broadcast occurred at 3 a.m. or 3 p.m., on national public television or private closed-circuit camera. "Indecency," on the other hand, is dependent on the context of the broadcast. Thus the "Filthy Words" monologue at issue in Pacifica was "indecent" when broadcast in the afternoon, but may not have been "indecent" if broadcast at 3 a.m. ". . . [T]he Commission has not unequivocally closed even broadcasting to speech of this sort; whether broadcast audiences in the late evening contain so few children that playing this monologue would be permissible is an issue neither the Commission nor this Court has decided." *FCC* v. *Pacifica,* 438 U.S. at 750, n.28.

If the monologue is "permissible" at 3 a.m., it is permissible not because "indecent" broadcasts are permissible at 3 a.m., but because at that time that particular broadcast is no longer considered "indecent." Id. at 732, n.5. The Court in Pacifica emphasized the necessity for making case by case decisions on the appropriateness of broadcasts, rather than setting down blackletter law definitions of "indecency": "As the Commission itself emphasized, its order 'was issued in a specific factual context.' . . . That approach is appropriate for courts as well as the Commission when regulation of indecency is at stake, for indecency is largely a function of context—it cannot be adquately judged in the abstract." Id. at 742. The Court has held that a ban on "indecent" broadcasts is constitutional, but whether a particular broadcast is "indecent" depends on the context of that broadcast. First Amendment protection "often depends on the context of the speech." *Young* v. *American Mini Theatres, Inc.,* 427 U.S. 50, 66 (1976).

The Court has explained this concept by relating the definition of indecency to the well-established definition of what constitutes a "nuisance." A "nuisance may be merely a right thing in the wrong place,—like a pig in the parlor instead of the barnyard." *FCC* v. *Pacifica,* 438 U.S. at 750, quoting *Euclid* v. *Ambler Realty Co.,* 272 U.S. 365 at 388, 71 L. Ed. 303 (1926).

B. *The FCC's ruling that "indecent" broadcasts are permissible between midnight and 6 a.m. violates clear Congressional intent to prohibit "indecent" broadcasts, and is not required by Supreme Court interpretations of the First Amendment.*—The Court in Pacifica had an opportunity to invalidate 189 USCS §1464 as an infringement on constitutionally protected speech. It did not. Instead, it agreed that "indecent" broadcasts could be prohibited. It did not say, as the FCC seems to believe, that nothing can be "indecent" between the hours of midnight and 6 a.m.

That ruling is an improper interpretation of the "channelling" concept spoken of by the Supreme Court. Whether a broadcast is "indecent" depends on the "time, place and manner," and should be judged according to the specific facts of the individual case. Pacifica, supra. The FCC based its ruling, however, only upon the time a broadcast occurred, in advance of knowing what other facts might bear upon a specific broadcast. The place and manner of the broadcast are not even considered in the FCC's ruling. Children and unconsenting adults may be in the audience, and the broadcast may be patently offensive, i.e., "indecent," but no sanctions can be instituted against the broadcaster because the FCC will not even consider the case. Despite the Supreme Court's warning about the importance of the unique factual context in each case, the FCC has decided in advance that nothing is capable of being "indecent" between midnight and 6 a.m.

Because the FCC's ruling is not required by the First Amendment or any decision of the Supreme Court, it flies in the face of Congressional intent. Section 1464 makes no provision for late night "indecent" broadcasts. It states clearly and unequivocally that punishment will be served on anyone who broadcasts "any obscene, indecent, or profane language by means of radio communication." The legislation now before Congress raises no new constitutional questions not already well settled, but would reiterate for the FCC's benefit that Congress desires to prevent all "indecent" broadcasts.

C. *Other forms of non-obscene speech are also subject to restrictions.*—"Indecency" is not unique as a form of expression regulated because of its subject matter and context. The Supreme Court has allowed government regulation of non-obscene speech, based upon subject matter and context, in numerous cases. See *Rowan* v. *Post Office Department,* 397 U.S. 728 (1970) (banning erotic material from the mails at recipient request); *C.B.S.* v. *Democratic National Committee,* 412 U.S. 94 (1973) (upholding policy of accepting commercial advertising but refusing political advertisements on city-owned bus line); *Greer* v. *Spock,* 424 U.S. 828 (1976) (barring political speakers from a military base); *Jones* v. *North Carolina Prisoners Union,* 433 U.S. 119 (1977) (banning in-prison solicitation of membership in a prisoners' union); *Young* v. *American Mini Theatres, Supra,* and *Renton* v. *Playtime Theatres, Inc.,* 475 U.S. 41 (1986) (placing zoning restrictions on the location of adult theatres); *Board of Education* v. *Pico,* 457 U.S. 853 (1982) (vulgar books may be removed from a high school library); *New York* v. *Ferber,* 102 S.Ct. 2248 (1982) (banning non-obscene sexually explicit depictions of minors); *Ginsberg* v. *New York,* 390 U.S. 629 (1968) (banning distribution to minors of non-obscene material which is "harmful to minors"); *Bethel School District No. 403* v. *Fraser,* 478 U.S. ——, 92 L.ED.2d 549, (1986) (upheld restriction on "indecent" sexually suggestive language in a political speech by high school student); *City of Newport* v. *Iacobucci,* 479 U.S. ——, 93 L.ED.2d 334 (1986) (upheld city ordinance banning non-obscene nude or nearly nude dancing in bars.)

Additionally, prohibitions on "indecent" telephone conversations have been upheld as constitutional by two federal circuit courts of appeal. See *United States* v. *Lampley,* 573 F.2d 783 (3rd Cir. 1978) and *United States* v. *Darsey,* 431 F.2d 963 (5th Cir. 1970).

D. *Restrictions on "Indecent" broadcasts are content-neutral.*—Supreme Court decisions have made clear that laws restricting "indecent" or "obscene" speech are not directed at a particular viewpoint, but are "content-neutral." Such laws proscribe only the mode or form of expression, not any ideas the "indecent" language or pictures may purport to convey. If the speaker is concerned with ideas, he can escape the restriction by expressing them in some other form. The Court has recognized that content is separable from form and that other modes of expression are virtually always available. Restrictions on "indecent" or "obscene" speech do not preclude advocacy of any ideas such speech might otherwise convey. For example, prohibitions on "indecent" broadcasts can be compared with a lawyer who, in open court, addresses the judge in "indecent" terms. Rules against that sort of speech will undoubtedly be enforced by the judge (holding lawyer in contempt). The Court recognizes that other more acceptable means of objecting to the judge are available and the lawyer must use them. As the Court stated in Pacifica:

"A requirement that "indecent" language be avoided will have its primary effect on the form, rather than the content, of serious communications. There are few, if any, thoughts that cannot be expressed by the use of less offensive language * * * At most * * * [i]t will deter only * * * patently offensive references to excretory and sexual organs and activities * * * [T]he surely lie at the periphery of First Amendment concerns."

438 U.S. at 473, n.18.

E. *Strong governmental interests support restrictions on "indecent" broadcasts.*—The Court based its ruling in Pacifica on two characteristics of the broadcast medium which subject it to broad regulation: its pervasiveness, and its accessibility to children. 438 U.S. at 748–49. Regarding pervasiveness, the Court held that "[p]atently offensive, indecent material presented over the airwaves confronts the citizen, not only in public, but also in the privacy of the home, where the individual's right to be left alone plainly outweighs the First Amendment rights of an intruder." id. at 748.

The Supreme Court repeatedly has held that where the interests of children are at stake the government is fully justified in regulating non-obscene material. See *Prince* v. *Massachusetts,* 321 U.S. 158, 168 (1944) ("[a] democratic society rests, for its continuance, upon the health, well-rounded growth of young people into full maturity as citizens"); *New York* v. *Ferber, supra,* 756–57, (a state's interest in 'safeguarding the physical and psychological well-being of a minor'" is "compelling" and justifies banning non-obscene sexually explicit depictions of minors).

In *Ginsberg* v. *New York, supra,* The Supreme Court upheld a ban on the distribution of non-obscene sexually explicit material to children. The prohibition or distribution of such "indecent" material to children is supported by the exact same interest present when "indecent" broadcasts are exposed to children. The "government's interest in the 'well-being of its youth' and in supporting 'parents' claim to authority in their own household justified the regulation of otherwise protected expression." *FCC* v. *Pacifica,* 438 U.S. at 749.

Further support for the government's ability to regulate "indecent" speech to protect children, even though adults are in the audience, comes from the recent case of *Bethel School District No. 403* v. *Fraser,* 92 L.Ed.2d 549 (1986). Fraser involved the use of "indecent" sexually suggestive language in a political nominating speech delivered by a high school student to 600 students and faculty. The school found the speech "indecent," lewd, and offensive to the modesty and decency of many of the students and faculty in attendance at the assembly" and he was suspended for two days. *Id.* at 555 (emphasis added). The Court upheld the suspension and ruled that where children are present, as in this instance, the school district could constitutionally prohibit "indecent" speech. The Court stated:

> "This Court's First Amendment jurisprudence has acknowledged limitations on the otherwise absolute interest of the speaker in reaching an unlimited audience *where the speech is sexually explicit and the audience may include children.* * * * These cases recognize the obvious concern on the part of parents, and the school authorities [i.e., the government] * * * to protect children * * * from exposure to sexually explicit, *indecent*, or lewd speech."

Id. at 559 (emphasis added).

F. *Proscribing "indecent" broadcasts does not reduce adults to hearing only what is suitable for minors.*—Often cited in opposition to the use of an "indecency" standard is *Butler* v. *Michigan*, 352 U.S. 30 (1957), with its frequently quoted assertion that the government may not "reduce the adult population * * * to reading only what is fit for children." Id., at 383.

In a brief opinion, the Court in Butler struck down a criminal conviction under a manifestly overbroad Michigan statute that forbade the publication, sale or other distribution to *any* person, including adults, of any publication, writing, picture:

> "or other thing, including any recordings, containing obscene, immoral, lewd or lascivious prints, pictures, figures or descriptions, tending to incite minors to violent or depraved or immoral acts, manifestly tending to the corruption of the morals of youth * * *"

Id. at 381. The Court correctly ruled that the law was overbroad and "not reasonably restricted to the evil with which it is said to deal." Id., at 383. It is significant to note that Michigan had another statute specifically proscribing the distribution of erotic materials to minors, but that statute was not before the Court. Id.

The more recent Pacifica Court limited the Butler case by distinguishing it. In a real sense, of course, Pacifica allows bans on broadcasts of "indecent" material to adults as well as children. However, the Court ruled that unlike Butler, the FCC order did not "reduce adults to hearing only what is fit for children" because adults "may purchase tapes and records or go to theatres and nightclubs to hear these words." Pacifica, supra, at 750 n. 28. As Justice Powell stated in his Pacifica concurrence:

> "In most instances, the dissemination of this kind of degrading speech to children may be limited without also limiting willing adults' access to it. Sellers of printed and recorded matter and exhibitors of motion pictures and live performances may be required to shut their doors to children, but such a requirement has no effect on adults' access. * * * The difficulty is that such a physical separation of the audience cannot be accomplished in the broadcast media. * * * [B]oth adults and unsupervised children are likely to be in the broadcast audience, and the broadcaster cannot reach willing adults without also reaching children."

Id. at 758-59.

Thus the Court already has rejected the argument that a prohibition of "indecent" broadcasts would violate the principles of *Butler* v. *Michigan, supra.*

II. THE ANTICENSORSHIP PROVISION OF THE COMMUNICATIONS ACT OF 1934 DOES NOT PREVENT CONGRESS FROM PROSCRIBING "INDECENT" BROADCASTS

Opponents of the "indecency" standard have suggested that §326 of the Communications Act prevents "censorship" of "indecent" broadcasts. This argument was considered and rejected by the Court in Pacifica.

Section 326 provides:

> "Nothing in this Act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication."

47 USC §326.

The Court noted that: (1) the "anticensorship" provision was aimed at preventing prior restraint of speech, not subsequent punishment, and had always been interpreted to that effect; (2) it was never intended to protect "obscene" and "indecent" speech from governmental sanction; and (3) the "anticensorship" provision and the prohibition of indecent broadcasts had their origin in the same paragraph of the Radio Act of 1927. *FCC* v. *Pacifica*, 438 U.S. at 737-38.

The Court continued:

> "Quite plainly, Congress intended to give meaning to both provisions. Respect for that intent requires that the censorship language be read as inapplicable to the prohibition on broadcasting obscene, indecent or profane language."

Id. at 738.

The Court concluded that "§326 does not limit the Commission's authority to impose sanctions on licensees who engage in obscene, indecent or profane broadcasting." Id.

III. CONCLUSION

The Supreme Court has never held that "indecent" broadcasts are entitled to the protection of the First Amendment. Instead, it has already upheld a Congressional statute which provides criminal penalties for anyone who utters an "indecent" word over the airwaves. The legislation now before Congress would not raise any constitutional questions not already raised and answered by the Pacifica court. Substantial governmental interests are served by the non-content-based prohibition of "indecent" broadcasts. The Constitution is not a barrier to this legislation.

Respectfully,

BENJAMIN W. BULL,
Legal Counsel.

THE FCC CONSTITUTIONALLY MAY PROHIBIT "INDECENT" BROADCASTS

TALKING POINTS

"Indecent" broadcasts have never been ruled entitled to First Amendment protection. Unlike "obscenity," "indecency" varies depending upon the time, place and manner of the broadcast. "Indecency" is judged on a sliding scale. Although "indecent" broadcasts have never been protected, the same broadcast might be "indecent" at one time and place and not "indecent" at another.

Whether a broadcast is "indecent" depends upon the unique facts of each individual case, and specifically upon the time, place and manner of the broadcast. Yet the FCC has decided that no broadcast can be "indecent" between the hours of midnight and 6 a.m. The FCC is only considering the time of the broadcast. This violates Congressional intent by permitting and legitimizing "indecent" broadcasts, and violates a Supreme Court mandate that judgments of "indecency" be made on a case-by-case basis.

Restrictions on "indecent" speech are content-neutral, in that they are not directed at the ideas being communicated, but at the mode or form of expression.

Restrictions on "indecent" speech are justified by substantial governmental interests in protecting children and privacy in the home.

Prohibiting "indecent" broadcasts does not reduce adults to hearing only what is suitable for minors because similar material "anticensorship" provision of the Communications Act of 1934 does not prevent the prohibition of "indecent" broadcasts. The provision was only intended to prevent prior restraints and was never intended to apply to "obscene" or "indecent" broadcasts.

The **PRESIDING OFFICER.** If there is no further debate on the amendment, the question is on agreeing to the amendment as modified.

The amendment (No. 2677) as modified, was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment as modified was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President, momentarily we will have the distinguished Senator from Vermont, who is on his way to the floor.

If there are other amendments to be presented I wish the Senators would come to the floor at this particular time.

The **PRESIDING OFFICER.** If the Senator would suspend for a moment, the Chair must point out that the underlying amendment, the committee amendment, needs to be adopted.

Mr. HOLLINGS. I appreciate the correction by the Chair. I urge the adoption of the committee amendment, as amended.

The **PRESIDING OFFICER.** The question is on agreeing to the excepted committee amendment, as amended.

The excepted committee amendment, as amended, was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. I thank the Chair.

Mr. President, we want our colleagues to come to the floor. We are moving right along.

Mr. RUDMAN addressed the Chair.

The **PRESIDING OFFICER.** The Senator from New Hampshire.

AMENDMENT NO. 2678

Mr. RUDMAN. Mr. President, I send an amendment to the desk on behalf of the Senator from Alaska [Mr. STEVENS].

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for Mr. STEVENS, proposes an amendment numbered 2678.

At the appropriate place in the bill, insert the following:

SEC. . When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project or program.

Mr. RUDMAN. Mr. President, the amendment I offer on behalf of Senator STEVENS is self-explanatory. Essentially what it says is when grants are received, if the grantees wish to receive expenditures from funds received within the grants, in some cases large amounts of Federal dollars, and in other cases small amounts of Federal dollars, but the precise amount of Federal dollars that are contained within the grants, that public statements sent by the grantee ought to be disclosed so the public understands it.

It is a good amendment. I believe it is acceptable with my friend from South Carolina. I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HOLLINGS. Mr. President, we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2678) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. I thank the Chair.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2679

(Purpose: To allocate $2,000,000 for youth exchanges under the Samantha Smith Memorial Exchange Program)

Mr. HOLLINGS. Mr. President, I send an amendment to the desk on behalf of Senator MITCHELL and Senator COHEN. The amendment provides for $2 million to be made available for youth exchanges under the Samantha Smith Memorial Exchange Program.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for Mr. MITCHELL (for himself and Mr. COHEN), proposes an amendment numbered 2679.

On page 84, line 2, before the period insert the following: ": *Provided*, That of the amount appropriated under this heading, $2,000,000 shall be available only for youth exchanges under the Samantha Smith Memorial Exchange Program, as authorized by section 112(a)(8) of the Mutual Educational and Cultural Exchange Act of 1961".

Mr. MITCHELL. Mr. President, along with Senator COHEN, I am pleased to sponsor this amendment to designate $2 million of the funds appropriated in the bill for the United States Information Agency, USIA, youth exchanges with the Soviet Union and Eastern Europe under the Samantha Smith Memorial Exchange Program.

This amendment is consistent with existing priorities within USIA's Bureau of Educational and Cultural Affairs, and with the House Appropriations Committee report language includes a recommendation that $2 million be used for "student exchanges between the United States and the Soviet Union."

The amendment is slightly broader than the House committee recommendation, because by statutory definition, the Samantha Smith Memorial Exchange Program includes exchanges with other nations in Eastern Europe, and also includes "youth exchanges" of persons under the age of 21 which do not necessarily occur under strict academic auspices.

Nonetheless, the amendment is consistent with overall congressional intent. The Samantha Smith Memorial Exchange Program was authorized and signed into law under the fiscal 1988-89 Foreign Relations Authorization bill, and is included under section 112(a)(8) of the Mutual Educational and Cultural Exchange Act of 1961, 22 U.S.C. 2460(a). The amendment ensures that exactly that amount which was authorized is actually spent on the program in fiscal year 1989.

The memory of Samantha Smith is cherished today in the United States and in the Soviet Union. Before her tragic death in 1985, the young girl from Maine demonstrated the tremendous effect which individual person-to-person contacts can have in international relations.

Samantha Smith was a messenger of good will, and a symbol of the hope for world peace—as a goal to be accomplished for our children, and future generations. It was especially appropriate that her memory be honored through last year's enactment of a formal Samantha Smith Memorial Exchange Program.

The USIA has broad discretion in administering the program. A combination of grants, contracts and scholarships can be used under the program. Its only real requirement is of a dual emphasis on exchanges or interchanges of both undergraduate students, and youth under the age of 21, including children, who can participate in activities which do not always occur in strict academic settings.

In the current fiscal year, USIA has been working to support projects of this nature. For the future, I hope that USIA will expand its level of promotion to publicize the availability of funds under the program, and will seek to include a distinct scholarship component for individual students. This kind of effort will be important in institutionalizing the program.

For the present, however, I believe it is important simply to reaffirm ongoing congressional commitment to the program. This is what this amendment is intended to do. It clearly designates $2 million for activities supported specifically under the Samantha Smith Memorial Exchange Program, and serves as an expression of our commitment.

Mr. HOLLINGS. Mr. President, I yield to my distinguished ranking colleague.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, the amendment offered on behalf of Senators MITCHELL and COHEN is acceptable on this side.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 2679) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 2680

(Purpose: To express the sense of the Senate concerning the election of Cuba to the United Nations Commission on Human Rights)

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the excepted committee amendment be laid aside so that I can send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The first part of the Senator's request is not necessary.

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The bill clerk read as follows:

The Senator from New Jersey [Mr. Lautenberg] for himself and Mr. Graham, proposes an amendment numbered 2680.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

Sec. . (a) The Secretary of State shall cerfity to the appropriate committees of the Congress, within 60 days of the issuance of a final report by the United Nations Human Rights Commission on Cuban human rights conditions, whether the presence of Cuba on the Commission interfered with the independence of the human rights investigation, the preparation of the resulting report, or the consideration of this report under agenda item 12(h) at the Commission's 45th session. (b) If a certification of objectivity cannot be made, the Secretary of State shall recommend appropriate action. (c) It is the sense of the Congress that—

(1) the United Nations, the United Nations Human Rights Commission, and the Chairman of the Commission are to be commended for Decision 1988/106 as interpreted by the Chairman which establishes a working group on Cuba to conduct an onsite investigation on Cuban human rights conditions and prepare a report for consideration under agenda item 12(h) at the 45th session of the Commission in 1989;

(2) the President, the Secretary of State, the Permanent Representative of the United States to the United Nations, and the Representative of the United States to the United Nations Human Rights Commission are to be commended for their efforts to place Cuba on the agenda of the Commission and are strongly encouraged to continue to support and assist the Commission in its implementation of Decision 1988/106;

(3) the following countries are to be commended for their courageous support for an independent investigation of the human rights situation in Cuba under the auspices of the United Nations and consideration of Cuba under agenda item 12 at the 45th session of the Commission: Bangladesh, Belgium, Costa Rica, France, Gambia, the Federal Republic of Germany, Ireland, Japan, Mozambique, Norway, the Philippines, Sao Tome and Principe, Portugal, Senegal, Somalia, Togo, the United Kingdom, and Venezuela;

(4) the following countries, despite overwhelming evidence of serious human rights abuses in Cuba, failed to support the efforts of the United States to establish an independent working group on Cuba and to provide for consideration of the report of this group under agenda item 12, a nonconfidential procedure reserved for countries with records of serious human rights violations: Algeria, Argentina, Botswana, Bulgaria, People's Republic of China, Colombia, Cyprus, Ethiopia, German Democratic Republic, India, Iraq, Mexico, Nicaragua, Nigeria, Pakistan, Peru, Rwanda, Spain, Sri Lanka, Union of Soviet Socialist Republics, and Yugoslavia;

(5) the Congress strongly objects to the election of Cuba and Panama to the Commission and strongly urges the Secretary General and Chairman, and the other members of the Commission to ensure that Cuba and Panama do not in any way interfere with the independence of the pending investigation, the preparation of the resulting report, or the consideration of this report under agenda item 12(h) at the Commission's 45th session.

Mr. LAUTENBERG. Mr. President, this amendment concerns the presence of Cuba on the United Nations Commission on Human Rights. It has been cleared by both sides. The amendment is a compromise. It has been worked out among Senator Hollings, Senator Rudman, and myself. It calls for the Secretary of State to file a report within 60 days of the issuance of the report on Cuban human rights by the U.N. Commission on Human Rights.

The report will detail whether or not the presence of Cuba on the United Nations Human Rights Commission will influence the outcome of the Commission's review.

The report will make certain that if there is any undue influence that our Secretary of State review it and come back with a report within 60 days, and if he finds that Cuba did interfere with the objective investigation or report that he recommends the appropriate actions.

The amendment further expresses the sense of the Congress that the Congress strongly objects to the presence of Cuba on the Commission investigating that country, and urges the other members of the Commission, the Secretary General, and the chairman to ensure that Cuba and Panama do not in any way interfere with the independence of the pending investigation, the preparation of the resulting report, or the consideration of the report at the Commission's 45th session.

Mr. President, on May 27 of this year, Cuba, one of the worst violators of human rights, was elected to a seat on the United Nations Human Rights Commission, along with Panama. This is the very same Commission that is in the process of investigating Cuba for human rights violations.

Cuba for 2 years in a row has narrowly avoided being cited by the U.N. for human rights abuses. In formal sessions in 1988 and 1987, Human Rights Commission delegates heard eyewitness testimony about the human rights climate in Cuba, with special emphasis on abusive treatment of political prisoners. In 1987, the Commission met in Geneva and fell one vote short of declaring Cuba's record on rights an area of official concern. This year, a toned-down resolution calling for a visit to Cuba by the international committee of the Red Cross was tabled.

Cuba's membership on the Commission puts it in a position to influence the final report on its human rights. Although it will not take a seat until after the investigation is over, it will be in a position to influence the report by the Commission, which will not be filed until 1989. Also, it is in a position to defend itself against the report's accusations. Five members of the Commission will take a first-hand look at Cuba this summer, at Cuba's invitation. The panel will present its findings at a 1989 meeting in Switzerland.

Electing Cuba to the Human Rights Commission, is, as someone said, like giving the accused a seat on his own jury. It is like making the prisoner judge his own crime. It is certainly ironic that a nation could get elected to the very Human Rights Commission that is investigating its record at the very time that investigation is about to begin.

This amendment puts us on record, and puts the members of the Commission on notice, that we will not tolerate any hanky-panky with this report. We are watching, the Secretary of State is watching, and if this report is tampered with, we are prepared to take action.

Mr. President, I would have preferred a stronger expression of concern over Cuba's election to the U.N. Human Rights Commission. In fact, the amendment I proposed in the Senate Appropriations Committee would have fenced 5 percent of the U.S.-assessed contribution to the United Nations human rights function, which includes the Human Rights Commission, until the U.S. delegate to that Commission, Armando Valladares, certified to Congress that Cuba has not interfered with the Commission's investigation of the human rights situation in that country. But, in deference to some members of the Appropriations Committee, who had concerns over the fencing, we have worked out this approach, which I believe is acceptable to all members of the committee.

I urge my colleagues to adopt the amendment.

Mr. HOLLINGS. Mr. President, we had quite a bit of discussion and negotiation with our distinguished colleague from New Jersey.

Senator Lautenberg has been very serious about this, pressing it in the Appropriations Committee. We debated it at that particular time. There is a serious concern here. I think he has outlined explicitly what we expect now in this particular report, and so on behalf of the majority side I am prepared to accept the amendment.

Mr. RUDMAN. Mr. President, the Senator from New Jersey raised this issue during consideration of the bill in committee, but agreed to withhold his initial proposal when I and several other Senators raised concerns about certain aspects of his amendment. We've now developed a compromise amendment similar to a provision in the Foreign Operations bill, and I want to thank him for his courtesy and cooperation in reaching this agreement.

As I understand it, the Secretary of State will certify whether or not the investigation of the United Nations Commission on Human Rights on conditions in Cuba is an objective, independent review. If he cannot so certify, he will recommend appropriate action to the Congress.

Mr. President, once again I thank the Senator for his cooperation in this matter, and I urge adoption of the amendment.

Mr. GRAHAM. Mr. President, I ask unanimous consent that I might make a statement on behalf of an amendment which was adopted earlier today offered by Senator LAUTENBERG and that my remarks, as well as an item I will submit for the RECORD be entered at the appropriate location in the RECORD.

The PRESIDING OFFICER. Without objection, the remarks of the Senator from Florida will be entered at the appropriate point in the RECORD he referred to. Without objection, it is so ordered.

The Senator from Florida.

Mr. GRAHAM. Mr. President, earlier this year, after 4 years of intense lobbying, the United States succeeded in convincing the United Nations Human Rights Commission to undertake an investigation of the blatant human rights violations in Cuba. This action, which is recognized in the amendment offered by Senator LAUTENBERG, was applauded by human rights advocates around the world. You can, therefore, imagine the distress, shock, and chagrin which was felt by those same advocates when only a few weeks later the United Nations Human Rights Commission voted to place, on the Human Rights Commission, the country which it had just voted to investigate, Cuba.

It is the first time in the history of the United Nations Human Rights Commission that a member of the Commission has been voted into that position of responsibility while it was itself under Commission investigation.

This shock was further extended, Mr. President, when, in a contest between Costa Rica, a nation whose President has just received the Nobel Prize for peace, and Panama, that Panama was also elected to membership on the United Nations Human Rights Commission.

So we have in a time of an extremely sensitive investigation, as well as the ongoing activities of the Commission, two countries which are under the most serious cloud, in terms of their own respect for human rights—Cuba and Panama—having been voted onto the Commission.

Senator LAUTENBERG's amendment, which I was pleased to join as a cosponsor, raises this issue and requests that the Secretary General of the United Nations, as well as our own Department of State, closely monitor the activities of the Commission to assure that the addition of these two suspect countries does not compromise the investigation which had previously been ordered.

On June 9, with the cosponsorship of a number of Members of this body, I introduced a resolution condemning Cuba's and Panama's election to the Commission and calling for the United States to seriously consider the implication of the election of these two nations on our future U.N. funding, as well as our specific financial support for the United Nations Human Rights Commission. I believe that this close monitoring is a prudent recommendation for Members of Congress and the administration, as we take into account the implications of having these two nations elected to supervise the human rights of the rest of the world.

Mr. President, in conclusion, it is clear that Fidel Castro could take one very important step that would contribute to allaying our concerns about his true commitment to human rights. In Castro's prisons, there are still some 40 to 50 "pantados," persons who have been imprisoned because of their commitment to human rights and their refusal, even under long and severe imprisonment, to recant their basic beliefs in human rights. Castro should release these "pantados" and send that as a statement of a new awareness of Cuba's desire to rejoin the civilized world in terms of its human rights record.

Mr. President, I ask unanimous consent to enter into the RECORD an editorial from the Miami Herald of May 31, 1988, entitled "Human Rights Mockery."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Miami Herald, May 31, 1988]

HUMAN-RIGHTS MOCKERY

U.N. ELECTS CUBA, PANAMA

It's business as usual in the United Nations. The world (dis)organization has sunk deeper into discredit by giving the thuggish regimes of Fidel Castro and Manuel Antonio Noriega full-member seats in the U.N. Commission on Human Rights.

Panama's outrageous election came after a runoff vote with current member Costa Rica. That's tantamount to saying that a *narcotraficante* deserves more trust on human rights issues than a thriving democracy whose president won the 1987 Nobel Peace Prize.

Cuba's election, even more outrageous, sets a precedent. Never before had a country under human rights investigation been elected to full membership in the U.N.'s Investigative body.

"I think [Cuba's election] degrades the commission, no doubt about it," opined U.S. diplomat Lewis Amselem. "Nobody has ever even contemplated putting Chile or El Salvador on, or Afghanistan or Iran . . . yet they put Cuba on."

In March, human rights violations in Cuba came before the 43-member Human Rights Commission meeting in Geneva for the second consecutive year. U.S. diplomatic efforts turned a Cuban invitation for a visit to the island by the commission's chairman and five other members into a full-fledged commission investigation. The U.N. team will visit Cuba this summer and will report to the commission next March.

The election of Cuba and Panama clearly reflects both Latin American solidarity and displeasure with U.S. policy in the hemisphere. This includes enmities as old as Washington's siding with Britain against Argentina in the Falklands War, and as new as the Reagan Administration's inept effort to oust General Noriega and interference (in Latins' view) in Nicaragua.

Messrs. Castro and Noriega may be celebrating the promotion of their notorious regimes to what they consider a prestigious U.N. commission. Before their Latin neighbors who made this anti-U.S. gesture rush to the party, however, they should remember that some of them will still be targets of the general's drug-trafficking and the *comandante's* guerrilla subversion.

Mr. RUDMAN. I thank the Senator from New Jersey for his accommodation in working out the problems with the original amendment. The amendment as it presently stands we think is an excellent amendment.

Mr. LAUTENBERG. I thank the chairman and ranking member. I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If there is no further debate on the amendment, the question is on agreeing to the amendment.

The amendment (No. 2680) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2681

(Purpose: To provide for a demonstration project involving ram-resistant barrier-gate security devices for United States diplomatic missions)

Mr. LEAHY. Mr. President, I send an amendment to the desk on behalf of myself and the distinguished senior Senator from Vermont [Mr. STAFFORD] and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Vermont [Mr. LEAHY], for himself and Mr. STAFFORD, proposes an amendment numbered 2681.

Mr. LEAHY. I ask unanimous consent to dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 58, between lines 17 and 18, insert the following new section:

DEMONSTRATION PROJECT FOR CERTAIN SECURITY DEVICES

SEC. 304. (a) During fiscal year 1989 the Secretary of State shall conduct a demonstration project involving the purchase or other acquisition of, and installation at United States diplomatic or consular facilities of, at least two ram-resistant barrier-gate security devices which meet or exceed the K12/L3 criteria of the Department of State for such devices, as determined in tests conducted under the observation of the Department.

(b)(1) Not later than 30 days after the date of enactment of this Act, the Secretary of State shall notify the Appropriations Committees of the Congress of the sites selected for installation of the security devices to be purchased or otherwise acquired under subsection (a).

(2) Not later than 60 days after such date, the Secretary of State shall purchase, or otherwise acquire, the security devices for the sites selected under paragraph (1) and, not later than 60 days after the installation of such devices, the Secretary shall prepare and transmit to the Appropriations Committees of the Congress a report describing the cost-effectiveness of such devices.

Mr. LEAHY. This is a simple amendment. It would direct the State Department to use available funds to carry out a demonstration project with special security gates to protect our embassies and consulates. I understand the bill managers are willing to accept this amendment.

Mr. HOLLINGS. Mr. President, we accept the amendment. We are pleased to do so.

Mr. RUDMAN. Mr. President, I have previously discussed this amendment with Senator STAFFORD and have no objection to it. In fact, the State Department has informed us the demonstration project proposed in the amendment would be useful in determining the best technology to prevent would-be terrorists from breaching the security of our overseas installations.

However, the Department estimates the total cost of the project may exceed $250,000, and the budget request for physical security research totals only about $4 million in 1989. Therefore, it would be my expectation the funds for this project would be absorbed within the base adjustment of $6 million the committee has provided for the Bureau of Diplomatic Security by not funding a program under the jurisdiction of the Ambassador-at-Large for Counter Terrorism. That program involved research funded by the State Department but transferred to the Departments of Energy and Defense, and the committee placed a higher priority on core State Department programs rather than on funds appropriated in this act and transferred to other Government agencies.

Mr. President, on that basis I have no problem with the amendment and urge its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2681) was agreed to.

Mr. LEAHY. I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. I thank the distinguished chairman and the distinguished Senator from New Hampshire.

Mr. HOLLINGS. I thank my colleague from Vermont.

AMENDMENT NO. 2682

(Purpose: To provide for the diplomatic mission in Israel)

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2682:

On page 58, between lines 17 and 18, insert the following:

"SEC. 304. Notwithstanding Section 130 of the Foreign Relations Authorization Act, Fiscal Years 1988-89 and Section 414 of the Diplomatic Security Act and any other provisions of law, such funds as are authorized, or that may be authorized, under the Diplomatic Security Act or any other statute, and appropriated to the Department of State under this or any other Act, may be hereafter obligated or expended for site acquisition, development, and construction of two new diplomatic facilities in Israel, Jerusalem, or the West Bank, provided that each facility (A) equally preserves the ability of the United States to locate its Ambassador or its Consul General at that site, consistent with United States policy, (B) shall not be denominated as the United States Embassy or Counsulate until after construction of both facilities has begun, and construction of one facility has been completed, or is near completion; and (C) unless security considerations require otherwise, commences operation simultaneously.".

Mr. HELMS. Mr. President, I thank the clerk for reading the entire amendment. It just about says it all. I need not burden the subject. Obviously, this amendment is the result of intense and extensive negotiations between the administration and myself. Specifically, it breaks a legislative logjam which has prevented efforts to enhance the security of United States diplomatic facilities in Israel.

This amendment has been agreed to by the administration.

It permits the State Department to undertake site acquisition, development and construction of "two" new diplomatic facilities in Israel understood to be in Tel Aviv and Jerusalem, provided that each facility preserves the ability of the United States to locate its Ambassador at that location.

In addition, the amendment provides that neither facility be selected to be the U.S. Embassy until one facility is completed or near completion. Obviously, this effectively will leave the decision as to which facility shall be our new Embassy up to the new President of the United States, whoever he may be.

That is the sum and substance of the amendment.

As my colleagues are well aware, this question of the location of the American Embassy in Israel has been an issue for sometime now.

Many of us here in the Senate—I venture to say most of us here—believe that Israel has a right to choose its own capital, and that the United States should locate its Embassy accordingly. However, this has not been the position of the State Department.

In 1985, I added an amendment on the Senate floor to the Diplomatic Security Act permitting the State Department to build a new Embassy in Israel only if it is located in Jerusalem.

In conference, a compromise was reached which prohibited a new Embassy from being built in Israel, regardless of the location. This was a compromise between those Senators who desired to see the United States Embassy located in Jerusalem and the State Department, which insisted upon maintaining the Embassy in Tel Aviv. This prohibition was subsequently reenacted in last year's State Department authorization bill.

It was this impasse which the amendment before us resolves. Under the amendment, the State Department can go ahead with construction of a new facility in Tel Aviv, but only if a facility is constructed in Jerusalem which is equally capable of serving as the United States Embassy, and only if neither facility is selected to be the Embassy until after construction of both facilities has begun, and construction of one facility has been completed; or is near completion.

As it will take a number of months for this point to be reached, Mr. President, we will not know which new facility—Tel Aviv or Jerusalem—will serve as the new Embassy until a new President has been elected. Indeed, because both facilities will be equally capable of serving as our Embassy, subsequent Presidents will be able to select which site should serve as the U.S. Embassy.

This amendment, then, leaves the decision as to the location of the Embassy up to the President, while removing all practical impediments for a President who wishes to locate our Embassy in Jerusalem.

Mr. President, I have worked over a number of months with the State Department working to reach this compromise. Throughout our negotiations, the State Department has been frank, straightforward, and candid. It just goes to show how much can be accomplished when people sit down in good faith and patiently and diligently work out their differences. In addition, I would be remiss if I failed to mention my appreciation for the work of my good friend, Ambassador Max Kampelman, who so persistently and ably worked to put this compromise together through many months of discussion.

Mr. President, I encourage all of my colleagues to support this amendment.

Mr. HOLLINGS. Mr. President, I am not prepared on this particular amendment. It affects our foreign relations field and I have asked the distinguished Senator from Rhode Island, Mr. PELL, to be consulted. While he is being consulted, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ADAMS). Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that on the amendment by Mr. GRAMM to reduce the appropriations for the Legal Services Corporation there be a 1-hour time limitation to be equally divided in accordance with the usual form and that no amendments be in order thereto.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. I reserve the right to object.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside so we can engage in a colloquy with the distinguished chairman of the Foreign Relations Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I am concerned that the provision establishing a new entity—TV Marti—has not been adequately considered by the Senate, or the Senate committee that has jurisdiction.

The creation of TV Marti has far-reaching implications that deserve full consideration by the Foreign Relations Committee so that the full Senate can give its considered and informed judgment.

Just in these past few days, many questions have arisen that deserve the scrutiny of the Foreign Relations Committee. The fact is that we do not know very much about this. How many in the Senate have seen the feasibility studies that were prepared on TV Marti?

There are very substantive questions to be addressed. For example, how much is this going to cost? I have read estimates from $25 to $100 million annually.

After all the money is spent, is the TV signal going to be seen in Cuba? I understand that the Cubans can jam it easily and inexpensively.

The Cubans can wreak havoc with U.S. broadcasting by deliberate interference with U.S. radio and TV stations in retaliation. That is why the National Association of Broadcasters [NAB] is against TV Marti.

The NAB also points out that TV Marti will have the potential to interfere with broadcasting in the Gulf of Mexico area because of what broadcast engineers call a "ducting" problem.

We should have time to study the question of international law. Will we be in violation if TV Marti begins to beam into Cuba?

Is TV Marti going to damage United States foreign policy interests vis-a-vis Cuba. I refer specifically to the real prospect that in retaliation for the approval of TV Marti, the Cubans could back out of talks on withdrawal of Cuban troops from Angola. Talks that have been going very well, by the way. Also it could affect talks with the Cubans on radio interference as well as talks that could be held in the future on narcotics trafficking.

I had planned to raise a point of order that this provision involves legislation on an appropriations bill. However, I will not do so if the manager could give me the assurance that any further appropriations would be subject to a prior authorization.

Mr. HOLLINGS. Mr. President, I want to give the distinguished Senator from Rhode Island, the chairman of our Foreign Relations Committee, such an assurance. What happens really is we have consulted and have fully gone into this matter. We have a $15,577,000 projection of costs from Price Waterhouse so I don't know where this $25 to $100,000,000 comes from. They studied it. The committee recommended $7.5 million to test TV Marti, and of course we have the administration making available an already established balloon in this particular area.

We checked it out with respect to interference in regard to air travel. It is not in any air passage. We expect to raise and lower it as we do the other aerostats and use that for the TV antenna.

We also put a proviso in there that there be no compensation you might say for any kind of interference because we studied it, and we feel there would be no interference. There could occur a displeasure on behalf of Cuba down there, but I think this is a well-considered program.

Radio Marti has worked extremely well and we can use the same type program on a limited basis in the evenings there for the TV Marti signal.

So I want to give the distinguished chairman that assurance and I appreciate him not raising the point of order at this time, and get assurance from him of his sincerity, in that he will have hearings for the next fiscal year and that he will give us some report from that committee.

Mr. PELL. That is correct. We will hold a hearing and try to bring it to the committee for a vote. I may vote against it, but I will try to bring it up.

Mr. HOLLINGS. I hope we can persuade the Senator by that time. It is a dynamic program, and he is a dynamic Senator.

I thank the distinguished chairman for his understanding, and I thank him for the colloquy, because we want to move on this particular score. I do appreciate it very much.

Mr. RUDMAN. Mr. President, I think that is a satisfactory resolution of this problem. It satisfies all concerned. I certainly support the sentiments expressed in the colloquy between the chairman and the Senator from Rhode Island.

AMENDMENT NO. 2683

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) proposes an amendment numbered 2683.

Mr. METZENBAUM. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of page 76, line 15, add before the period the following: "provided further that the Federal Trade Commission shall immediately provide any necessary or requested assistance to appropriate state agencies which are investigating possible unfair or deceptive practices in the distribution, offering for sale and sale of drought insurance during calendar year 1988; the Commission shall report the results of any assistance provided to any state agency which requests such assistance and to the Congress."

The PRESIDING OFFICER. Without objection, the Helms amendment will be temporarily set aside. The amendment of the Senator from Ohio is pending.

Mr. METZENBAUM. Mr. President, a very unusual situation has developed in nine States of this country. In those nine States, farmers have bought drought insurance from the Chubb Insurance Group. After they bought the insurance and paid their premiums, which are to cover them with respect to the possibility of a drought during a 3-month period, the company held their money from 2 weeks to 1 month and then determined—apparently after the fact—that they should not have insurance, and they did not want to sell the insurance. So they decided to send the checks back and not give the farmers who had already bought the insurance, and it was in place, the coverage which they expected and thought they had. It is a horrendous situation.

This amendment provides for the Federal Government to do some investigating to see what, if anything, can be done in order to help.

Mr. President, farmers of Ohio are suffering badly from the drought. They need help from their Government, help from their drought insurance companies. The Federal Government has promised help, and will deliver it.

The Federal Insurance Co., a subsidiary of the Chubb Group, promised help, too, but now it is reneging.

Farmers are mad, and they have a right to be. They paid for drought insurance and the company promised to provide it. The less rain, the more money the company would pay.

The problem is that after it did not rain, when it was time for the company to make good, it apparently said to the farmers, "Sorry, we've collected your premiums, we've earned interest on them, but now we've decided we're not going to pay. But we'll be nice and send the checks back, though we think we'll keep the interest for ourselves."

Out of 9,000 applications, only 40 policies issued; out of nearly $400 million of insurance promised, only $40 million provided.

This was a one-sided gamble, a no-lose situation for the insurance company. It told its agents to collect all the premiums they could get, cashed the checks, and waited to see if it rained. When it didn't it returned the premiums, with no loss except postage.

The farmers, who gambled with their premiums and counted on collecting crops or insurance payments, will get neither.

The insurance company says it "offered" to return the premiums. Baloney. There was no "offer," no opportunity for the farmers to refuse and demand payment of their insurance. The premiums were simply sent back and the farmers were told, "You better take them, because there won't be any coverage and there won't be any payments."

This problem affects a number of States—Ohio, Indiana, Kentucky, others. Some State insurance commissions, including Ohio's are working on the problem; but as we often find, the practices of one company harm people in many States.

This amendment recognizes and addresses the multi-State impact of this apparent fraud. It provides that the FTC, which has interstate jurisdiction and resources, shall offer assistance to these State regulators. The FTC will help to find out the facts quickly and report its findings to the States and the Congress.

FTC involvement will help States get to the bottom of this possible sham, and help farmers get relief, that much sooner.

The farmers of Ohio and America are already suffering enough. They should not have to suffer more from deceitful drought insurance practices.

I urge the Senate to adopt this amendment.

Mr. HOLLINGS. Mr. President, it is my understanding that the amendment is not intended to vest in the Federal Trade Commission new authority to investigate insurance, since that authority was forestalled in the amendments to the FTC we adopted in 1980.

It is the Senator's intention to limit it to drought insurance.

Mr. METZENBAUM. The Senator and I are in complete agreement.

Mr. RUDMAN. Mr. President, as long as that limitation is clearly understood—and I think the Senator from South Carolina has made a clear record—we are willing to accept it.

I notice that the Senator from Missouri, the ranking member of the Commerce Committee, is on the floor, and he may wish to address this matter.

Mr. DANFORTH. Mr. President, my understanding is as stated by the two managers of the bill, that this does not expand on FTC existing authority. With that understanding, this is fine with me.

Mr. METZENBAUM. It expands on it just for the purpose of this limited inquiry, having to do with the drought.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment (No. 2683) was agreed to.

Mr. METZENBAUM. I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2684

Mr. CHILES. Mr. President, I send an amendment to the desk. I ask unanimous consent that the pending amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida [Mr. CHILES] proposes an amendment numbered 2684.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SECTION 1. TREATMENT OF FATHERS OF ILLEGITIMATE CHILDREN IN INTERNATIONAL ADOPTION CASES.

(a) IN GENERAL.—Section 101(b)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(2)) is amended by inserting before the period at the end the following: ", except that, for purposes of paragraph (1)(F) in the case of an illegitimate child described in paragraph (1)(D) (and not described in paragraph (1)(C), the term 'parent' does not include the natural father of the child".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 315 of the Immigration Reform and Control Act of 1986.

Mr. CHILES. Mr. President, this amendment to H.R. 4782, fiscal year 1989 Commerce, State, Justice appropriations, seeks to clarify congressional intent with respect to changes made in the Immigration and Nationality Act of 1952 [INA] by the Immigration and Reform and Control Act of 1986 [IRCA].

As my colleagues will remember, this body undertook a lengthy revision of our immigration policy in the 99th Congress. Included in the final version of the IRCA was an amendment to section 101(b)(1)(D) of the INA which extends to the natural fathers of illegitimate alien children the right to petition on their children's behalf. Prior to this change in the law, only mothers of such children had that right.

In March 1987, the Immigration and Naturalization Service issued a memorandum which essentially interprets this amendment as also applicable to section 101(b)(1)(F) of INA. This section addresses the adoption of foreign orphans by U.S. citizens and allows for the classification of a foreign born child as an orphan if the mother, as the "sole parent," irrevocably releases the child for immigration and adoption.

Simply stated, Mr. President, the INS has ruled that the expansion of fathers' rights by IRCA in subparagraph (D) supersedes the sole parent standard for orphan classification in subparagraph (F).

Mr. President, if INS had looked into the legislative history of this amendment, it would have concluded that it was not the intent of Congress to restrict the adoption of illegitimate children who happen to have had a relationship with their fathers. Quite to the contrary, Congressman FRANK, the sponsor of the amendment in the House, has clearly indicated to INS that this was not his intention. INS appears to be comparing apples and oranges. Subparagraph (D) refers to immigration benefits flowing between illegitimate children and their parents while subparagraph (F) refers to the adoption of foreign orphans by U.S. citizens. There is no obvious textual link between the two subparagraphs.

While technical in nature, this misinterpretation has had a real impact on several of my constituents in Florida. Congressman BILL LEHMAN and a Miami-based adoption agency, Universal Aid to Children, brought to my attention three cases in Florida where adoption proceedings ground to a halt due to the INS ruling. Mr. President, that left four children and their three adoptive families in a bureaucratic limbo. INS stuck to its guns but finally permitted the children to be united with their new families by granting them rarely used humanitarian paroles. While this solves the immediate problem for these Floridians, it does not prevent it from happening again in Florida or any other State.

Mr. President, this is a technical amendment which very simply makes clear that the change in subparagraph (D) does not apply to subparagraph (F). It removes this bureaucratic barrier from the path of loving American families attempting to adopt foreign orphans.

It clarifies the congressional intent of the immigration law, to allow U.S. families to adopt foreign illegitimate children who have had a bona fide relationship with their father. This is a glitch in the immigration law, in which there are sort of two conflicting sections of the law. This clarifies our intent.

Mr. President, I ask unanimous consent that the following items relative to this issue be printed in the RECORD: the INS memorandum in question dated March 25, 1987; a January 22, 1988, letter to INS Commissioner Nelson from Congressman FRANK clarifying his intent; and an analysis of the issue by the American Law Division of the Congressional Research Service dated November 24, 1987.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMORANDUM FROM THE OFFICE OF THE GENERAL COUNSEL, MARCH 25, 1987

Subject: Your February 5, 1987, Revision of Section 101(b)(1)(D) and its Effect on Orphan Eligibility.

To: Richard Norton, Associate Commissioner.

You have inquired about the possible effect of the revision of section 101(b)(1)(D) on 8 C.F.R. 204.2(d)(i)(viii) as it relates to a child who is considered to have a sole parent.

Section 101(b)(D) has been amended by Section 315(a) of the Immigration Reform and Control Act (IRCA). It grants to natural fathers of illegitimate children the same rights as those of the mother, provided that the father has or had a bona fide parent-child relationship with the person.

A child is an "orphan" within the meaning of section 101(b)(1)(F) of the Immigration and Nationality Act, 8 U.S.C. 1101(b)(1)(F), because of the death or disappearance of, abandonment or desertion by, or separation or loss from, both parents or if he/she is the child of a sole parent who is unable to provide for the child and has irrevocably released the child for emigration and adoption by a United States citizen and spouse who have complied with the preadoption requirements. 8 C.F.R. 204.2(d)(1) governs the evidence required to accompany an orphan petition. Subsection (viii) provides in pertinent part the following:

A child shall be considered as having a sole parent, his/her mother, when it is established that the child is illegitimate and has not acquired a stepparent within the contemplation of section 101(b)(2) of the Act.

The question you pose is whether an illegitimate child can be considered to be an eligible orphan if both his father and mother have a bona fide parent-child relationship with him/her.

Matter of Rodriguez 18 I & N Dec. 9 (Reg. Comm'r, 1980) is instructive in this regard. In that case, the child had two living parents who had neither abandoned or deserted her. However, the child was illegitimate under Peruvian law. Therefore, it was held that she had only one parent, her natural mother, for purposes of the Immigration and Nationality Act. The Regional Commissioner concluded that the mother, as the sole parent, had irrevocably released the child so as to render her an eligible orphan. If the fact situation in Rodriguez were to reoccur today, the result would be different, since mothers and fathers of illegitimate children now have equal rights with respect to such children for immigration purposes. Specifically, the Rodriguez child could not be considered to have a "sole parent" under present law (IRCA), assuming she had a bona fide parent-child relationship with her father. Therefore, unless she had been abandoned or deserted by both of her natural parents, neither of the parents could irrevocably release the child for adoption as the "sole parent". Therefore, today under the circumstances in *Rod riguez* the child would not be considered an eligible orphan.

Only if Congress were willing to modify the "sole parent" language could a situation exist whereby an illegitimate child who had bona fide parent-child relationship with two parents could be released for adoption (as distinguished from deserted or abandoned).

On the other hand, if the natural father had custody of the illegitimate child, and the mother were dead or had abandoned the child, that natural father could, after IRCA, qualify as the "sole parent" and release the child for adoption, thus rendering the child an eligible orphan.

PAUL W. SCHMIDT,
Acting General Counsel.

HOUSE OF REPRESENTATIVES,
Washington, DC, January 21, 1988.

Hon. ALAN C. NELSON,
Commissioner, Immigration and Naturalization Service, Washington, DC.

DEAR ALAN: I am writing to express my concern about the interpretation by the INS of section 315(a) of the Immigration Reform and Control Act (which confers certain benefits on natural fathers of illegitimate children).

Specifically, Congressman Bill Lehman has brought to my attention a memorandum (dated March 25, 1987) from Paul Schmidt, Acting General Counsel, which indicates that INS interprets the natural father provision as applying not only to section 101(b)(1)(D) of the Immigration and Nationality Act (which refers to immigration benefits flowing between illegitimate children and their parents), but also to section 101(b)(1)(F) of the INA (which refers to adoption of foreign orphans by U.S. citizens). Under this interpretation, in situations in which both parents of an illegitimate child have in writing irrevocably relinquished custody of their child, it would still be impossible for a U.S. citizen to adopt the child under the orphan adoption requirements (since, according to Mr. Schmidt, the "sole parent" criterion of section 101(b)(1)(F) would no longer apply as a result of the new natural father provision).

As the sponsor of the natural father provision I disagree strongly with this interpretation. The provision was intended to make it clear that, for immigration purposes, bona fide natural fathers would have the same relationship with their illegitimate children as mothers. This means that any status, privilege or benefit sought by the father by virtue of his relationship with an illegitimate child, or, by the same token, sought by a child or on behalf of a child on the basis of his or her relationship with a natural father, would be treated in the same way as if the mother were involved.

However, at no point in the legislative history of this provision was there any intent that it also apply to section 101(b)(1)(F). If this had been the intent, there is no reason to believe that subparagraph (F) would not have been similarly amended as well. Indeed, there is no obvious textual link between the two subparagraphs, since (D) refers to immigration rights and privileges based on bona fide parent/child relationships whereas (F) refers to the relationship between adoptive parents and orphans (and, in fact, expressly forecloses immigration benefits flowing between natural parents and their children).

In light of the above comments, I strongly believe the INS should modify the policy enunciated in the Schmidt memorandum, and make it clear that the natural father provision applies only to children described in section 101(b)(1)(D) and not to those described in subparagraph (F).

Thank you for your attention to this matter. I look forward to your response.

BARNEY FRANK.

MEMORANDUM FROM THE CONGRESSIONAL RESEARCH SERVICE, THE LIBRARY OF CONGRESS, NOVEMBER 24, 1987

To: Hon. William Lehman, Attention: Adele Liskov.

From: American Law Division.

Subject: Analysis of a March 25, 1987, Memorandum of the Immigration and Naturalization Service (INS) Concerning Whether Illegitimate Alien Children Who Have Had Bona Fide Relationships With Their Fathers May Be Adopted Orphans Under Section 101(b)(1)(F) of the Immigration and Nationality Act of 1952 (INA), As Amended

This memorandum is being sent in response to your October 23, 1987, letter concerning the subject captioned above. More particularly, this memorandum examines the conclusion expressed in an Immigration and Naturalization Service (INS) memorandum that section 315(a) of the Immigration Reform and Control Act of 1986 (IRCA) necessarily disqualifies illegitimate alien children from being adopted as orphans as described in subparagraph 101(b)(1)(F) of the Immigration and Nationality Act of 1952 (INA), as amended, if they have had bona fide relationships with their natural fathers. *IRCA*, Pub. L. No. 99-603, §315(a), 100 Stat. 3439, *amending INA*, §101(b)(1)(D), 8 U.S.C. §1101(b)(1)(D).

Such a disqualification would preclude American citizens who adopt such a child from bringing the child into the United States under the relatively liberal immigration law standards applicable to adopted orphans. Rather, those citizens apparently could bring the adopted child into the United States as a child of a United States citizen only after complying with the rigorous custody requirements that apply to other adoptions. *Compare INA*, §101(b)(1)(F), 8 U.S.C. §1011(b)(1)(F) (adopted orphans) *with INA*, §101(b)(1)(D), 8 U.S.C. §1101(b)(1)(D) (adopted children generally); *see also INA*, §201, 8 U.S.C. §1151 (allowing admission of children who qualify as children of United States citizens without regard to immigration quotas). Prior to the enactment of IRCA, a Regional Commissioner of the INS had held that an illegitimate alien child could, under proper circumstances, be adopted as an orphan for immigration purposes even if the child was living in a household that included both his natural parents. *Matter of Rodriguez*, 18 Imm. & Nat. Dec. 9 (Interim Dec. No. 2854 1980). After examining pertinent authority, it appears that the INS conclusion that the enactment of IRCA would now compel a different result may not be supportable either on the relevant statutory language or on its legislative history.

The INS, in its March 1987 memorandum, cites the following excerpts of the INA definition of "child" as underlying its position:

"The term "child" means . . .

"(D) an illegitimate child, by, through whom, or on whose behalf a status, privilege, or benefit is sought by virtue of the relationship of the child to its natural mother *or to its natural father, if the father has or had a bona fide parent-child relationship with the person* [or] . . .

"(F) a child . . . who is an orphan . . . or for whom the sole or surviving parent is incapable of providing the proper care and has in writing irrevocably released the child for immigration and adoption; [and] who has been adopted abroad by a United States citizen . . . or who is coming to the United States for adoption by a United States citizen . . . who . . . has complied with the preadoption requirements, if any, of the child's proposed residence. . . . Provided further, That no natural parent . . . of any such child shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under this Act." INA, §101(b)(1) (D), (F); 8 U.S.C. §1101(b)(1) (D), (F) [emphasis added to underscore IRCA revision] [hereinafter referred to as subparagraph (D) and subparagraph (F), respectively].

The INS also cites the following regulatory language addressing the adoption of orphans:

"A child shall be considered as having a sole parent, his/her mother, when it is established that the child is illegitimate and has not acquired a stepparent within the contemplation of section 101(b)(2) of the Act." 8 C.F.R. §204.2(d)(1)(1987).

After examining the above authorities, the INS memorandum holds that the IRCA revision to the definition of "child" with respect to illegitimate children, underscored above, has superseded the regulatory standard for "sole parent" of an illegitimate child for purposes of the adopted orphan subclass of "child" described in subparagraph (F). In other words, INS appears to hold that because an illegitimate child may now under certain circumstances have two parents for purposes of conferring or receiving immigration benefits, the mother of the illegitimate child no longer may be considered to be the child's only parent under similar circumstances for purposes of the orphan provisions:

"*Matter of Rodriguez* 18 I & N Dec. 9 (Reg. Comm'r, 1980) is instructive in this regard. In that case, the child had two living parents who had neither abandoned or deserted her. However, the child was illegitimate under Peruvian law. Therefore, it was held that she had only one parent, her natural mother, for purposes of the Immigration and Nationality Act. The Regional Commissioner concluded that the mother, as the sole parent, had irrevocably released the child so as to render her an eligible orphan. If the fact situation in *Rodriguez* were to reoccur today, the result would be different, since mothers and fathers of illegitimate children now have equal rights with respect to such children for immigration purposes. Specifically, the *Rodriguez* child could not be considered to have a "sole parent" under present law (IRCA), assuming she had a bona fide parent-child relationship with her father. Therefore, unless she had been abandoned or deserted by both of her natural parents, neither of the parents could irrevocably release the child for adoption as the "sole parent". Therefore, today under the circumstances in *Rodriguez* the child would not be considered an eligible orphan." Memorandum from Paul W. Schmidt, Acting General Counsel of the INS, to Richard Norton, Associate Commissioner of the INS 1-2 (March 25, 1987).

As a prelude to examining the INS interpretation of the IRCA amendment, it should be recalled that considerable weight is to be accorded to an executive department's construction of a statutory scheme it is entrusted to administer.

Chevron, U.S.A. Inc. v. *Natural Resources Defense Council, Inc.*, 467 U.S. 837, 844 (1984). This deference notwithstanding, an administering agency's interpretation is not determinative. The majority opinion in a recent immigration case explained the guidelines for statutory interpretation as follows:

"According to *Chevron*, a court must first examine the statutory provision in question to determine whether Congress had a specific intent with respect to the issue at hand. This examination should begin with the language of the statute, but the court may also inspect legislative history and past administrative practice for any light these sources may shed on congressional intent. If the court finds that Congress had a specific intent with respect to the issue, the court stops there and enforces that intent regardless of the agency's interpretation. If, however, the court finds that Congress had no specific intent, the agency's interpretation should be accorded great deference and invalidated only if it is not a "reasonable accommodation of conflicting policies that were committed to the agency's care by the statute. . ." " *Abourezk* v. *Reagan*, 785 F.2d 1043, 1053 (D.C. Cir. 1986) (citations omitted), *aff'd Reagan* v. *Abourezk*, ——U.S.——, 56 U.S.L.W. 4001 (Oct. 19, 1987) (*per curiam* decision by equally divided Court).

Again, the INS appears to conclude that it is anomolous for an illegitimate child living with his natural parents to have a sole parent for purposes of the orphan adoption provision now that the same child has two parents for purposes of conferring immigration benefits. However, there does not appear to be any textual link between the adopted orphan provision of subparagraph (F) and the illegitimate child provision of subparagraph (D). Rather, they appear to be independently based categories of "child". Nothing in subparagraph (F) refers to subparagraph (D) as a standard for sole parentage. Also, subparagraph (D) appears narrowly drawn on its face. Subparagraph (D) includes within "child" an illegitimate child only with reference to conferring immigration benefits between child and natural parents. Under subparagraph (F), immigration benefits flow from adoptive parents to child, not from natural parent to child. In fact, under subparagraph (F), all immigration benefits flowing between child and natural parents are expressly foreclosed.

Not only is there no textual reference to subparagraph (D) standards in subparagraph (F) (or any other apparent textual link between the two provisions), Congress does not appear to have referred to illegitimate child provisions during consideration of orphan adoption measures. A 1957 statute first enacting an orphan adoption program similar to current law (albeit on a temporary basis) also added the illegitimate child provisions of subparagraph (D) to the INA. Act of September 11, 1957, Pub. L. No. 85-316, §§2, 4, 71 Stat. 639. The only connection made in the legislative history between the two provisions was the adoption of a House amendment to the Senate-passed bill that assured that no natural mother relinquishing her parental rights with respect to her illegitimate child under the orphan provision could thereafter obtain immigration benefits under subparagraph (D). *See* 103 Cong. Rec. 16301 (1957) (section-by-section analysis of Rep. Celler). Otherwise, the history indicates that the illegitimate child and orphan adoption provisions were to be distinct programs motivated by independent concerns. Underlying the former provision was a goal to preserve the family unit upon the immigration of a natural mother to the United States. *E.g.*, H. Rep. No. 1199, 85 Cong. 1st Sess. 7-8 (1957). The orphan adoption provision, on the other hand, was motivated by a desire to meet the "extensive interest in the United States in adopting alien orphans and offering them the benefits and loving care of American homes." *Id.* at 4. This history appears to further the impression of the text that the standard for orphan eligibility (i.e., the ability to qualify as a destitute child with no person legally responsible as a parent) may be independent from the standard for conferring immigration benefits to an illegitimate child (i.e., ability of a natural mother who immigrated to the United States to remain united with her illegitimate child). We have found nothing in the history of subsequent orphan adoption provisions indicating that Congress in fact intended the standards of the illegitimate child provisions of subparagraph (D) to be used in determining eligibility to be adopted as an orphan under subparagraph (F). *See, e.g.*, Act of September 26, 1961, Pub. L. No. 87-302, §§1, 2, 75 Stat. 650; H. Rep. No. 1086, 87th Cong., 1st Sess. (1961). *See also* Act of October 3, 1965, Pub. L. No. 89-236, §8(c), 79 Stat. 917; S. Rep. No. 748, 89th Cong., 1st Sess. (1965).

In what appears to be the only published administrative decision applying subparagraph (F) to an illegitimate child living with both natural parents, *Matter of Rodriguez*, a Regional Commissioner of INS also refrained from using subparagraph (D) as the standard for sole parentage. 18 I. & N. Dec. 9 (1980). Rather than referring expressly to subparagraph (D) or other provisions of U.S. law, the Regional Commissioner instead appeared to rely exclusively on the domestic law of the foreign country of residence in determining whether the natural father was a "parent" of his illegitimate child for purpose of subparagraph (F). This was so even though such a test may not lead to uniform results as would a test based in American law:

"Because the District Director concluded that the beneficiary is a child with two parents, he reasoned that the petitioners must establish that these parents have either disappeared or have abandoned, deserted, been separated or lost from the beneficiary if the child is to be classified as an orphan. However, I find that the beneficiary is the child of only one parent. Therefore, I conclude that the petitioners need only demonstrate that this sole parent is unable to provide for the beneficiary and has irrevocably released her for adoption. It is not necessary to show that the beneficiary has been abandoned. Thus, I need not consider this issue addressed by the District Director.

"The beneficiary was acknowledged by her natural father within 1 week of her birth; however, this act alone is sufficient to accomplish legitimation under the laws of Peru. Matter of Quispe, 16 I & N Dec. 174 (BIA 1977). This is true, even though such an act of acknowledgment would cause an illegitimate child to be considered to have been legitimated if born in some other country.

"See, for example: *Matter of Sanchez,* 16 I&N Dec. 671 (BIA 1979) (Honduras); *Matter of Sinclair,* 13 I&N Dec. 613 (BIA 1962) (Panama); *Matter of Krzyewski,* 8 I&N Dec. 73 (BIA 1958) (Poland); *Matter of Gallina,* 9 I&N Dec. 518 (BIA 1961) (Hungary); *Matter of Jancar,* 11 I&N Dec. 365 (BIA 1965) (Yugoslavia, Rumania); *Matter of Wong,* 16 I&N Dec. 646 (BIA 1978) (China). By Article 314 of the Peruvian Civil Code, legitimation of children born out of wedlock only takes place by subsequent marriage of the parents or by judicial declaration in certain narrowly-defined circumstances. *Matter of Quispe, supra.* The record before me indicates that the beneficiary's parents have not married. Therefore her status was not converted to a legitimate child by the acknowledgment of paternity. The beneficiary has only one parent for the purposes of the Immigration and Nationality Act—her mother.

The other administrative authority cited by INS, the regulatory language of 8 C.F.R. §204.2(d)(1), may suggest a linkage between subparagraph (F) and subparagraph (D). The regulatory language and the pre-IRCA subparagraph (D) appear consistent. Under both provisions an illegitimate child would have one "parent," his or her mother, absent subsequent legitimate or the mother's marriage within the standards of section 101(b) of the INA (i.e., marriage prior to the child's eighteenth birthday). Moreover, the regulatory language, unlike *Rodriguez,* suggests that the standard for sole parentage in subparagrah (F) may be based on United States law, not in foreign law. There is no published explanation of the regulatory language, however. It is not clear why the Regional Commissioner failed to mention the regulation, but instead relied exclusively on foreign law.

Whatever connection there may be between subparagraph (D) and the regulatory guideline for sole parentage, it appears clear that in amending subparagraph (D) in IRCA Congress' only express purpose was to extend immigration preference benefits to the relationship between illegitimate child and natural father. The Senate passed a comprehensive immigration reform bill in the 99th Congress without including a natural father-illegitimate child provision. S. 1200, as passed, 99th Cong., 1st Sess., 131 Cong. Rec. S11750-69 (daily ed. Sept. 19, 1985). Rather, the IRCA amendment to subparagraph (D) emerged from the House with the following report explanation by the Judiciary Committee:

Sec. 315(a).—Amends Section 1101 of title 8 of the United States Code by permitting natural, or "putative," fathers to petition for entry of their children without having to legitimate or adopt. H. Rep. No. 682, part 1, 99th Cong., 2d Sess. 102 (1986).

In its report, the Judiciary Committee also reproduced the Justice Department's formal written views on the immigration reform proposal being considered. Letter from John R. Bolton, Assistant Attorney General, to the Honorable Peter W. Rodino, Jr., Chairman of the House Judiciary Committee (June 4, 1986) *reprinted in* H. Rep. No. 682, part 1, 99th Cong., 2d Sess. 107-26 (1986). The Justice Department, like the Judiciary Committee, explains the natural father provision only in terms of conferring immigration benefits under the INA. *Id.* at 124. No mention is made of the proposal making the natural father-illegitimate child relationshuip significant for any other purpose under the INA:

"Section 315(a) gives equal treatment to fathers to allow immigration benefits for an illegitimate child. This amendment overrules *Fiallo* v. *Bell,* 430 U.S. 787 (1977), which held that an illegitimate child can claim immigration benefits only through its mother. We support 315(b) because it provides equal treatment without regard to a parent's sex. *Id.*

These report excerpts appear to comprise the published legislative history of the IRCA amendment to subparagraph (D). It may be noteworthy, however, that the history of similar proposals in the context of earlier comprehensive reform efforts also appear to express only an intent to confer immigration benefits. In both the 97th and 98th Congresses, the House Judiciary Committee (unlike the Senate) reported comprehensive reform bills that included proposed natural father amendments. The Committee's explanations of these proposals were substantially the same as that of the enacted IRCA version. H. Rep. No. 115, part 1, 98th Cong., 1st Sess. 81 (1983) ("[p]ermits natural fathers . . . to petition for entry of their children, without the need for legitimation or adoption") H. Rep. 890, part 1, 97 Cong., 2d Sess. 73 (1982) (same).

Furthermore, our examination of proposed amendments to subparagraph (D) that preceded comprehensive reform efforts indicate that the only expressed purposes of those proposals also was the conferral of immigration preference benefits. For example, Representative Elizabeth Holtzman, in a floor statement accompanying the introduction of a natural father bill during the 94th Congress, discussed the merits of allowing immigration preference benefits between natural fathers and their illegitimate offspring without mentioning any other intended purpose or implied effect of her proposal. 121 Cong. Rec. 38743 (1975). *See also Review of Immigration Problems: Hearings Before the Subcomm. on Immigration, Refugees and International Law of the Houe Comm. on the Judiciary,* 94 Cong., 2d Sess. 153 (1976).

Two Congresses later, the House Subcommitee on Immigration, Refugees, and International Law focused on a natural father provision of an INS efficiency bill. *Efficiency of the Immigration and Naturalization Service: Hearing on H.R. 5087 Before the Subcomm. on Immigration, Refugees, and International Law of the House of Comm. on the Judiciary,* 96th Cong., 1st Sess. 8, 33-39 (1979). Again, discussion focused on the merits of extending immigration preference benefits to the relationship of natural father-illegitimate child (particularly the possibility of fraudulent claims) without mention of broader purposes or effects. *Id.* Later that Congress, the full Judiciary Committee reported a natural father provision as part of its proposed Immigration and Nationality Act Amendments of 1980 (H.R. 7273), a bill that subsequently passed the House but not the Senate. H. Rep. No. 1301, 96th Cong., 2d Sess. (1980). The Judiciary Committee's relatively detailed explanation of this natural father provision mentions no purpose or implication other than the direct conferral of benefits:

"Section 2(d) amends section 101(b)(1)(D) of the INA to permit an illegitimate child to acquire immigration benefits through his or her natural father or to extend such benefits to the natural father. Under present law, an illegitimate child can establish status only through the natural mother and vice versa. Ironically, although the natural father cannot confer such a benefit on his illegitimate offspring, if he married, the child's unrelated stepmother could petition to admit the child to this country.

"In *Fiallo* v. *Bell,* 430 U.S. 787 (1977), the Supreme Court upheld the constitutionality of the present law, declaring that Congress has virtually unlimited latitude in setting admission requirements for aliens, including ones that may be discriminatory and which would be unacceptable if applied to citizens. However, in a vigorous dissent, Justice Marshall, joined by Justice Brennan, declared that * * * it is not simply invidious classifications that make the statute so vulnerable to constitutional attack. In addition the statute interferes with the fundamental "freedom of personal choice in matters of marriage and family life" * * * The right to live together as a family belongs to both the child who seeks to bring in his or her father and the father who seeks the entrance of his child. 430 U.S. at 810.

The Committee believes that the current law, even though upheld by the Supreme Court, is unwise and unfair as a matter of policy. Clearly, a father can have a strong and loving relationship with his children regardless of whether he is married to the mother of those children. Equally important, in situations where the natural mother has died or abandoned the child of an illegitimate union, the Committee feels it makes eminent sense to afford the natural father the right to bring the child to the United States to provide a new home. This section will finally eliminate discrimination against the father and his illegitimate child and will provide equal benefits to the father, mother, and illegitimate child.

This issue has been studied by the Committee for several years. In testimony before the Committee in 1976 on her bill (H.R. 10993), which addressed this section of the Act, Congresswoman Holtzman noted that the bill sought to bring section 101(b) "into accord with out constitutional prohibitions against discrimination based on sex and irrational discrimination against illegitimate as opposed to legitimate children."

The Committee is aware that fraudulent paternity claims might arise as a result of this change in the law. Nonetheless, the Committee is satisfied that implementing regulations can be adopted which would preclude any problems. Such regulations have already been prepared in draft form by the Justice and State Departments at the Committee's request.—*Id.* at 24-25.

As previously mentioned, a natural father provision was reported out of the House Judiciary Committee in the 97th Congress as part of its broad immigration reform bill. *See* pp. 8-9. Preceding the issuance of this report, a Judiciary subcommittee held comprehensive hearings on a variety of immigration proposals, including a freestanding natural father bill introduced by Representative Barney Frank. *Immigration Reform: Hearings Before the Subcomm. on Immigration, Refugees and International Law of the House Comm. on the Judiciary,* 97th Cong., 1st Sess. 800, 893-96, 1355-56 (1981). The substance of the testimony heard by the subcommittee there again was limited to the conferral of benefits. *Id.*

In summary, nothing in text or history of the IRCA amendment to the illegitimate child subclass of "child" set forth in subparagraph (D) appears to require a change in the standards for eligible orphans under adopted orphan subclass of "child" set forth in subparagraph (F). The text of subparagraph (F) has not appeared on its face to require reference to subparagraph (D) standards in determining orphan eligibility, and an amendment to subparagraph (D) would not, standing alone, now appear to require such a reference. Furthermore, Congress has not expressly indicated in its consideration of IRCA or earlier immigration statutes any intent to link orphan eligibility under subparagraph (F) to the extant standard for conferring immigration benefits under subparagraph (D). Also, the apparent reliance of administrative authorities prior to IRCA on standards other than those set forth in subparagraph (D) in determining eligibility under subparagraph (F) further questions whether the IRCA amendment to subparagraph (D) requires a change in subparagraph (F) practice. On the other hand, even though Congress has not incorporated subparagraph (D) standards into subparagraph (F) in IRCA or elsewhere, the absence of any congressionally articulated standards for sole parentage under subparagraph (F) may leave administrative authorities some leeway in developing their own.

Mr. HOLLINGS. Mr. President, we on this side accept the amendment.

Mr. RUDMAN. Mr. President, the amendment is acceptable on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida [Mr. CHILES].

The amendment (No. 2684) was agreed to.

Mr. CHILES. I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I have had the opportunity now to check with our distinguished chairman of the Foreign Relations Committee, Senator PELL, and I understand this amendment would be acceptable.

So on this side, we are prepared to accept the amendment.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, I am glad we were able to work this out. The amendment has been carefully drafted. It reserves to the State Department and the President ultimately the determination of U.S. policy. It does not change policy, and it is acceptable on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 2682) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I simply thank the distinguished managers of the bill and the distinguished chairman of the Foreign Relations Committee. I appreciate the cooperation.

Mr. HOLLINGS. We thank the distinguished Senator.

The PRESIDING OFFICER. The Senator from Hawaii.

AMENDMENT NO. 2685

(Purpose: To limit expenditure of funds by the U.S. Civil Rights Commission for certain purposes)

Mr. INOUYE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], proposes an amendment numbered 2685.

Mr. INOUYE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following: "No funds appropriated under this Act may be expended by the United States Civil Rights Commission, directly or indirectly, for the purpose of enforcing subpoenas issued in conjunction with any investigations by the Commission into implementation by Indian tribal governments of Title II of the Civil Rights Act of 1968, also known as the Indian Civil Rights Act, (Act of April 11, 1968; 82 Stat. 77; 25 U.S.C. 1301, *et seq.*), until sixty (60) days following the receipt by this Committee and the Select Committee on Indian Affairs of an opinion by the Comptroller General of the United States regarding the scope of authority and jurisdiction of the U.S. Civil Rights Commission over Indian tribal government officials pursuant to the Indian Civil Rights Act."

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I rise to offer an amendment to the measure before us which would limit the authority of the U.S. Civil Rights Commission to expend any funds appropriated to it to enforce any subpoenas issued pursuant to any investigations by the Commission into implementation of title II of the Civil Rights Act of 1968, which is known as the Indian Civil Rights Act. The amendment I offer will prohibit the Commission from expending funds until 60 days after such time as the Comptroller General of the United States has analyzed and submitted to this committee and to the Select Committee on Indian Affairs an opinion as to the scope of the Commission's jurisdiction over tribal implementation of the Indian Civil Rights Act.

For at least 2 years the Civil Rights Commission has been actively involved in an investigative effort which many Indian leaders have become convinced is designed to establish that the governments of Indian tribes, and particularly the courts of Indian tribes, cannot be entrusted to protect the rights of Indian tribal members. The objectivity of the Commission in this endeavor has been seriously questioned by Indian tribal government officials, tribal judges, and lawyers and scholars involved in Indian law. This skepticism was clearly manifested in hearings before the Select Committee on Indian Affairs held in January of this year.

In July and August of 1986 the Commission held hearings in Rapid City, SD. The record of this hearing is replete with hearsay testimony and opinion evidence that clearly reflects a biased approach to the Commission's investigation. A similar record was developed in a subsequent hearing of the Commission in Flagstaff, AZ, in the fall of last year.

On July 20, 1988, the Commission scheduled a second hearing in Flagstaff, AZ, in which they issued subpoenas to sitting tribal court judges and attorneys employed in the Navajo Department of Justice with the intent of compelling testimony on cases pending in the courts of the Navajo Nation. The Navajo Nation has resisted these subpoenas.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated July 19, 1988, from the Attorney General of the Navajo Nation to the Chairman of the Civil Rights Commission setting forth the position of the Navajo Nation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE NAVAJO NATION,
July 19, 1988.

Re Subpoenas to Navajo Tribal Officials Regarding Subcommittee Hearing in Flagstaff, Arizona on July 20, 1988.

WILLIAM B. ALLEN,
Chairman, Subcommittee on Enforcement of the Indian Civil Rights Act, U.S. Commission on Civil Rights, Washington, DC.

DEAR MR. ALLEN: You recently issued subpoenas to several officials of the Navajo tribal government and judiciary to appear at a hearing scheduled for July 20, 1988 in Flagstaff, Arizona. According to the Federal Register notice of July 7, 1988, the hearing is part of an investigation by a Subcommittee of the Commission into implementation of the Indian Civil Rights Act, 25 U.S.C. Secs. 1301, et seq.

In particular, you have issued subpoenas to (i) sitting judges of the Navajo tribal courts, and (ii) lawyers in the Navajo Department of Justice. We understand that you seek to elicit testimony concerning ongoing tribal court proceedings and other pending legal matters.

We strongly object to the Commission's efforts to compel the testimony of these tribal personnel and judges. For a variety of reasons, as discussed below, we have determined that the recipients of the subpoenas should not testify at the July 20, 1988 hearing. The testimony sought is clearly privileged; in addition, the tribal judges enjoy immunity from your investigation into their handling of particular cases. Even more fundamentally, the investigation is beyond the scope of the Commission's authority.

The powers of the Commission are limited to studying and investigating allegations relating to deprivations of voting rights or to "apprais(ing) the laws and policies of the Federal Government with respect to discrimination or denials of equal protection of the laws under the Constitution because of race, color, religion, sex, age, handicap, or national origin or the administration of justice." 42 U.S.C. Sec. 1975c(a) (emphasis added). The provisions of the U.S. Constitution that require federal or state authorities to afford certain civil rights to citizens or other persons do not apply to Indians on the reservation or to Indian tribal courts. See *Santa Clara Pueblo* v. *Martinez,* 436 U.S. 49, 56 (1978).[1] It is clear that your Subcommittee's investigation is well beyond any reasonable interpretation of the Commission's statutory authority.

Last year the Commission sought certain similar information from the Navajo Nation in connection with a prior hearing. The Navajo Nation, noting its independence from Commission jurisdiction, nevertheless agreed to respond to requests for publicly releasable information. The Commission then failed to follow up.

Earlier this month, Brian Miller of your legal staff discussed with my deputy, Eric Dahlstrom, the voluntary production of documents and witnesses for your upcoming Flagstaff hearing, including the statistical data regarding the Navajo tribal courts. At that time, we again agreed to respond to reasonable Commission requests for information, including the confidentiality requirements imposed in child custody matters, as well as applicable legal privileges and immunities.

We therefore were particularly troubled when the Commission nevertheless proceeded to issue subpoenas to Navajo tribal judges, and tribal attorneys. The Commission's actions unfortunately demonstrate your disregard for the sovereignty of the Navajo Nation—despite our willingness in the past to accommodate the Commission, and despite the Commission's overreaching of its jurisdiction in this investigation.

The subpoenas you have issued are overbroad and unenforceable, given their targets and the subject of your investigation:

1. The Chief Justice and District Court Judges of the Navajo Nation are protected by judicial immunity from investigation by the Commission into their exercise of their judicial duties. Nevertheless, we understand from your General Counsel that one subject of inquiry at the Flagstaff hearing will be the case of *Upshaw ex rel., Benally, et al.* v. *Gorman, et al.*, which is now pending before the Supreme Court of the Navajo Nation. You have issued subpoenas to both the trial judge who decided that case and to the Chief Justice of the Supreme Court.[2] Those subpoenas demonstrate an appalling disregard for the integrity of the Navajo tribal court system, in direct contravention of the Indian Civil Rights Act. No legitimate purpose can be served by any inquiry by the Commission into this or any other case before the Navajo courts.

2. The issuance of subpoenas to lawyers employed by the Navajo Department of Justice is also very troublesome. Those lawyers' only role is to serve as counsel to the Navajo Nation or to tribal entities, and any testimony they could provide is protected by the attorney-client privilege. Subpoenas have been issued to the tribal attorneys involved in the *Benally* v. *Gorman* litigation, as well as to attorneys representing the tribe in the Baby Keetso matter.[3] Tribal attorneys cannot respond to any questions on those matters, based on attorney-client privilege.

In addition, we have been informed that the Subcommittee seeks to question William Riordan, Assistant Attorney General, Department of Justice, concerning his legal advice to the Navajo Tribal Council on several legislative matters. Not only are those matters privileged, but the Commission's inquiry would interfere with the legislative immunity enjoyed by the Council.[4]

We have also been informed that the Commission seeks the testimony of a tribal social worker, Delores Greyeyes, in connection with the Baby Keetso case. Social work files in children's cases are confidential; in addition, the privacy rights of individuals are involved, and the Privacy Act precludes the testimony you are seeking. We have concluded that Ms. Greyeyes cannot answer any questions regarding such matters in the absence of a court order compelling her testimony.

We have been advised by your Mr. Miller that you are interested in inquiring about alleged "threats" made by Ms. Greyeyes to others in the course of her employment. We believe those allegations are spurious. If the Commission seeks to persist in this inquiry, we request that any investigation into such allegations against Ms. Greyeyes or others be conducted in executive session, pursuant to 45 U.S.C. Sec. 1975(e). She clearly is entitled to the protections afforded by that statutory procedure.

It is very disturbing to us that the Commission has not seen fit to respect the tribal sovereignty of the Navajo Nation and has issued unwarranted subpoenas that are unreasonable on their face and that are clearly beyond the scope of the Commission's authority. No legitimate purpose can be served by your efforts to obtain testimony from sitting judges about judicial decisions in pending cases, from tribal attorneys regarding their legal representation of the tribe in pending matters, or from a tribal social worker regarding a pending child custody case. Accordingly, we have advised those witnesses not to testify at your Subcommittee's hearing.

Finally, please be advised that the subpoenas you have issued do not comply with the reasonable notice required by the Commission's own rules. *See* 45 C.F.R. Sec. 702.4(f). In particular, the judges were served approximately one week before the hearing date, which is wholly inadequate notice. The timing of the hearing is particularly inconvenient for the tribal judges, who have a full docket already scheduled for the week of July 18, including July 20, 1988.

I am available to discuss this matter further with you. We consider the Commission's actions to raise very serious issues that directly concern the integrity of our tribal government.

Very truly yours,
MICHAEL P. UPSHAW,
Attorney General.

Mr. INOUYE. Mr. President the arguments presented by the Navajo Nation attorney general raise serious questions with respect to the legal authority of the Commission to conduct these investigations and to issue subpoenas to tribal officials. At the very least the propriety of the Commission's course of conduct is questionable.

My amendment is designed to place these investigations on hold pending the analysis of the Comptroller General of the authority of the Commission to pursue these matters. My amendment will prohibit the Commission from expending any of the funds appropriated to it for this purpose until 60 days after the Comptroller General has provided this committee and the Select Committee on Indian Affairs with an opinion on this subject.

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[1] In fact, the Indian Civil Rights Act, which provides statutory civil rights for Indians on the reservation, was adopted because the Constitution does not provide such rights. *Santa Clara Pueblo* v. *Martinez,* 436 U.S. at 57. In adopting the Act, Congress considered and rejected the option of giving federal authorities (including the Department of Justice and Interior) the power to investigate complaints regarding enforcement of the Act. *Id.* at 67-68 and legislative history cited therein.

[2] We have been advised that one of the witnesses at the hearing will be an attorney representing the party opposing the Navajo Nation in that litigation. We resent the Commission's intrusion into a tribal judicial proceeding and its attempt to require us to relitigate the case before the Commission, particularly while it is pending before the Navajo courts.

[3] Your interest in testimony regarding the Baby Keetso matter, which unfortunately has been the subject of some national publicity, heightens our concerns regarding the motives for the Subcommittee's hearing. Statutory restrictions preclude disclosure of proceedings in child custody cases. We also are troubled by the Commission's apparent lack of concern for the privacy rights of the child and affected family members.

[4] As you know, the records of the proceedings of the legislative bodies of the Navajo tribal government are available for public inspection.

This amendment has been cleared by both sides.

Mr. HOLLINGS. Mr. President, we commend our distinguished chairman of Indian Affairs for the U.S. Senate and we accept the amendment.

Mr. RUDMAN. Mr. President, the Senator from Hawaii raised a very interesting legal point which ought to be inquired into. We have a variety of civil rights laws in this country, but certainly as they relate to native Americans, those laws are rather specific and of some standing and I think it probably is overdue that there be a legal opinion from an authority authorized to render such an opinion to ascertain whether or not jurisdiction of the U.S. Civil Rights Commission extends to native Americans who are covered by their own law.

For that reason, I think it is a very good amendment offered by the Senator from Hawaii, the chairman of the Indian Affairs Committee, and we support it on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Hawaii.

The amendment (No. 2685) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I thank my dear friends on the committee.

Mr. HOLLINGS. I thank the distinguished Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2686

Mr. RUDMAN. Mr. President, I send to the desk an amendment on behalf of Senator STEVENS of Alaska and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], on behalf of Mr. STEVENS, proposes an amendment numbered 2686.

Mr. RUDMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . Public Law 98-101 is amended by inserting at the end of section 5 the following subsections:

"(m) Amounts received under subsection (h) and subsection (j) of this section shall be available to the Commission for official reception and representation expenses.

"(n) An income account shall be available to the Commission without fiscal year limitation for printing, without regard to section 501 of title 44, and for distribution of Commission publications. The capital for the account shall consist of receipts from sales of Commission publications bearing the Bicentennial logo, including receipts received prior to the date of enactment of this subsection. Any unobligated and unexpended balance in the account which the Commission determines to be in excess of amounts needed for printing and distribution of publications, and any unobligated balance remaining in the account on December 31, 1991, shall be deposited in the Treasury of the United States."

Mr. RUDMAN. Mr. President, this amendment has been offered on behalf of the Commission of the Bicentennial of the Constitution which, of course, is chaired by retired Chief Justice Warren Burger. It relates to certain income accounts of the Commission, enabling them to raise certain money from private funds, not appropriated funds, and discharge certain formal responsibilities which the Chief Justice feels it is necessary to accomplish.

We have looked at it carefully. It is my understanding the chairman also agrees the amendment should be adopted. We are happy to offer it on behalf of the Commission.

Mr. HOLLINGS. Mr. President, the distinguished Chief Justice Burger has done an outstanding job, a conscientious job, and has been very frugal and careful with respect to the expenditure of public funds in the promotion of the bicentennial. This only allows those in the private sector who made contributions to have those contributions also be used for the proper receptions and all required of a commission of this particular standing.

We support the amendment and urge its adoption.

Mr. STEVENS. Mr. President, over the last several years, the Commission on the Bicentennial of the Constitution has developed several publications related to the bicentennial of our Constitution. These have included pocket-sized copies of the Constitution and bicentennial calendars, which have a bit of historical information relating to the bicentennial for each date.

Currently, these documents are printed with appropriated funds. They are then sold to the public for a nominal fee, which approximately covers printing expenses. The receipts are returned to the Treasury.

My amendment sets up a printing account for the Commission. Receipts from the sale of Commission publications will be deposited into this account. Funds from the account may only be used for the cost of printing and distributing Commission publications.

The purpose of the amendment is to simplify the Commission's bookkeeping and to end the need to appropriate funds each year for this part of the Commission's program. Any funds remaining in the account on December 31, 1991—which is when the Commission permanently closes its doors—will be returned to the Treasury.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2686) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JUSTICE ASSISTANCE PROGRAM

Mr. METZENBAUM. Mr. President, at this point, I had intended to offer an amendment to increase the appropriations for the Justice Assistance Program by $50 million. That program provides critical and much needed funding to State and local law enforcement efforts directed at violent crimes, programs like Neighborhood Watch, vital law enforcement training programs, victims assistance programs, and programs that provide special anticrime assistance to the elderly.

It is a fact that last year the committee cut the funding from $44 million to $8 million, most of which was earmarked for unrelated water and prison projects. These are important programs. The quality of life is a matter of protecting people in the neighborhoods, in the communities where law enforcement is oftentimes so difficult to attain.

But instead of offering that amendment, after discussions with the managers of the bill, I have reached an agreement with Senator HOLLINGS and Senator RUDMAN whereby they would make every effort, first, to secure an additional $30 million appropriation on the drug bill to help fund activities currently authorized by justice assistance and, second, to amend the current authorization for State and local law enforcement drug grants to include activities currently authorized under the Justice Assistance Program.

I would just like the assurances of the managers of the bill that they will be helpful to the Senator from Ohio in attempting to achieve that objective as we move into the Drug Program.

Mr. HOLLINGS. Mr. President, I want to give the distinguished Senator from Ohio an absolute assurance, because his interest is mine. We have had a struggle. I supported the LEAA Program and continued to try to support it but, as you know, it was phased out and in its place more targeted State and local grant programs of assistance were put in. Then they started cutting them back. They have required some very serious cutbacks. We have had even a disposition with respect to the House of Representatives on the funds in drug seizures, the States having their share being taken away from them. We restored that. And we replaced the other local law enforcement funds for the programs as stated by the Senator from Ohio as best we could under our 302(b) allocation.

We were just talking earlier, I say to the Senator, our drug caucus, and we will include a combination of the programs I believe under your particular Judiciary Committee's authorization. After these programs are combined into a more effective program, as intended, and I think it is pretty well acknowledged that there is bipartisan support for it, we will increase that some $30 million.

I am more assured of that increase having just talked to my counterpart, the distinguished Congressman from Iowa, Mr. NEAL SMITH. He is the chairman over on the House side of the House Appropriations Committee. They just this afternoon marked up the supplemental appropriation bill and included a $2.6 billion increase in drug enforcement to be allocated to these particular programs. So the House is moving in this direction and the drug caucus and all are moving in this direction.

I would move at this moment with the Senator on this particular score, but I cannot find the money. We have tapered back.

The Senator has seen the front-page article of Time and in Newsweek about the ocean dumping. We have NOAA boats tied up. We are not enforcing it. We have a ocean dumping program. We have an ocean policy committee, but we have cut back on those programs.

We have EDA and all the local folks are talking about the success of the EDA program. I know the Senator, in his particular campaign, visiting the communities, talks about the efficacy of it and they want more. And the administration tried to red line it, but bipartisan support has kept it in there. We need more for EDA and NOAA. We cannot cut from those as the Senator had suggested.

So it is not a difference with the distinguished Senator from Ohio, rather it is an agreement of the particular need. It is just that we were hamstrung beginning last December under that so-called summit agreement and a deal is a deal, which I did not like and voted against. But they then put the 302(b) allocations under the summit agreement and it just cut us all back across the board. We have done our best to paste and cut to maintain the programs until the beginning of next year.

So I heartily agree with the thrust of this particular colloquy and the Senator's amendment. If he could withhold it at this time and let us work together in that drug caucus, let us work for the additional $30 million. I support you.

Mr. METZENBAUM. I thank the Senator from South Carolina.

Mr. RUDMAN. Mr. President, I would just join in the remarks of the distinguished chairman and just make an observation, which probably the Senator from Ohio is unaware of, that for 7 years, nearly 7 years, as attorney general of the State of New Hampshire and later as president of the National Association of AG's, I was the recipient of these funds for the State police of New Hampshire and for our own attorney general's office. The National Association of Attorneys General thoroughly supports this. It is something which is necessary.

I give my friend from Ohio my assurance that we will follow through on this. I appreciate this courtesy in not offering it at this time on this bill because of the particular problems we have of accounting on this bill within our allocation.

So we fully support it. I will work with my friend from South Carolina to assure not only that it is done but that it sticks through any conference that we reach.

Mr. METZENBAUM. I thank the Senator from South Carolina and the Senator from New Hampshire. With the assurances as comanagers, I will not offer the amendment. I feel certain we will be successful at a later point in this session.

Mr. HOLLINGS. I thank the distinguished Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2687

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of myself, the distinguished majority leader, Senator BYRD, and the distinguished Senator from New Hampshire, [Mr. HUMPHREY], and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] for himself, Mr. BYRD and Mr. HUMPHREY, proposes an amendment numbered 2687.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill add the following new section:

SEC. . (a) FINDINGS.—The Congress finds that—

(1) The Senate in P.L. 99-399 and S. Res. 31 has twice called on the Secretary of State to review United States policy with respect to the continued recognition of the Soviet puppet regime in Afghanistan and continued U.S. diplomatic presence in Kabul to determine whether such recognition and presence is in the interest of the U.S. and the people of Afghanistan;

(2) The majority and minority leaders of the United States Senate in a letter dated June 15, 1988, called for the appointment of an Ambassador at Large on Afghanistan to coordinate United States policies and programs with the Afghan Resistance;

(3) The Undersecretary of State for Political Affairs, appearing before the Senate Foreign Relations Committee on June 23, 1988, acknowledged that the dangers to the security of American personnel in Kabul, Afghanistan would be expected to grow in the months ahead;

(4) After more than eight years of warfare, the Resistance continues to control eighty percent of the territory of Afghanistan and has been instrumental in delivering social services and humanitarian resources inside Afghanistan;

(5) The Administration has never responded in a comprehensive manner to the requests enumerated in paragraphs (1) and (2).

(b) It is the sense of the Congress that—

(1) The Administration should intensify its political dialogue with the Afghan Resistance and interact positively with their political and economic institutions;

(2) The United States should actively seek first-hand information on military and political developments in Afghanistan from the Afghan Resistance and should not rely solely on other countries for such information; and

(3) The President should confer diplomatic recognition at an appropriate time on an Afghan government constituted by the Afghan Resistance that is broad based and genuinely representative of the Afghan people or a government that is directly elected by the Afghan people in a free and fair election.

(c)(1) There is established in the Department of State the position of special envoy to the Afghan Resistance who shall be appointed by the President;

(2) The special envoy shall hold the personal rank of Ambassador, shall be qualified in the languages necessary to work closely with the Afghan Resistance and shall coordinate United States policies and programs with the Afghan Resistance;

(3) It is the sense of the Congress that no later than 30 days after the date of enactment of this Act, the President should exercise the authority under section 302(a)(2)(B) of the Foreign Service Act of 1980 to confer the rank of Ambassador on an individual who shall serve as the special envoy to the Afghan Resistance.

Mr. DOLE. Mr. President, I am pleased to join the distinguished majority leader and the distinguished Senator from New Hampshire, Senator HUMPHREY, in offering this amendment.

In doing so, let me again take note of the many, many contributions that Senator HUMPHREY has made on this issue over the years since the Soviet invasion and occupation of Afghanistan. As much as any single individual, he deserves credit for shaping the policy of support for the resistance, which has directly led to the Soviet decision to pull-out.

The amendment creates a new position in the State Department entitled "Special Envoy to the Afghan Resistance," charged with coordinating our policies and programs involving the resistance. The amendment also calls on the President to appoint a fully qualified candidate to this position promptly.

Normally, about the last thing on my agenda is creating new positions for any Government agency. In most cases, we ought to be doing the opposite—we ought to be eliminating bureaucratic "slots." But this is a very well-justified exception.

It is obvious from the headlines we see every day that the situation in Afghanistan is in flux, and what can be accurately termed a "critical flux." The International Agreement on Afghanistan achieved under U.N. auspices has created a whole new situation in that tragically torn country.

Soviet troops are leaving, though it is certainly not yet clear that they will leave on the timetable to which the Soviets are committed. So far, the Soviet puppet regime remains in control in Kabul, but there is serious doubt about its staying power absent the "shield" of Soviet military forces. We continue to have an Embassy in the capital, dealing with the Kabul regime, but there is a real question whether it makes much sense to continue that arrangement much longer. Finally, the resistance continues to dominate the countryside, but is facing a whole new set of challenges, including those of organizing to participate in a future government and handling what could be a major influx of returned refugees as the war winds down.

So now, more than ever, we need to make sure we are on top of events in Afghanistan; in touch with and closely coordinating our activities with the resistance, which we have so effectively backed; and doing what makes the most sense diplomatically, to advance our strategic and political goals.

The single most important step we can take to achieve all of these things is expand and upgrade our direct contact and liaison with the resistance. By doing that, we will also be signaling our continued, and even strengthened support, for the resistance, as we approach what we hope is the "end game" of the Soviet invasion and occupation of that sovereign country.

Last month, the distinguished majority leader and I wrote to Secretary Shultz, urging the appointment of a special envoy. So far, the administration has not acted on that recommendation. It is time to send an even stronger signal, through passage of this amendment.

To sum it up, appointing a special envoy makes sense in terms of on-the-ground events in Afghanistan; is extremely timely; and sends the right signal, to the U.S.S.R. to all Afghans and to the world.

I hope all Senators will join in agreeing to this amendment.

I know it has been discussed with the managers. Also, it has been reviewed by the distinguished chairman of the Foreign Relations Committee, Senator PELL, who has advised me that he has no problem with the amendment.

Mr. HUMPHREY. Mr. President, this amendment calls upon the administration and the President to enhance significantly our diplomatic interaction with the Afghan resistance. In view of the recent reports indicating that the resistance is moving to establish a provisional government inside Afghanistan, the administration must be prepared to respond to this rapidly changing political situation. Unfortunately, as usual, we are not prepared. In the absence of any initiative by the administration, we continue to pursue a policy which is inconsistent and hypocritical.

On April 14, 1988, the Secretary of State committed the United States as a guarantor to the Geneva accords on Afghanistan. These accords are bitterly opposed by the leaders of the Afghan resistance. In a 3-hour meeting in Peshawar, Pakistan, just days before the signing in Geneva, the resistance leaders expressed to me their vehement opposition to these accords.

One serious concern of the resistance is that the accords contain no provision for self-determination. In fact, the agreement was signed by the Soviet puppet regime in Kabul, which under the provisions of the accord, reserves the right to be resupplied by the Soviet Union. In a half-hearted effort to address the concerns of the Afghan resistance, the United States issued a unilateral statement at the time of signing, that states:

> By acting as a guarantor of the settlement, the United States does not intend to imply in any respect recognition of the present regime in Kabul as the lawful government of Afghanistan.

Unfortunately, our actions send the exact opposite message. The United States still maintains an Embassy in Kabul at the seat of the genocidal PDPA regime. That regime also still maintains an Embassy and diplomats here in Washington. Meanwhile, the Administration continues to repudiate numerous pleas from the resistance for formal recognition by the United States. We have taken no intermediary steps such as downgrading our Embassy in Kabul, expelling the PDPA "diplomats" from Washington, or appointing a special envoy to the resistance.

Mr. President, this amendment is a modest effort to correct our inconsistent policy, and urge the administration to work more closely with the Afghan resistance. It is no secret that this administration's coordination with the resistance is grossly lacking.

Last year, this Senator wrote the State Department's Special Assistant on Afghanistan to ask why the administration had conducted no comprehensive analysis of the Afghan alliance. The special assistant replied: "I never felt the need for a comprehensive survey of the alliance, and my colleagues in other Department bureaus and other agencies have not asked that one be made." Our Ambassador in Pakistan only named a full-time political officer to cover the resistance after facing pressure from the Congress.

In the absence of close coordination and interaction with the Afghan resistance, our Government has had to rely on other countries for substantial interaction with the Afghan resistance. An article in the Washington Post on June 21, 1988, clearly highlights the problem. The article states:

> Administration officials are concerned about the quality of U.S. intelligence they have been receiving on recent fast breaking events in Pakistan and Afghanistan and are now debating whether to attempt to improve the information flow by sending a special U.S. envoy to serve as liaison with the Afghan resistance.

Without such an envoy, we must rely a great deal on the reporting our Ambassador in Pakistan. Mr. President, it is absurd that our Ambassador must carry two portfolios; especially those as important as Pakistan and Afghanistan. It is now public knowledge that our Embassy in Islamabad has faced major shortcomings in its reporting on Pakistan alone. Understandably, that Embassy relies a great deal on Pakistan for information on the resistance. The result: The United States has very little independent reporting on the resistance.

This Senator has been fully aware of this Government's shortcomings with regards to reporting on the resistance for some time. I have twice visited our Embassy in Islamabad, and have met with virtually every individual in the U.S. Government with some responsibility for the Afghan issue. That is why I urged our Ambassador in Pakistan to appoint a full-time political officer to cover the resistance. That is why this Senator joined with the distinguished chairman of the Senate Foreign Relations Committee and the majority leader in calling for a report on the resistance last fall. That is also why I have offered legislation creating an ambassador at large on Afghanistan.

Mr. President, 2 years ago this month, leaders of the Afghan resistance alliance met with President Reagan to ask for recognition by the United States. At that time, their pleas were rebuffed as "premature" by the administration. However, the following day, an administration official outlined certain criteria that the resistance should meet in order for the President to consider recognition.

These criteria are: greater cooperation, greater control over Afghan territory, greater effort at the United Nations and Islamic conference. As we know, the resistance has made significant progress on each of these fronts. The President himself has praised their progress in several public statements.

Yet, rather than stick with the old criteria that we established, the State Department has cynically toughened its position, and added new criteria.

On May 6, 1988, the New York Times ran a front-page story entitled: "Afghan Rebels Get Support From United States for a Government: Washington Lists Terms." The article cites a "top State Department official"—who I later learned was Under Secretary of State Michael Armacost—outlining criteria under which the United States would recognize the Afghan resistance.

The criteria are: "Control of territory, consent of the people, capacity and willingness to exercise international obligations, possession of a civil administrative apparatus that can govern."

Mr. President, we have issued numerous statements praising the Afghan resistance as the "true" and "legitimate" representatives of the Afghan people. The resistance leaders have stood in the Oval Office and been assured that any political settlement must be acceptable to them if it is to succeed.

Tragically, our words have not matched our actions. Last month the Washington Post ran an important story entitled: "Fears Expressed About U.S. Role in Afghanistan: Washington Seen By Some as Unwilling To Concern Itself With Future Kabul Government." That article outlined the problems posed by this administration's passive and ineffective dealings with the Afghan resistance.

On two previous occasions, the Senate unanimously called upon the Secretary of State to review our policy with respect to the continued recognition of the Soviet puppet regime in Kabul. We received no comprehensive reply from the Secretary. On February 18, 1987, this Senator joined the distinguished majority leader and the Republican leader, in sending a letter to the Secretary, asking why no such review was even conducted. We still have received no satisfactory reply.

Mr. President, this amendment expresses the sense of the Congress that the administration should intensify its dialog with the Afghan resistance. It calls on the President to recognize, at the appropriate time, an Afghan government constituted by the Afghan resistance, and that is broad based and genuinely representative of the Afghan people.

Finally, Mr. President, this amendment calls on the President to immediately exercise existing authority to appoint a special envoy to the Afghan resistance who would coordinate United States policies and programs with the resistance. Last month, Senators BYRD and DOLE sent an important letter to the Secretary of State calling upon him to name an ambassador at large. Last year, the Senate unanimously called for the establishment of such a position. We are long overdue in naming an official of ambassadorial rank who interacts with the resistance.

Mr. President, I urge each of my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I want to join enthusiastically in support of the amendment. I started with our distinguished colleague, Senator HUMPHREY, of New Hampshire, in the original Afghanistan caucus. I think it is most fitting and apppropriate at this time and on this side we accept the amendment.

The PRESIDING OFFICER. The Senator from New Hamphire, Mr. RUDMAN.

Mr. RUDMAN. Mr. President, also on this side, of course, we do support this with great enthusiasm.

I am delighted to see the sponsorship of this bill being the leader of the United States Senate, the majority leader; the Republican leader, Senator DOLE; and my senior colleague from New Hampshire, who has really taken an extraordinarily important position on this for a number of years when very few other people were talking about Afghanistan. Senator HUMPHREY was really the conscience of many people in making sure that the plight of those people was known to the country.

So we support it enthusiastically on this side.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I think the amendment is an excellent one. I hope we pass it unanimously.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2687) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SOUTHEAST UNITED STATES AND CARIBBEAN FISHERIES COOPERATIVE INVESTIGATION PROJECT [SEFCAR]

Mr. CHILES. Mr. President the bill before us includes $1 million for fiscal year 1989 for fisheries-oceanography coordinated investigation [FOCI]. Is it your understanding and intent that these funds are intended for the second phase of the University of Miami collaborative program with NOAA for a Southeast United States and Latin American and Caribbean cooperative fisheries investigation program, known as SEFCAR, and administered through the University's Rosenteiel School of Marine and Atmospheric Sciences?

Mr. HOLLINGS. Yes, that was clearly the intent of the committee. This project at the University of Miami was initiated in fiscal year 1988, and the committee intended to provide sufficient funds for the second year to continue this important collaborative undertaking.

Mr. CHILES. I thank the chairman.

MINORITY BUSINESS DEVELOPMENT AGENCY

Mr. WILSON. Mr. President, I rise to express concern regarding the committee's funding recommendation for the Minority Business Development Agency [MRDA]. While I note that the committee has recommended a 1-percent increase in funding for the Agency, this rate of increase will be insufficient to sustain one MBDA Program in particular, the State and local governments program.

By way of background, Mr. President, the State and local governments program enables state and local entities to develop programs which expand purchase opportunities for minority-owned businesses. Operating in 24 cities in the United States and Puerto Rico, many grant recipients have completed the first and second years of 3 and 5 year funding cycles. Clearly, a funding shortfall at this time would force several grantees to terminate their programs or severely curtail existing services to minority entrepeneurs.

Therefore, I believe MBDA should be encouraged to identify uncommitted funding sources within its fiscal year 1989 budget to honor current state and local governments program contracts. I would ask my colleague from South Carolina, chairman of the Subcommittee on Commerce Appropriations, if this is his position as well?

Mr. HOLLINGS. As my colleague from California, Senator WILSON, knows, the Subcommittee on Commerce Appropriations was faced with the difficult task of determining funding priorities within limited budget perimeters. As he pointed out in his remarks, the subcommittee did recommend a 1-percent increase in funding for the Minority Business Development Agency.

I am informed, however, that this increase will not sufficiently cover the cost of existing contracts with current State and local governments grantees, including the city of Charleston in my State. While I believe a closer examination of the benefits of this program may prove necessary in the future, I would join my colleague from California in encouraging MBDA to identify available funding sources to sustain existing operations of this program in fiscal year 1989.

Mr. WILSON. I thank my colleague. With regard to his comment about examining the benefits of the State and local governments program, I would indicate that I stand ready in this effort. In fact, an analysis of this and other MBDA programs is currently underway, and I anticipate the results of the study will lead to legislative reform in the 101st Congress. I yield the floor.

BIOTECHNOLOGY PATENT BACKLOG

Mr. CHILES. In a report issued by the Office of Technology Assessment on July 12, delays in consideration of patent applications are identified as a significant problem to the emerging biotechnology companies of the United States. According to the OTA, biotechnology patent applications wait an average of 24 months before consideration by the Patent and Trademark Office even begins. This is far longer than the 6 months cited by the OTA for conventional drugs. At the same time, biotechnology patent applications are increasing dramatically. Congressman WYDEN'S Subcommittee on Regulation and Business Opportunities, in a March 12 hearing, reached similar conclusions. Investigations by his staff indicated that it takes an average of 27 months just to open a biotechnology application file and another 25 months, on average, to finally award or deny a patent. By contrast, the Office expects a 19.4 month pendency average for all patent applications this year. And further, examiner turnover in key biotech units was 50 percent over the last 2 years. In January 1985 there were approximately 3,900 applications pending. By August of last year the number had reached 7,800. I believe that the distinguished chairman is also concerned about the increasing backlog in patent applications, particularly those involving biotechnology products.

Mr. HOLLINGS. Yes, the Senator is correct. The Patent and Trademark Office has not been able to train or retain sufficient numbers of qualified examiners who are experienced with biotechnology patent applications. The biotechnology patent backlog is increasing. The implications for a number of biotechnology companies, many of which are new and are very dependent on these patents for a chance to become economically viable, are severe. And given that many of these small companies have been the most innovative in exploiting these new technologies, delays in patent processing also endanger our competitiveness in the emerging biotechnology field.

Mr. CHILES. Would the distinguished chairman agree that the Patent and Trademark Office should take whatever measures are required to ensure that the patent pendency period from the date of original filing to date of patent issuance for biotechnology patent applications not exceed the overall patent office goal of 19.4 months for this year and 18 months for 1989?

Mr. HOLLINGS. Yes, I agree that this goal should be achieved by the Patent and Trademark Office as quickly as possible. I would expect that whatever measures are necessary, including those to retain experienced examiners, obtain and train new examiners, and provide sufficient support for those examiners, be taken by the Patent and Trademark Office.

UNITED STATES-POLAND SCIENCE AND TECHNOLOGY AGREEMENT

Ms. MIKULSKI. Mr. President, last year Vice President BUSH traveled to Poland and signed a bilateral agreement establishing a United States-Poland Science and Technology Agreement.

Because Poland has long looked to the United States for support in its struggle for independence from Soviet hegemony and because Poland is facing a desperate economic situation, this agreement is very significant.

Our two countries have begun consultations on technical cooperation through a joint commission, and the trade bill, which is expected to be approved shortly, contains authorization for $1 million to implement the agreement.

We have a similar agreement with Yugoslavia, which received $1.9 million last year. This year the committee, faced with budgetary constraints, limited the funding for both agreements to $2 million. It appears that the State Department would prefer to split the funding evenly between Yugoslavia and Poland but is unclear as to congressional intent on the issue.

My own view is that a 50/50 split between the two recipients would be fair and appropriate. May I inquire of the subcommittee chairman if that is his understanding and intent?

Mr. HOLLINGS. I agree with the Senator from Maryland that both agreements are important to our policy in Eastern Europe; moreover, it would not make sense to fund the Polish accord at less than the $1 million envisioned by the administration and the committee. In allocating funds between the two nations, therefore, the State Department should not consider itself bound by last year's funding level for Yugoslavia.

STOLEN CELLULAR TELEPHONES

Mr. DANFORTH. Would the distinguished manager of the legislation yield for a question?

I would like to offer first a brief foundation for my question, which is related to a problem that is within the purview of the FCC authorities and responsibilities. The problem is the provision of service to stolen cellular radio telephones. Obviously this issue has great importance within the communications industry, but there is also a broader public policy interest at stake. Stolen cellular phones can be used extensively to facilitate drug trafficking and other criminal activity.

My question to the distinguished manager of the bill is whether the committee is aware of this problem and whether he believes legislation is needed to deal with it?

Mr. HOLLINGS. My distinguished friend has raised an important question. The problem here is that by their very nature these telephones are easy targets for thieves. In themselves, the phones have limited intrinsic value. They are valuable only if a carrier provides service. Fortunately, the cellular technology allows the owner of a stolen phone to identify its subsequent use. When the phone is used it automatically transmits a 32-byte identifying number, affording the owner a chance to recover his property. Sadly, though, even after a police report of the theft—and even on occasion after formal law enforcement requests—carriers are not turning service off.

In fairness to the carrier, there may be reasons for refusing to turn these phones off. The carrier, for example, worries about being liable for turning off a phone that may later be found not to have been stolen. The carrier should not be caught up in property disputes, particularly when there is an economic incentive for continuing service.

To come to the Senator's question though, I am not sure we need to legislate right now. I understand that the authorizing committee staff is examining the matter. In addition, it is my hope that the FCC could address this problem expeditiously. The problem is a serious one, but it can be solved before it becomes endemic.

I am told that initial discussions between affected industry people and the FCC staff led only to suggestions that Congress was the best avenue of remedy. In my view, it would be useful for the FCC to promptly advise us of what actions can be taken administratively to address this problem. For example, can the FCC, armed with current authority, require telephone companies and cellular carriers to terminate or not accept applications from subscribers if a notification of a stolen radio/telephone accompanied by a police report is provided by the true owners? If the Commission believes legislation is needed, then I hope it will confirm this shortly and then submit recommendations as to the terms of such legislation.

I hope that answers the Senator's question, and I commend him for having focused our attention on this matter.

Mr. DANFORTH. I thank the Senator.

CLEARINGHOUSE ON STATE AND LOCAL COMPETITIVENESS INITIATIVES

Mr. BUMPERS. Mr. President, I want to thank my friend from South Carolina, Senator HOLLINGS, for his assistance in ensuring that the Clearinghouse on State and Local Initiatives will be established this year in the Department of Commerce.

I proposed that a clearinghouse be established last year in S. 930. Both the House and the Senate endorsed the proposal in the Omnibus Trade and Competitiveness Act as section 5122. On July 13 the House voted again for the Clearinghouse in adopting the revised trade bill, again as section 5122. I am sure the Senate will do so when it takes final action on the revised trade bill.

For fiscal 1988 the Congress appropriated $250,000 to establish the Clearinghouse in the continuing appropriations resolution—House Joint Resolution 395 and House Report 100-498. That appropriation was "subject to enactment of authorizing legislation," which shortly will be provided in the revised trade bill. These fiscal 1988 funds are to remain available until expended by the Department to establish the Clearinghouse.

For fiscal 1989 the pending appropriations bill again appropriates $250,000 for the Clearinghouse—Senate Report 100-388, at page 14. These funds are to be expended in fiscal 1989 and they will supplement any funds which remain available for the Clearinghouse from the fiscal 1988 appropriation.

The only reason why we have not increased the funding for the Clearinghouse in fiscal 1989 is that the Clearinghouse will only be established in late fiscal 1988 and it will have funds left over from its fiscal 1988 appropriation to use in fiscal 1989.

The Department of Commerce strongly supports the Clearinghouse. It would prefer that the Clearinghouse be located in the Office of the Secretary, rather than in the Office of Productivity, Technology, and Innovation, where it is placed in the revised trade bill. But I trust that this difference of opinion will not lead to any delay on the Department's part in establishing the Clearinghouse.

I expect that the Department will move promptly to appoint a Director for the Clearinghouse, hire its initial staff, and commence its operations.

With the funds left over from the fiscal 1988 appropriation and the appropriation available in fiscal 1989, there will be sufficient funds for the Clearinghouse to be quite active in fiscal 1989.

By the end of fiscal 1989, the Clearinghouse should be fully capable of serving its intended function of providing detailed information on the competitiveness initiatives of State and local governments.

It should be able to begin serving as a valuable adviser to State and local governments and to Federal Government agencies and the Congress.

The Clearinghouse will, or course, have to establish its priorities.

It will need to review the excellent work already done by the National Governor's Association and others in documenting these States and local initiatives. It must determine how it can supplement this information with more detailed and different information.

The Clearinghouse must make itself useful to its constituency in the State and local governments.

It may be that the most useful information the Clearinghouse can provide to start with is an annotated directory of all the State and local officials who are active in competitiveness initiatives.

The Clearinghouse may want to pull together the most useful bibliography of publications regarding these initiatives.

It may want to publish a monthly or quarterly newsletter with information about conferences and publications in the field.

It may be that the Clearinghouse may want to initiate a detailed study of several of the most interesting competitiveness initiatives; perhaps, for example, those which focus on enhancing productivity or quality control.

The Clearinghouse may do well to establish an advisory committee to help it find its niche.

The Clearinghouse must prove itself. It must show that it is not duplicating other sources of information. It must show that it can be trusted as an ally of State and local governments and as an expert adviser to Federal agencies and the Congress.

The Clearinghouse must act as an entrepreneur, establishing its agenda and its priorities and, most important, its credibility.

I look forward to working with the Director of the Clearinghouse and with other officials of the Department of Commerce to make the Clearinghouse an effective agency.

Again, I want to thank Senator HOLLINGS for his strong support for the Clearinghouse, both in consideration of the legislation in the Commerce Committee and in providing the appropriations which will make the Clearinghouse a reality.

I ask unanimous consent that an outline of the legislative history of the Clearinghouse and its appropriations be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OUTLINE OF LEGISLATIVE HISTORY OF CLEARINGHOUSE ON STATE AND LOCAL INITIATIVES

AUTHORIZING LEGISLATION

April 7, 1987: Introduction of S. 390, the Competitiveness Enhancement Act of 1987, by Senator Dale Bumpers. Introductory Statement of Senator Dale Bumpers. 133 Congressional Record S 4724-4728 (April 7, 1987).

April 29, 1987: Introduction of H.R. 2219, the Competitiveness Enhancement Act, by Congresswoman Claudine Schneider and Congressman Doug Walgren. H.R. 2219 is the House version of S. 930.

April 30, 1987: Hearing of the Subcommittee on Science, Research, and Technology, House Committee on Science, Space, and Technology, on H.R. 2219 and other legislation, Statement of Senator Dale Bumpers, and testimony of Mr. Richard B. Geltman, National Governors' Association, and Mr. Joe Kazmarek, President of Impact Technologies. "The Role of Science and Technology in Competitiveness," Hearings before the Subcommittee on Science, Research, and Technology, House Committee on Science, Space, and Technology, April 30, 1987.

May 19, 1987: Hearing of the Senate Committee on Commerce, Science, and Transportation on S. 390 and other legislation. Testimony of Senator Dale Bumpers. "Technology Competitiveness Act of 1987," Hearings before the Senate Committee on Commerce, Science, and Transportation, May 19, 1987.

June 22, 1987: Senate Commerce, Science, and Transportation Committee files report on S. 907, the Technology Competitiveness Act of 1987. "Technology Competitiveness Act of 1987 (S. 907)," Report of the Senate Committee on Commerce, Science, and Transportation, Senate Report 100-80. Section 202 of S. 907 contains a simplified version of S. 930.

June 24, 1987: Introduction of S. 1420, the Omnibus Trade and Competitiveness Act. S. 1420 was the vehicle for Senate debate on the nine trade and competitiveness bills reported from Senate committees. Section 4102 of S. 1429 is identical to section 202 of S. 907.

July 17, 1987: Perfecting amendment to section 4102 offered by Senator Dale Bumpers. Statement of Senator Dale Bumpers and Senate Debate on amendment of Senator Bumpers making technical corrections to section 4102 of S. 1420. 133 Congressional Record at S. 10163-10168 (July 17, 1987).

July 21, 1987: Senate adopts S. 1420 as an amendment in the nature of a substitute for H.R. 3, the House-passed Omnibus Trade and Competitiveness Act. Section 4102 of the Senate amendment was the Senate version of the clearinghouse for purposes of the conference on the trade and competitiveness bill with the House.

August 4, 1987: House Committee on Science, Space, and Technology files report on H.R. 2916, the Technology Competitiveness Act of 1987. "Technology Competitiveness Act of 1987 (H.R. 2916)," Report of the House Committee on Science, Space, and Technology. House Report 100-266 (August 4, 1987). Title IV of H.R. 2916 contains a simplified version of H.R. 2219, the House version of S. 930, and it served as the House version of the clearinghouse for purposes of the conference on the trade bill with the Senate.

April 20, 1988: Conference Committee on Omnibus Trade and Competitiveness Act files report on H.R. 3, the Omnibus Trade and Competitiveness Act. "Omnibus Trade and Competitiveness Act of 1988," Report of the Conference Committee on H.R. 3. House Report 100-576 (April 20, 1988). Section 5122 of the conference version of H.R. 3 contains the clearinghouse provision.

April 21, 1988: House adopts conference report on H.R. 3.

April 27, 1988: Senate adopts conference report on H.R. 3. Statement of Senator Dale Bumpers on clearinghouse provision in conference report on H.R. 3. 133 Congressional Record S. 4900-4901 (April 27, 1988).

May 24, 1988: President vetoes H.R. 3.

May 24, 1988: House overrides Presidential veto of H.R. 3.

June 8, 1988: Senate fails to override Presidential veto of H.R. 3.

July 13, 1988: House adopts H.R. 4848, the revised Trade and Competitiveness Act. Section 5122 of revised trade and competitiveness bill contains the clearinghouse provision as earlier reported by the conference on H.R. 3.

Projected: July-August, 1988, Senate adopts revised Trade and Competitiveness Act H.R. 4848 and President signs H.R. 4848 into law.

APPROPRIATIONS LEGISLATION

September 25, 1987: Senate Appropriations Committee files report on H.R. 2763, the appropriation bill for the Department of Commerce. Senate Report 100-182 (September 25, 1987). The report states that $500,000 is appropriated to establish the clearinghouse in fiscal 1988.

October 15, 1987: Senate adopts H.R. 2763.

December 11, 1987: Senate adopts H.J. Res. 395, the continuing appropriations resolution. Statement of Senator Dale Bumpers on H.J. Res. 395. 133 Congressional Record S. 17944-17945 (December 11, 1987). The Senate version of the continuing resolution incorporated the recommendations of the Senate version of H.R. 2763.

December 22, 1987: Conference Committee files report on H.J. Res. 395, the continuing appropriations resolution. House Report 100-498 (December 22, 1987). The report states that $250,000 is appropriated to establish the clearinghouse in fiscal 1988.

June 20, 1988: Senate Appropriations Committee files report on H.R. 4782, the appropriations bill for the Department of Commerce. H.R. 4782 states that $250,000 is appropriated for the clearinghouse in fiscal 1989. Senate Report 100-388, at page 14.

THE EEOC APPROPRIATION FOR FISCAL YEAR 1989

Mr. QUAYLE. The fiscal year 1989 appropriation for the EEOC includes an amendment that continues for another year Congress' suspension of the EEOC permitting older workers to waive their rights under the Age Discrimination in Employment Act [ADEA] without appropriate supervision. While I support the amendment, I believe it will be helpful to clarify the amendment's impact on EEOC efforts to enforce the ADEA. I therefore would like to ask the Senator from Ohio two questions regarding the amendment.

Mr. METZENBAUM. I appreciate the Senator's efforts in support of the amendment, and I would be happy to respond to the Senator's questions.

Mr. QUAYLE. Does the amendment in any way restrict the EEOC from acting on charges of age discrimination where an unsupervised waiver has been signed?

Mr. METZENBAUM. No. It is the intent of Congress that the EEOC will investigate charges to determine whether there has been age discrimination, and take appropriate action, regardless of the presence of an unsupervised waiver.

Mr. QUAYLE. Does the amendment prevent the EEOC from investigating whether an unsupervised release was coerced or agreed to in exchange for invalid consideration, or is otherwise in violation of public policy—for example, attempts to prevent employees from filing charges with the EEOC—and, if the EEOC finds such offensive aspects, is it precluded from challenging such a release in court on this basis?

Mr. METZENBAUM. The amendment in no way restricts the EEOC from conducting a full-scale investigation of all the facts and circumstances relating to a charge of age discrimination, including whether a waiver is coerced or otherwise contrary to public policy. Evidence that an employer has used coercion to obtain a release may be used to prove discriminatory conduct under the ADEA and may even entitle the employee to liquidated damages. *Cassino* v. *Reichhold Chemicals,* 817 F.2d 1338 (9th Cir. 1987).

However, Congress intends that the EEOC not engage in any practice or policy, including litigation, that supports, relies upon, or lends credence to an assumption that unsupervised waivers are "valid," regardless of whether coerced or otherwise contrary to public policy. It is further the intention of Congress that the EEOC will not devise or implement litigation and policy strategies to establish case law that is contrary to the congressional view of this issue.

Mr. QUAYLE. I thank the Senator for these clarifications.

SECURITY FOR AID

Mr. INOUYE. Mr. President, if agreeable to my friend, the distinguished chairman of the Subcommittee on Commerce, State and Justice, I would like to engage in a brief colloquy on a small but important matter concerning the security of AID employees serving overseas.

Mr. HOLLINGS. Mr. President, I would be pleased to do so.

Mr. INOUYE. Mr. President, the Subcommittee on Foreign Operations during its consideration earlier this year of the budget request for the Agency for International Development became aware of a growing and continuing shortfall in the funding necessary to ensure that the Agency's employees and their families overseas be provided the levels of security now being required by the standards set by the Secretary of State subsequent to the enactment of the Omnibus Diplomatic Security Act of 1986.

The distinguished chairman will recall that at the time of the markup by the full committee of the Foreign Aid Appropriations Act there was some discussion of a possible solution to this necessary but unmet requirement—a solution which proved to be inappropriate at the time and one which was dropped from consideration.

Mr. HOLLINGS. The Senator is correct.

Mr. INOUYE. Mr. President, the problem still exists, it remains unresolved, and my purpose now is to propose a different kind of solution which I hope will be agreeable to my friend, the distinguished Senator from South Carolina. Let me offer some background.

The Omnibus Diplomatic Security Act of 1986 reflected the concern of the Congress over the growing threat to our foreign affairs community posed by terrorism and violence directed too often at the members of our Foreign Service and their families. It reflected, too, the firm determination of the Congress that we would require and support all reasonable measures to protect those who serve our country overseas. The act conferred full authority over, and responsibility for, overseas security of the Department of State, and other foreign affairs agencies, in the Secretary of State, including the budgeting and funding responsibility.

What seems to have happened in the 2 short years since the 1986 act became law is that the Department's requirements for necessary costs associated with overseas security have been so heavy that, in the case of AID, of particular concern to the subcommittee I have the honor to chair, vital needs have not been met. Mr. President, I make this point not in a spirit of criticism or fault finding but simply to state what has historically occurred and as of now shows no sign of changing.

Let me further say, Mr. President, that it is not my purpose today to suggest any change to the Diplomatic Security Act, any modification of the Secretary's responsibilities or authorities or any significant change to the budgeting and funding responsibilities of the Department or committee jurisdiction here in the Senate. Nor do I propose any change to the budget for the Department of State before us today. My proposal goes instead to the appropriations for fiscal year 1990 and beyond if the distinguished chairman finds it appropriate and acceptable to the subcommittee he chairs with such distinction.

I propose a small modification in budgeting procedures in order that the Agency for International Development may be able to meet the Secretary's security standards for the Agency overseas in four specific functional areas, those of residential security, security communications, office building security, and vehicle armoring. Before the 1986 act the Agency budgeted for these costs. For fiscal years 1987 and 1988 the Subcommittee on Foreign Operations included in each year a small $1.6 million appropriation for what appeared to be transitional years, and for 1989 has included, and the Senate has approved, the amount of $1.8 million. I would ask, Mr. President, that it be understood that my suggested solution does not include in any way any modification of current procedures in either the executive or legislative branches pertaining to funding for any other expenditures directly or indirectly deriving from or having security implications.

I refer here to the much larger costs associated with capital expenditures for real property and construction and leasing, and significant sums for such necessary requirements as local guard forces among others. Instead I suggest only that the funds necessary to AID on an annual basis for the specific requirements I listed a moment ago, overseas residential security, security communications, office building security, and vehicle armoring be appropriated directly to the Agency as a line in the annual appropriation process. The dollar impact of such a change will be small. Based upon staff review instead of the $1.8 million in the budget recently approved the amount would go on an annual basis to a range of $3 to $3.5 million and to less than $3 million as a current backing is eliminated.

There are other ways, or course, open to us in seeking a solution to this real requirement such as earmarking, transfer between appropriations and so forth. I believe, however, considering the minimal amounts involved, that my proposal represents a simple, direct and very effective answer to the problem that has developed. It is my hope, Mr. President, that the distinguished chairman can agree to and accept my proposal, and join with me in instructing the executive branch to submit its appropriations requests for fiscal year 1990 and beyond to conform with such a new approach.

Mr. HOLLINGS. Mr. President, in order that we be completely clear on the limits of the suggestion advanced by my good friend, the distinguished Senator from Hawaii, I would like to pose one or two questions. First, it is my understanding that nothing in the proposal would alter in any way the authorities and responsibilities now vested in the Secretary of State for security requirements of any of the agencies of the foreign affairs community.

Mr. INOUYE. The Senator is correct.

Mr. HOLLINGS. The only change proposed is one which would see an increase which has been estimated at initially less than $2 million, and thereafter perhaps less, in annual appropriations of the Agency for International Development for precisely delineated purposes as set forth by the distinguished chairman? The Department would, of course, exclude these AID related matters from its budget.

Mr. INOUYE. Again, the Senator has stated the proposal exactly.

Mr. HOLLINGS. Mr. President, I believe the distinguished chairman's suggestion is, as he has described it, a direct, uncomplicated way to dispose of a problem, small in budgetary terms, but vital to the well being of the overseas employees of one of our foreign affairs agencies. I am pleased to join with my good friend in accepting this approach and with him in expecting the Department of State and AID to submit their fiscal year 1990 budgets accordingly.

FUNDING FOR IMPLEMENTATION OF THE COMPUTER SECURITY ACT

Mr. LEAHY. Mr. President, I am glad to see that we will be providing adequate funding to the National Bureau of Standards for implementation of the Computer Security act of 1987. I worked with Senators Chiles, Hollings, Glenn, Roth and Humphrey, the National Bureau of Standards, and the National Security Agency to ensure passage of the act when it came before the Senate last year. The Computer Security Act created a comprehensive computer security program for the Federal Government under the authority of a civilian agency. It reestablished Congress' role in the development of information policy and rejected the administration's efforts to create policy by executive fiat.

Today we are ensuring that adequate support is provided to fulfill the mission that Congress assigned to the NBS when it passed the Computer Security Act. The need for computer security and privacy will only increase as our Government agencies turn increasingly to automated information systems for management functions. We need to get the program off on a solid basis and show our commitment to the National Bureau of Standards.

The Institute for Computer Sciences and Technology at NBS has a large task ahead. There will be differing needs and differing solutions to match the many different missions and resources of the Federal agencies. But the fundamental need for a program that will protect the security of information systems and the privacy of records on individuals held by government agencies is clear. I urge Federal agencies to work closely with the Institute so that this goal will be met.

I thank Senator Hollings for his work in behalf of the NBS and his continued support for a comprehensive computer security program.

CELLULAR TELECOMMUNICATIONS

Mr. ADAMS. I would like to ask my colleague from Arizona if he has been following as closely as I, the licensing process for cellular telephone in metropolitan and rural service areas. As my friend from Arizona is aware, in January of this year, at my request, the Senate Communications Subcommittee, chaired by my good friend from Hawaii, Senator Inouye, held hearings to discuss the problem of speculation within the cellular licensing process.

Mr. McCAIN. Yes, as a representative of a rural State I could not help but get involved in this process so important to my constituency. As my friend from Washington is also aware, the FCC eventually issued a rulemaking in hopes of establishing tighter financial standards on applicants. It remains to be seen if the FCC action will do the job.

Mr. ADAMS. I have long been a strong supporter of providing effective cellular service to all areas of the country. Additionally, while I am obviously a supporter of responsible deficit reduction measures and overall financial integrity, I do not necessarily believe that a lean budget precludes the ability of a Federal agency to carry out its full mission. For that reason I was surprised to see a letter from FCC Chairman Dennis R. Patrick to my good friend, Senator Rudman, the ranking Republican of the Senate Appropriations Committee subcommittee, with jurisdiction over funding the Federal Communication Commission. This letter complains about proposed budgetary restraints the Congress wishes to impose on the FCC. What I am in disagreement with is Chairman Patrick singling out in his letter, the rural cellular telecommunications licensing process for specific reduction treatment. The threat of delaying processing cellular licenses in this context is very unfair to rural America. I would be interested in hearing the reaction to this letter from my colleague from Arizona.

Mr. McCAIN. I could not agree with my colleague more. I certainly hope Chairman Patrick is not hoping to coerce the Congress into granting an increased budget to the FCC as a tradeoff for prompt efficient attention to the rural cellular licensing process. I believe we should state as the intent of the Congress that no industry within the FCC jurisdiction should be arbitrarily singled out for negative treatment for any reason.

Mr. ADAMS. I agree with my friend from Arizona. I believe that no matter what budget the FCC ultimately receives, the agency should expeditiously process rural cellular licenses.

ORDER OF PROCEDURE

Mr. RUDMAN. Mr. President, I might just discuss with the chairman, looking at our list—I might just suggest this to the majority leader speaking on this side. We have a 1-hour time agreement on a legal services amendment that will be taken up by Mr. Gramm in the morning. Senator Levin, of Michigan, has an amendment which, it is my understanding, will be accepted by the committee.

Mr. HOLLINGS. Right.

Mr. RUDMAN. Senator Dole has another amendment which I believe has to do—well, I will let Senator Dole explain his own, which I understand there will be a rollcall on, possibly tomorrow.

And Senator Murkowski has an amendment—which we have not seen, I want to point out to the chairman. But it is my understanding that the amendment deals with the overflights of aircraft over Alaska from Japan that contain plutonium.

Senator Dole has identified his amendment, one on Chinese missiles and one on Soviet human rights in Armenia. So Senator Dole has two remaining.

And Senator Pell, I guess has one on U.N. funding.

So those other ones that I can identify on this side and one or two on your side.

Mr. HOLLINGS. Those are the ones identified. Senator Pell's amendment relative to U.N. funding; Senator Levin's amendment, and you have the rest on your side: Senator Murkowski, Senator Dole, and Senator Gramm.

Mr. RUDMAN. If the Senator will yield, it is my understanding there will be a Johnston or Cranston second-degree amendment to the Murkowski amendment. There could be.

Mr. HOLLINGS. Could be. It is our understanding, a second-degree amendment.

Mr. RUDMAN. It is my understanding, I would say, Mr. President, that would deal with all the remaining amendments before us.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the remaining amendments be limited to an amendment by Mr. Levin, dealing with visas for Soviet Jewry; an amendment by Mr. Murkowski on plutonium overflights with an amendment by Mr. Johnston thereto on the same subject matter; an amendment by Mr. Pell on U.N. funding; an amendment by Mr. Gramm on which a 1-hour time limitation has already been entered dealing with legal services; an amendment by Mr. Dole dealing with Chinese missiles; an amendment by Mr. Dole dealing with Soviet human rights in Armenia.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Mr. BYRD. Mr. President, under this order, no amendments would be in order, other than those that have been enumerated, and no amendments be in order in the second degree, except the one by Mr. Johnston to the amendment by Mr. Murkowski on plutonium overflights.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. I will be happy to accommodate the majority leader to get things started in the morning. I have an amendment on Chinese arms sales to the Middle East that I can introduce and make my statement on and then have that as the first vote tomorrow morning.

Mr. BYRD. All right. Would the distinguished leader like to begin his statement at 10 o'clock?

Mr. DOLE. Fine. I can send the amendment up now and have 10 minutes in the morning.

Mr. BYRD. Very well. Mr. President, I ask unanimous consent that there be 10 minutes on the amendment by Mr. Dole. Would the distinguished manager wish to have some time on it also?

Mr. DOLE. Ten minutes on each side.

Mr. BYRD. Twenty minutes to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate resume consideration of the pending measure tomorrow morning at 10 o'clock a.m., at which time the amendment by Mr. Dole would be the pending question. And I ask unanimous consent that it be in order to ask for the yeas and nays on the Dole amendment at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the aforementioned amendments, there be no further debate or action of any kind, no further motion or amendment, and that the Senate then proceed to third reading, and without further debate or action or intervening action of any kind, or motion, the Senate then proceed to final passage of the bill, and that paragraph 4 of rule XII be waived.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

Mr. DOLE. Can I inquire of the majority leader, are there any further votes this evening?

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for the inquiry. There will be no more rollcall votes today.

Mr. HOLLINGS. Mr. President, I want to yield to our distinguished colleague from Florida. Before doing so, however, if Senator Levin comes to the floor, we may be able to handle that Levin amendment this evening. I yield to the distinguished Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. (Mr. Bingaman). Without objection, it is so ordered.

AMENDMENT NO. 2688

(Purpose: To increase the consultation between the State Department and the Appropriation Committees of the Congress regarding refugee admissions)

Mr. LEVIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Michigan [Mr. Levin] proposes an amendment numbered 2688.

Mr. LEVIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

Sec. . 8 U.S.C. 1157(a)(1) is amended by inserting "and Appropriations" after "Judiciary."

Mr. LEVIN. Mr. President, I understand the amendment has been cleared with the managers. This amendment would very simply require the administration to consult with the Appropriations Committee as well as the Judiciary Committee relative to the number of refugees which are going to be allowed into the country each year.

The reason this came up is that there were a great number of Armenian citizens and some Jewish citizens of the Soviet Union who had been granted exit visas by the Soviet Union. On July 4, the U.S. Embassy in Moscow stopped issuing refugee visas to all Soviet citizens seeking to emigrate to the United States. It was announced that the State Department had decided to postpone the issuance of refugee visas until October 1 because of a shortage of funds in the account designated for the processing, transporting, and resettling of refugees from the Soviet Union.

The State Department decision, while it may have resulted from rational budgetary calculations, was a disaster from a humanitarian and diplomatic point of view. It left hundreds of Soviet citizens, primarily Armenians holding valid exit visas issued by the Soviet Government, but without the possibility of obtaining the United States visa necessary for them to leave the country. Many of these people had left their homes, jobs, and friends in distant regions of the Soviet Union, and come to Moscow to obtain the visa, only to be told they had to wait until October 1. Since many of them had Soviet exit visas that expired before October 1, their dreams of emigration to America would have had to be delayed until they could get through the long tangle of Soviet bureaucracy to get another exit visa.

This was hardly the appropriate signal to be sending to the world on the anniversary of American independence. The State Department decision gave the Soviets a marvelous propaganda opportunity, the chance to claim that all our words about freedom of emigration were hollow, and that it was the United States, not the Soviet Union, that was impeding emigration.

Fortunately, this situation was resolved a few weeks later, when the State Department found the funds to process 400 of the blocked refugees. These 400 are the ones most in need of getting visas immediately. As for the 3,000 or so applicants for whom waiting until October 1 would pose less of a hardship, the United States Embassy in Moscow has said that it will "seek every possible means to facilitate their timely departure for the United States."

This situation has been taken care of for now, but we ought to try to prevent it from occurring again, not only in Moscow, but all over the world. It is my hope that my amendment will help to avoid similar problems in the future.

Current law provides for designated representatives of the President to hold periodic discussions with the Judiciary Committees of both Houses regarding changes in the worldwide refugee situation. But since the Appropriations Committee would have to act in order to provide funding for an unanticipated increase in the number of refugees, it makes sense to bring the Appropriations Committee into the consultation process as well. It seems to me that if more funding is needed, the Appropriations Committees ought to be aware of this, and have the opportunity to provide for a supplemental appropriation. My amendment seeks to bring the Appropriations Committee into the consultation process.

As I indicated, the announcement that we could no longer issue visas was made on July 4, 1988, the anniversary of our independence. It was a totally inappropriate day to make such an announcement. I am not so sure any day is appropriate for that kind of announcement. But I cannot think of a more inappropriate day.

To reiterate, present law requires that the administration consult with the Judiciary Committee relative to the number of refugees. The Appropriations Committee is also very much involved in the process of deciding how much money will be allocated for the processing, transporting, and resettling of refugees.

The Appropriation Committee should not be finding out about this by reading it in the newspaper. Therefore, this would amend the law to require that the State Department and the administration consult not only with the Judiciary Committee but with the Appropriations Committee.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Michigan is correct. It has been cleared. It is in the jurisdiction of our distinguished colleague from Hawaii, Senator INOUYE. That has been cleared with him. We accept the amendment.

Mr. RUDMAN. Mr. President, the amendment is acceptable on this side.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HOLLINGS. I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan [Mr. LEVIN].

The amendment (No. 2688) was agreed to.

Mr. LEVIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2689

Mr. DOLE. Mr. President, as I indicated earlier, I send an amendment to the desk which will be pending in the morning.

Mr. HOLLINGS. Very good.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], proposes an amendment numbered 2689.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following:

The Senate finds that: (1) According to intelligence and other reports, the People's Republic of China has sold billions of dollars worth of missiles and other weapons to Iran and Iraq, including Silkworm missiles which have been used against American allies and friends and which threaten American military personnel and vessels.

(2) Despite repeated requests from the U.S. to endorse the United Nations-sponsored, international arms embargo against Iran and Iraq, China has refused to stop selling arms to the belligerents.

(3) Recent media and intelligence reports indicate that China may be pursuing the sale of M9 short-range ballistic missiles to Syria, Iran, Libya and Pakistan, promoting further instability in the region.

(4) Such activities as described in (1), (2) and (3) represent a serious threat to American interests, and to regional peace and stability.

(5) Secretary of State Shultz recently raised our deep concerns over China's arms sale policies with top Chinese leaders in Beijing.

It is the Sense of the Senate that:

1. The People's Republic of China should immediately halt the sale of ballistic missiles and other offensive weapons to all nations of the Middle East and Persian Gulf, either directly or through third party transfers.

2. The PRC should discontinue reported discussions with Syria, Iran, Libya and Pakistan regarding potential sales of M9 short-range ballistic missiles and other armaments under development.

3. The PRC should endorse the United Nations-sponsored, international arms embargo against Iran and Iraq.

4. If these sales and policies are not discontinued, the U.S. should reassess bilateral relations with the PRC and reexamine agreements or contemplated agreements providing for arms and technology transfers to the PRC.

Mr. HOLLINGS. Mr. President, let the record show there has been a 20-minute agreement, 10 minutes to a side and a rollcall has been ordered on the Dole amendment. We will take that up at the appropriate time. Let me thank my distinguished colleague here, and former chairman, and of course our wonderful majority leader for their cooperation and leadership.

Mr. BYRD. Mr. President, I thank both managers for their cooperation, and leadership. They were asked to manage this bill at a late hour today. And on such short notice they responded most cooperatively. And our distinguished chairman of the committee is about like myself. We both talked too much somewhere. I guess because we have deep colds, and I really feel for the Senator. But he magnificently responded as he always does. Both he and Mr. RUDMAN have done an excellent piece of work this afternoon in advancing this measure to the point where we only have certain enumerated amendments remaining, and then a vote on final passage.

So the first rollcall vote tomorrow will occur at 10:20 a.m.

I again thank Mr. HOLLINGS and Mr. RUDMAN.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting a withdrawal, which was referred to the appropriate committees.

(The withdrawal received today is printed at the end of the Senate proceedings.)

AMENDMENTS TO THE CONVENTION ON THE INTERNATIONAL REGULATIONS FOR PREVENTING COLLISIONS AT SEA—MESSAGE FROM THE PRESIDENT—PM 148

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

Consistent with the International Navigational Rules Act of 1977 (Public Law 95-75; 33 U.S.C. 1602), I transmit herewith amendments to the Convention on the International Regulations for Preventing Collisions at Sea, 1972, adopted at London, November 19, 1987. The Convention on the International Regulations for Preventing Collisions at Sea (72 COLREGS), done at London, October 29, 1972, was signed by over 50 contracting parties to the International Maritime Organization (IMO). The 72 COLREGS entered into force on July 15, 1977, and replaced the 1960 Collision Regulations. The 72 COLREGS were previously amended in November 1981 to clarify technical language of the existing regulations. The nine amendments adopted in 1987 are technical in nature and, with the exception of amendment one, are also designed to clarify existing rules.

Amendment one makes a minor modification to the language in rule 1(e). The existing provisions of rule 1(e) allow for alternative compliance with the provisions of the rules with respect to the number, position, range, or arc of visibility of lights or shapes and with respect to the disposition or characteristics of sound-signalling appliances. Under the existing provisions of rule 1, it must be shown that the vessel cannot achieve full compliance "without interfering with the special function of the vessel." Amendment one deletes that requirement from the rule and thus allows for alternative compliance without showing interference with the special function of the vessel. However, such alternative compliance must still be approved by the Government concerned, and such a vessel must still be in "closest possible compliance" with the rules. Amendment one will allow the Government concerned more flexibility in approving alternative compliance in cases where safety needs are met but full compliance would be economically unreasonable.

The other eight amendments amend language contained in the general definitions and in the section treating actions to avoid collisions as well as modify the text of the existing rules on matters such as traffic separation schemes and lanes and positioning and technical details relating to lights and distress signals.

Consistent with section 5 of the Inland Navigational Rules Act of 1980 (section 5 of Public Law 96-591; 33 U.S.C. 2073), each of these proposed amendments at various times has been considered by the Rules of the Road Advisory Council, which has concurred with them.

In the absence of a duly enacted law to the contrary, I will proclaim that the amendments will enter into force for the United States on November 19, 1989.

RONALD REAGAN.

THE WHITE HOUSE, *July 26, 1988.*

MESSAGES FROM THE HOUSE

At 10:34 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 338. Joint resolution to designate August 1, 1988, as "Helsinki Human Rights Day".

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 4:07 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution.

H.R. 2615. An Act to provide that certain lands shall be held in trust for the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, California;

H.R. 3251. An Act to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the United States Congress; and

H.J. Res. 569. Joint resolution designating July 24 through 30, 1988, as "Lyme Disease Awareness Week".

The enrolled bills and joint resolution were subsequently signed by the President pro tempore [Mr. STENNIS].

MEASURES PLACED ON THE CALENDAR

The following bill, previously received from the House of Representatives for concurrence, was read the first and second times and placed on the calendar:

H.R. 4848. An act to enhance the competitiveness of American industry, and for other purposes.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-586. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Agriculture, Nutrition, and Forestry.

"RESOLUTION

"Whereas, Many Pennsylvania farmers are beginning to suffer the effects of the same drought that has such a devastating grip on the midwestern region of the Nation; and

"Whereas, According to the Pennsylvania Agricultural Statistics Service, in Pennsylvania, as of the week ending June 19, 1988, the soil moisture was 80% short Statewide, 86% short in the northern region of the State, 69% short in the central region and 88% short in the southern region; and

"Whereas, Authorization from the United States Secretary of Agriculture is necessary for Pennsylvania farmers to use their set-aside fields for hay and grazing livestock; and

"Whereas, If their farms are going to survive the drought, many Pennsylvania farmers may have to use their set-aside fields for hay and grazing livestock; therefore be it

"*Resolved,* That the Senate of the Commonwealth of Pennsylvania memorialize United States Secretary of Agriculture Richard Lyng to make the authorization necessary for Pennsylvania farmers to use their set-aside fields for hay or grazing livestock and to make any other program revisions or authorizations necessary so that Pennsylvania farms survive this drought; and be it further

"*Resolved,* That copies of this resolution be transmitted to the President of the United States, to Secretary of Agriculture Richard Lyng, to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-587. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Agriculture, Nutrition, and Forestry:

"HOUSE RESOLUTION No. 1629

"Whereas, In the Spring of 1988, hard-pressed Illinois family farmers were only beginning to recover after 9 years of high interest rates, low crop prices, rising supply costs, falling land values, and merciless pressure for consolidation; and

"Whereas, A severe drought now exists in Illinois, with an accumulated rain deficit in central Illinois of 7.4 inches below normal April-June rainfall; and

"Whereas, If this weather pattern continues through the summer, the drought of 1988 will be one of the worst droughts of the 20th century; and

"Whereas, The problem of low crop yields will be exacerbated this fall for many farmers who enrolled parts of their acreage in the U.S. Department of Agriculture's conservation reserve program; and

"Whereas, Farmers and shippers of grain and other Illinois commodities are facing a crisis due to falling water levels on the Ohio and Mississippi Rivers, and growing inability of the U.S. Army Corps of Engineers to maintain a 9 foot barge channel for the shipment of these commodities on these and other U.S. rivers; therefore, be it

"*Resolved by the House of Representatives of the eighty-fifth General Assembly of the State of Illinois,* That the Illinois House of Representatives memorializes the Congress of the United States; that it requests that the Congress make such changes in national agricultural policy as may be necessary and helpful to the family farmers and other individuals, in Illinois and other states, who are suffering from the drought's effects; and, be it further

"*Resolved,* That the Illinois House of Representatives requests that the U.S. Department of Agriculture promulgate such changes in its rules and regulations as will be of benefit to drought-stricken family farmers, in Illinois and in other states; and, be it further

"*Resolved,* That a suitable copy of this resolution be presented to the Speaker of the U.S. House of Representatives, the president pro tempore of the U.S. Senate, The Illinois Congressional Delegation and the Secretary of the U.S. Department of Agriculture."

POM-588. A joint resolution adopted by the Legislature of the State of California; to the Committee on Appropriations:

"SENATE JOINT RESOLUTION No. 36

"Whereas, The United States Coast Guard provides vital services to the People of the State of California, including search and rescue, maritime law enforcement, aids to navigation, boating safety, defense operations, environmental response, marine inspection and licensing, port safety and security, and waterways management; and

"Whereas, The Coast Guard will have to close units, slow down operations, and cut personnel during the rest of the 1987-88 fiscal year because of a one hundred million dollar budget shortfall, and if the Coast Guard does not receive budget relief soon, even more drastic cuts will be made; and

"Whereas, The California Legislature is concerned that the loss of the United States Coast Guard stations at Mare Island and Lake Tahoe and the elimination of patrols on the Klamath River will seriously impact the safety of mariners in those waters; and

"Whereas, Coast Guard law enforcement operations are being cut by 55 percent as a result of the budget shortfall, and the Legislature is concerned that reductions of routine patrols by up to 55 percent in waters both within and adjacent to California will have a major detrimental impact on drug interdiction and fishery law enforcement and leave our waters more vulnerable to environmental damage; and

"Whereas, The Secretary of Transportation, the Honorable James H. Burnley, IV, is planning to request a reprogramming of sixty million dollars from other United States Department of Transportation agencies to the Coast Guard for fiscal year 1987-88; and

"Whereas, The administration has agreed to support a fiscal year 1988-89 budget for the Coast Guard that will allow resumption of normal operations by the Coast Guard units that remain in service; and

"Whereas, Congressional approval of both the sixty million dollar Department of Transportation reprogramming in 1987-88 and the full 1988-89 Coast Guard appropriation is essential to avoid even more drastic closures of units and reductions in service; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature memorializes Congress to expeditiously approve the reprogramming of sixty million dollars to the United States Coast Guard for the 1987-88 fiscal year, to appropriate all funds necessary to restore all Coast Guard services to California waters for the remainder of the 1987-88 fiscal year, and to provide adequate funding for the Coast Guard in the 1988-89 fiscal year; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of Transportation, and to each Senator and Representative from California in the Congress of the United States."

POM-589. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Appropriations:

"RESOLUTION

"Whereas, The Center for Disease Control suggests that the rapid emergence of AIDS as a major public health problem has severely strained all health organizations—national, state and local—which have significant responsibilities for responding; and

"Whereas, The Food and Drug Administration (FDR) is a crucial link in efforts to transfer AIDS research into therapy, vaccines and blood tests; and

"Whereas, Research is growing at such a rapid pace that the FDR is challenged to ensure that it will have sufficient capability to oversee the testing of new products and the eventual approval of those that prove safe and effective; and

"Whereas, There are approximately 16 companies with multiple submissions, including new improved HIV antibody tests, antibody tests based on recombinant DNA technology and tests that directly detect the level of antigen (actual virus of HIV) in the blood; therefore be it

"*Resolved,* That the Senate of the Commonwealth of Pennsylvania urge the United States Congress of the timely need to appropriate additional funding for increased personnel and resources for the approval of new testing technology to further provide safety to the American blood supply."

POM-590. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Appropriations:

"HOUSE CONCURRENT RESOLUTION No. 763

"Whereas, The members of the Michigan Legislature are most concerned and saddened by the tragic disability caused by Interstitial Cystitis to citizens of our state; and

"Whereas, The Interstitial Cystitis Association in Michigan has over 400 members and numerous support groups statewide. Counseling groups have been established to aid the victims and families in dealing with this disease which often relegates a vital member of our society to a homebound existence; and

"Whereas, Diagnosis is difficult, and further education efforts are necessary to update physicians on the symptoms of the disease; and

"Whereas, Since there is no cure for Interstitial Cystitis, it behooves a benevolent society to find the cause and cure of such a disabling syndrome; and

"Whereas, To fight this physically and emotionally taxing disease, the victims and families of victims have united to promote research and to educate the public; now therefore, be it

"*Resolved by the House of Representatives (the Senate concurring),* That the Michigan Legislature memorializes the Congress of the United States to appropriate funds to research and find a cure for Interstitial Cystitis; and be it further

"*Resolved,* That a copy of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM-591. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Commerce, Science, and Transportation:

"RESOLUTION

"Whereas, The Commercial Motor Vehicle Safety Act of 1986 (Public Law 99-50, 100 Stat. 3207-170), which is being phased in this year, requires commercial licenses for drivers of all vehicles weighing over 26,000 pounds carrying 15 or more people or transporting hazardous materials; and

"Whereas, The safety problems on highways which initiated the enactment of the Commercial Motor Vehicle Safety Act of 1986 are not being caused by the operation of fire trucks; and

"Whereas, Drivers of fire company vehicles presently receive adequate training in operating these specialized vehicles; and

"Whereas, Requiring that such drivers obtain commercial licenses, which will entail taking road tests, written tests and paying approximately $400, places an unwarranted burden on firefighters and fire companies and, rather than encouraging firefighters to render their priceless services to their communities, hampers them from doing so; therefore be it

"*Resolved,* That the Senate of Pennsylvania memorialize the Congress of the United States to amend the Commercial Motor Vehicle Safety Act of 1986 to exempt the drivers of fire company vehicles from the commercial licensing requirements of the act; and be it further

"*Resolved,* That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-592. A joint resolution adopted by the Legislature of the State of Illinois; to the Committee on Energy and Natural Resources:

"HOUSE JOINT RESOLUTION No. 145

"Whereas. The Korean conflict ended on July 27, 1953; and

"Whereas. More than 55,000 United States service deaths are attributed to the Korean Conflict, which is now referred to by the press as "the forgotten war'; and

"Whereas. The United States citizens who served so valiantly and gave so much during that war, and in the cause of freedom, should be memorialized by the erection of a National Korean War Monument that would symbolize their dedication to this great country; therefore be it

"*Resolved, by the House of Representatives of the eighty-fifth General Assembly of the State of Illinois, the Senate concurring herein.* That we urge the Congress of the United States to actively support the fund raising efforts and construction of a National Korean War Monument to memorialize those Americans who made the ultimate sacrifice during the Korean War; and be it further

"*Resolved,* That a suitable copy of this resolution be sent to each member of the Illinois Congressional Delegation, the Speaker of the United States House of Representatives, the President of the United States Senate and the President of the United States."

POM-593. A joint resolution adopted by the Legislature of the State of California; to the Committee on Environment and Public Works:

"SENATE JOINT RESOLUTION No. 41—

"Whereas, The federal Water Quality Act of 1987 established the National Estuaries Program within the Environmental Protection Agency for the purpose of coordinating and developing individual plans for the clean up and management of distressed bays; and

"Whereas, Each site designated to participate in the National Estuaries Program will be the subject of a unique management conference comprised of a panel of experts representing federal, state, and local agencies, elected officials, environmentalists, and industrial dischargers; and

"Whereas, The management conference will produce a comprehensive conservation and management plan recommending actions to restore the water quality and marine environment of the bay and ensure its long-term protection, and, upon approval of the management plan, the bay will be eligible for federal implementation grants; and

"Whereas, The Governor of California has officially nominated Santa Monica Bay as a candidate for the National Estuaries Program, and Santa Monica Bay was named a priority bay for inclusion in the program in the omnibus federal spending bill signed into law in December of 1987; and

"Whereas, Santa Monica Bay is a natural resource of great importance for the State of California, providing significant economic and recreational benefits to the public; and

"Whereas, The quality of Santa Monica Bay has deteriorated as a result of pollutant inputs from industrial and municipal sources and urban runoff, and high levels of PCBs and DDT have been discovered in sediment and fish tissue taken from Santa Monica Bay; and

"Whereas, The Extraordinary level of consumption of fish from Santa Monica Bay and the frequency of human contact with the waters of the bay indicates a dire need for a regional pollution control and abatement strategy; and

"Whereas, The Environmental Protection Agency will choose from among the nominated sites seeking inclusion in the National Estuaries Program and will make a selection of participants in the summer of 1988; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the legislature of the State of California memorializes the Environmental Protection Agency to select Santa Monica Bay for the National Estuaries Program in order to protect the beneficial uses of the bay for the California public; and be it further

"*Resolved,* That the Legislature memorializes the Environmental Protection Agency to immediately convene the National Estuaries Program management conference for Santa Monica Bay in order to expedite the adoption of a strict management plan to prohibit future pollution of the bay, and to mitigate the current pollution at the earliest possible date; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Administrator of the Environmental Protection Agency, to the Speaker of the United States House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-594. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"SENATE JOINT RESOLUTION No. 27—

"Whereas, From 1971 through 1987, California permitted orders for the modification or revocation of child support to be retroactive, pursuant to subdivision (a) of Section 4700 of the Civil Code, which stated in part, ". . . to the date of the filing of the notice of motion or order to show cause therefor, or to any subsequent date."; and

"Whereas, Since October 21, 1986, the federal law (42 U.S.C. Sec. 666(9)(C)) has permitted retroactivity only to the date of notice; and

"Whereas, In 1987 California, in order to continue to receive federal funding for its child support collection activites, amended Section 4700 of the Civil Code to comply with this federal mandate; this amendment was operative January 1, 1988; and

"Whereas, Divorce is relegating thousands of children to a diminished standard of living and often even to a poverty-level existence; and

"Whereas, Children residing with their mothers alone are almost five times as likely to be subsisting below the poverty level as are children in two-parent families; and

"Whereas, Despite legislative efforts to combat the problem, competent data suggest that in California child support awards remain inadequate; and

"Whereas, For example, the January-March 1986 Quarterly Report of the Child Support Management System, submitted to the Governor by the California Department of Social Services, shows that the average monthly child support payment collected by district attorney's offices to be $159.74 ($151.22 in AFDC cases and $167.69 in non-AFDC cases); and

"Whereas, The California Legislature believes that 42 U.S.C. Section 666(9)(C) is potentially injurious to custodial parents and their children in that under its provisions they are prohibited from receiving upward modifications in child support at the earliest possible date; and

"Whereas, The Legislature of the State of California is concerned that the federal statute will encourage some obligor parents to avoid process servers and thereby avoid increased child support payments; and

"Whereas, This situation would be harmful not only to supported families but also to society as a whole, which must assume the burden of supporting children whose parents do not fulfill their obligations; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorializes the President and the Congress of the United States to permit the individual states to determine the appropriate date for retroactive modification or revocation of child support orders; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-595. A resolution adopted by the Senate of the State of Illinois; to the Committee on Finance:

"SENATE RESOLUTION No. 617

"Whereas, Canada is a close ally of the United States in the defense of North America and, through membership of NATO, of the Western Democracies; and

"Whereas, There are substantial historical, cultural and economic links between the State of Illinois and Canada; and

"Whereas, Canada is the United States' and the State of Illinois' major trading partner; in 1986 Illinois imported from and exported to Canada more than $3 billion of merchandise; and

"Whereas, More than 200 companies headquartered in Illinois have invested in Canada and that many Canadian companies have invested in Canada and that many Canadian Companies have invested in the State and others are contemplating such investment; and

"Whereas, Illinois is advantaged in trading with Canada by reason of proximity as well as the existence of excellent transportation, communication and financial service links with that country; and

"Whereas, Tariff and non-tariff barriers continue to impede trade and distort investment location between the United States and Canada, to the detriment of both countries and the State of Illinois; and

"Whereas, An agreement in principle was reached between the United States and Canada on October 4, 1987, to establish a free trade area; and

"Whereas, This Free Trade Agreement, when enacted, would remove, on a phased basis, all tariff barriers between Canada and the United States; would reduce the trade-distorting effects of non-tariff barriers; would establish new international rules for services; would remove all limitations on crossborder trade in energy products; and would lead to a more secure and fair North American investment climate; and

"Whereas, Implementation by both the United States and Canada of the measures set out in the October 4, 1987, accord would be advantageous to the State of Illinois in terms of job creation by promoting rationalization, improved productivity and greater competitiveness; therefore, be it

"*Resolved, by the Senate of the eighty-fifth General Assembly of the State of Illinois,* That the President is urged to enter into a Free Trade Agreement with Canada; and be it further

"*Resolved,* That the Members of the United States Congress are urged to give favorable consideration to the Free Trade Agreement with Canada when it is referred to the Senate and House of Representatives for adoption; and be it further

"*Resolved,* That suitable copies of this preamble and resolution be delivered to the President, Speaker of the United States House of Representatives, the President of the United States Senate and all Members of the Illinois Congressional Delegation."

POM-596. A resolution adopted by the St. Mary Industrial Group, Morgan City, Louisiana, opposing the payment in any form to Iran, its citizens or citizens of any country involved in the downing of Iran Air Bus A-300; to the Committee on Foreign Relations.

POM-597. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Governmental Affairs.

RESOLUTION

"Whereas, Nationwide 27 million adults are wholly illiterate and 45 million more are near illiteracy; and

"Whereas, Thirteen percent of the 56 million adults in the United States without high school diplomas are illiterate; and

"Whereas, Adult education courses afford an opportunity, to those who for various reasons were unable to obtain a basic education and attain literacy in their youth, to find a new beginning in their lives; to leave the ranks of the unemployed or underemployed; and to become viable and productive members of their communities and our American society; and

"Whereas, Every effort should be made to promote public awareness of the availability of adult education courses and their value; and the issuance of an appropriate commemorative stamp would be one means of so doing; therefore be it

"Resolved, That the Senate of the Commonwealth of Pennsylvania urge the Citizen Stamp Advisory Committee of the United States Postal Service to issue a commemorative stamp to promote public awareness, interest and support for adult basic education; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each house of Congress, to each member of Congress from Pennsylvania and to Mr. Belmont Faries, Chairman, Citizen Stamp Advisory Committee of the United States Postal Service."

POM-598. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on the Judiciary:

"RESOLUTION

"Whereas, the First Congress of the United States of America at the first session, in both houses, by a constitutional majority of two-thirds thereof, adopted the following proposition to amend the Constitution of the United States of America in the following words, to-wit:

"JOINT RESOLUTION

"Proposing an amendment to the Constitution to provide for the effect of congressional pay increases.

"*Resolved by the Senate and House of Representatives of the United States of America, in Congress assembled, two-thirds of both Houses concurring,* That the following article be proposed as an amendment to the Constitution of the United States, . . . which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States;

"ARTICLE

"No law, varying the compensation for the services of the Senators and Representatives shall take effect, until an election of Representatives shall have intervened." Therefore, be it

"*Resolved,* That the Legislature of Louisiana ratifies the foregoing proposed amendment to the Constitution of the United States of America; be it further

"*Resolved,* That certified copies of this Resolution shall be forwarded to the administrator of General Services, Washington, D.C., and to the president of the Senate and the speaker of the House of Representatives of the Congress of the United States."

POM-599. A resolution adopted by the Fiscal Court of Jefferson County, Kentucky favoring legislation to provide for better child care services; to the Committee on Labor and Human Resources.

POM-600. A joint resolution adopted by the Legislature of the State of California relative to child care; to the Committee on Labor and Human Resources.

"SENATE JOINT RESOLUTION No. 32

"Whereas, Mothers are increasing their labor force participation; and

"Whereas, Child care is key to maintaining a family's income but many families do not earn enough to pay for decent child care; and

"Whereas, When child care help is provided, families can begin to move out of poverty; and

"Whereas, Long waiting lists preclude eligible families from receiving child care help; and

"Whereas, Quality child care is key to the future economic security of our nation; and

"Whereas, The quality of child care must be improved; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation to help states make child care more affordable for low- and moderate-income families, increase the number of child care facilities and the number of qualified day care staff available to all families, improve the quality of child care available to all families, and coordinate child care resources to preserve their efficient use; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GLENN, from the Committee on Governmental Affairs, without amendment:

S. 2449: A bill to amend title 39, United States Code, with respect to the budgetary treatment of the Postal Service, and for other purposes (Rept. No. 100-427).

By Mr. FORD, from the Committee on Rules and Administration:

Special Report entitled "Report of the Committee on Rules and Administration Pursuant to Section 302(B) of the Congressional Budget Act of 1974 (Rept. No. 100-428).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 2209: A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes (Rept. No. 100-429).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 837: A bill to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes (Rept. No. 100-430).

By Mr. BURDICK, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 2030: A bill to amend the Marine Protection, Research, and Sanctuaries Act (Rept. No. 100-431).

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

S. 2496: A bill to provide for the leasing of certain real property to the American National Red Cross, District of Columbia Chapter, for the construction and maintenance of certain buildings and improvements (Rept. No. 100-432).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance:

John O. Colvin, of Virginia, to be a Judge of the United States Tax Court for a term expiring fifteen years after he takes office.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 2654. A bill to convey certain Oregon and California Railroad Grant Lands in Josephine County, Oregon to the Rogue Community College District, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FORD:

S. 2655. A bill to amend the Water Resources Development Act of 1986 to provide for Federal cost-sharing of water projects, and for other purposes; to the Committee on Environment and Public Works.

By Mr. ARMSTRONG (for himself and Mr. Wirth):

S. 2656. A bill to further the efforts of certain States to attain air quality standards, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. McCONNELL:

S. 2657. A bill to amend section 315 of the Communications Act of 1934 with respect to the purchase of broadcasting time by candidates for public office; to the Committee on Commerce, Science, and Transportation.

By Mr. BOSCHWITZ (for himself and Mr. Kasten):

S. 2658. A bill to amend the Internal Revenue Code of 1986 to provide that the amount of the earned income tax credit will be related to family size; to the Committee on Finance.

By Mr. WARNER (for himself, Mr. Shelby, Mr. Pryor, Mr. Lugar, Mr. Moynihan, Mr. Weicker, Mr. Wilson, Mr. Evans, Mr. Durenberger, Mr. Symms, Mr. Chiles, Mr. Pressler, Mr. Dole, Mr. Byrd, Mr. Bentsen, Mr. Cochran, Mr. D'Amato, Mr. Nunn, Mr. Gramm, Mr. McClure, Mr. Helms, Mr. Bumpers, Mr. Inouye, Mr. Burdick, Mr. Rockefeller, Mr. Trible, Ms. Mikulski, Mr. Breaux, Mr. Daschle, Mr. Hollings, Mr. Hatch, Mr. Johnston, Mr. Garn, Mr. Simpson, Mr. DeConcini, Mr. Thurmond, Mr. Danforth, Mr. Quayle, and Mr. Nickles):

S.J. Res. 352. A joint resolution designating September 24, 1989, as "United States Marshals Bicentennial Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATFIELD (for himself and Mr. Packwood):

S. 2654. A bill to convey certain Oregon and California railroad grant lands in Josephine County, OR, to the Rogue Community College District, and for other purposes; to the Committee on Energy and Natural Resources.

TRANSFER OF CERTAIN LANDS

● Mr. HATFIELD. Mr. President, today Senator Packwood and I are introducing legislation to convey a small parcel of Oregon and California railroad grant land—O&C land—to the Rogue Community College District in Josephine County, OR.

For the past several years, the Bureau of Land Management [BLM] has negotiated with the General Services Administration [GSA] for the transfer of the title to this land to the Rogue Community College District. However, because O&C lands are reacquired public domain lands, they cannot be conveyed to the college under the provisions of current law.

From 1965 to 1968 the Fort Vannoy Job Corps operated on this property. After the center was terminated, Rogue Community College initiated the process to acquire the site and its buildings. The buildings were surplused to GSA and BLM in accordance with the Federal Property and Administrative Services Act of 1949, and subsequently transferred to the Department of Health, Education and Welfare [HEW]. In 1971, the Rogue Community College acquired the buildings from HEW without cost, and BLM leased the land to the college for a small sum.

The college has been operating successfully on this property ever since that time. Due to the need to finance future physical improvements, the college continues to seek title to the land. Accordingly, I am hopeful that this legislation, which would convey the land to the college only for educational purposes—and revert back to the Federal Government and assume its prior status as Oregon and California railroad grant land if used for any other reason—will be viewed favorably by my colleagues.

Mr. President, I ask unanimous consent that a memorandum prepared by the Department of the Interior's Pacific Northwest Regional Solicitor which explains the history of this issue in great detail, and a copy of the bill be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior may convey, without consideration, to Rogue Community College District the following described land in Josephine County, Oregon; Section 27, SW ¼ NE ¼ T. 36 S., R. 6 W., W.M. (hereinafter referred to as "the property"). Such conveyance shall be subject to all existing encumbrances, shall reserve to the United States the mineral estate, including geothermal resources, and be made subject to the Act of August 30, 1890, 26 Stat. 391, 43 U.S.C. 945 and shall be subject to a reverter in the event the property is used for other than educational purposes. Should the property revert to the United States by operation of such a reverter, the property shall be identified, classified and managed as Oregon and California Railroad Grant Lands. Upon application to the Secretary of the Interior and the payment of fair market value of the land and any improvements thereon, Rogue Community College District is authorized to acquire the property from the United States, such conveyance shall be by quitclaim deed.

U.S. Department of the Interior,
Office of the Solicitor, Pacific
Northwest Region,
Portland, OR, April 16, 1984.

BLM.PN.0031.

Memorandum.

To: Oregon State Director, Bureau of Land Management (431943.1).

From: Office of the Regional Solicitor, Pacific Northwest Region.

Subject: Disposal of O&C Land to Rogue Community College.

Over the past three years the BLM has been negotiating with the General Services Administration as to the possible disposal of the O&C land on which the Rogue Community College is operating its college under a twenty-five year lease. However, the GSA has continued to question its authority to accept this property under the Federal Property and Administrative Services Act of 1949, (40 U.S.C. §471 *et seq*), hereinafter referred to as the FPASA, because of its special status as O&C land. You have requested that our office examine the issues involved and provide you our legal opinion on this question. Based upon a careful examination of the legislation history of the O&C lands and the provisions of the FPASA we have concluded that O&C lands are reacquired public domain land which have been reserved for special purposes and that they cannot be disposed of under the FPASA.

To assist in understanding this matter it is helpful to outline the circumstances leading to the present situation.

BACKGROUND INFORMATION

The land in question consists of the SW ¼ NE ¼ of Section 27, T. 36 S. R. 6. W. Willamette Meridian. It is located approximately 2½ miles southwest of the city of Grants Pass, Oregon, which is the county seat of Josephine County. The land was originally part of the public domain which was granted to the Oregon and California Railroad Company in aid of the construction of a railroad from Portland to the Oregon—California boundary by the Act of July 25, 1866 (14 Stat. 239). Because of violations of the terms of the grant, the Congress revested all unsold lands by the Act of June 9, 1916 (39 Stat. 218).

In 1965 and 1966 the Fort Vannoy Job Corps Center was constructed on the area. It consisted of approximately 36 buildings and sheds, having an estimated value in 1971 of approximately $730,000. According to BLM records no merchantable timber remains on the area. The camp was terminated in 1968 and the Rogue Community College initiated proceedings to acquire the site and its buildings. The buildings were surplused to the General Services Administration by the BLM under the FPASA and subsequently transferred to the Department of Health, Education and Welfare.

By an Agreement of Sale with HEW dated August 19, 1971, the Rogue Community College acquired the buildings on this land without cost. In accordance with the terms of the agreement the college earned a public benefit allowance for the value of the buildings by agreeing to use the property for educational purposes for 15 years. Concurrent with the sale of the buildings, the BLM leased the underlying land to the college for a period of 10 years under the terms of a Recreational or Public Purpose Lease dated July 1, 1971, for a lump sum payment of $100. The land was leased rather than sold under the R&PP Act because that act specifically provides that O&C land may only be leased. (43 U.S.C. § 869(c)) In 1973, in response to a Congressional inquiry, the Medford District Manager advised the Oregon State Director that because O&C land was involved it could not be disposed of through GSA under the FPASA and would therefore have to be exchanged or sold through special legislation. The possibilities of an exchange were explored at that time by the parties but were never fully pursued because of the complexities involved and time which this would take.

The files of the BLM also contain a copy of a memorandum of some interest from the Oregon State Director to the Director dated April 18, 1973, which, however, was apparently never sent. This draft memorandum indicates that the BLM knew of no precedent for the disposal of O&C lands by the GSA and that the Director's policy at the time the site was leased to the college was to limit disposal to a lease under the R&PP Act. While the statement sheds no light on whether the land could be legally disposed of under the FPASA, it does point out the important policy questions involved if a disposal of fee title under that act were to be pursued.

Between 1973 and 1979 no further activities were reported concerning the acquisition of the property by the college. However, approval was given by the BLM for the construction of several new school buildings.

In 1979 inquiries were again made by the college through Senator Hatfield as to the means by which the college could acquire title to the site. In response to this inquiry the Oregon State Director advised Senator Hatfield in a letter dated November 21, 1979, that sale for fair market value under FLPMA or land exchanges were the only two methods by which the college could acquire the title to the property under existing law. There is some confusion as to whether this response was intended to refer only to statutes under which the BLM operates directly or was also intended to imply that disposal by the GSA under the FPASA was not possible.

After learning that the Josephine County Commissioners and the Association of O&C Counties were agreeable to a disposal of the land through the GSA, the Oregon State Director advised the Medford District Manager on March 13, 1980, to proceed with disposal if the college formally requested such disposal and could demonstrate that the present lease was inadequate. The college was so advised and on April 24, 1980, formally requested the transfer of title.

Following the preparation of the necessary environmental analysis and land report, the District Manager reported the property available for disposal on August 4, 1980. The report was approved by the State Director and forwarded to the Denver Service Center on September 8, 1980, with the recommendation that the land be declared surplus, reported to GSA for disposal and conveyed to the college. On January 6, 1981, the Denver Service Center reported the land to GSA. Additional information was provided to GSA on February 26, 1981, including the fact that because of its isolated character and developments on the land it was uneconomical to manage and could not be restored to timber growth.

By a letter dated April 13, 1981, the GSA advised the BLM that it could not dispose of O&C land under the Federal Property and Administrative Services Act of 1949 for the following reasons:

"Because of the O&C land designation, we sought advice from our Regional counsel. GSA can accept excess property for disposal under the Federal Property and Administrative Services Act of 1949, as amended. However, counsel advises that the term 'property' does not include land in the public domain. It has been held that "O&C" lands are a part of the public domain and as such may not be disposed of by GSA under its authorities. Accordingly, we are returning your report of excess."

Discussion of the letter with the GSA has revealed that it was based upon the informal oral advice of the attorneys for the GSA and that no written opinions were prepared.

On May 20, 1981, the BLM resubmitted its excess land report to the GSA and advised that "property" which can be disposed of by GSA "includes lands withdrawn or reserved from the public domain when such lands have been determined by the Secretary of Interior, with concurrence of the Administration of GSA, [as] not suitable for return to the public domain because they have been substantially changed by improvements or otherwise." The resubmission then indicated that the BLM had determined that the lands in question were unsuitable for return to the public domain. This document notes that the matter had been discussed by the Solicitor's Office in Washington with the GSA and that is was felt that the initial application had been returned by the GSA because it failed to state that the lands in question were unsuitable for return to the public domain.

The GSA responded to this resubmission again questioning whether it had any authority to dispose of O&C land under the Federal Property and Administrative Services Act, and that in any event if the lands were transferred to GSA for disposal there could be no assurance that they would be retransferred to the Rogue Community College.

In an attempt to resolve this impasse, our office wrote to the GSA on October 16, 1981, indicating that while we were reluctant to advise GSA as to its authorities, it appeared that GSA had authority to dispose of all property which is excess to the needs of a federal agency unless the property falls within one of the specific exceptions cited in the Federal Property and Administrative Services Act. We noted that:

"The O&C lands are portions of public domain which were granted to the Oregon and California Railroad Company in aid of the construction of a railroad. Upon violation of certain covenants in the grant, the lands were revested to the United States by an act of Congress on June 9, 1916 (39 Stat. 218). If such O&C lands fall within any of the exceptions which deprive the GSA of disposal authority, this would appear to be the exception for 'lands withdrawn or reserved from the public domain.' However, there is specifically excluded from this exception 'lands or portions of lands so withdrawn or reserved which the Secretary of the Interior, with the concurrence of the Administrator, determines are not suitable for return to the public domain for disposition under the general public land laws because such lands are substantially changed in character by improvements or otherwise.'"

It was under this exclusion to the public domain exception that BLM reported the Rogue Community College site to the GSA. We also outlined the means by which the site could be transferred to the Department of Education and thence to the college if the GSA were willing to accept the property as surplus.

In response to the comments from our office the GSA advised by a letter dated November 4, 1981, that it would only consider the acceptance of the land if it received:

"1. An unqualified certification that the BLM may properly, within its authorities and existing statutes, withdraw the lands at Grants Pass from their O&C classification, determine them to be 'property' as defined under the Federal Property and Administrative Services Act of 1949, and report them excess to GSA for disposal.

"2. A formal land determination from the BLM that the O&C lands in question, or a portion of them, are unsuitable for retention in the public domain together with a request that GSA concur in that determination."

Certain additional information was also requested from the BLM.

Because of the delays in disposing of this property to the college it became necessary to extend the existing lease. On November 5, 1981, a new 25 year lease was offered to the college at a rental of $50 per five year period. This offer was accepted by the college and the new lease was approved by the BLM on November 19, 1981.

LEGAL ANALYSIS

The O&C Lands were originally portions of public domain which were granted in aid of the construction of a railroad. Their subsequent history up to the time of revestment has been succinctly set forth as follows by the Ninth Circuit Court of Appeals in *Skoko* v. *Andrus*, 638 F.2d 1154 (9th Cir. 1979), *cert. den.* 444 U.S. 927, 62 L.Ed.2d 183 (1979):

"Between 1866 and 1870, Congress granted almost 4,000,000 acres of land to the Oregon & California Railroad to promote the construction of a railroad from Portland, Oregon, to the California Border. The granting statutes contained a proviso, "That the lands granted . . . shall be sold to actual settlers only in quantitites not greater than one quarter section to one purchaser, and for a price not exceeding two dollars and fifty cents per acre." *Oregon & California Railroad Co.* v. *United States*, 1915, 238 U.S. 393, 403, 35 S. Ct. 908, 913, 59 L.Ed. 1360.

"The railroad was built, but the proviso was violated. As a result, Congress, by joint resolution, directed the Attorney General to enforce the proviso. 35 Stat. 571 (1908). In the ensuing action,. *supra*, the Court held that the proviso was a covenant, not a condition. It therefore refused to forfeit the lands still owned by the railroad, ordered the covernant enforced, and gave Congress "a reasonable time" to frame the remedy. *Id*, at 438-39, 35 S. Ct. 908.

"Congress responded with the Chamberlain-Ferris Revestment Act of June 9, 1916, 39 Stat. 218, which declared all undisposed of grant lands "hereby, revested in the United States." 39 Stat. 219.

In 1912 while federal court actions were in progress to forfeit these lands, the Congress passed what has been called the "Forgiveness Act" (Act of August 29, 1912, 37 Stat. 320). This act permitted the government to compromise with and issue patents to those persons who had purchased O&C lands from the railroad grantee. It also provided in Section 2 of the Act:

"That none of the lands reverting to the United States by virtue of any right of forefeiture thereto as aforesaid shall be or become subject to entry under any of the public-land laws of the United States, or to the initiation of any right whatever under any of the public-land laws of the United States.

This reflects the intent of Congress that upon any successful forfeiture action the forfeited lands would not be directly disposed of under the homestead, lieu land or other statutes which were then the subject of such controversy.

The status of any reacquired O&C lands was again considered by Congress during the hearings leading up to the Revestment Act of June 9, 1916, (39 Stat. 218). As reported at page 116 of the Hearings Before the Committee on the Public Lands, House of Representatives on H.J. Res. 58, 64th Cong., 1st Sess., February 24, 1916, it was indicated by C. J. Smyth, Special Assistant to the Attorney General that the above quoted provision of the Foregiveness Act of 1912 would have no application where the Congress rather than the courts provided for the revestment of the O&C lands to the United States. He concluded that:

"It might be (*sic*) well be said that if the title to these lands was resumed by the United States without any provision for their future disposition they would become subject to the public-land laws not in existence. In fact, I do not see at this moment how that conclusion could be escaped. If, therefore, Congress concludes to revest the title in the United States, it ought at the same time to provide for some disposition of the lands."

In order to avoid subjecting the revested O&C lands to the general public-land laws then in effect, Congress specifically provided under the terms of the Act of June 9, 1916 (39 Stat. 218) for the disposition of these lands. The act provides that the lands be classified into (1) power-site lands, (2) timber lands, or (3) agricultural lands; that the timber on the lands should be sold for cash; and that the non-mineral agricultural lands should be subject to entry and sale under the homestead laws. It further provided that rights of way could be granted across such lands in the same manner as for public lands and that mineral lands (other than those suitable for power sites) were subject to entry and disposition under the mineral-land law of the United States.

This statute was later amended and supplemented by the O&C Act of August 28, 1937, (43 U.S.C. §1181a) which provided that lands classified as timber lands be managed for timber production in support of local communities and industries. It also provided for the reclassification of lands more suitable for agricultural use.

Based upon the special history of the O&C lands and the above statutes, the Department of the Interior has on several occasions issued opinions which concluded that Congress has set aside the O&C lands for the purposes specified in the 1916 and 1937 acts and that they may not be used or disposed of for purposes or by means not provided for by the Congress.

In an opinion dated March 9, 1940, the Solicitor advised the Secretary that:

"Congress has specifically provided a plan of utilization of the Oregon and California Railroad revested lands. This plan among other things involves the disposal of lands and timber and the distribution of the moneys received from such disposition. It must be concluded that Congress has set aside the lands for the specified purpose."

In view of this the Solicitor concluded that a presidential withdrawal of the O&C lands as an addition to the Oregon Caves National Monument was not authorized since it would conflict with the requirements of the O&C Act.

One year later on August 25, 1941, the Assistant Secretary issued an instruction advising that the mining laws were in conflict with the timber management requirements of the O&C Act and therefore did not apply to such lands. (57 ID 365) In reaching this conclusion the Assistant Secretary noted that the O&C Act required the permanent retention of lands classified for forest management and their management for timber production and other purposes specifically stated in the act. He also noted that it was a well established policy of the Congress to reserve lands from disposal except where there existed express statutory provisions for their disposition citing the case of *United States* v. *Sweet*, 245 U.S. 563, 62 L.Ed 473 (1918).

The same conclusions as to the special status of the O&C lands was reached by the Associate Solicitor for the Division of Public Lands in an opinion to the Director of the BLM dated October 7, 1966 (M-36697) Here the Associate Solicitor stated that:

"Congress has in a special manner sought to preserve the interests of the United States, and of the beneficiary counties, in the O&C lands and in the valuable timber resources they contain. Clearly, these lands have a special status which sets them separate and apart from the public lands of the United States. In other words, the O&C lands have been "appropriated" by the Congress."

Since such lands are appropriated for special designated purposes the Associate Solicitor concluded that they were not available as Indian Allotments under 25 U.S.C. § 334.

The care which the Congress has continued to assert concerning the preservation of the O&C lands as a special category of appropriate land has already been alluded to with respect to the Recreation and Public Purpose Act (43 U.S.C. § 869(c)) which provides for the lease but not the sale of O&C lands. More recently with the passage of the Federal Land Policy and Management Act of 1976 (FLPMA) the Congress has provided at 43 U.S.C. § 701(b) that any provisions of FLPMA which are inconsistent with timber management or revenue disposal provisions of the O&C Act must give way.

Given the historical and legal background of the O&C land, the question remains as to how these lands are to be classified and managed with respect to the Federal Property and Administrative Service Act of 1949, as amended, 40 U.S.C. §471 *et. seq.* This statute provides for the disposal of certain surplus property of the United States by the General Services Administration. The property subject to such disposal is defined in the statute as follows:

"The term 'property' means any interest in property except (1) the public domain; lands reserved or dedicated for national forest or national park purposes; minerals in lands or portions of lands withdrawn or reserved from the public domain which the Secretary of the Interior determines are suitable for disposition under the public land mining and mineral leasing laws; and lands withdrawn or reserved from the public domain except lands or portions of lands so withdrawn or reserved which the Secretary of the Interior, with the concurrence of the Administrator, determines are not suitable for return to the public domain for disposition under the general public-land laws because such lands are substantially changed in character by improvements or otherwise; (2) naval vessels of the following categories: Battleships, cruisers, aircraft carriers, destroyers, and submarines; and (3) records of the Federal Government." (40 U.S.C. §472(d))

In order to understand the place of the O&C lands within this definition it is helpful to examine the legislative history of the FPASA. In Senate Report 857 which accompanied the bill which amended the FPASA to its present general form in 1958, the term "public domain" was described as:

"Original public domain lands which have never left Federal ownership; also, lands in Federal ownership which were obtained by the Government in exchange for public lands or for timber on such lands; also, original public domain lands which have reverted to Federal ownership through operation of the public-land laws." S. Rep. No. 857, 85th Cong. 2nd Sess. (1957), reprinted in 1958 U.S. Code Cong. & Ad. News 2227, 2233.

Lands withdrawn or reserved from the public domain are further described in Senate Report 857 as follows:

"Two categories of federally owned real property may be said to fall within the term "reservations." Original public domain lands—lands to which title has been in the United States since acquisition—and withdrawn to a greater or lesser degree from the general operation of the public-land laws relating to settlement, entry, location, and sale, are 'Federal reservations.' So, too, are lands acquired or reacquired by the United States by purchase, condemnation, or by exchange for such purchased, condemned, or donated lands or for interests in or on such lands, and held for a specific public purpose. The term 'withdraw' is used interchangeably with the term 'reserve' to describe the statutory or administrative action which restricts or segregates a designated area of Federal real property from the full operation of the public-land laws relating to settlement, entry, location, and sales, which action holds them for a specific—and usually limited—public purpose.

"Examples of reservations include: national forest reserve lands; national parks, monuments, and other units of the national park system; fish and wildlife refuges; petroleum, oil shale, coal, and other mineral reserves; recreation and wilderness areas; reclamation and power withdrawals or reservations; military reservations, and similar areas, all of which are held by some Federal agency for specified public purposes, and all of which may be created wholly from reserved original public domain lands, wholly from acquired or reacquired lands, or from portions of both. Other examples of Federal reservations, frequently created wholly from acquired lands, are post-office sites, weather stations, immigration and customs facilities, lighthouses, Federal courthouse sites, and the like." U.S. Code Cong. & Ad. News, *supra*, at 2233.

The recognition which Congress gave to the fact that upon revestment the O&C lands could be disposed of as any other public domain lands unless certain reservations were enacted has already been described with reference to the Foregiveness Act of 1912 and the Revestment Act of June 9, 1916. This taken together with the above description of the terms contained in the FPASA, makes it clear that the O&C lands are reacquired public domain lands which have been reserved for those special purposes described in such statutes as the 1916 Revestment Act and the August 28, 1937 O&C Act (42 U.S.C. 1181 *et seq.*). Because of their special reserved status they can only be disposed of in accordance with the mandate of Congress.

Such O&C lands can be sold for their fair market price in accordance with 43 U.S.C. 203 so long as such sales would not be inconsistent with the timber management or revenue disposal provisions of the O&C Act as required by 43 U.S.C. 701(b). Such lands can also be exchanged in accordance with 43 U.S.C. 206. They can be leased but not sold in accordance with the Recreation or Public Purposes Act (43 U.S.C. 869(c)). As reacquired public domain lands which have been reserved by Congress for a special purpose, the O&C lands do not fall within the definition of "property" as that term is used in the FPASA. While we indicated in our letter to the GSA on October 16, 1981, that lands reserved from the public domain which the Secretary of the Interior determined were not suitable for return to the public domain because of substantial changes in character by improvements could be disposed of under the FPASA, the present analysis of the legislature history of the O&C land makes it clear that since the Secretary has, in any event, no authority to return parcels of O&C land to the public domain, this provision of the FPASA is also inapplicable to the O&C lands. As noted earlier with respect to the attempted withdrawal of O&C lands as an addition to the Oregon Caves National Monument, only Congress can provide for the means by which the O&C lands may be disposed of. Therefore it is our opinion that without new legislation it will not be possible to dispose of the Rogue Community College site under the FPASA nor will it be possible to exchange or sell these lands for less than their fair market value.

The suggestion has also been made that it might be possible for the BLM to dispose of the lands on which the Rogue Community College is located under 42 U.S.C. §2704. That statute provides that:

"Notwithstanding any other provision of law, the Director of the Office of Economic Opportunity shall establish procedures and make arrangements which are designed to assure that facilities and equipment at Job Corps centers which are being discontinued will, where feasible, be made available for use by State or Federal agencies and other public or private agencies, institutions, and organizations with satisfactory arrangements for utilizing such facilities and equipment for conducting programs, especially those providing opportunities for low-income disadvantaged youth, including, without limitation—(1) special remedial programs; (2) summer youth programs; (3) exemplary vocational preparation and training programs; (4) cultural enrichment programs, including music, the arts, and the humanities; (5) training programs designed to improve the qualifications of educational personnel, including instructors in vocational educational programs; and (6) youth conservation work and other conservation programs."

We do not believe the statute has any application to the present situation for a number of reasons. First, the Act relates to "facilities and equipment" only. There is no indication that Congress intended that it would provide the basis for the disposal of the title to federal land. Further, the statute merely provides that such "facilities and equipment" be made available for use by others, not that title passed. It also directs that such use be for special programs for disadvantaged youth, a purpose which at best may only make up a part of the program of education presently being offered by the Rogue Community College. In any event, in view of the specific Congressional mandate which has been laid down for the management of O&C lands it would be extremely difficult to imply a different and inconsistent use for the land on the basis of such a vaguely worded statute. In addition, the fact that the statute speaks in terms of Job Corps centers which are *being discontinued* appears to have little bearing upon a center which was discontinued in 1968, more than fifteen years ago and whose "facilities and equipment" were disposed of to the Community College under other statutory authority in 1971.

If we may be of further assistance in this matter please let us know. Your case file is returned herewith.

For the Regional Solicitor,
DONALD P. LAWTON,
Assistant Regional Solicitor, Pacific Northwest Region.●

By Mr. FORD:

S. 2655. A bill to amend the Water Resources Development Act of 1986 to provide for Federal cost-sharing of water supply projects, and for other purposes; to the Committee on Environment and Public Works.

FEDERAL COST-SHARING OF WATER SUPPLY PROJECTS

● Mr. FORD. Mr. President, I rise to introduce legislation to amend the Water Resources Development Act of 1986 in order to provide for Federal cost-sharing of municipal water supply projects. I realize it is probably too late in the year for such legislation to be considered in committee, much less enacted, but I want my colleagues to begin thinking about the idea because I am going to reintroduce this bill in the 101st Congress and every Congress thereafter until it becomes law.

Presidential politics notwithstanding, if there is one thing in the front of everybody's mind this summer, it is that the Nation is running out of water. No one has enough—from suburban dwellers who can only use water inside their homes to farmers who have lost their crops and do not have enough hay and water for their animals. The situation is more than worrisome—it is alarming.

Even we in the Congress can do nothing about the weather, but we can hedge against future disasters. For one thing, we can change existing statutes so that the Federal Government can play a role in protecting domestic water supply. As of now, the cost of civil works projects for municipal and industrial water supply are 100 percent non-Federal. My new legislation would amend that formula to a 50 percent-50 percent Federal/non-Federal cost share—for municipal water supply only.

I cannot speak with authority for other troubled States, but I certainly can for the Commonwealth of Kentucky. Central Kentucky has been hard hit by the drought. The Kentucky River, which is the prime source of drinking water for the Bluegrass, has been running at record lows. Thankfully, local governments and individuals have been extremely cooperative in curtailing water use, thus avoiding the need for the Governor to declare a water emergency. But we came close prior to the recent week of rain.

Central Kentucky has legitimate fears about its water supply both in the short term and in the future. It has outgrown its main water source, the Kentucky River. The Army Corps of Engineers has predicted that river will not be able to handle the demand placed upon it in a severe drought by the year 2000. The population of the 13 central Kentucky counties in the river basin has nearly doubled in the past 30 years. According to the Kentucky-American Water Co., water consumption is running 20 years ahead of schedule.

When the drought is over, Kentucky State and local authorities and environmental experts will work together to draw up a viable plan for meeting the future water supply needs of the central part of the State. There are already several proposals on the drawing board—proposals estimated to cost from $22 million to $45 million, money which the State doesn't have, and none qualify for Federal funding because neither navigation nor flood control benefits would accrue.

I am not being parochial here, Mr. President; I am not speaking solely for my State when I say that the time has come for the Federal Government to play a role in the creation of municipal water supply. This year's drought has brought that home to all of us. Every State in the Nation should be able to avail itself of the expertise of the U.S. Army Corps of Engineers to protect its communities against water shortages. And every taxpayer should be able to expect his or her Federal tax dollars to pay in part for the construction of these facilities.

Mr. President, I believe this concept fits handily into the future of the Corps of Engineers. The fact is, the corps is on the downside of its flood control mission and faces little more than a caretaker status in the years ahead. Its national role needs to be expanded so that its highly professional and excellent engineering talent will be utilized rather than lost. My legislation is a good place to start.●

By Mr. ARMSTRONG (for himself and Mr. WIRTH):

S. 2656. A bill to further the efforts of certain States to attain air quality standards, for other purposes; to the Committee on Commerce, Science, and Transportation.

ACHIEVEMENT OF AIR QUALITY STANDARDS

● Mr. ARMSTRONG. Mr. President, I am pleased to introduce this legislation with my fellow Senator from Colorado. S. 2656 allows States of the mountain and pacific time zones to legislate year-round daylight saving time to further their efforts to achieve air quality standards.

While I realize that our ultimate goal is improving air quality by reducing harmful emissions and changing some living habits to improve our environment's quality, this measure will allow more effective dispersal of current emissions, preventing the buildup of harmful concentrations of carbon monoxide. Vehicles are the major source of carbon monoxide emissions. Carbon monoxide, while odorless, tasteless and invisible, is highly poisonous and harms the respiratory and nervous systems of the body.

In Colorado, according to the Air Pollution Control Division of the Colorado Health Department, year-round daylight saving time could reduce average carbon monoxide levels by 4 percent to 6 percent and peak carbon monoxide concentrations by 9 percent to 12 percent. Even the Environmental Protection Agency's more conservative estimates of 6- to 7-percent reductions in peak concentrations are significant. Both the EPA and the Colorado Health Department consider year-round daylight saving time to be one of the important programs necessary to help Colorado cut its carbon monoxide pollution 50 percent by December 31, 1992.

How does year-round daylight saving time reduce carbon monoxide air standard violations? Vehicle emissions are more readily dispersed in daytime due to the Sun heating the air. Warmth from the ground causes convective currents which disperse the carbon monoxide. When the Sun sets, the air is colder. Colder air is heavier air. The heavier, colder air traps the Earth's radiation and vehicles' emissions close to the ground at breathing level.

Typically, Denver's carbon monoxide violations occur in November, December, or January. Year-round daylight saving time would mean winter's evening rush hour would occur before the Sun sets. Fewer emissions would be trapped. Two-thirds of Denver's carbon monoxide standard violations are at night, and nearly half of those are due to the return to standard time which places evening rush hour after sunset.

But it's not just Colorado's battle against air pollution that can be helped by this bill. Colorado Health Department Meteorologist Don Barbarick has noted year-round daylight saving time is a strategy that will work best in high, dry climates as are found in the Pacific and mountain time zones. In the West, the winter afternoon rate of heat radiation from the Earth is accented by the lack of atmosphere remaining above the high terrain to absorb radiation—about 20 percent of the Earth's atmosphere mass is below Denver's mile high altitude. Further accelerating radiation is the West's lack of humidity that might capture and hold radiation. So the high, dry areas of the West experience rapid escape of heat radiation from the Earth, and that radiation helps disperse carbon monoxide.

According to the Colorado Health Department, temperature inversion statistics on Western cities such as Denver, Phoenix, Boise, and Salt Lake City show inversions setting up by 4 p.m. standard time and being firmly in place by 7 p.m. in the late fall and winter. With enough traffic, those inversions can mean carbon monoxide concentrations that violate air quality standards if evening rush hour occurs before sunset.

A logical question is, Won't improving air quality at evening rush hour have a concomitant and detrimental effect on morning rush hour air quality? No, says the Colorado Health Department. Carbon monoxide concentrations are measured in 8-hour averages, and while 1 or 2 morning hours may be worse, an 8-hour average for morning air quality shows only a slight affect since the radiation, thus carbon monoxide dispersal, increases with daylight.

I realize some scientists are divided over the effect year-round daylight saving time might have on reducing carbon monoxide concentrations. However, the Air Pollution Control Division of the Colorado Health Department notes that the abrupt change in October from daylight saving time to standard time brings a noticeable change in carbon monoxide concentrations and violations.

In 1986, after a 10-year study comparing the 2 weeks before clock-change Sunday and the 2 weeks after, the Colorado Health Department noted that the Denver metro area's number of hours in violation of the carbon monoxide standard increased 65 percent in the 2 weeks after the change from daylight savings to standard time. Two-thirds of our violations occurred during standard time after sunset when a layer of colder air was preventing radiation dispersal of carbon monoxide emissions. Of the 65-percent increase, nearly half the hours in violation were attributed to the clock change, and the remaining violations to the fall and winter seasons' shorter days.

Colorado Health Department Meteorologist Don Barbarick states, "Most of the clock changes impact is at night, when two-thirds of the carbon monoxide exceedances occur. The air quality deterioration already underway during the last month of daylight savings time worsens abruptly in the evening with the return to standard time. Morning data show only a slight worsening from nighttime carryover."

Year-round daylight saving time is not new. During World War II, we had year-round daylight saving time for 4 years. In the 1970's we had it for 2 years as an energy saving measure. Also, year-round daylight saving time requires no funding authorizations, no enforcement costs, no unusual administration, and no difficulties with individual participation that may occur at Federal, State, and local levels with other air pollution reduction programs, voluntary or statutory.

Under the provisions of this bill, year-round daylight saving time for a State occurs only if that State's legislature decides so. Currently, a State has a choice of remaining on standard time all year, or having daylight saving time April through October. Other than those two choices, if a State wishes to change its time, the State must go the lengthy route of petitioning the Department of Transportation. This bill will allow the legislatures of the 11 States in the mountain and Pacific time zones and of the five other States partially in those time zones to choose year-round daylight saving time in the interests of health and safety. Besides health and safety benefits, this program may help Western States avoid economic sanctions for not meeting air quality standard deadlines, and do so with minimal or no disruption or inconvenience of commerce.

However, before legislating year-round daylight saving time, the State must first contain at least one nonattainment area for the national primary ambient air quality standard for carbon monoxide. The State must then determine that attainment of the carbon monoxide national air quality standard is not likely despite implementation of Clean Air Act requirements, and that year-round daylight saving time is a necessary part of the State's efforts to attain the standard. Finally, the State must be able to demonstrate year-round daylight saving time may reduce carbon monoxide levels in the nonattainment area, and include the proposal in the State's pollution reduction implementation plan.

With my fellow Senator from Colorado, I urge your support of this measure that will expand the opportunity for Western communities to improve their air quality by reducing concentrations of carbon monoxide, as we all work to reduce the very sources of carbon monoxide emissions.●

By Mr. McCONNELL:

S. 2657. A bill to amend section 315 of the Communications Act of 1934 with respect to the purchase of broadcasting time by candidates for public office; to the Committee on Commerce, Science, and Transportation.

CAMPAIGN COST REDUCTION ACT

● Mr. McCONNELL. Mr. President, there has been considerable discussion during the last year about the rising cost of political campaigns. Just this month, for example, a monograph published by the Center for Responsive Politics pointed out that, from 1978 to 1986, the total cost for House and Senate campaigns more than doubled, from $194 million to $450 million.

However, this fact by itself does not tell us much about the real problem or the appropriate remedy. The far more important fact for this body to focus on is that most of this increase is due to the skyrocketing cost of broadcast advertising.

In the same election cycles that campaign spending doubled, the expense for television advertisng more than tripled. From my own personal experience, the cost of TV advertising eats up at least half and as much as three-quarters of all money spent in a campaign. What has happened is that a very small segment of society is making money hand over fist off of broadcast licenses, licenses that are given away for free by the Federal Government.

Mr. President, ever since Congress first stepped into the infant broadcasting industry in 1934, it recognized the basic principle that a broadcast license is merely a custodianship over a public resource: the broadcast spectrum. In return for access to this powerful and lucrative resource, Congress always has insisted that broadcasters faithfully serve the public interest.

In 1971, Congress acted to reduce the overall cost of campaign spending by requiring broadcasters to give political candidates a discount on advertising time. Since that time, the broadcasters' own marketing practices and candidates' need for nonpreemptible, secured time slots have eroded the mandated discount to the point where it no longer exists for most candidates.

Further, the increased complexity of the law and the way time is sold has made it impossible for candidates to know whether they are receiving the lowest unit rate discount, and whether they are being treated equally in relation to other candidates.

There is a lawsuit pending right now, alleging that a station charged one candidate an extremely high price for nonpreemptible time, and had their favored candidate buy the cheapest variety of preemptible time—but never allowed those spots to be preempted. Part of what this suit alleges is that neither the candidate nor the public has access to broadcaster records that would disclose whether the broadcaster discriminated against one candidate.

Two weeks ago, I introduced a preliminary proposal to address the erosion of the lowest unit charge discount mandated by law. This bill, the "Campaign Broadcast Discount Act", clarifies the intent of this law in light of broadcast marketing developments, and discounts the cost of nonpreemptible time. Since I introduced this proposal, the Federal Communications Commission indicated it will work with broadcasters on an administrative level to enforce the original intent of the lowest unit charge provision, and ensure that adequate records are provided to all candidates.

Now, I believe it is necessary for Congress to go a step further in securing the original intent of the law, and take a giant leap forward in reducing the cost of political campaigns. The bill I am introducing today is called the "Campaign Cost Reduction Act of 1988". It is a very simple bill and it would greatly simplify the current law regarding the lowest unit charge discount. This bill would give candidates nonpreemptible, fixed time at the lowest rate charged for any time in that same period.

In other words, whatever a broadcaster charges for the cheapest type of preemptible time on a particular show will be the rate stipulated for political candidates—but the candidates will get nonpreemptible time with their purchases.

I am certain there will be resistance from the broadcasters to this proposal. But I would remind my colleagues that political advertising accounts for only three-quarters of one percent of broadcasters' total revenue. Certainly, the lucrative Federal grant of a notch on the broadcast spectrum is worth that much. Moreover, the public's concern about the high cost of campaigns, together with the importance to our democracy of adequate public discussion of issues and candidates, make this provision an issue of compelling public interest.

Finally, this bill is a vital part of the campaign finance reform effort that many of us have been working towards this past year. I remind my colleagues that last April 19, the Senate approved a critical campaign finance reform provision as an amendment to the Ethics in Post Employment Act. That amendment which I offered would prohibit candidates from putting their own money into a campaign and then paying themselves back from contributions received after the election. I hope we can preserve that worthy provision, which I like to call the "Ethics in Post Election Act", in any ethics legislation ultimately enacted by Congress.

Thus, I urge my colleagues to take a careful look at the Campaign Cost Reduction Act, and I hope to arrange hearings on this needed legislation before the November elections.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2657

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) in subsection (b)(1), by striking "class and";

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(3) by inserting immediately after subsection (b) the following new subsection:

"(c) A licensee shall not preempt the use, during any period specified in subsection (b)(1), of a broadcasting station by a legally qualified candidate for public office who has purchased such use pursuant to the provisions of subsection (b)(1).".●

By Mr. BOSCHWITZ (for himself and Mr. KASTEN):

S. 2658. A bill to amend the Internal Revenue Code of 1986 to provide that the amount of the earned income tax credit will be related to family size; to the Committee on Finance.

JOB ENHANCEMENT FOR FAMILIES ACT

● Mr. BOSCHWITZ. Mr. President, the concern of many here in Congress for the well-being of American workers and their families has prompted consideration of proposals for increasing the Federal minimum wage and legislation mandating health insurance coverage. I certainly share this concern.

However, the proposals currently before Congress would not help the working poor substantially. Indeed, such workers would be the first ones affected by the negative side-effects of these measures. Let me say that I'm not opposed to a gradual increase in the minimum wage that would be neither inflationary nor jeopardize job opportunities. But just increasing the minimum wage creates several problems, and we need to look closely at better alternatives.

Mr. President, one such alternative is the Job Enhancement for Families Act [JEFFA] which I am introducing today. My bill will encourage welfare recipients to enter the work force and help lower-income families to remain in the work force by expanding the earned income tax credit [EITC] and vary it by family size. A companion bill has been introduced in the House of Representatives by THOMAS PETRI. I commend him for his efforts on this issue.

Before I describe my bill, let me summarize the concerns I have with simply increasing the minimum wage.

First, simply raising the minimum wage will not help those who need it most. Congress should ensure that any legislation in this area targets those workers most seriously in need of assistance—low-income heads-of-household and minorities in depressed urban areas. A flat increase in the minimum wage won't do that. A recent column by Robert Samuelson in the Washington Post titled "The Myth of the Minimum Wage" reaches a similar conclusion. He states that the "profile of minimum-wage workers simply doesn't fit the popular stereotype * * * Government policies shouldn't be based on stereotypes that are demonstrably false."

The minimum wage is most prevalent among teenagers in their first job. I certainly worked at more than one such job at the minimum wage during those years. Among 16 to 19 years olds in 1987, 29 percent of those employed earned the minimum wage; among 20 to 24 years olds, the proportion drops to 10 percent. And only 4.6 percent of adults over 25 earn the minimum wage. Only 1 percent of all workers are both minimum wage earners and below the poverty level. Seventy percent of all minimum wage earners live in a family where family income is at least 150 percent above the poverty level.

Second, raising the minimum wage will surely cost jobs and hurt those we're trying to help. An editorial in the New York Times, entitled "The Correct Minimum Wage is $0.00," put it well: It said:

> But there's a virtual consensus among economists that the minimum wage is an idea whose time has passed. Raising the minimum wage by a substantial amount would price working poor people out of the job market.

Economic studies clearly substantiate that conclusion. A U.S. Chamber of Commerce study concluded that when the 1977 minimum wage increase was fully in effect—a 4-year process that raised the minimum wage by 46 percent—644,000 jobs were lost.

Proposals pending in the House and Senate will have a similar effect. The Senate Labor and Human Resources Committee would increase the minimum wage to $4.55 by 1991; the House Labor Committee would raise the minimum wage by 51 percent, to $5.05 by 1992.

Estimates about the number of lost jobs vary, but the one thing nobody disagrees with is that it will result in a loss of jobs. As reported in the Samuelson editorial, economists for the Federal Reserve Bank of San Francisco reviewed available studies regarding the effect of an increase in the minimum wage. They concluded that the House proposal would raise inflation and result in the loss of 100,000 to 300,000 jobs. According to the study's authors.

> The increase in unemployment would be among lower-wage workers, the group that the minimum-wage law is supposed to help.

A Congressional Budget Office study on the impact of a minimum wage increase estimated the job loss at anywhere from a quarter to a half million jobs. In addition, the study projected an increase both in unemployment and inflation by up to 0.4 percent. Unfortunately, it was rejected by the chairman of the House Education and Labor Committee because he had not specifically asked for an estimate of the effect on the economy. A revised study was prepared—with the impact on the economy deleted.

Teenagers—who represent 40 percent of all minimum wage workers—would account for between one-half and two-thirds of the anticipated job loss. This in itself would be tragic. A teenager's first job, often at minimum wage, is typically his or her main entry into the work force. Mine was. An employer faced with a 47-percent increase in the cost of part-time labor will have no choice but to eliminate such employment opportunities.

Third, raising the minimum wage may well increase inflation more than would immediately appear, because raising the minimum wage raises the whole wage base—not just the minimum. If minimum wage employees are raised by law from $3.35 to $4.55 or $5.05, what happens to those who were at $4? The spread would have to remain so their wages would rise to 65 cents—or more—over the minimum wage. So they would now be at $5.20 or $5.70. Those who were at $5 would go up to $6 or $6.50—the whole wage level would rise and the inflationary impact—the impact on our international competitiveness—would be greater than anticipated. As a businessman who has often sat for hours reviewing wage rates of hundreds of employees, I can say from lots of experience that raising the minimum will raise the whole range of the wage scale—which some may not find objectionable, of course—and that puts great pressure on the economy.

That inflationary pressure would be compounded when the proposed minimum wage increase is combined with mandatory health insurance. A typical health insurance plan provided by an employer under the proposed legislation will cost about $100 a month or $1,200 a year for a single person. Of that amount, the employee may pay about 20 percent or about $20 and the employer the remaining $80. For those employees at or near the minimum wage, the employer would be required to pay the entire premium. The employee would have no choice about coverage. The only election would be whether the employee's spouse or dependents would also be covered.

The $100 per month premium represents an hourly cost increase for a full-time worker—assuming 2,000 hours per year—of 59 cents. For a part-time employee working 17½ hours a week, the additional cost would be $1.18 per hour.

Now add together the cost of providing insurance and the minimum wage increase which would take effect on January 1, 1989. For the full-time employee, the total per hour increase would be 88 cents; an increase of 30 percent. For the part-time employee, the total per hour increase would be $1.58, an increase of 47 percent. These increases do not take into account an additional 40-cent-an-hour increase in the minimum wage in both 1990 and 1991.

A cruel blow will have been levied on many employees. Those who now work 25 hours a week would be cut to 17. If they needed more money they would have to take a second job, a second commute, a different and probably less convenient set of hours that may well impose themselves on the career preparation of the young who most often hold such jobs. When I was in college, I and one of my friends would take intensive month-end jobs getting statements out at Merrill Lynch or taking inventories. It gave us a great opportunity to pour it on for a few days and not have to work every day. That would probably not be possible under these new rules.

Unfortunately, the Senate Committee did not include an increase in the tip credit as did the House Labor Committee. It is simply unfair for employers to pay Social Security based on tips—the employee has no similar obligation—without receiving some expanded credit for the actual wage supplement which the employee receives.

If the Senate bill were to be enacted into law, many employees may well adopt policies against tipping and simply pay their employees a flat wage. Anyone who thinks this will help employees in the food service industry has never been a waiter or waitress.

Another important proposal would create a training wage for youth—to enable them to get necessary job experience at a time when they have few family or financial responsibilities. A training wage is not so different from the apprentice wage authorized by collective bargaining agreements between labor unions and employers. The training wage concept would help minimize the impact of raising the minimum wage, if it is to be raised, especially for young people and minorities in inner cities where unemployment historically is the highest. I also support allowing employers to pay summer workers a reduced wage in order to ensure that employment opportunities are available for such workers.

At the beginning of my remarks, I stated that the Senate really should try to target assistance to those most in need. The bill I am introducing today will do that. Mr. President, the biggest problem with raising the minimum wage is that—even if it is raised substantially—it will not help the poorest workers and their families as supporters claim it will. It is quite clear that the main beneficiaries of an increase in the minimum wage will be part-time workers and middle-class teenagers.

Even if welfare recipients want to work, thereby increasing their earning power through job experience, they face big financial penalties for entering the work force. The basic problem is that economic need varies by family size—and while welfare takes this need into account, wages do not.

In the State of Minnesota, for example, a single parent with two children can receive $8,160 in aid to families with dependent children [AFDC] and food stamps, plus Medicaid and possibly other benefits like Head Start, housing subsidies, and energy assistance. Working at the minimum wage—$3.65 in Minnesota—that same parent would take home about $7,300. Subtract work-related expenses and possibly child care costs and you can see why families choose to stay on welfare.

In raising the minimum wage, the main job losers will be the ones who can afford it least—the poorer, full-time heads-of-houshold. The job loss caused by raising the minimum wage will force many of these families back on to the welfare rolls, and it will make it even more difficult for those on welfare to reenter the work force.

Mr. President, currently the EITC provides a refundable tax credit for low-income taxpayers. The maximum credit currently is $870 for a taxpayer with adjusted gross income—income before the standard deduction or personal exemptions are taken—below $5,715. To qualify for the credit, the taxpayer must have at least one child. Although no adjustment to the credit is given for changes in family size, it is indexed to inflation. Finally, the credit is refundable—which means that if the eligible employees expect to have no tax liability, they can have the credit added to their regular paycheck.

As proposed in my bill, expanding the EITC for those with large families, and limiting it to full-time and nearly full-time workers would motivate many to leave the welfare rolls and join the work force. Additionally, unlike raising the minimum wage, JEFFA would not directly affect the cost of labor for employers.

Consequently, it would not discourage employment. Rather, it would guarantee every American head-of-household who works full time the means to provide for his or her family without living below the poverty line or going on welfare. Additionally, it encourages families to stay together in order to receive the credit. Furthermore, it would not be inflationary. Raising inflation by half a point by raising the minimum wage is a tremendous cost to the budget as well.

Mr. President, simply raising the minimum wage is an idea which has been tried and found lacking. The time has come for a more creative solution—one which does not result in job losses, which encourages our young people to get valuable on-the-job training, and which helps poorer families to enter the work force. Some of the approaches I have outlined will make the minimum wage more effective. I encourage my colleagues to consider these issues carefully as we consider increasing the minimum wage, and I invite them to cosponsor my bill increasing the EITC as one part of the solution.

Mr. President, I ask unanimous consent that the New York Times editorial and the Samuelson column which appeared in the Washington Post be inserted in the Record at the conclusion of my statement.

I also ask unanimous consent that a copy of my bill, together with a short summary be printed, in the Record in their entirety.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2658

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Job Enhancement for Families Act".

SEC. 2. INCREASE IN EARNED INCOME TAX CREDIT.

(a) INCREASE IN AMOUNT OF CREDIT.—Subsections (a) and (b) of section 32 of the Internal Revenue Code of 1986 (relating to earned income tax credit) are amended to read as follows:

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the credit percentage of so much of the earned income for the taxable year as does not exceed $7,143.

"(2) LIMITATION.—The amount of the credit allowable to a taxpayer under this subsection for any taxable year shall not exceed the excess (if any) of—

"(A) the credit percentage of $7,143, over

"(B) the phaseout percentage of so much of the adjusted gross income (or if greater, the earned income) of the taxpayer for the taxable year as exceeds $8,000.

"(b) PERCENTAGES.—For purposes of subsection (a)—

"In the case of an eligible individual with:	The credit perecentage is:	The phaseout percentage is:
"1 qualifying child	14	10
"2 qualifying children	21	15
"3 qualifying children	28	20
"4 or more qualifying children	35	25."

(b) INFLATION ADJUSTMENTS TO CREDIT PERCENTAGE.—Subsection (i) of section 32 of such Code is amended to read as follows:

"(i) INFLATION ADJUSTMENTS TO CREDIT PERCENTAGE.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1988, each credit percentage contained in subsection (b) shall be increased by the product of—

"(A) such percentage, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins.

"(2) ROUNDING.—Any increase under paragraph (1) in a credit percentage shall be rounded to be nearest multiple of one-tenth of 1 percent."

(c) QUALIFYING CHILD.—Subsection (c) of section 32 of such Code is amended by adding at the end thereof the following new paragraph:

"(3) QUALIFYING CHILD.—The term 'qualifying child' means any child (within the meaning of section 151(c)(3)) of the eligible individual if—

"(A) such individual is entitled to a deduction under section 151 for such child or would be so entitled but for paragraph (2) or (4) of section 152(e), and

"(B) such child has the same principal place of abode as such individual for more than one-half of the taxable year."

(d) CONFORMING AMENDMENT.—Paragraph (2) of section 32(f) of such Code is amended by striking out "subsection (b)" each place it appears in subparagraphs (A) and (B) and inserting in lieu thereof "subsection (a)(2)".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1987.

JOB ENHANCEMENT FOR FAMILIES ACT: FACTSHEET

Currently the earned income tax credit provides a maximum refundable credit of 14 percent (up to $870) for a taxpayer with at least one child, regardless of family size. The credit declines gradually if earned income (from wages or salary) exceeds $9000.

The Job Enhancement for Families Act would expand the credit and tie it to family size, at an estimated cost of $1.5 billion. The credit would work as follows:

Income Up to $7,143	Credit value	Credit percent
1 child	Up to $1,000	14
2 children	Up to 1,500	21
3 children	Up to 2,000	28
4 children	Up to 2,500	35

Eligible taxpayers making $8,000 or less would receive the full 14 percent credit. The credit will be adjusted for inflation as under current law. Phase out of the credit will begin at $8,000, with a total phase out at $18,000.

INCOME BETWEEN $8,000 AND $18,000

1 child: 10 percent increase in income requires 10 percent reduction in maximum credit ($1,000) making the credit worth, for instance, $900 on $9,000 of income and phasing out entirely at $18,000.

2 children: 10 percent increase in income requires 15 percent reduction in maximum credit ($1,500) until credit disappears at $18,000.

3 children: 10 percent increase in income requires 20 percent reduction in maximum credit ($2,000) until credit disappears at $18,000 level.

4 children: 10 percent increase in income requires 25 percent reduction in maximum credit ($2,500) until credit disappears at $18,000 level.

[From the Washington Post, July 13, 1988]

IN SEARCH OF THE MIDDLE CLASS

(By Robert J. Samuelson)

Considering all that's been written about the vanishing middle class, you might think that we have a good idea about what's happened and why. Well, we don't. It's fairly clear that Americans' incomes have been growing slightly more unequal since the early 1970s. But the extent of the change and the causes are controversial and unsettled.

The debate is highly partisan. Democrats are eager to portray the 1980s' economic recovery as benefiting only the wealthy. Not only is the middle class said to be disappearing, but most Americans' living standards are described as stagnating or declining. By contrast, Republicans minimize gaps in today's prosperity, emphasizing the number of new jobs (15 million since late 1982) and the recovery's length (now 5½ years). Both views oversimplify reality.

Two new studies—one from the Labor Department and the other from the Congressional Budget Office (CBO)—paint a more complex picture. The middle class isn't disappearing, and living standards aren't declining. But the young and those at the bottom of the economic ladder haven't fully shared in the economic recovery's gains. Why? The causes appear to be broad economic and social trends: the increase of single-parent families; the baby boom's depressing impact on wages of the young; and the lingering effects of the war against inflation.

Defining income classes is arbitrary, of course. There are two usual approaches. One is to determine an amount of money that supports a "middle class" life style; the lower and upper classes are what's left over. The other approach is to define middle class as a range of incomes around the median—the income that divides all families in half. If people are too far below this midpoint, they don't think of themselves as middle class.

Labor Department economists Michael Horrigan and Steven Haugen used both approaches. They tested dozens of definitions of lower, middle and upper classes. What they found—their study was published in May's "Monthly Labor Review"—is that the middle class's decline has been slight. More important, most of the shrinkage involves families moving into the upper class.

Consider the table below. Middle-class families were defined as having between 68 and 190 percent of the median income. In 1986, their incomes ranged between $20,000 and $55,000. Horrigan and Haugen determined similar incomes back to 1969. Here's how families fell into the different classes:

	Lower class percent	Middle class percent	Upper class percent
1969	28.7	60.2	11.1
1979	31.2	56.0	12.7
1986	31.7	53.0	15.3

These figures don't justify obituaries for the middle class. They don't show Americans steadily becoming impoverished. Indeed, many class definitions indicate no increase in the lower class at all. The CBO study ("Trends in Family Income, 1970-1986") tells a similar story. Since 1970, the median family income has risen 20 percent, the CBO study found. It adjusted incomes for inflation and for the fact that families are getting smaller.

The bad news lies at the bottom of the income spectrum. It's not simply that these families have low incomes. They're not keeping up, as the CBO study shows. In 1986, incomes of the poorest fifth of Americans had barely recovered to their 1980 levels, even though the median family income had risen more than 7 percent. The median income for those under 34 was below its 1980 level. Many young families did well, but many did not.

What happened? The common explanations of these changes are probably wrong. It's hard to blame the "service economy," which has been expanding for decades. Even in 1955, service jobs accounted for 61 percent of the total. Nor do President Reagan's tax and spending policies seem responsible. These income statistics are before taxes, so they don't reflect tax changes. There have been some cuts in welfare benefits, but—as the CBO study points out—they haven't been large enough to cause these shifts.

The Labor Department study finds that the shift in income distribution has been under way since at least the early 1970s. This makes it more likely that the basic causes are broad changes in the economy and population. For example:

Single-parent families: Since 1970, they've doubled to 6.9 million, says the CBO. They now represent a fifth of all families with children and are often headed by women with low incomes. The median annual salary of full-time women workers is about $16,200.

The baby boom: Americans born during the baby boom's peak years (from the mid-1950s to the early 1960s) entered the labor market in the late 1970s and early 1980s. Because they were competing with each other for jobs, their large numbers depressed their wages in comparison with those of older workers.

The fight against inflation: When unemployment rose in the early 1980s, the unskilled and young were hit hardest. Either they were looking for jobs or were the first fired. New jobs paid relatively low wages. Companies were cutting costs, and these workers lacked the skills or experience to demand better pay.

Government can't easily offset these trends. It can't reverse the baby boom, undo the forces that lead to single-parent families or quickly train all the unskilled. It could push the unemployment rate so low that the incomes of the unskilled and young would rise. But this would be a mistake; it would worsen inflation. Inflationary policies in the 1960s and 1970s disguised income inequality by creating an overheaded economy. Improvements in income equality were temporary: they were lost in the ensuing campaign against inflation.

What government can do is provide tax cuts for the working poor. With huge budget deficits, that isn't easy. But there remain tax loopholes that could be closed. Those revenues might be used for tax relief. Democrats and Republicans ought to be debating how best to do this. They're not. It's a subject that belongs on the next president's agenda.

[From The New York Times, Jan. 14, 1988]

The Right Minimum Wage: $0.00

The Federal minimum wage has been frozen at $3.35 an hour for six years. In some states, it now compares unfavorably even with welfare benefits available without working. It's no wonder then that Edward Kennedy, the new chairman of the Senate Labor Committee, is being pressed by organized labor to battle for an increase.

No wonder, but still a mistake. Anyone working in America surely deserves a better living standard than can be managed on $3.35 an hour. But there's a virtual consensus among economists that the minimum wage is an idea whose time passed. Raising the minimum wage by a substantial amount would price working poor people out of the job market. A far better way to help them would be to subsidize their wages or—better yet—help them acquire the skills needed to earn more on their own.

An increase in the minimum wage to, say, $4.35 would restore the purchasing power of bottom-tier wages. It would also permit a minimum-wage breadwinner to earn almost enough to keep a family of three above the official poverty line. There are catches, however, It would increase employers' incentives to evade the law, expanding the underground economy. More important, it would increase unemployment: Raise the legal minimum price of labor above the productivity of the least skilled workers and fewer will be hired.

If a higher minimum means fewer jobs, why does it remain on the agenda of some liberals? A higher minimum would undoubtedly raise the living standard of the majority of low-wage workers who could keep their jobs. That gain, it is argued, would justify the sacrifice of the minority who became unemployable. The argument isn't convincing. Those at greatest risk from a higher minimum would be young, poor workers, who already face formidable barriers to getting and keeping jobs. Indeed, President Reagan has proposed a lower minimum wage just to improve their chances of finding work.

Perhaps the mistake here is to accept the limited terms of the debate. The working poor obviously deserve a better shake. But it should not surpass our ingenuity or generosity to help some of them without hurting others. Here are two means toward that end:

Wage supplements. Government might subsidize low wages with cash or payments for medical insurance, pensions or Social Security taxes. Alternatively, Washington could enlarge the existing earned income tax credit, a "negative" income tax paying up to $800 a year to working poor families. This would permit better targeting, since minimum-wage workers in affluent families would not be eligible.

Training and education. The alternative to supplementing income for the least skilled workers is to raise their earning power in a free labor market. In the last two decades, dozens of programs to do that have produced mixed results at a very high cost. But the concept isn't necessarily at fault; nurturing the potential of individuals raised in poverty is very difficult. A humane society would learn from its mistakes and keep trying.

The idea of using a minimum wage to overcome poverty is old, honorable—and fundamentally flawed. It's time to put this hoary debate behind us, and find a better way to improve the lives of people who work very hard for very little.●

● Mr. KASTEN. Mr. President, today I am joining Senator BOSCHWITZ in introducing the Senate version of the "Job Enhancement for Families Act," JEFFA, which would expand and restructure the existing earned income tax credit to help the working poor support their families, increase incentives for welfare recipients to reenter the work force and actually increase employment opportunities for low-skilled workers. JEFFA is the brainchild of my distinguished Wisconsin House colleague, Congressman THOMAS E. PETRI, who introduced the House bill H.R. 4119 on March 8.

As a result of President Reagan's supply side policies, the American economy has enjoyed 67 months of economic growth, the longest peacetime expansion in history. This recovery has created over 15 million new jobs—and 75 percent of these jobs have been on the middle and high end of the earnings scale. The unemployment rate is 5.6 percent—the lowest it has been in a decade. This recovery has been especially beneficial for minorities. Since 1982, the employment levels for blacks and other minorities have been raised at a rate double that of whites. Real median family income has increased 10.7 percent since 1982. The poverty rate has fallen from 14.0 percent in 1985 to 13.6 percent in 1986, reversing the upward trend that began in the late 1970's.

A rising economic tide provides the foundation to lift all boats. We've achieved a lot. But we cannot afford to rest until all Americans are given the opportunity to share in America's material wealth. Now more than ever, we must roll up our sleeves and work to bolster work incentives, create job opportunities and raise the living standards of America's working poor families. I believe that these goals are shared by both liberals and conservatives and by both Democrats and Republicans. The disagreements come, however, when we discuss the methods we use to achieve these goals.

Mr. President, the Senate may soon consider the Kennedy-Hawkins legislation to increase the minimum wage. We all share the objective of helping low-skilled workers support their families and lifting them out of the poverty trap.

Unfortunately, basic economics tells us that raising the minimum wage is no way to improve the condition of the working poor. One of the axioms in economics is if you raise the cost of a certain activity, you get less of that activity and/or the cost will be shifted to another factor. Raising the minimum wage increases the cost of labor for employers above what they are willing to pay in a free market and the result is fewer jobs for low-skilled workers and/or higher prices for consumers.

Mr. President, that's economic jargon. Let me express it in terms that can be more easily understood. Let's suppose you and I own a small business that produces and sells shoes. Our business—let's call it Wisconsin Shoes Inc.—employs 50 people and turns a profit of $20,000 a year. The profits from our business plus our annual salaries provide just enough financial incentive for us to stick it out and keep the business going instead of taking a comparable paying job with a corporation like IBM or General Electric. We're making good money, we're employing a lot of people and we're providing a product to consumers at a price they are willing to pay.

Now all of the sudden, the Government requires us to pay a substantially higher minimum wage. Although we employ only 10 minimum wage workers, our other employees who make above the minimum wage don't think it's fair that 10 employees get a 39 percent pay increase over the next 3 years—as they would under Kennedy-Hawkins—and they don't. You and I want to keep all of our workers employed. We also want to keep company morale up. So we give all of our employees a pay raise and try to pass on these costs by raising the price of our shoes. However, the shoe industry is very competitive—and our competitors who don't have any minimum wage workers and our overseas competitors who aren't subject to U.S. minimum wage laws are able to maintain the market price for shoes.

Mr. President, in order to keep the price of our shoes competitive and remain in business, we must either cut back on our business profits or our labor costs. But we are caught in a bind. If we cut back on our profits, that comparable paying job at IBM becomes more attractive. On the other hand, if we close our business, 50 people lose their jobs. Our only real option is to reduce our labor costs and let most of our minimum wage workers go.

It has been estimated that the Kennedy-Hawkins bill to raise the minimum wage from $3.35 an hour to $4.65 an hour by 1990 and index it thereafter would raise labor costs to the employer about $21.6 billion, throwing 300,000 to 750,000 Americans out of work by 1990. This increase in labor costs will hit America's small businesses the hardest. Since the minimum wage applies to 5 million workers, mostly part-time and youthful workers, the Kennedy-Hawkins bill would destroy up to 10 percent of minimum wage jobs. Those who would be hit the hardest would be the 10 percent of minimum wage workers who are full-time workers and have families to support.

Mr. President, the Jobs Enhancement for Families Act provides a viable approach to improving life for the working poor and their families without slamming the door shut on job opportunities, reigniting inflation and reducing economic growth. This legislation would expand and restructure the earned income tax credit and vary it by family size. The EITC was established in 1975 to help offset the burden of payroll taxes paid by low-income workers with children and to strengthen work incentives. Today, the EITC is a refundable tax credit of 14 percent of the first $5,714 earned by an eligible person who maintains a home for one or more children. The maximum credit is $800 and it phases out to zero as income rises to $17,000. An eligible taxpayer may elect to receive advance payment of the EITC through his or her paychecks—in effect, a kind of "reverse withholding"—instead of waiting until they file their annual tax returns.

JEFFA would provide a refundable credit against $7,143 of annual earned income at percentage rates differentiated to family size, with a maximum payment of 14 percent of $1,000 for a family with one child, up to 35 percent or $2,500 for a family of four or more children. The credit would be phased out by a series of graduated percentages between total incomes of $8,000 to $18,000. The phase-in incomes would be indexed for inflation starting next year.

The economic and social advantages of this approach are numerous. First, it increases work incentives of welfare families because it supplements wages according to need as determined by family size. Also, you can only get the EITC if you're working. Second, it is "pro-family" because working fathers get the credit only if they reside with their children. Third, it meets the needs of those who really need our help—namely, the working poor with families instead of part-time workers in middle income families.

Perhaps the most important advantage of JEFFA is that it achieves the objective of a minimum wage hike, namely to increase the after-tax income of the working poor without punishing America's small businesses with higher labor costs. The after-tax value of a $4.65 minimum wage to the full-time worker is about $2,000. The after-tax value of JEFFA ranges from $1,000 to $2,500.

In addition, according to economist J.D. Foster of the Institute for Research on the Economics of Taxation, "to the extent the improved incentives increase the number of workers willing to work, raising the EITC could lower the pre-tax wages employers have to pay while raising workers' after-tax wages. Raising the EITC, therefore, would actually increase low-wage employment opportunities."

One of the often ignored side effects of raising the minimum wage is its effect on the Federal budget deficit. The loss of jobs, business profits and overall national output associated with a minimum wage hike reduces the earnings base on which government collects taxes. Government spending rises as hundreds of thousands of jobless Americans collect unemployment compensation and are forced onto welfare. It is estimated that the Kennedy-Hawkins bill would increase the budget deficit between $2 and $8 billion annually.

The Congressional Budget Office has informally estimated that expanding the EITC would cost $3.4 billion annually. However, this estimate fails to account for the increase in taxpaying jobs that would result from JEFFA and the reduction in welfare spending. In fact, if JEFFA cut just 3 percent of the $51 billion the Federal Government spends on food stamps, AFDC and Medicaid, it would pay for itself.

Mr. President, JEFFA improves the situation of the working poor by relying on economic incentives instead of the type of market-restrictive government intervention that a minimum wage entails. Unlike a minumum wage hike, JEFFA encourages job creation, and helps those who need the most help—the working poor with families to support. JEFFA provides incentives to move from welfare to work, avoids the inflationary trap and antijob effect of a minimum wage hike, and has a minimal effect on the Federal budget deficit.●

By Mr. WARNER (for himself, Mr. Shelby, Mr. Pryor, Mr. Lugar, Mr. Moynihan, Mr. Weicker, Mr. Wilson, Mr. Evans, Mr. Durenberger, Mr. Symms, Mr. Chiles, Mr. Pressler, Mr. Dole, Mr. D'Amato, Mr. Nunn, Mr. Gramm, Mr. McClure, Mr. Helms, Mr. Bumpers, Mr. Inouye, Mr. Burdick, Mr. Rockefeller, Mr. Trible, Ms. Mikulski, Mr. Breaux, Mr. Daschle, Mr. Hollings, Mr. Hatch, Mr. Johnston, Mr. Garn, Mr. Simpson, Mr. DeConcini, Mr. Thurmond, Mr. Danforth, Mr. Quayle, and Mr. Nickles):

S.J. Res. 352. Joint resolution designating September 24, 1989, as "United States Marshals Bicentennial Day"; to the Committee on the Judiciary.

U.S. MARSHALS BICENTENNIAL DAY

● Mr. WARNER. Mr. President, I rise today to introduce a joint resolution to designate September 24, 1989, as "United States Marshals Bicentennial Day." The joint resolution will commemorate the 200th birthday of the Nation's oldest law enforcement agency. Such a tribute is an appropriate continuation of our efforts to celebrate the bicentennial of the U.S. Constitution and the establishment of the Federal Government.

The office of the U.S. marshal was created by act of the First Congress on September 24, 1789. The first 13 marshals were appointed by President George Washington. Not long thereafter, one of their number, Robert Forsyth of Georgia, was shot and killed while attempting to execute an order of the court. Since Forsyth's time, more than 300 marshals and deputy marshals have lost their lives in the performance of their duty.

For more than a century after the establishment of the U.S. Government in 1789, U.S. marshals provided the only nationwide, civilian police power available for the enforcement of Federal law, performing an extraordinary variety of functions. U.S. marshals and their deputies have played a crucial role in most of the major episodes in America's history, from the Whiskey Rebellion of 1794, to the Reconstruction period following the Civil War, and the enforcement of the Civil Rights Acts of the 1960's. In addition to their responsibilities to the Federal courts, the marshals took the national census until 1880, distributed Presidential proclamations, collected statistical data on commerce and manufacturing, supplied the names of Government employees for the National Register, and performed many other administrative tasks as local representatives of the Federal Government. In times of crisis, they were called upon to perform special tasks, such as registering aliens in wartime, preventing armed excursions into foreign countries, and restoring order in times of civil disturbance. In the territories of the American West, the marshals were frequently the only law throughout much of the 19th century, an era which secured their place in our Nation's folklore.

Today, the U.S. Marshals Service occupies a central position in the Federal justice system: providing security for the Federal judicial process and enforcing court orders; tracking down fugitives from justice; operating the Government's Witness Security Program; taking custody of transporting Federal prisoners and managing and disposing of seized criminal assets. Virtually every significant Federal law enforcement initiative involves the Marshals Service.

A number of activities are planned nationwide in connection with the marshals' bicentennial. The Smithsonian Institution and the U.S. Marshals Foundation developed an exhibit to be unveiled in the U.S. Supreme Court building this December and subsequently shown in 12 cities around the country.

The joint resolution, which I am introducing with 38 of my colleagues, will recognize the contributions of these lawmen, both past and present, to law enforcement in the United States. I therefore urge all my colleagues to join me in supporting prompt enactment of this joint resolution.●

ADDITIONAL COSPONSORS

S. 10

At the request of Mr. Cranston, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 10, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 39

At the request of Mr. Moynihan, the name of the Senator from Vermont [Mr. Stafford] was added as a cosponsor of S. 39, a bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance permanent.

S. 1738

At the request of Mr. Wilson, the names of the Senator from Wisconsin [Mr. Kasten], the Senator from Hawaii [Mr. Inouye], the Senator from Florida [Mr. Graham], and the Senator from Missouri [Mr. Bond] were added as cosponsors of S. 1738, a bill to make long-term care insurance available to civilian Federal employees, and for other purposes.

S. 1797

At the request of Mr. Thurmond, the name of the Senator from South Dakota [Mr. Pressler] was added as a cosponsor of S. 1797, a bill to amend the Internal Revenue Code of 1986 to provide that service performed for an elementary or secondary school operated primarily for religious purposes is exempt from the Federal unemployment tax.

S. 1851

At the request of Mr. Metzenbaum, the names of the Senator from New Mexico [Mr. Bingaman] and the Senator from Kentucky [Mr. Ford] were added as cosponsors of S. 1851, a bill to implement the International Convention on the Prevention and Punishment of Genocide.

S. 2000

At the request of Mr. Cranston, the name of the Senator from Rhode Island [Mr. Chafee] was added as a cosponsor of S. 2000, a bill to provide for the acquisition and publication of data about crimes that manifest prejudice based on race, religion, affectional or sexual orientation, or ethnicity.

S. 2011

At the request of Mr. Cranston, the name of the Senator from South Dakota [Mr. Pressler] was added as a cosponsor of S. 2011, a bill to increase the rate of Veterans' Administration compensation for veterans with service-connected disabilities and dependency and indemnity compensation for the survivors of certain disabled veterans.

S. 2150

At the request of Mr. Nickles, the name of the Senator from Oklahoma [Mr. Boren] was added as a cosponsor of S. 2150, a bill to provide for the use and distribution of funds awarded the Seminole Indians in dockets 73, 151, and 73-A of the Indian Claims Commission.

S. 2348

At the request of Mr. Pryor, the name of the Senator from Colorado [Mr. Wirth] was added as a cosponsor of S. 2348, a bill to amend title 31, United States Code, to permit the Comptroller General of the United States to review and decide protests of Federal Government employees relating to converting to contractor performance certain functions performed by such employees.

S. 2382

At the request of Mr. Melcher, the name of the Senator from Colorado [Mr. Wirth] was added as a cosponsor of S. 2382, a bill to delay the implementation of a certain rule affecting the provision of health services by the Indian Health Service.

S. 2400

At the request of Mr. Hecht, the name of the Senator from Nebraska [Mr. Exon] was added as a cosponsor of S. 2400, a bill to amend the National Trails System Act to designate the Pony Express National Historic Trail as a component of the National Trails System.

S. 2480

At the request of Mr. Moynihan, the names of the Senator from North Dakota [Mr. Burdick] and the Senator from Arkansas [Mr. Pryor] were added as cosponsors of S. 2480, a bill to amend the Internal Revenue Code of 1986 to clarify that section 457 does not apply to nonelective deferred compensation or basic employee benefits.

S. 2546

At the request of Mr. Quayle, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of S. 2546, a bill to provide child care assistance to low-income working parents; to amend the State Dependent Care Development Grants Act to provide block grants to States; to amend the Internal Revenue Code of 1986 to provide a refundable credit to parents for dependents under age 6; and for other purposes.

S. 2560

At the request of Mr. Leahy, the names of the Senator from Indiana [Mr. Lugar], the Senator from Iowa [Mr. Harkin], the Senator from Kansas [Mr. Dole], the Senator from Minnesota [Mr. Boschwitz], the Senator from Massachusetts [Mr. Kennedy], the Senator from Florida [Mr. Chiles], the Senator from Montana [Mr. Melcher], the Senator from Arkansas [Mr. Pryor], the Senator from Oklahoma [Mr. Boren], the Senator from Alabama [Mr. Heflin], the Senator from North Dakota [Mr. Conrad], the Senator from Georgia [Mr. Fowler], the Senator from South Dakota [Mr. Daschle], the Senator from Louisiana [Mr. Breaux], the Senator from Mississippi [Mr. Cochran], the Senator from Kentucky [Mr. McConnell], the Senator from Missouri [Mr. Bond], the Senator from California [Mr. Wilson], the Senator from Nebraska [Mr. Karnes], the Senator from Louisiana [Mr. Johnston], the Senator from Maine [Mr. Mitchell], the Senator from North Dakota [Mr. Burdick], the Senator from Ohio [Mr. Metzenbaum], the Senator from Ohio [Mr. Glenn], the Senator from Arizona [Mr. DeConcini], the Senator from Connecticut [Mr. Dodd], the Senator from Michigan [Mr. Riegle], the Senator from Michigan [Mr. Levin], the Senator from New Jersey [Mr. Bradley], the Senator from South Carolina [Mr. Hollings], the Senator from Washington [Mr. Adams], the Senator from Nevada [Mr. Reid], the Senator from West Virginia [Mr. Rockefeller], the Senator from North Carolina [Mr. Sanford], the Senator from New Mexico [Mr. Domenici], the Senator from Rhode Island [Mr. Chafee], the Senator from New Mexico [Mr. Bingaman], the Senator from Massachusetts [Mr. Kerry], the Senator from Illinois [Mr. Simon], the Senator from Vermont [Mr. Stafford], the Senator from Oregon [Mr. Hatfield], the Senator from Pennsylvania [Mr. Heinz], the Senator from Missouri [Mr. Danforth], the Senator from Minnesota [Mr. Durenberger], the Senator from Maryland [Ms. Mikulski], the Senator from Kentucky [Mr. Ford], the Senator from Tennessee [Mr. Gore], the Senator from Arkansas [Mr. Bumpers], the Senator from Rhode Island [Mr. Pell], the Senator from New Jersey [Mr. Lautenberg], the Senator from Connecticut [Mr. Weicker], the Senator from California [Mr. Cranston], the Senator from New York [Mr. Moynihan], the Senator from Colorado [Mr. Wirth], the Senator from Nebraska [Mr. Exon], the Senator from Maryland [Mr. Sarbanes], the Senator from Texas [Mr. Bentsen], and the Senator from Iowa [Mr. Grassley] were added as cosponsors of S. 2560, an original bill to amend the Temporary Emergency Food Assistance Act of 1983 to require the Secretary of Agriculture to make available additional types of commodities, to improve child nutrition and food stamp programs, to provide other hunger relief, and for other purposes.

S. 2626

At the request of Mr Moynihan, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 2626, a bill to amend section 530 of the Revenue Act of 1978 to clarify the Federal income and employment tax treatment of providers of technical services through third party arrangements, and for other purposes.

S. 2636

At the request of Mr. Durenberger, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of S. 2636, a bill to amend title XVIII of the Social Security Act to establish a program of voluntary certification of long-term care insurance policies and to protect medicare beneficiaries from making practices related to such policies, and for other purposes.

SENATE JOINT RESOLUTION 149

At the request of Mr. Bond, his name was added as a cosponsor of Senate Joint Resolution 149, a joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week."

SENATE JOINT RESOLUTION 298

At the request of Mr. D'Amato, the names of the Senator from Georgia [Mr. Fowler], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Joint Resolution 298, a joint resolution designating September 1988 as "National Library Card Sign-Up Month."

SENATE JOINT RESOLUTION 303

At the request of Mr. Shelby, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of Senate Joint Resolution 303, a joint resolution to designate the month of October 1988 as "National Lupus Awareness Month."

SENATE JOINT RESOLUTION 314

At the request of Mr. Boschwitz, the names of the Senator from South Dakota [Mr. Pressler] and the Senator from Ohio [Mr. Glenn] were added as cosponsors of Senate Joint Resolution 314, a joint resolution designating October 1988 as "Pregnancy and Infant Loss Awareness Month."

SENATE JOINT RESOLUTION 343

At the request of Mr. Adams, the names of the Senator from Massachusetts [Mr. Kerry], the Senator from Indiana [Mr. Lugar], the Senator from Arizona [Mr. DeConcini], the Senator from Hawaii [Mr. Matsunaga], the Senator from California [Mr. Wilson], the Senator from New York [Mr. Moynihan], and the Senator from Utah [Mr. Hatch] were added as cosponsors of Senate Joint Resolution 343, a joint resolution to designate the period commencing November 13, 1988, and ending on November 19, 1988, as "Filipino American National History Week."

SENATE JOINT RESOLUTION 350

At the request of Mr. Simon, the name of the Senator from Wisconsin [Mr. Proxmire] was added as a cosponsor of Senate Joint Resolution 350, a joint resolution designating Labor Day Weekend, September 3 to 5, 1988, as "National Drive for Life Weekend."

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. DeConcini, the names of the Senator from Kentucky [Mr. McConnell] and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Charles E. Thornton, Lee Shapiro, and Jim Lindelof, citizens of the United States who were killed in Afghanistan.

SENATE RESOLUTION 412

At the request of Mr. Pressler, the name of the Senator from Minnesota

[Mr. Boschwitz] was added as a cosponsor of Senate Resolution 412, a resolution expressing the sense of the Senate with regard to the use of degradable products.

AMENDMENTS SUBMITTED

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

HELMS AMENDMENT NO. 2661

Mr. HELMS proposed an amendment to the reported amendment on page 30, line 7, of the bill (H.R. 4783) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1989, and for other purposes; as follows:

At the appropriate place in the pending amendment add the following:

None of the funds made available under this Act, or an amendment made by this Act for the Department of Health and Human Services shall be obligated or expended after January 31, 1989 if on that date the Secretary of that Department, using existing power, has not promulgated regulations prohibiting funds from being used to provide the following on the premises of any elementary or secondary school: contraceptive drugs or devices, prescriptions for contraceptive drugs or devices, transportation for contraceptive drugs or devices, referrals for contraceptive drugs or devices, abortions, transportation to aid in obtaining an abortion, counseling to encourage an individual to obtain an abortion, or referrals for obtaining an abortion.

METZENBAUM (AND BENTSEN) AMENDMENT NO. 2662

Mr. METZENBAUM (for himself and Mr. Bentsen) proposed an amendment to the reported amendment beginning on page 8, line 5 to the bill H.R. 4783, supra; as follows:

On page 8, line 5, strike all after "*Provided further,*" through page 10, line 14, and insert in lieu thereof the following: it is the sense of the Senate that:

(a) To temporarily discourage the practice of pension asset reversions by employers, Congress should enact a 60 percent penalty on asset reversions that will extend until May 1, 1989;

(b) The current 10 percent penalty provision on asset reversions be paid by employers in the month following the month in which the reversion occurs;

(c) The effective date of the 60 percent penalty provision and the change to payment rules for the 10 percent penalty provision should be effective for notices of intent to terminate provided to participants on or after the date of adoption by the Senate of this amendment;

(d) These provisions on pension asset reversions and associated penalties will be included in appropriate revenue legislation that will be considered by the full Senate before the end of the current legislative session;

(e) During the period that the 60 percent penalty provision is in effect, the four committees of jurisdiction in both Houses—the Senate Finance Committee, the Senate Labor and Human Resources Committee, the House Ways and Means Committee and the House Education and Labor Committee—should draft legislation that addresses the important policy questions raised by employer terminations of pension plans and asset reversions.

CHILD NUTRITION ACT

LEAHY (AND LUGAR) AMENDMENT NO. 2663

Mr. LEAHY (for himself and Mr. Lugar) proposed an amendment to the bill (S. 2560) to amend the Temporary Emergency Food Assistance Act of 1983 to require the Secretary of Agriculture to make available additional types of commodities, to improve child nutrition and food stamp programs, to provide other hunger relief, and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Hunger Prevention Act of 1988".

(b) Table of Contents.—The table of contents is as follows:

Sec. 1. Short title; table of contents.

TITLE I—EMERGENCY HUNGER PREVENTION

Subtitle A—Temporary Emergency Food Assistance Program

Sec. 101. Domestic use as a higher priority than foreign sales.
Sec. 102. Supplementation of commodities.
Sec. 103. Extension of TEFAP.
Sec. 104. Additional commodities program.
Sec. 105. Distribution costs and regulations.
Sec. 106. Extension of dairy export incentive program.
Sec. 107. Extension of export sales of dairy products.

Subtitle B—Soup Kitchens and Other Emergency Food Aid

Sec. 110. Soup Kitchens and Other Congregate Meal Sites and Food Pantries.

Subtitle C—Basic Food Stamp Benefit Levels

Sec. 120. Low cost food plan.

Subtitle D—Commodity Supplemental Food Program

Sec. 130. Continuation of cheese supplies.

TITLE II—NUTRITION IMPROVEMENTS

Subtitle A—Food Stamp Act of 1977

Sec. 201. Relatives living together.
Sec. 202. Categorical eligibility.
Sec. 203. Income standards of eligibility.
Sec. 204. Reporting requirements and calculation of household income.
Sec. 205. Emergency assistance payments to migrant farmworker households.
Sec. 206. Value of allotment.
Sec. 207. Benefits for households subject to prorating.
Sec. 208. Optional food stamp information activities.
Sec. 209. Extension of homeless amendments.

Subtitle B—Child Nutrition Act of 1966 and National School Lunch Act

Sec. 210. Improvement of school breakfast program.
Sec. 211. Addition of one snack or one meal to the Child Care Food Program.
Sec. 212. Access of homeless women, infants, and children to the special supplemental food program.
Sec. 213. Summer feeding program.

TITLE III—ADMINISTRATIVE IMPROVEMENTS AND SIMPLIFICATION

Sec. 301. References to the Food Stamp Act of 1977.

Subtitle A—Reducing Unnecessary Paperwork

Sec. 310. Early resolution of disputes.
Sec. 311. Simplified application forms.
Sec. 312. Statement of required verification.
Sec. 313. Opportunities to make reports to food stamp offices.

Subtitle B—Assuring Accurate Issuance of Benefits

Sec. 320. Correcting improper denials and underissuances.
Sec. 321. Special training of state personnel involved in certifying farm households.
Sec. 322. Training of certification workers and community resources.
Sec. 323. Preventing incorrect issuances.

Subtitle C—Reducing Barriers in Rural America

Sec. 330. Transportation difficulties in rural areas.
Sec. 331. Outstationing eligibility workers.
Sec. 332. Standards for closings or relocations of food stamp offices.

Subtitle D—Eliminating Inequities for Farmers and Others

Sec. 340. Continuation of food stamps to participants in cash-outs of other benefit programs.
Sec. 341. Annualizing self-employment income and expenses from farming.
Sec. 342. Households in transition.
Sec. 343. Technical correction to exclusion of energy assistance from food stamp income.
Sec. 344. Treatment of resources that may not lawfully be converted to cash.

Subtitle E—Reducing Barriers for the Elderly and Disabled

Sec. 350. Disabled persons receiving benefits under standards at least as stringent as those in the Social Security Act.
Sec. 351. Simplified procedure for claiming excess medical deduction.
Sec. 352. Coordinated application.

TITLE IV—FAMILY SELF-SUFFICIENCY

Sec. 401. References to the Food Stamp Act of 1977.
Sec. 402. Exclusion for advance payment of earned income credit.
Sec. 403. Deduction for dependent care.
Sec. 404. Limitation on resources.
Sec. 405. Employment and training.

TITLE V—DEMONSTRATION PROJECTS

Sec. 501. Farmers' market coupons demonstration project.

Sec. 502. Food bank demonstration project.
Sec. 503. Day care home demonstration project.
Sec. 504. Demonstration projects for development and use of intellegent computer benefit cards to pay food stamp benefits.
Sec. 505. Study of effectiveness of the food stamp employment and training program.

TITLE VI—IMPLEMENTATION

Sec. 601. Implementation.

TITLE I—EMERGENCY HUNGER PREVENTION

Subtitle A—Temporary Emergency Food Assistance Program

SEC. 101. DOMESTIC USE AS A HIGHER PRIORITY THAN FOREIGN SALES.

Section 202 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any other provision of law, the programs authorized by sections 153 and 1163 of the Food Security Act of 1985 (15 U.S.C. 713a-14 and 7 U.S.C. 1731 note) shall not be operated in a manner that will, in any way, reduce the quantities of dairy products that traditionally are made available to carry out this Act or any other domestic feeding program.".

SEC. 102. SUPPLEMENTATION OF COMMODITIES.

The Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding after section 203C, the following new section:

"SEC. 203D. STATE AND LOCAL SUPPLEMENTATION OF COMMODITIES.

"(a) AUTHORIZATION.—The Secretary shall establish procedures under which State and local agencies, charitable institutions, or any other persons may supplement the commodities distributed under the program authorized by this Act for use by emergency feeding organizations with nutritious and wholesome commodities that such entities or persons donate to State agencies and emergency feeding organizations for distribution, in all or part of the State, in addition to the commodities otherwise made available under this Act.

"(b) USE OF FUNDS AND FACILITIES.—States and emergency feeding organizations may use the funds appropriated under this Act and equipment, structures, vehicles, and all other facilities involved in the storage, handling, or distribution of commodities made available under this Act, and the personnel, both paid or volunteer, involved in such storage, handling, or distribution, to store, handle or distribute commodities donated for the use of emergency feeding organizations under subsection (a).

"(c) INFORMATION PROGRAM.—Not to exceed 3 percent of the funds allocated to each State for the costs associated with the distribution of commodities under this Act may be used for the costs of conducting a program, unless all or a portion of such 3 percent is not approved by the Secretary, that provides information to persons receiving commodities under this Act concerning the availability of other food assistance programs such as the food stamp program authorized by the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the Special Supplemental Food Program for Women, Infants, and Children authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(d) VOLUNTEER WORKERS.—State and eligible recipient agencies shall continue, to the maximum extent practicable, to use volunteer workers and commodities donated by charitable and other organizations in the operation of the program authorized by this Act.

"(e) DROUGHT RELIEF AND OTHER DISASTER ASSISTANCE.—The Secretary may temporarily waive the provisions of this Act, except for the provisions of sections 213 and 214, to the extent necessary in order to better facilitate the delivery of food assistance to persons adversely affected by a drought, flood, hurricane, or other natural disaster affecting substantial numbers of persons in a State, county or parish.".

SEC. 103. EXTENSION OF TEFAP.

(a) AUTHORIZATION.—The first sentence of section 204(c)(1) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended—

(1) by striking out "through September 30, 1988" and inserting in lieu thereof "through September 30, 1990"; and

(2) by inserting before the period at the end thereof the following: "and for the distribution of commodities under section 110 of the Hunger Prevention Act of 1988".

(b) LOCAL SUPPORT.—The first sentence of section 204(c)(2) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "20" and inserting in lieu thereof "40".

(c) NOTICE OF AVAILABILITY OF COMMODITIES.—Section 210(c) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "fiscal year ending September 30, 1988" and inserting "fiscal years 1989 and 1990".

(d) PROGRAM DATES.—

(1) IN GENERAL.—Section 212 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by striking out "1988" and inserting "1990".

(2) CONFORMING AMENDMENT.—Subsections (a)(1), (a)(2), (b), and (c) of section 202A of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) are amended by striking out "fiscal year 1988" each place such appears and inserting in lieu thereof "fiscal years 1988 through 1990".

SEC. 104. ADDITIONAL COMMODITIES PROGRAM.

The Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end thereof the following new sections:

"SEC. 213. INCORPORATION OF ADDITIONAL COMMODITIES.

"(a) IN GENERAL.—The Secretary shall administer the program authorized under this Act in a manner that incorporates into the program additional commodities purchased by the Secretary under section 214 to be distributed to States for use in such States by emergency feeding organizations, as defined in section 201A(1). Such additional commodities, to the extent practicable and appropriate, shall include commodities purchased within a given State for distribution within such State.

"(b) SUPPLEMENT COMMODITIES AVAILABLE.—The Secretary shall supplement the commodities made available to emergency feeding organizations under sections 202, 202A and 203D(a) with nutritious and useful commodities purchased by the Secretary under section 214.

"SEC. 214. REQUIRED PURCHASES OF COMMODITIES.

"(a) PURPOSE.—It is the purpose of this section to establish a formula so that the amount, measured by their value, of additional commodities that are to be allocated to each State can be precisely calculated for fiscal years 1989 and 1990. The share of commodities, as measured by their value, to be allocated to each State shall be based 60 percent on the number of persons in households within the State having incomes below the poverty level and 40 percent on the number of unemployed persons within the State.

"(b) DEFINITIONS.—As used in this section—

"(1) ADDITIONAL COMMODITIES.—The term 'additional commodities' means commodities purchased under this section in addition to the commodities otherwise made available under sections 202, 202A, and 203D(a).

"(2) AVERAGE MONTHLY NUMBER OF UNEMPLOYED PERSONS.—The term 'average monthly number of unemployed persons' refers to the average monthly number of unemployed persons within each State in the most recent fiscal year for which such information is available as determined by the Bureau of Labor Statistics of the Department of Labor.

"(3) POVERTY LINE.—The term 'poverty line' has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

"(4) TOTAL VALUE OF ADDITIONAL COMMODITIES.—The term 'total value of additional commodities' means the actual cost (including the distribution and processing costs incurred by the Secretary), as paid by the Secretary, for all additional commodities purchased under subsection (e).

"(5) VALUE OF ADDITIONAL COMMODITIES ALLOCATED TO EACH STATE.—The term 'value of additional commodities allocated to each State' means the actual cost for additional commodities (including the distribution and processing costs incurred by the Secretary) as paid by the Secretary, under this section and allocated to such State.

"(c) PURCHASE OF COMMODITIES.—The Secretary shall purchase a variety of nutritious and useful commodities to supplement the commodities otherwise provided under the program authorized by this Act.

"(d) TYPES AND VARIETIES.—In determining the types and varieties of commodities to purchase under subsection (c), the Secretary shall, to the extent practicable and appropriate, purchase commodities—

"(1) with high protein and nutrient content per calorie;

"(2) that are easily and safely stored;

"(3) that are convenient to use and consume;

"(4) that are desired by the needy individuals who are likely to be the recipients of such commodities; and

"(5) in certain cases, that do not require any cooking.

"(e) AMOUNTS.—During each of the fiscal years 1989 and 1990, the Secretary shall spend $145,000,000 to purchase, process, and distribute additional commodities under this section.

"(f) MANDATORY ALLOTMENTS.—In each fiscal year, the Secretary shall allot—

"(1) 60 percent of the total value of additional commodities provided to States in a manner such that the value of additional commodities allocated to each State bears the same ratio to 60 percent of the total value of additional commodities as the number of persons in households within the State having incomes below the poverty line bears to the total number of persons in households within all States having incomes below such poverty line, and each State shall be entitled to receive such value of additional commodities; and

"(2) 40 percent of the total value of additional commodities provided to States in a manner such that the value of additional commodities allocated to each State bears the same ratio to 40 percent of the total value of additional commodities as the average monthly number of unemployed persons within the State bears to the average monthly number of unemployed persons within all States during the same fiscal year, and each State shall be entitled to receive such value of additional commodities.

"(g) Reallocation.—The Secretary shall notify each State of the amount of the additional commodities that such State is allotted to receive under subsection (f), and each State shall promptly notify the Secretary if such State determines that it will not accept any or all of the commodities made available under such allocation. On such a notification by a State, the Secretary shall reallocate and distribute the amount such State was to receive under the formula prescribed in subsection (f). The Secretary shall further establish procedures to permit States to decline to receive portions of such allocation during each fiscal year as the State determines is appropriate and the Secretary shall reallocate and distribute such allocation. In the event of any drought, flood, hurricane, or other natural disaster affecting substantial numbers of persons in a State, county or parish, the Secretary may request that States unaffected by such a disaster consider assisting affected States by allowing the Secretary to reallocate commodities to which each such unaffected State is entitled to States containing areas adversely affected by the disaster.

"(h) Administration.—Subject to subsections (e) and (f), purchases under this section shall be made by the Secretary at such times and under such conditions as the Secretary determines appropriate within each fiscal year. All such commodities purchased for each such fiscal year shall be delivered at reasonable intervals to States based on the allotments calculated under subsection (f) or reallocated under subsection (g) before the end of such fiscal year. Each State shall be entitled to receive that value of additional commodities that results from the application of the formula set forth in this section to the total value of additional commodities.

"(i) Maintenance of Effort.—If a State uses its own funds to provide commodities or services to organizations receiving funds or services under this section, such State shall not diminish the level of support it provides to such organizations or reduce the amount of funds available for other nutrition programs in the State in each fiscal year.

"(j) New Formula.—Notwithstanding the provisions of this section that set forth the specific formula for allocating additional commodities to each State, the Secretary is authorized to promulgate a different precise formula, after prior notice and comment as required by section 553 of title 5, United States Code, only to the extent that—

"(1) any such formula is effective at the outset of, and throughout any given fiscal year;

"(2) any such formula can be used to precisely calculate the amount of commodities to be made available to each State by the Secretary for each fiscal year; and

"(3) such formula provides that each State is entitled to receive that value of additional commodities which results from the application of such formula to the total value of additional commodities.

"(k) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section.".

SEC. 105. DISTRIBUTION COSTS AND REGULATIONS.

(a) Distribution Costs.—Section 204(c)(1) of the Temporary Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end thereof the following new sentence: "Also States may use funds provided under this paragraph to pay for the costs associated with the distribution of commodities to emergency feeding organizations such as soup kitchens and other congregate meal sites, food pantries, food banks, and similar charitable institutions within a given State under the program authorized under section 110 of the Hunger Prevention Act of 1988, and to pay for the costs associated with the distribution of additional commodities provided pursuant to section 214.".

(b) Regulations.—Section 210 of the Temporary Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end thereof the following new subsection:

"(e) The Secretary is authorized to issue final regulations without first issuing proposed regulations (except as otherwise provided for in section 214(g)) for public comment in order to carry out the provisions of sections 213 through 215. If final regulations are issued without such prior public comment the Secretary shall permit public comment on such regulations, shall consider pertinent comments, and shall make such modifications of such regulations not later than 1 year after the date of enactment of this subsection. Such final and modified regulations shall be accompanied by a statement of the basis and purpose for such regulations.".

SEC. 106. EXTENSION OF DAIRY EXPORT INCENTIVE PROGRAM.

Section 153(a) of the Food Security Act of 1985 (15 U.S.C. 713a-14) is amended by striking out "1989" and inserting in lieu thereof "1991".

SEC. 107. EXTENSION OF EXPORT SALES OF DAIRY PRODUCTS.

Section 1163 of the Food Security Act of 1985 (7 U.S.C. 1731 note) is amended—

(1) in subsection (a), by striking out "fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988" and inserting in lieu thereof "each of the fiscal years 1986 through 1991"; and

(2) in subsection (c), by striking out "1988" and inserting in lieu thereof "1991".

Subtitle B—Soup Kitchens and Other Emergency Food Aid

SEC. 110. SOUP KITCHENS AND OTHER CONGREGATE MEAL SITES AND FOOD PANTRIES.

(a) Purpose.—It is the purpose of this section to establish a formula so that the amount, measured by their value, of additional commodities that are to be delivered to each State can be precisely calculated for fiscal years 1989 through 1991. The share of commodities, as measured by their value, to be delivered to each State shall be based 60 percent on the number of persons in households within the State having incomes below the poverty level and 40 percent on the number of unemployed persons within the State.

(b) Definitions.—As used in this section—

(1) Additional commodities.—The term "additional commodities" means commodities purchased under this section in addition to the commodities traditionally made available to soup kitchens and other congregate meal sites, food pantries, food banks, and similar nonprofit charitable institutions providing nutrition assistance to relieve situations of emergency and distress through the provision of food and meals to needy persons by the Commodity Credit Corporation or the Secretary of Agriculture.

(2) Average monthly number of unemployed persons.—The term "average monthly number of unemployed persons" refers to the average monthly number of unemployed persons within each State in the most recent fiscal year for which such information is available as determined by the Bureau of Labor Statistics of the Department of Labor.

(3) Food banks.—The term "food bank" refers to public and private nonprofit institutions that maintain an established operation involving the provision of food or edible commodities, or the products thereof, to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that provide meals or food to needy persons on a regular basis as an integral part of their normal activities.

(4) Food pantries.—The term "food pantries" refers to public and private nonprofit institutions that maintain an established operation of donating foods to needy persons on a regular basis as an integral part of their normal activities.

(5) Poverty line.—The term "poverty line" has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

(6) Soup kitchens and other congregate meal sites.—The term "soup kitchens and other congregate meal sites" refers to charitable institutions that maintain an established feeding operation to provide food assistance to needy persons in situations of emergency and distress on a regular basis as an integral part of their normal activities.

(7) Total value of additional commodities.—The term "total value of additional commodities" means the actual cost (including the processing and distribution costs of the Secretary), as paid by the Secretary, for all additional commodities purchased under subsection (c).

(8) Value of additional commodities allocated to a state.—The term "value of additional commodities allocated to a State" means the actual cost for additional commodities (including the processing and distribution costs of the Secretary) as paid by the Secretary, for commodities purchased under this section and allocated to such State.

(c) Amounts.—During each of the fiscal years 1989 through 1991, the Secretary shall spend $40,000,000 to purchase, process, and distribute additional commodities to States that will enable such States to distribute such commodities purchased under this section to soup kitchens and other congregate meal sites, food pantries, food banks, and similar charitable institutions that provide nutrition assistance to relieve situations of emergency and distress through the provision of food and meals to needy persons. The Secretary shall issue regulations that give a preference to soup kitchens and other congregate meal sites regarding the commodities distributed under this section.

(d) Mandatory Allotments.—In each fiscal year, the Secretary shall allot—

(1) 60 percent of the total value of additional commodities provided to States in a manner such that the value of additional commodities allocated to each State bears the same ratio to 60 percent of the total value of additional commodities as the number of persons in households within the State having incomes below the poverty line bears to the total number of persons in households within all States having incomes below such poverty line, and each State

shall be entitled to receive such value of additional commodities; and

(2) 40 percent of the total value of additional commodities provided to States in a manner such that the value of additional commodities allocated to each State bears the same ratio to 40 percent of the total value of additional commodities as the average monthly number of unemployed persons within the State bears to the average monthly number of unemployed persons within all States during the same fiscal year, and each State shall be entitled to receive such value of additional commodities.

(e) Reallocation.—The Secretary shall notify each State of the amount of the additional commodities that such State is allotted to receive under subsection (d), and each State shall promptly notify the Secretary if such State determines that it will not accept any or all of the commodities made available under such allocation because such allocation is in excess of the State's needs. On such a notification by a State, the Secretary shall reallocate and distribute the amount such State was to receive under the formula prescribed in subsection (d). The Secretary shall further establish procedures to allow States to decline to receive portions of such allocations during the fiscal year as the State determines is appropriate and the Secretary shall reallocate and distribute such allotments. In the event of any drought, flood, hurricane, or other natural disaster affecting substantial numbers of persons in a State, county or parish, the Secretary may request that States unaffected by such a disaster consider assisting affected States by allowing the Secretary to reallocate commodities to which each such unaffected State is entitled to States containing areas adversely affected by the disaster.

(f) Administration.—Subject to subsections (c) and (d), purchases under this section shall be made by the Secretary of Agriculture at such times and under such conditions as the Secretary determines appropriate within each fiscal year. All such commodities purchased in each such fiscal year shall be delivered at reasonable intervals to States based on the allotments calculated under subsection (d) or reallocated under subsection (e) before the end of such fiscal year. Each State shall be entitled to receive that value of additional commodities that results from the application of the formula set forth in this section to the total value of additional commodities.

(g) Increased Commodity Levels.—Commodities provided under this section shall be in addition to the commodities otherwise provided (through commodity donations traditionally provided by the Secretary or the Commodity Credit Corporation to charitable institutions) to soup kitchens and other congregate meal sites, food pantries, food banks, and similar institutions as defined in subsection (b). The value of the commodity donations traditionally provided to such institutions may not be diminished as a result of the purchases required under this section or under section 214 of the Temporary Emergency Food Assistance Act of 1983, and shall not be less, in any fiscal year, than the value of such commodity donations made in fiscal year 1987.

(h) Maintenance of Effort.—

(1) Federal maintenance.—The purchase of commodities required under sections 104 and 110 of the Hunger Prevention Act of 1988, shall not be made in such a manner as to cause any reduction in the value of the bonus commodities that would otherwise be distributed, in the absence of sections 104 and 110, to the Temporary Emergency Food Assistance Program, to charitable institutions, or to any other domestic food assistance program, such as the programs authorized under the National School Lunch Act, the Child Nutrition Act of 1966, the Food Stamp Act of 1977, or sections 4 and 5 of the Agriculture and Consumer Protection Act of 1973.

(2) Other maintenance.—Local agencies receiving commodities purchased under this section shall provide an assurance to the State that donations of foodstuffs from other sources shall not be diminished as a result of the receipt of commodities under this section.

(i) New Formula.—Notwithstanding the provisions of this section that set forth the specific formula for allocating additional commodities to each State, the Secretary is authorized to establish a different precise formula, after prior notice and comment as required by section 553 of title 5, United States Code, only to the extent that—

"(1) any such formula is effective at the outset of, and throughout any given fiscal year;

"(2) any such formula can be used to precisely calculate the amount of commodities to be made available to each State by the Secretary for each fiscal year; and

(3) such formula provides that each State is entitled to receive that value of additional commodities which results from the application of such formula to the total value of additional commodities.

(j) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

(k) Coordination.—In distributing foods purchased under this section, each State shall consult, coordinate, and secure recommendations for such distribution from State and local boards, where such boards exist, established to oversee the distribution of foods under the emergency food and shelter program, and from national and State food bank organizations, and shall take such recommendations into account.

Subtitle C—Basic Food Stamp Benefit Levels

SEC. 120. LOW COST FOOD PLAN.

(a) Food Plan Definition.—Section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended—

(1) by striking out "Thrifty" and inserting in lieu thereof "Low cost";

(2) by striking out "thrifty" each place it appears and inserting in lieu thereof "low cost"; and

(3) by striking out "(4)" and all that follows through the period at the end thereof and inserting in lieu thereof the following: "(4) on January 1, 1989, adjust the cost of such diet to reflect the cost of the low cost food plan in the preceding June, and (5) on October 1, 1989, and on each October 1 thereafter, adjust the cost of such diet to reflect the cost of such diet in the preceding June.".

(b) Value of Allotment.—Section 8(a) of the Food Stamp Act of 1977 (7 U.S.C. 2017(a)) is amended by striking out "the thrifty food plan" and inserting in lieu thereof "79 percent of the low cost food plan during the period beginning January 1, 1989, and ending September 30, 1989, 79.5 percent of the low cost food plan during fiscal year 1990, and 80 percent of the low cost food plan during fiscal year 1991 and each fiscal year thereafter, to be rounded to the nearest lower dollar increment for each household size during each such period,".

(c) Conforming Amendment.—Section 21(b)(2)(C)(ii) of the Food Stamp Act of 1977 (7 U.S.C. 2030(b)(2)(C)(ii)) is amended by striking out "the thrifty food plan" and inserting in lieu thereof "79 percent of the low cost food plan during the period beginning January 1, 1989, and ending September 30, 1989, 79.5 percent of the low cost food plan during fiscal year 1990, and 80 percent of the low cost food plan during fiscal year 1991 and each fiscal year thereafter, to be rounded to the nearest lower dollar increment for each household size during each such period,".

Subtitle D—Commodity Supplemental Food Program

SEC. 130. CONTINUATION OF CHEESE.

Notwithstanding any other provision of law, the Commodity Credit Corporation shall provide 7,000,000 pounds of cheese in each of the fiscal years 1989 and 1990 to the Secretary of Agriculture and the Secretary shall provide such amounts of cheese to the Commodity Supplemental Food Program authorized under section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) before the end of each fiscal year.

TITLE II—NUTRITION IMPROVEMENTS

Subtitle A—Food Stamp Act of 1977

SEC. 201. RELATIVES LIVING TOGETHER.

The first sentence of section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended—

(1) by striking out ", (2)" and inserting in lieu thereof "or (2)";

(2) by striking out ", or (3) a parent of minor children and that parent's children" and all that follows through "parents and children, or siblings," and inserting in lieu thereof ". Parents and their minor children"; and

(3) by striking out "one of the parents or siblings" and inserting in lieu thereof "one of the parents".

SEC. 202. CATEGORICAL ELIGIBILITY.

The second sentence of section 5(a) of the Food Stamp Act of 1977 (7 U.S.C. 2014(a)) is amended—

(1) by striking out "during the period"; and

(2) by striking out "and ending on September 30, 1989".

SEC. 203. INCOME STANDARDS OF ELIGIBILITY.

Section 5(c)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2014(c)(1)) is amended by inserting after the paragraph designation the following: "in the case of a household that includes an elderly or disabled member,".

SEC. 204. REPORTING REQUIREMENTS AND CALCULATION OF HOUSEHOLD INCOME.

(a) Calculation of Household Income.—Section 5(f) of the Food Stamp Act of 1977 (7 U.S.C. 2014(f)) is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2)(A) Households not required to submit monthly reports of their income and household circumstances under section 6(c)(1) shall have their income calculated on a prospective basis, as provided in paragraph (3)(A).

"(B) Households required to submit monthly reports of their income and household circumstances under section 6(c)(1) shall have their income calculated on a retrospective basis, as provided in paragraph (3)(B), except that in the case of the first month, or at the option of the State the first and second months, in a continuous period in which a household is certified, the

State agency shall determine the amount of benefits on the basis of the household's income and other relevant circumstances in such first or second month.".

(b) OPTIONAL MONTHLY REPORTING.—Section 6(c) of such Act (7 U.S.C. 2015(c)) is amended by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1)(A) A State agency may require certain categories of households to file periodic reports of income and household circumstances in accordance with standards prescribed by the Secretary, except that a State agency may not require periodic reporting by—

"(i) households in which all adult members, who are not elderly or disabled, are migrant or seasonal farm workers;

"(ii) households in which all members are homeless individuals; or

"(iii) households that have no earned income and in which all adult members are elderly or disabled.

"(B) Each household that is not required to file such periodic reports on a monthly basis shall be required to report or cause to be reported to the State agency changes in income or household circumstances that the Secretary considers necessary to assure accurate eligibility and benefit determinations.".

(c) MONTHLY NOTICE.—Section 6(c)(2) of such Act (7 U.S.C. 2015(c)(2)) is amended—

(1) by striking out "and (D)" and inserting "(D)"; and

(2) by inserting before the period the following: ", and (E) be provided each month (or other applicable period) with an appropriate, simple form for making the required reports of the household together with clear instructions explaining how to complete the form and the rights and responsibilities of the household under any periodic reporting system".

SEC. 205. EMERGENCY ASSISTANCE PAYMENTS TO MIGRANT FARMWORKER HOUSEHOLDS.

Section 5(k)(2) (7 U.S.C. 2014(k)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (G) and (H) respectively; and

(2) by inserting after subparagraph (D) the following new subparagraphs:

"(E) emergency assistance for migrant or seasonal farmworker households;

"(F) temporary emergency assistance for victims of a natural disaster such as a drought, flood or hurricane;".

SEC. 206. VALUE OF ALLOTMENT.

Clause (2) of the last sentence of section 8(c) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)) is amended by striking out "following any period" and inserting in lieu thereof "that applies following any period of more than 30 days in".

SEC. 207. BENEFITS FOR HOUSEHOLDS SUBJECT TO PRORATING.

(a) IN GENERAL.—Section 8(c) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)) (as amended by section 206 of this Act) is further amended—

(1) by designating the first and second sentences as paragraphs (1) and (2), respectively;

(2) in paragraph (2) (as so redesignated), by redesignating clauses (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end thereof the following new paragraph:

"(3) An eligible household applying after the 15th day of the month shall receive, in lieu of its initial allotment and its regular allotment for the following month, an allotment that is the aggregate of the initial allotment and the first regular allotment, which shall be provided in accordance with paragraphs (3) and (9) of section 11(e).".

(b) CONFORMING AMENDMENT.—Section 7(h) is amended—

(1) by striking out "(1)"; and

(2) by repealing paragraph (2).

SEC. 208. OPTIONAL FOOD STAMP INFORMATION ACTIVITIES.

(a) OPTIONAL INFORMATION ACTIVITIES.—Subparagraph (A) of section 11(e)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(A)) is amended to read as follows: "(A) at the option of the State agency, inform low-income households about the availability, eligibility requirements, application procedures, and benefits of the food stamp program; and".

(b) ADMINISTRATIVE COSTS.—Section 16(a)(4) of such Act (7 U.S.C. 2025(a)(4)) is amended by striking out "permitted" and inserting in lieu thereof "including those undertaken.".

SEC. 209. EXTENSION OF HOMELESS AMENDMENTS.

Section 11002(f)(3) of the Homeless Eligibility Clarification Act (7 U.S.C. 2012 note) is amended by inserting ", except those amendments made by subsection (b)," after "this section".

Subtitle B—Child Nutrition Act of 1966, and National School Lunch Act

SEC. 210. IMPROVEMENT OF SCHOOL BREAKFAST PROGRAM.

The first sentence of section 4(b)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(3)) is amended by striking out "3 cents" and inserting in lieu thereof "6 cents".

SEC. 211. ADDITION OF ONE SNACK OR ONE MEAL TO THE CHILD CARE FOOD PROGRAM.

Section 17(f)(2)(B) of the National School Lunch Act (42 U.S.C. 1766(f)(2)(B)) is amended by inserting before the period the following: ", or in the case of an institution (but not in the case of a family or group day care home sponsoring organization), two meals and two supplements or three meals and one supplement per day per child, for children that are maintained in a child care setting for eight or more hours per day.".

SEC. 212. ACCESS OF HOMELESS WOMEN, INFANTS, AND CHILDREN TO THE SPECIAL SUPPLEMENTAL FOOD PROGRAM.

(a) DEFINITIONS.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended by adding at the end thereof the following new paragraph:

"(15) 'Homeless individual' means—

"(A) an individual who lacks a fixed and regular nighttime residence; or

"(B) an individual whose primary nighttime residence is—

"(i) a supervised publicly or privately operated shelter (including a welfare hotel or congregate shelter) designed to provide temporary living accommodations;

"(ii) an institution that provides a temporary residence for individuals intended to be institutionalized;

"(iii) a temporary accommodation in the residence of another individual; or

"(iv) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.".

(b) GENERAL AUTHORITY.—The last sentence of section 17(c)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(c)(1)) is amended to read as follows: "The program shall be supplementary to—

"(A) the food stamp program;

"(B) any program under which foods are distributed to needy families in lieu of food stamps; and

"(C) receipt of meals from soup kitchen, shelters, or other emergency food assistance programs.".

(c) STATE ADMINISTRATION.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended—

(1) in paragraph (1)(C)(iv), by striking out "migrants" and inserting in lieu thereof "migrants, homeless individuals,";

(2) in paragraph (8)(A), by inserting "organizations and agencies serving homeless individuals," after "Indian tribal organizations,";

(3) in paragraph (13), by striking out "cultural eating patterns." and inserting in lieu thereof the following: "cultural eating patterns, and, in the case of homeless individuals, the special needs and problems of such individuals."; and

(4) by adding at the end thereof the following new paragraph:

"(17) The State agency may adopt methods of delivering benefits to accommodate the special needs and problems of homeless individuals.".

SEC. 213. SUMMER FEEDING PROGRAM.

(a) ELIGIBLE SERVICE INSTITUTIONS.—Section 13(a)(1) of the National School Lunch Act (42 U.S.C. 1761(a)(1)) is amended—

(1) in subparagraph (B), by inserting ", public or private nonprofit higher education institutions participating in the National Youth Sports Program, private nonprofit organizations," after "county governments";

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by striking out "and" at the end of subparagraph (D); and

(4) by inserting after subparagraph (D) the following new subparagraph: "(E) 'private nonprofit organizations' means only such organizations (not including private nonprofit school food authorities or summer camps) that (i) serve no more than 2,500 children per day and operate at not more than 5 sites, and (ii) use self-preparation facilities to prepare meals or obtain meals from a public facility (such as a school district, public hospital, or State university); and".

(b) ELIGIBLE PRIVATE NONPROFIT ORGANIZATIONS.—Section 13 of the Act is amended by inserting after subsection (h) the following new subsection:

"(i) In addition to the requirements of subsection (a)(3), eligible private nonprofit organizations (excluding summer camps and private non-profit school food authorities) entitled to participate in the program as service institutions shall be limited to those that—

"(1) operate in areas where a school food authority or the local, municipal, or county government has not indicated by March 1 of any year that such authority or unit of local government will operate a program under this section in such year;

"(2) exercise full control and authority over the operation of the program at all sites under their sponsorship;

"(3) provide ongoing year-round activities for children;

"(4) demonstrate adequate management and fiscal capacity to operate a program under this section; and

"(5) meet applicable State and local health, safety, and sanitation standards.".

TITLE III—ADMINISTRATIVE IMPROVEMENTS AND SIMPLIFICATION

SEC. 301. REFERENCES TO THE FOOD STAMP ACT OF 1977.

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

Subtitle A—Reducing Unnecessary Paperwork

SEC. 310. EARLY RESOLUTION OF DISPUTES.

Section 6(a) (7 U.S.C. 2015(a)) is amended by adding at the end thereof the following: "Before terminating or disqualifying any person or household from participation in such program the State agency shall, where appropriate under regulations established by the Secretary, attempt to conciliate (by telephone, mail, or otherwise) the basis of the intended termination or disqualification with the person or household, except that conciliation need not be pursued if a recipient is found ineligible—

"(1) after having been found guilty of an intentional program violation as described in section 6(b);

"(2) for being an ineligible student under section 6(e), an ineligible alien under section 6(f), or a recipient of supplemental security income benefits in a State providing supplementary payments as described in section 6(g);

"(3) for having income in excess of the income eligibility limits established under section 5(b), or resources in excess of the resource eligibility limits established under section 5(g);

"(4) for knowingly transferring assets in a manner prohibited by section 6(h); or

"(5) under conditions as set forth in section 6(d)(3) for being on strike.".

SEC. 311. SIMPLIFIED APPLICATION FORMS.

Section 11(e)(2) (7 U.S.C. 2020(e)(2)), is amended by inserting after "exigencies as determined by the Secretary" the following: ", and in approving such deviation, the Secretary takes into account whether such State forms are easy to use, brief and readable. In consultation with the Secretary of Health and Human Services, the Secretary shall develop a program to provide assistance to States that request assistance in the development of brief, simply-written and readable application forms including application forms that cover the food stamp program, the aid to families with dependent children program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), and medical assistance programs administered by the Secretary of Health and Human Services under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.). Each application form shall contain, in plain and prominent language on its front cover, a place where applicants can write their names, addresses, and signatures, and instructions in understandable terms informing households of their right to file the application without immediately completing additional sections, describing the expedited processing requirements of section 11(e)(9) and informing households that benefits are provided only from the date of application.".

SEC. 312. STATEMENT OF REQUIRED VERIFICATION.

Section 11(e)(3) (7 U.S.C. 2020(e)(3)) is amended by inserting before the semicolon at the end thereof the following: ", and that the State agency shall—

"(A) provide each applicant household, at the time of application, a clear written statement explaining what acts the household must perform to cooperate in obtaining verification and otherwise completing the application process;

"(B) assist each applicant household in obtaining appropriate verification and completing the application process;

"(C) not require any household to submit additional proof of a matter on which the State agency already has current verification as determined under regulations issued by the Secretary, unless the State agency has reason to believe that the information possessed by the agency is inaccurate, incomplete, or inconsistent;

"(D) subject to subparagraph (E), not deny any application for participation under this program solely because of the failure of a person outside the household to cooperate (other than an individual failing to cooperate who would otherwise be a household member but for the operation of any of the individual disqualification provisions of subsections (b), (d), (e), (f), and (g) of section (6)); and

"(E) process applications, by taking appropriate steps to verify information otherwise required to be verified under this Act;".

SEC. 313. OPPORTUNITIES TO MAKE REPORTS TO FOOD STAMP OFFICES.

Section 11(e)(5) (7 U.S.C. 2020(e)(5)) is amended by inserting after "agency" the following: "and the standards that permit applicants and recipients to have reasonable access to State agency employees who undertake the certification of such households, in person and by telephone, so that applicants and recipients are readily able to contact appropriate employees at the certification office or have an opportunity to report changes in circumstances that shall be promptly acted on by the appropriate State agency employees.".

Subtitle B—Assuring Accurate Issuance of Benefits

SEC. 320. CORRECTING IMPROPER DENIALS AND UNDERISSUANCES.

Section 11 (7 U.S.C. 2020) is amended by adding at the end thereof the following new subsection:

"(p) When a State agency learns, through its own reviews under section 16 or through other reviews, through reviews conducted by the Secretary, or through other sources, that it has improperly denied, terminated, or underissued benefits to an eligible household, the State agency shall promptly restore any improperly denied benefits to the extent required by sections 11(e)(11) and 14(b), and shall take other steps to prevent a recurrence of such errors where such error was caused by the application of State agency practices, rules or procedures inconsistent with the requirements of this Act or with regulations or policies of the Secretary issued under the authority of this Act.".

SEC. 321. SPECIAL TRAINING OF STATE PERSONNEL INVOLVED IN CERTIFYING CERTAIN HOUSEHOLDS.

(a) Training.—Section 11(e)(6) (7 U.S.C. 2020(e)(6)) is amended—

(1) by striking out "and (C)" at the end of subparagraph (B) and inserting in lieu thereof "(C)"; and

(2) by inserting at the end thereof the following: "(D) the State agency, at its option, may undertake intensive training to ensure that State agency personnel who undertake the certification of households that include a member who is self-employed or who engages in farming are qualified to perform such certification;".

(b) Training Materials.—Section 16 (7 U.S.C. 2025) is amended by adding at the end thereof the following new subsection:

"(k) Not later than 180 days after the date of the enactment of the Hunger Prevention Act of 1988, and annually thereafter, the Secretary shall publish instructional materials specifically designed to be used by the State agency to provide intensive training to State agency personnel who undertake the certification of households that include a member who is self-employed or who engages in farming.".

(c) Technical Corrections.—Section 16 (7 U.S.C. 2025) is amended by redesignating subsection (h), as added by section 121(b)(5) of the Immigration Reform and Control Act of 1986, as subsection (j).

SEC. 322. TRAINING OF CERTIFICATION WORKERS AND COMMUNITY RESOURCES.

(a) Training Certification Workers.—Section 11(e)(6)(C) (7 U.S.C. 2020(e)(6)(C)) is amended—

(1) by striking out "undertake to"; and

(2) by inserting "so that eligible households are promptly and accurately certified to receive the allotments to which they are entitled under this Act" after "such certification".

(b) Community Resources.—Section 11(e)(6) (7 U.S.C. 2020(e)(6)) (as amended by sections 321(a) and 322(a) of this Act) is further amended by adding at the end thereof the following new subparagraph: "; and (E) the State agency, at its option, may provide, or contract for the provision of, training and assistance to persons working with volunteer or non-profit organizations that provide program information activities and eligibility screening to persons potentially eligible for food stamps.".

SEC. 323. PREVENTING INCORRECT ISSUANCES.

Section 11(e) (7 U.S.C. 2020(e)) (as amended by section 312) is further amended by inserting before the semicolon at the end of paragraph (3), the following: ", and that the State agency shall provide the household, at the time of each certification and recertification, with a statement describing the reporting responsibilities of the household under this Act, and provide a toll-free or local telephone number, or a telephone number at which collect calls will be accepted by the State agency, with which the household may reach an appropriate representative of the State agency for a reasonable period of time each business day to report changes in circumstances or to obtain program information, and inform the household of the hours such telephone number is available".

Subtitle C—Reducing Barriers in Rural America

SEC. 330. TRANSPORTATION DIFFICULTIES IN RURAL AREAS.

Section 11 (7 U.S.C. 2020) (as amended by section 320), is further amended by adding at the end thereof the following new subsection:

"(q) The State plan of operation described in subsection (d) shall include a procedure for designating project areas or parts of project areas that are rural and in which low-income persons face substantial difficulties in obtaining transportation. Each State shall designate such areas according to its approved procedures, and in each area so designated:

"(1) All persons contacting certification offices serving those areas during regular business hours shall be informed that the household may be certified to receive food stamps without an in-office interview if appearing for such an interview would create a hardship. In cases in which an in-office interview would create a hardship, the State agency shall interview the household by telephone, in its home, or at another location convenient to the household.

"(2) The State agency shall issue coupons by mail or otherwise directly deliver benefits to all eligible households in any such area, except that any household with mail losses exceeding levels established by the Secretary shall not be entitled to such a mailing and the State agency shall not issue coupons by mail in those localities within such area where the mail loss rates exceed standards set by the Secretary.".

SEC. 331. OUTSTATIONING ELIGIBILITY WORKERS.

Section 11(e) (7 U.S.C. 2020(e)) is amended—

(1) by striking out "and" at the end of paragraphs (21) and (23);

(2) by redesignating paragraph (24) as paragraph (25); and

(3) by inserting after paragraph (23) the following new paragraph:

"(24) that each town or community of more than 5,000 persons that is more than 30 miles away from the certification office designated to serve such town or community shall be visited on a regularly scheduled basis (but in no event less often than twice a month, with the time and place of such visits to be publicized in the affected areas) by a certification worker who shall accept applications for participation, conduct interviews, accept verification, and provide other client services that can be performed conveniently outside the office, unless such town or community is served by the State agency in some other manner designed to provide reasonable access to the food stamp program, including compliance with subsection (q); and".

SEC. 332. STANDARDS FOR CLOSING OR RELOCATING FOOD STAMP OFFICES.

Section 16(b) (7 U.S.C. 2025(b)) is amended by inserting after "including standards for" in clause (1) the following: "State agency review (including consultation with the public and appropriate public officials) of plans for the closing or relocation of offices of the State agency so that potential adverse effects of such plans on the access of eligible persons to the food stamp program are examined (with special emphasis on the needs of low-income people in rural areas, the elderly, the disabled, and the homeless) and adequate plans for minimizing any adverse impact before offices are moved or relocated are prepared and implemented, and standards for".

Subtitle D—Eliminating Inequities for Farmers and Others

SEC. 340. CONTINUATION OF FOOD STAMPS TO PARTICIPANTS IN CASH-OUTS OR OTHER BENEFIT PROGRAMS.

Section 5(d)(1) (7 U.S.C. 2014(d)(1)) is amended by striking out "to a household, except as provided in subsection (k)," and inserting in lieu thereof the following: "to a household (except that any such gain or benefit that customarily is not in the form of money payable directly to the household (such as in-kind assistance or vendor payments) shall be excluded notwithstanding its conversion in whole or in part to direct payments to households pursuant to any demonstration project carried out or authorized under Federal law including demonstration projects created by the waiver of provisions of Federal law),".

SEC. 341. ANNUALIZING SELF-EMPLOYMENT INCOME AND EXPENSES FROM FARMING.

Section 5(f)(1)(A) (7 U.S.C. 2014(f)(1)(A)) is amended—

(1) in the second sentence by striking out "preceding" and inserting in lieu thereof "first"; and

(2) by inserting after the first sentence the following new sentence: "Notwithstanding the preceding sentence, household income resulting from the self-employment of a member in a farming operation, who derives income from such farming operation, and who has irregular expenses to produce such income may, at the option of the household, be calculated by averaging such income and expenses over a 12-month period.".

SEC. 342. HOUSEHOLDS IN TRANSITION.

Section 5(g) (7 U.S.C. 2014(g)) is amended by adding at the end thereof the following new sentence: "In the case of farm property (including land, equipment, and supplies) that is essential to the self-employment of a household member in a farming operation, the Secretary shall exclude from financial resources the value of such property until the expiration of the 1-year period beginning on the date such member ceases to be self-employed in farming.".

SEC. 343. TECHNICAL CORRECTION TO EXCLUSION OF ENERGY ASSISTANCE FROM FOOD STAMP INCOME.

Section 5(d)(11) (7 U.S.C. 2014(d)(11)) is amended—

(1) in the matter preceding subparagraph (A), by striking out "under" and inserting in lieu thereof "for the purpose of providing energy assistance";

(2) in subparagraph (A), to read as follows: "(A) under any Federal law, or"; and

(3) in subparagraph (B)—

(A) by striking out "any" and inserting in lieu thereof "under any"; and

(B) by striking out "for the purpose of providing energy assistance".

SEC. 344. TREATMENT OF RESOURCES THAT MAY NOT LAWFULLY BE CONVERTED TO CASH.

Section 5(g) (7 U.S.C. 2014(g)) (as amended by section 342 of this Act), is further amended by adding at the end thereof the following new sentence: "No household shall be rendered ineligible under this subsection by its failure to dispose of a resource used in farming operations whose liquidation would produce no funds in excess of any liens, mortgages, or other security interests or where the household's liquidation of the resource would be contrary to a legal duty.".

Subtitle E—Reducing Barriers for the Elderly and Disabled

SEC. 350. DISABLED PERSONS RECEIVING BENEFITS UNDER STANDARDS AT LEAST AS STRINGENT AS THOSE IN THE SOCIAL SECURITY ACT.

Paragraph (2) of section 3(r) (7 U.S.C. 2012(r)) is amended to read as follows:

"(2)(A) receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) or Federally or State administered supplemental benefits of the type described in section 212(a) of Public Law 93-66 (42 U.S.C. 1382 note); or

"(B) receives Federally or State administered supplemental assistance of the type described in section 1616(a) of the Social Security Act (42 U.S.C. 1382e(a)), interim assistance pending receipt of supplemental security income, disability-related medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), or disability-based State general assistance benefits, if the Secretary determines that such benefits are conditioned on meeting disability or blindness criteria at least as stringent as those used under title XVI of the Social Security Act,".

SEC. 351. SIMPLIFIED PROCEDURE FOR CLAIMING EXCESS MEDICAL DEDUCTION.

Section 5(e) (7 U.S.C. 2014(e)) is amended by adding at the end thereof the following new sentences: "State agencies shall offer eligible households a method of claiming a deduction for recurring medical expenses, that are initially verified, under the excess medical expense deduction provided for in subparagraph (A) in lieu of submitting information or verification on actual expenses on a monthly basis. The method described in the preceding sentence shall be designed to minimize the administrative burden for eligible elderly and disabled household members choosing to deduct their recurrent medical expenses pursuant to such method.".

SEC. 352. COORDINATED APPLICATION.

The second sentence of section 11(i) (7 U.S.C. 2020(i)) is amended to read as follows: "In addition to implementing paragraphs (1) through (4), the State agency shall inform applicants for benefits under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that such applicants may file, along with their application for such benefits, and based on a joint interview for food stamps and for benefits under part A of title IV of the Social Security Act, an application for benefits under this Act.".

TITLE IV—FAMILY SELF-SUFFICIENCY

SEC. 401. REFERENCES TO THE FOOD STAMP ACT OF 1977.

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

SEC. 402. EXCLUSION FOR ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Section 5(d) (7 U.S.C. 2014(d)) is amended—

(1) by striking out "and (13)" and inserting in lieu thereof "(13)"; and

(2) by inserting before the period at the end thereof the following: ", (14) any payment made to the household under section 3507 of the Internal Revenue Code of 1986 (relating to advance payment of earned income credit)".

SEC. 403. DEDUCTION FOR DEPENDENT CARE.

(a) IN GENERAL.—Section 5(d) (7 U.S.C. 2014(d)) (as amended by section 402) is further amended by inserting before the period at the end thereof the following: ", and (15) any payment made to the household under section 6(d)(4)(I) for work related expenses or for dependent care".

(b) DEDUCTION.—Section 5(e) (7 U.S.C. 2014(e)) is amended—

(1) in the matter preceding paragraph (1) of the fourth sentence by inserting "and expenses that are paid under section 6(d)(4)(I) for dependent care" after "third party"; and

(2) in paragraph (1) of the fourth sentence, by inserting after "$160 a month" the following: "for each dependent".

SEC. 404. LIMITATION ON RESOURCES.

The second sentence of section 5(g) (7 U.S.C. 2014(g)) is amended by inserting after "$4,500" the following: "through fiscal year 1988, $4,700 in fiscal year 1989, $4,900 in fiscal year 1990, $5,150 in fiscal year 1991, $5,400 in fiscal year 1992, and $5,500 in fiscal year 1993 and thereafter".

SEC. 405. EMPLOYMENT AND TRAINING.

(a) Components of Employment and Training Programs.—Section 6(d)(4)(B) (7 U.S.C. 2015(d)(4)(B)) is amended—

(1) in clause (i), by striking out "have no obligation" through "State agency shall";

(2) in clause (v)—

(A) by inserting "or the State under regulations issued by the Secretary," after "the Secretary"; and

(B) by inserting "employment educational and training activity" after "other";

(3) by redesignating clause (v) as clause (x); and

(4) by inserting after clause (iv), the following new clauses:

"(v) High school or equivalent educational (combined with training when appropriate) programs.

"(vi) Remedial educational programs directed towards the achievement of a basic literacy level.

"(vii) Instructional programs in English as a second language.

"(viii) On-the-job-training programs.

"(ix) Job readiness activity programs to help prepare participants for employment.".

(b) Employment Assignments and Conciliation.—Section 6(d)(4) (7 U.S.C. 2015(d)(4)) is amended—

(1) by redesignating subparagraphs (H), (I), (J), (K), and (L) as subparagraphs (I), (J), (K), (L) and (M) respectively; and

(2) by inserting after subparagraph (G), the following new subparagraph:

"(H)(i) The State agency may make an initial assessment of the educational and employment skills of each participant in the program and may conduct a review of such participant's circumstances. On the basis of such assessment and review, such agency may develop an employability plan for each such participant.

"(ii) In assigning participants to any program activity the State agency shall take into account the physical capacity, skills, experience, health and safety, family responsibilities, and place of residence of such participant, and shall not require the participant, without the consent of such participant, to travel an unreasonable distance from the home of such participant or remain away from such home overnight. The State agency may base the assignment on available resources, the participant's circumstances, and local employment opportunities.

"(iii) The Secretary shall issue regulations under which each State agency shall establish a conciliation procedure for the resolution of disputes involving the participation of an individual in the program and (if such a dispute is not resolved through conciliation) provide an opportunity for a hearing concerning such dispute. Such a hearing may be provided through a hearing process established for purposes of resolving disputes with respect to the program established under this subsection.

"(iv) Federal funds made available to a State agency for purposes of the program authorized under this subsection shall not be used to supplant non-Federal funds used for existing services and activities that promote the purposes of this section. State or local funds expended for such purposes shall be maintained at least at the level of such expenditures for fiscal year 1987.".

(c) Child Care Expenses.—Section 6(d)(4)(I) (7 U.S.C. 2015(d)(4)(I)) (as redesignated by subsection (b) of this section), is amended to read as follows:

"(I)(i) The State agency shall provide payments or reimbursements to participants in programs carried out under this paragraph, including individuals participating under subparagraph (G), for—

"(I) the actual costs of transportation and other actual costs (other than dependent care costs), up to a maximum of $100 per participant per month, that the State agency determines are necessary to enable such individual to participate in the program; and

"(II) the actual costs of such dependent care expenses that are determined by the State agency to be necessary for the participation of an individual in the program (other than an individual who is the caretaker relative of a dependent in a family receiving benefits under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in a local area where an employment, training, or education program under title IV of such Act is in operation), but in no event shall such payment or reimbursements exceed $160 per dependent per month, except that the State agency may raise such maximum level to the maximum level set by the State agency under title IV of the Social Security Act for reimbursement of child care expenses for individuals participating in an employment, education or training program under such title.

"(ii) In lieu of providing reimbursements or payments for dependent care expenses under clause (i), a State agency may, at its option, arrange for dependent care through providers by the use of purchase of service contracts or vouchers or by providing vouchers to the household.

"(iii) The value of any dependent care services provided for or arranged under clause (ii), or any amount received as a payment or reimbursement under clause (i), shall—

"(I) not be treated as income for the purposes of any other Federal or Federally-assisted program that bases eligibility for, or the amount of benefits on, need; and

"(II) not be claimed as an employment-related expense for the purposes of the credit provided under section 21 of the Internal Revenue Code of 1986.".

(d) Participation and Performance Standards.—

(1) Participation standards.—Section 6(d)(4)(K) (7 U.S.C. 2015(d)(4)(J)) (as redesignated by subsection (b) of this section), is amended—

(A) in clause (i)—

(i) by striking out "any fiscal year" and inserting in lieu thereof "fiscal years 1989 and 1990; and

(ii) by striking out "minimum percentages (not to exceed 50 percent through September 30, 1989)" and inserting in lieu thereof "minimum annual percentages (not to exceed 35 percent)"; and

(B) by striking out clause (iv).

(2) Performance standards.—Section 6(d)(4) (7 U.S.C. 2015(d)(4)) is amended by inserting after subparagraph (K) (as redesignated by subsection (b)) the following new subparagraph:

"(L)(i) The Secretary shall establish, in accordance with this subparagraph, performance standards that are applicable to employment and training programs carried out under this paragraph.

"(ii) The performance standards referred to in clause (i) shall be developed by the Secretary after consultation with the Secretary of Labor, the Secretary of Health and Human Services, appropriate State officials designated for purposes of this clause by the chief executive officers of the States, other appropriate experts, and representatives of households participating in the food stamp program. Such performance standards (which shall be coordinated with the corresponding performance standards under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) and the performance standards under title IV of the Social Security Act (42 U.S.C. 601 et seq.), taking into consideration the differing characteristics of such households)—

"(I) shall be measured by employment outcomes and shall be based on the degree of success that may reasonably be expected of States (in carrying out employment and training programs) in helping individuals to achieve self-sufficiency;

"(II) shall take into account the extent to which persons have elected to participate in employment and training programs under this paragraph, job placement rates, wage rates, job retention rates, households ceasing to need benefits under this Act, improvements in household members' educational levels, and the extent to which household members are able to obtain jobs for which they receive health benefits;

"(III) shall encourage States to serve those individuals who have greater barriers to employment and thus have greater difficulties in achieving self-sufficiency; and

"(IV) shall include guidelines permitting appropriate variations that take into account the differing conditions (including unemployment rates and rates of elective participation under subparagraph (G) in employment and training programs under this paragraph) that may exist in different States.

"(iii) Proposed measures for the performance standards referred to in clause (i) shall be published by the Secretary not later than 1 year after the date of the enactment of the Hunger Prevention Act of 1988. The performance standards shall be established and implemented not later than October 1, 1990.

"(iv) The performance standards developed and issued under clause (ii) shall be varied in any State, to the extent permitted under clause (ii)(IV), to the extent necessary to take into account specific economic, geographic, and demographic factors in the State, the characteristics of the population to be served, and the types of services to be provided.".

(e) Indian Tribal Participation.—Section 6(d)(4) (7 U.S.C. 2015(d)(4)) (as amended in section 405(b)) is further amended by adding at the end thereof the following new subparagraph to read as follows:

"(O)(i) Upon the application and approval by the Secretary of a tribal organization, that exercises governmental jurisdiction over a Federally recognized Indian reservation, to conduct an employment and training program to carry out the purpose of this section, the maximum amount that may be paid by the Secretary under section 16(h)(1) for purposes of the program authorized by this subsection to the State in which the reservation of such tribe is located shall be reduced by the Secretary in accordance with clause (ii) and an amount equal to the amount of such reduction shall be paid directly to such tribal organization (without the requirement of any non-Federal share) for the operation of its employment and training program on or near the Federally recognized Indian reservation.

"(ii) The maximum amount of the reduction under clause (i) with respect to any State in which a tribal organization is located with an application approved under such clause shall be an amount equal to the amount that bears the same ratio to the maximum amount that could be paid under this subsection to the State as the average monthly number of the adult members of Indian tribes represented by such tribal organization, who live on such Federally recognized Indian reservation over which the tribal organization exercises governmental jurisdiction, bears to the number of all adult individuals in the State receiving food stamps.

"(iii) The employment and training program set forth in the application of a Tribe or organization under clause (i) need not meet any requirement of the program under this section that the Secretary determines is inappropriate with respect to the application of such employment and training program on the reservation.

"(iv) The employment and training program of any tribal organization may be terminated voluntarily by such organization or may be terminated by the Secretary on a finding that the tribe is not conducting such program in substantial conformity with the terms of the application approved by the Secretary, and the maximum amount that may be paid under this subsection to the State within which the tribal organization is located (as reduced pursuant to clause (i)) shall be increased by any portion of the amount retained by the Secretary with respect to such program (and not payable to such tribal organization for obligations already incurred). The reduction under clause (i) shall in no event apply to a State for any fiscal year beginning after such program is terminated if no other such program remains in operation in the State.

"(v) For purposes of this subsection, the term 'tribal organization' shall have the same meaning given such term in section 3(p) and shall include any organized group of Alaska Natives (Alaska Natives organization) eligible to operate a Federal program under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), or such group's designee, and tribal organizations in the State of Oklahoma recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(vi) For purposes of this subsection, the term 'Federally recognized Indian reservation' includes former Indian reservations in Oklahoma and includes the 12 geographical regions, established pursuant to section 7(a) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(a)), within which an Alaska Native organization is located without regard to the ownership of the land within the boundaries.

"(vii) Notwithstanding any other provisions of this section, the Secretary shall issue procedures to authorize employment, training and education programs for Alaska Natives, in which not more than one Alaska Native organization in each of the 12 geographical regions established pursuant to section 7(a) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(a)), can administer such program.

"(viii) Any Alaska Native, otherwise eligible or required to participate in a work, education, and training program, residing within the boundaries of one of such 12 geographic regions containing an Alaska Native organization whose application has been approved by the Secretary, shall be eligible to participate in the work, education, and training program administered by such Alaska Native organization.

"(ix) Nothing in this subsection shall be construed to grant or defer any status or powers other than those expressly granted in this subsection or to validate or invalidate any claim by Alaska Natives of sovereign authority over lands or people.

"(x) If the Secretary approves an Alaska Native organization's application, the maximum amount that may be paid under section 16(h)(1) to the State in which such Alaska Native organization is located shall be reduced by the Secretary in accordance with clause (xi) and an amount equal to the amount of such reduction shall be paid directly to such Alaska Native organization (without the requirement of any non-Federal share) for the operation of its work, training, and education program. In determining whether to approve an application from an Alaska Native organization, the Secretary shall consider whether approval of the application would promote the efficient and nonduplicative administration of work, education, and training programs in the State.

"(xi) The amount of the reduction under clause (x) with respect to any State in which an Alaska Native organization with an application approved under such clause is located shall be an amount equal to the amount that bears the same ratio to the maximum amount that could be paid under section 16(h)(1) to the State as the number of adult Alaska Natives receiving food stamps who reside within the boundaries of one of the 12 geographical regions described in clause (vi) containing such Alaska Native organization bears to the number of all such adult recipients in the State of Alaska.

"(xii) The work, training, and education program set forth in the application of an Alaska Native organization under clause (x) need not meet any requirement of the program under this section that the Secretary determines is inappropriate with respect to such work, training, and education program.

"(xiii) The work, education, and training program of any Alaska Native organization may be terminated voluntarily by such Alaska Native organization or may be terminated by the Secretary upon a finding that the Alaska Native organization is not conducting such program in substantial conformity with the terms of the application approved by the Secretary, and the maximum amount that may be paid under section 16(h)(1) to the State within which the Alaska Native organization is located (as reduced pursuant to clause (x)) shall be increased by any portion of the amount retained by the Secretary with respect to such program (and not payable to such Alaska Native organization for obligations already incurred). The reduction under clause (x) shall in no event apply to a State for any fiscal year beginning after such program is terminated if no other such program remains in operation in the State.".

(f) Incentive Payments.—Section 16(h) (7 U.S.C. 2025(h)) is amended by adding at the end thereof the following new paragraph:

"(6) The Secretary shall develop, and transmit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a proposal for modifying the rate of Federal payments under this subsection so as to reflect the relative effectiveness of the various States in carrying out employment and training programs under section 6(d)(4).".

(g) Households.—Section 5(d)(5) (7 U.S.C. 2014(d)(5)) is amended by inserting after "child care expenses" the following: "(except for payments or reimbursements for such expenses made under an employment, education, or training program initiated under such title after the date of enactment of the Hunger Prevention Act of 1988)".

(h) Transportation Costs.—Section 16(h)(3) (7 U.S.C. 2025) is amended by striking out "in connection with" and all that follows through "per month" and inserting in lieu thereof "under section 6(d)(4)(I)".

(i) Conforming Amendments.—Section 5 (7 U.S.C. 2014) is amended—

(1) in subsection (d)(15), by striking out "6(d)(4)(H)" and inserting in lieu thereof "6(d)(4)(I)"; and

(2) in the matter preceding paragraph (1) of the fourth sentence of subsection (e), by striking out "6(d)(4)(H)" and inserting in lieu thereof "6(d)(4)(I)".

TITLE V—DEMONSTRATION PROJECTS

SEC. 501. FARMERS' MARKET COUPONS DEMONSTRATION PROJECT.

(a) Purpose.—The purpose of this section is to authorize the establishment of a grant program to encourage State demonstration projects designed to—

(1) provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods (such as fruits and vegetables), from farmers' markets; and

(2) expand the awareness and use of farmers' markets and increase sales at such markets.

(b) General Authority.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by adding at the end thereof the following new subsection:

"(m)(1) Subject to the availability of funds appropriated for purposes of this subsection, the Secretary shall award a 3-year grant to each of 10 States that submit applications that are approved for the establishment of demonstration projects designed to provide recipients of assistance under subsection (c) with coupons that may be exchanged for foods at farmers' markets.

"(2) A grant provided to any State under this subsection shall be provided to the chief executive officer of the State, who shall—

"(A) designate the appropriate State agency or agencies to administer the program in conjunction with the appropriate nonprofit organizations; and

"(B) assure coordination of the program among the appropriate agencies and organizations.

"(3) The Secretary shall not make a grant to any State under this subsection unless such State agrees to provide State funds for the demonstration project in an amount that is equal to not less than 30 percent of the total cost of the demonstration project.

"(4)(A) The Secretary shall establish a formula for determining the amount of the grant to be awarded under this subsection to each State for which an application is approved under paragraph (6), according to the number of recipients proposed to participate as specified in the application of the State.

"(B) If the sums appropriated for any fiscal year pursuant to the authorization contained in paragraph (10) for grants under this subsection are not sufficient to pay to each State for which an application is approved under paragraph (6) the amount which the Secretary determines each such

State is entitled to under this subsection, each State's grant shall be ratably reduced.

"(5) Each State that receives a grant under this subsection shall ensure that the demonstration project for which the grant is received complies with the following requirements:

"(A) Persons who are eligible to receive Federal benefits under the project shall only be persons who are receiving assistance under subsection (c).

"(B) Construction or operation of a farmers' market may not be carried out using funds—

"(i) provided under the grant; or

"(ii) required to be provided by the State under paragraph (3).

"(C) The value of the Federal share of the benefit received by any recipient under the project may not be—

"(i) less than $10 per year; or

"(ii) more than $20 per year.

"(D) The coupon issuance process under the project shall be designed to ensure that coupons target areas with—

"(i) the highest concentration of eligible persons;

"(ii) the greatest access to farmers' markets; and

"(iii) certain characteristics, in addition to those described in clauses (i) and (ii), that are determined to be relevant by the Secretary that maximize the availability of benefits to eligible persons.

"(E) The coupon redemption process under the project shall be designed to ensure that coupons may be redeemed—

"(i) only by producers authorized by the State to participate in the project; and

"(ii) only to purchase unprepared food for human consumption.

"(F)(i) Except as provided in clause (ii), the State may not use for administration of the project for any fiscal year more than 15 percent of the total amount of funds available for the project from the Secretary in such fiscal year.

"(ii) In the first full year of a State's grant for the demonstration project, the State may use for administration of the project not more than 15 percent of the total amount of funds available for the project from any source in such fiscal year.

"(G) The State shall ensure that no State or local taxes are collected within the State on purchases of food with coupons distributed under the project.

"(6)(A) A State that desires to receive a grant under this subsection shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require.

"(B)(i) Each application submitted under this paragraph shall contain—

"(I) the estimated cost of the program and the estimated number of individuals to be served by such program;

"(II) a description of the State plan for complying with the requirements established in paragraph (5); and

"(III) criteria developed by the State with respect to authorization of producers to participate in the program.

"(ii) The criteria developed by the State as required by clause (i)(III) shall require any authorized producer to sell fresh nutritious unprepared foods (such as fruits and vegetables) to recipients, in exchange for coupons distributed under the project.

"(C) The Secretary shall establish objective criteria for the approval of applications submitted under this paragraph.

"(D) In approving applications submitted under this paragraph, the Secretary shall—

"(i) give preference to applications from States that are operating a similar project with State or local funds;

"(ii) ensure that at least five of the States selected have existing programs as of the date of enactment of this subsection similar to those authorized under this subsection;

"(iii) give preference to States that intend to operate such program on a Statewide basis;

"(iv) give preference to applications from States that propose projects that are determined by the Secretary to—

"(I) have possible national significance; or

"(II) show unusual promise in promoting similar projects;

"(iv) give preference to applications that show promise of continued operation of the project for which the grant is requested after the grant expires;

"(v) require that if a State receives a grant under this section and that State is operating a similar project with State or local funds, that State shall not reduce the amount of State and local funds available to the project after receiving funds for the project under this subsection; and

"(vi) give preference to applications for projects that would serve areas in the State that have—

"(I) the highest concentration of eligible persons;

"(II) the greatest access to farmers' markets; and

"(III) any other characteristics, as determined appropriate by the Secretary, that maximize the availability of benefits to eligible persons.

"(7)(A) The value of the benefit received by any recipient under any project for which a grant is received under this subsection may not affect the eligibility or benefit levels for assistance under any other State or Federal program.

"(B) Any projects for which a grant is received under this subsection shall be supplementary to the food stamp program carried out under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and to any other Federal or State program under which foods are distributed to needy families in lieu of food stamps.

"(8) Each State that receives a grant under this subsection shall submit a report to the Secretary for each year of the grant period. Each such report shall include—

"(A) the number of recipients served under the project for which the grant is received;

"(B) the rate of redemption of coupons distributed under the project;

"(C) the types of foods purchased with the coupons;

"(D) the average amount distributed in coupons to each recipient;

"(E) any change in the amount of food purchased at farmers' markets after the establishment of the project;

"(F) any change in the number of farmers participating in farmers' markets after the establishment of the project;

"(G) a description of how coupons were distributed to and redeemed by recipients in the State project; and

"(H) any other information determined to be necessary by the Secretary.

"(9)(A) The Secretary shall evaluate the projects for which grants are received under this subsection and submit to the Committee on Agriculture of the House of Representatives, the Committee on Education and Labor of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on such evaluations.

"(B) Such report shall be submitted before the end of the 2-year period beginning on the date that the last grant is awarded under this subsection.

"(10) There are authorized to be appropriated to carry out this subsection $2,000,000 for fiscal year 1989, $2,800,000 for fiscal year 1990, and $3,500,000 for fiscal year 1991.

"(11) For purposes of this subsection:

"(A) The term 'recipient' means a person who is chosen by a State to receive benefits under a project.

"(B) The term 'State agency' has the meaning provided in subsection (b)(13), except that such term also includes the agriculture department of each State.".

SEC. 502. FOOD BANK DEMONSTRATION PROJECTS.

(a) In General.—The Secretary of Agriculture may carry out demonstration projects to provide and redistribute to needy individuals and families through community food banks and other charitable food banks—

(1) agricultural commodities or the products thereof made available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431); and

(2) to the extent practicable, agricultural commodities or the products thereof made available under section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c).

(b) Food Types.—The Secretary shall determine the quantities, varieties, and types of agricultural commodities and products thereof to be made available to community food banks under this section.

(c) Report.—Not later than January 3, 1990, the Secretary shall submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report describing any demonstration projects carried out under this section. The report shall include an analysis and evaluation of the distribution and redistribution of food under the demonstration projects and the feasibility of expanding the projects to other community food banks.

(e) Termination.—The authority provided under this section shall terminate on September 30, 1991.

(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $400,000 for each of the fiscal years 1989 through 1991.

SEC. 503. FAMILY OR GROUP DAY CARE HOME DEMONSTRATION.

(a) In General.—The Secretary of Agriculture shall conduct a demonstration project to begin 30 days after enactment of this Act, but in no event earlier than October 1, 1988, in one State regarding the Child Care Food Program authorized under section 17 of the National School Lunch Act (42 U.S.C. 1766) in which day care institutions and family or group day care sponsoring organizations shall receive a reimbursement (in addition to that received under subsections (d) and (f) of section 17) for providing one additional meal or supplement for children that are maintained in a day care institution or in a family or group day care home setting for eight or more hours per day.

(b) Location.—The Secretary of Agriculture shall select one State in which to conduct the demonstration project established under subsection (a). The State shall have a large number of children served by family or group day care homes and shall have a large proportion of its Child Care Food Program meals served under such program in homes rather than in day care centers.

(c) PURPOSE OF DEMONSTRATION.—The demonstration project established under subsection (a) shall be structured in a manner that will enable the Secretary of Agriculture to determine—

(1) if the additional meal or supplement for children staying in day care homes longer than eight hours would increase participation in the Child Care Food Program by family and group day care homes;

(2) the extent to which meal service increases at such homes; and

(3) the nutritional impact of the additional meal or supplement.

(d) REPORT.—Not later August 1, 1989, the Secretary of Agriculture shall prepare and submit, to the Committee on Agriculture of the House of Representatives and the Senate Committee on Agriculture, Nutrition, and Forestry, a preliminary report that describes the results of the project conducted under this section. As expeditiously as possible after the conclusion of such project, the Secretary shall prepare and submit to such Committees a final report on concerning the project.

(e) TERMINATION.—The demonstration project required by this section shall terminate not later than 12 months after the date on which the project was fully initiated.

SECTION 504. DEMONSTRATION PROJECTS FOR DEVELOPMENT AND USE OF INTELLIGENT COMPUTER BENEFIT CARDS TO PAY FOOD STAMP BENEFITS.

Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by adding at the end thereof the following new subsection:

"(f)(1) In order to encourage States to plan, design, develop, and implement a system for making food stamp benefits available through the use of intelligent benefit cards or other automated or electric benefit delivery systems, the Secretary may conduct one or more pilot or experimental projects, subject to the restrictions imposed by subsection (b)(1), designed to test whether the use of such cards or systems can enhance the efficiency and effectiveness of program operations while ensuring that individuals receive correct benefit amounts on a timely basis. Any intelligent benefit cards developed under such a demonstration project shall contain information, encoded on a computer chip embedded in a credit card media, including the eligibility of the individual and the amount of benefits to which such individual is entitled.".

SECTION 505. STUDY OF THE EFFECTIVENESS OF THE FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM.

Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) (as amended by section 504), is further amended by adding at the end thereof the following new subsection:

"(g)(1) In order to assess the effectiveness of the employment and training programs established under section 6(d) in placing individuals into the work force and withdrawing such individuals from the food stamp program, the Secretary is authorized to carry out studies comparing the pre-and post-program labor force participation, wage rates, family income, level of receipt of food stamp and other transfer payments, and other relevant information, for samples of participants in such employment and training programs as compared to the appropriate control or comparison groups that did not participate in such programs. Any such studies shall, to the maximum extent possible—

"(A) collect such data for up to 3 years after the individual has completed the employment and training program; and

"(B) yield results that can be generalized to the national program as a whole.

The results of such studies and reports shall be considered in developing or updating the performance standards required under section 6.

"(2) There are authorized to be appropriated to carry out the purposes of paragraph (1), in addition to amounts otherwise authorized for such purpose, $3,000,000 for each of fiscal years 1990 and 1991.".

TITLE VI—IMPLEMENTATION

SEC. 601. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided for in subsection (b), this Act and the amendments made by this Act shall become effective and be implemented on October 1, 1988.

(b) SPECIAL RULES.—

(1) The amendments made by sections 101, 103, 301, 321(c), and 343 shall become effective and be implemented on the date of enactment of this Act.

(2) The amendments made by sections 120, 201, 207, and 402 shall become effective and be implemented on January 1, 1989.

(3) The amendments made by sections 208, 210, 211, subsections (a)(1), (c), (f), and (i) of section 405, and sections 310 through 352 shall become effective and implemented on July 1, 1989.

DASCHLE AMENDMENT NO. 2664

Mr. DASCHLE proposed an amendment to the bill, S. 2560, supra; as follows:

On page 36, after line 10, Subtitle B of title II of the bill, is amended by adding at the end thereof the following new section:

SEC. 214. DEPARTMENT OF DEFENSE CHILD CARE FEEDING PROGRAM.

Section 17(h) of the National School Lunch Act (42 U.S.C. 1766(h)) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Secretary is authorized to provide agricultural commodities obtained by the Secretary under the provisions of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) and donated under the provisions of section 416 of such Act, to the Department of Defense for use by institutions providing child care services to the dependents of such Department, when such commodities are in excess of the quantities needed to meet the needs of all other child nutrition programs, domestic and foreign food assistance and export enhancement programs, if the Secretary finds such appropriate. The Secretary may require reimbursement from the Department of Defense for the costs, or some portion thereof, of delivering such commodities to overseas locations.".

DASCHLE (AND OTHERS) AMENDMENT NO. 2665

Mr. DASCHLE (for himself, **Mr. CONRAD**, and **Mr. BOSCHWITZ**) proposed an amendment to the bill, S. 2560, supra; as follows:

On page 36, after line 10, Title II of the bill is amended by adding at the end thereof the following new subtitle:

SUBTITLE C—FOOD PROCESSING AND DISTRIBUTION

SEC. 220. ENCOURAGEMENT OF FOOD PROCESSING AND DISTRIBUTION BY ELIGIBLE RECIPIENT AGENCIES.

(a) SOLICITATION OF APPLICATIONS.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Agriculture shall, to the extent that inventory levels permit, solicit applications in accordance with paragraph (2) for surplus commodities available for distribution under section 202 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note).

(2) REQUIREMENTS.—The solicitation by the Secretary of Agriculture under paragraph (1) shall be in the form of a request that any eligible recipient agency (as defined in section 201A of the Temporary Emergency Food Assistance Act of 1983) submit an application to the Secretary that shall include an assurance that the agency will—

(A) process any agricultural commodity received in response to such application into end-use products suitable for distribution through the Temporary Emergency Food Assistance Program;

(B) package such products for use by individual households; and

(C) distribute such products to State agencies responsible for the administration of the Temporary Energency Food Assistance Program, at no cost to the State agency, for distribution through the Temporary Emergency Food Assistance Program.

(3) PROHIBITION ON PAYMENT OF PROCESSING COSTS.—Funds made available under section 204 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) or funds of the Commodity Credit Corporation shall not be used to pay any costs incurred for the processing, storage, transportation or distribution of the commodities or end-use products provided to entities submitting applications under this section prior to the delivery of such commodities or product to the State agency.

(b) REVIEW OF APPLICATIONS.—

(1) TIME OF REVIEW.—Not later than 60 days after the Secretary of Agriculture receives an application solicited under subsection (a), the Secretary shall approve or disapprove of such application.

(2) NOTICE OF DISAPPROVAL.—If the Secretary disapproves of the application submitted under subsection (a), the Secretary shall inform the applicant of the reasons for such disapproval.

(c) IMPLEMENTATION.—The solicitation required under subsection (a) shall be in addition to any other action the Secretary of Agriculture is authorized or required to take under any other provision of law to provide information regarding the availability of agriculture commodities for distribution under the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) or any other law.

GRAMM AMENDMENT NO. 2666

Mr. GRAMM proposed an amendment to the bill S. 2560, supra; as follows:

On page 1, strike out lines 3 through 6, and insert in lieu thereof the following new subsection:

"(e) AMOUNTS.—

"(1) IN GENERAL.—During each of the fiscal years 1989 and 1990, the Secretary shall spend $145,000,000 to purchase, process and distribute additional commodities under this section.

"(2) Limitation.—

"(A) General rule.—Amounts to be spent by the Secretary under paragraph (1) shall be reduced by an amount equal to the value of any surplus commodities donated to the Temporary Emergency Food Assistance Program by the Commodity Credit Corporation.

"(B) Determination of amount of reduction.—The amount of any reduction required under subparagraph (A) shall be equal to the acquisition cost to the Commodity Credit Corporation in obtaining the donated surplus commodities, as determined by the Secretary.

"(C) Regulations.—The Secretary shall promulgate regulations necessary to carry out this paragraph.

On page 19, line 14, insert after the period the following new sentences: "Amounts to be spent by Secretary under this subsection shall be reduced by an amount equal to the value of any surplus commodities donated to States by the Commidity Credit Corporation. The amount of any reduction required under the preceding sentence shall be equal to the acquisition cost to the Commodity Credit Corporation. The amount of any reduction required under the preceding sentence shall be equal to the acquisition cost to the Commodity Credit Corporation in obtaining the donated surplus commodities, as determined by the Secretary.".

On page 21, strike line 21 through line 9 on p. 22 and reletter the following sections accordingly.

GRASSLEY AMENDMENT NO. 2667

Mr. LUGAR (for Mr. Grassley) proposed an amendment to the bill S. 2560, supra; as follows:

On page 6, line 3, insert before the period the following: ", and that provides information to such persons concerning the appropriate storage and preparation of such commodities".

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

HOLLINGS AMENDMENTS NOS. 2668 and 2669

Mr. HOLLINGS proposed two amendments to the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes; as follows:

Amendment No. 2668

At the appropriate point, add the following section: "None of the funds appropriated or made available by this Act shall be used prior to Octobr 1, 1989, to issue or implement any final rule in the rulemaking proceeding commenced August 8, 1986 (51 Fed. Reg. 28576-28589)."

Amendment No. 2669

On page 52 before the period on line 18 insert: *Provided,* notwithstanding Section 15(a) of the Department of State Basic Authorities Act, the Department of State shall make available by grant or contract $150,000 to the Atlantic Council to support the NATO Information Office.

HOLLINGS (AND OTHERS) AMENDMENT NO. 2670

Mr. HOLLINGS (for himself, Mr. Rudman, Mr. Pressler, Mr. Rockefeller, Mr. Lautenberg, Mr. Bumpers, and Mr. McCain) proposed an amendment to the bill H.R. 4782, supra; as follows:

On page 2 line 18 strike "$538,399,000" and insert "$535,399,000";

On page 5 line 24 strike "$179,917,000" and insert "$178,917,000";

On page 9 line 24 strike "$1,263,854,000, to remain available until expended," and insert "$1,265,854,000, to remain available until expended; of which $4,000,000 shall be available for the EROS Data Center in South Dakota pursuant to section 602 of Public Law 98-365; and of which $1,941,500, including $941,500 previously appropriated, shall be available only for construction and renovation of facilities at the Stuttgart Fish Farming Experimental Station, Stuttgart, Arkansas; and"

On page 11 line 15 strike "$113,529,000" and insert "$110,529,000";

On page 11 line 22 strike "$146,231,000" and insert "$151,231,000".

HOLLINGS AMENDMENT NO. 2671

Mr. HOLLINGS proposed an amendment to the bill H.R. 4782, supra; as follows:

On page 99 after line 7 insert:

TITLE VII—TECHNOLOGY COMPETITIVENESS

SECTION 701. SHORT TITLE.

This title may be cited as the "Technology Competitiveness Act".

Subtitle I—National Institute of Standards and Technology

SEC. 702. FINDINGS AND PURPOSES.

Section 1 of the Act of March 3, 1901 (15 U.S.C. 271) is amended to read as follows:

"FINDINGS AND PURPOSES

"Section 1. (a) The Congress finds and declares the following:

"(1) The future well-being of the United States economy depends on a strong manufacturing base and requires continual improvements in manufacturing technology, quality control, and techniques for ensuring product reliability and cost-effectiveness.

"(2) Precise measurements, calibrations, and standards help United States industry and manufacturing concerns compete strongly in world markets.

"(3) Improvements in manufacturing and product technology depend on fundamental scientific and engineering research to develop (A) the precise and accurate measurement methods and measurement standards needed to improve quality and reliability, and (B) new technological processes by which such improved methods may be used in practice to improve manufacturing and to assist industry to transfer important laboratory discoveries into commercial products.

"(4) Scientific progress, public safety, and product compatibility and standardization also depend on the development of precise measurement methods, standards, and related basic technologies.

"(5) The National Bureau of Standards since its establishment has served as the Federal focal point in developing basic measurement standards and related technologies, has taken a lead role in stimulating cooperative work among private industrial organizations in efforts to surmount technological hurdles, and otherwise has been responsible for assisting in the improvement of industrial technology.

"(6) The Federal Government should maintain a national science, engineering, and technology laboratory which provides measurement methods, standards, and associated technologies and which aids United States companies in using new technologies to improve products and manufacturing processes.

"(7) Such national laboratory also should serve industry, trade associations, State technology programs, labor organizations, professional societies, and educational institutions by disseminating information on new basic technologies including automated manufacturing processes.

"(b) It is the purpose of this Act—

"(1) to rename the National Bureau of Standards as the National Institute of Standards and Technology and to modernize and restructure that agency to augment its unique ability to enhance the competitiveness of American industry while maintaining its traditional function as lead national laboratory for providing the measurements, calibrations, and quality assurance techniques which underpin United States commerce, technological progress, improved product reliability and manufacturing processes, and public safety;

"(2) to assist private sector initiatives to capitalize on advanced technology;

"(3) to advance, through cooperative efforts among industries, universities, and government laboratories, promising research and development projects, which can be optimized by the private sector for commercial and industrial applications; and

"(4) to promote shared risks, accelerated development, and pooling of skills which will be necessary to strengthen America's manufacturing industries.".

SEC. 703. ESTABLISHMENT, FUNCTIONS, AND ACTIVITIES.

(a) Establishment, Functions, and Activities of the Institute.—Section 2 of the Act of March 3, 1901 (15 U.S.C. 272) is amended to read as follows:

"ESTABLISHMENT, FUNCTIONS, AND ACTIVITIES

"Sec. 2. (a) There is established within the Department of Commerce a science, engineering, technology, and measurement laboratory to be known as the National Institute of Standards and Technology (hereafter in this Act referred to as the 'Institute'.)

"(b) The Secretary of Commerce (hereafter in this Act referred to as the 'Secretary') acting through the Director of the Institute (hereafter in this Act referred to as the 'Director') and, if appropriate, through other officials, is authorized to take all actions necessary and appropriate to accomplish the purposes of this Act, including the following functions of the Institute—

"(1) to assist industry in the development of technology and procedures needed to improve quality, to modernize manufacturing processes, to ensure product reliability, manufacturability, functionality, and cost-effectiveness, and to facilitate the more rapid commercialization, especially by small- and medium-sized companies throughout the United States, of products based on new scientific discoveries in fields such as automation, electronics, advanced materials, biotechnology, and optical technologies;

"(2) to develop, maintain, and retain custody of the national standards of measurement, and provide the means and methods for making measurements consistent with those standards, including comparing standards used in scientific investigations, engineering, manufacturing, commerce, industry, and educational institutions with the standards adopted or recognized by the Federal Government;

"(3) to enter into contracts, including cooperative research and development arrangements, in furtherance of the purposes of this Act;

"(4) to provide United States industry, Government, and educational institutions with a national clearinghouse of current information, techniques, and advice for the achievement of higher quality and productivity based on current domestic and international scientific and technical development;

"(5) to assist industry in the development of measurements, measurement methods, and basic measurement technology;

"(6) to determine, compile, evaluate, and disseminate physical constants and the properties and performance of conventional and advanced materials when they are important to science, engineering, manufacturing, education, commerce, and industry and are not available with sufficient accuracy elsewhere;

"(7) to develop a fundamental basis and methods for testing materials, mechanisms, structures, equipment, and systems, including those used by the Federal Government;

"(8) to assure the compatibility of United States national measurement standards with those of other nations;

"(9) to cooperate with other departments and agencies of the Federal Government, with industry, with State and local governments, with the governments of other nations and international organizations, and with private organizations in establishing standard practices, codes, specifications, and voluntary consensus standards;

"(10) to advise government and industry on scientific and technical problems; and

"(11) to invent, develop, and (when appropriate) promote transfer to the private sector of measurement devices to serve special national needs.

"(c) In carrying out the functions specified in subsection (b), the Secretary, acting through the Director and, if appropriate, through other appropriate officials, may, among other things—

"(1) construct physical standards;

"(2) test, calibrate, and certify standards and standard measuring apparatus;

"(3) study and improve instruments, measurement methods, and industrial process control and quality assurance techniques;

"(4) cooperate with the States in securing uniformity in weights and measures laws and methods of inspection;

"(5) cooperate with foreign scientific and technical institutions to understand technological developments in other countries better;

"(6) prepare, certify, and sell standard reference materials for use in ensuring the accuracy of chemical analyses and measurements of physical and other properties of materials;

"(7) in furtherance of the purposes of this Act, accept research associates, cash donations, and donated equipment from industry, and also engage with industry in research to develop new basic and generic technologies for traditional and new products and for improved production and manufacturing;

"(8) study and develop fundamental scientific understanding and improved measurement, analysis, synthesis, processing, and fabrication methods for chemical substances and compounds, ferrous and nonferrous metals, and all traditional and advanced materials, including processes of degradation;

"(9) investigate ionizing and nonionizing radiation and radioactive substances, their uses, and ways to protect people, structures, and equipment from their harmful effects;

"(10) determine the atomic and molecular structure of matter, through analysis of spectra and other methods, to provide a basis for predicting chemical and physical structures and reactions and for designing new materials and chemical substances, including biologically active macromolecules;

"(11) perform research on electromagnetic waves, including optical waves, and on properties and performance of electrical, electronic, and electromagnetic devices and systems and their essential materials, develop and maintain related standards, and disseminate standard signals through broadcast and other means;

"(12) develop and test standard interfaces, communication protocols, and data structures for computer and related telecommunications systems;

"(13) study computer systems (as that term is defined in section 20(d) of this Act) and their use to control machinery and processes;

"(14) perform research to develop standards and test methods to advance the effective use of computers and related systems and to protect the information stored, processed, and transmitted by such systems and to provide advice in support of policies affecting Federal computer and related telecommunications systems;

"(15) determine properties of building materials and structural elements, and encourage their standardization and most effective use, including investigation of fire-resisting properties of building materials and conditions under which they may be most efficiently used, and the standardization of types of appliances for fire prevention;

"(16) undertake such research in engineering, pure and applied mathematics, statistics, computer science, materials science, and the physical sciences as may be necessary to carry out and support the functions specified in this section;

"(17) compile, evaluate, publish, and otherwise disseminate general specific and technical data resulting from the performance of the functions specified in this section or from other sources when such data are important to science, engineering, or industry, or to the general public, and are not available elsewhere;

"(18) collect, create, analyze, and maintain specimens of scientific value;

"(19) operate national user facilities;

"(20) evaluate promising inventions and other novel technical concepts submitted by inventors and small companies and work with other Federal agencies, States, and localities to provide appropriate technical assistance and support for those inventions which are found in the evaluation process to have commercial promise;

"(21) demonstrate the results of the Institute's activities by exhibits or other methods of technology transfer, including the use of scientific or technical personnel of the Institute for part-time or intermittent teaching and training activities at educational institutions of higher learning as part of and incidental to their official duties; and

"(22) undertake such other activities similar to those specified in this subsection as the Director determines appropriate.".

(b) OTHER FUNCTIONS OF SECRETARY.—The Secretary of Commerce is authorized to—

(1) conduct research on all of the telecommunications sciences, including wave propagation and reception, the conditions which affect electromagnetic wave propagation and reception, electromagnetic noise and interference, radio system characteristics, operating techniques affecting the use of the electromagnetic spectrum, and methods for improving the use of the electromagnetic spectrum for telecommunications purposes;

(2) prepare and issue predictions of electromagnetic wave propagation conditions and warnings of disturbances in such conditions;

(3) investigate conditions which affect the transmission of radio waves from their source to a receiver and the compilation and distribution of information on such transmission of radio waves as a basis for choice of frequencies to be used in radio operations;

(4) conduct research and analysis in the general field of telecommunications sciences in support of assigned functions and in support of other Government agencies;

(5) investigate nonionizing electromagnetic radiation and its uses, as well as methods and procedures for measuring and assessing electromagnetic environments, for the purpose of developing and coordinating policies and procedures affecting Federal Government use of the electromagnetic spectrum for telecommunications purposes;

(6) compile, evaluate, publish, and otherwise disseminate general scientific and technical data resulting from the performance of the functions specified in this section or from other sources when such data are important to science, engineering, or industry, or to the general public, and are not available elsewhere; and

(7) undertake such other activities similar to those specified in this subsection as the Secretary of Commerce determines appropriate.

(c) DIRECTOR OF INSTITUTE.—(1) Section 5 of the Act of March 3, 1901 (15 U.S.C. 274) is amended to read as follows:

"SEC. 5. The Director shall be appointed by the President, by and with the advise and consent of the Senate. The Director shall have the general supervision of the Institute, its equipment, and the exercise of its functions. The Director shall make an annual report to the Secretary of Commerce. The Director may issue, when necessary, bulletins for public distribution, containing such information as may be of value to the public or facilitate the exercise of the functions of the Institute. The Director shall be compensated at the rate in effect for level IV of the Executive Schedule under section 5315 of title 5, United States Code, Until such time as the Director assumes office under this section, the most recent Director of the National Bureau of Standards shall serve as Director.".

(2) Section 5315 of title 5, United States Code, is amended by striking "National Bureau of Standards" and inserting in lieu thereof "National Institute of Standards and Technology".

(d) ORGANIZATION PLAN.—(1) At least 60 days before its effective date and within 120 days after the date of the enactment of this Act, an initial organization plan for the National Institute of Standards and Technology (hereafter in this title referred to as the "Institute") shall be submitted by the Director of the institute (hereafter in this title referred to as the "Director") after consultation with the Visiting Committee on Advanced Technology, to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate. Such plan shall—

(A) establish the major operating units of the Institute;

(B) assign each of the activities listed in section 2(c) of the Act of March 3, 1901, and all other functions and activities of the Institute, to at least one of the major operating units established under subparagrpah (A);

(C) provide details of a 2-year program for the Institute, including the Advanced Technology Program;

(D) provide details regarding how the Institute will expand and fund the Inventions program in accordance with section 27 of the Act of March 3, 1901; and

(E) make no changes in the Center for Building Technology or the Center for Fire Research.

(2) The Director may revise the organization plan. Any revision of the organization plan submitted under paragraph (1) shall be submitted to the appropriate committees of the House of Representatives and the Senate at least 60 days before the effective date of such revision.

(3) Until the effective date of the organization plan, the major operating units of the Institute shall be the major operating units of the National Bureau of Standards that were in existence on the date of the enactment of this Act and the Advanced Technology Program.

SEC. 704. REPEAL OF PROVISIONS.

The second paragraph of the material relating to the Bureau of Standards in the first section of the Act of July 16, 1914 (15 U.S.C. 280), the last paragraph of the material relating to Contingent and Miscellaneous Expenses in the first section of the Act of March 4, 1913 (15 U.S.C. 281), and the first section of the Act of May 14, 1930 (15 U.S.C. 282) are repealed.

SEC. 705. REPORTS TO CONGRESS; STUDIES BY THE NATIONAL ACADEMIES OF ENGINEERING AND SCIENCES.

The Act of March 3, 1901 (15 U.S.C. 271 et seq.) is amended—

(1) by redesignating section 23 as section 31; and

(2) by adding after section 22 the following new sections:

"REPORTS TO CONGRESS

"SEC. 23. (a) The Director shall keep the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives fully and currently informed with regard to all of the activities of the Institute.

"(b) The Director shall justify in writing all changes in policies regarding fees for standard reference materials and calibration services occurring after June 30, 1987, including a description of the anticipated impact of any proposed changes on demand for and anticipated revenues from the materials and services. Changes in policy and fees shall not be effective unless and until the Director has submitted the proposed schedule and justification to the Congress and 30 days on which both Houses of Congress are in session have elapsed since such submission, except that the requirement of this sentence shall not apply with respect to adjustments which are based solely on changes in the costs of raw materials or of producing and delivering standard reference materials or calibration services.

"STUDIES BY THE NATIONAL RESEARCH COUNCIL

"SEC. 24. The Director may periodically contract with the National Research Council for advice and studies to assist the Institute to serve United States industry and science. The subjects of such advice and studies may include—

"(1) the competitive position of the United States in key areas of manufacturing and emerging technologies and research activities which would enhance that competitiveness;

"(2) potential activities of the Institute, in cooperation with industry and the States, to assist in the transfer and dissemination of new technologies for manufacturing and quality assurance; and

"(3) identification and assessment of likely barriers to widespread use of advanced manufacturing technology by the United States workforce, including training and other initiatives which could lead to a higher percentage of manufacturing jobs of United States companies being located within the borders of our country.".

SEC. 706. TECHNICAL AMENDMENTS.

(a) AMENDMENTS TO ORGANIC ACT.—(1) Except as provided in paragraph (2), the Act of March 3, 1901 (15 U.S.C. 271 et seq.) is amended by striking "National Bureau of Standards", "Bureau" and "bureau" wherever they appear and inserting in lieu thereof "Institute".

(2) Section 31 of such Act, as so redesignated by section 705(1) of this Act, is amended by striking "National Bureau of Standards" and inserting in lieu thereof "National Institute of Standards and Technology".

(b) AMENDMENTS TO STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980.—(1) Section 8(b) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 202 of this Act, is amended by striking "Director" and inserting in lieu thereof "Assistant Secretary".

(2) Sections 11(e) and 17 (d) and (e) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 712(a)(1) of this Act, are amended—

(A) by striking "National Bureau of Standards" wherever it appears and inserting in lieu thereof "National Institute of Standards and Technology"; and

(B) by striking "Bureau" wherever it appears and inserting in lieu thereof "Institute".

(c) AMENDMENTS TO OTHER LAWS.—References in any other Federal law to the National Bureau of Standards shall be deemed to refer to the National Institute of Standards and Technology.

SUBTITLE II—TECHNOLOGY EXTENSION ACTIVITIES AND CLEARINGHOUSE ON STATE AND LOCAL INITIATIVES

SEC. 710. TECHNOLOGY EXTENSION ACTIVITIES.

(a) TECHNOLOGY CENTERS AND TECHNICAL ASSISTANCE.—The Act of March 3, 1901, as amended by this title, is further amended by adding after section 24 the following new sections:

"REGIONAL CENTERS FOR THE TRANSFER OF MANUFACTURING TECHNOLOGY

"SEC. 25. (a) The Secretary, through the Director and, if appropriate, through other officials, shall provide assistance for the creation and support of Regional Centers for the transfer of Manufacturing Technology (hereafter in this Act referred to as the 'Centers'). Such centers shall be affiliated with any United States-based nonprofit institution or organization, or group thereof, that applies for and is awarded financial assistance under this section in accordance with the description published by the Secretary in the Federal Register under subsection (c)(2). Individual awards shall be decided on the basis of merit review. The objective of the Centers is to enhance productivity and technological performance in United States manufacturing through—

"(1) the transfer of manufacturing technology and techniques developed at the Institute to Centers and, through them, to manufacturing companies throughout the United States;

"(2) the participation of individuals from industry, universities, State governments, other Federal agencies, and, when appropriate, the Institute in cooperative technology transfer activities;

"(3) efforts to make new manufacturing technology and processes usable by United States-based small- and medium-sized companies;

"(4) the active dissemination of scientific, engineering, technical, and management information about manufacturing to industrial firms, including small- and medium-sized manufacturing companies; and

"(5) the utilization, when appropriate, of the expertise and capability that exists in Federal laboratories other than the Institute.

"(b) The activities of the Centers shall include—

"(1) the establishment of automated manufacturing systems and other advanced production technologies, based on research by the Institute, for the purpose of demonstrations and technology transfer;

"(2) the active transfer and dissemination of research findings and Center expertise to a wide range of companies and enterprises, particularly small- and medium-sized manufacturers; and

"(3) loans, on a selective, short-term basis, of items of advanced manufacturing equipment to small manufacturing firms with less than 100 employees.

"(c)(1) The Secretary may provide financial support to any Center created under subsection (a) for a period not to exceed six years. The Secretary may not provide to a Center more than 50 percent of the capital and annual operating and maintenance funds required to create and maintain such Center.

"(2) The Secretary shall publish in the Federal Register, within 90 days after the date of the enactment of this section, a draft description of a program for establishing Centers, including—

"(A) a description of the program;

"(B) procedures to be followed by applicants;

"(C) criteria for determining qualified applicants;

"(D) criteria, including those listed under paragraph (4), for choosing recipients of financial assistance under this section from among the qualified applicants; and

"(E) maximum support levels expected to be available to Centers under the program in the fourth through sixth years of assistance under this section.

The Secretary shall publish a final description under this paragraph after the expiration of a 30-day comment period.

"(3) Any nonprofit institution, or group thereof, or consortia of nonprofit institutions, including entities existing on the date of the enactment of this section, may submit to the Secretary an application for financial support under this subsection, in accordance with the procedures established by the Secretary and published in the Federal Register under paragraph (2). In order to receive assistance under this section, an applicant shall provide adequate assurances that it will contribute 50 percent or more of the proposed Center's capital and annual operating and maintenance costs for the first three years and an increasing share for each of the last three years. Each applicant shall also submit a proposal or the allocation of the legal rights associated with any invention which may result from the proposed Center's activities.

"(4) The Secretary shall subject each such application to merit review. In making a decision whether to approve such application and provide financial support under this subsection, the Secretary shall consider at a minimum (A) the merits of the application, particularly those portions of the application regarding technology transfer, training and education, and adaptation of manufacturing technologies to the needs of particular industrial sectors, (B) the quality of service to be provided, (C) geographical diversity and extent of service area, and (D) the percentage of funding and amount of in-kind commitment from other sources.

"(5) Each Center which receives financial assistance under this section shall be evaluated during its third year of operation by an evaluation panel appointed by the Secretary. Each such evaluation panel shall be composed of private experts, none of whom shall be connected with the involved Center, and Federal officials. An official of the Institute shall chair the panel. Each evaluation panel shall measure the involved Center's performance against the objectives specified in this section. The Secretary shall not provide funding for the fourth through the sixth years of such Center's operation unless the evaluation is positive. If the evaluation is positive, the Secretary may provide continued funding through the sixth year at declining levels, which are designed to ensure that the Center no longer needs financial support from the Institute by the seventh year. In no event shall funding for a Center be provided by the Department of Commerce after the sixth year of the operation of a Center.

"(6) The provisions of chapter 18 of title 35, United States Code, shall (to the extent not inconsistent with this section) apply to the promotion of technology from research by Centers under this section.

"(d) There are authorized to be appropriated for the purposes of carrying out this section, a combined total of not to exceed $40,000,000 for fiscal years 1989 and 1990. Such sums shall remain available until expended.

ASSISTANCE TO STATE TECHNOLOGY PROGRAMS

SEC. 26. (a) In addition to the Centers program created under section 25, the Secretary, through the Director and, if appropriate, through other officials, shall provide technical assistance to State technology programs throughout the United States, in order to help those programs help businesses, particularly small- and medium-sized businesses, to enhance their competitiveness through the application of science and technology.

"(b) Such assistance from the Institute to State technology programs shall include, but not be limited to—

"(1) technical information and advice from Institute personnel;

"(2) workshops and seminars for State officials interested in transferring Federal technology to businesses; and

"(3) entering into cooperative agreements when authorized to do so under this or any other Act.

(b) TECHNOLOGY EXTENSION SERVICES.—(1) The Secretary shall conduct a nationwide study of current State technology extension services. The study shall include—

(A) a thorough description of each State program, including its duration, its annual budget, and the number and types of businesses it has aided;

(B) a description of any anticipated expansion of each State program and its associated costs;

(C) an evaluation of the success of the services in transferring technology, modernizing manufacturing processes, and improving the productivity and profitability of businesses;

(D) an assessment of the degree to which State services make use of Federal programs, including the Small Business Innovative Research program and the programs of the Federal Laboratory Consortium, the National Technical Information Service, the National Science Foundation, the Office of Productivity, Technology, and Innovation, and the Small Business Administration;

(E) a survey of what additional Federal information and technical assistance the services could utilize; and

(F) an assessment of how the services could be more effective agents for the transfer of Federal scientific and technical information, including the results and application of Federal and federally funded research.

The Secretary shall submit to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, at the time of submission of the organization plan for the Institute under section 703(d)(1), the results of the study and an initial implementation plan for the programs under section 26 of the Act of March 3, 1901, and under this section. The implementation plan shall include methods of providing technical assistance to States and criteria for awarding financial assistance under this section. The Secretary may make use of contractors and experts for any or all of the studies and findings called for in this section.

(2)(A) The Institute shall enter into cooperative agreements with State technology extension services to—

(i) demonstrate methods by which the States can, in cooperation with Federal agencies, increase the use of Federal technology by businesses within their States to improve industrial competitiveness; or

(ii) help businesses in their States take advantage of the services and information offered by the Regional Centers for the Transfer of Manufacturing Technology created under section 25 of the Act of March 3, 1901.

(B) Any State, for itself or for a consortium of States, may submit to the Secretary an application for a cooperative agreement under this subsection, in accordance with procedures established by the Secretary. To qualify for a cooperative agreement under this subsection, a State shall provide adequate assurances that it will increase its spending on technology extension services by an amount at least equal to the amount of Federal assistance.

(C) In evaluating each application, the Secretary shall consider—

(i) the number and types of additional businesses that will be assisted under the cooperative agreement;

(ii) the extent to which the State extension service will demonstrate new methods to increase the use of Federal technology;

(iii) geographic diversity; and

(iv) the ability of the State to maintain the extension service after the cooperative agreement has expired.

(D) States which are party to cooperative agreements under this subsection may provide services directly or may arrange for the provision of any or all of such services by institutions of higher education or other nonprofit institutions or organizations.

(3) In carrying out section 26 of the Act of March 3, 1901, and this subsection, the Secretary shall coordinate the activities with the Federal Laboratory Consortium; the National Technical Information Service; the National Science Foundation; the Office of Productivity, Technology, and Innovation; the Small Business Administration; and other appropriate Federal agencies.

(4) There are authorized to be appropriated for the purposes of this subsection $2,000,000 for each of the fiscal years 1989, 1990, and 1991.

(5) Cooperative agreements entered into under paragraph (2) shall terminate no later than September 30, 1991.

(c) FEDERAL TECHNOLOGY TRANSFER ACT OF 1986.—Nothing in sections 25 or 26 of the Act of March 3, 1901, or in subsection (b) of this section shall be construed as limiting the authorities contained in the Federal Technology Transfer Act of 1986 (Public Law 99-502).

(d) NON-ENERGY INVENTIONS PROGRAM.—(The Act of March 3, 1901, as amended by this Act, is further amended by adding after section 26 the following new section:

"NON-ENERGY INVENTIONS PROGRAM

"SEC. 27. In conjunction with the initial organization of the Institute, the Director shall establish a program for the evaluation of inventions that are not energy-related to complement but not replace the Energy-Related Inventions Program established under section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (Public Law 93-577). The Director shall submit an initial implementation plan for this program to accompany the organization plan for the Institute. The implementation plan shall include specific cost estimates, implementation schedules, and mechanisms to help finance the development of technologies the program has determined to have potential. In the preparation of the plan, the Director shall consult with appropriate Federal agencies, including the Small Business Administration and the Department of Energy, State and local government organizations, university officials, and private sector organizations in order to obtain advice on how those agencies and organizations might cooperate with the expansion of this program of the Institute.".

SEC. 712. CLEARINGHOUSE ON STATE AND LOCAL INITIATIVES.

(a) CLEARINGHOUSE.—The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended—

(1) by redesignating sections 6 through 19 as sections 7 through 20, respectively; and

(2) by inserting after section 5 the following new section:

"SEC. 6. CLEARINGHOUSE FOR STATE AND LOCAL INITIATIVES ON PRODUCTIVITY, TECHNOLOGY, AND INNOVATION.

"(a) ESTABLISHMENT.—There is established within the Office of Productivity, Technology, and Innovation a Clearinghouse for State and Local Initiatives on Productivity, Technology, and Innovation. The Clearinghouse shall serve as a central repository of information on initiatives by State and local governments to enhance the competitiveness of American business through the stimulation of productivity, technology, and innovation and Federal efforts to assist State and local governments to enhance competitiveness.

"(b) RESPONSIBILITIES.—The Clearinghouse may—

"(1) establish relationships with State and local governments, and regional and multistate organizations of such governments, which carry out such initiatives;

"(2) collect information on the nature, extent, and effects of such initiatives, particularly information useful to the Congress, Federal agencies, State and local governments, regional and multistate organizations of such governments, businesses, and the public throughout the United States;

"(3) disseminate information collected under paragraph (2) through reports, directories, handbooks, conferences, and seminars;

"(4) provide technical assistance and advice to such governments with respect to such initiatives, including assistance in determining sources of assistance from Federal agencies which may be available to support such initiatives;

"(5) study ways in which Federal agencies, including Federal laboratories, are able to use their existing policies and programs to assist State and local governments, and regional and multistate organizations of such governments, to enhance the competitiveness of American business;

"(6) make periodic recommendations to the Secretary, and to other Federal agencies upon their request, concerning modifications in Federal policies and programs which would improve Federal assistance to State and local technology and business assistance programs;

"(7) develop methodologies to evaluate State and local programs, and, when requested, advise State and local governments, and regional and multistate organizations of such governments, as to which programs are most effective in enhancing the competitiveness of American business through the stimulation of productivity, technology, and innovation; and

"(8) make use of, and disseminate, the nationwide study of State industrial extension programs conducted by the Secretary.

"(c) CONTRACTS.—In carrying out subsection (b), the Secretary may enter into contracts for the purpose of collecting information on the nature, extent, and effects of initiatives.

"(d) TRIENNIAL REPORT.—The Secretary shall prepare and transmit to the Congress once each 3 years a report on initiatives by State and local governments to enhance the competitiveness of American businesses through the stimulation of productivity, technology, and innovation. The report shall include recommendations to the President, the Congress, and to Federal agencies on the appropriate Federal role in stimulating State and local efforts in this area. The first of these reports shall be transmitted to the Congress before January 1, 1989.".

(b) DEFINITION.—Section 4 of such Act is amended by adding at the end thereof the following new paragraph:

"(13) 'Clearinghouse' means the Clearinghouse for State and Local Initiatives on Productivity, Technology, and Innovation established by section 6.".

(c) CONFORMING AMENDMENT.—Section 10(d) of such Act, as so redesignated by section 712(a)(1) of this Act, is amended by striking "6, 8, 10, 14, 16, or 17" and inserting in lieu thereof "7, 9, 11, 15, 17, or 18".

SUBTITLE III—ADVANCED TECHNOLOGY PROGRAM

SEC. 721. ADVANCED TECHNOLOGY.

(a) ADVANCED TECHNOLOGY PROGRAM.—The Act of March 3, 1901, as amended by this Act, is further amended by adding after section 27 the following new section:

"ADVANCED TECHNOLOGY PROGRAM

"SEC. 28. (a) There is established in the Institute an Advanced Technology Program (hereafter in this Act referred to as the 'Program') for the purpose of assisting United States businesses in creating and applying the generic technology and research results necessary to—

"(1) commercialize significant new scientific discoveries and technologies rapidly; and

"(2) refine manufacturing technologies.

The Secretary, acting through the Director, shall assure that the Program focuses on improving the competitive position of the United States and its businesses, gives preference to discoveries and to technologies that have great economic potential, and avoids providing undue advantage to specific companies.

"(b) Under the Program established in subsection (a), and consistent with the mission and policies of the Institute, the Secretary, acting through the Director, and subject to subsections (c) and (d), may—

"(1) aid United States joint research and development ventures (hereafter in this section referred to as 'joint ventures') (which may also include universities and independent research organizations), including those involving collaborative technology demonstration projects which develop and test prototype equipment and processes, through—

"(A) provision of organizations and technical advice; and

"(B) participation in such joint ventures, if the Secretary, acting through the Director, determines participation to be appropriate, which may include (i) partial start-up funding, (ii) provision of a minority share of the cost of such joint ventures for up to 5 years, and (iii) making available equipment, facilities, and personnel, provided that emphasis is placed on areas where the Institute has scientific or technological expertise, on solving generic problems of specific industries, and on making those industries more competitive in world markets;

"(2) enter into contracts and cooperative agreements with United States businesses, especially small businesses, and with independent research organizations, provided that emphasis is placed on applying the Institute's research, research techniques, and expertise to those organizations' research programs;

"(3) involve the Federal laboratories in the Program, where appropriate, using among other authorities the cooperative research and development agreements provided for under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980; and

"(4) carry out, in a manner consistent with the provisions of this section, such other cooperative research activities with joint ventures as may be authorized by law or assigned to the Program by the Secretary.

"(c) The Secretary, acting through the Director, is authorized to take all actions necessary and appropriate to establish and operate the Program, including—

"(1) publishing in the Federal Register draft criteria and, no later than six months after the date of the enactment of this section, following a public comment period, final criteria, for the selection of recipients of assistance under subsection (b)(1) and (2);

"(2) monitoring how technologies developed in its research program are used, and reporting annually to the Congress on the extent of any overseas transfer of these technologies;

"(3) establishing procedures regarding financial reporting and auditing to ensure that contracts and awards are used for the purposes specified in this section, are in accordance with sound accounting practices, and are not funding existing or planned research programs that would be conducted in the same time period in the absence of financial assistance under the Program.

"(4) assuring that the advice of the Committee established under section 10 is considered routinely in carrying out the responsibilities of the Institute; and

"(5) providing for appropriate dissemination of Program research results.

"(d) When entering into contracts or making awards under subsection (b), the following shall apply:

"(1) No contract or award may be made until the research project in question has been subject to a merit review, and has, in the opinion of the reviewers appointed by the Director and the Secretary, acting through the Director, been shown to have scientific and technical merit.

"(2) In the case of joint ventures, the Program shall not make an award unless, in the judgment of the Secretary, acting through the Director, Federal aid is needed if the industry in question is to form a joint venture quickly.

"(3) No Federal contract or cooperative agreement under subsection (b)(2) shall exceed $2,000,000 over 3 years, or be for more than 3 years unless a full and complete explanation of such proposed award, including reasons for exceeding these limits, is submitted in writing by the Secretary to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives. The proposed contract or cooperative agreement may be executed only after 30 calendar days on which both Houses of Congress are in session have elapsed since such submission. Federal funds made available under subsection (b)(2) shall be used only for direct costs and not for indirect costs, profits, or management fees of the contractor.

"(4) In determining whether to make an award to a particular joint venture, the Program shall consider whether the members of the joint venture have made provisions for the appropriate participation of small United States businesses in such joint venture.

"(5) Section 552 of title 5, United States Code, shall not apply to the following information obtained by the Federal Government on a confidential basis in connection with the activities of any business or any joint venture receiving funding under the Program—

"(A) information on the business operation of any member of the business or joint venture; and

"(B) trade secrets possessed by any business or any member of the joint venture.

"(6) Intellectual property owned and developed by any business or joint venture receiving funding or by any member of such a joint venture may not be disclosed by any officer or employee of the Federal Government except in accordance with a written agreement between the owner or developer and the Program.

"(7) The Federal Government shall be entitled to a share of the licensing fees and royalty payments made to and retained by any business or joint venture to which it contributes under this section in an amount proportional to the Federal share of the costs incurred by the business or joint venture as determined by independent audit.

"(8) If a business or joint venture fails before the completion of the period for which a contract or award has been made, after all allowable costs have been paid and appropriate audits conducted, the unspent balance of the Federal funds shall be returned by the recipient to the Program.

"(9) Upon dissolution of any joint venture or at the time otherwise agreed upon the Federal Government shall be entitled to a share of the residual assets of the joint venture proportional to the Federal share of the costs of the joint venture as determined by independent audit.

"(e) As used in this section, the term 'joint research and development venture' has the meaning given to such term in section 2(a)(6) of the National Cooperative Research Act of 1984 (15 U.S.C. 4301(a)(6)).".

(b) VISITING COMMITTEE ON ADVANCED TECHNOLOGY.—Section 10 of the Act of March 3, 1901, is amended to read as follows:

"VISITING COMMITTEE ON ADVANCED TECHNOLOGY

"SEC. 10. (a) There is established within the Institute a Visiting Committee on Advanced Technology (hereafter in this Act referred to as the 'Committee'). The Committee shall consist of nine members appointed by the Director, at least five of whom shall be from United States industry. The Director shall appoint as original members of the Committee any final members of the National Bureau of Standards Visiting Committee who wish to serve in such capacity. In addition to any powers and functions otherwise granted to it by this Act, the Committee shall review and make recommendations regarding general policy for the Institute, its organization, its budget, and its programs within the framework of applicable national policies as set forth by the President and the Congress.

"(b) The persons appointed as members of the Committee—

"(1) shall be eminent in fields such as business, research, new product development, engineering, labor, education, management consulting, environment, and international relations;

"(2) shall be selected solely on the basis of established records of distinguished service;

"(3) shall not be employees of the Federal Government; and

"(4) shall be so selected as to provide representation of a cross-section of the traditional and emerging United States industries.

The Director is requested, in making appointments of persons as members of the Committee, to give due consideration to any recommendations which may be submitted to the Director by the National Academies, professional societies, business associations, labor associations, and other appropriate organizations.

"(c)(1) The term of office of each member of the Committee, other than the original members, shall be 3 years; except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Any person who has completed two consecutive full terms of service on the Committee shall thereafter be ineligible for appointment during the one-year period following the expiration of the second such term.

"(2) The original members of the Committee shall be elected to three classes of three members each; one class shall have a term of one year, one a term of two years, and the other a term of three years.

"(d) The Committee shall meet at least quarterly at the call of the Chairman or whenever one-third of the members so request in writing. A majority of the members of the Committee not having a conflict of interest in the matter being considered by the Committee shall constitute a quorum. Each member shall be given appropriate notice, whenever possible, not less than 15 days prior to any meeting, of the call of such meeting.

"(e) The Committee shall have an executive committee, and may delegate to it or to the Secretary such of the powers and functions granted to the Committee by this Act as it deems appropriate. The Committee is authorized to appoint from among its members such other committees as it deems necessary, and to assign to committees so appointed such survey and advisory functions as the Committee deems appropriate to assist it in exercising its powers and functions under this Act.

"(f) The election of the Chairman and Vice Chairman of the Committee shall take place at each annual meeting occurring in an even-numbered year. The Vice Chairman shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vice chairmanship, the Committee shall elect a member to fill such vacancy.

"(g) The Committee may, with the concurrence of a majority of its members, permit the appointment of a staff consisting of not more than four professional staff members and such clerical staff members as may be necessary. Such staff shall be appointed by the Director, after consultation with the Chairman of the Committee, and assigned at the direction of the Committee. The professional members of such staff may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and the provisions of chapter 51 of title 5 of such Code relating to classification, and compensated at a rate not exceeding the appropriate rate provided for individuals in grade GS-18 of the General Schedule under section 5332 of title 5 of such Code, as may be necessary to provide for the performance of such duties as may be prescribed by the Committee in connection with the exercise of its powers and functions under this Act.

"(h)(1) The Committee shall render an annual report to the Secretary for submission to the Congress on or before January 31 in each year. Such report shall deal essentially, though not necessarily exclusively, with policy issues or matters which affect the Institute, including the Program established under section 28, or with which the Committee in its official role as the private sector policy advisor of the Institute is concerned. Each such report shall identify areas of research and research techniques of the Institute of potential importance to the long-term competitiveness of United States industry, in which the Institute possesses special competence, which could be used to assist United States enterprises and United States industrial joint research and development ventures.

"(2) The Committee shall render to the Secretary and the Congress such additional reports on specific policy matters as it deems appropriate.".

(c) NATIONAL ACADEMIES OF SCIENCES AND ENGINEERING STUDY OF GOVERNMENT-INDUSTRY COOPERATION IN CIVILIAN TECHNOLOGY.—(1) Within 90 days after the date of enactment of this Act, the Secretary of Commerce shall enter into contracts with the National Academies of Sciences and Engineering for a thorough review of the various types of arrangements under which the private sector in the United States and the Federal Government cooperate in civilian research and technology transfer, including activities to create or apply generic, nonproprietary technologies. The purpose of the review is to provide the Secretary and Congress with objective information regarding the uses, strengths, and limitations of the various types of cooperative technology arrangements that have been used in the United States. The review is to provide both an analysis of the ways in which these arrangements can help improve the technological performance and international competitiveness of United States industry, and also to provide the Academies's recommendations regarding ways to improve the effectiveness and efficiency of these types of cooperative arrangements. A special emphasis shall be placed on discussions of these subjects among industry leaders, labor leaders, and officials of the executive branch and Congress. The Secretary is authorized to seek and accept funding for this study from both Federal agencies and private industry.

(2) The members of the review panel shall be drawn from among industry and labor leaders, enterpreneurs, former government officials with great experience in civilian research and technology, and scientific and technical experts, including experts with experience with Federal laboratories.

(3) The review shall analyze the strengths and weaknesses of different types of Federal-industry cooperative arrangements in civilian technology, including but not limited to—

(A) Federal programs which provide technical services and information to United States companies;

(B) cooperation between Federal laboratories and United States companies, including activities under the Technology Share Program created by Executive Order 12591;

(C) Federal research and technology transfer arrangements with selected business sectors;

(D) Federal encouragement of, and assistance to, private joint research and development ventures; and

(E) such other mechanisms of Federal-industry cooperation as may be identified by the Secretary.

(4) A report based on the findings and recommendations of the review panel shall be submitted to the Secretary, the President, and Congress within 18 months after the

Secretary signs the contracts with the National Academies of Sciences and Engineering.

SUBTITLE IV—TECHNOLOGY REVIEWS

SEC. 731. REPORT OF PRESIDENT.

The President shall, at the time of submission of the budget request for fiscal year 1990 to Congress, also submit to the Congress a report on—

(1) the President's policies and budget proposals regarding Federal research in semiconductors and semiconductor manufacturing technology, including a discussion of the respective roles of the various Federal departments and agencies in such research;

(2) the President's policies and budget proposals regarding Federal research and acquisition policies for fiber optics and optical-electronic technologies generally;

(3) the President's policies and budget proposals, identified by agency, regarding superconducting materials, including descriptions of research priorities, the scientific and technical barriers to commercialization which such research is designed to overcome, steps taken to ensure coordination among Federal agencies conducting research on superconducting materials, and steps taken to consult with private United States industry and to ensure that no unnecessary duplication of research exists and that all important scientific and technical barriers to the commercialization of superconducting materials will be addressed; and

(4) the President's policies and budget proposals, identified by agency, regarding Federal research to assist United States industry to develop and apply advanced manufacturing technologies for the production of durable and nondurable goods.

SEC. 732. SEMICONDUCTOR RESEARCH AND DEVELOPMENT.

(a) SHORT TITLE.—This section may be cited as the "National Advisory Committee on Semiconductor Research and Development Act of 1988".

(b) FINDINGS AND PURPOSES.—(1) The Congress finds and declares that—

(A) semiconductor technology is playing an ever-increasing role in United States industrial and commercial products and processes, making secure domestic sources of state-of-the-art semiconductors highly desirable;

(B) modern weapons systems are highly dependent on leading edge semiconductor devices, and it is counter to the national security interest to be heavily dependent upon foreign sources for this technology;

(C) governmental responsibilities related to the semiconductor industry are divided among many Federal departments and agencies; and

(D) joint industry-government consideration of semiconductor industry problems is needed at this time.

(2) The purposes of this section are—

(A) to establish the National Advisory Committee on Semiconductors; and

(B) to assign to such Committee the responsibility for devising and promulgating a national semiconductor strategy, including research and development, the implementation of which will assure the continued leadership of the United States in semiconductor technology.

(C) CREATION OF COMMITTEE.—There is hereby created in the executive branch of the Government an independent advisory body to be known as the National Advisory Committee on Semiconductors (hereafter in this section referred to as the "Committee").

(d) FUNCTIONS.—(1) The Committee shall—

(A) collect and analyze information on the needs and capabilities of industry, the Federal Government, and the scientific and research communities related to semiconductor technology;

(B) identify the components of a successful national semiconductor strategy in accordance with subsection (b)(2)(B);

(C) analyze options, establish priorities, and recommend roles for participants in the national strategy;

(D) assess the roles for government and national laboratories and other laboratories supported largely for government purposes in contributing to the semiconductor technology base of the Nation, as well as to access the effective use of the resources of United States private industry, United States universities, and private-public research and development efforts; and

(E) provide results and recommendations to agencies of the Federal Government involved in legislative, policymaking, administrative, management, planning, and technology activities that affect or are part of a national semiconductor strategy, and to the industry and other nongovernmental groups or organizations affected by or contributing to that strategy.

(2) In fulfilling this responsibility, the Committee shall—

(A) monitor the competitiveness of the United States semiconductor technology base;

(B) determine technical areas where United States semiconductor technology is deficient relative to international competition;

(C) identify new or emerging semiconductor technologies that will impact the national defense or United States competitiveness or both;'

(D) develop research and development strategies, tactics, and plans whose execution will assure United States semiconductor competitiveness; and

(E) recommend appropriate actions that support the national semiconductor strategy.

(e) MEMBERSHIP AND PROCEDURES—(1)(A) The Committee shall be composed of 13 members, 7 of whom shall constitute a quorum.

(B) The Secretary of Defense, the Secretary of Commerce, the Secretary of Energy, the Director of the Office of Science and Technology Policy, and the Director of the National Science Foundation, or their designees, shall serve as members of the Committee.

(C) The President, acting through the Director of the Office of Science and Technology Policy, shall appoint, as additional members of the Committee, 4 members from outside the Federal Government who are eminent in the semiconductor industry, and 4 members from outside the Federal Government who are eminent in the fields of technology, defense, and economic development.

(D) One of the members appointed under subparagraph (C), as designated by the President at the time of appointment, shall be chairman of the Committee.

(2) Funding and administrative support for the Committee shall be provided to the Office of Science and Technology Policy through an arrangement with an appropriate agency or organization designated by the Committee, in accordance with a memorandum of understanding entered into between them.

(3) Members of the Committee, other than full-time employees of the Federal Government, while attending meetings of the Committee or otherwise performing duties at the request of the Chairman while away from their homes or regular places of business, shall be allowed travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

(4) The Chairman shall call the first meeting of the Committee not later than 90 days after the date of the enactment of this Act.

(5) At the close of each fiscal year the Committee shall submit to the President and the Congress a report on its activities conducted during such year and its planned activities for the coming year, including specific findings and recommendations with respect to the national semiconductor strategy devised and promulgated under subsection (b)(2)(B). The first report shall include an analysis on those technical areas, including manufacturing, which are of importance to the United States semiconductor industry, and shall make specific recommendations regarding the appropriate Federal role in correcting any deficiencies identified by the analysis. Each report shall include an estimate of the length of time the Committee must continue before the achievement of its purposes and the issuance of its final report.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the purposes of this section such sums as may be necessary for the fiscal years 1988, 1989, and 1990.

SEC. 733. REVIEW OF RESEARCH AND DEVELOPMENT PRIORITIES IN SUPERCONDUCTORS.

(a) NATIONAL COMMISSION ON SUPERCONDUCTIVITY.—The President shall appoint a National Commission on Superconductivity to review all major policy issues regarding United States applications of recent research advances in superconductors in order to assist the Congress in devising a national strategy, including research and development priorities, the development of which will assure United States leadership in the development and application of superconducting technologies.

(b) MEMBERSHIP.—The membership of the National Commission on Superconductivity shall include representatives of—

(1) the National Critical Materials Council, the National Academy of Sciences, the National Academy of Engineering, the National Science Foundation, the National Aeronautics and Space Administration, the Department of Energy, the Department of Justice, the Department of Commerce (including the National Institute of Standards and Technology), the Department of Transportation, the Department of the Treasury, and the Department of Defense;

(2) organizations whose membership is comprised of physicists, engineers, chemical scientists, or material scientists; and

(3) industries, universities, and national laboratories engaged in superconductivity research.

(c) CHAIRMAN.—A representative of the private sector shall be designated as chairman of the Commission.

(d) COORDINATION.—The National Critical Materials Council shall be the coordinating body of the National Commission on Superconductivity and shall provide staff support for the Commission.

(e) REPORT.—Within 6 months after the date of the enactment of this Act, the National Commission on Superconductivity shall submit a report to the President and the Congress with recommendations regarding methods of enhancing the research, development, and implementation of improved superconductor technologies in all major applications.

(f) SCOPE OF REVIEW.—In preparing the report required by subsection (e), the Commission shall consider addressing, but need not limit, its review to—

(1) the state of United States competitiveness in the development of improved superconductors;

(2) methods to improve and coordinate the collection and dissemination of research data relating to superconductivity;

(3) methods to improve and coordinate funding of research and development of improved superconductors;

(4) methods to improve and coordinate the development of viable commercial and military applications of improved superconductors;

(5) foreign government activities designed to promote research, development, and commercial application of improved superconductors;

(6) the need to provide increased Federal funding of research and development of improved superconductors;

(7) the impact on the United States national security if the United States must rely on foreign producers of superconductors;

(8) the benefit, if any, of granting private companies partial exemptions from United States antitrust laws to allow them to coordinate research, development, and products containing improved superconductors;

(9) options for providing income tax incentives for encouraging research, development, and production in the United States of products containing improved superconductors; and

(10) methods to strengthen domestic patent and trademark laws to ensure that qualified superconductivity discoveries receive the fullest protection from infringement.

(g) SUNSET.—The Commission shall disband within a year of its establishment. Thereafter the National Critical Materials Council may review and update the report required by subsection (e) and make further recommendations as it deems appropriate.

SUBTITLE V—AUTHORIZATION OF APPROPRIATIONS

SEC. 741. AUTHORIZATION OF APPROPRIATIONS FOR TECHNOLOGY ACTIVITIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1988 to the Secretary of Commerce to carry out activities performed by the Institute the sums set forth in the following line items:

(1) Measurement Research and Technology: $41,939,000.

(2) Engineering Measurements and Manufacturing: $40,287,000.

(3) Materials Science and Engineering: $23,521,000.

(4) Computer Science and Technology: $7,941,000.

(5) Research Support Activities: $19,595,000.

(6) Cold Neutron Source Facility: $6,500,000 (for a total authorization of $13,000,000).

(7) Programs established under sections 25, 26, and 27 of the Act of March 3, 1901 and section 201 of this Act: $5,000,000.

(b) LIMITATIONS.—Notwithstanding any other provision of this or any other Act—

(1) of the total of the amounts authorized under subsection (a), $2,000,000 is authorized only for steel technology;

(2) of the amount authorized under paragraph (1) of subsection (a) of this section, $3,550,000 is authorized only for the purpose of research in process and quality control;

(3) of the amount authorized under paragraph (2) of subsection (a) of this section, $3,710,000 is authorized only for the Center for Building Technology, $4,662,000 is authorized only for the Center for Fire Research, and the two Centers shall not be merged;

(4) of the amount authorized under paragraph (3) of subsection (a) of this section, $1,500,000 is authorized only for the purpose of research to improve high-performance composites; and

(5) of the amount authorized under paragraph (5) of subsection (a) of this section, $7,371,000 is authorized only for technical competence fund projects in new areas of high technical importance, and $1,091,000 is authorized only for the Postdoctoral Research Associates Program and related new personnel.

(c) TRANSFER.—(1) Funds may be transferred among the line items listed in subsection (a) of this section so long as the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such subsection and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives are notified in advance of any such transfer.

(2) In addition, the Secretary of Commerce may propose transfers to or from any line item exceeding 10 percent of the amount authorized for the line item in subsection (a) of this section, but a full and complete explanation of any such proposed transfer and the reason for such transfer must be transmitted in writing to the President of the Senate, the Speaker of the House of Representatives, and the appropriate authorizing committees of the Senate and House of Representatives. The proposed transfer may be made only when 30 calendar days have passed after the transmission of such written explanation.

(d) COLD NEUTRON SOURCE FACILITY.—In addition to any sums otherwise authorized by this Act, there are authorized to be appropriated to the Secretary of Commerce for fiscal years 1988, 1989, and 1990 such sums as were authorized but not appropriated for the Cold Neutron Source Facility for fiscal year 1987. Furthermore, the Secretary may accept contributions for funds, to remain available until expended, for the design, construction, and equipment of the Cold Neutron Source Facility, notwithstanding the limitations of section 14 of the Act of March 3, 1901 (15 U.S.C. 278d).

(e) EMPLOYEE BENEFIT ADJUSTMENTS.—In addition to any sums otherwise authorized by this Act, there are authorized to be appropriated to the Secretary of Commerce for fiscal year 1988 such additional sums as may be necessary to make any adjustments in salary, pay, retirement, and other employee benefits which may be provided for by law.

(f) AVAILABILITY.—Appropriations made under the authority provided in this section shall remain available for obligation, for expenditure, or for obligations and expenditure for periods specified in the Acts making such appropriations.

SEC. 742. STEVENSON-WYDLER ACT AUTHORIZATIONS.

Sections 19 (a) and (b) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 712(a)(1) of this Act, is amended to read as follows:

"(a)(1) There is authorized to be appropriated to the Secretary for the purposes of carrying out sections 5, 11(g), and 16 of this Act not to exceed $3,400,000 for the fiscal year ending September 30, 1988.

"(2) Of the amount authorized under paragraph (1) of this subsection, $2,400,000 is authorized only for the Office of Productivity, Technology, and Innovation; $500,000 is authorized only for the purpose of carrying out the requirements of the Japanese technical literature program established under section 5(d) of this Act; and $500,000 is authorized only for the patent licensing activities of the National Technical Information Service.

"(b) In addition to the authorization of appropriations provided under subsection (a) of this section, there is authorized to be appropriated to the Secretary for the purposes of carrying out section 6 of this Act not to exceed $500,000 for the fiscal year ending September 30, 1988, $1,000,000 for the fiscal year ending September 30, 1989, and $1,500,000 for the fiscal year ending September 30, 1990.".

SUBTITLE VI—MISCELLANEOUS TECHNOLOGY AND COMMERCE PROVISIONS

SEC. 751. SAVINGS PROVISION AND USER FEES.

The Act of March 3, 1901 (15 U.S.C. 271 et seq.), as amended by this Act, is further amended by adding after section 28 the following new sections:

"SAVINGS PROVISION

"SEC. 29. All rules and regulations, determinations, standards, contracts, certifications, authorizations, delegations, results and findings of investigations, or other actions duly issued, made, or taken by or pursuant to this Act, or under the authority of any other statutes which resulted in the assignment of functions or activities to the Secretary, the Department, the director, or the Institute, as are in effect immediately before the date of enactment of this section, and not suspended by the Secretary, the Director, the Institute or the courts, shall continue in full force and effect after the date of enactment of this section until modified or rescinded.

"USER FEES

"SEC. 30. The Institute shall not implement a policy of charging fees with respect to the use of Institute research facilities by research associates in the absence of express statutory authority to charge such fees.".

SEC. 752. MISCELLANEOUS AMENDMENTS TO THE STEVENSON-WYDLER ACT.

INVENTION MANAGEMENT SERVICES.—The first sentence of section 14(a)(4) of the Stevenson-Wydler Technology Innovation act of 1980, as so redesignated by section 202(a)(1) of this Act (15 U.S.C. 3710c) is amended by striking out "shall" and inserting in lieu thereof "may", and by striking out "such invention performed at the request of the other agency or laboratory" and inserting in lieu thereof "any invention of the other agency".

(b) FEDERAL LABORATORY CONSORTIUM.—Section 11(e)(7)(A) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 202(a)(1) of this Act (15 U.S.C. 3710) is amended by striking out

"0.005 percent of that portion of the research and development budget of each Federal agency that is to be utilized by" and inserting in lieu thereof "0.008 percent of the budget of each Federal agency from any Federal source, including related overhead, that is to be utilized by or on behalf of".

SEC. 753. MISCELLANEOUS TECHNOLOGY AND COMMERCE PROVISIONS.

(a) Assessment of Emerging Technologies.—The Board of Assessment of the National Institute of Standards and Technology shall include, as part of its annual review, an assessment of emerging technologies which are expected to require research in metrology to keep the Institute abreast of its mission, including process and quality control, engineering databases, advanced materials, electronics and fiber optics, bioprocess engineering, and advanced computing concepts. Such review shall include estimates of the cost of the required effort, required staffing levels, appropriate interaction with industry, including technology transfer, and the period over which the research will be required.

(b) Small Business Plan.—The Director of the National Institute of Standards and Technology shall prepare a plan detailing the manner in which the Institute will make small businesses more aware of the Institute's activities and research, and the manner in which the Institute will seek to increase the application by small businesses of the Institute's research, particularly in manufacturing. The plan shall be submitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives not later than 120 days after the date of the enactment of this Act.

(c) National Technical Information Service.—(1) Section 11 of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 712(a)(1) of this Act, is amended by inserting at the end the following new subsection:

"(h) None of the activities or functions of the National Technical Information Service which are not performed by contractors as of May 1, 1988, shall be contracted out or otherwise transferred from the Federal Government unless such transfer is expressly authorized by statute.".

(2) The Secretary of Commerce shall report the Secretary's recommendations for improvements in the National Technical Information Service (including methods for automating document distribution and inventory control), and any statutory changes required to make such improvements, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives by January 31, 1989.

(3) Section 11(d) of the Stevenson-Wydler Technology Innovation Act of 1980, as so redesignated by section 202(a)(1) of this Act, is amended—

(A) by striking "and" at the end of paragraph (4);

(B) by striking the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(6) maintain a permanent archival repository and clearinghouse for the collection and dissemination of nonclassified scientific, technical, and engineering information.".

(d) Fellowship Program.—There is established within the Department of Commerce a Commerce, Science, and Technology Fellowship Program with the stated purpose of providing a select group of employees of the executive branch of the Government with the opportunity of learning how the legislative branch and other parts of the executive branch function through work experiences of up to one year. The Secretary of Commerce shall report to the Congress within six months after the date of enactment of this Act on the Department of Commerce's plans for implementing such Program by March 31, 1989.

SEC. 754 METRIC USAGE.

(a) Findings.—Section 2 of the Metric Conversion Act of 1975 is amended by adding at the end thereof the following new paragraphs:

"(3) World trade is increasingly geared towards the metric system of measurement.

"(4) Industry in the United States is often at a competitive disadvantage when dealing in international markets because of its nonstandard measurement system, and is sometimes excluded when it is unable to deliver goods which are measured in metric terms.

"(5) The inherent simplicity of the metric system of measurement and standardization of weights and measures has led to major cost savings in certain industries which have converted to that system.

"(6) The Federal Government has a responsibility to develop procedures and techniques to assist industry, especially small business, as it voluntarily converts to the metric system of measurement.

"(7) The metric system of measurement can provide substantial advantages to the Federal Government in its own operations.".

"(b) Policy.—Section 3 of the Metric Conversion Act of 1975 is amended to read as follows:

"Sec. 3. It is therefore the declared policy of the United States—

"(1) to designate the metric system of measurement as the preferred system of weights and measures for United States trade and commerce;

"(2) to require that each Federal agency, by a date certain and to the extent economically feasible by the end of the fiscal year 1992, use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms, such as when foreign competitors are producing competing products in non-metric units;

"(3) to seek out ways to increase understanding of the metric system of measurement through educational information and guidance and in Government publications; and

"(4) to permit the continued use of traditional systems of weights and measures in nonbusiness activities.".

(c) Implementation.—The Metric Conversion Act of 1975 is further amended by redesignating section 12 as section 13, and by inserting after section 11 the following new section:

"Sec. 12. (a) As soon as possible after the date of the enactment of this section, each agency of the Federal Government shall establish guidelines to carry out the policy set forth in section 3 (with particular emphasis upon the policy set forth in paragraph (2) of that section), and as part of its annual budget submission for each fiscal year beginning after such date shall report to the Congress on the actions which it has taken during the previous fiscal year, as well as the actions which it plans for the fiscal year involved, to implement fully the metric system of measurement in accordance with that policy. Such reporting shall cease for an agency in the fiscal year after it has fully implemented its efforts under section 3(2). As used in this section, the term 'agency of the Federal Government' means an Executive agency or military department as those terms as defined in chapter 1 of title 5, United States Code.

"(b) At the end of the fiscal year 1992, the Comptroller General shall review the implementation of this Act, and upon completion of such review shall report his findings to the Congress along with any legislative recommendations he may have.".

ADAMS AMENDMENT NO. 2672

Mr. ADAMS proposed an amendment to the bill (H.R. 4782), supra; as follows:

On Page 83, at the end of line 15 insert after the word "amended": "Provided further, That not to exceed $500,000 shall remain available until expended for the Seattle Goodwill Games Organizing Committee for cultural exchanges of persons and other exchange-related activities associated with the 1990 Goodwill Games to be held in Seattle, Washington.

CHILES AMENDMENT NO. 2673

Mr. CHILES proposed an amendment to the bill (H.R. 4782), supra; as follows:

On page 58, after line 17, insert the following:

Sec. 304. None of the funds provided in this or any other act may be used to provide housing benefits or tax relief of any kind for individuals serving at the United States Mission to the United Nations other than the Permanent Representatives of the United States and the senior Deputy Permanent Representative, except as needed to cover expenses associated with terminating the existing housing program and no unique financial compensation to individuals serving at the Mission may be provided without specific legislative authority. Furthermore, the Department of State will submit to the appropriate Committees of Congress by October 9, 1988, a program to meet the unique personnel needs of the United States Mission to the United Nations.

PRYOR AMENDMENT NO. 2674

Mr. PRYOR proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

Sec. . (a)(1) notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or in-

strumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services including management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(1) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

ROCKEFELLER (AND DECONCINI) AMENDMENT NO. 2675

Mr. ROCKEFELLER (for himself and Mr. DECONCINI) proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the appropriate place, insert the following:

SEC. . (a) THE CONGRESS FINDS THAT—

(1) the United States had a $60 billion bilateral trade deficit with Japan in 1987;

(2) American high technology products and innovations, especially those at the cutting edge, are competitive internationally in price and quality;

(3) the costs of research and development can best be recovered by commercialization of the products developed, and successful commercialization requires prompt and effective protection of the intellectual property involved;

(4) foreign applicants in Japan received only 14 percent of the patents issued while in most other developed countries foreigners receive more than half of the patents awarded;

(5) a number of patent practices hinder the efforts of foreign companies when they seek to obtain and enforce patents in Japan; and

(6) these practices, in a nation that is one of our major trading partners and allies, allow for certain business practices contrary to the interests of foreign firms (including American firms).

(b) It is the sense of the Congress that—

(1) the appropriate Federal officials should closely analyze and consider possible ways to address the following constraints that may confront foreign companies and individuals when they seek to obtain and enforce patents in Japan:

(A) the Japanese Patent Office is not insulated sufficiently from the industrial policy-setting mechanisms of the Ministry of International Trade and Industry (hereinafter referred to as "MITI"), given that senior career officials from MITI run the Patent Office, and many MITI officials are assigned to key positions in the Patent Office for periods of two or three years;

(B) there is inadequate protection of trade secrets;

(C) the Japanese Patent Office is seriously understaffed;

(D) it often takes five to seven years or more to obtain a patent in Japan, during which time the patent term is running, thus shortening significantly the actual period of patent protection, but during which time the applicant cannot stop anyone from using the applicant's invention;

(E) applications are not accepted in any language other than Japanese for purposes of obtaining a filing date;

(F) the grace period for disclosure of an invention is only six months and for a very limited type of disclosure, as compared to the one-year general grace period provided in the United States;

(G) patent examiners favor narrow, single-claim applications;

(H) patent examiners' comments on errors in applications are extremely vague;

(I) an applicant's ability to correct a translation error is very restricted;

(J) 18 months after a patent application is filed, the application is laid open for public inspection (i.e., published) and anyone can copy it or surround it with patent applications that are slight modifications of the original application;

(K) pre-issuance opposition procedures place an additional burden on the applicant, since a company or individual filing an opposition may have as long as three or four years to prepare opposition, but the applicant has only three months to translate, prepare, and file a response to that opposition;

(L) pre-issuance opposition procedures may result in a significant delay in issuance of a patent, thus reducing the effective patent term;

(M) an applicant is permitted to file many applications covering slight changes in a technology, including applications based on the laid-open applications of others, in which case an inventor must oppose, often at great expense, each such application allowed by the Japanese Patent Office and published for opposition or run the risk that the issuance of these multiple patents will prevent that inventor from producing a product which that inventor originated;

(N) patent claims are interpreted very narrowly, with no doctrine of equivalence to give just rewards to a patentee;

(O) proof of infringement of process patents is extremely difficult because adequate procedures to uncover facts do not exist; and

(P) patent fraud statutes are seldom enforced;

(2) in light of such constraints, the appropriate Federal officials should encourage Japan to make changes in its patent system to ensure that foreign firms, especially American firms, are in no way disadvantaged and should seek to use the newly established United States-Japan Working Group on Intellectual Property as the focal point of efforts to change those practices that result in the inadequate protection of intellectual property;

(3) the appropriate Federal officials should urge Japanese authorities to take all possible action to prevent the manipulation of the patent system by Japanese companies;

(4) the principles underlying the administration of patent systems throughout the world should be the fostering and protection of true innovation and new products and processes, since the misappropriation of innovative technology serves no country's interest; and

(5) the appropriate Federal officials should also use the following forums to encourage Japan to make changes in its patent system to assure that these principles are observed:

(A) the harmonization talks in the World Intellectual Property Organization's Committee of Experts;

(B) the trilateral harmonization discussions among the United States Patent and Trademark Office, the Japanese Patent Office, and the European Patent Office; and

(C) the Uruguay Round of Multilateral Trade Negotiations.

SIMON AMENDMENT NO. 2676

Mr. SIMON proposed an amendment to the bill (H.R. 4782), supra; as follows:

Insert in the appropriate place:

"The Commerce Department is instructed to study, and report back to Congress on the feasibility of establishing a central computer bank for U.S. corporations that are in need of personnel with foreign language skills, and a computer bank of personnel with such foreign language skills seeking employment. The Commerce Department shall report back to Congress in writing 180 days after the enactment of this measure."

HELMS AMENDMENT NO. 2677

Mr. HELMS proposed an amendment, which was subsequently modified, to the bill (H.R. 4782), supra; as follows:

At the appropriate place in the pending amendment, add the following:

SEC. . By January 31, 1989, the Federal Communications Commission, shall promulgate regulations in accordance with Section 1464, Title 18, United States Code, to enforce the provisions of such Section on a 24 hour per day basis.

STEVENS AMENDMENT NO. 2678

Mr. RUDMAN (for Mr. STEVENS) proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project or program.

MITCHELL (AND COHEN) AMENDMENT NO. 2679

Mr. HOLLINGS (for Mr. MITCHELL, for himself and Mr. COHEN) proposed an amendment to the bill (H.R. 4782), supra; as follows:

On page 84, line 2, before the period insert the following: ": *Provided*, That of the amount appropriated under this heading, $2,000,000 shall be available only for youth exchanges under the Samantha Smith Memorial Exchange Program, as authorized by section 112(a)(8) of the Mutual Educational and Cultural Exchange Act of 1961".

LAUTENBERG (AND GRAHAM) AMENDMENT NO. 2680

Mr. LAUTENBERG, (for himself and Mr. GRAHAM) proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the appropriate place in the bill insert the following:

Sec. . (a) The Secretary of State shall certify to the appropriate committees of the Congress, within 60 days of the issuance of a final report by the United Nations Human Rights Commission on Cuban human rights conditions, whether the presence of Cuba on the Commission interfered with the independence of the human rights investigation, the preparation of the resulting report, or the consideration of this report under agenda item 12(h) at the Commission's 45th session.

(b) If a certification of objectivity cannot be made, the Secretary of State shall recommend appropriate action.

(c) It is the sense of the Congress that—

(1) the United Nations, the United Nations Human Rights Commission, and the Chairman of the Commission are to be commended for Decision 1988/106 as interpreted by the Chairman which establishes a working group on Cuba to conduct an on-site investigation on Cuban human rights conditions and prepare a report for consideration under agenda item 12(h) at the 45th session of the Commission in 1989;

(2) the President, the Secretary of State, the Permanent Representative of the United States to the United Nations, and the Representative of the United States to the United Nations Human Rights Commission are to be commended for their efforts to place Cuba on the agenda of the Commission and are strongly encouraged to continue to support and assist the Commission in its implementation of Decision 1988/106;

(3) the following countries are to be commended for their courageous support for an independent investigation of the human rights situation in Cuba under the auspices of the United Nations and consideration of Cuba under agenda item 12 at the 45th session of the Commission: Bangladesh, Belgium, Costa Rica, France, the Gambia, Federal Republic of Germany, Ireland, Japan, Mozambique, Norway, the Philippines, Sao Tome and Principe, Portugal, Senegal, Somalia, Togo, the United Kingdom, and Venezuela;

(4) the following countries, despite overwhelming evidence of serious human rights abuses in Cuba, failed to support the efforts of the United States to establish an independent working group on Cuba and to provide for consideration of the report of this group under agenda item 12, a nonconfidential procedure reserved for countries with records of serious human rights violations: Algeria, Argentina, Botswana, Bulgaria, People's Republic of China, Colombia, Cyprus, Ethiopia, German Democratic Republic, India, Iraq, Mexico, Nicaragua, Nigeria, Pakistan, Peru, Rwanda, Spain, Sri Lanka, Union of Soviet Socialist Republics, and Yugoslavia;

(5) the Congress strongly objects to the election of Cuba and Panama to the Commission and strongly urges the Secretary General and Chairman, and the other members of the Commission to insure that Cuba and Panama do not in any way interfere with the independence of the pending investigation, the preparation of the resulting report, or the consideration of this report under agenda item 12(h) at the Commission's 45th section.

LEAHY (AND STAFFORD) AMENDMENT NO. 2681

Mr. LEAHY (for himself and Mr. STAFFORD) proposed an amendment to the bill (H.R. 4782), supra; as follows:

On page 58, between lines 17 and 18, insert the following new section:

DEMONSTRATION PROJECT FOR CERTAIN SECURITY DEVICES

SEC. 304. (a) During fiscal year 1989 the Secretary of State shall conduct a demonstration project involving the purchase or other acquisition of, and installation at United States diplomatic or consular facilities of, at least two ram-resistant barrier-gate security devices which meet or exceed the K12/L3 criteria of the Department of State for such devices, as determined in tests conducted under the observation of the Department.

(b)(1) Not later than 30 days after the date of enactment of this Act, the Secretary of State shall notify the Appropriations Committees of the Congress of the sites selected for installation of the security devices to be purchased or otherwise acquired under subsection (a).

(2) Not later than 60 days after such date, the Secretary of State shall purchase, or otherwise acquire, the security devices for the sites selected under paragraph (1) and, not later than 60 days after the installation of such devices, the Secretary shall prepare and transmit to the Appropriations Committees of the Congress a report describing the cost-effectiveness of such devices.

HELMS AMENDMENT NO. 2682

Mr. HELMS proposed an amendment to the bill (H.R. 4782), supra; as follows:

On page 48, between lines 17 and 18, insert the following:

SEC. 304. Notwithstanding Section 130 of the Foreign Relations Authorization Act, Fiscal Years 1988–89 and Section 414 of the Diplomatic Security Act and any other provisions of law, such funds as are authorized, or that may be authorized, under the Diplomatic Security Act or any other statute, and appropriated to the Department of State under this or any other Act, may be hereafter obligated or expended for site acquisition, development, and construction of two new diplomatic facilities in Israel, Jerusalem, or the West Bank, provided that each facility (A) equally preserves the ability of the United States to locate its Ambassador or its Consul General at that site, consistent with United States policy, (B) shall not be denominated as the United States Embassy or Consultate until after construction of both facilities has begun, and construction of one facility has been completed, or is near completion; and (C) unless security considerations require otherwise, commences operation simultaneously.

METZENBAUM (AND OTHERS) AMENDMENT NO. 2683

Mr. METZENBAUM (for himself, and Mr. SIMON, and Mr. GLENN) proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the end of page 76, line 15, add before the period the following: "*Provided further*, That the Federal Trade Commission shall immediately provide any necessary or requested assistance to appropriate state agencies which are investigating possible unfair or deceptive practices in the distribution, offering for sale and sale of drought insurance during calendar year 1988; the Commission shall report the results of any assistance provided to any state agency which requests such assistance and to the Congress."

CHILES AMENDMENT NO. 2684

Mr. CHILES proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the appropriate place, insert the following:

SECTION 1. TREATMENT OF FATHERS OF ILLEGITIMATE CHILDREN IN INTERNATIONAL ADOPTION CASES.

(a) IN GENERAL.—Section 101(b)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(2)) is amended by inserting before the period at the end the following: ", except that, for purposes of paragraph (1)(F) in the case of an illegitimate child described in paragraph (1)(D) (and not described in paragraph (1)(C), the term 'parent' does not include the natural father of the child."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 315 of the Immigration Reform and Control Act of 1986.

INOUYE AMENDMENT NO. 2685

Mr. INOUYE proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the appropriate place insert the following: "No funds appropriated under this Act may be expended by the United States Civil Rights Commission, directly or indirectly, for the purpose of enforcing subpoenas issued in conjunction with any investigations by the Commission into implementation by Indian tribal governments of Title II of the Civil Rights Act of 1968, also known as the Indian Civil Rights Act, (Act of April 11, 1968; 82 Stat. 77; 25 U.S.C. 1301, *et seq.*), until sixty (60) days following the receipt by this Committee and the Select Committee on Indian Affairs of an opinion by the Comptroller General of the United States regarding the scope of authority and jurisdiction of the U.S. Civil Rights Commission over Indian tribal government officials pursuant to the Indian Civil Rights Act."

STEVENS AMENDMENT NO. 2686

Mr. RUDMAN (for Mr. STEVENS) proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . Public Law 98-101 is amended by inserting at the end of section 5 the following subsections:

"(m) Amounts received under subsection (h) and subsection (j) of this section shall be available to the Commission for official reception and representation expenses.

(n) An income account shall be available to the Commission without fiscal year limitation for printing, without regard to section 501 of title 44, and for distribution of Commission publications. The capital for the account shall consist of receipts from sales of Commission publications bearing the Bicentennial logo, including receipts received prior to the date of enactment of this subsection. Any unobligated and unexpended balance in the account which the Commission determines to be in excess of amounts needed for printing and distribution of publications, and any unobligated balance remaining in the account on December 31, 1991, shall be deposited in the Treasury of the United States.

DOLE (AND OTHERS) AMENDMENT NO. 2687

Mr. DOLE (for himself, Mr. BYRD, and Mr. HUMPHREY) proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the appropriate place in the bill add the following new section:

SEC. (a) FINDINGS. THE CONGRESS FINDS THAT—

(1) The Senate in P.L. 99-399 and S. Res. 31 has twice called on the Secretary of State to review United States policy with respect to the continued recognition of the Soviet puppet regime in Afghanistan and continued U.S. diplomatic presence in Kabul to determine whether such recognition and presence is in the interest of the U.S. and the people of Afghanistan;

(2) The majority and minority leaders of the United States Senate in a letter dated June 15, 1988, called for the appointment of an Ambassador at Large on Afghanistan to coordinate United States policies and programs with the Afghan Resistance;

(3) The Undersecretary of State for Political Affairs, appearing before the Senate Foreign Relations Committee on June 23, 1988, acknowledged that the dangers to the security of American personnel in Kabul, Afghanistan would be expected to grow in the months ahead;

(4) After more than eight years of warfare, the Resistance continues to control eighty percent of the territory of Afghanistan and has been instrumental in delivering social services and humantarian resoures inside Afghanistan;

(5) The Administration has never responded in a comprehensive manner to the requests enumerated in paragraphs (1) and (2).

(b) IT IS THE SENSE OF THE CONGRESS THAT—

The Administration should intensify its political dialogue with the Afghan Resistance and interact positively with their political and economic institutions;

(2) The United States should actively seek first-hand information on military and political developments in Afghanistan from the Afghan Resistance and should not rely solely on other countries for such information; and

(3) The President should confer diplomatic recognition at an appropriate time on an Afghan government constituted by the Afghan Resistance that is broad based and genuinely representative of the Afghan people or a government that is directly elected by the Afghan people in a free and fair election.

(c) (1) There is established in the Department of State the position of special envoy to the Afghan Resistance who shall be appointed by the President;

(2) The Special envoy shall hold the personal rank of Ambassador, shall be qualified in the languages necessary to work closely with the Afghan Resistance and shall coordinate United States policies and programs with the Afghan Resistance;

(3) It is the sense of the Congress that not later than 30 days after the date of enactment of this Act, the President, should exercise the authority under section 302(a)(2)(B) of the Foreign Service Act of 1980 to confer the rank of Ambassador on an individual who shall serve as the special envoy to the Afghan Resistance.

LEVIN AMENDMENT NO. 2688

Mr. LEVIN proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the appropriate place in the bill, insert the following new section:

"SEC. . 8 U.S.C. 1157(d)(1) is amended by inserting "and Appropriations" after "Judiciary."

DOLE AMENDMENT NO. 2689

Mr. DOLE proposed an amendment to the bill (H.R. 4782), supra; as follows:

At the appropriate place, add the following:

THE SENATE FINDS THAT—

(1) According to intelligence and other reports, the People's Republic of China has sold billions of dollars worth of missiles and other weapons to Iran and Iraq, including Silkworm missiles which have been used against American allies and friends and which threaten American military personnel and vessels.

(2) Despite repeated requests from the United States to endorse the United Nations-sponsored, international arms embargo against Iran and Iraq, China has refused to stop selling arms to the belligerents.

(3) Recent media and intelligence reports indicate that China may be pursuing the sale of M9 short-range ballistic missiles to Syria, Iran, Libya and Pakistan, promoting further instability in the region.

(4) Such activities as described in (1), (2), and (3) represent a serious threat to American interests, and to regional peace and stability.

(5) Secretary of State Shultz recently raised our deep concerns over China's arms sale policies with top Chinese leaders in Beijing.

It is the Sense of the Senate that:

1. The People's Republic of China should immediately halt the sale of ballistic missiles and other offensive weapons to all nations of the Middle East and Persian Gulf, either directly or through third party transfers.

2. The PRC should discontinue reported discussions with Syria, Iran, Libya and Pakistan regarding potential sales of M9 short-range ballistic missiles and other armaments under development.

3. The PRC should endorse the United Nations-sponsored, international arms embargo against Iran and Iraq.

4. If these sales and policies are not discontinued, the U.S. should reassess bilateral relations with the PRC and reexamine agreements or contemplated agreements providing for arms and technology transfers to the PRC.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON MERCHANT MARINE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Merchant Marine, of the Committee on Commerce, Science, and Transportation be deemed to have met during the session of the Senate on July 14, 1988, at 2 p.m. to hold a hearing on the effect of the drought on Mississippi River shipping conditions.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON COMMUNICATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Communications, of the Committee of Commerce, Science, and Transportation be deemed to have met during the session of the Senate on July 14, 1988, at 9:30 a.m. to continue oversight hearings on issues related to the AT&T divestiture decree—the modified final judgment.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON FINANCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on July 26, 1988, to hold a hearing on the nomination of John O. Colvin to be a judge of the U.S. Tax Court and to mark up S. 2238, the Technical Corrections Act of 1988.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 26, 1988, at 10 a.m. to hold a Department of Justice oversight hearing on Arnold I. Burns and William F. Weld.

The PRESIDING OFFICER. Without objection, it is ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, July 26, 1988, at 2 p.m. to hold a meeting on intelligence matters.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Senate Energy Committee be authorized to meet during the session of the Senate on July 26, 1988, at 2 p.m. to conduct a hearing on S. 2148, the Omnibus Oregon Wild and Scenic Rivers Act of 1988.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON LABOR

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Labor, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Tuesday, July 26, 1988, at 8:30 a.m. to conduct a hearing on the Uniform Health and Safety Whistleblower Protection Act, S. 2095.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON CONSUMER AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Affairs of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Tuesday, July 26, 1988, at 10 a.m. to conduct an oversight hearing on financial planners.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

THE CHILDREN'S INN

● Mr. GORE. Mr. President, today I would like to take the opportunity to recognize the ground-breaking of the Children's Inn at the National Institutes of Health. My wife, Tipper, and I are honorary members of the inn's advisory board, and we look forward to Friday, July 29, 1988, as the start of construction that will make this dream a reality.

The Children's Inn is a program to provide temporary, accessible housing for the families of the seriously ill children and adolescents being treated at the Warren Grant Magnuson Clincial Center at the NIH. These very sick children need the care and attention of their families during treatment, and the Children's Inn will facilitate the involvement of families in providing comfort and support to them. Over one-half of the children treated at the NIH live far distances from the Washington DC., area and many require long periods of treatment and/or frequent followup visits.

The Children's Inn is an important collaborative project of business, government, and private citizens working for the public good. This collaboration is evidenced by the NIH donation of the building site, the Merck & Co., Inc., donation of the constuction costs, and private fundraising to furnish and operate the inn.

I salute this important endeavor and the spirit in which it is being accomplished. I urge my colleagues to lend their support to and interest in the completion of the Children's Inn and its important programs for these very sick children and families.●

ROBERT F. DRIVER

● Mr. WILSON. Mr. President, it is my privilege to honor a respected Californian and fellow San Diegan, Robert F. Driver, as he celebrates his 80th birthday today. I join with his many friends and admirers in our California community in saluting his longevity and in tribute to the manifold contributions he has made to the city where he has lived since childhood.

Through hard work and commitment, Bob Driver built a fledgling insurance agency into one of the most successful firms in our country. He guided its growth with an unswerving philosophy of community commitment and activism, a philosophy he has upheld throughout his lifetime.

Our city has been enriched by his institution of the Independent Insurance Agents Association in 1936, and by his determined effort to secure the funding and construction of the Highway 80 corridor between Los Angeles and San Diego in 1942. He has served as president of the Hillcrest Lions Club, Chairman of the Democratic Central Committee, general campaign manager for the American Red Cross fund drive, director and president of the San Diego Community Welfare Fund, cochairman of the welfare committee of the grand jury and chairman of its education committee. In each of these early community service endeavors, Bob Driver demonstrated his concern for the welfare of his fellow man, and was instrumental in improving the quality of life for the people of his city.

His humanitarianism directed Bob Driver to other civic involvements including his service on the board of directors of Project Concern International which provides medical treatment for the poor around the world. He was named as its Director of the Decade for 1970-80. Further evidence of his humanism was demonstrated when he restructured the Robert F. Driver Co. into an employee owned and operated company, a plan so successful that the Robert F. Driver Co. is now the 31st largest insurance brokerage in the United States.

His legacy in the San Diego community is one of uncommon service to his fellow man, success as a business and community leader, devotion to the Mormon Church and its Brigham Young University, and certainly the proud and large family he heads. As Bob Driver stands on the threshold of his ninth decade, he should take great pride in the enormity of his life's accomplishments. I salute this distinguished San Diegan within this Chamber of the U.S. Senate and wish him happy birthday with every good wish for the future.●

THE DEATH OF RICHARD WORDEN

● Mr. SASSER. I rise today to pay homage to a distinguished journalist and a truly courageous American citizen.

This past Saturday morning, Richard Lewis Worden died in a Memphis hospital, most likely as a result of complications from a wound he suffered while serving as a marine in Vietnam.

Richard Worden was known in the newsroom of the Memphis Commercial Appeal for the same qualities he demonstrated so admirably in defense of his country: diligence, coolness under fire, selfless courage.

Born in Austin, TX, Richard Worden grew up in Nashville, TN, and ultimately attended Vanderbilt University there in the midsixties. At the height of the Vietnam conflict, he left Vanderbilt and enlisted as a marine.

He lost his leg from the knee down during a battle in 1968 and spent a year in the hospital recuperating from the wound's complications—the same complications that ultimately took his life.

The tenacity and strength that got him through that difficult ordeal were to serve him well in subsequent years as he advanced steadily in his journalistic career.

First as a reporter for the Clarksville Leaf-Chronicle, then as news editor at WDEF in Chattanooga, then as a reporter with the Memphis Press-Scimitar, he developed his skills, he honed his sense for the English language, he became a reporter.

At the Commerical Appeal Richard Worden served as assistant metro editor, night metro editor, and finally as urban affairs editor, always with meticulous care for detail and always with consumate professionalism.

He will be deeply missed at the newspaper, among his colleagues around the Tennessee, and in the Memphis community.

Our deep sympathies go out to Richard's wife Paula, to his mother Flo, to his brother Bill, and to his father Joe who was formerly an athletic trainer at Vanderbilt University. I know that other members of the Vanderbilt community are as saddened as I am by Richard's untimely passing.

Mr. President, I ask that this article from the Memphis Commercial Appeal be included with my remarks in the RECORD.

The article follows:

NEWSMAN RICHARD WORDEN DIES

Richard Lewis Worden, the reserved and respected urban affairs editor of The Commercial Appeal, died unexpectedly Saturday morning at St. Joseph Hospital. He was 42.

Worden, a former Marine, may have died of complications from a wound he received in Vietnam, a family member said. He was hospitalized for nearly a year in 1969 after almost losing his leg at the knee to a battle wound.

He joined the Memphis Press-Scimitar as a reporter in 1981 and later became assistant city editor. When the Press-Scimitar folded in 1983, Worden came to work for The Commercial Appeal, working as an assistant metropolitan editor, night metro editor and then as urban affairs editor.

Known in an oft-tumultuous newsroom as a stabilizing influence, Worden supervised reporters who cover city and county governments, the courts, police, the sheriff's office and federal agencies.

"I think the thing most striking about Richard was that he was a reporter's editor and an editor's editor," said Colleen Conant, managing editor of the Commercial Appeal. "He was also just a sweetheart to have around. I never knew anyone to work longer or harder or more cheerfully than him.

"He was never seeking the glory—just looking to do a good job. And he did."

A member of Worden's staff, Thomas Jordan, who covers City Hall, said, "He was a newspaperman's newspaperman. He was gentle in demeanor but was a strong, incisive editor. He had a passion for accuracy and clarity and loved the English language. He will be missed."

William Thomas, a senior reporter at the newspaper, said of Worden, "He was the coolest, calmest man in the eye of that storm. He was a real nice guy."

Another senior reporter, James Chisum, who covers state courts and was edited by Worden, said, "Richard was very meticulous in handling copy. He was careful with every word to make sure it said what the reporter had intended. As a supervisor, he was very even-tempered. I don't recall ever seeing him angry."

Worden was born in Austin, Texas, but grew up in Nashville, where he graduated from Montgomery Bell Academy in 1964. He attended Vanderbilt University from 1964 to 1968, when he left to join the Marines.

After leaving the Marines, he attended the University of Tennessee, Knoxville, graduating in 1973 with a degree in communications.

He started his journalism career at the Clarksville (Tenn.) Leaf-Chronicle, where he worked from 1973 to 1979 as city editor. He spent two years as news editor at WDEF-TV in Chattanooga before coming to the Memphis Press-Scimitar.

He is survived by his wife, Paula F. Casey; his parents, Joe and Flo Worden of Nashville, and a brother, Bill Worden of Nashville. His father is a retired athletic trainer at Vanderbilt University.

A memorial service is scheduled for 11:30 a.m. Monday at Hinds-Smythe Cosmopolitan Funeral Home. The funeral will be at 11 a.m. Tuesday at Woodlawn Funeral Home in Nashville, with burial at Woodlawn Memorial Park.

The family requests that any memorials be made to the College of Communications at UT-Knoxville. Dr. Kelly Leiter, dean of the college, said a memorial will be established in Worden's honor.●

CHARLES Z. WICK HONORED

● Mr. LUGAR. Mr. President, on May 19, 1988, Charles Z. Wick, the Director of the U.S. Information Agency [USIA], was presented the PR NEWS, PR Professional-of-the-Year Award at a Silver Anniversary Awards Banquet held in New York City. This award is conferred yearly upon a PR executive who has been deemed by his/her peers from around the world to be notable for practicing PR at the highest levels of performance and ethics, and for making significant contributions to the field. It is the most prestigious award in the public relations field.

Director Wick was the first Government executive to be chosen for this honor in the 25-year history of the award.

I would like to share with my colleagues the remarks he made upon the acceptance of this award. They set forth a vision of American public diplomacy for this age of the "electronic global village," and they underscore the central role which American idealism must play as we move into a dramatic new phase of the struggle for the future.

I ask that the full text of Director Wick's address, "American Public Diplomacy and the Struggle for the Future," be included in the RECORD for the benefit of all Members of the Senate.

The remarks follow:

AMERICAN PUBLIC DIPLOMACY AND THE STRUGGLE FOR THE FUTURE

(Remarks by Charles Z. Wick)

I am deeply honored—and profoundly grateful—for having been selected to receive this prestigious award for 1988. The "PR Professional-of-the-Year Award" stands at the pinnacle of Honor Awards. And to be included among the ranks of those 26 other laureates who—since 1962—have been inducted into the "PR NEWS Hall of Fame" is a special distinction which I shall remember and cherish over the years. Again, many thanks to all of you for conferring upon me this award and, in particular to you, Denny Griswold, who has been its guiding force!

I would also like to express my appreciation to some of your PR colleagues who have served USIA unstintingly with extraordinary distinction—all as volunteers, and at their own expense. Harold Burson, Jim Bowling, John Budd, Henry Rogers, Bill Codus, Bill Corbett, Dave Metz, John Paluszek, Bob Woodrum, and Peter Hannaford—to each of you, let me say that your many generous and productive efforts on behalf of USIA are deeply appreciated. You have made an invaluable contribution to America's informational, educational, and cultural activities, and for this we can all be thankful.

Before I continue, I would like to make an announcement which involves public relations and the USIA Public Relations Private Sector Committee. I am designating the members of the Committee to put together a panel of top public relations executives for a Worldnet telecast. I am also proposing an exchange of U.S. public relations executives and their Soviet counterparts to explore further the possibilities of 'glasnost' and how it can be mutually beneficial to our respective countries. Denny Griswold and I have discussed these ideas, and we will work together to see that they become realities.

It has been nearly thirty years since President Kennedy spoke of the "New Frontier," and those uncharted areas of peace and war, space and science, ignorance and prejudice, poverty and surplus. Urging a new 'spirit of discovery,' he summoned America to resist the quiet temptation of conplacency and to begin anew the struggle for a more just and dynamic future.

Today, America stands on the edge of a vast new frontier, the frontier of the Global Village. Once again history calls us to begin another chapter in that on-going 'struggle for the future.' From every quarter, barriers that have traditionally separated nations—national interests, language, culture, history, economics, and geography—are eroding and giving way to a process of globalization. Business and worldwide commerce, domestic and international politics, entertainment, sports, music, information, symbols, expectations—all, to one degree or another, are being absorbed into the dynamics of a rapidly expanding Global Village.

Not since the days of the Holy Roman Empire have processes favoring unity occupied such a compelling position in historical development.

The Industrial Age has been superseded by the Information Age, and the era of the electronic global village has arrived!

It is an era characterized by an increasingly freer flow of instantaneous information. It is an era where the free flow of information is the vital force driving the world toward greater interdependence. It is an era where global villagers can interact and compete across national boundaries on the world stage. It is an era where the creative energies of hundreds of millions of these villagers—formerly separated by the limitations of space and time—can be united through computers and satellite telecommunications in common purposes and common endeavors. It is an era where progress made in medicine and science, the arts and humanities, industry and technology can be shared among villagers continents apart. And, it is an era where these same villagers—at this very moment—are forging in numberless ways the social, economic, political, and ideological substance of tomorrow's global community.

All this has been made possible by a new and powerful dynamic which in recent years has exploded onto the world scene—the grand spectacle of the Information Revolution.

Its force—which began as the Medieval scribes were replaced by Gutenberg's mechanical printing press—has, in increasingly rapid progression, brought the steam printing press, the telegraph, telephone, radio, tape recorder, television, videocassette recorder, computer, and most recently, the dazzling array of fiber optic and international satellite communication technologies.

The reach of these new communications technologies has generated a global marketplace of ideas. And, government efforts to control this market have repeatedly been met with failure. In Eastern Europe, for instance, the massive spread of Western-produced VCR's has overwhelmed state efforts at control. It is estimated that over 700,000 Western-built VCR's have been acquired in Poland since 1981, with another 300,000 units in Hungary and 150,000 units in Czechoslovakia. Also, East Bloc governments have sanctioned the establishment by private entrepreneurs of video rental shops. Today, the fact that Rambo and Rocky, Citizen Kane and Dallas—and a variety of Western video products ranging from adventure films to political news and documentaries—are in wide circulation is a testimony to that inextinguishable propensity to seek individual freedom.

Like the American experience with Prohibition, state-controlled governments are finding the insatiable thirst for ideas and information to be beyond the limits of control.

Even traditionally denied information about events is no longer easily controlled. Photographs of the Chernobyl accident—easily obtained by the commercially-owned remote sensing satellite, EOSAT—were made available to the press for a nominal fee of $50. Within hours, the Free World knew of this tragedy. Shortly thereafter, those in Closed Societies learned of it for the first time through the Voice of America, the BBC, and other international broadcasters.

With a quiet force, satellite communications technology has awakened—among those repressed individuals of the world—the natural yearning to know and to be free. Fresh breezes are beginning to blow, and the blossoms of a new spring now dot the landscape—signaling hope and the prospects of a gradual triumph of freedom over repression!

Even at this early stage, the effect of the new technology has been dramatic! Within this decade alone, the dynamics of international politics have been transformed to where the struggle for the "hearts and minds" of people—an ever present dimension of human history—is now the most visible hallmark of today's political world.

Let there be no doubt: world public opinion—fed by a steadily accelerating system of instantaneous global communication—has emerged as a potent force capable of decisive influence over the policies and conduct of governments—no matter how popular or how dictatorial! Traditional private diplomacy is gradually giving way to public or 'open' diplomacy. And, a fundamental metamorphosis is underway in the nature of foreign policy itself.

This historic transformation—brought about by global communications—unleashes in bold new ways the deepest thrust of American democratic society—to let the collective will of individuals prevail through the decisions and the actions of states. It unlocks America's tremendous potential to use moral persuasion to enhance the security of all the Free World, to advance the cause of freedom, and to guarantee the peace of the world.

Let me explain the potential of which I am speaking.

Throughout much of this century, American statesmen have wondered: Can the "moral authority of world public opinion" become an effective force in moving nations towards a freer and more peaceful world?

Until recently, the answer has been no. Existing systems of communications were simply too primitive to transform this dream into reality. International communications lacked the capability of reaching out to large numbers of individuals and galvanizing them into a moral force sufficiently powerful to affect the course of world events.

However, satellite telecommunications have transformed yesterday's dream into today's reality.

Today, unknown individuals—having instantaneous access to information and made buoyant by the rightness of their cause—have burst onto the world scene, have mobilized the moral passions of millions, and have transformed the political landscape. It was an ordinary housewife who embodied the dreams of her people and returned democracy to the Philippines. Not a general, but a dockworker towered above the masses and forged that great voice for the future—Solidarnosc, or Solidarity. The wife of a black prisoner said NO to the ravages of apartheid, and the world listened and acted. Silent words of deaf students—seen and heard around the globe—overturned a 125 year tradition at Gallaudet College.

Every day—from any where—new stories unfold, ripple through the marketplace of ideas, and bring the force of public opinion to bear on the emerging events. Today—in Korea, Panama, or the West Bank. Tomorrow—in South Africa, Nicaragua, or Haiti. Millions of people—separated by geography, but united through the modern miracle of telecommunications—are swept into the rite of participation. As in a Greek drama—and often guided by the loudest chorus—a moral sense envelops the participants, crying out for action and eventual resolution. And increasingly, those in responsible positions are compelled to listen and act.

Yet, there is more!

A universal ethos is beginning to emerge and to establish its expectations, an ethos that is truly revolutionary in scope and profound in dimension. Whether in remote regions, or in the centers of power, individuals are banding together and saying NO to unreasonable and unjust authority. Their cry is part of a universal struggle for those things of the spirit which enhance human dignity. Their cry stems from an inner conviction and is sustained by the hope for a brighter future. Their cry bellows out a longing for those Four Freedoms, each grounded in human nature, forever enshrined in the political fabric of America, and codified in International Covenants: Freedom from Fear, Freedom from Want, Freedom of Speech, and Freedom of Religion. Their cry begins softly, but with passion. And—through the magic of satellite telecommunications—it becomes amplified through ever-increasing crescendos until it reaches a peak where the solidarity of the righteous can impose its will.

Yes, times are changing, and the global village is evolving. It is an electronic village whose central nervous system is a vast network of international communications technologies. It is a community whose principle resources are facts, ideas and causes. It is a community where interaction among individuals takes place through a language of discourse, metaphors, and graphics. It is a community where passions drive events, and where moral approbation and moral disapprobation decide outcomes. And, it is a community where the pendulum is beginning its long arduous swing toward democracy, toward the universal rights of man, and toward a fuller expression of individual freedom.

No one should think, however, that these broad historical trends go unopposed. It is true that for the past 2,500 years history has witnessed the gradual evolution and expansion of individual freedom. And it is true that today's information Revolution has unleashed powerful new forces in its service. Yet, these historical processes only tell one side of the picture. Mankind has the ability to deny freedom as well as the ability to affirm freedom. And throughout the world today, there remain vast areas of resistance to the continued spread of individual freedom. Throughout repressed regions of the world—individuals still stand in repressive subordination to State policy. And whatever gains have recently been made to the contrary, they only pale against the continued backdrop of repression.

Thus, the age-old struggle between the forces of freedom and the forces of repression continue to occupy—as ever before—an important position in today's historical development.

But unlike previous times the Information Revolution has transformed today's struggle into a high-tech, global 'war of ideas.' It is a 'war of ideas' that respects neither time nor space. It is a global 'war of ideas' that transcends all national diversities—even language. It is a globally televised 'war of ideas' that is fought in living rooms and in places of work, in cities and in countrysides throughout every hemisphere—East, West, North, South. And, it is a 'war of ideas' where the great traditions of the Western democracies are engaged in a struggle against the manifold forms of social, economic, political, moral, and spiritual repression.

Like it or not, this 'war of ideas' has become the very substance of politics in the global village. And, the opinions and attitudes of masses of global villagers has become the most crucial actor determining the dynamics of these politics.

Unquestionably, the Information Revolution has thrust world public opinion onto center stage in international politics. For this reason, America's public diplomacy effort—entrusted to the United States Information Agency, its PR professional—has become the primary strategic element in the exercise of foreign policy. Success in maintaining favorable attitudes around the globe provides the necessary international political foundation for our deterrence strategy, our alliance system, our worldwide commerce, values, and our vision of the future. But, as PR professionals, failure in our public diplomacy efforts can turn world public opinion against us—undermining our way of life today and our hopes for tomorrow!

America's PR professional—USIA—has responded in earnest to these challenges, and it is doing so in ways which are analogous to your profession of public relations.

For instance, USIA—as in your profession—acts on behalf of a client. Yet—unlike clients in your profession—we represent all the American people whose values are embodied in our national way of life, and whose policies are represented through nationally elected officials.

And—as in your profession—we promote a product. Yet—unlike products in your profession—our product is the living, dynamic story of the American people—their life and their dreams, their democracy and their national policies, their commitment to freedom and their struggle fo freedom's future.

And—to whom do we market this product?

As in your profession—we target an audience. But, rather than targeting a specified demographic segment of society—as does your profession—USIA targets the whole world, and especially those who are denied credible news and information, and who in the silence of their struggles dream of better days to come.

But, why target the whole world?

The answer is simple.

In the most basic sense, America has an historic obligation to other human beings in all parts of the globe. And our message is larger than any society or government. Its essence is the message of freedom itself, and it resides in the soul of every person as an "inner measure" of his highest and most noble aspirations.

Therein lies the basis of America's strength, and therein lies our common bond in the global community!

But, there is also the matter of our nation's security!

America is a land with borders. Yet, her survival depends upon the moral support of people outside her borders. Without universal goodwill, America's alliance system, her worldwide commerce, and her foreign policy can only wither and die.

Over the past several years, America has been fortunate to have in President Reagan a man who—in this Information Age—understands the power of ideas and symbols. His sustained and ethusiastic support for USIA has been at the root of our accomplishments, and it has placed us in good stead for the future. At this historic time, America is truly indebted to his leadership.

But, we are also indebted to our deepest historical traditions which command a sacred respect for the truth. Without adherence to the truth, America's public diplomacy effort would fail through lack of credibility. And—as your profession understands so well—credibility is the sine qua non of successful communications.

Thus, USIA 'tells America's story to the world," 'warts and all.' Truth commands USIA to pursue effective advocacy and dispassionate scholarship side by side. Truth commands us to distinguish news from editorials without diminished effect. Truth commands us to conduct a bold defense of U.S. policy, and yet be forthright. Truth commands us to broadcast the debilitating Iran-Contra hearings, not as an admission of our weakness, but as a testimony to the strength of our society.

Yet, credibility is not the only reason we "tell America's story," 'warts and all.'

The story of America is the story of a pluralist society engaged in an ongoing 'struggle for the future.' American society is dynamic, and in a constant state of evolution. The present is forever being challenged by some vision of things yet to be. The Western Movement, the Civil War, the tides of immigration, the labor movement, the civil rights movement—all represent heroic struggles to give shape to the future. And there are numerous other struggles, less momentous, but important nonetheless—care for the elderly, health care, the quality of the environment, and the need to improve education. Each struggle represents an enormous confluence of competing forces and ideas. Pros and cons compete in abundance, passions generate debate, traditions come under assault, and everywhere social, economic, and political interests are challenged. Throughout the breadth and depth of the land, a 'struggle for the future' is always underway—for its substance and for its concrete expression.

Throughout this process, America often gives foreign audiences the appearance of a confused society—sometimes a society in disintegration. But, the truth is quite different from the appearance. America always challenges the present to make way for a better future. Out of each struggle emerges new transcendental realities, realities that become part of the very substance of the American way of life. Law and order, ethnic diversity, the right to work, equal rights under the law, clean air, and quality education—all of these principles of American life were born out of a 'struggle for the future.'

Thus, when USIA tells the story of America—'warts and all'—we present the mosaic of a nation forging the future out of crucible of controversy. To be sure, the 'warts' are there. They are an integral element in the struggle. But, in essence, America's story is that of a nation on the march carrying the banner of freedom. And, it is this march that gives hope to the repressed throughout the world.

Yes, truth commands America's message to be truly complex! And, for this reason, USIA—like your profession—has over the years developed a wide variety of techniques and resources—some old, some new—to insure the success of its public diplomacy effort.

More than anything else, it has been USIA's ability to harness the new satellite technology that now provides our greatest potential. 'Satellite television diplomacy' has come of age! And, with the creation of Worldnet four years ago—the world's first global satellite television network—America stands in the vanguard of this new age.

From London to New Delhi, from Tokyo to Caracus, Worldnet—through live interactive teleconferencing—gives foreign journalists a unique opportunity to pose direct, uncensored questions to all of America's most senior officials. Reporters from the world's renowned news and television organizations regularly attend Worldnet programs and print and broadcast their stories.

In less than five years, Worldnet has won the respect of leading journalists and leaders of foreign government, many of whom routinely request tapes and transcripts of Worldnet programs. Profit-oriented television and cable executives in many countries view Worldnet as a first class opportunity to expand their program services.

Though its budget comprises less than 4% of the total USIA budget, Worldnet—through television, radio, and print—has generated more international media coverage during its brief history than the entire Agency was able to place during its previous 30 years of existence!

A May 2, 1987 TV Guide article—"Worldnet Fires Away in the 'Star Wars' of Ideas"—stated:

"In future years, when the USIA's global TV network is fully in place and can reach into the planet's dark corners, it could constitute the most powerful instrument of propaganda ever owned by any nation in the history of the world."

Tom Clancy—author of "Red Storm Rising" and "The Hunt for Red October"—has said:

"Worldnet has the potential to become the most powerful, most useful, most cost-effective tool of American diplomacy . . . . Worldnet has the potential to remake the world."

But, we also employ other important resources, including: the Voice of America. . . . our new service to Cuba, Radio Marti, whose Third Anniversary we celebrate tomorrow . . . a worldwide wire service, soon to be connected directly via satellite to the world's media . . . magazines . . . people-to-people exchanges . . . cultural presentations . . . 159 libraries . . . 200 cultural centers in 100 countries worldwide . . . three foreign press centers in the U.S. serving some 3,000 foreign correspondents . . . an overseas speakers program . . . exhibits . . . sports and artistic ambassadors . . . and our own dedicated foreign service corps stationed at 204 posts in 127 countries.

Any one of our initiatives often puts in service a synergistic group of USIA capabilities. USIA is convinced that the strength of American public diplomacy depends upon utilizing the synergism of many different resources in a coordinated manner. Only through the addition of synergistic impact can be present with maximum effectiveness the broad spectrum of American society, American political opinion, and Administration policy.

Other kinds of resources—not under our control—also work to our benefit. Throughout the world, there are living monuments to the absolute contrast between a Free Society and a Closed Society. Let me explain by way of analogy.

In public relations, a 'brand name' is a ready mark of identification on merchandise denoting certain characteristics of the product—its composition, its quality, and its prestige value. In public diplomacy, there are also marks of identification—a 'brand name,'— which symbolize the quality of a nation's life, its institutions, and its government.

Contrast the neighboring regimes of East and West Germany, North and South Korea, Nicaragua, and Costa Rica, Cambodia and Malaysia. Each pair of countries shares similar cultures, traditions, and histories. Yet, East and West Germany, for example, are like different 'brands' of countries, each with differing qualities. In every instance, the 'brands' of freedom—West Germany, South Korea, Costa Rica, and Malaysis—are dynamic in their economic, social, and political life. The 'brands' of repression—East Germany, North Korea, Nicaragua, and Cambodia—lack the growth, hope, and vitality found in their neighbors.

And, the analogy does not stop here! The Berlin Wall, the Vietnamese and Cuban 'Boat People', the 'Refusniks,' Solidarity—each cries out constant reminders of the stark differences between a Free Society and a Closed Society.

And you can forget those Cuban prisoners who would rather stay in American jails than be set "free" in Castro's Cuba!

Yes, individuals around the globe see and understand the differences between a Free Society and a Closed Society. They see and understand that these 'absolutes in conflict' are the essence of today's global struggle for the "hearts and minds" of people.

Thus, our historic duty—and the imperatives of our security—require that USIA gives constant evaluation to the success or failure of our effort. As your profession understands so well, "evaluation" is a critical component of any successful strategy.

Thus, we get important "feedback" on a daily basis which measures the impact of America's policies and actions on foreign audiences. Listeners and viewers overseas write to us with their reactions and suggestions. Our 204 posts in 127 countries around the world cable us each morning reports of listener response as well as foreign media and official reactions.

This continuing and on-going assessment—an informal polling—helps us to measure the success of our efforts and to plan even more effectively for the future.

At, USIA we can never afford to lose sight of the fact that for PR client—America—a failed campaign for truth and freedom in the 'war of ideas' is a potential threat to the nation's security.

I began my remarks by stating that the era of the global village has arrived, and that the free flow of information is the vital force giving shape to today's world.

For repressed societies, the era of the global village presents a fundamental choice of far-reaching consequences. Should the repressors continue to deny the free flow of information to their citizens—and should they continue to suppress the existence and use of personal computers, VCRs, copying machines and prohibit free and general access to the communications infrastructure of the Free World—they will certainly atrophy and tend toward inconsequence. On the other hand, should they accept the challenge of the information Revolution, they will cease being State-controlled societies—and they will enter the community of free and open nations, replete with its diversity of individual opportunity, individual choice, and individual expression.

To date, only individuals in State-dominated societies have had to endure the repression of individual choice and opportunity. But henceforth, the repressive power itself—the State—will discover fewer and fewer choices and opportunities, and the alternative of freedom will beckon its detractors as never before.

Already, the historic forces of the Information Revolution are driving sovereign States towards momentous choices and systemic changes. "Realistic engagement" has become a sign of the times. "Glasnost" has become a household word! And General-Secretary Gorbachev's campaign of repudiating old dogmas through "new thinking" in media relations has become the latest watchword of U.S./Soviet relations.

America welcomes these developments, and urges Mr. Gorbachev to continue his efforts to bring more openness to the Soviet system. We also applaud his effort to establish more constructive relationships—and greater mutual understanding—with America and the Free World.

Nevertheless, we do not expect the road to be easy! Progress towards a freer, more open, relationship between our two societies is a journey fraught with difficulty. The principles of an Open Society and the principles of a Closed Society stand apart as philosophical 'absolutes in conflict' and, by its very nature, openness does not come easy to a Closed Society.

Hence, we should harbor no illusions—the 'struggle for the future' poses great challenges and uncertainties for all.

Nonetheless, we encourage Mr. Gorbachev. And—although we view his efforts with sober realism—we accord them the presumption of 'good faith.' Yet, without deeds—without progress towards a more constructive relationship—this presumption will surely be rebutted to the detriment of all.

Now, as we look forward into the 1990's and beyond, we can already see that an historic "struggle for the future" is at hand. Every nation in the global village will be involved in that struggle, and every global villager will be swept along by its current. In this drama, America's PR professionals—utilizing vast resources, including satellites, television, personal computers, and related technologies—are already playing a major role. By contributing to the on-going global discussion of issues, you are helping to stimulate the creative energies of free individuals, and thereby enhance the dynamics of global competition to an extent hitherto not possible. And, by fostering freed and open competition in the global marketplace of ideas, you are helping to forge the substance of tomorrow's global community.

The 'struggle for the future' is a struggle of freedom against repression. Armed with an unhesitating confidence in Freedom—and an undeviating sense of moral determination—America, the Free World, and individuals everywhere will surely win!

In closing, reflect with me for a moment. Imagine the plight of one individual residing somewhere in some city, or some small town, or even some remote countryside of the world. Imagine political and moral isolation. Imagine how heavy is the weight of repression, and how completely it takes its toll.

All *then*—imagine the marvels of the information Age, and the promises and the hopes they bring.

These marvels are opening closed windows and doors. They are allowing freedom to shine in radiant splendor. Distances collapse. Time evaporates. Men and women pause. Fresh breezes blow and warm the imagination with manifold visions of a true spring. Human passions begin to stir and a sense of excitement and anticipation grips the soul. For a 'brief, shining moment' the cold, dark winter clouds of spiritual oppression and human misery—usually broken by only an occasional, but retreating ray of hope—begin to recede. To so many individuals—in so many parts of the world—the new technology has brought a guiding light, a light that illumines the mind and warms the heart, a light that slowly, but inexorably germinates the seeds of freedom lying in the inner recesses of the spirit. Yes, this guiding light has awakened the longing for freedom, and this longing is drawing people everywhere closer together, uniting them in that often painful, winding march to the dawning of a new spring—realizing at last the promise of "peace on earth, good will toward men."

Thank you very much.●

ACID RAIN

● Mr. SIMON. Mr. President, I wish to commend my colleague from Maine, Senator MITCHELL, for his leadership toward finding a solution to the continuing problem of acid rain in this country.

It is an issue that has been before the Congress for a long time, unfortunately with little progress or resolution. One of the causes for that delay, quite frankly, has been that both sides of this debate have held too strongly to their positions, unwilling to be the first to compromise. We have strong regional and economic concerns at play in this matter, and any effective solution is going to require good faith compromises.

Senator MITCHELL has taken the first step, not only offering an initial compromise, but expressing as well his willingness to address further concerns if he senses an equal willingness to compromise and move ahead from other interests involved.

As a Senator from a coal producing State that also relies heavily on coal for electricity production, I have tried to work quietly to get coal and utility interests to work toward effective but fair acid rain legislation. That is a difficult balance in my home State, but a goal to which I am committed, and I wish to express to the Senator from Maine and my other colleagues who have joined him in this effort, that I want to be as helpful as possible in reaching a sound compromise on acid rain legislation.●

COMPASSION FATIGUE

● Mr. BOSCHWITZ. Mr. President, I rise today to bring to my colleagues' attention a New York Times editorial, titled "Boat People and Compassion Fatigue." This piece very accurately describes the first asylum crisis developing in Southeast Asia. Many of us work tirelessly to maintain a generous U.S. immigration policy. And while we can, as the editoral states, be proud of the example we set, now is not the time to rest on our laurels. Pushbacks of Vietnamese boat people continue and more than 170 people have drowned this year as a result.

I have urged Secretary Shultz to consider a well-defined international conference on Southeast Asian refugees and am pleased to hear that he is leaning toward the idea. We must continue to press the administration and the governments of Thailand, Malaysia, Indonesia, and Hong Kong to interview new arrivals to ascertain if they are indeed fleeing persecution and not assume that because of Vietnam's woes that they are economic immigrants.

Mr. President, I ask that this editorial be printed in the CONGRESSIONAL RECORD and hope that my colleagues will give it the attention it deserves.

The article follows:

[From the New York Times, July 14, 1988]

BOAT PEOPLE AND COMPASSION FATIGUE

Repression and poverty in Vietnam breed ever more boat people. An appalling 1.5 million Vietnamese and other Indochinese have fled since 1975. Each month, new thousands try to escape on flimsy vessels sailing pirate-infested coastal waters. Now they face a fresh peril: compassion fatigue, an official euphemism that amounts to blaming victims for the cruelty of their jailers.

Sympathetic countries need to keep the pressure on Vietnam to change the conditions that propel this sad human tide. What makes it even sadder is for neighbors like Hong Kong and Malaysia to say they are tired of the boat people. They now proposed to reject them as illegal immigrants.

Fortunately, Washington has not been stricken by compassion fatigue, notwithstanding confusion over some informal remarks by Secretary of State Shultz during his just-concluded Asian tour. U.S. policy has not changed. What Mr. Shultz did was acknowledge that some boat people are economic migrants, not political refugees. That's the valid but difficult distinction that's being abused by states who want to close doors.

According to Britain's Foreign Secretary, Sir Geoffrey Howe, the "great majority" of boat people coming to Hong Kong, which is still a British colony, are not genuine refugees but "may have purely economic motives for contemplating unauthorized departure by sea." But how, one wonders, does Sir Geoffrey know the motives of unauthorized departees since the screening he proposes hasn't begun? Indeed, the very notion of unauthorized departees comes straight out of the television program "Yes, Minister."

Britain's performance in resettling boat people compares meanly with other Western countries (see accompanying chart). It has approved even fewer requests for political asylum than tiny Switzerland, granting it to only two people in the first half of 1987, compared with 459 in 1986. Throughout the West, ingenious excuses are being devised to evade resettling Asian refugees, the newest being that it slights Africa. In fact, almost all of Africa's 14 million refugees yearn to return to their own countries.

Resettled Southeast Asian Refugees, 1975–88

United States	820,989
Canada	115,799
Austria	114,291
France	103,163
West Germany	23,476
Great Britain	17,739

All this is understood in Washington. A humane and sensible refugee policy continues to command support in Congress and country. The total of Asian refugees qualifying for entry has risen from 19,000 in 1986 to 23,000 in 1988. This has been coupled with determined U.S. pressure on Vietnam simultaneously to do three things: Change the policies that cause its people to flee; set up an orderly departure program, and accept voluntary repatriation. It is also U.S. policy, as Mr. Shultz said, to support a well-prepared world conference on refugees and to hear out complaints of first-asylum countries like Malaysia, Thailand and Hong Kong.

That's not compassion fatigue; it compassion, and it sets a proud example for the West.●

THE CASE OF JOSEPH DOHERTY

● Mr. KERRY. Mr. President, the current status of the Joseph Doherty case is one of the more troubling aspects of the legacy left by Edwin Meese III as Attorney General. The ex-Attorney General's efforts to block the deportation of Mr. Doherty to the Republic of Ireland, and to effect his extradition to Northern Ireland, represent a threat to the civil liberties we all enjoy.

Mr. Meese has manipulated the administration of justice in this country by keeping the Doherty case under review in spite of three Federal court rulings, each of which supported Doherty's release. These courts have ruled in favor of Joseph Doherty's deportation to the Republic of Ireland, and have upheld this ruling in the face of a Justice Department appeal. The Justice Department has insisted on Joseph Doherty's extradition directly to the Northern Ireland. I have grave reservations about extraditing a man accused of a political offense to face trial under a judicial system in which fundamental civil liberties are not respected.

It seems to me that the Justice Department's machinations in the Doherty case have been undertaken in the interests of politics, not justice. Pressure from the Thatcher government has clearly played a role. Our Government was established with a clear distinction between judicial and executive powers in order to prevent politics from interfering with the administration of justice. This separation of powers has not been respected in the case of Joseph Doherty. It is my hope that with the arrival of a new Attorney General, the Doherty case can be resolved in accordance with the rulings of the U.S. courts.●

DR. HEINZ R. PAGELS

● Mr. MOYNIHAN. Mr. President, I rise with great sadness to inform the Senate of the untimely death of Dr. Heinz R. Pagels, director of the New York Academy of Sciences, one of the most luminous minds of our age. The New York Times obituary nicely captures the many qualities of this hugely gifted man. His talents were exceeded only by his generous sharing of them with the scientific community and the public at large. The Senate will surely wish to express its condolences to his wife, a distinguished scholar in her own right, and their two children.

I ask that the obituary be printed in the RECORD.

The obituary follows:

[From the New York Times, July 26, 1988]

DR. HEINZ R. PAGELS, 49, A PHYSICIST, DIES IN FALL FROM COLORADO PEAK

Dr. Heinz R. Pagels, a physicist and popularizer of science and executive director of the New York Academy of Sciences, died Sunday in Colorado in a mountaineering accident. He was 49 years old.

Dr. Pagels, the author of several books that seek to explain to the public the more strange and difficult aspects of modern physics and cosmology, was attending the summer session of the Aspen Center for Physics. During the weekend break he and Dr. Seth Lloyd, his former student at Rockefeller University, climbed Pyramid Peak, a 14,000-foot summit 10 miles to the southeast.

Dr. Pagels, a tall slender man, stepped on a rock that proved unsteady and lost his balance. He fell and slid down a steep slope. His body was discovered at the foot of a deep gorge after a helicopter search.

PRAISED FOR HIS PROSE

In reviewing Dr. Pagels's 1985 book "Perfect Symmetry," Dr. David N. Schramm, a cosmologist at the University of Chicago, said, "Heinz Pagels is one of less than a handful of active scientists who can write excellent prose about the scientific frontier for a general audience."

He described an earlier book by Dr. Pagels, "The Cosmic Code," published in 1982, as "a beautiful account of modern physics, of the quantum-mechanical world of particles and their interactions." Dr. Pagels has also contributed articles to The New York Times on cosmology and other subjects.

His most recent book, published by Simon & Schuster, is entitled "The Dreams of Reason—The Computer and the Rise of the Sciences of Complexity." A discussion of complexity by Dr. Pagels and Dr. Lloyd, who received his doctorate in June under Dr. Pagels, is featured in the current issue of Scientific American.

Using a measure they called "thermodynamic depth," the article seeks to reconcile the puzzling contradictions between the seemingly universal descent into uniformity, known as entropy, and growing complexity as evolution proceeds.

Staying with Dr. Pagels in Aspen was his wife, the former Elaine Heisey, a professor of religion at Princeton University and an authority on early Christianity. Her latest book is "Adam, Eve and the Serpent."

She said yesterday that while at Aspen, she and her husband went walking almost every Saturday but that she was not on Sunday's climb.

Heinz Rudolph Pagels was born in New York City on Feb. 19, 1939. He received a Bachelor of Science degree from Princeton University and, in 1965, a doctorate in physics from Stanford University. He joined Rockefeller University the following year, leaving in 1983 as an associate professor to become executive director and chief executive officer of the New York Academy of Sciences.

As president of the International League for Human Rights, Dr. Pagels supported greater freedom for researchers in other countries. He was a fellow of the New York Institute of the Humanities at New York University, a member of the Council on Foreign Relations, a member of the Science and Law Committee of the New York Bar Association and a trustee of the New York Hall of Science.

DREAMED OF FALLING

Dr. Pagels ended his book "The Cosmic Code" with reflections on the dangers of mountain climbing and why the sport appealed to him. He wrote that "the rewards I wanted were of sight, of pleasure, of the thrill of pitting my body and my skill against nature."

Like many climbers, he wrote, he often dreamed about falling. "Lately I dreamed I was clutching at the face of a rock but it would not hold," he wrote. "Gravel gave way. I grasped for a shrub, but it pulled loose, and in cold terror I fell into the abyss."

But in the dream, he wrote, he then realized that "what I embody, the principle of life, cannot be destroyed." He continued: "It is written into the cosmic code, the order of the universe. As I continued to fall in the dark void, embraced by the vault of the heavens, I sang to the beauty of the stars and made my peace with the darkness."

In a telephone interview yesterday Dr. Lloyd said that on Sunday he and Dr. Pagels had had lunch on the summit of Pyramid Peak, then had started down at 1:30 P.M. Dr. Pagels was in the lead because "he knew the mountain," Dr. Lloyd said, having climbed it seven times. It was the first ascent of the peak for Dr. Lloyd.

Dr. Pagels was a "very careful hiker," Dr. Lloyd said, avoiding loosening any rocks, since there were many climbers on the mountain.

One scientist at the physics center session, Dr. Jeremy Bernstein, himself an experienced mountaineer, said yesterday that the outing that Dr. Pagels was on was "closer to a hike than a difficult rock climb," but "very dangerous" because of the treacherous nature of the rock.

Besides his wife, Dr. Pagels is survived by a daughter, Sarah, 2, and an adopted son, David, 3 months old. A son Mark, to whom "The Dreams of Reason" is dedicated, died in April 1987 at the age of 6.

Other survivors are Dr. Pagels's mother, Marie Pagels of Wynwood, Pa., and a brother, Rolf, of Lake Oswego, Ore.

A funeral service will be held tomorrow at Christ Episcopal Church in Aspen and a memorial service at Rockefeller University in September.●

COSPONSOR OF S. 2150

● Mr. BOREN. Mr. President, I am pleased today to be added as a cosponsor of S. 2150 that my fellow colleague from Oklahoma, Senator Don Nickles, has introduced. The bill provides for the use and distribution of funds to benefit the Seminole Nation of Oklahoma, the Seminole Tribe of Florida, the Miccosukee Tribe of Florida, and the unaffiliated Seminoles of Florida. The funds were awarded to the Seminole Indians as the result of an April 27, 1976 decision by the Indians Claims Commission in dockets 73, 73-A, and 151. In those dockets, $16 million was awarded to the Seminoles for Florida lands taken by the U.S. Government in 1823. This money was appropriated by Congress on June 1, 1976. Since that time, the original award has accrued interest and now totals approximately $40 million.

In 1857, after a long war initiated by the Federal Government, 3,301 of the 3,426 Seminoles were captured and removed by force from Florida and relocated in Oklahoma. The other 135 Seminoles apparently escaped and remained in Florida. The move across the many miles separating Florida and the Oklahoma Indian territory brought much pain and hardship to those who were required to make it, and the historic trail that these Seminole families followed has come to be known as the trail of tears.

Since 1976, the Oklahoma and Florida Seminole tribal leaders have tried to reach an agreement on an equitable division of the funds. An agreement was tentatively reached in March of this year, with 75 percent going to the Oklahoma Seminoles and 25 percent going to the Florida Seminoles. This agreement, unfortunately, was later rejected by the tribal council of the Florida Seminoles, who then insisted on a 50-50 split. This proposal would put the Oklahoma Seminoles, the majority, at a great disadvantage; less than 4 percent of the original Seminole Tribe stayed behind in the 1800's to form the new Florida tribe.

Assistant Secretary Ross O. Swimmer, who heads the Bureau of Indian Affairs within the Department of the Interior, has stated that before any funds are distributed, the tribes must submit and receive approval of their plans for the use of the funds. This process would allow the Secretary of the Interior to oversee and approve the distribution of the trust funds to the tribes. Plans made with the agreement of the tribal council of the Seminole Nation of Oklahoma include a per-capita disbursement from part of the funds for future investments as well as actions designed to benefit the entire area of Seminole County, which, unlike the relatively prosperous Florida Seminole community, is currently facing a state of severe economic depression.

Mr. Chairman, there is another aspect of this situation that needs to be addressed. However, I do not believe it can be resolved legislatively, but must be dealt with in the courts, and that is the case of the Seminole Freedmen. The Freedmen were originally slaves living with the Seminole Tribe who were all freed by the 13th amendment to the U.S. Constitution in 1865, and invited to become full members of the tribe. They were removed from Florida with the rest of the tribe, and are now organized in the Dosar Barcus (Barkus) and Bruner Bands of the Seminole Nation of Oklahoma. An Interior Department solicitor's opinion has held that the Freedmen are not entitled to Federal Indian program services due to their nonpossession of Indian blood or ancestry. However, the Freedmen have been allowed to participate in benefit programs administered by the U.S. Department of Agriculture and most are permitted to fully participate in tribal votes.

Even though I believe this situation cannot be adequately addressed in the bill, it is important that my fellow colleagues be made aware of this unique problem. Many hours have been spent trying to find a suitable compromise. A dear friend of mine, the late State Senator Bill Dawson, has worked endlessly for the Freedman's cause, trying to establish their legal and moral claim to share in the award funds. With litigation an almost certain result, there is no easy solution. However, in memory of Bill Dawson and for the benefit of both Seminole communities, I feel strongly that we should do our best to come up with an equitable division of the accumulated funds while leaving the issue of the Seminole Freedmen to be settled by the courts.

Senator Nickles and I have sent a letter to Senator Inouye requesting hearings in the Select Committee on Indian Affairs. With the support of the Bureau of Indian Affairs, we believe that settling this award division would be an important step in improving the economic condition of the Seminole Nation as well as the State of Oklahoma. Chief Edwin Tanyon, chief of the Seminole Nation of Oklahoma, assures us that the economic development and tribal settlements that will be made will in fact benefit the entire communities of Wewoka and Seminole in which the tribe is located, including the Freedmen.

Mr. Chairman, it is my hope that action can be taken on this bill and the funds originally awarded more than 12 years ago can be distributed to those who deserve and need them. Again, I am pleased to join my colleague from Oklahoma as a cosponsor of this bill.●

CATHERINE MORRIS WRIGHT

● Mr. PELL. Mr. President, I was saddened to learn of the recent death of Catherine Morris Wright, a longtime resident of Jamestown, RI and one of that town's most distinguished and public spirited citizens. I always had a great amount of personal admiration for her.

Mrs. Wright was a native of Philadelphia who was equally involved in the cultural life of that city both as a patron and as a fine artist and author. Her paintings, which now hang in many public collections, brought numerous awards while her books and poetry have been widely read and admired.

Perhaps my strongest memory of Mrs. Wright is of the care and concern she showed for the community of Jamestown which is a neighbor to my own town of Newport. She was fortunate to have the personal resources to make as many marvelous gifts of property to such organizations as the Audubon Society and the Nature Conservancy. She also generously donated the Fox Hill School of Art in Jamestown and the Sydney L. Wright Museum which is named after her husband.

I ask that the obituary from the Newport (RI) Daily News of July 21, 1988 be printed in full in the Record.

The obituary follows:

[From the Newport (RI) Daily News, July 21, 1988]

Author, Artist Wright Dead at 89 Years Old

Jamestown.—Philanthropist, noted author and prize-winning artist Catherine Morris Wright of Fox Hill Farm died Wednesday at her home. Mrs. Wright, the widow of Sydney Longstreth Wright, was 89. She was the island's largest landowner, owning several hundred acres on the east and west sides of Beavertail Neck and Horsehead at Southwest Point at Mackeral Cove.

She had recently given Save the Bay permission to hold a fundraiser at Horsehead Saturday evening. A family spokesman said the event will be held as planned.

Born in Philadelphia, Jan. 26, 1899, she was a daughter of the late Harrison Smith Morris and Anna Wharton Morris, and a descendant of the Rodman and Redwood families of Newport. Her grandfather was the late Joseph Wharton of Philadelphia and Jamestown.

Mrs. Wright was educated in private schools in Philadelphia. She attended the Philadelphia School of Design for Women from 1916 to 1918 and studied with Henry

B. Snell and Leopold Seyffert. In 1959, she was awarded the honorary degree of A.F.D. from Philadelphia's Moore Institute.

Mrs. Wright's numerous works in oil and watercolor are represented at the Pennsylvania Academy of Fine Arts, the Allentown (Pa.) Museum, the Moore Institute, the University of Pennsylvania, Pennsylvania State College, the Woodmere Gallery of Philadelphia and the Philadelphia Museum of Art.

Her written works include two volumes of poetry, "The Simple Nun," published in 1929, and "Seaweed Their Pasture," published in 1946; an autobiographical work, "The Color of Life," published in 1957; and "Lady of the Silver Skates," the 1979 biography of Mary Mapes Dodge, who wrote "Hans Brinker and The Silver Skates." Her prose and verse also were published nationally in several magazines, including Atlantic Monthly and the Saturday Evening Post.

Mrs. Wright was the founder of the Fox Hill School of Art, which she founded on her Jamestown property in 1950. She was a founder and benefactor of the Kit Wright Fund of the Rhode Island Foundation and of the Sydney L. Wright Museum of Jamestown, and had donated land in Jamestown to the Audubon Society and she gave development rights of much of her land to the nature conservatory.

She was a board member and vice president of the Newport Historical Society, a board member of the Redwood Library in Newport, and a member of the American Water-color Society, the National Academy of Design, the Audubon Artists, the Allied Artists of American and the Newport Art Museum. She was a member, and vice president from 1949 to 1957, of the Philadelphia Watercolor Club and a member, and vice president from 1952 to 1978, of the Keats-Shelly, Association of America. She also was a member of the Authors League of America, the Poetry Society of America and the Virginia Poetry Society.

Mrs. Wright was an enthusiastic supporter of the Newport Music Festival and, with her husband, restored the Quaker Meeting House in Newport.

Mrs. Wright received numerous awards from museums, schools and art clubs throughout Pennsylvania and Rhode Island. Was cited on several occasions by the Audubon Society.

She leaves a daughter, Anna W. Templeton-Cotill of West Lavant, West Sussex, England; three sons, William Redwood Wright of Woods Hole, Mass., Harrison Morris Wright of Swarthmore, Pa., and Ellicott Wright of Jamestown; 13 grandchildren and 13 great-grandchildren.

Burial will be private. A memorial service will be held Monday at 3 p.m. at Fox Hill Farm.

Instead of flowers, donations may be made to the Kit Wright Fund for Jamestown, c/o the Rhode Island Foundation, 957 North Main St., Providence.●

GUSTAVO ARCOS BERGNES

● Mr. **CHILES.** Mr. President, on this same day, July 26, 5 years ago, I joined 18 of my colleagues in a letter to Fidel Castro concerning the case of Gustavo Arcos Bergnes. It was then the 30th anniversary of the attack on Batista's Moncada army barracks in Havana. Now it is the 35th anniversary of that atack, which marked the beginning of the Cuban revolution.

I would like to focus attention again on the plight of Gustavo Arcos. He fought beside Fidel Castro in that attack on Batista's barracks. Five years ago, Gustavo Arcos was serving a 7-year prison term for trying to leave Cuba and join his family in the United States. Now Mr. Arcos is out of prison, but he has not been allowed to emigrate to the United States. Castro is reported to have said that Gustavo Arcos cannot leave Cuba because he is part of his personal history.

Gustavo Arcos was a hero of the Cuban revolution. He was wounded with Castro in the Moncada barracks attack. Then he went to Mexico with Fidel Castro to help plan the second stage of the anti-Batista revolution. After the revolution had succeeded, Gustavo Arcos was named as Cuba's Ambassador to Belgium.

In 1965, Arcos was recalled to Cuba and asked to join the Communist Party. When he refused, he was sentenced to prison. While in prison, Arcos divorced his wife so that she and their sons could emigrate to the United States. Once in the United States one of his sons was involved in a tragic motorcycle accident that left him severely handicapped. His wife also suffered from a crippling cancer. After his release, Arcos sought to emigrate from Cuba but was denied permission by the Cuban Government. Attempting to flee by boat, Arcos was caught by police and sentenced to 7 more years in prison.

Gustavo Arcos has now been released from jail. Enticed by promises of special medical care, Arcos' wife and injured son have rejoined him in Cuba. But Arcos and his family have still been denied the chance to emigrate.

Mr. President, I feel compelled again to speak on behalf of Gustavo Arcos on this, the 35th anniversary of the Moncada attack. Today, in Cuba, they will be celebrating, hailing the 26th of July movement and the success of the revolution. Gustavo Arcos, a former hero of the Moncado attack, will not have such cause to celebrate. He can remember his years of suffering in prison and the years of suffering by his family. He deserves the right to live in a country which respects both his and all human rights. Rather than speaking of human rights, Castro should honor them. And he can begin with Gustavo Arcos.●

FOREIGN AGENTS REGISTRATION IMPROVEMENT ACT OF 1988

● Mr. **SIMON.** Mr. President, last night the Senate passed S. 1268, the Foreign Agents Registration Improvement Act of 1988, as amended by the Foreign Relations Committee. I am pleased to have sponsored this legislation, and pleased that the Senate voted to approve it.

The changes made were straightforward: The words "political propaganda" were replaced with the words "advocacy material," and deletes the requirement that the filing with the Attorney General set forth the information about the places, times, and extent of the showing of the advocacy material.

This wording change was made because advocacy materials is clearly a more neutral phrase than political propaganda. In a 5 to 3 decision in April 1987, the Supreme Court upheld the Federal Government's right to label foreign films as political propaganda. Justice Harry Blackmun dissented, and argued that the labeling of certain films as "political propaganda" fostered public skepticism about the film as being "laced with lies and distortions." I agreed that a more neutral phrase was appropriate, and that the registration requirement could have a chilling effect.

S. 1268 as amended corrects possible misperceptions of foreign-made films shown in the United States. I am grateful to my colleagues for passing this legislation.●

THE EXECUTIVE CALENDAR

Mr. **BYRD.** Mr. President, I inquire of the distinguished Republican leader as to whether or not the following nominations have been cleared on his side of the aisle.

On the executive calendar, Calendar Order No. 771, Calendar Order No. 772, Calendar Order No. 792, Calendar Order No. 793, and Calendar Order No. 794.

Mr. **DOLE.** Those have been cleared on this side.

Mr. **BYRD.** I thank my friend.

EXECUTIVE SESSION

Mr. **BYRD.** Mr. President, I ask unanimous consent that the Senate go into executive session to consider the aforementioned nominations en bloc, that they be confirmed en bloc, that the motion to reconsider en bloc be laid on the table, that the President be immediately notified of the confirmation of the nominees, and that the Senate return to legislative session.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

DEPARTMENT OF TRANSPORTATION

Wendy Monson DeMocker, of Virginia, to be an Assistant Secretary of Transportation.

DEPARTMENT OF COMMERCE

Charles E. Cobb, Jr., of Florida, to be Under Secretary of Commerce for Travel and Tourism.

THE JUDICIARY

Karl S. Forester, of Kentucky, to be U.S. district judge for the eastern district of Kentucky to fill an additional position created November 30, 1987, puruant to the provisions of Section 372(b) of Title 28 of the United States Code.

Fern M. Smith, of California, to be U.S. district judge for the northern district of California.

Jan E. DuBois, of Pennsylvania, to be U.S. district judge for the eastern district of Pennsylvania.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I wonder if my good friend, Mr. DOLE, would indicate as to whether or not Calendar Orders No. 803 through 835 have been cleared on his side of the aisle.

Mr. DOLE. Those have been cleared on this side of the aisle.

Mr. BYRD. Mr. President, I thank my friend.

Mr. President, I ask unanimous consent that the aforementioned Calendar Orders be considered en bloc, that amendments, if shown, be agreed to, that amendments to the preambles, if shown, be agreed to, that any statements by Senators be appropriately placed in the RECORD as though read in full, that the various and sundry resolutions and bills be agreed to en bloc, that the motion to reconsider en bloc be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL CHINA-BURMA-INDIA VETERANS APPRECIATION DAY

The joint resolution (S.J. Res. 141) designating August 29, 1988, as "National China-Burma-India Veterans Appreciation Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The joint resolution, and the preamble, are as follows:

S.J. RES. 141

Whereas the China-Burma-India theatre of operations was the scene of intense fighting during World War II;

Whereas approximately one hundred and fifty thousand members of the armed forces of the United States served in the China-Burma-India theatre;

Whereas the China-Burma-India Veterans Association is composed of veterans who served in the China-Burma-India theatre;

Whereas the members of the China-Burma-India Veterans Association preserve the recollections, comradeships, and experiences of veterans who served in such theatre and pay tribute to, and preserve the memory of, members of the armed forces of the United States who died during World War II in the China-Burma-India theatre; and

Whereas the people of the United States should recognize, honor, and thank the veterans who served in the China-Burma-India theatre for their great sacrifices to preserve the United States as a free and peaceful Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 29, 1988, is designated as "National China-Burma-India Veterans Appreciation Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL DAY OF RECOGNITION FOR MOHANDAS K. GANDHI

The joint resolution (S.J. Res. 169) designating October 2, 1988, as a national day of recognition for Mohandas K. Gandhi, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 169

Whereas Mohandas K. Gandhi sought to apply the values of truth and love, which are regarded as most precious moral values in personal life, in the difficult domain of political and social action;

Whereas Gandhi remained a relentless champion of human rights and human dignity for all people, including women and minorities, throughout his lifetime;

Whereas Gandhi was one of the leading figures in the effort to win freedom for his people in India and thereby helped sow the seeds of freedom and liberation in Asia and Africa;

Whereas Gandhi unmovable faith in the power of nonviolent struggle was a powerful inspiriation for Dr. Martin Luther King and the civil rights movement in the United States;

Whereas Gandhi identified himself totally with the oppressed and sought to change their lives through the moral persuasion of the oppressor;

Whereas Gandhi proclaimed that all humans are equal and that life in sacred, and treated that belief with an inviolable trust, thus echoing Abraham Lincoln;

Whereas Gandhi used truth and the moral force it carried to guide both his personal and public life;

Whereas Gandhi drew inspiration from Ralph Waldo Emerson and Henry David Thoreau, two of Americas great thinkers, in formulating his philosophy of civil disobedience, and proclaimed that the right to participate in civil disobedience was an inherent right of all citizens;

Whereas Gandhi believed that the true democrat is one who by purely nonviolent means defends his liberty and therefore, the liberty of his country, and ultimately that of the whole of mankind;

Whereas Gandhi believed that the arms race placed an unbearable burden on all of humanity;

Whereas Gandhi staunchly supported the claim that no society can possibly be built on the denial of individual freedom;

Whereas Gandhi believed that a society that allows double standards for its citizens and its leaders is self-destructive, that political and personal morality must coincide and extend to human beings in all walks of life, and that the purification of politics requires that men and women of courage and integrity remove all taint of double standards; and

Whereas Gandhi was one of those truly rare individuals who combined so admirably in word and deed the highest moral aspirations of mankind: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 2, 1988, is designated as a national day of recognition for Mohandas K. Gandhi, and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.

MENTAL ILLNESS AWARENESS WEEK

The joint resolution (S.J. Res. 248) to designate the week of October 2, 1988, through October 8, 1988, as "Mental Illness Awareness Week", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 248

Whereas mental illness is a problem of grave concern and consequence in American society, though one widely but unnecessarily feared and misunderstood;

Whereas thirty-one to forty-one million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas more than ten million Americans are disabled for long periods of time by schizophrenia, manic depressive disorder, and major depression;

Whereas between 30 and 50 per centum of the homeless suffer serious, chronic forms of mental illness;

Whereas alcohol, drug, and mental disorders affect almost 19 per centum of American adults in any six-month period;

Whereas mental illness in at least twelve million children interferes with vital development and maturational processes;

Whereas mental disorder-related deaths are estimated to be thirty-three thousand, with suicide accounting for at least twenty-nine thousand, although the real number is thought to be at least three times higher;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas estimates indicate that one in ten AIDS patients will develop dementia or other psychiatric problems as the first sign of the disease and as many as two-thirds of AIDS patients will show neuropsychiatric symptoms before they die;

Whereas mental disorders result in staggering costs to society, estimated to be in excess of $249,000,000,000 in direct treatment and support and indirect costs to society, including lost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas families of mentally ill citizens and those persons themselves have begun to join self-help groups seeking to combat the unfair stigma of the diseases, to support greater national investment in research, and to advocate for an adequate continium of care from hospital to community;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (both somatic and psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major affective disorders, phobias, and phobic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on October 2, 1988, is designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL ALZHEIMER'S DISEASE MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 261) designating the month of November 1988 as "National Alzheimer's Disease Month".

Mr. PRESSLER. Mr. President, I rise today to commend and thank my colleagues for their support of Senate Joint Resolution 261, designating November, 1988 as "National Alzheimer's Disease Month." As the principal sponsor of the joint resolution, I am pleased the Senate has acted on it so expeditiously.

As our population ages, the number of older Americans afflicted with Alzheimer's disease will increase. According to the Department of Health and Human Services, 1 in 20 Americans between the ages of 65 and 85 will be stricken with Alzheimer's disease; every fifth person over age 85 will fall victim to this dreaded disorder.

Tens of thousands of families in my State of South Dakota and across the Nation must cope with caring for a loved one who is afflicted with Alzheimer's disease. Because my father has Alzheimer's disease, I understand the desire to quickly find a cure for this devastating disease.

Although Alzheimer's disease has been recognized as a legitimate public policy issue, Federal funding of this dementia has moved at a snail's pace when compared with other diseases. Federal expenditures for Alzheimer's disease research was $64 million in 1987. It is amazing to me that only $64 million is spent on Alzheimer's research, when the cost of care for the victims of Alzheimer's disease is more than $90 billion annually.

Our society is growing older, and no longer can we afford to provide inadequate Federal funding for biomedical research which ultimately could lead to the cure and/or prevention of Alzheimer's disease. Biomedical research, especially in the area of aging, should be adequately funded.

The Department of Health and Human Services has established 10 Alzheimer's Disease Research Centers throughout the Nation and is funding them at slightly over $8.5 million through National Institute on Aging grants. On March 11, 1988, I introduced S. 2183, the Comprehensive Alzheimer's Assistance, Research, and Education Act. That legislation would provide $175 million to almost triple Alzheimer's related biomedical research funding. It would establish five new Alzheimer's Disease Research Centers and provide full funding for all existing Centers.

Recently, I wrote to our distinguished colleague, the senior Senator from Florida, who chairs the Labor-HHS Appropriations Subcommittee, to urge his subcommittee to expand the Federal investment in Alzheimer's research and education.

I am pleased to report that the subcommittee has recommended $133.7 million for that purpose, of which $119 million would be allocated for research on Alzheimer's disease. This is an increase of more than 30 percent over last year's appropriation. My hope is that this amount will be agreed to by the House and Senate conferees.

Mr. President, we must move quickly to find a cure for Alzheimer's disease through a major initiative and commitment of resources to reduce the burden that caregivers shoulder. Let us dedicate November 1988 as "Alzheimer's Disease Month" to the researchers around the world who are striving to understand the mysteries of Alzheimer's disease.

The joint resolution (S.J. Res. 261) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 261

Whereas more than two and one-half million Americans are affected by Alzheimer's disease, which is a surprisingly common disorder that destroys certain vital cells of the brain;

Whereas Alzheimer's disease is the fourth leading cause of death among older Americans;

Whereas Alzheimer's disease is responsible for 50 per centum of all nursing home admissions, at an annual cost of more than $25,000,000,000;

Whereas in one-third of all American families one parent will succumb to this disease;

Whereas Alzheimer's disease is not a normal consequence of aging; and

Whereas an increase in the national awareness of the problem of Alzheimer's disease and recognition of national organizations such as Alzheimer's Disease and Related Disorders Association may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for Alzheimer's disease: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1988, is designated as "National Alzheimer's Disease Month". The President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

GEOGRAPHY AWARENESS WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 263) to designate the period commencing November 13, 1988, and ending November 19, 1988, as "Geography Awareness Week".

Mr. BRADLEY. Mr. President, I am pleased that the Senate is about to pass my joint resolution to declare the week of November 13 to November 19, 1988, "Geography Awareness Week."

Last year when I introduced the first "Geography Awareness Week" resolution, it was becoming clear that an alarming level of geographic illiteracy had developed in our Nation. Surveys found that our Nation's students had, at best, a distorted understanding of our world and, at worst, were totally ignorant of the most basic geography. In Dallas, 25 percent of the high school students could not name the country that bordered the United States to the south. In Boston, 39 percent of the surveyed students could not name the six New England States. In Baltimore, 45 percent could not, when asked, shade in the appropriate area on an outline map that location corresponding to the United States. A survey by the Asbury Park Press found that, on the average, 12th graders could identify only 41 percent of the States.

Since the recognition of Geography Awareness Week last year some progress has been made in dealing with this illiteracy. But it is only a beginning. We must continue to revitalize and expand the role of geography in the public consciousness. Much more needs to be done.

To help raise public awareness of the need for geography education, I sponsored a statewide geography competition in New Jersey. Over 600 eighth graders from all over the State competed. Robin Cadwallender, a 13-year-old eighth grader from Hopatcong, NJ, was crowned grand champion of geography when she won the final round of the geography bee. She won the bee by naming the highest mountain in the Western Hemisphere, Mount Aconcagua in Argentina, and correctly naming Key Largo as the largest of the Florida Keys. I also taught geography to a class of high school students at River Dell Regional High School in Oradell, NJ. Currently schools throughout my State are involved in the final round of another competition to select the best classroom geography project for 1987-88. I am pleased that so many students and teachers in my State have become more involved in this issue than they were a year ago. However, our work is not done.

Our country is a unique nation: a population with a diverse ethnic and racial heritage; a broad landscape; bountiful resources. All of this contributes to our status as a world power.

Knowledge of geography offers a necessary perspective as we work to understand our heritage, our relationship with the Earth, and our interdependence with other peoples of the world.

Traditional geography has virtually disappeared from American schools, although it is still being taught as a basic subject in other countries, including Great Britain, Canada, Japan, and the Soviet Union.

Continued ignorance of geography, other cultures, and foreign languages places the United States at a disadvantage in matters of business, politics, and the environment.

The United States is a nation with worldwide involvements and global influence which demand that our citizens have an understanding of the lands, languages, and cultures of the world.

Our national attention must be focused on the integral role that knowledge of world geography plays in preparing citizens of the United States for the future of an increasingly interdependent world.

It is for this reason that I introduced this joint resolution to continue to focus national attention on the need for a knowledge of world geography. It is my hope that this will be just one step in a revitalization of the study of geography. All of our citizens should have access to the sort of education which will help them appreciate the great beauty and diversity of this Nation and its place in the world.

The joint resolution (S.J. Res. 263) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 263

Whereas geography is the study of people, their environments, and their resources;

Whereas the United States of America is a truly unique nation with diverse landscapes, bountiful resources, a distinctive multiethnic population, and a rich cultural heritage, all of which contribute to the status of the United States as a world power;

Whereas, historically, geography has aided Americans in understanding the wholeness of their vast nation and the great abundance of its natural resources;

Whereas geography today offers perspectives and information in understanding ourselves, our relationship to the Earth, and our interdependence with other peoples of the world;

Whereas statistics illustrate that a significant number of American students could not find the United States on a world map, could not identify Alaska and Texas as the Nation's largest States, and could not name the New England States;

Whereas geography has been offered to fewer than one in ten United States secondary school students as part of the curriculum;

Whereas departments of geography are being eliminated from American institutes of higher learning, thus endangering the discipline of geography in the United States;

Whereas traditional geography has virtually disappeared from the curricula of American schools while still being taught as a basic subject in other countries, including the United Kingdom, Canada, Japan, and the Soviet Union;

Whereas an ignorance of geography, foreign languages, and cultures places the United States at a disadvantage with other countries in matters of business, politics, and the environment;

Whereas the United States is a nation of worldwide involvements and global influence, the responsibilities of which demand an understanding of the lands, languages, and cultures of the world; and

Whereas national attention must be focused on the integral role that knowledge of world geography plays in preparing citizens of the United States for the future of an increasingly interdependent and interconnected world: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing November 13, 1988, and ending November 19, 1988, is designated as "Geography Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL DIABETES MONTH

The joint resolution (S.J. Res. 272) to designate November, 1988, as "National Diabetes Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble are as follows:

S.J. Res. 272

Whereas diabetes is a leading cause of death by disease in the United States;

Whereas diabetes afflicts 11,000,000 Americans and over 5,000,000 of these individuals are not aware of their illness;

Whereas nearly $14,000,000,000 annually are spent on health care costs, disability payments, and premature mortality costs due to diabetes;

Whereas up to 85 percent of all cases of non-insulin dependent diabetes may be prevented through greater public understanding, awareness, and education;

Whereas diabetes is particularly prevelant among Black, Hispanic, Native Americans, and women;

Whereas diabetes is the number one cause of new blindness in people between the ages of 20 and 74, and is a leading cause of kidney disease, heart disease, strokes, birth defects, and lower life expectancy, the severity of which all may be reduced through greater patient and public understanding, awareness, and education: Now therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November, 1988 is designated as "National Diabetes Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate programs, ceremonies, and activities.

GERMAN-AMERICAN DAY

The Senate proceeded to consider the joint resolution (S.J. Res. 273) designating October 6, 1988, as "German-American Day", which had been reported from the Committee on the Judiciary, with an amendment:

On page 2, line 3, strike "and October 6 of each year therefore".

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, as amended, and the preamble, are as follows:

S.J. Res. 273

Whereas, German-Americans, through their work and contributions to the culture of the United States since the arrival of the first German immigrants in the United States on October 6, 1683, have earned this very special day and tribute to their achievements;

Whereas, as they have before, so will Americans of German descent continue to contribute to the life and culture of the United States, and will work for and will support the Government of the United States, its democratic principles and the freedom of all people everywhere;

Whereas such contributions should be recognized and celebrated in 1988, and annually thereafter; and

Whereas common ties and lasting friendship exist between the United States and the Federal Republic of German and other German speaking countries: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 6, 1988, is designated as "German-American Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL HOSPICE MONTH

The joint resolution (S.J. Res. 289) to designate the month of November 1988 as "National Hospice Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 289

Whereas hospice care has been demonstrated to be a humanitarian way for terminally ill patients to approach the end of their lives in comfort with appropriate, competent, and compassionate care in an environment of personal individuality and dignity;

Whereas hospice advocates care for the patient and family by attending to their physical, emotional, and spiritual needs, and specifically, the pain and grief they experience;

Whereas hospice care is provided by an interdisciplinary team of physicians, nurses, social workers, pharmacists, psychological and spiritual counselors, and other community volunteers trained in the hospice concept of care;

Whereas hospice is rapidly becoming a full partner in the Nation's health care system;

Whereas the recent enactment of a permanent medicare hospice benefit and an optional medicaid hospice benefit makes it possible for many more Americans to have the opportunity to elect to receive hospice care;

Whereas private insurance carriers and employers have recognized the value of hospice care by the inclusion of hospice benefits in health care coverage packages; and

Whereas there remains a great need to increase public awareness of the benefits of hospice care: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1988 is designated as "National Hospice Month". The President is requested to issue a proclamation calling upon all Government agencies, the health care community, appropriate private organizations, and people of the United States to observe the month with appropriate forums, programs, and activities designed to encourage national recognition of and support for hospice care as a humane response to the needs of the terminally ill and as a viable component of the health care system in this country.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

The joint resolution (S.J. Res. 290) to designate the period commencing September 25, 1988, and ending on October 1, 1988, as "National Historically Black Colleges Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 290

Whereas there are 107 Historically Black Colleges and Universities in the United States;

Whereas such colleages and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas such institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of the Historically Black Colleges are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing September 25, 1988, and ending on October 1, 1988, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate ceremonies, activities, and programs, thereby demonstrating support for Historically Black Colleges and Universities in the United States.

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

The joint resolution (S.J. Res. 294) designating August 9, 1988, as "National Neighborhood Crime Watch Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 294

Whereas neighborhood crime is of continuing concern to the American people;

Whereas the fight against neighborhood crime requires people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness about, and the participation of volunteers in, crime prevention activities at the local level;

Whereas neighborhood crime watch groups can contribute to the Nation's war on drugs by helping to prevent their communities from becoming markets for drug dealers;

Whereas citizens across America will soon take part in a "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 8 to 10 o'clock postmeridian on August 9, 1988, with their neighbors in front of their homes: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 9, 1988, is designated as "National Neighborhood Crime Watch Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

NATIONAL DARE DAY

The Senate proceeded to consider the joint resolution (S.J. Res. 295) to provide for the designation of September 15, 1988, as "National D.A.R.E. Day."

Mr. DOMENICI. Mr. President, I rise to support Senate Joint Resolution 295, which will designate September 15, 1988 as National D.A.R.E. Day.

When it comes to the war on drugs, we all know that there are no easy solutions. Yet one thing we do know is that efforts to attack the demand for drugs must be made in conjunction with efforts to attack the supply. D.A.R.E., which stands for drug abuse resistance education, is a nonprofit program that has proven to be effective in deterring young people from using drugs, thus reducing demand. This program was initiated in Los Angeles and has been subsequently developed in 34 other States, including New Mexico, where it reaches over 10,000 students.

The D.A.R.E. Program has been implemented in elementary schools. This strictly structured course is taught by a veteran police officer who has had direct experience with criminals and victims of drug abuse. D.A.R.E. does not seek to scare the individual with a one-time visit from a stranger. Rather, it is a semester-long program that includes frank discussions about drug abuse. The police officer becomes a friend, someone the students can learn to trust.

In New Mexico, the Albuquerque Police Department and the Albuquerque Public Schools have joined efforts in establishing the D.A.R.E. Program in eight Albuquerque elementary schools. The officers instructing the classes attempt to teach the youths the skills necessary to resist peer pressure to use drugs.

There are four major focus areas in the 17-week course. First, accurate information about alcohol and drugs is provided. Second, the officers teach the students decisionmaking skills. Third, the youths are taught how to resist peer pressure. Fourth, and what I believe to be the most productive step, the officers provide constructive ideas on alternatives to drug use.

Though just over 18 months old, D.A.R.E. has already proven to be a positive influence on students and teachers. Once in the classroom the police officers act as a friend and try to dispel the fears that some young people have toward them.

In fact, I was told recently about a student who at the start of his program sat at the back of the class with his arms folded in stern dislike and distrust of the police officer. This particular student had had some unfortunate experiences with law enforcement through members of his family and these experiences translated into hostility toward police officers. Within 4 weeks, however, the police officer was able to reach the student by approaching him as a friend, not an enforcement officer. This method proved to be successful because the student went on to be one of the top students in his D.A.R.E. class.

There are many more stories like this one that could be told here today. The Albuquerque Police Department reports that the positive responses to the D.A.R.E. Program are greater than those of any other programs they have developed. Parents, teachers, and even students write urging the continuation of this program. D.A.R.E. has already reached over 495 communities and almost 1.5 million students nationwide and is now expanding throughout the world.

Mr. President, the United States is engaged in a drug war that it cannot and will not lose. In an effort to make America drug free by the year 1995, we must use D.A.R.E. in this war. Those involved in this tremendous project should be commended. For these reasons I urge the Senate to pass the joint resolution that designates September 15, 1988, as "National DARE Day."

The joint resolution (S.J. Res. 295) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 295

Whereas D.A.R.E. (Drug Abuse Resistance Education) is a semester long program which teaches fifth and sixth grade children how to resist pressure to experiment with drugs and alcohol;

Whereas D.A.R.E. program is also provided to kindergarten and junior high school students and their parents;

Whereas D.A.R.E. targets children when they are most vulnerable to tremendous peer pressure to try drugs or alcohol and teaches the skills to make positive decisions and resist pressure to participate in negative behaviors;

Whereas more than 495 communities in 34 States now teach the D.A.R.E. program in their local schools, and a pilot program has been implemented for use internationally in the Department of Defense Dependent Schools;

Whereas almost 1.5 million students have been reached through D.A.R.E.;

Whereas because school children are frequently much more sophisticated about substance abuse than are classroom teachers, the D.A.R.E. program is taught by veteran police officers with direct experience with ruined lives and crimes caused by substance abuse;

Whereas each police officer teaching the D.A.R.E. program completes an 80-hour training course including instruction in teaching techniques, officer-school relationships, development of self-esteem, child development, and communication skills;

Whereas the D.A.R.E. curriculum, developed by the Los Angeles Police Department and the Los Angeles Unified School District helps students understand self-image, recognize stress and manage it without taking drugs, analyze and resist media presentations about alcohol and drugs, evaluate risk-taking behavior, resist gang pressure, apply decision making skills, and evaluate the consequences of the choices available to them;

Whereas independent research shows that the D.A.R.E. program has exceeded its goal of helping students combat peer pressure to use drugs and alcohol, and it has also contributed to improved study habits and grades, decreased vandalism and gang activity, and has generated greater respect for police officers;

Whereas the D.A.R.E. program has achieved outstanding success teaching positive and effective approaches to what is one of the most difficult problems facing our young people today, drug abuse: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 15, 1988, is designated as "National D.A.R.E. Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL LIBRARY CARD SIGN-UP MONTH

The joint resolution (S.J. Res. 298) designating September 1988 as "National Library Card Signup Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 298

Whereas American libraries of all kinds (public libraries, school library media centers, academic and research libraries, and special libraries) are essential to national literacy, lifelong learning, and a productive economy;

Whereas children who are read to in their homes at an early age and who grow up regularly using libraries perform better in school and are more likely to continue to be library users as adults;

Whereas the United States National Commission on Libraries and Information Science and the American Library Association have launched a national campaign to ensure that every school-age child in the Nation will have, and will be encouraged to use, a library card;

Whereas a library card cannot be outgrown and is good for a lifetime of learning and enjoyment;

Whereas parents and schools are important partners in the effort to give the wonderful gift of a library card to every child in the Nation; and

Whereas a library card is an esential resource for every child's education and September is the month during which children return to school: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 1988 is designated as "National Library Card Sign-Up Month", and the President is authorized and requested to issue a proclamation calling upon the libraries, schools, and people of the United States to observe such month with appropriate programs, ceremonies, and activities.

NATIONAL DOWN SYNDROME MONTH

The joint resolution (S.J. Res. 302) to designate October 1988 as "National Down Syndrome Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 302

Whereas the past decade and a half has brought a greater and more enlightened attitude in the care and training of the developmentally disabled;

Whereas one such condition which has undergone considerable reevaluation is that of Down syndrome—a problem which, just a short time ago, was often stigmatized as a mentally retarded condition which relegated its victims to lives of passivity in institutions and back rooms;

Whereas through the efforts of concerned physicians, teachers and parent groups such as the National Down Syndrome Congress, programs are being put in place to educate new parents of babies with Down syndrome, to develop special education classes within mainstreamed programs in schools, to provide for vocational training in preparation for entering the work force, and to prepare young adults with Down syndrome for independent living in the community;

Whereas the cost of such services designed to help individuals with Down syndrome move into their rightful place in our society is but a tiny fraction of the cost of institutionalization;

Whereas not only the improvement in educational opportunities for those with Down syndrome, but also the advancement in medical science is adding to a brighter outlook for individuals born with this chromosomal configuration; and

Whereas public awareness and acceptance of the capababilities of children with Down syndrome can greatly facilitate their being mainstreamed in our society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1988 is designated as "National Down Syndrome Month" and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated month with appropriate programs, ceremonies, and activities.

NATIONAL LUPUS AWARENESS MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 303) to designate the month of October 1988 as "National Lupus Awareness Month."

Mr. SHELBY. Mr. President, I rise today in support of Senate Joint Resolution 303, marking October 1988, as "National Lupus Awareness Month." The Senate will take final action on this joint resolution today.

Lupus erythematosus affects over 500,000 individuals across the country. It is more prevalent than leukemia, muscular dystrophy, cerebral palsy, multiple sclerosis, and cystic fibrosis. However, few people are aware of the ravaging effects that this illness tolls on its victims, most of whom are women in the child-bearing years.

Lupos is an immune system disorder, and may affect the joints, skin, kidneys, brain, heart, lungs, or almost any vital organ. Normally, one's immune system will produce antibodies which react with foreign substances in the body to fight infection.

However, in autoimmune diseases such as lupus this protection is not available. The immune system produces antibodies which act against the individual's own normal tissue.

Thirty years ago lupus victims had little chance of survival. Today, with advances in biomedical research, earlier diagnosis, and more effective treatments, individuals with lupus can live longer and more productive lives. Such progress is truly commendable, but our efforts cannot stop here.

Lupus is a mysterious disease of unknown cause. It has been labeled as the "great impersonator" because it mimics so many other diseases, making an accurate diagnosis difficult. Such delayed diagnosis can sometimes prove fatal for lupus victims.

I want to express my sincere appreciation to the cosponsors of Senate Joint Resolution 303. I have experienced first-hand the debilitating effects that lupus can inflict upon its victims. It is my hope that passage of this joint resolution will ensure that the commitment being made to uncover the cause and cure for lupus is continued. Heightened awareness of this disease is essential to this effort.

The joint resolution (S.J. Res. 303) was considered ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 303

Whereas Lupus Erythematosus is a disease which affects over five hundred thousand Americans, mostly women in their child-bearing years;

Whereas Lupus is an immune system disorder of unknown cause which affects the joints, skin, and almost any vital organ;

Whereas although Lupus can be controlled reasonably well in most people, it can be fatal in some instances; and

Whereas the commitment to research and educational efforts to develop a greater understanding about Lupus should be continued: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1988 is designated as "National Lupus Awareness Month", and the President is authorized and requested to issue a proclamation upon the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

NATIONAL LIGHTHOUSE DAY

The Senate proceeded to consider the joint resolution (S.J. Res. 306) designating the day of August 7, 1989, as "National Lighthouse Day."

Mr. CHAFEE. Mr. President, I would like to thank my colleagues for joining me in designating August 7, 1989, as National Lighthouse Day. It is appropriate that the Senate is setting aside this day, the bicentennial of the first public works bill passed into law by the newly united colonies, as a day of national recognition of our lighthouses.

It was on this date 200 years earlier that President Washington signed into law a bill establishing the Federal role in maintaining lighthouses. The values of lighthouses is no less important today. They serve as inspiring reminders of our rich maritime heritage, standing like sentries along our American waterways.

Lighthouses have long been used as navigational aids marking the danger of a reef, showing landfall and marking a harbor entrance. But clearly there is something special about lighthouses that goes far beyond their utilitarian purposes: Each tower stands as a monument to the skill, determination and courage of the people who built it. The keepers of these lights endured the tedium, danger, and deprivations of their job with heroic stoicism. These American heroes have become part of our national folklore.

The first known lighthouse was built in 300 B.C. by Ptolemy I in Alexandria, Egypt. Centuries later, in the year 1716, the first American lighthouse appeared on Little Brewster Island in Boston Harbor. Beyond that, I am proud to add that Beavertail, RI, is the location of one of the original colonial lighthouses. At one time, more than 1,400 of these picturesque structures served as navigational aids along the Nation's 90,000 miles of coast line, riverbanks, and lakeshores. Today, about 750 of these lighthouses are still standing but perhaps only 400 are actually operational. Most of the others have, in effect, been abandoned to the elements, and have suffered from neglect and vandalism.

Yet, even as many lighthouses deteriorate, lighthouse rescue efforts are under way. Dozens of communities and organizations have "adopted" lighthouses and mobilized work crews to repair and restore them before it's too late. On Block Island, off the coast of Rhode Island, local residents have designed an exhibit on the history of one of the most spectacular lighthouses in the United States, the Southeast Light. Proceeds from this exhibit will be used to help move this light back from eroding cliffs. Efforts such as those of the Block Island Historical Society have resulted in more than 100 buildings being saved in the past 6 years.

When the responsibility for building lighthouses was assumed by the Federal Government, the growth in their number was rapid. At the turn of the century, there were more than 800 manned lighthouses in the United States, from anchored lighthouses to stately victorian models. As of today, only 39 manned lighthouses remain. After 200 years, we are at the end of an era. One by one, America's picturesque and historic lighthouses are becoming obsolete in an era of automation and navigational satellites.

The Coast Guard, in its role as custodian has automated most of the light stations in this country. In the process it has eliminated the need for the men and women whose task it has been to keep the lights burning. It is likely that all of the remaining nonautomated light stations in the country will suffer the same fate. By the year 1989, the last of the "keepers of the light" will be decommissioned. The familiar moans of the foghorn, a soothing sound to us all, is giving way to a high-technology replacement.

Mr. President, I would like to note that Newport, RI, will serve as the host of the bicentennial of the commissioning of the American lighthouse. The United States Lighthouse Society is planning a major celebration to commemorate the role of lighthouses in U.S. history and culture during the week of August 7, 1989.

I would like to thank Senators MITCHELL, RIEGLE, and PELL and the 47 other cosponsors for their support of this joint resolution, and for joining with me in designating August 7, 1989, as National Lighthouse Day.

The joint resolution (S.J. Res. 306) was orderd to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 306

Whereas August 7, 1989, marks the 200th anniversary of the signing by President Washington of the Lighthouse Act; and

Whereas that Act, established a Federal role in the support, maintenance, and repair of all lighthouses, beacon buoys, and public piers necessary for safe navigation; commissioned the first Federal lighthouse, and represents the first public works Act in the young country; and

Whereas lighthouses played an integral role in the rich maritime history of the United States as that history spread from the Atlantic coast, through the Great Lakes and Gulf coast, to the Pacific States; and

Whereas these impressive structures, standing at land's end through two centuries, have symbolized safety, security, heroism, duty, and faithfulness; and

Whereas architects, designers, engineers, builders, and keepers devoted, and in some cases, jeopardized, their lives for the safety of others; and

Whereas by 1989 the United States Coast Guard will complete the automation of all Coast guard lights, concluding a rich, colorful, and significant chapter in American history; and

Whereas this heritage is further threatened by neglect, vandalism, and deterioration by the elements; and

Whereas the many completed, ongoing, or planned private and public efforts to preserve lighthouses demonstrate the public support for these historic structures: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the day of

August 7, 1989, is designated as "National Lighthouse Day"; that to the extent feasible, lighthouse grounds should be open to the general public; and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such a day with appropriate ceremonies and activities.

EMERGENCY MEDICAL SERVICES WEEK

The joint resolution (S.J. Res. 312) designating the week beginning September 18, 1988, as "Emergency Medical Services Week", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 312

Whereas the members of emergency medical services teams devote their lives to saving the lives of others;

Whereas emergency medical services teams consist of emergency physicians, nurses, emergency medical technicians, paramedics, educators, and administrators;

Whereas the people of the United States benefit daily from the knowledge and skill of these trained individuals;

Whereas advances in emergency medical care increase the number of lives saved every year;

Whereas the professional organizations of providers of emergency medical services promote research to improve emergency medical care;

Whereas the members of emergency medical services teams work together to improve and adapt their skills as new methods of emergency treatment are developed;

Whereas the members of emergency medical services teams encourage national standardization of training and testing of emergency medical personnel and reciprocal recognition of training and credentials by the States;

Whereas the designation of Emergency Medical Services Week will serve to educate the people of the United States about accident prevention and what to do when confronted with a medical emergency; and

Whereas it is appropriate to recognize the value and the accomplishments of emergency medical services teams by designating Emergency Medical Services Week: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 18, 1988, is designated as "Emergency Medical Services Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

YEAR OF THE YOUNG READER

The joint resolution (S.J. Res. 315) designating 1989 as "Year of the Young Reader", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 315

Whereas books and reading are the basic nourishment of a growing mind and the foundation of a child's future education and enrichment;

Whereas developing children into readers today is the best way to ensuring a literate and informed citizenry tomorrow;

Whereas the Book Industry Study Group and others have reported a decline in book reading among young people in recent years; and

Whereas since 1983 the National Commission on Excellence, the Commission on Reading, and the Librarian of Congress have urged this Nation to give renewed attention to encouraging a love of books and reading among our young people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That 1989 is designated the "Year of the Young Reader", and the President is authorized and requested to issue a proclamation encouraging parents, educators, librarians, government officials, members of the book community, coroprations, associations, and the people of the United States to observe such year with appropriate programs, ceremonies, and activities aimed at giving our children and young adults the gift, the joy, and the promise of reading.

NATIONAL DISABLED AMERICANS WEEK

The joint resolution (S.J. Res 319) to designate the period commencing November 6, 1988, and ending November 12, 1988, as "National Disabled Americans Week", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res 319

Whereas there are some 36 million Americans who have disabilities and over 25 percent of these disabled Americans have more than one disability;

Whereas one out of every twelve Americans copes with some form of a disability;

Whereas although nearly three out of every four Americans without a disability have at least a high-school education, just slightly more than one out of every two disabled Americans have a high school education;

Whereas a disabled American is two and one-half times as likely to have an income that falls below the proverty line than an American without a disability;

Whereas the population of disabled Americans will increase dramatically over the next two decades as the science of medical technology continues to improve upon its ability to prolong human life;

Whereas disabilities increasingly affect Americans as they get older;

Whereas one working-age black in every seven is disabled;

Whereas there are 31 million Americans with some form of activity limitation;

Whereas there are some 8.2 million Americans with a visual impairment;

Whereas there are some 17 million Americans with a hearing impairment;

Whereas there are 18.4 million Americans with an orthopedic disability;

Whereas some 4.2 percent of all Americans children under age twenty-one have a chronic activity limitation;

Whereas 3 percent of all American school-aged children have learning disabilities;

Whereas there are 50,000 American school-aged children under the age of 18 who have emotional or behavioral disabilities;

Whereas 5 percent of American school-aged children have speech and language disabilities;

Whereas most disabled Americans recognize that Federal laws enacted since the late 1960's have helped to give better opportunities to disabled Americans;

Whereas most disabled Americans strongly endorse efforts by the Federal government to enhance the lives of persons with disabilities;

Whereas disabled Americans are not alone in their belief that they should be protected by law from discrimination; and

Whereas the people of the United States can express their concern for all Americans who live with disabilities by recognizing the right of disabled Americans to participate as integral members of our society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period beginning November 6, 1988, and ending November 12, 1988, is designated as "National Disabled Americans Week", and the President of the United States is authorized and requested to issue a Proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

FIFTIETH ANNIVERSARY OF THE FEDERAL, FOOD, DRUG, AND COSMETIC ACT

The joint resolution (S.J. Res. 320) to commemorate the 50 anniversary of the passage of the Federal Food, Drug, and Cosmetic Act, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 320

Whereas the passage of the Food, Drug and Cosmetic Act was a landmark event in the protection of the public health;

Whereas this Act is still the basic law enforced by the Food and Drug Administration;

Whereas the Food and Drug Administration has the responsibility for regulation of products representing 25 percent of each consumer dollar spent;

Whereas the Food and Drug Administration has over the course of the last 50 years established rigorous standards for food and drug safety that have been admired and emulated throughout the world;

Whereas the Food and Drug Administration's efforts have helped make America's food supply the world's safest;

Whereas the agency has developed the world's most advanced drug and device review system—a system which has assured the safety and efficacy of the nation's pharmaceutical and medical devices;

Whereas the advanced scientific approach toward drug review adopted by the FDA has contributed enormously to the betterment of science, medicine, and health of the American people;

Whereas FDA has consistently improved this system to make it responsive to the changing needs of the American people, technology, and the marketplace;

Whereas FDA has diligently protected the American public against products that have been misformulated, misbranded, adulterated, or tampered with on a day-to-day basis—ensuring the wholesomeness of the many food and drug products it regulates and upon which many Americans depend;

Whereas this effort has sustained the American public's high level of confidence in the basic safety of the marketplace over the past 50 years;

Whereas the thoroughness of FDA premarketing review has largely spared our nation from a repeat of the "Elixir of Sulfanilamide Tragedy of 1937";

Whereas FDA has responded in a herculean manner to each tampering or recall crisis that has befallen the nation, and has worked swiftly and effectively to protect the public;

Whereas FDA has taken innovative new measures to deal with the AIDS epidemic that has threatened our nation and the world, by giving expedited review to promising experimental treatments, preventatives, and diagnostics for this disease;

Whereas these efforts have led to the rapid, record-breaking agency approval of major products that have helped the nation to meet the AIDS threat, including the review and approval of the first testing kits to help screen the blood supply against contamination by the AIDS virus, and the review and approval of the first effective palliative for AIDS;

Whereas FDA through its regulation of the nation's blood networks has maintained the basic safety and efficient functioning of America's blood supply;

Whereas FDA, with its limited resources, has successfully met its tremendous responsibilities even in the face of dire national emergencies; and

Whereas the men and women of FDA have worked tirelessly, and often at great personal sacrifice, in order to perform their vital service to the nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress recognizes as an important anniversary the passage of the Federal Food, Drug and Cosmetic Act. The President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe this anniversary with appropriate ceremonies and activities.

NATIONAL AMERICAN INDIAN HERITAGE WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 322) to designate the week of September 23-30, 1988, as "National American Indian Heritage Week."

Mr. SHELBY. Mr. President, today I rise in support of Senate Joint Resolution 322, a joint resolution which honors those Americans whose ancestors were the first Americans in the "New World." This resolution, which I introduced, designates the week of September 23 to 30, 1988 as "National American Indian Heritage Week."

The American Indians made it possible for our forefathers to survive in a totally unfamiliar land. Furthermore, the native American made numerous contributions to the United States of America as we know it today.

Many scholars are compiling evidence suggesting that American Indian Society, philosphy, and political institutions played an even more significt role in American life than once thought. One contribution which we in Congress should especially appreciate is the model the Iroquois Confederacy provided for America's Founding Fathers in developing fundamental ideas found in the U.S. Constitution. Concepts such as the system of checks and balances, freedom of speech and the right of an individual to pursue liberty are a few democratic principles which we can trace back to the Indian philsophy presented in the Iroquois Confederacy. As time goes on more and more people are recognizing how striking the similarities between these two documents are.

Expertise in farming techniques is yet another way that the American Indian helped not only our Nation, but the rest of the world as well. Products such as corn, potatoes and other plants originally domesticated by native Americans account for almost one half of the world's total food supply. The advanced methods of farming that the American Indians showed our forefathers provided food then, as well as, vision for the future. We all know that agriculture is an integral part of our economy not only as the livelihood of America's farmers but as an important component of international trade. In fact, the American trade surplus in agriculture has spurted to $1 billion the biggest surplus since 1984.

Finally, the American Indian added to our art, culture and our language. Many forms of arts and crafts had native American roots. Pottery making was a specialty of the Inca Tribes while weaving was an advanced art among the Inca, the Pueblo, and the Navajo. Words that we use such as moccasin, chipmunk, canoe and toboggan came directly from the tribal language of some native Americans. Finally, it is impossible to drive through any region of the United states without seeing native American influence in the names of cities, towns, rivers and mountain ranges. My own home town of Tuscaloosa, AL, was named after a famous Indian chief.

I hope that this joint resolution which has generated the interest of 52 of my Senate colleagues, will cause all Americans to think about the many valuable contributions native Americans have made to American life.

The joint resolution (S.J. Res. 322) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 322

Whereas American Indians were the original inhabitants of the territories that now constitute the United States of America;

Whereas American Indians and their descendents have made many essential contributions to our nation;

Whereas the citizens of the United States should be reminded to the assistance given to our founding fathers by the native Americans;

Whereas the citizens of the United States should be aware of the present relationship between the American Indians and the United States; and

Whereas the last week in September begins the harvest season in the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 23-30, 1988, is designated as "National American Indian Heritage Week". The President is authorized and requested to call upon Federal, State, and local governments, interested groups and organizations, and the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

AMERICA LOVES ITS KIDS MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 324) to designate February 1989 as "America Loves Its Kids Month."

Mr. DURENBERGER. Mr. President, I rise today to urge my colleagues to unanimously support the passage of Senate Joint Resolution 324, "America Loves Its Kids Month."

This joint resolution, which I introduced on May 20 with four cosponsors, encourages American adults to protect, support, and raise the self-esteem of children of every background. The resolution calls upon adults to recognize and compliment children who are achieving success, and to raise the self-esteem of children who have experienced suffering by supporting and communicating with them. To help children become more confident and successful, adults are asked to offer children affection and words of kindness and encouragement. American adults are also encouraged to protect children by reporting child abuse or neglect, the sale of alcohol to minors, and drug dealing by or for children.

Mr. President, I would like to thank the 50 of my colleagues who cosponsored this joint resolution, and the distinguished members of the Senate Judiciary Committee who have reported this measure to the full Senate. Supportive organizations such as Toughlove and the National Perinatal Association have also been instrumental in bringing this joint resolution to the floor today.

In particular, I want to recognize some very special people back in my home State of Minnesota.

Dottie Ewert, a native of Eden Prairie, MN, wrote the text of this resolution for the kids of her hometown. After a wave of attempted teen suicides in her community, Dottie convinced her community that Eden Prairie could do something to fight the suffering and build the self-esteem of its youth. The community adopted Dottie's resolution, and in February of 1987 and 1988, the community celebrated "Eden Prairie Loves Its Kids Month." Eden Prairie rallied behind this resolution, with local businesses, schools, the public library, and the community center promoting activities to build the self-esteem of the city's youth. It was a huge success.

Dottie's friend, Doris Gillespie, a native of St. Paul, MN, deserves a great deal of credit for spreading the idea of "Eden Prairie Loves Its Kids Month" to a statewide and national level. Doris took a copy of Dottie's resolution to the Governor's office in St. Paul, where February 1988 was declared "Minnesota Loves Its Kids Month." By contacting her representation in Washington, DC, Dottie gave me the privilege of introducing "America Loves Its Kids Month." And since I introduced Senate Joint Resolution 324 in May, Dottie Gillespie has worked tirelessly to promote its passage. She has written to each of my Senate colleagues and to the Governors of each State to let them know the potential that "America Loves Its Kids Month" has to mobilize communities to support and encourage young people across this Nation.

I feel very honored today to give special recognition to Doris Gillespie for her tireless efforts on behalf of America's kids; to Dottie Ewert for inspiring us with her resolution; and to the city of Eden Prairie, for giving us a glimpse of what one community can do to make its kids feel special and needed.

Mr. President, the passage of this resolution in a year that so many have called the "Year of the Child" is especially appropriate. I urge my colleagues in the House of Representatives to act speedily in joining with the Senate to designate February 1989 as "America Loves Its Kids Month."

The joint resolution (S.J. Res. 324) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 324

Whereas all of the children in the United States, including newborn infants, toddlers, kids who attend preschool, nursery school, kindergarten, elementary school, junior high school, high school, open school, alternative school, and private school, out-of-school kids, and kids of every race, creed, and color, deserve the recognition and support of the people of the United States;

Whereas the adults in the United States should recognize their duty to protect children by reporting any suspicion of child abuse or neglect, the selling of alcoholic beverages to minors, or the dealing of drugs by or for children;

Whereas children in the United States who are achieving success deserve to be highly complimented and given special recognition for their accomplishments;

Whereas the people of the United States should help to raise the self-esteem of children, especially children who have experienced hardship and hurt in their lives, by making an effort to communicate with and to support children;

Whereas adults in the United States should frequently offer to children hugs, smiles, pats on the back, and words of kindness and encouragement, to help children become more confident and successful; and

Whereas the Congress and the President can help children of the United States by designating a month for a united effort of the people of the United States to show their love and appreciation of the children of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of American in Congress assembled, That February 1989 is designated as "America Loves Its Kids Month", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate ceremonies and activities.

NATIONAL TOURISM WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 325) designating the third week in May 1989 as "National Tourism Week," which had been reported from the Committee on the Judiciary, with an amendment:

On page 2, line 3, strike "third", and insert in lieu thereof "second".

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, as amended, and the preamble, are as follows:

S.J. Res. 325

Whereas travel and tourism is the third largest retail industry and the second largest private employer in the United States, generating more than five million five hundred thousand jobs and indirectly employing another two million two hundred thousand Americans;

Whereas total travel expenditures in the United States amount to nearly $270,000,000,000 annually, or about 6.4 per centum of the gross national product;

Whereas tourism is an essential American export, as more than twenty-eight million foreign travelers spent approximately $19,000,000,000 in the United States in 1987;

Whereas development and promotion of tourism have brought new industries, jobs, and economic revitalization to cities and regions across the United States;

Whereas tourism contributes substantially to personal growth, education, appreciation of intercultural differences, and the enhancement of international understanding and good will; and

Whereas the abundant natural and manmade attractions of the United States and the hospitality of the American people establish the United States as the preeminent destination for both foreign and domestic travelers: Now, therefore, be it

Resolved, by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on the second Sunday in May 1989 is designated as "National Tourism Week". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe that week with appropriate ceremonies and activities.

NATIONAL MEDICAL RESEARCH DAY

The joint resolution (S.J. Res. 328) to designate the day of September 14, 1988, as "National Medical Research Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res 328

Whereas America's medical reserach enterprise has been, and will continue to be, the acknowledged world leader in promoting health and preventing disease and disability;

Whereas medical research (defined for purposes of this Joint Resolution as biomedical, behavioral, and related research) continuously contributes to the discovery of new knowledge that will lead to the improved health and well-being of Americans and of all humankind;

Whereas America's medical research enterprise continues to pioneer breakthroughs in the detection and treatment of diseases and promote the widespread application of these methods and technologies to medical practice;.

Whereas medical research has significantly contributed to bringing America's death rate to an all-time low and its life expectancy rates to all-time highs;

Whereas America's medical research enterprise has contributed enormously to the control and virtual worldwide eradication of epidemic diseases such as cholera, smallpox, yellow fever, and bubonic plague, and the prevention in this country of childhood diseases such as diptheria, polio, tetanus, and pertussis;

Whereas medical research has successfully produced effective vaccines now widely used to combat measles, mumps, rubella, meningitis, pneumonia, influenza, rabies, upper respiratory diseases, and hepatitis B;

Whereas America's financial investment in medical research has consistently been rewarded with positive returns as measured by reduced morbidity, and improved individual productivity and health status;

Whereas the products and by-products of medical research contribute significantly to the health of America's overall economy and its ability to compete successfully in international commerce and trade;

Whereas medical research in this country has fostered a productive and ongoing positive public and private sector partnership among government, academia, industry, and voluntary organizations in the pursuit of research excellence and discovery;

Whereas the Congress of the United States has consistently demonstrated a Federal financial commitment to maintaining America's preeminence in medical research through support of such agencies as the National Institutes of Health, the Alcohol, Drug Abuse and Mental Health Administration, the Centers for Disease Control, and the Veterans Administration;

Whereas 1987 was formally recognized by the Congress and the President of the United States as the National Institutes of Health centennial year, commemorating 100 years of Federal support for medical research;

Whereas America's medical research enterprise has produced 85 internationally respected Nobel laureates in physiology, medicine, and chemistry and must continue to foster the interest and training of young scientists, medical practitioners, and other health professionals in research careers, as well as ensure the adequacy of the setting within which they will work;

Whereas America's medical researchers are working at the forefront of biomedical technologies which create exciting new medical research opportunities that hold the best hope for unraveling the mysteries of cancer, AIDS, Alzheimer's disease, arthritis, epilepsy, diabetes, multiple sclerosis, heart and lung diseases, mental illness, and the many other diseases and disorders which claim or severly impair the lives of millions of Americans; and

Whereas the Congress of the United States acknowledges with pride the many accomplishments of America's medical research enterprise and confidently looks to it for continued progress in relieving human suffering and conquering the diseases and disorders that afflict the people of this country: Now, therefore, be it:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the day of September 14, 1988, is designated as "National Medical Research Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

DRUG FREE AMERICA WEEK

The joint resolution (S.J. Res. 329) to designate October 24 through October 30, 1988, as "Drug Free America Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agred to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 329

Whereas illicit drug and alcohol abuse has reached epidemic proportions and is of major concern to all Americans;

Whereas illegal drug and alcohol use is a major public health threat and is one of the largest causes of preventable disease, disability, and death in the United States today;

Whereas drug and alcohol abuse cost American society nearly $100,000,000,000 a year in lost productivity;

Whereas illegal drug use does not discriminate on the basis of age, gender, or socioeconomic status as evidenced by the following statistics:

(1) twenty-three million Americans age twelve and over currently use illicit drugs,

(2) a nationwide Weekly Reader survey revealed that of the sixty-eight thousand fourth graders polled, 34 per centum reported peer pressure to try wine coolers, 41 per centum to smoke, and 24 per centum to use crack or cocaine,

(3) the fifteen-to-twenty-four-year-old age group is dying at a faster rate than any other age group because of accidents, homicides, and suicides, much of which is related to drug and alcohol abuse.

Whereas the problem is not insurmountable. Americans have begun to lay the foundation; however, we must continue to build on the important strides we have made in our efforts to prevent illegal drug and alcohol use. The most recent national polls reveal that progress has been made—

(1) since 1979, there has been a steady decline in the use of marijuana on a daily basis among high school seniors, and in 1987, marijuana use among this group was at its lowest level in eleven years,

(2) in 1987 there was a significant drop in the use of cocaine, and the number of high school seniors associating great risk with trying cocaine once or twice rose from 34 per centum in 1986 to 48 per centum in 1987, and

(3) illicit use of stimulants and sedatives continued to decline among high school seniors, college students, and young adults in general;

Whereas the American people indicate that drug abuse is one of the most serious domestic problems facing this Nation according to public opinion polls and have begun to take steps to fight it;

Whereas the National Federation of Parents for Drug-Free Youth has declared October 23 through October 30, 1988, as "National Red Ribbon Week"—a comprehensive public education and fundraising drive, involving thousands of parent groups across the country;

Whereas other outstanding groups such as the American Council for Drug Education, the Just Say No Foundation, the National Parents Resource Institute for Drug Education, TARGET, the National Crime Prevention Council, the Elks, and others have demonstrated leadership, creativity, and determination in achieving a drug-free America;

Whereas we must get the message across that any use of an ellegal drug is unacceptable—that there is no safe use of these drugs—and that illegal drug use will not be tolerated;

Whereas drug and alcohol abuse undermines our economy, threatens our national security, affects productivity, and ruins and destroys lives: Now, therefore, be it

Resolved, That the week of October 24 through October 30, 1988, be designated as "Drug Free America Week". The Senate of the United States recognizes and commends the hard work and dedication of concerned parents, educators, business leaders, private sector organizations, and government leaders and urges them to continue their tenacious efforts. The Senate urges these groups to sponsor town meetings, conferences, and fundraising activities that support community drug and alcohol education and to observe "Drug Free America Week" with other appropriate activities, events, and educational campaigns; and be it further

Resolved, That every American is encouraged to wear red during the "Drug Free America Week" to symbolize their commitment to a healthy, drug-free lifestyle.

NATIONAL POW/MIA RECOGNITION DAY

The joint resolution (S.J. Res. 330) to provide for the designation of September 16, 1988, as "National POW/MIA Recognition Day", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 330

Whereas, the United States has fought in many wars;

Whereas, thousands of Americans who served in such wars were captured by the enemy or are missing in action;

Whereas many American prisoners of war were subjected to brutal and inhumane treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war and many prisoners of war died from such treatment;

Whereas, many Americans are still listed as missing and unaccounted for, and the uncertainty surrounding their fates has caused their families to suffer acute hardship; and

Whereas, the sacrifices of American prisoners of war and Americans missing in action and their families are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 16, 1988, shall be designated as "National POW/MIA Recognition Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL DRUNK AND DRUGGED DRIVING AWARENESS WEEK

The joint resolution (S.J. Res. 332) to designate the period commencing December 11, 1988, and ending December 17, 1988, as "National Drunk and Drugged Driving Awareness Week", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 332

Whereas traffic accidents cause more violent deaths in the United States than any other cause, approximately 46,000 in 1986;

Whereas traffic accidents caused thousands of serious injuries in the United States each year;

Whereas almost 50 percent of all drivers killed in single vehicle collisions and over 38.7 percent of all drivers fatally injured in 1986 had blood alcohol concentrations above the legal limits of .10;

Whereas the United States Surgeon General has reported that life expectancy has risen for every age group over the past 75 years except for Americans 15 to 24 years old, whose death rate, the leading cause of which is drunk driving, is higher now than it was 20 years ago;

Whereas the total societal cost of drunk driving has been estimated at more than

$26,000,000,000 per year, which does not include the human suffering that can never be measured;

Whereas there are increasing reports of driving after drug use and accidents involving drivers who have used marijuana or other illegal drugs;

Whereas driving after the use of therapeutic drugs, either alone or in combination with alcohol, contrary to the advice of physician, pharmacist, or manufacturer, may create a safety hazard on the roads;

Whereas more research is needed on the effect of drugs either alone or in combination with alcohol, on driving ability and the incidence of traffic accidents;

Whereas an increased public awareness of the gravity of the problem of drugged driving may warn drug users to refrain from driving and may stimulate interest in increasing necessary research on the effect of drugs on driving ability and the incidence of traffic accidents;

Whereas the public, particularly through the work of citizens groups, is demanding a solution to the problem of drunk and drugged driving;

Whereas the Presidential Commission on Drunk Driving, appointed to heighten public awareness and stimulate the pursuit of solutions, provided vital recommendations for remedies for the problem of drunk driving;

Whereas the National Commission Against Drunk Driving was established to assist State and local governments and the private sector to implement these recommendations;

Whereas most States have appointed task forces to examine existing drunk driving programs and make recommendations for a renewed, comprehensive approach, and in many cases, their recommendations are leading to enactment of new laws, along with strict enforcement;

Whereas the best defense against the drunk or drugged driver is the use of safety belts and consistent safety belt usage by all drivers and passengers would save as many as 10,000 lives each year;

Whereas an increase in the public awareness of the problem of drunk and drugged driving may contribute to a change in society's attitude toward the drunk or drugged driver and help sustain current efforts to develop comprehensive solutions at the State and local levels;

Whereas the Christmas and New Year holiday period, with more drivers on the roads and an increased number of social functions, is a particularly appropriate time to focus national attention on this critical problem;

Whereas designation of National Drunk and Drugged Driving Awareness Week in each of the last 6 years stimulated many activities and programs by groups in both the private and public sectors aimed at curbing drunk and drugged driving in the high-risk Christmas and New Year holiday period and thereafter;

Whereas the activities and programs during National Drunk and Drugged Driving Awareness Week have heightened the awareness of the American public to the danger of drunk and drugged driving; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing December 11, 1988, through December 17, 1988, is designated as "National Drunk and Drugged Driving Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate ceremonies and activites.

NATIONAL JOB SKILLS WEEK

The joint resolution (S.J. Res. 333) to designate the week of October 9, 1988, through October 15, 1988, as "National Job Skills Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 333

Whereas the ability to maintain an internationally competitive and productive economy and a high standard of living depends on the development and utilization of new technologies;

Whereas these technologies require skills that are currently lacking in the national work force;

Whereas experts in both the public and private sectors predict that a shortage of skilled entry-level workers will exist through the remainder of this century;

Whereas young people in the United States are experiencing higher than normal unemployment rates because many of them lack the skills necessary to perform the entry-level jobs that are currently available;

Whereas these young people will continue to experience higher than normal unemployment rates unless they develop the skills necessary to perform the entry-level jobs that become available;

Whereas American workers facing dislocation due to plant closures and industrial relocation need special training and education to prepare for new jobs and new opportunities; and

Whereas a National Job Skills Week can serve to focus attention on present and future work force needs, to encourage public and private cooperation in job training and educational efforts, and to highlight the technological changes underway in the workplace: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 9, 1988, through October 15, 1988, is designated as "National Jobs Skills Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL ADULT IMMUNIZATION AWARENESS WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 335) to designate the last full week of October, October 23, through October 29, 1988, and the last full week of October hereafter as "National Adult Immunization Awareness Week", which has been reported from the Committee on the Judiciary, with an amendment:

On page 3, line 1, strike "and the last full week of October hereafter are", and insert in lieu thereof "is".

Mr. MELCHER. Mr. President, I am pleased that the Senate today is considering passage of S.J. Res. 335, a joint resolution I introduced on Jume 8, 1988, to designate October 23 through October 29, 1988, as "National Adult Immunization Awareness Week."

Mr. President, this year tens of thousands of adults, most of them elderly, will die from vaccine-preventable diseases. While State laws require preschool immunization, the need for adult immunization largely has been neglected. In fact, fewer than one in every eight adults is protected against flu, pneumonia, hepatitis B, measles, diphtheria, rubella, or tetanus.

Influenza, a major killer, strikes hardest at the elderly and chronically ill. During the past 30 years, our Nation has been hit by 16 major flu epidemics, each of which has claimed the lives of at least 10,000 Americans, the majority of them elderly. Had the victims known that a simple shot could have saved their lives, many of these deaths could have been prevented.

Despite the fact that pneumococal pneumonia is the sixth leading cause of death in the United States, fewer than 10 percent of our Nation's elderly are immunized against it. This deadly disease is responsible for between 25,000 and 30,000 deaths each year, most of which could be prevented by a simple vaccination.

Mr. President, it is a national tragedy that tens of thousands are dying each year from vaccine-preventable diseases. Clearly, we must work to promote a greater awareness of the need for increased adult immunization to help prevent these deaths.

Mr. President, this joint resolution represents a continuing effort toward that goal. I am delighted that a similar joint resolution I introduced last year was passed unanimously and signed by the President. As one measure of our shared commitment to ending the tragic loss of life caused by these deadly and often preventable diseases, I again urge my colleagues' support for passage of this joint resolution.

The amendment was agreed to.

The joint resolution (S.J. Res. 335) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, as amended, and the preamble, are as follows:

S.J. Res. 335

Whereas the Surgeon General of the United States has declared as a major health initiative the reduction of vaccine-preventable death and disease among adults in the United States;

Whereas the reduction of these infectious deseases could save as many as 70,000 lives annually and more than $1 billion in direct costs annually;

Whereas the Surgeon General has declared the goal of immunizing 60 percent of

America's elderly and chronically ill against influenza and pneumococcal pneumonia, yet only 18 percent of susceptible adults are immunized against influenza and 10 percent against pneumococcal pneumonia;

Whereas hepatitis B has grown to epidemic proportions in this country despite the availability of a highly effective vaccine;

Whereas childhood diseases like measles and mumps are on the rise among young adults;

Whereas newborn infants in America are at risk of congenital deformities or death because 9-15 percent of women of childbearing age are not adequately protected against rubella;

Whereas the Congress has authorized through the Omnibus Reconciliation Act of 1987 a $25 million-a-year demonstration project to prove the cost-effectiveness of influenza vaccinations among Medicare recipients;

Whereas efforts should be made to alert Medicare participants to enroll in this project;

Whereas public awareness in the field of adult immunization has been conducted primarily by the voluntary sector; and

Whereas the Congress and the President have consistently declared the last week of October as "National Adult Immunization Awareness Week": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the last full week of October, October 23 through October 29, 1988, designated as "National Adult Immunization Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people, the Surgeon General, and other federal health officials of the United States to observe such week with appropriate ceremonies and activities.

The title was amended so as to read "Joint resolution to designate the last full week of October, October 23 through October 29, 1988, as 'National Adult Immunization Awareness Week'".

WORLD FOOD DAY

The joint resolution (S.J. Res. 336) designating October 16, 1988, as "World Food Day", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 336

Whereas hunger and malnutrition remain daily facts of life for hundreds of millions of people throughout the world;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment because of vitamin or protein deficiencies;

Whereas the United States and the people of the United States have a long tradition of demonstrating humanitarian concern for the hungry and malnourished people of the world, recently manifested by the American response to African famine;

Whereas efforts to resolve the world hunger problem are critical to the maintenance of world peace and, therefore, to the security of the United States;

Whereas the Congress is particularly concerned with the continuing food problems of Africa and is supportive of the efforts being made there to reform and rationalize agricultural policies to better meet the food needs of their peoples;

Whereas the United States, as the largest producer and trader of food in the world, has a key role to play in assisting countries and people to improve their ability to feed themselves;

Whereas although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native Americans, migrant workers, the elderly, and children, remain vulnerable to malnutrition and related diseases;

Whereas the Congress is acutely aware of the paradox of enormous surplus production capacity in the United States despite the desperate need for food by people throughout the world;

Whereas the United States and other countries should develop and continually evaluate national policies concerning food, farmland, and nutrition to achieve the wellbeing and protection of all people and particularly those most vulnerable to malnutrition and related diseases;

Whereas improved agricultural policies, including farmer incentives, are necessary in many developing countries to increase food production and economic growth;

Whereas private enterprise and the primacy of the independent family farmer have been basic to the development of an agricultural economy in the United States and have made the United States capable of meeting the food needs of most of the people of the United States;

Whereas increasing farm foreclosures threaten to destroy the independent family farmer and weaken the agricultural economy in the United States;

Whereas conservation of natural resources is necessary for the United States to remain the largest producer of food in the world and to continue to aid hungry and malnourished people of the world;

Whereas participation by private voluntary organizations and businesses, working with national governments and the international community, is essential in the search for ways to increase food production in developing countries and improve food distribution to hungry and malnourished people;

Whereas the member nations of the Food and Agriculture Organization of the United Nations unanimously designated October 16 of each year as World Food Day because of the need to increase public awareness of world hunger problems;

Whereas past observances of World Food Day have been supported by proclamations by the Congress, the President, the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, and by programs of the Department of Agriculture, other Federal departments and agencies, and the governments and peoples of more than 140 other nations;

Whereas more than 400 private voluntary organizations and thousands of community leaders are participating in the planning of World Food Day observances in 1988, and a growing number of these organizations and leaders are using such day as a focal point for year-round programs; and

Whereas the people of the United States can express their concern for the plight of hungry and malnourished people throughout the world by fasting and by donating food and money for them: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1988, is designated as "World Food Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities, including worship services, fasting, educational endeavors, and the establishment of year-round food and health programs and policies.

NATIONAL BOOK WEEK

The joint resolution (S.J. Res. 342) to designate the week of November 28 through December 5, 1988, as "National Book Week", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 342

Whereas an informed electorate is vital to a strong democracy;

Whereas books have been replaced by television as a primary source of information and entertainment;

Whereas books have provided the means whereby our history and knowledge have passed from one generation to the next;

Whereas a national effort to promote books and writers would complement efforts of literacy programs, encourage reading, and advance the literature of the United States;

Whereas the Department of Education estimates the adult illiteracy rate to be 13 percent (17,000,000 to 21,000,000 persons) among United States adults over 19 years of age;

Whereas illiteracy impairs the ability to learn, analyze, and communicate; and

Whereas this Nation must make a concerted effort to teach its citizens how to read and make them aware of the vast benefits of literacy: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the week of November 28 through December 5, 1988, is designated as "National Book Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL DAY OF OUTREACH TO THE RURAL DISABLED

The joint resolution (S.J. Res. 345) to designate October 8, 1988, as "National Day of Outreach to the Rural Disabled," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 345

Whereas approximately 3,400,000 rural Americans of working age are disabled;

Whereas work disabilities are proportionally more prevalent in rural areas than urban areas and the rural disabled are more disadvantaged than their urban counterparts;

Whereas insufficient attention has been given to the unique problems faced by the rural disabled in the United States; and

Whereas there is a need to focus more attention on the unmet needs of the rural disabled, to underscore their potential, and to encourage outreach programs by rural communities to their disabled members: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 8, 1988, is hereby designated "National Day of Outreach to the Rural Disabled," and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

HONORING EUGENE O'NEILL FOR HIS CONTRIBUTIONS ON THE 100TH ANNIVERSARY OF HIS BIRTH

The joint resolution (S. Res. 432) to honor Eugene O'Neill for his priceless contribution to the canon of American literature in this the 100th anniversary year of his birth, was considered, and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S.J. RES. 432

Whereas Eugene O'Neill is recognized the world over as an American literary genius;

Whereas O'Neill's plays have inspired several generations of American playwrights and promise to inspire generations more;

Whereas O'Neill captured the uniqueness of the American experience and brought it masterfully to the stage;

Whereas O'Neill wrote thirteen plays and was honored in his lifetime by four Pulitzer Prizes and the Nobel Prize for literature; and

Whereas O'Neill made a priceless contribution to the literary heritage of our nation: Now, therefore, be it

Resolved, That the Senate recognizes Eugene O'Neill for his tremendous contributions to the canon of American drama and the pleasure he has given to the American people in this the hundredth anniversary year of his birth.

POLISH AMERICAN HERITAGE MONTH

The joint resolution (H.J. Res. 475) to designate October 1988, as "Polish American Heritage Month," was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

APPOINTMENT OF CONFEREES—H.R. 4174, SMALL BUSINESS ADMINISTRATION REAUTHORIZATION BILL

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate insist on its amendments to H.R. 4174, the Small Business Administration reauthorization bill, and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

There being no objection, the Chair appointed Messrs. BUMPERS, NUNN, SASSER, WEICKER, and BOSCHWITZ conferees on the part of the Senate.

H.R. 4848, HOUSE TRADE BILL, PLACED ON CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that H.R. 4848, the House trade bill which has just been received, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPRESSION OF THANKS

Mr. BYRD. Mr. President, does my friend Mr. DOLE, the distinguished Republican leader, have any further statement or any business he wishes to transact?

Mr. DOLE. Only to say this. First, I thank the distinguished majority leader for the kindness and courtesy extended to me at noon, during my policy luncheon, along with the distinguished Senator from Maine [Mr. MITCHELL], the Deputy President pro tempore, in recognizing my birthday that recently occurred. I appreciate that very much. I think it is fair to say for the record that the cake was good.

I know how my colleague feels with the cold he has, and I hope that by tomorrow morning it will be better.

I again thank the distinguished majority leader for his courtesy.

Mr. BYRD. I thank the distinguished Republican leader. I feel better already now, as a result of his kind thoughts.

ORDER FOR RECESS UNTIL 9:45 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:45 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE ON TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the two leaders be limited to 5 minutes each tomorrow morning and that at the conclusion of the orders for the two leaders to be recognized there be a period for morning business to extend until the hour of 10 o'clock and Senators may speak therein for not to exceed 1 minute each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, under the order previously entered, the Senate will resume consideration of the Commerce, Justice, State, the Judiciary, and related agencies appropriation bill at 10 o'clock tomorrow morning. At that time the pending question will be on the amendment by Mr. DOLE which has already been laid down and on which the yeas and nays have been ordered.

So there will be a rollcall vote at 10:20 a.m. tomorrow. That will be a 15-minute rollcall vote, and the call for regular order will be automatic by unanimous consent.

Following the action on the Commerce, Justice, State, the Judiciary, and related agencies appropriation bill tomorrow, the Senate will return to the Labor-HHS appropriation bill. And I would expect action on amendments throughout the day. There has already been considerable action on that bill.

I would hope that the Senate could finish that bill tomorrow, and I would say to my good friend, the Republican leader, that we might alert our colleagues that we could be into the evening, if necessary, to finish that bill on tomorrow.

RECESS UNTIL 9:45 A.M. TOMORROW

Mr. BYRD. Mr. President, if the distinguished Republican leader has nothing further and with many thanks to my friend, the Republican leader, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9:45 a.m. tomorrow morning.

The motion was agreed to; and, at 8:19 p.m., the Senate recessed until Wednesday, July 27, 1988, at 9:45 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 16, 1988:

DEPARTMENT OF TRANSPORTATION

WENDY MONSON DEMOCKER, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF TRANSPORTATION.

DEPARTMENT OF COMMERCE

CHARLES E. COBB, JR., OF FLORIDA, TO BE UNDER SECRETARY OF COMMERCE FOR TRAVEL AND TOURISM.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

KARL S. FORESTER, OF KENTUCKY, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF KENTUCKY.

FERN M. SMITH, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA.

JAN E. DUBOIS, OF PENNSYLVANIA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA.

WITHDRAWAL

Executive message, received July 26, 1988, transmitting the withdrawal of

the following nomination from further Senate consideration:

THE JUDICIARY

ROBERT ROBERTO, JR., OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF NEW YORK, VICE HENRY BRAMWELL, RETIRED, WHICH WAS SENT TO THE SENATE ON NOVEMBER 24, 1987.

HOUSE OF REPRESENTATIVES—*Tuesday, July 26, 1988*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We acknowledge, O Almighty God, that our work and our lives have been built on the foundations of the institutions and people before us. Keep us, O God, from boasting of our own abilities or having such confidence in our own accomplishments without fully recognizing the heritage and history of family and faith. As we seek to rise to our own stature of gifts and responsibilities, let us first admit, in a spirit of thankfulness, our awareness and appreciation for the people in years past who have pointed us in the way of truth and life. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2629. An act to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the conveyance and ownership of submerged lands by Alaska Natives, Native Corporations and the State of Alaska;

H.R. 3471. An act to establish the Veterans' Administration as an executive department;

H.R. 3679. An act to clarify the Federal relationship to the Lac Vieux Desert Band of Lake Superior Chippewa Indians as a distinct Indian tribe, to clarify the status of members of the band, to transfer title to trust lands, and for other purposes;

H.R. 4794. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes;

H.R. 4800. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1989, and for other purposes; and

H.R. 4867. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4794) "An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Lautenberg, Mr. Stennis, Mr. Byrd, Mr. Chiles, Mr. Harkin, Mr. Proxmire, Mr. Inouye, Mr. D'Amato, Mr. Cochran, Mr. Kasten, Mr. Weicker, and Mr. Hatfield to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4800) "An act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1989, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Proxmire, Mr. Stennis, Mr. Leahy, Mr. Johnston, Mr. Lautenberg, Ms. Mikulski, Mr. Inouye, Mr. Garn, Mr. D'Amato, Mr. Domenici, Mr. Grassley, Mr. Nickles, and Mr. Hatfield to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4867) "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Byrd, Mr. Johnston, Mr. Leahy, Mr. DeConcini, Mr. Burdick, Mr. Bumpers, Mr. Hollings, Mr. Reid, Mr. Stennis, Mr. McClure, Mr. Stevens, Mr. Garn, Mr. Cochran, Mr. Rudman, Mr. Weicker, Mr. Nickles, and Mr. Hatfield to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 11. An act to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of Board of Veterans' Appeals; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration, and for other purposes;

S. 1268. An act to amend the Foreign Agents Registration Act of 1938 (22 U.S.C.) by removing references to "political propaganda" and substituting "advocacy material";

S. 1493. An act to clarify the authority of the Secretary of the Interior to convey lands by exchange, or otherwise, within the Arctic National Wildlife Refuge;

S. 2417. An act to authorize a certificate of documentation for certain vessels; and

S.J. Res. 326. Joint resolution designating July 24 through 30, 1988, as "Lyme Disease Awareness Week."

SOMETHING IS ROTTEN IN ARIZONA

(Mr. YATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YATES. Mr. Speaker, if I may paraphrase Hamlet, something is rotten in the State of Arizona. That something is the Department of the Interior's smelly land swap program, which has already cost the American taxpayer millions of dollars.

These are recent land swaps, Mr. Speaker:

The Wallace Ranch in Arizona, which BLM ascribed a trading value of $4.6 million, was sold a short time later for $26.7 million.

The Spurlock Ranch, which BLM said had a value of $7.8 million, was sold a few weeks later for $20 million.

The Fitzgerald Ranch in Arizona had its price of $2.1 million doubled to $4 million by subsequent sale.

The Empire Ranch in Arizona with a value of $21.4 million was sold the next day for $31.5 million.

The value ascribed by BLM totals $41.8 million, which with the subsequent sales totaled $107.2 million.

The most rotten land swap of all, Mr. Speaker, is scheduled for the House floor tomorrow, H.R. 4519, the Arizona/Florida sweetheart land swap.

The Federal Government owns the Phoenix Indian School which has a value of between $122 million and $200 million, according to various appraisals, and winds up swapping that property for Florida land worth about $50 million. All the taxpayers receive is $50 million, no more. The balance of $70 million or $170 million, depending

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

on which appraisal you look at, is gifted in a series of payoffs and sweeteners to the city of Phoenix, Indian tribes, the VA, and an Arizona soldiers home, none of whom have any legal claims to the property.

Instead of offering this cozy deal to Collier County, the committee ought to stop the swap and sell the land on the open market. We should buy the Collier, Florida land on the open market as well.

THE LATE HONORABLE BOB McCLORY

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, it is my very sad duty to inform Members of the House of the death of our beloved former colleague, Bob McClory.

Once again we find ourselves mourning someone who contributed so much to this institution and this Nation. He was an Illinois colleague of mine and I was as close to him as to any of the other fine colleagues I have served with for over 32 years.

This sudden death is particularly tragic and shocking because Bob was one of those rare human beings who because he was so energetic and looked younger than his years, seemed to defy time. He was 80 years old when he died last Sunday as he was walking up the stairs to his church and died of cardiac arrest.

In this morning's Post is a very beautiful obituary stretching better than a column and a half and outlining in detail a number of those episodes in which Bob participated on the floor of this House in significant pieces of legislation, and his legislative record here in this body.

I know I speak for all of us when I extend the condolences of the House to his beautiful wife, Doris, to Beatrice, Oliver, and Michel, the children, six grandchildren and one great-grandchild.

Bob McClory was a wonderful appearing man and a fine legislator of integrity and principle. We certainly send our unbounded sympathy to the members of his family on his passing.

REAGAN-BUSH ETHICS CHARGES CAN BE SUMMARIZED IN 4 HOURS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, Vice President BUSH just finished addressing our congressional interns this morning on ethics in Government.

It seems to me that GEORGE BUSH preaching about ethics is like General Noriega chanting "just say no."

If the Vice President spoke on the record of ethics enforcement of this administration, it would be a very short speech, not even 1 minute. If he explained each of the 242 ethical transgressions of this administration, he would still be speaking.

I hope our young interns look at what he has done rather than listen to what he has said. I do not know how you can say you are going to be the ethics President, when you have not been the ethics Vice President.

OF PRIDE AND PATRIOTISM

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, last week I was invited to attend a community day celebration in a little town called Granville, NY, up on the northern New York border of Vermont. I was so impressed as I drove into town because on every single front lawn of every house in that little town of Granville was a small American flag stuck in the ground in the front yard.

As I drove on into town, I was reminded that it was not no many years ago that two words in the English language almost died out of the English language. They were the words "pride and patriotism."

I guess I was so impressed because it reminded me why those two words didn't die, and why pride and patriotism is once again fashionable in America. Its because rural smalltown American, personified by the people of Granville never forgot how to stand and place their hand over their heart when Old Glory passed by. They never forgot how precious our freedom is, how hard that freedom was to win and how easy it is to lose.

Today pride and patriotism is rampant in America, thanks to a lot of wonderful Americans like those I had the privilege of being with last week in Granville, NY.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Monday, July 18, 1988:

S. 2527. A bill to require advance notification of plant closings and mass layoffs, and for other purposes.

And the Speaker signed the following enrolled bill and joint resolutions on Monday, July 25, 1988:

H.R. 4264. A bill to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes;

S.J. Res. 318. Joint resolution to designate the week of July 25-31, 1988, as the "National Week of Recognition and Remembrance for those Who Served in the Korean War"; and

S.J. Res. 338. Joint resolution to designate August 1, 1988, as "Helsinki Human Rights Day."

DEMOCRATS MUST COME UP WITH NEW PEACE PLAN FOR CENTRAL AMERICA

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute.)

Mr. RICHARDSON. Mr. Speaker, peace seems to be threatening to break out everywhere—Afghanistan, Angola, the Persian Gulf—everywhere except in Nicaragua.

The Sandinistas have shown their true colors. They are against democracy and human rights and probably against the peace process.

The Contras have taken another step backward by naming a Somocista, General Bermudez, to their directorate, virtually making him the most powerful Contra leader; and needless to say, the Reagan administration, like a predictable trumpet, is sounding the call for more military aid to the Contras, which has been their only solution.

Therefore, it is up to Democrats in Congress once again to come up with something. We just cannot say "the Arias plan." Nor can we, God help us, blindly follow Elliott Abrams and his freedom fighter baloney.

So what if the State Department says we are interfering? It is up to us to provide leadership.

The status quo, the breakdown of the peace process, is in no one's interest. Let us again come up with a plan that is in the national interest, unencumbered by any kind of politics.

THE LATE HONORABLE ROBERT McCLORY

(Mr. CRANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRANE. Mr. Speaker, it is a sad moment for all of us to note the passing of our friend and former colleague from Illinois, Congressman Robert McClory. He devoted more than three decades of his life to serving the people of northeastern Illinois, moving from the Illinois House of Representatives to the Illinois State Senate to the U.S. House of Representatives. Before moving to Washington, he established himself as a pillar of dignity while serving in the Illinois General Assembly. Here, in this Chamber, he added to his stature.

Bob McClory was a somewhat quiet individual as he went about his congressional duties, always as willing to take on additional responsibility as he was to quickly share a smile. A constitutional expert, he was a leader in a number of drives for constitutional amendments. Few fit better under the combined political label of conservative-liberal, his conservative beliefs firmly grasped responsible spending policies, while he not only preached—but practiced—a liberal faith of aiding those Americans who needed help but were unable to assist themselves. During his 20 years here in the House, he served on the Permanent Select Committee on Intelligence and was a member of the U.S. delegation to the Interparlimentary Union. Most obvious, of course, was his presence on the House Judiciary Committee, where he climbed to be ranking Republican member before his retirement in 1983.

And Bob McClory was a dedicated Republican—one whose mind and heart told him that the principles of his party would provide the answers to his country's needs. I was fortunate, indeed, to inherit many of Bob's constituents when he retired from this body after the 1980 census redrew the congressional map of Illinois. I certainly hope I serve them as well as Bob McClory did.

Our thoughts and prayers are with Bob's lovely wife Doris, their children and all family members.

□ 1215

U.N. FUNDING

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, our failure to fulfill our obligations to the United Nations is seriously affecting its capacity to do its most important work. Yesterday, U.N. officials declared that the United Nations may not be able to fulfill its peacekeeping responsibilities because of the $532 million the United States owes to that organization.

Mr. Speaker, after 7 long years, there is an opportunity to bring an end to the Iran-Iraq war. It is a war which has caused unparalleled human suffering. It has brought vast economic devastation to the region. It has led to the tragic loss of lives in the Persian Gulf, including that of 37 American servicemen.

The only real chance to end the Iran-Iraq war and to maintain the peace lies in the efforts of the United Nations. Why are we jeopardizing that chance by refusing to pay our dues to the United Nations? For the United States to be in this situation is both embarrassing and dangerous. It is the United States which has historically championed the rule of international law. It is the democratic nations which benefit most from its application. It is time to fulfill our treaty obligations.

Mr. Speaker, I urge Congress and the Reagan administration to take immediate action to support full funding for the United Nations.

IN MEMORY OF ROBERT McCLORY

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, on Sunday the Nation lost an outstanding public servant when former Congressman Bob McClory died suddenly at age 80. His passing prompts us to recall his distinguished record of service to Illinois and our country and a career marked by hard work and an abiding respect to the rule of law.

Mr. Speaker, Robert McClory was a consummate athlete, a tennis player and runner at 80 years of age. As recently as last winter he skied the Swiss Alps. A graduate of Dartmouth College and a lawyer, Bob served 10 years in the Illinois Legislature until 1962 when he was first elected to the Congress.

Mr. Speaker, for 20 years in this House Bob worked tirelessly for what he believed in. He gained national prominence on the Committee on the Judiciary during the Watergate period, where he rejected partisanship. Of suggestions that he could not vote to impeach a Republican President, he said, "That argument demeans my role here. It would make a mockery of our entire inquiry," and he voted to impeach.

Robert McClory set standards to be admired and emulated. His passing leaves great sorrow but also a legacy of leadership and a reverence for truth that sustained our Nation in its most difficult time.

Mr. Speaker, our hearts go out to his loving wife, Doris, and his family, with whom we share the loss of this wonderful and warm man and outstanding American.

AN 8-YEAR SILENCE

(Mr. HOYER asked and was given permission to address the House for one minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, there are 7 million children in the United States today who are latchkey children. We have licensed child care facilities to accommodate less than 30 percent of the children who need child care. Yet for the past 8 years there has been an almost deafening silence from the Reagan-Bush administration regarding child care and almost every other major issue America's families care about.

Remember this administration has proposed to eliminate the child care tax credit, massively reduce Federal funding for child care through title XX of the Social Security Act and severely limiting the number of children who can participate in Head Start. All through this process we heard nothing from the Vice President. This weekend, we witnessed an awakening. Eighty-six percent of American voters consider the need for affordable child care to be an important issue. The Vice President must have decided he should look like he thinks it is important, too.

And what about some of the other issues that concern America's families? Not one Member in this body can attend a meeting in their district without a constituent asking about the war on drugs. Our constitutents know our children are continuing to use drugs at an alarming rate and that drugs are seeping in through our borders.

But, the administration wants to cut the funds we send to our State and local police officers, and reduce the number of Customs agents who can stop drugs from coming into our neighborhoods. And the Vice President, did he fight those cuts? Well, as a member of the National Drug Policy Board, he has a hard time making it to meetings.

And where has the Vice President been on health care for the 37 million uninsured Americans? Every parent is familiar with the fear that engulfs you when you realize the child in your arms is sick. But imagine that fear multiplied by the fact you know you don't have any health insurance. In 8 years the number of Americans who have neither public or private health insurance, has increased by 7 million. And two-thirds of these uninsured are part of working families. We have not yet heard much from the Vice President on this issue, he doesn't know the problem exists.

Mr. Speaker, dare I say it? Where is George?

IMPORTANT CONCERNS SWEPT TO THE BACK PAGE

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, amidst all of the euphoria and media attention focused on the Democratic National Convention last week, there were a number of items swept to the back pages of the newspaper, and I think we should focus a degree of attention on those.

First of all, we found last week that Daniel Ortega admitted that since 1979 the Sandinistas have been Socialists, the first time that he has actually made that admission.

Mr. Speaker, we found also, very tragically, that Mexican officials were involved in providing refuge to the alleged torturer and murderer of our drug enforcement agent, Enrique Camarena, back in February 1985.

Mr. Speaker, tragically we learned from President Zia that the Soviets have apparently redeployed an additional 10,000 troops into Afghanistan.

The one good news that we have gotten, Mr. Speaker, is the fact that it appears that we may, working with the Vietnamese Government, be taking a strong step toward resolving this crisis of the POW's and MIA's.

WHERE IS GEORGE BUSH ON PLANT CLOSING

(Mr. BONIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR. Mr. Speaker, it is with great sadness that I read today of the death of Bob McClory. I got to know Bob while he was here, spent time with him on different trips, and got to know him and appreciate him. He will be sorely missed by many of us, and our sympathies go out to his lovely wife, Doris.

Mr. Speaker, on another subject, the 60-day plant-closing bill has reached the President's desk. It has passed both this body and the Senate by overwhelming margins. The President will have an opportunity for the second time to sign a bill which will give workers decent and fair notice if they are to lose their jobs. It is only fair.

Mr. Speaker, we hear now in the last few days that certain Bush aides are saying that the President ought to let this become law. My question is: Where is GEORGE BUSH on plant closing? Why does he need quiet, secretive talk from aides to get the President to do anything? The American people need to know: Where is GEORGE BUSH on worker rights and plant closing?

MILITARY SAVES LIFE OF LITTLE GIRL

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, the military is maligned a great deal of the time. I want to tell the Members of story that happened this weekend that leads me to believe that we have some very strong people in the military who really care about their fellow man.

Mr. Speaker, a little girl was injured in a car accident, an American citizen, in Honduras. She was tossed out of the car in this accident, and she suffered some brain damage in a little town in Honduras. They operated on her, and they had to get her back to the United States, because she was going to die if she did not get more sophisticated medical attention.

We could not find a way to get her back, and a minister in my district called me. The little girl was from Oklahoma, and her father was a captain who got out of the military June 30 of this year. We could not figure out how, because of the regulations, to get her back, so I called Southcom headquarters and talked to Colonel Warner in charge of the medevac unit back there, and he said he wanted to help but because of the requirements and the regulations he could not get her back. He suggested I call the Southcom commander. I called General Cisneros, and I got him out of bed at 2:30 in the morning, and now think about this, Mr. Speaker, the general in charge of Southcom, about one little girl. That general got out of bed, and he stayed up all night long and worked out the details. At 5 a.m., he called me back, and they had a plane, and brought that little girl to San Antonio, TX, to try to save her life.

Mr. Speaker, at a time when our military and its leadership are maligned almost daily, I want the people of this country to know that General Cisneros and the people at Southcom really did a tremendous job in this particular instance. We ought to be thankful that we have people working like that in the military.

BOB McCLORY WAS A RARE AMERICAN

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, I join the other Members of this body who have expressed their sorrow at the news of the death of our former colleague, Bob McClory, and their expressions of condolences to Doris, his dear wife, and to the other members of the family.

I almost hesitate to say the former Member of this House, because Bob McClory was one of those rare Americans who dearly loved this country and felt that he could, indeed, serve it well by serving the institution of the House of Representatives.

Mr. Speaker, when he left his service here after 20 years, he continued to work for this institution as a member of the Former Members of Congress organization and also he has gone on almost every Interparliamentary Union trip that I have ever been privileged to attend. He has represented this body and this Nation in so many corners of the world with such dignity and enthusiasm that I think that he should be remembered for his service to us after his leave from the Chamber itself.

Also he was able all through his service during the time he was in the House and since that time to understand that the congressional spouses extend work in the service of this body. He cooperated with his very innovative wife, Doris, in many endeavors that the Congressional Club and the other organizations to which the spouses belong entered into.

Mr. Speaker, I will personally miss Bob McClory very much, and I do, indeed, extend to Doris my deepest sympathies.

VOTERS SHOULD REMEMBER THOSE WHO ADDRESS ISSUES

(Mr. SUNDQUIST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SUNDQUIST. Mr. Speaker, it is the political season, and we expect to compete for ideas here and at conventions. We also have an opportunity this summer, as we have had in past years, to have a number of young people here as interns, and I think this intern program has been a wonderful program.

I think though that it is important not only for these interns but for thousands and millions of young people around this country that in this political season that we in the House of Representatives have an obligation to address the issues and compete for ideas. I do not think we in the House should be mean and vindictive. I do not think we ought to do personal attacks on people. I think it is important for us to talk about the issues. Where do we differ as parties? Where can we build a better America?

Mr. Speaker, if we in the House cannot set an example for the tone of this campaign and make it issue oriented as opposed to personal attacks, who will? I think this political season that the voters should remember those who are addressing the issues and those who are making personal attacks.

NIH—CHILDREN'S INN

(Mr. WATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATKINS. Mr. Speaker, it is a distinct honor and privilege to have the opportunity to salute the individuals and groups involved in making the Children's Inn at the National Institutes of Health a reality.

It is people like my colleague, Hon. DOUG WALGREN, and the leadership and dedication of his lovely wife Carmala, that have made this great facility possible. Without their time and the time spent by others, such a facility would not exist. Mr. Speaker, you and Betty, along with Hon. PETER RODINO and SILVIO CONTE, continue to serve admirably in leadership roles as honorary cochairmen to assist in this effort.

It will be a great day this Friday as ground is broken on this facility that will assist in the comforting of those families who have chronically ill children being treated at the NIH. Without question this is a most stressful time in the lives of the children and the families. While this facility will not replace the pain that they must endure, it will reduce the financial strain on families and encourage a more family environment even during this most difficult time.

This effort is but a small price toward the comfort of the children and hundreds of families who will give so much for the betterment of others as a result of such experimental treatments at the NIH. The Merck & Co., Inc., is to be saluted for graciously committing $2.3 million for construction costs, while the NIH has donated 2 acres of wooded land on their grounds in Bethesda.

In conclusion, I applaud all of those who have rendered financial and time resources toward this great effort.

DEATH OF RICHARD CRONIN

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, it is with a great deal of sadness that I share with my colleagues today the death of my friend, Richard Cronin.

Dick passed away Sunday night after a long, courageous battle with cancer.

For nearly four decades, Dick was a State and national leader in wildlife protection. He was Massachusetts' director of the Division of Fisheries and Wildlife for the past 8 of those years.

Many of you will remember that last month the House, in a well-deserved tribute to this great man, passed H.R. 4365, a bill I introduced which will rename the Sunderland, MA, National Salmon Station as the "Richard Cronin National Salmon Station."

That bill, which passed the House unanimously on June 8, is scheduled to be marked up by the other body's Environment Committee tomorrow. It will be a fitting memorial to the man who did so much for the plight of salmon and other wildlife in the Northeast.

I had the distinct honor and pleasure of working with this great warrior on scores of issues relating to the protection of our environment. The sportsman, the environmentalist, the outdoorsman, had no better friend than Dick Cronin.

Mr. Speaker, we have lost Dick Cronin to cancer. But the legacy of his accomplishments will live on in our lives, and the lives of our children and grandchildren as we all enjoy the fruits of Dick's labors.

My heart, my love, and my prayers go to Dick's lovely wife, Jean, and the rest of the Cronin family.

□ 1230

WHERE IS GEORGE BUSH? CLEANING UP JIMMY'S MESS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, it is apparent that the Democrats at their convention thought they came up with a theme that is going to get repeated on the House floor here. That theme was, "Where was GEORGE BUSH," or in the case of some speakers here today "Where is GEORGE BUSH."

That is a pretty easy question to answer if they will just look for it. They did not want to come up with the answer, because the answer to the question is cleaning up Jimmy's mess, because the fact is when the REAGAN-BUSH team arrived in this town they arrived after 4 years of an administration that had solid support in the Congress.

What did they find? They found foreign policy disasters all over the world. They found a military strength that had deteriorated to the point that it was almost laughable, and they found an economy that was in the toilet. It has taken 8 long years to build all of these things back up to the point where the United States has prestige overseas, where our military strength is such that it is respected, and where the economy is working well.

It has taken a long time. It has taken a lot of hard work by GEORGE BUSH and RONALD REAGAN to get it there, despite the fact that they have had opposition from this House on nearly every occasion for the policies that they wanted to pursue.

Where was GEORGE BUSH? Where is GEORGE BUSH? The answer is clear: Cleaning up Jimmy's mess.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. MURTHA) laid before the House the following communication from the Clerk of the House of Representtives:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 25, 1988.

Hon. JIM WRIGHT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 10:10 a.m. on Friday, July 15, 1988 the following message from the Secretary of the Senate: That the Senate passed without amendment H.R. 2615 and H.J. Res. 569.

With great respect, I am,
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives

AMENDMENTS TO CONVENTION ON INTERNATIONAL REGULATIONS FOR PREVENTING COLLISIONS AT SEA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United State; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries:

(For message, see proceedings of the Senate of today, Tuesday, July 26, 1988.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4, rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

VETERANS' COMPENSATION AMENDMENTS OF 1988

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4741) to amend title 38, United States Code, to increase the rates of compensation and dependency and indemnity compensation [DIC] payable to veterans with service-connected disabilities and their survivors, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4741

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Compensation Amendments of 1988".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. DISABILITY COMPENSATION.

(a) IN GENERAL.—Section 314 is amended—

(1) by striking out "$71" in subsection (a) and inserting in lieu thereof "$74";

(2) by striking out "$133" in subsection (b) and inserting in lieu thereof "$139";

(3) by striking out "$202" in subsection (c) and inserting in lieu thereof "$210";

(4) by striking out "$289" in subsection (d) and inserting in lieu thereof "$301";

(5) by striking out "$410" in subsection (e) and inserting in lieu thereof "$427";

(6) by striking out "$516" in subsection (f) and inserting in lieu thereof "$538";

(7) by striking out "$652" in subsection (g) and inserting in lieu thereof "$679";

(8) by striking out "$754" in subsection (h) and inserting in lieu thereof "$786";

(9) by striking out "$849" in subsection (i) and inserting in lieu thereof "$885";

(10) by striking out "$1,411" in subsection (j) and inserting in lieu thereof "$1,470";

(11) by striking out "$1,754" and "$2,459" in subsection (k) and inserting in lieu thereof "$1,828" and "$2,562", respectively;

(12) by striking out "$1,754" in subsection (l) and inserting in lieu thereof "$1,828";

(13) by striking out "$1,933" in subsection (m) and inserting in lieu thereof "$2,014";

(14) by striking out "$2,199" in subsection (n) and inserting in lieu thereof "$2,291";

(15) by striking out "$2,459" each place it appears in subsections (o) and (p) and inserting in lieu thereof "$2,562";

(16) by striking out "$1,055" and "$1,572" in subsection (r) and inserting in lieu thereof "$1,099" and "$1,638", respectively; and

(17) by striking out "$1,579" in subsection (s) and inserting in lieu thereof "$1,645"; and

(b) SPECIAL RULE.—The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons with the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. ADDITIONAL COMPENSATION FOR DEPENDENTS.

Section 315(1) is amended—

(1) by striking out "$85" in clause (A) and inserting in lieu thereof "$89";

(2) by striking out "$143" and "$45" in clause (B) and inserting in lieu thereof "$149" and "$47", respectively;

(3) by striking out "$59" and "45" in clause (C) and inserting in lieu thereof "$61" and "$47", respectively;

(4) by striking out "$69" in clause (D) and inserting in lieu thereof "$72";

(5) by striking out "$155" in clause (E) and inserting in lieu thereof "$162";

(6) by striking out "$131" in clause (F) and inserting in lieu thereof "$137";

SEC. 4. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.

Section 362 is amended by striking out "$380" and inserting in lieu thereof "$396".

SEC. 5. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.

Section 411 is amended—

(1) by striking out the table in subsection (a) and inserting in lieu thereof the following:

"Pay grade:	*Monthly rate*
E-1	$540
E-2	556
E-3	571
E-4	607
E-5	623
E-6	637
E-7	668
E-8	705
E-9	[1]737
W-1	684
W-2	711
W-3	731
W-4	774
O-1	684
O-2	705
O-3	755
O-4	798
O-5	880
O-6	992
O-7	1,072
O-8	1,175
O-9	1,261
O-10	[2]1,383

"[1]If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $795.

"[2]If the veterans served as Chairman or Vice-Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $1.482.";

(2) by striking out "$60" in subsection (b) and inserting in lieu thereof "$63";

(3) by striking out "$155" in subsection (c) and inserting in lieu thereof "$162"; and

(4) by striking out "$76" in subsection (d) and inserting in lieu thereof "$79"; and

SEC. 6. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.

(a) DIC FOR ORPHAN CHILDREN.—Section 413(a) is amended—

(1) by striking out "$261" in clause (1) and inserting in lieu thereof "$272";

(2) by striking out "$376" in clause (2) and inserting in lieu thereof "$392";

(3) by striking out "$486" in clause (3) and inserting in lieu thereof "$506"; and

(4) by striking out "$486" and "$97" in clause (4) and inserting in lieu thereof "$506" and "$101", respectively.

(b) SUPPLEMENTAL DIC FOR DISABLED ADULT CHILDREN.—Section 414 is amended—

(1) by striking out "$155" in subsection (a) and inserting in lieu thereof "$162";

(2) by striking out "$261" in subsection (b) and inserting in lieu thereof "$272"; and

(3) by striking out "$133" in subsection (c) and inserting in lieu thereof "$136".

SEC. 7. EFFECTIVE DATE FOR RATE INCREASES.

The amendments made by section 2 through 6 shall take effect on December 1, 1988.

SEC. 8 RECODIFICATION OF PROVISIONS RELATING TO CERTAIN BENEFITS FOR SURVIVORS OF CERTAIN VETERANS.

(a) IN GENERAL.—(1) Subchapter II of chapter 13 is amended by adding at the end the following new section:

"§418. Benefits for survivors of certain veterans rated totally disabled at time of death

"(a) The Administrator shall pay benefits under this chapter to the surviving spouse and to the children of a deceased veteran described in subsection (b) of this section in the same manner as if the veteran's death were service connected.

"(b) A deceased veterans referred to in subsection (a) of this section is a veteran who dies, not as the result of the veteran's own willful misconduct, and who was in receipt of or entitled to receive (or but for the receipt of retired or retirement pay was entitled to receive) compensation at the time of death for a service-connected disability that either—

"(1) was continuously rated totally disabling for a period of 10 or more years immediately preceding death; or

"(2) if so rated for a lesser period, was so rated continuously for a period of not less than five years from the date of such veteran's discharge or other release from active duty.

"(c) Benefits may not be paid under this chapter by reason of this section to a surviving spouse of a veteran unless—

"(1) the marriage to the veteran occurred before the expiration of 15 years after the veteran's discharge or other release from active duty;

"(2) the surviving spouse was married to the veteran for one year or more; or

"(3) a child was born of the marriage or was born to them before the marriage.

"(d) If a surviving spouse or a child receives any money or property of value pursuant to an award in a judicial proceeding based upon, or a settlement or compromise of, any cause of action for damages for the death of a veteran described in subsection (a) of this section, benefits under this chapter payable to such surviving spouse or child by virtue of this section shall not be paid for any month following a month in which any such money or property is received until such time as the total amount of such benefits that would otherwise have been payable equals the total of the amount of the money received and the fair market value of the property received.

"(e) For purposes of sections 1448(d) and 1450(c) of title 10, eligibility for benefits under this chapter by virtue of this section shall be deemed eligibility for dependency and indemnity compensation under section 411(a) of this title.".

(2) The table of sections at the beginning of chapter 13 is amended by inserting after the item relating to section 417 the following new item:

"418. Benefits for survivors of certain veterans rated totally disabled at time of death.".

(b) CONFORMING AMENDMENTS.—Section 410 is amended by striking out subsection (b) and redesignating subsection (c) as subsection (d).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1988.

"SEC. 9. VOCATIONAL REHABILITATION FOR PENSION RECIPIENTS.

(a) ELIGIBILITY.—Section 524(a) is amended—

(1) in paragraph (1), by striking out "Subject to paragraph (3) of this subsection, in" and inserting in lieu thereof "In";

(2) in paragraph (2), by striking out "Subject to" and all that follows through "program period" and inserting in lieu thereof "In the case of a veteran over the age of 50 who is awarded pension during the program period, or any veteran who was awarded pension before the beginning of the program period, if such veteran";

(3) by striking out paragraph (3); and

(4) by redesignating paragraph (4) as paragraph (3).

(b) EXTENSION OF PROGRAM PERIOD.—Sections 524(a)(3) (as redesignated by subsection (a)(4)), 524(b)(4)(A), and 525(b)(2) are amended by striking out "January 31, 1989" and inserting in lieu thereof "January 31, 1992".

SEC. 10. CONTINUED OPERATION OF VETERANS' ADMINISTRATION REGIONAL OFFICES IN THE PHILIPPINES.

Section 230(b) is amended by striking out "September 30, 1988" and inserting in lieu thereof "September 30, 1991".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from New York [Mr. Solomon] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. Montgomery].

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Every year our committee reviews compensation for service-connected veterans, and also dependency and indemnity compensation for survivors of veterans who die as a result of service-connected disabilities. We do this, Mr. Speaker, to make certain that these benefits are not eroded by the rise in the inflation rate.

Cost-of-living adjustments in compensation benefits are not automatically indexed like Social Security and pension benefits, and many other means-tested programs. This affords us an opportunity to review these important programs and, where necessary, make improvements.

Mr. Speaker, in just a moment I will yield to the very able chairman of our Subcommittee on Compensation, Pension and Insurance, the gentleman from Ohio [Mr. Applegate], for an explanation of the bill. Before doing so, I want to thank the gentleman for his leadership on the committee. We have established good programs for service-connected veterans and their dependents, and I want to compliment the gentleman for his work over the years in making certain these particular benefit programs remain strong.

Doug Applegate was the moving force behind H.R. 1811, a bill signed by the President on May 20, 1988, providing service-connected benefits to certain veterans exposed to radiation during and following World War II. It was a landmark bill, and I commend the gentleman for the work he did in working out our differences with the other body. Several thousand veterans will benefit from the enactment of that legislation.

I also want to thank the distinguished ranking minority member of the subcommittee, Mr. McEwen, another able Member from Ohio, for his support and leadership in protecting veterans benefits programs. The two gentlemen from Ohio make a good team.

Mr. Speaker, before yielding to the gentleman from Ohio, I would like to thank the distinguished gentleman from New York, Mr. Jerry Solomon, for his cooperation in bringing this bill to the floor.

Mr. Speaker, I am happy to yield such time as he may consume to the gentleman from Ohio [Mr. Applegate], the chairman of the subcommittee, for an explanation of the bill.

Mr. APPLEGATE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, first, before I get started, having just learned of the passing of Bob McClory, I want to extend my deepest sympathy, that of myself and my wife, Betty, to Doris and to his family.

Mr. Speaker, before I explain the provisions of the bill, let me express sincere thanks to the distinguished chairman of the Veterans' Affairs Committee, Mr. Montgomery, for his kind words and for his excellent leadership in bringing this important bill to the floor in such a timely manner. Both the chairman and the committee's distinguished ranking minority member, Mr. Solomon, deserve the gratitude of our Nation's veterans for their continued efforts in protecting and enhancing the benefits and services provided by the Veterans' Administration.

Also, I wish to commend the subcommittee's very able vice chairman, Mr. McEwen, for his able assistance in formulating the provisions of this bill and other members of the subcommittee for their cooperation and support of this important legislation.

The bill we are considering today, H.R. 4741, would provide a statutory 4.2 percent cost-of-living adjustment in rates of service-connected disability compensation and dependency and indemnity compensation [DIC]. The higher rates would become effective on December 1 of this year.

Mr. Speaker, it is extremely important that we enact a COLA bill that will fully offset the eroding effects of inflation on veterans' benefits. While we cannot know for sure what the eventual change in the CPI will be, we must continue to seek to provide a COLA that at least meets this change.

A discussion of the bill's provisions, as well as a discussion of the pertinent programs follows:

BACKGROUND OF THE BILL

COMPENSATION

There were 2,202,239 veterans receiving disability compensation as of June 1, 1988. The Veterans' Administration expenditures for disability compensation for fiscal year 1989 are expected to be $8.6 billion.

The basic purpose of the disability compensation program, throughout its history, has been to provide a measure of relief from the impaired earning capacity of veterans disabled as the result of their military service. The amount of compensation payable varies according to the degree of disability, which, in turn, is required by law to represent, to the extent practicable, the average impairment in earning capacity resulting from such disability or combination of disabilities in civil occupations.

To be eligible to receive disability compensation a veteran must have contracted a disease, suffered an injury which is not the result of willful misconduct, or aggravated an existing disease or injury in the line of duty during active duty service and have been discharged under other than dishonorable conditions.

The responsibility for determining a veteran's entitlement to service connection for a disability rests solely with the Veterans' Administration. This determination is based upon the service medical records or other evidence which may be presented to the Veterans' Administration by the veteran. The law provides that if a veteran had service of 90 days or more during time of war or after December 21, 1946, and develops a chronic or tropical disease to a degree of ten percent or more within one year of his discharge from such service, service connection may be granted by presumption. Service connection may be granted by presumption for active tuberculosis or Hansen's disease (leprosy) which becomes manifest to a degree of 10 percent or more within three years of a veteran's discharge from such service and for multiple sclerosis becoming manifest to a 10-percent degree within seven years of a veteran's discharge from such service. In cases of prisoners of war, diseases related to nutritional deficiencies or anxiety states or psychosis which become manifest to a degree of 10 percent or more at any time after service, may be granted service connection on a presumptive basis.

When a claim for service-connected disability benefits is received by the Veterans' Administration, that agency obtains the service medical records and the issue of service connection is generally decided based upon such records. If the service medical records do not establish that the disability was incurred in service, the veteran may submit evidence to substantiate the contention. Generally, this may be by statements from persons with whom the veteran served relating knowledge of the veteran's injury or disease. The Veterans' Administration also would consider the question of entitlement to service connection by presumption if the disability is a chronic disease becoming manifest within the prescribed period of time. If a veteran is granted service connection, the percentage of disability is generally based upon the findings of a VA examination. If a veteran with a service-connected disability should feel at some future time that the disability has increased in severity, evidence of this, usually a statement of recent medical treatment, may be presented to the Veterans' Administration to request reevaluation of the disability. Should the Veterans' Administration deny service connection or deny a request for an increased rating, the veteran may appeal the denial decision to the Board of Veterans Appeals provided the veteran notifies the agency of his or her disagreement with the decision within one year of the date of notification of the decision.

The law provides that a case involving a complex or controversial medical issue may be referred to a medical specialist outside of the Veterans' Administration for an advisory opinion. The law also provides that, if service connection for a veteran's disability has been in existence for 10 or more years, service connection may not be severed except in the case of fraud. The law further provides that a disability rated continuously at or above an evaluation for 20 or more years shall not thereafter be rated at a lesser evaluation.

The VA has established a "Schedule for Rating Disabilities" which is used as the guideline for measuring the degree of disability. Compensation is paid for disabilities at ratings of 10 percent, 20 percent, 30 percent, and so forth up to 100 percent. The amount of compensation payable for each percentage of disability is established by law. Additional compensation is payable for the loss of a limb, blindness, and other severe disabilities. Additional dependency allowance is payable to veterans with a rating of 30 percent or more for a spouse, minor children, or dependent parents.

DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVORS OF VETERANS WHO HAVE DIED OF SERVICE-CONNECTED CAUSES

As of June 1, 1988, there were 267,380 spouses and 45,051 children receiving dependency and indemnity compensation (DIC). These are the survivors of more than 300,000 veterans who either died in service or who died of service-incurred causes. About $2.2 billion is expected to be paid in fiscal year 1989 to the survivors. Widows and children of veterans who died of causes determined to be service-connected are entitled to receive monthly DIC.

The purpose of this benefit is to provide partial compensation to the designated survivors for the loss in financial support sustained as the result of the service-connected death. Income and need are not factors in determining a surviving spouse's or child's entitlement since the Nation assumes, in part, the legal and moral obligation of the veteran to support the spouse and children. Payments of DIC for surviving spouses are determined on the basis of the veteran's service pay-grade and range from $518 for the surviving spouse of an E-1 to $1,327 for the surviving spouse of an O-10. Surviving spouses are entitled to an additional $60 for each child.

There is an additional allowance of $155 monthly which is payable to eligible surviving spouses who are patients in a nursing home or who are in need of the regular aid and attendance of another person.

Eligible surviving spouses who are not so disabled as to require the regular aid and attendance of another person but who, due to disability, are permanently housebound, may be granted a special allowance of $76 monthly in addition to the DIC rate otherwise payable.

If there is no surviving spouse receiving dependency and indemnity compensation benefits but there is a surviving child, the child is entitled to $261 monthly with additional benefits for other children.

When a service-connected disability is found to be the principal or contributory cause of death, such death is considered to be service connected. Such determination is made on a very liberal basis. These are disabilities which by their very nature are so overwhelming that eventual death can be anticipated irrespective of co-existing conditions. For example, even though the primary cause of a veteran's death is non-service-connected, consideration is given to whether co-existing service-connected, conditions where of such severity as to have been a material influence in accelerating death. Where death had been so accelerated, it will be considered service connected. The death of any veteran whose service-connected disabilities were the primary cause of death or contributed materially in producing death would, of course, render the survivor basically eligible for service-connected death benefits.

The same benefits provided for those entitled to DIC are also payable to surviving spouses or children of certain veterans whose deaths are not service-connected but who, at death, had been in receipt of total (100 percent) ratings for service-connected disabilities. For entitlement under this provision the 100 percent rating must have been in effect continuously for at least ten years at death; or continuously since service and for at least five years. A surviving spouse must have been married to a veteran for at least two years at the time of death before entitlement exists.

The following table shows by war period the number of surviving spouses and children of service-connected veterans in receipt of survivors' death benefits:

ACTIVE DEPENDENCY AND INDEMNITY COMPENSATION CASES

	DIC Beneficiaries		
	Total	Widows	Children
Total	312,431	267,380	45,051
World War I	17,831	17,040	791
World War II	125,669	121,018	4,651
Korean Conflict	30,863	28,859	2,004
Vietnam era	40,485	57,293	23,192
Spanish/American War	58	44	14
Mexican border period	2	2	0
Indian War	0	0	0
Civil War	1	0	1
Regular Establishment	57,522	43,124	14,398

DISCUSSION OF THE BILL

PERCENT OF INCREASE IN COMPENSATION RATES

Historically, the Congress has increased compensation rates whenever there has been an appreciable increase in the cost-of-living index, since the rates are not indexed to the Consumer Price Index by law. This is necessary to ensure that inflation does not erode the purchasing power of those receiving compensation and DIC benefits.

From December 1945 through November 1987, the cumulative increase in the Consumer Price Index (CPI) was 534.5 percent. During the same period, the cumulative increase in the compensation rate paid for the totally and permanently disabled service-connected unmarried veterans has been 1078.3 percent.

TITLE I—COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION

Sections 2 through 7 of H.R. 4741 would provide, effective December 1, 1988, a 4.2 percent cost-of-living adjustment in the rates of compensation and dependency and indemnity compensation.

As indicated earlier, the Administration proposed indexing these rates to the annual adjustment in the consumer price index in the same manner as the non-service-connected pension program and Social Security benefits. The Committee does not believe such action would be in the best interest of veterans. It is extremely important that the rate increases for compensation and DIC be legislated on a periodic basis by the Congress rather than being tied directly to changes in the CPI. It is argued that indexing the rates of compensation and DIC would obviate the need for annual Congressional action. However, this would remove from the Congressional arsenal a vehicle through which periodic and necessary improvements to the programs may be made. Furthermore, there is precedent for the Congress enacting a higher increase than would otherwise have resulted through indexing. For example, in enacting Public Law 98-576, effective December 1, 1986, the Congress provided a 1.5 percent increase for these service-connected benefits rather than the 1.3 percent increase reflected by the change in the CPI that would otherwise have resulted. For these reasons, the Committee is rejecting the Administration's indexing proposal.

Should the proposed 4.2 percent rate increase be enacted, the changes in compensation and DIC rates effective December 1, 1988 would be as follows:

COMPENSATION AND DIC RATES EFFECTIVE DECEMBER 1, 1988

		Increase (monthly rate)	
		From	To
Percentage of disability of subsection under which payment is authorized:			
(a)	10 percent	$71	$74
(b)	20 percent	133	139
(c)	30 percent	202	210
(d)	40 percent	289	301
(e)	50 percent	410	427
(f)	60 percent	516	538
(g)	70 percent	652	679
(h)	80 percent	754	786
(i)	90 percent	849	885
(j)	100 percent	1,411	1,470
Higher statutory awards for certain multiple disabilities:			
(k)	(1) Additional monthly payment for anatomical loss, of use, of, any of these organs: one foot, one hand, blindness in one eye (having light perception only), one or more creative organs, both buttocks, organic aphonia (with constant inability to communicate by speech), deafness of both ears (having absence of air and bone conduction)—for each loss.	63	63
	(2) Limit for veterans receiving payments under (a) to (j) above.	1,754	1,828
	(3) Limit for veterans receiving benefits under (l) to (n) below.	2,459	2,562
(l)	Anatomical loss of use of both feet, one foot and one hand, blindness in both eyes (5/200) visual acuity or less), permanently bedridden or so helpless as to require aid and attendance.	1,754	1,828
(m)	Anatomical loss or loss of use of both hands, or both legs, at a level preventing natural knee action with prosthesis in place or of 1 arm and 1 leg at a level preventing natural knee or elbow action with prosthesis in place or blind in both eyes, either with light perception only or rendering veteran so helpless as to require aid and attendance.	1,933	2,014
Percentage of disability subsection under which payment is authorized:			
(n)	Anatomical loss of both eyes or blindness with no light perception or loss of use of both arms at a level preventing natural elbow action with prosthesis in place or anatomical loss of both legs so near hip as to prevent use of prosthesis, or anatomical loss of 1 arm and 1 leg so near shoulder and hip to prevent use of prosthesis.	2,199	2,291
(o)	Disability under conditions entitling veterans to two or more of the rates provided in (l) through (n), no condition being considered twice in the determination, or deafness rated at 60 percent or more (impairment of either or both ears service-connected) in combination with total blindness (5/200 visual acuity or less) or deafness rated at 40 percent or total deafness in one ear (impairment of either or both ears service-connected) in combination with blindness having light perception only or anatomical loss of both arms so near the shoulder as to prevent use of prosthesis.	2,459	2,562
(p)	(1) If disabilities exceed requirements of any rates prescribed, Administrator of VA may allow next higher rate or an intermediate rate, but in no case may compensation exceed.	2,459	2,562
	(2) Blindness in both eyes (with 5/200 visual acuity or less) together with (a) bilateral deafness rated at 30 percent or more disabling (impairment of either or both ears service-connected) next higher rate is payable, or (b) service-connected total deafness of one ear or service-connected loss or loss of use of extremity the next intermediate rate is payable, but in no event may compensation exceed.	2,549	2,562

COMPENSATION AND DIC RATES EFFECTIVE DECEMBER 1, 1988—Continued

		Increase (monthly rate)	
		From	To
	(3) Blindness with only light perception or less with bilateral deafness (hearing impairment in either one or both ears is service-connected) rated at 10 or 20 percent disabling, the next intermediate rate is payable, but in no event may compensation exceed..	2,459	2,562
	(4) Anatomical loss or loss of use of three extremities, the next higher rate in paragraphs (l) to (n) but in no event in excess of.	2,459	2,562
(q)	[This subsection repealed by Public Law 90-493]		
(r)	(1) If veteran entitled to compensation under (o) or to the maximum rate under (p); or at the rate between subsections (n) and (o) and under subsection (k), and is in need of regular aid and attendance, he shall receive a special allowance of the amount indicated a right for aid and attendance in addition to such rates.	1,055	1,099
	(2) If the veteran, in addition to need for regular aid and attendance is in need of a higher level of care, a special allowance of the amount indicated at right is payable in addition to (o) or (p) rate.	1,572	1,638
(s)	Disability rated as total, plus additional disability independently ratable at 60 percent or over, or permanently housebound.	1,579	1,645
(t)	[This subsection repealed by Public Law 99-576.]		

In addition to basic compensation rates and/or statutory awards to which the veteran may be entitled, dependency allowances are payable to veterans who are rated at not less than 30 percent disabled. The rates which follow are those payable to veterans while rated totally disabled. If the veteran is rated 30, 40, 50, 60, 70, 80 or 90 percent disabled, dependency allowances are payable in an amount bearing the same ratio to the amount specified below as the degree of disability bears to total disability. For example, a veteran who is 50 percent disabled receives 50 percent of the amounts which appear below.

	Increase (monthly rate)	
	From	To
If and while veteran is rated totally disabled and—		
Has a spouse	$85	$89
Has a spouse and child	143	149
Has no spouse, 1 child	59	61
For each additional child	45	47
For each dependent parent	59	61
For each child age 18–21 attending school	131	137
Has a spouse in nursing home or severely disabled	155	162

The following increases are provided for surviving spouses of deceased veterans whose deaths are service-connected and who are receiving dependency and indemnity compensation (DIC) payments.

Pay grade	Increase (monthly rate)	
	From	To
E-1	$518	$540
E-2	534	556
E-3	548	571
E-4	583	607
E-5	598	623
E-6	611	637
E-7	641	668
E-8	677	705
E-9	[1]707	[1]737
W-1	656	684
W-2	682	711
W-3	702	731
W-4	743	774
0-1	656	684
0-2	677	705
0-3	725	755
0-4	766	798
0-5	845	880
0-6	952	992
0-7	1,029	1,072
0-8	1,128	1,175
0-9	1,210	1,261
0-10	[2]1,327	[2]1,383

[1] If the veteran served as Sergeant Major of the Army, Senior Enlisted Adviser of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $795.

[2] If the veteran served as Chairman or Vice-Chairman of the Joint Chiefs of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps or Commandant of the coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $1,482.

The DIC rate chart in H.R. 4741 reflects the addition of a reference to the Vice-Chairman of the Joint Chiefs of Staff in footnote number 2 to correct an oversight which occurred in the enactment of Public Law 100-227, inadvertently superceding a technical amendment made by section 1314(d) of Public Law 100-180 which added a reference to the Vice-Chairman for purposes of payment of DIC at the higher rate prescribed therein.

When there is no surviving spouse receiving dependency and indemnity compensation, payment is made in equal shares to the children of the deceased veteran. These rates are increased as follows:

	Increase (monthly rate)	
	From	To
One child	$261	$272
Two children	376	392
Three children	486	506
Each additional child	97	101

Section 8 of H.R. 4741 contains an amendment to the eligibility criteria applicable to surviving spouses of certain service-connected disabled veterans rated totally disabled at time of death for DIC benefits that may be paid as if the veteran's death were service connected. Current law provides that such benefits may be paid to a veteran's surviving spouse if he or she was married to the veteran for not less than two years immediately preceding the veteran's death. This provision would conform the marriage requirements to those applicable to surviving spouses of veterans whose deaths are service connected.

TEMPORARY PROGRAM OF VOCATIONAL REHABILITATION FOR PENSION RECIPIENTS

Section 9 of H.R. 4741 contains provisions to expand eligibility for participation in the temporary program of vocational rehabilitation established by Public Law 98-543 for certain pension recipients. It would allow veterans who were awarded pension prior to the current program period, which began on February 1, 1985, to participate in the program on a voluntary basis. Under current law, the program is available only for those veterans who were awarded pension after January 31, 1985. The Committee believes that the extension of program eligibility to a larger pool of pension recipients is a logical extension of the program's objectives which will serve to provide a greater opportunity for this group to return to the mainstream of productive employment.

Public Law 100-227 increased the number of evaluations which may be conducted under the program, from 2,500 to 3,500, after receiving testimony that the agency would have to discontinue providing evaluations with nearly three months remaining in the program year ending on January 31, 1988. Section 9 would remove any limitation on the number of evaluations to insure that all veterans seeking to participate in the program may have the opportunity to determine whether vocational rehabilitation is reasonably feasible. Although removing this limitation, the Committee does not anticipate that the amendment expanding program eligibility will result in an increase in the number of evaluations over the current level of 3,500 because the current requirement that the Administrator make a preliminary finding that the veteran has a good potential for achieving employment before providing an evaluation is unchanged.

Section 9 also extends the duration of the temporary program, as well as the three-year protection of health-care eligibility offered individuals whose pension is terminated by reason of income from work or training, for an additional three years, until January 31, 1992, in order to allow the Congress further opportunity to evaluate the program's overall success.

CONTINUATION OF AUTHORITY TO OPERATE MANILA REGIONAL OFFICE

Section 10 of H.R. 4741 would, as requested by the Administrator, extend the Administrator's authority to operate the VA regional office in the Republic of the Philippines for an additional three-year period, until September 30, 1991. Present authority is set to expire on September 30, 1988.

Mr. Speaker, I am proud to have sponsored this bill and I urge my colleagues to support and pass it.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume.

As the ranking member of the House Veterans' Affairs Committee, I rise in strong support of H.R. 4741, as amended, which provides for a 4.2-percent cost-of-living adjustment [COLA] for compensation of service-connected disabled veterans. The COLA is also for dependency and indemnity compensation [DIC], which goes to survivors of certain disabled veterans.

With this bill, we have before us the COLA and two noncontroversial extensions of program authority. These include an additional 3 years for the temporary program of vocational rehabilitation established under Public Law 98-543, as well as the extension of the Administrator's authority to operate the VA regional office in the Republic of the Philippines.

The Veterans' Affairs Committees of the House and Senate set COLA's for veterans each fiscal year, independently from the Social Security COLA. The Reagan administration has continued to keep inflation under control, and the amount of 4.2 percent, as requested by the administration, represents a full allowance for inflation during 1988. Of course, the COLA is good news for America's veterans, who are most deserving of it.

Mr. Speaker, I thank our distinguished chairman, Mr. MONTGOMERY for his promptness in bringing this bill through the committee. I also express my appreciation to the highly capable leadership of the Compensation, Pension, and Insurance Subcommittee; Mr. APPLEGATE, its chairman, and Mr. McEWEN, its ranking member, have had essential roles in formulating and advancing the COLA.

I urge my colleagues to give their unanimous approval to H.R. 4741.

Mr. Speaker, I ask unanimous consent that the gentleman from Ohio, Mr. BOB McEWEN, ranking member of the subcommittee, be allowed to manage the remainder of my time on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1245

Mr. McEWEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to begin by acknowledging my respect for the leadership of our House Committee on Veterans' Affairs. I commend the chairman of our full committee, Mr. SONNY MONTGOMERY, and the ranking minority member, Mr. JERRY SOLOMON, for their leadership in bringing this legislation to the House floor in a timely manner.

I also want to express my deep appreciation to my good friend and Ohio colleague, DOUG APPLEGATE, for his bipartisan spirit and cooperation. It is indeed an honor to work with him. As the chairman of the Subcommittee on Compensation, Pension, and Insurance, he has once again demonstrated his special commitment to America's veterans by shepherding this legislation through our subcommittee and onto the House floor.

Mr. Speaker, today the House of Representatives meets to consider the cornerstone of our responsibility.

It is to assure that service-connected disabled veterans, their dependents, and survivors receive that amount of compensation to which they are entitled.

The bill before us, H.R. 4741, as proposed by our President on his fiscal year 1989 budget, addresses that responsibility, and I wholeheartedly endorse it.

As the committee chairman indicated in his remarks, Mr. Speaker, our subcommittee has recommended a 4.2-percent cost-of-living increase for compensation and dependency and indemnity compensation recipients.

You have explained these particular provisions as well as those sections pertaining to the VA's Vocational Rehabilitation Training Program which has been so encouraging to date.

As our committee chairman has noted in his statement, Mr. Speaker, H.R. 4741 also provides for the continued operation of the VA's regional office in the Philippines.

In closing, I want to commend and thank the Members for their expeditious consideration of H.R. 4741, and I urge my colleagues in the House to support the bill.

Mr. Speaker, I yield such time as he may continue to the distinguished gentleman from Arkansas [Mr. HAMMERSCHMIDT], the former ranking member of the Committee on Veteran's Affairs.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in strong support of H.R. 4741, to increase the rates of compensation payable to veterans with service-connected disabilities and to their survivors.

This legislation reflects the continuing efforts of Congress to adequately compensate our Nation's veterans for service-connected disabilities. This cost-of-living adjustment also includes the compensation received by the survivors of the more than 300,000 American veterans who either died in service or who died of service-incurred causes.

Mr. Speaker, I wish to take a moment to address a misconception regarding veterans' disability compensation that arose during the debate over elevating the Veterans' Administration to a Cabinet-level department.

Earlier this year the Wall Street Journal printed a letter to the editor from a Member of this Chamber which stated that millions are entitled to disability compensation benefits even if no relationship to Armed Forces service exists. This statement is not accurate.

By statutory definition, VA compensation is a benefit earned by virtue of a service-related health, medical, or physical condition.

I commend the chairman of our Subcommittee on Compensation, Pension and Insurance, Mr. APPLEGATE, as well as Mr. McEWEN, the ranking minority member, for their fine work on this legislation.

I also commend the distinguished ranking member of the full committee, Congressman JERRY SOLOMON, and of course, we must give credit where credit is due, to Chairman SONNY MONTGOMERY, the grandmaster, to use a chess term, of veterans' legislation and programs.

Mr. Speaker, I urge my colleagues to support this important legislation.

Mr. McEWEN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise in strong support of H.R. 4741, the Veterans' Compensation Amendments of 1988. I would like to commend the sponsor of the bill, the gentleman from Ohio, Mr. APPLEGATE, for his continued commitment to the economic livelihood of our veterans, and also the distinguished chairman, Mr. Montgomery, and the committee's ranking Republican member, Mr. SOLOMAN, and the gentleman from Ohio Mr. McEWEN, the subcommittee's ranking minority member, for their assistance in bringing this legislation to the floor in an expeditious manner.

H.R. 4741 authorizes a 4.2-percent cost-of-living adjustment [COLA] in disability compensation and dependency and indemnity compensation [DICT], effective December 1, 1988. This modest increase will assist veterans receiving compensation benefits for service-connected disabilities, surviving spouses and children of veterans who died of service-connected causes, and other eligible needy veterans.

Many of our veterans and their families endure tremendous physical and financial hardships. These are the men and women who have safeguarded democracy both at home and abroad. The 4.2-percent COLA can alleviate some of the burdens placed upon our Nation's most courageous and dedicated citizens.

Mr. Speaker, the Veterans' Compensation Amendments was adopted by the Veterans' Affairs Committee by voice vote and has the support of President Reagan and his administration. I ask my colleagues to follow suit and join me in support of H.R. 4741.

Mr. DOWNEY of New York. Mr. Speaker, I rise today in strong support of H.R. 4741, the Veterans' Compensation Amendments, which will provide a 4.2-percent cost-of-living increase for service-connected, disabled veterans and their dependents.

We are sometimes prone to forget just how necessary adjustments like this are. There are well over 2 million veterans in this country who receive disability compensation. These are men and women who, like the rest of us, must keep up with the ever-rising cost of living and many of them are trying to do so on fixed incomes. While it would be unrealistic to assert that this increase will wipe away all of their financial troubles and fears, it will provide some help.

For all of their active service careers, these veterans served this country when it needed their help. Now that they need our help, I think it is appropriate that we work hard to ensure the passage of this bill.

Mr. McEWEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I yield myself one-half minute.

Mr. Speaker, I would like to say this is a very good and needed bill. At the different tables we have blue sheets distributed which explain in detail the veterans' compensation amendments which we are now voting on.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MURTHA). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 4741, as amended.

The question was taken.

Mr. HAMMERSCHMIDT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

EXTENDING DRUG ABUSE PREVENTION ACTIVITIES UNDER DOMESTIC VOLUNTEER SERVICE ACT OF 1973

Mr. OWENS of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4675) to amend the Domestic Volunteer Service Act of 1973 to extend through the fiscal year 1989 the authority contained in such act related to drug abuse prevention activities.

The Clerk read as follows:

H.R. 4675

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AUTHORITY FOR DRUG ABUSE PREVENTION ACTIVITIES.

Section 501(c) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5081(c)) is amended by inserting in the second sentence after "1988" the following: ", and such sums as may be necessary for the fiscal year 1989".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York [Mr. OWENS] will be recognized for 20 minutes and the gentleman from Texas [Mr. BARTLETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. OWENS].

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4675, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OWENS of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the escalation of drug trafficking and use in the United States is destroying our communities, homes, and families, and has claimed numerous victims. In New York City on February 26 of this year, 22-year-old police officer Edward Byrne was murdered by a gunman as he sat in squad car guarding the home of a Queens resident who had informed authorities of drug trafficking in his neighborhood. In the last 5 years, more than 500 people have died in Upper Manhattan in drug-related violence. Here in Washington, DC, more than half of the homicides during the first 3 months of this year were linked to drugs. Not even public, entertainment, and sports figures are immune to the dangers of drugs; who can forget the tragic death of college basketball star Len Bias 2 years ago, a victim of a cocaine overdose.

The American people are so concerned about the drug crisis that in recent Gallup and Harris opinion polls it is among the top issues that concern voters most, along with public education, the homeless, and health care. We are becoming a society in which far more drastic approaches are necessary to combat the terrifying effects of drug abuse and addiction. While the headlines are full of global solutions to the problem, such as interdiction, legalization, and increased use of the military, we must not forget that any solution will have to begin with communities taking charge of their own destinies, because it is the communities that have been hardest hit by this drug plague. H.R. 4675 is a small but necessary step toward helping our communities attain that goal.

This measure extends the authorization of appropriations for title V section 501(c) of the Domestic Volunteer Service Act of 1973 through fiscal year 1989.

Title V section 501(c) authorizes appropriations for the Drug Alliance, a drug prevention program administered by ACTION, the Federal Domestic Volunteer Agency.

The Drug Alliance was authorized under the Anti-Drug Abuse Prevention Act of 1986 and funded through the Omnibus Drug Supplemental Appropriations Act of 1987. The program was authorized to appropriate the sum of $5,500,000 for fiscal years 1987 and 1988 and was appropriated $3 million in fiscal year 1987 and $1,550,000 in fiscal year 1988.

The Drug Alliance stresses drug abuse prevention before a youth begins experimentation and becomes addicted. It focuses on grassroots programs which emphasize alternatives to illicit drug use. The Drug Alliance awards grants to non-profit community-based organizations, service and support groups, religious organizations, schools, and parent groups which use volunteers to promote drug abuse prevention and education programs. The grants, which are funded on a 1-year, nonrenewable basis, are given to those projects that plan for self-sufficiency at the completion of grant support. Included in the Alliance's comprehensive strategy on the war against drugs are vigorous public awareness and education campaigns, as well as training and technical assistance grants.

Extension of H.R. 4675 would not only reinforce existing programs funded through the Drug Alliance, but would also help replicate such programs throughout the Nation. Among the more successful programs funded by the Drug Alliance is the Hampton Intervention and Prevention Program in Virginia, which is administered by a group called Alternatives, Inc., a nationwide organization which provides services focusing on drug prevention, education, early intervention, and counseling.

The Hampton Program has trained 393 youth volunteers to run drug-free clubs in every school in the district. The clubs provide activities such as sporting and musical events, fairs and social gatherings that demonstrate alternatives to drug use. The volunteers serve as positive role models for children and youth in elementary, secondary, and high schools. The same program format is being used by the Dallas Challenge Program in Texas with 200 volunteers in 50 schools.

Another successful program is being coordinated by the National Council of Negro Women. The organization is using its ACTION grant funds to develop drug prevention resource materials such as films, brochures, and booklets, and for outreach personnel to train area leaders in disseminating drug prevention information and in training other volunteers. Area leaders are recruited through community-based organizations, churches, youth groups, and tenant organizations. The leaders have created groups which hold workshops and rallies to encourage discussions on community self-help and methods in helping youth to "just say no" to drugs. Other activities supported by the ACTION Drug Alliance include organizing boys clubs, Big Brother/Big Sister Clubs, and "Just Say No" Clubs in urban housing projects, and assisting the Illinois State Council of Senior Citizens in providing prescription and over-the-counter drug abuse information to senior citizens through a volunteer network.

I would like, at this time, to acknowledge the cooperation and support of ranking minority member, Mr. BARTLETT, and my Democratic colleagues on the Education and Labor Committee for their support of H.R. 4675. This legislation deserves the same bipartisan support today in the House. Its passage will bring new hope to our embattled communities who are fighting to protect their residents, especially the young people from falling prey to the siren song of drug use by providing constructive, meaningful, and positive alternatives to the drug use lifestyle.

Mr. Speaker, I reserve the balance of my time.

□ 1300

Mr. BARTLETT. Mr. Speaker, I yield 2 minutes to the articulate, knowledgeable gentleman from New York [Mr. GILMAN], who has demonstrated considerable support for both VISTA volunteers and for this particular activity conducted by the VISTA volunteers.

Mr. GILMAN. Mr. Speaker, I rise in strong support of H.R. 4675, legislation which reauthorizes the drug alliance program of ACTION for fiscal year 1989 and I commend the gentleman from New York [Mr. OWENS] for his sponsorship of this important bill, and the ranking minority member the gentleman from Texas [Mr. BARTLETT]. As ranking minority member of our Narcotics Select Committee, I am keenly aware of the well-founded programs against illicit substance abuse administered by this stellar agency.

As part of the Anti-Drug Abuse Act of 1986, Congress authorized ACTION, our domestic volunteer agency, to award grants to a variety of nonprofit, community-based service and support groups for the purpose of educating the necessary individuals about the many dangers posed by illicit substance use and abuse. A total of $5.5 million was authorized for fiscal years 1987 and 1988, yet a 1-year reauthorization of this progam is needed in order to bring this drug-prevention program in line with the remaining programs administered by ACTION.

Accordingly, Mr. Speaker, I am most pleased to support this measure, which provides further help in our "war on drugs." It is vitally necessary that we coordinate all our Anti-Drug activities as much as possible, thereby maximizing the Federal effort. By adopting H.R. 4675, we will be giving ACTION the opportunity to continue its significant work in the most efficient manner possible, thereby extending the services it provides through its grant programs. Accordingly, I urge my colleagues to vote for H.R. 4675, certain in the knowledge that this measure will assist ACTION in its vital Anti-Drug mission.

Mr. OWENS of New York. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank Chairman OWENS for this work and that of the subcommittee's on this legislation. H.R. 4675 extends for 1 year, through September 30, 1989, the authority for drug prevention activities in the Domestic Volunteer Service Act. This 1-year extension will allow all programs under the Domestic Volunteer Service Act to expire on September 30, 1989.

Funds are used under this program to mobilize and initiate private sector efforts to increase voluntarism in preventing drug abuse through public awareness and education. Program demonstration grants are awarded to fund innovative drug abuse prevention and education proposals for using volunteers to promote the involvement of statewide parent networks and local low-income community parent and public housing groups in the drug prevention effort. In addition, grants are provided to support innovative proposals for using volunteers in other initiative areas aimed at providing service to youth most at-risk of becoming illicit drug users.

This program was authorized at $5.5 million for fiscal years 1987 and 1988. It received $3 million in fiscal year 1987 appropriations and $1 million in fiscal year 1988 appropriations. H.R. 4675 authorizes "such sums" funding for fiscal year 1989.

The administration has no objection to the bill. H.R. 4675 makes no substantive changes in the drug abuse programs at ACTION. The Subcommittee on Select Education plans to review all of the programs under the Domestic Volunteer Service Act next year when these programs are considered for reauthorization.

I urge my colleagues to support this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from New York [Mr. OWENS] that the House suspend the rules and pass the bill, H.R. 4675.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 442, CIVIL LIBERTIES ACT

Mr. FRANK submitted the following conference report and statement on the bill (H.R. 442) to implement recommendations of the Commission on Wartime Relocation and Internment of Civilians:

CONFERENCE REPORT (H. REPT. 100-785)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 442) to implement recommendations of the Commission on Wartime Relocation and Internment of Civilians, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. PURPOSES.

The purposes of this Act are to—

(1) acknowledge the fundamental injustice of the evacuation, relocation, and internment of United States citizens and permanent resident aliens of Japanese ancestry during World War II;

(2) apologize on behalf of the people of the United States for the evacuation, relocation, and internment of such citizens and permanent resident aliens;

(3) provide for a public education fund to finance efforts to inform the public about the internment of such individuals so as to prevent the recurrence of any similar event;

(4) make restitution to those individuals of Japanese ancestry who were interned;

(5) make restitution to Aleut residents of the Pribilof Islands and the Aleutian Islands west of Unimak Island, in settlement of United States obligations in equity and at law, for—

(A) injustices suffered and unreasonable hardships endured while those Aleut residents were under United States control during World War II;

(B) personal property taken or destroyed by United States forces during World War II;

(C) community property, including community church property, taken or destroyed by United States forces during World War II; and

(D) traditional village lands on Attu Island not rehabilitated after World War II for Aleut occupation or other productive use;

(6) discourage the occurrence of similar injustices and violations of civil liberties in the future; and

(7) make more credible and sincere any declaration of concern by the United States over violations of human rights committed by other nations.

SEC. 2. STATEMENT OF THE CONGRESS.

(a) WITH REGARD TO INDIVIDUALS OF JAPANESE ANCESTRY.—The Congress recognizes that, as described by the Commission on Wartime Relocation and Internment of Civilians, a grave injustice was done to both citizens and permanent resident aliens of Japanese ancestry by the evacuation, relocation, and internment of civilians during World War II. As the Commission documents, these actions were carried out without adequate security reasons and without any acts of espionage or sabotage documented by the Commission, and were motivated largely by racial prejudice, wartime hysteria, and a failure of political leadership. The excluded individuals of Japanese ancestry suffered enormous damages, both material and intangible, and there were incalculable losses in education and job training, all of which resulted in significant human suffering for which appropriate compensation has not been made. For these fundamental violations of the basic civil liberties and constitutional rights of these individuals of Japanese ancestry, the Congress apologizes on behalf of the Nation.

(b) WITH RESPECT TO THE ALEUTS.—The Congress recognizes that, as described by the Commission on Wartime Relocation and Internment of Civilians, the Aleut civilian residents of the Pribilof Islands and the Aleutian Islands west of Unimak Island were relocated during World War II to temporary camps in isolated regions of southeast Alaska where they remained, under United States control and in the care of the United States, until long after any potential danger to their home villages had passed. The United States failed to provide reasonable care for the Aleuts, and this resulted in

widespread illness, disease, and death among the residents of the camps; and the United States further failed to protect Aleut personal and community property while such property was in its possession or under its control. The United States has not compensated the Aleuts adequately for the conversion or destruction of personal property, and the conversion or destruction of community property caused by the United States military occupation of Aleut villages during World War II. There is no remedy for injustices suffered by the Aleuts during World War II except an Act of Congress providing appropriate compensation for those losses which are attributable to the conduct of United States forces and other officials and employees of the United States.

TITLE I—UNITED STATES CITIZENS OF JAPANESE ANCESTRY AND RESIDENT JAPANESE ALIENS

SEC 101. SHORT TITLE.

This title may be cited as the "Civil Liberties Act of 1988".

SEC. 102. REMEDIES WITH RESPECT TO CRIMINAL CONVICTIONS.

(a) Review of Convictions.—The Attorney General is requested to review any case in which an individual living on the date of the enactment of this Act was, while a United States citizen or permanent resident alien of Japanese ancestry, convicted of a violation of—

(1) Executive Order Numbered 9066, dated February 19, 1942;

(2) the Act entitled "An Act to provide a penalty for violation of restrictions or orders with respect to persons entering, remaining in, leaving, or committing any act in military areas or zones", approved March 21, 1942 (56 Stat. 173); or

(3) any other Executive order, Presidential proclamation, law of the United States, directive of the Armed Forces of the United States, or other action taken by or on behalf of the United States or its agents, representatives, officers, or employees, respecting the evacuation, relocation, or internment of individuals solely on the basis of Japanese ancestry;

on account of the refusal by such individual, during the evacuation, relocation, and internment period, to accept treatment which discriminated against the individual on the basis of the individual's Japanese ancestry.

(b) Recommendations for Pardons.—Based upon any review under subsection (a), the Attorney General is requested to recommend to the President for pardon consideration those convictions which the Attorney General considers appropriate.

(c) Action by the President.—In consideration of the statement of the Congress set forth in section 2(a), the President is requested to offer pardons to any individuals recommended by the Attorney General under subsection (b).

SEC. 103. CONSIDERATION OF COMMISSION FINDINGS BY DEPARTMENTS AND AGENCIES.

(a) Review of Applications By Eligible Individuals.—Each department and agency of the United States Government shall review with liberality, giving full consideration to the findings of the Commission and the statement of the Congress set forth in section 2(a), any application by an eligible individual for the restitution of any position, status, or entitlement lost in whole or in part because of any discriminatory act of the United States Government against such individual which was based upon the individual's Japanese ancestry and which occurred during the evacuation, relocation, and internment period.

(b) No New Authority Created.—Subsection (a) does not create any authority to grant restitution described in that subsection, or establish any eligibility to apply for such restitution.

SEC. 104. TRUST FUND.

(a) Establishment.—There is established in the Treasury of the United States the Civil Liberties Public Education Fund, which shall be administered by the Secretary of the Treasury.

(b) Investment of Amounts in the Fund.—Amounts in the Fund shall be invested in accordance with section 9702 of title 31, United States Code.

(c) Uses of the Fund.—Amounts in the Fund shall be available only for disbursement by the Attorney General under section 105 and by the Board under section 106.

(d) Termination.—The Fund shall terminate not later than the earlier of the date on which an amount has been expended from the Fund which is equal to the amount authorized to be appropriated to the Fund by subsection (e), and any income earned on such amount, or 10 years after the date of the enactment of this Act. If all of the amounts in the Fund have not been expended by the end of that 10-year period, investments of amounts in the Fund shall be liquidated and receipts thereof deposited in the Fund and all funds remaining in the Fund shall be deposited in the miscellaneous receipts account in the Treasury.

(e) Authorization of Appropriations.—There are authorized to be appropriated to the Fund $1,250,000,000, of which not more than $500,000,000 may be appropriated for any fiscal year. Any amounts appropriated pursuant to this section are authorized to remain available until expended.

SEC. 105. RESTITUTION.

(a) Location and Payment of Eligible Individuals.—

(1) In general.—Subject to paragraph (6), the Attorney General shall, subject to the availability of funds appropriated to the Fund for such purpose, pay out of the Fund to each eligible individual the sum of $20,000, unless such individual refuses, in the manner described in paragraph (4), to accept the payment.

(2) Location of eligible individuals.—The Attorney General shall identify and locate, without requiring any application for payment and using records already in the possession of the United States Government, each eligible individual. The Attorney General should use funds and resources available to the Attorney General, including those described in subsection (c), to attempt to complete such identification and location within 12 months after the date of the enactment of this Act. Any eligible individual may notify the Attorney General that such individual is an eligible individual, and may provide documentation therefor. The Attorney General shall designate an officer or employee to whom such notification and documentation may be sent, shall maintain a list of all individuals who submit such notification and documentation, and shall, subject to the availability of funds appropriated for such purpose, encourage, through a public awareness campaign, each eligible individual to submit his or her current address to such officer or employee. To the extent that resources referred to in the second sentence of this paragraph are not sufficient to complete the identification and location of all eligible individuals, there are authorized to be appropriated such sums as may be necessary for such purpose. In any case, the identification and location of all eligible individuals shall be completed within 12 months after the appropriation of funds under the preceding sentence. Failure to be identified and located by the end of the 12-month period specified in the preceding sentence shall not preclude an eligible individual from receiving payment under this section.

(3) Notice from the attorney general.—The Attorney General shall, when funds are appropriated to the Fund for payments to an eligible individual under this section, notify that eligible individual in writing of his or her eligibility for payment under this section. Such notice shall inform the eligible individual that—

(A) acceptance of payment under this section shall be in full satisfaction of all claims against the United States arising out of acts described in section 108(2)(B), and

(B) each eligible individual who does not refuse, in the manner described in paragraph (4), to accept payment under this section within 18 months after receiving such written notice shall be deemed to have accepted payment for purposes of paragraph (5).

(4) Effect of refusal to accept payment.—If an eligible individual refuses, in a written document filed with the Attorney General, to accept any payment under this section, the amount of such payment shall remain in the Fund and no payment may be made under this section to such individual at any time after such refusal.

(5) Payment in full settlement of claims against the united states.—The acceptance of payment by an eligible individual under this section shall be in full satisfaction of all claims against the United States arising out of acts described in section 108(2)(B). This paragraph shall apply to any eligible individual who does not refuse, in the manner described in paragraph (4), to accept payment under this section within 18 months after receiving the notification from the Attorney General referred to in paragraph (3).

(6) Exclusion of certain individuals.—No payment may be made under this section to any individual who, after September 1, 1987, accepts payment pursuant to an award of a final judgment or a settlement on a claim against the United States for acts described in section 108(2)(B), or to any surviving spouse, child, or parent of such individual to whom paragraph (6) applies.

(7) Payments in the case of deceased persons.—(A) In the case of an eligible individual who is deceased at the time of payment under this section, such payment shall be made only as follows:

(i) If the eligible individual is survived by a spouse who is living at the time of payment, such payment shall be made to such surviving spouse.

(ii) If there is no surviving spouse described in clause (i), such payment shall be made in equal shares to all children of the eligible individual who are living at the time of payment.

(iii) If there is no surviving spouse described in clause (i) and if there are no children described in clause (ii), such payment shall be made in equal shares to the parents of the eligible individual who are living at the time of payment.

If there is no surviving spouse, children, or parents described in clauses (i), (ii), and (iii), the amount of such payment shall remain in the Fund, and may be used only for the purposes set forth in section 106(b).

(B) After the death of an eligible individual, this subsection and subsections (c) and

(f) shall apply to the individual or individuals specified in subparagraph (A) to whom payment under this section will be made, to the same extent as such subsections apply to the eligible individual.

(C) For purposes of this paragraph—

(i) the "spouse" of an eligible individual means a wife or husband of an eligible individual who was married to that eligible individual for at least 1 year immediately before the death of the eligible individual;

(ii) a "child" of an eligible individual includes a recognized natural child, a stepchild who lived with the eligible individual in a regular parent-child relationship, and an adopted child; and

(iii) a "parent" of an eligible individual includes fathers and mothers through adoption.

(b) ORDER OF PAYMENTS.—The Attorney General shall endeavor to make payments under this section to eligible individuals in the order of date of birth (with the oldest individual on the date of the enactment of this Act (or, if applicable, that individual's survivors under paragraph (6)) receiving full payment first), until all eligible individuals have received payment in full.

(c) RESOURCES FOR LOCATING ELIGIBLE INDIVIDUALS.—In attempting to locate any eligible individual, the Attorney General may use any facility or resource of any public or nonprofit organization or any other record, document, or information that may be made available to the Attorney General.

(d) ADMINISTRATIVE COSTS NOT PAID FROM THE FUND.—No costs incurred by the Attorney General in carrying out this section shall be paid from the Fund or set off against, or otherwise deducted from, any payment under this section to any eligible individual.

(e) TERMINATION OF DUTIES OF ATTORNEY GENERAL.—The duties of the Attorney General under this section shall cease when the Fund terminates.

(f) CLARIFICATION OF TREATMENT OF PAYMENTS UNDER OTHER LAWS.—Amounts paid to an eligible individual under this section—

(1) shall be treated for purposes of the internal revenue laws of the United States as damages for human suffering; and

(2) shall not be included as income or resources for purposes of determining eligibility to receive benefits described in section 3803(c)(2)(C) of title 31, United States Code, or the amount of such benefits.

SEC. 106. BOARD OF DIRECTORS OF THE FUND.

(a) ESTABLISHMENT.—There is established the Civil Liberties Public Education Fund Board of Directors, which shall be responsible for making disbursements from the Fund in the manner provided in this section.

(b) USES OF FUND.—The Board may make disbursements from the Fund only—

(1) to sponsor research and public educational activities, and to publish and distribute the hearings, findings, and recommendations of the Commission, so that the events surrounding the evacuation, relocation, and internment of United States citizens and permanent resident aliens of Japanese ancestry will be remembered, and so that the causes and circumstances of this and similar events may be illuminated and understood; and

(2) for reasonable administrative expenses of the Board, including expenses incurred under subsections (c)(3), (d), and (e).

(c) MEMBERSHIP.—

(1) APPOINTMENT.—The Board shall be composed of 9 members appointed by the President, by and with the advice and consent of the Senate, from individuals who are not officers or employees of the United States Government.

(2) TERMS.—(A) Except as provided in subparagraphs (B) and (C), members shall be appointed for terms of 3 years.

(B) Of the members first appointed—

(i) 5 shall be appointed for terms of 3 years, and

(ii) 4 shall be appointed for terms of 2 years,

as designated by the President at the time of appointment.

(C) Any member appointed to fill a vacancy occurring before the expiration of the term for which such member's predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of such member's term until such member's successor has taken office. No individual may be appointed as a member for more than 2 consecutive terms.

(3) COMPENSATION.—Members of the Board shall serve without pay, except that members of the Board shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Board, in the same manner as persons employed intermittently in the United States Government are allowed expenses under section 5703 of title 5, United States Code.

(4) QUORUM.—5 members of the Board shall constitute a quorum but a lesser number may hold hearings.

(5) CHAIR.—The Chair of the Board shall be elected by the members of the Board.

(d) DIRECTOR AND STAFF.—

(1) DIRECTOR.—The Board shall have a Director who shall be appointed by the Board.

(2) ADDITIONAL STAFF.—The Board may appoint and fix the pay of such additional staff as it may require.

(3) APPLICABILITY OF CIVIL SERVICE LAWS.—The Director and the additional staff of the Board may be appointed without regard to section 5311(b) of title 5, United States Code, and without regard to the provisions of such title governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the compensation of any employee of the Board may not exceed a rate equivalent to the minimum rate of basic pay payable for GS-18 of the General Schedule under section 5332(a) of such title.

(e) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Board on a reimbursable basis such administrative support services as the Board may request.

(f) GIFTS AND DONATIONS.—The Board may accept, use, and dispose of gifts or donations of services or property for purposes authorized under subsection (b).

(g) ANNUAL REPORTS.—Not later than 12 months after the first meeting of the Board and every 12 months thereafter, the Board shall transmit to the President and to each House of the Congress a report describing the activities of the Board.

(h) TERMINATION.—90 days after the termination of the Fund, the Board shall terminate and all obligations of the Board under this section shall cease.

SEC. 107. DOCUMENTS RELATING TO THE INTERNMENT.

(a) PRESERVATION OF DOCUMENTS IN NATIONAL ARCHIVES.—All documents, personal testimony, and other records created or received by the Commission during its inquiry shall be kept and maintained by the Archivist of the United States who shall preserve such documents, testimony, and records in the National Archives of the United States. The Archivist shall make such documents, testimony, and records available to the public for research purposes.

(b) PUBLIC AVAILABILITY OF CERTAIN RECORDS OF THE HOUSE OF REPRESENTATIVES.—(1) The Clerk of the House of Representatives is authorized to permit the Archivist of the United States to make available for use records of the House not classified for national security purposes, which have been in existence for not less than thirty years, relating to the evacuation, relocation, and internment of individuals during the evacuation, relocation, and internment period.

(2) This subsection is enacted as an exercise of the rulemaking power of the House of Representatives, but is applicable only with respect to the availability of records to which it applies, and supersedes other rules only to the extent that the time limitation established by this section with respect to such records is specifically inconsistent with such rules, and is enacted with full recognition of the constitutional right of the House to change its rules at any time, in the same manner and to the same extent as in the case of any other rule of the House.

SEC. 108. DEFINITIONS.

For the purposes of this title—

(1) the term "evacuation, relocation, and internment period" means that period beginning on December 7, 1941, and ending on June 30, 1946;

(2) the term "eligible individual" means any individual of Japanese ancestry who is living on the date of the enactment of this Act and who, during the evacuation, relocation, and internment period—

(A) was a United States citizen or a permanent resident alien; and

(B)(i) was confined, held in custody, relocated, or otherwise deprived of liberty or property as a result of—

(I) Executive Order Numbered 9066, dated February 19, 1942;

(II) the Act entitled "An Act to provide a penalty for violation of restrictions or orders with respect to persons entering, remaining in, leaving, or committing any act in military areas or zones", approved March 21, 1942 (56 Stat. 173); or

(III) any other Executive order, Presidential proclamation, law of the United States, directive of the Armed Forces of the United States, or other action taken by or on behalf of the United States or its agents, representatives, officers, or employees, respecting the evacuation, relocation, or internment of individuals solely on the basis of Japanese ancestry; or

(ii) was enrolled on the records of the United States Government during the period beginning on December 7, 1941, and ending on June 30, 1946, as being in a prohibited military zone;

except that the term "eligible individual" does not include any individual who, during the period beginning on December 7, 1941, and ending on September 2, 1945, relocated to a country while the United States was at war with that country;

(3) the term "permanent resident alien" means an alien lawfully admitted into the United States for permanent residence;

(4) the term "Fund" means the Civil Liberties Public Education Fund established in section 104;

(5) the term "Board" means the Civil Liberties Public Education Fund Board of Directors established in section 106; and

(6) the term "Commission" means the Commission on Wartime Relocation and Internment of Civilians, established by the Commission on Wartime Relocation and Internment of Civilians Act (Public Law 96-317; 50 U.S.C. App. 1981 note).

SEC. 109. COMPLIANCE WITH BUDGET ACT.

No authority under this title to enter into contracts or to make payments shall be effective in any fiscal year except to such extent and in such amounts as are provided in advance in appropriations Acts. In any fiscal year, total benefits conferred by this title shall be limited to an amount not in excess of the appropriations for such fiscal year. Any provision of this title which, directly or indirectly, authorizes the enactment of new budget authority shall be effective only for fiscal year 1989 and thereafter.

TITLE II—ALEUTIAN AND PRIBILOF ISLANDS RESTITUTION

SEC. 201. SHORT TITLE.

This title may be cited as the "Aleutian and Pribilof Islands Restitution Act".

SEC. 202. DEFINITIONS.

As used in this title—

(1) the term "Administrator" means the person appointed by the Secretary under section 204;

(2) the term "affected Aleut villages" means the surviving Aleut villages of Akutan, Atka, Nikolski, Saint George, Saint Paul, and Unalaska, and the Aleut village of Attu, Alaska;

(3) the term "Association" means the Aleutian/Pribilof Islands Association, Inc., a nonprofit regional corporation established for the benefit of the Aleut people and organized under the laws of the State of Alaska;

(4) the term "Corporation" means the Aleut Corporation, a for-profit regional corporation for the Aleut region organized under the laws of the State of Alaska and established under section 7 of the Alaska Native Claims Settlement Act (Public Law 92-203; 43 U.S.C. 1606);

(5) the term "eligible Aleut" means any Aleut living on the date of the enactment of this Act—

(A) who, as a civilian, was relocated by authority of the United States from his or her home village on the Pribilof Islands or the Aleutian Islands west of Unimak Island to an internment camp, or other temporary facility or location, during World War II; or

(B) who was born while his or her natural mother was subject to such relocation;

(6) the term "Secretary" means the Secretary of the Interior;

(7) the term "Fund" means the Aleutian and Pribilof Islands Restitution Fund established in section 203; and

(8) the term "World War II" means the period beginning on December 7, 1941, and ending on September 2, 1945.

SEC. 203. ALEUTIAN AND PRIBILOF ISLANDS RESTITUTION FUND.

(a) Establishment.—There is established in the Treasury of the United States the Aleutian and Pribilof Islands Restitution Fund, which shall be administered by the Secretary. The Fund shall consist of amounts appropriated to it pursuant to this title.

(b) Report.—The Secretary shall report to the Congress, not later than 60 days after the end of each fiscal year, on the financial condition of the Fund, and the results of operations of the Fund, during the preceding fiscal year and on the expected financial condition and operations of the Fund during the current fiscal year.

(c) Investment.—Amounts in the Fund shall be invested in accordance with section 9702 of title 31, United States Code.

(d) Termination.—The Secretary shall terminate the Fund 3 years after the date of the enactment of this Act, or 1 year following disbursement of all payments from the Fund, as authorized by this title, whichever occurs later. On the date the Fund is terminated, all investments of amounts in the Fund shall be liquidated by the Secretary and receipts thereof deposited in the Fund and all funds remaining in the Fund shall be deposited in the miscellaneous receipts account in the Treasury.

SEC. 204. APPOINTMENT OF ADMINISTRATOR.

As soon as practicable after the date of the enactment of this Act, the Secretary shall offer to undertake negotiations with the Association, leading to the execution of an agreement with the Association to serve as Administrator under this title. The Secretary may appoint the Association as Administrator if such agreement is reached within 90 days after the date of the enactment of this title. If no such agreement is reached within such period, the Secretary shall appoint another person as Administrator under this title, after consultation with leaders of affected Aleut villages and the Corporation.

SEC. 205. COMPENSATION FOR COMMUNITY LOSSES.

(a) In General.—Subject to the availability of funds appropriated to the Fund, the Secretary shall make payments from the Fund, in accordance with this section, as restitution for certain Aleut losses sustained in World War II.

(b) Trust—

(1) Establishment.—The Secretary shall, subject to the availability of funds appropriated for this purpose, establish a trust for the purposes set forth in this section. Such trust shall be established pursuant to the laws of the State of Alaska, and shall be maintained and operated by not more than seven trustees, as designated by the Secretary. Each affected Aleut village may submit to the Administrator a list of three prospective trustees. The Secretary, after consultation with the Administrator, affected Aleut villages, and the Corporation, shall designate not more than seven trustees from such lists as submitted.

(2) Administration of trust.—The trust established under this subsection shall be administered in a manner that is consistent with the laws of the State of Alaska, and as prescribed by the Secretary, after consultation with representatives of eligible Aleuts, the residents of affected Aleut villages, and the Administrator.

(c) Accounts for the Benefit of Aleuts.—

(1) In general.—The Secretary shall deposit in the trust such sums as may be appropriated for the purposes set forth in this subsection. The trustees shall maintain and operate 8 independent and separate accounts in the trust for purposes of this subsection, as follows:

(A) One account for the independent benefit of the wartime Aleut residents of Attu and their descendants.

(B) Six accounts for the benefit of the 6 surviving affected Aleut villages, one each for the independent benefit of Akutan, Atka, Nikolski, Saint George, Saint Paul, and Unalaska, respectively.

(C) One account for the independent benefit of those Aleuts who, as determined by the Secretary, upon the advice of the trustees, are deserving but will not benefit directly from the accounts established under subparagraphs (A) and (B).

The trustees shall credit to the account described in subparagraph (C) an amount equal to 5 percent of the principal amount deposited by the Secretary in the trust under this subsection. Of the remaining principal amount, an amount shall be credited to each account described in subparagraphs (A) and (B) which bears the same proportion to such remaining principal amount as the Aleut civilian population, as of June 1, 1942, of the village with respect to which such account is established bears to the total civilian Aleut population on such date of all affected Aleut villages.

(2) Uses of accounts.—The trustees may use the principal, accrued interest, and other earnings of the accounts maintained under paragraph (1) for—

(A) the benefit of elderly, disabled, or seriously ill persons on the basis of special need;

(B) the benefit of students in need of scholarship assistance;

(C) the preservation of Aleut cultural heritage and historical records;

(D) the improvement of community centers in affected Aleut villages; and

(E) other purposes to improve the condition of Aleut life, as determined by the trustees.

(3) Authorization of appropriations.—There are authorized to be appropriated $5,000,000 to the Fund to carry out this subsection.

(d) Compensation for Damaged or Destroyed Church Property.—

(1) Inventory and assessment of property.—The Administrator shall make an inventory and assessment of real and personal church property of affected Aleut villages which was damaged or destroyed during World War II. In making such inventory and assessment, the Administrator shall consult with the trustees of the trust established under subsection (b), residents of affected Aleut villages, affected church members and leaders, and the clergy of the churches involved. Within 1 year after the date of the enactment of this Act, the Administrator shall submit such inventory and assessment, together with an estimate of the present replacement value of lost or destroyed furnishings and artifacts, to the Secretary.

(2) Review by the secretary; deposit in the trust.—The Secretary shall review the inventory and assessment provided under paragraph (1), and shall deposit in the trust established under subsection (b) an amount reasonably calculated by the Secretary to compensate affected Aleut villages for church property lost, damaged, or destroyed during World War II.

(3) Distribution of compensation.—The trustees shall distribute the amount deposited in the trust under paragraph (2) for the benefit of the churches referred to in this subsection.

(4) Authorization of appropriations.—There are authorized to be appropriated to the Fund $1,400,000 to carry out this subsection.

(c) Administrative and Legal Expenses.—

(1) Reimbursement for expenses.—The Secretary shall reimburse the Administrator, not less often than annually, for reasonable and necessary administrative and legal expenses in carrying out the Administrator's responsibilities under this title.

(2) Authorization of appropriations.—There are authorized to be appropriated to the Fund such sums as are necessary to carry out this subsection.

SEC. 206. INDIVIDUAL COMPENSATION OF ELIGIBLE ALEUTS.

(a) Payments to Eligible Aleuts.—In addition to payments made under section 205, the Secretary shall, in accordance with this section, make per capita payments out of the Fund to eligible Aleuts. The Secretary shall pay, subject to the availability of funds appropriated to the Fund for such payments, to each eligible Aleut the sum of $12,000.

(b) Assistance of Attorney General.—The Secretary may request the Attorney General to provide reasonable assistance in locating eligible Aleuts residing outside the affected Aleut villages, and upon such request, the Attorney General shall provide such assistance. In so doing, the Attorney General may use available facilities and resources of the International Committee of the Red Cross and other organizations.

(c) Assistance of Administrator.—The Secretary may request the assistance of the Administrator in identifying and locating eligible Aleuts for purposes of this section.

(d) Clarification of Treatment of Payments Under Other Laws.—Amounts paid to an eligible Aleut under this section—

(1) shall be treated for purposes of the internal revenue laws of the United States as damages for human suffering, and

(2) shall not be included as income or resources for purposes of determining eligibility to receive benefits described in section 3803(c)(2)(C) of title 31, United States Code, or the amount of such benefits.

(e) Payment in Full Settlement of Claims Against the United States.—The payment to an eligible Aleut under this section shall be in full satisfaction of all claims against the United States arising out of the relocation described in section 202(5).

(f) Authorization of Appropriations.—There are authorized to be appropriated to the Fund such sums as are necessary to carry out this section.

SEC. 207. ATTU ISLAND RESTITUTION PROGRAM.

(a) Purpose of Section.—In accordance with section (3)(c) of the Wilderness Act (78 Stat. 892; 16 U.S.C. 1132(c)), the public lands on Attu Island, Alaska, within the National Wildlife Refuge System have been designated as wilderness by section 702(1) of the Alaska National Interest Lands Conservation Act (94 Stat. 2417; 16 U.S.C. 1132 note). In order to make restitution for the loss of traditional Aleut lands and village properties on Attu Island, while preserving the present designation of Attu Island lands as part of the National Wilderness Preservation System, compensation to the Aleut people, in lieu of the conveyance of Attu Island, shall be provided in accordance with this section.

(b) Acreage Determination.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall, in accordance with this subsection, determine the total acreage of land on Attu Island, Alaska, that, at the beginning of World War II, was subject to traditional use by the Aleut villagers of that island for subsistence and other purposes. In making such acreage determination, the Secretary shall establish a base acreage of not less than 35,000 acres within that part of eastern Attu Island traditionally used by the Aleut people, and shall, from the best available information, including information that may be submitted by representatives of the Aleut people, identify any such additional acreage on Attu Island that was subject to such use. The combination of such base acreage and such additional acreage shall constitute the acreage determination upon which payment to the Corporation under this section is based. The Secretary shall promptly notify the Corporation of the results of the acreage determination made under this subsection.

(c) Valuation.—

(1) Determination of value.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall determine the value of the Attu Island acreage determined under subsection (b), except that—

(A) such acreage may not be valued at less than $350 per acre nor more than $500 per acre; and

(B) the total valuation of all such acreage may not exceed $15,000,000.

(2) Factors in making determination.—In determining the value of the acreage under paragraph (1), the Secretary shall take into consideration such factors as the Secretary considers appropriate, including—

(A) fair market value;

(B) environmental and public interest value; and

(C) established precedents for valuation of comparable wilderness lands in the State of Alaska.

(3) Notification of determination; appeal.—The Secretary shall promptly notify the Corporation of the determination of value made under this subsection, and such determination shall constitute the final determination of value unless the Corporation, within 30 days after the determination is made, appeals the determination to the Secretary. If such appeal is made, the Secretary shall, within 30 days after the appeal is made, review the determination in light of the appeal, and issue a final determination of the value of that acreage determined to be subject to traditional use under subsection (b).

(d) In Lieu Compensation Payment.—

(1) Payment.—The Secretary shall pay, subject to the availability of funds appropriated for such purpose, to the Corporation, as compensation for the Aleuts' loss of lands on Attu Island, the full amount of the value of the acreage determined under subsection (c), less the value (as determined under subsection (c)) of any land conveyed under subsection (e).

(2) Payment in full settlement of claims against the united states.—The payment made under paragraph (1) shall be in full satisfaction of any claim against the United States for the loss of traditional Aleut lands and village properties on Attu Island.

(e) Village Site Conveyance.—The Secretary may convey to the Corporation all right, title, and interest of the United States to the surface estate of the traditional Aleut village site on Attu Island, Alaska (consisting of approximately 10 acres) and to the surface estate of a parcel of land consisting of all land outside such village that is within 660 feet of any point on the boundary of such village. The conveyance may be made under the authority contained in section 14(h)(1) of the Alaska Native Claims Settlement Act (Public Law 92-203; 43 U.S.C. 1613(h)(1)), except that after the enactment of this Act, no site on Attu Island, Alaska, other than such traditional Aleut village site and such parcel of land, may be conveyed to the Corporation under such section 14(h)(1).

(f) Authorization of Appropriations.—There are authorized to be appropriated $15,000,000 to the Secretary to carry out this section.

SEC. 208. COMPLIANCE WITH BUDGET ACT.

No authority under this title to enter into contracts or to make payments shall be effective in any fiscal year except to such extent and in such amounts as are provided in advance in appropriations Acts. In any fiscal year, the Secretary, with respect to—

(1) the Fund established under section 203,

(2) the trust established under section 205(b), and

(3) the provisions of sections 206 and 207,

shall limit the total benefits conferred to an amount not in excess of the appropriations for such fiscal year. Any provision of this title which, directly or indirectly, authorizes the enactment of new budget authority shall be effective only for fiscal year 1989 and thereafter.

SEC. 209. SEVERABILITY.

If any provision of this title, or the application of such provision to any person or circumstance, is held invalid, the remainder of this title and the application of such provision to other persons not similarly situated or to other circumstances shall not be affected by such invalidation.

TITLE III—TERRITORY OR PROPERTY CLAIMS AGAINST UNITED STATES

SEC. 301. EXCLUSION OF CLAIMS.

Notwithstanding any other provision of law or of this Act, nothing in this Act shall be construed as recognition of any claim of Mexico or any other country or any Indian tribe (except as expressly provided in this Act with respect to the Aleut tribe of Alaska) to any territory or other property of the United States, nor shall this Act be construed as providing any basis for compensation in connection with any such claim.

And the Senate agree to the same.

Peter W. Rodino, Jr,
Barney Frank,
H.L. Berman,
Pat Swindall,
Managers on the Part of the House.

John Glenn,
Spark M. Matsunaga,
Ted Stevens,
Warren B. Rudman,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers of the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendent of the Senate to the bill (H.R. 442) to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in this conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, structural changes, conforming changes made necessary by amendments reached by the conferees, and minor drafting and clarifying changes.

SECTION 1. PURPOSES

House bill

The House bill has no provision for implementing the recommendations of the Commission on Wartime Relocation and Internment of Civilians (Commission) to make restitution to the Aleut residents of the Aleutian Islands and Pribilof Islands as a purpose of the legislation.[1]

Senate amendment

The Senate amendment provides that one purpose of the Act is to provide for restitution to the Aleut residents of the Aleutian Islands and Pribilof Islands.

Conference agreement

The conference agreement follows the Senate amendment. The conferees agree to include restitution to the Aleuts as a stated purpose of the legislation.

SECTION 2. STATEMENT OF THE CONGRESS

House bill

The House bill includes a Statement of the Congress recognizing the grave injustice done to both citizens and permanent resident aliens of Japanese ancestry by their evacuation, relocation and internment during World War II, and apologizing on behalf of the Nation. It contains no statement that the evacuation, relocation, and internment of citizens and permanent resident aliens of Japanese ancestry during World War II was carried out "without any acts of espionage or sabotage documented by the Commission." It also contains no statement of Congress concerning the Aleuts relocated during World War II.

Senate amendment

The Senate amendment contains the findings of the Commission regarding the circumstances of the evacuation, relocation and internment of the persons of Japanese ancestry and the treatment of the Aleuts during World War II. The Senate findings state that the internment was carried out without any documented acts of espionage or sabotage committed by citizens and resident aliens of Japanese ancestry. The Senate amendment includes a separate section accepting the findings of the Commission, recognizing the grave injustice done, and apologizing on behalf of the Nation.

Conference agreement

The Conference agreement follows the House format providing for a Statement of the Congress and includes a statement concerning the treatment of the Aleuts.

The Conference Agreement follows the Senate amendment to clarify that the source for "without any acts of espionage or sabotage" was the Commission on Wartime Relocation and Internment of Civilians and is not an independent finding of the Congress. The conferees agreed for accuracy to add the following statement, "without any acts of espionage or sabotage documented by the Commission."

TITLE I—"CIVIL LIBERTIES ACT OF 1988"

SECTION 102. REMEDIES WITH RESPECT TO CRIMINAL CONVICTIONS

House bill

The House bill does not include the word "evacuation" and "internment" as acts for which an individual was convicted of a violation and thereby is eligible for review.

Senate amendment

The Senate amendment includes the words "evacuation" and "internment" as acts for which an individual was convicted of a violation and eligible for review.

Conference agreement

The Conference agreement follows the Senate amendment to include the categories of evacuation and internment, which is consistent with the use of the terms throughout both House and Senate bills.

SECTION 103. CONSIDERATION OF COMMISSION FINDINGS BY DEPARTMENTS AND AGENCIES

House bill

The House bill has no provision for reviewing the applications by eligible individual for restitution of a federal benefit lost by the discriminatory act of the U.S. Government based upon giving full consideration to the "findings of the Commission."

Senate amendment

The Senate amendment provides for "giving full consideration to the findings of the Commission" in reviewing the applications of eligible individuals for restitution of a federal benefit.

Conference agreement

The Conference agreement follows the Senate amendment to include "giving full consideration to the findings of the Commission" as a basis for the review by federal agencies for restitution of a federal benefit to eligible individuals.

SECTION 104. TRUST FUND

House bill

The House bill requires that the trust fund investment be made in interest-bearing obligations of the United States. It also authorizes an appropriation of $1,250,000,000 to the Fund over a ten year period.

Senate amendment

The Senate amendment requires that the trust fund be invested pursuant to 31 U.S.C. 9702, which states that trust fund investments be made in government obligations and shall earn interest at an annual rate of at least five percent. The Senate amendment also authorizes an appropriation to the Fund of $500,000,000 in fiscal 1989, $400,000,000 in fiscal 1990, $200,000,000 in fiscal 1991, $100,000,000 in fiscal 1992 and $100,000,000 in fiscal 1993.

Conference agreement

Section 104(b) of the conference agreement follows the Senate amendment and requires investment of the fund to be made pursuant to 31 U.S.C. 9702.

The conference agreement also provides in Section 104(e) for an authorization of an appropriation to the fund of $1,250,000,000 for a ten year period, but the conference agreement limits any appropriation to not more than $500,000,000 for any fiscal year.

SECTION 105. RESTITUTION

House bill

The House bill provides for payment of $20,000 to each eligible individual. The bill requires the Attorney General to identify and locate each eligible individual within nine months after the date of enactment without requiring any application. Any eligible individual may notify the Attorney General of his/her eligibility and provide documentation therefore. The House bill also provides that acceptance of restitution under this Act constitutes a final settlement of the claims of eligible individuals against the United States for acts covered by the legislation and that each eligible individual has six months from notification to accept payment or pursue a judgment or settlement of a claim for acts covered by this legislation. The House bill provides that no payment may be made to any individual who, after September 1, 1987, is awarded a final judgment or settlement of a claim against the United States for such acts. Under the House bill, eligible individuals include those living on the date of enactment otherwise eligible to receive payment, regardless of whether they are alive on the date of payment. Rights to payment of the eligible individual living on the date of enactment are vested at that time.

Senate amendment

The Senate amendment provides for payment of $20,000 to each eligible individual, requires the Attorney General to locate each eligible individual, and requires the Attorney General to conduct a public awareness campaign as to eligibility. Each of these activities is contingent upon the appropriation of funds to the Attorney General for such purposes. Each eligible individual is encouraged to submit his or her current address to the Department of Justice. The Senate amendment provides for an extinguishment of claims arising from the acts covered by this legislation ten years after the date of enactment of this Act or after the receipt of the total amount of payments under the Act, whichever date occurs first. The Senate amendment requires an eligible individual to be living on date of payment. Heirs of deceased eligible individuals would receive no payment.

Conference agreement

Section 105(a) of the conference agreement provides for payment of $20,000 to each eligible individual, subject to the availability of funds appropriated for such purpose. The conference agreement provides that the Attorney General shall identify and locate each eligible individual, without requiring any application. The Attorney General should use available funds and resources to complete the identification and location within twelve months after the date of enactment. To the extent that resources are not sufficient to complete the location and identification of all eligible individuals, the Department of Justice is authorized to seek an appropriation of such sums as may be necessary. After the appropriation of such funds, all eligible individuals shall be identified and located within twelve months. The conferees expect that eligible individuals may submit documentation to the Department of Justice upon the date of enactment of the Act and the Attorney General shall date stamp such submissions, acknowledge their receipt, and compile a roster of eligible individuals without additional funds for this purpose. The Attorney General shall designate an individual to receive such documentation from eligible individuals and publish the notice of such designee in the Federal Register. Subject to the availability of funds appropriated for such purpose, the Attorney General shall encourage, through a public awareness campaign, each eligible individual to submit his/her address to such designee.

Section 105(a)(5) of the conference agreement provides that acceptance of restitution under this Act constitutes a final settlement of all claims against the United States for acts covered by the legislation. Eligible individuals have eighteen months upon notification that funds are available for payment to accept payment under the Act or to pursue a judgment or settlement of a claim against the United States arising from such acts.

Section 105(a)(7) of the conference agreement follows the House bill in making eligible individuals living on the date of enactment eligible to receive payment. However, payments of the vested rights of deceased persons are limited to three categories: (1) a surviving spouse of one year; (2) if there is no such surviving spouse, then payment in equal shares to all children living at time of payment; and (3) if there is no such surviving spouse or child, payment in equal shares to parents living on date of payment. If there is no surviving spouse, child or parent, such payment shall remain in the Fund for the purposes provided by this Act. The definition of surviving children includes: a natural child whose paternity has been recognized by the parent or by a court, a step child who lived in the household of the eligible individual, and an adopted child. The conferees agreed that no payment shall be made to an eligible individual, who after September 1, 1987, accepts payment pursuant to an award of final judgment or settlement on a claim against the United States for acts covered by this legislation, or to the surviving spouse, child, or parent of such individual.

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[1] The House Committee on the Judiciary has favorably reported a bill, H.R. 1631, which provides for restitution to the Aleuts. This bill has not yet been considered by the House.

SECTION 106. BOARD OF DIRECTORS OF THE FUND

House bill

The House bill authorizes the Board to sponsor research and public education activities, and to publish and distribute the hearings and findings of the Commission so that the evacuation, relocation, and internment of United States citizens and permanent resident aliens of Japanese ancestry will be remembered. The House bill also authorizes reasonable administrative expenses.

Senate amendment

The Senate amendment authorizes the Board to conduct all the activities listed in the House bill; in addition, it authorizes expenditures for the general welfare of the ethnic Japanese community in the United States and for comparative studies of similar civil liberties abuses or comparative studies of the effects upon particular groups of racial prejudice embodied by government actions in time of national stress.

Conference agreement

The conferees agreed to follow the House bill on the uses of the Fund and to authorize as a proper additional use the publication and distribution of the Commission's recommendations.

SECTION 108. DEFINITIONS

House bill

The House bill defines an eligible individual as any individual of Japanese ancestry living on the date of enactment who was a United States citizen or a permanent resident alien during the period of evacuation, relocation, and internment and who was confined, held in custody, relocated, or otherwise deprived of liberty or property as the result of certain specified acts of the United States Government. The House definition of eligible individual does not include any individual who, during the period from December 7, 1941 through September 2, 1945, relocated to a country at war with the United States.

Senate amendment

The Senate amendment defines an eligible individual as any living individual of Japanese ancestry who is a United States citizen or permanent resident alien on the date of enactment and who was similarly deprived of liberty and property. It also defines an eligible individual as enrolled on the records of the United States Government during the period December 7, 1941 to June 30, 1946 as being in a prohibited military zone.

Conference amendment

The conferees agreed to follow the House bill to include as eligible individuals those who are living on the date of enactment. It also follows the House bill in requiring that eligible individuals are those who were United States citizens or resident aliens during the evacuation, relocation, and internment period. The conferees agreed to exclude from eligibility those individuals who, during the period from December 7, 1941, through September 2, 1945, relocated to a country at war with the United States.

The conferees also agree to follow the Senate amendment and include in the definition of "eligible individual" those citizens of Japanese ancestry and legal alien residents who left the West Coast voluntarily as the result of military orders prior to the mandatory removal and internment of the Japanese American population. Voluntary evacuees include those Japanese Americans who, prior to the issuance of Executive Order 9066, were ordered by the Navy to leave Bainbridge Island, off the coast of the State of Washington, and Terminal Island, near San Pedro, California. In addition, some 4,889 Japanese Americans left the West Coast during the voluntary phase of the government's evacuation program between the issuance of Public Proclamation No. 1, on March 2, 1942 and Public Proclamation No. 4 on March 27, 1942. These evacuees were required to file "Change of Residence" cards with the Wartime Civil Control Administration and such cards were tabulated following the mandatory removal and internment of the West Coast Japanese American population. The conferees intend to include individuals who filed "Change of Residence" cards during the period between the issuance of Public Proclamation No. 1, on March 2, 1942 and Public Proclamation No. 4 on March 27, 1942 as being "enrolled on the records of the U.S. Government."

TITLE II—"ALEUTIAN AND PRIBIL OF ISLANDS RESTITUTION ACT"

The House recedes from its disagreement to the amendment of the Senate in regard to the "Aleutian and Pribilof Islands Restitution Act" with a substitute agreed to in conference which makes clerical corrections, structural changes, and technical and clarifying changes.

TITLE III—TERRITORY OR PROPERTY CLAIMS AGAINST UNITED STATES

The House recedes from its disagreement to the amendment of the Senate in regard to Title III, which provides that nothing in this Act shall be construed as recognition of any claim of Mexico or any other country or any Indian tribe (except as expressly provided with respect to the Aleut tribe of Alaska) to any territory or other property of the United States, nor as providing any basis for compensation in connection with any such claim.

PETER W. RODINO, Jr.,
BARNEY FRANK,
H.L. BERMAN,
PAT SWINDALL,
Managers on the Part of the House.

JOHN GLENN,
SPARK M. MATSUNAGA,
TED STEVENS,
WARREN B. RUDMAN,
Managers on the Part of the Senate.

TEMPORARY CHILD CARE FOR HANDICAPPED CHILDREN AND CRISIS NURSERIES ACT OF 1986 EXTENSION

Mr. OWENS of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4676) to amend the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 to extend through the fiscal year 1989 the authorities contained in such Act.

The Clerk read as follows:

H.R. 4676

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF TEMPORARY CHILD CARE FOR HANDICAPPED CHILDREN AND CRISIS NURSERIES ACT OF 1986.

Section 206 of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117d) is amended—

(1) by striking "and" in the first sentence and inserting a comma; and

(2) by striking the period at the end and inserting the following: ", and 1989.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York [Mr. OWENS] will be recognized for 20 minutes and the gentleman from Texas [Mr. BARTLETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. OWENS].

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OWENS of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, congressional passage earlier this year of the Child Abuse Prevention, Adoption, and Family Services Act of 1988, and President Reagan's signing the measure into law this April, represents a major step toward preventing child abuse. But more must be done to protect our children, particularly children with disabilities who are most likely to become victims of abuse.

It is appropriate to acknowledge at this time the contribution of Chairman GEORGE MILLER who was the initial author of this legislation and whose Select Committee on Children, Youth and Families has been so supportive in ensuring that this bill be given consideration on the floor today. I also want to thank Mr. WILLIAMS and Mr. BARTLETT, members of the Subcommittee on Select Education, for their support in assisting us in the passage of H.R. 4676.

Children with disabilities, whose special needs place unusual demands and pressures on parents who are often unprepared to cope with those needs, are at the greatest risk of being targets of their parents' frustrations. H.R. 4676 would extend the authority for one more year of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986. Crisis care is an important special child care program that is a crucial element in a community's efforts to prevent child abuse. Parents who feel enormous pressure can take their children to a crisis nursery where the children may stay for several hours or several days. The temporary time away from their children gives parents a chance to relax and prevents the parents from venting their frustrations on their children.

Child care services for youngsters with disabilities can be of great benefit in providing for the developmental needs of such children while assisting and educating parents in their responsibilities to their children. Good child care services—including crisis care—fill many of the goals of a child abuse prevention program: enhancing ties and communication between parents and children; increasing parents' skills in coping with the stresses of caring for their children; reducing family isolation; increasing peer support; and improving access to social and health services for the family.

It is my understanding that so far program dollars have not yet been released to the States, even though funds were appropriated in fiscal year 1988 for this legislation. It is distressing that we are more than halfway through the fiscal year without functioning programs. I urge the Department of Human Development Services and the Office of Management and Budget to expedite the final clearance of the regulations.

The Subcommittee on Select Education, which I chair, will hold reauthorization hearings next year when the programs are finally in place and have had a chance to function.

The Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1988 is a small but vital program for providing necessary services to children and their parents, especially young people with disabilities.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4676 which extends for 1 year, through September 30, 1988, the authority for Temporary Child Care for Handicapped Children and Crisis Nurseries under the Children's Justice and Assistance Act (Public Law 99-401).

Under the Temporary Child Care for Handicapped Children Program, grants are provided to States to assist agencies, both public and private, to provide in-home or out-of-home temporary nonmedical child care for handicapped children or children with chronic or terminal illness. This allows parents to have some time to themselves and their other children away from the care of their handicapped child. The care may be provided on a sliding scale with hourly and daily rates. The Texas Respite Resource Network in San Antonio, TX, directed by Jennifer Chernoch, has provided this service for families in Texas and it has been very successful. I can personally vouch for the fact that it has had a significant and positive impact on the lives of children, parents, and families as a whole.

Under the Crisis Nurseries Program, grants are provided to States to assist agencies, both public and private, to provide crisis nurseries for children who are abused or neglected or are at high-risk of being abused and neglected. Such service will be provided without a fee for a maximum of 30 days in any year. Crisis nurseries will also provide referral and support services.

H.R. 4676 maintains "such sums" authorization levels for both programs in fiscal year 1989. The fiscal year 1988 appropriations for these programs was $4.787 million.

The administration does support activities authorized by this bill, but does not support this bill because they believe that these activities can be accomplished under existing authorities. In fact, the administration requested $4.787 million, the fiscal year 1988 appropriation level, in their fiscal year 1989 budget. These funds would be added to the Child Welfare Research and Demonstration Program under title IV-B of the Social Security Act to support the programs authorized by H.R. 4676. In addition, the administration is in the process of awarding demonstration projects under this authority for temporary child care for handicapped children and crisis nurseries.

Next year, the subcommittee plans to review these programs in order to determine whether they have had an impact on the reduction of child abuse. In addition, we plan to ask the GAO for a report on how these programs are working and what their impact has been on the reduction of child abuse.

I think both of these programs are worthwhile, and I urge my colleagues to support this 1-year reauthorization extension.

Mr. Speaker, I reserve the balance of my time.

Mr. OWENS of New York. Mr. Speaker, I yield such time as he may consume to the chairman of the Select Committee on Children, Youth, and Families, the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I rise in support of H.R. 4676, the Temporary Child Care for Handicapped Children and Crisis Nurseries Act, and commend the Committee on Education and Labor for bringing this bill to the floor. This bill would reauthorize two important child care demonstration programs for 1 year with such sums as necessary: temporary child care for handicapped and chronically ill children, and crisis nurseries to provide short term child care for young children who are potential victims of child abuse and neglect. These child care programs are among the most successful, and cost-effective, child abuse prevention strategies in operation.

Mr. Speaker, child abuse and neglect cases in the Nation have skyrocketed. In 1986, more than 2 million children were reported as abused or neglected—up a staggering 12 percent from 1985. This increase, reported by the American Humane Association, came on top of a 55-percent increase in child abuse reports between 1981 and 1985 found by the select committee in a national survey.

The urgent child abuse crisis is underscored by findings of a Department of Health and Human services report—released only after significant congressional pressure. The "Study of National Incidence and Prevalence of Child Abuse and Neglect" documents a 64-percent increase, and using a revised definition, a 150-percent increase in child abuse and neglect victims between 1980 and 1986.

Its evident why HHS withheld the report—it documents that during the last 8 years of this administration, the Federal Government abdicated responsibility for the increasing number of child abuse victims. According to the study, a majority of the 1.6 million children who were abused or neglected in 1986 still do not receive child protective services attention.

The overburdened social services system and the resulting child abuse tragedy indicate, now more than ever, that families need support to prevent the abuse before it occurs.

The Select Committee on Children, Youth, and Families has devoted substantial attention to identifying policies that support and stabilize families and protect and nurture children. And we have found repeatedly that respite and child care play a major role in alleviating stresses that so many families now face, stresses which are often precursors to abuse.

Two prevention programs have emerged as effective in serving families at risk of abusing their children. They are:

Crisis nurseries which provide short-term, 24-hour care to infants and young children who are potential victims of abuse or neglect, and provide support services to their parents; and

Respite care or temporary nonmedical child care services, both in-home and out-of-home, for families with handicapped or chronically ill children. These families face the same social and economic pressures as other families, but also bear the additional stress of caring for a special needs child.

CRISIS NURSERIES

At a recent select committee hearing in Los Angeles, a courageous single-parent testified about the sexual abuse inflicted on her young child by a family member. Completely at a loss for how to protect her child from further harm and still be able to continue her employment, the courts referred her to a local respite care program for families in crisis run by Crystal Stairs, a child care resource and referral agency. The program provided a safe haven for her children while she worked, allowing her to keep her job. Counseling, medical and other social services also helped her keep her family together and minimized the effects of a very traumatic event.

In my own district, Sister Ann Weltz' Bay Area Crisis Nursery has served more than a thousand children and helped families cope with stress brought on by poverty, long-term unemployment, isolation or illness. A crisis nursery program in Miami has provided shelter for the growing number of homeless families who have no other place to turn.

Similar programs in Colorado, New York, Minnesota, Wisconsin, and Hawaii have demonstrated the effectiveness of crisis nurseries in reducing child abuse and preventing costly foster care placements. Crisis nurseries have expanded in some States—but at least 19 States have no crisis nursery programs at all.

Crisis nursery services are also cost-effective, but we have not yet taken full advantage of the inherent fiscal savings.

In California, a network of crisis nurseries provided relief and direction to very stressed families. According to a recent report from the California Childrens Council, an average investment of $400 in crisis nursery child care can prevent an expenditure as high as $4,800 per month per child for out-of-home care.

Unfortunately, administering agencies of this small California program report that their funds are fully expended by midyear. Only families who are in the most desperate situations receive the short-term assistance, while countless families under stress go without services.

In addition, Mrs. Nancy Daly, chair of the Los Angeles Commission for Children's Services, reported to the select committee that had enough respite and child care been available to Los Angeles families and foster families, the institutionalization of 30 toddlers at the MacLaren Children's Center for abused and neglected children could have been avoided, saving over $3,000 per month per child.

RESPITE CARE FOR HANDICAPPED CHILDREN (TEMPORARY CHILD CARE)

Parents of chronically ill or disabled children have told us repeatedly that respite care is absolutely essential if they are to care for their chronically ill children at home.

The Government Accounting Office, based on a survey of parents in Dallas, Atlanta, Los Angeles, Cincinnati, and Washington, DC, has made a preliminary finding that the need for child and respite care is a common theme expressed by parents. Of the families who indicated that they required medical and social services, nearly half had difficulty obtaining them, particularly child care, baby sitting, and respite care.

Tragically, because of the serious lack of family support, handicapped children face added risk for abuse or neglect. Two recent surveys of children with cerebral palsy found that 11-20 percent had been abused or were suspected of being abused.

More often than not, however, the respite care necessary to avoid abuse or prevent institutionalization is unavailable or inadequate. A recent study supported by the World Rehabilitation Fund found that Britain and other European countries support families with services such as respite care to a greater extent than in the United States. In the United States, families may wait months for 1 week of care, compared with Britain where families can receive up to 12 weeks per year of respite care.

Pioneering respite/child care programs in San Antonio, New Orleans, Pittsburgh, Washington, DC, Kentucky, California, and Nebraska continue to demonstrate success and long-term cost savings. But they, too, can serve only a limited number of families.

Mr. Speaker, the bill before us today is essential, but it doesn't go far enough. Since I first introduced the Temporary Child Care and Crisis Nurseries Act we have learned that respite care has become an overwhelming need for a broad range of families experiencing different levels of stress.

The select committee recently held a hearing on the "sandwich generation," family caregivers with the dual responsibility of caring for children, including chronically ill children, as well as aging dependent parents. These care-givers, who are under severe financial and emotional stress, want most of all to care for their loved ones at home, and avoid their institutionalization. But the consuming daily responsibilities stretched their emotional and financial stability to the breaking point. One parent of 4 children and a homebound and dependent father asked only for 1 hour a day of respite from her 24-hour a day job that she could walk around the block.

In joint foster care hearings with the Subcommittee on Public Assistance, foster parents reminded us how demanding their task was, and how respite care could be invaluable.

This testimony indicates that we need to go even further in expanding these services to more families in need.

CONCLUSION

The Temporary Child Care for Handicapped Children and Crisis Nurseries Act received an appropriation of $4.8 million in fiscal year 1988 only. The Department of Health and Human Services has still not made the funds available to States. The skyrocketing incidence of child abuse and neglect, which the administration attempted to cover up, compels us to take immediate action. We don't have the luxury of wringing our hands or hiding behind arguments of budgetary concerns. These programs save money as well as lives. The respite care/crisis nursery demonstration programs originally authorized under Public Law 99-401 must be given a chance to demonstrate success. I urge my colleagues to reauthorize these programs today.

Mrs. LLOYD. I rise in strong support of the critical proposal before us to extend through fiscal year 1989 the authorities contained in the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986.

There is a general consensus that child abuse is a critical and growing problem and I am committed as a Member of Congress to enacting significant legislation to address it head on. The consideration of this proposal today is further evidence that we in the Congress are continuing to meet the pressing responsibilities all our society must bear toward the protection of our children.

This act was originally passed, with my strong support, as title II to the Children's Justice Act, Public Law 99-401, which established demonstration programs of temporary child care for handicapped children and crisis nurseries for children at risk of abuse and neglect. During the 99th Congress, the House Select Committee on Children, Youth, and Families produced an extensive review of child care policy in the United States and concluded that respite care and crisis nurseries perform a key role in dealing with families at risk of abusing their children.

Both crisis nurseries—which provide short-term, 24-hour care to infants and young children who are potential victims of child abuse and neglect and support services to their parents—and respite care—temporary, nonmedical child care services for families with handicapped or chronically ill children who are at especially high risk of abuse—have proven to be effective support systems in our efforts to combat child abuse.

According to the Subcommittee on Select Education, two surveys of children with cerebral palsy tragically indicated that 11 to 20 percent has been abused or were suspected of abuse. We must not, and cannot, let this trend continue. Furthermore, a 1980 study of respite care users reported that 30 percent of families stated that they would not have been able to cope without the centers. This is critical data in substantiating the need for both programs.

The enactment of this legislation is urgent for these children, and their families, and I urge my colleagues to join with me in fully supporting its passage.

Mr. WORTLEY. Mr. Speaker, I rise in support of the proposal by my colleague, Major Owen. I believe that Members on both sides of the aisle can proudly embrace this concept.

H.R. 4676 will help protect handicapped children from potential abuse, and provides temporary, nonmedical child care services for families of handicapped or chronically ill children. This is a measured response to the problem. It merely extends for an additional year the programs already in effect.

We must realize that each handicapped child has special needs, which place additional demands on the parents. There are no days off for parents of a handicapped child. Parents are human, and even the best can have a bad day. These factors taken together provide an atmosphere ripe for trouble.

H.R. 4676 provides for those times when the pressure becomes unbearable. It provides short-term shelter for the child, and it provides a sanctuary for the parent to compose, and collect themselves while they reevaluate their situation. Passage of this measure will provide a safety valve for those individuals. I urge my colleagues to support this measure.

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Mr. BARTLETT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OWENS of New York. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Montgomery). The question is on the motion offered by the gentleman from New York [Mr. Owens] that the House suspend the rules and pass the bill, H.R. 4676.

The question was taken; and—two-thirds having voted in favor thereof—the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

DAN DANIEL POST OFFICE BUILDING

Mr. LELAND. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4726) to designate the U.S. Post Office Building located at 700 Main Street in Danville, VA, as the "Dan Daniel Post Office Building."

The Clerk read as follows:

H.R. 4726

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The United States Post Office Building located at 700 Main Street in Danville, Virginia, shall be known and designated as the "Dan Daniel Post Office Building".

SEC. 2. LEGAL REFERENCES.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the building referred to in section 1 is deemed to be a reference to the "Dan Daniel Post Office Building".

The SPEAKER pro tempore (Mr. Montgomery). Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas [Mr. Leland] will be recognized for 20 minutes and the gentleman from New York [Mr. Horton] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. Leland].

Mr. LELAND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4726 names the main postal facility in Danville, VA, in honor of our former colleague, the late Dan Daniel. The postal facility to be named in his honor is in Virginia's Fifth District, the district which, for the past 19 years and until his death this past January, was represented by Mr. Daniel.

During his tenure as a Member of this body, Mr. Daniel was a true gentleman, upholding, in the finest manner, the principles and traditions of the U.S. Congress. Designating the postal facility in Danville, in his honor will serve as a telling reminder to both present and future generations of the accomplishments of this exemplary public servant. I urge my colleagues' support of H.R. 4726.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation. As was stated, H.R. 4726 designates the Post Office building located at 700 Main Street in Danville, VA, as the Dan Daniel Post Office building.

Dan Daniel, a colleague of ours of Danville, represented Virginia's Fifth District from his election to Congress in 1968 until his death on January 23 of this year.

With only an eighth-grade education, Dan was a self-made man, starting his career as a blue-collar worker in the Dan River Mills and later served on its executive board.

Dan Daniel was a member of the Armed Services Committee and was an advocate of a strong national defense. He was the first chairman of the Subcommittee on Readiness of the Armed Services Committee.

It is very appropriate that this building be named for him. He was an excellent Representative. He represented his area well, and those of us who knew him here in the House of Representatives have great admiration and respect for him.

Mr. Speaker, I urge the Members to vote for this legislation which will appropriately name the Post Office building after our good friend and colleague, Dan Daniel.

Mr. LELAND. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. Sisisky], the author of the bill.

Mr. SISISKY. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, It gives me great honor to rise today to ask your support for legislation to designate the U.S. Post Office building in Danville, VA, as the "Dan Daniel Post Office Building." I do so to pay tribute to the memory of our dear friend and colleague, who so ably represented the Fifth District of Virginia for the past 19 years.

Dan was truly a Virginian gentleman. He was a Virginian, through and through, steeped in all of the highest principles of our Founding Fathers, a great believer in Jeffersonian democracy, and yes he was a gentle man. All of us who knew him that here was a man, from humble beginnings, who felt very deeply and very personally the importance of every issue which came before the House.

Dan was unapologetically a conservative, but he recognized that we cannot sweep problems under the rug. He was therefore always open to options or alternative approaches to deal with the problems when he could not in good conscience support the original proposal.

He is sorely missed in this House, and he has left a tremendous void on the House Armed Services Committee, where he so faithfully served for so long. As chairman of the Subcommittee on Readiness, he was directly responsible for 8 percent of the national budget, but he treated each item, each problem, as though it were his personal duty. He was thorough in his approach and wanted to make certain that every dollar met a specific need. He was concerned about the needs of our Armed Forces and felt correctly that without a strong national defense, "all other matters are academic."

Yet, despite the long hours he devoted to his committee work, he always found the time to represent his district and serve his constituents in ways which went far beyond the call of duty.

Dan was faithful in his stewardship of the office, he was loyal to his friends, zealous of the Nation's good, and had a sense of duty which was hard to equal.

It is only fitting that the House take action to memorialize this wonderful gentleman from Virginia. I feel, as I am certain my distinguished colleagues do, that by designating the Post Office building in Danville, VA, as the "Dan Daniel Post Office Building," we can recognize and pay tribute to the lasting memory of Dan Daniel.

I sincerely thank Chairman FORD for giving this legislation timely consideration in his committee. Likewise, I thank the entire Virginia delegation, and all the Members who chose to add their names to this worthwhile measure, for their support in this endeavor.

Mr. LELAND. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. PAYNE], the successor to Mr. Daniel, who is already representing the district very well.

Mr. PAYNE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of H.R. 4726, to designate the Dan Daniel Post Office Building.

At the time of Dan's tragic death, many of his colleagues in this body spoke of his contributions at the national level, especially as regards the strengthening of our defenses. In more than one statement, he was referred to—and rightly so—as "a great American."

His dedication to defense in all areas, and especially as regards enhancement of conventional defense, and his commitment to the best interests of the men and women who serve in the Armed Forces have guaranteed his place of honor.

But there was another Dan Daniel, and it is of that man I want to speak today.

Most Americans alive today were not even born when Dan Daniel first embarked on the path of public service, first in national office with the American Legion, then in the General Assembly of Virginia, and finally in this body.

He was born at the beginning of the first great war of this century, and came of age during the worst depression the world has ever known. Son of a tobacco sharecropper, he moved 17 times in the first 17 years of his life, as his father worked to support his growing family. As a young man, he enlisted in the Civilian Conservation Corps, and in later years attributed that experience as a major turning point in his life.

Perhaps because of his early background, but mostly because he was the man he was, Dan Daniel never lost touch with the men and women whose backgrounds he shared, or whose problems he understood because they so closely paralleled his own.

And I know whereof I speak. While campaigning in the spring of this year, and since my election, I have had the opportunity, time and again, to meet with these same people, and to hear in their own words of the help they had received from Dan Daniel. No problem was too small—or too complicated—for him to pursue in their behalf.

This is the man we honor today in the naming of the Dan Daniel Post Office Building—a man of the people, who never strayed too far from his roots, no matter where his travels took him.

It is fitting that the building which most clearly touches all our lives—the post office building—should be named for a man who also touched the lives of so many people.

Mr. MONTGOMERY. Mr. Speaker, I rise in support of this legislation to name the post office building in Danville, VA, in honor of our friend and colleague, Dan Daniel. I commend NORM SISISKY for introducing the bill. I think it is a very appropriate tribute to the memory of Dan Daniel.

Honoring Dan in his hometown is especially fitting, because the people of Danville grew up with him. They watched over the years as he achieved success in business and then in the world of politics. I think they will be proud of what we are doing here today.

For 19 years in Washington, Dan Daniel was one of the strongest and staunchest advocates of a strong national defense. I had the chance to work with Dan on the Armed Services Committee. I can say his patriotism and love for the principles of democracy were truly an inspiration to me and to others who had the privilege of knowing him.

But he also was a very strong voice for the people he loved so much back home in Virginia's Fifth District. That is why I think this tribute is so meaningful. It will serve as a lasting reminder to the people of Danville that one of their own worked his way up the ladder of success to become one of this country's great leaders.

I am proud to take the floor in support of this measure honoring our friend, Dan Daniel and I urge support of the bill.

Mr. HORTON. Mr. Speaker, I yield back the balance of my time.

Mr. LELAND. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PANETTA). The question is on the motion offered by the gentleman from Texas [Mr. LELAND] that the House suspend the rules and pass the bill, H.R. 4726.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

FEDERAL EMPLOYEES COST SAVINGS AWARDS ACT

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4574) to amend title 5, United States Code, with respect to certain programs under which awards may be made to Federal employees for superior accomplishments or cost savings disclosures, and for other purposes as amended.

The Clerk read as follows:

H.R. 4574

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AWARDS FOR COST SAVINGS DISCLOSURES.

(a) AGENCY AWARDS PROGRAM.—Section 4512 of title 5, United States Code, is amended to read as follows:

"§4512. Agency awards for cost savings disclosures

"(a) The Inspector General of each agency shall establish a program under which a cash award may be paid to any employee or former employee of such agency whose disclosure of fraud, waste, or mismanagement to the Inspector General of such agency (whether made to the Inspector General directly or indirectly) has resulted or may reasonably be expected to result in—

"(1) cost savings for the agency; or

"(2) other benefits to the Government or the public appropriate for recognition under this section.

"(b)(1) Subject to paragraph (2), an award under this section may not exceed an amount equal to—

"(A) 5 percent of the agency's cost savings which the Inspector General determines to be the total savings attributable to the employee's or former employee's disclosure; or

"(B) if no cost savings are involved, such amount as the Inspector General considers appropriate.

"(2) No award under this section may exceed $20,000.

"(3) In determining an agency's cost savings for purposes of paragraph (1)(A), the Inspector General may take into account agency cost savings projected for subsequent fiscal years which will be attributable to the disclosure.

"(c) In the case of an agency for which there is no Inspector General, any reference in this section to the Inspector General of an agency shall be considered to be a reference to the agency employee designated by the head of such agency for purposes of this section.

"(d) An agency may pay or grant an award under this section notwithstanding the death or separation from the service of the employee concerned, or the death of the former employee concerned.

"(e) There are authorized to be appropriated to the account which funds the operations of the Inspector General of each agency (or, in the case of an agency which has no Inspector General, which funds the operations managed under this section by the employee designated under subsection (c)) such sums as may be necessary to carry out this section.".

(b) PRESIDENTIAL AWARDS PROGRAM.—The first sentence of section 4513 of title 5, United States Code, is amended to read as follows: "The President may pay a cash award in the amount of $40,000 to any employee whose disclosure of fraud, waste, or mismanagement has resulted or may reasonably be expected to result in substantial cost savings for the Government.".

(c) AUTHORITY TO MAKE AWARDS TO CERTAIN NON-FEDERAL EMPLOYEES.—

(1) IN GENERAL.—Title 5, United States Code, is amended by inserting after section 4512 the following:

"§4512a. Awards for certain non-employees

"(a) The Inspector General of each agency shall establish a program under which a cash award may be paid to any individual or entity whose disclosure of fraud, waste, or mismanagement to the Inspector General of such agency (whether made to the Inspector General directly or indirectly) has resulted or may reasonably be expected to result in—

"(1) cost savings for the agency; or

"(2) other benefits to the Government or the public appropriate for recognition under this section.

"(b) An award under this section may only be made where the information disclosed by the individual or entity was gained by such individual or entity in the course of performing any services for, or furnishing any services to, such agency under contract.

"(c) An award under this section for any disclosure may not exceed the amount which would be allowable under section 4512 if such disclosure has been made by an employee of the agency involved.

"(d) In the case of an agency for which there is no Inspector General, any reference in this section to the Inspector General of an agency shall be considered to be a reference to the agency employee designated by the head of such agency for purposes of this section.

"(e) Each program under this section shall include, with respect to individuals covered by this section, provisions comparable to the provisions of subsection (d) of section 4512, as such subsection relates to employees covered by that section.

"(f) There are authorized to be appropriated to the account which funds the operations of the Inspector General of each agency (or, in the case of an agency which has no Inspector General, which funds the operations managed under this section by the employee designated under subsection (c)) such sums as may be necessary to carry out this section.".

(2) CHAPTER ANALYSIS.—The analysis for chapter 45 of title 5, United States Code, is amended by inserting after the item relating to section 4512 the following:

"4512a. Awards for certain non-employees.".

(d) ELIMINATION OF EXPIRATION PROVISION.—Section 4514 of title 5, United States Code, and the item relating to such section in the analysis for chapter 45 of such title are repealed.

SEC. 2. AWARDS FOR SUPERIOR ACCOMPLISHMENTS.

(a) PROGRAM MODIFICATIONS.—Title 5, United States Code, is amended by striking sections 4502 through 4504 and inserting the following:

"§4502. General provisions

"(a) A cash award under this subchapter is in addition to the regular pay of the recipient. Acceptance of a cash award under this subchapter constitutes an agreement that the use by the Government of an idea, method, or device for which the award is made does not form the basis of a further claim of any nature against the Government by the employee or such employee's heirs or assigns.

"(b) A cash award to, and expenses for the honorary recognition of, an employee may be paid from the fund or appropriation available to the activity primarily benefiting or the various activities benefiting. The head of the agency concerned determines the amount to be paid by each activity for an agency award under section 4503. The President determines the amount to be paid by each activity for a Presidential award under section 4504.

"§4503. Agency awards

"(a) The head of an agency may pay a cash award to, and incur necessary expenses for the honorary recognition of, an employee who—

"(1) by such employee's suggestion, invention, superior accomplishment, or other personal effort, contributes to the efficiency, economy, or other improvement of Government operations or achieves a significant reduction in paperwork; or

"(2) performs a special act or service in the public interest in connection with or related to such employee's official employment.

"(b)(1) Except as provided in paragraph (2), a cash award under this section may not exceed—

"(A) an amount equal to 5 percent of the agency's cost savings attributable to the employee's accomplishments, or the annual rate of basic pay payable for grade GS-18 of the General Schedule, whichever is less; or

"(B) if no cost savings are involved, the annual rate of basic pay payable for grade GS-18 of the General Schedule.

"(2) When the head of an agency certifies to the Office of Personnel Management that the highly exceptional or unusually outstanding nature of the accomplishments of an employee so warrants, a cash award in excess of the maximum amount allowable under paragraph (1), but not in excess of an amount equal to two times such maximum amount, may be granted with the approval of the Office.

"§4504. Presidential awards

"(a) The President may pay a cash award to, and incur necessary expenses for the honorary recognition of, an employee who—

"(1) by such employee's suggestion, invention, superior accomplishment, or other personal effort, contributes to the efficiency, economy, or other improvement of Government operations or achieves a significant reduction in paperwork; or

"(2) performs a special act or service in the public interest in connection with or related to such employee's official employment.

A Presidential award may be in addition to an agency award under section 4503.

"(b) The President determines the amount of a cash award under this section.".

(b) REPORTING REQUIREMENTS.—

(1) IN GENERAL.—

(A) AMENDMENT.—Subchapter I of chapter 45 of title 5, United States Code, is amended—

(i) by redesignating section 4507 as section 4508; and

(ii) by inserting after section 4506 the following:

"§4507. Reports

"(a)(1) Each agency shall prepare and transmit to the Office of Personnel Management on an annual basis a report on such agency's awards program under section 4503.

"(2) An agency report under this subsection shall include, for the period covered by that report—

"(A) the number of cash awards made by the agency under the agency's awards program (as referred to in paragraph (1)), and the amount of each such award;

"(B) if no cash award was made, a statement of the reasons why no such award was made, particularly any difficulties which the agency may have encountered with respect to administering its awards program;

"(C) a statement of any measures taken, or proposed to be taken, by the agency in order to overcome any difficulties identified under subparagraph (B); and

"(D) any other information which the Office may require in preparing a report under subsection (b).

"(b)(1) The Office shall, on an annual basis, transmit to the Committee on Post Office and Civil Service of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the head of each agency, a report under this subsection. The report shall include—

"(A) the name of any agency which either did not make any cash award under section 4503 during the period covered by the Officer's report (including any explanation given by the agency) or did not submit a report under subsection (a) with respect to the period involved;

"(B) a description and evaluation of each agency's cash awards program under section 4503; and

"(C) recommendations for any legislation or administrative action which may be necessary in order that section 4503 may more effectively be carried out.

"(2) Any information which, pursuant to paragraph (1)(A), is included in a report under this subsection shall be published in the Federal Register.".

(B) CHAPTER ANALYSIS.—The analysis for chapter 45 of title 5, United States Code, is amended by striking the item relating to section 4507 and inserting in lieu thereof the following:

"4507. Reports.

"4508. Awarding of ranks in the Senior Executive Service.".

(2) TECHNICAL AND CONFORMING AMENDMENTS.—Sections 3151, 5383, and 5384 of title 5, United States Code, section 1601 of title 10, United States Code, section 405 of the Foreign Service Act of 1980 (22 U.S.C. 3965), section 733 of title 31, United States Code, and sections 4101 and 4107 of title 38, United States Code, are each amended by striking "4507" and inserting in lieu thereof "4508".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall be effective as of October 1, 1988.

The SPEAKER pro tempore (Mr. PANETTA). Is a second demanded?

Mr. HORTON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado [Mrs. SCHROEDER] will be recognized for 20 minutes and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Representative JOHN KASICH and I have worked together for better than a year on trying to turn various Federal employee awards programs into deficit busters. Who knows how to make programs work better than those who work in those programs? Who knows better than Federal employees when there is waste or mismanagement of a program? And, who is likely to know when graft and bribery are robbing taxpayer's money?

There are two existing awards programs which we hope to revitalize in the bill before us today. One is the Superior Accomplishment Awards Program—also referred to as the "Incentive Awards Program" or the "Suggestions Awards Program"—which authorizes agencies to recognize and reward employees for their suggestions or achievements that contribute to the efficiency, economy, or improvement of Government operations. This program has been on the books since 1954 but agency managers have never used it to its full potential. The Superior Accomplishment Awards Program is permanent law, but H.R. 4574 reforms and strengthens the program.

The other is the Awards for Cost Savings Disclosures Program which authorizes inspectors general and the President to pay cash awards to employees who disclose fraud, waste, or mismanagement in the Government. The Cost Savings Disclosure Awards Program was established by the Omnibus Budget Reconciliation Act of 1981, and extended for 3 years in 1984. This awards program expires on September 30, unless we vote to reauthorize it, which is what H.R. 4574 does.

In these times of monstrous budget deficits and seemingly rampant Government wrongdoing, these awards programs should be our SWAT team. They can encourage Government employees to report waste and abuse wherever they find it. We know that blowing the whistle can be risky business and I hope to bring legislation to the floor in a couple of weeks to reduce the risk. The aim of these awards programs is to create an incentive to disclose waste and wrongdoing.

H.R. 4574, introduced by Congressman KASICH, culminates a year of examination of the awards programs. In 1987, the General Accounting Office [GAO] conducted one study on the Superior Accomplishment Awards Program and another on the Cost Savings Disclosure Awards Program. In both cases, the General Accounting Office found that both programs were little used. Indeed, only the inspector general of the Department of Defense had made any significant use of the Cost Savings Disclosure Awards Program. DOD may have the lion's share of waste, but it does not have an exclusive concession.

Last November, the Subcommittee on Civil Service, at the urging of Congressman KASICH, held an oversight hearing on the Superior Accomplishment Awards Program. Representative KASICH wanted to know why this program was not being used more to reduce waste in Government programs. The subcommittee heard from the General Accounting Office on the problems different agencies were experiencing with the program, from agencies with effective incentive awards programs, and from private industry. We heard how private industry made much more use of awards to motivate and reward employees. Industry gives bigger awards and makes a bigger deal when they give one. Representative KASICH incorporated many of the recommendations from that hearing in H.R. 4574, which was introduced in May.

On June 7, the subcommittee held a hearing on the legislation. Testifying were three recipients of awards from the Department of Defense inspector general who told about their cost savings disclosures. Their stories were truly heartening. They each found substantial waste of taxpayer's money, reported it to the inspector general, saw their ideas for cost savings implemented, and received a cash award. Blowing the whistle was not easy for any of them, but the reward of seeing their ideas taken seriously and of getting monetary recognition made it worth it. We also heard from a panel of five agency inspectors general; the General Accounting Office; and the Office of Personnel Management. The Department of Defense inspector general, the only inspector general who has made wide use of the program, strongly endorsed its expansion. On June 29, the subcommittee marked up H.R. 4574, adopting an amendment in the nature of a substitute.

H.R. 4574, as amended, makes permanent the Cost Savings Disclosure Awards Program and strengthens the Superior Accomplishment Awards Program. The bill increases the maximum amount of inspector general awards to 5 percent of the savings attributable to the disclosure, not to exceed $20,000. The maximum Presidential award is increased to $40,000. The bill expands the program to allow inspectors general to make awards to Government contract employees and to former Federal employees. This expansion came at the suggestion of the Department of Defense inspector general.

The bill, as amended, allows awards for disclosures which are made either directly or indirectly to the inspector general. This means that disclosures which come to the inspector general by way of, for example, Congress or the GAO fraud hotline are eligible for consideration for an award.

H.R. 4574 allows the inspectors general to make awards for disclosures to which a cost savings cannot be attributed but which are of significant importance to the Government or to the public. During the June 7 hearing, the inspectors general spoke of the confusion over where the money should come from for the awards. H.R. 4574 directs that the money to pay for these awards comes from funds appropriated to the inspector general. Obviously, Congressman KASICH and I will be working with the Appropriations Committee to ensure that these awards are adequately funded. Moreover, we expect budget requests for the inspectors general to be adequate to fund the program.

The bill increases the maximum amount of Superior Accomplishment Awards to 5 percent of the agency's cost savings attributable to the employee's accomplishments or to an amount not to exceed the basic pay of a GS-18. The agency may make an award twice this amount with the approval of the Office of Personnel Management [OPM]. As under current law, the President may give a Superior Accomplishment Award in addition to the agency award. Each agency is required to report to the Office of Personnel Management annually on awards given or the reasons for failing to make awards.

We decided to schedule this bill under suspension of the rules after subcommittee hearing and markup, but without the benefit of being reported by the Committee on Post Office and Civil Service. We did this because the session is growing late, because the authorization for the Cost Savings Award Program is soon to expire, and because the recent Pentagon procurement scandal makes the need for incentives for cost savings disclosures more important than ever. But, as a result of the bill not being reported out, a cost estimate was never requested from the Congressional Budget Office. However, no new cost is expected. The awards, all of which come out of appropriations, are made for cost savings. No cost savings, no awards.

Because there is no formal committee report on the bill, I believe it would be useful to explain the provisions of the bill in some detail:

The bill has three sections: Section 1 reauthorizes the program of awards for cost savings disclosures; section 2 reforms the program of awards for superior accomplishments; and section 3 contains the effective date.

Section 1(a) amends section 4512 of title V, United States Code, which authorizes agency awards for cost savings disclosures. Section references are to sections of chapter 45 of title V, United States Code, as amended by the bill.

Section 4512(a) requires the inspector general of each agency to establish a program under which cash awards may be paid to current or former employees of the agency. Awards are to be made for disclosures of fraud, waste, or mismanagement to the inspector general. The disclosure need not be made directly to the inspector general to justify an award. Rather, disclosures referred to the inspector general from a Member of Congress, the special counsel, the General Accounting Office hotline, another inspector general, or other sources could qualify for an award.

The only disclosures which can be awarded are those which result or may reasonably be expected to result in either cost savings to the agency or other benefits to the Government or the public. H.R. 4574, therefore, substantially expands the type of disclosures for which awards may be made. No longer are direct, hard, auditable cost savings the requirement. Rather, disclosures of plans for cost avoidance or cost minimization in the future could be rewarded. Moreover, where an employee provides the inspector general with information which leads to the uncovering of criminal activity, the inspector general could provide an award. Simply put, these awards are authorized to help the inspector general do his or her job.

We do not see these awards as bribes or bounties in any way. Nor is any employee entitled to an award for any sort of disclosure. Rather, these awards are meant as encouragement for employees to disclose waste and wrongdoing and as an aid to inspectors general.

Section 4512(b) fixes the amount of the awards. Paragraph (b)(1) provides that the award may not exceed 5 percent of the cost savings attributable to the disclosure or, if no cost savings are involved, such amount as the inspector general considers appropriate. Paragraph (b)(2) sets an overall cap of $20,000 on any individual award. Paragraph (b)(3) clarifies that the inspector general may take into account savings in future fiscal years in determining the amount of the award.

Section 4512(c) is the same as existing law and directs that in an agency where there is no inspector general, the head of the agency will appoint an employee to be responsible for making the cash awards for disclosures. The individual designated to make these awards should be the same individual who performs inspector general functions within the agency. Hence, in the Department of Justice, where the inspector general functions are performed by the Office of Professional Responsibility, the head of that office ought to be given responsibility for these awards as well.

Section 4512(d) is a new provision which allows for the payment of awards despite the death or separation from service of the employee or former employee concerned.

Section 4512(e) clarifies the law to ensure that payments of award come from funds appropriated to the account which funds the operations of the inspector general. Up until now, inspectors general were loathe to spend their own limited budgets on these awards but did not feel that they had the power to order payment of an award from another budget account. This subsection makes clear that the money comes from the inspector general's appropriation. Clearly, the Office of Management and Budget and the Congress will have to fund these accounts to support this awards program.

Section 1(b) of H.R. 4574 amends section 4513 of title V, United States Code, to authorize the President to make awards to Federal employees who make disclosures of fraud, waste, or mismanagement which result in cost savings to the Government. This provision doubles the existing maximum amount for a Presidential award by raising it to $40,000. I should note that, despite the President's strong stated support for whistleblowers, he has never made use of this authority. I certainly hope that will change.

Section 1(c)(1) of H.R. 4574 amends title V, United States Code, by adding a new section 4512a which authorizes the inspector general of an agency to make a cash award to an individual working under contract to that agency. Section references are to sections of chapter 45, title V, United States Code, as amended by section 1(c)(1) of the bill.

Section 4512a(a) directs the inspector general of each agency to establish a program whereby awards can be paid to individuals whose disclosure of waste, fraud, or mismanagement to the inspector general have or are expected to result in cost savings or some other benefit to the Government. The disclosures can be made either directly or indirectly to the inspector general.

Subsection (b) stipulates that an award made under this section can only be for a disclosure of information learned by the individual through employment under contract to the agency. This is clearly meant to encompass experts and consultants to an agency, employees and consultants of firms which contract with the agency, and employees and consultants of subcontractors.

As an example: John P. works for XYZ company. ABC company has been hired by the Navy to produce radios. ABC has contracted with XYZ to produce circuits for those radios. John P. discovers that his employer is overbilling for the circuits. John P. writes the Department of Defense inspector general to disclose this. After investigation, the inspector general confirms that John P.'s charges were accurate. The inspector general could grant John P. a cash award.

Subsection (c) of new section 4512a of title V, United States Code, states that the maximum amount of an award under the section is $20,000, the same as it is for employees and former employees of the Federal Government.

Subsection (d) directs that in an agency where there is no inspector general, the head of the agency will appoint an employee to be responsible for making the cash awards for disclosures. Again, this individual should be the individual who also performs inspector general functions within the agency.

Subsection (e) allows for the granting of awards despite the death or separation from service of the employee or former employee concerned under the same provisions as are applicable to employees and former employees.

Subsection (f) specifies that funds for the awards come from funds appropriated to the account which funds the other functions of the inspector general.

Section 1(c)(2) of H.R. 4574 amends the section analysis for chapter 45 of title V, United States Code, to insert section 4512a.

Section 1(d) of H.R. 4574 repeals section 4514 of title V, United States Code thereby eliminating the expiration date for the awards program making it permanent law. Section 2(a) amends title V, United States Code, by substituting new text for sections 4502 through 4504 concerning awards for superior accomplishments. Section references are to sections of chapter 45 as amended by section 2(a) of the bill.

Section 4502 contains the general provisions of the awards program for superior accomplishments. Subsections (a) and (b) restate existing subsections (c) and (d).

Section 4503 provides authority for heads of agencies to pay awards for superior accomplishments. Subsection (a) is the same as existing law. Subsection (b) greatly increases the maximum amount which may be awarded for superior accomplishments. Paragraph (1) states that an agency may make a cash award of no more than the lesser of an amount equal to 5 percent of the agency's cost savings attributable to the employee's accomplishments or the annual rate of basic pay for the grade GS-18. If no cost savings can be attributed to the accomplishment, the amount of the award may not be more than the basic pay for a grade GS-18.

Paragraph (2) provides that when the head of an agency certifies to the Office of Personnel Management that an accomplishment is highly exceptional or unusually outstanding, the cash award may be up to twice the amount of the maximum amount allowed in paragraph (1).

Section 4504 restates existing law concerning Presidential awards for superior accomplishments and adds a new provision stating that the President will determine the amount of the award.

Section 2(b) of H.R. 4574 adds a new section 4507 of title V, United States Code, concerning reporting requirements. Existing section 4507 is redesignated as section 4508.

New section 4507, as added by H.R. 4574, sets forth the requirements for reporting on the awards program for superior accomplishments. Subsection (a) requires that each agency annually report to the Office of Personnel Management on its awards program for superior accomplishments. The contents of the report are specified to include: (A) the number of awards and the amount of each one; (B) if no cash award was made during the preceding year, an explanation of the failure to grant awards together with a description of any difficulties experienced by the agency in administering the awards program; (C) a statement of measures taken to overcome such difficulties; and (D) any other information which the Office of Personnel might require.

Obviously, nothing in H.R. 4574 requires that any agency report or otherwise publicly disclose any information properly classified in the interest of national security.

Subsection (b) requires the Office of Personnel Management to send an annual report on the Government awards programs for superior accomplishments to the Committee on Post Office and Civil Service of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the head of each agency. The report must include a list of agencies that did not make any cash awards for superior accomplishments; a list of agencies that did not submit the required report on their awards program to the Office of Personnel Management; a description and an evaluation of each agency's awards program; and recommendations of legislative or administrative steps to improve the program.

The bill specifically requires that the name of each agency which failed to make awards under the program or which failed to file the required report shall be published in the Federal Register.

Section 2(b)(1)(B) of H.R. 4574 amends the section analysis of chapter 45 within title V, United States Code, to add new section 4507 on reports and redesignate existing section 4507 as section 4508.

Section 2(b)(2) of the bill contains technical amendments to a variety of other laws conforming the section references to existing section 4507 to new section 4508.

Section 3 sets October 1, 1988, as the effective date.

H.R. 4574 is good legislation. It deserves your support.

□ 1330

Mr. HORTON. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I rise in support of H.R. 4574, which will make permanent the Inspectors General Cash Awards Program. I want to take this opportunity to commend the gentleman from Ohio [Mr. KASICH] and also the chairwoman of the Civil Service Subcommittee, the gentlewoman from Colorado [Mrs. SCHROEDER], for introducing this important legislation.

Mr. Speaker, as ranking minority member of the Committee on Government Operations, I have introduced legislation to create inspectors general for nearly every agency in the Federal Government. This year the Committee on Government Operations has reported out a bill to create four more inspectors general for the Departments of Treasury and Justice, the Federal Emergency Management Administration, and the U.S. Postal Service. As a matter of fact, that bill will be coming up a little bit later. It is H.R. 4054, which is the IG Act amendments.

Mr. Speaker, IG's, inspectors general, have been extremely effective in eliminating waste, fraud, and abuse in the Federal Government. They have saved the Government billions of dollars. Much of their work is accomplished through the efforts of Federal employees who come forward and report problems to the IG's. Often these Federal employees are rewarded by resentment or hostility from their managers or colleagues. It makes sense that we give Federal employees an incentive to report waste, fraud, and abuse and give them compensation for their reporting of this information.

There are two programs in place to address these needs: the employee suggestion programs and the IG's cash awards. Last year in separate reports, the General Accounting Office stated that with the exception of the Department of Defense, both programs are not used to their fullest extent. In most agencies, the programs are not promoted, thus employees are unaware they exist.

Mr. Speaker, H.R. 4574 incorporates the GAO suggestions and includes provisions to bolster the IG Cash Awards and Suggestion Award Programs. Not only does the bill make permanent the Cash Awards Program but it increases the amount of individual awards. In addition, the bill expands the scope of the IG award to include former Federal employees and contract employees.

Mr. Speaker, the Federal Government has saved significant amounts of money due to the willingness of concerned employees to report to inspectors general. In my judgment it is only fair that we recognize and reward these people for their courage.

H.R. 4574 will provide IG's with the resources to accomplish this end.

Mr. Speaker, I urge my colleagues to vote for this bill and, again, I commend the chairwoman of the subcommittee, the gentlewoman from Colorado [Mrs. SCHROEDER], and particularly the sponsor of this bill, the gentleman from Ohio [Mr. KASICH].

Mr. Speaker, I yield 6 minutes to the gentleman from Ohio [Mr. KASICH], the principal sponsor of this legislation.

Mr. KASICH. Mr. Speaker, first of all I want to say that for a number of years I have made the argument that public employees are in the best position to figure out how to end waste, fraud, and abuse in the Federal Government and to figure out ways to save lots of money.

Mr. Speaker, if Members look at the Department of Defense, it turns out to be true, because if you look at this chart which represents 1986, Members can see that in the Department of the Army, the Department of the Army saved about $92 million, the Navy $27 million, and the Air Force $141 million, but if we look down at a giant department like Health and Human Services where they do not use this program and do not encourage public employees to participate, they only saved a measly $868,000 and, in fact, when we surveyed the entire Federal Government, we found out that the only agency, department or bureau of the Federal Government that was using aggressively the program to award money to Federal employees for finding waste, fraud, and abuse was the Department of Defense, but using the Department of Defense aggressively and adding up the savings from the other departments in 1986, the Federal Government was able to save $487 million, and that is $0.5 billion, without even using this program very effectively.

Mr. Speaker, what we have been able to do here is to increase the awards that we make to Federal employees and reemphasize the need for this program. If Members look at 1987, they will find out we did not do as well as we did in 1986, and in fact, what we find is a general dropoff in the participation in the programs that involve awards. What we also find is that the number of employees per 100 that offer suggestions is miserably low, and we find out, as reported by the GAO, that virtually no areas of the Federal Government participate in this program, so it seems to me as though we ought to reemphasize this program. I can give the Members example after example after example of people who save lots of money for the Federal Government.

Mr. Speaker, a constituent from my district developed a unique way to run pharmacies in the Federal Government, saving millions of dollars, and his reward after we went and helped him to submit his request was $5,000, and he probably should have done much better than that. Leroy McCurdy, an electronics specialist at the Sacramento Air Logistics Center, saved $1.7 million for the Federal Government and received $33,000. We had a man who saved $1.2 million for the Federal Government and received $8,000. What we do in our program is we boost the award system up to as high as $150,000 for a Federal employee who can save millions of dollars for the Federal Government.

Mr. Speaker, Federal employees do not want plaques, and they do not want pats on the back. If we are going to get those who run these programs to be imaginative in the way in which they can make them run more effectively and efficiently, we ought to reward them.

The second part of this bill is the inspector general's program. What we do is we say that contractor employees for the Federal Government ought to be covered under this legislation, for one who worked for a defense contractor and was aware of fraud and ripoff. Where in our history have we been more aware of the fact that contractor employees can be an integral part of resolving many of the problems in the Federal Government, with the Pentagon scandal going now. We should be reemphasizing and expanding the Inspector General Program with contractor employees the same, if we go to Morton Thiokol, the employees there, who were involved with the space shuttle.

Mr. Speaker, we cannot even go across the board and talk about all the contractor employees who should be covered in this legislation. We cannot emphasize it enough.

Let me tell the Members the Inspector General Program has functioned in six separate agencies of the Federal Government, and let me show the Members what the results are. That means that Federal employees, not contractor employees, but Federal employees who have reported to the inspector general waste, fraud, and abuse in the Federal Government, in the Department of Defense in the last fiscal year, they saved $29 million through reports to the inspector general and $14 million in cost savings. That figure has now been updated by getting through the rest of the fiscal year. Cost savings in the Department of Defense were $116 million.

Let me show the Members how the other programs, the other departments, have used the Inspector General Program. As the Members can see, there are goose eggs for everybody. No one has used the Inspector General programs to save money. What this legislation does is it boosts the awards that inspectors general can make to employees for having the courage to come forward on waste, fraud, and abuse and at the same time expands this program to cover contractor employees.

Mr. Speaker, if we are going to try to deal with the problems in the Federal Government and the giant deficits and the ability to make Government more efficient, I want to tell everyone that I believe that every single agency, bureau and department in this Federal Government is full of waste and full of abuse and full of redtape. The only way we are going to eliminate these problems is to get the employees who work there to report this.

Mr. Speaker, what we have been able to do with the very strong support of the gentlewoman from Colorado [Mrs. SCHROEDER], who ought to be given all the plaudits for doing this on a bipartisan basis, is to boost the awards both for the award in the Federal Government, to emphasize the inspector general's programs, to provide incentives for contractor employees to reveal waste, fraud, and abuse, and to get the people who are involved participating, active and given them the incentives which are necessary for us to save lots and lots and lots of moneys.

Mr. Speaker, our deficits are giant, and I believe that we can make a giant dent in those deficits if we can only be more imaginative in the way we work, and we have to challenge Federal employees to rock the boat, to shake the system, to want to make a difference, and the greatest incentive that we can give those Federal employees is an ability to share in the cost savings that they bring to the Federal Government. That is why this bill is so important. That is why I have to commend the gentleman from New York [Mr. HORTON] and the gentlewoman from Colorado [Mrs. SCHROEDER] for giving me the opportunity to present the issue to receive the support of the committee and pass this through the House of Representatives.

Mr. Speaker, we should not underestimate the capability of this program in helping America.

Mr. HORTON. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, again, I congratulate the gentleman from Ohio [Mr. KASICH] for his pursuance of this legislation and for the work he has done, the time he has spent and particularly I thank him for his bringing this to the attention of our committee.

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of H.R. 4574, the Federal Employees Cost-Savings Awards Act and I commend the gentleman from Ohio [Mr. KASICH] and the gentlelady from Colorado [Mrs. SCHROEDER] for bringing this measure to the floor.

H.R. 4574 makes permanent the program allowing the inspector general [IG] of each Federal agency to pay cash awards for Federal employees whose disclosures of fraud, waste, or mismanagement result in savings for the Federal Government. It also, amends the Federal Employees Incentive Awards Program to increase amounts which may be awarded to employees whose superior accomplishments increase Federal efficiency.

Mr. Speaker, these days we have been hearing a great deal about abuses in defense procurement: bribes, waste, and fraud. This legislation will not make the problem disappear over night but it will certainly help shed some light by providing some important incentives for weeding out abuses.

Accordingly, I urge my colleagues to fully support H.R. 4574.

Mr. HORTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to thank one more time the gentleman from Ohio [Mr. KASICH], who serves with me on the Committee on Armed Services, for pursuing this. In fact, we have a hearing starting in minutes on what to do about the procurement scandal, and while they are getting ready to meet on it, we have already done something here on the House floor. Again, the distinguished gentleman from New York [Mr. HORTON], who brings his expertise from Government Ops and all his experience with the inspector general, really helped us put together a bill that I know will work.

Mr. Speaker, I urge the support of this.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PANETTA). The question is on the motion offered by the gentlewoman from Colorado [Mrs. SCHROEDER] that the House suspend the rules and pass the bill, H.R. 4574, as amended.

The question was taken; and—two-thirds having voted in favor thereof—the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bills, H.R. 4726 and H.R. 4574.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

STRENGTHENING CERTAIN FISH AND WILDLIFE LAWS

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4030) to strengthen certain fish and wildlife laws, as amended.

The Clerk read as follows:

H.R. 4030

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—LACEY ACT AMENDMENTS

SEC. 101. PROHIBITED ACT.

Section 3 of the Lacey Act Amendments of 1981 (16 U.S.C. 3372) is amended—

(1) in subsection (a)(1) (16 U.S.C. 3372(a)(1)) by striking "taken or possessed" and inserting in lieu thereof "taken, possessed, transported, or sold";

(2) by striking subsection (a)(4) (16 U.S.C. 3372(a)(4)) and redesignating subsection (a)(5) as subsection (a)(4); and

(3) by adding at the end thereof the following:

"(c) Sale and Purchase of Guiding and Outfitting Services and Invalid Licenses and Permits.—

"(1) Sale.—It is deemed to be a sale of fish or wildlife in violation of this Act for a person for money or other consideration to offer or provide—

"(A) guiding, outfitting, or other services; or

"(B) a hunting or fishing license or permit; for the illegal taking, acquiring, receiving, transporting, or possessing of fish or wildlife.

"(2) Purchase.—It is deemed to be a purchase of fish or wildlife in violation of this Act for a person to obtain for money or other consideration—

"(A) guiding, outfitting, or other services; or

"(B) a hunting or fishing license or permit;

for the illegal taking, acquiring, receiving, transporting, or possessing of fish or wildlife.

"(d) False Labeling Offenses.—It is unlawful for any person to make or submit any false record, account, or label for, or any false identification of, any fish, wildlife, or plant which has been, or is intended to be—

"(1) imported, exported, transported, sold, purchased, or received from any foreign country; or

"(2) transported in interstate or foreign commerce.".

SEC. 102. PENALTY.

(a) Civil Penalty.—Paragraph (1) of section 4(a) of the Lacey Act Amendments of 1981 (16 U.S.C. 3373(a)(1)) is amended by inserting "and any person who knowingly violates section 3(d)," after "any underlying law, treaty, or regulation,".

(b) Criminal Penalty.—Subsection (d) of section 4 of the Lacey Act Amendments of 1981 (16 U.S.C. 3373(d)) is amended by adding at the end the following:

"(3) Any person who knowingly violates section 3(d)—

"(A) shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both, if the offense involves—

"(i) the importation or exportation of fish or wildlife or plants; or

"(ii) the sale or purchase, offer of sale or purchase, or commission of an act with intent to sell or purchase fish or wildlife or plants with a market value greater than $350; and

"(B) shall be fined under title 18, United States Code, or imprisoned for not more than 1 year, or both, if the offense does not involve conduct described in subparagraph (A).".

(c) Conforming Amendments.—Section 4 is amended in subsections (a)(1), (d)(1)(A), (d)(1)(B), and (d)(2) by striking "(other than section 3(b))" each place those words appear and inserting in lieu thereof "(other than subsections (b) and (d) of section 3)".

SEC. 103. REVIEW OF CIVIL PENALTY.

The first sentence of subsection (c) of section 4 of the Lacey Act Amendments of 1981 (16 U.S.C. 3373(c)) is amended to read as follows:

"(c) Review of Civil Penalty.—Any person against whom a civil penalty is assessed under this section may obtain review thereof in the appropriate district court of the United States by filing a complaint in such court within 30 days after the date of such order and by simultaneously serving a copy of the complaint by certified mail on the Secretary, the Attorney General, and the appropriate United States attorney.".

SEC. 104. ENFORCEMENT POWERS.

Subsection (b) of section 6 of the Lacey Act Amendments of 1981 (15 U.S.C. 3375(b)) is amended in the first sentence by striking all after the first clause and before the proviso and inserting the following: "may, when enforcing this act, make an arrest without a warrant, in accordance with any guidelines which may be issued by the Attorney General, for any offense under the laws of the United States committed in the person's presence, or for the commission of any felony under the laws of the United States, if the person has reasonable grounds to believe that the person to be arrested has committed or is committing a felony; may search and seize, with or without a warrant, in accordance with any guidelines which may be issued by the Attorney General;".

TITLE II—SIKES ACT AMENDMENTS AND AUTHORIZATION

SEC. 201. STATE USE OF AMOUNTS FROM STAMP FEES.

Section 203(b)(3) of Public Law 86-797 (commonly known as the Sikes Act; 16 U.S.C. 670i(b)(3) is amended to read as follows:

"(3) Except for expenses incurred in the printing, issuing, or selling of such stamps, the fees collected for such stamps by the State agency shall be utilized in carrying out conservation and rehabilitation programs implemented under this title in the State concerned. Such fees may be used by the State agency to provide public access to program lands that have no existing public access for enhancement of outdoor recreation and wildlife conservation.".

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

(a) Authorization of Appropriations for Conservation Programs on Military Reservations.—Subsections (b) and (c) of section 106 of Public Law 86-797 (16 U.S.C. 670f(b) and (c)) are each amended by striking "and 1988," and inserting in lieu thereof "1988, 1989, 1990, 1991, 1992, and 1993,".

(b) Authorization of Appropriations for Conservation Programs on Public Lands.—Subsections (a) and (b) of section 209 of Public Law 86-797 (16 U.S.C. 670o(a) and (b)) are each amended by striking "and 1988," and inserting in lieu thereof "1988, 1989, 1990, 1991, 1992, and 1993,".

TITLE III—WETLANDS LOAN FUND EXTENSION; MIGRATORY BIRD HUNTING STAMP ACT AMENDMENT

SEC. 301. WETLANDS LOAN FUND EXTENSION.

The first section of the Act entitled "An Act to promote the conservation of migratory waterfowl by the acquisition of wetlands, and for other essential waterfowl habitat, and for other purposes, approved October 4, 1961 (16 U.S.C. 715k-3), is amended by striking "at the close of September 30, 1988," and inserting in lieu thereof "when all amounts authorized to be appropriated have been expended,".

SEC. 302. MIGRATORY BIRD HUNTING STAMP ACT AMENDMENT.

Section 5 of the Act of March 16, 1934 (commonly known as the Migratory Bird Hunting Stamp Act; 16 U.S.C. 718e(c)) is amended in the second sentence by inserting after "paid" the following: ", after deducting expenses for marketing,".

TITLE IV—CONVEYANCE AND NAMING OF FISH HATCHERIES

SEC. 401. CONVEYANCE.

Subject to section 403, the Secretary of the Interior shall convey, without consideration, to the University of Georgia all right, title, and interest of the United States in and to the property described in section 402, for use by the University of Georgia in its fishery research and extension program.

SEC. 402. DESCRIPTION OF PROPERTY.

The property referred to in section 401 is a tract of land comprising approximately 63 acres, and improvements thereto, located in lots 25 and 48 of the 11th District, 3rd Section, Whitfield County, Georgia, as generally depicted in the legal description of the Cohutta Fish Hatchery contained in Appendix A of the Memorandum of Agreement between the United States Fish and Wildlife Service and the University of Georgia, Agreement No. 14-16-0004-83-926, dated September 29, 1983.

SEC. 403. REVERSIONARY INTEREST OF THE UNITED STATES.

The property conveyed under this title shall continue to be reserved, maintained, and utilized by the Universty of Georgia in its fishery research and extension program. If any of the property is used for any other purpose, the title to such property shall revert to the United States.

SEC. 404. NAMING OF BO GINN NATIONAL FISH HATCHERY AND AQUARIUM.

The fish hatchery and aquarium known as the Millen National Fish Hatchery, located on Georgia State Highway 25 north of Millen, Georgia, shall be known as the "Bo Ginn National Fish Hatchery and Aquarium". Any reference in any law, map, regulation, document, record, or other paper of the United States to such hatchery and aquarium is deemed to be a reference to the "Bo Ginn National Fish Hatchery and Aquarium."

TITLE V—ACQUISITION OF LANDS ADJACENT TO KILAUEA POINT NATIONAL WILDLIFE REFUGE

SEC. 501. ADDITIONAL LANDS.

(a) Authorization.—The Secretary of the Interior is authorized to acquire certain additional lands adjacent to the Kilauea Point National Wildlife Refuge on Kauai, Hawaii, which shall become part of the Kilauea Point National National Wildlife Refuge upon acquisition by the Secretary.

(b) Description of Lands.—The lands to be acquired pursuant to subsection (a) are—

(1) Crater Hill, comprising approximately 101.1 acres; and

(2) Mokolea Point, comprising 37.6 acres.

SEC. 502. CONSTRUCTION AND ENHANCEMENT PROJECTS.

(a) In General.—Within the Kilauea Point National Wildlife Refuge (upon acquisition of the lands described in section 501), the Secretary of the Interior may—

(1) construct and maintain access foot trails, including pedestrian viewing trails, to provide for public access;

(2) construct an access road for these lands to facilitate law enforcement and ensure public safety;

(3) acquire, or construct, and maintain a fence to provide for wildlife protection;

(4) conduct native plant restoration and wildlife enhancement activities; and

(5) establish a recreation area in the vicinity of Kahili Bay.

(b) CONSTRUCTION REQUIREMENT.—Trails and access roads constructed under this section shall be constructed in a manner consistent with preserving the wild and scenic beauty of the wildlife refuge.

SEC. 503. AUTHORIZATION OF FUNDING.

There is hereby authorized to be appropriated $2,600,000 to carry out the provisions of this title.

TITLE VI—AMENDMENTS TO ACT PROVIDING FOR RESTORATION OF KLAMATH RIVER BASIN FISHERY RESOURCES

SEC. 601. TRAVEL EXPENSES FOR TASK FORCE MEMBERS.

Section 4(i) of the Act entitled "An Act to provide for the restoration of the fishery resources of the Klamath River Basin, and for other purposes" (approved October 27, 1986; 16 U.S.C. 460ss-3(i)) is amended to read as follows:

"(i) EXPENSES.—

"(1) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of services for the Task Force, Task Force members shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed travel expenses under section 5703 of title 5 of the United States Code. Any Task Force member who is an employee of an agency or governmental unit and is eligible for travel expenses from that agency or unit for performing services for the Task Force is not eligible for travel expenses under this paragraph.

"(2) LIMITATION ON SPENDING AUTHORITY.—No money authorized to be appropriated under section 6 may be used to reimburse any agency or governmental unit (whose employees are Task Force members) for time spent by any such employee performing Task Force duties.".

SEC. 602. PROCEDURES OF COUNCIL AND TASK FORCE.

(a) COUNCIL PROCEDURES.—Section 3(g)(1) of such Act of October 27, 1968 (16 U.S.C. 460ss-2(g)(1)) is amended to read as follows:

"(1) PROCEDURES.—The Council shall establish practices and procedures for the carrying out of its functions under subsection (b). The procedures shall include requirements that—

"(A) a quorum of the Council must be present before business may be transacted; and

"(B) no comprehensive plan or recommendation referred to in subsection (b)(1)(A) or (B) may be adopted by the council except by the unanimous vote of all members present and voting.".

(b) TASK FORCE PROCEDURES.—Section 4(f)(1) of such Act of October 27, 1986 (16 U.S.C. 460ss-3(f)(1)) is amended to read as follows:

"(1) PROCEDURES.—The Task Force shall establish practices and procedures for the carrying out of its functions under subsection (b). The procedures shall include the requirement that a quorum of the Task Force must be present before business may be transacted.".

SEC. 603. CONFORMING AND TECHNICAL AMENDMENTS.

Such Act of October 27, 1986, is further amended as follows:

(1) Sections 3(i) and 4(h) are each amended by striking out "or the State of California" and inserting ", the State of California, or the State of Oregon".

(2) Section 3(j)(1) is amended by adding at the end thereof the following new sentence: "Any Council member who is an employee of an agency or governmental unit and is eligible for travel expenses from that agency or unit for performing services for the Council is not eligible for travel expenses under this paragraph."

(3) The first sentence of section 6(a) is amended by inserting before the period the following: "and for the payment of travel expenses under sections 3(j) and 4(i)".

(4) Section 6(b)(3) is amended by striking out "volunteers" and all that follows thereafter and inserting "volunteers.".

SEC. 604. SHORT TITLE.

Such Act of October 27, 1986, is further amended by adding at the end thereof the following new section:

"SEC. 8. SHORT TITLE.

"This Act may be cited as the 'Klamath River Basin Fishery Resources Restoration Act'.".

TITLE VII—RUSSIAN RIVER STUDY

SEC. 701. JOINT FEDERAL-STATE STUDY AND RECOMMENDATIONS.

(a) IN GENERAL.—

(1) STUDY.—Subject to section 703, the Director of United States Fish and Wildlife Service (hereinafter in this title referred to as the "Director") and the Secretary of the Army (hereinafter in this title referred to as the "Secretary") shall—

(A) jointly undertake a comprehensive study of the fishery resources and fishery habitats of the Russian River (California) basin (hereinafter in this Act referred to as the "basin") and, on the basis of such study, develop goals and short-term and long-term recommended actions for maximizing the restoration and conservation of such resources and habitats;

(B) invite the Director of the Department of Fish and Game of the State of California to participate in undertaking the study and developing recommended actions; and

(C) submit the study and recommended goals and actions to Congress before October 1, 1991.

(2) PARTICIPATION OF DIRECTOR OF CALIFORNIA DEPARTMENT OF FISH AND GAME.—If there is an affirmative response to the invitation extended under paragraph (1)(B), the Director of the Department of Fish and Game of the State of California is authorized to participate jointly with the Director and the Secretary in undertaking the study and developing recommended goals and actions.

(b) MEMORANDUM OF UNDERSTANDING.—The Director, the Secretary, and the Director of the Department of Fish and Game of the State of California, if a joint participant, shall enter into a memorandum of understanding which shall set forth the respective responsibilities of each of the agencies in carrying out the study under this title. The United States Fish and Wildlife Service shall be the lead agency for purposes of carrying out this title.

(c) CONSULTATION.—In carrying out this title, the Director and the Secretary shall, to the maximum extent practicable, consult with the National Marine Fisheries Service, appropriate commercial and recreational fishing interests, affected local governments, and (if the joint participation referred to in subsection (a)(2) is not affected) the Director of the Department of Fish and Game of the State of California.

SEC. 702. STUDY CONTENTS.

The study referred to in section 701 shall include, but is not limited to, the following:

(1) DESCRIPTION OF FISHERY RESOURCES AND HABITATS.—A description of the fishery resources and fishery habitats of the basin that is based, to the maximum extent practicable, on new stream surveys and other field data collected expressly for the study. The description shall include, but not be limited to—

(A) an identification, and an estimate of the extent of utilization, of the existing spawning and rearing areas in the mainstream and tributaries;

(B) an evaluation of the quality and quantity of gravels in the spawning areas in the mainstream and tributaries;

(C) estimates of the instream flow needs for steelhead and chinook salmon in the mainstream and tributaries;

(D) population estimates of all fish species in the basin that are of sport or commercial value;

(E) an evaluation of the effectiveness of screens on water diversions along the mainstream and tributaries; and

(F) an identification of alternative bank stabilization methods which would allow for growth of shade producing riparian vegetation.

(2) DESCRIPTION OF BASIN AND ANALYSIS.—A description of the basin and an analysis of how its characteristics, and current and planned land and water use practices within the basin, have affected, and can be expected to affect, the fishery resources and fishery habitats of the basin.

(3) HISTORICAL ACCOUNT OF FISHERY RESOURCES AND HABITATS AND ANALYSIS.—A historical account of the fishery resources and fishery habitats of the basin and an analysis of the current status and the trends of such resources and habitats, including an analysis of the existing and projected problems facing such resources and habitats.

(4) EVALUATION OF INFORMATION.—An evaluation of the adequacy of the information that is currently available, and specification of the additional kinds and quantity of information that must be obtained, for purposes of carrying out the conservation and restoration of the fishery resources and the fishery habitats of the basin.

(5) FEDERAL, STATE, AND LOCAL GOVERNMENT ROLES.—A discussion of the respective roles of the Federal, State, and local government authorities that pertain to the conservation and restoration of the fishery resources and fishery habitats of the basin, with particular attention being given to the fishery management plans and responsibilities of such authorities and the relationship of such plans with applicable private fishery management plans.

SEC. 703. COST SHARING.

(a) REQUIREMENT FOR SHARING.—The State of California may not jointly participate in undertaking the study referred to in section 701 or in developing goals and recommended actions unless the Director is satisfied that the State of California will pay, on a basis considered timely and appropriate by the Director and from non-Federal sources, one-third of the cost of the study.

(b) IN-KIND CONTRIBUTIONS.—In addition to cash outlays, the Director shall consider as payment by the State of California under subsection (a) the value of in-kind contributions and personal property provided by, or on behalf of, the State for purposes of carrying out the study. Valuations made by the Director under this subsection are final and not subject to judicial review.

(c) IN-KIND CONTRIBUTIONS.—For purposes of subsection (b), in-kind contributions may be in the form of personal services rendered by volunteers.

(d) REGULATIONS.—The Director shall by regulation establish—

(1) the training, experience, and other qualifications which such volunteers must have in order for their services to be considered as in-kind contributions; and

(2) the standards under which the Director will determine the value of in-kind contributions and real and personal property for purposes of subsection (b).

(e) LIMITATION.—The Director may not consider the expenditure, either directly or indirectly, with respect to the study of Federal moneys received by the State of California or any local government of such State to be a financial contribution from a non-Federal source to carry out the study.

SEC. 704. AUTHORIZATION OF APPROPRIATIONS.

For carrying out this Act there are authorized to be appropriated to the Director and to the Secretary a total of not more than $2,000,000 for fiscal years 1990 and 1991.

The SPEAKER pro tempore (Mrs. SCHROEDER). Is a second demanded?

Mr. YOUNG of Alaska. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 4030, a noncontroversial bill to strengthen certain fish and wildlife laws, consists of seven separate titles.

Title I amends the Lacey Act, a law to control the commerce in illegally taken fish and wildlife. This title overturns a wrongly decided case from the Ninth Circuit Court of Appeals and provides that the sale of both guiding or outfitting and transportation services for the purpose of illegally obtaining wildlife be made subject to the penalties of the Lacey Act.

The title also makes several additional technical changes which the Department of Justice strongly advocates. The first would clarify the search and seizure and arrest authority for fish and wildlife law enforcement agents, consistent with constitutional requirements. The second expands the list of prohibited activities subject to Federal penalties under the Lacey Act. The third amendment modifies the false labeling provisions of the Lacey Act.

Additional technical changes have also been made to title I of H.R. 4030, as reported out of my committee, at the request of the Committee on the Judiciary. One of these changes deleted a provision in our reported bill which stated that each violation of the false labeling prohibitions would constitute a separate offense. The Judiciary Committee pointed out that an express statement to this effect was unnecessary because it was self evident on the face of the false labeling amendment itself that each violation would constitute a separate offense of the Lacey Act. We therefore agreed to delete this provision with the understanding that it would not prevent enforcement officers from charging separate counts for each violation of the false labeling prohibitions.

Title II reauthorizes the Sikes Act. This act provides for wildlife management agreements between Federal and State governments to enhance wildlife conservation on Federal lands.

Title III contains two provisions on wetlands and migratory bird conservation. The first would extend the authorization for the Wetlands Loan Fund. This act authorizes expenditures for the acquisition of important wetlands and other essential waterfowl habitat. The second would amend the Duck Stamp Act to allow the U.S. Fish and Wildlife Service to deduct the expenses of marketing the duck stamp copyright from the royalties derived from the sale of duck stamp products. This would allow the Service to market the stamps more aggressively, which should generate additional revenues for acquiring wetlands.

Title IV provides for the transfer of a Federal fish hatchery in Georgia to the University of Georgia. The university currently has a long-term lease to operate the hatchery, but needs full title to enable it to make necessary capital improvements. Title IV also renames the national fish hatchery in Millen, GA, in honor of former Congressman Bo Ginn.

Title V authorizes $2.6 million for the acquisition of additional lands and making needed improvements for a national wildlife refuge in Hawaii.

Title VI makes several technical changes to the Klamath River Basin Restoration Act. This act established the Klamath River Basin Conservation Area and the Klamath Fishery Management Council and Task Force.

Finally, title VII incorporates the provisions of H.R. 2513, a bill authorizing a study of the fishery resources of the Russian River Basin. Title VII contains the same provisions of H.R. 2513 as reported out of the Committee on Merchant Marine and Fisheries with one exception. At the request of the Public Works and Transportation Committee, we have deleted section 4 of H.R. 2513, the bill regarding the extension of a permit by the Secretary of the Army for a dam in California. I note Public Works and Transportation received a joint referral of H.R. 2513 and has agreed with the decision to incorporate it into H.R. 4030.

In conclusion, I would like to commend the chairman of the Fisheries and Wildlife Subcommittee, Mr. STUDDS, for his excellent work in putting this bill together. This bill had unanimous bipartisan support in my committee and I urge the adoption of H.R. 4030 to improve and strengthen a number of our Nation's wildlife and fisheries laws.

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Madam Speaker, I reserve the balance of my time.

Mr. YOUNG of Alaska. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 4030 and the accompanying amendment. This legislation contains several reauthorizations and additions to certain fish and wildlife laws.

Title I of the legislation contains a set of amendments to the Lacey Act which have been recommended by the Department of Justice.

Title II contains legislation to reauthorize the Sikes Act for an additional 5 years, an act that I personally have reviewed to make sure that fish and wildlife programs on military lands are indeed carried out to the benefit of all resources.

Title III of the bill involves the extension of the Wetlands Loan Act and the Duck Stamp Licensing Program. Both provide moneys to the Migratory Bird Conservation Fund which are used for wetland habitat acquisition.

The fourth title of the bill authorizes the transfer of a Federal fish hatchery in Georgia to the University of Georgia.

The fifth title provides an authorization for additional lands to the Kilauea Point National Wildlife Refuge in Hawaii. Congresswoman SAIKI has worked hard for this provision for it ensures that the beauty of the native plants and animals of Hawaii are preserved and encouraged within the refuge.

And, finally, the last two titles of the bill make several technical amendments to the Klamath River Basin Restoration Act concerning the Klamath River and requires a study of fishery resources of the Russian River, both located in northern California.

Madam Speaker, this is indeed a bill that will provide benefits for numerous fish and wildlife programs and refuges. I believe that the entire package is noncontroversial and would ask for its adoption.

Mr. JONES of North Carolina. Madam Speaker, I yield such time as he may consume to the gentleman from California [Mr. BOSCO].

Mr. BOSCO. Madam Speaker, I appreciate the gentleman yielding me time to speak on this legislation.

Madam Speaker, I rise in support of H.R. 4030, fish and wildlife amendments, and I would like to commend the gentleman from North Carolina [Mr. JONES] and the gentleman from Massachusetts [Mr. STUDDS] for their work in bringing this bill to the floor today.

The committee amendment to H.R. 4030 includes a new title, title VII, containing the text of H.R. 2513, a bill I introduced authorizing a study of the Russian River Basin. The Russian River is located in northern California and was once internationally known for its fishery resources.

Title VII requires the U.S. Fish and Wildlife Service and the U.S. Army Corps of Engineers, in coordination with the California Department of Fish and Game, to conduct an indepth study of the fishery resources and habitats of the Russian River Basin, and to develop recommendations for restoration and conservation. The title calls for a $2 million authorization for fiscal years 1990 and 1991.

As originally drafted, H.R. 2513 called for a $3 million Federal authorization, but the California Department of Fish and Game indicated its willingness to cover one-third of the costs of the study. Consequently, my original bill was amended to allow fish and game to participate equally in the study, thereby resulting in a $1 million savings to the Federal Government.

Additionally, the measure will allow the National Marine Fisheries Service to play a consultative role in the study and will require that the basin description be based largely on new stream surveys and other field data.

There has never been a coordinated attempt to manage the river's resources responsibly. It is my intention that the study required by title VII should become the basis for a long-range, comprehensive fisheries restoration plan for the entire basin.

Madam Speaker, over the years the Russian River has experienced marked declines in habitat quality and in the productivity of its fishery resources. I am hopeful that the passage of this bill will put us on the track toward the eventual restoration of some of our country's most magnificent fishery resources.

Madam Speaker, I would like to note that H.R. 4030 as amended also contains the text of H.R. 3496, a bill I introduced concerning the restoration of the Klamath River. This language is contained in title VI of the bill.

Title VI makes technical changes to Public Law 99-552, the Klamath River Restoration Act. The title would allow for greater flexibility in the voting procedures of the Klamath Fishery Management Council and the Klamath River Basin Fisheries Task Force, and would reimburse the travel expenses of the task force in the same manner as members of the council. These funds would be paid out of the $21 million provided for under Public Law 99-552.

Mr. JONES of North Carolina. Madam Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. STUDDS], the chairman of the subcommittee.

Mr. STUDDS. Madam Speaker, In consideration for humanity, I will refrain from giving my statement and would simply like to commend all those Members who were here earlier and who commended me.

Madam Speaker, I rise today to speak in support of H.R. 4030, legislation to amend and strengthen certain wildlife laws. The bill contains six titles, each addressing a separate issue related to wildlife conservation.

Title I consists of several amendments to the Lacey Act that were proposed by the Department of Justice. It would render the providing of outfitting or guiding services or the sale of transportation services for the purpose of illegal hunting or fishing subject to the penalties of the Lacey Act. It also makes several additional changes to the Lacey Act. The first would expand the authority for enforcement agents to arrest people for violations of Federal law committed in their presence—such as drug violations or assaults; the authority is similar to that currently contained in the Magnuson Act and the Endangered Species Act.

The second would expand the list of federally prohibited activities that are subject to the act to include prohibitions on the transport or sale of fish or wildlife. The third would clarify that the civil and criminal penalties of the act apply to violations of the false labeling prohibitions in the act without a showing that the fish or wildlife was taken or traded in violation of an underlying law. Finally, the fourth provides a largely technical amendment relating to the time for filing for judicial review of any civil penalty imposed under the Lacey Act.

Title II would reauthorize the Sikes Act. The Sikes Act authorizes wildlife management agreements between Federal and State governments to enhance wildlife conservation on Federal lands. The act further authorizes the States to charge special hunting fees on Federal lands for which these agreements have been established. This title would allow the hunting fees to be used to acquire public access to these lands for outdoor recreation.

Title III contains two noncontroversial provisions that make additional funds available to the Fish and Wildlife Service for the acquisition of migratory waterfowl habitat. The first would extend the authorization for the Wetlands Loan Fund to allow for the appropriation of the $2.65 million remaining in the fund.

The second would amend the Duck Stamp Act to allow the Fish and Wildlife Service to deduct from the royalties derived from the sale of the duck stamp copyright the expenses of marketing the Duck Stamp Program. The Fish and Wildlife Service currently collects royalties from the commercial use of duck stamps, and uses those royalties for land acquisition through the Migratory Bird Fund. This title would allow the Service to use the royalties to more aggressively market the stamps, which hopefully will result in additional revenues for the program.

Title IV would transfer the Federal Cohutta Fish Hatchery in Georgia to the University of Georgia. The University has a long-term lease to operate the hatchery, but is interested in receiving title to the hatchery to enable it to make capital improvements and expand its fishery programs. This title also renames the Millen National Fish Hatchery in Georgia as the Bo Ginn National Fish Hatchery.

Title V would authorize the acquisition of additional lands and the construction of improvements on the Kilauea Point National Wildlife Refuge in Hawaii.

Title VI makes several technical changes to the Klamath River Basin Restoration Act, relating to the travel expenses and voting procedures of the council and task force that were established by the original act.

Finally, title VII contains an amended version of H.R. 2513, legislation that requires the U.S. Fish and Wildlife Service to conduct a study of the fishery resources of the Russian River basin in California. The study is to be conducted by the Fish and Wildlife Service in conjunction with the Army Corps of Engineers and the California Department of Fish and Game, and is to set forth a long-term restoration plan for the declining salmon and steelhead fisheries with the river basin. Although this title was not included in H.R. 4030 as reported by the committee, it was separately reported by the committee and is included in this multifaceted bill today to enhance the prospects for its enactment.

I believe that these provisions are worthwhile. I know of no opposition to them, and I urge Members to vote favorably on this bill.

Mr. CONTE. Madam Speaker, I rise in support of H.R. 4030, a bill making important improvements in our wildlife laws.

At the outset, I want to commend my good friend, the gentleman from North Carolina [Mr. JONES], for his able leadership at the helm of the full committee. Over the years we have worked closely on many issues affecting fish and wildlife resources, and his concern for our natural resources is appreciated by sportsmen and conservationists across the country. Similarly, my colleague from Massachusetts, Mr. STUDDS, the chairman of the subcommittee, has done an outstanding job in promoting the programs and projects of the Fish and Wildlife Service.

As a member of the Migratory Bird Conservation Commission for over 20 years, I am particularly interested in title III of the bill. Among other initiatives, H.R. 4030 extends indefinitely the authorization for the wetlands loan fund.

Of the $200 million originally authorized, $2.65 million remains to be appropriated, and with this extension, the Appropriations Committee will be able to supplement the work of the Migratory Bird Commission as the land acquisition and preservation program continues.

This is an important extension, and I hope this legislation can make it through the process during the remaining days of this Congress.

Unfortunately, no advance funding for fiscal year 1989 was provided by either House or

Senate versions of the Interior appropriations bill. Other pressing conservation initiatives, combined with a slight increase in revenues to the Commission, forced the committee to defer action on the remaining unappropriated amount. I am hopeful that next year, with this reauthorization, we are able to provide the remaining amount.

And as the committee knows, every dollar counts. Each year the Commission is presented with more requests for funding than we can handle.

At the same time wetlands continue to vanish at an alarming rate. We lose approximately 450,000 acres of wetlands each year in this country. Moreover, the recent drought has taken a devastating toll on migratory bird populations throughout the United States and Canada.

Waterfowl production is at a crisis stage. Because of the ever present threat of over development and the drought, production levels for waterfowl are at record lows.

In 1987, for example, breeding populations of 6 of the 10 major duck species were significantly below their respective average population sizes for the period between 1955 and 1986.

The recent drought emergency across the Plains States has also sidetracked an important preservation program. Lands set aside in the conservation reserve are being opened to help the farmers of that region. Vital nesting habitat is being destroyed, and the long range effects could be devastating.

These problems make our Federal land acquisition and preservation efforts even more important. The funds authorized in this bill will enhance the Commission's efforts to stabilize the downward population trend for migratory waterfowl and help preserve thousands of acres of vital habitat.

Madam Speaker, H.R. 4030 is a good bill, and I urge my colleagues to support it.

Mr. THOMAS of Georgia. Madam Speaker, I am proud to offer my strong support of H.R. 4030, a bill to strengthen Fish and Wildlife laws.

I would like to commend Chairman WALTER JONES and Subcommittee Chairman GERRY STUDDS for their leadership on this issue. It is a strong bill that makes a number of vital changes in our fisheries management.

I am particularly supportive of section 404 of the bill, renaming the Millen National Fish Hatchery and Aquarium in Millen, GA, in recognition of former U.S. Representative Bo Ginn.

I previously introduced legislation to this effect in the past with the support of all Democratic and Republican Members of the Georgia delegation. However, the bill was left pending as we awaited an appropriate legislative vehicle.

Many of my colleagues will recall that Mr. Ginn served with distinction as a Member of Congress from 1973 until 1982 when he retired from Congress to run for the office of Governor of Georgia, a race he lost by a narrow margin in the Democratic primary. Mr. Ginn was as respected by his colleagues on both sides of the aisle as he was by his constituents in the First District of Georgia.

Mr. Ginn served on the House Committee on Merchant Marine and Fisheries from 1973 until 1979, when he moved to the Appropriations Committee. He earned national recognition for his work to preserve the natural beauty of wilderness lands and was particularly interested in and supportive of the hatchery programs of the U.S. Fish and Wildlife Service.

He authored the legislation which secured wilderness designation for the Okefenokee National Wildlife Refuge, the Blackbeard Island and Wolf Island National Wildlife Refuges, and the Cumberland Island National Seashore. He also played the key role in securing funding for the Amicalola River Corridor in north Georgia. Also, he was a coauthor and conferee on key amendments to the Federal Water Pollution Control Act, and he led a series of investigations on toxic waste pollution in his capacity as the chairman of the subcommittee on Investigations of the Committee on Public Works and Transportation. His accomplishments for the environment continued when he became a member of the Committee on Appropriations.

The hatchery that would be designated in his honor is located 5 miles north of Mr. Ginn's hometown of Millen, GA., on Georgia Highway 25, adjacent to the Magnolia Springs State Park. The hatchery was authorized by Congress in 1948 and fish production there began in 1952.

The hatchery continues to be an important facility for the production of several warm water species such as the channel catfish, sunfish, the endangered sturgeon, as well as the striped bass destined for return to the Chesapeake Bay.

The popular Federal aquarium on the hatchery site is visited annually by more than 80,000 persons.

This is a worthy tribute to a great public servant. I urge every Member of the House to vote for the passage of H.R. 4030.

Mr. YOUNG of Alaska. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. JONES of North Carolina. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. SCHROEDER). The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and pass the bill, H.R. 4030, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read "A bill to reauthorize and amend certain wildlife laws, and for other purposes."

A motion to reconsider was laid on the table.

NATIONAL MARINE SANCTUARIES PROGRAM AUTHORIZATION ACT OF 1988

Mr. JONES of North Carolina. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4208) to authorize appropriations to carry out title III of the Marine Protection, Research, and Sanctuaries Act of 1972 during fiscal years 1989, 1990, 1991, and 1992, as amended.

The Clerk read as follows:

H.R. 4208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Marine Sanctuaries Program Authorization Act of 1988".

TITLE I—NATIONAL MARINE SANCTUARIES PROGRAM AUTHORIZATION AND AMENDMENTS

SEC. 101. DEFINITION OF ACT.

For purposes of this title, the term "Act" means title III of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1431-1439).

SEC. 102. SANCTUARY DESIGNATION PROCEDURE AMENDMENTS.

(a) NOTICE OF DESIGNATION.—Section 304(b)(1) of the Act (16 U.S.C. 1434(b)(1)) is amended to read as follows:

"(1) NOTICE OF DESIGNATION.—(A) Subject to subparagraph (B), not later than 120 days after the last day of the period specified in subsection (a)(6), the Secretary shall—

"(i) publish in the Federal Register—

"(I) notice of the designation of a national marine sanctuary, with final regulations to implement the designation, and any other matters required by law; and

"(II) notice of the availability to the public of the final management plan and final environmental impact statement relating to such sanctuary; and

"(ii) submit such notice of designation to the Congress;

unless the Secretary determines, based upon the Congressional report described in subsection (a)(6), comments upon the draft environmental impact statement, or other relevant information, not to proceed with the designation.

"(B) The Secretary may publish and submit a notice of designation in accordance with subparagraph (A) not later than 150 days after the last day of the period specified in subsection (a)(6) if—

"(i) the Secretary determines that additional time is required for analysis of and response to public comments relating to such designation; and

"(ii) the Secretary notifies the Committee on Merchant Marine and Fisheries of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

"(C) A determination of the Secretary not to proceed with the designation of a national marine sanctuary—

"(i) shall be made in writing, setting forth in detail the basis for the Secretary's decision; and

"(ii) shall be submitted to the Committee on Merchant Marine and Fisheries of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate.

"(D) The Secretary shall issue a notice of designation with respect to a proposed national marine sanctuary site not later than 30 months after the date a notice declaring the site to be an active candidate for sanctuary designation is published in the Federal Register under regulations issued under this

Act, or shall publish not later than such date in the Federal Register findings regarding why such notice has not been published.".

(b) TAKING EFFECT OF DESIGNATION.—Section 304(b) of the Act (16 U.S.C. 1434(b)) is amended by adding at the end the following:

"(5) TAKING EFFECT OF DESIGNATION.—The designation of a national marine sanctuary (including terms of the designation which are not disapproved under this subsection) and regulations implementing such designation shall take effect after a period of 45 days of continuous session of Congress beginning on the day on which such notice is published pursuant to paragraph (1), unless—

"(A) the designation or any of its terms is disapproved by enactment of a joint resolution of disapproval described in paragraph (3); or

"(B) in the case of a national marine sanctuary that is located partially or entirely within the seaward boundary of any State, the Governor of the State certifies to the Secretary that the designation or any of its terms is unacceptable, in which case the designation or the unacceptable terms, as applicable, shall not take effect in the area of the sanctuary lying within the seaward boundary of the State.".

(c) CONFORMING AMENDMENT.—Section 304(b)(2) of the Act is amended—

(1) by striking "paragraph (1)(A) or (B)" and inserting "paragraph (5)(A) or (B)";

(2) by striking "paragraph (1)(A)" the second place it appears and inserting "paragraph 5(A)"; and

(3) by striking "paragraph (1)(B)" and inserting "paragraph (5)(B)".

SEC. 103. PROMOTION AND COORDINATION OF RESEARCH; SPECIAL USE PERMITS; USE OF DONATIONS.

The Act is amended—

(1) by striking section 308;

(2) by redesignating section 309 as section 308; and

(3) by adding at the end the following:

"SEC. 309. PROMOTION AND COORDINATION OF RESEARCH.

"The Secretary shall take such action as is necessary to promote and coordinate the use of national marine sanctuaries for research purposes, including—

"(1) requiring that the National Oceanic and Atmospheric Administration, in conducting or supporting marine research, give priority to research involving national marine sanctuaries; and

"(2) consulting with other Federal and State agencies to promote use by such agencies of one or more sanctuaries for marine research.

"SEC. 310. SPECIAL USE PERMITS.

"(a) ISSUANCE OF PERMITS.—The Secretary may issue special use permits which authorize the conduct of specific activities in a national marine sanctuary if the Secretary determines such authorization is necessary—

"(1) to establish conditions of access to and use of any sanctuary resource; or

"(2) to promote public use and understanding of a sanctuary resource.

"(b) PERMIT TERMS.—A permit issued under this section—

"(1) shall authorize the conduct of an activity only if that activity is compatible with the purposes for which the sanctuary is designated and with protection of sanctuary resources;

"(2) shall not authorize the conduct of any activity for a period of more than 5 years unless renewed by the Secretary;

"(3) shall require that activities carried out under the permit be conducted in a manner that does not destroy, cause the loss of, or injure sanctuary resources; and

"(4) shall require the permittee to purchase and maintain comprehensive general liability insurance against claims arising out of activities conducted under the permit and to agree to hold the United States harmless against such claims.

"(c) FEES.—

"(1) ASSESSMENT AND COLLECTION.—The Secretary may assess and collect fees for the conduct of any activity under a permit issued under this section.

"(2) AMOUNT.—The amount of a fee under this subsection shall be equal to the sum of—

"(A) costs incurred by the Secretary in issuing the permit;

"(B) costs incurred by the Secretary as a direct result of the conduct of the activity for which the permit is issued, including costs of monitoring the conduct of the activity; and

"(C) an amount which represents the fair market value of the use of the sanctuary resource and a reasonable return to the United States Government.

"(3) USE OF FEES.—Amounts collected by the Secretary in the form of fees under this section may be used by the Secretary—

"(A) for issuing and administering permits under this section; and

"(B) for expenses of designating and managing national marine sanctuaries.

"(d) VIOLATIONS.—Upon violation of a term or condition of a permit issued under this section, the Secretary may—

"(1) suspend or revoke the permit without compensation to the permittee and without liability to the United States;

"(2) assess a civil penalty in accordance with section 307; or

"(3) both.

"(e) REPORTS.—Each person issued a permit under this section shall submit an annual report to the Secretary not later than December 31 of each year which describes activities conducted under that permit and revenues derived from such activities during the year.

"(f) FISHING.—Nothing in this section shall be considered to require a person to obtain a permit under this section for the conduct of any fishing activities in a national marine sanctuary.

"(g) REPORT.—The Secretary of Commerce shall submit an annual report to the Committee on Merchant Marine and Fisheries of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate which describes activities of the Secretary in implementing this section. The Secretary shall submit the first report under this subseciton not later than 12 months after the date of the enactment of this section.

"SEC. 311. COOPERATIVE AGREEMENTS AND DONATIONS.

"(a) COOPERATIVE AGREEMENTS.—The Secretary may enter into cooperative agreements with any nonprofit organization—

"(1) to aid and promote interpretive, historical, scientific, and educational activities; and

"(2) for the solicitation of private donations for the support of such activities.

"(b) DONATIONS.—The Secretary may accept donations of funds, property, and services for use in designating and administering national marine sanctuaries under this title.".

SEC. 104. DESTRUCTION OR LOSS OF, OR INJURY TO, SANCTUARY RESOURCES.

(a) LIABILITY FOR DESTRUCTION OR LOSS OF, OR INJURY TO, SANCTUARY RESOURCES.—The Act is amended by adding at the end the following:

"SEC. 312. DESTRUCTION OR LOSS OF, OR INJURY TO, SANCTUARY RESOURCES.

"(A) LIABILITY.—

"(1) IN GENERAL.—Subject to paragraph (3), any person who destroys, causes the loss of, or injures any sanctuary resource is liable to the United States for response costs and damages resulting from such destruction, loss, or injury.

"(2) LIABILITY IN REM.—Any vessel used to destroy, cause the loss of, or injure any sanctuary resource shall be liable in rem to the United States for response costs and damages resulting from such destruction, loss, or injury.

"(3) DEFENSES.—A person is not liable under this subsection if—

"(A) that person can establish that the destruction or loss of, or injury to, the sanctuary resource was caused solely by an act of God, an act of war, or an act or omission of a third party, and that the person acted with due care;

"(B) the destruction, loss, or injury was caused by an activity authorized by Federal or State law; or

"(C) the destruction, loss, or injury was of a de minimus nature.

"(b) RESPONSE ACTIONS AND DAMAGE ASSESSMENT.—

"(1) RESPONSE ACTIONS.—The Secretary may undertake all necessary actions to prevent or minimize the destruction or loss of, or injury to, sanctuary resources, or to minimize the imminent risk of such destruction, loss, or injury.

"(2) DAMAGE ASSESSMENT.—The Secretary shall assess damages to sanctuary resources in accordance with section 302(6).

"(c) CIVIL ACTIONS FOR RESPONSE COSTS AND DAMAGES.—The Attorney General, upon requests of the Secretary, may commence a civil action in the United States district court for the appropriate district against any person or vessel who may be liable under subsection (a) for response costs and damages. The Secretary, acting as trustee for sanctuary resources on behalf of the United States, shall submit a request for such an action to the Attorney General whenever a person may be liable for such costs or damages.

"(d) USE OF RECOVERED AMOUNTS.—Response costs and damages recovered by the Secretary under this section and civil penalties under section 307 shall be retained by the Secretary in the manner provided for in section 107(f)(1) of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9607(f)(1)), and used as follows:

"(1) RESPONSE COSTS AND DAMAGE ASSESSMENTS.—Twenty percent of amounts recovered under this section, up to a maximum balance of $750,000, shall be used to finance response actions and damage assessments by the Secretary.

"(2) RESTORATION, REPLACEMENT, MANAGEMENT, AND IMPROVEMENT.—Amounts remaining after the operation of paragraph (1) shall be used, in order of priority—

"(A) to restore, replace, or acquire the equivalent of the sanctuary resources which were the subject of the action;

"(B) to manage and improve the national marine sanctuary within which are located the sanctuary resources which were the subjects of the action; and

"(C) to manage and improve any other national marine sanctuary.

"(3) USE OF CIVIL PENALTIES.—Amounts recovered under section 307 in the form of civil penalties shall be used by the Secretary in accordance with section 307(e) and paragraphs (2) (B) and (C) of this subsection.

"(4) FEDERAL-STATE COORDINATION.—Amounts recovered under this section with respect to sanctuary resources lying within the jurisdiction of a State shall be used under paragraphs (2) (A) and (B) in accordance with an agreement entered into by the Secretary and the Governor of that State.".

(b) DAMAGES, RESPONSE COSTS, AND SANCTUARY RESOURCE DEFINED.—Section 302 of the Act (16 U.S.C. 1432) is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period in paragraph (5) and inserting "; and"; and

(3) by adding at the end the following:

"(6) 'damages' includes—

"(A) compensation for—

"(i)(I) the cost of replacing, restoring, or acquiring the equivalent of a sanctuary resource; and

"(II) the value of the lost use of a sanctuary resource pending its restoration or replacement or the acquisition of an equivalent sanctuary resource; or

"(ii) the value of a sanctuary resource if the sanctuary resource cannot be restored or replaced or if the equivalent of such resource cannot be acquired; and

"(B) the cost of damage assessments under section 312(b)(2);

"(7) 'response costs' means the costs of actions taken by the Secretary to minimize destruction or loss of, or injury to, sanctuary resources, or to minimize the imminent risks of such destruction, loss, or injury; and

"(8) 'sanctuary resource' means any living or nonliving resource of a national marine sanctuary that contributes to the conservation, recreational, ecological, historical, research, educational, or aesthetic value of the sanctuary.".

(c) EFFECTIVE DATE.—Amounts in the form of damages received by the United States after November 30, 1986, for destruction or loss of, or injury to, a sanctuary resource (as that term is defined in section 302(8) of the Act (as amended by this Act)) shall be subject to section 312 of the Act (as amended by this Act).

SEC. 105. ACTIONS WITH RESPECT TO NEW SANCTUARIES.

(a) ISSUANCE OF NOTICE OF DESIGNATION.—The Secretary of Commerce shall issue a notice of designation under section 304(b)(1) of the Act (16 U.S.C. 1434(b)(1))—

(1) with respect to the proposed Cordell Banks National Marine Sanctuary as generally described in the Federal Register notice of June 30, 1983, not later than December 31, 1988;

(2) with respect to the Flower Garden Banks National Marine Sanctuary as generally described in the Federal Register notice of August 2, 1984, not later than March 31, 1989;

(3) with respect to the Monterey Bay National Marine Sanctuary as generally described in the Federal Register notice of December 31, 1979, not later than December 31, 1989; and

(4) with respect to the Western Washington Outer Coast National Marine Sanctuary as generally described in the Federal Register notice of August 4, 1983, not later than June 30, 1990.

(b) SUBMISSION OF PROSPECTUSES.—The Secretary of Commerce shall submit a prospectus under section 304(a)(1)(C) of the Act (16 U.S.C. 1434(a)(1)(C)) to the Committee on Merchant Marine and Fisheries of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate with respect to the Northern Puget Sound National Marine Sanctuary, as generally described as the Washington State Nearshore area in the Federal Register notice of August 4, 1983, not later than March 31, 1991.

SEC. 106. STUDY OF AREAS FOR DESIGNATION AS OR INCLUSION IN NATIONAL MARINE SANCTUARIES.

(a) STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study of the areas described in subsection (c) for purposes of making determinations and findings in accordance with section 303(a) of the Act (16 U.S.C. 1433(a))—

(A) regarding whether or not all or any part of such areas are appropriate for designation as national marine sanctuaries in accordance with title III of the Act; and

(B) regarding whether or not all or any part of the areas described in subsection (c)(1), (2), and (3) should be added to and administered as part of the Key Largo National Marine Sanctuary or the Looe Key National Marine Sanctuary.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall submit a report to the Congress which sets forth the determinations and findings referred to in paragraph (1).

(b) DESIGNATION OR EXPANSION OF MARINE SANCTUARIES.—If as a result of a study conducted pursuant to subsection (a) the Secretary makes the determinations and findings set forth in section 303(a) of the Act (16 U.S.C. 1433(a)) with respect to all or any part of the areas described in subsection (c), the Secretary, in accordance with the procedures for the designation of national marine sanctuaries set forth in section 304 of the Act (16 U.S.C. 1434)—

(1) shall designate such areas or parts of such areas as national marine sanctuaries; or

(2) shall, with respect to all or part of the areas described in subsections (c) (1), (2), and (3), add such areas or parts of such areas to the Key Largo National Marine Sanctuary or the Looe Key National Marine Sanctuary;

as the Secretary considers appropriate.

(c) AREAS DESCRIBED.—The areas referred to in subsections (a) and (b) are the following:

(1) AMERICAN SHOAL.—The portion of the marine environment in the Florida Keys in the vicinity of American Shoal, including the part of such environment located generally between such shoal and the Marquesas Keys.

(2) SOMBRERO KEY.—The portion of the marine environment in the Florida Keys in the vicinity of and surrounding Sombrero Key.

(3) ALLIGATOR REEF.—The portion of the marine environment in the Florida Keys in the vicinity of and surrounding Alligator Reef, including the portion located generally between such reef and the Key Largo National Marine Sanctuary.

(4) SANTA MONICA BAY.—The portion of the marine environment off the coast of California commonly referred to as Santa Monica Bay, consisting of an area described generally as follows: Beginning at the point known as Point Dume near the western extent of Santa Monica Bay, proceed generally southeast along the shoreline to the point known as Point Vincente near the southern extent of Santa Monica Bay; then west to the 900 meter bathymetric contour; then generally northwest along the 900 meter bathymetric contour to a point due west of Point Dume; then east to Point Dume at the point of beginning.

(d) DEFINITIONS.—For the purposes of this section—

(1) MARINE ENVIRONMENT.—The term "marine environment" has the meaning such term has in section 302(3) of the Act (16 U.S.C. 1432(b)).

(2) SECRETARY.—The term "Secretary" means the Secretary of Commerce.

SEC. 107. ENFORCEMENT AMENDMENTS.

Section 307 of the Act (16 U.S.C. 1437) is amended to read as follows:

"SEC. 307. ENFORCEMENT.

"(a) IN GENERAL.—The Secretary shall conduct such enforcement activities as are necessary and reasonable to carry out this title.

"(b) POWERS OF AUTHORIZED OFFICERS.—Any person who is authorized to enforce this title may—

"(1) board, search, inspect, and seize any vessel suspected of being used to violate this title or any regulation or permit issued under this title and any equipment, stores, and cargo of such vessel;

"(2) seize wherever found any sanctuary resource taken or retained in violation of this title or any regulation or permit issued under this title;

"(3) seize any evidence of a violation of this title or of any regulation or permit issued under this title;

"(4) execute any warrant or other process issued by any court of competent jurisdiction; and

"(5) exercise any other lawful authority.

"(c) CIVIL PENALTIES.—

"(1) CIVIL PENALTY.—Any person subject to the jurisdiction of the United States who violates this title or any regulation or permit issued under this title shall be liable to the United States for a civil penalty of not more than $50,000 for each such violation, to be assessed by the Secretary. Each day of a continuing violation shall constitute a separate violation.

"(2) NOTICE.—No penalty shall be assessed under this subsection until after the person charged has been given notice and an opportunity for a hearing.

"(3) IN REM JURISDICTION.—A vessel used in violating this title or any regulation or permit issued under this title shall be liable in rem for any civil penalty assessed for such violation and may be proceeded against in any district court of the United States having jurisdiction.

"(4) REVIEW OF CIVIL PENALTY.—Any person against whom a civil penalty is assessed under this subsection may obtain review in the United States district court for the appropriate district by filing a complaint in such court not later than 30 days after the date of such order.

"(5) COLLECTION OF PENALTIES.—If any person fails to pay an assessment of a civil penalty under this section after it has become a final and unappealable order, or after the appropriate court has entered final judgment in favor of the Secretary, the Secretary shall refer the matter to the Attorney General, who shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

"(6) Compromise or other action by secretary.—The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty which is or may be imposed under this section.

"(d) Forfeiture.—

"(1) In general.—Any vessel (including the vessel's equipment, stores, and cargo) and other item used, and any sanctuary resource taken or retained, in any manner, in connection with or as a result of any violation of this title or of any regulation or permit issued under this title shall be subject to forfeiture to the United States pursuant to a civil proceeding under this subsection.

"(2) Application of the customs laws.—The Secretary may exercise the authority of any United States official granted by any relevant customs law relating to the seizure, forfeiture, condemnation, disposition, remission, and mitigation of property in enforcing this title.

"(3) Disposal of sanctuary resources.—Any sanctuary resource seized pursuant to this title may be disposed of pursuant to an order of the appropriate court, or, if perishable, in a manner prescribed by regulations promulgated by the Secretary. Any proceeds from the sale of such sanctuary resource shall for all purposes represent the sanctuary resource so disposed of in any subsequent legal proceedings.

"(4) Presumption.—For the purposes of this section there is a rebuttable presumption that all sanctuary resources found on board a vessel that is used or seized in connection with a violation of this title or of any regulation or permit issued under this title were taken or retained in violation of this title or of a regulation or permit issued under this title.

"(e) Payment of Storage, Care, and Other Costs.—

"(1) In general.—Notwithstanding any other law, the Secretary may use amounts received under this section in the form of civil penalties, forfeitures of property, and costs imposed under paragraph (2) to pay—

"(A) the reasonable and necessary costs incurred by the Secretary in providing temporary storage, care, and maintenance of any sanctuary resource or other property seized under this section pending disposition of any civil proceeding relating to any alleged violation with respect to which such property or sanctuary resource was seized; and

"(B) a reward to any person who furnishes information leading to an assessment of a civil penalty, or to a forfeiture of property, for a violation of this title or of any regulation or permit issued under this title.

"(2) Liability for costs.—Any person assessed a civil penalty for a violation of this title or of any regulation or permit issued under this title, and any claimant in a forfeiture action brought for such a violation, shall be liable for the reasonable costs incurred by the Secretary in storage, care, and maintenance of any sanctuary resource or other property seized in connection with the violation.

"(f) Subpoenas.—In the case of any hearing under this section which is determined on the record in accordance with the procedures provided for under section 554 of title 5, United States Code, the Secretary may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and may administer oaths.

"(g) Use of Resources of State and Other Federal Agencies.—The Secretary shall, whenever appropriate, use by agreement the personnel, services, and facilities of State and other Federal departments, agencies, and instrumentalities, on a reimbursable or nonreimbursable basis, to carry out the Secretary's responsibilities under this section.

"(h) Coast Guard Authority Not Limited.—Nothing in this section shall be considered to limit the authority of the Coast Guard to enforce this or any other Federal law under section 89 of title 14, United States Code.

"(i) Injunctive Relief.—If the Secretary determines that there is an imminent risk of destruction or loss of or injury to a sanctuary resource, or that there has been actual destruction or loss of, or injury to, a sanctuary resource which may rise to liability under section 312, the Attorney General, upon request of the Secretary, shall seek to obtain such relief as may be necessary to abate such risk or actual destruction, loss, or injury, or to restore or replace the sanctuary resource, or both. The district courts of the United States shall have jurisdiction in such a case to order such relief as the public interest and the equities of the case may require.".

SEC. 108. AUTHORIZATION OF APPROPRIATIONS; U.S.S. MONITOR ARTIFACTS AND MATERIALS.

The Act is amended by adding at the end the following:

"SEC. 313. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to the Secretary to carry out this title the following:

"(1) General administration.—For general administration of this title—

"(A) $1,800,000 for fiscal year 1989;

"(B) $1,900,000 for fiscal year 1990;

"(C) $2,000,000 for fiscal year 1991; and

"(D) $2,100,000 for fiscal year 1992.

"(2) Management of sanctuaries.—For management of national marine sanctuaries designated under this title—

"(A) $2,000,000 for fiscal year 1989;

"(B) $2,500,000 for fiscal year 1990;

"(C) $3,000,000 for fiscal year 1991; and

"(D) $3,250,000 for fiscal year 1992.

"(3) Site review and analysis.—For review and analysis of sites for designation under this title as national marine sanctuaries—

"(A) $450,000 for fiscal year 1989;

"(B) $500,000 for fiscal year 1990;

"(C) $550,000 for fiscal year 1991; and

"(D) $600,000 for fiscal year 1992.

"SEC. 314. U.S.S. MONITOR ARTIFACTS AND MATERIALS.

"(a) Congressional Policy.—In recognition of the historical significance of the wreck of the United States ship Monitor to coastal North Carolina and to the area off the coast of North Carolina known as the Graveyard of the Atlantic, the Congress directs that a suitable display of artifacts and materials from the United States ship Monitor be maintained permanently at an appropriate site in coastal North Carolina.

"(b) Interpretation and Display of Artifacts—

"(1) Submission of plan—The Secretary shall, within six months after the date of the enactment of this section, submit to the Committee on Merchant Marine and Fisheries of the House of Representatives a plan for a suitable display in coastal North Carolina of artifacts and materials of the United States ship Monitor.

"(2) Contents of plan—The plan submitted under subsection (a) shall, at a minimum, contain—

"(A) an identification of appropriate sites in coastal North Carolina, either existing or proposed, for display of artifacts and materials of the United States ship Monitor;

"(B) an identification of suitable artifacts and materials, including artifacts recovered or proposed for recovery, for display in coastal North Carolina;

"(C) an interpretive plan for the artifacts and materials which focuses on the sinking, discovery, and subsequent management of the wreck of the United States ship Monitor; and

"(D) a draft cooperative agreement with the State of North Carolina to implement the plan.

"(c) Disclaimer—This section shall not affect the following:

"(1) Responsibilities of secretary.—The responsibilities of the Secretary to provide for the protection, conservation, and display of artifacts and materials from the United States ship Monitor.

"(2) Authority of secretary—The authority of the Secretary to designate the Mariner's Museum, located at Newport News, Virginia, as the principal museum for coordination of activities referred to in paragraph (1).".

SEC. 109. CHANNEL ISLANDS NATIONAL MARINE SANCTUARY PROTECTION.

(a) Report—The Secretary of Transportation, not later than 6 months after the date of the enactment of this Act, shall transmit to Congress—

(1) the provisions of international conventions and United States laws and regulations which reduce the risk of a vessel collision or incident resulting in damage to the environment in the Channel Islands National Marine Sanctuary;

(2) the provisions of the National Contingency Plan for removal of oil and hazardous substances prepared under section 311(c) of the Federal Water Pollution Control Act (33 U.S.C. 1321(c)) which enable the Secretary to effectively respond to an oil pollution incident in or affecting the Channel Islands National Marine Sanctuary;

(3) a list of pollution exercises conducted under that National Contingency Plan in the Santa Barbara Channel before the date of the enactment of this Act, and a schedule of pollution exercises scheduled to be conducted under that plan in that channel during the 12 months following the date of the enactment of this Act; and

(4) a report on the establishment—

(A) under the Ports and Waterways Safety Act (33 U.S.C. 1221 et seq.) of safety fairways off the coast of California; and

(B) of the Long Beach NAVTEX in Long Beach, California.

(b) Study Review and Report—The Secretary of Transportation shall review all Federal, State, and local studies conducted on the hazards of shipping operations and the risks those operations pose to the environment and natural resources of the Channel Islands National Marine Sanctuary, and report to the Congress not later than 6 months after the date of the enactment of this Act on the status and recommendations of each of those studies. The Secretary shall include in the report a recommendation of whether an alternate vessel traffic separation scheme would reduce the risks of shipping operations to the environment and natural resources in the Channel Islands National Marine Sanctuary.

(c) Proposal of Designation of Area to be Avoided.—The Secretary of Transportation shall prepare and submit a proposal to the International Maritime Organization to designate the portion of the Channel Islands National Marine Sanctuary which is outside of the Santa Barbara Channel Traffic Separation Scheme, as an area to be avoided. The Secretary shall ensure that the proposal would not result in undue interference with international vessel traffic in the Santa Barbara Channel, or with enjoyment of the Channel Islands National Marine Sanctuary under title III of the National Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1431 et seq.).

SEC. 110. REGULATIONS.

The Secretary of Commerce shall issue regulations implementing the amendments made by this title and the amendments made by the Marine Sanctuaries Amendments of 1984 not later than one year after the date of the enactment of this Act.

TITLE II—LIABILITY FOR DESTRUCTION OR LOSS OF, OR INJURY TO, NATIONAL PARKS SYSTEM RESOURCES

SEC. 201. PARK SYSTEM RESOURCES.

(a) DEFINITIONS.—As used in this title—

(1) DAMAGES.—The term "damages" includes the following:

(A) Compensation for—

(i)(I) the cost of replacing, restoring, or acquiring the equivalent of a park system resource; and

(II) the value of the lost use of a park system resource pending its restoration or replacement or the acquisition of an equivalent resource; or

(ii) the value of the park system resource in the event the resource cannot be replaced or restored; and

(B) the cost of assessments under subsection (d).

(2) RESPONSE COSTS.—The term "response costs" means the costs of actions taken by the Secretary of the Interior to minimize destruction or loss of or injury to park system resources, or to minimize the imminent risk of such destruction, loss, or injury.

(3) PARK SYSTEM RESOURCE.—The term "park system resource" means any living or nonliving resource that is located within or is a living part of a marine regimen or a Great Lakes aquatic regimen (including an aquatic regimen within Voyageurs National Park) within the boundaries of a unit of the National Park System.

(b) LIABILITY.—

(1) IN GENERAL.—Subject to paragraph (3), any person who destroys, causes the loss of, or injures any park system resource is liable to the United States for response costs and damages resulting from such destruction, loss, or injury.

(2) LIABILITY IN REM.—Any vessel used to destroy, cause the loss of, or injure any park system resource shall be liable in rem to the United States for response costs and damages resulting from such destruction, loss, or injury.

(3) DEFENSES.—A person is not liable under the subsection if—

(A) that person can establish that the destruction or loss of, or injury to, the park system resource was caused solely by an act of God, an act of war, or an act or omission of a third party, and that the person acted with due care;

(B) the destruction, loss, or injury was caused by an activity authorized by Federal or State law; or

(C) the destruction, loss, or injury was of a de minimus nature.

(c) CIVIL ACTIONS FOR RESPONSE COSTS AND DAMAGES.—The Attorney General, upon request of the Secretary of the Interior, may commence a civil action in the United States district court for the appropriate district against any person who may be liable under subsection (b) for response costs and damages. The Secretary of the Interior, acting as trustee for park system resources on behalf of the United States, shall submit a request for such a action to the Attorney General whenever a person may be liable for such costs or damages.

(d) RESPONSE ACTIONS AND ASSESSMENT OF DAMAGES.—

(1) RESPONSE ACTIONS.—The Secretary of the Interior may undertake all necessary actions to prevent or minimize the destruction or loss of, or injury to, park system resources, or to minimize the imminent risk of such destruction, loss, or injury.

(2) ASSESSMENT OF DAMAGES.—The Secretary of the Interior shall assess damages to park system resources.

(e) USE OF RECOVERED AMOUNTS.—Response costs and damages recovered by the Secretary of the Interior under this section shall be retained by the Secretary in accordance with section 107(f)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9607(f)(1)), and used as follows:

(1) RESPONSE COSTS AND DAMAGE ASSESSMENTS.—Twenty percent of amounts recovered under this section, up to a maximum balance of $1,000,000, shall be used to finance response costs and damage assessments by the Secretary of the Interior.

(2) RESTORATION, REPLACEMENT, MANAGEMENT, AND IMPROVEMENT.—Amounts remaining after the operation of paragraph (1) shall be used, in order of priority—

(A) to restore, replace, or acquire the equivalent of park system resources which were the subject of the action;

(B) to manage and improve the national park of which such park system resources are a part; and

(C) to manage and improve any other unit of the National Park System.

SEC. 202. INJUNCTIVE RELIEF.

If the Secretary of the Interior determines that there is an imminent risk of destruction or loss of or injury to a park system resource, or that there has been actual destruction or loss of or injury to such resource which may give rise to liability under section 201, the Attorney General, upon request of the Secretary of the Interior, shall seek to obtain such relief as may be necessary to abate such risk or actual destruction, loss, or injury, or to restore or replace the resource, or both. The district courts of the United States shall have jurisdiction in such a case to order such relief as the public interest and the equities of the case may require.

TITLE III—ABANDONED SHIPWRECKS LOCATED IN NATIONAL MARINE SANCTUARIES

SEC. 301. MANAGEMENT OF ABANDONED SHIPWRECKS LOCATED IN NATIONAL MARINE SANCTUARIES.

Section 6 of the Abandoned Shipwreck Act of 1987 (43 U.S.C. 2105) is amended by adding at the end the following new subsection:

"(f) NATIONAL MARINE SANCTUARIES.—This Act shall not affect the management of abandoned shipwrecks located within the boundaries of any national marine sanctuary established under title III of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1431 et seq.).".

The SPEAKER pro tempore. Is a second demanded?

Mr. LAGOMARSINO. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Madam Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. LOWRY] chairman of the Subcommittee on Oceanography.

Mr. LOWRY of Washington. Madam Speaker, I rise today to speak in support of H.R. 4208, legislation that I introduced on March 21, 1988 with my colleagues, Mr. JONES of North Carolina, Mr. STUDDS, Mr. FASCELL, Mr. ALEXANDER, and Mr. HUGHES. The basic purpose of H.R. 4208 is to amend title III of the Marine Protection, Research, and Sanctuaries Act of 1972 to reauthorize the National Marine Sanctuary program for 4 years with a modest expansion of funding based on the additional requirements of the legislation.

Nationally significant marine resource areas are of great value for research, education and for promoting general public awareness of our marine environment. As our ocean waters are continuously threatened by pollution and other damaging incidents, the establishment and maintenance of marine sanctuaries for the protection of nationally significant resources is of essential priority if we are to continue to enjoy the benefits of unique ocean and coastal resources to which we have become accustomed.

The amendments to the Marine Protection, Research, and Sanctuaries Act that have been incorporated into this piece of legislation recognize issues that require immediate attention. These include the need for: First, improved timeliness and predictability of the national marine sanctuary site designation process; second, clarification of liability for damages to these valuable marine resources; and third, movement toward a uniform enforcement authority to better protect marine resources.

To begin, I would like to point out that existing law contains no deadline regarding site designation. This creates a tremendous problem as too often NOAA has proposed active candidates for site designation, for example Cordell Banks or Flower Garden Banks National Marine Sanctuary, and never completes the process to finally designate the sanctuary. Section 102 amends title III to require the Secretary to publish a notice of designation with final regulations no later than 120 days after the close of the first 45-day period for congressional review of a proposed sanctuary, with the possibility of a 30-day extension period should the Secretary deem it necessary. This section also requires NOAA to publish a notice of designation—or findings detailing reasons why one has not been published—within 30 months of the date which a site is determined to be an "Active Candidate" from the Site Evaluation List.

Madam Speaker, these new provisions would force action that has been delayed in the past. The bill also mandates that decisions not to proceed with designation of a site be explained in writing and referred to the relevant House and Senate Committees. This will in turn increase the predictability and accountability of the designation process.

The next section deals with the promotion and coordination of research, special use permits, and cooperative agreements and donations. Section 103 of this act strikes section 308 of the title and adds sections 309, 310, and 311 to deal with the above topics, respectively. Since national marine sanctuaries provide ideal environments for conducting marine research projects, section 309 requests that NOAA give priority to marine research within the marine sanctuaries and consult with Federal and State agencies to actively promote their use of the sanctuaries for research purposes.

Because not all activities can be adequately controlled under existing sanctuary regulations, such as those for research, education and salvaging, section 310 establishes a special use permitting system to complement those existing regulations. If NOAA determines that a permit is necessary to promote public use and understanding of or to establish access to a sanctuary, it may issue such a permit with a 5-year maximum duration, renewable by the Secretary, under the specific terms established in this section. These terms require that the permittee's activities are compatible with the purposes for which the sanctuary was designated, not resulting in any destruction, loss, or injury to its resources, and that the permittee maintains general liability insurance. The permittee must submit an annual report describing the activities conducted by the end of each year. Should any of these terms be violated, the Secretary is authorized to revoke the permit. Section 310 also establishes a specific method of determining the permit fee and authorizes the Secretary to use these fees for management purposes and permit administration.

Under section 311, the Secretary of Commerce is explicitly authorized to enter into cooperative agreements with any nonprofit organizations and to authorize those organizations to solicit private donations for the support of sanctuary activities. This section also allows the Secretary to accept any donations and to expend those donations for sanctuary purposes.

The next section, section 104, establishes a system for restoring those marine sanctuary resources that are destroyed, injured or lost. The section states that any person responsible for such destruction, injury or loss will be held liable to the United States for damages and appropriate response costs. Likewise, any responsible vessels will be held liable in rem. Persons will not be liable if they can establish that the destruction, injury or loss was caused by an act of God, war, or a third party, that the causal activity was authorized by Federal or State law or that the damage is of a de minimus nature. The Secretary is directed to pursue civil actions against those persons who are liable to recover response costs and damages.

Recovered funds will be set-aside in a separate account and used to remedy the damaged resources. This provision works in accordance with section 107(f)(1) of the Comprehensive Environmental Response, Liability and Compensation Act [CERCLA]. The set-aside may exist at a maximum of $750,000 to finance the relevant response actions. This bill requires that remaining funds be used to restore, replace or acquire the equivalent of the damaged resources. In the event that this is not possible, the Secretary is authorized to use the funds for managing and improving the affected sanctuary and then managing other sanctuaries in need of funding.

Madam. Speaker, because of the slow pace of the designation process, specifically with respect to Cordell Banks and Flower Gardens, and because of nationally significant characteristics found in other areas, section 105 of this act establishes a specific schedule for the designation process for four sites: Cordell Banks, Flower Gardens, Monterey Bay and Western Washington Outer Coast.

The section requires that a final notice of designation for the Cordell Banks National Marine Sanctuary be issued no later than December 31, 1988. It is my understanding that this is feasible and that the administration actually intends to publish the notice prior to this deadline.

A notice of designation for the Flower Gardens National Marine Sanctuary is required by March 31, 1989. Although the designation process for this site has been underway for 10 years, I believe that this date is reasonable now that disputes between NOAA and the State Department regarding NOAA's authority to prohibit harmful anchoring of foreign flag vessels in that area have been resolved.

Section 105 requires that Monterey Bay's final notice of designation be issued no later than December 31, 1989. Monterey Bay was previously an active candidate for designation, until NOAA removed it from the list for reasons which are somewhat unclear and inadequate. For example, NOAA felt that this was not a necessary sanctuary because two other sanctuaries in California protect similar resources and that the size of the proposed sanctuary would put a strain on NOAA's existing enforcement capabilities.

California's present sanctuary resources do not include submarine canyons, such as those found in Monterey Bay and are not as accessible to the public as Monterey Bay. In addition, NOAA did not know what the size of the Monterey Bay National Marine Sanctuary would be since the evaluation process was never completed. It turns out, in fact, that the Monterey Bay National Marine Sanctuary would most likely be considerably smaller than either of the two existing California sanctuaries. These facts, coupled with pollution, from various sources, that continues to pose serious health threats which cannot be controlled by existing conservation measures in the area, support my belief that Monterey Bay is certainly appropriate for designation.

The Western Washington Outer Coast was placed on the Site Evaluation List in August 1983 and, under this act, would be finally designated by June 30, 1990. This site is adjacent to the Olympic National Park and holds a nationally significant collection of flora and fauna in addition to its variety of sea birds and marine mammals. However, the boundaries for this site as described when placed on the Site Evaluation List are not adequate for the protection of the rocky stacks used by the sea birds and marine mammals which are so integral to the significance of this site. Therefore, Madam Speaker, I would like to make a strong point of directing NOAA to use initial boundary descriptions only as a general point from which further detailed review should stem. The boundaries should be subject to change upon review and open to development until the final notice of designation is issued.

Section 105 of this act also requires that the Secretary submit a prospectus to the Committees on Merchant Marine and Fisheries and Commerce, Science, and Transportation regarding the proposed Northern Puget Sound National Marine Sanctuary by March 31, 1991. This area contains nationally significant characteristics that should be protected, but is also a source of various human recreational and research activities. Because of the multiple uses of the area and the fact that extensive consultation is necessary regarding the specific area to be designated, I believe that March 1991 is an appropriate deadline for the prospectus.

Section 106 of this act recognizes four new areas that may be suitable for designation: American Shoal, Sombrero Key, Alligator Reef, and Santa Monica Bay. This section requires the Secretary to conduct investigations of these areas and to submit, not later than 2 years after the enactment of the act, a report to Congress regarding a decision as to whether any of these areas, or parts thereof, are appropriate for designation as marine sanctuaries or, in the case of the Florida Key areas, for addition to the existing Key Largo or Looe Key National Marine Sanctuaries.

Section 107 makes some amendments regarding enforcement activities as a move toward uniform authority to diminish possible confusion by marine law enforcement agents. These amendments have been modeled after the enforcement provisions of the Magnuson Fishery Conservation and Management Act. Clarifications have been made with respect to civil penalty assessment, property seizure or forfeiture and storage costs. All are consistent with authorities found in the Magnuson Act.

In section 108 of this act, new sections are added to title III regarding the authorization of appropriations and U.S.S. *Monitor* artifacts and materials. In contrast to past plans, appropriation authorizations would be divided into three categories: First, "general administration," which includes any costs relating to NOAA headquarters operations; second, "management of sanctuaries," which includes any costs relating to on-site management and operations; and third, "site review and analysis," which includes any costs relating to the consideration of a site for national marine sanctuary designation.

Provisions regarding U.S.S. *Monitor* artifacts and materials require the Secretary to submit, within 6 months of the enactment of this act, a plan that identifies suitable artifacts and materials to be displayed as well as suitable display sites in coastal North Carolina.

Section 109 deals with the protection of the Channel Islands National Marine Sanctuary. It requires that the Secretary of Transportation transmit to Congress provisions that enable response to oil pollution incidents and other incidents which result in damage to the environment in the Channel Islands Sanctuary. The Secretary must also review all Federal, State, and local studies conducted on the hazards of shipping operations and submit recommendations on those studies.

Title II of this act as amended by a committee amendment, which was developed in consultation with the Committee on Interior and Insular Affairs, the committee of jurisdiction with respect to the National Park System, covers liability for destruction, loss of, or injury to marine or aquatic National Park System resources. It is similar to section 104 of this act, that section which covers liability for destruction, loss of, or injury to marine sanctuary resources in all aspects except that it applies to park system resources and that a set-aside of $1 million (as compared to the marine sanctuaries' $750,000) has been authorized to finance response costs.

Finally, Madam Speaker, for concern about the protection of historic shipwrecks located within national marine sanctuaries, title III of this act amends the Abandoned Shipwreck Act of 1987 to clarify that the Abandoned Shipwreck Act does not affect the management, by the Secretary of Commerce, of these abandoned shipwrecks. The Secretary would have the authority to manage the salvage to protect the wreck and its surrounding resources.

Madam Speaker, I believe that this is a most worthwhile piece of legislation. Positive action must be taken to protect our important ocean and coastal resources and this act is a major step in that direction. I would urge my colleagues to support it.

Finally, Madam Speaker, I would like to thank my colleagues on the Merchant Marine and Fisheries Committee, who have helped to improve this legislation, especially Mr. JONES and Mr. STUDDS, as well as Mr. YOUNG of Alaska, Mr. DAVIS of Michigan, and Mr. SHUMWAY, the ranking minority member of the Oceanography Subcommittee.

Mr. LEVINE of California. Madam Speaker, will the gentleman yield for a colloquy?

Mr. LOWRY of Washington. I am happy to yield to the gentleman from California, who has been a leader on this issue.

Mr. LEVINE of California. Madam Speaker, I thank the gentleman for yielding. I would like to commend the gentleman as well as the chairman and ranking members of the committee for their leadership on this very important issue and compliment them on a very important and significant piece of legislation.

Madam Speaker, the gentleman's subcommittee included a study of Santa Monica Bay for possible designation as a national marine sanctuary. I am delighted that Santa Monica Bay will receive such consideration.

I strongly believe designation of the bay is warranted. Santa Monica Bay is a valuable natural resource in southern California. The northern portion of the bay is adjacent to the unique Santa Monica Mountains National Recreational Area, a national park unit which is comprised of 150,000 acres of mountains and seashore. The bay itself harbors several endangered species of birds and mammals, including the gray whale which migrates through the bay annually. And extensive kelp beds are found off its most westerly and southern points.

But Santa Monica Bay is also a unique example of a marine environment with important recreational values. In 1987, it is estimated that 55 million visitors used the beaches of Los Angeles County which encompasses the bay. Tourism is a vital component of the region's economy. The bay would greatly benefit by long-term protection of its marine resources.

I would like to confirm with my distinguished colleague from Washington what I understand to be the reason why this study was included in the marine sanctuaries reauthorization. It is my understanding that this study represents the committee's renewed interest in considering for designation as marine sanctuaries, areas which are of unique recreational value, along with the practice of designating those areas which are singularly of important ecological value. Is this correct?

Mr. LOWRY of Washington. Yes, while the most recent focus of the Marine Sanctuaries Program has been on marine environments of spectacular and/or unique ecological values, inclusion of a study of whether Santa Monica Bay should be designated, demonstrates a renewed interest in managing and protecting marine environments which are specifically significant because of their recreational values. Inclusion of a study for Santa Monica Bay recognizes the consideration of recreational criteria for designation which are set forth in the Marine Sanctuaries Act and the need for NOAA to do a thorough study of whether Santa Monica Bay meets the criteria of the act before the bay becomes subject to the designation process.

Mr. LEVINE of California. The statute contemplates designation of marine environments that (and I am paraphrasing the law now) are "of special national significance due to * * * human-use values," have "present and potential uses * * * that depend on maintenance of the areas' resources, including * * * recreational activities," or if designated would afford the public "long-term protection of nationally significant resources, vital habitats, and resources which generate tourism."

Mr. LOWRY of Washington. The statute does, in fact, contemplate such designations which would enhance historic recreational use. As a longstanding proponent of restoring and protecting our marine environment, I believe it is vital that the recreational values as well as other uses of our oceans and coastal areas be protected, so that all may continue to enjoy these valuable resources.

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I want to add to the gentleman from California [Mr. Levine] that in particular his work is what resulted, along with his colleagues from the area who were also very concerned with this important question, in this study being part of this important legislation.

Mr. LEVINE of California. I want to thank my friend and colleague for his leadership, for his thoughtfulness on this particular aspect of the legislation and for his leadership in this and so many other related issues.

Mr. PANETTA. Madam Speaker, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

Madam Speaker, it is with great pleasure that I rise in support of H.R. 4208. The bill reauthorizes the Federal Marine Sanctuaries Program and, I am delighted to note, it also provides the basis for the designation of Monterey Bay, in my district, as a national marine sanctuary. The provisions in the bill are similar to legislation which I have introduced in past years, including H.R. 734, in the 100th Congress.

Before commenting on this provision of the bill, let me extend my sincere appreciation to Mike Lowry, Gerry Studds, and Walter Jones for their leadership and their hard work in piloting the bill through subcommittee and full committee. In particular, let me thank them, on behalf of myself and thousands of my constituents, for including the Monterey Bay provisions which will help to protect this beloved and exceptional natural resource.

Although there are many reasons why Monterey Bay is a special resource, one simple fact illustrates its very special quality. Monterey Bay includes the largest underwater canyon on the North American coast—an underwater canyon which, in fact, is deeper than the Grand Canyon. This fact should help capture its uniqueness even for those who have never visited the Monterey area.

Monterey Bay also provides important habitat for several endangered and threatened species and, because its deep waters are so near the shore, contains a rich mix of species of flora and fauna, many of which are normally found in deep ocean waters. It is also home to an exceptionally vibrant fish population, and, as a result, the commercial fishing industry has thrived for decades in the Monterey Bay area. In addition, many other industries which are critical to the health of the local economy—including tourism, restaurants, and sport fishing—depend heavily on the bay for their existence.

Despite its critical importance to the community, the bay is threatened by off shore drilling as much as many existing and potential pollutants. For example, the Bureau of Reclamation has repeatedly suggested the dumping of contaminated toxic wastewater from the Kesterson Reservoir into the Pacific Ocean, at Monterey Bay, among other sites, despite extremely strong opposition from many public officials and the public. Although State and local officials are working hard to protect the bay from threats such as this, there is a clear need for a coordinated approach to the protection of the bay. Designation of the bay as a national marine sanctuary will provide the basis for development of a management plan which will allow this kind of coordination.

The importance of the bay has been known to the agency which administers the Marine Sanctuary Program—the National Oceanic and Atmospheric Administration, NOAA—for many years. I am sorry to say, however, that this knowledge has not been properly reflected in NOAA's actions. Although Monterey Bay was an active candidate for sanctuary designation for 6 years, starting in 1978, NOAA abruptly removed it from the candidate list in late 1983 without public comment. As the committee report demonstrates in some detail, NOAA's stated reasons for removing Monterey Bay from the active list cannot withstand close examination.

The bill which we are considering today, H.R. 4208, takes a careful approach which will remedy NOAA's arbitrary treatment of Monterey Bay, while preserving important existing steps in the designation process. H.R. 4208 requires the Secretary of Commerce to issue a notice of designation for Monterey Bay by December 31, 1989. As the report makes clear, however, this does not pre-empt any of the pre-designation steps which would otherwise be required, including preparation of an environmental impact statement, development of a draft management plan, the holding of public hearings in the area, and the submission of the prospectus to Congress for review before publication of the notice. Moreover, after the notice is issued, there will be further opportunities for review, through existing provisions of law which allow the Governor to review (and even disapprove) the designation, or terms of the designation, for parts of sanctuaries within State waters, and which allow Congress to take the same approach for parts of sanctuaries within Federal waters.

The committee report emphasizes another requirement to which I would like to add my comments. As the report notes at several points, it is critical that agency decisions with respect to the designation of Monterey Bay (as well as other sites for which notices of designation are required) be the product of extensive consultation with the public in the affected area and with State and local government officials and interested groups.

One appropriate way to do this might be to form an informal advisory group in the community, composed of individuals and representatives of Government and interested groups, to advise NOAA at each step along the way. I would be pleased to help develop this group and to work with them, to ensure that local contributions and views are reflected in the development of the management plan for Monterey Bay.

In closing, let me once again thank the chairmen of the Subcommittees on Oceanography and on Fisheries and Wildlife Conservation and the Environment, the chairman of the full Merchant Marine and Fisheries Committee, as well as members of the subcommittees and full committee, for their recognition of the importance of designating Monterey Bay as a national marine sanctuary.

I urge my colleagues to suspend the rules and pass H.R. 4208, and I would also urge my Senate colleagues to act speedily on this bill, so that we may complete action during the remaining weeks of the 100th Congress.

Mr. JONES of North Carolina. Madam Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. Studds].

Mr. STUDDS. Madam Speaker, I thank the gentleman for yielding time to me.

Madam Speaker, I rise in strong support of H.R. 4208, the reauthorization of the National Marine Sanctuaries Program.

Madam Speaker, my colleagues who have spoken before me have described well the principal components of the legislation we bring before the House today, so I will confine my remarks to those portions of the bill that would codify a system of liability for those who cause damage to the natural resources of a national marine sanctuary.

Madam Speaker, section 104 of H.R. 4208 proposes to add several new sections to the National Marine Sanctuaries authorizing statute to codify what I believe is a startlingly simple proposition: That those who cause harm to the natural resources of a national marine sanctuary should be responsible for that harm. In short, section 104 will:

Impose liability on those who cause damage to the resources of a sanctuary;

Require the National Oceanic and Atmospheric Administration [NOAA] to evaluate the extent of the damage;

Then require NOAA to recover funds from those who caused the damage and plough them back into restoring the sanctuary itself.

The amendment also authorizes NOAA to proceed directly against those who are responsible through the use of injunctive relief.

Since ordering the bill reported, the committee has received correspondence on the legislation from the Department of Justice that raised several issues that I would like to speak to today. First, like the Clean Water Act and CERCLA—the Superfund law—these provisions would impose strict, joint and several liability on those who are responsible for causing the damage. But unlike the Clean Water Act and CERCLA, these provisions are not limited by the types of substances that cause damage. While the Clean Water Act speaks to discharges of oil and CERCLA to the release of hazardous substances and pollutants, these provisions would cover damage from any source or cause—from pollution to vessel groundings to the intentional destruction of resources.

Madam Speaker, title II of the bill as reported by the Merchant Marine Committee also extended the same rules for liability and recovery to the 79 million acres that comprise the National Parks System. While I sponsored the amendment within the Merchant Marine Committee, the credit for it must lie with the gentleman from Florida, [Mr. FASCELL] within whose district lie both a marine sanctuary and an underwater national park that have sustained significant damage to their coral resources—damage that demonstrated the need for these liability and recovery provisions.

We owe our thanks for the inclusion of title II of the bill to the leadership of the Interior Committee, including in particular the good chairman of the committee, Mr. UDALL, and the chairman of the Parks Subcommittee, Mr. VENTO, for their support of these provisions and for their gracious cooperation in acting rapidly on the bill. While I am sorry that the committee limited the reach of title II to marine and Great Lakes aquatic areas rather than to the park system as a whole, I also understand the procedural constraints governing the committee's consideration and its reluctance to endorse so sweeping a revision to the parks statutes without careful prior review.

Finally, overall credit for the legislation is owed to the chairman of the Oceanography Subcommittee for his dedicated efforts to pursue a broad based reauthorization that will bring the sanctuaries program back on course and help reverse years of inaction and neglect by the administration. The designations of new sanctuaries that we propose here today should never have been necessary: The extraordinary character of Monterey Bay, Cordell Bank and the other areas in the bill more than justify their inclusion into the system, and my friend from Washington deserves high praise for recognizing the need to override the intransigence of the NOAA officials who have for too long sought to tear down and destroy the program they were charged with nurturing.

Madam Speaker, this is a good bill that will renew our commitment to the extraordinary marine areas that rim our coasts and I urge its passage.

Mr. VENTO. Madam Speaker, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Madam Speaker, I want to commend the gentleman for his statement and for the cooperation of the Committee on Merchant Marine and Fisheries in their work on this.

Madam Speaker, H.R. 4208 was sequentially referred to the Interior Committee after being reported from the Committee on Merchant Marine and Fisheries because of the reported bill's provisions dealing with the National Park System.

The Interior Committee approved those provisions in revised form. They are in title II of the reported bill.

The title deals with liability for destruction or injury of resources located in marine or Great Lakes areas within the National Park System, including resources of the water column and submerged lands up to the high tide or high-water line. It would parallel other provisions in the bill that address similar situations involving the National Marine Sanctuaries.

Among other things, the legislation responds to experiences with cases where ships have gone aground on coral reefs in sanctuary areas and national parks. Under the current law, the National Government can only recover damages for injuries to such natural resources by lawsuits based on damaging Government property. Not only does this make recovery more difficult—because it adds to the burden of proof the Government must sustain—but there is no assurance any funds recovered will be used to repair the damage or restore the area. This is because the proceeds of such a lawsuit are not retained by the agency that manages the damaged area, but instead go into the General Treasury.

Title II of H.R. 4208 as reported would change this. It would allow the Secretary of the Interior to sue as trustee of the resources covered by the title and it would define the kinds of damages for which the Secretary could recover. It would also provide that amounts recovered would be retained by the National Park Service, instead of being paid into the General Treasury. Amounts recovered would go, first, to establish and maintain a fund for use in responding to future damages to the resources, and, next, to restore damaged resources or manage and improve national park areas.

There would be no liability for damages that were so small as to be de minimis, or in cases where the activity affecting covered resources was being carried out in compliance with applicable Federal or State law. Due care would also be a defense, and of course damages from acts of God or acts of war would not result in liability.

Madam Speaker, the provisions in title II of the bill are sound and desirable. They will enhance the ability of the Secretary of the Interior to respond appropriately to the kinds of serious problems that have arisen from such events as the shipwrecks I mentioned earlier. I urge the House to approve title II and the rest of this good bill.

Mr. LAGOMARSINO. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 4208, the National Marine Sanctuaries Program Authorization Act of 1988 and to commend the gentleman from North Carolina [Mr. JONES] and the gentleman from Michigan [Mr. DAVIS], the gentleman from Alaska [Mr. YOUNG], and the gentleman from Washington [Mr. LOWRY], also Mr. STUDDS and of course Mr. UDALL and Mr. VENTO for their work on this bill and for the work of the committee and staff of both the Committee on Merchant Marine and Fisheries and the Committee on Interior and Insular Affairs.

Madam Speaker, as has been stated, this bill reauthorizes the National Marine Sanctuaries Program for another 4 years, and makes a number of changes in the act, some of which have already been mentioned. I am particularly interested in this act because the largest of the marine sanctuaries, the Channel Islands National Marine Sanctuary, comprising 1,252 square nautical miles, is within my congressional district. The sanctuary encompasses the Channel Islands National Park, which was created under legislation which I authored at about the same time the sanctuary was designated.

About 10 months ago, in September 1987, the PAC *Baroness*, a Liberian-registered ore carrier, was struck by a Panamanian-registered car-carrier ship at the western entrance to the Santa Barbara Channel, and sank, spilling its cargo of copper ore and bunker fuel oil into the sea, and creating a large oil slick which threatened marine life in the sanctuary as well as seal and sea lion colonies on San Miguel Island in the park.

At my request, several members of the Coast Guard and Navigation Subcommittee, including the gentleman from Alaska [Mr. YOUNG], the gentlewoman from Hawaii [Mrs. SAIKI], and the gentleman from California [Mr. HERGER] flew over the scene and held a meeting in Santa Barbara to hear from fishermen, local officials and members of the public regarding the issue of marine safety in the channel.

The vehicle for the meeting was legislation I had introduced in January 1987, to bar Alaskan oil tankers from the channel—under current law, only U.S. ships can be directly barred from the channel, which is in international waters. As a result of that visit and a hearing here in Washington, DC, last December, a new bill was drafted, H.R. 3772, containing five titles and incorporating a number of the suggestions made at those two forums.

When H.R. 4208 was approved by the House Merchant Marine and Fisheries Committee last month, the gentleman from Michigan [Mr. DAVIS], the ranking member of the committee, offered a package of amendments at my request incorporating several provisions of H.R. 3772. The amendments were accepted and are included in the bill before us today.

Among the amendments are provisions directing the Secretary of Transportation to report within 6 months of enactment of the bill on international conventions and U.S. laws and regulations affecting marine safety in the channel; a list of pollution cleanup exercises scheduled for the channel; a review of all Federal, State and local studies on shipping hazards in the channel; a recommendation on whether an alternative vessel traffic separation scheme would reduce the risk of shipping operations in the channel; a report on the establishment of safety fairways in the channel; and a report on the establishment of Navtex radio navigation and safety system to cover shipping operations in the channel.

The amendments also require the Secretary to prepare and submit a proposal to the International Maritime Organization to designate the channel as "an area to be avoided" on international shipping charts. Also included in H.R. 4208 is a section similar to title IV of my bill creating a special emergency response fund, funded by fines collected from shipowners and operators, to fight oil spills and other threats to marine sanctuaries.

In conclusion, Madam Speaker, there are a number of provisions in this bill of interest to my district, as well as to NOAA, and I urge an "aye" vote on the bill.

Mr. YOUNG of Alaska. Madam Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I thank the gentleman for yielding.

Madam Speaker, I want to compliment the gentleman on his leadership. As he mentioned, I was one of the people at the hearings concerning the Santa Barbara Channel. His leadership in protecting the area and, in this bill, having the Department of Transportation report back is to be applauded. I hope those people who are involved with the Santa Barbara traffic recognize the role of the gentleman in trying to solve the problems to see that it does not happen, where in the past we had two foreign flagged vessels strike one another, depositing a waste in the channel which has many facets of the environment and of people involved in it.

Mr. LAGOMARSINO. I thank the gentleman for his statement.

Madam Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Madam Speaker, I yield 2 minutes to the gentleman from California [Mr. BOSCO].

Mr. BOSCO. Madam Speaker. I rise in support of H.R. 4208, marine sanctuaries authorization.

I am particularly pleased that this bill requires the Commerce Department to designate Cordell Bank a national marine sanctuary. Cordell Bank is an elliptically shaped, 5-by-9-mile underwater "island" located 30 miles off the coast of Sonoma County in northern California.

Cordell Bank lies just north of the existing Farallones National Marine Sanctuary—the shelf itself is located under 100 feet of water at its highest point. It is home to many rare species of marine animals, plants and corals, and its designation as a sanctuary will guarantee increased protection for the region's resources and wildlife.

Madam Speaker, Congress has declared the goals of the National Marine Sanctuary Program to be the identification and preservation of "areas of the marine environment of special national significance due to their resource or human-use values." Cordell Bank is exactly the sort of extraordinary underwater region that Congress contemplated when it established this program.

A unique combination of ocean currents, nutrient upwellings, and sunlight penetration allows Cordell Bank to support a variety of fish and invertebrate species of marine life. Many species of marine birds and marine mammals, including endangered humpback and blue whales, feed in the surrounding waters.

I urge my colleagues to support passage of H.R. 4208.

Mr. JONES of North Carolina. Madam Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. Madam Speaker, I rise to encourage all of my colleagues to support passage of H.R. 4208, as amended. I believe it is imperative that we provide a stable level of funding for those programs which preserve and protect offshore natural habitats under title III of the Marine Protection, Research, and Sanctuaries Act of 1972.

Particularly important to me is the amendment which provides for the designation of the Flower Garden Coral Banks in the Gulf of Mexico as a national sanctuary not later than March 31, 1989.

The Flower Garden Banks comprise the northernmost coral reef on the Continental Shelf of North America and, as such, are highly sensitive to changing environments and to the long-term damage resulting from ships anchoring on them. We must take the steps necessary to preserve the Flower Garden Banks as a vibrant marine community and living laboratory for oceanographers and biologists.

Once again, I urge my colleagues to support H.R. 4208 as amended.

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Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill reauthorizes the National Marine Sanctuaries Program for 4 years. Additionally, it expands the system and improves protection of sanctuary resources. Other than the Department of Commerce, I am aware of no organization opposed to passage of this bill.

The Marine Sanctuary Program was enacted in 1972, and seven sites have been designated. Marine sanctuaries are designed to provide comprehensive protection for nationally significant resources in the marine environment. The most famous site protects the wreck of the U.S.S. *Monitor* off the shores of my district.

The current authorization level for this program is $3.9 million. This bill modestly expands the funding limits to $4.25 million in fiscal year 1988; $4.9 million in fiscal year 1990; $5.55 million in fiscal year 1991; and $5.95 million in fiscal year 1992.

These increased levels are needed to support new requirements and initiatives mandated by this bill.

The bill contains three titles. Title I reauthorizes and amends the Marine Sanctuary Program.

Section 102 sets time limits for the designation of sites. Testimony before the committee demonstrated clearly that site consideration was being delayed intolerably. The bill requires the Secretary to designate a site within 30 months of beginning consideration. Alternatively, he must outline the specific reasons why the designation is not complete and a timetable for completion.

Section 103 requires coordination of research activities and establishes a "special use permit" program. The new permit system provides the secretary with a more flexible management tool than is available under current law. No permit can be issued until specific findings have been made and public notice has been issued.

Section 103 also authorizes the Secretary to enter into cooperative agreements with nonprofit organizations and to accept and expend private donations.

Section 104 makes an important change to existing law by clarifying liability for damage to sanctuary resources, and outlines methods for assessing and expending damage awards. The basic rule is that anyone who injures sanctuary resources is liable for response costs and damages. Damages awards must be used for restoration or management of sanctuary resources.

Section 105 requires designation of four new sites. Over the past 7 years, designation of new sites has been delayed intolerably. The bill addresses this by requiring designation of four new sites, detailed consideration of one site, and initial studies and characterization of two additional sites.

Section 106 requires the Secretary to consider expansion of existing sites in the Florida keys and new site in Santa Monica Bay, CA.

Section 107 brings the enforcement provisions of this law into conformance with those of other marine protection statutes.

Section 108 authorizes appropriations and requires that appropriate artifacts and materials from the U.S.S. *Monitor* be maintained in coastal North Carolina. This later provision is of particular interest to me. This wreck lies 16 miles off my district in the area known as "the graveyard of the Atlantic." This wreck is an important part of the history of coastal North Carolina, and the requirement in this bill guarantees that my State will play a role in interpreting the history of this famous ship.

Section 109 requires the Secretary of Transportation to study the need for additional measures to reduce the risk of shipping through the Channel Islands National Marine Sanctuary.

Section 110 requires that regulations be issued to implement this bill within 1 year of enactment.

Title II of the bill clarifies liability for damages to national park resources and outlines methods for assessing and expending damage awards. This provision was amended during consideration by the Interior Committee and applies only to the marine and aquatic components of the park system.

Title III of the bill clarifies that the Secretary may take steps necessary to ensure protection of abandoned shipwrecks where title has been transferred to a State under Public Law 100–298.

This bill makes important improvements to this program and provides for expanded protection of nationally significant marine resources. I urge passage of H.R. 4208.

Mr. DAVIS of Michigan. Mr. Speaker, I rise in support of H.R. 4208. On the whole, this bill strengthens the National Marine Sanctuary Program, providing needed guidance and recharging a languishing program.

Many parts of this bill deserve special merit:

The damage claims section, which codifies NOAA's struggling practice as trustee for the natural resources of these sites;

The further detailings of NOAA's Enforcement authority under the bill, which leads us toward a more uniform enforcement standard for all marine resource protection statutes, and which will aid NOAA and the courts in expeditiously prosecuting offenders;

Credit for the added protection of the southern California Channel Islands National Marine Sanctuary should be given to Congressman ROBERT LAGOMARSINO who authored the bill from which these provisions are taken. Mr. LAGOMARSINO'S concern for this beautiful and fragile coastal enclave should be commended, and I hope that the additional protections afforded in this legislation will reduce the risk of deadly oil spills to the wildlife which make the Channel Islands their home; and

The outside time limit for decisions to declare an area as a national marine sanctuary, which should speed up the sluggish designation process and end the limbo for sites which have been pending, in some cases, for 7 years.

The only part of this legislation which gives me pause is the mandated designation of various sites as national marine sanctuaries. This legislative usurpation bypasses the detailed designation process created by their body in 1984, and in one case elevates consideration of a site which was rejected by the administration in 1983.

However, the many virtues of the bill outweigh this one flaw, and I urge my colleagues to support this bill to reauthorize a program protecting and preserving our coastal heritage.

Mr. SHUMWAY. Mr. Speaker, like the administration, I support the continuation of the National Marine Sanctuary Program. However, I oppose this bill in its present form. Specifically, I have very strong concerns with the provisions in H.R. 4208 which deal with legislative designations for certain proposed marine sanctuary areas.

In 1984, the Congress decided, after lengthy discussions and debate, to amend title III of the Marine Protection, Research, and Sanctuaries Act to include the site-selection designation process now in use by the National Oceanic and Atmospheric Administration [NOAA]. Congress should give this process a chance to work.

While I understand that some believe the process has not worked quickly enough, and that NOAA has been remiss in not designating sites since 1984, I do not believe that means that we have to circumvent, and indeed undermine, the whole process by having Congress now make the decisions as to where national marine sanctuaries should be located. Instead, if we want to ensure that the process moves along at a reasonable pace, and still maintain the integrity of the administrative process, we could very well include a time frame or schedule in the reauthorization bill depicting when NOAA should complete all of the necessary data and information gathering, and when it should be submitted to the Congress for review. This time frame or schedule would allow the program to move forward in an orderly and timely fashion based on the merits of the particular sites and on the requisite environmental impact information.

By requiring designation of Monterey Bay and the Western Washington Outer Coast Site legislatively as this bill does, we are in effect making a mockery of the existing procedures under title III of the MPRSA and under the National Environmental Policy Act [NEPA]. If the Congress has already made the decision to designate these sites, what is the value of the public hearings and the environmental impact statements required by NEPA? Shouldn't the people adjacent to these sites have some say in the designation process?

I also have concern regarding the special study provision for the Santa Monica Bay, which is included in this bill. This special study provision also goes completely outside the normal, orderly process for inclusion on the site evaluation list [SEL], which also involves public comment and community interests. Moreover, there was no indication at our subcommittee that this study provision for Santa Monica Bay was warranted. And NOAA has already testified that the site evaluation list will be open for consideration of additional sites this fall and, if Santa Monica Bay is deserving of inclusion in the program, it should be nominated at that time.

In short, this special study provision puts Santa Monica on the fast track by calling for automatic designation if the study results in positive findings; clearly, this is not fair to the other sites that have been, and continue to be, on the site evaluation list. NOAA has also stated that Santa Monica is not appropriate for this program. For one thing, its size and complexity would use up a disproportionate amount of the resources available to the program.

With regard to the provision in H.R. 4208 which deals with the Abandoned Shipwreck Act, and the Secretary of Commerce's authority to manage shipwrecks within marine sanctuaries, I do believe this is a useful and important clarification of existing law. The Commerce Department and the Congressional Research Service have stated officially to the Merchant Marine and Fisheries Committee that enactment of the shipwreck bill clouded the question of whether the Secretary of Commerce has any say as to whether a State can go ahead with salvage of a vessel within a national marine sanctuary to which title has been transferred to that State. This provision, within H.R. 4208, clarifies this situation and allows the Secretary of Commerce to have management authority even though the State retains title to the shipwreck.

In summary, Mr. Speaker, I again am opposing this bill because I believe on the whole, while the program is important, the provisions dealing with designation of sites for marine sanctuaries undermine the process that the Congress took great care to craft in 1984. I believe the bill should be voted down under suspension, so that we can bring it up under an open rule and amendments can be offered to perfect these problems.

Mr. JONES of North Carolina. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and pass the bill, H.R. 4208, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to reauthorize appropriations to carry out title III of the Marine Protection, Research, and

Sanctuaries Act of 1972 during fiscal years 1989, 1990, 1991, and 1992, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ATLANTIC STRIPED BASS CONSERVATION ACT AMENDMENTS OF 1988

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4124) to authorize appropriations to carry out the Atlantic Striped Bass Conservation Act for fiscal years 1989 through 1991, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4124

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TECHNICAL AMENDMENT RELATING TO INTERSTATE FISHERIES MANAGEMENT PLAN FOR STRIPED BASS.

Paragraph (7) of section 3 of the Atlantic Striped Bass Conservation Act (16 U.S.C. 1851 note) is amended to read as follows:

"(7) the term "Plan" means the Interstate Fisheries Management Plan for Striped Bass and amendments thereto, prepared and formally adopted by the Commission.".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 7 of the Atlantic Striped Bass Conservation Act (16 U.S.C. 1851 note) is amended by striking "and 1988," and inserting in lieu thereof "1988, 1989, 1990, and 1991,".

SEC. 3. EFFECTIVE PERIOD.

Section 9 of the Atlantic Striped Bass Conservation Act (16 U.S.C. 1851 note) is amended by striking "1988." and inserting in lieu thereof "1991.".

SEC. 4. FUNDING OF STRIPED BASS STUDIES.

Section 7(d) of the Anadromous Fish Conservation Act (16 U.S.C. 757g(d)) is amended by striking "the fiscal year ending September 30, 1980," and all that follows through "September 30, 1988" and inserting in lieu thereof "each of the fiscal years 1988, 1989, 1990, and 1991".

SEC. 5. RECOMMENDATIONS OF ATLANTIC STATES MARINE FISHERIES COMMISSION REGARDING ESTABLISHMENT OF MIGRATORY STRIPED BASS CONSERVATION STAMP.

(a) IN GENERAL.—Not later than 12 months after the date of the enactment of this Act the Atlantic States Marine Fisheries Commission shall, in consultation with the directors of the National Marine Fisheries Service and the Fish and Wildlife Service, submit to the Committee on Merchant Marine and Fisheries of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Environment and Public Works of the Senate recommendations regarding the establishment and implementation of a migratory striped bass conservation stamp for States subject to the Interstate Fisheries Management Plan for Striped Bass.

(b) SUBJECTS OF RECOMMENDATIONS.—Recommendations submitted by the Commission pursuant to this section shall address—

(1) the need for a Federal striped bass stamp to continue and strengthen striped bass research, monitoring, and enforcement activities;

(2) whether such a stamp should apply to more than one migratory species;

(3) how a program for such a stamp should be administered;

(4) how revenues from the sale of such a stamp should be distributed; and

(5) such other matters as the Commission considers appropriate.

SEC. 6. NORTH CAROLINA STRIPED BASS STUDY.

(a) FINDINGS.—The Congress finds the following:

(1) Although the Atlantic Striped Bass Conservation Act (16 U.S.C. 1851 note) continues to be effective in helping and beginning to reverse the decline of important Atlantic migratory stocks of striped bass, the striped bass populations in the Albemarle Sound-Roanoke River basin area of North Carolina have continued to decline to a severely depressed level and may soon reach a level from which recovery will be exceptionally difficult.

(2) The reasons for this decline are many, and include the effects of fishing; unsuitable water flow before, during, and after critical spawning periods; degradation of water quality by pollutants; the impact of eutrophication on the food chain; and the impact of changing land use activities.

(3) Despite the seriousness of the decline of the striped bass populations in the Albemarle Sound-Roanoke River basin area, potential solutions to the problem are uncertain, and a study of the problem must be undertaken to obtain additional biological information to develop such solutions.

(4) When the National Marine Fisheries Service, the United States Fish and Wildlife Service, or any other Federal agency considers the effects of water use on striped bass within the Albemarle Sound-Roanoke River basin area, the cumulative effects of all potential withdrawals and discharges should be considered.

(5) Because of the extremely fragile condition of the striped bass populations of the Albemarle Sound-Roanoke River basin area, even small changes in the condition of the Roanoke River could have major consequences for survival of such populations. For the duration of the study authorized by this section, State and Federal agencies should exercise caution to ensure that actions are not taken that may contribute further to the decline of striped bass resources in the study area, and whenever possible, additional conservation actions should be taken to enhance the recovery of North Carolina striped bass populations, including consideration of further reductions in mortality from fishing.

(b) STUDY.—

(1) IN GENERAL.—The Assistant Administrator of the National Oceanic and Atmospheric Administration for Fisheries (hereinafter referred to in this section as the "Assistant Administrator") and the Director of the United States Fish and Wildlife Service (hereinafter referred to in this section as the "Director")—

(A) shall jointly and immediately undertake a comprehensive biological study of the striped bass fishery resources and habitats of the Albemarle Sound-Roanoke River basin area;

(B) develop short-term and long-term recommendations for Federal and State government agencies for restoring and conserving such resources and habitats; and

(C) submit the results of such study and such recommendations to the Congress and to the State of North Carolina not later than 18 months after the date of the enactment of this Act.

(2) CONTENTS OF THE STUDY.—The study conducted under this subsection shall include—

(A) investigation of the size and distribution of striped bass populations in the Albemarle Sound-Roanoke River basin area, including determination of the amount and geographical location of annual migration and spawning;

(B) investigation of factors responsible for the decline in the number of striped bass in the Albemarle Sound-Roanoke River basin area, including—

(i) analyses of the extent and causes of mortality of striped bass in the area at successive stages in the life cycle of striped bass, including mortality due to recreational and commercial fishing;

(ii) determination of the effects of pollution and other natural and human alterations of the physical environment on annual migration and spawning and on the viability and condition of eggs and larval fish in the area, including the effects of water withdrawals and discharges; and

(iii) description of the Albemarle Sound-Roanoke River basin area and an analysis of the direct, indirect, and cumulative effects of current and planned land and water use practices on the striped bass populations and habitats of the area;

(C) analyses of the status and effectiveness of current striped bass management measures implemented by State and Federal authorities; and

(D) recommendation of whether or not conservation of the Albemarle Sound-Roanoke River basin stocks of striped bass could be improved by inclusion of these stocks under the Interstate Fisheries Management Plan for Striped Bass.

(c) LEAD AGENCY.—The National Marine Fisheries Service shall be the lead agency for carrying out a study under this section.

(d) PARTICIPATION BY STATE OFFICIALS.—The Assistant Administrator—

(1) shall invite the Director of the North Carolina Division of Marine Fisheries and the Executive Director of the North Carolina Wildlife Resources Commission to participate in conducting the study and developing recommendations pursuant to subsection (b); and

(2) shall enter into a Memorandum of Understanding with the Director and such State officials which sets forth the respective responsibilities of the Assistant Administrator, the Director, and such State officials in conducting the study and developing those recommendations.

(e) CONSULTATION.—In carrying out the study under subsection (b), the Assistant Administrator and the Director shall, to the maximum extent practicable, consult with other Federal agencies, the Atlantic States Marine Fisheries Commission, the Policy Committee of the Albemarle-Pamlico Estuarine Study, affected local governments, and appropriate commercial and recreational fishing interests.

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, H.R. 4124 reauthorizes the Atlantic Striped Bass Conservation Act of 1984 and extends the Emergency Striped Bass Study for 3 years. The purpose of this bill, and the law it reauthorizes, is to restore the striped bass to its historic status as one of the most important commercial and recreational species in the United States.

As the author of the Emergency Striped Bass Study in 1979 and the Atlantic Striped Bass Conservation Act in 1984, I am proud to report that great progress has been made in bringing back the striper. In those earlier days, the prognosis for the striped bass was bleak. It was clear that in the absence of significant conservation efforts, the striped bass would never regain its past prominence. In short, our fisherman and our environment were threatening the survival of the bass.

In less than a decade, we have begun to reverse this trend. The emergency study, together with the Striped Bass Act, have provided our fishery managers with the necessary tools to reduce fishing effort and to develop responsible management strategies.

The management program that has developed under this act is unique. Individual States develop regulations for their waters that are consistent with the Atlantic States Marine Fisheries Commission's management plan for striped bass. If a State fails to do this, it is subject to a federally imposed moratorium. I am pleased to note, however, that it has not been necessary for the Federal Government to impose a moratorium on striped bass fishing in any State, although several States, as I think Members know, have themselves closed their striped bass fishery because of high levels of pollution.

Mr. Speaker, the Atlantic Striped Bass Conservation Act is a success story. The magnificent striped bass, once severely depleted and nearly placed on the Federal endangered species list, is making a comeback. Reauthorization of this act would allow another chapter to be written in this very happy story. I strongly urge my colleagues to support this bill.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4124 and the accompanying amendment. This bill reauthorizes the Atlantic Striped Bass Conservation Act and extends the Emergency Striped Bass Study for an additional 3 years. The act promotes the restoration and management of depleted striped bass stocks while the emergency study is basically designed to obtain the best scientific information on the population dynamics of the species as well as to monitor the status of the various stocks.

I would like to recognize the efforts of Chairman JONES of the Merchant Marine and Fisheries Committee as well as those of the chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment, Congressman STUDDS, in introducing this legislation.

Mr. Speaker, I urge the adoption of H.R. 4142.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to urge my colleagues to support H.R. 4124, a bill to reauthorize the Atlantic Striped Bass Conservation Act and emergency striped bass study for fiscal years 1989 through 1991.

The serious decline of important stocks of striped bass during the last 10 years led Congress to authorize the emergency striped bass study in 1979. This continuing study investigates the causes of the decline and monitors the abundance and distribution of striped bass.

In 1984, under the dedicated leadership of the Honorable GERRY STUDDS, Congress also enacted the Atlantic Striped Bass Conservation Act. The 1984 act promotes the restoration and management of depleted populations of striped bass by encouraging the States to implement consistent and effective management programs within their respective jurisdictions.

The 1984 Striped Bass Conservation Act continues to be effective in preventing the further decline of this species of fish that is so important to all the Atlantic States. There are encouraging signs in some areas that the stocks may be on the road to recovery, but the act must be reauthorized to assure that the recovery continues.

Even though certain stocks of striped bass are showing encouraging signs of recovery, unfortunately the stocks in North Carolina have continued to decline. Therefore, H.R. 4124 includes a requirement that additional studies be undertaken regarding threats to the striped bass resources of that area.

Of particular concern is the proposed diversion of additional water from the Roanoke River and the continued deterioration of water quality in Albemarle Sound. To the maximum extent possible, adequate in-stream flows in the Roanoke River should be maintained pending completion of the North Carolina striped bass study.

I do not intend this additional study to detract in any way from ongoing studies of striped bass in other areas. However, we must obtain better information on this once important stock of fish. With better information, restoration efforts can be accelerated and the North Carolina striped bass can once again assume its role as a major fishery resource of the Atlantic.

I urge my colleagues to support H.R. 4124.

Mr. CONTE. Mr. Speaker, I rise in support of the Striped Bass Conservation Amendments for 1988.

Several years ago, when the striped bass population was at an all time low, the Congress responded to the situation by enacting an emergency study to assess the problem and evaluate solutions. Funded each year since 1980, this emergency study is just as important today as it was 7 years ago.

We've made great strides in mobilizing Federal, State, and local authorities with the help of sportsmen to save this important species.

Based on the work of the emergency study, the Congress enacted comprehensive legislation to deal with the striped bass decline. A moratorium was established and other conservation measures were taken. We were even able to curtail a boondoggle highways project in New York that would have decimated spawning habitat for striped bass and other anadromous fish.

Even with this aggressive effort, much work remains to be done.

In the Chesapeake Bay, for example, the EPA has found "that nutrient overenrichment is a principal factor in the decline in biological health of this country's largest estuary."

Agricultural runoff is literally choking the life out of the bay, and as a result, the striped bass and other species are paying the price.

The reauthorizations contained in this bill will maintain the federal commitment to this restoration effort.

Each year the administration proposes to eliminate funding for anadromous fish grants and the striped bass study, and with the support of the members of the Merchant Marine Committee, I've been able to restore these amounts, at least at the current level. In future years, I hope this program cannot only be maintained but enhanced.

Mr. Speaker, these are important conservation programs, and I urge my colleagues to support this bill.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and pass the bill, H.R. 4124, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4124, the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

INSPECTOR GENERAL ACT AMENDMENTS OF 1988

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4054) to amend the Inspector General Act of 1978 to establish offices of inspector general in certain departments, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4054

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—INSPECTOR GENERAL ACT AMENDMENTS

SECTION 101. SHORT TITLE.

This Act may be cited as the "Inspector General Act Amendments of 1988".

SEC. 102. ESTABLISHMENT OF NEW OFFICES OF INSPECTOR GENERAL.

(a) PURPOSE; ESTABLISHMENT.—Section 2(1) of the Inspector General Act of 1978 (Public Law 95-452; 5 U.S.C. App.) is amended to read as follows:

"(1) to conduct and supervise audits and investigations relating to the programs and operations of the establishments listed in section 11(2);".

(b) ADDITION OF DEPARTMENTS OF ENERGY, HEALTH AND HUMAN SERVICES, JUSTICE, AND TREASURY, FEMA, AND RAILROAD RETIREMENT BOARD TO LIST OF COVERED ESTABLISHMENTS.—Section 11 of such Act is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) the term 'head of the establishment' means the Secretary of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Labor, State, Transportation, or the Treasury; the Attorney General; the Administrator of the Agency for International Development, Environmental Protection, General Services, National Aeronautics and Space, Small Business, or Veterans' Affairs; the Director of the Federal Emergency Management Agency or the United States Information Agency; or the Chairman of the Railroad Retirement Board; as the case may be;

"(2) the term 'establishment' means the Department of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Justice, Labor, State, Transportation, or the Treasury; the Agency for International Development, the Environmental Protection Agency, the Federal Emergency Management Agency, the General Services Administration, the National Aeronautics and Space Administration, the Railroad Retirement Board, the Small Business Administration, the United States Information Agency, or the Veterans' Administration; as the case may be;".

(c) TRANSFERS OF EXISTING AUDIT AND INVESTIGATION UNITS.—Section 9(a)(1) of such Act is amended—

(1) by striking out subparagraph (I), relating to the Community Services Administration;

(2) by redesignating subparagraphs (J) through (N) as subparagraphs (I) through (M), respectively;

(3) by striking out "and" at the end of subparagraphs (L) and (M) (as so redesignated); and

(4) by adding at the end thereof the following new subparagraphs:

"(N) of the Department of Justice, the offices of that Department referred to as (i) the 'Audit Staff, Justice Management Division', (ii) the 'Policy and Procedures Branch, Office of the Comptroller, Immigration and Naturalization Service', the 'Office of Professional Responsibility, Immigration and Naturalization Service', and the 'Office of Program Inspection, Immigration and Naturalization Service', (iii) the 'Office of Internal Inspection, United States Marshals Service', (iv) the 'Financial Audit Section, Office of Financial Management, Bureau of Prisons' and the 'Office of Inspections, Bureau of Prisons', and (v) from the Drug Enforcement Administration, that portion of the 'Office of Inspections' which is engaged in internal audit activities and that portion of the 'Office of Planning and Evaluation' which is engaged in program review activities;

"(O) of the Department of the Treasury, the offices of that Department referred to as the 'Office of Inspector General', and, notwithstanding any other provision of law, that portion of each of the offices of that department referred to as the 'Office of Internal Affairs, Bureau of Alcohol, Tobacco and Firearms', the 'Office of Internal Affairs, Customs Service', and the 'Office of Inspections, Secret Service', which is engaged in internal audit activities;

"(P) of the Federal Emergency Management Agency, the office of that agency referred to as the 'Office of Inspector General';

"(Q) of the Department of Energy, the Office of Inspector General (as established by section 208 of the Department of Energy Organization Act);

"(R) of the Department of Health and Human Services, the Office of Inspector General (as established by title II of Public Law 94-505); and

"(S) of the Railroad Retirement Board, the Office of Inspector General (as established by section 23 of the Railroad Retirement Act of 1974);".

(d) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"Inspector General, Department of Justice.

"Inspector General, Department of the Treasury.

"Inspector General, Agency for International Development.

"Inspector General, Department of Commerce.

"Inspector General, Department of the Interior.

"Inspector General, Environmental Protection Agency.

"Inspector General, Federal Emergency Management Agency.

"Inspector General, General Services Administration.

"Inspector General, National Aeronautics and Space Administration.

"Inspector General, Small Business Administration.

"Inspector General, Railroad Retirement Board.".

(2) Section 5316 of such title is amended by striking out each of the following paragraphs:

"Inspector General, Agency for International Development.";

"Inspector General, Department of Commerce.";

"Inspector General, Department of the Interior."; and

"Inspector General, Community Services Administration.

"Inspector General, Environmental Protection Agency.

"Inspector General, General Services Administration.

"Inspector General, National Aeronautics and Space Administration.

"Inspector General, Small Business Administration.".

(3)(A)(i) Section 208 of the Department of Energy Organization Act is repealed.

(ii) The table of contents in the first section of such Act is amended by striking out the item relating to section 208.

(B) Title II of Public Law 94-505 is repealed.

(C) Section 23 of the Railroad Retirement Act of 1974 is repealed.

(4) Any individual who, on the date of enactment of this Act, is serving as the Inspector General of the Department of Energy, the Department of Health and Human Services, or the Railroad Retirement Board, shall continue to serve in such position until such individual dies, resigns, or is removed from office in accordance with section 3(b) of the Inspector General Act of 1978.

SEC. 103. EXTENSION OF INSPECTOR GENERAL ACT PROTECTIONS AND REQUIREMENTS TO CERTAIN DESIGNATED FEDERAL ENTITIES.

The Inspector General Act of 1978 is further amended by inserting after section 8A the following new section:

"PROTECTIONS AND REQUIREMENTS FOR CERTAIN DESIGNATED FEDERAL ENTITIES

"SEC. 8B. (a) Not later than 180 days after the date of enactment of this section, there shall be established in each designated Federal entity an Office of Inspector General. The head of the designated Federal entity shall transfer to such Office the offices, units, or other components, and the functions, powers, or duties thereof, that such head determines are properly related to the functions of the Office of Inspector General and would, if so transferred, further the purposes of this section. There shall not be transferred to such Office any program operating responsibilities.

"(b) Each Inspector General shall report to and be under the general supervision of the head of the designated Federal entity involved, but shall not report to, or be subject to supervision by, any other officer of such designated Federal entity. The head of the designated Federal entity shall not prevent

or prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena during the course of any audit or investigation.

"(c) Except as provided in subsection (g), the Inspector General shall be appointed by the head of the designated Federal entity in accordance with the applicable laws and regulations governing appointments within the designated Federal entity.

"(d) If the Inspector General is removed from office or is transferred to another position or location, the head of the designated Federal entity shall promptly communicate the reasons for any such removal or transfer to each House of the Congress.

"(e)(1) Sections 4, 5, 6 (other than subsections (a)(7) and (a)(8) thereof), and 7 of this Act shall apply to each Inspector General and Office of Inspector General of a designated Federal entity and such sections shall be applied to each designated Federal entity and head of the designated Federal entity (as such terms are defined in subsection (h)) by substituting—

"(A) 'designated Federal entity' for 'establishment'; and

"(B) 'head of the designated Federal entity' for 'head of the establishment'.

"(2) In addition to the other authorities specified in this Act, an Inspector General is authorized to select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the Office of Inspector General and to obtain the temporary or intermittent services of experts or consultants or an organization thereof, subject to the applicable laws and regulations that govern such selections, appointments, and employment, and the obtaining of such services, within the designated Federal entity.

"(f) Within one year after the date of enactment of this section, and on October 31 of each succeeding calendar year, the head of each Federal entity which is not a designated Federal entity shall prepare and transmit to the Director of the Office of Management and Budget and to each House of the Congress a report which—

"(1) states whether there has been established in the Federal entity an internal audit office that meets the requirements of this section;

"(2) specifies the actions taken by the Federal entity otherwise to ensure that audits are conducted of its programs and operations in accordance with the standards for audit of governmental organizations, programs, activities, and functions issued by the Comptroller General of the United States, and includes a list of each audit report completed by a Federal or non-Federal auditor during the reporting period and a summary of any particularly significant findings; and

"(3) summarizes any matters relating to the personnel, programs, and operations of the Federal entity referred to prosecutive authorities, including a summary description of any preliminary investigation conducted by or at the request of the Federal entity concerning these matters, and the prosecutions and convictions which have resulted.

"(g) The Chief Postal Inspector of the United States Postal Service shall also hold the position of Inspector General of the United States Postal Service, and for purposes of this section, shall report to, and be under the general supervision of, the Postmaster General of the United States Postal Service. The Chief Postal Inspector shall be appointed by the Governors of the United States Postal Service and may be removed from office or transferred to another position or location within the United States Postal Service by the Governors. If the Chief Postal Inspector is removed or transferred in accordance with this subsection, the Governors shall promptly notify each House of the Congress of the reasons for such removal or transfer.

"(h) Notwithstanding section 11 of this Act, as used in this section—

"(1) the term 'Federal entity' means any Government corporation (within the meaning of section 103(1) of title 5, United States Code), any Government controlled corporation (within the meaning of section 103(2) of such title), or any other entity in the executive branch of the Government, or any independent regulatory agency, but does not include—

"(A) an establishment (as defined in section 11(2) of this Act) or part of an establishment;

"(B) the Executive Office of the President;

"(C) the Central Intelligence Agency;

"(D) the General Accounting Office; or

"(E) any entity in the judicial or legislative branches of the Government, including the Administrative Office of the United States Courts and the Architect of the Capitol and any activities under the direction of the Architect of the Capitol;

"(2) the term 'designated Federal entity' means ACTION, Amtrak, the Appalachian Regional Commission, the Board of Governors of the Federal Reserve System, the Board for International Broadcasting, the Commodity Futures Trading Commission, the Consumer Product Safety Commission, the Equal Employment Opportunity Commission, the Farm Credit Administration, the Federal Communications Commission, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, the Federal Labor Relations Authority, the Federal Maritime Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Legal Services Corporation, the National Archives and Records Administration, the National Credit Union Administration, the National Endowment for the Arts, the National Endowment for the Humanities, the National Labor Relations Board, the National Science Foundation, the Nuclear Regulatory Commission, the Office of Personnel Management, the Panama Canal Commission, the Peace Corps, the Pension Benefit Guaranty Corporation, the Securities and Exchange Commission, the Smithsonian Institution, the Tennessee Valley Authority, the United States International Trade Commission, and the United States Postal Service;

"(3) the term 'head of the Federal entity' means the director, administrator, president, or chief policy-making officer or board of a Federal entity, or any other person or persons designated by statute as the head of a Federal entity;

"(4) the term 'head of the designated Federal entity' means the director, administrator, president, or chief policy-making officer or board of a designated Federal entity, or any other person or persons designated by statute as the head of a designated Federal entity;

"(5) the term 'Office of Inspector General' means an Office of Inspector General of a designated Federal entity; and

"(6) the term 'Inspector General' means an Inspector General of a designated Federal entity.".

SEC. 104. PROVISIONS TO ENSURE UNIFORMITY AND RELIABILITY OF INSPECTOR GENERAL REPORTS.

(a) REPORT INFORMATION REQUIRED ON AUDITS.—Section 5(a) of the Inspector General Act of 1978 is amended by striking out "and" at the end of paragraph (5) and by striking out paragraph (6) and inserting in lieu thereof the following:

"(6) a listing, subdivided according to subject matter, of each audit report issued by the Office during the reporting period, and, where applicable, the amounts of costs reported as ineligible costs and the amounts of costs reported as unsupported costs, in each such report;

"(7) a summary of each particularly significant report; and

"(8) statistical tables showing the total number of audit reports and, where applicable, the total dollar amounts of costs reported as ineligible costs and costs reported as unsupported costs, such amounts which management, in a management decision, has agreed to recover, amounts of funds recommended to be put to better use and the amounts of such funds which management has agreed should be put to better use, for audit reports—

"(A) for which no management decision had been made by the beginning of the period,

"(B) which were issued during the period,

"(C) for which a management decision was made during the period,

"(D) for which no management decision has been made by the end of the period, and

"(E) which were over six months old with no management decision at the end of the period;

"(9) a summary of each particularly significant audit report issued before the commencement of the reporting period for which a management decision was not made within 6 months after the date of issuance of such report, an explanation of the reason such management decision was not made, and a statement as to the current status of each such report;

"(10) a description of, and explanation of the reasons for, any significant revised management decision made during the reporting period;

"(11) information concerning any significant management decision with which the Inspector General is in disagreement; and

"(12) separate sections that include, with respect to each audit and investigative office of the establishment outside the Office of Inspector General (other than audit or investigative offices that conduct audits or investigations as an integral part of a program of the establishment), the matters required to be included under paragraphs (1) through (5) and (7) through (11) of this subsection.".

(b) REPORT ON FINAL ACTION.—Section 5(b) of such Act is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by striking out "containing any comments such head deems appropriate." and inserting the following:

"containing—

"(A) any comments such head deems appropriate;

"(B) a list of audit reports issued by the establishment's Office of Inspector General on which final action had not been taken within one year after the date on which a management decision was made in response to such report and an explanation of the reason final action had not been taken, except that such list may exclude audit reports under formal administrative or judi-

cial appeal but shall identify the number of reports so excluded; and

"(C) statistical tables showing the total number of audit reports and, where applicable, the total dollar amounts of ineligible and unsupported costs agreed upon; such amounts actually returned to or offset by the Federal Government; the amounts of funds which management agreed to put to better use; and the amounts of funds put to better use as a result of final action on a management decision; for audit reports for which a management decision had been made by the end of the period but on which final action—

"(i) had not been taken by the beginning of the period,

"(ii) was taken during the period,

"(iii) was pending at the end of the period, and

"(iv) has not been taken within one year of the date of the management decision.

"(2) Within 60 days after the transmission of the semiannual reports of each establishment head to the Congress, the head of each establishment shall make copies of such report available to the public upon request and at a reasonable cost.".

(c) CONFORMING AMENDMENT: DEFINITIONS.—Section 5 of such Act is further amended by adding at the end thereof the following new subsection:

"(f) As used in this section—

"(1) the term 'ineligible cost' means a cost that is questioned by the Office because of an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds;

"(2) the term 'unsupported cost' means a cost that is questioned by the Office because the Office found that, at the time of the audit, such cost was not supported by adequate documentation;

"(3) the term 'management decision' means the evaluation by the management of an establishment of the findings and recommendations included in an audit report and the issuance of a written final decision by management concerning its response, including actions concluded to be necessary, to such findings and recommendations.

"(4) the term 'final action' means the completion of all actions that the management of an establishment has concluded, in its management decision, are necessary with respect to the findings and recommendations included in an audit report, and, in the event that agency management concludes no corrective action is necessary, final action occurs when a management decision has been reached.".

SEC. 105. OATH ADMINISTRATION AUTHORITY.

Section 6(a) of the Inspector General Act of 1978 is amended—

(1) by redesignating paragraphs (5) through (8) as paragraphs (6) through (9), respectively, and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) to administer to or take from any person an oath, affirmation, or affidavit, whenever necessary in the performance of the functions assigned by this Act, which oath, affirmation, or affidavit when administered or taken by or before an employee of an Office of Inspector General designated by the Inspector General shall have the same force and effect as if administered or taken by or before an officer having a seal;".

SEC. 106. EXTERNAL REVIEWS.

Section 4(b) of the Inspector General Act of 1978 is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) by inserting "(1)" after "(b)"; and

(3) by adding at the end the following:

"(2) For purposes of determining compliance with paragraph (1)(A) with respect to whether internal quality controls are in place and operating and whether established audit standards, policies, and procedures are being followed by Offices of Inspector General and internal audit offices described in section 8B(f)(1), reviews shall be performed exclusively by an audit entity in the Federal Government, including the General Accounting Office or another Office of Inspector General.".

SEC. 107. TECHNICAL AMENDMENT.

(a) SENIOR EXECUTIVE SERVICE POSITIONS.—Section 6 of the Inspector General Act of 1978 is amended by adding at the end thereof the following:

"(d) For purposes of the provisions of title 5, United States Code, governing the Senior Executive Service, any reference in such provisions to the 'appointing authority' for a member of the Senior Executive Service or for a Senior Executive Service position shall, if such member or position is or would be within the office of an Inspector General, be deemed to be a reference to such Inspector General.".

(b) COAST GUARD OPERATION AS PART OF DEPARTMENT OR AGENCY.—Section 8(e) of the Inspector General Act of 1978 is amended by inserting before the period at the end thereof the following: ", except that, when the Coast Guard operates as a service of another department or agency of the Federal Government, a member of the Coast Guard shall be deemed to be an employee of such department or agency".

SEC. 108. REPORT ON IMPLEMENTATION.

Within one year after the date of enactment of this Act, the head of each designated Federal entity (as such term is defined in section 8B(h) of the Inspector General Act of 1978) shall submit to the Director of the Office of Management and Budget and to each House of the Congress a report on the status of the implementation by that agency of the requirements of section 8B of such Act. Such report shall identify any area or areas in which implementation is not complete and describe the reasons for that failure.

SEC. 109. PAYMENT AUTHORITY SUBJECT TO APPROPRIATIONS.

Any authority to make payments under this Act shall be effective only to such extent as provided in appropriations Acts.

SEC. 110. APPROPRIATION ACCOUNTS.

Section 1105(a)(25) of title 31, United States Code, is amended to read as follows:

"(25) a separate appropriation account for appropriations for each Office of Inspector General established by section 2 of the Inspector General Act of 1978.".

SEC. 111. DISCLOSURE OF TAX RETURNS AND RETURN INFORMATION.

Section 5(e)(3) of the Inspector General Act of 1978 is amended by striking out "Nothing" in the first sentence and inserting in lieu thereof "Except to the extent provided in section 6103(f) of the Internal Revenue Code of 1986, nothing".

SEC. 112. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 180 days after the date of enactment of this Act, except that section 5(b)(1) (A), (B), and (C) of the Inspector General Act of 1978 (as amended by section 104(b) of this Act) shall take effect one year after the date of enactment of this Act.

TITLE II—GOVERNMENT PRINTING OFFICE INSPECTOR GENERAL

SEC. 201. SHORT TITLE.

This Act may be cited as the "Government Printing Office Inspector General Act of 1988".

SEC. 202. OFFICE OF INSPECTOR GENERAL.

Title 44 of the United States Code is amended by adding at the end the following new chapter:

"CHAPTER 39—GOVERNMENT PRINTING OFFICE: OFFICE OF INSPECTOR GENERAL

"Sec.
"3901. Purpose and establishment and Office of Inspector General.
"3902. Appointment of Inspector General; supervision; removal.
"3903. Duties, responsibilities, authority, and reports of the Inspector General.

"§3901. Purpose and establishment and Office of Inspector General

"In order to create an independent and objective office—

"(1) to conduct and supervise audits and investigations relating to the Government Printing Office;

"(2) to provide leadership and coordination and recommend policies to promote economy, efficiency, and effectiveness; and

"(3) to provide a means of keeping the Public Printer and the Congress fully and currently informed about problems and deficiencies relating to the administration and operations of the Government Printing Office;

there is hereby established an Office of Inspector General in the Government Printing Office.

"§3902. Appointment of Inspector General; supervision; removal

"(a) APPOINTMENT OF INSPECTOR GENERAL.—There shall be at the head of the Office of Inspector General, an Inspector General who shall be appointed by the Public Printer without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations. The Inspector General shall report to, and be under the general supervision of, the Public Printer. The Public Printer shall have no authority to prevent or prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena during the course of any audit or investigation.

"(b) REMOVAL.—The Inspector General may be removed from office by the Public Printer. The Public Printer shall, promptly after such removal, communicate in writing the reasons for any such removal to each House of the Congress.

"§3903. Duties, responsibilities, authority, and reports of the Inspector General

"(a) Sections 4, 5, 6 (other than subsection (a)(7) thereof), and 7 of the Inspector General Act of 1978 (5 U.S.C. App.) shall apply to the Inspector General of the Government Printing Office and the Office of such Inspector General and shall be applied to the Government Printing Office and the Public Printer by substituting—

"(1) 'Government Printing Office' for 'establishment'; and

"(2) 'Public Printer' for 'head of the establishment'.

"(b) The Inspector General, in carrying out the provisions of this chapter, is authorized to select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the Office of Inspector General subject to the provisions of this title governing appointments and employment in the Government Printing Office.".

SEC. 203. AMENDMENT TO TABLE OF CHAPTERS.

The table of chapters for title 44, United States Code, is amended by adding at the end the following new item:

"39. Government Printing Office: Office of Inspector General .... 3901".

SEC. 204. EFFECTIVE DATE.

The provisions of this title and the amendments made by this title shall take effect 180 days after the date of enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. HORTON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4054, the Inspector General Act Amendments of 1988, would establish statutory offices of inspector general in all regulatory agencies and other Federal entities that receive more than $100 million in appropriations. It would combine existing audit and investigative functions in these 33 entities and provide them more independence.

In three of the entities—the Departments of Justice and Treasury, and the Federal Emergency Management Agency—the inspector general would be Presidentially appointed. In the others, the inspector general would be appointed by the head of the entity. The authorities, duties, and protections of the Inspector General Act of 1978 would be extended to all inspectors general. The bill would also conform offices of inspector general created in the Departments of Energy and Health and Human Services and in the Railroad Retirement Board to the 1978 act thereby bringing all statutorily established inspectors general in the executive branch under one act.

In addition, the bill provides for more uniform reporting of the inspectors generals' activities and requires each inspector general and the head of each entity to make semiannual reports to the Congress. Such reports would detail the work of the inspector general and the success of management in implementing the inspectors generals' recommendations. The bill also provides definitions and other guidance to improve the reports of the inspectors general.

Further, at the request of Chairman ANNUNZIO of the Joint Committee on Printing to consider establishment of a statutory inspector general in the Government Printing Office, the committee amended the bill for that purpose.

Recognizing the unique structure of the National Labor Relations Act and the NLRB, our intent is that the "head of the designated Federal entity" for the purposes of this bill will be the chair of the NLRB. The chair shall exercise such authority consistent with the past practices of the Board which has been to balance the responsibilities of the Board and the unique responsibilities of the general counsel.

The purpose of the amendment to section 6 of the Inspector General Act of 1978, adding a new subsection (d), is to clarify the authority of inspectors general with respect to Senior Executive Service [SES] positions within the offices of an inspector general. The amendment makes clear that the inspector general is the appointing authority under the provisions of title V, United States Code, with respect to SES members and positions which are, or would be, within the office of the inspector general.

Specifically, it is intended that each inspector general shall have the authority to: First, select and appoint individuals to SES positions within the office of inspector general; second, fix the rate of pay under section 5383 of title V for senior executives appointed by the inspector general; third, appraise the performance of senior executives under section 4314 of title V; and fourth, remove senior executives because of poor performance under section 3592 of title V.

With respect to suspensions and removals for cause under the provisions of section 7543 of title V, and reassignments under section 3395, it is expected that such actions may be initiated by the agency head only with the concurrence of the inspector general.

Finally, where appropriate, agency heads should consider delegating to inspectors general other authorities under the SES provisions of title V with respect to SES members and positions within the offices of inspectors general.

Statutorily established offices of inspector general are urgently needed in all of these Federal entities. They are particularly needed in the Departments of Justice and Treasury— the last two Cabinet departments without statutory officers of inspector general—to help the Attorney General and Secretary of the Treasury to make the most efficient use of limited resources. I urge all Members to support this bill.

Mr. HORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, as you know, we have repeatedly over the years attempted to extend the provisions of the Inspector General Act of 1978 to major departments and agencies of the Federal Government that lack coordinated and consolidated audit and investigative units. In each of the past four Congresses, the House has overwhelmingly passed legislation very similar to the bill we have before us today.

At our Legislation and National Security Subcommittee hearing on H.R. 4054 held in May, we received testimony from the General Accounting Office, the Office of Management and Budget, and several inspectors general. The efforts of the IG's over the past decade received unanimous praise. Joseph J. Wright, Deputy Director of OMB, reported that since enactment of the IG Act of 1978, "more than $120 billion in Federal funds has been saved or put to better use because of inspector general recommendations." Mr. Speaker, let me repeat that figure: $120 billion. I believe all my colleagues would agree that is a very impressive figure.

It is because of our strong commitment to the IG concept and the indisputable preponderance of evidence that IG's have greatly improved operations in their departments and agencies, in addition to saving the American taxpayers literally billions of dollars, that we have continued to pursue this goal. We may now be very close to realizing that objective.

As an original cosponsor of the IG Act, I feel very much like a proud parent when reciting the accomplishments of the inspectors general. Much like a child's growth and development in the formative years, the experiences gained by the inspector general community provide a base for further growth and refinement. The lessons we have learned over the past 10 years and the successes we have witnessed form the basis for the legislation we have before us today.

This bill, which would establish statutory offices of inspector general at the Department of Justice and the Department of the Treasury, is intended to assure that the programs and operations of these departments are reviewed by independent units in terms of effectiveness and efficiency. We do not intend that the IG's second-guess prosecutorial or other law enforcement decisions. But we are convinced that these two departments—the only remaining departments in the Government without statutory IG's—The Federal Emergency Management Agency, and the Government Printing Office can benefit greatly from the improved internal audit and investigative functions that statutory IG's can provide.

H.R. 4054 would strengthen existing audit and investigative offices in agencies without statutory inspectors general. This would be accomplished by consolidating audit operations in each agency and by providing that each audit operation be given the same duties and responsibilities now provided to statutory inspectors general.

Additionally, H.R. 4054 makes important modifications to the reporting requirements to assure more uniformity and attention to audit followup.

Mr. Speaker, we have a tremendous opportunity before us this year. Senate passage of an inspector general bill this past February was a significant and long-awaited milestone. Our Committee on Government Operations unanimously approved H.R. 4054 last month. It is a good bill. I am very optimistic about the prospects for IG legislation during this Congress and urge my colleagues to support this bill.

□ 1430

Mr. Speaker, I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Montgomery). The question is on the motion offered by the gentleman from Texas [Mr. Brooks] that the House suspend the rules and pass the bill, H.R. 4054, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations be discharged from further consideration of the Senate bill (S. 908) to amend the Inspector General Act of 1978, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 908

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Inspector General Act Amendments of 1988".

CONFORMATION OF AUTHORITIES OF EXISTING OFFICES OF INSPECTORS GENERAL

Sec. 2. (a) Section 2(1) of the Inspector General Act of 1978 is amended to read as follows:

"(1) to conduct and supervise audits and investigations relating to the programs and operations of the establishments listed in section 11(2);".

(b) Section 9(a)(1) of such Act is amended—

(1) by striking out subparagraph (I);

(2) by redesignating subparagraphs (M) and (N) as subparagraphs (O) and (P), respectively;

(3) by redesignating subparagraphs (J) through (L) as subparagraphs (K) through (M), respectively;

(4) by redesignating subparagraphs (E) through (H) as subparagraphs (G) through (J), respectively;

(5) by inserting after subparagraph (D) the following new subparagraphs:

"(E) of the Department of Energy, the Office of Inspector General (as established by section 208 of the Department of Energy Organization Act);

"(F) of the Department of Health and Human Services, the Office of Inspector General (as established by title II of Public Law 94-505);"; and

(6) by inserting after subparagraph (M) (as redesignated by paragraph (3) of this subsection) the following new subparagraph:

"(N) of the Railroad Retirement Board, the Office of Inspector General (as established by section 23 of the Railroad Retirement Act of 1974);".

(c) Section 11 of such Act is amended—

(1) by inserting "Energy, Health and Human Services," after "Education," each place it appears in paragraphs (1) and (2);

(2) by striking out "Community Services," in paragraph (1);

(3) by striking out "the Community Services Administration," in paragraph (2);

(4) by inserting "or the Chairman of the Railroad Retirement Board," before "as the case may be" in paragraph (1); and

(5) by inserting "the Railroad Retirement Board," after "National Aeronautics and Space Administration," in paragraph (2).

(d)(1)(A) Section 208 of the Department of Energy Organization Act is repealed.

(B) The table of contents in the first section of such Act is amended by striking out the item relating to section 208.

(2) Title II of Public Law 94-505 is repealed.

(3) Section 23 of the Railroad Retirement Act of 1974 is repealed.

(e) The transfer of functions under the amendments made by subsection (b) shall not affect any individual, who on the date of enactment of this Act, is serving as the Inspector General of the Department of Energy, the Department of Health and Human Services, or the Railroad Retirement Board. Any such individual shall continue to serve in such position until such individual dies, resigns, or is removed from office in accordance with the Inspector General Act of 1978.

UNIFORM SALARIES FOR INSPECTORS GENERAL

Sec. 3. (a) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"Inspector General, Department of Commerce.

"Inspector General, Department of the Interior.

"Inspector General, Agency for International Development.

"Inspector General, Environmental Protection Agency.

"Inspector General, General Services Administration.

"Inspector General, National Aeronautics and Space Administration.

"Inspector General, Railroad Retirement Board.

"Inspector General, Small Business Administration.".

(b) Section 5316 of such title is amended by striking out the paragraphs relating to—

(1) the Inspector General of the Department of Commerce;

(2) the Inspector General of the Department of the Interior;

(3) the Inspector General of the Agency for International Development;

(4) the Inspector General of the Community Services Administration;

(5) the Inspector General of the Environmental Protection Agency;

(6) the Inspector General of the General Services Administration;

(7) the Inspector General of the National Aeronautics and Space Administration; and

(8) the Inspector General of the Small Business Administration.

ESTABLISHING AN OFFICE OF INSPECTOR GENERAL IN THE DEPARTMENT OF THE TREASURY, THE INTERNAL REVENUE SERVICES, THE FEDERAL EMERGENCY MANAGEMENT AGENCY, THE NUCLEAR REGULATORY COMMISSION, AND THE OFFICE OF PERSONNEL MANAGEMENT

Sec. 4. (a) Section 9(a)(1) of the Inspector General Act of 1978 (as amended by section 2(b) of this Act) is further amended—

(1) by redesignating subparagraphs (O) and (P) (as redesignated by paragraph (2) of section 2(b) of this Act) as subparagraphs (T) and (U), respectively;

(2) by redesignating subparagraph (N) (as added by paragraph (6) of section 2(b) of this Act) as subparagraph (S);

(3) by redesignating subparagraphs (K), (L), and (M) (as redesignated by paragraph (3) of section 2(b) of this Act) as subparagraphs (M), (O), and (P), respectively;

(4) by inserting after subparagraph (J) (as redesignated by paragraph (4) of section 2(b) of this Act) the following new subparagraphs:

"(K) of the Department of the Treasury, the office of that department referred to as the 'Office of Inspector General', and, notwithstanding any other provision of law, that portion of each of the offices of that department referred to as the 'Office of Internal Affairs, Bureau of Alcohol, Tobacco, and Firearms', the 'Office of Internal Affairs, United States Customs Service', and the 'Office of Inspections, United States Secret Service' which is engaged in internal audit activities;

"(L) of the Department of the Treasury, in the Internal Revenue Service of such department, the office of that service referred to as the 'Office of Assistant Commissioner (Inspection), Internal Revenue Service';";

(5) by inserting after subparagraph (M) (as redesignated by paragraph (3) of this subsection) the following new subparagraph:

"(N) of the Federal Emergency Management Agency, the office of that agency referred to as the 'Office of Inspector General';"; and

(6) by inserting after subparagraph (P) (as redesignated by paragraph (3) of this subsection) the following new subparagraphs:

"(Q) of the Nuclear Regulatory Commission, the offices of that commission referred to as the 'Office of Inspector and Auditor';

"(R) of the Office of Personnel Management, the offices of that agency referred to as the 'Office of Inspector General', the 'Insurance Audits Division, Retirement and Insurance Group', and the 'Analysis and Evaluation Division, Administration Group';".

(b)(1) Section 11(1) of such Act (as amended by section 2(c) of this Act) is further amended—

(A) by striking out "or Transportation or" and inserting in lieu thereof "Transportation, or the Treasury;"

(B) by striking out ", or the Director of the United States Information Agency" and inserting in lieu thereof a semicolon and "the Director of the Federal Emergency Management Agency, the Office of Personnel Management, or the United States Information Agency;";

(C) by inserting "the Nuclear Regulatory Commission or" before "the Railroad Retirement Board" (as added by section 2(c)(4) of this Act); and

(D) by inserting "or the Commissioner of Internal Revenue" before "as the case may be".

(2) Section 11(2) of such Act (as amended by section 2(c) of this Act) is further amended—

(A) by striking out "or Transportation" and inserting in lieu thereof "Transportation, or the Treasury;";

(B) by inserting "the Federal Emergency Management Agency," after "the Environmental Protection Agency,";

(C) by inserting "the Nuclear Regulatory Commission, the Office of Personnel Management," after "the National Aeronautics and Space Administration,", and

(D) by inserting "Internal Revenue Service" before "as the case may be".

(c) The Inspector General Act of 1978 is amended by inserting after section 8A the following new sections:

"SPECIFIC PROVISION CONCERNING THE NUCLEAR REGULATORY COMMISSION

"SEC. 8B. The Chairman of the Commission may delegate the authority specified in the second sentence of section 3(a) to another member of the Nuclear Regulatory Commission, and shall not delegate such authority to any other officer or employee of the Commission.

"SPECIAL PROVISIONS REGARDING THE DEPARTMENT OF THE TREASURY

"SEC. 8C. (a) In carrying out the duties and responsibilities specified in this Act, the Inspector General of the Department of the Treasury shall have oversight responsibility for the internal investigations performed by the Office of Internal Affairs of the Bureau of Alcohol, Tobacco and Firearms, the Office of Internal Affairs of the United States Customs Service, and the Office of Inspections of the United States Secret Service. The head of each such office shall report to the Inspector General the significant investigative activities being carried out by such office.

"(b) Notwithstanding subsection (a), the Inspector General of the Department of the Treasury may conduct an investigation of any officer or employee of such Department (other than the Internal Revenue Service) if—

"(1) the Secretary of the Treasury or the Deputy Secretary of the Treasury requests the Inspector General to conduct an investigation;

"(2) the investigation concerns senior officers or employees of the Department of the Treasury, including officers appointed by the President, members of the Senior Executive Service, and individuals in positions classified at grade GS-15 of the General Schedule or above or classified at a grade equivalent to such grade or above such equivalent grade; or

"(3) the investigation involves alleged notorious conduct or any other matter which, in the opinion of the Inspector General, is especially sensitive or of departmental significance.

"(c) If the Inspector General of the Department of the Treasury initiates an investigation under subsection (b), and the officer or employee of the Department of the Treasury subject to investigation is employed by or attached to a bureau or service referred to in subsection (a), the Inspector General may provide the head of the office of such bureau or service referred to in subsection (a) with written notice that the Inspector General has initiated such an investigation. If the Inspector General issues a notice under the preceding sentence, no other investigation shall be initiated into the matter under investigation by the Inspector General and any other investigation of such matter shall cease.

"(d)(1) Notwithstanding the last two sentences of section 3(a), the Inspector General of the Department of the Treasury and the Inspector General of the Internal Revenue Service shall be under the authority, direction, and control of the Secretary of the Treasury and the Commissioner of Internal Revenue, respectively, with respect to audits or investigations, or the issuance of subpenas, which require access to information concerning—

"(A) ongoing criminal investigations or proceedings;

"(B) sensitive undercover operations;

"(C) the identity of confidential sources, including protected witnesses;

"(D) deliberations and decisions on policy matters, including documented information used as a basis for making policy decisions, the disclosure of which could reasonably be expected to have a significant influence on the economy or market behavior;

"(E) intelligence or counterintelligence matters; or

"(F) other matters the disclosure of which would constitute a serious threat to national security or to the protection of any person or property authorized protection by section 3056 of title 18, United States Code, section 202 of title 3, United States Code, or any provision of the Presidential Protection Assistance Act of 1976 (18 U.S.C. 3056 note; Public Law 94-524).

"(2) With respect to the information described in paragraph (1), the Secretary of the Treasury or the Commissioner of Internal Revenue may prohibit the Inspector General of the Department of the Treasury or the Inspector General of the Internal Revenue Service, respectively, from initiating, carrying out, or completing any audit or investigation, or from issuing any subpena, after such Inspector General has decided to initiate, carry out, or complete such audit or investigation or to issue such subpena, if the Secretary or the Commissioner determines that such prohibition is necessary to preserve the confidentiality of or prevent the disclosure of any information described in paragraph (1).

"(3)(A) If the Secretary of the Treasury exercises any power under paragraph (1) or (2), the Secretary of the Treasury shall notify the Inspector General of the Department of the Treasury in writing of such exercise. Within 30 days after receipt of any such notice, the Inspector General of the Department of the Treasury shall transmit a copy of such notice to the Committee on Governmental Affairs of the Senate and the Committee on Government Operations of the House of Representatives, and to other appropriate committees or subcommittees of Congress.

"(B) If the Commissioner of Internal Revenue exercises any power under paragraph (1) or (2), the Commissioner shall notify the Inspector General of the Internal Revenue Service in writing of such exercise. Within 30 days after receipt of such notice, the Inspector General shall transmit a copy of such notice to the Committee on Governmental Affairs and the Committee on Finance of the Senate and to the Committee on Government Operations and the Committee on Ways and Means of the House of Representatives.".

(d) Section 5315 of title 5, United States Code (as amended by section 3(a) of this Act) is further amended by adding at the end thereof the following new items:

"Inspector General, Department of the Treasury.

"Inspector General, Internal Revenue Service.

"Inspector General, Federal Emergency Management Agency.

"Inspector General, Nuclear Regulatory Commission.

"Inspector General, Office of Personnel Management.".

(e) In addition to the standards prescribed by the first sentence of section 3(a), the Inspector General of the Internal Revenue Service shall at the time of appointment be in a career reserved position in the Senior Executive Service in the Internal Revenue Service as defined under section 3132(a)(8) of title 5, United States Code, with demonstrated ability in investigative techniques or internal audit functions with respect to the programs and operations of the Internal Revenue Service.

(f)(1) In addition to the duties and responsibilities specified in this Act, the Inspector General of the Internal Revenue Service shall perform such duties and exercise such powers as may be prescribed by the Commissioner of Internal Revenue, to the extent such duties and powers are not inconsistent with the purposes of this Act.

(2) No audit or investigation conducted by the Inspector General of the Department of the Treasury or the Inspector General of the Internal Revenue Service shall affect a final decision of the Secretary of the Treasury or his designee described in section 6406 of the Internal Revenue Code of 1986.

REQUIREMENTS AND PROTECTIONS FOR AUDIT AND INVESTIGATION UNITS

SEC. 5. (a) The Inspector General Act of 1978 (as amended by section 4(c) of this Act) is further amended by inserting after section 8C the following new section:

"SPECIFIC REQUIREMENTS FOR FEDERAL ENTITIES

"SEC. 8D. (a) As used in this section—

"(1) the term 'Federal entity' means any Government corporation (within the meaning of section 103(1) of title 5, United States Code), any Government controlled corporation (within the meaning of section 103(2) of such title), or any other entity in the Executive branch of the Government, or any independent regulatory agency, but does not include—

"(A) an establishment (as defined in section 11(2) of this Act) or part of an establishment;

"(B) the Executive Office of the President;

"(C) the Central Intelligence Agency;

"(D) the General Accounting Office;

"(E) the Department of Justice; or

"(F) any entity in the judicial or legislative branches of the Government, including the Administrative Office of the United States Courts and the Architect of the Capitol and any activities under the direction of the Architect of the Capitol;

"(2) the term 'designated Federal entity' means ACTION, Amtrak, the Appalachian

Regional Commission, the Board of Governors of the Federal Reserve System, the Board for International Broadcasting, the Commodity Futures Trading Commission, the Consumer Product Safety Commission, the Corporation for Public Broadcasting, the Equal Employment Opportunity Commission, the Farm Credit Administration, the Federal Communications Commission, the Federal Deposit Insurance Corporation, the Federal Election Commission, the Federal Home Loan Bank Board, the Federal Labor Relations Authority, the Federal Maritime Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Legal Services Corporation, the National Archives and Records Administration, the National Credit Union Administration, the National Endowment for the Arts, the National Endowment for the Humanities, the National Labor Relations Board, the National Science Foundation, the Panama Canal Commission, the Peace Corps, the Pension Benefit Guaranty Corporation, the Securities and Exchange Commission, the Smithsonian Institution, the Tennessee Valley Authority, the United States International Trade Commission, and the United States Postal Service;

"(3) the term 'head of the Federal entity' means the director, administrator, president, chairman, or chief executive officer of a Federal entity, or any other body designated by statute as the head of a Federal entity;

"(4) the term 'head of the designated Federal entity' means the director, administrator, president, chairman, or chief executive officer of a designated Federal entity, or any other body designated by statute as the head of a designated Federal entity;

"(5) the term 'internal audit unit' means a component of a Federal entity which carries out audits or investigations, or both, of the programs and operations of such entity, but does not include a component that carries out audits or investigations as an integral part of the conduct of the programs and operations of such entity; and

"(6) the term 'internal audit unit director' means the head of an internal audit unit.

"(b) After the date which is 180 days after the date of enactment of this section, there shall be established in each designated Federal entity an internal audit unit. The head of the designated Federal entity shall transfer to the internal audit unit established in such entity the offices, units, or other components, and the functions, powers, or duties thereof, that such head determines are properly related to the functions of the internal audit unit and would, if so transferred, further the purposes of this section. There shall not be transferred to an internal audit unit any program operating responsibilities.

"(c) The internal audit unit director shall be appointed by the head of the designated Federal entity in accordance with the applicable laws and regulations governing appointments within the designated Federal entity.

"(d) Each internal audit unit director shall report to and be under the general supervision of the head of the designated Federal entity, but shall not report to, or be subject to supervision by, any other officer or employee of such designated Federal entity. The head of the designated Federal entity shall not prevent or prohibit the internal audit unit director from initiating, carrying out, or completing any audit or investigation, or from issuing any subpena during the course of any audit or investigation.

"(e) If an internal audit unit director is removed from office or is transferred to another position or location within a designated Federal entity, the head of the designated Federal entity shall promptly communicate the reasons for any such removal or transfer to both Houses of Congress.

"(f)(1) The Chief Postal Inspector of the United States Postal Service shall be the internal audit unit director of the United States Postal Service, and for purposes of this section, shall report to, and be under the general supervision of, the Postmaster General. The Chief Postal Inspector may be removed from office or transferred to another position or location within the United States Postal Service if the Postmaster General issues a written order stating the reason for such action and two-thirds of the Governors of the United States Postal Service vote to ratify such order. If the Chief Postal Inspector is removed or transferred in accordance with this subsection, the Postmaster General shall promptly notify both Houses of Congress of the reasons for such removal or transfer.

"(2) For purposes of paragraph (1), the term 'Governors' has the same meaning as in section 102(3) of title 39, United States Code.

"(g)(1) Sections 4, 5, 6, and 7 of this Act (other than sections 6(a)(7) and 6(a)(8)) shall be applied to each internal audit unit, internal audit unit director, designated Federal entity, and head of the designated Federal entity (as such terms are defined in subsection (a)) by substituting—

"(A) 'internal audit unit director' for 'Inspector General';

"(B) 'designated Federal entity' for 'establishment';

"(C) 'internal audit unit' for 'Office'; and

"(D) 'head of the designated Federal entity' for 'head of the establishment'.

"(2) In addition to the other authorities specified in this Act, an internal audit unit director is authorized to select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the internal audit unit and to obtain the temporary or intermittent services of experts or consultants or an organization thereof, subject to the applicable laws and regulations that govern such selections, appointments, and employment, and the obtaining of such services, within the designated Federal entity.

"(3) The provisions of subsection (d) of section 8C (other than the provisions of subparagraphs (A), (B), (C), and (E) of subsection (d)(1)) shall apply to the internal audit unit director of the Board of Governors of the Federal Reserve System and the Chairman of the Board of Governors of the Federal Reserve System in the same manner as such provisions apply to the Inspector General of the Department of the Treasury and the Secretary of the Treasury, respectively.

"(h) Within one year after the date of enactment of this section, and on October 31 of each calendar year thereafter, the head of each Federal entity which is not a designated Federal entity shall prepare and transmit to the Director of the Office of Management and Budget a report which—

"(1) states whether there has been established in the Federal entity an internal audit unit that meets the requirements of this section;

"(2) specifies the actions taken by the Federal entity to ensure that audits are conducted of its programs and operations in accordance with the standards for audit of governmental organizations, programs, activities, and functions issued by the Comptroller General of the United States, including a list of each audit report completed by a Federal or non-Federal auditor during the reporting period; and

"(3) summarizes any matters relating to the personnel, programs, and operations of the Federal entity referred to prosecutive authorities, including a summary description of any preliminary investigation conducted by or at the request of the Federal entity concerning these matters, and the prosecutions and convictions which have resulted.".

(b) Section 410(b) of title 39, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (6);

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon;

(3) by striking out "The" in paragraph (8) and inserting in lieu thereof "the";

(4) by striking out the period at the end of paragraph (8) and inserting in lieu thereof a semicolon and "and"; and

(5) by adding at the end thereof the following new paragraph:

"(9) the provisions of section 8D of the Inspector General Act of 1978.".

PROVISIONS TO ENSURE UNIFORMITY AND RELIABILITY OF INSPECTOR GENERAL REPORTS

SEC. 6. (a) Section 5(a) of the Inspector General Act of 1978 is amended—

(1) by striking out "and" at the end of paragraph (5); and

(2) by striking out paragraph (6) and inserting in lieu thereof the following:

"(6) a list, subdivided according to subject matter, of each audit report completed by the Office during the reporting period, together with a summary of the significant reports;

"(7) a detailed statistical analysis of audit reports, depicting in tables arranged by audit status information concerning—

"(A) the number of audit reports in each audit status;

"(B) the number of such reports for which an audit determination was not made within 6 months of the date of completion of such reports;

"(C) where applicable, the amounts of ineligible costs, ineligible costs that were disallowed, unsupported costs, and unsupported costs that were disallowed; and

"(D) where applicable, the amount of disallowed costs returned to, or offset by, the Government;

"(8) a summary of each significant audit report completed before the commencement of the reporting period and identified under paragraph (7)(B), together with an explanation of the reason the audit determination was not made during the period described in such paragraph;

"(9) a description of, and an explanation of the reasons for, any significant revised audit determinations made during the reporting period; and

"(10) information concerning any significant audit determination with which the Inspector General is in disagreement.".

(b) Section 5(b) of such Act is amended by inserting "(1)" after "containing" and by inserting before the period a comma and "(2) a list of each audit report made by the establishment's Office of Inspector General which was not resolved within one year after the date on which an audit determination was made on such report, (3) an explanation of the reason such audit was not resolved, and (4) for each such audit report, the amount of disallowed costs that are under administrative or judicial appeal and the amount of any disallowed costs returned to, or offset by, the Government".

(c) Section 5(c) of such Act is amended by adding at the end thereof the following new sentence: "The head of each establishment shall also make copies of the report of such head required under subsection (b) available to the public upon request and at a reasonable cost.".

(d) Section 5 of such Act is further amended by adding at the end thereof the following new subsection:

"(f) As used in this section—

"(1) the term 'ineligible cost' means an incurred cost that is questioned by the Office of Inspector General because of an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds;

"(2) the term 'unsupported cost' means an incurred cost that is questioned by the Office of Inspector General because the Office found that, at the time of the audit, such cost was not supported by adequate documentation;

"(3) the term 'disallowed cost' means an ineligible cost or unsupported cost that the management of an establishment has concluded, in an audit determination, should not be charged to the Federal Government;

"(4) the term 'audit determination' means the evaluation by the management of an establishment of the findings and recommendations included in an audit report and the issuance of a written final decision by management concerning its response, including corrective actions concluded to be necessary, to such findings and recommendations;

"(5) the term 'audit resolution' means the completion of all corrective actions that the management of an establishment has concluded, in an audit determination, are necessary with respect to the findings and recommendations included in an audit report, and, in the event that the management of an establishment concludes no corrective action is necessary, 'audit resolution' occurs when an audit determination has been reached; and

"(6) the term 'audit status' includes the following six categories:

"(A) audits for which the audit report was completed before the commencement of the reporting period and for which—

"(i) the audit determination was not made by the end of such period;

"(ii) the audit determination was made during such period and for which audit resolution has not occurred; and

"(iii) the audit determination was made during such period and for which audit resolution has occurred; and

"(B) audits for which the audit report was completed during the reporting period and for which—

"(i) the audit determination was not made by the end of such period;

"(ii) the audit determination was made during such period and for which audit resolution has not occurred; and

"(iii) the audit determination was made during such period and for which audit resolution has occurred.".

(e) Section 3512(b)(2) of title 31, United States Code, is amended by adding at the end thereof the following: "Such standards shall include (A) a definition of audit resolution consistent with section 5(f)(5) of the Inspector General Act of 1978, and (B) a standard to ensure that an audit determination will be made on each audit report within 6 months after the completion of such report, in the case of an audit performed by a Federal auditor, and within 6 months after receipt by the executive agency responsible for the program concerned, in the case of each audit performed by a non-Federal auditor. No order, circular, or directive prescribed by the Director of the Office of Management and Budget shall include an inconsistent definition or standard with respect to audit resolution.".

OATH ADMINISTRATION AUTHORITY

SEC. 7. Section 6(a) of the Inspector General Act of 1978 is amended—

(1) by redesignating paragraphs (5) through (8) as paragraphs (6) through (9), respectively, and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) to administer to or take from any person an oath, affirmation, or affidavit, whenever necessary in the performance of the functions assigned by this Act, which oath, affirmation, or affidavit when administered or taken by or before an investigator or such other employee of an Office of Inspector General designated by the Inspector General shall have the same force and effect as if administered or taken by or before an officer having a seal;".

APPROPRIATION ACCOUNTS

SEC. 8. Section 1105(a)(25) of title 31, United States Code, is amended to read as follows:

"(25) a separate appropriation account for appropriations for each Office of Inspector General established by the Inspector General Act of 1978.".

DISCLOSURE OF TAX RETURNS AND RETURN INFORMATION

SEC. 9. Section 5(e)(3) of the Inspector General Act of 1978 is amended by striking out "Nothing" in the first sentence and inserting in lieu thereof "Except to the extent provided in section 6103(f) of the Internal Revenue Code of 1986, nothing".

MOTION OFFERED BY MR. BROOKS

Mr. BROOKS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BROOKS moves to strike all after the enacting clause of the Senate bill, S. 908, and to insert in lieu thereof the provisions of H.R. 4054, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the Inspector General Act of 1978 to establish offices of inspector general in certain departments, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4054) was laid on the table.

PROMPT PAYMENT ACT AMENDMENTS OF 1988

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 328) to amend chapter 39 of title 31, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes, as amended.

The Clerk read as follows:

S. 328

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Prompt Payment Act Amendments of 1988".

DEFINITIONS AND APPLICATION

SEC. 2. (a) Section 3901(a)(4) of title 31, United States Code, is amended to read as follows:

"(4) for the purposes of determining a payment due date and the date upon which any late payment interest penalty shall begin to accrue, the head of the agency is deemed to receive an invoice—

"(A) on the later of—

"(i) the date on which the place or person designated by the agency to first receive such invoice actually receives a proper invoice; or

"(ii) on the 7th day after the date on which, in accordance with the terms and conditions of the contract, the property is actually delivered or performance of the services is actually completed, as the case may be, unless—

"(I) the agency has actually accepted such property or services before such 7th day; or

"(II) the contract (except in the case of a contract for the procurement of a brand-name commercial item for authorized resale) specifies a longer acceptance period, as determined by the contracting officer to be required to afford the agency a practicable opportunity to inspect and test the property furnished or evaluate the services performed; or

"(B) on the date of the invoice, if the agency has failed to annotate the invoice with the date of receipt at the time of actual receipt by the place or person designated by the agency to first receive such invoice.".

(b) Section 3901(a)(5) of title 31, United States Code, is amended to read as follows:

"(5) a payment is deemed to be made on the date a check for payment is dated or an electronic fund transfer is made.".

(c)(1) Section 3901 of such title is further amended by adding at the end the following new subsection:

"(c) This chapter, except section 3907 of this title, applies to the United States Postal Service. However, the Postmaster General shall be responsible for issuing the implementing procurement regulations, solicitation provisions, and contract clauses for the United States Postal Service.".

(2) Section 410(b) of title 39, United States Code, is amended by inserting after paragraph (8) the following new paragraph:

"(9) Chapter 39 of title 31.".

INTEREST PENALTIES: ELIMINATION OF GRACE PERIODS; INCREASED PENALTIES; OBLIGATION TO PAY PENALTIES

SEC. 3. (a)(1) Section 3902(a) of title 31, United States Code, is amended by striking the second and third sentences thereof and inserting the following: "The interest shall be computed at the rate of interest established by the Secretary of the Treasury, and published in the Federal Register, for interest payments under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611), which is in effect at the time the agency accrues the obligation to pay a late payment interest penalty.".

(2) Section 3902(b) of title 31, United States Code, is amended by striking out the second sentence.

(b) Section 3902 of such title is further amended by redesignating subsections (c) through (e) as subsections (e) through (g), respectively, and by inserting after subsection (b) the following new subsections (c) and (d):

"(c)(1) A business concern shall be entitled to an interest penalty of $1.00 or more which is owed such business concern under this section, and such penalty shall be paid without regard to whether the business concern has requested payment of such penalty.

"(2) Each payment subject to this chapter for which a late payment interest penalty is required to be paid shall be accompanied by a notice stating the amount of the interest penalty included in such payment and the rate by which, and period for which, such penalty was computed.

"(3) If a business concern—

"(A) is owed an interest penalty by an agency;

"(B) is not paid the interest penalty in a payment made to the business concern by the agency on or after the date on which the interest penalty becomes due;

"(C) is not paid the interest penalty by the agency which 10 days after the date on which such payment is made; and

"(D) makes a written demand, not later than 40 days after the date on which such payment is made, that the agency pay such a penalty.

such business concern shall be entitled to an amount equal to the sum of the late payment interest penalty to which the contractor is entitled and an additional penalty equal to a percentage of such late payment interest penalty specified by regulation by the Director of the Office of Management and Budget, subject to such maximum as may be specified in such regulations.

"(d) The temporary unavailability of funds to make a timely payment due for property or services does not relieve the head of an agency from the obligation to pay interest penalties under this section.".

"(c) Section 3902 (as amended in subsection (b) of this section) is further amended by adding at the end thereof the following new subsection:

"(h)(1) This section shall apply to contracts for the procurement of property or services entered into pursuant to section 4(h) of the Act of June 29, 1948 (15 U.S.C. 714b(h)).

"(2)(A) In the case of a payment to which producers on a farm are entitled under the terms of an agreement entered into under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), an interest penalty shall be paid to the producers if the payment has not been made by the required payment or loan closing date. The interest penalty shall be paid—

"(i) on the amount of payment or loan due; and

"(ii) for the period beginning on the first day beginning after the required payment or loan closing date and ending on the date the amount is paid or loaned.

"(B) As used in this subsection, the 'required payment or loan closing date' means—

"(i) for a purchase agreement, the 30th day after delivery of the warehouse receipt for the commodity subject to the purchase agreement;

"(ii) for a loan agreement, the 30th day beginning after the date of application for such loan;

"(iii) for refund of amounts received greater than the amount required to repay a commodity loan, the first business day after the Commodity Credit Corporation receives payment for such loan;

"(iv) for land diversion payments (other than advance payments), the 30th day beginning after the date of completion of the production adjustment contract by the producer;

"(v) for an advance land diversion payment, 30 days after the date the Commodity Credit Corporation executes the contract with the producer;

"(vi) for a deficiency payment (other than advance payments) based upon a 12-month or 5-month period, 91 days after the end of such period; or

"(vii) for an advance deficiency payment, 30 days after the date the Commodity Credit Corporation executes the contract with the producer.

"(3) Payment of the interest penalty under this subsection shall be made out of funds available under section 8 of the Act of June 29, 1948 (15 U.S.C. 714f).

"(4) Section 3907 of this title shall not apply to interest penalty payments made under this subsection.".

PAYMENTS FOR DAIRY AND CERTAIN OTHER PRODUCTS

SEC. 4. Section 3903(4) of title 31, United States Code, is amended to read as follows:

"(4) for the acquisition of dairy products (as defined in section 111(e) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502(e)), the acquisition of edible fats or oils, and the acquisition of food products prepared from edible fats or oils, provide a required payment date of not later than 10 days after the date on which a proper invoice for the amount due has been received by the agency acquiring such dairy products, fats, oils and food products;".

PERIODIC PAYMENTS UNDER PROPERTY AND SERVICE CONTRACTS

SEC. 5. Section 3903 of title 31, United States Code, is further amended—

(1) by redesignating paragraph (5) as paragraph (7); and

(2) by inserting after paragraph (4) the following:

"(5) require periodic payments, in the case of a property or service contract which does not prohibit periodic payments for partial deliveries or other contract performance during the contract period, upon—

"(A) submission of an invoice for property delivered or services performed during the contract period, if an invoice is required by the contract; and

"(B) either—

"(i) acceptance of the property or services by an employee of an agency authorized to accept the property or services; or

"(ii) the making of a determination by such an employee, that the performance covered by the payment conforms to the terms and conditions of the contract;".

INTEREST PENALTIES ON PROGRESS PAYMENTS AND RETAINED AMOUNTS UNDER CONSTRUCTION CONTRACTS

SEC. 6. Section 3903 of title 31, United States Code, is amended—

(1) by inserting "(a)" before "The Director";

(2) by inserting after paragraph (5) (as added by section (5) the following new paragraph:

"(6) in the case of a construction contract, provide for the payment of interest on—

"(A) a progress payment (including a monthly percentage-of-completion progress payment or milestone payments for completed phases, increments, or segments of any project) that is approved as payable by the agency pursuant to subsection (b) of this section of this section and remains unpaid for—

"(i) a period of more than 14 days after receipt of the payment request by the place or person designated by the agency to first receive such requests; or

"(ii) a longer period, specified in the solicitation, if required to afford the Government a practicable opportunity to adequately inspect the work and to determine the adequacy of the contractor's performance under the contract; and

"(B) any amounts which the agency has retained pursuant to a prime contract clause providing for retaining a percentage of progress payments otherwise due to a contractor and that are approved for release to the contractor, if such retained amounts are not paid to the contractor by a date specified in the contract or, in the absence of such a specified date, by the 30th day after final acceptance;"; and

(3) by adding at the end of such subsection the following new subsection:

"(b)(1) A payment request may not be approved under subsection (a)(6)(A) of this section unless the application for such payment includes—

"(A) substantiation of the amounts requested; and

"(B) a certification by the prime contractor, to the best of the contractor's knowledge and belief, that—

"(i) the amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract;

"(ii) payments to subcontractors and suppliers have been made from previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by the certification, in accordance with their subcontract agreements and the requirements of this chapter; and

"(iii) the application does not include any amounts which the prime contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of their subcontract.

"(2) The agency shall return any such payment request which is defective to the contractor within 7 days after receipt, with a statement identifying the defect.

"(c)(1) The contracting officer shall—

"(A) compute the interest which a contractor shall be obligated to pay under sections 3905(a)(2) and 3905(e)(6) of this title on the basis of the average bond equivalent rates of 91-day Treasury bills auctioned at the most recent auction of such bills prior to the date the contractor received the unearned amount; and

"(B) deduct the interest amount determined under subparagraph (A) of this paragraph from the next available payment to the contractor.

"(2) Amounts deducted from payments to contractors under paragraph (1)(B) shall revert to the Treasury.".

ADDITIONAL REQUIREMENTS OF REGULATIONS

SEC. 7. Section 3903(a) of title 31, United States Code, is further amended by striking out paragraph (7), as redesignated by section 5, and inserting the following:

"(7) require that—

(A) each invoice be reviewed as soon as practicable after receipt for the purpose of determining that such an invoice is a proper invoice within the meaning of section 3901(a)(3) of this title;

"(B) any invoice determined not to be such a proper invoice suitable for payment shall be returned as soon as practicable, but not later than 7 days, after receipt, specifying the reasons that the invoice is not a proper invoice; and

"(C) the number of days available to an agency to make a timely payment of an invoice without incurring an interest penalty shall be reduced by the number of days by which an agency exceeds the requirements of subparagraphs (B) of this paragraph;

"(8) permit an agency to make payment up to 7 days prior to the required payment date, or earlier as determined by the agency to be necessary on a case-by-case basis; and

"(9) prescribe the methods for computing interest under section 3903(c) of this title.".

LIMITATIONS ON DISCOUNT PAYMENTS

SEC. 8. Section 3904 of title 31, United States Code, is amended by inserting after the first sentence the following: "For the purpose of the preceding sentence, the specified time shall be determined from the date of the invoice.".

PAYMENT PROVISIONS RELATING TO CONSTRUCTION CONTRACTS

SEC. 9. (a) Chapter 39 of title 31, United States Code, is amended—

(1) by redesignating sections 3905 and 3906 as sections 3906 and 3907, respectively; and

(2) by inserting after section 3904 the following:

"§3905. Payment provisions relating to construction contracts

"(a) In the event that a contractor, after making a certified payment request to an agency pursuant to section 3903(b) of this title, discovers that a portion or all of such payment request constitutes a payment for performance by such contractor that fails to conform to the specifications, terms, and conditions of its contract (hereafter in this subsection referred to as the 'unearned amount'), then the contractor shall—

"(1) notify the agency of such performance deficiency; and

"(2) be obligated to pay the Government an amount equal to interest on the unearned amount (computed in the manner provided in section 3903(c) of this title), from the date of the contractor's receipt of such unearned amount until—

"(A) the date the contractor notifies the agency that the performance deficiency has been corrected; or

"(B) the date the contractor reduces the amount of any subsequent certified application for payment to such agency by an amount equal to the unearned amount.

"(b) Each construction contract awarded by an agency shall include a clause that requires the prime contractor to include in each subcontract for property or services entered into by the prime contractor and a subcontractor (including a material supplier) for the purpose of performing such construction contract—

"(1) a payment clause which obligates the prime contractor to pay the subcontractor for satisfactory performance under its subcontractor within 7 days out of such amounts as are paid to the prime contractor by the agency under such contract; and

"(2) an interest penalty clause which obligates the prime contractor to pay to the subcontractor an interest penalty on amounts due in the case of each payment not made in accordance with the payment clause included in the subcontract pursuant to paragraph (1) of this subsection—

"(A) for the period beginning on the day after the required payment date and ending on the date on which payment of the amount due is made; and

"(B) computed at the rate specified by section 3902(a) of this title.

"(c) The construction contract awarded by the agency shall further require the prime contractor to include in each of its subcontracts (for the purpose of performance of such construction contract) a provision requiring the subcontractor to include a payment clause and an interest penalty clause conforming to the standards of subsection (b) of this section in each of its subcontracts and to require each of its subcontractors to include such clauses in their subcontracts with each lower-tier subcontractors or supplier.

"(d) The clauses required by subsections (b) and (c) of this section shall not be construed to impair the right of a prime contractor or a subcontractor at any tier to negotiate, and to include in their subcontract, provisions which—

"(1) permit the prime contractor or a subcontractor to retain (without cause) a specified percentage of each progress payment otherwise due to a subcontractor for satisfactory performance under the subcontract, without incurring any obligation to pay a late payment interest penalty, in accordance with terms and conditions agreed to by the parties to the subcontract, giving such recognition as the parties deem appropriate to the ability of a subcontractor to furnish a performance bond and a payment bond;

"(2) permit the contractor or subcontractor to make a determination that part or all of the subcontractor's request for payment may be withheld in accordance with the subcontract agreement; and

"(3) permit such withholding without incurring any obligation to pay a late payment penalty if—

"(A) a notice conforming to the standards of subsection (g) of this section has been previously furnished to the subcontractor; and

"(B) a copy of any notice issued by a prime contractor pursuant to subparagraph (A) of this paragraph has been furnished to the Government.

"(e) If a prime contractor, after making application to an agency for payment under a contract but before making a payment to a subcontractor for the subcontractor's performance covered by such application, discovers that all or a portion of the payment otherwise due such subcontractor is subject to withholding from the subcontractor in accordance with the subcontractor agreement, then the prime contractor shall—

"(1) furnish to the subcontractor a notice conforming to the standards of subsection (g) of this section as soon as practicable upon ascertaining the cause giving rise to a withholding, but prior to the due date for subcontractor payment;

"(2) furnish to the Government, as soon as practicable, a copy of the notice furnished to the subcontractor pursuant to paragraph (1) and this subsection;

"(3) reduce the subcontractor's progress payment by an amount not to exceed the amount specified in the notice of withholding furnished under paragraph (1) of this subsection;

"(4) pay the subcontractor as soon as practicable after the correction of the identified subcontract performance deficiency, and—

"(A) make such payment within—

"(i) 7 days after correction of the identified subcontract performance deficiency (unless the funds therefor must be recovered from the Government because of a reduction under paragraph (5)(A)); or

"(ii) 7 days after the contractor recovers such funds from the Government; or

"(B) incur an obligation to pay a late payment interest penalty computed at the rate specified by section 3902(a) of this title;

"(5) notify the Government, upon—

"(A) reduction of the amount of any subsequent certified application for payment; or

"(B) payment to the subcontractor of any withheld amounts of a progress payment, specifying—

"(i) the amounts of the progress payments withheld under paragraph (1) of this subsection; and

"(ii) the dates that such withholding began and ended; and

"(6) be obligated to pay to the Government an amount equal to interest on the withheld payments (computed in the amount provided in section 3903(c) of this title), from the 8th day after receipt of the withheld amounts from the Government until—

"(A) the day the identified subcontractor performance deficiency is corrected; or

"(B) the date that any subsequent payment is reduced under paragraph (5)(A).

"(f)(1) If a prime contractor, after making payment to a first-tier subcontractor, receives from a supplier or subcontractor of the first-tier subcontractor (hereafter referred to as a 'second-tier subcontractor') a written notice in accordance with section 2 of the Act of August 24, 1935 (40 U.S.C. 270b), asserting a deficiency in such first-tier subcontractor's performance under the contractor for which the prime contractor may be ultimately liable, and the prime contractor determines that all or a portion of future payments otherwise due such first-tier subcontractor is subject to withholding in accordance with the subcontract agreement, then the prime contractor may, without incurring an obligation to pay an interest penalty under subsection (e)(6) of this section—

"(A) furnish to the first-tier subcontractor a notice conforming to the standards of subsection (g) of this section as soon as practicable upon making such determination; and

"(B) withhold from the first-tier subcontractor's next available progress payment or payments an amount not to exceed the amount specified in the notice of withholding furnished under subparagraph (A) of this paragraph.

"(2) As soon as practicable, but not later than 7 days after receipt of satisfactory written notification that the identified subcontract performance deficiency has been corrected, the prime contractor shall pay the amount withheld under paragraph (1)(B) of this subsection to such first-tier subcontractor, or shall incur an obligation to pay a late payment interest penalty to such first-tier subcontractor computed at the rate specified by section 3902(a) of this title.

"(g) A written notice of any withholding shall be issued to a subcontractor (with a copy to the Government of any such notice issued by a prime contractor), specifying—

"(1) the amount to be withheld;

"(2) the specific causes for the withholding under the terms of the subcontractor; and

"(3) the remedial actions to be taken by the subcontractor in order to receive payment of the amounts withheld.

"(h) A prime contractor may not request payment from the agency of any amount withheld or retained in accordance with subsection (d) of this section until such time as the prime contractor has determined and certified to the agency that the subcontractor is entitled to the payment of such amount.

"(i) A dispute between a contractor and subcontractor relating to the amount or entitlement of a subcontractor to a payment or a late payment interest penalty under a clause included in the subcontract pursuant to subsection (b) or (c) of this section does not constitute a dispute to which the United States is a party. The United States may not be interpleaded in any judicial or administrative proceeding involving such a dispute.

"(j) Except as provided in subsection (i) of this section, this section shall not limit or impair any contractual, administrative, or judicial remedies otherwise available to a contractor or a subcontractor in the event of a dispute involving late payment or nonpayment by a prime contractor or deficient subcontract performance or nonperformance by a subcontractor.

"(k) A contractor's obligation to pay an interest penalty to a subcontractor pursuant to the clauses included in a subcontractor under subsection (b) or (c) of this section may not be construed to be an obligation of the United States for such interest penalty. A contract modification may not be made for the purpose of providing reimbursement of such interest penalty. A cost reimbursement claim may not include any amount for reimbursement of such interest penalty.".

(b) The table of sections at the beginning of such chapter is amended by striking out the items relating to sections 3905 and 3906 and inserting in lieu thereof the following:

"3905. Payment provisions relating to construction contracts.
"3906. Reports.
"3907. Relationship to other laws.".

REPORTS

SEC. 10. Section 3906(a) of title 31, United States Code (as redesignated by section 9(a)(1)), is amended to read as follows:

"(a)(1) By the 60th day after the end of the fiscal year, the head of each agency shall submit to the Director of the Office of Management and Budget a report on the agency's payment practices during that fiscal year, including a description of the extent to which those practices satisfy the requirements of this chapter.

"(2) In addition to such other information as may be required by the Director, the report required by paragraph (1) shall include—

"(A) the number, dollar value, and percentage of invoices for which interest or other late payment penalties were paid, the amount of such late payment interest and other penalties, and the reasons the interest penalties were not avoided by prompt payment; and

"(B) the number, dollar value, and percentage of invoices paid after the required payment date without payment of an interest penalty or other late payment penalty, and the reasons no obligation to pay such penalties was incurred with respect to such invoices or no amount for such penalties were included in the payments of such invoices.".

IMPLEMENTATION THROUGH THE FEDERAL ACQUISITION REGULATION

SEC. 11. (a) The Federal Acquisition Regulation shall be modified to provide appropriate solicitation provisions and contract clauses that implement chapter 39 of title 31, United States Code, as amended by this Act, and the regulations prescribed under section 3903 of such title (as amended).

(b) The solicitation provision and contract clauses required by subsection (a) of this section shall include (but not be limited to) the following matters;

(1) Authority for a contracting officer to specify for a contract or class of contracts a specific payment period, which—

(A) in the case of payments for commercial items or services, is similar to the payment period or periods permitted in prevailing private industry contracting practices;

(B) in the case of payments for noncommercial items and services, does not exceed 30 days unless the circumstances of the procurement action is determined to require a longer period for payment and such determination is approved above the level of the contracting officer;

(C) in the case of payments for items of property or services in an amount less than the amount specified as a small purchase in section 303(g)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)(2)), does not exceed 15 days after the date of receipt of the invoice, if—

(i) the contract provides for such "fast payment" terms;

(ii) title to any property will vest in the Government upon delivery (including delivery to a common carrier); and

(iii) the business concern offers appropriate warranties to furnish property or services conforming to the requirements of the contract or purchase order, if payment will be due prior to acceptance of the items or services; and

(D) in the case of progress payments under construction contracts, does not exceed 14 days, unless the solicitation specifies a longer period which the contracting officer has detemined is required to afford the Government a practicable opportunity to adequately inspect the work and to evaluate the adequacy of the contractor's performance under the contract.

(2) Requirements to make periodic payments, in the case of a property or service contract which does not prohibit periodic payments for partial deliveries or other contract performance during the contract period, upon—

(A) submission of an invoice for property delivered or services performed during the contract period, if an invoice is required by the contract; and

(B) either—

(i) acceptance of the property or services by an employee of the contracting agency authorized to accept the property or services; or

(ii) the making of a determination by such an employee, that the performance covered by the payment conforms to the terms and conditions of the contract.

(3) A conclusive presumption, exclusively for the purposes of determining when an agency becomes obligated to pay a late payment interest penalty (other than under construction contracts), that the Federal Government has accepted property or services by the 7th day after the date on which, in accordance with the terms and conditions of the contract, the property is delivered or final performance of the services is completed, unless the solicitation specifies a longer period which is determined by the contracting officer to be required to afford the agency a practicable opportunity to inspect and test the property furnished or evaluate the services performed.

(4) The limitation that the Federal Government may take a discount offered by a contractor for early payment by the Federal Government only in accordance with the time limits specified by the contractor, determined in accordance with the second sentence of section 3904 of title 31, United States Code.

(5) The requirements of section 3901(c) of title 31, United States Code.

(6) The requirements of section 3903(a)(6) of title 31, United States Code.

(7) The requirements of section 3905 of title 31, United States Code.

(c) The regulations required by subsection (a) of this section shall be published as proposed regulations for public comment as provided in section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b) within 120 days after the date of the enactment of this Act.

ASSISTANCE TO SMALL BUSINESS

SEC. 12. Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended by—

(1) renumbering paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) assist small business concerns to obtain payments, late payment interest penalties, or information due to such concerns, in conformity with chapter 39 of title 31, United States Code;".

CODIFICATION OF A DEFINITION PROVIDED IN AN APPROPRIATION LAW

SEC. 13. (a) Section 3903(a)(2) of title 31, United States Code, is amended by inserting "including any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and any perishable egg product," after "182(3))),".

(b) Section 2002 of the Supplemental Appropriations Act, 1984 (Public Law 98-181; 97 Stat. 1297) is amended by striking out "the terms 'meat' and 'meat food products' as used in the Prompt Payment Act (Public Law 97-177; 96 Stat. 85) in section 2(a)(2)(B)(i) thereof shall include also edible fresh or frozen poultry meat, perishable poultry meat food products, fresh eggs and perishable egg products; and".

EFFECTIVE DATES

SEC. 14. (a) The amendments made by section 2, 3(a), 4 through 9, 12, and 13 of this Act, shall apply to payments under contracts awarded, contracts renewed, and contract options exercised during or after the first fiscal quarter which begins more than 90 days after the date of the enactment of this Act.

(b) The requirements of section 3902(c)(2) of title 31, United States Code, as added by section 3(b) of this Act, shall apply to payments under contracts awarded on or after October 1, 1989.

(c) The amendments made by section 3(c) of this Act, shall be applicable with respect to all obligations incurred on or after January 1, 1989.

(d) The amendment made by section 10 of this Act, shall apply to the report required by section 3906 of title 31, United States Code, for each fiscal year beginning after September 30, 1988.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. HORTON. Mr. Speaker I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. Brooks] will be recognized for 20 minutes and the gentleman from New York [Mr. Horton] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. Brooks].

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 328 is intended to clarify and strengthen the Prompt Payment Act of 1982 in order to assure that vendors supplying goods and services to the Government are paid in a predictable and timely manner.

While the Government's bill-paying record has generally improved since passage of the Prompt Payment Act, vendors supplying goods and services, including construction, to the Federal Government complain that problems remain. Offices involved in the purchase, receipt, and acceptance of goods and services, as well as those offices responsible for paying the bills, all contribute to the problems. Some agencies have persistently misread, misinterpreted, or simply failed to implement provisions of the Prompt Payment Act.

After hearing testimony and receiving comments from a number of organizations and business firms, large and small alike, the committee agreed to report an amended version of S. 328. The committee amendment makes significant improvements to the bill, while retaining its major thrust and structure.

For example, the committee amendment extends the protections of the Prompt Payment Act to subcontractors at all tiers of a construction project. The Senate bill was silent on this issue.

The bill eliminates the grace periods which had permitted an agency to pay late without incurring an interest penalty and it would entitle a contractor to an additional penalty, under specified circumstances, if an agency paid its bill without automatically paying any interest due.

It specifies specific payment due dates for various types of agricultural support programs administered by the Commodity Credit Corporation and for dairy and edible oil products.

Mr. Speaker, the bill as ordered reported by the Committee on Government Operations has been further amended to make clear that prime contractors are entitled to withhold funds otherwise due and payable to a subcontractor if a written claim is filed with the prime contractor by a third party under the Miller Act. In such cases the prime contractor would not be required to pay interest to the Government during the time it is holding these funds, but the prime contractor would incur an obligation to pay interest to the subcontractor if timely payment is not made after the deficiency giving rise to the third-party claim is corrected.

Mr. Speaker, these amendments will go a long way toward improving the predictability of Government payments. As the Government's reputation as a good business partner improves, more and more contractors should become inclined to compete for the Government's business and it is this competition that could ultimately result in lower prices charged the Government for the goods and services that it buys. Mr. Speaker, I urge all Members to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of S. 328—as amended by the House—the Prompt Payment Act Amendments of 1988. This legislation is important to the Federal Government, to small and large businesses alike, and I am pleased to add that it enjoys broad bipartisan and administration support.

The Prompt Payment Act became public law in 1982. It was developed by the Committee on Government Operations after extensive examination of the Government's payment practices. Those practices showed conclusively that the Federal Government had a poor record of paying its bills in a timely manner.

The Prompt Payment Act was designed to correct identified payment deficiencies. It has been effective. Responsible and uniform payment policies are now in place throughout the Federal bureaucracy. We now have more than 5-years experience with the act. And while its success in improving Government pay policies is widely recognized, areas where improvements are needed have been identified. We addressed these areas in S. 328.

The legislation before us ensures that not only general contractors, but their subcontractors as well, will receive timely payments for work performed and products provided. It sets forth interest penalties for all parties—the Government and contractors alike—who fail to meet payment standards established by the act.

Mr. Speaker, the Government Operations Committee held hearings on this subject this spring. Our amended version of S. 328 is the product of a major bipartisan effort here in the House, as well as of input from the industry groups most affected by these changes. I want to commend my chairman, Jack Brooks for his leadership in moving this bill, as well as the majority and minority staffs, who worked tirelessly in fashioning workable and meaningful improvements to the original 1982 legislation.

Mr. Speaker, S. 328, as amended by the House, is a good bill. It makes sense, and I urge my colleagues to support its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. English].

Mr. ENGLISH. Mr. Speaker, I commend Mr. Brooks, the chairman, and Mr. Horton, the ranking minority member. The Prompt Payment Act amendments contains provisions which are of vital importance to the American family farmer. These provisions, which I sponsored before the Government Operations Committee, will require the Department of Agriculture to pay interest if it fails to make payments and loans in a timely manner.

In the past, the Commodity Credit Corporation, the USDA agency which makes contracts with farmers, has been free to pick its own dates and make the required payments whenever it wished to. Just this year, for instance, the Budget Reconciliation Act of 1987 required CCC to make advance payments to farmers when they signed contracts to participate in the annual commodity programs. It was the intent of the Congress that the advance payment would be made before planting time to ease the severe credit problems of family farmers.

CCC decided that it would make half the payment at the time of signup which came prior to March 1. The other half would be made on May 16. But, May 16 is past the planting time for most crops and the decision for the delayed payment ignored the intent of the Congress.

If this bill had been in effect earlier this year, CCC would have been obligated to pay interest to farmers for any portion of the payment which was made later than 30 days after the contract was signed.

Mr. Speaker, I could cite other examples where CCC has failed to make payments in a timely manner, but I do not believe it is necessary.

The provisions that I sponsored establish specific dates when the payment or loan is due for each farm program where the contract itself does not specify a date. The provisions then give 30 days for CCC to issue the checks before incurring an interest penalty. America's family farmers are due this consideration from their Government.

I urge the passage of S. 328.

Mr. HORTON. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. Lagomarsino].

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong support of the Prompt Payment Act Amendment of 1988, S.

328, and to commend the chairman, Mr. Brooks, and the ranking member Mr. Horton. This legislation is similar to a measure I have cosponsored in the House, H.R. 1663. In 1982, Congress passed the Prompt Payment Act, which I introduced, that required all Federal agencies to pay interest on overdue payments to vendors and contractors. After the passage of the act, the Federal Government's record of paying its bills on time improved dramatically. However, during the past few years the Government's rate of delinquency on overdue payments has gradually increased to the point where some benefits gained by the original act have been eroded. Some Federal agencies have found ways to take advantage of ambiguities in the 1982 law and to interpret the act to their own benefit.

The changes included in S. 328 will assure not only more timely payments to vendors, but will also benefit the Federal Government. Businesses, guaranteed that their bills will be more likely to be paid on time or penalty interest will be paid, will compete for Government contracts and offer the most competitive prices. More small businesses, which cannot survive an erratic cash flow, will now be able to offer their goods and services to a variety of Federal agencies.

Mr. Speaker, I encourage my colleagues to support this legislation.

Mr. BROOKS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Missouri [Mr. Skelton].

Mr. SKELTON. Mr. Speaker, I rise in support of S. 328, the Prompt Payment Act Amendments of 1988. The bill which is before this body is a refined version of a bill which I introduced in the House: H.R. 1663, the Small Business Prompt Payment Act Amendments of 1987. I am pleased to say that our bill has over 180 cosponsors and is supported by every business organization.

S. 328 is the product of an outstanding working coalition and I believe that this has produced a strong bill. All the parties: House, Senate, executive branch, and private industry were brought together to identify the exact nature of the flaws in the original act and then craft a bill that suits the best interests of Government and business.

But self-congratulation is not really why we are here today. One of the most important congressional functions is to learn from experience and then to apply what we have learned to correct our course to achieve good policy. In the 5 years since the passage of the Prompt Payment Act we have learned a great deal.

We have learned that prompt bill paying is not only good sense but good business.

We have learned that it is detrimental to our industrial base and to the interests of the taxpayer to require businesses, particularly small businesses, to bear the burden of financing the purchases of the Federal Government. There is good reason why the best businesses pay their bills on time and in an orderly manner: it enables them to keep the best contractors at the most favorable price while taking advantage of every incentive bonus.

We have learned that it is within the capacity of Federal agencies to pay their bills in full and on time. When the bureaucracy becomes distressed we discovered that it generally indicates a need to examine and update our bill-paying procedures, not abandon our policy objectives.

Still, some agencies complain about the volume of billings or maintain that penalties imposed on them only penalize the taxpayer. These agencies have been unable to answer two basic questions: first, why must the taxpayer settle for a billing system that can not keep up with similar systems in the private sector? Second, why should agencies assume that businesses, principally taxpaying small businesses, must pay the price for agency shortcomings? Clearly the incentive should be on the back of the agency to correct, improve, or modernize its system. That is what we owe the taxpayer.

Mr. Speaker, my colleagues and I introduced H.R. 1663 and support S. 328 because of our concern that small businesses would bear a disproportionate hardship if the loopholes of the Prompt Payment Act were not closed. Though we agree that all creditors of the Federal Government deserve to be paid in full and on time, our largest contractors have the resources and the leverage to fend for themselves. For the small businesses, particularly those just getting underway, every extra day of unexpected delay can be a crisis. It is the policy of the Federal Government to encourage small businesses to become Government contractors. The Nation needs a diversified, competitive industrial base where every competent business is provided with an opportunity to grow and prosper. We deny that opportunity when roadblocks like delayed payment are permitted to remain.

PRIOR SMALL BUSINESS COMMITTEE HEARING RECORD

Last July, my subcommittee of the Small Business Committee held a hearing on the implementation of the Prompt Payment Act focusing particularly on its effect on small business. The subcommittee received testimony from a broad cross-section of small businesses representing a wide variety of relationships with the Federal Government. Their testimony included their thoughts and recommendations for improving the Prompt Payment Act.

Pursuant to our prior agreement with the Government Operations Committee as the committee with primary jurisdiction over the Prompt Payment Act amendment proposals, we submitted our hearing record and made recommendations that would specifically assist small Government contractors. I am pleased to say that the committee and particularly my colleague from Texas, Mr. Brooks, the distinguished chairman of the Committee on Government Operations, have worked hard to ensure small businesses will receive the protections they deserve.

For example, one major benefit which was added by the committee during House consideration would provide that the Office of Small and Disadvantaged Businesses in each of the agencies could assist businesses in collecting their bills. We feel strongly that businesses need some mechanism to quickly and effectively resolve their complaints. In our view, an agency will be less likely to ignore complaints about repeated late payments if they know that the matter has been called to the attention of the Office of Small and Disadvantaged Businesses. For the first time, a small businessman will have someone on the inside to fight for him instead of against him; someone who knows the law, knows the procedure and, most importantly, knows what makes the agency work. I think that this is a big step forward for small businesses if only to show them that someone cares and is listening.

I would like to stress in regard to The Prompt Payment Act amendments that I know of no opposition whatsoever to the bill. All groups that have commented to me or testified in our hearings have supported the bill. Included in our record is a list of dozens of trade associations and every small business organization all of which have expressed their support.

Again, I commend chairman Brooks and the members of the Government Operations Committee for their attentive action to this bill and I urge my colleagues to support the Prompt Payment Act amendment.

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Mr. HORTON. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. Gilman].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in strong support of this measure, legislation which amends the Prompt Payment Act of 1982 to ensure timely payment of U.S. obligations to Federal contractors.

I want to commend the distinguished committee chairman, the gentleman from Texas [Mr. Brooks], and the ranking minority member, the gentleman from New York [Mr. Horton], for bringing this measure to the floor at this time, as well as the gentleman from Missouri [Mr. Skelton] for his long-term interest in providing prompt payment of our Federal Government's obligations.

In 1982 the Congress passed the original Prompt Payment Act, which I supported, to eliminate late payments by Government agencies to Federal contractors. The act has been successful in reducing this practice by 40 percent since 1982 but, unfortunately, it has not ended it entirely. Some Government agencies continue to delay payments by exploiting certain loopholes in the current law and taking advantage of "grace periods" which were established to allow the agencies to adjust their payment systems to the new requirements. It is time to put a stop to this. Federal Government agencies must set an example of efficiency and fiscal responsibility. Our small businesses should be paid promptly and properly for work done under Government contract and not given the bureaucratic runaround.

Mr. Speaker, as a cosponsor of H.R. 1663, the House equivalent of S. 328, I am keenly aware of the necessity for legislation to protect private industry, particularly small businesses, from the financial hardship that tardy Government payment can cause. Accordingly, I am pleased to support this measure, which will eradicate the problem of overdue Government payment to private contractors, once and for all. S. 328 will accomplish this by way of several amendments to current law. Grace periods will be phased out and completely eliminated by October 1, 1989. Late payment interest penalties will be doubled for agencies which do not pay contractors who are entitled to receive payment within 10 days of the principal billing. In addition agencies will no longer be allowed to refuse formal acceptance of invoices so as to delay repayment and the U.S. Postal Service will be subject to the act as of October 1, 1988. It is vitally necessary that we take action on this matter. By adopting S. 328, we will complete the process we began in 1982.

Mr. Speaker, I am confident that this measure will bring about the practice of proper business practices by the Federal Government in its dealings with Federal contractors, and accordingly urge my colleagues to join me in support of S. 328, the Prompt Payment Act amendments.

Mrs. LLOYD. Mr. Speaker, I rise in strong support of the Prompt Payment Act Amendments of 1988. As a cosponsor of the House version of this bill, I believe the importance of prompt payment reform to the small business community cannot be overstated. Indeed, the delegates to the 1986 White House Conference on Small Business made prompt pay reform one of their key recommendations to the President and the Congress.

Since the Prompt Payment Act took effect in October 1982, the Federal Government's billpaying practices have improved dramatically. However, like many new laws, the implementation of the act has not been perfect. The bill before us today is designed to eliminate ambiguities, close loopholes and otherwise strengthen the Prompt Payment Act of 1982 (Public Law 97-177).

Congressional Hearings and a report by the General Accounting Office [GAO] have confirmed that Federal agencies have all too frequently utilized various strategems to deny timely payments to Government contractors and to evade late payment interest penalties which we mandate in the act. The GAO and many private sector commentators agree that this legislation will effectively deal with the implementational problems so burdening Government contractors, especially small business Government contractors.

I believe that timely payment is vital to all those who provide supplies, services and construction to the Federal Government and that we cannot continue to permit administrative circumvention of the act's declared purposes and protections. I am a strong supporter of small business and an advocate of vigorous enforcement of the Prompt Payment Act by all branches of the Government. I urge my colleagues to join with me in strongly supporting this legislation to ensure that the Government continues to treat its contractors in a fair and businesslike manner.

Mr. ROTH. Mr. Speaker, today I rise in strong support of this legislation to streamline the Federal Government's payment schedule. The amendments to the Prompt Payment Act of 1982 will go a long way to ensure the timely payment of our Government's obligation to Federal contractors.

In 1978, a General Accounting Office report cited the fact that 40 percent of all Federal contracts were paid late and that contractors were forced to expend an estimated $60 million annually to compensate for cash flow problems caused by late payments. This practice as particularly serious for small businesses which traditionally are on tighter budgets and more dependent on individual contracts.

The 1982 Prompt Payment Act helped relieve many of the problems uncovered by the GAO report; however, it became clear that some Federal agencies were taking advantage of administrative loopholes in the law. According to GAO's testimony before the Senate Government Affair's Committee earlier this year, an estimated one-fourth of all contract payments were still late and often, required interest penalities were not paid.

The legislation before us today will help close many of the administrative loopholes in the law and take a further step to ensure that Government contractors receive timely payments for work performed in good faith. Specifically, the amendments would firmly set guidelines for the receipt of an invoice, set payment periods of 14 days for construction contracts and 30 days for commodities contracts, phase out the 15-day grace period for late payments, double the late payment interest for certain contractors and prohibit Federal agencies from taking fast pay discounts after the expiration period.

These amendments will help eliminate many of the headaches contractors are forced to contend with when providing their services to the Federal Government. Under this legislation, abuses of the 30-day start of the payment clock and extensive use of the 15-day grace period will no longer be tolerated.

Enactment of the Prompt Payment Act amendments will give small businesses a greater incentive to pursue Federal contracts. The small business community is a dynamic, innovative sector of our economy which should be encouraged and not forced to play a waiting game for Federal payments.

Mr. Speaker, I see no justifiable reason for delaying payments to a contractor who has completed the contractual agreement in good stead. I urge my colleagues to support this needed legislation which assures Federal contractors that the Government will live up to its part of the bargain.

Mr. PRICE. Mr. Speaker, I rise today in strong support of the Prompt Payment Act Amendments of 1988. One of the priority items emerging from the 1986 White House Conference on Small Business was a recommendation to amend the Prompt Payment Act of 1982. Though the original act has helped decrease the number of late payments made by the Federal Government, the conference recommended further legislative action to ensure that small businesses receive timely payment from Federal agencies and general contractors.

The White House conference recommendation has been supported in my discussions with constituents throughout the Fourth District of North Carolina. Many small business owners have complained about the delay in receiving payments from the Federal Government and from general contractors. Some owners have had to take out loans to keep their businesses operating while waiting for Government payment.

The Prompt Payment Act Amendments of 1988 would help address these problems. The bill is designed to clear up ambiguities in the current law under which Federal agencies may delay payments to Government contractors. Furthermore, it will ensure that late payment interest charges are paid in the event of payment delay. Finally, it sets out payment guidelines for general contractors so that subcontractors, which are mainly small businesses, also receive timely payment.

I also believe that until we pass the Prompt Payment Act Amendments of 1988 the Federal Government will continue to lose out on getting the best goods and services at the lowest prices. At present, many businesses, especially small ones, are unwilling to compete for Government contracts because they cannot afford to wait for the Federal Government to make payment. Assuring businesses that they will be paid on time and that interest penalties will be paid if bills are not met on time, will encourage more businesses to apply and compete for contracts. And as the unfolding procurement scandal demonstrates, we sorely need additional competition for governmental business.

I commend Representatives SKELTON and BROOKS, and Senator SASSER for their insight and hard work in bringing this bill before us today. And I urge my colleagues to support this needed legislation.

Mr. BRENNAN. Mr. Speaker, I rise in strong support of S. 328, the Prompt Payment Amendments of 1988. This legislation is designed to eliminate ambiguities, close loopholes and otherwise strengthen the Prompt Payment Act of 1982.

After Congress passed legislation in 1982 requiring all Federal agencies to pay interest on overdue payments to vendors, the Federal Government's record of paying its bills on time improved dramatically. However, we have witnessed in the last few years a gradual increase in the rate of delinquence on overdue payments. Agencies have found ways to take advantage of the ambiguities in the act and to interpret the act to their own benefit.

The measure we are considering today is considered even stronger that the one approved unanimously by the Senate on October 9, 1987. Changes made by the House Government Operations Committee will assure more timely payments to vendors, but will also benefit the Federal Government by encouraging more competition for contracts.

Small businesses, the backbone of America, cannot stand to offer their goods and services to Federal agencies if there is an erratic cash flow. I see no reason for the Federal Government to harm small busineses by circumventing the 1982 legislation. Today's American businesses are facing unprecedented assaults from foreign competitors. We do not need to contribute to their difficulties by having the Federal Government act to their detriment.

A number of small businesses have contacted me over the past year in support of this legislation. They have consistently mentioned their desire to compete for Federal Government contracts, while requiring protection from slow payments. Important provisions contained in the legislation include: elimination of grace periods, automatic payment of interest penalties, definition of receipt of invoice clarified, late payments must be clearly explained, penalty for nonpayment of interest penalty by a Federal agency, the U.S. Postal Service will be covered under the act, prompt payment protections are extended to all tiers of subcontractors, there is prompt payment for farmers, a 10-day payment period of dairy product buyers is established, and there is assistance for small businesses to assist them in getting their bills paid.

This legislation makes sense for our small businesses across the country and for the Federal Government to handle their purchases in a responsible manner. I urge my colleagues to join me in support of this important legislation.

Mr. HORTON. Mr. Speaker, I urge my colleagues to support the bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield back the balance of my time.

The **SPEAKER** pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the Senate bill, S. 328, as amended.

The question was taken.

Mr. SKELTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The **SPEAKER** pro tempore. Pursuant to clause 5 of rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 328, the Senate bill just considered.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PRESIDENTIAL TRANSITIONS EFFECTIVENESS ACT

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3932) to amend the Presidential Transition Act of 1963 to provide for a more orderly transfer of executive power in connection with the expiration of the term of office of a President, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment and the House amendment to the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Presidential Transitions Effectiveness Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) inflation has eroded the value of the public funding available to Presidents-elect under the Presidential Transition Act of 1963;

(2) pre-election transition planning by the national parties would promote the orderly transfer of executive power across presidential administrations;

(3) the use of private money contributions for the costs of presidential transitions without public disclosure of such contributions creates the potential for hidden conflicts of interest; and

(4) the lack of publicly available information regarding presidential transition team members creates the potential for hidden conflicts of interest.

PURPOSES

SEC. 3. The purposes of this Act are to—

(1) promote the orderly transfer of executive power by providing for—

(A) sufficient public funding to offset the effects of inflation since the Presidential Transition Act of 1963 was last amended in 1976; and

(B) limited reimbursement of the expenses of transition planning by the major national parties during the general election campaign; and

(2) provide for public disclosure of—

(A) all private money contributions and expenditures thereof provided for purposes of—

(i) transition planning by the national parties; and

(ii) the preparation of the President-elect or Vice President-elect for the assumption of official duties as President or Vice President; and

(B) a list of the names, most recent employment, and sources of funding which support the transition activities of all transition personnel.

PRESIDENTIAL TRANSITION PLANNING AUTHORIZATIONS

SEC. 4. Section 5 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) is amended by redesignating such section as section 9 and—

(1) by inserting "(a)" after the section designation;

(2) in paragraph (1)—

(A) by striking out "$2,000,000" and inserting in lieu thereof "$3,500,000"; and

(B) by striking out the comma and "and" at the end thereof and inserting in lieu thereof a semicolon;

(3) in paragraph (2) by striking out "$1,000,000" and inserting in lieu thereof "$1,750,000" and by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and";

(4) by striking out the sentence following paragraph (2) and adding after such paragraph the following new paragraph:

"(3) not more than $200,000 may be appropriated for the purpose of providing reimbursement to a national party committee as defined in section 5(c)(2) or the designee of such a committee as provided under section 6(d) for transition planning expenses under sections 5 and 6."; and

(5) by adding at the end thereof the following new subsections:

"(b) The President shall include a proposed appropriation for carrying out the provisions of this Act in the budget transmitted to the Congress under the provisions of section 1105 of title 31, United States Code, for each fiscal year preceding the fiscal year in which the term of office of such President shall expire.

"(c) The amounts authorized to be appropriated under subsection (a) shall be increased by an inflation adjusted amount, based on an estimate by the Administrator of actual increases in the cost of transition services and expenses which have occurred in the years following the most recent Presidential transition, which shall be included in the budget transmitted to the Congress under the provisions of section 1105 of title 31, United States Code, by the President for each fiscal year preceding the fiscal year in which the term of office of such President shall expire.".

PRESIDENTIAL TRANSITION PLANNING AND EXPENSES

SEC. 5. The Presidential Transition Act of 1963 (3 U.S.C. 102 note) is further amended by inserting after section 4 the following new sections:

"REIMBURSEMENT OF EXPENSES FOR TRANSITION PLANNING

"SEC. 5. (a) Subject to the provisions of subsection (b), the Administrator is authorized to provide reimbursement of pre-election transition planning expenses from funds appropriated under section 9 to each national party committee of a major party candidate for President.

"(b)(1) Funds provided under subsection (a) may not be expended for any purpose, except for transition planning as defined pursuant to subsection (c)(3) and transition expenses described pursuant to section 6.

"(2) The Administrator may not provide funds under subsection (a) to a national party committee in any year in which the Presidential candidate of such party is the incumbent President.

"(c) As used in this section the term—

"(1) 'major party candidate' means a Presidential candidate of a political party that has received 25 percent or more of the total number of popular votes received by all candidates for such office in the preceding election, who appears as a candidate for President on the general election ballot;

"(2) 'national party committee' means the committee organization of a political party of a major party candidate; and

"(3) 'transition planning' means—

"(A) the development of a personnel process for use in the transition for the recruitment, selection, clearance, and orientation of Presidential appointees to executive level positions as defined under section 5311(b)(2) of title 5, United States Code;

"(B) the establishment of a transition organization and operating plan;

"(C) the identification of potential transition personnel; and

"(D) liaison with the General Services Administration, the Office of Personnel Management, the National Archives and Records Administration, and other Federal departments and agencies regarding preparation of the President-elect or the Vice President-elect for the assumption of official duties as President and Vice President.

"REIMBURSEMENT OF TRANSITION EXPENSES TO BE PROVIDED TO NATIONAL PARTY COMMITTEE

"SEC. 6. (a) Subject to the provisions of section 5(b), the Administrator is authorized to provide, funds to each national party committee of a major party candidate as defined in section 5(c)(1), for reimbursement of transition planning as defined in section 5(c)(3) and transition expenses as described in subsection (b). The Administrator shall determine the amount of reimbursement necessary to carry out such planning upon the request of, and after consultation with, a national party committee.

"(b) Transition expenses under this section shall include expenses for—

"(1) suitable office space appropriately equipped with furniture, furnishings, office machines and equipment, and office supplies at such place or places within the United States as the national party committee shall designate after consultation with the Administrator;

"(2) the compensation of members of office staffs designated by a national party committee at rates determined by such committee not to exceed the rate provided for the grades of GS-18 under section 5332 of title 5, United States Code, except that no employee of any agency of any branch of the Government may be detailed to such staffs on a reimbursable or nonreimbursable basis; and

"(3) the procurement of services of experts or consultants or organizations thereof for a national party committee.

"(c) Funds provided under subsection (a) shall apply to transition expenses that occur—

"(1) no earlier than 14 days following the termination of the nominating convention of the applicable political party; and

"(2) no later than one day following the date of the general elections held to determine the electors of the President and the Vice President.

"(d) A national party committee may designate the major party candidate as the agent of the committee authorized to make such determinations and perform such functions as may be provided in connection with transition expenses and reimbursement under this section. In the case of such designation by the national party committee, the candidate may delegate any authority exercised under this section to an assistant.

"DISCLOSURE OF PRIVATE TRANSITION PLANNING FUNDS

"SEC. 7. (a)(1) The national party committees or designees of such committees (as a condition for receiving funds pursuant to sections 5 and 6) shall disclose to the Administrator the date of contribution, source, amount, and expenditure thereof of all private money (including currency of the United States or of any foreign nation, checks, money orders, or any other negotiable instruments payable on demand) received for the purposes of transition planning.

"(2) Disclosures made under paragraph (1) shall be—

"(A) in the form of a report to the Administrator within 90 days after the date of the general election held to determine the electors of the President and the Vice President; and

"(B) made available to the public by the Administrator upon receipt by the Administrator.

"(b)(1) The President-elect and Vice President-elect (as a condition for receiving services under section 3 and for funds provided under section 9(a)(1)) shall disclose to the Administrator the date of contribution, source, amount, and expenditure thereof of all private money (including currency of the United States and of any foreign nation, checks, money orders, or any other negotiable instruments payable on demand) received either before or after the date of the general election for use in the preparation of the President-elect or Vice President-elect for the assumption of official duties as President or Vice President.

"(2) Disclosures made under paragraph (1) shall be—

"(A) in the form of a report to the Administrator within 90 days after the inauguration of the President-elect as President and the Vice President-elect as Vice President; and

"(B) made available to the public by the Administrator upon receipt by the Administrator.

"DISCLOSURE OF REPRESENTATIVES OF THE PRESIDENT-ELECT AND VICE PRESIDENT-ELECT DURING TRANSITION

"SEC. 8. (a) The President-elect and Vice President-elect (as a condition for receiving services provided under section 3 and funds provided under section 9(a)(1)) shall disclose to the public a list of the names of all transition personnel (full-time or part-time) and the most recent employment and source of funding which support the transition activities of such personnel.

"(b) Disclosures made under subsection (a) shall be—

"(1) in the form of 3 reports to the Administrator;

"(2) submitted within 30, 60, and 90 days after the date of the general election held to determine the electors of the President and the Vice President; and

"(3) made available to the public by the Administrator upon receipt by the Administrator.".

LIMITATION ON EXPENDITURES OF CERTAIN FUNDS

SEC. 6. (a) Section 3(a)(4) of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) is amended—

(1) by inserting "(A)" after "(4)";

(2) by adding at the end thereof the following new subparagraph:

"(B) When requested by the President-elect or Vice President-elect or their designee, and approved by the President, Government aircraft may be provided for transition purposes on a reimbursable basis; when requested by the President-elect, the Vice President-elect, or the designee of the President-elect or Vice President-elect, aircraft may be chartered for transition purposes, any collections from the Secret Service, press, or others occupying space on chartered aircraft shall be deposited to the credit of the appropriations made under section 9 of this Act;".

(b) Section 3(b) of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) is amended to read as follows:

"(b) The Administrator may not expend funds for the provision of services and facilities under section 3 of this Act in connection with any obligations incurred by the President-elect or Vice President-elect—

"(1) before the day following the date of the general elections held to determine the electors of President and Vice President under sections 1 or 2 of title 3, United States Code; or

"(2) after 30 days after the date of the inauguration of the President-elect as President and the inauguration of the Vice President-elect as Vice President.".

(c) Section 4 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) is amended—

(A) by inserting "(a)" after the section designation, and

(B) by adding at the end thereof the following new subsection:

"(b) The Administrator may obligate funds for the purposes of this section for a President and Vice President during a period to begin not more than 30 days before the expiration of their terms of office as President and Vice President.".

DISCLOSURE REQUIREMENTS RELATING TO THE 1988 GENERAL ELECTION OF PRESIDENT AND VICE PRESIDENT

SEC. 7. (a)(1) The national party committees or designees of such committees, as a condition for receiving funds pursuant to sections 5 and 6 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) as amended by section 5 of this Act, shall provide an estimate to the Administrator of the General Services Administration of the aggregate value of in-kind contributions made during the period beginning on the day following the date of enactment of this Act through November 8, 1988, received for transition planning purposes for—

(A) transportation;

(B) hotel and other accommodations;

(C) suitable office space; and

(D) furniture, furnishings, office machines and equipment, and office supplies.

(2) For purposes of paragraph (1) the term—

(A) "national party committee" has the same meaning as such term is defined under section 5(c)(2) of the Presidential Transition Act of 1963 (3 U.S.C. 102 note), as amended by section 5 of this Act; and

(B) "transition planning" has the same meaning as such term is defined under section 5(c)(3) of such Act (as amended by section 5 of this Act), including transition expenses as described under section 6 of such Act (as amended by section 5 of this Act).

(3) The estimates made under paragraph (1) shall be—

(A) in the form of a report to the Administrator of the General Services Administration within 90 days after November 8, 1988; and

(B) made available to the public by the Administrator upon receipt by the Administrator.

(b)(1) The President-elect and Vice President-elect (as a condition for receiving serv-

ices under section 3 and for funds provided under section 9(a)(1) of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) as amended by sections 6 and 4 of this Act, respectively) shall provide an estimate to the Administrator of the General Services Administration of the aggregate value of in-kind contributions made during the period beginning on November 9, 1988, through January 20, 1989, received for transition activities for—

(A) transportation;

(B) hotel and other accommodations;

(C) suitable office space; and

(D) furniture, furnishings, office machines and equipment, and office supplies.

(2) The estimates made under paragraph (1) shall be—

(A) in the form of a report to the Administrator of the General Services Administration within 90 days after January 20, 1989; and

(B) made available to the public by the Administrator upon receipt by the Administrator.

APPROPRIATION INFLATION PROVISION NOT APPLICABLE TO 1989 FISCAL YEAR

SEC. 8. Notwithstanding the provisions of section 9(c) of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) as added by section 4 of this Act, no such provision of such subsection shall apply to the budget for the fiscal year beginning after September 31, 1988.

TRANSPORTATION EXPENSES

SEC. 9. Section 5723 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "Service; or (B)" in paragraph (1) and insert in lieu thereof "Service; or (C)"; and

(B) by adding at the end thereof:

"In the case of an appointee described in paragraph (1) who has performed transition activities under section 3 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note), the provisions of paragraphs (1) and (2) may apply to travel and transportation expenses from the place of residence of such appointee (at the time of relocation following the most recent general elections held to determine the electors of the President) to the assigned duty station of such appointee."; and

(2) in subsection (c) by adding at the end thereof "In the case of an appointee described in subsection (a)(1) who has performed transition activities under section 3 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note), the travel or transportation shall take place at any time after the most recent general elections held to determine the electors of the President.".

EXECUTIVE AGENCY VACANCIES

SEC. 10. (a)(1) Section 3345 of title 5, United States Code, is amended by striking out "Executive department" and inserting in lieu thereof "Executive agency".

(2) The heading for section 3345 of title 5, United States Code, is amended to read as follows:

"§3345. Details; to office of head of Executive agency or military department".

(3) The table of section headings for chapter 33 of title 5, United States Code, is amended by amending the item relating to section 3345 to read as follows:

"3345. Details; to office of head of Executive agency or military department.".

(b) Section 3348 of title 5, United States Code, is amended to read as follows:

"§3348. Details; limited in time

"A vacancy caused by death or resignation may be filled temporarily under section 3345, 3346, or 3347 of this title for not more than 120 days, unless a nomination to fill such vacancy has been submitted to the Senate in which case the person so designated may serve—

"(1) until the Senate confirms the nomination;

"(2) for no more than 30 days after the date that the Senate rejects the nomination; or

"(3) if designated during an adjournment of the Congress sine die, for no more than 120 days after the Congress next convenes.".

House amendment to Senate amendment: In lieu of the matter proposed to be inserted by the Amendment of the Senate, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Presidential Transitions Effectiveness Act".

SEC. 2. PRESIDENTIAL TRANSITION AUTHORIZATIONS.

(a) AMENDMENTS.—Section 5 of the Presidential Transition Act of 1963 (3 U.S.C. 102, note) is amended—

(1) by redesignating such section as section 6;

(2) by inserting before such section the following heading:

"AUTHORIZATION OF APPROPRIATIONS";

(3) by inserting "(a)" after the section designation;

(4) in paragraph (1), by striking out "$2,000,000" and inserting in lieu thereof "$3,500,000";

(5) in paragraph (2), by striking out "$1,000,000" and inserting in lieu thereof "$1,500,000";

(6) in paragraph (2), by inserting before the period at the end thereof the following: ", except that any amount appropriated pursuant to this paragraph in excess of $1,250,000 shall be returned to the general funds of the Treasury in the case where the former Vice-President is the incumbent President"; and

(7) by adding at the end thereof the following new subsection:

"(b) The amounts authorized to be appropriated under subsection (a) shall be increased by an inflation adjusted amount, based on increases in the cost of transition services and expenses which have occurred in the years following the most recent Presidential transition, and shall be included in the proposed appropriation transmitted by the President under the last sentence of subsection (a).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) of this section shall be effective upon enactment, except that the amendment made by paragraph (7) of such subsection shall take effect on October 1, 1989.

SEC. 3. PRESIDENTIAL TRANSITION FINANCING AND PERSONNEL.

The Presidential Transition Act of 1963 (3 U.S.C. 102, note) is further amended by inserting after section 4 the following new section:

"DISCLOSURES OF FINANCING AND PERSONNEL; LIMITATION ON ACCEPTANCE OF DONATIONS

"SEC. 5. (a)(1) The President-elect and Vice-President elect (as a condition for receiving services under section 3 and for funds provided under section 6(a)(1)) shall disclose to the Administrator the date of contribution, source, amount, and expenditure thereof of all money, other than funds from the Federal Government, and including currency of the United States and of any foreign nation, checks, money orders, or any other negotiable instruments payable on demand, received either before or after the date of the general elections for use in the preparation of the President-elect or Vice-President-elect for the assumption of official duties as President or Vice President.

"(2) The President-elect and Vice President-elect (as a condition for receiving such services and funds) shall make available to the Administrator and the Comptroller General all information concerning such contributions as the Administrator or Comptroller General may require for purposes of auditing both the public and private funding used in the activities authorized by this Act.

"(3) Disclosures made under paragraph (1) shall be—

"(A) in the form of a report to the Administrator within 30 days after the inauguration of the President-elect as President and the Vice-President-elect as Vice President; and

"(B) made available to the public by the Administrator upon receipt by the Administrator.

"(b)(1) The President-elect and Vice-President-elect (as a condition for receiving services provided under section 3 and funds provided under section 6(a)(1)) shall make available to the public—

"(A) the names and most recent employment of all transaction personnel (full-time or part-time, public or private, or volunteer) who are members of the President-elect or Vice-President-elect's Federal department or agency transition teams; and

"(B) information regarding the sources of funding which support the transition activities of each transition team member.

"(2) Disclosures under paragraph (1) shall be made public before the initial transition team contact with a Federal department or agency and shall be updated as necessary.

"(c) The President-elect and Vice-President-elect (as a condition for receiving services under section 3 and for funds provided under section 6(a)(1)) shall not accept more than $5,000 from any person, organization, or other entity for purposes of carrying out activities authorized by this Act.".

SEC. 4. LIMITATION ON EXPENDITURES OF CERTAIN FUNDS.

(a) USE OF AIRCRAFT.—Section 3(a)(4) of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) is amended—

(1) by inserting "(A)" after "(4)";

(2) by adding at he end thereof the following new subparagraph:

"(B) When requested by the President-elect or Vice-President-elect or their designee, and approved by the President, Government aircraft may be provided for transition purposes on a reimbursable basis; when requested by the President-elect, the Vice-President-elect, or the designee of the President-elect or Vice-President-elect, aircraft may be chartered for transition purposes; and any collections from the Secret Service, press, or others occupying space on chartered aircraft shall be deposited to the credit of the appropriations made under section 6 of this Act;".

(b) DURATION OF EXPENDITURES.—Section 3(b) of the Presidential Transition Act of 1963 is amended to read as follows:

"(b) The Administrator may not expend funds for the provision of services and facilities under section 3 of this Act in connection with any obligations incurred by the President-elect or Vice-President-elect—

"(1) before the day following the date of the general elections held to determine the electors of President and Vice President under section 1 or 2 of title 3, United States Code; or

"(2) after 30 days after the date of the inauguration of the President-elect as President and the inauguration of the Vice President-elect as Vice-President.".

(c) COMMENCEMENT OF EXPENDITURES.—Section 4 of the Presidential Transition Act of 1963 is amended by striking out "six months from the date of the expiration" and inserting "seven months from 30 days before the date of the expiration".

SEC. 5. DISCLOSURE OF IN—KIND CONTRIBUTIONS TO 1988-1989 TRANSITION.

(a) DISCLOSURE AS CONDITION OF RECEIPT OF FUNDS.—The President-elect and Vice President-elect (as a condition for receiving services under section 3 and for funds provided under section 6(a)(1) of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) shall provide an estimate to the Administrator of General Services of the aggregate value of in-kind contributions made during the period beginning on November 9, 1988, through January 20, 1989, received for transition activities for—

(1) transportation;

(2) hotel and other accommodations;

(3) suitable office space; and

(4) furniture, furnishings, office machines and equipment, and office supplies.

(b) FORM AND AVAILABILITY OF ESTIMATES.—The estimates made under subsection (a) shall be—

(1) in the form of a report to the Administrator of General Services within 90 days after January 20, 1989; and

(2) made available to the public by the Administrator upon receipt by the Administrator.

SEC. 6. TRAVEL AND TRANSPORTATION EXPENSES.

Section 5723 of title 5, United States Code, is amended—

(1) in subsection (a)(1), by striking out "or (B)" and inserting "or (C)";

(2) in subsection (a), by adding at the end thereof: "In the case of an appointee described in paragraph (1) who has performed transition activities under section 3 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note), the provisions of paragraphs (1) and (2) may apply to travel and transportation expenses from the place of residence of such appointee (at the time of relocation following the most recent general elections held to determine the electors of the President) to the assigned duty station of such appointee."; and

(3) in subsection (c), by adding at the end thereof the following: "In the case of an appointee described in subsection (a)(1) who has performed transition activities under section 3 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note), the travel or transportation shall take place at any time after the most recent general elections held to determine the electors of the President.".

SEC. 7. EXECUTIVE AGENCY VACANCIES.

(a) APPLICATION OF VACANCY PROVISIONS TO EXECUTIVE AGENCIES.—(1) Section 3345 of title 5, United States Code, is amended by striking out "Executive department" and inserting in lieu thereof "Executive agency (other than the General Accounting Office)".

(2) The heading for section 3345 of title 5, United States Code, is amended to read as follows:

"§3345. Details; to office of head of Executive agency or military department".

(3) The table of section headings for chapter 33 of title 5, United States Code, is amended by amending the item relating to section 3345 to read as follows:

"3345. Details; to office of head of Executive agency or military department.".

(b) EXTENSION OF TIME FOR INTERIM SERVICE.—Section 3348 of title 5, United States Code, is amended to read as follows:

"§3348. Details; limited in time

"(a) A vacancy caused by death or resignation may be filled temporarily under section 3345, 3346, or 3347 of this title for not more than 120 days, except that—

"(1) if a first or second nomination to fill such vacancy has been submitted to the Senate, the position may be filled temporarily under section 3345, 3346, or 3347 of this title—

"(A) until the Senate confirms the nomination; or

"(B) until 120 days after the date on which either the Senate rejects the nomination or the nomination is withdrawn; or

"(2) if the vacancy occurs during an adjournment of the Congress sine die, the position may be filled temporarily until 120 days after the Congress next convenes, subject thereafter to the provisions of paragraph (1) of this subsection.

"(b) Any person filling a vacancy temporarily under section 3345, 3346, or 3347 of this title whose nomination to fill such vacancy has been submitted to the Senate may not serve after the end of the 120-day period referred to in paragraph (1)(B) or (2) of subsection (a) of this section, if the nomination of such person is rejected by the Senate or is withdrawn.".

Mr. BROOKS (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment and the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Texas?

Mr. HORTON. Reserving the right to object, Mr. Speaker, I do not intend to object, but I yield to the gentleman from Texas [Mr. BROOKS] to explain the matter.

Mr. BROOKS. Mr. Speaker, the Presidential Transition Act of 1963 was enacted to promote the orderly transfer of power from one administration to another by providing transition funds and services to the incoming and outgoing President and Vice President. H.R. 3932, the Presidential Transition Act Amendments of 1988, authorizes appropriations under the 1963 act and makes other amendments to that act.

As passed by the House on March 31 of this year, H.R. 3932 increased the authorization for transition funding for the incoming President and Vice President from $2 to $3.5 million, and authorized funding for the outgoing President and Vice President at the existing level of $1 million. The bill required the disclosure of information on the individuals who are to be given authority to contact Federal agencies on behalf of the incoming administration's transition effort. The House also adopted an amendment prohibiting the acceptance of private funds for transition purposes by the incoming President and Vice President. Several other minor changes to the 1963 act were made by H.R. 3932.

The Senate amendment in the nature of a substitute to H.R. 3932 authorized the same figure for the incoming administration and increased the outgoing President's authorization to $1.75 million. It contained disclosure requirements similar to the President and also deleted the prohibition on acceptance of private funds for transition purposes. The Senate bill also provided for funding of pre-election transition planning by the national party committees, and it contained a provision increasing from 30 to 120 days the length of time the President may temporarily fill vacancies in the leadership of executive agencies.

Through discussions with our Senate counterparts, we have arrived at a compromise agreement on transition funding and related issues. The amendment in the nature of a substitute that I am offering today provides an authorization of $3.5 million for the incoming President and Vice President's transition. It raises the authorization for the outgoing President and Vice President to $1.5 million, with the proviso that any amount appropriated over $1.25 million will be returned to the Treasury if the outgoing Vice President is also the incoming President. The compromise allows private funding of transition activities, but limits contributions to $5,000 from any person, organization, or other entity. It also requires a report from the incoming administration to the General Services Administration on the in-kind contributions received by the transition.

The amendment we are considering today contains the provisions regarding use of aircraft, duration of expenditures, and payment of transition personnel travel and transportation expenses that were in both Houses' original bills, along with the requirement for disclosure of limited information on the individuals who are empowered to go into the agencies on behalf of the transition. This amendment also includes the Senate language regarding vacancies at the head of executive agencies.

Mr. Speaker, as I have stated before, the interests of all Americans, regardless of political party, are served by a smooth and effective transition from one Presidency to another. The Presidential campaign season has already begun. Before it gets into full swing, it would be in the national interest to enact this reauthorization of the Transition Act. I urge adoption of this amendment.

Mr. HORTON. Mr. Speaker, this compromise language has been worked out with the Members of the other body. This amendment represents a reasonable increase in the authorizations to cover the legitimate and necessary expenses of the Presidential transition. I support the amendment.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the initial request of the gentleman from Texas?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HEALTH INSURANCE COVERAGE FOR DISABLED ADOPTED CHILDREN

Mr. FLORIO. Mr. Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 95) to express the sense of the Congress with respect to the denial of health insurance coverage for disabled adopted children.

The Clerk read as follows:

S. Con. Res. 95

Whereas at least 36,000 children in the United States are legally free for adoption and are living in foster care waiting for a permanent home;

Whereas many of the children are physically, mentally, and emotionally disabled;

Whereas some insurers deny health insurance to a disabled adopted child on the basis that the disability of the child is a preexisting condition;

Whereas the actions of the insurers impose a significant barrier to the adoption of children with disabilities because few prospective adoptive parents can afford to take the risk of adopting a child who will not be covered by health insurance;

Whereas under State law adoption severs the legal ties between the adopted child and the adopted child's birth parents, and creates a legal relationship with the adoptive parents;

Whereas in every State, State law has established that an adopted child has the same legal status as a biological child;

Whereas many insurers cover a biological child with the same disability born to the adoptive parents;

Whereas by denying health insurance coverage to disabled adopted children, insurers are discriminating against adopted children and establishing a policy contrary to State law; and

Whereas the barriers to adoption that deny children a permanent home and prevent couples and single individuals from establishing families should be eliminated: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that Congress—

(1) opposes discrimination in health insurance against adopted children;

(2) urges insurers to treat all adopted children identically to newly born biological children;

(3) urges State legislatures to encourage health insurers to cover adopted children of the insured, subscriber, or enrollee on the same basis as other dependents, with such coverage to be effective from the date of placement for purpose of adoption.

Sec. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to—

(1) an appropriate official of the legislature of each State, and

(2) an appropriate official of the National Association of Insurance Commissioners.

The **SPEAKER** pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. FLORIO] will be recognized for 20 minutes and the gentleman from New York [Mr. LENT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. FLORIO].

Mr. FLORIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to support Senate Concurrent Resolution 95, expressing the sense of the Congress with respect to the denial of health insurance coverage for disabled adopted children. This resolution sends the message that Congress will not tolerate discrimination against adopted children.

Currently, some insurance companies deny coverage to disabled adopted children on the basis that the disability is a preexisting condition. This situation is totally unacceptable. Adopted children have the same legal status as newly born biological children and should be treated the same by insurance companies.

The denial of health insurance to disabled adopted children is truly tragic. Few prospective parents can afford to take the risk of adopting children who may not be able to get health coverage. Many of the over 36,000 children awaiting adoption have some kind of disability, and the denial of health insurance is a significant barrier to their adoption.

This resolution sends insurers and the States a strong message that discrimination against adopted children in insurance is inexcusable and must end. The Senate passed Senate Concurrent Resolution 95 on April 28, 1988, and now the House must act. I strongly urge the passage of this resolution.

Mr. LENT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not oppose Senate Concurrent Resolution 95. This resolution expresses the sense of the Congress that health insurance companies should not discriminate in insurance coverage of disabled adopted children.

While I personally support the sentiment that this resolution expresses, I quite frankly am concerned that this resolution may appear to accomplish more than it does. While we all have personal sympathy for the plight of these children and their parents, the States have always had responsibility for the regulation of insurance. This is a State issue, not a Federal one. However, this resolution merely makes a statement and does not change existing law or the Federal/State responsibilities regarding insurance regulation. For this reason, I do not oppose the resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I rise in support of Senate Concurrent Resolution 95 which expresses congressional opposition to discrimination in health insurance against adopted children and encourages insurers to treat adopted children identical to how they treat newly born biological children.

Approximately one-fourth of the 36,000 children currently in foster care or waiting for adoption are handicapped. If insurance companies deny health insurance to disabled adopted children, these children may never find a permanent home. Many prospective parents will not adopt a handicapped child if they are denied access to health insurance. These parents just cannot take that risk.

This year the Congress reauthorized the Adoption Opportunities Program under the Child Abuse Prevention, Adoption, and Family Services Act. The purpose of the Adoption Opportunities Program is to assist States in eliminating the barriers to adoption and to provide permanent home environments for children who would benefit from adoption, especially children with special needs. One of these barriers may be the lack of health insurance coverage for disabled adopted children.

While I oppose Federal regulation of the insurance industry, I believe that disabled adopted children should be treated the same as disabled biological children when obtaining health insurance coverage. This resolution will not change current law but it does send a message to the insurance industry that disabled adopted children should not be denied health insurance.

I therefore urge my colleagues to support this resolution so another barrier may be removed in placing handicapped children in permanent adoptive homes.

□ 1500

Mr. FLORIO. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. COELHO], the distinguished majority whip.

Mr. COELHO. Mr. Speaker, in February of last year, I joined Senator GORDON HUMPHREY in introducing legislation to express the sense of Congress with respect to the denial of health insurance coverage for disabled adopted children. Today I urge my colleagues to vote in favor of Mr. HUMPHREY's legislation, Senate Concurrent Resolution 95, and join me in expressing concern about the current discriminatory practice of denying health insurance coverage to disabled adopted children on the basis that the disability is a preexisting condition.

As an adoptive parent, and as a person with the disability of epilepsy, I have a personal interest in this legislation. Today, there are 36,000 children in this country waiting to be adopted. Many of these children are disabled. I have learned of the numerous barriers to adoption from experts in the adoption field and individuals and couples who have been involved with the adoption process. The inability to obtain health insurance for an adopted disabled child is a tremendous barrier—few prospective parents can afford to take the risk of adopting a child who will not be covered by health insurance. The result is that many prospective parents are unable to adopt the disabled child who desperately needs a loving home.

These same insurance restrictions are often not placed upon disabled biological children or upon adopted children without disabilities. Disabled adopted children have been singled out for this discrimination. This discrimination is not only devastating to the children and adoptive parents involved, but it also conflicts with State law. In each State, adoption severs the legal ties between the adoptee and his or her parents, and creates a legal relationship with the adoptive parents. For all intents and purposes, an adoptive child has the same legal status as a biological child. In refusing to provide health care for adopted children whose disabilities existed before the adoption, insurers are ignoring these State laws.

The problem of obtaining health insurance is pervasive and constitutes a serious barrier to the adoption of disabled children. I believe Congress has a responsibility to point out the inequity in this, and to encourage the insurance industry and the State legislatures to take steps to solve the problem.

Mr. FLORIO. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. WAXMAN], the chairman of our Subcommittee on Health and the Environment.

Mr. WAXMAN. Mr. Speaker, I am pleased to support passage of Senate Concurrent Resolution 95. The resolution is virtually identical to House Concurrent Resolution 43 which was introduced by the distinguished gentleman from California [Mr. COELHO].

Senate Concurrent Resolution 95 expresses Congress' concern over the actions of insurance companies who deny health insurance to disabled adopted children on the basis that the disability is a preexisting condition. This restriction imposes a significant barrier to the adoption of these children. Such treatment of adopted children is unfair and discriminatory. State laws currently provide adopted children the same legal status as the biological child. The disability of a biological child born to the adopted parents would not be treated as a preexisting condition.

Mr. Speaker, Senate Concurrent Resolution 95 does not have the force of law. But it sends an important and unmistakable signal to the health insurance industry and State insurance regulatory bodies that such discriminatory practices cannot be condoned.

I urge support for the resolution.

Mr. LENT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FLORIO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from New Jersey [Mr. FLORIO] that the House suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 95).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FLORIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Concurrent Resolution 95.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PREVENTIVE HEALTH BLOCK GRANT ACT AMENDMENTS

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1579) to amend the Public Health Service Act to revise and extend the block grant program, and for other purposes, as amended.

The Clerk read as follows:

S. 1579

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—REVISION AND EXTENSION OF CERTAIN PROGRAMS WITH RESPECT TO PREVENTIVE HEALTH AND HEALTH SERVICES

SEC. 101. BLOCK GRANTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 1901(a) of the Public Health Service Act (42 U.S.C. 300w(a)) is amended by striking "and" after "1986," and by inserting before the period the following: ", and $100,000,000 for each of the fiscal years 1989 and 1991.

(b) USE OF ALLOTMENTS.—Section 1904(a)(1) of the Public Health Service Act (42 U.S.C. 300w-3(a)(1)) is amended—

(1) in subparagraph (b), by inserting before the period the following: "and elevated serum cholesterol";

(2) in subparagraph (d) by inserting before the period the following: ", including immunization services";

(3) in subparagraph (f), in the second sentence, by striking "systems (other" and all that follows and inserting the following: "systems, except that such amounts may be used for the payment of not more than 50 percent of the costs of purchasing communications equipment for the systems."; and

(4) by inserting after subparagraph (g) the following new subparagraph:

"(H) Establishing and maintaining preventive health service programs for screening for, the detection, diagnosis, prevention, and referral for treatment of, and follow-up on compliance with treatment prescribed for, uterine cancer and breast cancer.".

(c) APPLICATION AND DESCRIPTION OF ACTIVITIES.—Section 1905(c) of the Public Health Service act (42 U.S.C. 300w-4(c)) is amended by striking the matter after and below paragraph (6).

(d) REPORTS AND AUDITS.—Section 1906(b)(6) of the Public Health Service Act (42 U.S.C. 300w-5(b)(6)) is amended by striking "1983," and inserting "1990,".

SEC. 102. GRANTS FOR EMERGENCY MEDICAL SERVICES FOR CHILDREN.

Section 1910(d) of the Public Health Service Act (42 U.S.C. 300w-9(d)) is amended by inserting before the period the following: "and $2,000,000 for each of the fiscal years 1989 through 1991.".

SEC. 103. REPEAL OF PROGRAM OF STATE PLANNING GRANTS.

Part A of title XIX of the Public Health Service Act (42 U.S.C. 300w et seq.) is amended by striking section 1910a,

TITLE II—REVISION AND EXTENSION OF CERTAIN PROGRAMS WITH RESPECT TO SEXUALLY TRANSMITTED DISEASES, HEALTH INFORMATION, AND HEALTH PROMOTION

SEC.201. GRANTS FOR PREVENTION OF SEXUALLY TRANSMITTED DISEASES.

Section 318 of the Public Health Service Act (42 U.S.C. 247c) is amended—

(1) in the title, by striking "AND ACQUIRED IMMUNE DEFICIENCY SYNDROME";

(2) by striking subsections (d) and (f);

(3) by redesignating subsection (e) as subsection (d) and subsection (g) as subsection (e); and

(4) in subsection (d)(1) (as so redesignated)—

(A) in the first sentence—

(i) by striking "(b), (c), and (d)" and inserting "(b) and (c)";

(ii) by striking "and" after "1986,";

(iii) by striking the period and inserting a comma; and

(iv) by adding at the end the following: "$78,000,000 for fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990 and 1991.";

(B) in the third sentence, by striking "(b), (c), or (d)" and inserting "(b) or (c)"; and

(C) by striking the last sentence.

SEC. 202. HEALTH INFORMATION AND HEALTH PROMOTION.

Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) is amended—

(1) in section 1701—

(A) in subsection (a), by striking the first sentence of the matter after and below paragraph (10)(D); and

(B) in subsection (b)—

(i) by striking "this title," and inserting "sections 1701 through 1705,"; and

(ii) by striking "and" after "1986," and inserting before the period the following: ", and $10,000,000 for each of the fiscal years 1989 through 1991"; and

(2) in section 1706(e), by striking "and" after "1986," and inserting before the period the following: ", $5,000,000 for fiscal year 1989, $7,000,000 for fiscal year 1990, and $9,000,000 for fiscal year 1991".

TITLE III—GENERAL PROVISIONS

SEC. 301. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1988, or upon the date of the enactment of this Act, whichever occurs later.

The SPEAKER pro tempore. Is a second demanded?

Mr. LENT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from New York [Mr. LENT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

The purpose of this legislation, Mr. Speaker, is simply to extend for the next 3 fiscal years, a number of public health programs whose authorities expired at the end of fiscal year 1987. Those programs include the Preventive Health and Health Service Block Grant; programs for health information and health promotion; the Emergency Medical Services for Children Grants Program; as wlll as programs to prevent and control sexually transmitted diseases.

The Preventive Health Block Grant Program provides funds directly to the States to carry out a variety of preventive health activities, including childhood immunization programs, prenatal care services, and breast cancer screening projects. This legislation would reauthorize the block grant at $100 million for each of the next 3 years—a slight increase over the current funding level.

Programs designed to provide health information and to support health promotion efforts are authorized at title XVII of the Public Health Service Act. These programs fund important health promotion/disease prevention activities, including preventive health research, education, and training. The bill would reauthorize two separate title XVII authorities for an additional 3 years. The first, for the Office of Disease Prevention and Health Promotion, would be extended at its current authorization level of $10 million. The second, for Research Centers for Health Promotion and Disease Prevention, would be reauthorized at a level of $5 million in fiscal year 1989; $7 million in fiscal year 1990; and $9 million in fiscal year 1991. Those figures represent a reduction from the program's current funding level.

The emergency medical services for Children Grants Program supports small demonstration projects on emergency medical services for acutely ill and seriously injured children. The bill would extend the authority for this program for the next 3 years at its current authorization level of $2 million.

Finally, programs to prevent and control sexually transmitted diseases provide testing and treatment services for diseases such as syphilis, gonorrhea, herpes, and chlamydia. In addition, these programs fund STD research and training projects which focus on the prevention of these diseases. The 3-year authorization levels established for these programs under this legislation would be $78 million in fiscal year 1989 and "such sums as may be necessary" for both fiscal year 1990 and fiscal year 1991.

Together, the provisions I have just described, Mr. Speaker, comprise one bill that has already been passed by the House—H.R. 4915 on STD's—and two pieces of legislation—H.R. 1855 and H.R. 1861 on various preventive health programs—that have recently been reported to the House by the Energy and Commerce Committee. All three have strong, bipartisan support and have been acted upon without controversy.

It is in that spirit that I ask Members to continue these important public health programs and to vote in favor of this legislation. I urge all Members to support S. 1579, as amended.

Mr. Speaker, I reserve the balance of my time.

Mr. LENT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to support S. 1579, the preventive health and health services block grant, as amended. This bill reauthorizes three important health programs.

S. 1579 renews authority for the Office of Disease Prevention and Health Promotion and the grant program for prevention centers at the current authorization levels for the next 3 fiscal years. This simple reauthorization will extend these existing, worthwhile programs.

In addition, this bill reauthorizes the preventive health and health services block grant for fiscal years 1989 through 1991 at $100 million a year, a level slightly above the current authorization of appropriations. This provision makes several changes to the current statute which I believe will enhance the States' ability to address their preventive health needs.

The block grant concept established by Congress in 1981 combined a variety of federally funded preventive health programs into a single grant to States, giving the States the flexibility to set their own priorities and to utilize funds as they designate. I am pleased that this block grant authority is extended and that this administration supports these provisions.

Finally, this bill includes the identical text of a bill, H.R. 4915, to reauthorize the prevention and control programs for sexually transmitted diseases, that previously passed the House by voice vote. These provisions include a reasonable increase in the funding level for this program that I believe is necessary for two reasons. The first is recent evidence that a number of sexually transmitted diseases are cofactors in the development of the AIDS virus. The second reason is recent developments in the technology for screening and testing for chlamydia that have given public health authorities an important opportunity to detect a significant and curable cause of infertility. I believe additional funds to expand such testing are important.

For these reasons, I am pleased to support S. 1579 and I urge my colleagues to join me in doing so.

Mr. Speaker, I reserve the balance of my time.

Mr. ECKART. Mr. Speaker, I rise in strong support of H.R. 1861, legislation reauthorizing the preventive health block grant through 1991.

These block grant funds are used by the States for important and cost-effective health care programs, including fluoridation, hypertension control, and emergency medical services.

The bill also includes a provision which I authored to clarify that States can use their block grant funds for immunization services. This is an important addition to the law, designed to encourage States to provide immunizations to health care workers.

The Energy and Commerce Committee is especially concerned about the spread of hepatitis B to health care providers, including paramedics, firefighters, and other emergency rescue workers.

According to the centers for disease control, between 12,000 and 15,000 cases of hepatitis B are reported each year in health care workers—representing approximately 200 deaths.

These deaths and illnesses can be prevented. Yet, the cost of the hepatitis B vaccine—about $150—discourages volunteer firefighters and emergency technicians from getting the vaccine.

The legislation is designed to encourage States to provide this vital protection to their volunteer emergency workers and other health care providers as appropriate. Reauthorization of the preventive health block grant will make this possible, and I urge the bill's passage under suspension of the rules.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to acknowledge the hard work of the members of the subcommittee in preparing this legislation. These are basic public health programs which I think bring a great return on the dollars invested. They are programs designed to prevent diseases that are expensive to treat.

Mr. Speaker, I also want to acknowledge the fact that in the committee deliberations, an amendment offered by the gentleman from Ohio [Mr. ECKART] was adopted and is included in this legislation. I think that the amendment is a constructive and helpful one. The Eckart amendment would allow that funds provided through the prevention block grant to be used to support immunization programs, including programs that provide immunization against preventable occupational-exposure diseases such as hepatitis.

Mr. Speaker, there is much to be done in the area of prevention. At the Centers for Disease Control, research is being undertaken to try to find out ways to prevent these diseases. In many cases, however, we do have a cure or a treatment. Locating those individuals that have such a disease that might otherwise be transmitted and urging them to come in and be treated is important for them and for others as well. The programs we are reauthorizing today help support these types of important public health efforts.

Mr. Speaker, I would urge all Members to support this legislation.

Mr. LENT. Mr. Speaker, will the gentleman yield?

Mr. WAXMAN. I am happy to yield to the gentleman.

Mr. LENT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to publicly commend the gentleman from California for his leadership in carrying this bill forward to this point. I did want to just reemphasize the point that was made earlier about the bill including the identical text of H.R. 4915 to reauthorize the prevention and control programs for sexually transmitted diseases that previously passed the House by a voice vote. These provisions include, as some have noted, a reasonable increase in the funding level for this program that I believe is necessary for two reasons, the first reason being recent evidence that a number of sexually transmitted diseases are cofactors in the development of the AIDS virus. The second reason is recent developments in the technology for screening and testing for chlamydia that have given health authorities an important opportunity to detect a significant and curable cause of infertility.

Mr. Speaker, I believe that additional funds to expand this sort of testing are important and are justified.

Mr. WAXMAN. Mr. Speaker, reclaiming my time, I do want to point out that among the most widespread sexually transmitted diseases in this country is one that most people have never heard of. It is called chlamydia, and it affects millions of people. It can cause sterility in both men and women, and it is a cause of, I believe, neonatal eye infections and infant pneumonia. We would expect that the Centers for Disease Control under this reauthorization would put a greater emphasis on preventing and controlling chlamydia.

Mr. Speaker, I also want to point out that the section of the bill to reauthorize the prevention block grant includes authority for States to establish breast screening programs. This language reflects a provision offered by our colleague, the gentlewoman from Illinois [Mrs. COLLINS]. Through these programs, breast cancer could be identified at an early enough stage so that a patient could undergo a procedure that would avoid the more serious ramifications of this disease.

□ 1515

Mr. LENT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the Senate bill, S. 1579, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

The title of the Senate bill was amended so as to read: "An Act to amend the Public Health Service Act to revise and extend the preventive health and health services block grant and to revise and extend certain programs for the prevention of sexually transmitted diseases and for the promotion of health, and for other purposes."

A motion to reconsider was laid on the table.

MEDICAL DEVICE IMPROVEMENTS ACT OF 1988

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4640) to amend the Federal Food, Drug, and Cosmetic Act to make improvements in the regulation of medical devices, and for other purposes, as amended.

The clerk read as follows:

H.R. 4640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND REFERENCE TO ACT.

(a) SHORT TITLE.—This Act may be cited as the "Medical Device Improvements Act of 1988".

(b) REFERENCE.—Whenever in this Act (other than in section 11) an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Food, Drug, and Cosmetic Act.

SEC. 2. USER REPORTS.

(a) REQUIREMENT.—Section 519 (21 U.S.C. 360i) is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following:

"User Reports

"(b)(1)(A) Whenever a hospital, ambulatory surgical facility, or nursing home receives or otherwise becomes aware of information that reasonably suggests that a medical device may have caused or contributed to the death of a patient of the hospital, ambulatory surgical facility, or nursing home, the hospital, facility, or home shall promptly report the information to the Secretary and, if the identity of the manufacturer is known, to the manufacturer of the device.

"(B) Whenever a hospital, ambulatory surgical facility, or nursing home receives or otherwise becomes aware of information that reasonably suggests that a medical device may have caused or contributed to a life-threatening illness of, or a life-threatening injury to, a patient of the hospital, ambulatory surgical facility, or nursing home, the hospital, facility, or home shall promptly report the information to the manufacturer of the device. If the hospital, facility, or home is unable to learn the identity of the manufacturer of such a device, the report of such information shall be sent to the Secretary. The Secretary may require a hospital, ambulatory surgical facility, or nursing home which receives or otherwise becomes aware of information that reasonably suggests that a medical device may have caused or contributed to a life-threatening illness of, or a life-threatening injury to, a patient of the hospital, facility, or home to report such information to the Secretary (includ-

ing, the identity of the manufacturer of the device involved).

"(C) Whenever a hospital, ambulatory surgical facility, or nursing home receives or otherwise becomes aware of information that reasonably suggests that a medical device has malfunctioned or will malfunction and such malfunction would be likely to cause or contribute to the death or serious illness of, or serious injury to, a patient of the hospital, facility, or home, the hospital facility, or home shall promptly report the information to the manufacturer of the device. If the hospital, facility, or home is unable to learn the identity of the manufacturer of such a device, the report of such information shall be sent to the Secretary.

"(D) Each hospital, ambulatory surgical facility, and nursing home shall submit to the Secretary on a quarterly basis a summary of the reports made under subparagraphs (B) and (C) respecting malfunctions of a device. Such a summary shall be in such form and contain such information from such reports as the Secretary may require for the purpose of determining compliance by manufacturers with reporting requirements under subsection (a) and shall at least include—

"(i) sufficient information to identify the hospital, ambulatory surgical facility, and nursing home which made the reports for which the summary is submitted,

"(ii) in the case of any product which was the subject of a report, identification of the product name, serial number, and model number,

"(iii) the name and the address of the manufacturer of such device, and

"(iv) a brief description of the event reported to the manufacturer.

"(E) For purposes of subparagraphs (A), (B), and (C), a hospital, ambulatory surgical facility, or nursing home shall be treated as having received or otherwise become aware of information with respect to a medical device of that entity when an individual who is employed by or otherwise affiliated with the entity receives or otherwise becomes aware of information with respect to that device in the course of their duties.

"(2) The Secretary may not disclose the identity of a hospital, ambulatory surgical facility, or nursing home which makes a report under paragraph (1), the identity of a device which was the subject of such a report, or the identity of a manufacturer of such a device—

"(A) except in connection with an action brought to enforce section 301(q),

"(B) except in connection with a communication to a manufacturer of a device which is the subject of a report under paragraph (1), or

"(C) unless required to be disclosed under subsection (a).

This paragraph does not authorize the Secretary to withhold the identity of an entity making a report under paragraph (1) or any information in such a report from the duly authorized committees and subcommittees of the Congress.

"(3) No individual or entity shall be held liable in any private civil action with respect to the content of any report made under paragraph (1) unless the individual or entity had knowledge of the falsity of the information contained in the report. A report made under paragraph (1) respecting a device or the fact that such a report has been made may not be admitted into evidence or otherwise used in an action other than an action brought to enforce this subsection.

"(4) No hospital, ambulatory surgical facility, or nursing home may—

"(A) discharge or take any other adverse personnel action with respect to any employee because the employee made a report to an officer or employee of the hospital, ambulatory surgical facility, or nursing home respecting a device, or

"(B) limit the practice of, or take any other adverse action with respect to, any practitioner because the practitioner made a report to an officer or employee of the hospital, ambulatory surgical facility, or nursing home respecting a device.

"(5)(A) Any hospital, ambulatory surgical facility, or nursing home which knowingly fails to make a report in accordance with paragraph (1) shall be subject to a civil penalty of not more than $10,000 for each day in which such failure to report occurs, except that the maximum amount of a civil penalty for any failure to report may not exceed $500,000.

"(B) Section 303 shall not apply to a violation of the requirements of this subsection.

"(6) A report made under paragraph (1) respecting a device does not affect any obligation of the manufacturer of the device who receives the report to file a report as required under subsection (a) respecting the device.".

(b) SANCTION.—Section 302 (21 U.S.C. 332) is amended—

(1) in subsection (a) by inserting "(1)" before "to restrain", and

(2) by inserting before the period at the end of subsection (a) the following: ", and (2) of civil actions brought by any individual against a hospital, ambulatory surgical facility, or nursing home for damages for actions taken against the individual in violation of section 519(b)(4)".

(c) REGULATIONS.—The Secretary of Health and Human Services shall promulgate regulations to implement section 519(b) of the Federal Food, Drug, and Cosmetic Act, added by subsection (a) of this section, not later than 12 months after the date of the enactment of this Act.

(d) EFFECTIVE DATE.—

(1) Section 519(b) of the Federal Food, Drug, and Cosmetic Act (other than paragraph (5) of such section), as added by subsection (a), shall take effect—

(A) upon the effective date of regulations promulgated under subsection (c), or

(B) upon the expiration of one year from the date of the enactment of this Act,

whichever occurs first.

(2)(A) The Secretary of Health and Human Services shall conduct a study of compliance with the requirements of section 519(b) of the Federal Food, Drug, and Cosmetic Act, as added by subsection (a), by hospitals, ambulatory surgical facilities, and nursing homes and of the cost-effectiveness of the requirements and their implementation and any recommendations for improving the requirements. The Secretary shall report the results of the study to the Congress after the expiration of 45 months after the date of the enactment of this Act.

(B)(i) If upon the expiration of 48 months after the date of the enactment of this Act the Secretary has not made the report required by subparagraph (A), paragraph (5) of such section 519(b) shall take effect upon the expiration of such months.

(ii) If in the report under subparagraph (A) the Secretary reports that there has been substantial compliance with the requirements of such section 519(b) by hospitals, ambulatory surgical facilities, or nursing homes and if the Secretary does not make a determination under clause (iii) with respect to such hospitals, ambulatory surgical facilities, or nursing homes, such paragraph (5) shall not take effect with respect to such hospitals, ambulatory surgical facilities, or nursing homes.

(iii) If—

(I) in the report under subparagraph (A) the Secretary determines, or

(II) after making the report under subparagraph (A) the Secretary determines by regulation,

that there is not substantial compliance with the requirements of such paragraph (5) by hospitals, ambulatory surgical facilities, or nursing homes, such paragraph (5) shall take effect with respect to such hospitals, ambulatory surgical facilities, or nursing homes upon the effective date of the regulation.

(e) EDUCATION AND INFORMATION.—During the one-year period beginning on the date of the enactment of this Act the Secretary shall conduct education and information programs for hospitals, ambulatory surgical facilities, and nursing homes and manufacturers of devices respecting the requirements of section 519(b) of the Federal Food, Drug, and Cosmetic Act.

(f) STUDY.—Three years after the date of the enactment of this Act the Comptroller General of the United States shall conduct a study of—

(1) the compliance by hospitals, ambulatory surgical facilities, and nursing homes with the requirements of section 519(b) of the Federal Food, Drug, and Cosmetic Act,

(2) the actions taken by the manufacturers of devices in response to reports made to them under such section, and

(3) the cost effectiveness of such requirements and their implementation and any recommendations for improving the requirements.

The Comptroller General shall complete the study and submit a report on the study not later than 3 months before the expiration of 4 years from the date of the enactment of this Act. The report shall be submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate and to the Secretary of Health and Human Services.

SEC. 3. DISTRIBUTOR REPORTS.

(a) INCLUSION OF DISTRIBUTORS.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Health and Human Services shall amend the regulations published as part 803 of title 21 of the Code of Federal Regulations to require distributors of medical devices to establish and maintain records and make reports under section 519 of the Federal Food, Drug, and Cosmetic Act.

(b) COPIES TO MANUFACTURERS.—Section 519(a)(3) (21 U.S.C. 360i(a)(3)) is amended by inserting before the semicolon the following: "and shall require distributors who submit such reports to submit copies of the reports to the manufacturer of the device for which the report was made".

SEC. 4. PREMARKET APPROVAL.

(a) APPLICATION STANDARD.—

(1) Section 515(c)(1) (21 U.S.C. 360e(c)(1)) is amended in the matter preceding subparagraph (A) by striking out "Such" and inserting in lieu thereof "Except if the Secretary determines, on the basis of evidence of the type described in section 513(a)(3), that any requirement specified in subparagraphs (A) through (G) has been met, such".

(2) Such section is further amended by adding after and below subparagraph (G) the following: "If the Secretary determines that a requirement has been met for a device, the Secretary shall make that determination for all devices of the same type unless the Secretary decides for good cause that such determination should not be made. Upon the making of such a determination, the Secretary shall include, in the summary of safety and effectiveness information made available to the public under section 520(h), a statement describing each application requirement that is the subject of such determination, explaining the basis upon which the determination was made with respect to such application requirement and summarizing the data that the Secretary considered in making such determination.".

(b) Substantial Equivalence.—

(1) Section 520 (21 U.S.C. 360j) is amended by adding at the end the following:

"Substantial Equivalence

"(m)(1) For purposes of sections 513 and 515 and this section, a device may be considered to be substantially equivalent to another device only if—

"(A) the device has the same intended use and the same technological characteristics as such other device, or

"(B) the device has the same intended use as such other device but has different technological characteristics and the evidence submitted that the device is substantially equivalent to such other device contains information, including clinical data if required by the Secretary, demonstrating that the device with such different technological characteristics is as safe and effective as comparable devices which are currently being sold in interstate commerce.

For purposes of this paragraph, technological characteristics of a device shall be considered to be different from those of the device to which it is being compared if there is a significant change in the materials, design, energy source, or other features from those of the device to which it is being compared.

"(2) The Secretary shall promulgate regulations under which a manufacturer of a device shall prepare a detailed summary of any clinical data (including information respecting any adverse effects of the device on health) required under paragraph (1), including a standard format for such information. Such manufacturer summary shall be made available to the public by the Secretary which 30 days of the issuance of any determination regarding substantial equivalence under paragraph (1).".

(2) Section 513(f) (21 U.S.C. 360c(f)) is amended by adding at the end the following:

"(3) If a manufacturer reports to the Secretary under section 510(k) that a device is not a class III device under paragraph (1) because the device is substantially equivalent to another device within a type of device—

"(i) which the Secretary has classified as a class III device under subsection (b),

"(ii) which was introduced or delivered for introduction into interstate commerce for commercial distribution before the date of the enactment of this paragraph, and

"(iii) for which no final regulation requiring premarket approval has been promulgated under section 515(b),

the manufacturer shall certify to the Secretary that the manufacturer has conducted a reasonable search of all information known to the manufacturer and of all published information respecting such other device and has included in the report under section 510(k) a description of and a citation to all adverse safety and effectiveness data respecting such other device and respecting the device for which the 510(k) report is being made and which has not been submitted to the Secretary under section 519. The Secretary may require the manufacturer to submit the adverse safety and effectiveness data described in the report.".

(c) Revision of Classification.—

(1) Section 515 (21 U.S.C. 360e) is amended by adding at the end the following:

"Revision

"(i)(1) Before the expiration of 5 years after the date of the enactment of this subsection, the Secretary shall by order require manufacturers of devices, which are subject to revision of classification under paragraph (2), to submit to the Secretary a description of and citation to any adverse safety or effectiveness information known to the manufacturers respecting the devices which has not been submitted under section 519. The Secretary may require a manufacturer to submit the adverse safety and effectiveness data for which a description and citation was submitted to the Secretary.

"(2) After the issuance of an order under paragraph (1) but before the expiration of 5 years after the date of the enactment of this subsection, the Secretary shall publish a notice in the Federal Register for each device—

"(A) which the Secretary has classified as a class III device,

"(B) which was introduced or delivered for introduction into interstate commerce for commercial distribution before the date of the enactment of this section, and

"(C) for which no final regulation has been promulgated under section 515(b),

revising the classification of the device so that the device is classified into class I unless the notice requires the device to remain in class III or revises the classification of the device so that the device is classified into class II. In determining whether to revise the classification of a device or to require a device to remain in class III, the Secretary shall apply the criteria set forth in section 513(a). Before the publication of a notice requiring a device to remain in class III or revising its classification, the Secretary shall publish a proposed notice respecting the classification of a device under this paragraph and provide reasonable opportunity for the submission of comments on any such notice. No notice requiring a device to remain in class III or revising its classification may take effect before the expiration of 90 days from the date of its publication in the Federal Register as a proposed notice. Any person adversely affected by such a final notice under this paragraph may challenge the retention of a device in class III or the revision of its classification only by filing a petition under section 513(e) for a classification change.

"(3) Within 12 months after the effective date of the notice requiring a device to remain in class III the Secretary shall establish by regulation a schedule for the promulgation, as promptly as is reasonably achievable, of a section 515(b) regulation for each device which is subject to such notice.".

(2) Section 520(l) (21 U.S.C. 360j(l)) is amended by adding at the end the following:

"(5)(A) Before the expiration of 1 year after the date of the enactment of this paragraph, the Secretary shall by order require manufacturers of devices, which are subject to revision of classification under subparagraph (B), to submit to the Secretary a description of and citation to any adverse safety or effectiveness information known to the manufacturers respecting the devices which has not been submitted under section 519. The Secretary may require a manufacturer to submit the adverse safety and effectiveness data for which a description and citation was submitted to the Secretary.

"(B) Except as provided in subparagraph (C), after the issuance of an order under subparagraph (A) but before the expiration of 2 years after the date of the enactment of this paragraph, the Secretary shall publish a notice in the Federal Register for each device which is classified in class III under paragraph (1) revising the classification of the device so that the device is classified into class I unless the notice requires the device to remain in class III or revises the classification of the device so that the device is classified into class II. In determining whether to revise the classification of a device or to require a device to remain in class III, the Secretary shall apply the criteria set forth in section 513(a). Before the publication of a notice requiring a device to remain in class III or revising its classification, the Secretary shall publish a proposed notice respecting the classification of a device under this subparagraph and provide reasonable opportunity for the submission of comments on any such notice. No notice under this subparagraph requiring a device to remain in class III or revising its classification may take effect before the expiration of 90 days from the date of its publication in the Federal Register as a proposed notice. Any person adversely affected by a final notice under this subparagraph revising the classification of a device may challenge the revision of the classification of the device only by filing a petition under section 513(e) for a classification change.

"(C) The Secretary may by notice published in the Federal Register extend the 2-year period prescribed by subparagraph (B) for a device for an additional period not to exceed 1 year.".

(d) Judicial Review.—Section 517(a)(1) (21 U.S.C. 360g(a)(1)) is amended by striking out "section 513 classifying a device in class I or changing the classification of a device to class I or an order" and inserting in lieu thereof "section 513(e) classifying a device or changing the classification of a device or the issuance of an order".

(e) Conforming Amendment.—Section 301(q)(1) (21 U.S.C. 331(q)(1)) is amended by striking out "519 or 520(g)" and inserting in lieu thereof "513(f)(3), 515(i)(1), 519, 520(g), or 520(l)(5)(A)".

SEC. 5. CLASSIFICATION AND RECLASSIFICATION OF DEVICES.

(a) Standards.—

(1) Section 513(a)(1)(B) (21 U.S.C. 360c(a)(1)(B)) is amended by striking out "for which there is sufficient information to establish a performance standard to provide such assurance" and the remainder of such section and inserting in lieu thereof "and for which there is sufficient information to determine that a performance standard is appropriate to assure the safety and effectiveness of the device.".

(2) Section 513(a)(1)(C) is amended in clause (i), by striking out "insufficient information exists for the establishment of a performance standard" and inserting in lieu thereof "insufficient information exists to determine that a performance standard is appropriate to assure the safety and effectiveness of the device".

(b) Evidence.—Section 513(e) is amended by inserting "(1)" after "(e)" and by adding at the end the following:

"(2) By regulation promulgated under paragraph (1), the Secretary may change the classification of a device from class III—

"(A) to class II if the Secretary determines that a performance standard for the device would provide reasonable assurance of the safety and effectiveness of the device and that general controls would not provide reasonable assurance of the safety and effectiveness of the device, or

"(B) to class I if the Secretary determines that general controls for the device would provide reasonable assurance of the safety and effectiveness of the device.".

SEC. 6. ESTABLISHMENT OF PERFORMANCE STANDARDS.

(a) Procedure.—

(1) The last sentence of section 513(a)(1) (21 U.S.C. 360c(a)(1)) is inserted as the last sentence of section 514(a) (21 U.S.C. 360d(a)).

(2) Subsections (b) through (f) of section 514 (21 U.S.C. 360d) are repealed.

(3) Subsection (g) of such section is redesignated as subsection (b).

(4) Subsection (b) (as so redesignated) of such section is amended by striking out paragraphs (1) and (2), by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively, and by inserting before paragraph (2) the following:

"(b)(1) A notice of proposed rulemaking for the establishment of a performance standard for a device shall—

"(A) set forth a finding by the Secretary that the performance standard is both appropriate and necessary for the device,

"(B) set forth proposed findings with respect to the degree of the risk of illness or injury designed to be eliminated or reduced by the proposed performance standard and the benefit to the public from the device,

"(C) provide an opportunity to submit to the Secretary a request (within 15 days of the date of the publication of the notice) for a change in the classification of the device based on new information relevant to its classification, and

"(D) invite the submission of an existing performance standard as a proposed performance standard for the device.".

(b) Conforming Amendments.—

(1) Paragraph (2) of subsection (b) (as so redesignated) of such section is amended by striking out "paragraph (2)" and inserting in lieu thereof "paragraph (1)".

(2) Paragraph (3)(A) of such subsection (as so redesignated) is amended by striking out "paragraphs (2) and (3)(B)" and inserting in lieu thereof "paragraphs (1) and (2)(B)".

SEC. 7. NOTIFICATION AND OTHER REMEDIES.

(a) Standard for Repair, Replacement, and Refund.—Section 518(b)(1) (21 U.S.C. 360h(b)(1)) is amended by adding after subparagraph (B) the following:

"(C) If—

"(i) the Secretary determines that—

"(I) a device intended for human use which is introduced or delivered for introduction into interstate commerce for commercial distribution presents an unreasonable risk of substantial harm to the public health,

"(II) there are reasonable grounds to believe that the unreasonable risk was not caused by failure of a person other than a manufacturer, importer, distributor, or retailer of the device to exercise due care in the installation, maintenance, repair, or use of the device,

"(III) there are reasonable grounds to believe that the device was properly designed and manufactured with reference to the state of the art as it existed at the time of its design and manufacture, and

"(IV) the notification authorized by subsection (a) would not by itself be sufficient to eliminate the unreasonable risk and action described in paragraph (2) is necessary to eliminate such risk, and

"(ii) the person the Secretary determines is responsible for the unreasonable risk has not submitted to the Secretary a plan, satisfactory to the Secretary, for taking one or more of the actions described in paragraph (2) or if such person has submitted such a plan, such person has not made adequate progress in carrying out the plan,

the Secretary shall file a civil action in a district court of the United States for an order to require such person to take one or more of the actions described in paragraph (2). In such an action the court shall issue such an order if the court finds that the Secretary has shown by a preponderance of the evidence the matters set out in subclauses (I), (II), and (IV) of clause (i). The provisions of subparagraph (A) respecting an order issued under that subparagraph which is directed to more than one person shall apply to an order issued under the preceding sentence. The Secretary may bring an action under this subparagraph in the United States district court for the district in which the defendant has its place of business. A determination of the Secretary under clauses (i)(I) and (i)(III) may not be admitted into evidence or otherwise used in a civil action other than a civil action brought under this subparagraph.

"(D) For purposes of subparagraph (C)(i)(I), no device shall be considered to present an unreasonable risk of substantial harm to the public health solely on the basis that a device was designed and manufactured subsequent to the device and incorporated safer features.

"(E) If an order is entered in a civil action brought under subparagraph (C) which requires a person to repair or replace a device or provide a refund for a device, the repair, replacement, or refund shall be subject to a reasonable allowance for use unless the device involved is a device intended to be implanted into the human body.".

(b) Expense Reimbursement.—

(1) Section 518(b)(3) (21 U.S.C. 360h(b)(3)) is amended by inserting after "charge" the following: ", other than a reasonable allowance for use,".

(2) Section 518(b)(3) (21 U.S.C. 360h(b)(3)) is amended by adding at the end the following: "In the case of an order issued under paragraph (1)(C), the term 'expenses actually incurred' does not include any expense which is covered under any policy or program of health insurance or any health benefit plan.".

(c) Section 519 (21 U.S.C. 360i) (as amended by section 2) is amended by adding at the end the following:

"Reports of Removals and Field Repairs

"(d)(1) Except as provided in paragraph (2), the Secretary shall by regulation require a manufacturer, importer, or distributor of a device to report to the Secretary any removal or field repair of a device undertaken by the manufacturer, importer, or distributor of a device if the removal or field repair was undertaken to—

"(A) eliminate a risk to health posed by the device, or

"(B) remedy a violation of this Act caused by the device.

A manufacturer, importer, or distributor of a device who undertakes a field repair or removal of a device which is not required to be reported under this paragraph shall keep a record of such field repair or removal.

"(2) No report of the field repair or removal of a device may be required under paragraph (1) if a report of the field repair or removal is required, and has been submitted, under subsection (a).

"(3) For purposes of paragraphs (1) and (2), the terms 'field repair' and 'removal' do not include routine servicing.".

SEC. 8. REMANUFACTURE.

Section 510(a) (21 U.S.C. 360(a)) is amended—

(1) by striking out "and" at the end of paragraph (1) and by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and", and

(2) by adding after paragraph (2) the following:

"(3) the term 'manufacture' includes remanufacture and the term 'remanufacture' means the fabrication, assembly, substantial alteration, processing, or reprocessing of a device which has been previously introduced into interstate commerce if the fabrication, assembly, substantial alteration, processing, or reprocessing is not part of routine service on the device.".

SEC. 9. EDUCATION AND TRAINING.

Section 520 (21 U.S.C. 360j) is amended by adding at the end the following:

"Education and Training

"(n) The Secretary shall plan, conduct, coordinate, and support education, training, and operational activities to minimize the exposure of people to the health hazards associated with devices.".

SEC. 10. MISCELLANEOUS PROCEDURES.

(a) Section 513(f).—Section 513(f)(2) is amended in subparagraph (B)(i), by striking out "the Secretary shall" and inserting in lieu thereof "the Secretary may for good cause shown".

(b) Section 514.—Section 514(b) (21 U.S.C. 360d(b)(4)(B)) (as so redesignated) is amended—

(1) in paragraph (3)(B) (as so redesignated), by striking out ", after affording all interested persons an opportunity for an informal hearing,", and

(2) in clause (ii) of paragraph (4)(A) (as so redesignated), by striking out "unless" and all that follows in that clause and inserting in lieu thereof the following: "which demonstrates good cause for referral and which is made before the expiration of the period for submission of comments on such proposed regulation refer such proposed regulation,".

(c) Section 515.—Section 515(c)(2) (21 U.S.C. 360e(c)(2)) is amended by striking out "paragraph (1), the Secretary shall refer such application" and inserting in lieu thereof "paragraph (1), the Secretary—

"(A) may on the Secretary's own initiative refer such application, or

"(B) shall, upon the request of an applicant unless the Secretary finds that the information in the application which would be reviewed by a panel substantially duplicates information which has previously been reviewed by a panel appointed under section 513, refer such application,".

(d) Section 516.—Section 516(a) (21 U.S.C. 360f(a)) is amended (1) by striking out "and after consultation with the appropriate panel or panels under section 513", and (2) by striking out the last sentence.

(e) Section 520(l).—Section 520(l)(2) (21 U.S.C. 360j(l)(2)) is amended by striking out "and after affording the petitioner an opportunity for an informal hearing".

SEC. 11. ELECTRONIC PRODUCTS.

(a) IN GENERAL.—Subpart 3 of part F of title III of the Public Health Service Act is transferred to chapter V of the Federal Food, Drug, and Cosmetic Act, is placed after section 528, and is amended as follows:

(1) The heading for the subpart is amended to read as follows:

"SUBCHAPTER C—ELECTRONIC PRODUCT RADIATION CONTROL".

(2) The subpart is amended by striking out "subpart" each place it occurs and inserting in lieu thereof "subchapter".

(3)(A) Section 356 of such Act is amended—

(i) by striking out "358" each place it occurs and inserting in lieu thereof "534", and

(ii) by striking out "sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5)" and inserting in lieu thereof "section 3324 of title 31, United States Code, and section 3709 of the Revised Statutes of the United States (41 U.S.C. 5)".

(B) Section 358(a)(1)(E) of such Act is amended by striking out "355" and inserting in lieu thereof "531".

(C) Section 359 of such Act is amended—

(i) by striking out "358" each place it occurs and inserting in lieu thereof "534", and

(ii) by striking out "360A" each place it occurs and inserting in lieu thereof "536".

(D) Section 360 of such Act is amended by striking out "358" each place it occurs and inserting in lieu thereof "534".

(E) Section 360A of such Act is amended—

(i) by striking out "358" and inserting in lieu thereof "534", and

(ii) by striking out "359" each place it occurs and inserting in lieu thereof "535".

(F) Section 360B of such Act is amended—

(i) by striking out "358" each place it occurs and inserting in lieu thereof "534",

(ii) by striking out "359" each place it occurs and inserting in lieu thereof "535", and

(iii) by striking out "360A" each place it occurs and inserting in lieu thereof "536".

(G) Section 360C of such Act is amended—

(i) by striking out "358" and inserting in lieu thereof "534",

(ii) by striking out "360B" each place it occurs and inserting in lieu thereof "537", and

(iii) by striking out "360F" and inserting in lieu thereof "542".

(H) Section 360F of such Act is amended by striking out "358" and inserting in lieu thereof "534".

(4) Section 354 of such Act is repealed and sections 355 through 360F of such Act are redesignated as sections 531 through 542, respectively.

(b) CONFORMING AMENDMENT.—The heading for part F of title III of the Public Health Service Act is amended by striking out "AND CONTROL OF RADIATION".

(c) CONSTRUCTION.—The transfer of subpart 3 of part F of title III of the Public Health Service Act to the Federal Food, Drug, and Cosmetic Act does not change the application of the requirements of such subpart and such Act to electronic products which were in effect on the date of the enactment of this Act.

SEC. 12. APPLICATION.

Medical devices used to deliver electroconvulsive therapy shall be subject to sections 513 through 521 of the Federal Food, Drug, and Cosmetic Act as in effect on the day before the date of the enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. MADIGAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the legislation now pending.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, 1 year ago the distinguished chairman of the Committee on Energy and Commerce, Mr. DINGELL, and I introduced H.R. 2595 to address serious problems with the Medical Device Amendments of 1976, the basic law under which the Food and Drug Administration regulates the safety and effectiveness of medical devices. The version now before us as H.R. 4640 reflects not only our efforts over the past year to improve this legislation, but also amendments developed by the ranking minority member of the Subcommittee on Health and the Environment, Mr. MADIGAN.

Despite our best efforts in passing a comprehensive medical device law in 1976, FDA has been unable to implement the law in the manner that the Congress intended. As a result, consumers have suffered and continue to suffer from defective medical devices.

The bill will improve the regulatory scheme in three key areas:

Assuring that all devices entering the market are safe and effective;

Learning quickly about serious problems with medical devices; and

Getting defective devices off the market.

First, unlike the situation with prescription drugs, the current regulatory scheme provides no assurance that most medical devices are safe and effective. While the 1976 law requires premarket approval of potentially dangerous medical devices, about 98 percent of the 5,000 or so new devices now marketed go through a loophole and are not approved for safety and effectiveness by the FDA.

This bill requires FDA to set a timetable for getting on with the job. FDA must decide which devices really need to be reviewed for safety and effectiveness, and must perform those reviews.

Second, problems with respect to learning about serious problems with devices have been distressing. The bill requires that hospitals and other medical device users report on deaths, injuries, and malfunctions.

Finally, even where FDA determines that a medical device poses an unreasonable risk of harm to the public health, the current law imposes unique barriers to the enforcement of administrative remedies. In this bill, FDA is given new authority to take formal action regardless of whether the device met the "state-of-the-art" at the time it was designed and manufactured.

Other significant provisions in this legislation are:

Protections for persons and facilities doing the reporting;

A clarified statutory basis for examining safety and effectiveness in making determinations that two devices are substantially equivalent; and

Repeal of unnecessary and cumbersome procedural requirements for the promulgation of performance standards.

The need for this legislation was documented not only by hearings before the Subcommittee on Health and the Environment, but also by a series of hearings that Mr. DINGELL conducted before the Oversight and Investigations Subcommittee. Since introducing this bill, we have worked closely with consumer groups, industry, and the FDA to produce a reasonable compromise. The bill before us is the product of those efforts.

This bill is needed and it is fair. I urge all Members to join with us in enacting this long overdue legislation.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are considering legislation to improve the regulatory scheme for medical devices, particularly the manner in which problems with medical devices are reported to the Food and Drug Administration. For the first time, the hospitals that use medical devices will have reporting obligations. Under current law, manufacturers have reporting obligations while the hospitals using the devices do not. This bill establishes a comprehensive postmarking surveillance system which imposes reporting obligations on both medical devices manufacturers and the hospitals using devices.

This postmarketing surveillance system was the result of lengthy, bipartisan discussions among members of the Energy and Commerce Committee. We had to balance the need for and potential usefulness of reported information with the resource burdens imposed on those that would have to file reports and the FDA which would have to interpret the reported information.

I want to thank the committee chairman and subcommittee chairman for supporting my amendment during full committee markup which should help H.R. 4640 advance public health objectives, while reducing the resource burden on the FDA and hospitals. It is important to keep the resource burden imposed on FDA to a minimum, so that we do not diminish the agency's ability to perform other essential tasks such as risk assessment, education, and evaluating new devices for the market.

Mr. Speaker, I support this bill because it will improve certain aspects of the FDA's regulation of medical devices.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 4640, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR SENATE CONFIRMATION OF COMMISSIONER OF FOOD AND DRUG ADMINISTRATION

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1226) to amend the Federal Food, Drug, and Cosmetic Act to require the appointment of the Commissioner of Food and Drugs to be subject to Senate confirmation, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment and the House amendment to the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE

This Act may be cited as the "Food and Drug Administration Act of 1987".

SEC. 2. FINDINGS.

Congress finds that—

(1) the public health has been effectively protected by the presence of the Food and Drug Administration during the last eighty years;

(2) the presence and importance of the Food and Drug Administration must be guaranteed; and

(3) the independence and integrity of the Food and Drug Administration need to be enhanced in order to ensure the continuing protection of the public health.

SEC. 3. ESTABLISHMENT OF ADMINISTRATION BY LAW.

(a) ESTABLISHMENT.—Chapter IX of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 391 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 903. FOOD AND DRUG ADMINISTRATION.

"(a) IN GENERAL.—There is established in the Department of Health and Human Services the Food and Drug Administration (hereinafter in this section referred to as the "Administration").

"(b) COMMISSIONER.—

"(1) APPOINTMENT.—There shall be in the Administration a Commissioner of Food and Drugs (hereinafter in this section referred to as the "Commissioner") who shall be appointed by the President by and with the advice and consent of the Senate.

"(2) GENERAL POWERS.—The Secretary, through the Commissioner, shall be responsible for—

"(A) providing overall direction to the Food and Drug Administration and establishing and implementing general policies respecting the management and operation of programs and activities of the Food and Drug Administration;

"(B) faithfully executing this Act;

"(C) faithfully executing any other Federal laws for which responsibility for administration has been delegated to the Commissioner from the Secretary;

"(D) coordinating and overseeing the operation of all administrative entities within the Administration;

"(E) research relating to foods, drugs, cosmetics, and devices in carrying out this Act;

"(F) engaging in educational and public information programs relating to the responsibilities of the Food and Drug Administration; and

"(G) performing such other functions as the Secretary may prescribe.

"(c) TECHNICAL AND SCIENTIFIC REVIEW GROUPS.—The Secretary through the Commissioner of Food and Drugs may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, establish such technical and scientific review groups as are needed to carry out the functions of the Administration, including functions under the Federal Food, Drug, and Cosmetic Act, and appoint and pay the members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups.".

(b) CONFORMING AMENDMENTS.—Title 5, United States Code, is amended—

(1) in section 5316, by striking out the item relating to the Commissioner of Food and Drugs, Department of Health and Human Services; and

(2) in section 5315, by adding at the end thereof the following new item:

"Commissioner of Food and Drugs, Department of Health and Human Services".

(c) EFFECTIVE DATE.—(1) The amendments made by this Act shall take effect on the date of enactment of this Act, except as provided in paragraph (2).

(2) Section 903(b)(1) of the Federal Food, Drug, and Cosmetic Act (as added by subsection (a) of this section) shall apply to the appointments of Commissioners of Food and Drugs made after the date of enactment of this Act.

House amendment to Senate amendment:

In lieu of the matter proposed to be inserted by the Senate Amendment to H.R. 1226 insert the following:

TITLE I—FOOD AND DRUG ADMINISTRATION

SEC. 101. SHORT TITLE.

This title may be cited as the "Food and Drug Administration Act of 1988".

SEC. 102. FINDINGS.

Congress finds that—

(1) the public health has been effectively protected by the presence of the Food and Drug Administration during the last eighty years;

(2) the presence and importance of the Food and Drug Administration must be guaranteed; and

(3) the independence and integrity of the Food and Drug Administration need to be enhanced in order to ensure the continuing protection of the public health.

SEC. 103. ESTABLISHMENT OF ADMINISTRATION BY LAW.

(a) ESTABLISHMENT.—Chapter IX of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 391 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 903. FOOD AND DRUG ADMINISTRATION.

"(a) IN GENERAL.—There is established in the Department of Health and Human Services the Food and Drug Administration (hereinafter in this section referred to as the "Administration").

"(b) COMMISSIONER.—

"(1) APPOINTMENT.—There shall be in the Administration a Commissioner of Food and Drugs (hereinafter in this section referred to as the "Commission") who shall be appointed by the President by and with the advice and consent of the Senate.

"(2) GENERAL POWERS.—The Secretary, through the Commissioner, shall be responsible for—

"(A) providing overall direction to the Food and Drug Administration and establishing and implementing general policies respecting the management and operation of programs and activities of the Food and Drug Administration;

"(B) faithfully executing this Act;

"(C) faithfully executing any other Federal laws for which responsibility for administration has been delegated to the Commissioner from the Secretary;

"(D) coordinating and overseeing the operation of all administrative entities within the Administration;

"(E) research relating to foods, drugs, cosmetics, and devices in carrying out this Act;

"(F) engaging in educational and public information programs relating to the responsibilities of the Food and Drug Administration; and

"(G) performing such other functions as the Secretary may prescribe.

"(c) TECHNICAL AND SCIENTIFIC REVIEW GROUPS.—The Secretary through the Commissioner of Food and Drugs may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, establish such technical and scientific review groups as are needed to carry out the functions of the Administration, including functions under the Federal Food, Drug, and Cosmetic Act, and appoint and pay the members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups.".

(b) CONFORMING AMENDMENTS.—Title 5, United States Code, is amended—

(1) in section 5316, by striking out the item relating to the Commissioner of Food and Drugs, Department of Health and Human Services; and

(2) in section 5315, by adding at the end thereof the following new item:

"Commissioner of Food and Drugs, Department of Health and Human Services".

(c) EFFECTIVE DATE.—

(1) Except as provided in paragraph (2), the amendments made by this title shall take effect on the date of enactment of this Act.

(2) Section 903(b)(1) of the Federal Food, Drug, and Cosmetic Act (as added by subsection (a) of this section) shall apply to the appointments of Commissioners of Food and Drugs made after the date of enactment of this Act.

TITLE II—MEDICAL DEVICE IMPROVEMENTS

SEC. 201. SHORT TITLE AND REFERENCE TO ACT.

(a) SHORT TITLE.—This title may be cited as the "Medical Device Improvements Act of 1988".

(b) REFERENCE.—Whenever in this title (other than in section 211) an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Food, Drug, and Cosmetic Act.

SEC. 202. USER REPORTS.

(a) REQUIREMENT.—Section 519 (21 U.S.C. 360i) is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following:

"USER REPORTS

"(b)(1)(A) Whenever a hospital, ambulatory surgical facility, or nursing home receives or otherwise becomes aware of information that reasonably suggests that a medical device may have caused or contributed to the death of a patient of the hospital, ambulatory surgical facility, or nursing home, the hospital, facility, or home shall promptly report the information to the Secretary and, if the identity of the manufacturer is known, to the manufacturer of the device.

"(B) Whenever a hospital, ambulatory surgical facility, or nursing home receives or otherwise becomes aware of information that reasonably suggests that a medical device may have caused or contributed to a life-threatening illness of, or a life-threatening injury to, a patient of the hospital, ambulatory surgical facility, or nursing home, the hospital, facility, or home shall promptly report the information to the manufacturer of the device. If the hospital, facility, or home is unable to learn the identity of the manufacturer of such a device, the report of such information shall be sent to the Secretary. The Secretary may require a hospital, ambulatory surgical facility, or nursing home which receives or otherwise becomes aware of information that reasonably suggests that a medical device may have caused or contributed to a life-threatening illness of, or a life-threatening injury to, a patient of the hospital, facility, or home to report such information to the Secretary (including, the identity of the manufacturer of the device involved).

"(C) Whenever a hospital, ambulatory surgical facility, or nursing home receives or otherwise becomes aware of information that reasonably suggests that a medical device has malfunctioned or will malfunction and such malfunction would be likely to cause or contribute to the death or serious illness of, or serious injury to, a patient of the hospital, facility, or home, the hospital facility, or home shall promptly report the information to the manufacturer of the device. If the hospital, facility, or home is unable to learn the identity of the manufacturer of such a device, the report of such information shall be sent to the Secretary.

"(D) Each hospital, ambulatory surgical facility, and nursing home shall submit to the Secretary on a quarterly basis a summary of the reports made under subparagraphs (B) and (C) respecting malfunctions of a device. Such a summary shall be in such form and contain such information from such reports as the Secretary may require for the purpose of determining compliance by manufacturers with reporting requirements under subsection (a) and shall at least include—

"(i) sufficient information to identify the hospital, ambulatory surgical facility, and nursing home which made the reports for which the summary is submitted,

"(ii) in the case of any product which was the subject of a report, identification of the product name, serial number, and model number,

"(iii) the name and the address of the manufacturer of such device, and

"(iv) a brief description of the event reported to the manufacturer.

"(E) For purposes of subparagraphs (A), (B), and (C), a hospital, ambulatory surgical facility, or nursing home shall be treated as having received or otherwise become aware of information with respect to a medical device of that entity when an individual who is employed by or otherwise affiliated with the entity receives or otherwise becomes aware of information with respect to that device in the course of their duties.

"(2) The Secretary may not disclose the identify of a hospital, ambulatory surgical facility, or nursing home which makes a report under paragraph (1), the identity of a device which was the subject of such a report, or the identity of a manufacturer of such a device—

"(A) except in connection with an action brought to enforce section 301(q),

"(B) except in connection with a communication to a manufacturer of a device which is the subject of a report under paragraph (1), or

"(C) unless required to be disclosed under subsection (a).

This paragraph does not authorize the Secretary to withhold the identity of an entity making a report under paragraph (1) or any information in such a report from the duly authorized committees and subcommittees of the Congress.

"(3) No individual or entity shall be held liable in any private civil action with respect to the content of any report made under paragraph (1) unless the individual or entity had knowledge of the falsity of the information contained in the report. A report made under paragraph (1) respecting a device or the fact that such a report has been made may not be admitted into evidence or otherwise used in an action other than an action brought to enforce this subsection.

"(4) No hospital, ambulatory surgical facility, or nursing home may—

"(A) discharge or take any other adverse personnel action with respect to any employee because the employee made a report to an officer or employee of the hospital, ambulatory surgical facility, or nursing home respecting a device, or

"(B) limit the practice of, or take any other adverse action with respect to, any practitioner because the practitioner made a report to an officer or employee of the hospital, ambulatory surgical facility, or nursing home respecting a device.

"(5)(A) Any hospital, ambulatory surgical facility, or nursing home which knowingly fails to make a report in accordance with paragraph (1) shall be subject to a civil penalty of not more than $10,000 for each day in which such failure to report occurs, except that the maximum amount of a civil penalty for any failure to report may not exceed $500,000.

"(B) Section 303 shall not apply to a violation of the requirements of this subsection.

"(6) A report made under paragraph (1) respecting a device does not affect any obligation of the manufacturer of the device who receives the report to file a report as required under subsection (a) respecting the device.".

(b) SANCTION.—Section 302 (21 U.S.C. 332) is amended.—

(1) in subsection (a) by inserting "(1)" before "to restrain", and

(2) by inserting before the period at the end of subsection (a) the following: ", and (2) of civil actions brought by any individual against a hospital, ambulatory surgical facility, or nursing home for damages for actions taken against the individual in violation of section 519(b)(4)".

(c) REGULATIONS.—The Secretary of Health and Human Services shall promulgate regulations to implement section 519(b) of the Federal Food, Drug, and Cosmetic Act, added by subsection (a) of this section, not later than 12 months after the date of the enactment of this Act.

(d) EFFECTIVE DATE.—

(1) Section 519(b) of the Federal Food, Drug, and Cosmetic Act (other than paragraph (5) of such section), as added by subsection (a), shall take effect—

(A) upon the effective date of regulations promulgated under subsection (c), or

(B) upon the expiration of one year from the date of the enactment of this Act,

whichever occurs first.

(2)(A) The Secretary of Health and Human Services shall conduct a study of compliance with the requirements of section 519(b) of the Federal Food, Drug, and Cosmetic Act, as added by subsection (a), by hospitals, ambulatory surgical facilities, and nursing homes and of the cost-effectiveness of the requirements and their implementation and any recommendations for improving the requirements. The Secretary shall report the results of the study to the Congress after the expiration of 45 months after the date of the enactment of this Act.

(B)(i) If upon the expiration of 48 months after the date of the enactment of this Act the Secretary has not made the report required by subparagraph (A), paragraph (5) of such section 519(b) shall take effect upon the expiration of such months.

(ii) If in the report under subparagraph (A) the Secretary reports that there has been substantial compliance with the requirements of such section 519(b) by hospitals, ambulatory surgical facilities, or nursing homes and if the Secretary does not make a determination under clause (iii) with respect to such hospitals, ambulatory surgical facilities, or nursing homes, such paragraph (5) shall not take effect with respect to such hospitals, ambulatory surgical facilities, or nursing homes.

(iii) If—

(I) in the report under subparagraph (A) the Secretary determines, or (II) after making the report under subparagraph (A) the Secretary determines by regulation, that there is not substantial compliance with the requirements of such paragraph (5) by hospitals, ambulatory surgical facilities, or nursing homes, such paragraph (5) shall take effect with respect to such hospitals, ambulatory surgical facilities, or nursing homes upon the effective date of the regulation.

(e) EDUCATION AND INFORMATION.—During the one-year period beginning on the date of the enactment of this Act the Secretary shall conduct education and information programs for hospitals, ambulatory surgical facilities, and nursing homes and manufacturers of devices respecting the requirements of section 519(b) of the Federal Food, Drug, and Cosmetic Act.

(f) STUDY.—Three years after the date of the enactment of this Act the Comptroller General of the United States shall conduct a study of—

(1) the compliance by hospitals, ambulatory surgical facilities, and nursing homes with the requirements of section 519(b) of the Federal Food, Drug, and Cosmetic Act,

(2) the actions taken by the manufacturers of devices in response to reports made to them under such section, and

(3) the cost effectiveness of such requirements and their implementation and any recommendations for improving the requirements.

The Comptroller General shall complete the study and submit a report on the study not later than 3 months before the expiration of 4 years from the date of the enactment of this Act. The report shall be submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate and to the Secretary of Health and Human Services.

SEC. 203. DISTRIBUTOR REPORTS.

(a) INCLUSION OF DISTRIBUTORS.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Health and Human Services shall amend the regulations published as part 803 of title 21 of the Code of Federal Regulations to require distributors of medical devices to establish and maintain records and make reports under section 519 of the Federal Food, Drug, and Cosmetic Act.

(b) COPIES TO MANUFACTURERS.—Section 519(a)(3) (21 U.S.C. 360i(a)(3) is amended by inserting before the semicolon the following: "and shall require distributors who submit such reports to submit copies of the reports to the manufacturer of the device for which the report was made".

SEC. 204. PREMARKET APPROVAL.

(a) APPLICATION STANDARD.—

(1) Section 515(c)(1) (21 U.S.C. 360e(c)(1)) is amended in the matter preceding subparagraph (A) by striking out "Such" and inserting in lieu thereof "Except if the Secretary determines, on the basis of evidence of the type described in section 513(a)(3), that any requirement specified in subparagraphs (A) through (G) has been met, such".

(2) Such section is further amended by adding after and below subparagraph (G) the following: "If the Secretary determines that a requirement has been met for a device, the Secretary shall make that determination for all devices of the same type unless the Secretary decides for good cause that such determination should not be made. Upon the making of such a determination, the Secretary shall include, in the summary of safety and effectiveness information made available to the public under section 520(h), a statement describing each application requirement that is the subject of such determination, explaining the basis which the determination was made with respect to such application requirement and summarizing the data that the Secretary considered in making such determination.".

(b) SUBSTANTIAL EQUIVALENCE.—

(1) Section 520 (21 U.S.C. 360j) is amended by adding at the end the following:

"SUBSTANTIAL EQUIVALENCE

"(m)(1) For purposes of sections 513 and 515 and this section, a device may be considered to be substantially equivalent to another device only if—

"(A) the device has the same intended use and the same technological characteristics as such other device, or

"(B) the device has the same intended use as such other device but has different technological characteristics and the evidence submitted that the device is substantially equivalent to such other device contains information, including clinical data if required by the Secretary, demonstrating that the device with such different technological characteristics is as safe and effective as comparable devices which are currently being sold in interstate commerce.

For purposes of this paragraph, technological characteristics of a device shall be considered to be different from those of the device to which it is being compared if there is a significant change in the materials, design, energy source, or other features from those of the device to which it is being compared.

"(2) The Secretary shall promulgate regulations under which a manufacturer of a device shall prepare a detailed summary of any clinical data (including information respecting any adverse effects of the device on health) required under paragraph (1), including a standard format for such information. Such manufacturer summary shall be made available to the public by the Secretary within 30 days of the issuance of any determination regarding substantial equivalence under paragraph (1).".

(2) Section 513(f) (21 U.S.C. 360c(f)) is amended by adding at the end the following:

"(3) If a manufacturer reports to the Secretary under section 510(k) that a device is not a class III device under paragraph (1) because the device is substantially equivalent to another device within a type of device—

"(i) which the Secretary has classified as a class III device under subsection (b),

"(ii) which was introduced or delivered for introduction into interstate commerce for commercial distribution before the date of the enactment of this paragraph, and

"(iii) for which no final regulation requiring premarket approval has been promulgated under section 515(b).

the manufacturer shall certify to the Secretary that the manufacturer has conducted a reasonable search of all information known to the manufacturer and of all published information respecting such other device and has included in the report under section 510(k) a description of and a citation to all adverse safety and effectiveness data respecting such other device and respecting the device for which the 510(k) report is being made and which has not been submitted to the Secretary under section 519. The Secretary may require the manufacturer to submit the adverse safety and effectiveness data described in the report.".

(c) REVISION OF CLASSIFICATION.—

(1) Section 515 (21 U.S.C. 360e) is amended by adding at the end the following:

"REVISION

"(i)(1) Before the expiration of 5 years after the date of the enactment of this subsection, the Secretary shall by order require manufacturers of devices, which are subject to revision of classification under paragraph (2), to submit to the Secretary a description of and citation to any adverse safety or effectiveness information known to the manufacturers respecting the devices which has not been submitted under section 519. The Secretary may require a manufacturer to submit the adverse safety and effectiveness data for which a description and citation was submitted to the Secretary.

"(2) After the issuance of an order under paragraph (1) but before the expiration of 5 years after the date of the enactment of this subsection, the Secretary shall publish a notice in the Federal Register for each device—

"(A) which the Secretary has classified as a class III device,

"(B) which was introduced or delivered for introduction into interstate commerce for commercial distribution before the date of the enactment of this section, and

"(C) for which no final regulation has been promulgated under section 515(b), revising the classification of the device so that the device is classified into class I unless the notice requires the device to remain in class III or revises the classification of the device so that the device is classified into class II. In determining whether to revise the classification of a device or to require a device to remain in class III, the Secretary shall apply the criteria set forth in section 513(a). Before the publication of a notice requiring a device to remain in class III or revising its classification, the Secretary shall publish a proposed notice respecting the classification of a device under the paragraph and provide reasonable opportunity for the submission of comments on any such notice. No notice requiring a device to remain in class III or revising its classification may take effect before the expiration of 90 days from the date of its publication in the Federal Register as a proposed notice. Any person adversely affected by such a final notice under this paragraph may challenge the retention of a device in class III or the revision of its classification only by filing a petition under section 513(e) for a classification change.

"(3) Within 12 months after the effective date of the notice requiring a device to remain in class III the Secretary shall establish by regulation a schedule for the promulgation, as promptly as is reasonably achievable, of a section 515(b) regulation for each device which is subject to such notice.".

(2) Section 520(l) (21 U.S.C. 360j(l)) is amended by adding at the end the following:

"(5)(A) Before the expiration of 1 year after the date of the enactment of this paragraph, the Secretary shall by order require manufacturers of devices, which are subject to revision of classification under subparagraph (B), to submit to the Secretary a description of and citation to any adverse safety or effectiveness information known to the manufacturers respecting the devices which has not been submitted under section 519. The Secretary may require a manufacturer to submit the adverse safety and effectiveness data for which a description and citation was submitted to the Secretary.

"(B) Except as provided in subparagraph (C), after the issuance of an order under subparagraph (A) but before the expiration of 2 years after the date of the enactment of this paragraph, the Secretary shall publish a notice in the Federal Register for each device which is classified in class III under paragraph (1) revising the classification of the device so that the device is classified into class I unless the notice requires the device to remain in class III or revises the classification of the device so that the device is classified into class II. In determining whether to revise the classification of a device or to require a device to remain in class III, the Secretary shall apply the criteria set forth in seciton 513(a). Before the publication of a notice requiring a device to remain in class III or revising its classification, the Secretary shall publish a proposed notice respecting the classification of a device under this subparagraph and provide reasonable opportunity for the submission of comments on any such notice. No notice under this subparagraph requiring a device to remain in class III or revising its classification may take effect before the expiration of 90 days from the date of its publication in the Federal Register as a proposed notice. Any person adversely affected by a final notice under this subparagraph revising the classification of a device may challenge the revision of the classification of the device only by filing a petition under section 513(e) for a classification change.

"(C) The Secretary may by notice published in the Federal Register extend the 2-year period prescribed by subparagraph (B) for a device for an additional period not to exceed 1 year.".

(d) JUDICIAL REVIEW.—Section 517(a)(1) (21 U.S.C. 360g(a)(1)) is amended by striking out "section 513 classifying a device in class I or changing the classification of a device to class I or an order" and inserting in lieu thereof "section 513(e) classifying a device or changing the classification of a device or the issuance of an order".

(e) CONFORMING AMENDMENT.—Section 301(q)(1) (21 U.S.C. 331(q)(1)) is amended by striking out "519 or 520(g)" and inserting in lieu thereof "513(f)(3), 515(i)(1), 519, 520(g), or 520(1)(5)(A)".

SEC. 205. CLASSIFICATION AND RECLASSIFICATION OF DEVICES.

(a) STANDARDS.—

(1) Section 513(a)(1)(B) (21 U.S.C. 360c(a)(1)(B)) is amended by striking out "for which there is sufficient information to establish a performance standard to provide such assurance" and the remainder of such section and inserting in lieu thereof "and for which there is sufficient information to determine that a performance standard is appropriate to assure the safety and effectiveness of the device.".

(2) Section 513(a)(1)(C) is amended in clause (i), by striking out "insufficient information exists for the establishment of a performance standard" and inserting in lieu thereof "insufficient information exists to determine that a performance standard is appropriate to assure the safety and effectiveness of the device".

(b) EVIDENCE.—Section 513(e) is amended by inserting "(1)" after "(e)" and by adding at the end the following:

"(2) By regulation promulgated under paragraph (1), the Secretary may change the classification of a device from class III—

"(A) to class II if the Secretary determines that a performance standard for the device would provide reasonable assurance of the safety and effectiveness of the device and that the general controls would not provide reasonable assurance of the safety and effectiveness of the device, or

"(B) to class I if the Secretary determines that general controls for the device would provide reasonable assurance of the safety and effectiveness of the device.".

SEC. 206. ESTABLISHMENT OF PERFORMANCE STANDARDS.

(a) PROCEDURE.—

(1) The last sentence of section 513(a)(1) (21 U.S.C. 360c(a)(1)) is inserted as the last sentence of section 514(a) (21 U.S.C. 360d(a)).

(2) Subsection (b) through (f) of section 514 (21 U.S.C. 360d) are replealed.

(3) Subsection (g) of such section is redesignated as subsection (b).

(4) Subsection (b) (as so redesignated) of such section is ameded by striking out paragraphs (1) and (2), by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively, and by inserting before paragraph (2) the following:

"(b)(1) A notice of proposed rulemaking for the establishment of a performance standard for a device shall—

"(A) set forth a finding by the Secretary that the performance standard is both appropriate and necessary for the device,

"(B) set forth proposed findings with respect to the degree of the risk of illness or injury designed to be eliminated or reduced by the proposed performance standard and the benefit to the public from the device,

"(C) provide an opportunity to submit to the Secretary a request (within 15 days of the date of the publication of the notice) for a change in the classification of the device based on new information relevant to its classification, and

"(D) invite the submission of an existing performance standard as a proposed performance standard for the device.".

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of subsection (b) (as so redesignated) of such section is amended by striking out "paragraph (2)" and inserting in lieu thereof "paragraph (2)".

(2) Paragraph (3)(A) of such subsection (as so redesignated) is amended by striking out "paragraphs (2) and (3)(B)" and inserting in lieu thereof "paragraphs (1) and (2)(B)".

SEC. 207. NOTIFICATION AND OTHER REMEDIES.

(A) STANDARD FOR REPAIR, REPLACEMENT, AND REFUND.—Section 518(b)(1) (21 U.S.C. 360h(b)(1) is amended by adding after subparagraph (b) the following:

"(C) If—

"(i) the Secretary determines that—

"(I) a device intended for human use which is introduced or delivered for introduction into interstate commerce for commercial distribution presents an unreasonable risk of substantial harm to the public health,

"(II) there are reasonable grounds to believe that the unreasonable risk was not cause by failure of a person other than a manufacturer, importer, distributor, or retailer of the device to exercise due care in the installation, maintenance, repair, or use of the device,

"(III) there are reasonable grounds to believe that the device was properly designed and manufactured with reference to the state of the art as it existed at the time of its design and manufacture, and

"(IV) the notification authorized by subsection (a) would not by itself be sufficient to eliminate the unreasonable risk and action described in paragraph (2) is necessary to eliminate such risk, and

"(ii) the person the Secretary determines is responsible for the unreasonable risk has not submitted to the Secretary a plan, satisfactory to the Secretary, for taking one or more of the actions described in paragraph (2) or if such person has submitted such a plan, such person has not made adequate progress in carrying out the plan,

the Secretary shall file a civil action in a district court of the United States for an order to require such person to take one or more of the actions described in paragraph (2). In such an action the court shall issue such an order if the court finds that the Secretary has shown by a preponderance of the evidence the matters set out in subclauses (I), (II), and (IV) of clause (i). The provisions of subparagraph (A) respecting an order issued under that subparagraph which is directed to more than one person shall apply to an order issued under the preceding sentence. The Secretary may bring an action under this subparagraph in the United States district court for the district in which the defendant has its place of business. A determination of the Secretary under clauses (i)(I) and (i)(III) may not be admitted into evidence or otherwise used in a civil action other than a civil action brought under this subparagraph.

"(D) For purposes of subparagraph (C)(i)(I), no device shall be considered to present an unreasonable risk of substantial harm to the public health solely on the basis that a device was designed and manufactured subsequent to the device and incorporated safer features.

"(E) If an order is entered in a civil action brought under subparagraph (C) which requires a person to repair or replace a device or provide a refund for a device, the repair, replacement, or refund shall be subject to a reasonable allowance for use unless the device involved is a device intended to be implanted into the human body.".

(b) EXPENSE REIMBURSEMENT.—

(1) Section 518(b)(3) (21 U.S.C. 360h(b)(3)) is amended by inserting after "charge" the following: ", other than a reasonable allowance for use,".

(2) Section 518(b)(3) (21 U.S.C. 360h(b)(3)) is amended by adding at the end the following: "In the case of an order issued under paragraph (1)(C), the term 'expenses actually incurred' does not include any expense which is covered under any policy or program of health insurance or any health benefit plan.".

(c) Section 519 (21 U.S.C. 360i) (amended by section 2) is amended by adding at the end the following:

"REPORTS OF REMOVALS AND FIELD REPAIRS

"(d)(1) Except as provided in paragraph (2), the Secretary shall by regulation require a manufacturer, importer, or distributor of a device to report to the Secretary any removal or field repair of a device undertaken by the manufacturer, importer, or distributor of a device if the removal or field repair was undertaken to—

"(A) eliminate a risk to health posed by the device, or

"(B) remedy a violation of this Act caused by the device.

A manufacturer, importer, or distributor of a device who undertakes a field repair or removal of a device which is not required to be reported under this paragraph shall keep a record of such field repair or removal.

"(2) No report of the field repair or removal of a device may be required under paragraph (1) if a report of the field repair or removal is required, and has been submitted, under subsection (a).

"(3) For purposes of paragraphs (1) and (2), the terms 'field repair' and 'removal' do not include routine servicing.".

SEC. 208. REMANUFACTURE.

Section 510(a) (21 U.S.C. 360(a)) is amended—

(1) by striking out "and" at the end of paragraph (1) and by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and", and

(2) by adding after paragraph (2) the following:

"(3) the term 'manufacture' includes remanufacture and the term 'remanufacture' means the fabrication, assembly, substantial alteration, processing, or reprocessing of a device which has been previously introduced into interstate commerce if the fabrication, assembly, substantial alteration, processing, or reprocessing is not part of routine service on the device.".

SEC. 209. EDUCATION AND TRAINING.

Section 520 (21 U.S.C. 360j) is amended by adding at the end the following:

"EDUCATION AND TRAINING

"(n) The Secretary shall plan, conduct, coordinate, and support education, training, and operational activities to minimize the exposure of people to the health hazards associated with devices.".

SEC. 210. MISCELLANEOUS PROCEDURES.

(a) SECTION 513(f).—Section 513(f)(2) is amended in subparagraph (B)(i), by striking out "the Secretary shall" and inserting in lieu thereof "the Secretary may for good cause shown".

(b) SECTION 514.—Section 514(b) (21 U.S.C. 360(b)(4)(B)) (as so redesignated) is amended—

(1) in paragraph (3)(B) (as so redesignated), by striking out ", after affording all interested persons an opportunity for an informal hearing,", and

(2) in clause (ii) of paragraph (4)(A) (as so redesignated), by striking out "unless' and all that follows in that clause and inserting in lieu thereof the following: "which demonstrates good cause for referral and which is made before the expiration of the period for submission of comments on such proposed regulation refer such proposed regulation,".

(c) SECTION 515.—Section 515(c)(2) (21 U.S.C. 360e(c)(2)) is amended by striking out "paragraph (1), the Secretary shall refer such application" and inserting in lieu thereof "paragraph (1), the Secretary—

"(A) may on the Secretary's own initiative refer such application, or

"(B) shall, upon the request of an applicant unless the Secretary finds that the information in the application which would be reviewed by a panel substantially duplicates information which has previously been reviewed by a panel appointed under section 513, refer such application,".

(d) SECTION 516.—Section 516(a) (21 U.S.C. 360f(a)) is amended (1) by striking out "and after consultation with the appropriate panel or panels under section 513", and (2) by striking out the last sentence.

(e) SECTION 520(l).—Section 520(l)(2) (21 U.S.C. 360j(l)(2)) is amended by striking out "and after affording the petitioner an opportunity for an informal hearing".

SEC. 211. ELECTRONIC PRODUCTS.

(a) IN GENERAL.—Subpart 3 of part F of title III of the Public Health Service Act is transferred to chapter V of the Federal Food, Drug, and Cosmetic Act, is placed after section 528, and is amended as follows:

(1) The heading for the subpart is amended to read as follows:

"SUBCHAPTER C—ELECTRONIC PRODUCT RADIATION CONTROL".

(2) The subpart is amended by striking out "subpart" each place it occurs and inserting in lieu thereof "subchapter".

(3)(A) Section 356 of such Act is amended—

(i) by striking out "358" each place it occurs and inserting in lieu thereof "534", and

(ii) by striking out "sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5)" and inserting in lieu thereof "section 3324 of title 31, United States Code, and section 3709 of the Revised Statutes of the United States (41 U.S.C. 5)".

(B) Section 358(a)(1)(E) of such Act is amended by striking out "355" and inserting in lieu thereof "531".

(C) Section 359 of such Act is amended—

(i) by striking out "358" each place it occurs and inserting in lieu thereof "534", and

(ii) by striking out "360A" each place it occurs and inserting in lieu thereof "536".

(D) Section 360 of such Act is amended by striking out "358" each place it occurs and inserting in lieu thereof "534".

(E) Section 360A of such Act is amended—

(i) by striking out "358" and inserting in lieu thereof "534", and

(ii) by striking out "359" each place it occurs and inserting in lieu thereof "535".

(F) Section 360B of such Act is amended—

(i) by striking out "358" each place in occurs and inserting in lieu thereof "534",

(ii) by striking out "359" each place it occurs and inserting in lieu thereof "535", and

(iii) by striking out "360A" each place it occurs and inserting in lieu thereof "536".

(G) Section 360C of such Act is amended—

(i) by striking out "358" and inserting in lieu thereof "534",

(ii) by striking out "360B" each place it occurs and inserting in lieu thereof "537", and

(iii) by striking out "360F" and inserting in lieu thereof "542".

(H) Section 360F of such Act is amended by striking out "358" and inserting in lieu thereof "534".

(4) Section 354 of such Act is repealed and sections 355 through 360F of such Act are redesignated as sections 531 through 542, respectively.

(b) CONFORMING AMENDMENT.—The heading for part F of title III of the Public Health Service Act is amended by striking out "AND CONTROL OF RADIATION".

(c) CONSTRUCTION.—The transfer of subpart 3 of part F of title III of the Public Health Service Act to the Federal Food, Drug, and Cosmetic Act does not change the application of the requirements of such subpart and such Act to electronic products which were in effect on the date of the enactment of this Act.

SEC. 212. APPLICATION.

Medical devices used to deliver electroconvulsive therapy shall be subject to sections 513 through 521 of the Federal Food, Drug, and Cosmetic Act as in effect on the day before the date of the enactment of this Act.

Mr. WAXMAN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment and the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. MADIGAN. Mr. Speaker, reserving the right to object, under my reservation of objection I yield to the gentleman from California [Mr. WAXMAN] for a brief explanation of what we are doing.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman very much for yielding.

This amendment is very simple. It would add the text of the bill, H.R. 4640, as just passed by the House to the Senate amendment. Necessary conforming changes would be made in the Senate amendment, and that would be the implementation of that.

Mr. DINGELL. Mr. Speaker, I rise today in strong support of the bill H.R. 1226, as amended. The amendment to this bill will revise and improve the basic law under which the Food and Drug Administration regulates the safety and effectiveness of medical devices.

I am pleased to have worked with my colleagues, Chairman WAXMAN and Congressman MADIGAN, to bring this important and necessary legislation to the floor.

Over the years the Oversight and Investigations Subcommittee of the Energy and Commerce Committee has compiled a sorry story of the inability of the FDA to implement the 1976 medical device law as Congress intended. The result has been that the health of the American public has been jeopardized. Indeed people—young babies, the elderly, and men and women in the prime of life—have died because unsafe medical devices have been allowed on the market without scrutiny.

This bill makes improvements in three important areas:

Assuring that all devices entering the market are safe and effective;

Learning quickly about serious problems with medical devices; and

Getting defective devices off the market.

I am committed to the enactment of this legislation. Nothing can be more important than ensuring the protection of the public health. I urge my colleagues to join with me in support of this bill.

Mr. MADIGAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4640) was laid on the table.

SOUTHWESTERN PENNSYLVANIA HERITAGE PRESERVATION COMMISSION

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill

(H.R. 3313) to establish in the Department of the Interior the Heritage Preservation Commission, and for other purposes, as amemended.

The Clerk read as follows:

H.R. 3313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the iron and steelmaking, coal, and transportation industries and the labor of their workers contributed significantly to America's movement westward, allowed for the growth of the Nation's cities, and helped fuel and move its industrial growth and development and establish its standing among nations of the world;

(2) there are only a few recognized historic sites that are devoted to portraying the development and growth of heavy industry and the industrial labor movement in America; and

(3) the 9-county region in southwestern Pennsylvania known as the Allegheny Highlands contain significant examples of iron and steel, coal, and transportation industries, and is a suitable region in which the story of American industrial heritage can be appropriately interpreted to present and future generations.

(b) PURPOSE.—In furtherance of the findings set forth in subsection (a) of this section, it is the purpose of this act to establish, through a commission representing all concerned levels of government, the means by which the cultural heritage of the 9-county region in southwestern Pennsylvania associated with the three basic industries of iron and steel, coal, and transportation may be recognized, preserved, promoted interpreted, and made available for the benefit of the public.

TITLE I—SOUTHWESTERN PENNSYLVANIA HERITAGE PRESERVATION COMMISSION

SEC. 101. ESTABLISHMENT.

(a) IN GENERAL.—To carry out the purpose of this title and to implement, as appropriate, the document which is entitled "Action Plan—America's Industrial Heritage Project" and which is dated August 1987, there is hereby established in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission (hereinafter referred to as the "Commission"). The Commission shall exercise the responsibilities and authorities herein conferred on the Commission with respect to that region in southwestern Pennsylvania comprising the counties, of Bedford, Blair, Cambria, Fayette, Fulton, Huntingdon, Indiana, Somerset, and Westmoreland. The Commission shall consist of 21 members, appointed by the Secretary of the Interior (hereinafter referred to as the "Secretary") as follows:

(1) 2 members appointed from recommendations submitted by the Governor of Pennsylvania of which one shall represent the interests of the Pennsylvania Historical and Museum Commission; and the other shall represent the Pennsylvania Department of Community Affairs.

(2) 9 members appointed from recommendations submitted by the county commissioners of the Pennsylvania counties of Bedford, Blair, Cambria, Fayette, Fulton, Huntingdon, Indiana, Somerset, and Westmoreland, of which one member shall be appointed from the recommendations of each such county from groups and individuals representing historic preservation, tourism promotion, business and industry and industrial and labor history;

(3) 4 members appointed from recommendations from the Southern Alleghenies Planning and Development Commission;

(4) 4 members appointed from recommendations from Laurel Highlands, Inc.;

(5) 2 members appointed by the Secretary from recommendations by the Director of the National Park Service who shall have knowledge and experience in the field of historic preservation; and

(6) the Director of the National Park Service, ex officio, or his delegate.

(b) APPOINTMENT.—All members of the Commission shall be appointed for terms of 3 years, except that the terms of the 9 members appointed from recommendations submitted by each county pursuant to subsection (a)(2) shall be for 2 years.

(c) CHAIRMAN.—The Commission shall elect a chairman from among its members. The term of the chairman shall be 2 years.

(d) TERMS.—Any member of the Commission appointed for a definite term may serve after the expiration of his term until his successor is appointed. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made. Any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

(e) QUORUM.—A simple majority of Commission members shall constitute a quorum.

(f) MEETINGS.—The Commission shall meet at least quarterly or at the call of the chairman or a majority of its members.

(g) COMPENSATION.—Members of the Commission shall serve without compensation as such. Members shall be entitled to travel expenses under section 5703, title 5, United States Code, when engaged in Commission business, including per diem in lieu of subsistence in the same manner as persons employed intermittently.

SEC. 102. STAFF OF THE COMMISSION.

(a) STAFF.—(1) The Commission shall have the power to appoint and fix the compensation of such staff as may be necessary to carry out its duties.

(2) Staff appointed by the Commission—

(A) shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive services; and

(B) shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) EXPERTS AND CONSULTANTS.—Subject to such rules as may be adopted by the Commission, the Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates determined by the Commission to be reasonable.

(c) STAFF AND OTHER AGENCIES.—(1) Upon request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out the Commission's duties.

(2) The Commission may accept the services of personnel detailed from the Commonwealth of Pennsylvania (and any political subdivision thereof) and may reimburse the commonwealth or political subdivision for those services.

(d) ADMINISTRATIVE SUPPORT.—The Administrator of the General Services Administration shall provide such administrative support services as the Commission may request, on a reimbursable basis.

SEC. 103. POWERS OF THE COMMISSION.

(a) IN GENERAL.—The Commission may for the purpose of carrying out this title hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission may deem advisable.

(b) BYLAWS.—The Commission may make such bylaws, rules and regulations, consistent with this Act, as it considers necessary to carry out its functions under this title.

(c) DELEGATION.—When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

(d) TECHNICAL ADVISORY GROUPS.—The Commission may establish and appoint one or more technical advisory groups to provide technical advice in financing historic preservation, recreation, tourism, and intergovernmental coordination.

(e) DONATIONS.—Notwithstanding any other provision of law, the Commission may seek and accept donations of funds, property, or services from individuals, foundations, corporations, and other private entities, and from public entities, for the purpose of carrying out its duties.

(f) FUNDS FROM OTHER SOURCES.—The Commission may use its funds to obtain money from any source under any program or law requiring the recipient of such money to make a contribution in order to receive such money.

(g) MAIL.—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(h) OBTAINING PROPERTY.—(1) The Commission may obtain by purchase, rental, donation, or otherwise, such property, facilities, and services as may be needed to carry out its duties except that the Commission may not acquire any real property or interest in real property otherwise than under paragraph (2).

(2) Subject to paragraph (3), the Commission may acquire real property, or interests in real property, in the Corridor—

(A) by gift or device; or

(B) by purchase from a willing seller with money which was given or bequeathed to the Commission on the condition that such money would be used to purchase real property, or interests in real property, in the Corridor.

(3) Any real property or interest in real property acquired by the Commission under paragraph (2) shall be conveyed by the Commission to an appropriate public agency, as determined by the Commission. Any such conveyance shall be made—

(A) as soon as practicable after such acquisition;

(B) without consideration; and

(C) on the condition that the real property or interest in real property so conveyed is used for public purposes.

SEC. 104. FUNCTIONS OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall—

(1) make loans and grants, from funds appropriated for that purpose or from funds donated or otherwise made available to the Commission, for the purpose of conserving and protecting sites, buildings, and objects which are related to the industrial development of the area and which are included or

eligible for inclusion on the National Register of Historic Places;

(2) coordinate activities of Federal, State, and local governments and private businesses and organizations in order to further historic preservation and compatible economic revitalization;

(3) develop guidelines and standards for projects, consistent with standards established by the National Park Service for the preservation of historic properties, including interpretive methods, that will further historic preservation in the region; and

(4) provide advice and assistance in preparation of loan or grant applications to the Commission and applications for loans or grants from other Federal or non-Federal sources in furtherance of the purposes of this title.

Any loan made under this subsection shall be for a term expiring before the date 10 years after the enactment of this Act and shall be subject to such other terms and conditions, including interest, as may be established by the Commission with the approval of the Secretary.

(b) ANNUAL REPORTS.—The Commission shall submit an annual report to the Secretary setting forth its expenses and income and the entities to which any loan and grants were made during the year for which the report is made. The Secretary shall submit an annual report to the Congress describing the loans, grants, and technical assistance provided under this Act. Such report shall specify the amount, recipient, and purpose of any loan, grant, or technical assistance so provided and shall include an analysis of the adequacy of actions taken during the previous year to preserve, protect, and interpret the significant sites, buildings, and objects within the area; as well as the anticipated funds and personnel to be made available by the Secretary during the next fiscal year to implement the provisions of this Act.

(c) COST ESTIMATES.—Prior to making any grant or loan the Commission shall require detailed cost estimates to be prepared for the project to be funded. Within one year from the date of enactment, the Commission shall submit to the appropriate committee of the Congress detailed cost estimates for the projects identified in the action plan referred to in section 101 of this title.

(d) EXPIRATION.—The Commission established pursuant to this title shall cease to exist 10 years from the date of enactment of this Act. Any property or funds of the Commission remaining upon the expiration of the Commission shall be transferred by the Commission to the United States, to a State or local government agency, to a private nonprofit organization exempt from income taxes under section 501(c)(3) of the Internal Revenue Code of 1986, or to any combination of the foregoing.

SEC. 105. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated $3,000,000 to the Commission to carry out the purposes of this title. Funds may be made available pursuant to this section only to the extent they are matched by equivalent funds from non-Federal sources.

TITLE II—SOUTHWESTERN PENNSYLVANIA INDUSTRIAL HERITAGE ROUTE

SEC. 201. DESIGNATION OF ROUTE.

(a) DESIGNATION.—In order to provide for public appreciation, education, understanding and enjoyment of certain nationally and regionally significant sites in southwestern Pennsylvania which are accessible by public road, the Secretary of Interior (hereinafter referred to as the "Secretary"), with the concurrence of the agency having jurisdiction over such roads, shall designate, by publication of a description thereof in the Federal Register, a vehicular tour route along existing public roads linking historic, cultural, natural, scenic, and recreational sites in southwestern Pennsylvania. Such route shall be known as the Southwestern Pennsylvania Industrial Heritage Route (hereinafter referred to as the "route"), and shall be marked with an appropriate marker to guide members of the visiting public. With the concurrence of the State or local entity having jurisdiction over such roads so designated, the Secretary may erect thereon signs and other informational devices displaying the Southwestern Pennsylvania Industrial Heritage Route marker. The Secretary is authorized to accept the donation of signs and other informational devices for placement at appropriate locations along the route.

(b) INITIAL ROUTE.—The route as initially designated shall include public roads linking Allegheny Portage Railroad National Historic Site, Johnstown Flood National Memorial, Historic Saltsburg, Eliza and Mt. Etna Furnaces, the Charles Schwab Estate, Friendship Hill National Historic Site, Fort Necessity National Battlefield, Altoona Railroad Shops, Altoona Railroader's Memorial Museum, Cambria Iron Works, Johnstown Inclined Plane, Johnstown Flood Museum, Conemaugh Gap, East Broadtop Railroad National Historic Landmark, Galltzin Tunnels, Horseshoe Curve National Historic Landmark, Fort Ligonier, Bushy Run Battlefield, Seldom Seen Valley Mine, and Somerset Historical Center.

(c) ADDITIONAL SEGMENTS.—The Secretary may, in the manner set forth in section 201 of this title, designate additional segments of the route from time to time as appropriate to link the sites referred to in subsection (b) with other historic, cultural, natural, scenic, and recreational sites when such sites are designated and protected by Federal, State and local governments, Indian tribes, or nonprofit entities.

SEC. 202. TECHNICAL ASSISTANCE.

With respect to sites linked by segments of the route which are administered by other Federal, State, local, tribal, or nonprofit entities, the Secretary may, pursuant to cooperative agreements with such entities, provide technical assistance in the development of interpretive devices and materials in order to contribute to public appreciation of the historic, cultural, natural, scenic, and recreational sites along the route.

SEC. 203. AUTHORITZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated $150,000 to the Secretary to carry out the purposes of this title. No funds made available under this title shall be used for the operation, maintenance, or repair of any road or related structure.

The SPEAKER pro tempore. Is a second demanded?

Mr. MARLENEE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Montana [Mr. MARLENEE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3313 provides for the establishment of a Heritage Preservation Commission in southwestern Pennsylvania to foster a cooperative partnership in preserving and enhancing the region's industrial and labor heritage. The bill was introduced by Representative MURTHA, along with several other members of the Pennsylvania delegation.

The southwestern Pennsylvania region has a long and active history in the industrialization of America. The work of the factories, mills, and mines and the labor of the citizens of the region made significant contributions to the growth of not only that area but the country as well.

H.R. 3313, as reported by the Committee on Interior and Insular Affairs, would authorize for a 10-year period the establishment of a 21-member Southwestern Pennsylvania Heritage Preservation Commission made up of Federal, State, and local officials, and interested individuals to assist, through technical and financial assistance, the Commonwealth of Pennsylvania and local governments in the in the nine county region in preserving and interpreting the cultural heritage of the area. The technical and financial assistance of the commission would be based on the previously developed action plan—America's industrial heritage project, prepared in cooperation with the National Park Service.

The legislation also authorizes the designation of an interpretive route along public roads in the area, to assist in the public's understanding and enjoyment of the resources of the region.

The committee received extensive testimony on the proposed preservation plans and programs for the area, as well as the commitments and contributions being made by the Commonwealth and local governments to the proposed project. The legislation, as reported, has I believe, an appropriate role for the National Government in assisting in the preservation and interpretation of the region's resources.

Mr. Speaker, there has been considerable enthusiasm generated for the proposal in the southwestern Pennsylvania area. I want to commend my colleague, Representative MURTHA, for his efforts in channeling that enthusiasm into a legislative product. Representative MARTHA, as well as the gentleman from Pennsylvania, Representative MURPHY, were most helpful in assisting the committee in drafting a limited and targeted proposal that makes use of public and private initiative in undertaking a comprehensive historic preservation effort.

I support passage of H.R. 3313 as amended and urge its favorable consideration by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. MARLENEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the amended version of H.R. 3313 before us today. This bill authorizes the establishment of the Southwestern Pennsylvania Heritage Commission to foster a partnership in preserving and enhancing the region's transportation, coal, iron, and steelmaking heritage. The 21-member commission would provide technical assistance through staff or advisory groups to persons interested in conserving or protecting sites, buildings, or objects which are related to the industrial development of the nine-county region. the commission would also be authorized to make grants for the above purposes. The commission would be empowered to accept donations of real property; however, the commission must in turn make that property available to a public agency for purposes consistent with the act. The amended bill would also provide for designation of the southwestern Pennsylvania industrial heritage route which would link various sites of interest by road.

When H.R. 3313 was introduced, the exact scope of the proposed effort was not fully clear. The amended version of the bill clarifies the congressional intent behind this effort. Specifically, this amended version would clarify the role of the Federal agencies in the implementation of this legislation, strengthen the cost sharing provisions of the bill, establish a maximum expenditure of $3 million during the 10-year life of the commission, and define the limited responsibilities of the Secretary of the Interior with regards to the industrial heritage route.

Mr. Speaker, I believe these are good amendments which substantially improve the bill. I would like to commend the subcommittee chairman, Mr. VENTO, for recognizing the need for these amendments and development of a final bill which best meets the needs of all interested parties. I urge my colleagues to join with me in support of H.R. 3313.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. MURPHY].

□ 1530

Mr. MURPHY. Mr. Speaker, for many years in our Nation we have recognized, as well as we should, the land and areas that concern our Revolutionary War, and the land and the areas and the persons during the revolt of the South that created our Civil War conflict, as well we should. But one revolution has totally gone unrecognized, the Industrial Revolution, the one that swept the United States into the forefront of the economy of the world, the one that provided us with world leadership through a succession of unfortunate world hostilities.

In western Pennsylvania we have long been known as the arsenal of democracy. Since Civil War days when the old iron furnaces and the coal mines and the beehive coke ovens fueled America's industrial might, on into the Industrial Revolution which gave us all of our machinery, and our equipment to dominate the world economy, western Pennsylvania played its part.

Into World Wars I and II, we continued in that leadership role of providing America's might to answer the aggressors of the world.

Now, we would like to set aside a small area in that western Pennsylvania region to commemorate the old iron furnaces, the old beehive coke ovens, the former methods of mining coal by hand, by pick and shovel and mule, and the open hearth furnaces that dominated the steel industry in the earlier part of this century. There are other things in the foundries and forges that are still in existence in western Pennsylvania today but rapidly decaying, because the beehive coke ovens that once lit our skies for miles around are silent now, and the steel mills are modernizing into smaller mills, the old open hearth and the big blast furnaces, the things of high employment, and similar types of technology are disappearing from our scene.

Also in western Pennsylvania because of their leadership in this industrial revolution, melting pot of America's immigration movement was created. Every nationality that is present in our country today, their forefathers and their families yet today are still living in this nine county area of western Pennsylvania; from Europe, from Asia, from the Caribbean, from Africa, from all over the world came people to work and form our Industrial Revolution. This is a very modest proposal.

We have been working very hard in the nine counties of western Pennsylvania to make this measure cost effective. We have a tremendous amount of volunteer interest, we have a tremendous amount of community interest and we have local interest and local dollars pouring into this program, but we need it coordinated.

As a cosponsor of H.R. 3313, I urge my colleagues to support this legislation today. This bill, which establishes the Southwestern Pennsylvania Heritage Preservation Commission within the Department of the Interior, provides an opportunity to preserve for future generations our American industrial heritage. But beyond what this legislation accomplishes in portraying the development and growth to heavy industry in America, it offers much hope and promise for revitalization and economic growth to an area that was once the heart of the industrial revolution.

Much has changed since those glory days when business was booming. Today, iron and steelmaking are in great decline. The coke ovens are cold. Many coal mines are closed, and the rail transportation network that served these heavy industries shrinks with every passing day. As we look for high-technology solutions to our problems, and as this Nation moves closer to a service-oriented workplace, it becomes increasingly important that our industrial heritage be a piece of history that can be preserved and recalled for future generations.

The economic statistics of the nine-county region in southwestern Pennsylvania that has been designated by this legislation are gloomy—high unemployment, low wages, and many living at or below the proverty level. But as we discuss this legislation here today, there is a great deal of enthusiasm and excitement for what this Heritage Commission project will mean to this area.

Already local, State, and Federal officials have been working in close cooperation with business and civic groups to form a unique public-private partnership. The beginning of the America's Industrial Heritage project began in 1985 with a National Park Service [NPS] study identifying the region's resources. The creation of the Heritage Preservation Commission followed, and an action plan was drafted. The Commission organized into four committees to recommend action involving the promotion of cultural resources, tourism promotion and marketing, economic development, and transportation. Although this project brought together representatives of diverse backgrounds and interests, there is no parochialism. This is a unique and cooperative effort that binds these many different segments together to work for the recognition, preservation, promotion, and interpretation of the development and growth of heavy industry in America. And, along with that, it is hoped that this project will deliver an economic shot in the arm in the form of increased tourism and development of the region's resources.

This legislation does another important thing. It creates a National Heritage Trail which would designate a tour route along existing public roads linking the numerous historic, cultural, natural, scenic, and recreational sites in central and western Pennysylvania.

Mr. Speaker, I enthusiastically support this legislation. What the Commission has accomplished so far is extraordinary. I applaud the Commission members and all the representatives of the numerous groups that in any way have contributed to this effort. In addition, I thank the chairman and I thank the ranking minority member and all the members of the Committee on Interior and Insular Affairs for their foresight in bringing this program into the coordinated manner that this measure will do. All have shown a high level of expertise and commitment to the success of this project.

We will have sufficient resources in the coordination to make this program a success and within a very few years it will require no dollars, because the funds will come from local dollars, thereby making this a self-generating type of proposal; therefore, I can only imagine what further goals can be achieved by the passage of this legislation.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. MURPHY. I yield to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. I thank the gentleman for yielding.

Mr. Speaker, I want to again reiterate my thanks for the help of the gentleman in working out this legislation. Obviously, this has been a long time coming. There has been a great deal of work done by our colleague, Mr. MURTHA, on it but the gentleman from Pennsylvania [Mr. MURPHY] played a key role, obviously interested in the area.

I am singularly proud of the fact in this instance we are beginning to pickup the terms of looking at the industrial revolution and some of our history that otherwise would very likely be lost. This type of vehicle, this commission will help to preserve not just the physical features of it, but I think to plant in our mind the important role that was played by those entrepeneurs, by the working men and women, by those involved in our economy, by labor, labor unions, and the others that became so much a part of what the gentleman called as he referred to that area an arsenal of democracy. But I think it is really something that lifted our Nation from being one of many nations to the foremost nation in terms of Western democracies in the world.

So I want to commend the gentleman. He has done a great job and has been a great help to the committee.

Mr. MARLENEE. Mr. Speaker, will the gentleman yield?

Mr. MURHPY. I yield to the gentleman from Montana.

Mr. MARLENEE. I thank the gentleman for yielding.

Mr. Speaker, I would like to commend the gentleman from Pennsylvania, my friend, who has listened so well to our needs in the West as I explained the history of the West. He has explained the Industrial Revolution and the history surrounding the area in Pennsylvania and the eastern seaboard. Mr. Speaker, I appreciate his counsel and advice not only on this legislation but on other efforts that are taking place out here.

I want to say that the gentleman has done an excellent job, the gentleman from Pennsylvania [Mr. MURPHY] in putting the legislation together and in enlightening all of us as to the needs here.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 3313, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read "A bill to establish in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission, and for other purposes."

A motion to reconsider was laid on the table.

ESTABLISHMENT OF LEWIS AND CLARK NATIONAL HISTORIC SITE IN MONTANA

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1982) to authorize the establishment of the Lewis and Clark National Historic Site in the State of Montana, as amended.

The Clerk read as follows:

H.R. 1982

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) the site at which the historic Lewis and Clark Expedition commenced in St. Louis, Missouri, and the site at which the expedition terminated at Fort Clatsop in Oregon have been recognized as sites of historic significance on the Lewis and Clark National Historic Trail; and

(2) the historic significance of the travels of Lewis and Clark on the High Plains and their portage around the Great Falls of the Missouri requires additional recognition and interpretation.

SEC. 2. ESTABLISHMENT.

(a) LEWIS AND CLARK NATIONAL HISTORIC TRAIL INTERPRETIVE CENTER.—That to further the public's understanding and provide appropriate interpretation of the scope and accomplishments of the Lewis and Clark Expedition, within the State of Montana and along the Lewis and Clark National Historic Trail, the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") is authorized to establish the Lewis and Clark National Historic Trail Interpretive Center (hereinafter in this Act referred to as the "Center"). The Secretary shall establish the Center upon the transfer by the State of Montana to the United States of the lands described in subsection (b) and such additional easements and other rights as the Secretary deems necessary to ensure adequate public access to the Center.

(b) MAP.—The center shall consist of those lands, located in the vicinity of Great Falls, Montana, donated by the State of Montana, not to exceed 50 acres, as generally depicted on the map entitled "Boundary Map, Proposed Lewis and Clark National Historic Trail Interpretive Center," dated June 1980. The map shall be on file and available for public inspection in the offices of the Chief, United States Forest Service, Department of Agriculture, and the State of Montana Department of Fish, Wildlife, and Parks.

(c) REVERSION OF LANDS.—Any lands or portions of lands granted to the Secretary by the State of Montana for use in connection with the Center shall revert to the State of Montana if, at any time, the Secretary uses such lands for any purpose other than those authorized under this Act.

SEC. 3. ADMINISTRATION.

(a) AUTHORIZATION.—The Secretary shall administer the Center in accordance with this Act and the laws, rules, and regulations applicable to the national forests in such manner as will best provide for the interpretation of the scope and accomplishments of the Lewis and Clark Expedition, along the Lewis and Clark National Historic Trail within the State of Montana. In no event shall the Center be used for purposes other than those provided for by this Act.

(b) PLAN.—Within 2 years after the establishment of the Center, the Secretary shall prepare and submit to the Committee on Interior and Insular Affairs of the United House of Representatives and the Committee on Energy and Natural Resources of the Senate, a plan for the development and interpretation of the Center. Such plan shall include but not be limited provisions for—

(1) interpretation to the public of available historic resources, documents, and artifacts associated with the Lewis and Clark Expedition, and

(2) development of facilities for public use and enjoyment of the area.

(c) DONATIONS.—Notwithstanding any other provision of law, the Secretary may accept donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of providing services and facilities which he deems consistent with the purposes of this Act.

(d) COOPERATIVE AGREEMENTS.—In administering the Center the Secretary is authorized to enter into cooperative agreements with the State of Montana, or any political subdivision thereof, for the rendering, on a reimbursable basis, of rescue, firefighting, and law enforcement services and cooperative assistance by nearby law enforcement and firefighting departments or agencies. The Secretary is also authorized to enter into cooperative agreements with other Federal agencies, and with State or local public agencies for the development and operation of facilities and services in furtherance of the purposes of this Act. The Secretary is encouraged to develop, in conjunction with the State of Montana, a cooperative management plan for the entire Giant Springs Park which will enhance the general public's opportunity to use and enjoy the Center as well as the nearby historical sites, and other State and Federal lands.

(e) COOPERATING ASSOCIATION.—The Secretary is authorized and directed to enter into an agreement with the Portage Route chapter of the Lewis and Clark Heritage Foundation or a similarly affiliated organization to provide educational and interpretive materials to the public that highlight the travels of Lewis and Clark, High Plains Indians, explorers, or other historical features of the area, that are compatible with the purposes of the Center. Such agreement shall include but not be limited to each of the following:

(1) Provisions requiring the Foundation to obtain and maintain its status as a nonprofit tax-exempt organization.

(2) A provision permitting the Secretary to have access to the documents and records of the Foundation that involve the Center.

(3) The Foundation shall agree to return to the Center the profits earned from the sale of educational and interpretive materials.

(4) Minimum operating requirements and procedures for the sale of educational and interpretive materials at the Center.

(5) A procedure to settle disagreements between the Foundation and the Secretary.

(6) Reasonable rent and maintenance costs for the use of an area within the Center.

(7) Other items of mutal agreement.

The Secretary may terminate the agreement for good cause.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), there is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, including such sums as may be necessary for the planning and designing of, and site preparation for, the Center and associated structures and improvements.

(b) CONSTRUCTION OF INTERPRETIVE CENTER.—There is hereby authorized to be a appropriated not more than $3,500,000 for the construction of the Lewis and Clark National Historic Trail Interpretive Center and associated structures and improvements.

(c) Any new spending authority described in subsection (c)(2)(A) of section 401 of the Congressional Budget Act of 1974 which is provided under this Act shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

SEC. 5. MISSOURI RIVER WILD AND SCENIC RIVER.

Subsection (g) of section 203 of the Act approved October 12, 1976 (90 Stat. 2327, 2327), is amended as follows:

(1) Strike out "except" in paragraph (1)(G) and insert in lieu there of "including".

(2) Strike out "National Park Service" in paragraph (2) and insert in lieu thereof "Bureau of Land Management".

The SPEAKER pro tempore. Is a second demanded?

Mr. MARLENEE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Montana [Mr. MARLENEE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1982, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1982, as reported by the Committee on Interior and Insular Affairs, would provide additional interpretation of Lewis and Clark Expedition, especially the achievements of the expedition in the region of Great Falls, MT. The legislation was introduced by our colleague, Representative DON MARLENEE, who represents the area and who has maintained a long and active interest in this matter.

Many historians consider the Lewis and Clark Expedition the single most profound event in the development of the Western United States. For a 28-month period from 1804 to 1806 the expedition, commissioned by President Thomas Jefferson and under the direction of Merriwether Lewis and William Clark, traveled over 8,000 miles exploring and chronicling the vast land and resources of the recently acquired Louisiana Territory. It was at the Great Falls of the Missouri River, near the present day city of Great Falls, MT, that the expedition was forced to spend nearly a month portaging 18 miles around the massive falls.

The legislation before the House today provides for the establishment of an interpretive center in association with the already designated Lewis and Clark National Historic Trail. The center will be located on land donated by the State of Montana and will be managed for the public's education and enjoyment by the U.S. Forest Service, which already has a significant presence in the area at the Lewis and Clark National Forest. The center will make use of State, local, and nonprofit assistance in providing interpretive programs and materials to the public on the accomplishments of the Lewis and Clark Expedition.

Mr. Speaker, I know of no controversy with the legislation, as reported, and recommend its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. MARLENEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from Minnesota, the subcommittee chairman for National Parks and Public Lands, for moving the Lewis and Clark Interpretive Center bill forward. H.R. 1982 as amended reflects a broad consensus of how the history of the Lewis and Clark Expedition on the High Plains can best be presented to the general public. With this bill, we have the support of the State of Montana which is providing up to 50 acres of land for the interpretive center; we have the support of the U.S. Forest Service, whose namesake the "Lewis and Clark National Forest" will manage the site; and the support of the local community, which can through a cooperative agreement provide educational and interpretive materials to the public. These types of partnerships make for a viable and quality telling of the Lewis and Clark story.

I also want to note for the record that in committee we changed the management of the center, from the National Park Service to the U.S. Forest Service, which was one of the major concerns of the administration. I think that other Members who have similar opportunities in their districts should review my bill before they automatically place the National Park Service as the managing agency. We must look to other agencies such as the U.S. Forest Service, and the Bureau of Land Management to provide more of our Nation's growing demand for recreation and for the preservation and interpretation of our history.

In closing, I wish time was available to give special thanks to everyone who has worked so long and hard on bringing the Lewis and Clark project to this point. The Montana Division of Parks, the Great Falls Portage Route Chapter of the Lewis and Clark Trails Foundation, and many, many others such as Marcia Stagmiller, Mile Lamberala, and Dick Martin of Great Falls, MT, to name just three, who have spent countless hours pushing for a Lewis and Clark Center. They deserve the thanks of all Montanans and the rest of the Nation as well.

Again, I thank Mr. VENTO for his support and a special thanks to Mr. Rick Healy of his staff for his assistance.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no futher requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1982, as amended.

The question was taken; and—two-thirds having voted in favor thereof—the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read "A bill to authorize the establishment of the Lewis and Clark National Historic Trail Interpretive Center in the State of Montana, and for other purposes.".

A motion to reconsider was laid on the table.

REDESIGNATING SALINAS NATIONAL MONUMENT IN NEW MEXICO

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3541) to redesignate Salinas National Monument in the State of New Mexico, and for other purposes.

The Clerk read as follows:

H.R. 3541

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Salinas National Monument, as designated by section 601 of the Act of December 19, 1980

(94 Stat. 3231), is hereby redesignated as Salinas Pueblo Missions National Monument.

(b) Any reference in any record, map, or other document of the United States of America to Salinas National Monument shall hereafter be deemed to be a reference to Salinas Pueblo Missions National Monument.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Montana [Mr. MARLENEE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3541, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3541 is a noncontroversial bill introduced by our colleague from New Mexico, Mr. LUJAN. It is a very simple measure which would rename Salinas National Monument, in New Mexico, as "Salinas Pueblo Missions National Monument."

The national monument in question was established by act of Congress in 1980. It consists of three noncontiguous resource units and a headquarters area. Together, the resource units represent a larger region known as the Salinas basin—named for the large Salinas, or salt lakes, which were the basis for settlement and trade in the area.

Each unit contains the remains of an Indian Pueblo and an associated mission established before the end of the 17th century. The Pueblos represent a prehistory extending back some 10,000 years, while the missions represent the role of the Spanish in the economic, social, and religious life of the American southwest.

Indeed, Mr. Speaker, the primary significance of the national monument lies not in the physical features of the Salinas, but in the unusual opportunities presented there for research and interpretation concerning the Spanish-native American interaction in the Southwest. For this reason, the Park Service testified that the proposed change in the name of the national monument was desirable and would more accurately reflect the reasons the monument was designated.

As I said, Mr. Speaker, this is a noncontroversial measure that deserves our support, and I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. MARLENEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3541 as introduced by my colleague from New Mexico, Mr. LUJAN. This is a noncontroversial bill which will make the name of this park area more meaningful for public information purposes.

Currently, the public does not understand the nature or significance of this unit of the National Park System when reading the name of the area on road signs or in printed material. In 1987, the visitation to this area was only 35,000 persons. This legislation, if enacted, can be expected to increase visitation to the area by persons traveling on the nearby highways as well as Interstates 40 and 25.

The administration reports that it will only cost $12,000 to implement this legislation in terms of changing signs and printed material. Mr. Speaker, this is a small price to pay for increasing the opportunity for the American public to enjoy the prehistoric pueblos and historic Spanish missions found in this park area.

Mr. Speaker, H.R. 3541 is a good bill which has passed through our committee without adverse comment and I urge House passage.

Mr. LUJAN. Mr. Speaker, I rise in support of H.R. 3541, legislation which would change the name of the Salinas National Monument to the Salinas Pueblo Missions National Monument.

This may seem like a relatively unimportant issue, Mr. Speaker, but let me assure you that it is very important to the people who operate this national monument. The problem lies in the word "Salinas" which is the Spanish word for "salt lakes."

Few tourists that visit our part of the country know what the word Salinas means and very few have any idea that this monument includes three pueblo missions which played a significant role in the history of the Southwest. The salt lakes themselves have very little to do with the national monument.

It is the opinion of the experts in the National Park Service that an increased number of people would visit this unit of our National Park system if its name were made more descriptive of the resource involved.

Abo, Quarai, and Gran Quivira are the names of the three different pueblos which are the sites of the three 17th-century Spanish Franciscan missions which comprise the Salinas National Monument. These missions contain enormous stone structures which are breathtaking in size and unique as to their age and history.

It makes perfect sense to rename the national monument which encompasses these three resource units so that the public may be better informed as to the type of resource involved.

I urge my colleagues to support this legislation.

Mr. MARLENEE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 3541.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1545

CREATING A NATIONAL PARK AT NATCHEZ, MS

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4457) to create a national park at Natchez, MS, as amended.

The Clerk read as follows:

H.R. 4457

SECTION 1. PURPOSES.

The purposes of this Act are to—

(1) preserve and interpret the history of Natchez, Mississippi, as a significant city in the history of the American South;

(2) preserve and interpret the sites and structures associated with all the peoples of Natchez and its surrounding area from earliest inhabitants to the modern era, and including blacks both slave and free;

(3) preserve and interpret the region's social, political, and economic development, with particular emphasis on the pre- and post-Civil War eras; and

(4) preserve and interpret the region's commercial and agricultural history, especially in relation to the Mississippi River and cotton.

SEC. 2. ESTABLISHMENT OF NATCHEZ NATIONAL HISTORICAL PARK.

(a) IN GENERAL.—In order to provide for the benefit, inspiration, and education of the American people, there is hereby established the Natchez National Historical Park (hereinafter in this Act referred to as the "park") in the State of Mississippi.

(b) AREA INCLUDED.—The park shall consist of the historic districts established under this Act and the following properties:

(1) The lands and structures known as Melrose, together with all personal property located on such lands.

(2) The lands and improvements thereon known as, or associated with, Fort Rosalie.

The property referred to in paragraph (2) shall be included within the park only if the Secretary of the Interior (hereinafter in this Act referred to as the 'Secretary') determines that the historic resources of Fort Rosalie are of sufficient national significance and integrity to warrant inclusion in the national park system. The Secretary shall make such determination after receiving from the governor of the State of Mississippi and the Mayor of the City of Natchez, in consultation with the State Historic Preservation Officer, a recommendation based on scholarly research as to the national significance and integrity of such historic resources.

(c) BOUNDARIES; MAP.—The Secretary shall prepare a map of the lands included within the park. Such map shall be on file and available for public inspection in the offices of the National Park Service at the park and at the Department of the Interior in the District of Columbia. The Secretary may from time to time make minor revisions in the boundary of the park in accordance with section 7(c) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l-4 and following).

SEC. 3. ACQUISITION OF PROPERTY.

Except as otherwise provided in this section, the Secretary may acquire, by donation, purchase with donated or appropriated funds, or exchange, land or interests in land, together with structures and other improvements thereon and personal property, which is included within the park. In addition the Secretary may acquire by any such means such personal property associated with the park as he deems appropriate for interpretation of the park and such additional lands and properties as may be necessary for purposes of an administrative headquarters and administrative site. Any land, interests in land, structures, improvements, or personal property owned by the State of Mississippi or any political subdivision thereof, may be acquired only by donation. The Secretary may not acquire fee title to any property other than the property he deems necessary for an administrative site and headquarters and the property referred to in paragraph (1) or (2) of section 2, and the Secretary may not acquire the property referred to in paragraph (1) of section 2 unless at least 25 percent of the fair market value of such property (as determined by the Secretary) is donated to the United States in connection with such acquisition.

SEC. 4. ADMINISTRATION OF PARK.

(a) In General.—The Secretary shall administer the park in accordance with this Act and with the provisions of law generally applicable to units of the national park system, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467). Properties acquired under this Act for purposes of inclusion in the park shall be available for visitor inspection and enjoyment as promptly as practicable after the date of acquisition notwithstanding the absence of a park management plan.

(b) Donations.—Notwithstanding any other provision of law, the Secretary may accept and expend donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of providing services and facilities which he deems consistent with the purposes of this Act.

(c) Historic Districts.—

(1) Study of Historic Properties.—The Secretary shall prepare and transmit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a study of the properties in the city of Natchez and its immediate environs that preserve and interpret the history contained in the purposes of this Act. Such report shall consider which properties best exemplify such purposes and appropriate means for providing technical assistance to, and interpretation of, such properties. The study and report shall include consideration of Natchez-Under-the Hill and the Briars.

(2) Establishment of Districts.—Following completion of the study under paragraph (1), but not later than one year after the date of enactment of this Act, the Secretary shall establish historic districts in the city of Natchez and its immediate environs for the preservation and interpretation of the resources that contribute to the understanding of the purposes of this Act.

(3) Cooperative Agreements With Owners.—In furtherance of the purposes of this Act, and after consultation with the Advisory Commission established by this Act, the Secretary is authorized to enter into cooperative agreements with the owners of properties of historical or cultural significance (as determined by the Secretary) within any historic district established under this subsection. Such agreements shall permit the Secretary to mark, interpret, improve, restore, and provide technical assistance with respect to the preservation and interpretation of such properties. Such agreements shall contain, but need not be limited to, provisions that the Secretary shall have the right of access at reasonable times to public portions of any property covered by such agreement for purposes of conducting visitors through such properties and interpreting them to the public, and that no changes or alterations shall be made in the property except by mutual agreement between the Secretary and other parties to the agreement.

(d) General Management Plan.—Within three complete fiscal years after the enactment of this Act, the Secretary shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a general management plan for the park. The plan shall be prepared in accordance with section 12(b) of the Act of August 18, 1970 (84 Stat. 825; 16 U.S.C. la-1 through 1a-7). Such plan shall identify appropriate facilities for proper interpretation of the site for visitors.

SEC. 5. NATCHEZ TRACE STUDY.

The Secretary shall prepare, in consultation with the city of Natchez, a study of the feasibility of extending the Natchez Trace within the city of Natchez, including the acceptance of donations of rights of way. The Secretary shall transmit the study to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate within one year after the date of enactment of this Act.

SEC. 6. ADVISORY COMMISSION.

(a) Establishement.—There is hereby established the Natchez National Historical Park Advisory Commission (hereinafter in this Act referred to as the "Advisory Commission"). The Advisory Commission shall be composed of 6 members appointed by the Secretary. Two of such members shall be appointed from among individuals nominated by the mayor of Natchez and one from among individuals nominated by the Governor of Mississippi. Two of the members shall have expertise in historic preservation and one shall have expertise in architectural history. Any member of the Advisory Commission appointed for a definite term may serve after the expiration of his term until his successor is appointed. The Advisory Commission shall designate one of its members as Chairperson.

(b) Management and Development Issues.—The Secretary, or his designee, shall from time to time, but at least semiannually, meet and consult with the Advisory Commission on matters relating to the management and development of the park.

(c) Meetings.—The Advisory Commission shall meet on a regular basis. Notice of meetings and agenda shall be published in local newspapers which have a distribution which generally covers the area affected by the park. Advisory Commission meetings shall be held at locations and in such a manner as to ensure adequate public involvement.

(d) Expenses.—Members of the Advisory Commission shall serve without compensation as such, but the Secretary may pay expenses reasonably incurred in carrying out their responsibilities under this Act on vouchers signed by the Chairman.

(e) Charter.—The provisions of section 14(b) of the Federal Advisory Committee Act (Act of October 6, 1972; 86 Stat. 776), are hereby waived with respect to this Advisory Commission.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated not to exceed $12,000,000 to carry out this Act.

The SPEAKER pro tempore (Mr. Montgomery). Is a second demanded?

Mr. MARLENEE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. Vento] will be recognized for 20 minutes and the gentleman from Montana [Mr. Marlenee] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Vento].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the creation of Natchez National Historical Park would significantly add to the National Park System. Natchez is a city both unique in the South and representative of much of Southern history, with a long tradition of preserving its historic resources going back to the 1930's.

H.R. 4457, introduced by our colleague Wayne Dowdy, and similar to a bill introduced by our colleague Trent Lott, was amended by the Committee on Interior and Insular Affairs. As amended H.R. 4457 authorizes the Natchez National Historical Park, sets forth the park's purposes, authorizes the Secretary of the Interior to acquire the antebellum mansion, Melrose, an endangered national historical landmark, and Fort Rosalie if found to have sufficient national significance and historical integrity. The Secretary is directed to study historic properties that would preserve and interpret the bill's purposes and to establish historic districts and to enter into cooperative agreements with owners of such properties. The substitute also directs a study of the completion of the Natchez trace, establishes an advisory commission and authorizes appropriations of $12 millon

Natchez National Historical Park has a part of our history not adequately included in the National Park System. The black history of Natchez is especially rich. Furthermore, very little in the National Park System preserves and interprets the history of the Deep South, Particulary immediately before and after the Civil War. No existing unit of the National Park System adequately preserves and interprets the history of Reconstruction, with its lasting impact on this country. I strongly endorse this legislation and urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. MARLENEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4457, creating an historic park for Natchez.

Such a unique area of the United States of America will not be found anywhere else in America. This bill and this park are a fitting tribute to the charm of American cities throughout the United States of America but, more particularly, to that area, a very charming area with very charming people. This park and this bill reflect all of that.

Mr. Speaker, I yield such time as he may consume to my colleague, the gentleman from Mississippi [Mr. LOTT], who has done so much work on this piece of legislation and who introduced a bill which we essentially adopted when we considered the legislation.

Mr. LOTT. Mr. Speaker, I am pleased to have the opportunity to speak before you today about the establishment of a Mississippi River National Historic Park along the Natchez Bluff.

The Natchez area's links to our American past are truely historical treasures. Nowhere else in our Nation will you find "preserved"—not just restored—but "preserved" antebellum houses and a community which thrives on its history like you will find in Natchez.

During the course of the committee's markup and hearings on this bill, I am proud of the fact that we in Washington have been able to hear from many of my fellow Mississippians. Everyone from the Governor and Lieutenant Governor, to professors of American and black history, to constituents who are excited and encouraged by the prospect of a future tourist economy bringing in new jobs to our State—we are all together on this one.

Support on the local level is overwhelming. The Adams County Board of Supervisors is prepared to assist in giving up rights-of-way necessary to complete the 10-mile loop surrounding the park. And additionally, the speaker of the State legislature testified during related hearings that he and other leaders in the State will support legislation needed for final implementation plans.

I have always had a great interest and appreciation for the broad themes of American history hosted in Mississippi. But few places on any map speak from the past as crisply as Natchez does.

As the director of the Mississippi Department of Archives and History, Elbert R. Hillard, put it:

> The amazing integrity of the Natchez properties and the tireless preservation efforts of the Natchez citizens are worth tribute.

Indeed, much has been accomplished on the local level, but the city cannot overcome such a large scope of preservation on its own, and appropriately has asked for Federal assistance.

Having visited Natchez, I know first hand what kind of spectacular architecture Mr. Hilliard and others are referring to. A depressed Natchez economy has produced a unique opportunity to purchase such rare gems as: First, Melrose: established in 1845; and currently listed as an "endangered" National Historic Landmark by the National Park Service; and second, Fort Rosalie, established in 1716. This fort makes Natchez the oldest permanent settlement on the Mississippi River.

To risk having these properties fall into the hands of a purchaser with no appreciation of the historical value of the area and its surroundings is simply, Mr. Speaker, not necessary.

Much American heritage is at stake here, and I am so pleased that Mr. VENTO and others on the committee have expediously brought this before the House floor today. I thank all who contributed for their efforts.

I furthermore urge my colleagues to support the authorization, and enactment, of a Natchez National Historic Park in Mississippi.

We should not pass up this chance to give future generations an understanding of the Deep South as interpreted by the city that was the crown jewel of the antebellum "King Cotten." And even more importantly, we cannot pass up the potential economic benefits the establishment of this park would return to the area.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from Mississippi [Mr. LOTT] for his comments.

I also want to thank the other gentleman from Mississippi [Mr. DOWDY] who first introduced the bill and supported legislation shortly after others were introduced. The fact is they worked together on a good bipartisan basis to bring forth this product.

I especially appreciate the interest shown by the gentleman from Mississippi [Mr. DOWDY] and the work of his staff, as well as the constant attention that was paid to the legislation by the members. They really have, I think, worked well to add to the Park Service a very meaningful unit.

Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi [Mr. DOWDY].

Mr. DOWDY of Mississippi. Mr. Speaker, I thank the gentleman from Minnesota [Mr. VENTO] very much.

Mr. Speaker, as the sponsor of H.R. 4457, I want to express my gratitude to the distinguished chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona, Mr. MORRIS UDALL, and to my friend, the gentleman from Minnesota, Mr. BRUCE VENTO, chairman of the Subcommittee on National Parks and Public Lands. I want to thank them for all their help in bringing this bill to the floor today.

Chairman UDALL and Chairman VENTO were gracious enough to take time from their busy schedules in recent weeks to meet with my constituents from Natchez, MS, when they came as visitors to the Nation's Capital from Natchez, MS, seeking support for the national park which we are discussing.

Mr. Speaker, we in Mississippi look forward to sharing with the rest of the Nation our unique history and heritage. The national park will include the historical mansion Melrose, which was built back in 1845 and which still contains its original furnishings. The park will depict the importance of river life from the early beginnings of the Natchez Indians and continuing through the Civil War and beyond to the present day. It will show the important influence of the cotton trade on the history of our area. We in Mississippi are very excited about having a national park to showcase our heritage.

Again I want to thank my colleagues for all of their help on this legislation. I also want to recognize all those in Mississippi who helped to make the passage of this bill possible: Mr. Elbert Hilliard, Mr. Ed Killian, Speaker of the House Tim Ford, former Gov. William Winter, Dr. Alferteen Harrison, Dr. J.R. Todd, a physician from Natchez, and Mr. Ron Miller. We appreciate their hard work to achieve this very important goal. And again I wish to thank the gentleman from Minnesota [Mr. VENTO], the chairman of the subcommittee, and the chairman of the full committee, the gentleman from Arizona [Mr. UDALL].

Mr. WHITTEN. Mr. Speaker, I wish to thank my colleagues for their presentation of H.R. 4457 to establish a National Historical Park in Natchez, MS. This area is truly historic for it figures prominently in all the history of our Nation—home of the Natchez Indians—settled by the French—prominent in Mississippi River traffic—and at the lower end of the Natchez Trace, now under construction as a national parkway. Natchez-under-the-Hill is well if not favorably known.

Truly it is a great part of our history.

This bill establishes a Natchez National Historical Park which includes lands and structures known as Melrose and lands and improvements associated with Fort Rosalie if the Secretary of the Interior determines that the historic resources of Fort Rosalie are of sufficient national significance.

ACQUISITION OF PROPERTY

The Federal Government is to receive at least 25 percent of the fair market value of Melrose by donation and any property owned by the State of Mississippi may be acquired only by donation.

HISTORIC DISTRICTS

The bill requires a study by the Department of the Interior of properties in and around Natchez that preserve and interpret the history associated with Melrose and Fort Rosalie. Based on conclusions in the study, the Secretary shall establish historic districts and may enter into cooperative agreements with owners of properties included with historic districts which would allow the Secretary to mark, interpret, improve, restore, and provide technical assistance.

NATCHEZ TRACE PARKWAY

The Secretary shall prepare a study of the feasibility of extending the Natchez Trace within the city of Natchez.

ADVISORY COMMISSION

The bill establishes a six-member Natchez National Historical Park Advisory Commission. Two members nominated by the mayor of Natchez, one by the Governor of Mississippi, and three are nominated by the Secretary of the Interior.

AUTHORIZATION

The sum of $25,000,000 is authorized to carry out the act.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 4457, to establish the Natchez National Historical Park at Natchez, MS.

As the subcommittee chairman has explained, under the amended version of H.R. 4457 before us today, the park would consist of the historic districts of Natchez, Melrose—an 1845 Greek revival mansion, and Fort Rosalie—the oldest settlement on the Mississippi River. Fort Rosalie would only be included if it is determined to possess national significance and sufficient integrity. The bill establishes an advisory commission to assist the Secretary in the management and development of the park. H.R. 4457 also requires the Secretary of the Interior to conduct a 1-year study of other historic properties in and around Natchez for potential inclusion in the park. Cooperative agreements are authorized between the Secretary and the owners of the historic properties for the marking, interpretation, and restoration of the properties.

Since the Natchez Trace Parkway, an existing National Park Service unit, currently runs to the boundary of Natchez, H.R. 4457 requires a 1-year study to determine the feasibility of extending the parkway within the city limits. Finally, the bill authorizes appropriations of $12 million for acquisition and development of the park. I would like to point out that in an effort to control the costs of the new park, H.R. 4457 was amended to require a 75/25, Federal/non-Federal cost-sharing formula for the acquisition of Melrose.

Mr. Speaker, the Natchez area has a rich and varied history. It was originally settled by Indians and later became dominated by "King Cotton." Following the Civil War, the area was involved in reconstruction and later became known for its oil development. Unfortunately, our National Park System is currently void of any representation of the Antebellum culture in the Deep South. Because of its rich history and preservation as an outstanding example of the Antebellum era, the Natchez area is certainly deserving of establishment as a national park. In addition, we have a unique opportunity to acquire Melrose as it is currently listed for sale.

I would like to commend the sponsors of the Natchez Park legislation, my colleagues from Mississippi, Mr. LOTT and Mr. DOWDY. In particular, Mr. LOTT worked extensively with staff and Members on this side of the aisle to develop a good bill. Many of the provisions in his original legislation on this issue, H.R. 4596, were incorporated into the final bill. I would also like to thank the subcommittee chairman, Mr. VENTO, for cooperating with committee members to address their previous concerns with this legislation.

Mr. Speaker, H.R. 4457 is an excellent bill which was extensively fine-tuned through the committee process. Therefore, I urge its approval.

Mr. MARLENEE. Mr. Speaker, I urge my colleagues to pass H.R. 4457.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4457, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ARCHAEOLOGICAL RESOURCES PROTECTION ACT OF 1979 AMENDMENTS

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4068) to amend the Archaeological Resources Protection Act of 1979 to strengthen the enforcement provisions of that act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4068

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENTS TO ARCHAEOLOGICAL RESOURCES PROTECTION ACT OF 1979

(a) Section 3(1) of the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470aa and following) is amended by striking out "which are of archaeological interest".

(b) Section 3(3) of such Act is amended by striking out the semicolon at the end thereof and substituting a period.

(c) Section 6(a) of such Act is amended by inserting after "deface" the following: ", or attempt to excavate, remove, damage, or otherwise alter or deface".

(d) Section 6(d) of such Act is amended by striking "$5,000" and inserting in lieu thereof "$500".

(e) Section 10 of such Act is amended by adding the following new subsection at the end thereof:

"(c) Each Federal land manager shall establish a program to increase public awareness of the significance of the archaeological resources located on public lands and Indian lands and the need to protect such resources. Each such land manager shall submit an annual report to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate regarding the actions taken under such program.".

The SPEAKER pro tempore. Is a second demanded?

Mr. MARLENEE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Montana [Mr. MARLENEE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4068, a bill introduced by our colleague SAM GEJDENSON seeks to strengthen the enforcement of the Archaeological Resources Protection Act. In recent years, there has been growing recognition of the terrible pillaging of our Nation's archaeological resources. As the demand for remnants of our past has grown, and as prices for prehistoric pots and Civil War mementos have increased dramatically, the efforts to collect and sell these items have also greatly increased. Unfortunately each of these resources is unique and irreplaceable. Every such removal from public and Indian lands diminishes our Nation's heritage. Furthermore, when collected with hasty and unprofessional methods, valuable scientific information is destroyed and lost forever.

The Archaeological Resources Protection Act of 1979 sought to strengthen our ability to prevent such damage, and it has helped. But the threshold of $5,000 for felonies has proven too high to get the convictions needed to stem this destruction. Felony convictions have not been obtained in any proportion to the extent of the crimes. H.R. 4068 as amended strengthens the ability to enforce the Archaeological Resources Protection Act, by lowering the felony threshold, by making attempted destruction of such resources criminal offenses, and by directing the Federal land managing agencies to establish programs to increase public awareness. Such programs will help the American public better understand the significance of archaeological resources and the need to protect them.

H.R. 4068 was also referred to the Judiciary Committee which was very helpful in examining the bill language and provided report language making clear that H.R. 4068 is not intended to override the provisions of the Criminal Code.

Mr. Speaker, I endorse this legislation and look forward to its enactment.

Mr. LAGOMARSINO. Mr. Speaker, this gentleman from California will be taking the place of the gentleman from Montana [Mr. MARLENEE] at this point.

The SPEAKER pro tempore. Without objection, the gentleman from California [Mr. LAGOMARSINO] is recognized to manage the bill.

There was no objection.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the amended version of H.R. 4068 before us today. These amendments to the Archaeological Resources Protection Act of 1979 are necessary to better ensure the original purposes of that act are achieved. Nine years after enactment of the Archaeological Resources Protection Act, destruction of irreplaceable archaeological resources on our Nation's public and Indian lands remains a nationwide concern. There has only been one felony conviction by jury under the law, and due to several problems with the existing law, prosecutions are usually pursued under other statutes. While the proposed amendments to the law can be expected to improve its effectiveness, it is widely recognized that minor modifications to the law alone will not stop this loss of our national archaeological heritage.

During the hearing and markup on this bill, concern was expressed by several Members regarding the age at which resources would become eligible for protection under this bill and the threshold dollar value at which a felony prosecution would be pursued. The amended version we are considering today retains the current 100-year age limitation for defining resources covered under this act and incorporates the recommendation of Mr. DOMENICI from the other body to establish $500 as the threshold value for determination of a felony. The resolutions adopted for both of these provisions will best achieve the original purposes of the law.

I am especially pleased to point out the amendment to section 10 of the existing law which requires each Federal land manager to establish a program to increase public awareness of the significance of the archaeological resources on public lands. Only through raising the consciousness of the American public about our archaeological heritage through such programs as the "Take Pride in American Program" launched by Interior Secretary Hodel can we expect to be successful in protecting it.

Before closing, I want to commend the gentleman from Connecticut for his efforts in bringing a thoughtful proposal on this important issue before the subcommittee and the chairman, Mr. VENTO, for bringing forward a comprehensive proposal in a timely fashion.

I urge my colleagues to join me in support of the amended version of H.R. 4068.

Mr. GEJDENSON. Mr. Speaker, as the original sponsor of H.R. 4068, which strengthens the Archaeological Resources Protection Act of 1979 [ARPA], I am pleased to see this legislation brought up for consideration today. I would especially like to thank Representative BRUCE VENTO, chairman of the Subcommittee on National Parks and Public Lands, and Chairman UDALL for their willingness to move quickly on this vital legislation.

This bill, Mr. Speaker, is a product of an October 1987 field hearing in Cortez, CO, conducted by the Subcommittee on Oversight and Investigations, which I chair. Subsequent to the hearing, the subcommittee issued an investigative report detailing the extreme limitations of ARPA.

Archaeological resources on public lands, Mr. Speaker, belong to all Americans. These national treasures are being systematically and ruthlessly destroyed by professional looters.

The Interior Department and the Forest Service report that as much as 90 percent of the archaeological sites on Federal lands in the Southwest have been looted or vandalized. This high level of historical resource destruction cannot go unchecked.

The 8 years of experience since the passage of ARPA have demonstrated that there are weaknesses in the law that make it extremely difficult to prosecute looters. In fact, there has been only one ARPA felony conviction by jury since the law was passed.

Because of the weaknesses in ARPA, Federal prosecutors often resort to statutes other than ARPA to prosecute archaeological looters.

The compromise legislation before the House today makes four important changes to current law which will strengthen enforcement of ARPA and significantly reduce the level of looting of America's archaeological sites.

The first provision will change current law which requires that an artifact be worth $5,000 before the crime can be prosecuted as a felony. The bill will lower the threshold to $500 to bring in many more artifacts.

Second, it will make an attempt to excavate an archaeological site a prohibited activity under ARPA. This change will allow the prosecution of looters who are caught digging, but who haven't yet retrieved the object.

Third, it will strike the requirement under current law that an artifact must be of archaeological interest. This provision of current law only confuses juries and injects a subjective view of archaeological resources into the courtroom.

Fourth, it will require each Federal land manager to establish a program to increase public awareness of the significance of archaeological resources.

Mr. Speaker, this legislation will reverse the shocking increase in recent years in archaeological site looting. The U.S. attorneys in Arizona and Utah, who are partly responsible for prosecuting cases under ARPA, believe that the compromise bill will lead to a dramatic increase in prosecutions under the law.

I urge my colleagues to support this legislation before more of America's history is dug up and auctioned off forever.

☐ 1600

Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the

House suspend the rules and pass the bill, H.R. 4068, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PERISHABLE AGRICULTURAL COMMODITIES ACT OF 1930 AMENDMENTS

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4694) to amend the Perishable Agricultural Commodities Act to increase the statutory ceilings on license fees, as amended.

The Clerk read as follows:

H.R. 4694

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LICENSE FEES.

Section 3(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499c(b)), is amended by—

(1) in the third sentence, striking out "$300, plus $150" and inserting in lieu thereof "$400, plus $200"; and

(2) in the fourth sentence, striking out "$3,000" and inserting in lieu thereof "$4,000".

SEC. 2. ADVISORY COMMITTEE.

The Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499 et seq.) is amended by adding at the end thereof the following new section:

"ADVISORY COMMITTEE

"SEC. 20. (a) The Secretary of Agriculture shall establish the Perishable Agricultural Commodities Act Industry Advisory Committee to—

"(1) review the Perishable Agricultural Commodities Act program to ensure increased program efficiency and equitable treatment among the various segments of the fruit and vegetable industry;

"(2) enhance the mutual understanding and cooperation among all segments of the fruit and vegetable industry;

"(3) advise the Secretary on the Perishable Agricultural Commodities Act program; and

"(4) submit a report to the House Committee on Agriculture, the Senate Committee on Agriculture, Nutrition, and Forestry, and the Secretary, as provided in subsection (f).

"(b) The committee shall be comprised of not more than twenty members, and ten alternates, appointed by the Secretary, representing the balanced interests of the fruit and vegetable industry, including but not limited to growers, shippers, brokers, receivers, wholesalers, retailers, and processors. The Secretary shall appoint the members of the advisory committee not later than 180 days after the date of enactment of this section.

"(c) The advisory committee shall be governed by the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

"(d) The Secretary shall provide the advisory committee with necessary clerical assistance and personnel.

"(e) Members of the advisory committee shall serve without compensation, if not otherwise officers or employees of the United States. Members of the advisory committee shall, while away from their homes or regular places of business in the performance of services under this Act, be allowed travel expenses, including per diem in lieu of subsistence, as authorized under section 5703 of title 5 of the United States Code.

"(f)(1) The advisory committee shall review the Perishable Agricultural Commodities Act program, including but not limited to the administration, operations, and funding of such program.

"(2) On the basis of its review, the advisory committee shall make findings and develop recommendations for consideration by Congress and the Secretary of Agriculture with respect to the future operation of the Perishable Agricultural Commodities Act program.

"(3) The advisory committee shall submit, to the House Committee on Agriculture, the Senate Committee on Agriculture, Nutrition, and Forestry, and the Secretary of Agriculture, an interim report no later than September 30, 1989, and a final report no later than May 1, 1990, containing the results of its review and recommendations based on such results.

"(g) The advisory committee shall cease to exist on the date of its report to the House Committee on Agriculture, the Senate Committee on Agriculture, Nutrition, and Forestry, and the Secretary of Agriculture.".

The SPEAKER pro tempore. Is a second demanded?

Mr. EMERSON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes and the gentleman from Missouri [Mr. EMERSON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in strong support of H.R. 4694, a bill to amend the Perishable Agricultural Commodities Act to increase the statutory license fee ceilings.

The Perishable Agricultural Commodities Act [PACA] was enacted into law in 1930 to promote fair trading in fruits and vegetables and currently covers fresh and frozen fruits and vegetables worth approximately $14 billion at the farm gate and $70 billion at the retail level. The cost of administering PACA is borne solely by the industry through the assessment of annual license fees which are increased as need arises. The current fee ceilings were enacted as part of the 1981 farm bill.

H.R. 4694 differs in two aspects from the legislation sent to the Congress by the administration. First, it provides increases in the fee ceilings at a lower level and for an expected shorter period of time; and secondly, it establishes a PACA Industry Advisory Committee to report to Congress on the administration, operations, and funding of the Perishable Agricultural Commodities Act Program.

The bill before the House today provides an increase in the license fee ceiling from $300 to $400, an increase for each branch operation in excess of nine from $150 to $200, and a total aggregate fee ceiling increase from $3,000 to $4,000. These fees should be adequate to cover costs for administration of the program through fiscal year 1991.

The PACA Industry Advisory Committee which this legislation establishes is to represent all segments of the fruit and vegetable industry with balanced membership that will include growers, shippers, brokers, receivers, wholesalers, retailers, and processors. The committee is to report to the Congress on an interim basis no later than September 30, 1989, with a final report due no late than May 1, 1990.

PACA provides numerous benefits and protections to the fruit and vegetable industry, and the Committee on Agriculture is proud of its success story. The committee looks forward to the Industry Advisory Committee report and will carefully review its recommendations for any needed improvements in the program.

Mr. Speaker, this legislation is needed to ensure that the PACA Program continues to operate in an efficient manner. It has the support of the administration and the domestic fruit and vegetable industry, and I urge my colleagues to give it their vote of approval.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. PANETTA], the distinguished chairman of the subcommittee.

Mr. PANETTA. Mr. Speaker, I urge my colleagues to approve H.R. 4694, a bill to amend the Perishable Agricultural Commodities Act to increase statutory ceilings on license fees. This legislation, as amended, was unanimously approved by the Committee on Agriculture on July 12, 1988.

The Perishable Agricultural Commodities Act Program, commonly referred to as PACA, has fostered fair trading practices in the marketing of perishable agricultural commodities in interstate and foreign commerce for nearly 60 years, and has aided the enforcement of contracts for marketing perishable commodities. PACA is a fair trading law, designed to prevent unethical and unscrupulous practices in the marketing of perishable agricultural commodities within this country. It requires licensing to ensure that there is good-faith trading and bargaining in perishable commodities at all levels within the food chain. The program is financed out of a special fund in the U.S. Treasury, designated as the Perishable Agricultural Commodities Act fund, to which some 15,600 licensees—such as commission merchants, dealers, brokers, and others—pay annual license fees.

Current fee ceilings of $300 per year, plus $150 for each branch operation in excess of nine, not to exceed $3,000 in the aggregate, were enacted as part of the Food Security Act of 1981. Since enactment of the fee ceilings in 1981, the Department implemented fee increases through the rulemaking process in 1982, 1986, and 1987. It was not until the September 1987 increase to $300 that the Department reached its statutory limit under the law.

As the Department pointed out in its testimony before the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, on July 7, 1988, the need for the increases in 1986, and again in 1987, was due largely to the heavy workload it has incurred since enactment of the 1984 trust amendments to the act which authorized a statutory trust provision to assure payment to a seller of fresh fruits and vegetables in the event of a buyer's delinquency or financial insolvency.

In its report and testimony to the committee on H.R. 4694, the Department projected that, due to the increased workload it has incurred, it was felt that the program would be operating at a deficit level before the end of fiscal year 1989, and that a fee increase would be needed sometime next year if the current level of services is to be maintained.

The PACA Program has served the perishable agricultural industry well, and should be continued with adequate funding. Fees are part of the PACA system, and the fees themselves pay for the implementation and enforcement of the act. It is a self-financed program, paid for by those who receive protection under the PACA law.

The legislation before us today would raise the ceiling on annual license fees to $400 from the present level of $300. It would also raise the ceiling on additional fees for businesses with more than nine branches from $150 to $200 per additional branch. The ceiling on aggregate annual fees paid by a business would rise from $3,000 to $4,000. These increases are about half the amount originally requested by the Department. The difference represents a compromise forged with PACA industry organizations and is supported by these organizations, as well as the Department of Agriculture.

The bill also requires the Secretary to establish a PACA Industry Advisory Committee to review the administration, operations, and funding of the PACA Program. The committee would be required to submit an interim report to Congress no later than September 30, 1989, and a final report no later than May 1, 1990. This would give us ample opportunity to review the program and make any necessary changes within the context of the 1990 farm bill.

This legislation is also budget neutral. The Congressional Budget Office determined that the legislation would have no budget impact since it is a user-fee funded program.

This is a good compromise. It gives us the opportunity to proceed with the necessary fee ceiling increase so that we can protect the integrity of the PACA Program, while at the same time providing for an orderly approach to look at the concerns raised during the July 7 hearing. For these reasons, and to ensure the continued success of the PACA Program, I urge my colleagues to approve this legislation.

Mr. EMERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before the House, H.R. 4694, proposes to amend the Perishable Agricultural Commodities Act to increase the statutory ceiling on license fees. This increase was requested by the Department of Agriculture. The USDA's basis for requesting an increase in the ceiling on license fees is based on increases in the numbers of filings under the trust provisions of the act—adopted by the Committee on Agriculture in 1984—and increases in the filings of reparation actions, trade inquiries, complaints, and audits. The USDA originally requested increases in the ceiling on annual license fees from $300 to $500; from $150 to $300 for each branch operation over nine; and, from $3,000 to $5,000 as the total aggregate fee ceiling.

Earlier this month, the subcommittee held a hearing on the proposed increase of the ceiling on license fees. We heard from a wide array of witnesses—representing USDA, food brokers, fresh fruit and vegetable associations, food retailers, wholesalers—all persons covered by PACA—and all of whom support continuation of PACA. Of course, there were various opinions concerning changes suggested to be made to PACA.

I view PACA as a program that sets forth the rules of fair trade in order that persons buying and selling fresh and frozen fruits and vegetables can trade with confidence. It operates like an insurance program. Participants pay a fee—a license fee—and provisions of PACA protect them.

Based on the testimony we received in our subcommittee hearing, the committee adopted a substitute proposed by the subcommittee chairman and myself.

The substitute accomplishes two goals: it provides for the continuation of PACA and it establishes an advisory committee to provide an indepth review of PACA and its impact on the marketing of fruits and vegetables.

Specifically, the substitute provides for:

An increase in the license fee ceiling from $300 to $400; from $150 to $200 for each branch operation over nine; and from $3,000 to $4,000 as the total aggregate fee ceiling; and

Establishment of a PACA advisory committee to provide a review of PACA and the license fee structure. The advisory committee will report its recommendations to the committee no later than May 1990, with an interim report by September 1989.

This substitute is supported by those parties involved in PACA. It is also supported by the USDA. H.R. 4694 will allow USDA to recover the costs of administering PACA, which are estimated to be $5.3 million.

It is important to recognize that all parties along the marketing chain of fresh and frozen fruits and vegetables benefit from PACA and contribute to the stability of the marketplace. The value of the PACA is achieved by adopting customs and practices special to the fruit and vegetable industry into standard contract definitions. Buyers and sellers negotiate sales agreements of their choice—PACA establishes the code of fair play.

The protection provided by PACA to all participants in the fruit and vegetable industry includes the coverage of unfair trade practices. Such practices include:

Rejection without reasonable cause of produce bought or contracted to be handled on consignment;

Failure to pay promptly the agreed price of produce which compiles with contract terms;

Discarding, dumping, or destroying any produce received by commission merchants on consignments, without reasonable cause;

Failure or refusal to account truly and correctly and to make full payment promptly for produce shipped on consignment or on joint account;

Misbranding—misrepresentations of grade, quality, quantity, weight, or State of origin of fruits and vegetables.

I urge Members to support the substitute to H.R. 4694 so that we may continue the protection afforded all parties within the fruit and vegetable industry and provide a means for a thorough review of all elements of PACA.

Mr. Speaker, I urge support for H.R. 4694.

Mr. Speaker, I yield back the balance of my time.

Mr. MADIGAN. Mr. Speaker, Today we are considering a bill to amend and improve the Perishable Agricultural Commodities Act. The Perishable Agricultural Commodities Act [PACA] establishes a code of fair trading practices for the marketing of fruit and vegetables. It provides protection for growers, shippers, and distributors by prohibiting unfair and fraudulent practices such as misbranding, mislabeling, and failure to pay. PACA is administered through a licensing system.

H.R. 4694, as amended, increases the license fees from $300 to $400; from $150 to $200 for each branch operation over nine; and, from $3,000 to $4,000 as the total aggregate fee. An advisory committee is established and will comprise all parties involved in the marketing of fruit and vegetables. The purpose of the advisory committee is to provide an indepth review of PACA and its impact on the marketing of fruit and vegetables in the United States. The advisory committee will report to the Committee on Agriculture in the House of Representatives and in the Senate by May 1990 with an interim report due by September 1989.

H.R. 4694, as amended by the committee, represents a compromise worked out among all interested parties involved in marketing of fruit and vegetables. These include representatives of fruit and vegetable associations, brokers, wholesalers, and retailers.

H.R. 4694, as amended, will allow the USDA to recover the costs of administering PACA which are estimated to be $5.3 million. The USDA estimates the ceiling fee increase will provide sufficient funding through fiscal year 1991. According to the Congressional Budget Office, there is no net budget impact due to enactment of H.R. 4694.

The USDA supports enactment of H.R. 4694, as amended. I urge all Members to support this bill.

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do this to add my accommodations and appreciation in behalf of the committee to the chairman of the subcommittee, to the ranking member, to the staff for their diligence and their hard work in arriving at this fair and equitable compromise, and a special appreciation to the ranking member who has devoted so much time in this effort and has worked on his side of the aisle in a way compatible with good order and the assistance that he always renders to rural America and to our producers.

Mr. Speaker, I yield back the balance of my time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 4694, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4694, the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 5 of rule I, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 4741, by the yeas and nays; and S. 328, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

VETERANS' COMPENSATION AMENDMENTS OF 1988

The **SPEAKER** pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4741, as amended.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 4741, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 395, nays 0, not voting 36, as follows:

[Roll No. 237]

YEAS—395

Ackerman
Akaka
Andrews
Annunzio
Anthony
Applegate
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Buechner
Bunning
Burton
Bustamante
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—0

NOT VOTING—36

Alexander
Anderson
Archer
Ballenger
Biaggi
Boulter
Boxer
Bryant
Byron
Dannemeyer
Daub
Davis (IL)
Donnelly
Fawell
Gray (IL)
Gregg
Hefley
Hutto
Kemp
Konnyu
Lipinski
Mack
MacKay
Mica
Myers
Oakar
Parris
Pepper
Ritter
Roukema
Rowland (CT)
Schneider
Slattery
Spence
Stark
Taylor

□ 1630

So (two-thirds having voted in favor thereof), the rules were suspended and the bill as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. HUTTO. Mr. Speaker, I was unavoidably absent during the vote on final passage of the veterans' compensation amendments bill, rollcall No. 237. Had I been present, I would have voted "yea."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

PROMPT PAYMENT ACT AMENDMENTS OF 1987

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the Senate bill, S. 328, as amended.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the Senate bill, S. 328, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 394, nays 0, answered "present" 1, not voting 36, as follows:

[Roll No. 238]

YEAS—394

Ackerman
Akaka
Andrews
Annunzio
Anthony
Applegate
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Buechner
Bunning
Burton
Bustamante
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—36

Alexander
Anderson
Archer
Ballenger
Biaggi
Boulter
Boxer
Bryant
Byron
Dannemeyer
Daub
Davis (IL)
Donnelly
Fawell
Gray (IL)
Gregg
Hefley
Hutto
Kemp
Konnyu
Lipinski
Mack
MacKay
Mica
Myers
Oakar
Pepper
Ritter
Roukema
Rowland (CT)
Schneider
Slattery
Spence
Stark
Taylor
Whitten

□ 1639

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. HUTTO. Mr. Speaker, I was unavoidably absent during the vote on final passage of the Prompt Payment Act amendments bill, rollcall No. 238. Had I been present, I would have voted "yea."

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORT ON H.R. 5015

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture have until midnight tonight, Tuesday, July 26, 1988, to file a report on the bill, H.R. 5015.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT DURING THE 5-MINUTE RULE ON WEDNESDAY, JULY 27, 1988

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be permitted to sit during proceedings of the House under the 5-minute rule on Wednesday, July 27, 1988, to mark up the Depository Institutions Act of 1988.

The gentleman from Ohio [Mr. WYLIE], the ranking minority member, concurs in this request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 90, WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

Mr. WILLIAMS. Mr. Speaker, I call up the conference report on the joint resolution (H.J. Res. 90) to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of July 11, 1988, at page H5397.)

The SPEAKER pro tempore. The gentleman from Montana [Mr. WILLIAMS] will be recognized for 30 minutes and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we consider the conference report on House Joint Resolution 90, the White House Conference on Libraries and Information Services.

The House considered this legislation under suspension on June 8, 1987, and approved it by a voice vote. The House-passed bill related solely to White House Conference activities. When the legislation reached the Senate, that body added a number of items to the bill that went beyond the scope and activities of the White House Conference. Over the past several months we have been trying to resolve the differences between the two bills in a manner that would preserve the original intent of this legislation. I believe this conference report does that.

The conference report on House Joint Resolution 90 represents only White House Conference items. All of the unrelated items have been dropped in conference. As the conference report now stands, the President is authorized to call and conduct a White House Conference on Libraries no earlier than September 1, 1989, and no later than September 30, 1991. The purpose of this White House Conference is to consider ways of improving library and information services in this country, and to consider ways that such services can be more widely used by the general public.

I do not think it would be an overstatement to say that this White House Conference will set the agenda for our Nation's libraries over the last decade of this century. This will be our Nation's second White House Library Conference. The first conference was held in 1979. It brought together over 900 delegates, and it had a significant impact on our Nation's library activities. As a direct result of that first White House Conference interlibrary cooperation program funding was increased at the Federal level. An Office of Libraries and Learning Technologies was established in the Department of Education. And Friends of Libraries, USA, was established. This group, now an affiliate of the American Library Association, is composed of more than 2,200 Friends groups across the country having more than 600,000 members, and they raised $28 million in support of libraries in 1985 alone. The 1979 conference was truly a success, and I believe the second conference will be equally as successful and equally as exciting.

Mr. Speaker, there were three significant White House Conference differences between the House and Senate bills. First, both the House and Senate versions allowed delegates to the national conference to participate in State conferences prior to the White House Conference. However, the Senate bill made it clear that a State was not required to conduct or participate in a State meeting. The House has receded to the Senate on this. Second, the House bill contained a such sums authorization. The Senate contained an authorization of $5,000,000. The conference report settles on a $6,000,000 authorization. Finally, the Senate added a restriction that only allowed for the use of title III of the Library Services and Construction Act funds to be used for White House Conference activities. The Senate receded on this with statement of managers language on how LSCA moneys should be used for White House Conference activities.

Mr. Speaker, the conference report on House Joint Resolution 90 is supported enthusiastically by the library community. The original House bill passed this body without opposition, and this conference report is consistent with the original House bill. I urge its adoption.

□ 1645

Mr. COLEMAN of Missouri. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to support, today, the joint resolution, House Joint Resolution 90, authorizing and requesting the President to call a White House Conference on Library and Information Services to develop recommendations for further improvement in these areas during a period of rapid transformation in information technologies. I am additionally pleased that the House and Senate have been able to agree on a joint resolution, free of costly and nongermane amendments.

Over 30 years ago in my home State of Missouri, when the American Library Association met in Kansas City, the idea of a White House Conference on Library and Information Services originated for the purpose of drawing national attention to one of our country's most precious resources.

Missouri's Governor's Conference and other similar meetings throughout the United States preceding the actual White House Conference brought together over 100,000 participants who prepared 3,000 resolutions nationwide. The 900 delegates who attended the White House Conference in November 1979 were composed of one-third librarians and two-thirds interested citizens.

Since the first White House Conference, we have seen an increase in demands for library services and information accompanied by changes in the technology available to provide them. Yet some things have not changed in the last 10 years. In a free society, the free and open access to information is a vital component of our democratic way of life. Such access sets our great Nation apart, and, as we conclude the celebration of the Bicentennial of the U.S. Constitution and prepare for the Bill of Rights, it is appropriate once again for us to look to ways to further support and improve our libraries and information services.

The next White House Conference on Libraries and Information Services will help States assess their progress in the last 10 years, as well as set the agenda for libraries and information services into the 21st century.

Please join me in supporting the joint resolution (H.J. Res. 90).

Mr. FORD of Michigan. Mr. Speaker, I rise in support of the House-Senate conference agreement on House Joint Resolution 90, a resolution authorizing and requesting the President of the United States to conduct a White House Conference on Library and Information Services, not earlier than 1989, and not later than 1991.

I introduced House Joint Resolution 90 on January 21, 1987. By the time the resolution was favorably reported by the Education and Labor Committee, and brought to the House floor on June 8 of last year, it had 179 cosponsors, 26 of whom were members of the authorizing committee, representing both political parties.

The first White House Conference on Library and Information Services was held in 1979. It was a resounding success, bringing together more than 900 delegates representing more than 100,000 people who participated in 58 preconferences held at the State, local, and territorial levels. I am confident that this second national forum will be as successful as the first.

Our action today to approve the conference report on House Joint Resolution 90, will speak for more than 75,000 public, school and university libraries, and information centers throughout the United States who support this effort. It will be a reaffirmation of our belief in and commitment to the effective development and management of our library resources in the name of continuing progress and growth for the Nation—in education, in science, industry, agriculture and commerce, and in improved foreign relations.

I would like to take this opportunity to thank my colleagues on the Education and Labor Committee for their combined support and assistance in moving this legislation toward enactment. Particularly, I extend my thanks to the chairman of the full committee, Mr. HAWKINS, and of the Subcommittee on Postsecondary Education, Mr. WILLIAMS, and both of our esteemed ranking minority members of the full committee and the subcommittee, Messrs. JEFFORDS and COLEMAN, respectively. Without their fine spirit of cooperation and compromise, this conference agreement would not have been possible.

I am confident that the second White House Conference on Library and Information Services will be just as enriching an experience and just as successful overall as the first White House Conference held in 1979. I look forward to being a part of the activities of the conference.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield back the balance of my time.

Mr. WILLIAMS of Montana. Mr. Speaker, I thank the gentleman from Missouri [Mr. COLEMAN] for his leadership as well as the Members on that side of the aisle for their cooperation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 90, which was the conference report just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

THE UNITED STATES-CANADA FREE TRADE AGREEMENT IMPLEMENTING ACT

(By unanimous consent, Mr. FOLEY was allowed to speak out of order for 5 mintues.)

Mr. FOLEY. Mr. Speaker, today as majority leader, I introduce legislation to implement the United States-Canada Free Trade Agreement. I am pleased that in introducing this legislation I am joined by the distinguished minority leader, the Honorable BOB MICHEL. By this action we underscore the bipartisan support for this sweeping trade agreement. The agreement which was negotiated with Canada over a period of 3 years provides for the gradual elimination of most trade barriers between our two countries. It brings into being the largest bilateral free trade relationship in the world.

President John F. Kennedy once remarked that geography has made the United States and Canada neighbors. History had made us friends. Necessity had made us allies. And economics had made us partners.

The most important issue facing our two countries is the historic economic agreement before us today—a historic agreement which would create a free trade area between the world's largest trading partners. It reflects various initiatives dating back to the mid-1850's. As important as other trading relationships have become, the fact remains that more than one in five export-related jobs in the United States depends on sales to Canada, and three out of four Canadian export jobs depends on sales to the United States—that is, in essence, a critical decision for both our countries.

The unprecedented relationship we have managed to forge in the 194 years since the signing of a "Treaty of Amity, Commerce and Navigation Between the United States and Great Britain" must be handled with care. A break between the two of us would be economically implausible, militarily impractical, and politically unthinkable—there is simply too much that the two of us, Canada and the United States, can do together; and in the same spirit, too much that we cannot do apart.

The legislation which we are introducing today at the request of the administration is the result of extensive and highly productive consultation between Congress and the executive branch. It fully implements our obligations under the agreement.

Because this legislation will be considered under special rules for the consideration of trade agreement legislation, it cannot be amended by either the House or the Senate. Therefore, it was extremely important that a multitude of implementing details be worked out in consultations between the administration and the various committees involved. I believe that process worked very well, and I want to pay tribute to all of the members and staffs of the committees involved for their skillful and timely handling of this vital bill. In particular, let me compliment Chairman DAN ROSTENKOWSKI of the Committee on Ways and Means and SAM GIBBONS, chairman of its Subcommittee on Trade, which handled the lion's share of the legislation. That committee unanimously approved the draft of the bill which is now being introduced.

Mr. Speaker, this landmark legislation demonstrates that the Congress is committed to carrying out its responsibilities in the trade policy arena. The Congress takes very seriously the need to expand trade through mutually beneficial and reciprocal trade agreements, but we also recognize the importance of ensuring that such agreements do not cause undue harm to vulnerable sectors of our economy. I believe that the provisions worked out during the consultative process contain such safeguards, yet do not detract from our commitments to Canada. The provisions which call for ongoing negotiations and consultation on areas of outstanding disagreement indicate that we will continue to monitor and build upon this agreement. In short, the Congress must continue to be a full participant in the implementation and future refinement of the free trade agreement.

Finally, let me compliment the administration for its hard work in bringing this agreement to fruition and for working cooperatively with Congress in a true consultative process. Of course, Secretary Baker and Ambassador Yeutter deserve high praise, but as is often the case, the hardest work is done by midlevel negotiators and trade experts who receive far less public praise than they deserve. In particular, I would like to commend Peter Murphy, Alan Holmer, Judy Bello, and Chip Roh of the U.S. Trade Representative's Office for their dedicated efforts.

Mr. Speaker, I hope the House will give this important legislation its quick approval so that we can begin in earnest the long overdue process of strengthening economic relations with our closest and best trading partner: Canada.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON H.R. 5026, DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1988

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on H.R. 5026, a bill making dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes.

Mr. CONTE reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON EMERGENCY SUPPLEMENTAL APPROPRIATIONS BILL, FISCAL YEAR 1988

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes.

Mr. CONTE reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MAKING IN ORDER ON WEDNESDAY, JULY 27, 1988, OR ANY DAY THEREAFTER, CONSIDERATION OF H.R. 5026, DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1988

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it may be in order on Wednesday, July 27, 1988, or any day thereafter to consider the bill (H.R. 5026) making dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes in the House, and that all points of order against the bill or against its consideration be waived, and against the committee reported amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. CONTE. Mr. Speaker, reserving the right to object, I just want my side of the aisle to know that I have discussed this with the minority leader, the gentleman from Illinois, Mr. Bob Michel, and he has agreed to take up this urgent, dire supplemental appropriation tomorrow.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. WALKER. Mr. Speaker, reserving the right to object, as I understand it, what we are doing is bringing up the dire emergency bill here.

Mr. CONTE. Mr. Speaker, if the gentleman will yield, that is correct. There are two bills, two supplementals. The gentleman from Mississippi is filing both bills, but tomorrow we will take up the dire emergency bill.

Mr. WALKER. I think I would have some concern about filing the big bill. I would indicate to the gentleman from Massachusetts I would not have a problem with dealing with the skinny bill tomorrow.

The one question though that we had, I have just come out of a meeting where we had a question about what would be the process whereby the bill coming up tomorrow could be amended. Could that be done with a motion to recommit if an amendment appeared to be something our leadership would be interested in doing?

Mr. CONTE. If the gentleman will yield, yes; I think the bill is open for amendments.

Mr. WHITTEN. Mr. Speaker, if the gentleman will yield, may I say to my colleague that would be the natural order or the regular order. But may I say what we have here are those places where the operations will close August 1, so we are advised. So these are the urgent, dire supplementals in this one.

The regular amounts that have been recommended to us by the White House will come up later and be dealt with in the regular way. But this is the place where we tried to get it up, if the gentleman will remember, before the recent convention, and we put it off until today. But many of these programs will close down August 1 unless we act expeditiously and get help from the Senate side. We realize if we put anything much in here we invite perhaps delay which would close a whole lot of activities down.

Mr. WALKER. Further reserving the right to object, I understand what the gentleman is doing. As I say, I agree with the gentleman from Massachusetts. I do not think we have a problem with bringing that up tomorrow in that form.

There are just two things though that concern me. First of all, I am concerned about going ahead and filing the major supplemental at this point. I think we may want to have some more discussions about that.

Second, I am also concerned about the amendment process. Am I assured that we would be able to have amendments to the skinny supplemental tomorrow, is that correct?

Mr. WHITTEN. May I say that the gentleman from Massachusetts [Mr. Conte] and I discussed this earlier, and we brought up the two bills before the committee today so that folks could see the difference, and we will delay the consideration of the other one so that we could go ahead and take care of this one in time to keep these programs operating.

Mr. CONTE. If the gentleman will yield further, as I understand it, the gentleman brings up a good question. Through a motion to recommit tomorrow we could do anything we want to the bill.

Mr. WALKER. OK, but we would not have amendments, because we would be considering it in the full House, and we would not be able to amend it?

Mr. CONTE. The gentleman is absolutely right.

Mr. WALKER. So the one route for amendment would be a motion to recommit?

Mr. CONTE. The gentleman is correct.

Mr. WALKER. And that is something the gentleman from Massachusetts would assure me at this point could be reserved for our leadership if our leadership desires to do so?

Mr. CONTE. By all means, by all means. That has always been the case.

Mr. WALKER. I do not see a problem with that one. I think there is some hesitancy at this point to go ahead and file the larger supplemental.

Is the motion in a form that it can be divided?

The SPEAKER pro tempore. The first two requests have been granted, I would tell the gentleman from Pennsylvania, for filing.

Mr. WALKER. For filing?

The SPEAKER pro tempore. The gentleman is correct.

Mr. WALKER. And I am reserving the right to object on the question of consideration tomorrow?

The SPEAKER pro tempore. The gentleman is correct.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

□ 1700

THE PRESIDENTIAL DIRECTIVES AND RECORDS ACCOUNTABILITY ACT

The SPEAKER pro tempore (Mr. Montgomery). Under a previous order of the House, the gentleman from Texas [Mr. Brooks] is recognized for 5 minutes.

Mr. BROOKS. Mr. Speaker, today I am introducing legislation which supplements existing law concerning the accountability of Presidential records. My legislation, entitled the "Presidential Directives and Records Accountability Act, would require the registration of Presidential National Security Directives with the Office of Federal Register and their disclosure to the Speaker of the House and the President pro tem of the Senate.

Presently Executive orders must be registered under the provisions of the Federal Register Act. Because the Federal Register Act does not mention directives, their registration, publication and disclosure to Congress currently can be avoided. Under my legislation, the registration of executive directives with the Office of Federal Register and their disclosure to the Speaker of the House and the President pro tem of the Senate would be mandatory. In addition, my bill addresses another dimension of accounting for Presidential records. As many of us will recall, Congress enacted the Presidential Records Act in 1978 (P.L. 95-591) which specified that all Presidential records created on or after January 20, 1981, are to remain in Federal custody and under the control of the Archivist of the United States when each President leaves office. More recently, the congressional investigation of the Iran-Contra affair has revealed that certain Presidential records were destroyed.

To strengthen accountability, my bill would require that officers and employees of the Executive Office of the President sign a notice of their obligations and requirements concerning the control, management, and preservation of Presidential records. Furthermore, the bill establishes an office of records management within the Executive Office of the President to secure compliance with statutory requirements governing Presidential records and to otherwise promote good records management practices. Finally, the Archivist is explicitly given final authority within the executive branch to determine what constitutes a Presidential record.

The Committee on Government Operations is very concerned that the President can initiate and direct national policy without the knowledge of Congress through a system of secret directives, like the current National Security Decision Directives [NSDD's].

In 1983, Congress learned of a Presidential directive requiring all present and future executive branch employees with authorized access to classified information to sign a nondisclosure agreement. Indeed, where so-called sensitive compartmented information was involved, these secrecy agreements were to be binding for the life of the signatory and required Government prepublication review of the signatory's writings. The directive also required agency employees to submit to polygraph examinations when leaks were being investigated.

For many individuals, including Members of Congress, this occasion marked their first acquaintance with NSDD's. This directive, NSDD No. 84, sparked considerable outrage. As a consequence, and after the administration refused to halt its implementation, Congress softened its impact through amendments to the Defense Department and State Department authorizations in the fall of 1983 and in the continuing resolution for the current fiscal year.

In 1986, another NSDD—NSDD No. 145—came to Congress' attention when its implementation by the President's National Security Advisor and key Iran-Contra scandal figure, Adm. John Poindexter, was discovered. This directive gave the highly secretive National Security Agency major responsibility for computer security requirements. Further, it gave NSA a degree of regulatory authority over private sector computer security.

Objections arose as to the breadth of NSDD No. 145, its execution by a secretive, quasimilitary agency, and its infringement on the legislative prerogatives of Congress. Subsequently, it was displaced by the Computer Security Act of 1987, Public Law 100-235. During hearings on this act before the subcommittee, a number of details about NSDD's were revealed. Chairman BEILENSON of the Subcommittee on Oversight and Evaluation, House Permanent Subcommittee on Intelligence, testified that copies of NSDD's were not received by that panel. He stated that this "administration and previous administrations have refused to provide such documents on the ground that they were Presidential documents. It's not clear to us at the Intelligence Committee whether these refusals were based on some concept of executive privilege."

What we also learned from these hearings was that the administration's NSDD's were only the latest iteration of a series of Presidential directives issued through the National Security Council since 1947. During the Truman and Eisenhower years, they took the form of position papers which sometimes reached policy conclusions and, if approved by the President with his signature, became operative policy. Over the years, they have assumed various names and have come to take on the character of law, committing the Nation and its resources to policy positions and actions.

NSDD's are particularly disturbing. They fix public policy for our Nation, and at the same time, they rob Congress of its wide-ranging policymaking authority established under the Constitution. Indeed, some NSDD's directly infringe upon the legislative powers of Congress and assume responsibility for matters specifically entrusted to the first branch. Furthermore, they are maintained in security classified status; they are not shared with Congress and, thus, constitute a body of secret law. To date, President Reagan has issued some 286 NSDD's, and the range of subjects covered by them is imaginatively diverse. Some of those identified by the press include authorizing the training of Contras, the invasion of Grenada, and a disinformation campaign against Libya.

Mr. Speaker, I commend this legislation to the attention of my colleagues and the American people. Accountability is a crucial aspect of our form of government. We must be vigilant to preserve and perfect accountability arrangements, and to assure that they operate fairly and effectively.

TRIBUTE TO POLISH PATRIOT AND POETESS, TEOFILA SAMOLINSKA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues in the House of Representatives, that this year marks the 75th anniversary of the death of Teofila Samolinska. This great Polish poetess, novelist, playwright, actress, and patriot, played an instrumental role in working for Polish immigrant causes in the United States, in promoting freedom for the people of Poland, and in developing women's rights in the United States.

Teofila Samolinska was born in the Russian zone of partitioned Poland in 1848. She left Poland with her family after the uprising of 1863 and went into foreign exile, arriving in Chicago at the end of the American Civil War.

In Chicago, Teofila Samolinska became an active member of the Gmina Polska, a patriotic club which was formed in 1866. As a talented writer and poetess, she wrote essays and fictional stories which focused upon the development of patriotic awareness among the Polish immigrant population in Chicago. Her works appeared regularly in several Polish newspapers, including Orzel Polski, Przyjaciel Ludu, Zgoda, and Dziennik Chicagoski. Her first dramatic work, entitled Emancipation of Women, which was dedicated to Gmina Polska, opened as a Polish stage production in Chicago on February 12, 1873.

Because of her numerous creative accomplishments as an author, in 1879, Teofila Samolinska was asked by the Poles in the United States to write an address in poetry to honor Joseph Ignace Kraszewski to commemorate the golden jubilee of his writings as a novelist. In 1880, she won the first prize in a contest held in Warsaw, Poland for her comedy, Trzy Flory, the Three Florians.

Throughout her life in America, Teofila Samolinska maintained a strong commitment to the creation of a patriotic organization to unify the growing Polish immigrant population around the United States. She wrote several letters to patriots in Poland requesting their help in urging the various existing Polish societies in the United States to form one unified group. The purpose of this group would be not only to work for immigrant causes in the United States, but also to instill patriotism in Polish immigrants and to work for the freedom of Poland. For her tireless efforts to achieve this objective, she is considered by many to be one of the spiritual founders of the Polish National Alliance, a fraternal organization founded in 1880 in Chicago. Today, the Polish National Alliance has an active membership of over 300,000 under the able leadership of my good friend and dedicated civic leader, Aloysius Mazewski, who has been president since 1967.

Decades ahead of her time, Teofila Samolinska believed that this patriotic movement should allow women to join, with rights equal to those men had. Although she was initially unsuccessful, in 1887, she founded the Polish Women's Central Society in Chicago, which formed the nucleus of what was later to become the women's division of the Polish National Alliance.

This year, under the direction of Dr. Edward C. Rozanski, archivist of the Illinois Division of the Polish American Congress, and chairman of the Samolinska Observance Committee, several events will be held to commemorate the 75th anniversary of the death of this Polish-American writer and patriot, who died on December 1, 1913. The Teofila Samolinska Observance Committee was begun by Nest No. 2 of the Polish Falcons of America with John Stanclik, president.

Later this year, a concelebrated Polish Mass will be held in honor of Teofila Samolinska, and there will be a dedication of a monument to her at St. Adalbert's Cemetery in Niles, IL. In addition, there will be an artistic program to honor her as an actress and poetess.

Mr. Speaker, I would like to take this opportunity to commend the Samolinska Observance Committee for initiating these activities to commemorate the 75th anniversary of the death of Teofila Samolinska. Her life's work remains as a source of strength and inspiration to Polish-Americans, and all freedom-loving people throughout the world, who cherish their precious heritage of liberty.

THE UNITED STATES RESPONSE TO JAPAN'S INFLUENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, In recent weeks I have been reading excerpts from a book "The Japanese Conspiracy" by Marvin Wolf about the targeting of American industry by the Japanese.

Although this is an immediate and ongoing problem—I want to bring to your attention a long-range threat that can shake the very foundation of our philosophy and beliefs.

That is the challenge to the independence of our educational process which in turn affects our political process.

I heard an old Chinese proverb recently which perfectly states what this challenge is to our future—when the Japanese are influencing our educational system by buying chairs at universities and buying and setting up foundations that provide them with universal access to U.S. research.

The proverb states, "Growing a tree is a ten year job. Educating a person is a 100 year task."

To me that means this is a long-term task for the United States, that whoever influences our educational facilities and the products of these institutions has the power to change our future and the direction this country will take.

The influence may be subtle, but it is powerful when it can gain access to our top minds in government and education.

The power of ideas, our innovation and creativity have been the well-known secret of America's success, not only as a world leader, but in building this country from colonial times. Our ideas are and have been the genius of the American system.

Our very foundation—the power of our ideas—to build a better world for our children is today under an unprecedented assault from a country that calls itself our friend. The basic assault on our ideas and ability to generate a better economical future is being conducted by Japan. It is affecting the levers of power that are so important in maintaining our system of government and how we do business.

The editorial in the July 11 issue of Business Week best describes what is happening and what our challenge is:

THE PROPER RESPONSE TO JAPAN'S INFLUENCE

Japan has a genius for nimbly mastering things foreign. It has certainly been quick in figuring out how to wield influence in the U.S. Americans should be neither surprised nor offended. For years, in hopes of righting our trade imbalance, we've asked the Japanese to invest more here and hire Americans. They have done so, building up major stakes in our economy and our communities. It's reasonable for them to protect their interests by using influence—through such time-honored American techniques as lobbying, philanthropy, and political contributions.

But the power elite and opinion leaders of the U.S. need to think very carefully about their roles in Japan's growing influence here. It is hard not to wonder about conflicts of interest when government officials one day are negotiating for the U.S against the Japanese and the next day turn up working for the other side. Such cases abound. Is it too much to ask that our politicians not become beholden to a foreign power? American academics indignantly deny that heavy reliance on Japanese funding colors their Japan-related work. But others, in condemning the funding, cite the academics' key role as interpreters of Japan.

Japan's clout here excites more attention than that of other foreigners, partly because of its success in recruiting such powerful allies. Japanese influence is more pervasive, more visible, and much larger than that of other countries, including Israel. More to the point, Japan is an economic adversary in a way that no other country is. Watching a foreign competitor manipulate our levers of powers so adroitly is discomfiting.

Money talks, and the Japanese have plenty. That doesn't mean Americans always have to listen. Being the most open society in the world, and the only one where a foreign country could gain such clout, requires the U.S. to be vigilant. The proper response is not to slam the door on Japan. Rather, it is to fix what is broken in our educational system, in the ethics of our public life, and in the ability of our institutions to function smoothly together. How far Japan's influence extends rests on the integrity of American leaders and this society's willingness to fund its own institutions.

That is such an eloquent statement of the problem that no interpretation of the editorial is needed only to say when that the power and free exchange of our ideas are threatened—then the very foundation of what makes America unique is threatened.

At a time we are celebrating our bicentennial and the adoption of our bill of rights and the States' ratification of our Constitution—we must be vigilant. We should be aware of how this can affect America.

In support of the Business Week editorial I want to read you the article on our educational system in the same July 11 issue.

ON THE CAMPUS: FAT ENDOWMENTS AND GROWING CLOUT

BY GRANTING MILLIONS TO U.S. UNIVERSITIES, JAPAN IS GAINING ACCESS TO AMERICA'S BEST MINDS

Are American universities getting hooked on Japan's money? Consider:

Japanese Prime Ministers Noboru Takeshita and Yasuhiro Nakasone have received honorary doctorates from Columbia University and Johns Hopkins University, respectively. In both cases, the universities then received substantial endowments from Japanese sources.

At Massachusetts Institute of Technology, Japanese corporate giants such as Mitsubishi Corp. and Mitsui & Co. have endowed 16 chairs at roughly $1.5 million apiece and spend some $4 million a year for access to research.

In exchange for a $12 million donation, Hitachi Chemical Co. for 40 years will use two-thirds of the space in a University of California at Irvine biotech laboratory that opens next year.

BUILDING BRIDGES

Japanese corporations, scattering multimillion dollar grants to universities across the country, have emerged as by far the largest foreign source of university research funding. Much of Japan's spending is intended to foster goodwill. But Japan's attraction to U.S. universities is not purely philanthropic. The money, including an estimated $30 million in research contracts, is a modest investment to gain access to America's top minds. "Some Japanese support for research is predatory," says Chalmers Johnson, professor of international relations at the University of California at San Diego. "It is to buy research they can't get otherwise."

By pouring money into think tanks and universities Japan may also be blunting research critical of its economic practices. "It's very hard to find experts who are not on the Japanese payroll one way or another," says Peter C. White, president of the Southern Center for International Studies in Atlanta.

Universities and think tanks bristle at suggestions that Japanese money might affect their research. "To suggest there is anything evil, wicked, or sly is total bull—," says George R. Packard, dean of the Johns Hopkins School of Advanced International Studies. "We are not for sale."

Others insist that the source of money for academic research is unimportant because strict university codes prevent undue influence. "Our job is to take money that is not so clean and make it clean," says Hugh T. Patrick, director of Columbia University's Center on Japanese Economy & Business, which enjoys a $2 million endowment from Japanese financial institutions. "Once they give the money, they don't have any control."

But Japanese money may have more power than universities realize. There has been an explosive growth in Japanese studies, with 24,000 U.S. students involved in 1986, up from 13,000 in 1983. As U.S. funding for the field declines and the cost of doing research in Japan rises, universities are turning to Japan. "Everybody is tripping over each other [in Japan] looking for money," says Patricia Steinhoff, director of the Center for Japanese Studies at the University of Hawaii.

SKEWED DIALOGUE

The result? Professor Johnson estimates that 80% of the money for research on Japan now comes from Japanese sources. "The truth is that without the money from Japan, there wouldn't be any research," he says. Johnson adds that many Japanese-funded scholars are "ready quickly and easily to express Japan's official point of view." Clyde V. Prestowitz, former trade negotiator at the Commerce Dept., says this has impact in the policy arena. "Very often the discussion [on trade] is skewed because the Japanese position is less questioned or examined," he says. Example: the acceptance by many academics that it is the low quality of U.S. products, rather than Japanese barriers, that accounts for their poor sales in Japan.

The growing Japanese clout in Asian studies concerns some scholars outside the field. Lester C. Thurow, dean of the Sloan School of Management at MIT argues it is O.K. for the Japanese to fund research in technical or financial fields. "But suppose Russian centers were funded by the Russian government," Thurow says. "We would be worried about it, right?"

Japanese companies say they simply want to help Americans study more about Japan, and they point out that in many cases they were invited in after U.S. companies begged off. "There is an enormous amount of misunderstanding about Japan," says Toshio Mori, chairman of Nikko Securities Co.'s U.S. arm. Nikko is one of several companies that have set up programs to send 20 or more students from elite colleges to Japan on one-month trips.

A larger portion of Japan's university funding, however, goes to scientific research for more concrete returns. NEC Corp. Chairman Koji Kobayashi credits access to MIT research for much of NEC's success in computers. NEC has endowed two chairs at MIT, and it is one of more than 50 Japanese companies that pay up to $100,000 a year for membership in programs at schools such as MIT and Stanford University that offer pre-published papers and ready access to university laboratories.

EXCITEMENT

Larger donations, usually more than $500,000, win Japanese companies the right to send researchers to key university labs. Such researchers are assigned to MIT's Media Laboratory, which looks at exotic new applications for video, digital audio, and personal computers. "You couldn't pick a project that they haven't been excited about," says Timothy P. Brown, the Japanese-speaking director of sponsor relations at the Media Lab.

Japanese companies are beginning to play similar roles at universities across the country. In addition to the Irvine biotech lab, another Hitachi affiliate, Hitachi America Ltd., has established a $1.2 million chair at Stanford and hopes to win the university's help in establishing a research program in the U.S. At the University of California at Berkeley, Japanese companies donated $4 million last year, much of it to build a computer laboratory. The companies hope to improve their ties with Berkeley's leading computer researchers. And Kobe Steel Ltd., which is trying to diversify, gave a $666,000 grant to North Carolina State University to establish a chair in materials science and engineering.

Some critics believe Japan's extraordinary ability to tap U.S. university research means that the huge investment the U.S. government is making in such fields as materials technology is incidentally helping Japanese industry. "They pick up research ideas that have a commercial application," asserts Kenneth A. Gabriel, a scientist at the U.S. Army Materials Technology Laboratory. The MIT response? If Japanese do a better job than Americans at exploiting MIT research, "shame on us," says Kenneth A. Smith, MIT vice-president for research.

□ 1715

Mr. Speaker, I am now through with the article, and these are my own statements. Let me ask this question: Why is this important to the United States? People will say this is bashing Japan. I looked that up in that old reliable Webster's dictionary. To bash is to injure or damage by striking.

I ask—who is striking whom? I read where one Japanese company credits access to MIT research for much of its success in computers. Need I remind you we have lost the first round in the economic battle in electronics.

Since the future of the United States of America lies in an economic battle, not in military conflict—then we are being struck a blow before we understand what the conflict is.

The influencing of our educational system and our public dialog by buying foundations and establishing chairs to gain access to data and information at universities is certainly striking a devastating blow in this economic battle for our future.

We have no choice. We must maintain and enhance our American educational system for this country.

If it is good enough for other countries to want to invest in our schools and foundations because of our knowledge, then surely we are doing something right, regardless of what the critics say.

I implore you, we must not as Abraham's son Issac did, sell our future for a mess of pottage by selling our creativity and innovation.

THE CHILDREN'S INN AT NIH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALGREN] is recognized for 60 minutes.

Mr. WALGREN. Mr. Speaker, it is a great pleasure for me to join today with the gentlewoman from Maryland [Mrs. MORELLA] and other Members of the Congress in this special order marking the start of construction of the Children's Inn at NIH.

Ground will be broken in a ceremony this Friday at the clinical center of the National Institutes of Health at Bethesda for a very special facility, a residence facility to provide a place for children from across the country to stay, together with their parents, during research-related medical treatment.

Many people deserve a lot of credit for bringing this facility into being. Among them is the gentlewoman from Maryland [Mrs. MORELLA] who represents the Bethesda area, and I want to especially express my appreciation to her for the encouragement that she has given this project and for joining with me in taking out this special order today to mark this event.

Mr. Speaker, I yield to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am very pleased to join my colleague, the gentleman from Pennsylvania, in sponsoring this special order saluting the National Institutes of Health and the groundbreaking for the Children's Inn at NIH on July 29.

The gauge of a country's greatness is how it cares for its children. Many of us know, either from personal experiences or from those of our friends, the hardships that must be endured by a family whose child is being treated for cancer or related illnesses. A large part of that hardship involves having to stay at motels or hotels while one's child is being treated at an out-of-town facility. A great deal of emotional and financial strain would be alleviated for these families if their children could be treated as outpatients and they could stay together in comfortable home-like surroundings with other families in similar circumstances.

Thanks to the efforts of Dr. Philip Pizzo, Carmala Walgren, Merck & Co., and the National Institutes of Health, these outpatient accommodations will soon be available for young patients participating in research studies at the Warren G. Magnuson Clinical Center at NIH. Located on a 2-acre wooded site near the Clinical Center, the Children's Inn will serve as "home" to as many as 36 chronically ill children—primarily cancer patients—and their families during a child's outpatient treatment. Families will live with their children at no expense, and will enjoy with them the warm family atmosphere which children often miss in a hospital setting.

The Children's Inn is special for many reasons. Rather than having to pay costly hotel bills and endure separation from one's sick child, families will now have the opportunity to live in this home-like residence with their children. Since a number of families will stay at the Inn at one time, parents will be able to serve as support networks for each other in these very difficult times. While there will be a number of common areas, such as two large kitchens, a large family room, game rooms, a library, and more, families will still be able to enjoy the privacy of their own rooms in the company of their children.

The Children's Inn is the result of a joint effort by business, Government, and private citizens. Merck & Co., Inc., a leading pharmaceutical company, has donated $2.3 million for the construction of the Inn. The 2-acre wooded site has been donated by the National Institutes of Health, and Washington builder Alan Kay is supervising construction of the project pro bono. In addition to the contributions of these leading businesses, a private sector board, whose honorary cochairmen include Speaker Wright, his wife, Betty, and Congressmen Silvio Conte and Peter Rodino, will raise funds for the furnishing and operation of the Inn.

Mr. Speaker, this project would not have become a reality had it not been for the commitment of Dr. Philip Pizzo, Chief of the National Cancer Institute's pediatric branch, and Carmala Walgren, a Washington attorney and the wife of my distinguished colleague, Congressman Doug Walgren. Dr. Pizzo first identified the need for the Children's Inn, and Carmala Walgren enthusiastically joined his efforts to make the Children's Inn a reality.

Carmala's contribution to children at NIH is not limited to her involvement with the Children's Inn, however. As a result of her efforts, free long-distance telephone service was reinstated for children at the National Cancer Institute pediatric branch. Her advocacy of the Clinical Center stems from a visit she made to her children's teenage babysitter, who suffered from cancer. When the Department of Health and Human Services inspector general decided to curtail the free phone calls, Carmala organized an effort to oppose the action and was successful in reinstating the free phone service to pediatric patients and their families.

As a result of Carmala's success in this endeavor, Dr. Pizzo solicited her assistance in locating a place to house the families of children being treated for cancer at NIH. After overcoming many obstacles, Carmala was able to enlist the financial support of Merck & Co., through the assistance of Keith Krueger at the Friends of the National Library of Medicine. Dr. Roy Vagelos, chairman of Merck, is a former NIH researcher, and is very committed to NIH and its patients.

The Children's Inn is truly an inspiration, and should serve as an example of what can be accomplished when Government, business, and the private sector join together to serve the community. Carmala Walgren, Dr. Pizzo, and the countless others such as Dr. James Wyngaarden, NIH director, who have made the Children's Inn a reality truly deserve our thanks, and I commend them all. I urge my colleagues to join us at the groundbreaking ceremony on July 29, at 11 a.m. I will welcome you to Maryland's Eighth Congressional District—and to what will be a special home for special children and their families.

□ 1730

Mr. WALGREN. Mr. Speaker, I want to express my appreciation to the gentlewoman from Maryland [Mrs. Morella], my friend, and thank her for the encouragement and the good will that she has extended to this project. It has made a great difference.

The children that come to NIH really do face the most difficult medical problems and conditions that we have not yet found successful treatments for, and they come to participate in research that is designed to find answers, not just for their own condition, but for all of us. Presently we provide these families a $50 per day allowance for a parent accompanying a child far away from home. Parents sometimes sleep on cots in their child's room at the clinical center, and, when both child and parent can get out for a change of routine, they must stay in nearby motels and hotels, something that simply does not work well for many children involved in chemotherapy or children with other special needs. Sick children in a strange place, away from home, with a mother or father having real difficulty in coping, housed in a commercial hotel, isolated; that is the way it has been. But now the Children's Inn has come along.

The Children's Inn has been the dream of Dr. Philip Pizzo, the chief of the National Cancer Institute's pediatric branch, together with parents of children under his care, and with his wife, Peggy Pizzo, Dr. Pizzo interested others in the project ultimately leading to the formation of the Friends of the Children's Inn at NIH, a private, charitable organization on whose board of directors, among others, serves Debbie Dingell, the wife of Congressman John Dingell; Katie Lowery, the wife of Congressman Bill Lowery; Chris Downey, the wife of Congressman Tom Downey; and my wife, Carmela Walgren. The advisory board of the Friends of the Children's Inn includes, as honorary cochairmen, the Speaker of the House of Representatives, Jim Wright, and his wife, Betty, along with Congressman Silvo Conte and Congressman Peter Rodino. In completing the advisory board are a number of leaders in the Congress and their wives whose encouragement has been a major factor in bringing the Children's Inn at NIH into reality.

Mr. Speaker, it takes a lot to make a house a home, and, given the cost of real estate in the Washington area, Dr. Pizzo's dream was a big dream, to say the least.

But two giant steps have brought us now to breaking ground and completing construction. First, NIH set aside 2 acres of wooded land on their campus in Bethesda, if private funds could be raised, to construct the facility. Without that setaside of land by Dr. Wyngaarden and others it is hard to conceive of this project being within any reach.

Then the greatest step forward was provided by Merck & Co., a major American pharmaceutical company, with their contribution of $2.3 million for construction of the facility. With that contribution the Children's Inn at NIH become a reality putting together both the land and the funds required to complete construction of a building that will house up to 36 families and their children on NIH grounds during their treatment.

Mr. Speaker, many think such an important contribution must have been in the stars, and maybe it was. Merck & Co., has been widely recognized for its development of critical new medicines including drug therapy to prevent river blindness, a parasitic infection that is devastating to human beings in tropical areas that now, thanks to Merck's research, is essentially able to be eliminated from the face of the Earth.

When the management of Merck heard of the Children's Inn at NIH, there was an instinctive appreciation of the need for this kind of facility. Merck's chairman and chief executive officer, Dr. Roy Vagelos, began his career as a researcher at NIH. He had, in the earlier years, been part of the important research done at NIH and had direct contact with the kind of need that this facility will fill.

As Dr. Vagelos said in a press conference with the Speaker of the House of Representatives last April in announcing Merck's contribution, "In establishing this Children's Inn on the Bethesda campus, the NIH is taking an initiative that is very important in both therapeutic and human terms."

Merck is proud to be a part of the Children's Inn project. Children with serious diseases, diseases that bring emotional havoc to families, come to the Warren Magnuson Center at the National Institutes of Health for the best medical care available anywhere in the world. These special children and their parents need a special place to stay while they are being treated. The Children's Inn will be that place.

"The treatment these young patients receive," Dr. Vagelos went on, "is experimental simply because adequate therapies have not been perfected for cancers and other diseases they suffer from. Those experimental therapies are often the last hope for these children. They are the fruits of years, often tens of years, of basic and developmental biomedical research.

That research is carried out by universities, government, through the NIH and research intensive pharmaceutical industries. All are partners in the quest for better medical care, and each partner is indispensable."

As Dr. Vagelos said, that research partnership which thrives day to day through the collaborative projects, publications and symposia is the main reason this country is able to provide the highest quality of medical care that any society has ever known, but the partnership must find even more productive ways of working together to more rapidly turn research discoveries into good therapies because the medical challenges we face today are even more pressing than ever.

He also went on to say,

> We must also find new ways to bring the greatest medical good to the greatest number of people. Let the Children's Inn stand as a model of what can be accomplished when individuals and organizations from the public and private sector work together for better health care.

Those words "health care," Dr. Vagelos went on to say, always reminded him of a statement attributed to a great physician, William Osler.

I quote: "The secret of caring for the patient is caring for the patient."

Clearly the NIH cares for the patient. It recognizes that caring means more than providing medicines on the frontiers of therapy; it also means seeking to provide a setting that helps such medicines exert their most beneficial effect.

That is what Dr. Vagelos said in announcing Merck's contribution to fund the construction of this Children's Inn at NIH, and now several hundred families each year will stay at the Children's Inn. It will be a flexible facility providing a medical and social bridge between intensive inpatient treatment of these children and the time those children can return to their homes across the United States. Many children who would have had to be admitted as inpatients in the clinical center will now be able to be treated as outpatients at the inn freeing up needed beds for the most intensive care in the inpatient facility and literally expanding the capacity at the NIH facility to do the most good.

□ 1745

And most important, the inn will be a place for normal family life in the midst of a child's crisis. As one father said who was staying in his child's room at the Clinical Center,

> It seems so simple, but it is so true, if we just had a place to walk to across the street, like the Children's Inn, we could be in a home atmosphere and I could sleep in a real bed and we could eat real food and cook in a real kitchen, and when a family is going through what we are, things like that mean so much and it is going to be so nice.

Mr. Speaker, I yield to the majority whip, the gentleman from California [Mr. COELHO].

Mr. COELHO. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding to me.

Mr. Speaker, imagine being the parent of a child so seriously ill that you have to travel hundreds or thousands of miles for that child's medical treatment. Imagine the added stress of trying to support the child through this crisis while you yourself are in a strange environment, often without the usual support systems of family, friends, and neighbors.

This is the experience of thousands of parents who each year take their chronically ill children to the National Institutes of Health for treatment. These parents come from all over the country seeking the top quality medical care that NIH provides.

The commitment that NIH has to serving the complex needs of these families is demonstrated not only in the outstanding health care that they provide, but also in the current construction of the Children's Inn.

The Children's Inn, which is slated for completion in 1989, will be used to house chronically ill children during the outpatient phases of their treatment; but more importantly, also along with their families.

The Children's Inn will help these families in a number of ways. It will help them financially, providing free lodging for families who are often beset by large medical bills; but more importantly, it will help them emotionally. Rather than living out of a hotel room, these families will be able to stay in a supportive atmosphere, interacting with other parents, children, and family members who are going through the same experience they are going through.

NIH and those who have contributed to this project—and I specifically refer here to the Merck Co., have done a tremendous job in recognizing this need, and deserve our recognition and applause for undertaking such a humane and compassionate project. For many families, the Children's Inn will help make an inevitably difficult and painful experience a little easier.

Mr. Speaker, we need to thank a lot of people for coming up with the idea of the Children's Inn. We need to thank the Merck Corp. for their willingness to support it. Obviously there are many good ideas but few who are willing to put up the finances to support a good idea. The Merck Corp. deserves a great deal of credit for this; but the person who came up with the idea, the person who had the fortitude to stick with it, to go after it, to make it happen, is one of our own, Carmala Walgren. I will never forget the first day that she had the idea of doing the Children's Inn. She came to me and she wanted to know if it was a good idea. She felt so strongly about this one child whose phone had been taken away and that one child who had cancer who could not make phone calls to that child's grandmother and friends and so forth because we decided that we in the government did not have the money for that child to make these calls.

Carmala felt so strong about it that we ended up now with all these children in these facilities being able to have free phone service to make these calls at these critical times when they are emotionally distraught and are looking for people who care for them.

Not only does it help the child who is emotionally distraught, but it is a way for these children to stay in touch with the ones who love them and that they love, their parents and their grandparents, and to be able to do it by a simple phone call.

Carmala Walgren made that happen, but Carmala did not stop there. She told me about the example of a young family who took their child to NIH for special treatment, also dealing with cancer, a young child of 3 years old who when the mother took the child to the hotel room, at 2 o'clock in the morning the child wanted a cracker. There was no place to get a cracker for the child. The mother felt awful that here was a child going through the special treatments that she was going through and they were in a hotel room in a strange city. She wanted to go out. She wanted to find a place to get a cracker, but she did not know where to go, did not know what to do, and more importantly, the child was not able to be moved, so she would have had to leave the child in the room by itself, the hotel room by itself, as she went out looking for some crackers, so she decided not to do it.

Carmala's idea was that we need a place where a family can go so that they can be in a home away from home, in effect an inn, and she came up with the idea and then she started to look for people who would pay for it, who would promote it, who would support it.

The Merck Corp., in their spirit of altruism and their spirit of willingness to really help particularly young people, agreed to go forth with the idea.

So as we pay tribute to the Children's Inn and what is being done here, I think it is important to remember the very special role played by a very special lady, Carmala Walgren. It tells all of us that if more of us would just take the time to care, if more of us would just take the time to follow through in some of the caring ways that we express, that each and every one of us can make a difference. Carmala Walgren has made a difference and we appreciate and love her for that.

Mr. WALGREN. Well, Mr. Speaker, I thank the gentleman very much for those kind words. The gentleman knows that I appreciate it and it is well received. On behalf of Carmala, I know she would like me to say, "Thank you."

Mr. Speaker, I yield to my friend, the gentleman from Maryland [Mr. Hoyer] who joined us in the press conference in April of this year and was so graceful that he will always be remembered.

Mr. HOYER. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding to me.

We are all pleased to join the gentleman, and Carmala Walgren, of course, for those who are listening and who must know that the gentleman from Pennsylvania is blessed with having Carmala as his wife, as she is blessed with having him as her husband. They are a couple that mean a lot to their neighbors, friends, and community and, indeed, mean a lot to all of us who serve with them. I say them, because Carmala is very much a part of us here in this body.

As our distinguished majority whip has pointed out, Carmala Walgren has made a difference. So many times we talk to groups about one person having the ability to make a difference, but somehow that sometimes does not really seem real, that it somehow is bigger than that.

The gentleman from California, Tony Coelho, our majority whip, has just outlined how the touching of one person, Carmala being touched by that child's dilemma and need while receiving medical services at NIH, germinated into the creation of a beautiful facility which in many ways will facilitate not only the medical care, but certainly the emotional care of both children and the parents.

The gentleman from Pennsylvania [Mr. Walgren] mentioned that press conference. Carmala Walgren spoke at that press conference and as she did, she was overwhelmed with the emotion that all of us felt, and tears came to her eyes. As she ended, she wanted to apologize for those tears and I told her that she ought not to. She ought not because her tears were simply a small example of the tears that were being shed by thousands of mothers and fathers throughout the United States, tears of joy and thankfulness at the effort that Carmala Walgren had demonstrated.

Carmala was not alone, but Carmala was that initial spark that impelled so many to become involved in this effort.

The Merck Corp. is to be commended this day because without them the inn would not be open. There would not only be no room in the inn, there would be no inn.

The Merck Corp. through communication with Carmala and the medical staff at NIH saw that this was a need that they wanted to react in filling.

We in the Congress of the United States who so often talk about governmental solutions agree with our President when he says that the most successful endeavors are really those which are accomplished in partnership between the public and the private sector. This is one of those perfect examples, NIH donating land, a private citizen, yes, the wife of a Member of Congress, but a private citizen, communicating a perceived need to many who could step in to assist her in meeting that need; Roy Vagelos, the chief operating officer of the Merck Corp. who as Congressman Walgren has said, spoke so eloquently at the press conference and who has acted so forcefully and effectively to see this project realized.

I would be remiss if I did not mention Alan Kay, developer, business leader in my own community in the Washington metropolitan area, an expert on construction who has stepped in, donated his time and his expertise and his talent to oversee the actual construction of the bricks and mortar of this, as our majority whip has said, a home away from home.

I also want to congratulate the staff at NIH. I had the great privilege of serving on the Appropriations Subcommittee which appropriates money for the operations of NIH.

My chairman, the revered and distinguished senior member from the State of Kentucky, Bill Natcher, likes to say that when he came to the Congress of the United States some 30-plus years ago, NIH was getting $70 million. They will get almost $7 billion this year.

My chairman says, rightfully so, if they were getting $10 billion, it would be appropriate because of the kind of medical work that they do, the expertise that they give, not only to this country, but to all the world.

America is indeed the leader in biomedical research and NIH is the focal point of that leadership.

But at bottom, we are dealing with individuals, with human beings, and we are trying to assist these people.

Robert Kennedy was fond of saying, "Some men see things as they are and say, why? I dream things that never were and ask, why not?"

It seems to me that in a very real way Carmala Walgren saw things as they were. She did not simply shrug her shoulders and say, "That doesn't make sense." She dreamed of something that should be and asked why it was not and then acted to make it so. Along with the medical staff at NIH, Dr. Phillip Pizzo, Dr. Roy Vagelos, Carmala Walgren became a hero in the effort to enhance the quality of life not only for those who will be personally served but really for all Americans.

□ 1800

Mr. Speaker, I am so pleased to congratulate the gentleman from Pennsylvania whose wife was such a critical component of the realization of this inn at NIH, the Children's Inn, and the proximity of parents which it ensures is probably one of the greatest services that we can give to children at a time of crisis.

Doug, for all of us who love Carmala and love and respect you, we believe that you as a team have accomplished a great mission. We have mentioned Carmala, but Carmala is the first to say that you have been right by her side, and I am sure she would say that behind every great woman there is a great man, and she would be correct.

I congratulate the gentleman for support and encouragement that he gave to Carmala so that she could see the success to fruition.

Mr. WALGREN. Mr. Speaker, I thank the gentleman from Maryland [Mr. Hoyer] so much for those kind words, particularly for Carmala. She did a wonderful thing here. There is lots of credit to go around. I hope that those who see these proceedings will realize and perhaps get a little glimpse of the community that we really have in the House of Representatives. They would respect it, I think, for the relationships between the people.

There are lots of others who were deeply involved in this, the range of congressional wives and other Members of Congress who have given very important encouragement to this project, and this project is very broad, indeed, and they all deserve some real credit for this now coming to fruition.

Mr. CONTE. Mr. Speaker, I am very pleased to rise today to celebrate the groundbreaking later this week of the new Children's Inn on the campus of the National Institutes of Health. As a cochairman and member of the board of directors of the Children's Inn, I am particularly proud to see this long-time dream become a reality.

Every year, 1,300 children come to NIH to participate in studies of new medicines and treatments.

In the past, there has been no place for these kids to stay at NIH unless they were checked in as patients in the Clinical Center. And there has been no place for their families to stay, unless they could afford to settle into a local hotel.

Once the Children's Inn is open, these kids—who already have so much to cope with—will no longer have to endure separation from their families as well. I think that is critical—to their health, and to their happiness.

The NIH already provides research and therapy of the highest quality—the inn will add one more important ingredient, compassion.

When the ground is officially broken for the inn at this Friday's ceremony, those of us in attendence—and I wouldn't miss this for the world—will meet a very special young woman. Her name is Brenda Small. She is 18 years old. Many years ago she was found to have cancer in her sinus and cheek. Several doctors told her there was no hope.

Then she went to the National Institutes of Health. She is now in full remission, she is preparing to attend college in the fall on a basketball scholarship and she is hoping to become a doctor. That is the kind of happiness that research makes possible, and that is what we are celebrating here today.

I want to acknowledge Merck & Co., which has donated $2.3 million for the cost of constructing the Children's Inn And I particu larly want to express my admiration, and appreciation, for the tireless efforts of Mrs. Carmala Walgren, the wife of my distinguished colleague from Pennsylvania. Her work on behalf of the inn is truly the force that made this dream possible.

I have some personal experience in trying to get things built at NIH. So I know just how much work is involved in taking a dream and bringing it alive, as we've just done with the Children's Inn.

There is another building that NIH desperately needs, and that is a building which will house many of the important research projects being performed by the National Institute of Child Health and Human Development.

In 1979, I thought I had that building taken care of. I put $32 million into the Labor-HEW appropriations bill for the construction of that child health building. With Senator KENNEDY'S help on the Senate side, we managed to get that amount enacted, and I thought we could celebrate.

But not so—early in 1980, the new Carter administration sent up to the Hill a package of rescissions, and one of the items they wanted to rescind was the funding for this building. I fought that proposal, and I got my committee to reject that rescission. But, once we got to the floor, Congressman GLICKMAN and others overturned our committee, and I have been fighting ever since to get things back on track.

It's been a long, long haul. And you can measure that time not only in years, but in another way—when I first put the money in to build the "child health" building, we were calling it "Building 33". Now, it's called "Building 49"!

Two years ago, I put just under $5 million in the appropriations bill to update the design of the building. Last year, I put in close to $10 million to complete the redesign and to prepare the site for construction.

NIH now has an updated design for the building, and the site is ready. They are even in the process of scheduling a groundbreaking ceremony—there's only one problem. The Labor-HHS appropriations bill that this House passed on July 15 included $15 million to begin construction on the child health building. But what's in the bill the Senate is considering right now? Nothing!

I can only hope that the Senate will take a long look at the Children's Inn, and will realize that these important improvements in compassionate, quality research are the most worthwhile investments we can make.

You know, each year, when my Appropriations Subcommittee spends weeks hearing from the Directors of the National Institutes of Health and mapping out the next year's research budget, our discussion can get amazingly detailed and technical.

We worry about everything, from how to determine which gene triggers a certain illness, to whether or not the powerlines will support the latest brain scanning machine. But, when I meet Brenda Small this Friday, when I see the faces of these kids and their parents, and when I turn a shovel on the site of the new Children's Inn, I won't have any trouble remembering what it is all about. I only wish you could all be there with me.

Mr. ROE. Mr. Speaker, the efforts of the groups and individuals, both private and public, that made the Children's Inn at the National Institutes of Health [NIH] a reality, rather than a dream, are to be congratulated for the significant contribution they have given to the Nation, biomedical research, and humanity.

The Children's Inn will be available to families whose children are participating in research related treatment of illnesses which are rare or difficult to diagnose or treat, because no proven treatment is currently available. In all probability the research treatment will not prove successful for the children in the experiment, but the results of the research will hopefully bring new techniques which will benefit the next generation and prevent these illnesses in yet future generations.

A comfortable environment where families can be together with their children, while they willingly participate as research patients so they might help others, is imperative. The Children's Inn will fulfill this need and give peace and comfort to these deserving patients and their families.

I wish to congratulate the National Institutes of Health and Director, Dr. James Wyngaarden for their cooperation with Merck & Co., to form a Government-industry partnership to make the Children's Inn possible. My special appreciation is extended to Carmala Walgren whose skills, abilities, and perseverance were the major force behind the achievement of a long-time goal to establish the Children's Inn at NIH.

Mr. McDADE. Mr. Speaker, as we approach the beginning of construction for the Children's Inn at NIH, scheduled for July 29, I wish to commend all of those who have joined together to make it possible. Frequently, we tend to think of health care as a completely scientific endeavor, and we forget that those who undergo treatment at facilities such as NIH, who participate in research, are real people with emotions and fears.

It must be frightening for a sick child from far away to come to a strange city and participate in a treatment program administered by unfamiliar doctors. The Children's Inn will provide a temporary home for these children and their families. As many as 36 families will be able to stay at the Children's Inn. The housing and the sense of community that they will share in should be a comfort to them all.

Projects like the Children's Inn do not come to fruition without hard work and generosity. I salute all of those who participated. In particular, I commend Merck & Co., Inc., for their generous donation to fund the construction of the inn. Also, I wish to praise NIH for donating two acres of land, and Alan Kay, a local builder, for his supervision of the inn's construction. Many others have contributed their time and effort toward this project and they all warrant our heart-felt appreciation.

I am honored to be associated with these efforts and I know the Children's Inn will be a valuable asset to the country and in particular to many families when they need help and support.

Mr. DINGELL. Mr. Speaker, I rise today to congratulate and thank my colleagues Congressman DOUG WALGREN and Congresswoman CONSTANCE MORELLA for their support of the Children's Inn at the National Institutes of Health. The hard work and foresight of Carmala Walgren, and the abundant financial support of Merck & Co., Inc., also are making a reality of the dream to help seriously ill children of America.

As the leading center of clinical help for children suffering from cancer, genetic disorders, heart disease, and other rare diseases, the Warren Grant Magnuson Clinical Center cares for patients from across the Nation. Sixty percent of the 8,000 patients treated annually travel great distances to seek treatment at this clinic in Bethesda, MD. With the generous donation of 2 acres of wooded land for the inn, the National Institutes of Health are working to make comfortable accommodations for children and families while they undergo treatment.

Serving as members to the honorary advisory board, my wife Deborah Dingell and I share a great interest in making this dream a reality. I congratulate and commend those who have dedicated their resources and have worked so hard on behalf of the Children's Inn. Because of their efforts, we can all look forward to a comfortable home for these children and their families to support and help each other through their treatments.

Mr. ANTHONY. Mr. Speaker, it is an honor today to participate in this special order on Children's Inn, a new residence facility that will house 36 families of children who are being treated in research programs at the National Institutes of Health.

I particularly want to salute Merck & Co., the New Jersey-based pharmaceutical company that donated $2.3 million for construction of the inn and the NIH for setting aside 2 acres of land near the clinical center, NIH's research hospital.

Currently, 1,300 children come to NIH for treatment and research. They suffer from cancer, aids, heart disease, asthma, neurological and other disorders. Some of their illnesses are difficult to diagnose. All are serious. If they are outpatients, they and their families must stay in motels and hotels, without kitchen and recreational facilities. If they are inpatients, one parent may stay in the child's room. With the establishment of the Children's Inn, the families will have comfortable, homelike surroundings and a more comfortable home-away-from-home. By participating in Federal health research, these families are giving of themselves to the Nation, to the advancement of science from which we will all benefit.

The combining of forces—private industry, Government, and private citizens—are making the Children's Inn possible. It will stand as a symbol of a compassionate Government. Again, I extend my heartfelt thanks to all of those who are making the Children's Inn a reality.

Mr. COUGHLIN. Mr. Speaker, I rise today to join my colleagues CONNIE MORELLA and DOUG WALGREN in saluting the National Institutes of Health and the commencement of construction of the Children's Inn at NIH in Bethesda, MD.

The Children's Inn at NIH is a most compelling example of needs being met through the combined effort of Government, private industry and citizens. The inn will provide a temporary home for as many as 36 families whose children are undergoing research related treatment for cancer and other diseases at NIH's Clinical Center.

The Center admits 8,000 patients annually—many of whom have traveled great distances for treatment of their illnesses. Typically, 25 percent of these chronically ill youngsters require a hospital stay of more than 2 weeks and 50 percent require repeated admissions. Many patients are further required to return for outpatient visits for as long as several years after their release. This is precisely why the goal of providing a temporary home away from home is such a significant one. Not only will the Children's Inn provide peace of mind and comfort to patients and their families, it will bring families together for mutual support in the face of serious illnesses for which we presently have no successful treatment.

I would like to recognize Merck & Co., Inc., which has so generously donated $2.3 million for construction costs as well as NIH which has committed 2 acres of wooded land on their grounds in Bethesda. Funds to furnish and operate the inn will be raised by a private sector board of which my wife, Susan, and I are proud to be honorary members.

Mr. Speaker, I believe we owe a tremendous debt of gratitude to everyone involved in making the Children's Inn at NIH a reality. I am honored to lend my support to this effort and appreciate the opportunity to join my colleagues in applauding this most commendable endeavor.

Mr. KOSTMAYER. Mr. Speaker, in just three short days, Mr. Speaker, a historic event will take place. On July 29, 1988, construction will begin on the Children's Inn at NIH.

The Children's Inn will serve as a temporary home for children and their families who, until now, have had to be separated or stay in local motels. These children will be treated for cancer and other diseases at NIH's Clinical Center. While these children are undergoing treatment, their families need a comfortable place to stay and to share their experiences, as well as to care for their children.

Mr. Speaker, the Children's Inn at NIH is an excellent example of the needs that can be met by the joint effort of Government's business and private citizens. Merck & Co., Inc., has committed $2.3 million for construction costs while NIH has donated 2 acres of wooded land. The Children's Inn will be supported almost entirely by donations from the general public. A portion of its support will be derived from foundation and corporate gifts.

I commend Merck & Co., Inc., for their gracious donation and am pleased that the Children's Inn will soon become a reality.

Mr. RINALDO. Mr. Speaker. I am pleased to join my colleagues today in saluting the National Institutes of Health and the Friends of the Children's Inn on the start of construction of the Children's Inn.

On Friday, July 29, ground will be broken for the Children's Inn which will provide housing for the families of seriously ill children who are receiving treatment at the National Institutes of Health's Clinical Center.

The Friends of the Children's Inn was organized just a year ago to raise funds to provide a place to stay for the families of children who suffer from illnesses for which no treatment exists other than at NIH. These children and their parents come from across the country, and are now forced to undergo the added expense of accommodations at local hotels. The Children's Inn will meet a real need by providing a comfortable place for the parents to stay while their children are receiving treatment. It will also provide them with an opportunity to share their experiences with families in facing similar medical problems. In many instances the inn will permit the children undergoing treatment to stay with their parents rather than being admitted to the Center as inpatients.

The Children's Inn is an outstanding example of what we can achieve when concerned private citizens get together with industry and Government, and I extend special thanks to Merck & Co. for its donation of the $2.3 million construction costs. Merck is headquartered in New Jersey, and I am very proud of its contribution to this most worthy cause.

Certainly without Merck's generosity the realization of this dream would not be so close at hand. This is not the end, however; more needs to be done. Funds will be necessary to furnish and staff the Children's Inn after construction. I commend the Friends of the Children's Inn for organizing this project, and I am pleased to serve as an honorary advisory board member. I am confident that the ongoing fundraising effort will be successful, and I stand ready to assist the other members of the organization to secure the funds needed to support and maintain this special home away from home for children and their parents.

Mr. MILLER of California. Mr. Speaker, it is my pleasure to join my colleagues DOUG WALGREN and CONNIE MORELLA in this special order celebrating the groundbreaking for the Children's Inn at the National Institutes of Health. Having served as a member of the Children's Inn Advisory Board, I am especially proud to share the news that construction for the inn will begin this week.

As a parent and as chairman of the Select Committee on Children, Youth and Families, I know of the heartache, the stress and the financial burden which the serious illness of a child may entail. But even more difficult is the plight of the families whose children are involved in research-related treatment at NIH, children for whom all past treatments have failed. Coming from communities across the country, these brave families know that experimental therapies may not be enough for their children but may save the lives of others.

After years of ad hoc housing arrangements, the Children's Inn will provide as many as 36 families with a place to stay, right on the NIH campus. It is anticipated that the average length of stay for a family will be 2 weeks, although some may stay for one evening and some as long as 6 months. In any case, the special atmosphere of the Children's Inn should provide peace of mind to parents as their children undergo therapy for cancer, heart ailments, genetic disorders and other rare, difficult to diagnose or difficult to treat illnesses.

The Children's Inn has become a reality with the help of a successful fundraising effort led by Speaker WRIGHT, and his wife Betty along with Congressmen PETER RODINO and SILVIO CONTE and the tireless work of Carmala Walgren. As evidence to the strong and successful partnership of the private and public sectors, Merck & Co., Inc., at the behest of its president, Dr. Roy Vagelos, a former NIH research scientist, has committed $2.3 million for construction costs. NIH itself has donated 2 wooded acres for the inn's site. It is anticipated that donations from the general public will almost entirely support the inn's operations in the future.

The groundbreaking will take place Friday morning at 11 a.m. on the grounds of NIH. As this exciting project comes to fruition, I commend those who have dedicated their time and energy to a very worthwhile endeavor.

Mr. LENT. Mr. Speaker, I welcome this opportunity to join with my colleagues in saluting the National Institute of Health and the start of construction of the Children's Inn at NIH in Bethesda, MD.

Through the dedicated efforts of government, business, and private citizens, the dream of a Children's Inn at NIH has become a reality and will provide many families a comfortable, cost-free home away from home while undergoing treatment at NIH.

Until recently, families with seriously ill children receiving treatment at NIH have been forced to separate or find accommodations at local motels around the area. This situation placed an undue burden on the parents and their ill children—some who traveled hundreds of miles across country for treatment. Now, thanks to the determination and cooperation of many leaders in both the private and public sectors, the Children's Inn will provide comfortable, home-like surroundings for patients and their families.

However, the Children's Inn is much more than just a place to stay. A major goal of the new residence is to bring families together for mutual support and caring. The design of the 32,000-square-foot home is aimed at promoting the positive interaction of families in a common environment and features a large family room with fireplace and communal kitchens.

This facility will give families greater access to the excellent health care services provided by the National Institutes of Health. The Children's Inn will also provide families peace of mind and comfort during a difficult time and will act as a safe harbor of compassion for many. I commend all those involved in the establishment of the Children's Inn and urge my colleagues to support this worthwhile project.

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise today to pay tribute to an exceptional establishment, the Children's Inn at the National Institute of Health. The Children's Inn will provide a warm, comfortable place for up to 36 families of children from across the country as they undergo difficult treatment for cancer, genetic problems, heart surgery, and rare diseases.

Over 60 percent of patients from the Warren Grant Magnuson Clinical Center in Bethesda, MD, are not from the Washington, DC metropolitan area. Two thousand patients a year stay in the hospital for a minimum of 2 weeks. With the medical, emotional, and community support of the Children's Inn, many clinical center inpatients can now be admitted as outpatients at the inn and stay with their families. The inn would enable the entire family to be together, which would give added strength to the patient and help speed recovery.

The National Institute of Health [NIH] has donated two acres of land near the Warren Grant Magnuson Clinical Center in Bethesda. Merck & Co., Inc. has generously contributed $2.3 million to start construction of the Children's Inn. With these impressive first steps, the Children's Inn is well on its way toward making chemotherapy and other difficult treatments less stressful.

It makes me proud that groundbreaking for the Inn is scheduled for July 29, 1988. I would like to congratulate everyone involved, especially Dr. Phillip Pizzo, Mrs. Carmala Walgren, and the NIH staff, for a job well done. I hope you continue to lengthen your list of successful accomplishments.

Mr. MURTHA. Mr. Speaker, I had a chance to talk recently with my colleague, Congressman DOUG WALGREN, about the work he and his family have put into creating the Children's Inn at the NIH. I certainly congratulate him on this effort. I think it is impressive, innovative, and a wonderful step forward.

The health care issue is going to be a key one in the decade ahead. While we have made excellent progress in health care, major gaps remain. One of those is in many areas of treatment for young Americans.

The coordination of the Children's Inn with the research at NIH will combine to move forward our medical knowledge, but also to help families cope with the illness of their children during a most difficult period.

In addition, the innovativeness of this project is important. Combining the donation of land with the construction costs being borne by private industry and funds being raised for furnishing and operation of the inn, we are taking creative approaches to practical problems. The Government must be a leader in our renewed attack on health care, but obviously the Federal Government cannot do it all. It will take this kind of approach to insure that we get the job done.

Again, I congratulate my colleague, DOUG WALGREN, and his wife, Carmala, who has been so involved in this project. It is a wonderful project. I am very glad to support it, and I look forward to working with the Walgrens and seeing the completion of the Children's Inn.

Mr. LEVIN of Michigan. Mr. Speaker, I am pleased to join with my colleagues, Congressman WALGREN, Congresswoman MORELLA, and others to thank all who made possible this week's groundbreaking for construction of the Children's Inn. This planned residence facility will offer a temporary home for young patients and families involved in research-related treatment at the National Institutes of Health Clinical Center.

All of us owe a debt of thanks to the many individuals in the private and public sector who actively supported this project—Speaker and Mrs. Jim Wright, Congressman PETER RODINO and SILVIO CONTE, and the leaders at Merck & Co., and at NIH who donated the funds and land, respectively, for construction of Children's Inn. In addition, Mr. Speaker, I want to recognize the crucial role that Mrs. Carmala Walgren played in making this dream a reality.

Carmala became actively interested and involved in NIH when their young baby sitter became seriously ill and required experimental treatment at the National Cancer Institute. In the course of her involvement with NIH, Carmala witnessed the problems faced by families struggling to remain with their sick child away from home. The high cost of hotels and temporary housing in the Washington area forces the separation of many families whose children are participating in NIH clinical trials. This should not be the case.

My own wife, Vicki, has informed me of NIMH research which demonstrates that children in stressful medical situations do much better when their parents are with them. NIMH research shows that these young patients recuperate faster, suffer less stress, and experience much more positive medical outcomes when their parents can be with them and help explain, on an ongoing basis, what is happening to them during their treatment.

Of the 8,000 patients admitted to the NIH Clinical Center each year, 60 percent live outside the Washington, DC metropolitan area and 25 percent require a hospital stay of more than 2 weeks. The Children's Inn will help bring peace of mind, comfort, and—we hope—a happy, healthy outcome for these patients and their families.

Mr. Speaker, as a member of both the Health Subcommittee and the Select Committee on Chidren Youth and Families, and as a father, myself, I want to express my deep appreciation and admiration for all who have contributed to this happy event.

Mr. DOWNEY of New York. Mr. Speaker, the National Institutes of Health are truly a gemstone in our Nation's health establishment and one of our most important Federal efforts. There is hardly a more worthy goal than trying to prolong life and eradicate disease.

I have been a strong supporter of NIH and am working to put health research at the top of the Nation's priorities and today I am pleased to join in support of the new Children's Inn at NIH, a new facility for which ground will be broken this Friday. The Children's Inn, located on a 2-acre tract at NIH, will provide lodging for up to 36 families whose children are involved in research at NIH. These children come to NIH from all over the country at the referral of physicians when they have serious illnesses—often cancer—which are being studied by NIH scientists.

I especially want to commend Merck & Co., the pharmaceutical company based in Rahway, NJ, who generously donated $2.3 million to construct the inn. Merck is an outstanding corporate citizen and by helping build this facility is providing much comfort to many families at their time of need. Currently, these families have to "make-do" at nearby hotels and motels at great inconvenience.

I also want to commend NIH for its willingness to donate land and for recognizing the need for young patients to have their families close by. Clearly, the closeness and availability of one's family during illness is therapeutic and critical to well-being.

The Inn is a prime example of how government, industry, and private citizens who have a concern and a vision can come together and make something happen and I am proud to be a part of it.

Mr. HUCKABY. Mr. Speaker, the century since the National Institutes of Health's beginning has been rich in research accomplishments. Much credit for these achievements is due to NIH's partnership with the academic world and the private sector.

There is not a better example of this strong partnership than the realization of the Children's Inn at NIH for which ground will be broken this Friday. This facility will provide housing for up to 36 families whose children are participating in medical treatment at the Warren Grant Magnuson Clinical Center. Merck & Co., a research-intensive health products company in Rahway, NJ, has donated $2.3 million for the construction of the Inn on the 2-acre wooded site provided by NIH.

The children who come to NIH for experimental research deserve the best, for it is through their trials that the path others travel will be smoother—or possibly not traveled at all. Research, by its very nature, finds success in any one instance uncertain. But with the help of these special children, overall progress is virtually guaranteed.

I consider it a privilege to be able to stand and deliver this statement on behalf of Children's Inn. Life is a very valuable commodity. The people at NIH and Merck, along with all the other individuals involved in this project, demonstrate that NIH—in the caring and loving way they help improve all our lives—is a national treasure that must be guarded well.

Thank you Merck, thank you NIH, thank you children. You are our hope and our future.

Mr. YATRON. Mr. Speaker, I am honored to pay special tribute today to those who had a dream of constructing a Children's Inn at the National Institutes of Health and who made that dream a reality. Groundbreaking for the new inn is scheduled for July 29, 1988.

The Children's Inn at NIH will provide free lodging for families of children who are suffering from serious illness and who must travel from all parts of the country to participate in NIH treatment programs. Currently, families must find lodging in motels around the area. Some children require outpatient care for long periods of time. Some are hospitalized at NIH. The inn will provide housing on NIH grounds for families of pediatric patients and will allow children undergoing chemotherapy and other treatment to continue treatment as outpatients. Most importantly, the inn will offer children comfort and familial support throughout a frightening and traumatic experience.

The Children's Inn at NIH will serve as tribute to the hard work, generosity, and caring of many individuals. I would like to commend Merck & Co., Inc., in particular, for their generous contribution of $2.3 million to construct the inn and I salute NIH for donating 2 acres on the NIH campus.

The Children's Inn will be a public treasure and a comfort to many families during a difficult time. I hope that it will give hope that some day we will eradicate disease from this planet and I am pleased to play a small part in making the Children's Inn a reality.

Mr. WHITTAKER. Mr. Speaker, I would like to join my colleagues today in saluting the National Institutes of Health and Merck & Co. for their joint effort in building the Children's Inn.

Each year, about 1,300 children come to NIH to receive treatments for serious illnesses: cancer, heart surgery, genetic problems, and rare diseases.

Coming to the National Institutes of Health is often the last hope for these children and their families. Guiding these children through a severe illness is stressful enough. The pain of separation for these families is often overwhelming.

Thanks to the Children's Inn, there will be a good place for these children and their families to stay: a place to call home for the night, for a week, for a month, while undergoing treatment at NIH.

This effort by both Merck & Co. and NIH demonstrates a commitment above and beyond the call of duty, and shows what can be accomplished when Government works with business and private citizens.

Congratulations to both parties involved and my best wishes for the success of the Children's Inn.

Mr. MARKEY. Mr. Speaker, today I wish to take the opportunity to extend my gratitude and best wishes to those who are working to establish the Children's Inn. The Inn will serve as a temporary home for those families who have children involved in research-related treatment at the National Institute of Health [NIH].

We can all sympathize with the plight of families trying to cope with the hardships of caring for a seriously ill child. At such a terrifying time, parents need the support of the entire family as much as their children do. The Children's Inn will enable families to remain together. By doing so, families will be able to avoid the additional worries brought on by separation and instead can gather together to overcome their anxiety.

The Children's Inn will also encourage peer support from other families undergoing the same ordeal. It will function as a shelter for people with common concerns and experiences. The empathy and understanding achieved through the Children's Inn will go far in providing comfort for those in need.

I would like to commend those, who, through their noteworthy efforts, are making the Children's Inn possible, especially Merck & Co., Inc., who donated generously to the fund, and NIH, for its donation of land. I particularly want to congratulate and thank the members of the board of directors for their initiative in creating such a worthwhile endeavor.

Mr. NELSON of Florida. Mr. Speaker, the Children's Inn at the National Institute of Health is a dramatic example of the problems that can be solved by the joint and voluntary effort of business, private citizens and government, and I wish to commend all of those involved.

The Children's Inn is a facility that will accommodate seriously ill children and their families while they undergo treatments for serious illnesses and participate in NIH research. These families come from throughout the United States, and the ill children are sometimes treated for as long as 6 months. Many of the patients are required to return for repeat treatments. The Children's Inn at NIH will provide a home-like place for these children and their families to stay during the treatment period.

The realization of this home has been possible because of the generous contribution of Merck & Co., a pharmaceutical company which has graciously donated $2.3 million for the construction costs of the Children's Inn. The National Institutes of Health have donated 2 acres of wooded land on the NIH campus in Bethesda, MD. Business, government and private citizens have come together to solve a problem and fill a void. I commend and salute both Merck, NIH and the many concerned citizens for their compassion and I am proud to be associated with this effort.

There is hardly a worthier pursuit than to help alleviate suffering. I am pleased to play a small part and I know many of my colleagues here in the House join me in celebrating the Children's Inn and in helping it become a home away from home for many citizens during their time of need.

Mr. LAGOMARSINO. Mr. Speaker, today I join my colleagues in recognizing the efforts and the generosity of all of those who have helped to make the Children's Inn at NIH a reality. The Children's Inn is a prime example of the good that can be accomplished through the cooperation of business, the private sector, and government.

While it is impossible to thank everyone who played a role in making the Children's Inn a reality, I would like to extend my heart-felt thanks to a few whose contributions cannot go unnoticed. I would like to salute Merck & Co., a New Jersey based pharmaceutical company, which donated $2.3 million for the construction of the inn, and to NIH which graciously donated the 2 acres of wooded land on which the inn will be constructed. I would also like to commend Mr. Alan Kay, a Washington builder, who will be supervising the construction of the inn pro bono. Without their generosity, the Children's Inn certainly could not be realized.

Because the Children's Inn will provide a home away from home for 36 families whose children are undergoing treatment in NIH research programs, it will indirectly benefit all of our children, those who are healthy as well as those who are afflicted with serious diseases. Without a facility like the Children's Inn many of these families who come from all over the country to participate in NIH research programs could not afford to do so.

The Children's Inn is a valuable addition to the NIH facilities, and I am honored to participate in this special order today to salute those who are responsible for its success.

Mr. RODINO. Mr. Speaker, this Friday a hope and a dream will finally become a reality when the ground breaking for the Children's Inn at the National Institutes of Health takes place. I am pround to be an honorary cochairman of this worthy endeavor which will provide housing for those seriously ill children and their families who come from across the country for treatment at NIH.

The Children's Inn project began in 1987 when the Children's House at NIH was organized to develop financial resources to support and maintain a home for patients and their parents while undergoing treatment at the Warren Grant Magnuson Clinical Center at NIH. Because these children, often travel great distances, there was a pressing need to provide them with a comfortable place to stay in close proximity to the treatment center.

It was equally important that at such a difficult time everything possible be done to bring some comfort to those already traumatized by serious illness. Families needed to remain together and to have the opportunity to provide the mutual support that is so essential. When construction is completed, the Children's Inn will provide this necessary enviroment by housing up to 36 families whose children are involved in treatment programs at NIH's clinical center.

Mr. Speaker, I particularly want to express my appreciation to the Merck Co., which is headquartered in my own State of New Jersey, for their generosity in providing the $2.3 million for the construction of the Children's Inn. This is another example of Merck's community service and the commitment which characterizes what is, according to Forbes Magazine, the most admired company in America. The Children's Inn will be built on land provided by NIH and funds to furnish and operate the house will be raised in the private sector.

I also want to salute Carmala Walgren and the other members of the board of directors of the Children's Inn for making this project a reality. By bringing together Government, business and private citizens, they have demonstrated what is possible through cooperation and partnership. This joint effort has made the Children's Inn at NIH a reality that will be an enduring source of support and comfort for a countless number of children and their families.

Mr. WRIGHT. Mr. Speaker, thank you for the opportunity to participate in today's special recognition marking the beginning of construction for the Children's Inn at the National Institutes of Health.

The Children's Inn will provide housing on location to 36 families whose children are involved in research and treatment programs at NIH. These children suffer from serious illnesses and disorders such as cancer, AIDS, asthma, and heart disease. Depending on the illness and type of health care required, many of these physically stricken children will be able to stay with their families at the inn as outpatients while receiving medical attention.

It is difficult to imagine anything more tragic than a child who is afflicted with a terminal or seriously debilitating illness. The Children's Inn is intended to provide comfort and support to children undergoing treatment by permitting them to be near parents and families during what is often a frightening and painful ordeal.

We all should applaud the efforts of all those in government and business, as well as private citizens whose months of hard work and collaboration made the Children's Inn possible. Dr. James B. Wyngaarden, the Director of NIH, and Dr. Philip Pizzo the Chief of the Pediatric Branch of the National Cancer Institute, deserve special recognition for their efforts to secure this new facility. In addition, Merck & Co.'s generous commitment of $2.3 million and the donation of 2 acres of land for the construction site by NIH made this dream a reality.

Let me also salute the dedication and deep concern of four people who serve on the Board of the Friends of the Children's Inn—Debbie Dingell, Chris Downey, Katie Lowery, and Carmala Walgren. On top of their myriad other duties as congressional spouses, these women have found the time to make enormous contributions to the families of children getting medical care at NIH. Carmala Walgren merits particular mention for conceiving the idea of the Children's Inn and for inspiring others to work toward its fruition.

Finally, I want to thank the gentleman from Pennsylvania, for the long hours he has devoted to this important project. My wife Betty and I are honored to serve on the advisory board and look forward to our continuing work together in the months ahead.

Mr. WAXMAN. Mr. Speaker, I'm pleased today to acknowledge an important development at National Institutes of Health—the groundbreaking ceremonies for the Children's Inn at NIH—and to recognize the important contribution of Carmala Walgren, the wife of one of our colleagues, in making this a reality. Carmala saw a problem—the heartbreaking situation of children receiving cancer treatment who are separated from their families—and did something about it. I salute her for her special role in securing recreational activities, services, and now, a home for these visitors to NIH.

Every year, more than 1,000 children go to the National Institutes of Health for cancer treatment. For the most part, these young warriors have exhausted the traditional treatment resources and have come to NIH to participate in experimental and research protocols that will hopefully help them and other children down the road.

Nothing is so devastating to a child and family as the battle with this deadly disease; they rely on each other's daily presence for love, support, and strength to face the months of struggle that such rigorous cancer treatment entails.

By coming to NIH, these children have access to the finest research and treatment facilities in the world. Their families often come with them, staying in hotels or private homes—an expense that is gladly assumed to be close to the child, but one that often causes great hardship for already financially strapped families. Soon, a large part of this hardship will be lifted.

Groundbreaking ceremonies for the Children's Inn took place this week at the NIH campus in Bethesda, MD. When completed, the Inn will serve as a temporary home for as many as 36 families with children undergoing treatment at the Institutes.

Behind this accomplishment is the work of many dedicated and concerned people. Doug and Carmala Walgren can take great pride in the fruit of their efforts today. With their encouragement, many Members of Congress lent their support to the idea of a home for these families. Together with Dr. Philip Pizzo, Chief of the Pediatric Branch at the National Cancer Institute, these people have worked hard to find an appropriate location and financial backing for the children's home at NIH.

These children are brave fighters in a tough and often tragic war against disease. They and their families are an inspiration to us all, and deserving of our support.

GENERAL LEAVE

Mr. WALGREN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks for this special order marking the celebration of the groundbreaking for the Children's Inn.

The SPEAKER pro tempore (Mr. BILBRAY). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ALEXANDER (at the request of Mr. FOLEY), on July 26, 1988, on account of official business.

Mr. ROWLAND of Connecticut (at the request of Mr. MICHEL), for today, on account of the birth of his baby.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BAKER) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 60 minutes, on July 27.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. BROOKS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. VISCLOSKY, for 5 minutes, today.

(The following Member (at the request of Mr. WALGREN) to revise and extend his remarks and include extraneous material:)

Mr. VISCLOSKY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BAKER) and to include extraneous matter:)

Mr. BROOMFIELD in two instances.
Mr. CHENEY.
Mr. CRANE in four instances.
Mr. DORNAN of California in two instances.
Mr. JEFFORDS.
Mr. CLINGER.
Mr. WORTLEY.
Mr. CONTE.
Mr. LAGOMARSINO.
Mr. YOUNG of Alaska.
Mr. GALLEGLY in two instances.
Mr. BUECHNER.
Mr. SCHAEFER.
Mr. WHITTAKER.
Mr. BEREUTER.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. TRAFICANT in 10 instances.
Mrs. LLOYD.
Mr. GARCIA in two instances.
Mr. HAMILTON.
Mr. MURTHA in two instances.
Mr. SOLARZ.
Mr. LEHMAN of Florida.
Mr. STOKES.
Mr. COLEMAN of Texas.
Mr. ROSTENKOWSKI in two instances.
Mr. MONTGOMERY.
Mrs. SCHROEDER.
Mr. RICHARDSON in two instances.
Mr. DORGAN of North Dakota.
Mr. HOCHBRUECKNER.
Ms. PELOSI.
Mr. FAUNTROY.
Mr. OBEY.
Mr. DOWNEY of New York.
Mr. FLORIO.
Mr. FASCELL.
Mr. BIAGGI.
Mr. FRANK.
Mr. STOKES.
Mr. RANGEL.
Mr. SLATTERY.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 11. An act to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Board of

Veterans' Appeals; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

S. 1268. An act to amend the Foreign Agents Registration Act of 1938 (22 U.S.C. 611) by removing references to "political propaganda" and substituting "advocacy material"; to the Committee on the Judiciary.

S. 1493. An act to clarify the authority of the Secretary of the Interior to convey lands by exchange, or otherwise, within the Arctic National Wildlife Refuge; to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

S. 2417. An act to authorize a certificate of documentation for certain vessels; to the Committee on Merchant Marine and Fisheries.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2615. An act to provide that certain lands shall be in trust for the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, California;

H.R. 3251. An act to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the U.S. Congress;

H.R. 4264. An act to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to preserve personnel strengths for such fiscal year for the Armed Forces, and for other purposes; and

H.J. Res. 569. Joint resolution designating July 24 through 30, 1988, as "Lyme Disease Awareness Week."

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles.

S. 2527 An act to require advance notification of plant closings and mass layoffs, and for other purposes;

S. J. Res. 318. Joint resolution to designate the week of July 25-31, 1988, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War"; and

S. J. Res. 338. Joint Resolution to designate August 1, 1988, as "Helsinki Human Rights Day."

BILL PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that the committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 4264. An act to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

ADJOURNMENT

Mr. WALGREN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 4 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 27, 1988, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4011. A communication from the President of the United States, transmitting proposed appropriations language changes for the Department of Defense—military and Department of Justice and amendments to the requests for appropriations for fiscal year 1989 for the legislative branch, the Departments of Commerce, and Health and Human Services, and the Veterans' Administration, pursuant to 31 U.S.C. 1107 (H. Doc. No. 100-214); to the Committee on Appropriations and ordered to be printed.

4012. A letter from the Deputy Secretary of Defense, transmitting a report of a violation of the Anti-deficiency Act which occurred in the Department of the Army, pursuant to 31 U.S.C. 1352; to the Committee on Appropriations.

4013. A letter from the Deputy Secretary of Defense, transmitting copies of four reports of violation by the Department of the Army on the expenditure of funds in excess of amounts available in an appropriation, pursuant to 31 U.S.C. 1351; to the Committee on Appropriations.

4014. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer to Japan for defense articles (Transmittal No. 88-47), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

4015. A letter from the Director of Administration and Management, Office of the Secretary of Defense, transmitting a report on the financial condition and operating results of the working capital funds of the Department for the fiscal year ending September 30, 1987, pursuant to 10 U.S.C. 2208(i); to the Committee on Armed Services.

4016. A letter from the Director of Administration and Management, Office of the Secretary of Defense, transmitting notification of the Defense Logistics Agency's decision to exercise the provision for exclusion of the clause concerning examination of records by the Comptroller General from a proposed contract with the Government of Morocco for jet fuel in support of U.S. forces operating in North Africa, pursuant to 10 U.S.C. 2313(c); to the Committee on Armed Services.

4017. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-204, "Closing of a Public Alley in Square 5148, S.O. 86-323, Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4018. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-205, "St. John's Child Development Center Revenue Bond Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4019. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-206, "Providence Hospital Revenue Bond Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4020. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-207, "District of Columbia Act on the Aging Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4021. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-208, "Columbia Hospital for Women Revenue Bond Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4022. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-209, "Rental Housing Conversion and Sale Act of 1980 Extension Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4023. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-210, "District of Columbia Traffic Extension Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4024. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-211, "Commission on Domestic Partnership Benefits for D.C. Government Employees Establishment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4025. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-212, "District of Columbia Solid Waste Disposal Amendment Temporary Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4026. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of the D.C. Act 7-213, "The National Museum of Women in the Arts Equitable Real Property Tax Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4027. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of the D.C. Act 7-214, "Georgetown Day School Equitable Real Property Tax Relief Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4028. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of the D.C. Act 7-215, "Whitman-Walker Clinic Inc., Equitable Real Property Tax Relief Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4029. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of the D.C. Act 7-216, "Real Property Tax Rates for Tax Year 1989 Amendment Act of 1988", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4030. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of the D.C. Act 7-217, "D.C. Procedures for Forfeiture of Seized Property Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4031. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-218, "District of Columbia Fire Prevention Code Safety Notification Amendment Act of 1987," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4032. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-220, "District of Columbia Forfeited Property Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4033. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-221, "Mount Vernon College Equitable Real Property Tax Relief Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4034. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-222, "Planned Parenthood of Metropolitan Washington Equitable Real Property Tax Relief Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4035. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-223, "Mt. Carmel Baptist Church Equitable Real Property Tax Relief Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4036. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-224, "Zoning Commission and Board of Zoning Adjustment Compensation Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4037. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-225, "District of Columbia Boxing and Wrestling Commission Act Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4038. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-226, "Christ Church, Georgetown Equitable Real Property Tax Relief Act of 1988," report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4039. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-227, "District of Columbia Latino Community Development Act Amendment Act 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia .

4040. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-228, "Free Clinic Assistance Program Act of 1986 Amendment Temporary Act of 1988," pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4041. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-229, "Supermarket Tax Incentive Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

4042. A letter from the Executive Director, District of Columbia Retirement Board, transmitting financial disclosure statements of board members for calendar year 1987, pursuant to D.C. Code section 1-732, 1-734(a)(1)(A); to the Committee on the District of Columbia.

4043. A letter from the Secretary of Education, transmitting notification of final funding priorities for Handicapped Special Studies Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

4044. A letter from the Secretary of Education, transmitting notification of final regulations—independent living services for older blind individuals, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

4045. A letter from the Secretary of Education, transmitting notification of suspension of effective date of 34 CFR 600.3(d) of the institutional eligibility final regulations, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

4046. A letter from the Secretary of Education, transmitting notification of final regulations for College Library Technology and Cooperation Grants Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

4047. A letter from the Director, Centers for Disease Control, transmitting a report on the completion of the national mailer on AIDS to every U.S. household by June 30, pursuant to Public Law 100-202; to the Committee on Energy and Commerce.

4048. A letter from the Chair Person, Commission on Nursing, Department of Health and Human Services, transmitting a copy of the interim report of the Secretary's Commission on Nursing; to the Committee on Energy and Commerce.

4049. A letter from the Assistant Secretary of State, Legislative Affairs, transmitting notification of a proposed license for the export of major defense equipment sold commercially under a contract in the amount of $14 million or more to Japan (Transaction No. MC-28), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

4050. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed letter(s) of offer and acceptance [LOA] to Thailand for defense articles and services (Transmittal No. 88-43), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

4051. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Brazil for defense articles and services (Transmittal No. 88-44), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

4052. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to the NATO seasparrow Consortium for defense articles and services (Transmittal No. 88-45), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

4053. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to Japan for defense articles and services, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

4054. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. A-88 which relates to enhancements or upgrades from the level of sensitivity of technology or capability described in section 36(b)(1), AECA certification 83-18 of March 25, 1983, pursuant to 22 U.S.C. 2776(b)(5); to the Committee on Foreign Affairs.

4055. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a report on the status of illegal technology transfers of Norway and Japan, pursuant to Public Law 100-204, section 1251(b) (101 Stat. 1427); to the Committee on Foreign Affairs.

4056. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

4057. A letter from the Acting Director, Arms Control and Disarmament Agency, transmitting a report on studies relating to arms control and disarmament issues concluded during 1987 by Government agencies or for Government agencies by private institutions or persons, pursuant to Public Law 100-213, section 4 (101 Stat. 1445); to the Committee on Foreign Affairs.

4058. A letter from the Comptroller General, General Accounting Office, transmitting reports issued or released by GOA in June 1988, pursuant to 31 U.S.C 719(h); to the Committee on Government Operations.

4059. A letter from the Inspector General, Department of Agriculture, transmitting notification of two computer matching programs for State Agency Food Stamp Program participant files, pursuant to 5 U.S.C. 522a(o); to the Committee on Government Operations.

4060. A letter from the Comptroller, General Services Administration, transmitting the annual report on the President retirement system for the fiscal year ending September 30, 1987, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

4061. A letter from the Acting Administrator, General Services Administration, transmitting GSA's investigation of the costs of operating privately owned vehicles based on calendar year 1987 data, pursuant to 5 U.S.C. 5707(b)(1); to the Committee on Government Operations.

4062. A letter from the Director, Selective Service System, transmitting notice of a computer matching system of records between the Selective Service and other Federal and non-Federal services, pursuant to 5 U.S.C. 552(o); to the Committee on Government Operations.

4063. A letter from the Administrator, Veterans' Administration, transmitting notification of a computer matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4064. A letter from the Administrator, Veterans' Administration, transmitting notification of a new records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4065. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

4066. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

4067. A letter from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting a draft of proposed legislation to permit exchange of coal in lands within congressionally designated areas administered by the Secretary of the Interior; to the Committee on Interior and Insular Affairs.

4068. A letter from the Assistant Secretary for Water and Science, Department of the Interior, transmitting a report that the Bureau of Reclamation has approved a deferment of the first payment of $1,092,096 due from the Uintah Water Conservancy District on the Jensen unit, central Utah project, UT, pursuant to the act of September 21, 1959 (73 Stat. 584); to the Committee on Interior and Insular Affairs.

4069. A letter from the National Chairman-National President, U.S. Naval Sea Cadet Corps, transmitting the Corps annual audit report for the fiscal year ended December 31, 1987, pursuant to 36 U.S.C. 1058; to the Committee on the Judiciary.

4070. A letter from the Clerk, District of Columbia Circuit, U.S. Court of Appeals, transmitting a copy of the report of Independent Counsel James C. McKay and complete appendix, in re Nofziger, Edwin Meese III, Div. No. 87-1, being released by the Division for the Appointment of Special Counsels, U.S. Court of Appeals for the District of Columbia; to the Committee on the Judiciary.

4071. A letter from the Chairman, Merit Systems Protection Board, transmitting the Board's report entitled, "Toward Effective Performance Management in the Federal Government," pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

4072. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a copy of the report submitted by the Administrator of Veterans' Affairs setting forth the findings and conclusions of his investigation into allegations of a substantial and specific danger to public health at the Veterans' Administration medical center, Roseburg, OR, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

4073. A letter from the Assistant Secretary (Civil Works), Department of the Army, transmitting a report dated June 10, 1987, from the Chief of Engineers, Department of the Army, on Wolf and Jordan Rivers and Bayou Portage, MS, together with other pertinent reports; to the Committee on Public Works and Transportation.

4074. A letter from the Deputy Administrator, General Services Administration, transmitting copies of lease prospectuses, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

4075. A letter from the Secretary of Energy, transmitting the fifth annual update to the comprehensive ocean thermal technology application and market development plan, pursuant to Public Law 96-310, section 6(b); to the Committee on Science, Space, and Technology.

4076. A letter from the Department of Defense, transmitting report on Department of Defense procurement from small and other business firms for October 1987 through April 1988, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

4077. A letter from the Acting Chairman, U.S. International Trade Commission, transmitting the 54th quarterly report on trade between the United States and the nonmarket economy countries, pursuant to 19 U.S.C. 2441(c); to the Committee on Ways and Means.

4078. A letter from the Acting Chairman, U.S. International Trade Commission, transmitting the Commission's 39th report on the operation of the U.S. trade agreements program during 1987, pursuant to 19 U.S.C. 2213(a); to the Committee on Ways and Means.

4079. A letter from the Assistant Secretary for Import Administration, Chairman, Committee of Alternates, Department of Commerce, transmitting the Department's annual report on the activities of the Foreign-Trade Zones Board for fiscal year 1985, pursuant to 19 U.S.C. 81p(c); to the Committee on Ways and Means.

4080. A letter from the Office of the U.S. Trade Representative, transmitting the semiannual report for the period January-June, 1988, describing new petitions filed, developments in, and the status of, cases pending under section 301 of the Trade Act, pursuant to 19 U.S.C. 2416, 2413; to the Committee on Ways and Means.

4081. A letter from the Chairman, Prospective Payment Assessment Commission, transmitting a report on "Outlier Payment Alternatives for Burn Cases," pursuant to Public Law 100-203, section 4008(d)(2)(B) (101 Stat. 1330-56); to the Committee on Ways and Means.

4082. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting a copy of the Certification and Memorandum of Justification of the Acting Secretary of State, under the authority delegated to the Secretary by the President in Executive Order 12163, that it is in the national interest of the United States to make available for activities in Mozambique funds from the moneys appropriated to assist sector projects supported by the Southern African Development Coordination Conference, pursuant to Public Law 99-83, section 813(b)(1) (99 Stat. 266), Public Law 100-202, section 590 (101 Stat. 1329-187); jointly, to the Committees on Appropriations and Foreign Affairs.

4083. A letter from the Secretary of Health and Human Services, transmitting the Department's views to the proposed substitute for H.R. 2290, the Indian health care amendments of 1988; jointly to the Committees on Energy and Commerce and Interior and Insular Affairs.

4084. A letter from the Comptroller General, General Accounting Office, transmitting a report entitled "Hazardous Waste: New Approach Needed to Manage the Resource Conservation and Recovery Act" (GAO/RCED-88-115); jointly, to the Committees on Government Operations and Energy and Commerce.

4085. A letter from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting a final copy of the most recent report concerning subsistence management and use on public lands in Alaska, pursuant to Public Law 96-487, section 813; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

4086. A letter from the Presiding Officer of the National Ocean Pollution Policy Board, National Oceanic and Atmospheric Administration, transmitting a report on the review of fiscal year 1989 agency requests for appropriations to support marine pollution research, development, and monitoring, June 1988, pursuant to 33 U.S.C. 1703(a); jointly, to the Committees on Merchant Marine and Fisheries and Science, Space, and Technology.

4087. A communication from the President of the United States, transmitting the final legal text of the United States-Canada Free-Trade Agreement, the proposed United States-Canada Free-Trade Agreement Implementation Act of 1988, and a statement of administrative action, pursuant to 19 U.S.C. 2112(e)(2), 2212(a) (H. Doc. No. 100-216); jointly to the Committees on Ways and Means; Agriculture; Banking, Finance and Urban Affairs; Energy and Commerce; Foreign Affairs; Government Operations; Interior and Insular Affairs; and the Judiciary and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on July 14, 1988, the following report was filed on July 19, 1988]

Mr. BROOKS: Committee on Government Operations. Report on slow progress regarding affirmative action in the airline industry (Rept. 100-781). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on July 14, 1988, the following reports were filed on July 21, 1988]

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4640. A bill to amend the Federal Food, Drug, and Cosmetic Act to make improvements in the regulation of medical devices, and for other purposes; with an amendment (Rept. 100-782). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4757. A bill to amend the Public Health Service Act to establish a grant program, and confidentiality protections, relating to counseling and testing with respect to acquired immune deficiency syndrome; with an amendment (Rept. 100-783). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on July 14, 1988, the following report was filed on July 22, 1988]

Mr. BROOKS: Committee on Government Operations. S. 328, a bill to amend chapter 39 of title 31, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes; with an amendment (Rept. 100-784). Referred to the Committee of the Whole House on the State of the Union.

[Submitted July 26, 1988]

Mr. FRANK: Committee of conference. Conference report on H.R. 442 (Rept. 100-785). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 3918. A bill to authorize expenditures for boating safety programs, and for other purposes; with an amendment (Rept. 100-786, Pt. 1). Ordered to be printed.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 4410. A bill to designate the Federal Building at Spring and High Streets in Columbus, Ohio, as the "John W. Bricker Building"; with amendments (Rept. 100-787). Referred to the House Calendar.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1982. A bill to authorize the establishment of the Lewis and Clark National Historic Site in the State of Montana; with amendments (Rept. 100-788). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3313. A bill to establish in the Department of the Interior the Heritage Preservation Commission, and for other purposes; with amendments (Rept. 100-789). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3541. A bill to redesignate Salinas National Monument in the State of New Mexico, and for other purposes Rept. (100-790). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4068. A bill to amend the Archaeological Resources Protection Act of 1979 to strengthen the enforcement provisions of that Act, and for other purposes; with an amendment (Rept. 100-791, Pt. 1). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4354. A bill to designate certain National Forest System lands in the State of Oklahoma for inclusion in the National Wilderness Preservation System, create the Winding Stair Mountain National Recreation and Wilderness Area, and for other purposes; with an amendment (Rept. 100-792, Pt. 1). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4457. A bill to create a national park at Natchez, Mississippi; with an amendment (Rept. 100-793). Referred to the Committee of the Whole House on the State of the Union.

Mr. de la GARZA: Committee on Agriculture. H.R. 4694. A bill to amend the Perishable Agricultural Commodities Act to increase the statutory ceilings on license fees; with an amendment (Rept. 100-794). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 4333. A bill to make technical corrections relating to the Tax Reform Act of 1986, and for other purposes; with an amendment (Rept. 100-795). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4180. A bill to establish a mining experimental program on critical minerals, and for other purposes; with amendments (Rept. 100-796). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. H.R. 5026. A bill making dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes; with an amendment (Rept. 100-797). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. H.R. 5096. A bill making emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-799). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. CONYERS: Committee on the Judiciary. H.R. 4758. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to increase the level of benefits payable with respect to the death of public safety officers and to provide that nondependent parents may be beneficiaries; referred to the Committee on Appropriations for a period not to exceed 15 legislative days, with instructions to report back to the House as provided in section 401(b) of Public Law 93-344 (Rept. 100-798, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FOLEY (for himself and Mr. MICHEL) (by request):

H.R. 5090. A bill to implement the United States-Canada Free-Trade Agreement; jointly, to the Committees on Ways and Means, Agriculture, Banking, Finance and Urban Affairs, Energy and Commerce, Foreign Affairs, Government Operations, Interior and Insular Affairs, and the Judiciary.

By Mr. JACOBS (for himself and Mr. BURTON of Indiana):

H.R. 5091. A bill to prohibit the procurement by the Secretary of the Army of additional trucks under the heavy expanded mobility tactical trucks [HEMTT] program; to the Committee on Armed Services.

By Mr. BROOKS:

H.R. 5092. A bill to provide accountability in the use of Presidential directives, and for other purposes; to the Committee on Government Operations.

By Mr. McEWEN:

H.R. 5093. A bill to amend the Internal Revenue Code of 1986 to allow farmers to income average; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 5094. A bill to strengthen the competitiveness and protect the safety and soundness of depository institutions, to provide additional benefits to and protections for consumers of financial services, to strengthen the enforcement authority of depository institutions regulatory agencies, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SCHUMER:

H.R. 5095. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts paid under life insurance contracts on account of illness or disability; to the Committee on Ways and Means.

By Mr. BOEHLERT:

H.J. Res. 621. Joint resolution designating September 8, 1988, as "National Pledge of Allegiance Day"; to the Committee on Post Office and Civil Service.

By Mr. HERGER (for himself and Mr. COELHO):

H.J. Res. 622. Joint resolution designating September 10, 1988, as "National Prune Day"; to the Committee on Post Office and Civil Service.

By Mr. JEFFORDS (for himself and Mr. HAWKINS):

H.J. Res. 623. Joint resolution to designate the week beginning September 11, 1988, as "National Youth 2000 Week"; to the Committee on Post Office and Civil Service.

By Mr. PORTER:

H.J. Res. 624. Joint resolution to provide for the resolution of the railway labor-management dispute between the Chicago and North Western Transportation Co. and certain of its employees represented by the United Transportation Union; to the Committee on Energy and Commerce.

By Mr. DIXON:

H. Res. 500. Resolution providing amounts from the contingent fund of the House for further expenses of investigations and studies by the Committee on Standards of Official Conduct in the second session of the 100th Congress; to the Committee on House Administration.

By Mr. SOLOMON:

H. Res. 501. Resolution requiring that the pledge of allegiance to the United States flag be rendered in the Hall of the House at the start of each legislative day; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

440. By the SPEAKER: Memorial of the legislature of the State of California, relative to child care; to the Committee on Education and Labor.

441. Also, memorial of the House of Representatives of the State of Illinois, relative to assisting drought-stricken farmers; to the Committee on Agriculture.

442. Also, memorial of the House of Representatives of the State of Illinois, relative to drought-stricken farmers; to the Committee on Agriculture.

443. Also, memorial of the Senate of the Commonwealth of Pennsylvania, relative to drought-stricken farmers; to the Committee on Agriculture.

444. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to funds for the low-income home energy assistance block grant for fiscal year 1989; to the Committee on Appropriations.

445. Also, memorial of the Senate of the Commonwealth of Pennsylvania, relative to the low-income energy assistance block grant for fiscal year 1989; to the Committee on Appropriations.

446. Also, memorial of the Senate of the State of Illinois, relative to ethanol in gasoline; to the Committee on Energy and Commerce.

447. Also, memorial of the legislature of the Commonwealth of Pennsylvania, relative to the safe testing of the American blood supply; to the Committee on Energy and Commerce.

448. Also, memorial of the legislature of the State of Illinois, relative to a National Korean War Monument; to the Committee on House Administration.

449. Also, memorial of the legislature of the Commonwealth of California, relative to the U.S. Coast Guard; to the Committee on Merchart Marine and Fisheries.

450. Also, memorial of the Senate of the Commonwealth of Pennsylvania, relative to a commemorative stamp; to the Committee on Post Office and Civil Service.

451. Also, memorial of the Senate of the Commonwealth of Pennsylvania, relative to amending the Commercial Motor Vehicle Safety Act of 1986; to the Committee on Public Works and Transportation.

452. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to amending the Commercial Motor Vehicle Act of 1986; to the Committee on Public Works and Transportation.

453. Also, memorial of the legislature of the State of California, relative to child support; to the Committee on Ways and Means.

454. Also, memorial of the Senate of the State of Illinois, relative to Canada; to the Committee on Ways and Means.

455. Also, memorial to the legislature of the State of California, relative to the National Estuaries Program; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 39: Mr. Grant.

H.R. 235: Mr. Davis of Illinois.

H.R. 241: Mr. Moody.

H.R. 303: Mr. Marlenee, Mr. Russo, and Mr. Traxler.

H.R. 655: Mr. Carper and Mr. Pickett.

H.R. 779: Mr. Owens of Utah.

H.R. 958: Mr. Hopkins, Mr. Lewis of Georgia, Mr. Miller of Washington, Ms. Pelosi, Mr. Hutto, Mr. Darden, Mr. Saxton, Ms. Oakar, Mr. Price of North Carolina, Mr. Rogers, and Mr. Quillen.

H.R. 1115: Mr. Gekas.

H.R. 1433: Mr. Traficant.

H.R. 1635: Mr. Broomfield and Mr. McCollum.

H.R. 1663: Mr. Dowdy of Mississippi, Mr. DeLay, Mr. Swift, Mr. Rowland of Connecticut, Mr. Rahall, and Mr. Swindall.

H.R. 1810: Mr. Borski.

H.R. 1990: Mr. Daub.

H.R. 2036: Miss Schneider.

H.R. 2148: Mr. Schumer.

H.R. 2833: Mr. Lungren.

H.R. 2848: Mr. Houghton.

H.R. 3119: Mr. Wolf and Mr. Darden.

H.R. 3241: Mr. Mineta.

H.R. 3565: Mr. Packard.

H.R. 3647: Mr. Garcia.

H.R. 3660: Mr. Schumer.

H.R. 3726: Mr. Thomas of Georgia, Mr. Garcia, Mr. Denny Smith, Mr. Swindall, Mr. Akaka, Mr. DeFazio, and Mrs. Byron.

H.R. 3742: Mr. Weiss.

H.R. 3785: Mr. Slattery and Mr. Richardson.

H.R. 3788: Mr. Kastenmeier, Mr. Dellums, Mr. Bennett, Mr. Callahan, Mr. Robinson, Mr. Kildee, and Mr. Hochbrueckner.

H.R. 3883: Mr. Spence and Mr. Hoyer.

H.R. 3889: Mr. Ackerman, Mr. Chappell, and Mr. Hayes of Louisiana.

H.R. 4027: Mr. Richardson.

H.R. 4049: Mr. Gordon, Mr. Schaefer, Mr. Ford of Tennessee, Mr. Dymally, Mr. Murphy, Mr. Grant, Mr. Levine of California, Mr. Hawkins, Mr. Akaka, Mr. Jones of North Carolina, and Mr. Gejdenson.

H.R. 4127: Mr. Yatron, Mr. Mollohan, Mr. Nagle, Mr. Green, Mr. Roberts, Mr. McEwen, and Mr. Weber.

H.R. 4142: Mr. Nielson of Utah.

H.R. 4189: Mr. Thomas of Georgia.

H.R. 4190: Mr. Kennedy.

H.R. 4213: Mr. Jeffords.

H.R. 4221: Mr. Smith of New Hampshire, Mrs. Lloyd, Mr. Rhodes, Mr. Swindall, Mr. Kolter, and Mr. Ritter.

H.R. 4238: Mr. Harris.

H.R. 4277: Mr. Skeen, Mr. Gunderson, Mrs. Johnson of Connecticut, Mr. Houghton, and Mr. Panetta.

H.R. 4362: Mr. McCandless.

H.R. 4396: Mr. Oberstar, Mrs. Lloyd, Mr. Mica, Mr. Nowak, Mr. Hayes of Louisiana, Mr. Henry, Mr. Traficant, Mr. Johnson of South Dakota, Mr. Ray, Mr. Neal, Mrs. Roukema, Mr. DioGuardi, Mr. Weiss, Mr. Stark, Mr. Derrick, Mr. Florio, Mr. McGrath, Mr. Yatron, and Mrs. Collins.

H.R. 4403: Mr. Udall, Mr. McHugh, and Mr. Mavroules.

H.R. 4427: Mr. Shays.

H.R. 4434: Mr. Lott, Mr. Dornan of California, Mr. Sunia, Mrs. Vucanovich, and Mr. Davis of Illinois.

H.R. 4441: Mr. Atkins, Mr. Brennan, Mr. Kennedy, and Mr. Dymally.

H.R. 4442: Mr. Udall.

H.R. 4457: Mr. Hayes of Louisiana and Mr. Andrews.

H.R. 4483: Mr. Owens of New York.

H.R. 4484: Ms. Kaptur, Mr. Dyson, Mrs. Bentley, Mr. Buechner, Mr. Wortley, Mrs. Collins, Mrs. Martin of Illinois, Mr. Owens of New York, and Mr. Foglietta.

H.R. 4485: Mr. Owens of New York.

H.R. 4498: Mr. Kastenmeier, Mr. Swift, and Ms. Oakar.

H.R. 4562: Mr. Feighan.

H.R. 4570: Mr. Fauntroy.

H.R. 4603: Mr. Morrison of Connecticut and Mr. Borski.

H.R. 4606: Mr. Miller of California, Mr. Wilson, Mrs. Boxer, Mr. Towns, Mr. Rangel, and Mr. Udall.

H.R. 4651: Mr. Stallings.

H.R. 4664: Mr. Hyde, Mr. Towns, and Mr. Bustamante.

H.R. 4678: Mr. Flake, Mr. Brown of California, Mr. Fauntroy, Mr. Atkins, Mr. Swift, Ms. Pelosi, Mr. Buechner, and Mr. Stokes.

H.R. 4680: Mr. Schuette.

H.R. 4726: Mr. Holloway and Mr. McGrath.

H.R. 4758: Mr. Bennett.

H.R. 4767: Mr. Coleman of Missouri, Mr. Emerson, Mr. Volkmer, Ms. Kaptur, Mr. de la Garza, Mr. de Lugo, Mrs. Bentley, and Mr. Lancaster.

H.R. 4788: Mr. DeWine and Mr. Bartlett.

H.R. 4822: Mr. Edwards of Oklahoma, Mrs. Bentley, and Mr. Donald E. Lukens.

H.R. 4829: Mr. Kennedy, Mr. Pashayan, Mr. Foglietta, and Mr. Clement.

H.R. 4844: Mr. de Lugo and Mr. Oberstar.

H.R. 4852: Mr. Hatcher, Mr. Towns, Mr. Solomon, Mr. Roe, Mr. Whittaker, Mr. Dannemeyer, Mr. Fazio, Mr. Fawell, Mrs. Saiki, Mr. Boehlert, Mrs. Johnson of Connecticut, and Mr. McEwen.

H.R. 4870: Mr. Garcia, Mrs. Vucanovich, Mr. Kennedy, Mr. Smith of New Hampshire, Mr. Vento, Mrs. Collins, Mr. Schuette, Mr. Brennan, Mr. Fazio, Mr. Dicks, Mr. McCloskey, Mr. Gallegly, and Mr. Davis of Illinois.

H.R. 4894: Mr. Wortley.

H.R. 4898: Mr. Lagomarsino, Mr. Packard, and Mr. Dannemeyer.

H.R. 4907: Mr. Stenholm.

H.R. 4916: Mr. Mica, Mr. MacKay, and Mr. Traxler.

H.R. 4929: Mr. Solomon.

H.R. 4932: Mr. Kolter, Mr. de la Garza, Mr. Edwards of Oklahoma, Mr. de Lugo, Mr. Crockett, and Mr. Bates.

H.R. 4943: Mr. Ackerman, Mr. Guarini, Mr. Rangel, Mr. Gilman, Mr. Kennedy, and Mr. Studds.

H.R. 4963: Mr. Foglietta, Mr. Hochbrueckner, and Mr. Parris.

H.R. 4964: Mr. Foglietta, Mr. Hochbrueckner, and Mr. Parris.

H.R. 4965: Mr. Foglietta, Mr. Hochbrueckner, and Mr. Parris.

H.R. 4966: Mr. Foglietta, Mr. Hochbrueckner, and Mr. Parris.

H.R. 4990: Mr. Leland, Mr. Kastenmeier, and Mrs. Kennelly.

H.R. 5000: Mr. Saxton, Miss Schneider, Mr. Gejdenson, and Mrs. Collins.

H.R. 5015: Mr. Myers of Indiana, Mr. Roth, Mr. Hubbard, Mr. Wortley, Mr. McHugh, Mr. Applegate, Mr. Bonker, Mr. Lightfoot, and Mr. Lloyd.

H.R. 5020: Mr. Badham, Mr. Bilirakis, Mr. Borski, Mr. Kasich, Mr. Kolter, Mr. Thomas A. Luken, Mr. Oxley, Mr. Stallings, Mr. Konnyu, Mr. Sensenbrenner, Mr. Gingrich, Mr. Madigan, Mr. Daub, Mr. Inhofe, Mr. Blaz, and Mr. Mack.

H.R. 5024: Mr. Erdreich, Mr. Bevill, Mr. Dannemeyer, Mr. Gunderson, Mr. Weber, Mr. Badham, Mr. Wortley, and Mr. Hall of Texas.

H.R. 5031: Mr. Garcia and Mr. Dornan of California.

H.R. 5068: Mr. Mrazek, Mr. Fuster, Mr. Fauntroy, Mr. Stark, Mrs. Collins, Mr. Owens of New York, and Mr. Davis of Illinois.

H.R. 5075: Mr. Rose, Mr. Dymally, Mr. Evans, and Mr. Taylor.

H.R. 5084: Mr. Gray of Illinois, Mrs. Collins, Mr. de Lugo, Mr. Roe, and Mr. Dornan of California.

H.J. Res. 396: Mr. Anderson, Mr. DioGuardi, Mr. Pepper, Mr. Thomas of California, Mrs. Collins, Mr. Lewis of Florida, and Mr. Lowry of Washington.

H.J. Res. 403: Mr. Borski, Mr. Hall of Ohio, Mr. Lungren, Mr. Mack, Mr. Mrazek, Mr. Towns, and Mr. Young of Florida.

H.J. Res. 441: Mr. Ravenel, Mr. Schumer, Mr. Davis of Illinois, Mr. Bliley, Mr. Morrison of Connecticut, Mr. Coelho, Mr. Traficant, Mr. Walgren, Mr. Akaka, Mr. Denny Smith, Mr. Sunia, Mr. Smith of Texas, Mr. Murphy, Mr. Parris, Mr. Emerson, Mr. Feighan, Mr. Spratt, Mr. Spence, Mr. Staggers, Mr. Traxler, Mr. Slaughter of Virginia, Mr. Tallon, Mr. Fauntroy, Mr. Owens of Utah, Mr. Hunter, Mr. Crockett, Mr. Skaggs, Mr. Saxton, Mr. Rowland of Georgia, Mr. Roberts, Mr. Rhodes, Mr. Kolter, Mr. Hyde, Mr. Hutto, Mr. Hopkins, Mr. Henry, Mr. Hayes of Louisiana, Mr. Hansen, and Mr. Quillen.

H.J. Res. 446: Mr. Price of North Carolina, Mr. Fawell, Mr. Lancaster, Mr. Atkins, Mr. Chapman, Mr. Clarke, Mr. Traxler, Mr. de la Garza, Mr. Lehman of California, Ms. Pelosi, Mr. Fazio, Mr. McMillen of Maryland, Mrs. Boxer, Ms. Kaptur, Mr. Rahall, Mr. Lewis of California, Mr. Rowland of Georgia, Mr. Stark, Mr. Mollohan, Mr. Gonzalez, Mr. Lipinski, Mr. Hatcher, Mr. Henry, Mr. Stratton, Mr. Gaydos, Mrs. Martin of Illinois, Mr. Spence, Mrs. Boggs, Ms. Oakar, Mrs. Patterson, Mr. Hayes of Louisiana, Mr. Traficant, Mr. Oberstar, Mr. Regula, and Mr. Spratt.

H.J. Res. 458: Mr. Bryant, Mr. Gilman, Mr. Robinson, Mr. Ridge, Mr. Rahall, Mr. Porter, Mr. Skelton, Mrs. Collins, Mr. Dwyer of New Jersey, Mr. Richardson, Mr. Schuette, Mrs. Johnson of Connecticut, Mr. Lewis of Georgia, Mr. Wheat, Mr. Schumer, Mr. Shumway, Mr. Andrews, Mr.

Studds, Mr. Sisisky, Mr. Boland, and Mr. Gephardt.

H.J. Res. 478: Mrs. Meyers of Kansas, Mr. Brennan, Mr. Watkins, Mr. Bateman, Mr. English, Mr. Brown of California, Mr. Cooper, Mr. Moorhead, Mr. Kastenmeier, Mr. Wise, Mr. Hyde, Mr. Blaz, Mr. Torricelli, Mr. Lungren, Mr. Boehlert, Mr. DioGuardi, Mr. Coleman of Missouri, Mr. Flake, Mr. Applegate, Mr. Ballenger, Mr. Burton of Indiana, Mr. Hefley, Mr. Saxton, Mr. Inhofe, and Mr. Madigan.

H.J. Res. 540: Mr. Cardin, Mr. Sharp, Mr. Rinaldo, Mr. Brown of Colorado, Mr. Coelho, Mr. Bates, Mr. Dellums, Mrs. Collins, Mr. Brown of California, Mr. Kolbe, Mr. Ford of Michigan, Mr. Rhodes, and Mr. Mack.

H.J. Res. 554: Mr. Ray, Mr. Davis of Michigan, Mr. Badham, Mr. Vento, Mr. Lowry of Washington, Mr. Young of Florida, Mr. Pepper, Mr. Callahan, Mr. Shaw, Mr. Panetta, Mr. Tauzin, Mrs. Vucanovich, Mr. Bruce, and Mr. Wilson.

H.J. Res. 564: Mr. Tauzin, Mr. Florio, Mr. Green, Mr. Rangel, Mr. de Lugo, Mr. Parris, Mr. Carr, and Mr. Mfume.

H.J. Res. 572: Mr. Applegate, Mr. Ballenger, Mr. Bevill, Mr. Bilbray, Mr. Clay, Mr. Conyers, Mr. Cooper, Mr. Davis of Illinois, Mr. Dwyer of New Jersey, Mr. Erdreich, Mr. Gallegly, Mr. Hertel, Mr. Jacobs, Mr. Lantos, Mr. Lott, Ms. Oakar, Mr. Panetta, Mr. Rahall, Mr. Richardson, Mr. Lewis of Florida, Mr. Schaefer, Mr. Stokes, Mr. Walgren, Mr. Weldon, Mr. Wilson, and Mr. Wyden.

H.J. Res. 574: Mr. Stratton, Mr. Cardin, Mr. Biaggi, Mr. Nowak, Mr. McHugh, Mr. Owens of New York, Mr. Fauntroy, Mr. Neal, Mr. Yatron, Ms. Pelosi, Mrs. Collins, Mr. de Lugo, Mr. Towns, Mr. Horton, Mr. Wortley, and Mr. Frank.

H.R. Res. 578: Mr. Atkins, Mr. Biaggi, Mr. Green, Mr. Studds, Mr. Tallon, Mr. Mavroules, and Mr. McCollum.

H.J. Res. 580: Mr. Young of Alaska, Mr. Dwyer of New Jersey, Mr. Green, Mr. Lancaster, Mr. Waxman, Mr. Berman, Mr. Biaggi, Mr. Blaz, Mr. Borski, Mr. Clement, Mr. de Lugo, Mr. Bustamante, Mr. Martin of New York, Mr. Hefner, Mr. Wilson, and Mr. McEwen.

H.J. Res. 581: Mrs. Meyers of Kansas, Mr. Schaefer, Mr. Buechner, Mr. Hefley, Mr. LaFalce, Mr. Pickett, Mr. Volkmer, Mr. Vento, Mr. Wolpe, Mr. Lehman of California, Mr. Anderson, and Mr. Coelho.

H.J. Res. 583: Mr. Lugan, Mr. Coelho, Mr. Mack, Mr. Early, Mr. Dwyer, and Mr. Chapman.

H.J. Res. 584: Mr. Evans.

H.J. Res. 592: Mr. Gallegly, Mr. Traxler, and Mr. Johnson of South Dakota.

H.J. Res. 594: Mr. Hughes, Mr. Lancaster, Mr. Gallegly, Mr. Lipinski, Mr. Clay, Mrs. Meyers of Kansas, Mr. McCloskey, Mr. Lungren, and Mr. Inhofe.

H.J. Res. 598: Mr. Ackerman, Mr. Bennett, Mr. Bruce, Mr. Campbell, Mr. Coelho, Mr. Davis of Illinois, Mr. DeFazio, Mr. de Lugo, Mr. Dicks, Mr. Fawell, Mr. Fuster, Mr. Gray of Illinois, Mr. Gregg, Mr. Hayes of Louisiana, Mr. Hoyer, Mr. Huckaby, Mr. Hughes, Mr. Hyde, Mrs. Johnson of Connecticut, Mr. Jones of North Carolina, Mr. Kostmayer, Mr. Lagomarsino, Mr. Lancaster, Mr. Lehman of California, Mr. Lehman of Florida, Mrs. Lloyd, Mr. Lott, Mr. Lujan, Mr. Lungren, Mr. McEwen, Mr. Neal, Mr. Nielson of Utah, Mr. Pepper, Mr. Rahall, Mr. Rodino, Mr. Roe, Mr. Rose, Mr. Sabo, Mr. Skaggs, Mr. Smith of New Jersey, Mr. Solomon, Mr. Spence, Mr. Tallon, Mr. Thomas of Georgia, Mr. Traxler, Mr. Vento, Mr. Weldon, Mr. Wise, Mr. Wortley, Mr. Green, Mr. Hayes of Illinois, Mr. Waxman, and Mr. Wilson.

H.J. Res. 602: Mr. Weber, Mr. Saxton, Mr. McCurdy, Mr. Swindall, Mr. Lipinski, Mr. Mrazek, Mr. Brown of California, Mr. Mavroules, Mr. Fauntroy, Mr. Bonker, Mr. Dorgan of North Dakota, Mr. Moody, Mr. Henry, Mr. Gejdenson, Mr. Hamilton, Mr. Clarke, Mr. Roe, Mr. Lewis of Georgia, Ms. Pelosi, Mr. Berman, Mr. Johnson of South Dakota, Mr. Ackerman, and Mr. Boulter.

H.J. Res. 611: Mrs. Collins, Mr. Wilson, Mr. Kolter, Mr. Matsui, Mr. Wortley, and Mr. Fuster.

H.J. Res. 613: Mr. Goodling, and Mr. Regula.

H. Con. Res. 277: Mr. McMillen of Maryland, Mr. Kleczka, and Mr. Leland.

H. Con. Res. 297: Mr. Owens of New York, Mr. Carper, Mr. Kennedy, and Mr. de Lugo.

H. Con. Res. 307: Mr. Sisisky, Mr. Martin of New York, Mr. Mavroules, Mr. Wyden, Mr. Houghton, Mrs. Boxer, Mr. Bilbray, Mr. Campbell, Mr. Bateman, Mr. Lancaster, Mrs. Vucanovich, Mr. DeFazio, Mrs. Bentley, and Mr. Emerson.

H. Con. Res. 316: Mr. Bartlett.

H. Con. Res. 323: Mr. Stratton.

H. Con. Res. 326: Mr. Neal, Ms. Kaptur, and Mr. Wortley.

H. Res. 400: Mr. Bustamante, Mrs. Johnson of Connecticut, Mrs. Morella, and Mr. Towns.

H. Res. 423: Mr. Swindall, Mr. Hyde, Mr. Neal, and Mr. Yatron.

PETITIONS, ETC.

Under clause 1 of rule XXII petitions and papers were laid on the Clerk's desk and referred as follows:

215. By the SPEAKER: Petition of Chautauqua County Legislature, Mayville, NY, relative to the clean air bill; to the Committee on Energy and Commerce.

216. Also, petition of the council of the city of New York City Hall, New York, NY, relative to tax on liquor, wine, and certain ciders; to the Committee on the Judiciary.

217. Also, petition of the council of the city of New York City Hall, New York, NY, relative to taxes on cigarettes and other tobacco products; to the Committee on the Judiciary.

218. Also, petition of Clear Lake Area Council of Cities, Houston, TX, relative to the 16th amendment of the U.S. Constitution; to the Committee on the Judiciary.

219. Also, petition of common council of the city of Buffalo, NY, relative to H.R 4221, "Section 457 Clarification Act of 1988;" to the Committee on Ways and Means.

220. Also, petition of Baptist Joint Committee on Public Affairs, 200 Maryland Ave. NE., Washington, N.Y., relative to civil rights; jointly, to the Committees on Education and Labor and the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1516

By Mr. HUCKABY:

(Amendment to the Young amendment in the nature of a substitute.

—In lieu of the matter proposed to be inserted by the Young Amendment in the Nature of a Substitute, insert the following:

SECTION 1. RESOURCE MANAGEMENT ON THE TONGASS NATIONAL FOREST.

Subsection (a) of section 705 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 539d) is amended to read as follows:

"(a) The Congress authorizes and directs that the Secretary of Agriculture shall, subject to annual appropriations, make available from the Tongass National Forest a timber supply to dependent industry at a rate of four billion five hundred million foot board measure per decade subject to the annual market demand of dependent industry.".

SEC. 2. MORATORIUM ON TIMBER HARVESTING.

Title VII of the Alaska National Interest Lands Conservation Act is amended by adding at the end thereof the following:

"SEC. 709. MORATORIUM ON TIMBER HARVESTING.

"The following public lands within the Tongass National Forest shall be deferred from timber harvest pending completion of the Tongass Land Management Plan Revision of 1990, at which time timber harvest shall be permitted in accordance with that plan:

"(1) Lisianski.

"(2) Noyes Island and Conclusion Island.

"(3) Nutkwa.

"(4) Chuck River.

"(5) Young Lake.

"All land uses other than timber harvest which are presently permitted under the Tongass Land Management Plan shall continue to be permitted in such areas in accordance with that plan.".

SEC. 3. TONGASS NATIONAL FOREST MANAGEMENT ADVISORY COMMITTEE.

Title VII of the Alaska National Interest Lands Conservation Act, as amended by section 2, is further amended by adding at the end thereof the following:

"SEC. 710. TONGASS NATIONAL FOREST MANAGEMENT ADVISORY COMMITTEE.

"(a) Establishment.—There is hereby established the Tongass National Forest Management Advisory Committee (hereafter in this section referred to as the 'Advisory Committee').

"(b) Membership.—The Advisory Committee shall consist of the following 11 members appointed jointly by the Secretary of Agriculture and the Governor of Alaska:

"(1) 2 members from local governments in the State of Alaska;

"(2) 1 member from the State of Alaska;

"(3) 3 members from environmental groups;

"(4) 3 members from timber industry groups;

"(5) 1 member from commercial nontimber interests in the Tongass National Forest; and

"(6) 1 member from Alaska Native groups.

"(c) Recommendations.—

"(1) The Advisory Committee shall from time to time make recommendations concerning the management of the Tongass National Forest to the Regional Forester of Region 10, United States Forest Service.

"(2) Such recommendations shall be given due consideration by the Regional Forester in the formulation of and revisions to the Tongass Land Management Plan.

"(d) Applicability of the Federal Advisory Committee Act.—Appointments to and the operations of the Advisory Committee shall comply with the Federal Advisory Committee Act.".

H.R. 3964

By Mr. CRAIG:

—Strike all after the enacting clause and insert in lieu thereof:

"That there shall be within the Department of the Interior, a National Park Service headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall have a broad background and substantial experience and knowledge in the management of natural and cultural resources and recreation."

Amend title to read:

"To provide for the appointment and confirmation of the Director of the National Park Service."

EXTENSIONS OF REMARKS

A WARNING TO THE NATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. CRANE. Mr. Speaker, one of the most troublesome problems facing Congress today is the soaring Federal debt. With a blatant disregard for future generations of Americans, Congress continues to irresponsibly authorize excessive Federal spending and borrowing. Why should Congress be allowed to flaunt the economic laws by which the private sector must live or die?

The solution to balancing the budget is to cut spending deeply by eliminating the waste and inefficiency throughout the Federal Government. A tax increase is certainly not the answer. Tax policy provides either incentives or disincentives to the economy. Higher taxes only serve to reduce private investment, stifling economic growth, and thus cause increased unemployment and a demand for even more Government spending.

I think the following articles by Jack Anderson, cochairman of the Grace Commission, illustrates the level of waste and inefficiency in Government spending and shows how damaging the deficit is not only to future generations but also to our Nation today.

A WARNING TO THE NATION

(By Jack Anderson)

While the United States spends billions on military hardware, one famous writer warns we are fighting the wrong battle—WW III has already begun without a single shot being fired.

We owe it to our forefathers to safeguard the principles they struggled, sacrificed and died for—the principles they delivered to our care. We owe it to our children to pass on to them, intact, this most precious inheritance—their American heritage.

But our children's heritage is in danger, their future no longer assured. Unless present trends are drastically reversed, our children will inherit a bankrupt nation, trillions of dollars in debt, its banks mismanaged, its industrial base eroded—a nation plagued with drugs, ridden with crime, undermined by corruption.

I can only repeat what Thomas Paine first declared in 1777: "Those who expect to reap the blessings of freedom must, like men, undergo the fatigue of supporting it." Democracy is something to be worked at, not merely thought about; something to be done, not merely talked about; something to be lived, not merely printed and read.

Japan is a nation of engineers, the United States a nation of lawyers. The Japanese willingly sacrifice today for tomorrow, we sacrifice tomorrow for today.

With all of this in mind, I urge you to take a good look at America as it hurtles toward the 21st century. The future is bearing down upon us at breathtaking speed. Here are the danger signs I see ahead:

WORLD WAR III

For four contentious decades, we have been focusing on the wrong war. We have invested trillions of dollars to build our defenses against the Soviet military juggernaut. Yet all the while, the Japanese have been assaulting our economic citadels. They have scored victories that all the Kremlin's men and all the Kremlin's arms could not achieve.

The ubiquitious Japanese—forced in 1945 to lay down their arms, still inherently weak, powerless before the Chinese colossus, totally dependent upon the United States for defense against the Soviets—have quietly but remorselessly wreaked economic devastation across the United States. They have wrecked our steel industry, humiliated our automobile producers and destroyed our machine tool complexes. Now they are assailing our electronics industry.

Please don't misunderstand me. I don't contend that we should let down our guard against the Soviets; we must continue to maintain our military defenses. But much of our current hardship and future danger can be traced directly to the Japanese. And the full destructive impact, I fear, is yet to come.

What it boils down to is this: World War III has turned out to be an economic war, and we are losing it!

We may find it less demeaning to be victims of predestination than of folly, less rankling if our diminishment is dictated by history rather than self-inflicted, less demanding of us if we could regard ourselves as optionless casualties of fate rather than as yielders to economic aggression by Lilliputians.

But unhappily, we must take responsibility for our own failures. The Japanese have developed a nation of producers; we are a nation of consumers. Japan is a nation of engineers, the United States a nation of lawyers. The Japanese willingly sacrifice today for tomorrow; we sacrifice tomorrow for today.

There are disturbing signs that the Japanese have deliberately engaged in the economic conquest of America. I cannot prove this, it cannot be documented. I can only cite scraps of evidence—a whispered word here, a secret CIA account there, knowing looks on the faces of Japanese leaders who I have questioned.

But I know this much: we thought World War II was over in 1945 and we demobilized our military-industrial-economic team. The Japanese gave up their armed forces, true, but they never demobilized their economic forces. Every economic move Japan has made since World War II has been carefully controlled, directed and orchestrated by the government.

How should we respond? It seems to me that we must mobilize our economic forces again. We must restructure our industrial-technological apparatus. The government should declare an economic emergency, rally labor and management behind a national effort and start helping instead of harassing the nation's producers.

THE MEDELLIN MENACE: THE ENEMY WITHIN

One of the nation's leading conglomerates (investigators estimate it's now the third largest in the United States) pays no taxes, bribes government officials and guns down rivals who dare to compete. A cold-blooded enforcer would just as soon kill a competitor as swat a fly.

I refer to the *Medellin cartel,* which supplies 80 percent of the cocaine that is smuggled into the United States. This criminal consortium has suddenly burst out of the Colombian jungles like Frankenstein's monster, leaving behind a cruel trail of wrecked lives and rampant crime. It is a *monster out of control,* disrupting governments, undermining law enforcement, corrupting high officials and spreading chaos from Colombia to Mexico, from Panama to the United States.

Then I'd like to sentence him to spending his prison time in Colombia living under the Medellin cartel. He could learn firsthand, what it will be like in the United States if the cartel continues to flourish here.

Now it is threatening to destroy the country that created it. A secret CIA assessment warns that the drug cartel has infiltrated and weakened the Colombian government until it can no longer enforce the laws and protect the citizenry. Honest authorities don't know whom to trust, they're surrounded by officials on the cartel's payroll. Any thug with cartel connections can escape punishment; he'll be released by one of the cartel's subsidized judges.

The CIA document described Colombia, therefore, as the "next Lebanon"—a country about to disintegrate into a lawless state controlled by drug lords who rule with guns. Indeed, the Medellin cartel got its name from a Colombian mountain resort where many of the drug lords hang out.

This criminal conglomerate is largely responsible, too, for the chaos that has swept Panama. The military dictator, General Manuel Antonio Noriega, has been the cartel's top man in Panama. For a percentage of the take, he protected the smuggling operations and laundered drug profits. Because Panamanian banks deal in dollars, they were ideal conduits for the cartel's cash.

There are men like Noriega in half a dozen countries—men high in the ruling circles who have sold out to the Medellin cartel. In Honduras, the army allows the cartel to use the country as a transshipment hub for cocaine. A former intelligence chief is said to be the key man and a secret network of military officers is allegedly paid off.

The United States, meanwhile, has erected two radar towers in the Dominican Republic to scan the smuggling routes across the Caribbean. When U.S. gunboats attempt to intercept a cargo, the smugglers make a dish to Haiti. In Haiti, they are protected by another Noriega. In the Bahamas, the drug lords have close ties to a government minister and in Mexico the government is honeycombed with officials on the take from the cartel.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The massive scale of drug trafficking simply would not be possible without the collaboration of high-level authorities. As sure as this is true in Latin America, the same pattern is developing in the United States. The Medellin cartel is moving into this country at the local level, passing out bribes corrupting officials, undermining law enforcement. It is only a matter of time before the cartel breaks down government in the United States—unless it is stopped now.

Footnote: The Medellin cartel's chief competitor may soon be Ayatollah Khomeini's terrorist network. His terrorists specialized at first in producing hashish, which they smuggled out of their stronghold in Baalbek in Lebanon's Bekaa Valley. I'm told that the terrorists supply most of the hashish smuggled into America. Now Iranian advisors have taught the terrorists how to cultivate opium poppies and process them into heroin. So suddenly, the terrorists are pushing heroin. This could lead eventually to a violent confrontation between the cartel's gunmen and the ayatollah's terrorists, with many innocent Americans caught in the line of fire.

PUBLIC ENEMY NO. 1: LOOK IN YOUR MIRROR!

There aren't enough Coast Guard planes and ships, not enough immigration patrols and customs agents, not enough federal, state, and local lawmen to halt drug smuggling into the United States. The best estimate is that less than 15 percent of the illegal drugs are intercepted.

I know of only one way the Medellin cartel can be defeated. Americans will have to quit patronizing it. They must simply stop using illicit drugs, for it's the users whose cocaine purchases have created this monster, the users whose money continues to finance the cartel, the users whose complicity supports wholesale crime.

Personally, I'd like to arrest every yuppie who thinks it is fashionable to snort cocaine. I'd like to indict him for a long litany of crimes, not the least being accessory to murder. Then I'd like to sentence him to spending his prison time in Colombia living under the Medellin cartel. He could learn, firsthand, what it will be like in the United States if the cartel continues to flourish here.

I have more sympathy, frankly, for the street kid who shoots drug into his veins. He is more a victim than a criminal. Yet every user who buys drugs on the criminal market is a public menace. So I declare the illegal drug user, whoever he is, Public Enemy No. 1.

FINANCIAL SCANDAL: YOU COULD LOSE YOUR SHIRT

The federal government has spent $2.3 trillion more than it has taken in. This doesn't count an additional $3 trillion in obligations, which the government has agreed to pay in the future. This staggering national debt is expanding faster than taxes can be collected to pay it off.

Yet by mutual consent, our political leaders are blithely ignoring the problem—though it could cause economic chaos in the land. This is a parlous issue, they fear, that could hurt all incumbents, Democrats and Republicans alike. So they have agreed to soft-pedal the budget debate, ignore the fiscal threat overhanging America and keep the issue out of the election-year dialogue, if they possibly can.

At this writing, the budget writers from both parties are painstakingly drafting a $1.12 trillion blueprint for fiscal 1989. As usual, this is too much spending and outgo will again exceed income. But Congress is bound by the Gramm-Rudman Balanced Budget Act to hold the deficit to $136 billion this year.

Apparently, this is too much to ask of congressmen who are accustomed to filling in blank checks. So they are using sleight-of-hand to keep the budget within the legal limits. By subtle accounting techniques, inflated revenue predictions and deflated cost estimates, they are deliberately disguising the budget so the spending will appear to be lower than it will surely be.

If you kept spending more than your income, like the federal government does, you'd go broke. A corporation would go bankrupt. Well, governments are bound by the same principle. Our government cannot continue its profligate ways without inviting catastrophe.

HOW TO SAVE TAXES, REDUCE THE DEFICIT, AND PREVENT DISASTER

Immediate, urgent action must be taken to save our economy from collapse!

Something simply must be done to reduce the deficit and stabilize the government's finances.

What solution does Congress have in mind? Congress is under public pressure to reduce the deficit, true, but Congress is also under quiet pressure not to restrain the growth of federal activities. This pressure comes from the federal agencies and special interests that benefit from government spending.

Most congressmen, therefore, don't really want to save money. What they really want to do is to raise more money. This way, they can deflate the deficit and still continue to spend, thus avoiding the political heat that comes from cutting someone's pet project.

Even as you read this, congressmen are meeting behind closed doors to discuss how to jack up taxes—as quietly as possible so you won't notice. But since tax increases aren't all that easy to hide, you are being conditioned for the shock. You have been told that there's no alternative to swallowing the bitter pill, that taxes must be raised.

Is there another way? Absolutely. The Grace Commission conducted an exhaustive study of the federal government's spending practices. Waste galore was uncovered, fraud was exposed, inefficiencies were bared.

The federal spendthrifts would like you to believe that no pork is left in the budget, that no more waste can be eliminated. The Grace Commission vigorously disputes this. It contends that enough fat can be slashed from the budget, enough extravagance eliminated, to solve the deficit problem without raising taxes!

As most of you know, I am co-chairman with the indefatigable J. Peter Grace of the Grace Commission. Our services have been free to the taxpayers, and Peter has contributed a lot of hard cash out of his own pocket. Yet you would have every right to question whether I have a personal axe to grind in advocating the Grace Commission's solutions.

So why should you believe the Grace Commission? Because it has dramatically demonstrated its ability to locate, identify and eliminate government waste. Last year, President Reagan ordered the Office of Management and Budget (OMB) to investigate how many of the commission's cost-cutting recommendations had been implemented and how much money had been saved. In compliance, the OMB conducted a survey of all government agencies. Its conclusion, updated last month, was that the Grace Commission has saved the taxpayers an astounding $110 billion.

At the same time, congressmen have been quarreling over a comparatively meager $30 billion spending reduction. This has produced howls of anguish from the federal agencies. The welfare agencies warned this will take food out of the mouths of the hungry and homeless. The Postal Service threatened to stop Saturday mail deliveries. The Navy cried that it will have to reduce ship construction, which caused Secretary John Lehman to resign in a huff.

Yet we at the Grace Commission have saved $110 billion without depriving the hungry of a single morsel or holding up the delivery of a single letter or canceling a single warship. We may have deprived some bureaucrats of higher status and salaries. But we have not damaged any legitimate program nor caused the public any pain, as government agencies always do when they cut back their own budgets.

What's more, we can slash the budget another $120 billion, without restraining any federal activities or inflicting any public damage. That's four times more than the disputed $30 billion cutback that is producing so much heartburn on Capitol Hill. All Congress has to do is adopt the recommendations we have submitted, which would eliminate more of the waste we have found.

CONCLUSION: A CALL TO ACTION

The economic tragedy of the 1980s cries out for an inquest. That a castastrophe is around the corner, which will spread economic devastation and incalculable misery, is hardly subject to dispute. Nor is the cause of our economic decline difficult to assess. Plainly and simply, the United States is losing World War III, which is turning out to be an ongoing economic war.

The full destructive impact of the economic war is yet to come. Only when the "debt bomb" explodes or is defused by a bailout from the taxpayers, with all the bleeding away of disposable income that this implies, can we begin to measure the ultimate damage.

The nation's banks have accumulated so much bad debt that I dare not tell the whole story. I have access to the depressing details. I could identify the troubled banks. I could cite evidence of widespread mismanagement. But the grim, raw truth would destroy confidence in the nation's banking system and only hasten disaster.

Last year, there were more bank failures in the United States than have been seen since the Great Depression. A terrible total of 184 banks went under. At least that many more banks are expected to fail this year. And the savings and loan industry is in worse shape.

And the Federal Deposit Insurance Corporation is speedily going through its $18 billion reserves to save troubled banks and bail out depositors. My sources say that the FSLIC doesn't have enough financial resources to cope with the looming crisis.

Then, added to the domestic crisis is the prospect of international debt default and third world disintegration. All this has contributed to our national debt, which hangs like the sword of Damocles over America's financial structure.

This has been the work of failed policies, self-serving politics and myopic vision. Our political leaders will try to blame the imperatives of economics or the attritions of history or even the world of conspiracy. But there has been no pattern of necessity at all but, rather, a jumble of politicians' blunders, negligence and timidities.

The connecting thread has been the political opportunism of the moment and the postponement of inconvenient consequences to the next fellow's term. Our political leaders, Republicans and Democrats alike, are to blame. Their official fingerprints are all over the debacle.

Yet I believe America has the inherent strength to accept the truth and act on it. As Patrick Henry declared in ringing language in 1775, "Whatever anguish of spirit it may cost, I am willing to know the whole truth, to know the worst and to provide for it."

The government Henry helped to found in 1776 still belongs to the people. When they speak out, the politicians will listen. Americans must demand to know what the presidential candidates intend to do about the crises that beset us. We can recover from any setback, bear any burden, make any sacrifice, meet any hardship to win the economic war. What we need is someone to lead us.

SALUTE TO A GREAT BUS DRIVER

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. BROOMFIELD. Mr. Speaker, I rise today to recognize the achievements of Ms. Marilyn Harnack, a constituent of mine who recently won the Michigan annual State schoolbus "roadeo" competition. To achieve this outstanding accomplishment, Ms. Harnack defeated 52 other schoolbus drivers in tests involving bus maneuvering and safety skills. In addition, Ms. Harnack placed a respectable 14th out of 59 competitors in the national competition.

Ms. Harnack has been serving the community as a schoolbus driver for almost 20 years. She has placed first each year since 1983 among Oakland County schoolbus drivers in the county's "roadeo" contest. In addition to driving a bus for the Waterford School District, Ms. Harnack is also a devoted mother of two. Ms. Harnack entered into her career as a schoolbus driver in order to provide a little extra for her children, but love for her job led her to continue driving, enabling her to become a superior driver.

In her many years of driving a schoolbus, Ms. Harnack has never had an accident. A busdriver of this caliber is to be admired. Parents can feel comfortable when sending their children off to school on a bus when Ms. Harnack is driving. She has continually proved her competence when driving through the congested streets of Waterford Township. Her intense concentration and gritty determination have made her the accomplished driver that she is today.

Mr. Speaker, I ask my colleagues to join me in offering personal congratulations to Ms. Marilyn Harnack. I am proud to have such a great schoolbus driver in my district and am proud that she represented the State of Michigan in the national finals July 11-12 in Baltimore, MD. She is a fine representative of Michigan and I wish her the best.

IN SUPPORT OF THE PLANT CLOSING BILL, S. 2527

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. GARCIA. Mr. Speaker, I rise in support of S. 2527, the Worker Adjustment and Retraining Act. This measure consists of the plant closing and job layoff provisions contained in the trade bill, H.R. 3 passed by Congress and vetoed by the President last month. This bill is necessary to protect the workers of this country from unexpected job loss due to plant closings and layoffs.

This bill requires employers with 100 or more full-time employees to give a 60-day advance notice of certain plant closings and layoffs. For plant closings, notice is required if the shutdown results in the loss of 50 or more employees at one location. For mass layoffs, notice is required if the layoff lasts over 6 months and involves over 50 workers who constitute over 33 percent of the work force at any location or if the layoff involves over 500 workers.

This is a fair and just measure. It is fair to the workers who deserve more than 1 or 2 days' notice of closings and layoffs. It is fair to businesses as well because the bill anticipates the special circumstances that would prevent companies from being able to give advance notice. This includes companies experiencing business circumstances that cannot reasonably be anticipated and faltering companies seeking capital or business to avoid shutdown.

This measure is important because workers are needlessly left without work because of plant closings or layoffs. Approximately 10.8 million American workers lost their jobs due to plant closings and layoffs between 1981 and 1986. This is an average of 2.2 million workers losing jobs each year in a time of economic uncertainty. This bill addresses the problem because advance notice will give companies, labor unions, and Government agencies time to plan and develop strategies to help dislocated workers find or train for new jobs.

There should be no doubt but that this legislation will reduce the adverse effects of closings and layoffs. Far too many workers lose their jobs without sufficient opportunity to prepare for a period of unemployment and job transition. Businesses provide workers on average only 7 days advanced notice of plant closings or layoffs. Nonunion workers get on average only 2 days advance notice. This is outrageous. Surely these people, the workers, the backbone of this great Nation, deserve more consideration than this. Surely a worker who has put his or her whole working life or even a part thereof deserve more than 2 days notice.

Studies have shown that an advance notice by employers of 2 months as this bill requires will shorten the period of unemployment for workers by an average of 3.8 weeks. That will create almost 2 full weeks of work for some 2.2 million workers who lose their jobs annually. By passing this bill, we get 2 weeks of work for 2 months advance notice. This is not too much to ask of employers who should know by that time anyway whether or not they plan to shut down or lay off workers. And this will save an estimated $400 million in unemployment insurance and result in $1.5 billion in additional wages.

This bill is good for the workers of this country and good for the local economies of cities, towns and boroughs throughout the country. It is supported by labor groups and leaders and has already been passed by Congress once this year. I urge my colleagues to come forward in strong support of this measure and pass S. 2527 at a sufficient margin to override a second Presidential veto. I recommend a vote in favor of this bill.

A TRIBUTE TO THE OHIO NATIONAL GUARD

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to the Ohio National Guard, a very special military organization in my State of Ohio. It is one of my proudest and most humbling moments as a Member of Congress to be able to inform my fellow members of the U.S. House of Representatives that the Ohio National Guard will celebrate their 200th anniversary on July 25, 1988. For on July 25, 1788, Northwest Territory Gov. Arthur St. Clair signed the Ohio Territory Militia Act in Marietta, creating the armed force that became the Ohio National Guard.

The Ohio National Guard will return to Marietta, OH, on July 23, 1988, for a gala celebration of this historic event. The exciting festivities will include a parade of color guard units, the Army and Air National Guard Bands, and flyovers of Guard aviation assets. A joyous reception aboard the beautiful riverboat *Becky Thatcher* will follow these events, and I am certain that the guests at this reception will look back with great satisfaction on 200 proud years of Ohio Guard history.

Ohioans can truly sleep safer at night knowing that the Ohio National Guard is defending them. I want to tip my hat in salute to the soldiers of the Ohio Guard, and let them know that it is my deepest desire that they continue to fight for Ohio for another 200 years. Thus, it is with thanks and special pleasure that I join with the people of the State of Ohio in paying tribute to the glorious history and patriotic devotion of the Ohio National Guard on their 200th anniversary.

NANTY GLO FIREMEN MARK 75TH YEAR

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. MURTHA. Mr. Speaker, last Saturday a weeklong convention began to commemorate the 75th anniversary of the Nanty Glo Volunteer Fire Co.

Fire companies are among the oldest traditions in America, and they remain keys to community spirit, community self-reliance, community pride, and community interdependence.

It is a pleasure for me to extend my congratulations to the present and former members and leaders of the Nanty Glo Volunteer Fire Co. May I extend as well congratulations to all the families who have supported those members over the years.

A hallmark of western Pennsylvania is the strength and cooperation of our communities. We have a strong family base, and a spirit of cooperation and community that stands out to visitors to the region. The volunteer fire companies help develop and maintain that spirit. This 75th anniversary is certainly an event to be recognized and commemorated.

REMEMBERING BILL SINGER

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. LEHMAN of Florida. Mr. Speaker, Miami and all of Dade County have lost an old friend. Bill Singer was the personification of the phrase, "can do." He had vision, good sense, and the confidence of his convictions. Once he decided what needed to be done, he went and did it.

Twenty years ago he was president of the Board of Trustees of Temple Israel of Greater Miami. I was also on the board at that time, which was a period of expansion. Bill saw the need to double the capacity of the synagogue. But while other, more cautious members wanted to wait until all the funds were on hand, Bill argued that we should build now and that the money would come later. We did, and it did.

Bill Singer was a prime mover behind the North-South Freeway in Dade County that saved countless traffic logjams. He wisely pushed the project to construction while others preferred to plan and study.

His Royal Castle chain served the first and, I'm sure, the last-ever 5-cent hamburger. They were also the best. I can say that from personal experience.

As the song says, "Those were the days, my friend"—my friend, Bill Singer.

Royal Castle Burger Chain Founder Dies

(By Lourdes Fernandez)

William D. Singer, who opened a little hamburger stand in Miami, called it Royal Castle and became king of a chain of burger places, died Wednesday night of natural causes at Mount Sinai Medical Center. He was 87.

After two failed business ventures, Mr. Singer opened the first Royal Castle on March 18, 1938. The now-defunct restaurant chain served up hamburgers for a nickel, before there were Big Macs and Whoppers and drive-through windows.

Mr. Singer, nicknamed "Mr. Can Do It" by the press, later distinguished himself by bringing expressways to Dade and financial stability to Jackson Memorial Hospital. He was a founding member of Mount Sinai Medical Center and a former Greater Miami Jewish Federation president.

Two years ago, he was awarded The Miami Herald's Spirit of Excellence Award, given to outstanding community leaders.

The first Royal Castle opened next to the old Rosetta Theater on Northeast Second Avenue at 79th Street in Little River. Mr. Singer spent $1,000 to open it. He didn't have much money, but he had a tough, driving personality.

In 1960, Royal Castle became the third largest short-order restaurant chain in the country, behind White Tower and Toddle House. There were 175 Royal Castles in Florida, Georgia and Louisiana when the chain was sold in 1969.

Royal Castle was born after Mr. Singer's lumber business in Cleveland, and later his Jockey Club beer brewing plant in Hialeah, failed. After the last loss in 1936, he vowed to make his money back in Florida.

"He has been up and down through the Depression years," said his son Lawrence, who later took over the business. "He was looking for a Depression-proof business and the five-cent hamburger seemed to be it."

Royal Castle hamburger were two half-dollars wide and not much thicker. They were best served with birch beer, which came in tall, frosty mugs.

In early interviews, Mr. Singer gave a couple of reasons for settling on a hamburger chain. "I had three children growing up and I was broke. I figured they would have something to eat," he said.

More seriously: "There's one business that never fails. Whether we have wars, revolutions, elections, depressions or atom bombs, people always have to eat. In a sense, it's the primary object in life."

For a while it seemed true: Royal Castle could not fail. The little restaurants—with orange and white exteriors, a crown for a logo, the motto "Fit for a King" and bar stools around a counter—sprouted throughout the state. Mr. Singer hardly ever had a problem building more.

In 1964, when the county planning board voted against a Royal Castle at Northeast 78th Street and Biscayne Boulevard—most Royal Castle were on corners—Mr. Singer pleaded before commissioners. They agreed with him that the building, with glass walls, would not obstruct drivers' visions.

Mr. Singer was well known in political and civic circles. He was part of a group of businessmen that wrote the Metro-Dade charter approved by voters in 1957. Twelve years later, he and other citizens pushed for a combined city-county government.

He chaired the United Fund—later United Way—drive and was founding chairman of the Jackson Memorial Hospital Public Health Trust. He traveled to Tallahassee, securing legislation to set up the Public Health Trust. With the trust, the hospital, which had been run by the county, could seek other financing.

One of his first tasks on the Public Health Trust board was to meet with auditors. They told him the hospital, in financial disarray, would have to start from scratch.

"He said, 'Oh well, that's a good way to go,'" said Katherine Fahringer, on the board with him. "He always had a positive approach. Nothing bothered him."

From 1957 to 1960, Mr. Singer served on the Florida Road Board. His territory covered nine counties, from Indian River to Monroe. He fought to get money to build the Julia Tuttle Causeway, parts of Krome Avenue and the Henry Kinney tunnel on U.S. 1 in Fort Lauderdale.

"There was a lot of opposition to the highway system, but he didn't pay attention," said friend Don Shoemaker, the former editor of The Miami Herald. "He kept slugging right ahead. He was one of the real creators of modern Dade County."

In 1959, with Dade complaining about bumper-to-bumper traffic and state and federal agencies complaining about lack of money, Mr. Singer proposed a solution: raise $46 million in a local bond issue and lend $40 million of it to the U.S. Bureau of Roads. The money was used to build the Palmetto Expressway.

He explained in 1960 his part in the process: "I am an expediter and a sort of public relations man."

With the roads board taking up more of his time, Mr. Singer turned the Royal Castle business over to his son. At about the same time, his first wife Esther was diagnosed with cancer. Mr. Singer and Esther flew around the world looking for a cure, but to no avail. She died in 1963.

By the mid-1960s, Royal Castle was straining to compete with larger fast-food and pizza chains. It brought other problems onto itself: as late as 1961, blacks were staging sit-ins because the restaurant only served them through takeout windows. Women were not allowed to work behind the counter until 1967.

The family-owned business went public in 1965. Four years later, it was sold. William Singer got about $6 million for his interest. Former U.S. Sen. Richard Stone, who married one of Mr. Singer's daughters, was secretary for the corporation for a while.

By 1975, only 85 Royal Castles remained. The owners, Performance Systems of Nashville, decided to fold that year.

Mr. Singer continued to dabble in real estate, putting Royal Castle behind him. "I'm not emotionally interested in it," he said in 1982. "I want to forget it. I lost interest in it when I sold it."

In addition to his son Lawrence, Mr. Singer is survived by his wife Ida Beck Singer of Miami, daughters Dorothy Jacobs of New Orleans and Marlene Stone of Washington, stepson Jeffrey Beck of New York City, stepdaughter Judith Beck Gardner of New York City, brother Peter of Miami, sisters Marion Goldstein of Hollywood and Pearl Olkes of Coral Gables, nine grandchildren and 11 great-grandchildren.

IN MEMORY OF TAMMI TUCK

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. LEWIS of Florida. Mr. Speaker, my district and Palm Beach County recently lost an outstanding citizen and friend when Trillier Johnell Tucker passed away.

Tammi Tuck, as he was known to his friends, was a warm and compassionate family man, a civic leader committed to community improvement, equal opportunity and positive moral tone. Losing Tammi Tuck was hard for the residents of Palm Beach County to sustain because of the unique nature of his accomplishments and his ability to include all segments of the local society in the achievement of greater goals.

Tucker took notice of poor children unlikely to have a festive Christmas holiday and created the Christmas wrap-a-thon to provide gifts and happiness to underpriviledged youth.

What started out as a small neighborhood project run from Tucker's grocery store became a community function involving the U.S. Marine Corps, the Junior League of Women, local civic groups and the media. His leadership and enthusiasm overcame any obstacles to the success of the wrap-a-thon.

When violent, drug-related incidents began to devastate his inner-city neighborhood, T.J. Tucker used that same veracity and pioneering spirit to organize a neighborhood-wide "Say No To Dope" Day, which grew to include the entire Palm Beach community.

T.J. Tucker was committed to the cause of bettering his neighborhood. He was a forceful and eloquent leader in this case. It remains for all of us to pursue and build upon his achievements with vigor and enthusiasm equal to his. In this manner we will perpetuate the cheerful memory of Tammi Tuck.

UNITED STATES-MEXICO REVITALIZATION ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. RICHARDSON. Mr. Speaker, I am becoming increasingly concerned about the manner in which certain special interest groups are trying to influence the legislative process while frightening our constitutents and collecting money from them at the same time. Certainly, it is the right of any group with a desire to influence legislation to contact individuals throughout the country and request that they contact their elected representatives to advise them of their concerns. It is also the right of any such group to ask for contributions to defray expenses and further its cause.

I begin to wonder, however, whether some groups are not, in fact, more interested in collecting contributions than furthering the cause which they purport to be fighting for. I am particularly disturbed when requests for donations are accompanied by distorted information designed to strike fear into the hearts of our constitutents. These groups employ misinformation to taint legitimate and worthy legislative initiatives and compel citizens to donate money to an apparently respectable cause.

I am personally offended by the efforts of a group called the U.S. Border Control, of Springfield, VA. This group claims that a bill I have introduced, the United States-Mexico Border Revitalization Act, H.R. 1006, "gives away a swath of land 200 miles wide along our entire southern border * * * to Mexico," and which "moves our southern border up into the heartland of America." Moreover, the group ludicrously claims that "it is quite likely that * * * this 'free trade' zone will become a haven for smugglers, dope pushers, and Soviet agents eager to buy or steal America's strategic technologies."

The U.S. Border Control follows these claims by soliciting a donation intended to stop Congressman WILLIAM RICHARDSON, the head of the Hispanic Caucus, from establishing his so-called free trade zone along our southern border. This is only a small sample of a reprehensible campaign of misrepresentation waged primarily to frighten citziens into donating money.

Mr. Speaker, I am incensed that any group would publish such lies about any Member's efforts to address a serious issue. I introduced H.R. 1006 in hopes that it would address several problems currently facing the depressed border region. At this point, I would like to restate the provisions and goals of the United States-Mexico Revitalization Act. In doing so, it is my wish to refocus the dialog on fact and away from misinformation.

The United States-Mexico border region faces a series of problems of both sides of the border. These problems include unemployment, substandard living and health conditions, and a continued influx of illegal immigration. In approaching these problems thoughtfully and effectively, we must recognize that they are, fundamentally, brought on by a lack of economic opportunity. The solution, therefore, must entail the stimulation of this region's economy.

The United States-Mexico Border Revitalization Act is an innovation attempt at stimulating economic growth and development along the border region. H.R. 1006 simply directs the President to "negotiate with the Government of Mexico, on a reciprocal and mutually beneficial basis, for the purpose of developing and entering into a bilateral agreement to establish a United States-Mexico free trade and coproductive zone."

Recognizing the need for flexibility in the President's negotiations for establishing a free-trade and coproduction zone, my proposed legislation sets no geographical limit for the zone. However, it does provide a minimum limit in a general way, in that it recognizes that the United States-Mexico borderlands should be included in any zone that is established as the result of the negotiations with Mexico.

This is, in brief, a description of the United States-Mexico Border Revitalization Act. I hope that this explanation sets a tone for a truthful and productive dialog on this legislation. I welcome any and all criticism, both positive and negative. Such critics, no matter how combative and vocal, is at the very foundation of the democratic process from which our legislation is born. Democracy is nurtured on truthful, vigorous, and open debate. Democracy is, however, undermined by deception and misrepresentation. Unfortunately, the U.S. Border Control has engaged in such deception in its attempt to defeat the U.S. Border Revitalization Act and garner contributions at the same time.

Mr. Speaker, I only ask that this legislation stand or fall on its merits or faults based on fact. I ask that it not be jeopardized or trivialized by misrepresentation. The problems the United States-Mexico border region faces are too grave, the fate of our citizens and neighbors in the area too intertwined, to be addressed in any manner other than one which is truthful and honest.

I am enclosing for the RECORD a copy of some correspondence from the U.S. Border Control which I became aware of last week.

DEAR FRIEND: If you thought the Panama Canal giveaway was bad, you won't believe what a few radical Congressmen have planned for more than 400,000 square miles of sovereign United States territory!

Believe it or not, a bill was introduced in Congress that just about gives away a swath of land 200 miles wide along our entire southern border . . . to Mexico!

The map enclosed shows some major U.S. cities that would be inside this 200 mile wide U.S.-Mexican controlled "trade zone" if this bill is passed.

Has our Congress gone mad?

Every American knows the story of the heroic battle at the Alamo: How a group of brave Americans fought to the very last man against overwhelming odds. Great men like Davy Crockett, Jim Bowie, and Col. Travis gave their lives to defend the Alamo.

But today, there are Congressmen who would abandon our southern border, even in the midst of terrorists threats, just to improve our relations with Mexico.

As a person who has spent many years monitoring Congressional legislation, I have seen some very poor bills introduced. But to turn four hundred thousand square miles of sovereign American soil into a "free trade zone" with Mexico—land that brave Americans had fought and died to protect—is the most outrageous and shameful legislation I have ever seen.

But what frightens me is that, because so few Americans are aware that such a bill has been introduced, it actually has a very real chance of being passed into law this year.

That is why I am writing you today and why I must have your support if we are to stop this terrible and dangerous bill. We have got to wake up Americans and warn them that they are about to lose a big chunk of their country . . . not through war but through a giveaway unprecedented in world history!

And we've got to let the entire Congress know that we simply will not tolerate such an insane proposal becoming law.

But before I tell you how you can help me stop this outrage, let me explain why this bill is very dangerous to the safety and security of all Americans.

You already know that America has a real problem with its southern border. It is approximately 2000 miles long and virtually unprotected. Every day, tens of thousands of illegal aliens cross this undefended border.

Some of these illegal aliens are good people trying to escape the persecution and horrors of living under communism.

But there are many others who are sneaking into our country that can do America great harm. There are people infected with terrible and deadly diseases. Others are coming to America to live off our welfare system.

And there are terrorists, murderers and criminals of all description who disguise themselves as refugees and sneak across the border with them.

America is one of the most vulnerable nations in the world because of this very long and uncontrolled border.

Rather than make this border secure and defend it, our Washington politicians want to move the whole border 200 miles north, establishing a "free trade" zone jointly managed by the Mexican and United States governments.

I am convinced it would give drug smugglers and terrorists easy access to major U.S. cities like Los Angeles, San Diego, Tucson and Phoenix. It moves our southern border up into the heartland of America!

United States Border Control was established to make the American public aware of the grave threat undefended borders pose to our national security.

We are strongly opposed to the recently passed Amnesty bill granting citizenship to illegal aliens for four reasons:

1. It is very unfair to those honest people who have waited patiently, sometimes for years, to become U.S. citizens legally.

2. It undoubtedly will encourage millions more Latin Americans to try to enter America illegally.

3. This massive immigration is violently changing the cultures and values of this country and worsening the language crisis in many major southern cities.

4. It may force immigration quotas on America that could cause us to close our doors to legitimate refugees of oppression.

Giving away a 200 mile wide strip of America would make all of these problems much, much worse. Yet, some Congressmen are recommending such a crazy and dangerous plan of action. Why?

According to Congressman William Richardson of New Mexico, the bill's author, his "free trade" zone would be good for America, creating new jobs and great prosperity for the South.

That's his story.

In our opinion, the fact that a Congressman from New Mexico would dare introduce a bill that trades away 400,000 square miles of sovereign U.S. territory is a good indication of the political power of the illegal aliens—now becoming voters—thanks to the Amnesty Bill.

His bill will create jobs . . . but not for Americans. This bill would only benefit the huge multinational corporations who would get cheap Mexican labor and avoid paying any taxes.

And, it is quite likely that in addition to attracting the multinational industries, this "free trade" zone will become a haven for smugglers, dope pushers and Soviet agents eager to buy or steal America's strategic technologies.

Also, you can bet your bottom dollar the Mexican government will be absolutely no help in controlling this "trade zone."

How much can we trust the Mexican government? A laughable question. They have already murdered a U.S. Drug Enforcement Agency (DEA) officer who was on the trail of drug smugglers.

The Mexican government is totally corrupt and so fearful of Fidel Castro that it will do whatever he demands. And he will demand whatever the Kremlin wants.

That is why I say this proposal is extremely dangerous.

And that is why it is so urgent that you help me stop this bill today before it begins to gather momentum.

Enclosed with this letter is a special petition to the President of the United States.

The petition expresses shock and concern over the proposed legislation and urges the President to veto this bill if and when it is passed by the Congress.

Please pick up a pen right now and sign your petition. It is very important that the President knows he has a lot of support on this critical issue.

I believe that President Reagan is a patriot and would never wish to give away U.S. territory.

However, you and I both know that he has been under constant attack on all sides. Each time he vetoes a bill, he takes a terrible beating from the Congress and the press.

Your petition combined with thousands of other petitions collected from concerned citizens all across the country will give the President the courage to veto this terrible giveaway.

The more petitions we can collect, the less likely that Congress will even dare to pass such a horrible bill.

Of course, to get tens of thousands of petitions, we will have to mail many thousands of letters like the one you are reading.

And that costs our organization a lot of money. That is why I hope that as you are signing your petition, you will also sign a check for as generous a contribution as you can afford to send to this critically important campaign.

We have so much to do and precious little time before this bill comes before Congress.

I am convinced that, unless we alert America to this robbery, this theft of American soil, it will be gone before anyone can stop it.

That is why I hope, along with your petition, you will enclose a check for $15, $25, $50, or even $100, if you can. A contribution of $15 means we can alert another 45 Americans to this terrible giveaway.

In addition to the petition drive, we need to issue national press releases and hold conferences at the Capitol to put the pressure on Congress to give up this dangerous scheme.

Every contribution we receive will be put to work immediately to stop this bill from becoming law. America cannot afford another Panama Canal giveaway. Thank you.

Sincerely,

FRANK MCGLYNN,
Executive Director.

P.S.—Even if you can only afford two or three dollars to pay for the costs of processing and delivering your petition, your support and your signed petition are needed.

A TRIBUTE TO THE COMMUNITY LEADERS CLUB

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. GALLEGLY. Mr. Speaker, I rise today to honor the Community Leaders Club, the premier fund-raising organization for California Lutheran University which is now marking its 25th anniversary.

Since its inception, the Community Leaders Club has raised more than $668,000 for Cal Lutheran's academic program. What makes the club unusual is its focus on supporting the university's total academic program and providing funds for academic program improvement.

Besides helping boost academics at Cal Lutheran—the only full-fledged university in Ventura County—the club also helps build bridges between the school and the community.

Mr. Speaker, I strongly support organizations such as the Community Leaders Club, which exemplifies the traditional American values of self-reliance and volunteerism. I'm sure my colleagues join me in wishing this outstanding organization many more years of continued success, helping California Lutheran University move into the 21st century.

EDUCATION AND ECONOMIC DEVELOPMENT: A TRIBUTE TO RON LINGLE

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. BRUCE. Mr. Speaker, in a time when every job is valuable, Ron Lingle has kept entire companies in the Danville area with the aggressive economic development attitude he has developed in Vermilion County.

As a national leader in the concept of combining higher education and economic development, Ron's programs served as an inspiration to legislation I introduced when I first came to Congress to set up economic development and education partnerships. That concept quickly won approval from Congress and the President.

It has also won the approval of his higher education peers. When he steps down this year after nearly 7 years as president of the Danville Area Community College, Ron Lingle will take with him a well-deserved reputation for innovative thinking. He has been recognized by his colleagues as one of the top 50 community college executives in the Nation.

When Ron Lingle leaves the Danville Area Community College, this community will lose many personal qualities in Ron that can never be replaced. But his hopes and his dreams must be continued for Vermilion County to prosper. Ron's work has already been accepted as a mainstream American concept.

THE BALTIC STATES A TEST OF GLASNOST

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. DORNAN of California. Mr. Speaker, I rise today to remind my colleagues of the situation in the Soviet-occupied Baltic States of Estonia, Latvia, and Lithuania. The plight of the people in these nations continues to attract much attention in Moscow and around the world.

As many of you know, these three states had enjoyed full national independence from 1918 until Stalin treacherously annexed them into the U.S.S.R. under a 1939 pact with Hitler. In the more than 40 years that followed the end of World War II, the 6 million people of these states have continued to live under Soviet oppression. Needless to say, the fates of these three states are ultimately tied to one another.

We have heard much about Mikhail Gorbachev and his much publicized perestroika. However, it doesn't seem to apply to the oppressed nations. This is despite the many pleas for reform in the capitals of Estonia, Latvia, and Lithuania. I believe the most effective way for Gorbachev to demonstrate his sincerity is to restore the cultural and economic automony in these states by granting them sovereignty.

Mr. Speaker, the following syndicated column by Cord Meyer provides an excellent overview of the dilemma facing Gorbachev in these troubled Baltic States.

[From the Washington Times, July 1, 1988]

BALK IN THE BALTICS

(By Cord Meyer)

Whatever conclusions are reached this week in Moscow by the Soviet Communist Party's first extraordinary conference since 1941, the three Baltic states, Estonia, Latvia and Lithuania, will continue to confront General Secretary Mikhail Gorbachev with one of his most intractable and potentially dangerous nationality problems.

Although these three republics have between them a population of only 6 million, they are the only member states of the Soviet internal empire that enjoyed full national independence from 1918 to 1940, and the United States has continued to refuse to recognize their forcible incorporation into the Soviet Union by Stalin at the end of World War II.

In these three countries with their lively memories of full democratic freedoms and high living standards, "glasnost" is used to force the Soviet regime to admit the historical truth that Stalin made a deal with Hitler to end their independence. "Perestroika" for the Baltic peoples is the struggle to regain as much as possible of their lost freedom.

The first wave of popular Baltic demonstrations to take advantage of Mr. Gorbachev's promise of reform began in Riga, the Latvian capital, with a march of 5,000 in June 1987 to commemorate the mass deportations by Stalin in 1941. Taken by surprise, the communist authorities did not try to intervene and they similarly failed to prevent large demonstrations in all three Baltic capitals on Aug. 23, 1987, to protest the signing of the 1939 pact between Hitler and Stalin that secretly provided for the Soviet annexation of the Baltic states.

By the time further demonstrations were attempted in November and in February of this year, the Baltic communist governments moved to contain them forcibly. Students were threatened with expulsion, workers with loss of jobs, leaders were exiled and the militia wielded their truncheons to break up the crowds.

But a third wave of even more massive and radical demonstrations has been the answer of the indomitable Balts. This June 14, in Riga, initiated by unofficial organizations such as the Environmental Protection Club and endorsed by the communist youth group, more than 50,000 Latvians marched to commemorate the victims of the Stalinist deportations and to demand a much wider grant of local automony from the party conference in Moscow.

As the result of good contacts enjoyed by the American Latvian Association, there is now available the proceedings of the secret meeting called by the Latvian Communist Party Central Committee on June 18 to deal with the threat posed by the events of June 14.

Two conclusions emerge clearly from this supposedly secret discussion among Latvian Communist leaders. First, the hard-line leadership is confused and unsure of itself in the absence of clear instructions from Moscow. Boris Pugo, the first secretary of the Latvian Communist Party, concludes that "the party has lost control of the situation in the republic. A feeling of defenselessness has arisen and it seems like power is sliding out of our hands."

The KGB chief complains that his organization "has not performed its duty properly, for up until now we have not been given concrete orders."

Second, when the discussion turns to talk of using Russian tanks against the demonstrators, there are sharp divisions of opinion, and some leaders warn that retaliatory strikes by farmers could cause food shortages.

In Estonia, the communist party leadership has apparently moved with some skill to co-opt the massive demonstrations. In the Estonian capital of Tallinn, an independent association called the People's Front has been allowed to organize with the endorsement of the Communist Party, and the republic's president, Arnold Ruutel, has set up a commission to "restore justice" to the victims of Stalinist purges.

Not to be outdone, Lithuania has joined Latvia and Estonia in sending its delegation to the Moscow Party conference armed with far-reaching demands for wider autonomy, as called for by the Lithuanian Restructuring Movement.

There is a peculiar and unique urgency to these demands for an end to Russification, particularly in Latvia and Estonia. As the result of the deliberate and forcible introduction of Russian workers into both countries, native Latvians are now only 48.6 percent of their country's population, while the Estonian native population has sunk to 61 percent. In addition, the domination of Russian as the state-supported language has further endangered the cultural heritage of these peoples.

Confronted with these insistent demands, Mr. Gorbachev must realize that if he gives too little, violent Baltic demonstrations could force him into repressive acts that would spell the end of all reform. If he gives too much, he risks rousing the sleeping giant of nationalism in the Ukraine and in the Asian republics.

RULE ON H.R. 4333, THE TECHNICAL CORRECTIONS ACT OF 1988

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the rules of the Democratic Caucus, I wish to serve notice to my colleagues that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of the bill, H.R. 4333, the Technical Corrections Act of 1988.

RETIREMENT OF HANS NESTLER

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mrs. MORELLA. Mr. Speaker, today it is my pleasure to salute one of the leading citizens of Montgomery County, MD. Hans W. Nestler, after 15 years of distinguished service, is retiring as executive vice president of the Montgomery County Board of Realtors.

Over the 15 years that Hans Nestler has been involved with the board of realtors, the pace of development in Montgomery County has been rapid. The county's growth has been mirrored by the board's membership, which has expanded during Hans' tenure from 2,700 to 6,500 realtors. Hans Nestler has played an important role in facilitating this growth. Fifteen board presidents have come and gone, but Hans has remained a constant, his guiding hand charting a steady course for the country's realtors over the last decade and a half.

As the board's membership has expanded, Hans has supervised an impressive modernization of its facilities. In recent years, he has overseen a computerization of the board's information system, which includes a cataloging of all realtor-listed homes for sale in Montgomery County. In just 9 years, the system has expanded from 200 multiple listing service terminals to 1,800 terminals, providing service to 547 firms and to numerous agents at home. Soon, video displays of homes will be available.

Also, Hans Nestler masterminded the board of realtors' move in December to a new headquarters in the I-270 corridor. The new offices have three times the space of the board's old office in Kensington.

Rapid growth in any enterprise calls for a steady hand at the helm and an innovative eye toward the future. The Montgomery County Board of Realtors is fortunate to have had a man with just these characteristics as its executive vice president over the past 15 years. The board, and all of us who care about the prosperity of Montgomery County, wish Hans Nestler well as he enters another phase of his life but hope he will not leave this one too far behind.

SALUTING MR. JAMES CLARK MACFARLAND

HON. ARTHUR RAVENEL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. RAVENEL. Mr. Speaker, I rise today to ask my colleagues to join me in giving proud recognition to the many accomplishments of one of my constituents, Mr. James Clark MacFarland of Summerville, SC. During his 41 years of distinguished and dedicated service, first in the U.S. Army and then in the National Industries for the Blind [NIB], Mr. MacFarland has shown a rare combination of understanding and compassion for the needs and desires of disabled Americans.

Mr. MacFarland's tireless efforts on behalf of blind people and other severely handicapped citizens should not remain unrecognized. He has devoted countless hours to the creation of new employment opportunities for blind workers under a program that began when Congress passed the Wagner-O'Day Act in 1938. This act was subsequently amended in 1971, and is now commonly known as the Javits-Wagner-O'Day Act [JWOD]. This program provides employment to thousands of blind, multihandicapped blind and other severely handicapped people. The genius of the JWOD Act is that it creates such employment opportunities and provides commodities and services to the Federal Government with limited costs to the Government.

During his 14 years with NIB, Mr. MacFarland served in various capacities including that of vice president of the Government Operations Division. During this time, he was intimately involved in developing new products and services for manufacture by blind workers.

The remarkable growth of employment opportunities under the JWOD Act between 1968 and 1982 is a fitting tribute to his leadership and dedication to the welfare of blind and multihandicapped blind citizens. He was one of the first to recognize the important role played by workshops for the blind as demonstration facilities. As a result, he deliberately set out to identify, acquire, adapt, and assimilate brand new products and processes for manufacture by blind persons. This, in turn, has helped demonstrate the impressive production capabilities of blind persons not only to workshops and blind workers, but in a real sense to the society at large. He was awarded the prestigious R.B. Irwin Award for service to blind persons in May 1984.

In recognition of his remarkable service to blind citizens, and his knowledge of the JWOD Act, he was appointed by President Reagan in 1987 to serve as a member of The Committee for Purchase from the Blind and Other Severely Handicapped (The Committee). This committee was initially created by the JWOD Act in 1971 and is charged with administering the act and creating new employment opportunities for the targeted group of blind and severely handicapped individuals. In this position, Mr. MacFarland works closely with The Committee staff and assists it in making important policy decisions, always keeping in mind the congressional purpose in creating the JWOD Act of expanding employment opportunities for the specific group of blind and other severely handicapped individuals who either cannot obtain or engage in competitive employment.

Mr. MacFarland's leadership in creating jobs and raising the standards of living for blind workers has also included a strong commitment to improving working conditions and safety within the workshops and promoting upward mobility and placements, whenever possible. His commitment to improving the life satisfaction of blind and other severely handicapped workers is worthy of our support, applause and recognition.

Mr. Speaker, it is with great pride and honor that I recognize these outstanding accomplishments of a great American and a fellow South Carolinian, Mr. James Clark MacFarland.

LEONARD ZAKIM RECEIVES AWARD

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. FRANK. Mr. Speaker, I was pleased but not surprised to learn that Barrister, the magazine of the Young Lawyer's Division of the American Bar Association, has included Leonard Zakim of Newton, MA, as one of its "20 Lawyers Who Make a Difference" for 1988.

Len Zakim is the executive director of the New England Regional Office of the Anti-Defamation League. He is a man of extraordinary dedication, integrity, and talent. Len Zakim works diligently to make the ideals in the American Constitution a reality. He is one of the leaders of the Jewish community in New England and he is unrelenting in his attacks on anti-Semitism in all its manifestations, and in his support for an American policy which recognizes our national interest in the existence of a strong and independent Israel. He works equally hard against racism and prejudice in all its forms. Along with several leaders in the black community in Boston, Len Zakin has been a major factor in defeating the efforts of those who would create tensions between the black and Jewish communities.

The accompanying article from Barrister gives a good indication of the qualities of Len Zakim that led to his inclusion in this distinguished list and I include it in the RECORD as an example of how bigotry can be combatted effectively.

A WORLD OF DIFFERENCE

"Did you hear the one about the Polish lawyer who. . .?"

Leonard Zakim would glare at the person attempting that joke. "I feel that the ethnic joke is the most effective perpetuator of stereotypes against various groups that exists today," he says.

As executive director and counsel of the Anti-Defamation League of B'nai B'rith, New England Regional Office, Zakim is more than aware that a joke is often a mask for something that isn't very funny.

For those who think an innocent little joke couldn't hurt, Zakim has this argument: "To get rid of prejudice, you have to begin to change people's attitudes by refusing to participate or laugh at ethnic jokes, and calling people on those. There seems to be a glorification of ethnic jokes. Sale after sale of books like Polish jokes, Jewish jokes, black jokes. Those jokes often concentrate on the worst stereotypes of those groups and ridicule those sterotypes."

In his 10 years with the Anti-Defamation League, Zakim—who is 34—has gained a reputation as a tireless opponent of prejudice, and has made fighting discrimination a top priority not only in Boston, but nationwide.

In 1986, Zakim became national coordinator of "The World of Difference," an anti-prejudice campaign that combined televison, education and community activism on the issue of prejudice against all people. The campaign, which won a Peabody Award, "rejects the old notion that we're all the same, that this is some kind of melting pot," Zakim explains.

"What the project actually says is that we are, in fact, different and if we're ever going to learn to respect those differences we have to learn about them. Tolerance is not the goal we seek. Tolerance is a very minimal goal. One develops tolerance for the flu, or for an allergy. Our goal is to promote respect.

"That doesn't mean you have to agree with every other group about what their particular agenda priorities are. What it does mean is that you have to know that in addition to the problems they face, a lot of groups have a great number of accomplishments," he says.

Given Boston's dark history of racial conflict, Zakim thought the city had emerged from the '70s as one of the most racially divided cities in the country. "The World of Difference" campaign, which began in Boston (co-sponsored by WCVB in Boston and the Shawmut banks) produced over $2 million worth of prime-time television to deal with the issue of prejudice.

Working through the city's school system, the campaign trained over 5,000 teachers in one year to address the issues of prejudice, not on a one-day-a-year program, but on a consistent approach.

The campaign ran 20 half-hour specials, three 90-minute specials, over 80 public service announcements featuring people like Stevie Wonder and Billy Crosby, Gov. Michael Dukakis, and Zakim (speaking about anti-Semitism he felt as a child.)

"It wasn't all soft fluff, he says of the campaign. "We tried to humanize what it feels like to be the victim of discrimination.

"We believe that civil rights are for all of us. If you emphasize what actually happens to a six-year-old Asian kid who gets spat upon and gets assaulted on his way to school, even the most hardened bigots will perhaps be moved to understand what they're allowing to happen to that child."

Prejudice had never been attacked in such an institutionalized way, he says. The programs have since been aired in Albany, Detroit, Houston, Miami and Philadephia, and will be shown soon in Baltimore, Chicago, Los Angeles, and San Francisco. Zakim hopes to interest stations in 25 cities by the end of 1989.

SANDINISTAS CONFISCATE EVIDENCE OF THEIR DIRTY SECRETS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. CRANE. Mr. Speaker, there is irrefutable evidence that the Government of Nicaragua is the greatest single source of insurgency, subversion, and instability in Central America. Better than 80 percent of the arms and munitions sent by the Soviets and the Cubans to the Salvadoran terrorists pass through Nicaragua. Until such time as the Sandinistas are willing to bring an end to this activity, I think it is imperative that, at the very least, we make it difficult for them to do so. This may mean funding and training the freedom fighters, or establishing a blockade similar to that used so courageously by President John F. Kennedy during the Cuban missile crisis. I firmly believe that we owe it to the future of freedom and self-government in the region to take these measures.

The following article by Gary Moore describes the hostile actions taken by the Sandinistas. This is not an issue, this is a major problem facing the United States as well as the freedom of Central America. We should not tolerate the insurgence of Communists in unstable countries. The United States plays a critical role in securing the freedom and safety in Central America, therefore we must react to our call of duty in order to solve the instability in Central America. I hope this article will offer my colleagues a better understanding of the functions of Nicaragua's Sandinista government:

[From the Wall Street Journal, May 27, 1988]

SANDINISTAS CONFISCATE EVIDENCE OF THEIR DIRTY SECRETS

(By Gary Moore)

SAN JOSE, COSTA RICA.—From my cell in El Chipote—the most feared State Security prison in revolutionary Nicaragua—I could see a bit of blue sky. A ventilation hole had been cut in the ceiling, and was crossed with heavy iron bars. The sky seemed enclosed by the bars. All Nicaragua seemed a cage. In a State Security office where I had been taken before entering the prison, slogans posted on the wall promised a "fist of iron toward the enemies of the people" and "militant internationalism." This wasn't the Nicaragua that foreigners see on guided tours.

On May 17, I was taken into custody by officials of Nicaragua's Sandinista government at a remote jungle outpost called La Cruz del Rio Grande. Within two days I was flown out of the jungle to detention and interrogation in Managua's El Chipote. My formally stated crime: traveling without permission.

I had entered the wilderness by river, without written approval from the Sandinista government to do so. Apparently no foreign journalist has ever been permitted to enter that particular area. Carrying a videotape camera and a notebook as I worked my way down the Rio Grande de Matagalpa by dugout canoe, I was seeking to document human-rights abuses that had never been put on record.

In fact, I had stumbled into a labyrinth of abuses that the Sandinistas had managed to keep secret. Farmers and homesteaders along the river told me of events—complete with eyewitness testimony giving names, dates and places—that revealed an extensive pattern of human-rights abuse by the Sandinistas: murders by troops, disappearances, torture, widespread pillage and burning of houses and depopulation sweeps that caused thousands of people to lose nearly everything they owned. Even dogs and cats were burned and machine-gunned. The jungles were viewed by the Sandinista People's Army as Contra strongholds, and civilians there were considered enemies.

In one hamlet, San Pedro del Norte, residents told of Sandinista troops—under two officers named Parajon and Guevara—who occupied a Catholic chapel for a year as their field headquarters. The chapel was also used as a detention and interrogation facility. Some prisoners were tied to nearby trees and beaten, while others reportedly were killed and their bodies burned. When Catholic lay leaders protested the use of the chapel, they, too, were taken prisoner.

The Rio Grande jungles—far from previously reported sites of human-rights abuse, such as the Rio Coco Indian areas—form a black hole in the reporting about Nicaragua. And there seem to be a number of other such holes. Major theaters of Nicaragua's Contra war have never been investigated. This raises serious questions about the bulk of news and human-rights reporting on the Contra war.

Many of the worst abuses along the Rio Grande de Matagalpa were in the years 1984-1985, and have remained secret since then. More recently, in 1987, the Sandinista government began dropping 500-pound bombs—projectiles more than five feet long—on villages up and down the river. Videotapes show the huge bomb creaters in populated areas.

Amid Nicaragua's torment, both Contras and Sandinistas have committed many serious human-rights abuses. But in areas such as the Rio Grande De Matagalpa, the Sandinistas have been the major abuser of civilians. Such remote areas tend to serve as strongholds for guerrillas, and many farmers along the river have been Contra supporters, invoking the wrath of Sandinista troops.

One of many accounts on the videotape came from the mother of Lucas Cordero, a rancher from Natiguas. Shortly before the March truce began, Mr. Cordero was taken by Sandinista troops as a Contra collaborator, despite his strong objections to the contrary. His mother found his body several days later; his throat had been cut from ear to ear. With tears in her eyes, Mrs. Cordero asserted: "If I have to die for the truth, then I'll die."

Not all residents were as courageous as Lucas Cordero's mother. Before consenting to go on camera with testimony about abuses, they fearfully asked me questions such as, "These films will never be seen by the government, will they?" I promised they wouldn't, and my promise had seemed logical: Nicaragua was in the midst of a cease-fire; there had been the lessening of tensions that came with the peace accords; and I had a press card issued by the Sandinista government.

Then suddenly, I was taken prisoner by the same government. All my notes and videotapes were confiscated. The course of my interrogation after I was flown back to El Chipote left no doubt that State Security agents had reviewed my notes and tapes in detail—with a particular eye to piecing together the identities of the many witnesses, all of whom are now in jeopardy.

While I was in custody, other State Security agents went to an apartment where I had stayed for three months in Managua. During that period I had made a number of wilderness trips into war zones in an effort to examine the reliability of the many conflicting human-rights reports and present an overall picture of the Contra war's human toll. The State Security agents took all the notes and videotapes they found at my apartment. Many more brave witnesses were then placed in jeopardy. All my files from those three months were retained—again under the charge of traveling without permission.

State Security officials informed me that Law 1078, the Law of Maintenance of Public Order and Security, forbids taking testimony from or videotapes of anyone in Nicaragua's rural war zones without government approval. If this legal definition is true, independent journalism in Nicaragua is impossible; journalists are hostage to government writ.

After five days of detention I was expelled form Nicaragua to neighboring Costa Rica. I suffered no physical mistreatment, though I was repeatedly denied permission to make outside notification of my arrest. When I raised objections, and State Security agent told me that perhaps the Sandinista revolution does not feel the need to comply with the norms of international law. The revolution has its own laws, I was told. My tapes and notes have not been returned.

The faces of all those witnesses keep flashing back into my mind.

What will happen to them now?

NEW EMBASSY MOSCOW: THE SAGA CONTINUES

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. BROOMFIELD. Mr. Speaker, interested Members of the House Foreign Affairs Committee continue to monitor the ongoing saga of our technically compromised new Embassy in Moscow.

Recent press reports indicate that the Department of State may recommend to Congress that the New Office Building [NOB] in Moscow be totally dismantled. While this option is undoubtedly the most logical choice to make from a security point of view, the Congress may soon be faced with the reality of having to provide significant levels of funding for both the demolition of the existing new structure as well as funds for the construction of a truly secure facility. I believe that the appropriation of funds for the new Embassy in Moscow deserves the support of this Congress. Embassy Moscow continues to be one of America's most important diplomatic posts.

Both glasnost and perestrokia have led to improved relations between our two countries. While United States-Soviet contacts are increasing, the Soviet Union continues to be America's chief adversary from an "intelligence threat" perspective. Diplomatic reporting and sensitive collection operations in this country demand a secure environment.

As the technical leader of the free world, America must ensure that our new Embassy in Moscow is a triumph of Western technology and not an open microphone to KGB headquarters. Americans engaged in diplomacy and intelligence efforts must be confident that their working environment is secure. Our dedicated fellow citizens serving at our Embassy in Moscow and at other posts around the world must be certain that their conversations will be protected and safeguarded while working in those sensitive facilities.

While I will carefully monitor developments concerning NOB Moscow, I am prepared to assist in the event that the Department of State requests new funding for a future Embassy that will be protected with the best security that this great country can offer.

I commend the following New York Times article concerning Embassy Moscow to my colleagues in the Congress.

[From the New York Times, June 23, 1988]

U.S. URGED TO RAZE MOSCOW CHANCERY

CONSULTANTS SEE NIGHTMARE IN A PARTIAL DISMANTLING

(By Elaine Sciolino)

WASHINGTON, June 22—A team of consultants has told the State Department that dismantling part of the new United States Embassy chancery in Moscow will be more difficult and dangerous than razing it before rebuilding, department officials say.

The fate of the chancery has been a matter of contention since early last year, when members of Congress and intelligence officials disclosed that pillars, beams and floors of the building were riddled with sophisticated Soviet listening devices.

After two high-level independent panels recommended solutions, a move to dismantle and rebuild at least five floors of the building gained among senior policy makers in the State Department by last fall, but came under fire by legislators who were unconvinced that the building could be made secure.

ENGINEERING NIGHTMARE

In response to the Congressional criticism, the State Department asked the team of engineers, architects and security experts to take another look at the unfinished structure.

Officials said the team will not finish its investigation before August. But its initial finding, stated in a secret report, is that to tear down and rebuild several stories of the eight-story building would be what on official called "an engineering nightmare."

The State Department awarded a $421,000 contract this year to the BDM Corporation and MK-Ferguson Company for a highly technical engineering study to analyze several possibilities in terms of construction, logistics, security, timing and cost.

"The building experts are saying that a partial deconstruction isn't feasible, because it is very difficult to take a portion of the building and build on the existing structure," said Robert E. Lamb, Assistant Secretary of State for Diplomatic Security, who declined to discuss the report. "Just from the efficiency of construction, you're better off taking the whole thing down."

Interviews with several State Department officials studying the matter indicate they believe that the most practical and economical solution is to raze the building and eventually replace it with a smaller structure.

HAS SOVIET-MADE MODULES

In a letter sent Monday to select lawmakers, Under Secretary of State John C. Whitehead said the survey team "confirmed that it will be technically feasible to dismantle the structure and that reconstruction can realistically be carried out using only American labor and materials." Much of the building was assembled from prefabricated modules made at a Soviet site not open to American inspection.

But some State Department officials stress that another option is to continue to use the current embassy as the "secure" building for classified activities and the new chancery for unclassified activities. The new chancery was to be the main embassy building, for diplomatic and classified activities, in the $192 million embassy complex of offices, apartments and recreational space. After $22 million was spent on the chancery, construction was stopped in 1985.

EMBASSY UNDER RENOVATION

The current embassy, which the United States occupied in the early 1950's, consists of one building. It is undergoing a $32.5 million renovation and will have to be used for five to seven more years.

Mr. Lamb, the State Department's top security official, said the embassy is "safer than it has ever been," because of new security measures, the completion of a fully secured communications center and the dismissal of non-American members of the support staff.

State Department officials who oppose the continued use of the current embassy argue that it is not well built and that it would cost more to modernize it than to put up a new building. "We're not talking about a solid, American prewar building that you can renovate," a State Department official said. "It's an old dump."

The survey team has suggested that the safest way to raze the chancery, with its extraordinarily thick walls and floors and massive support structure, is in small, painstaking stages.

More important for security officials is that a piece-by-piece razing is expected to yield information about the nature and extent of Soviet penetration of the building with eavesdropping devices.

Administration officials say it is impossible to estimate how much such a dismantling will cost, but they say it should cost no more than a partial dismantling, a selling point with Congress.

The Administration has rejected a recommendation by its own panel, headed by former Secretary of Defense James R. Schlesinger, to dismantle and rebuild only three stories of the new building and construct a six-story annex for the mission's most sensitive business. In addition, a classified report submitted in July by Anne Armstrong, head of the President's Foreign Intelligence Advisory Board, recommended spending $79 million to use sophisticated technology to clear the building of eavesdropping devices, but it never had much support.

In his letter to lawmakers, Mr. Whitehead said the Administration would probably be ready to discuss the team's findings before the end of the fiscal year, Sept. 30.

EXPANDING OUR NATIONAL TELECOMMUNICATIONS SYSTEM FOR THE BENEFIT OF THE HEARING AND SPEECH IMPAIRED

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. GARCIA. Mr. Speaker, I rise in total support of S. 2221, a bill that will expand our national telecommunications system for the benefit of the hearing and speech impaired population.

Historically, disabled people have been unemployed, underemployed and outside the mainstream of the American way of life. In 1973, Congress addressed the problem by enacting title V of the Rehabilitation Act of 1973 which has been hailed as a "bill of rights" for disabled people. The purpose of title V is to ensure that programs receiving Federal moneys can be used by all disabled people.

There are approximately 24 million Americans with hearing and speech impairments and who by virtue of their disability cannot fully use the available telephone system to communicate with the rest of the world. As you are well aware, a majority of our hearing and speech impaired persons have limited, if any, direct communication access to the Federal Government. Persons who use telecommunication device for the deaf [TDD] to communicate with the Federal Government go through a relay system that handles TDD calls for the entire Federal Government. Messages received by the relay system from TDD callers are forwarded to the appropriate department or the agency which then responds to the TDD users. The existing Federal TDD relay system is limited in that TDD users can not communicate directly with the Federal Government. Also, the incidence of TDD's in Federal departments and agencies is nearly nonexistent.

To fulfill the mandate of the Federal Communications Act of 1934, the Congress must continuously work to enact legislation that addresses the needs of the hearing and speech impaired population. Senate bill 2221 goes a long way in accomplishing this by directing the Federal Communications Commission [FCC] to establish and implement a telecommunications relay system to increase access for users of TDD's to Federal departments and agencies. The bill outlines a program to improve our Federal Government's telecommunications for the hearing and speech impaired. This legislation will implement an internal telecommunications relay system to serve the needs of the hearing and speech impaired population for access to Federal departments and agencies; equip all Federal departments and agencies with TDD's, or facilities to accommodate portable TDD's or both; provide for the assembly, publication, and maintenance of a TDD directory for Federal departments and agencies; and provide publication of governmental TDD access numbers in other existing directories.

S. 2221 is fully in keeping with the intent and spirit of title VI of the Civil Rights Act of 1964 and section 504 of the Rehabilitation Act of 1973. Section 504 of the Rehabilitation Act of 1973 forbids discrimination against handicapped individuals in any program conducted with the aid of Federal funds or in any program conducted by Federal agencies. I must note also that Executive Order 11914 was issued on April 28, 1976, to provide for consistent implementation of section 504 within the Federal Government.

Just as it is essential that direct telecommunication access be made available to speech and hearing impaired persons for access to Federal departments and agencies, it is equally important that this same population have telecommunication availability to directly interface with a 911 emergency numbering system within their locale to report emergencies and request assistance. I am working on legislation that will provide such direct access to this population and for which I will soon seek your interest and support on this measure.

TRIBUTE TO THE ASSOCIATED NEIGHBORHOOD CENTERS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise before you to pay special tribute to the Associated Neighborhood Centers [ANC] of Youngstown, OH, an outstanding service organization which serves the Youngstown community. Recently, I had the distinct honor to be the guest speaker for their annual dinner, which commemorated 72 years of devoted commitment to fellow citizens.

The services that ANC provides are numerous and invaluable. They are committed to educating those who have been deprived of the privileges which you and I enjoy without a moment's thought. Their programs envelope a wide spectrum of people including young and old alike. ANC offers a distinguished program for individuals interested in receiving their high school diploma, which enables them to become competitive in today's work force.

Having a special devotion to the youth of our community, the ANC has striven to provide beneficiary programs for those seeking assistance in their studies. However, I point out that this program would not be possible without the unwavering support of certain community members. Several students of Youngstown State University have given of themselves unselfishly in the tutor program, which Vincent Shivers, a recent graduate of YSU, directly supervised during this past year.

One program that exemplifies the excellence of ANC's work is the alcohol and drug program. Individuals meet to openly discuss their fears and emotions as they strive to fight the powers of addiction. As a former drug counselor and a former sheriff, it gives me great satisfaction in seeing this program be so successful. Credit must be awarded to Mrs. Mary Gulete, R.N., who is the dedicated supervisor of this program.

ANC is also committed to providing low-cost, expert health care to those who could otherwise not afford it. They are also actively involved in helping young mothers cope with the responsibilities of parenting. For those unable to afford some of life's necessities, ANC provides a food and clothing distribution service, as well as an after school feeding for young children, in which 100 are served daily.

I am especially pleased to honor this organization for its long and proud tradition of community service. Those that toil diligently to ensure its success are many. However, there are a few that deserve special mention such as: Ralph W. Clarke, executive director and Romelia M. Carter, community organizer. Along with the other staff and 510 youth workers, ANC has proved its worth by its unending interest in the Youngstown community. On behalf of the people of the 17th Congressional District, I applaud this exemplary group and its devoted team of community servants.

RECOGNIZING THE 100TH BIRTHDAY OF MARGARET ELIZABETH GARDNER

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. MURTHA. Mr. Speaker, it has been brought to my attention that on June 27 a very special day was celebrated by one of my constituents—on that day, Mrs. Margaret Elizabeth Gardner marked her 100th birthday.

This is a marvelous milestone and a reminder to all of us. Consider all the change in America that Mrs. Gardner has seen over those years. Imagine the changes in areas like health care, transportation, and communications that have affected Mrs. Gardner's life. Imagine all the change and adaptation that Mrs. Gardner has had to make during her lifetime.

It is significant to me that this was brought to my attention by a friend of Mrs. Gardner's because it tells me that this is someone special in the community of Ebensburg where she resides. In Pennsylvania's 12th Congressional District, we take special pride in the special people in our area, and friendship and community spirit are a hallmark of the region that I am glad to join in by noting this birthday of Mrs. Gardner's.

It is my pleasure to insert these remarks in the RECORD and to add my congratulations to Mrs. Gardner on her birthday and all the wonderful experiences of her life.

CECIL ROLLE REMEMBERED

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. LEHMAN of Florida. Mr. Speaker, with the recent death in Miami of Cecil Gaylord Rolle, south Florida has lost an important black activist.

Mr. Rolle, who served the Greater Miami Area for over 25 years, was a man of absolute dedication. He was the founder of the Dr. Martin Luther King, Jr., Brotherhood in Miami and the Youth Awareness Foundation, a program dedicated to helping black youngsters both complete their education and learn about their heritage. This distinguished black activist also founded and published the Liberty City News.

Cecil Rolle, who battled race discrimination all of his life was a tireless advocate for justice and equality.

Following is an article from the Miami Herald on the life of Cecil Rolle:

CECIL ROLLE, BATTLED RACE DISCRIMINATION

(By Lourdes Fernandez)

Cecil Gaylord Rolle, a longtime black activist in Miami and publisher of the non-defunct Liberty News, died Saturday at the Veterans' Administration Medical Center of cancer. He was 66.

Mr. Rolle had many causes.

In the 1960s, he founded the Dr. Martin Luther King Jr., Brotherhood in Miami. He spoke frequently on the phone with King to set up marches and other activities.

He picketed Dairy Queen because they did not hire enough blacks and was instrumental in getting grocery stores to install scales so customers could weigh fruits and vegetables.

Mr. Rolle, a high-school dropout who earned his diploma at night school, founded the Youth Awareness Foundation to help black youngsters stay in school and learn about their heritage.

Last year, he was ordained a Baptist minister.

"He'd been a minister all his life really," said wife Eugenia. "He just din't have the paper."

Whenever he spotted discrimination, Mr. Rolle took a handdrawn sign and an American flag to the business and picketed alone. He didn't ask anyone to join him, but others were welcome to do so.

He founded The Liberty News in the 1960s to give Liberty City residents information he felt they were not getting, as well as to offer black businesses a place to advertise for less. For many years, he distributed the newspaper for free.

Mr. Rolle ran for the County Commission in 1982 and for the Dade School Board in 1966 and 1968. He was never elected.

In 1982, Mr. Rolle and a group of Liberty City residents lobbied the Metro-Dade Commission for creation of a city in a 15-square-mile area that includes Liberty City, Overtown and a portion of Dade east of Hialeah. Advocates dubbed it "New City." It never got beyond those plans because they missed the deadline for turning in petitions.

The new municipality would have improved relations between the police and community, Mr. Rolle then argued, saying that most brutality cases occurred in that area.

"We do not want a combat zone. We want a place for our children to grow and develop," he said in 1982.

Mr. Rolle, born in Florida City, moved as a child with his family to Philadelphia and then New York. He left school at 16 to join the Navy. The ship was out at sea when officers determined his real age. The ship turned back to return him.

After graduating from night school, Mr. Rolle entered the Army, becoming a sergeant. He later took classes at the New York Advertising Club and became circulation manager for New York Age newspaper. He was also a field representative for The Amsterdam News and Ebony and Jet magazines.

He came to Miami as a southeastern regional representative for Johnson Publishing, soon becoming active in the community.

"Roaming around he became aware of many things that needed to be corrected," his wife said.

Last month, an organization of 14 Baptist churches held an appreciation night in his honor. But Mr. Rolle never thought he had done enough to deserve honors.

"He didn't consider he had accomplished much," his wife said.

There is a memorial service at 8 p.m. Friday in St. Matthews Missionary Baptist Church with another service at 11 a.m. Saturday, also at the church. Burial follows at Dade Memorial Park.

In addition to his wife, Mr. Rolle is survived by son Troy, stepson Damian Espy, father Edward, sisters Edna, Bernice, Grace and Edith McCord, and brothers Joseph and Edward.

LAND AND WATER CONSERVATION FUND SUCCESS STORY: PEPPER BEACH PARK, ST. LUCIE COUNTY, FL

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. LEWIS of Florida. Mr. Speaker, I recently learned of a land and water conservation fund [LWCF] success story occurring in my congressional district, which I would like to share with my colleagues.

Recent efforts at the Federal, State, and county level has helped to create a park centered around the unique history of Pepper Beach, in St. Lucie County, FL. With the help of the LWCF, Pepper Beach, the largest U.S. naval amphibious base during World War II, can be enjoyed by people of all ages.

I commend everyone who played a part in the success of this new historic park.

Mr. Speaker, I insert the full text of a narrative concerning Pepper Beach Park into the CONGRESIONAL RECORD at this point:

PEPPER BEACH PARK, A LWCF SUCCESS STORY

During World War II the largest United States Naval Amphibious Training Base in the nation was located in Fort Pierce at this site, hosting over 140,000 officers and enlisted men from every branch of service and from all over the nation. The original training site for the United States Navy's underwater demolition teams, then known as combat demolition units, were stationed on this very beach in St. Lucie County, Florida. The full story of the Navy's human secret weapons is told in a museum honoring their heroism and the important role that Fort Pierce and the state played in the war effort over 40 years ago. The museum is located on the Atlantic Ocean and State Road A1A where new recreational facilities have just been completed with LWCF assistance including picnic pavilions, wooden dune walk crossovers, multi-purpose play courts and tennis courts. In addition, Pepper Park contains the underwater archaeological preserve known as "Urca de Lima", a portion of the remains from a 1715 Spanish Treasure Fleet, sponsored by the Florida Department of State. Development of this recreation complex and historic preservation facilities is yet another demonstration of Federal-State-County efforts with exceptional citizen support.

LET'S HAVE PRODUCTIVE DIALOG, NOT PARTISAN DIATRIBE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. RICHARDSON. Mr. Speaker, I rise today to address a disturbing series of events surrounding a worthy legislative initiative. Last May, I joined a bipartisan group of Members of the House in introducing a bill which would protect the areas surrounding historic Manassas National Battlefield Park. This land, crucial to the preservation of the battlefield's unique historical character, is threatened by those who wish to build a shopping mall on the land. Nearly 200 Members of the Congress have cosponsored H.R. 4526, a bill to provide for the addition of these lands to the Manassas Battlefield Park.

What I find particularly disturbing is that the Secretary of the Interior believes the land lacks sufficient historical value and has engaged in a partisan campaign to defeat the bill and embarrass its democratic sponsors. The Secretary has taken it upon himself to engage in a letter writing campaign to local newspapers in democratic member's districts stating that the Representatives should be "ashamed of" sponsoring such legislation. But by coincidence, this "bipartisan" cabinet member has excluded the Republican cosponsors from his criticism.

Mr. Speaker, I, for one, am not ashamed to cosponsor legislation which protects our history. Treating our history with derision and contempt is not consistent with our national values. Politicizing this debate, as the Secretary had done, does nothing to advance the dialog on this legislative initiative.

The Secretary of the Interior is charged with preserving the environmental and cultural values of our national parks and historic places. I should hope that in the future the Secretary will work with the Congress in productive dialog and not partisan diatribe.

CAL LUTHERAN AND THE DALLAS COWBOYS—25 YEARS TOGETHER

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. GALLEGLY. Mr. Speaker, this year marks the 25th anniversary of the special relationship between the Dallas Cowboys football club and California Lutheran University. Here in the Nation's Capital, where Redskins season tickets are as coveted as an invitation to the White House—perhaps more so—it perhaps is hard to understand the close ties between the Cowboys and the people of Thousand Oaks, CA. Let me assure you, however, that those ties are real.

It all began in the fall of 1962, when the Cowboys were asked to replace the Redskins as the opposing team for the Los Angeles Rams in the next summer's charity football game.

The Cowboys wanted a training site "out where there was no smog and the temperature didn't get too high." Cowboys president Tex Schramm was dazzled by Cal Lutheran and the ambitious vision that the school's first president, Dr. Orville Dahl, had for the campus, and a deal was soon struck to make the school the team's permanent summer home.

Since 1963, both organizations have flourished. The Cowboys have participated in five Super Bowls, winning two of them, and ran off a streak of 20 straight winning seasons, one of the most impressive feats in the history of professional sports.

As for Cal Lutheran, it has earned an excellent academic reputation, and boasts an enrollment of more than 2,500 students and 34 majors.

Both the university and the Cowboys have gained from their relationship. The Cowboys have found a great summer home and have in turn helped Cal Lutheran by providing state-of-the-art athletic training facilities and by participating in annual fund-raising efforts—among them the Blue/White Scrimmage and the Community Leaders Club Welcome Cowboys Banquet—to help fund scholarships at the school.

Mr. Speaker, any relationship which lasts a quarter-century has to be considered successful, particularly in this day and age, and this relationship is closer today than ever, and still growing stronger.

I'm sure my colleagues—even the most fervent Redskins fans—join me in saluting the Dallas Cowboys and California Lutheran University, and in wishing them another 25 years of working together for excellence.

A NATURAL ADVOCATE: BOB BALES

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. BRUCE. Mr. Speaker, Bob Bales has been called a champion of conversationist causes. He is known as the dean of Champaign County canoeists and has been a constant advocate for the natural beauty of Illinois' prairies.

In particular, Bob has worked for about two decades with his wife Sandy to have the Middle Fork River designated as a national wild and scenic river. He has called on legislators, worked with State regulators, and gathered with area environmental groups in an effort to preserve the Middle Fork in its natural state.

Although the Interior Department has yet to rule on whether the Middle Fork deserves designation as a wild and scenic river, we need not delay in praising Bob for his 20 years of hard work on behalf of natural areas in east central Illinois.

For that work, I praise Bob Bales for exemplifying the values of dedication, commitment, and perseverance and setting an example for others to follow. For generations to come, lovers of nature will knowingly and unknowingly pay tribute to Bob Bales and his work when they take advantage of the beauty he preserved.

RUTH STALCUP CHOSEN 1987-88 PRESIDENT OF THE BPW

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. DORNAN of California. Mr. Speaker, I would like to take this opportunity to congratulate Ms. Ruth Stalcup, of Lorton, VA, on her election to president of the Virginia Federation of Business and Professional Women's Club, Inc. Ms. Stalcup is an exceptional Government employee at the U.S. Arms Control and Disarmament Agency and very active in the Alexandria chapter of the Business and Professional Women's Club. I commend her on her work and wish her the best in the coming year.

The article follows:

[From the Alexandria Gazette Packet, May 18, 1988]

BPW HAS NEW PRESIDENT

(By Joanne Frazier)

Ruth Stalcup of Lorton will preside over the 67th convention of the Virginia Federation of Business and Professional Women's Clubs Inc. The convention will take place in Richmond, May 18-22.

Stalcup, who moved from Mayville, Tenn. to Alexandria in 1969, is a 14-year member of the Dolly Peton Shepperson BPW of Alexandria. As the 1987-88 state president, Stalup led the 2,600 member Virginia Federation in pursuing the goals of full equity for working women in areas of pay equity, dependent care and career advancement issues.

Stalcup is a staff assistant for the Office of Congressional Affairs of the U.S. Arms Control and Disarmament Agency in Washington, D.C. She served in five sessions with the U.S. Delegation to the Strategic Arms Limitations Talks (SALT) between the United States and the Soviet Union in Vienna, Austria and Geneva, Switzerland.

BPW, Virginia is affiliated with BPW, USA, founded in 1919 to promote the interests of business and professional women. The national federation has 3500 local organizations in the United States, the Virgin Islands and Puerto Rico with an active membership of approximately 150,000.

THE 1988 ARTISTIC DISCOVERY COMPETITION

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. STOKES. Mr. Speaker, adorning the corridors leading to the U.S. Capitol Building is an exhibition of 249 paintings, drawings, prints, and collages from nearly every State, territory, and the District of Columbia. This special exhibition represents the culmination of "An Artistic Discovery 1988," the seventh annual congressional art competition for high school students sponsored by the congressional arts caucus and Members of Congress. This year's exhibition is the largest ever and represents the enormous skill, diversity and creative spirit of America's youth.

I am proud to report that the "Artistic Discovery" exhibit includes winning artwork from my congressional district. I had the honor of welcoming Toy Robinson, an 11th grade student from South High School, to Washington on June 28 for the opening ceremonies. His winning entry, "Toy," is included in the artwork on display through May of 1989.

Mr. Speaker, I want to again congratulate Toy Robinson upon being selected as the "Artistic Discovery" winner for the 21st Congressional District. He is a very talented young man with a bright future ahead of him. I would also like to take this opportunity to thank Malcolm and Ernestine Brown, owners of The Malcolm Brown Gallery in Shaker Heights, for their continued support of this important project over the years.

I want to also thank the principals, art instructors and most importantly, the students within the 21st Congressional District, for their support and participation in "An Artistic Discovery." I am pleased to include a listing of the schools and students who participated.

Mr. Speaker, I am proud to note the success of the "Artistic Discovery" competition in my congressional district and throughout the Nation. I hope that my colleagues and visitors to Washington will take the opportunity to view this impressive display of artistic excellence.

"AN ARTISTIC DISCOVERY" COMPETITION 21ST CONGRESSIONAL DISTRICT

1. John Adams High School—Cassandra Blake, Michael Camper, Frank Mitchell, and Ronard Williams.
2. Bedford High School—Edward Buchannan, Rosetta Friend, and Louis Graves.
3. Bellefaire School—Liane King.
4. Cleveland Heights High—Lesley Balla, Gretchen Berr, Natalie Parker, Carmon Rinehart, and Troy Turner.
5. Cleveland School of Arts—Leonarda Capeles, Andre Givhan, Michelle Hughley, David Malone, and Christine Wilson.
6. Collinwood High—Lamar Bolden, Kenneth Bruton, Kevin Bruton, Bennie DeLoach, Dwayne Johnson, and Milton Wyley.
7. Harry L. Eastman School—Marsha Bond, Brian Bowman, and Romona Grant.
8. East High School—Alvarez Avery, Bernard Calloway, Otis Holt, Leonard Jordan, O'Dell Jordan, Byron Posey, and William Vinston.
9. Erieview Catholic High—Karia Battaglia, and Ruzica Cavar.
10. John Marshall—Ernest Ottrix and Julie Roberts.
11. Lincoln West High—Ronald Ivy, Ben Johnson, Dwayne Johnson, and Dodd Sinkfield.
12. St. Joseph High—Chester Hopkins-Bey, Matthew Cook, Sean W. Hansen, paul Kashuk, Matthew Mocado, Paul Suber, and Sheldon Wright.
13. Shaker Heights High—David Cockley, Monica Gonzalez, Alex Henry, Ben Hoffman, Kimberly Lief, Elizabeth Meadows, and Steven Thomas.
14. Shaw High School—Orrett Bishop and Terrace Mitchell.
15. South High School—Donna Kent and Toy Robinson.
16. Warrensville High School—Fred Dixon, Tyrone Gamble, Nicole Gradford, Clint Hall, Rabett Jones, and Julius Nichols.

TRIBUTE TO JOHN R. MIDDLETON

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. COLEMAN of Texas. Mr. Speaker, the people of west Texas have lost a friend and a voice with the passing of the respected editor of the Monahans News, Mr. John R. Middleton.

John was a widely respected journalist who preferred the friendship and neighborhood of small communities to the impersonal pace of large urban areas. He and his family were integral parts of their community, and he was loved and will be missed dearly.

As a tribute to John Middleton, I would like to bring the enclosed article from the Monahans News to the attention of my colleagues:

[From the Monahans (TX) News, July 14, 1988]

SERVICES HELD WEDNESDAY FOR JOHN R. MIDDLETON

Monahans News Editor John Middleton died Saturday (July 9, 1988) at Ward Memorial Hospital after a six month battle with cancer.

He moved to Monahans in May of 1986 coming from Gatesville where he had been news editor for the newspaper there. He had worked for newspapers in California and Louisiana and was named top news photographer by the Louisiana Press Association three years in a row.

He studied journalism at the University of Texas at El Paso, and attended Texas A&M and Brazosport College.

John turned down several opportunities to work on big city dailies because he liked small communities. He wanted to be a part of the community and he was.

John gained the respect and friendship of nearly every person he came in contact with, and that was many. That respect and friendship included both on and off the job relationships.

His column "My Side of the Fence" was eagerly awaited by the readers of the News. It was always well written, and had the facts to back up whatever the subject happened to be. It related John's opinion, and he wasn't afraid to express that opinion.

Funeral services for John Richard Middleton, 55, were held Wednesday in the Church of Jesus Christ of Latter Day Saints, officiated by Branch President Walter Howell. Interment was in Grandfalls Cemetery.

Mr. Middleton was born May 6, 1933 in Pleasant Hill, La. to Fay Egan and Estelle Virginia (Kingsbury) Middleton. He died Saturday (July 9, 1988) in Ward Memorial Hospital. He attended the Church of Jesus Christ of Latter Day Saints.

He married Anna Mary Wineberg Oct. 17, 1952 in Austin and she survives him. He is also survived by nine children, Gary Austin Middleton of Austin, Ryan Lee Middleton and Patricia Ann Goodrich, both of Lake Jackson, David Wayne Middleton of Santa Fe, Tx., Rebecca Jean Centeno of Clute, Laurie Gail Beaver of Seadrift, Michelle Lynn Middleton of Corpus Christi, Michael Glen Middleton and Christopher Dean Middleton, both of Grandfalls; his mother, Mrs. Estelle Middleton of Houston; four brothers, Charles Lee Middleton of Colorado, Roger Lewis Middleton of College Station, Robert Michael Middleton of Bryan and William Russel Middleton of Houston; seven sisters, Mrs. Faye Estelle Shafer and Mrs. Mary Ann King, both of Alvin, Mrs. Nancy Jane Aiduks of New Jersey, Mrs. Virginia Nell Bull of Roundrock, Mrs. Alice Mae Mayfield of Weatherford, Mrs. Betty Jo Dennis of Springbrance and Mrs. Sue Ellen Granzin of Henderson and fourteen grandchildren.

SOUTH JERSEY FAST PITCH SOFTBALL HALL OF FAME INDUCTEES, 1988

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. FLORIO. Mr. Speaker, I would like to congratulate the members of various softball teams who will be inducted into the South Jersey Fast Pitch Softball Hall of Fame, September 25, 1988, at the Garden Park Hotel in Cherry Hill, NJ. Three of the inductees will be honored posthumously; they are Andy Klepka, Chick Melvin McDonald, and John Sohanchak. Those who will be present at the ceremony are E.K. Brown, Jimmy DiPalma, Tony Gresk, Al Harris, Leon Matera, and John Patryk.

All have given much to the game of fast-pitch softball and have been all-around competitive athletes who played well both offensively and defensively. Additionally, over the years, each has made a special contribution which will be long remembered by the teams for which they played.

This is not an honor bestowed upon men who only played softball well, but men who have displayed a sense of sportsmanship which can stand as an example to all. There is no question that their sense of sportsmanship affected other areas of their lives, in the community, as well as the lives of those with whom they have interacted.

Mr. Speaker, I ask that all join with me in offering congratulations to the 1988 inductees into the South Jersey Fast Pitch Softball Hall of Fame, and to the familes of those who will be honored posthumously.

MRS. DANA RYDER TO RETIRE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. FAZIO. Mr. Speaker, I rise today to pay tribute to Mrs. Dana Ryder, a member of my Fairfield, CA, district office staff, who has spent 13 dedicated years providing valuable assistance to my constituents. Having begun her long tenure with my office when I served in the California State Assembly, Mrs. Ryder will retire at the end of this week.

I, my staff, and the countless constituents she has helped in California's Fourth Congressional District will miss Mrs. Ryder. However, all of us are enriched by the legacy of service she has left. Hers is a record of compassion; she will be remembered for her ability to display warmth and understanding while assisting constituents through often difficult and frustrating periods.

Following her graduation from high school in 1943, she moved to Fairfield, CA, and took a position in the Mare Island Naval Shipyard Communication Administration Department. After 14 years, Mrs. Ryder left to raise her family of three sons. She returned to work in 1958, working at Travis Air Force Base in the supply department.

In 1969, Mrs. Ryder began working for the American Cancer Society in Vallejo. Four years later, she joined the staff of my predecessor in Congress, Bob Leggett. She moved over to California State Assemblyman Ed Z'Berg's office in 1975. The same year, Z'Berg passed away. I won a special election for the vacant assembly seat, and Mrs. Ryder joined my staff. She has remained with my office up until this day.

Aside from her distinguished career, Mrs. Ryder leaves a model of community and political service. She was a founding and active member of the Fairfield-Suisun Chapter of the California Democratic Council. For the last 20 years, she has been active in the Solano County Democratic Central Committee where she has served as both vice president and the first woman president. From Adlai Stevenson on, she has played an active role in all Presidential campaigns. Mrs. Ryder is also an active member in a number of charitable and community organizations, including the Serbian Orthodox Church, the Easter Seals, and the Fairfield Community Development Committee. Mrs. Ryder is a woman who cares for people and gives warmly and generously of herself.

I wish Dana Ryder every full measure of well-deserved enjoyment, good health, and fulfillment in the future. May the years ahead be happy and fruitful ones.

DISINFORMATION ABOUNDS ON PANAMA CANAL ISSUE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. CRANE. Mr. Speaker, I rise to express my concern for the security of the Panama Canal. Under the control of military dictator Manuel Antonio Noriega, the security of the Panama Canal is in jeopardy, as well as the security of Central America and, in turn, the ultimate security of the United States.

In Panama there will always be an unstable and unpredictable leader like Noriega, the "land of endemic revolution and endless political turmoil." The time has come for the United States to realize that the canal is not yet gone and we can resolve this problem. The canal plays a critical role in our route for trade and military strategy, therefore we must act upon securing the safety and control of the Panama Canal. The following article by G. Russell Evans, expresses the current and past problems with the Panama Canal as well as steps we should take in solving this serious problem. I hope this article will give you a better understanding of why we must dissolve the treaties in order to secure the reliability of the Panama Canal.

[From the Washington Inquirer, June 3, 1988]

DISINFORMATION ABOUNDS ON PANAMA CANAL ISSUE

(By G. Russell Evans)

Panama continues its historic role as "Jack the Giant Killer" in its stand-off with Superpower USA, this time in the matter of Manuel Antonio Noriega, a man indicted in two U.S. federal courts of massive drug-trafficking and money laundering among other crimes. The self-appointed, 4-star General Noriega, head of the all-powerful Panamanian Defense Forces (formerly Guardia), is having a gay old time before the TV cameras and international press, kissing all the girls he can reach and ridiculing U.S. efforts to "negotiate the sovereignty of Panama," as he increases suppression of human rights and stuffs his pockets with pay-off money from the Columbian drug cartel—all the while posing a threat to the future security of the strategic Canal.

U.S. economic sanctions are not working. Neither is the "secret" deal to drop charges if Noriega surrenders his Guardia command and just lives quietly in Panama. This is a pipe dream: a harmless and drugless Noriega as a country squire? The author of this latter "solution" seems to be Michael Kozak, State Department Legal Adviser, the man who met secretly with Noriega and who in 1977 worked secretly to structure the Panama Canal Treaties, recently discovered to be illegal under the U.S. Constitution and Panamanian Constitution.

The real issue is unconstitutional Treaties and the urgency to renegotiate them in order to honor the Constitutions of both countries. The DeConcini Reservation to the Treaties presumably guaranteed unilateral U.S. defense rights. But Panama's secret counter-reservation (never approved by the U.S. Senate as constitutionally required) killed U.S. unilateral rights by requiring Panama's consent before U.S. troops can defend the Canal. This is the real problem and Big Media and others refuse to face it, often publicizing misinformation and deception that passes unchallenged, for example:

Former President Jimmy Carter, writing in the Washington Post National Weekly (April 25–May 1), continued the deception that the U.S. had clear rights to defend the Canal when he is the very man who, on April 7, 1977 when the Treaties were about to fail, secretly telephoned Dictator Omar Torrijos of Panama to write his own "reservation about . . . what the Treaties mean on U.S. intervention." Panama's secret counter-reservation was the result (Keeping Faith, Bantan 1981, p. 174).

Mr. Carter abhors any thought of intervening into Panama's internal affairs, but failed to admit that the DeConcini Reservation did just that. Nonetheless, he still felt a little intervention in the name of human rights may be okay.

He was proud of his 1977 treaty (sic) negotiations, saying, "I relied on the advice of three incumbent presidents: Carlos Andres Perez of Venezuela, Daniel Oduber of Costa Rica and Alfonso Lopez of Colombia." He didn't mention the advice he got from four of America's most distinguished strategists, Admirals Tom Moorer, Arleigh Burke, George Anderson and Robert Carney, who cautioned, "The Panama Canal represents a vital portion of our naval and maritime assets, all of which are considered absolutely essential for free world security."

Big Media's misinformation is irresponsible: The Associated Press on Feb. 28 in the Norfolk Virginia-Pilot alleged that the Canal Zone had been "leased," whereas the record provides it was bought and paid for four times for a total of $79.7 million. Four separate telephone calls to the Public Editor, Jerry Sipe, produced nothing. Obviously, freedom of his press belongs to him who owns one.

This same paper alleged editorially that only five percent of seaborne traffic used the Canal, omitting the fact that 65 percent of ocean traffic to and from the U.S. use the Canal. Perhaps the editor counted the sampans off Hong Kong and the kayaks off Baffin Island.

The Knight-Ridder News Service is also into the act, alleging the Canal Zone to have been "an unofficial U.S. protectorate." It was not. It was official U.S. territory, so ruled by the U.S. Supreme Court and also by the 5th Circuit Court of Appeals. K-R also thinks the Zone "reverted to Panama in 1979." It did not, and *cannot* without a special Act of Congress (Sec. 1503, Panama Canal Act of 1979).

Even Pat Buchanan is confused: Jimmy Carter did not "deed over the Canal a decade ago," and something can still be done:

First, President Reagan should announce the unconstitutional Treaties that must be renegotiated to preserve U.S. control for national security reasons. Even the Soviets understand national security.

Second, the U.S. Congress must act to hold the Canal and to investigate the unconstitutional negotiations. Some members have: representative Connie Mack (R-Fla.), a candidate for the Senate in 1988, and four other Congressmen introduced on April 14 House Concurrent Resolution 281 expressing the sense of Congress that the United States should withdraw from 1977 Panama Canal Treaties. Representative Bob Walker (R-Pa.) introduced a similar bill to negotiate U.S. bases in Panama after the year 1999 for unilateral U.S. defense rights.

Third, civic clubs and retired military organizations should consider similar resolutions—and individuals should ask their Senators: Why did the Senate fail to vote on Panama's secret counter-reservation, and what will you do about unconstitutional Treaties?

Only powerful pressure can wake up Washington, and when many voices are heard, politicians listen in election years such as 1988.

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. GARCIA. Mr. Speaker, for more than 1 year now Ida Yefimovna Zaminskaya has been searching for work. She was fired from her position as a software engineer with the Northwestern Forest Accounting firm, where she had been working for 7 years. Before that she had worked 20 years as an engineer for another firm. Ida Zaminskaya is a widow and she is attempting to provide for her 7-year-old daughter and her elderly mother.

Ida Zaminskaya has used every means available to her in order to contest her firing and to be placed in another job. She was fired due to a "required staff reduction," despite the fact that there was no reduction of staff. She filed a civil suit against her employer and although a trial was held, she lost the case.

Still she didn't give up. She contacted the official Labor Bureau where she was given invalid information. In other instances under the direction of the bureau she applied for jobs and her applications were rejected under the pretext that some sort of mistake had been made. This happened to her 11 times.

As her family situation became more desperate, she wrote to the city public prosecutor and to other top officials in Leningrad and Moscow. No explanation or action was taken on her case. She became frustrated because she is highly skilled as a programmer, a profession in Leningrad in high demand. It became apparent that Ida Zaminskaya was being discriminated against because she was of Jewish origin.

Unable to pursue her livelihood, or for that matter any livelihood, she applied for an exit visa for herself and her dependents. Her family was refused permission to leave the country in December 1987. Now her applications for jobs are being refused because she had applied for an exit visa to Israel.

Ida Zaminskaya's case in itself is extraordinary but when viewed with other cases, she becomes one of the many who are suffering because of their religion. When will the Soviet Union wake up to the strength of its own diverse and talented people and welcome their contributions towards a more healthy and prosperous society? Ida Zaminskaya is a courageous and persistent person who only asked that she be treated as others who had similar skills. Because she has been denied that opportunity, we should assist her in any way we can to find opportunity elsewhere.

A TRIBUTE TO JIM WALKER

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mr. Jim Walker, a very special citizen of my State of Ohio. Mr. Walker recently won a coin toss which made him the newest member of the East Liverpool City Council in East Liverpool, OH. Please allow me a few moments to tell you about this very close friend of mine.

Mr. Walker was born on February 18, 1935, the son of William and Eva Walker. He was an original member of the Marine Corps Reserve, and served 11 years in the Marine Corps Reserve, rising to the position of corporal. Mr. Walker served for 21 years in the East Liverpool Fire Department, and did an outstanding job as East Liverpool Safety Service Director from 1982 to 1987 under Mayor John Payne.

Mr. Walker is extremely active in the community, and does exhaustive work for both the Kiwanis and the Jaycees. Jim's beautiful wife is named Patricia, and his four doting children are James Jr., Michael, Troy, and Lea. Jim has a unique record in electoral history, for this is his third election which has ended in a tie. I am proud to announce that after he was defeated in coin flip for mayor of East Liverpool and for Democratic precinct committee person, he first fought back and got elected precinct committee person, and now has broken his unfortunate streak and won the coin flip for city council.

Jim, I am completely confident that you will become one of the greatest city council members in the history of East Liverpool. Thus, it is with thanks and special pleasure that I join with the people of the State of Ohio in saluting the astute political skills and truly wonderful personality of Mr. Jim Walker on his selection to the East Liverpool City Council.

YOUTH 2000 WEEK

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. JEFFORDS. Mr. Speaker, many serious problems confront our young people today. One million students drop out of school annually; one out of eight 17 year olds in this country is functionally illiterate; more than 1 million teenage girls become pregnant each year, half will never complete school; and 21 percent of all 14 to 17 year olds have problems with drugs and alcohol. To help reduce these appalling statistics and eliminate the most serious problems facing today's youth, we must work to instill in them the skills and strong values that will insure a better life for future generations.

Today, my colleague and friend, Representative GUS HAWKINS, and I are introducing a resolution to commemorate the week of September 11 to 17 of this year as "Youth 2000 Week."

Youth 2000 is an important national initiative designed to enlist all sectors of our society in efforts to help our young people meet the challenges of the future. I hope my colleagues will join us as cosponsors of this important initiative.

Since its inception in 1986, Youth 2000 has helped focus the attention of leaders in all sectors of our society on the problems of our youth. Governors of all 50 States have appointed Youth 2000 liaisons and have organized statewide conferences and other activities to heighten awareness of the problems facing our youth. With the knowledge that these problems will affect the employability of the youth in their adulthood, leaders from all parts of the country have met to discuss solutions. A comprehensive approach to the issues of youth employment and employability development is needed.

By the year 2000, the number of new jobs expected to be created will exceed the number of new entrants into the work force. The jobs developed will require higher levels of skill than are currently necessary for most entry level positions. Literacy will be essential.

Certain goals have been set by various conferences surrounding the Youth 2000 movement in order to cope with these changes. We need to raise the standards for excellence in all our institutions—in schools, on the job, and in Government—in order to create a more competitive America. We need to reduce the incidence of out-of-wedlock births to teenagers by at least 50 percent. We need to reduce the mortality rate for 15 to 19 year olds as a result of automobile accidents, homicides, and suicides, by at least 20 percent, and increase the high school graduation rate to at least 90 percent.

We in Congress should become involved in this effort. I therefore ask that you join Chairman HAWKINS and me in supporting this resolution to establish September 11 to 17, 1988 as Youth 2000 Week.

SOME MODELS TURN BACKS ON CERTAIN JOBS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. CONYERS. Mr. Speaker, I insert for the RECORD the following article:

SOME MODELS TURN BACKS ON CERTAIN JOBS

(By Tony Chapelle)

Two years ago Jesse Holmes, a 31-year old actor and model, made an unorthodox decision. A booker at his modeling agency in New York had called to say that the advertising company for Benson & Hedges cigarettes wanted him to attend a "go see"—an audition—at a photographer's studio. To the bookers astonishment, Mr. Holmes declared that he wasn't doing cigarette ads anymore.

The booker at the agency (L'Image, which is now defunct) pointed out that the advertiser would pay $7,500 to the model who was hired. Mr. Holmes recalls that he responded calmly: "No, thanks. I'd still like to pass on it."

Mr. Holmes, who has appeared on billboards for Coors beer and in television advertisements for Miller Lite, said that since then he has declined at least 10 tryouts for cigarette, hard liquor and beer ads. His reason: He believes he has a responsibility not to encourage people to use such products.

Mr. Holmes is one of a small number of New York models who say no to thousands of dollars in fees because they object to the products they would help sell with their images. The products they spurn vary widely, and include things like tobacco, liquor, furs, cosmetics from South Africa and even hair straighteners. Similar proportions of models in advertising centers like Los Angeles and Chicago also say they put principle ahead of payoff, though the numbers are probably larger in Manhattan, the nation's top market for models and the place where the most successful ones usually live.

Although no one keeps count, executives at the top four agencies in New York City—Ford Models, Wilhelmina Models, Zoli Management and Elite Model Management—estimated that no more than 30 of their combined total of 1,000 models turn down assignments for such reasons.

Although a refusal may create an obstacle for a model seeking to enter or re-enter the business, it appear that most agencies will accept and even keep track of the models' preferences, once they are in the business. Deciding to turn down assignments, however, can be costly for a model. Cigarette advertisers have been known to pay the men who present their products $1 million a year for 10 years, according to Jeffrey Calenberg, a top model with the Ford agency.

Mr. Calenberg, who usually portrays 30-ish executives, is familiar because of his patrician good looks and appearances for stores like Brooks Brothers and Lord & Taylor. He, too, refuses to do advertisements for cigarettes and alcohol.

"I choose not to do them because I know there are hundreds of thousands of people who die from cigarette-related causes and millions who die from alcohol-related causes each year," Mr. Calenberg said. Four years ago he and his wife, Laura Krauss, also a model, founded Models for Christ, an informal interdenominational support group with about 200 members. It meets twice a month, except in the summer, at the Joffrey Ballet studios on West 56th Street for spirited devotionals, with singing, guitar playing, occasional theatrical productions and testimonials by models to the importance of Jesus in their lives.

"I'm not a saint," Mr. Calenberg said. "I'm not trying to say I'm better than anyone else. But I'm not going to use what God has given me to promote products that kill people." Others in Models for Christ say they share his feelings.

Mr. Calenberg's agency has long honored his preference. At the brownstone home of Ford, in the shadow of the Queensboro Bridge, phones that ring constantly are answered by a staff of five people who set up assignments for the more than 90 men the agency handles. When Mr. Calenberg's name goes into the computer, the first thing that flashes back is "Does not do cigarettes or alcohol."

"We support models like Jeff 100 percent," said Deborah Taylor, a booker at Ford. "If they don't believe in working for certain companies because they don't like their products, then that's fine with us."

For the agencies, that may be no small sacrifice. Agencies earn a commission of 20 percent of the total fee for models who are hired. Agencies, like their models, compete for the big contracts.

Most agencies say they initially suggest to models who are averse to certain products that they accept the work, but give the money to charity. Faith Kates, the vice president of the women's division of the Wilhelmina agency, recalled a model who rationalized taking a cigarette campaign for more than $25,000 by donating the money to benefit burn victims and cancer research.

Advertisers say they are not sensitive about the refusals and respect models' rights to hold to their principles. But while agencies and advertisers say models have the right to refuse work, Diane Erickson—a willowy blonde who was Self magazine's first cover girl and whose acting credits include the films "Jagged Edge" and "Runaway Train"—said her convictions had made her less marketable.

Ms. Erickson said she talked last year with Frances Rothchild, another vice president of Wilhelmina, about returning to modeling after being out of the field for two years while making the films. Ms. Erickson, a member of Models for Christ, said she told Mrs. Rothchild that for religious reasons she would not appear in any ads for cigarettes and alcohol.

Ms. Erickson said that when she made a followup call, Mrs. Rothchild told her the agency could not use her because of her age, her type of look and the fact that she would not pose with those products. (Like many models she does not like to give her age, but acknowledges that she is over 30.)

In a telephone interview Mrs. Rothchild said her agency hired only 1 percent of the models who apply and used "very few models over the age of 25." She said that refusing to pose with certain products would not keep models from being accepted "if we felt we could market them and get them work." She added, however, that a refusal would limit their marketability.

"It wasn't dramatic," Ms. Erickson said. "But as a businesswoman who thought those were my markets, she just decided she couldn't make money from me." Ms. Erickson now works with a small agency in Manhattan, Barrington, which is run by Tyrone Barrington.

Spiritual concerns like Ms. Erickson's are not the only factor in models' decisions to refuse assignments. Some professionals have nothing to do with nude pictures, nor with underwear ads that they consider in poor taste. And a model with a wholesome image and a soft-drink contract might decline to represent a liquor advertiser.

Some models who do not accept other alcohol advertising make an exception for beer. The distinction is a crucial one for black models like Mr. Holmes, because the overwhelming number of jobs available to black men who model for ads are for hard liquor, cigarettes and beer.

Other models do not make ads for fur coats. Each of the four modeling agencies questioned said it had at least one model who would not pose in furs out of a concern for the rights of animals.

Peggy Dillard, a black model, said she had refused for 10 years to accept advertisements for hair straighteners. She also refuses to do advertising for any skin-bleaching creams or for cosmetics from companies in South Africa.

She said things like lightening creams and straighteners do not reflect well on black people. "I don't want to perpetuate that negative image," she said, "especially while our ethnic characteristics are still being challenged by society."

Although all the models interviewed said they have had misgivings over their choices, none expressed regret over lost opportunities or income.

"No matter where you are, in whatever field, you have to make a stand," said Brenda Jordan, a model with Wilhelmina and a member of Models for Christ. She said she has rejected offers to appear in advertisements for a South African soap product, for cigarettes and for alcohol.

"Even when you first start, you don't have to do anything in this world that you don't want to do," Ms. Jordan said. "The big question is, 'How am I going to feel about myself in the long run?'"

GREG IFFRIG RECEIVES CONSERVATION AWARD

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. BUECHNER. Mr. Speaker, today I am proud to recognize one of my constitutents, Greg Iffrig, who recently received the National Chevron Conservation Award. Greg's accomplishments in developing a park stewardship program through the Missouri Department of Natural Resources distinguishes him as an active and committed conservationist. The Chevron Award is granted annually to professional conservationists, citizen conservationists and to conservation organizations. While Greg enjoys volunteering as a member of the Sierra Club White River Group, his award was as a professional conservationist.

As the Missouri Department of Natural Resources Natural Areas Coordinator, Greg developed a program to maintain Missouri's savanna natural communities. The first of Greg's preservation programs was established as the Ha Ha Tonka State park. His work over the years to create and preserve the presettlement natural communities represents a commitment to protecting biological diversity on public lands.

It is my honor to represent Greg Iffrig, whose service and attention to the environmental needs of Missouri have helped maintain natural communities throughout the region.

TOUGHER SANCTIONS AGAINST SOUTH AFRICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. RANGEL. Mr. Speaker, in a July 25 New York Times editorial, the former chairman of the Carnegie Endowment for International Peace, John Douglas, makes a convincing case for tougher United States sanctions against South Africa.

Attorney Douglas, in his well written editorial, bases his case for tougher sanctions on the premise that those who view the end to apartheid in South Africa as being contingent on that country's economic growth are misreading history. He points out that even in periods of economic growth, the Government of South Africa has severely limited the political freedom of the majority population. He concludes by criticizing the "passive approach" to ending apartheid by those who oppose sanctions—"champions of economic growth"—and calls on the United States Congress to impose comprehensive sanctions against South Africa. I share the views expressed by Attorney Douglas in this editorial, and intend to do all that I can to insure passage in both Houses of Congress of H.R. 1580, the "Anti-Apartheid Act Amendments."

I hope that those of my colleagues who are opposed to tough sanctions against South Africa, as well as those who are uncertain about how they will vote on H.R. 1580, will take the time to read this editorial. The time has come for the U.S. Congress and the Reagan administration to be on record as firmly opposed, in actions, words and deeds, to apartheid in South Africa.

[From the New York Times, July 26, 1988]

SQUEEZE PRETORIA

(By John Douglas)

WASHINGTON.—In portraying economic growth as the key to future democracy in South Africa, opponents of comprehensive sanctions misread the history of apartheid. South Africa's experience indicates that economic expansion can be compatible with a sophisticated police state.

Since World War II, every Nationalist Party administration has blocked political participation by blacks and suppressed their protests with naked force. This was true in the 1960's, when the economy grew at a rapid 6 percent; in the 70's, when the rate was 3 to 4 percent, and in the 80's when, until recently, there has been stagnation.

Indeed, it was in the high-growth 60's that the Afrikaner regime enacted the statutes, including the so-called Terrorism Act, that institutionalized the classic elements of a police state. They included arrests without warant, indefinite detentions without trial and removal of judicial control over detentions.

Critics of sanctions point to the economic gains in the 80's for some blacks, particularly for small-businessmen, as heralding decisive political influence to come. But this vision of "black empowerment" is a mirage. Black entrepreneurs are too few in number and too dependent on the state bureaucracy to ever constitute an effective force against apartheid. Today, black-owned businesses account for only 1 percent of the gross domestic product.

For the black population as a whole, the economy remains a disaster. Blacks own less than 2 percent of the nation's capital stock. The average income of black households has lagged far behind inflation. The unemployment rate for blacks stands at 25 percent and is increasing. New jobs average 22,000 a year whereas the work force grows by more than 300,000 annually. Small wonder, then, that the economic advances of some blacks have added nothing to black political power.

Opponents of comprehensive sanctions similarly misconstrue the role of black labor unions. Their theory is that, with national prosperity, the unions will inexorably accumulate economic power and can then transfer that power to the political arena.

But this formulation views black unions in isolation, wholly removed from, everyday apartheid. It assumes erroneously that the economic aspirations of black workers can be divorced from their political aspirations. The two strands are inseparable, witness the recent three-day "stay away," called by the largest labor federation, to demonstrate grassroots opposition to apartheid.

The rationale of economic growth also ignores the severity of the constraints under which black unions function. The high black unemployment rate assures a large pool of potential replacements for striking workers. Strikers cannot picket. Most important, union members are no match for the Government's guns, whips and dogs, all of which are at the ready in major labor disputes.

Last year's strike by 340,000 black miners was instructive. Its three-week duration was a remarkable achievement, but in the end the National Union of Mine Workers capitulated. Before the strike, the union asked for a one year pay increase of 30 percent. After management fired 40,000 strikers, the union accepted the owners' pre-strike offer of 23 percent. The raise was impressive on its face but actually modest, given the 3 to 1 disparity between white and black pay, the average monthly wage of $245 and a 15 percent inflation rate.

During that strike, the security forces of management and the state went on a rampage. Shootings of strikers, assaults and beatings were commonplace. Hundreds of strikers were injured. More were arrested. Nine were killed.

The pattern of white domination has characterized all of South Africa's labor-management relations. In the 50's, the Government collaborated with industry to smash the fledgling black unions. Two decades later, the Government acceded to industry's entreaties and legalized limited types of union activity.

Management made this about face in the interests of efficiency and stability: It was less costly to deal with union representatives than to cope with the larger number of individual workers who were becoming increasingly restive. But then, as now, the black unions operated at the sufferance of the Government.

In contrast to the passive approach exemplified by the champions of economic growth for South Africa, comprehensive sanctions would represent an affirmative policy.

Mild selective sanctions, enacted in 1986, have increased slightly the costs of maintaining apartheid. Adoption of comprehensive sanctions plus vigorous Presidential leadership would encourage other industrial democracies to forge a common policy and impose significant strains on the economy—primarily, albeit not exclusively, on its white sector. Those strains would resonate with the resistance to apartheid in the black communities and thereby generate the best opportunity for a non-racial democracy.

JUDAISM AND LIBERALISM: THEOLOGIES IN CONFLICT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. CRANE. Mr. Speaker, as we near November and the upcoming Presidential elections, one item especially inspires me—the increasing numbers of minority and ethnic voters who are defecting from the Democratic Party and its far-left ideology, and joining the ranks of the Republican Party. Groups, who traditionally voted Democratic in excess in 80 percent, are now finding that they are being taken for granted and neglected by my colleagues on the other side of the aisle, and they are, therefore, re-evaluating their partisan allegiances and affiliations. These people are choosing the solutions of the GOP over more "compassion" that the Democrats purport to offer. Among those groups taking advantage of the open-door policy of the Republican Party are many of this Nation's approximately 6 million Jews, who, in the 1960s, voted over 80 percent for such Democratic Presidential nominees as John Kennedy and Lyndon Johnson. Today, however, this is changing; and in 1980, for the first time since President Abraham Lincoln, American Jews gave the majority of their votes to a Republican Presidential nominee—Ronald Reagan.

Those who would have us believe otherwise claim that Jews were not voting for the Republican Party or in favor of conservatism, but rather they were voting for candidate Reagan. They allege that Jews are neither conservative, nor will their support for conservative Republican candidate Reagan be reflected in other elections involving conservative Republican candidates. On the contrary, such conservative Republicans as Senator ALFONSE D'AMATO, of New York, and Governor George Deukmejian, of California, both attribute their re-elections, in part, to the Jewish vote, the majority of which went to them—both States have significant Jewish populations, to the point where the Jewish vote in these States is a major political force. In D'AMATO's case, he received the majority of the Jewish vote, despite the fact that his liberal Democratic challenger was Jewish.

While it is true that the majority of American Jews still identify themselves as Democrats, this number continues to decrease, and the percentage of those identifying themselves as Republicans continues to increase significantly at a rate of about 1 or 2 percent per year. While American Jews are traditionally more liberal than the rest of the preferences are increasingly similar to those of all Americans, as they are much more conservative than their elders. It is interesting to note that the percentage of those identifying themselves as conservatives is greater than those identifying as Democrats, which tells us that American Jews have the right ideology, but are just in the wrong political party.

American Jews are discovering that the Democratic Party of today is welcoming those who are enemies of Israel and espouse anti-Semitism into its midst with open arms. In

1984, while the Democrats rejected resolutions against anti-Semitism from merely being considered for their party platform, the Republicans more than welcomed such a plank into their platform. Today, it is the Democratic Party that is dovish toward and openly seeking friendly relations with countries, such as Nicaragua and the Soviet Union, which blatantly practice policies of systematic, government sponsored anti-Semitism. On the other hand, the Republican Party is actively seeking ways to eradicate such anti-Semitism in those countries by supporting freedom fighters and defenders of human rights in their regions and by attempting to link our relations and trade with those countries to their record on human rights.

Ethnic groups do not completely transform their voting patterns overnight, and American Jews are no exception. I am reminded of a family that keeps going to the same doctor for many years. Even though the doctor may have since retired and been replaced by a new and different doctor, the name of the old doctor remains on the door. The family continues to return to the new doctor, mistakenly thinking that they are receiving the same quality of care. However, recent changes among American Jews are significant and promising for my Republican colleagues.

One sect of American Jews—the Orthodox Jews—have led the way for the rest of their coreligionists. Their overwhelming conservatism and pro-Republican sentiment is indicative, I am told, of their recognition that Judaism is a conservative religion, that its teachings, traditions, and philisophical views are conservative. In addition, in this day when support for Israel is no longer the politically convenient thing to do, American Jews are realizing who the true friends of the Jewish State are—they are the conservatives, who recognize the importance of Israel and her Western values and continue to defend her, as opposed to the liberals who attempt to take advantage of Israel in her time of need by sending vituperative and condemnatory letters attacking her to our Secretary of State. It takes time, but the family of patients is not fooled forever. American Jews are not only getting a second opinion now, but they are beginning to shop around for a new doctor altogether.

Don Feder, a columnist for the Boston Herald, whose columns are syndicated nationally, has been writing on this theme, as well as others, for several years. A seasoned conservative, and an Orthodox Jew, Feder's writings are insightful and stimulating, and his ideas are so poignant that I will not attempt to paraphrase them. Mr. Feder dares to discuss and challenge ideas that the majority have taken for granted. On May 10 of this year, he spoke to the Heritage Foundation on the topic of Judaism and its irreconcilability with liberalism. His thought provoking speech, "Judaism and Liberalism: Theologies in Conflict," which goes through a point by point analysis of liberal tenets and the Jewish outlook as prescribed by the Torah, is profoundly illustrative, showing a stunning contrast between these two ideologies. I hope that all of my colleagues will take the time to read Mr. Feder's incisive oration.

JUDAISM AND LIBERALISM: THEOLOGIES IN CONFLICT

(By Don Feder)

As the 1988 election approaches pundits again will speculate on the perennial question: Whither the Jewish vote. Will the shift to the right, detected in 1980, interrupted in 1984, resume, or will American Jews return to their old electoral habits?

While this matter is hotly debated—along with the related issue: What is politically good for the Jews—a more significant concern will be widely neglected: What does Judaism require in the political realm? Except for a few liberal rabbis, whose understanding of and commitment to Judaism is commensurate with the dedication of the National Council of Churches to Christianity—the subject will be ignored.

In an effort to rectify this lack of critical analysis, I would offer some observations on the essential characteristics of Judaism and liberalism. It is generally supposed that because most American Jews are liberals, the faith of the patriarchs and prophets must have much in common with the Church of Mondale and McGovern. Quite the contrary, Judaism and liberalism are diametrically opposed. In every respect, they are theologies in conflict.

Any philosophical discussion properly should begin with definitions. As we live in at least a nominally Christian society, it's hardly surprising that Judaism isn't well understood, even (or perhaps one should say particularly) by assimilated Jews.

Judaism has 3 principle components: God, Torah (or law) and nation (or peoplehood). Remove any of these supporting pillars, and the entire structure—this magnificent edifice of the ages—collapses.

Judaism perceives a Supreme Being, sublime in majesty and power. Among other attributes, he is omnipotent, incorporeal, indivisible and intimately involved with his creation. The Exodus story, retold last month at the Passover Seder, dramatics divine intervention in human affairs. (As the Haggadah recounts, "God brought us from there with a strong hand and an outstretched arm.") It stands as a monumental refutation of the theory of a mechanistic universe, with an uncaring deity sitting on the sidelines.

Confidence in divine solicitude—the conviction that the Master of the Universe has a master plan and that no sparrow falls unnoticed—is a source of infinite comfort and strength in Judaism. As Herman Wouk wrote in his excellent introduction to subject, "This Is My God," "The Hebrew people draws its optimism from its idea of the universe. Disaster, protracted poverty, mass murder, have never dissuaded the Jews from the vision caught at Sinai of an unseen God. They believe not only that he exists, but that he is interested in men; that he wants them to become better than they are; and that he gave them a law that points the way to a better world. This is solid ground underfoot for those who find it. If he is indeed in the universe, there is hope. Blind forces balanced precariously can churn into final chaos. A seeing force can control its tools. The Jew orders all his acts on the hypothesis that God is there, so he is a hopeful man. Acting on that hypothesis, he has lasted a very long time."

Judaism affirms that the God of Israel makes certain significant demands of mankind, to wit: ethical conduct, sanctification of the spirit and devotion. These requirements are enunciated in the second component of Judaism, the Torah. The law, set forth in the Pentateuch and other sacred writings, is the divine blueprint, by following the precepts of which man can live righteously and, in so doing, live well. In short, it is a religion of discipline.

Peoplehood, the third component of Judaism, is the vehicle for bringing the light of Torah to the world. Just as Christians believe they have a mission, so too religious Jews affirm their calling—to repair the world under the rule of God, to be a nation of priests, to bring humanity to an understanding of holiness and an acceptance of biblical morality.

Although of considerably more recent vintage, liberalism too is a religion, albeit a secular—man-centered—creed. To the faithful, it offers a consistent, well-integrated worldview. Like most religions, it is dogmatic. Unlike the others, it is not only empirically unverifiable, but massively refuted by both reason and human experience, none of which prevents followers from blindly adhering to its tenets.

The liberal cult is based on certain axiomatic concepts, which we shall explore directly. It is known, however, primarily by its political consequences. In the economic realm, liberalism favors collectivism: government as the guarantor of the public welfare, happiness itself (and not merely the pursuit of the same) as a right, income leveling (via taxation and subsidies) and state enterprises.

On defense and foreign policy, it is devoutly isolationist, pacifist, anti-anti-communist. Its stand on social issues is marked by a belief in extreme autonomy, the disparagement of social ties, a lust for experimentation and innovation and a thoroughgoing permissiveness.

Judaism and liberalism conflict on 7 key questions, doctrines so fundamental that they shape the entire ethos of the two philosophies. They are: man's nature, free will vs. determinism, moral absolutism vs. relativism, an emphasis on rights or responsibilities, tradition vs. modernism, universalism or particularism, and community vs. isolation or atomization. In each of these crucial areas, Judaism and liberalism are diametrically opposed.

Man's nature—Liberalism holds that people are inherently good, that basically benevolent individuals somehow are corrupted by the world around them, principally through social institutions (economic relationships, governmental structures, religion, marriage and the family).

This attitude permeates the liberal perspective. Because man is basically good, it is reasoned, left to their own devices, people will automatically do the right thing. Crime is the fault not of the criminal but of the environment which shaped his conduct. Hence, rehabilitation is strongly favored over punishment. The myriad expressions of human sexuality are smiled upon, on the assumption that, as movie ads inform us, if it feels this right, it can't be wrong.

For the liberal, then, the key to improving the human condition lies not in reforming the heart, but altering these modes and structures. He is therefore an inveterate revolutionary, eternally at war with the institutions which he believes to be the nemesis of an otherwise virtuous humanity.

Unlike Christianity, Judaism does not accept the doctrine of original sin. Unlike liberalism, it does not believe in original goodness. At birth, man is a moral tabula rasa—innocent, but not virtuous.

Nowhere, in 3,000 years of normative Jewish thought—neither in the Torah, Prophets, Mishna, Gemara, or codifications of these holy works—will you ever find expression of the bizarre notion that man is by nature good. Quite the contrary, the Talmud tells us that from birth a man's heart is inclined to evil.

Clearly historical evidence favors the Jewish outlook. The 20th century (which has enriched our political vocabulary with such quaint expressions as gulags, secret police, torture cells, death camps, euthanasia and genocide) should once and for all have refuted the seductive theory that man is naturally benevolent.

Our sages tell us that man has both good and evil tendencies. The great challenge of existence is overcoming the later, while cultivating the former. Judaism teaches that virtue must be inculcated—always an arduous and painful process.

Liberals advise man to trust his instincts, which unerringly will lead him to virtue. Judaism says heed the law, not your natural inclinations. In the words of the Torah: Do not follow your own heart, after which you used to go astray.

These drastically different perspectives on human nature are reflected in the second principal point of divergence—free will versus determinism.

Liberalism views man as no more than a biological entity (a conglomeration of random molocules), genetically or environmentally programmed. Obviously, under such conditions there can be no individual responsibility. It wasn't the devil that made us do it, Geraldine, but our heredity, family, education, peer group influences, etc.

Judaism holds that man was created in the spiritual likeness of God, and so endowed by his Creator with both discernment and volition. Obviously, determinism negates both Judaism and Christianity. Absent free will, there is no ability to choose. It's make no sense for God to have given man commandments, if individuals lack the ability to follow these rules.

Without free will, morality is impossible. This brings us to the third difference between the opposing persuasions, moral absolutism versus relativism.

Modern liberalism advocates situation ethics—a morality of circumstance, a code of convenience. Because it refuses to acknowledge moral imperatives, ethical correctness is gauged by the customs of a given society or culture. Hence the eskimo practice of leaving the elderly on an ice floe (a refrigerated form of euthanasia, which must excite the admiration of the Hemlock society), or the Hindu custom of incinerating a widow on her husband's funeral pyre, or the Aztec rite wherein the living heart was torn from the body of a human sacrifice all are justified.

In a Western democracy, situation ethics become morality by the consent of the majority. Thus if Moses were to appear at the annual convention of the People for the American Way, stone tablets in hand, he might anxiously inquire: Adultery, in or out? Let's see a show of hands!

If morality isn't based on divine instruction, it must be premised on ideology. Thus the excesses of the Reign of Terror was excused on the grounds that a majority of citizens hankered to make aristocrats shorter by a head, and as we all know 20 million Frenchmen can't be wrong. The mass starvation of Ukrainian peasants and the Holocaust were condoned as advancing the cause of the proletariat or the Aryan race respectively.

In fairness, most liberals view these ghastly crimes with unaffected horror, and yet endorse the underlying premises on which they were conceived: that morality isn't absolute; that along with human knowledge, ethics are evolving; that the voice of the people is the voice of God.

Judaism, on the other hand, holds that ethics are God-given, therefore immutable. This was the great Jewish gift to humanity: the concept of a single moral code, for all people, at all places, in all times. What's right for first century Judeans is equally right for 20th century Americans, for Eskimos, for Aztec priests, for the Brahmin on the banks of the Ganges as well as those in the Kremlin.

In the natural order, people have both rights and responsibilities. Liberalism is obsessed with the former, Judaism emphasizes the latter.

Liberalism is liable for the "rights" explosion of the post-War era. Where formerly the discussion concerned human rights, now we are bombarded with appeals for minority rights, handicapped rights, reproductive rights, women's rights, children's rights, welfare rights, gay rights, even animal rights.

Locke's "life, liberty and property" and Jefferson's "life, liberty and the pursuit of happiness" have been transformed into a guarantee of happiness, however perverted and ultimately self-destructive that pleasure may be. The international symbol of liberalism should be an outstretched hand, palm up.

Many of these demands actually are antirights, spurious formulations the exercise of which derogate legitimate rights (including freedom of association, freedom of belief and the right to property). When liberals inform us that individuals have a right to a "livable income," "affordable housing," and the public validation of their sexual proclivities, we must inquire: at whose expense?

Liberalism never speaks of obligations, unless the term is employed in the cause of redistributionism, as in our duty to the underprivileged or America's responsibility to underdeveloped nations. There is no consideration of an indidividual's debt to his family, nation, posterity or God. Indeed, such concepts are ridiculed as barbaric relics of a tribal past. By accepting liberalism's logic, we are becoming a nation of takers, a people constantly inquiring what our country can do for us, heedless of its cost to society or future generations.

In Judaism, the focus is on responsibilities. Not that rights are unimportant. Judaism pioneered the concept of liberty, both individual and national. The exodus from Egypt and the Maccabean revolt, commemorated at Hanukkah, are shining moments in the annals of man's struggle for liberty. The Hebrew Scriptures advanced the revolutionary concept that the individual, regardless of his or her station in life, had innate dignity and worth. In recognition of this, our colonial forefathers, who felt a special kinship to ancient Israel, chose a verse from Leviticus for inscription on Philadelphia's Liberty Bell: "Proclaim liberty throughout the land unto all the inhabitants thereof."

Nonetheless, Judaism views freedom as the means to an end, never an end in itself. The Passover story didn't conclude with the flight from Egypt. In Jewish tradition, the Exodus culminates with the giving of the law at Sinai. Liberation from human bondage was preparation for the voluntary assumption of another form of servitude—the acceptance of divine law, for freedom without commitment is spiritual anarchy, which in turn leads to a different sort of indenture, sensory enslavement.

Physical freedom and spiritual commitment are interdependent. Man can't serve God while in thrall to other human beings, neither can he be truely free outside divine suzerainity. He who will not accept the yoke of heaven's mandate will wear the slave collar of tyrants.

Judaism, then, stresses responsibilities, committments, dedication. There are 613 positive and negative mitzvot or commandments, regulating an individual's relationship to God, family, neighbors, strangers and business associates.

An example should illustrate this difference of approach. One of liberalism's pet causes is workers' rights. Have you ever heard the self-styled proletarian champions speak of workers' obligations? Judaism does. Under Jewish law, an employee has a responsibility to give fair labor for his wages. He is admonished not to waste his employer's time. This principle is applied so scrupulously, that at the hour of devotion, a man working on a roof is enjoined to say his prayers on the spot, rather than climbing down to the ground, thereby wasting his boss's time descending and ascending the ladder. A small matter, yet an accurate reflection of Judaism's concern for the mutual obligations which serve as the mortar for a decent society.

Such a society is rooted in the past. Judaism and liberalism diverge once more in their allegiance to tradition or modernism. Liberals have an almost child-like faith in the value of progress. Ancient ways are contemptuously dismissed with the designation "old-fashioned." The past is characterized by ignorance, poverty, superstition and cruelty. For them, the sum total of 2,000 years of Western civilization is witch hunts, inquisitions, slavery, barbarism and brutality.

By contrast, the present and future are distinguished by science, reason, justice and bounty. Constant change becomes the sine qua non of human advancement. Customs are carelessly discarded like yesterday's fashions.

Judaism lives in the past. Men are called to the Torah by their father's name. Jewish life is regulated by laws and judgments handed down over the course of several mellennia. The Passover seder memorializes an event which transpired over 3,000 years ago.

This Jewish affinity for the old ways, for ancestral wisdom, is popularized in the writings of Holocaust survivor Esther Jungeris. In "The Jewish Soul On Fire," the rebbetzin; or rabbi's wife, tells the Midrashic tale of Solomon, who built the first Temple, being barred from the Holy of Holies, when he attempted to enter with the Ark of the Covenant. Every device of this man whose name epitomizes sagacity was futile, until says Jungreis: In desperation, Solomon cried out: "'Almighty God, remember the righteousness of David my father!' Instantly the gates opened and the Holy Ark was brought into the Sanctuary."

From this, the Rebbetzin concludes: "There are moments in every man's existence when life's gates lock against him, when he feels trapped and hopeless. If at such times he could only echo the words of Solomon, his forefathers would come forth, show him the way, and lead him to those still waters for which his soul so desperately yearns."

Judaism doesn't reject change out of hand. After all, religious Jews have survived by responding to every fluctuation in the course of recorded history. It does, however, measure change against eternal standards.

Eschewing the advice of pop psychologists, it does not go with the flow.

The imperative of Jewish survival—clearly the message can't be disseminated without messengers—leads us to another point of contention: universalism versus particularism. Liberalism abhors diversity. Specifically, it views religious, ethnic and national differences as divisive—the genesis of discrimination, injustice and war.

The sooner we can overcome these artificial barriers, and merge into a bland universal mass, the better we all will be, liberalism postulates. The only deviation allowed is for certified victim groups, in which case dissimilarities (including behavior at times bordering on the obnoxious) must be encouraged to cultivate pride among an oppressed minority.

Judaism is rich in the differences which divide. Its dietary laws place certain constraints on social contacts with the rest of humanity. In an age when even Roman Catholic prayer is said in the vernacular, observant Jews cling tenaciously to Hebrew.

The Jewish calendar is punctuated by holidays which only Jews observe—Passover, Shavuot, Simhat Torah, Rosh Hashanah, Yom Kippur, Sukkot, Hannukah. Even our sabbath is chronologically distinct from that of Christians and Moslems, and unique in its mode of observance.

Judaism has a universalist component, its belief in the divine origin and sanctity of each individual. However, the survival of a relatively small people, with beliefs and customs often inherently at variance with those of the surrounding culture, requires a degree of particularism (if you will, semi-self-segregation) wholly incompatible with the liberal ethos.

Ironically, while preaching universalism, liberalism results in the radical isolation of the individual from the rest of humanity. As noted earlier, liberalism defies the individual, enshrining his wants and whims. Thus the final divergence, on the matter of community versus atomization.

Without shared traditions (which liberalism deprecates) and responsibilities (which liberalism denies) it is impossible to foster a sense of community. Under the sway of liberal culture, America is rapidly becoming a nation of cloistered individuals, increasingly unable to share each other's joys or sorrows.

We find it difficult even to relate to our own kin, thus the rise of divorce and single-parent families, the desertion of the elderly and escape from parenthood via child care. The only exception to this depressing, potentially devastating, trend is the spiritual community fostered by traditional religious denominations. Judaism is premised on such spiritual solidarity, according to which every religious Jew feels responsible for every other.

Said attitude is underscored during Yom Kippur, the Day of Atonement. As part of the liturgy, Jewish congregations around the world say the Al Het confessional, a public recitation of sins—dishonesty, avarice, lust, cruelty indolence—repeated by every worshipper, whether or not he actually committed all or any of the enumerated ofenses.

It's not that Judaism believes in collective guilt, rather that it recognizes a degree of collective responsibility. This public recitation is an acknowledgment that as members of the community to an extent we are liable for its shortcomings. By our example, in educating our children and assisting the education of others, did we do enough to promote virtue? When we saw others going astray, did we try to dissuade them?

With the burdens of community come its joy. In traditional Jewish society, children are reared with love and discipline. The elderly are cared for and treated with respect and firm bonds of friendship and neighborliness engendered.

Thus it may be seen that liberalism and Judaism represent fundamentally different perspectives on existence, human nature, human conduct, ethics, rights, tradition, diversity and community.

In light of the foregoing, it is logical to inquire why so many Jews are on the left. The answer would take another lecture, at the very least. And, hopefully, the Heritage Foundation will invite me back to deliver that discourse.

In the meantime, I would note that the Jewish drift to radicalism was impelled by certain historical forces: The fact that in the old world anti-Semitism was the province of the right (of the religious parties and extreme nationalists alike), the affinity of the intellectuals for utopian politics, the false identification of fascism as a right-wing ideology, and the success of the Democratic party in courting Jewish votes, beginning with Franklin Delano Roosevelt.

Above all, the Jewish movement to collectivist politics paralleled the emancipation of European Jewry and corresponding decline of Torah values. Jews are a people born for a cause. Commitment is in their blood. They can't exist in a metaphysical vacuum. When they forsake the eternal truths of their fathers, many find less enlightening doctrines to embrace.

In this regard, there is cause for optimism. As traditional Judaism experiences a renaissance, both here and abroad, Jews are deserting the false gods of modernity. In Orthodox communities, such as New York's Boro Park, Ronald Reagan received landslide votes in the past two presidential elections.

As the trend continues, conservatives can take comfort in the realization that they share considerable common ground with the world's oldest monotheistic faith, the fount of traditional morality. In other words, as we've long suspected, God is on our side.

A TRIBUTE TO BELOIT, OH

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to the village of Beloit, OH, a very special municipal corporation in my 17th Congressional District. On August 13, 1988, Beloit will have a gala celebration in honor of Beloit's 125th anniversary. Ms. Mary McNatt, chairperson of "The Big Parade," excepts this celebration to be the biggest and most exciting in Beloit's history.

Beloit's origins began with the completion of the Pittsburgh, Fort Wayne, and Chicago Railroad through what was then Smithfield, and with the building of the Smithfield Station. In 1863, "Beloit" was selected as a name for the new village, and it should be noted that Beloit means "nice place" in French—which is a perfect description of the village of Beloit. On the historic day of May 1, 1902, the village of Beloit was incorporated at the office of the Mahoning County Recorder.

A beautiful municipal building was built in the early 1970's, and it house the Beloit Fire Department, the Smith Township Police Office, and the Beloit Council Chambers. This architectual masterpiece was built through the drive and determination typical of Beloit's citizens, best described through Beloit's village slogan—"We can do it!" The gorgeous Beloit Mill, once known as the "Home of the White Rose Flour," today stands as a busy ceramic shop. West Branch High School, one of the best high schools in the State of Ohio, has now been educating the young people of Beloit for 25 years.

It is one of my proudest moments as a Member of Congress to know that Beloit has survived for 125 years, and it is my deepest desire that they prosper for another 125 years. Thus, it is with thanks and special pleasure that I join the people of the 17th Congressional District in saluting the village of Beloit on their 125th anniversary.

U.S. AID TO NORTHERN IRELAND—AN ASSESSMENT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. BIAGGI. Mr. Speaker, it was about 2 years ago when the 99th Congress gave its approval to historic legislation to provide first time United States economic assistance to Ireland and Northern Ireland. The Anglo-Irish Agreement Support Act of 1986 authorized $120 million over 3 years to aid in the process of peace and reconciliation. Up to the present time the United States has committed $85 million for fiscal years 1986 and 1987. The remaining $35 million is awaiting Presidential certification before it is released. This certification is expected by later this month.

As chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs, I was a supporter of the revised version of this legislation which became law. At the initial point of introduction, this was to be an open ended authorization of aid without any conditions about what it should try and achieve for Northern Ireland and Ireland. As a result of the modifications, the legislation does mandate that funds provided by the United States are to go to both communities and are to help promote economic opportunity and human rights. In fact the aforementioned Presidential certification requires the President agree that these conditions are met before releasing any additional funds.

Recently a major report was released by the Irish American Unity Conference Information Service. This report studied the effects of the funding thus far in Ireland and Northern Ireland. A major conclusion of the report is that U.S. aid to Northern Ireland is not reaching its targeted group, those most in need. In fact a number of serious issues are raised which I believe must be addressed before we are to consider any extension of aid.

I recognize the fact that it is far too soon to expect immediate and measurable results from this initial distribution of aid. However there are some indications about the determination of which projects should be supported with these funds that do concern me. I am concerned not only about the projects that were provided funds, but also the process used to make these awards. I believe it is timely to review the process now and to make necessary adjustments.

As mentioned earlier, the Anglo-Irish agreement cosigned by the United Kingdom and the Republic of Ireland was the catalyst for this legislation. This agreement was viewed by many as a breakthrough in the longstanding effort to move toward a political solution in Ireland. At the time I called the agreement a "fragile" first step forward but felt that its failure to make any changes in the political status quo in Ireland was a serious flaw.

One of the main provisions of this agreement was the establishment of the International Fund for Northern Ireland and Ireland. This is the entity responsible for the distribution of the economic aid provided by the United States and other nations. The internal composition of the international fund in the view of the unity conference represents one of the major problems with respect to the U.S. aid. The fund is controlled by an independent seven man board of directors from both Northern Ireland and the Republic of Ireland appointed by the respective governments. Yet because the board members serve in a basic part-time capacity, the Northern Ireland civil service plays a strong role in the day-to-day operations of the international fund. Over the years, the NICS has shown an insensitivity to the economic problems of the Catholic minority. The unity conference noting that the current chairman of the board is Mr. Charles Brett former director of the Northern Ireland Housing Authority and his objectivity may be somewhat colored.

The unity conference report also expresses concern about the role of the United States observer to the international fund. At the time the legislation was advancing through Congress, it was felt strongly that the United States should have a representative on the board to ensure that our funds were being used in a fashion consistent with the goals and conditions of the authorizing law. The United States Observer is William Fine, an American businessman living in London. The unity conference report suggests that Mr. Fine instead of being in the role of a critical reviewer of projects before they are approved has merely become involved in evaluations after projects have been awarded. In light of the concerns registered by a number of irish American organizations about the projects that have been awarded funds, it would seem that our U.S. observer should be far more involved in the process than he presently is. Failure of the U.S. observer to fully carry out his responsibilities aimed at ensuring compliance with the authorizing law obviously defeats a key purpose of the legislation.

The unity conference report also notes that within the structure of the international fund is an advisory committee comprised of eight senior government officials divided equally between the Republic of Ireland and Northern Ireland. Yet again due to budget constraints and the largely part time nature of the work there is heavy reliance on the various offices of the Northern Ireland Civil Service. Such units as the Department of Economic Development, the Local enterprise development units, the tourist boards and the Department of Agriculture have been used not only for support services but also to help screen applicants for funding with U.S. aid. The unity conference rightfully in my judgement questions this reliance especially in light of past discriminatory practices by these entities. It is clear to me that one of the strongest principles contained in the authorizing legislation is the mandate that funds provided are to go to both communities in Northern Ireland in a non-discriminatory manner. This must be enforced at all levels of the process.

The unity conference report cites experiences with previous outside aid to Northern Ireland and its failure to aid those in need in Northern Ireland. This includes aid provided by the European Economic Community which was directed into the existing political power structures in Northern Ireland which in turn ensures that funds will not be provided to meet all needs. The one thing that must be avoided is to have the international fund develop the mistrust of the minority in Northern Ireland which it is intended to help.

One of the most compelling features of the unity conference report relates to the projects that have been selected for funding by the board. The international fund's largest expenditure is the establishment of two investment companies, one operating out of Belfast, the other out of Dundalk in the Republic of Ireland. According to the fund, the purpose of the investment companies is to "Identify the risk capital needs for . . . industrial and commercial enterprises" and to "provide on sound commercial criteria equity capital or loans." The fund in making the determination on projects to be funded stated it will not venture into high risk or "rescue" projects further the board is insisting that a determination must be that an enterprise can demonstrate "commercial potential and long term profitability."

The unity conference again correctly in my judgement is critical of this criteria. First, few emerging companies will be capable of meeting the standards set up by the fund. Consequently many developing and now struggling minority businesses, those who could gain the most with an infusion of aid, will fail to qualify. The majority of the venture capital will go to the more economically stable enterprises. This represents a conflict with the spirit and letter of the law relative to the U.S. portion of these funds. Furthermore as stated by the board chairman—a balance as it relates to funds being provided to both communities will be difficult to attain in the short term but over a longer term it might be attainable. Unemployment as it is today in the Catholic minority is some 2½ times greater than among the protestant majority. The time for greater balance in terms of aid distribution must be now not later.

Another program cited by the unity conference report for criticism is tourism promotion. This program is designed to "Attract private investment into quality tourism products." The fund requires the Northern Ireland Department of Economic Development and the tourist board to administer this program which will include the building of luxury hotels and resort accomodations. The unity conference report stresses that such spending is wasteful as well as tragically irresponsible, and ignores the realities of the economic problems in Northern Ireland. Tourism may yield some minor return in employment according to the unity conference the jobs that are created are traditionally low paying and part time.

Another commitment of funds announced by the fund is for the creation of an urban development program. Aimed at "achieving town centre revitalization and to lever private investment." Over $10 million in grants are designated for projects that will "generate viable economic activity." These projects will include commercial establishments, retail businesses office buildings recreation and entertainment centers and housing. The unity conference is critical of this spending on the grounds that it too caters to the affluent, private entrepreneurs at the expense of the poorer less competitive groups.

Another example of the misdirected initial fund awards is in the science and technology research and development projects throughout the universities and colleges in Northern Ireland. United States aid alone totals almost $13 million in this program with the hope that these funds will be recirculated through the royalties from the products developed. However as the unity conference report notes, the research teaching and administrative positions at the universities are severely under represented by the Catholic minorities.

Finally the unity conference report is critical of the fund's assistance to west Belfast. Although west Belfast is recognized as one of the most economically deprived areas in all of Western Europe, to this point the fund has directed only 1 percent of the aid package to that troubled area. When balanced against the funding decisions already made, the virtual exclusion of west Belfast is most disturbing when one considers that districts within west Belfast maintain an unemployment rate of over 80 percent. Further the incidence of poverty is startling with 95 out of 100 children in select areas living below the poverty line.

I have a special interest in this issue. In 1981 I was the first Member of Congress to sponsor legislation to provide United States economic aid to Ireland and Northern Ireland. My legislation conditioned the aid on the British making a declaration of intent to withdraw their forces from Northern Ireland. I worked with my colleagues on the Foreign Affairs Committee to develop the Anglo-Irish Agreement Support Act of 1986 and maintain that economic aid is vital to securing a political solution in Ireland. We have broken important ground with this legislation but at this point in time—how much further we should go at least under the present structure is a matter of some debate. I maintain that reports such as done by the Irish American Unity Conference with the help of Father Des Wilson who recently briefed members of the ad hoc committee about the aid issue raise serious questions which must be resolved.

I am anxious to see oversight hearings conducted by the House and Senate Foreign Affairs Committees on the Anglo-Irish Agreement Support Fund especially with respect to the critical question—is our aid being distributed according to the terms and conditions of the authorizing legislation? I am anxious to see the upcoming Presidential certification for the final distribution of the aid. Will it address the work done so far by the board and will it call for any needed reforms. We must be vigilant in our monitoring of this important economic aid. It is a region of the world that needs our help—but we must be ever certain that United States aid is not in any way going to subsidize continued discrimination in the north of Ireland.

U.S. POLICY IN THE PERSIAN GULF SUCCEEDS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. COUGHLIN. Mr. Speaker, I rise today to call my colleagues' attention to an editorial that appeared in the Philadelphia Inquirer yesterday. The editorial, titled "U.S. Policy Helped Push the Ayatollah to 'Poison'," spells out the facts on the success of America's foreign policy in the Persian Gulf.

Mr. Speaker, the President's decisions to deploy additional forces to the Persian Gulf, to escort U.S.-flag vessels, and to respond in a firm but measured way when confronted with belligerence, were not easy ones. We know from our past experiences that the Persian Gulf is a volatile and unpredictable region. We have seen from the attacks on the *Stark* and the *Sea Isle City,* the minings of the *Bridgeton* and the *Samuel B. Roberts,* and indeed, the accidental downing of Iran air flight 655, that it can be a perilous place.

Throughout the period of the heightened American presence in the gulf, the President has shown bold and consistent leadership. This leadership has been contemplated by the outstanding performance of our military forces in the Persian Gulf. Under conditions of severe deprivation and high tension, at times under fire, they have performed admirably. I should remind my colleagues that Representative SONNY MONTGOMERY and I have introduced House Concurrent Resolution 283, a resolution commending the President and our service personnel in the gulf.

Mr. Speaker, if the Secretary General of the United Nations can obtain a cease-fire between the belligerents in this horrible war, then the United States may at last have a real opportunity to restore positive relations with Iran. Such a course should certainly be encouraged. Before normalcy in United States-Iranian relations can be obtained, however, America must make absolutely clear that Americans held hostage in Lebanon must be freed unconditionally.

Mr. Speaker, I insert the Inquirer editorial in the RECORD at this point:

U.S. POLICY HELPED PUSH THE AYATOLLAH TO "POISON"

Ayatollah Ruhollah Khomeini's decision to drink the "poison" of peace with Iraq had more to do with Iraqi military victories than America's policy in the Persian Gulf. But the additional military pressure that the Western armada placed on Iran played a key role in pressuring Iran to recognize reality.

When the United States decided in early 1987 to reflag 11 Kuwaiti tankers, the given reasons were to pre-empt Kuwait from inviting the Soviets to do the same job and to protect the free flow of oil in the gulf. But the main reason was to reassure America's Arab allies along the gulf, made nervous by the Iran-contra affair and by Iran's military success, that Washington would not stand by and watch a military Iran impose hegemony.

Critics, fueled by confusion in the policy's early days, and unnerved by episodes like the Iraqi missile attack on the USS Stark, charged that the gulf policy was a headless monster. They said it had no clear goal, but they were mistaken.

There was a goal—to stabilize the Arab gulf until a way could be found to end the Iran-Iraq war. If American policy seemed to tilt toward Iraq, there was a reason: It was Iran that consistently refused to end the war, while Iraq had agreed to sign onto a United Nations cease-fire.

What the critics also failed to see—and "multilateralist" Michael S. Dukakis would do well to note—was that a multinational approach to policing the gulf couldn't work so long as Iran still wanted to fight. So long as Iran and Iraq were still shooting at each other, sending an unarmed United Nations force into the gulf would have been a joke. As for bringing in the Western Europeans, most were initially reluctant to support the U.S. initiative, and came around only after Iran foolishly began mining gulf waters.

What the administration realized, after a few false starts, was that the war could only end when Ayatollah Khomeini decided his holy war was too costly. Washington, chastened by its bitter experience in the Iran-contra affair, rightly recognized that no U.S. meddling in internal Iranian politics could affect Iran's decision. While waiting things out, the administration repeatedly stressed, at the United Nations and elsewhere, that it did not seek an Iraqi victory, that an end to the fighting was its goal.

Meanwhile, Washington's policy galvanized the Arabs, who were at their lowest point. After the bitter winter of 1986-87, when Iran seemed poised to claw off a hunk of southern Iraq near Basra, the American move spurred the gulf Arabs to take a stronger, more united stand behind Iraq. Saudi Arabia broke off relations with Tehran. The gulf states for the first time allowed American ships to call. Washington also made clear it would not cut and run when its ships were attacked. When the Iranian navy foolishly attacked the American armada, half its ships were wiped out. And with morale restored, Iraq finally began to fight in an aggressive and effective fashion.

Now that a cease-fire is within grasp, the United Nations can move into the forefront. When the shooting stops, a U.N. observer force can insert itself between the two sides on land, and most of the U.S. armada in the Persian Gulf can leave.

The lesson of the U.S. gulf experience is that a superpower can still affect events in a vital area if it plays a firm and consistent role. And if it has the nerve to lead.

THE ILLINOIS PRAIRIE PATH

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. HYDE. Mr. Speaker, it was 25 years ago this year that May Theilgaard Watts, a naturalist at the Morton Arboretum, suggested in a Chicago newspaper that an abandoned railroad right-of-way connecting Chicago with DuPage and Kane Counties be converted to a footpath.

Her vision for a prairie version of the famous Appalachian Trail was motivated by a desire to save for future generations the beauty of forests and meadows untouched by commercial development.

In a ceremony today at the White House hosted by President Ronald Reagan, the heirs to Mrs. Watts' vision received public recognition for their work on the Illinois Prairie Path, a 55-mile network of trails used daily by bicyclists, walkers, joggers, and equestrians.

Sponsored by the U.S. Department of the Interior, the Take Pride in America Award was presented to F. Paul and Jean Mooring of Wheaton, IL, who represented hundreds of contributors and volunteers that built and have maintained the path on a shoestring budget.

As many as 300,000 people a year use the prairie path, a testament to the foresight of our suburban pioneers in the rails-to-trails conservation movement.

I commend the leadership and the many volunteers that brought this path to fruition and suggest that my House colleagues take a moment and read an article on the Illinois Prairie Path published in a recent issue of Trailblazer, the newsletter of the Rails-To-Trails Conservancy:

THE ILLINOIS PRAIRIE PATH

There is no rail-trail in the U.S. which has received as much tender loving care from as many individual volunteers over a longer period of time than the Illinois Prairie Path.

Between 1963, when Morton Arboretum Naturalist May Theilgaard Watts originally proposed the concept of a rail-trail through Chicago's western suburbs, and 1987, when management of the Path was formally taken over from a non-profit citizen group by DuPage County, thousands of volunteers invested hundreds of thousands of hours and dollars in every aspect of trail work from attending public hearings to negotiating leases, hauling trash to building bridges, lobbying politicians to cajoling private corporations, purchasing crushed rock to leading natural appreciation walks.

"We are human beings. We are able to walk upright on two feet," Watts wrote in her classic letter to the editor of the Chicago Tribune. "We need a footpath. Right now there is a chance for Chicago and its suburbs to have a footpath, a long one."

A quarter century later that vision has largely come to pass. The 44.5-mile-long, pitchfork-shaped Prairie Path stretches from Maywood to Wheaton, then splits into four spurs which reach the Fox River in the towns of Elgin, Geneva, Batavia and Aurora.

At least 300,000 bicyclists, walkers, runners and equestrians utilize the path each year, enjoying its chunks of native prairie, the site of an Indian settlement, a mill pond that once powered a pioneer grist mill, several peaceful wetlands and numerous parks. The Prairie Path also manifests its urban roots, passing through a string of town centers and paralleling extant railroad corridors on which commuters and freight trains regularly race and rumble past.

The trail has been a massive experiment in private citizen action, replete with heartbreak and triumph. Unlike neighboring Wisconsin and Iowa which have incorporated their many rail-trails into state-run and county-run park systems, for two decades neither the state of Illinois nor the County of DuPage expressed much interest in taking a leadership role with the Prairie Path. In fact, the private group, somewhat confusingly called The Illinois Prairie Path (TIPP), would probably still be operating the trail today if it had not lost its insurance coverage, forcing the county to take over primary management.

The joys and tribulations of creating the Prairie Path are exemplified by the stories of two of its many bridges. Volunteer Bridge in Wheaton, a monument in name as well as structure, was an old railroad facility restored and extended over two city streets and a park entirely by volunteers under the direction of a volunteer structural engineer and fabricated by high school welding students. Valued at about $250,000, the job cost $25,000, all of which was donated.

In contrast is the bridge over the east branch of the DuPage River. First constructed as a high water bridge by the Illinois National Guard, it was soon dismantled by vandals. Then Sierra Club members reused the timbers in a new low water bridge—which was washed away in a flood. Rebuilt by the DuPage County Forest Preserve District, the third bridge was burned by an arsonist—as was the fourth. Finally, in 1978 TIPP paid $22,000 for a 50-foot all-steel footbridge which was installed above the 100-year flood line and still stands today.

As the Illinois Prairie Path enters a new phase of public control—and as TIPP changes roles from developer to advocate—the verdict on the issue of "public vs. private" is not yet in. By any measure, the Prairie Path is immensely successful (real estate pages regularly promote houses as being near it), yet in some of the towns it traverses, the "park" is barely a footpath squeezed through parking lots. It has been proven that volunteers can accomplish miracles on shoestring budgets, but it is not necessarily clear that parks should be so underfunded. It is obvious that volunteers cannot carry out as much physical labor as professionals with heavy equipment, but it is equally obvious that had it not been for dedicated citizens who gave time and money there would never have been an Illinois Prairie Path.

Whatever the final verdict, the Prairie Path has irrefutably borne out May Watts' pithy observation which is cast on a stone pedestal in Wheaton: "Footpaths are defended with spirit by their users."

DAVID ZWIEBEL: AN ADVOCATE FOR OUR CHILDREN

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. SOLARZ. Mr. Speaker, I rise today to pay tribute to an outstanding citizen and a close friend, Mr. David Zwiebel.

As the director fo government affairs for the Agudath Israel of America, the most preeminent national Orthodox Jewish organization, David has dedicated his career to improving the educational and developmental opportunities for the children of our country, particularly those youngsters from religious households.

In recognition of David's remarkable talents, President Reagan has recently appointed him to the National Commission on Children. I am extremely proud of David and of the Agudath Israel. Let me commend to my colleagues an article printed in the Jewish Press which profiles the many accomplishments of David Zwiebel.

[From the Jewish Press, July 22, 1988]

WHITE HOUSE APPOINTS AGUDATH'S ZWIEBEL TO NATIONAL COMMISSION

David Zwiebel, director of government affairs and general counsel for Agudath Israel of America, has been appointed by President Ronald Reagan as a member of the newly created National Commission on Children, a panel charged with exploring ways "to safeguard and enhance the physical, mental, and emotional well-being of all the children of the nation."

Zwiebel, one of 12 members of the commission selected by the President (12 each are appointed by the Speaker of the House and the President pro tempore of the Senate), has earned national recognition for his representation of Orthodoox Jewish views and values in the public arena and before various governmental bodies.

He has distinguished himself as a tireless advocate on behalf of the rights of children in the nation's nonpublic schools. In the context of his Agudath Israel role, he has spoken out on such varied themes as foster care, day care, medical ethics in the treatment of handicapped infants, the needs of the developmentally disabled, parental choice in education, and society's responsibility for the dearth of qualified teachers. He has also been involved in numerous issues relating to the interface of government and the private nonprofit sector in the furtherance of charitable causes and the delivery of social services.

In addition to his new appointment to the National Commission on Children, the Agudath Israel attorney is a member of the U.S. Department of Education's Private Education Kitchen Cabinet; the New York State Education Department's Commissioner's Advisory Council for Nonpublic Schools; the Committee of Nonpublic School Officials of the City of New York's Tier 1 Advisory Group; and the New York State Human Rights Advisory Council.

Having pursued his yeshiva studies at Mesivta Torah Vodaath, Zwiebel graduated magnum cum laude from the Benjamin N. Cardozo School of Law, where he was editor-in-chief of the Law Review. Upon completing his legal training 1979, he joined the prestigious New York law firm of Paul, Weiss, Rifkind, Wharton and Garrison. He has been at his present post at Agudath Israel since 1984.

TRIBUTE TO THE GRADUATING APPRENTICE ENGINEERS OF MAHONING VALLEY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise to pay tribute to the eight individuals from my district who graduated from the Operating Apprentice Engineers Program on July 9, 1988.

I had the distinct privilege to be the keynote speaker at the graduation ceremony, in which I was able to meet these outstanding individuals. The following participated in the exercises on July 9: William Fink, Sandra Frederick, Charles Locke, Shirley Pearce, Kelly Reid, Albert Santiago, Thomas Whipple, and Howard Young. Not only did these fine students perform the necessary requirements for graduation, they exhibited exemplary qualities that shall profit them in their future careers.

The Operating Apprentice Engineers Program was established and is maintained under the auspices of the International Union of Operating Engineers which was organized in 1896. The tradition of ensuring that the field of operating engineering is constantly filled with qualified candidates is taken very seriously by this organization. The latest graduates are proof positive of this reality.

It is my pleasure, on behalf of the citizens of the 17th Congressional District, to express my sincere congratulations to such an outstanding group of people and bid them further success.

A TRIBUTE TO LISA REED

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Ms. Lisa Reed, a very special resident of my 17th Congressional District. It is one of my proudest moments as a Member of Congress to be able to announce that Ms. Reed was the 17th Congressional District winner in the seventh annual congressional art competition. It was a wonderful experience for me to have my picture taken with Lisa when she visited my office here in Washington.

Lisa's picture was a haunting and mysterious ink painting of a lonely old man called Look Again. I must say that I was greatly touched by the beautiful simplicity of this deeply moving painting. Lisa's art teacher at Salem High School, Ms. Janis Yereb, entered Lisa's painting in this competition. Lisa's proud parents are Bud and Joyce Reed.

Lisa graduated from Salem High School this spring, and will obtain her college education from the Pittsburgh Institute of Art. After college, Lisa intends to become a dazzling success in the fashion merchandising world. Lisa has had her artwork displayed in New York and elsewhere across the United States. As the 17th District Congressman, it humbles me to know that the Youngstown area is producing great artists like Lisa.

Lisa, you have all of my best wishes as you embark on your conquest of the world of art. Thus, it is with thanks and special pleasure that I join with the people of the 17th Congressional District in saluting the artistic genius and dynamic personality of Ms. Lisa Reed.

PUTTING THE COMMITMENT TO WORK

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. EDWARDS of California. Mr. Speaker, I would like to bring a speech entitled "Putting the Commitment to Work" to the attention of my colleagues. The speech, which was written by a dear friend and respected colleague, NANCY PELOSI, was delivered to the conference of the National Association of Housing and Redevelopment Officials in San Francisco on July 10.

NANCY's insightful speech provides an overview of the many challenges which need to be met by rejuvenating the Federal commitment to providing decent homes and a suitable living environment for every American family.

I recommend this speech to my colleagues. It will be helpful in the reconsideration of our national housing policies.

The speech follows:

SPEECH OF HON. NANCY PELOSI, "PUTTING THE COMMITMENT TO WORK," NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS CONFERENCE, SAN FRANCISCO, JULY 10, 1988

I am glad that you were all able to attend this conference and I would like to take this opportunity to welcome you to the city of San Francisco.

Perhaps no other city in the country is so well known for its neighborhood-orientation—the charm of San Francisco is based, in great part, on the existence of different communities within the city. San Francisco, like other places across the Nation, also faces a severe housing crisis. I believe that the strength and resources of our neighborhoods, in San Francisco and throughout the United States, must be combined with local, State and Federal initiatives to encourage cooperation between the public and private sectors and to solve our national housing crisis.

The Federal commitment to housing was codified in the Housing Act of 1949—to provide a decent home and a suitable living environment for every American family—and we must once again focus our efforts on attaining that goal. Over the last 8 years, this goal has not only been ignored, but, unfortunately, many steps that had been taken by prior administrations to house all Americans have actually been undone. For example, the 1980's have seen a serious and rapid decline in both the federally assisted construction of new housing, and the substantial rehabilitation of existing housing for use as low income housing. In fiscal year 1981, the Federal Government provided funds for 110,231 housing units; by fiscal year 1987, only 14,500 housing units were assisted.

All of you here today are aware of the dimensions of the crisis facing us—rapidly increasing costs relative to personal income; the cumulative effect of years of cuts in Federal housing assistance; tax changes discouraging construction and ownership of low-income housing; deterioration of the available stock of public and other subsidized housing all add up to the basic problem of trying to meet increasing needs in a time of diminishing resources. At times like this, we must work to identify and utilize the full range of expertise and creativity available. Much of this expertise is held by people like you, and you must actively participate in the development of solutions to these problems.

There is in Congress a growing belief that housing must once again be made a priority on the national agenda. The severity of the housing crisis has been elevated to a national level by the sight of homeless individuals and families wandering city streets. A national opinion poll conducted for the National Housing Institute in March 1988 illustrated that the American people want a new national housing policy and that they are willing to support Federal programs to expand affordable housing opportunities for the poor, the working poor, and the middle class. According to the poll, 2 out of every 3 Americans even indicated a willingness to pay an additional $120 per year in taxes to support a series of housing assistance programs. The American people want the Federal Government to work for them in developing effective programs which will provide decent, safe, and affordable housing for all Americans.

In order to be effective, a Federal commitment to improving housing conditions must address a wider range of issues. The housing crisis is not merely the result of a lack of housing. Other societal conditions are integral factors. In this Nation, the rich are getting richer and the poor are getting poorer. In the report, "The State of the Nation's Housing," the Harvard Joint Center for Housing Studies notes the connection between these facts and the housing crisis. The report states, "from 1983 to 1987 . . . the number of poverty-level renter households increased from 7.2 million to 7.5 million . . . the real annual incomes of renters has declined from an average $18,000 in 1982 to $14,000 in 1986 . . . from 1973 to 1986, the real income of young single parent renter households with children fell . . . from $10,965 to $7,271 in 1987 . . . the rent burden for young single-parent families with children increased from 34.9 percent in 1974 to 58.4 percent in 1987."

Over the past decade, real incomes have decreased, rent burdens have increased and the supply of affordable housing has been disappearing at an alarming rate. Between 1974 and 1983 alone, the number of units renting for less than $300 per month dropped by nearly 1 million. At the same time, Federal policies have resulted in an increase in the number of low income households. Between 1974 and 1987, the number of households earning incomes of $5,000 to $10,000 and not receiving rental assistance grew from 3.8 million to 4.5 million.

As I mentioned briefly, there is a growing understanding on Capitol Hill of the critical need to do something about the housing crisis. This growing understanding is reflected in the recent publication of several major studies about the state of the Nation's housing, including "a decent place to live," the report of the national housing task force; and "preventing the disappearance of low income housing," the report of the National Low Income Housing Preservation Commission. These studies address the need to, at minimum, maintain the Federal commitment to housing. I believe that what we must do is rejuvenate the Federal commitment to housing. I also believe that we are at a critical point—this rejuvenation must be done and it can be done. The election of a new President provides us with an excellent opportunity to reassess the state of the Nation's housing programs and to set an agenda for housing which will carry us into the next century.

The Federal commitment to housing must be long-term and it must be flexible. If we have learned anything from the past 40 years of housing programs, it is that local participation in the development of successful housing programs is essential. It is clear as one looks at housing problems across the country that what works in one market may not work in another one. Urban and rural areas face very different problems, and even within urban areas, the problems of cities differ widely. San Francisco, for example, has a critical shortage of land, as well as a critical shortage of housing units. In San Francisco, there are 6,800 public housing units with another 204 under construction. As you look around the city, you will notice that there is not a great deal of space in which to build any housing, including low-income housing. Creative problem solvers have recently developed a successful project which will utilize the air rights over a standard brands paint home-decoration center for locating a 49 unit affordable housing project. This project represents the best of public-private partnerships.

Houston, meanwhile, is a metropolitan area which has between 10,000 and 35,000 homeless families annually, no public housing units available, and a waiting list of 23,000 families. At the same time, there are 70,000 vacant apartments, and an undisclosed number of foreclosures on houses. Clearly, any Federal policy which tries to assist low-income housing in San Francisco and in Houston, to name only two cities, must be flexible enough to address their very different needs.

The Federal commitment must also be long-term. We must make a commitment to develop new low-income housing and to maintain that housing, as well as to rehabilitate the housing stock we currently have. The housing crisis we face right now will seem small if we allow the current low-income housing stock to disappear. The available stock of low-income housing faces several threats, including expiring contracts, and upcoming options for prepayment. Expiring 20-year contracts under the section 236 and section 221(d)(3) programs could result in the loss of as many as 100,000 housing units.

Another problem with which many of you are familiar is the economic difficulties caused by the fact that operating costs for projects are rising, while tenants' wages and subsidies are not. Unless the Federal Government makes the commitment to save the several million units of public housing we have in existence now, it is unrealistic to add more.

In fact, it is cost-effective for the Federal Government to put resources into the "modernization" and rehabilitation of current public housing stocks. The estimated $20 to $22 billion needed to bring housing projects up to decent standards, at an average repair cost of less than $10,000 per unit, is manageable. The replacement value of these units would run about $70 billion (at $50,000 per unit). It would be penny-wise and pound-foolish not to invest that money for modernization. Quite simply, we are in a situation where we cannot afford to lose affordable housing units. It will take a combination of rehabilitation of the current housing stock and new construction to house all of our citizens.

The importance of a long-term Federal commitment to housing must also be reflected by a commitment to funding operating costs. Construction costs are not the only costs associated with public housing projects. I am sure that most of you have faced the problem of how to continue to operate housing projects in the face of rapidly escalating energy and general maintenance costs. Funding for operating subsidies is a continuing battle which we will have to fight over and over again.

While some congressional action, such as that handled by the House Subcommittee on Housing and Community Development, deals directly with housing, other action has just as significant an impact on the housing crisis. We are just now beginning to realize the adverse consequences of provisions included in the Tax Reform Act of 1986, and the subsequent technical corrections bill. These provisions directly affect the ability and the willingness of developers to develop and to construct low-income housing, as well as the ability and willingness of owners to make their units available and affordable.

This year's technical corrections bill is no exception. While the Committee on Ways and Means has not yet completed its consideration of this year's technical corrections bill, I am pleased to say that it, so far at least, includes a provision extending the tax exempt status of mortgage revenue bonds for an additional 2 years. The outcome of other provisions affecting housing is still uncertain.

Some of us in Congress have started the fight to place housing back in the priority position it merits. Part of the so far limited success is a result of the growing awareness of the national disgrace of homelessness. The passage of the Stewart McKinney Act of 1987 set the stage for dealing with the rapid increase in homelessness. Legislation to reauthorize the McKinney Act is now working its way through the congressional process. Passage of Public Law 100-242, the omnibus housing bill was also significant; it was the first major housing bill passed by Congress and signed into law by the President in 7 years.

Yet, those of us concerned about housing must always remember that authorizing legislation is only one step in the process. Without appropriations to back up the authorizations, legislation is of limited value. This year, during the consideration of the HUD/Independent Agencies appropriations for fiscal year 1989, I worked with other members of the Housing Subcommittee to try to reprogram $400 million from space programs into programs for the homeless, UDAG, other housing programs and the Environmental Protection Agency.

My colleagues and I worked for this amendment because we believe that it is time for us to make a clear statement of our priorities. We support the space program; we also believe that it cannot and should not be funded at the expense of the poor of this Nation. As we make our long-term plans for high tech, we have to recognize that we have some very low-tech emergency needs that must be addressed. A balanced budget means more than just making revenues and outlays equal; it also means that we must promote future goals without ignoring the needs of our citizens today.

Our amendment failed by a vote of 166 to 256. While I am sorry that the amendment failed, the vote was much closer than we had originally expected. I believe that this vote also reflects the growing concern on Capitol Hill about the housing crisis.

As you all may know by now, the HUD/Independent Agencies bill contained no funding for the UDAG program. I am very concerned about the demise of this program, because I recognize that successfully addressing the housing crisis requires a comprehensive approach, with a coordination of the delivery of housing, jobs, and human services. Community development programs, such as UDAG and CDBG's have provided essential resources in this endeavor.

The housing crisis is more than a lack of available housing units and an inability to rent or purchase them; it is a deeper crisis which affects our community. The solution involves programs offering mental and physical health services, education and job-training, literacy programs and child-care. Community development funds play a vital role in the development and operation of these kinds of programs.

We must rededicate ourselves to the task of building strong and viable communities, of strengthening local resources and small businesses, and of providing excellent educational facilities to train people for the needs of the future. We must look for solutions to the devastation of drugs on our youth, and we must strengthen the safety net for the growing numbers of people who are falling through the cracks in our society.

This task cannot be accomplished by the Federal Government alone. It requires a partnership of Government, private industry, financial institutions and non-profit organizations. As we struggle to develop solutions at the Federal level to the many problems facing us, we are turning to those of you with hands-on experience for your advice and expertise. I believe that we can solve the housing crisis, but that it will take the creativity, the energy and commitment of all of us to do it. Thank you.

CONSIDER THE SANCTITY OF LIFE

HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, I would like to bring to your attention the testimony of my colleagues Mr. HENRY HYDE of Illinois and Mr. CHRISTOPHER SMITH of New Jersey on the subject of the Federal funding of in vitro fertilization [IVF] research.

Current Federal policy prohibits funding of IVF research. I join my colleagues in their position to maintain this policy.

It is documented that IVF programs include the objectionable practices of discarding, freezing, and experimenting upon human embryos. IVF also exposes the embryo to extraordinary risks beyond its capacities for survival as evidenced by the high rate of IVF embryo mortalities.

The practice of "throwing away" human embryos raises serious ethical and moral considerations that must be examined.

As my distinguished colleague from Illinois concludes in his testimony:

> While some abuses along these lines might be reduced by regulation of IVF, others remain so integral to the procedure at this stage of its development that the federal government could not support it without funding morally unacceptable mistreatment of the human being at its earliest stages of life.

The statement follows:

TESTIMONY OF CHRISTOPHER H. SMITH, SUBCOMMITTEE ON HUMAN RESOURCES AND INTERGOVERNMENTAL RELATIONS, JULY 14, 1988

Mr. Chairman, the relatively new technology designed to facilitate the creation of human beings in a petri dish—the issue of test tube babies—has opened a Pandora's box of ethical and moral questions that simply cannot be shunted aside.

I am deeply concerned, Mr. Chairman, that in the rush to appropriate federal funds for IVF research or to provide coverage under the auspices of the Federal Employees Health Benefits Program or the Veterans Administration, some IVF enthusiasts have tended to gloss over or even trivialize unsettling ethical considerations involved.

There seems to be an emerging pattern of acknowledging the existence of ethical problems associated with the methodology employed by IVF without the requisite responsibility of ensuring adequate answers before proceeding.

Some would suggest a reversal of current policy of no federal funding for IVF, notwithstanding serious questions about the medical and ethical soundness of the practice. You will recall that Dr. Windom pointed out earlier today that a decade ago, the Department received comments on the Ethics Advisory Board (EAB) report on the issue of in vitro fertilization research from approximately 13,000 members of the public, and 80 Members of Congress. He noted that the overwhelming majority, "expressed opposition to federal funding of the procedure, particularly if the procedure were to involve the destruction of human embryos . . ." Significantly, Dr. Windom also pointed out that the Ethics Advisory Board concluded that the human embryo is entitled to "profound respect", but I believe the EAB miscued badly by not giving any meaningful definition to these sentiments.

I believe that "profound respect" must minimally include safeguards to protect the embryos right to continue living.

Mr. Chairman, a decade of limited IVF experimentation has shown that the considerable broadbased opposition that IVF encountered in the late 70's appears to have been justified, well-informed and well-founded.

I would point out to my colleagues that even noteworthy practitioners of IVF have admitted being deeply troubled concerning the discarding of excess embryos.

In a recent Washington Post article Dr. Robert Stillman, Director of Reproductive Endocrinology and Fertility candidly admits, "We just continue to let it grow until is becomes nonviable . . . we are stepping out of the active role of destroying it. It just stops growing. It does that on its own. It is its own fault. But even with these measures, discarding a pre-embryo, is a shameful and wasteful act. It gives us pause."

"Shameful and wasteful act" are strong words, Mr. Chairman. I would suggest that IVF should give us all, pause.

Mr. Chairman the price of assisting a relatively small number of infertile couples with this particular technology is extremely high and includes the wanton destruction of countless human embryos.

I believe that one of the overriding issues that must be squarely addressed by this panel, by the government, by society is the ethicacy of tens of thousands of human embryos being poured down the drain like so much garbage.

But then again, Dr. Stillman has a creative rationalization for his preferred method of embryo destruction and notes that "it just stops growing . . . it is its own fault . . ." The doctor doesn't explain, of course, how a newly created human being can be "faulted" for not being provided the environment necessary to continue living. Surely no one has ever asked to be conceived but the presumption must be in favor of nurturing life and arbitrarily destroying thousands of embryos simply cannot be condoned.

The awesome legal and moral responsibility to protect, nurture, enhance and respect the sanctity and dignity of each human life is at stake and it seems to me that IVF practices fall short in that regard.

Moreover, we should not be surprised as to where IVF may take us in the future.

The late Dr. Paul Ramsey, Professor of Religion, Princeton University and internationally-known authority on medical ethics has warned that "We shall have to assess in vitro fertilization as a long step toward hatcheries, that is extracorporeal gestation, and the introduction of unlimited genetic changes into human germinal material while it is cultured by the Conditioners and Predestinators of the future."

This too should give us pause.

Mr. Chairman, according to the OTA Report: Infertility, Medical and Social Choice about 14,000 attempts at IVF were performed in 1987. Due to its extremely low success rate, in terms of a baby being brought to term and with its high cost and presumably due to ethical reservations, IVF was the choice of less than 1 percent of infertile couples.

As to whether IVF is a proven medical therapy or experimental, the OTA report says "in 1988, no blanket answer to that question is possible."

Yet Congress and the Executive Branch are being lobbied to fund this highly dubious procedure.

And then there is the ancillary issue of embryo freezing—embryo banking—presumably for later implantation after thawing or for unethical experimentation. The specter of hundreds—perhaps thousands—of embryos in cryogenic tanks in a kind of suspended animation conjures up frightening images of Huxley's Brave New World.

According to the OTA Report, two dozen or more IVF programs in the United States have stored frozen embryos. This practice is outrageous and dehumanizing and treats human life like lab mice or cattle.

Again, even proponents appear to have some reservations about this exotic procedure. The OTA report notes that the American Fertility Society deems the transfer of embryos from one generation to another as "unacceptable". While the ethical premise for this view isn't explained, the Society raises a pertinent question concerning how long even they would countenance freezing human life. If its ok to freeze embryos for a year or ten years—why not 50 or 100 years?

The OTA Report also highlighted one particular case which is likely to become commonplace if this experimental practice continues—the issue of orphan embryos. In other words, what is to become of embryos whose genetic parents have died or who have abandoned their progeny? Are these embryos to be construed as mere property, as chattel? Can they be marketed for profit and sold to the highest bidder? I would note parenthetically that some states including Louisiana and Florida have looked at this and have concluded it to be an unconscionable act and have outlawed it. Can they be subjected to experimentation? Can they be destroyed at will by scientists assuming the role of God?

The plethora of unanswered questions regarding IVF and attendant technologies demand comprehensive and frank answers before this questionable technology is sanctioned or funded.

This debate, Mr. Chairman, is long overdue and I thank you and Mr. Lightfoot for scheduling this hearing today. I believe it's time for intense public scrutiny of this issue.

STATEMENT OF HON. HENRY HYDE

Mr. Chairman, I am grateful for the opportunity to comment on the current federal policy of not funding human in vitro fertilization (IVF) research. I will also explain why considerations involving the sanctity of human life argue in favor of maintaining this policy.

When the U.S. Department of Health, Education and Welfare issued federal regulations on fetal research in 1975, it specified that federal support of IVF in humans could not be authorized until an Ethics Advisory Board had made recommendations to the Secretary regarding the "ethical acceptability" of such research. That provision was brought into play in 1978, when Louise Brown of England became the first publicized case of a live birth from IVF and American researchers applied for federal research grants to pursue similar efforts. But after almost a year of public hearings and deliberations, the HEW Ethics Advisory Board delivered to HEW what can only be described as ambivalent advice: Certain limited forms of IVF could be considered "acceptable from an ethical standpoint," but not in the sense that they would be "clearly ethically right." Rather, these procedures were "ethically defensible but still legitimately controverted"—or to put the matter in plain English, plausible arguments could be found for both sides in the ethical controversy. Among the unresolved issues cited by the EAB were the danger of abuse arising from experimental manipulation of human embryos, the "uncertain risks" to both mother and offspring, and the fact that the procedure remained "morally objectionable" to many Americans for a variety of other reasons.

I should note that the EAB's tentative acceptance of IVF was based on its view that the human embryo did not deserve "the full moral and legal rights attributed to persons." It admitted that those who promote respect for persons from the time of fertilization would necessarily come to a more negative conclusion on IVF, because the procedure involves so many risks of harm and death to human beings at the embryonic stage. But in the end, even the EAB "decided not to address the question of the level of the funding, if any, which such research might be given," because such a decision involved "scientific, political, economic, legal and ethical" questions beyond the Board's competence (Federal Register, June 18, 1979, pages 35033-35058).

This left the final policy decision to the Secretary of HEW. After receiving the EAB's report, as well as thousands of letters from concerned organizations and individuals, HEW decided not to pursue federal funding of IVF in humans. Among the most prominent opponents of such funding were the Catholic Church, some organizations of Jewish rabbis, and non-denominational groups promoting the right to life of the unborn. A common concern raised by critics of IVF was what the U.S. Catholic Conference referred to as "the abortifacient character of this procedure." Characteristic of much public comment was a December 1978 letter to President Carter from the California Pro-Life Council, which read in part:

> We oppose experiments on in vitro fertilization of a human egg by a human sperm because the experiments inevitably involve creating many new human lives which are then thrown away.
>
> From a Right to Life point of view, we could not object to a procedure in which one human sperm fertilizes one human egg in the laboratory and the new human being is then grown to maturity in the mother's womb with no risks beyond the normal ones of pregnancy.
>
> But such a procedure is not possible now. And it could not become possible without a vast number of experiments which involve purposely wasting human lives or exposing them to extraordinary and unnatural risks.

Faced with ambivalent advice from her own Ethics Advisory Board and strong opposition from many segments of the public, HEW Secretary Patricia Harris decided not to fund IVF procedures in humans, and this de facto moratorium remains in place to this day. I want to emphasize that this decision was made by an Administration and a Secretary of HEW that were not kindly disposed toward the concerns of the pro-life movement; if the same concerns are valid today as in 1979, an Administration publicly committed to the interests of the unborn would have even stronger reasons for continuing that moratorium.

My view is that these moral concerns are just as valid or more so today. As currently practiced IVF poses several threats to the sanctity of human life.

My first concern is the role played by deliberate destruction of the unborn in many IVF programs, both before and after transfer to the mother's womb. Most IVF programs remove several unfertilized ova at a time from a woman's body, after using fertility drugs to promote ripening of several ova in one cycle; in some programs, all the ova are fertilized together in a Petri dish, but only the most promising new embryos are transferred to the womb while others are simply discarded. In a speech promoting federal funding of IVF in 1982, Professor Leroy Walters said this is not a moral problem because a decision to discard an embryo which might develop abnormally is like "a decision not to employ extraordinary means to prolong the life of a newborn infant" with handicaps. But to me it seems bizarre to call a newly conceived child's residence in his or her own mother's womb as a form of "extraordinary" life sustaining treatment! Instead, this routine discarding of a develop-

ing human life is the moral equivalent of an early abortion. The almost frivolous indifference with which this is done is one indication of a deeper problem in IVF: By turning the process of procreation into something more like the manufacture of a product, the technique seems to invite researchers to treat new life as a commodity subject to the most cavalier forms of "quality control."

In some IVF programs all fertilized embryos that seem to be alive and developing are transferred to the womb, but this also raises abortion questions. As was reported recently in the April 21 issue of the New England Journal of Medicine, this approach sometimes results in a multiple pregnancy that can pose serious risks to both mother and children. Some physicians resolve this problem through what is euphemistically called "selective reduction" of the pregnancy—that is, doctors use sonography to locate the unborn children they consider expendable, and inject potassium chloride into their hearts so they will die without endangering the one or two children they intend to preserve for live birth.

The currently available means for avoiding both these scenarios (discarding embryos before transfer to the womb or directly killing the unborn afterward) post moral problems of their own. Either one freezes all embryos not needed for a particular reproductive cycle, which itself poses a very high risk to the life of the embryo, or one removes only one ovum from the woman in any given cycle, which greatly increases the costs and risks to her because a new invasive procedure must be performed for each attempt at a pregnancy. This risk to the woman, incidentally, should not be underestimated, as there has already been at least one report from Brazil of a woman who died from complications of the anesthetic used during retrieval of her ovum for IVF (Washington Post, October 24, 1982, page A20).

Aside from deliberate discarding and destruction of the unborn, my second major concern has to do with the high rates of accidental embryo loss in IVF. Clinics promoting IVF often report "success rates" of up to 20 or 25 percent. Those reports have been called into question by medical experts who say the clinics mislead prospective patients about their chances for success; by their estimates the chances for achieving pregnancy from IVF in a given cycle may be less than 10 percent. But even if the higher figures were accurate, they would indicate only that a woman in an IVF program has a 20 to 25 percent chance of achieving a positive pregnancy test after the IVF procedure. To someone concerned about the loss of unborn lives, the most significant figure is the percentage of embryos that survive to live birth. According to congressional testimony of last May from the nation's most prominent IVF center in Norfolk, Virginia that figure is 5 percent at best (or in Norfolk's case, 230 live births out of 4500 embryos conceived). This is far higher than the rate of embryo loss in natural pregnancy. Judging solely by statistics like these, one could hardly call IVF an effective procedure for producing children—one is tempted to call it a fairly efficient procedure for preventing children from being born alive, with a 95 percent success rate!

My third and final area of concern is that of experimentation on the newly conceived human embryo. It is no secret that much of the scientific interest in IVF has to do with the prospects it offers for new kinds of genetic experiments. Observing and manipulating "spare" embryos produced by IVF is seen as necessary for developing human genetic engineering techniques, and some researchers in other countries are said to have taken steps in this direction. This kind of harmful and non-therapeutic research violates the fundamental ethical canons governing experiments on unconsenting human subjects.

Ironically, some of the research made possible by IVF is itself designed to develop more efficient means for destroying prenatal human life. For example, the aforementioned 1987 congressional testimony from Norfolk's IVF center proposed that "spare" embryos could be used to develop new tests for a wide range of genetic imperfections in the human embryo, so that human beings who may develop mental or physical disabilities could be eliminated at the embryonic stage even before being transferred to their mothers' wombs. This project was described as a major advance, because elimination of the genetically imperfect could be made less difficult and emotionally traumatic for the parents than under the current practice of amniocentesis followed by second-trimester abortion. With such proposals, we have begun to make Aldous Huxley's "Brave New World" into a frighteningly imminent reality—a reality in which human beings are treated like products made to order, and quality-controlled by a technocratic elite that tries to make up in technical knowledge what it lacks in genuine humanity.

Mr. Chairman, the hardships of infertile couples should move all of us to sympathy and support—support for ways to prevent and treat infertility, and for policies that will help remove obstacles to adoption as a way of building families. But the end of having children does not justify the means of IVF, because it is still inextricably linked to the denigration and destruction of nascent human life. While some abuses along these lines might be reduced by regulation of IVF, others remain so integral to the procedure at this stage of its development that the federal government could not support it without funding morally unacceptable mistreatment of the human being at its earliest stages of life. Thank you for your consideration.

SENATE—*Wednesday, July 27, 1988*

(Legislative day of Tuesday, July 26, 1988)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the Honorable Bob Graham, a Senator from the State of Florida.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

***Be still, and know that I am God* * * *.—Psalms 46:10. * * * *in quietness and in confidence shall be your strength* * * *.—Isaiah 30:15.**

Gracious God, our Father, sometimes we take pride in being busy—as though business is a virtue, whether anything is accomplished or not. But we are frustrated and enervated by nonproductivity. So easily do we deceive ourselves by just keeping busy.

Forgive us, Father, for this delusive idea. Help us to see the wisdom of quiet, undistracted moments when we can hear Thee—feel Thee—be energized by Thy strength and guided by Thy wisdom.

We pray in Jesus' name whose every step was in the Father's will and every moment infused with the Father's strength. Amen

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, July 27, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Bob Graham, a Senator from the State of Florida, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. GRAHAM thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized for not to exceed 5 minutes.

THE CHAPLAIN'S PRAYER

Mr. BYRD. Mr. President, I thank the Chaplain for his prayer. It was brief, but powerful.

SCHEDULE

Mr. BYRD. Mr. President, I hope that the Senate will be able to finish its work on two appropriation bills today, the Commerce, State, Justice, Judiciary appropriation bill, which will be before the Senate at the conclusion of morning business, then the Senate will go back to the Labor-HHS appropriation bill. There has been considerable work done on that bill.

I would suggest that Senators be prepared to stay into the evening until we finish that bill today. We cannot afford to spend too many days on that bill. This is the second day that the Senate will have been on that bill. So there will be rollcall votes throughout the day.

I hope that staffs that are listening and watching will inform their Senators that this will be, in all likelihood, a long day in an effort to finish action on the Labor-HHS appropriation bill.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is recognized for not to exceed 5 minutes.

Mr. DOLE. Mr. President, I reserve my time.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not to exceed 1 minute each.

Mr. BYRD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. Four minutes.

Mr. BYRD. I yield 4 minutes to the Senator.

Mr. PROXMIRE. Mr. President, I thank my good friend the majority leader very much.

REAGANOMICS—SMASHING SUCCESS OR CATASTROPHIC FAILURE?

Mr. PROXMIRE. Mr. President, President Ronald Reagan is the first President since the end of World War II whose term of service has coincided with both a drop in inflation and unemployment. Some call this a brilliant success. In my view when the historic verdict is in, Reaganomics will be viewed as a catastrophic failure. In the judgment of this Senator, President Reagan's policies will eventually do more damage to the American economy than the policies of any administration in history. Prof. Robert Dunn is a professor of economics at George Washington University. On Sunday, July 24 the Washington Post carried an article by Professor Dunn. Dunn called on Post readers to recognize that the Reagan administration "has been the most successful administration—in the areas of unemployment and inflation—since World War II * * * and these are the aspects of economic performance about which the voters care most." Mr. President, the Reagan administration has had about as much to do with the diminution of inflation as Richard Nixon had to do with restoring ethics to American Government. The Federal Reserve Board under the leadership of Chairman Paul Volcker broke the back of inflation with a restrictive monetary policy fought every inch of the way by the administration. But that is not the main problem with Dunn's analysis.

The trouble is that Professor Dunn does not go back far enough in our political and economic history. Who were the last Presidents to have smashing double success in bringing down both unemployment and inflation? It was the dynamic duo of Warren Harding and Calvin Coolidge. When Harding and Coolidge took office in 1921 the country's unemployment was 11.7 percent. The year they left office in 1929 unemployment had fallen to 3.2 percent. The year Harding and Coolidge moved into the White House the consumer price index for all items stood at 53.6 percent. The year they left office in 1929 the consumer price index had fallen to 51.3. So the American consumer enjoyed a deflation of nearly 5 percent during those 8 years. In spite of this performance is there an economist anywhere in the world who would claim the Harding-Coolidge economic policies were a success? As we know, the Harding-Coolidge admin-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

istration was followed by the most disastrous economic depression in the Nation's 200-year history. By 1933 unemployment climbed to an horrendous 25.2 percent. Of course, prices fell. In fact, the country suffered a tragic deflation. Few consumers benefited because tens of millions of consumers had little or no income.

Mr. President, it is more than a coincidence that President Ronald Reagan's favorite President was Calvin Coolidge. The country did appear to thrive during the Harding-Coolidge administration. A professor of economics looking back on the record of that administration in July 1928—60 years ago—could have made the same glowing statement about Coolidge economics that Professor Dunn makes about Reaganomics. How wrong he would have been. The policies pursued by a Presidential administration should never be judged simply by what has happened in the course of that administration. The consequences of the policies of an administration are much more likely to be spelled out in the 10 or 20 years after, I repeat after, the administration leaves office.

This is specially true with the Reagan administration. Of course, all of us know that no administration in history has increased the national debt as dramatically as the Reagan administration with two significant exceptions. One was the Wilson administration. The other was the Roosevelt administration. In both cases, the Federal Government's national debt soared because of World Wars. Why was that different in its effect on the Nation's economy? It was different because in both administrations both household debt and business debt—in relation to family savings and business earnings respectively—did not rise. In fact, they fell. They fell sharply. In aggregate, all debt in our country increased very little in both world wars.

This is why after both world wars, the country swiftly moved into substantial periods of recovery. The pent-up civilian demand for housing and autos that had been building with the higher incomes and huge private savings of the war years and the virtual elimination of private debt—especially in the household sector, provided a great surge of effective demand when the wars ended. But today, both the private and the public sector are up to their eyebrows in debt.

The Reagan administration has given the country an economic first in this respect. Here is an administration that immensely increased our Federal Government's debt in peacetime. I repeat—in peacetime. While the national debt was breaking all records, household debt was zooming up even faster and farther. The national debt is $2.5 trillion. The household debt is now much bigger at more than $3 trillion. And the business debt—including all business incorporated and unincorporated, plus farm debt now exceeds $4 trillion. The country's economy, including the private as well as public sector, has been living far beyond its means for the past 7 years. It has incurred an interest burden that is already the most rapidly rising burden of government. Interest is also becoming the biggest cost of most American families. In business, the interest burden is becoming specially serious with business debt now more than three times higher in relation to earnings than it was in the healthy period of the mid-1950's.

What happens to this mighty American economy when our Nation stops living beyond its means? Or what happens if we never do put on the spending and borrowing brakes? In either event the answer is disaster. The policies of the Reagan administration judged only from the perspective of the summer of 1988 do, indeed, have an aura of success, just as the policies of the Harding-Coolidge administration judged in the summer of 1928 had the aura of success. Unless we disregard the experience of every family, every business and every country that has lived beyond its means, the verdict on the Reagan administration a few years from now is likely to be very, very different than Professor Dunn's view today.

Mr. President, I ask unanimous consent that the article to which I have referred, "Don't Knock Reaganomics," by Prof. Robert Dunn, Jr., be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, July 24, 1988]

Don't Knock Reaganomics

(By Robert Dunn, Jr.)

Ronald Reagan is the only president since World War II to reduce both inflation and unemployment, and he presided over a significant decline in each number. Whatever the other problems in the economy, including budget and trade deficits, this is an enormous accomplishment.

As can be seen in the accompanying table, the rate of inflation in the United States fell by more than 8 percentage points from 1980 to mid-1988, while employment declined by 1.4 points. The importance of this success can be seen by comparing it to the performance of other postwar administrations.

It may not be entirely fair to include Harry Truman, because his administration began in a period of wartime mobilization and price controls. Nevertheless, he presided over a reduction in inflation at the cost of an increase in unemployment. Both economic indicators worsened during the Eisenhower years, with unemployment rising by 2.5 percentage points while inflation increased by 0.6.

The Kennedy administration was basically a period of no change—both numbers worsened by an insignificant amount (0.1 percentage point). LBJ followed the conventional view of a Democratic administration by reducing unemployment at the cost of more inflation. The Nixon era was a disaster; inflation accelerated by 7.5 percentage points while unemployment rose by 2.0 points. Gerald Ford slowed inflation dramatically at the cost of increased unemployment, while Jimmy Carter presided over a 7.7 percentage point rise in inflation and a small (0.6 point) reduction in unemployment.

Except for John Kennedy, every president from Truman through Carter produced either an improvement in one number at the cost of a worsening of the other, or a deterioration in both aspects of the economy. Only in 1980-88 did both numbers get better.

A number of factors contribute to the favorable record of the Reagan administration in reducing both inflation and unemployment:

Reagan was extremely lucky in having OPEC collapse during his term of office. Declining prices for imported oil both reduced inflation and increased the incomes which Americans had to spend on other domestically produced goods. Richard Nixon, Ford and Carter were all plagued by the opposite results as OPEC prices soared.

Another fortunate factor was that the bulk of the baby boom completed its arrival at working age in the 1970s. It is far easier to cut unemployment when the labor force grows at 1.7 percent a year, as in the '80s, than when it grows at a 2.9 percent annual rate as in the '70s.

Deregulation of the economy, which was begun by Carter and continued by Reagan, sharply increased competition and held down prices in areas such as trucking, airlines and railroads. Under Reagan a declining real minimum wage produced also increased job opportunities and reduced costs and prices in the services sector. One guaranteed way to increase both unemployment and inflation in 1989-90 is to enact a sharp increase in the minimum wage later this year.

The growing role of imports in the U.S. economy has put American firms under strong competitive pressures to hold down costs and prices, thereby reducing inflationary pressures across the economy.

Continued decline in the importance and power of labor unions, resulting in part from domestic deregulation and growing competition from foreign producers in U.S. markets, has reduced an important source of cost-plus inflation in the American economy. At this stage of past cyclical recoveries, unions were typically able to negotiate large wage increases, but the reduced power of organized labor now produces less inflationary wage settlements despite relatively tight labor markets. In a number of ways the U.S. economy has become much more competitive in recent years, allowing a far longer cyclical recovery without unacceptable inflation.

Perhaps most importantly, the monetary policy pursued by the Federal Reserve System since mid-1979 has greatly reduced inflationary expectations, which strongly encourages those setting wages and prices to behave more responsibly than they have in the past. Paul Volcker (appointed by Carter and reappointed by Reagan) and Alan Greenspan (a Reagan appointee) have managed to convince the markets that the monetary follies of the 1970s are at an end and that inflationary wage and price decisions will not be sustained by an expansionary monetary policy. Once businessmen and union officials have that idea firmly driven into their heads, wage- and price-setting decisions become much more restrained.

To argue that the Reagan administration has produced a major or even unique accomplishment in cutting both inflation and unemployment is not to suggest that it has had no economic policy failures. The legacy of the huge foreign-trade and federal budget deficits remains. In the areas of unemployment and inflation, however, this has been the most successful administration since World War II, and these are the aspects of economic performance about which the voters care most. Michael Dukakis may discover this fall that attacking the Reagan administration's economic record is not so easy.

Mr. PROXMIRE. I once again thank my good friend the majority leader and yield the floor.

The ACTING PRESIDENT pro tempore. The minority leader, the Senator from Kansas.

BICENTENNIAL MINUTE

JULY 16, 1787: THE GREAT COMPROMISE

Mr. DOLE. Mr. President, 201 years ago this month, on July 16, 1787, the Constitutional Convention, meeting at Independence Hall in Philadelphia, adopted what we now call the great compromise, which established the basis of representation in the Senate and House of Representatives.

A dispute over representation between large and small States almost caused the Convention to collapse at its midpoint. James Madison's original Virginia plan had called for Congress to be apportioned according to population. But the smaller States feared they would be swallowed up under such an arrangement. William Paterson introduced the New Jersey plan, which provided simply for strengthening the articles of confederation, where all States had equal respresentation in a single-chambered Congress. James Wilson of Pennsylvania responded heatedly: "Can we forget for whom we are forming a government? Is it for men, or for imaginary beings called States?"

The two positions seemed so diametrically opposed that the Convention became stalemated, and George Washington privately feared that the entire effort would surely fail. Benjamin Franklin suggested that each session should be opened with a prayer so they could "implore the assistance of heaven" in reaching a compromise.

Before the delegates recessed to celebrate the Fourth of July, they appointed a committee of 11 to try to resolve their differences. Working in Philadelphia's sweltering summer heat, this committee devised the great compromise. On July 5, Elbridge Gerry read the committee's report to the Convention. They had melded the Virginia and New Jersey plans to create a House with proportional representation, and a Senate where States would be equally represented. After some debate on July 16, the Convention adopted the plan by a narrow one-vote margin, thus making possible the Constitution of the United States, and creating the U.S. Senate.

KOREAN ARMISTICE ANNIVERSARY

Mr. DOLE. Mr. President, 35 years ago today, an armistice was signed that ended a war that had touched the lives of over 1½ million Americans. That armistice had taken over 2 years to be negotiated and made memories of such legendary battles as Porkchop Hill, Heartbreak Ridge, and Chosin Reservoir. The war in Korea had finally ended.

In fact, I must say, as I came to work this morning, I saw the flags at half mast and learned later they are at half mast in recognition of this, at least that is what we are advised by the Architect's Office, of this anniversary 35 years ago today of the armistice signed to end that war.

There were no marching bands or cheering throngs and some people even refer to that war today as the "forgotten war." But I want to tell those proud warriors who served and the survivors of the more than 54,000 who didn't return that a grateful nation has not forgotten their efforts. They fought proudly in some of the most adverse conditions imaginable—sometimes in temperatures dipping to 40 below zero—and they upheld the finest traditions of the American fighting man.

RUDMAN RECOGNITION

Mr. President, I ask unanimous consent that a recent VFW magazine article on the war be printed in the Record at this time.

There being no objection, the article was ordered to be printed in the Record, as follows:

The First Moral Crusade

[By Richard K. Kolb]

"If the best minds in the world had set out to find the worst possible location in the world to fight this damnable war, politically and militarily, the unanimous choice would have been Korea!"

That assessment of U.S. intervention in that Northeast Asian nation was one the servicemen charged with carrying out U.S. policy no doubt agreed with.

On July 26, 1953, a flash message went out to the 26,000 Marines manning the main line of resistance (MLR) in western Korea. It directed that there be "no celebration firing related in any way to the advent of the armistice." Each frontline company was authorized to fire one white star cluster at 2200 hours to signal the ceasefire.

According to plan, thousands of flares illuminated the sky along the 155-mile front which stretched from the Yellow Sea to the Sea of Japan. That day the Korean War ended officially in Washington after two years of negotiations. It also quickly faded from the minds of the American people.

The Korean War remains a hazy event at best. Only 40% of the public is old enough to remember it. And since Korean Era veterans make up less than a fifth of the total U.S. veteran population, they traditionally have attracted little attention. Moreover, until 1958, the war in Korea was not even officially dignified by that term. Even today, the Truman Administration's euphemisms of "conflict" and "police action" hold sway.

Intervention in the Hermit Kingdom was undertaken under the aura of an international moral crusade. Newsweek called it an act of "courageous knight-errantry." Truman confessed that "in the final analysis, I did this for the United Nations." But the average post-WWII American displayed scant enthusiasm for abstract causes—only 7% supported Truman's idealistic rationale.

While Washington's geopolitical intentions were unclear, the cause of the conflict was clear-cut. On June 25, 1950, 135,000 North Korean troops, spearheaded by 200 Russian-built tanks and planes, crashed across the 38th parallel, crushing South Korean defenses. Nearly a third of the attacking troops were veterans of the Chinese Army, hardened by years of war against Japan in Manchuria. America and its South Korean protege, on the other hand, were totally unprepared for war in East Asia.

The U.S. Army divisions then occupying Japan existed in skeleton form only and had to be fleshed out by cannibalizing other units stationed throughout the world. Nonetheless, a unit was rushed to the peninsula on July 1 as a symbolic show of support. The 1st Battalion, 21st Infantry, 24th Infantry Division, called Task Force Smith for its commander, Lt. Col. Charles B. Smith, had the distinction of sustaining the first U.S. killed in action at Osan on July 5. It quickly became obvious that reinforcements were needed desperately.

[A detachment from the 507th Antiaircraft Artillery Automatic Weapons Bn. was the first combat unit sent. See "The First to Fight" on page 26.]

Army, Marine Corps and Navy Reservists were called to active duty to supplement regular forces. In fact, 20% of Korean Era servicemen also served in WWII. These "retreads" proved an invaluable resource among the inexperienced ranks. Indeed, only 10% of active duty Marines were WWII veterans in 1950. Changes in the composition of the U.S. Army in Korea reflected the varied sources of manpower mobilized during the course of the war. In December, 1950, over 80% of soldiers were regulars. Shortly thereafter, recalled reservists replaced many regulars on the lines. By the end of 1952, almost two-thirds of Army troops in Korea were draftees.

The Far East Command consisted of the 8th Army, 7th Fleet and 5th Air Force. Ground forces were organized into four corps, encompassing eight U.S. Army divisions, two regimental combat teams and the 1st Marine Division. Army units included the 1st Cavalry and the 2nd, 3rd, 7th, 24th, 25th, 40th and 45th Infantry Divisions. The latter two divisions were national guard units from California and Oklahoma, respectively. The 5th Regimental Combat Team was sent from Okinawa, and the 187th Airborne Regimental Combat Team operated out of Japan.

Offshore in the Sea of Japan the 7th Fleet comprised a fast carrier task group, blockade and escort forces, reconnaissance and anti-submarine units, supply and repair units and military sea transport services. The 5th Air Force fielded one tactical air force, one air combat cargo command and two medium bombardment wings. Air power also was supplied by the 1st Marine Aircraft Wing as well as carrier-based Navy planes. The Navy and Air Force played indispensable roles throughout the war in providing both combat and logistical support.

For the most part, Korea was a groundpounders' war. GIs called Korea "the land that God forgot." It was a place where the air was constantly permeated by the stench of the night soil used as fertilizer by farmers. Mountains of endless ridges and valleys dominated the peninsula. The steep hillsides were baked by the sun in the summer, and each rice paddy formed a foul-smelling oven. In the winter termperatures plummeted to 40 degrees below zero, bringing waves of bone-chilling cold.

A tour of duty in Korea depended upon proximity to the fighting. Rear-echelon forces—two-thirds of Army personnel—served 18 months. Combat troops fought for nine to 12 months. Five-day R & R (Rest and Recuperation) to Japan were instituted to alleviate combat exhaustion. In May, 1951, the "Big R"—rotation to the States—was inaugurated. Under the point system a soldier had to earn 36 points to go home. Line troops rated four points per month; those in support roles garnered two points a month.

Fighting in Korea was fierce from the outset. And certain units were destined to suffer disproportionately. Radio commentator Walter Winchell said, "If you have a son overseas, write to him. If you have a son in the 2nd Division, pray for him." Wrote T.R. Fehrenbach, author of "This Kind of War," "The 2nd Division, while it inflicted more casualties during the Korean War than any other, always had the misfortune of losing 50% more men than the other divisions."

Indeed, the Indianhead Division, which participated in all ten named campaigns of the war, lost 7,094 men killed and 16,575 wounded in action. That combat fatality rate accounted for over 25% of total Army battle deaths in Korea. Other outfits such as the 1st Marine, 1st Cavalry, 7th, 24th and 25th Infantry Divisions also sustained high combat casualties.

While the Army accounted for over 80% of total U.S. battlefield deaths, the Air Force and Navy suffered a heavy toll in poviding support. Many of the nearly 10,000 naval and air personnel who were killed under non-combat circumstances died in aircraft accidents during supply missions. All told, the three air services (including the 1st Marine Aircraft Wing) lost more than 2,000 planes but took an immense number of enemy lives. In addition to lost aircraft, 82 Navy ships were hit—five were sunk, including four minesweepers.

Such losses contributed heavily to the conversial nature of the Korean War. Gen. Omar N. Bradley reckoned that Korea was "the wrong war, in the wrong place, at the wrong time, with the wrong enemy . . . Frankly, a great military disaster." Apparently concurring, the Truman Administration in December, 1950, abandoned all notions of military victory there. For the first time in American military history, the nation was forced to fight a war in which the enemy homeland was essentially declared off limits.

In the accordion war waged from 1951 on, the enemy body count became paramount. Gen. Matthew B. Ridgway made it clear to his field commanders that real estate was worthless; what he wanted was dead Chinese. Opportunities to comply with Ridgway's orders were abundant.

Human-wave assaults accompanied by blaring bugles, rolling drums, clashing cymbals and ear-piercing whistles were nerve-wracking to GIs but incredibly costly to Peking. In fact, Chinese units suffered 64% of the 1,467,000 dead and wounded sustained by Communist forces in Korea.

Static trench warfare—known as the "frozen war"—reminiscent of World War I was the norm once a main line of resistance (MLR) was established. After 1951, Korea became mostly a patrol war, particularly one waged at night. This was euphemistically referred to as "active defense." Combats for tactical features typified the fighting. Headline-making battles like the Pusan Perimeter, Inchon, Seoul and Chosin Reservoir were supplemented by Heartbreak Ridge, the Punchbowl, the Iron Triangle, Old Baldy, Porkchop Hill and the Berlin-Nevada Complex.

Static warfare claimed exactly half as many men as were killed and wounded during the fierce war of maneuver. Artillery duels played a large part in this phase of the war. At one point 24,000 artillery shells a day fell on U.S. lines. Peak was reached in June, 1953, when 2.7 million rounds were expended by U.S. forces. Overall, more artillery was fired in Korea than in all of WWII.

Midway through the war, Korea left newspaper headlines as well as America's consciousness. Public support was ambivalent—fluctuating from high initial approval when U.S. troops were winning to a dramatic dip in enthusiasm after Chinese intervention. Yet, "throughout the affair in Korea, the people of the U.S. remained serene in the conviction that their cause in East Asia, however frustrating, was noble and just," wrote one historian.

After Truman left office, a new approach to ending the deadlock was initiated. President Eisenhower's policy was to "Koreanize" the war. He felt that "if there must be a war there, let it be Asians against Asians, with our support on the side of freedom." By this time U.S. troops had already borne most of the West's burden for that freedom. Before the armistice was concluded, 1.5 million Americans has served on Korean soil.

U.S. ground forces' strength peaked in July, 1953, at 302,483, including Marine and Navy personnel under U.S. Army operational control. Over 90% of non-Korean UN combat dead—33,629—were Americans. Another 20,615 GIs died from other causes such as disease and accident. Some 103,284 U.S. servicemen also were seriously wounded.

Chances of surviving wounds were greatly improved during the Korean War because of the introduction of helicopters in January, 1951. Since medical evacuation was much more rapid, many men survived who otherwise would have died. However, amputation and crippling wounds to the lower extremities occurred at a far greater rate than in WWII. In spite of their casualties, U.S. forces displayed tenacity under the harshest of conditions.

A veteran of Korea and WWII remarked: "The courage, the absolute sacrifice that these boys have been willing to make and did make, these are the things you'll always remember." British military historian Edgar O'Ballance wrote of the GI, "His conduct in battle was of an exceedingly high standard . . . Despite the negative effects of home front disenchantment on morale, the spirit and cheerfulness of American soldiers remained amazingly high."

On the home front the public mood was best characterized as apathetic. Donald E. Johnson, a future head of the Veterans Administration, asked in 1953, "Can you blame our troops for low morale? They are dying and shedding their blood in a hopeless war, while they are forgotten at home."

When the war inconclusively ended in a truce still in effect, "There were no celebrations. News of the armistice signing flickered across the news lights of Times Square; people stopped to read the announcement, shrugged, and walked on; no cheering throngs assembled," wrote Joseph Goulden in "Korea: The Untold Story."

Ex-servicemen experienced a collective cold shoulder from the nation. Fehrenbach, a tank commander in Korea, wrote: "There was now very little of the heroes' welcome for returnees of the Korean War. The American people did not quite know how to regard a war they had not won."

Korean veterans kept a low profile and quickly submerged their identity into the larger veteran community—and for good reason. Charles Moskos, an internationally respected military sociologist, observed: "The eventual stalemate of the Korean conflict contributed to an inverted placement of blame for the war's unsatisfactory outcome. The American soldier himself was held up to question."

Popular culture reflected this distorted view. Between 1951 and 1965, over 50 films were produced using Korea as a backdrop. Combat in Korea was cinematically depicted as totally grim with the little heroic compensation. In complete contrast to WWII, Hollywood even directly criticized battlefield valor in Korea. This occurred despite the fact that 131 Medals of Honor were awarded for heroism during the war. Countless other acts of courage went unrecognized on the movie screen as well.

Literary characterizations were of resigned men stoically accepting their fate. To this day only a handful of works have attempted to delve into the innermost feelings of the Korean War veteran. Most books focus on the political aspects of the war at the expense of the men who fought it.

The much-touted TV program M*A*S*H also failed to portray GIs in a positive light. Dr. H. Richard Hornberger, author of the novel upon which the series was based and a veteran of the 8055th MASH unit, felt the CBS series "sometimes trampled on my memories . . . My characters weren't so liberal. The series seems to make the North Koreans the heroes and the Americans bad guys."

Another facet of the war yet to be resolved is the lingering question of POW/MIAs. Some 7,140 Americans were taken prisoner in Korea—2,701, or 38%, died in captivity. Many of the 5,639 U.S. deaths attributed to North Korean war crimes were committed in the prison camps. Moreover, 944 known U.S. POWs were not accounted for at the time of the armistice.

Yet an estimated 700 Americans were reportedly sighted late in 1953 in North China. And on Aug. 4, 1955—two years after the Communists said all POWs had been repatriated—11 U.S. airmen were released by Peking. More recently a Romanian engineer working in North Korea claims to have seen 50 Caucasians there in their 50s, which is now the average age of Korean vets.

A long-forgotten Congressional resolution (H. 140) states: "Resolved that it is the sense of the Congress that the President . . . should make the return of the 450 American prisoners of war still imprisoned by Communist forces the foremost objective of the foreign policy of the United States."

That resolution was passed on March 12, 1957, and 389 American POWs still remain unaccounted for.

The North Korean regime remains as recalcitrant as ever on this issue. Only last February, for the first time since the end of the Korean War, the identity of U.S. MIA remains was revealed by the Communists. The Stalinist state, however, refuses to release the remains.

The MIA question remains a poignant reminder of the war. In the National Cemetery of the Pacific, the Courts of the Missing record the names of 8,194 men listed as missing and/or unidentified from Korea. Three decades ago Sgt. Ned Lyle placed a set of those remains in the nation's capital. On Memorial Day, 1958, the Unknown Soldiers of WWII and Korea were laid to rest in what one writer called "the last time that Americans were to see or hear a public ceremony of national significance honoring the American warrior." (Of course that was before Vietnam.)

Perhaps now America can come to grips with the war's outcome. As historian Richard Rovere wrote: "We accomplished in Korea what we set out to do—repel armed aggression and demonstrate the efficacy of collective security. In terms of Truman's war aims, a victory of sorts was won in Korea . . . History will cite it as the turning point of the world struggle against Communism."

Mr. DOLE. Mr. President, this article points out that 80 percent of the casualties were Army and that one particular division, the 2d Division, "while inflicting more casualties—on the enemy—than any other, had the misfortune of losing 50 percent more men than the other divisions." I am proud to point out that one of our colleagues, WARREN RUDMAN, served as a company commander with the 38th Infantry, 2d Division. From one former Army captain to another I say, well done WARREN and please pass on our sincere gratitude to your fellow veterans.

KOREAN POW'S AND MIA'S

And another key point relative to the war deserves emphasis. While we have a tendency to dwell on the fates of our nearly 2,400 POW's and MIA's from Southeast Asia and they are important, there are over 8,000 servicemen who remain missing in action from Korea. There are also 389 known U.S. POW's who remain unaccounted for since the armistice was signed. We must continue all our efforts to receive an accounting for these brave Americans from the, thus far, unwilling North Korean Government. Let us go on record today encouraging President Reagan to apply whatever pressure is necessary to motivate the North Koreans to cooperate.

ONE STEP FORWARD IN THE PERSIAN GULF

Mr. DOLE. Mr. President, last week, at long last, Iran announced its intention to accept the U.N.-sponsored ceasefire in the gulf war.

Though we welcome Teheran's announcement, we are under no illusions. We will truly believe in Iran's commitment to a ceasefire when we see it—not before.

And we also know why Iran has swallowed this "poison," as the Ayatollah himself termed it. It has no choice. It had bumped up against a stone wall of American resolve in the gulf; and was getting its backside kicked by the Iraqis on the ground. Even the Ayatollah saw that Iran's preferred course of aggression, terror, and intimidation was taking it nowhere but down the tubes.

What lessons do we draw from what has happened? The most important is the President Reagan's policy in the gulf has worked.

We have contained the spread of the Ayatollah's poison; we have kept the gulf open to commercial shipping; we have kept the Soviets out. And, as I have already indicated, we have hastened the day when the Ayatollah had to accept an end to his self-destructive war against Iraq.

Why did our policy work? That, too, is clear. We defined American interests precisely. We demonstrated our intention to defend those interests, when necessary by force.

We worked closely with our allies and friends—but we took decisive unilateral action when American national interest demanded it.

We acted as a great power—a responsible great power. We acted like the leader of the free world. We did the right thing; and we did it right.

And—in doing it right—we rejected the counsel of those who relentlessly clamored for the invocation of the War Powers Resolution; a convenient legal cover to pull the plug on this critical American commitment. We stuck by our guns, and again on a bipartisan basis, even in the face of the Ayatollah's guns.

And so we succeeded.

Our success does not mean the solution to all of the problems of the gulf and the Middle East. As former U.N. Ambassador Jeane Kirkpatrick points out in an important column in the July 25 Washington Post, Iran is not going to go away—as a threat to regional peace; as an enemy of America and our interests. Mr. President, I ask unanimous consent that Ambassador Kirkpatrick's column be made part of the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. But the success of our policy does mean enhanced American credibility, with both friend and foe alike; greater American influence throughout the gulf region; and, most important, the opportunity to achieve progress on other regional problems.

Putting it simply: we should strike while the iron of American influence and effectiveness is hot.

Our first priority must be to reduce and eventually eliminate the flood of new, destabilizing offensive weaponry into the region. We ought to concentrate a great deal of that effort on two of the countries who are, today, most active in injecting such destabilizing weaponry into the region—the People's Republic of China and the U.S.S.R.

I will have an amendment on another bill on the China matter.

Secretary Shultz has just completed an important trip to China, in which he laid out in no uncertain terms our deep concern about the People's Republic of China's dangerous arms export activities in the Middle East. We have to make certain that Beijing understands that Secretary Shultz was not just blowing smoke. We must be prepared to follow up with real action if China pays no heed to the Secretary's warning. One point of leverage is arms and technology transfers to the People's Republic of China.

The same message must also be delivered in Moscow. The rhetoric of regional restraint flows easily from Gorbachev's lips; the reality seems to come a little harder to the leaders of the Kremlin. Moscow must understand that its irresponsible posture in the Middle East inevitably impacts concretely on broader United States-Soviet relations. In that regard Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article from the July 25 Washington Times, indicating that Moscow has offered to sell MIG-29 jets to Kuwait.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIETS MOVE TO SELL TOP JETS TO KUWAITIS

(By Paul Bedard)

The Soviet Union, trying to capitalize on congressional opposition to a White House plan to sell jets and missiles to Kuwait, has offered the strategically located Persian Gulf county its top-of-the-line jet fighter, according to Reagan administration sources.

The Kremlin's offer to Kuwait of the MiG-29 Fulcrum, similar in size to the Air Force F-16 Falcon but much more potent, comes as the administration scrambles to get its $1.9 billion arms sale back on track.

"We intend to press ahead and press hard," said a State Department official involved in the effort to sell 40 F/A-18 Hornet fighters and 300 sophisticated Maverick air-to-ground missiles to Kuwait for delivery in 1991.

If the huge deal goes through, it would be the first sale of the highly armed Hornet—flown by the U.S. Navy and sold to Canada, Australia and Spain—to a Persian Gulf country.

The arms sale has stalled on Capitol Hill, where lawmakers, under heavy pressure from the Israeli lobby, are opposing the transfer of the Maverick missiles. Kuwait has told the administration it will not take the Hornets without the Mavericks, according to knowledgeable congressional officals.

That opposition has prompted the Soviets to slip in an offer to sell an unknown number of MiG-29s with air-to-ground missiles and other weaponry, according to administration and arms sales sources.

"The Soviets would like to get their feet deeper in the Middle East. They would like to get closer to Arab oil," said an arms sales expert involved in the Kuwait deal. "If we're going to insist on giving openings, they are going to try them."

The Soviets have sold the MiG-29, considered by many to be the world's most lethal fighter, to Iraq, Yugoslavia and India, according to the U.S. Naval Institute Military Data-basc. Jordan turned down a recent offer, and Syria is considering buying the jet, State Department officials said Friday.

Also planned is a display at the Farmborough Air Show in Britain later this summer—the first time a Soviet fighter has been shown in public.

The State Department officials said it is unlikely that Kuwait would buy the jets from the Soviets in light of the U.S. Navy's close ties to the country and the administration's policy of protecting Kuwaiti oil tankers from attacks by Iraq and Iran, still at war despite a widely publicized cease-fire.

Thomas McNaugher, a national security analyst at the Brookings Institution, said for the Kuwaitis to turn to the Soviets for super-sophisticated jets "is to risk a lot of trouble with this country."

He added that if the administration fails to win approval of the sale by the Aug. 7 deadline set up as part of the deal, Britain and France will try to fill the void.

"Denial of sales can lead to major deals with Europe and Britain," Mr. Naugher said.

Kuwait's Prime Minister Saad al-Sabah, in a recent appeal to Congress, said his country needs the Maverick for self-defense. The country has come under repeated Iranian missile attack for its support of Iraq.

But pro-Israel lawmakers fear the tiny sheikdom will sell the Maverick to neighboring Saudi Arabia. Congress has blocked the sale of Mavericks to the Saudis, concerned that they would threaten Israel with the long-range missile, the congressional sources said.

Earlier this month, 114 House members introduced a resolution opposing the Kuwait arms sale while the Senate approved a measure banning the sale of Maverick D and G models to the sheikdom. A majority of the Mavericks Kuwait has asked for are these latest models.

State Department officials expressed "cautious optimism" that they will succeed in turning back congressional opposition.

State and Defense Department officials are planning to storm Capitol Hill this and next week in a dash to keep the deal alive. Defense Secretary Frank Carlucci and others are expected to make personal appeals to the opposing congressional ranks, State and Defense officials said.

Defense industry officials, citing the recent purchases of British and French military equipment by Saudi Arabia and other Middle Eastern countries, claim the Kuwaiti arms package is the United States' last chance to retain strong arms sales ties to the Middle East.

Mr. DOLE. Mr. President, ending the Iran-Iraq War, and then moving to stop the flow of offensive weapons into the region—from China, the Soviet Union or wherever—these must be the first tasks. But there are other jobs, too.

We must continue to search for grounds for a stable Israel-Arab peace, starting with direct negotiations between Israel and its Arab neighbors. As a matter of justice and pragmatism, we must also continue to urge the Israeli Government to redouble its efforts to find a peaceful resolution to the problem of the Palestinians—one that does not jeopardize Israel's security, but offers political and economic hope to the Palestinian people.

And, while we are about these tasks internationally, we must make sure that we do nothing here at home—in our own policy deliberations and decisions—that undercuts our standing and credibility in the region. It is time, in particular, for the Congress to start doing some straight, hard thinking about one key element of American regional strategy—our sale of defensive weaponry to our allies and friends in the region.

It is time for Congress to make sure that we are making our arms sale decisions solely on the basis of what's most likely, in the long run, to advance America's interests:

Keeping the Soviets out; keeping hostile forces at bay; preserving and building our own credibility and effectiveness as a regional power; insuring that our allies and friends, especially Israel, are safe and at peace; and, not incidentally, maintaining the strength and vibrancy of our own export economy.

These are the sole criteria that ought to determine our arms sales policies and actions. But you have to wonder whether those are the only criteria which have guided our recent actions.

I ask unanimous consent to print in the Record at this point several articles concerning the recent Saudi decision to undertake a multibillion dollar arms buy from Great Britain; and the action by the Senate, on the foreign operations appropriations bill, to disapprove the administration's proposed sale of defensive weapons to Kuwait. I really think we are shooting ourselves in both feet.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From Newsweek, July 25, 1988]

Forced Into British Arms—Losing a Saudi Bonanza

The prime minister of Kuwait was in Washington last week fighting the most powerful of lobbies. Only three days before his arrival, pressure from the American-Israel Public Affairs Committee (AIPAC) had forced the Senate to eliminate a battery of advanced Maverick air-to-surface missiles from a proposed $1.9 billion sale of F-18 fighters and support equipment to Kuwait. Unless Congress reversed its decision, hinted Sheik Saad al Abdullah al Salim al Sabah, the entire package would be imperiled. Ordinarily the argument would carry little weight with AIPAC's supporters in Congress, but now they had reason for pause. Saudi Arabia had just announced a 10-year arms agreement—worth up to $30 billion—with Britain. Riyadh would have preferred to do business with its longtime American suppliers, said a senior Saudi source, but so vast an arms deal would have provoked intense hostility in Congress. "We're not masochists, said the source. "No one's willing to pay billions of dollars to be insulted."

The deal involved far more than money. A primary goal of the current American presence in the Persian Gulf has been to reassure conservative Arab states that the U.S. commitment to their safety is real. But "you can't have it two ways," says Judith Kipper, a Middle East specialist at the Brookings Institution. "You can't ask them for strategic cooperation, for moderation in their foreign policy, and then tell them they can't buy what they think they need for their security." The loss of American arms sales will "obviously" weaken U.S. influence, says an Arab diplomat in Washington. "When we make a decision affecting war and peace, the higher the percentage of your equipment we have, the more we have to take your views into account."

By forcing the Saudis to look to London, AIPAC may have harmed Israel, too. Chief among the items to be purchased form British Aerospace are 48 Tornado fighters, regarded as perhaps the finest ground-attack aircraft in the world. They can fly low, evade radar and deliver a heavy payload of bombs, including munitions that break up runways—a likely Arab tactic in any future war with Israel. Saudi Arabia will also enjoy greater freedom of deployment. Were the Saudis now buying F-15s, for example, the Pentagon would almost surely require that they remain near the rim of the Persian Gulf, well away from Israel. "Britain wouldn't place that kind of restriction," says a British Aerospace official. A midlevel Israeli diplomat in London worries that AIPAC may be reacting instinctively to any potential U.S. sale to the Arabs. "I wonder," he says, "if anyone in Israel is making strategic analyses of these sales to the Arabs and deciding which to kill in Congress, or if they're just reacting to what AIPAC is doing in [Washington]. I hope someone is making the decision. But it may be a case of the tail wagging the dog."

BITTER FIGHTS

What surprises some experts is that the Saudis waited so long to sever the U.S. connection. Saudi arms sales faced bitter fights in Congress as early as 1978; denied a major purchase of F-15s promised by the administration in 1984, the Saudis turned to Britain for 64 Tornadoes two years later. Even then, says Nick Cook, an analyst for Jane's Defence Weekly in London, "the Saudis were still prepared to look to the U.S." Then in 1987, the Saudis were rebuffed on the purchase of 1,600 advanced Maverick missiles; that apparently turned the tide. For a country that puts a premium on discretion, the congressional fights were too embarrassing. Says Philip Robins, a Mideast expert with the Royal Institute of International Affairs, "It an insult to a state to suggest it will give its weapons to the PLO, when the U.S. gives [portable Stinger missiles] to the [Afghan rebels] who resell them to Iran."

White House officials were working hard last week to revive the arms deal with Kuwait. The alternative, they feared, would be further losses throughout the Arab world. "You bet we're going to fight for it," Ronald Reagan told reporters. Even AIPAC was having some internal misgivings about the impact of its lobbying. Its real good, said one informed source, had been to force the administration to downgrade the Kuwaiti request and supply them with a more primitive version of the Maverick. But now that the entire Kuwaiti package is in danger, AIPAC members are having second thoughts. The best thing that AIPAC could do now, suggests the Israeli diplomat in London, would be to lobby Congress to support responsible arms deals. Or it could simply reconsider whether blanket opposition serves the cause of Israeli security—to say nothing of the diplomatic interests of the United States.

DEALING OURSELVES OUT?

(By James Phillips)

Several weeks ago Great Britain announced a huge arms sale to Saudi Arabia that could total $30 billion over 15 years. Through this commitment, called by some experts the arms deal of the century, Britain in effect has supplanted the United States as Saudi Arabia's main source of arms. Under the terms of the agreement, the Britain will provide the Saudis with 48 Tornado fighter-bombers, 60 Hawk jet trainers, 80 helicopters, six minesweepers, millions of dollars worth of electronic gear, and two air bases.

The Saudis decided to seek British arms because past efforts to obtain American weapons have been denied, delayed, or reduced by Congress. According to a Saudi official, "We would prefer to buy weapons from the United States. American technology is generally superior. But we are not going to pay billions of dollars to be insulted. We are not masochists."

By this he meant that Riyadh was tired of the bruising political battles it was forced to fight in Congress whenever it tried to buy U.S. weapons. Even when the Saudis won congressional approval to purchase American arms, such as F-15 jet fighters in 1978 and the Airborne Warning and Control System (AWACS) aircraft in 1981, they have endured humiliating criticism and were forced to accept congressionally imposed restrictions on the deployment and operations of the weapons. They will suffer none of this with the British.

The new arms deal reveals a stark reality: The United States, not Saudi Arabia, is really the masochist. In losing the largest arms sale in the Middle Eastern—perhaps world—history, the United States has lost both economically and militarily. It has been deprived of a major boost to its balance of trade, lost thousands of manufacturing jobs, forfeited its ability to use Saudi support systems and possibly even Saudi warplanes in a crisis, and jeopardized its political influence in Saudi Arabia and its leverage over how Saudi military forces are deployed. The loosening of U.S.-Saudi military ties also could unravel the broader Saudi-American political relationship and lead other Arab states to question defense cooperation with Washington.

Israel, too, is a big loser in the British-Saudi arms deal. Not having to deal with the U.S. Congress, London will not attach the same conditions to the sale of its weapons that Washington does. For example: The Saudis are prohibited from basing U.S.-supplied F-15s at Tabuk, the Saudi air base closest to Israel. There almost surely will be no similar ban on the British Tornados, which pose more of a threat to Israel than do the F-15s, which are primarily designed for air warfare, not ground attack. Former Israeli Defense Minister Moshe Arens calls the Tornado "the best low-level attack plane in the world." Ezer Weizman, a former commanding officer of the Israeli Air Force, already has suggested that Israel may have erred in opposing the sale of more F-15s to Saudi Arabia.

Congress can now demonstrate whether the United States really is the masochist. Congress is mulling over another arms sale to another important Persian Gulf friend—Kuwait.

The Reagan administration formally notified Congress on July 7 of its intention to sell Kuwait $1.9 billion worth of weapons, including 40 F-18 fighter-bombers, 300 Maverick air-to-ground missiles, 40 Harpoon anti-ship missiles, 400 laser-guided bombs, 200 radar-guided Sparrow air-to-air missiles, 120 heat-seeking Sidewinder air-to-air missiles, and 200 cluster munitions. Congressional opposition centers on the proposed sale of the Maverick, similar to those denied to Saudi Arabia in October 1987.

Congress has 30 days starting July 7 to consider the pros and cons of the Kuwaiti arms proposal. To block it, both houses must pass a resolution of disapproval with enough votes to override a presidential veto.

When considering the proposal, Congress should remember that Kuwait is a beleaguered ministate that has stood firm against Iranian intimidation despite Iranian-supported terrorist bombings, attacks on Kuwaiti shipping, and Iranian air strikes, artillery bombardments, and missile attacks on Kuwaiti territory.

Kuwait will be preoccupied by the Iranian threat for the indefinite future, and poses little threat to Israel. Even Israeli Defense Minister Yitzhak Rabin was unperturbed by the proposed arms deal when he met with U.S. congressmen during his recent visit.

Yet Congress often reflexively opposes arms sales to Arab states because of its simplistic view of Israeli security needs.

If Congress stays on this path, Israel could find itself surrounded by Arab states armed with Soviet and West European weapons, unconstrained by American strings and Washington's ability to control the flow of spare parts and logistical support.

The proposed Kuwaiti arms deal will buttress a pro-Western Arab state against Iranian aggression and reduce the long-term burden of the U.S. naval presence in the Persian Gulf. It also will provide a $1.9 billion boost to the U.S. balance of trade, lower the unit costs of future F-18 purchases by the U.S. armed forces, and generate an estimated 10,000 man-years of work for American workers.

For Congress to turn its back on Kuwait at this critical juncture would sour the ripening Kuwaiti-American relationship that could facilitate the Arab-Israeli peace process. More ominously, it will seem to confirm Iran's publicly stated belief that the United States is growing "short of breath" in the Persian Gulf.

HERITAGE FOUNDATION,
Washington, DC, July 14, 1988.

THE SAUDI AND KUWAITI ARMS DEALS: WHO IS THE MASOCHIST?

Last week Britain announced a huge arms sale to Saudi Arabia that may total up to $30 billion over fifteen years. Through this commitment, called by experts the arms deal of the century, Britain in effect has supplanted the United States as Saudi Arabia's main source of arms. Under the terms of the agreement, the British will provide the Saudis with 48 *Tornado* fighter-bombers, 60 *Hawk* jet trainers, 80 helicopters, 6 minesweepers, millions of dollars of electronic gear, and two air bases.

The Saudis decided to seek British arms because past efforts to obtain American weapons have been denied, delayed, or reduced by the U.S. Congress. According to a Saudi official, "We would prefer to buy weapons from the United States. American technology is generally superior. But we are not going to pay billions of dollars to be insulted. We are not masochists." By this he meant that Riyadh was tired of the bruising political battles that Saudi Arabia was forced to fight against Israel's supporters in Congress to obtain the U.S. weapons. Even when the Saudis have won congressional approval for the purchase of American arms, such as F-15 jet fighters in 1978 and the Airborne Warning and Control System (AWACS) aircraft in 1981, they have endured humiliating criticism and accepted congressionally imposed restrictions on the deployment and operation of U.S. weaponry.

LOSING LEVERAGE

The new Saudi-British deal reveals the U.S., not Saudi Arabia, as the masochist. In losing the largest arms sale in Middle Eastern—perhaps world—history, the U.S. has lost important benefits. Economically, the U.S. has been deprived of a major boost to its balance of trade and thousands of jobs. Militarily, the U.S. has lost an opportunity to increase the ability of American military forces to use Saudi logistical and maintenance support systems, or possibly even Saudi warplanes, in a crisis. Most important, the U.S. stands to lose political influence in Saudi Arabia and leverage over how Saudi military forces are deployed. The loosening of Saudi-American military ties may unravel the broader Saudi-American political relationship and lead other Arab states to question defense cooperation with Washington.

Israel too is a big loser in the British-Saudi arms deal. Not having to deal with the U.S. Congress, London will not attach the same conditions to the sale of its weapons that Washington does. For example: Saudi Arabia's U.S.-supplied F-15s are prohibited from being based at Tabuk, the Saudi air base located closest to Israel. There almost surely will be no similar ban on the British *Tornados*. And the *Tornado* fighter-bombers pose more of a threat to Israel than do the F-15s, which are primarily designed for an air superiority, not a ground attack, role. Former Israeli Minister of Defense Moshe Arens has called the *Tornado* "the best low level attack plane in the world." Ezer Weizman, a former commanding officer of the Israeli Air Force, already has suggested that Israel may have erred in opposing the sale of more U.S. F-15s to Saudi Arabia.

STANDING UP TO IRAN

The U.S. Congress now can clarify whether the U.S. really is the masochist. Congress is mulling over another arms sale to another important Persian Gulf state—Kuwait. The Reagan Administration formally notified Congress on July 7 of its intention to sell Kuwait $1.9 billion worth of U.S. weapons including 40 F-18 fighter-bombers, 300 *Maverick* air-to-ground missiles, 40 *Harpoon* anti-ship missiles, 400 laser-guided bombs, 200 radar-guided *Sparrow* air-to-air missiles, 120 heat-seeking *Sidewinder* air-to-air missiles, and 200 cluster munitions. Congressional opposition centers on the proposed sale of the *Maverick* missiles, similar to those denied to Saudi Arabia in October 1987.

Congress has 30 days starting from July 7 to consider the pros and cons of the Kuwaiti arms proposal. To block it, both houses must pass a resolution of disapproval with enough votes to override a presidential veto. When considering the proposal, Congress should remember that Kuwait is a beleaguered ministate that has stood firm against Iranian intimidation despite Iranian-supported terrorist bombings, Iranian attacks on Kuwaiti shipping, and Iranian air strikes, artillery bombardments, and missile attacks on Kuwaiti territory. For Congress to turn its back on Kuwait at this critical juncture would sour the ripening Kuwaiti-American relationship that could facilitate the Arab-Israeli peace process. Moreover, if Congress truly wants to lower the profile of U.S. naval forces in the Persian Gulf, it should help Kuwait obtain the means of defending itself without relying so heavily on U.S. forces.

ON AUTOMATIC PILOT

Kuwait, which will be preoccupied by the Iranian threat for the indefinite future, poses little threat to Israel. Israel Defense Minister Yitzhak Rabin was unperturbed by the proposed arms deal when he met with U.S. congressmen during his recent visit. Senior Israeli military officers have gone further, indicating that Israel would prefer the sale of U.S. warplanes to Gulf Arab states over the alternative: "If there is a need to sell weapons, we want weapons going there that have the most restraints and that means U.S. weapons."[1] Yet Congress often reflexively opposes arms sales to Arab states because of its simplistic view of Israeli security needs. Notes a Senate staffer about congressional opposition to the Kuwaiti arms deal: "Everyone is on automatic pilot." If Congress stays on this flight path then Israel could find itself surrounded by Arab states armed with Soviet and West European weapons, unconstrained by American strings and Washington's ability to control the flow of spare parts and logistical support.

The proposed Kuwaiti arms deal will buttress a pro-Western Arab state against Iranian aggression and help reduce the long-term burden of the U.S. naval presence in the Persian Gulf. It will provide a $1.9 billion boost to the U.S. balance of trade, lower the unit costs of future F-18 purchases by the U.S. armed forces, and generate an estimated 10,000 man-years of work for American workers. Politically, it could strengthen the foundation of U.S.-Kuwaiti relations. For Congress to veto the Administration's commitment to help Kuwait defend itself will erode Kuwait's perception of U.S. reliability. More ominously, it will seem to confirm Iran's publicly stated belief that the U.S. is growing "short of breath" in the Persian Gulf.

JAMES PHILLIPS,
Senior Policy Analyst.

[From the Washington Times, July 21, 1988]

SAUDIS HINT AT BUYING ARMS FROM MOSCOW

KUWAIT (Reuters).—King Fahd of Saudi Arabia reiterated his country's policy of diversifying arms sources in an interview published yesterday and did not rule out shopping in Moscow's weapons market.

Asked if the kingdom intended to buy arms from the East bloc, King Fahd told the Kuwaiti weekly al-Majalis, "We buy arms from friendly countries according to the needs of our defensive forces."

"We think diversification of arms sources serves our armed forces," he said.

Saudi Arabia recently concluded a multibillion dollar deal with Britain for Tornado jet fighters, helicopters, patrol boats and minehunters, apparently because of reluctance by the U.S. Congress to approve the sale of similar weapons.

It had earlier bought Chinese medium-range ground-to-ground missiles. Israel bitterly criticized both deals, saying they posed a threat to its security.

King Fahd said, "The goal of Zionism is that Saudi Arabia be a state unable to defend the Islamic holy places," a reference to Mecca and Medina.

"World Zionism and its boss Israel are trying to create disturbances and disarray in the region not just from today but from its seizure of Palestine," King Fahd said.

Some Iranians have arrived in Saudi Arabia for the Haj, or pilgrimage to the shrine at Mecca, the Interior Minister said in an interview published yesterday.

"A very limited number of Iranian pilgrims have arrived in the Kingdom and they are performing the Haj ceremonies in peace and security like their brother pilgrims from every corner of the world," Prince Nayef told the English-language Arab News.

He did not say how many Iranians had arrived or if they were Iranians who fled their country after the 1979 Islamic revolution.

Tehran said it would boycott this year's Haj after rejecting a new quota system by Riyadh which cut the number of potential Iranian pilgrims from 150,000 to 45,000.

The countries have been trading insults since 400 pilgrims, mainly Iranians, were killed in Mecca last July when Saudi security forces tried to stop Iranian-led demonstrations against Israel and the United States.

"We regard the ban as a political decision taken by the Tehran rulers without considering the feelings and interests of the Iranian people," said Prince Nayef, whose country severed diplomatic ties with Tehran last April and accused it of financing terrorism and sabotage.

[From the Washington Post, July 15, 1988]

SHULTZ, IN CHINA, URGES TALKS ON CURBING SPREAD OF MISSILES

(By Don Oberdorfer)

BEIJING, July 14.—Secretary of State George P. Shultz, reflecting U.S. concern about recent and prospective Chinese missile sales to the Middle East, asked China today to begin full-scale consultations to head off the dangerous spread of ballistic missiles.

Shultz's request, in a meeting with Chinese Foreign Minister Qian Qichen, was a highlight of an unusually long and frank discussion of Sino-American relations and world trouble spots on the first day of a two-day visit by Shultz.

A senior aide to Shultz said the Chinese minister agreed to study Shultz's request for in-depth discussions of ballistic missile proliferation similar to discussions that began in April 1987 among advanced western nations and are to begin in a few weeks between U.S. and Soviet experts.

In a public statement at a banquet in his honor tonight at the Great Hall of the People, Shultz was polite but pointed in his references to the missile proliferation issue.

He noted that "highly destructive armaments" are becoming available to Persian Gulf countries and others who are "fighting age-old battles on religious, ethnic, or political grounds."

Referring to the recent U.S.-Soviet treaty eliminating intermediate-range missiles, Shultz said, "It is ironic that just as the major powers are making progress in getting their arms competition under some control, the developing world is increasingly burdened by this flow of advanced weaponry." He added, "The international community as a whole must find ways to stanch this arms traffic."

[In Washington, 111 House members sent a cable to Shultz, urging him to warn China that "future United States cooperation in technological and military matters will be jeopardized" if it does not halt its "indiscriminate" arms sales in the Middle East, Reuter reported.]

In earlier private talks lasting more than three hours, Qian told Shultz that China has made only one medium-range ballistic missile sale— to Saudi Arabia. There was no report that Qian made any commitment about future sales of the missile or of a shorter-range ballistic missile that U.S. officials said is being developed and tested here for possible sale to several Middle East nations.

Both in public statements and in their diplomatic dialogue, Shultz and Qian emphasized the gains in U.S.-Chinese relations over the nearly 10 years of full diplomatic ties and held out the promise of even closer relations to come.

Shultz, in his banquet toast, said the United States and China have built "a truly normal and productive relationship" that is a legacy to the next generation of leaders. In the private meeting, as reported by the official new China News Agency and by U.S. officials, Shultz said U.S. policy toward China has strong bipartisan support and therefore should not be affected by the results of the coming presidential election.

Shultz also talked of the "parallel efforts of our two countries to reduce tensions with the Soviet Union" and added that a normalization of relations between Beijing and Moscow would be "a prospect that can be welcomed."

During a discussion of the emerging possibility of a negotiated settlement of the Vietnamese occupation and war in Cambodia, the Chinese foreign minister gave new hints that the Chinese-backed Khmer Rouge guerrillas headed by Pol Pot will be neutralized as a major problem.

Qian emphasized strongly to Shultz that China does not support the return of the Khmer Rouge as the dominant power in a future Cambodia, according to a U.S. account. An informed source said Qian went on to say there had been indications from some of the senior Khmer Rouge leaders that they plan to "retire." No timetable or names were given.

The Chinese leader was quoted as telling Shultz that China is willing to contemplate a possible future role in an international program of supervising a peace arrangement in Cambodia, but that it is too early to say what form this might take.

Shultz also expressed concern about a recent increase in sophisticated weaponry supplied to North Korea by the Soviet Union, including SA5 antiaircraft missiles and MiG-29 fighters.

Mr. DOLE. In light of these articles and the issues they raise, I believe every Member of the Senate has an obligation to consider carefully these questions:

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[1] Middle East Policy Survey, July 8, 1988, p. 4.

Is it really best for American security interests, or—for that matter—for Israel's security: when Saudi Arabia buys from the United Kingdom jet aircraft that can directly attack Israel and which operate under no British controls whatsoever; because the United States Congress could not permit the sale of United States aircraft which would have been maintained under significant American controls?

Is it really best for American securtiy interests, or—for that matter—for Israel's security: when Kuwait turns to those same British aircraft, with the same capacity to strike Israel; because the United States Congress either flatout rejects the sale of United States F-18's—which can't reach Israel—or strips them of the defensive armament that makes them useful to the Kuwaitis in the first place?

Is it really best for American security interests, or—for that matter—for Israel's security: when Kuwait talks to the Soviets about buying Mig-29 fighters from Moscow?

Is it really best for American economic interests: when the Saudis strike a deal with Great Britain that will likely hand the British on a silver platter approximately $30 billion—that's billion, with a "B"—$30 billion in exports over the next 15 years? Especially when the equipment the British will sell will be at least as threatening to Israel as any we might have sold?

Does any of this make any sense—for America or for Israel?

Now, I have no interest in making America the arms merchant to the world; and certainly not to the Middle East.

But I do have an interest in maintaining America as a credible ally and friend to the responsible nations of that vital region.

I do have an interest in preserving our influence and effectiveness in that vital region.

I do have an interest in maximizing American control over the weaponry in the hands of the Arab nations.

I do have an interest in keeping the Soviets out, either as a strategic player or an irresponsible arms peddler.

I do have an interest in keeping the Iranians in check, and giving our friends in the region the wherewithal to defend themselves against the very real threat that Iran represents.

And I do have an interest—a strong interest—in preventing the flow of billions of dollars of exports to other suppliers, whose weapons are as good or sometimes even better than ours; and whose weapons, in Arab hands, will be a much greater threat to Israel than ours would.

In sum, I do have an interest in keeping us from shooting ourselves in the foot; and, in the process, increasing the real threat and danger to Israel.

Mr. President, we should never just rubberstamp arms sale proposals from the administration—those I mentioned, or any future one. That is not the proper role of Congress; that is not what I am suggesting.

But we need to exercise our legitimate role responsibly; and with an eye toward our long-term interests—not a short-term "feel good."

Mr. President, it is time to get back on the right course. With the success of our Persian Gulf policy; in the final year of President Reagan's administration, when no one can charge that he has any political ax to grind; and with the lessons that I hope we have learned from our recent arms sale experiences with Saudi Arabia and Kuwait still fresh in our minds—the time is ripe to seek a new, workable consensus on an arms sale policy that makes sense for America—and for Israel.

The time is ripe for a series of quiet, frank discussions—involving the administration and the leadership of the Congress; the United States and Israel; and interested private groups—and I underscore that, interested private groups—and individuals, which have important influence on these decisions.

Discussions informed by the reality of the proliferating global arms bazaar; the competition between the world's superpowers; the complex situation in the Middle East; and the needs of the American economy.

Mr. President, President Reagan's policy in the Persian Gulf has worked. Its very success gives us the chance to move forward on a number of fronts—both regionally and here at home. I hope we will all have the wisdom and common sense to stop, think and then act—taking advantage of this unique opportunity to advance American interests both here and in the Middle East.

EXHIBIT 1

[From the Washington, Post, July 25, 1988]

(By Jeane Kirkpatrick)

IT SEEMS IRAN DOES HAVE ITS MODERATES

MARSEILLES.—Those famous Iranian "moderates" burst into the news with the announcement that Iran had finally accepted United Nations Security Council Resolution 598 as a basis for ending its long, terrible war with Iraq.

"The Pragmatists Take Charge," announced the Paris daily Le Monde. "The Work of the Moderates," the French Socialist newspaper Liberation emphasized in a large headline.

All over Europe, Iran's move toward peace was described as a consequence of the efforts of that country's parliamentary speaker and armed forces commander, Hashemi Rafsanjani, and his collaborators to extricate the nation from what their government had for eight long years termed "a holy war."

The "moderates," it is said in the European media, understood that after 3,000 days and 1 million deaths, the war was no longer popular with Iranians. They knew "the Bazar" had begun to worry that the war was radicalizing the regime. The conservative clergy, it is said, feared the war could only be sustained by further appeals and concessions to "the Disinherited."

So the "moderates"—whose existence was pooh-poohed by enlightened American opinion after revelation of the arms sales—began to lower their voices and look for a way out, especially after Iraq started winning on the battlefield.

This, we are now told, is why Rafsanjani publicly advised his fellow Iranians against seeking vengeance after the United States shot down a civilian Iranian Airbus, and why Iranian Foreign Minister Ali Akbar Velayati made his speech before the U.N. Security Council (a speech that was by Iranian standards extraordinarily "moderate"). It was why Iran took the case of the Airbus to the U.N. at all rather than merely striking back with violence.

Although only a few months ago the Ayatollah Khomeini announced he would pray for the deaths of associates who wanted out of the war, now "the moderates" had persuaded the imam to accept the U.N. resolution and its call for a cease-fire and negotiations.

The fact that the selfsame "moderates" who so interested Robert McFarlane and John Poindexter should now move Iran toward peace does not prove it was wise for the Reagan administration to approve arms sales to those Iranians. But it proves something.

It proves that in fact there existed in the Iranian government a faction somewhat less fanatical, somewhat less obdurate, somewhat less ready to destroy the country in order to destroy the enemy.

This does not mean they were "good guys" or that they opposed the ayatollah or longed for democracy or shared any values with the democratic rule except perhaps a distaste for martyrdom. It does not mean they were "moderates" in any Western context. But apparently they are "moderates" in an Iranian context—as compared with the supreme fanatic for whom they work.

Americans find it extremely difficult to think clearly about the kind of government found in Iran. There are no good guys; there is no democratic center. There are only more or less hostile, more or less realistic theocrats. The less hostile, more realistic types are probably less dangerous to the world than the most fanatical. That makes their influence a good, but it is not the kind of moralistic good that Americans seek and expect in foreign affairs.

We are no better equipped to think clearly about the Iran-Iraq war in general. It is a conflict between two ruthless dictators seeking goals we neither understand nor approve. "In an ideal world they would both lose," a former U.S. official said.

There were and are good reasons for the United States to take an interest in this war, but they are geopolitical, not moral. A victorious Iran would have threatened the stability of other gulf states and encouraged the spread of Khomeini-type "fundamentalism."

And a victorious Iraq? Washington has not thought much about the probable consequences for the peace of the region or the well-being of Israel, Jordan or other "moderate" Arab states.

Iraqi President Saddam Hussein reminded the world he had other interests than the war with Iran when, last week, he blasted Syria for its attacks on Yasser Arafat's PLO, prompting Le Monde to write: "The fears being expressed in Jerusalem are entirely understandable. On a war footing and heavily armed, Iraq may be tempted, if peace comes to its western front, to take the lead in a new anti-Israeli crusade."

The end of the war—if it comes—will assuredly alter the balance of power in the region. But it will not necessarily bring peace. The only predictable effect of an end to hostilities would presumably be the withdrawal of U.S., British, French and Soviet naval forces from the Persian Gulf. This, too, would have significant ramifications.

It is a delicate, complicated geopolitical situation with extremely large potential consequences. The "moderates" in Washington should bear in mind the full complexity of the politics of the Gulf before making any further moves in these troubled waters.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. REID). Morning business is now closed.

COMMERCE, JUSTICE, STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, FISCAL YEAR 1989

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 4782, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Dole Amendment No. 2689, to express the sense of the Senate that the People's Republic of China should immediately halt the sale of ballistic missiles and other offensive weapons to all nations of the Middle East and Persian Gulf, should discontinue discussions regarding potential sales of M9 short-range ballistic missiles and other armaments under development, and should endorse the United Nations-sponsored international arms embargo against Iran and Iraq.

The PRESIDING OFFICER. Who yields time?

Hearing nothing, the time will be equally charged to both sides.

Mr. DOLE. Mr. President, has morning business ended?

The PRESIDING OFFICER. The time is now running on the pending amendment.

Mr. DOLE. As I understand, I have 10 minutes.

Mr. President, last evening, I sent to the desk an amendment and offered this amendment on behalf of myself, the distinguished Senator from Arizona, Senator MCCAIN; the Senator from Alaska, Senator MURKOWSKI; the Senator from Indiana, Senator QUAYLE, and maybe others who have an interest in this amendment.

Mr. President, there is new hope that a cease-fire can be achieved, to end the Iran-Iraq war. That would be a major step forward, and would reduce the immediate danger of wider war in the region.

But the entire Middle East-Persian Gulf area remains a tinderbox of conflicting politics, religion, and social systems; exacerbated by Soviet efforts to expand its presence and influence. Until those fundamental problems are addressed and resolved, war, terrorism, and tension will continue to characterize the region—and continue to endanger basic American interests.

Tragically, many nations outside the region are aggressively peddling massive amounts of new, destabilizing, offensive weaponry into the region—pouring oil on the flames of conflict and distrust that already exist. And there is more than enough to go around now.

One of the worst offenders is the People's Republic of China. As we all know, China has sold Silkworm missiles to both Iran and Iraq, even as the United Nations was calling on all countries to cease the sale of any arms to those two belligerents. Iranian Silkworms have been fired against America's allies and friends in the region, and this morning still endanger American vessels and personnel in the gulf.

In addition, the Chinese have also sold CSS-2 missiles to Saudi Arabia. And, according to intelligence and other reports, the Chinese are also actively discussing the sale of M-9 short-range missiles to Iran, Libya, Syria, and Pakistan. It does not take much imagination to appreciate what it would mean for Khomeini or Qadhafi to have these new and dangerous weapons in their arsenals.

Mr. President, these irresponsible actions by China not only breed regional instability; they directly threaten American interests and—even more important—American personnel, military and civilian, who reside or travel in the Middle East and the Persian Gulf.

Chinese weapons, in very irrational and dangerous hands, are pointed at our heads, both figuratively and literally. If those weapons go off, as they almost inevitably will some day if China continues to make these irresponsible sales, Beijing will bear an important part of the responsibility for the result.

It is time to tell the People's Republic of China in no uncertain terms that a continuation of its dangerous arms sale policies will inevitably do significant damage to American-Chinese bilateral relations. It is time to tell the People's Republic of China that—if it continues to arm the likes of Khomeini and Qadhafi—we will reconsider our willingness to sell arms and technology to the People's Republic of China.

Secretary Shultz has recently been in Beijing, and delivered to the Chinese leadership that essential message. We can reinforce the message—can send an even stronger and more effective signal to Beijing—by passing this amendment, overwhelming, today.

Mr. QUAYLE. Mr. President, I would like to engage the Republican leader in a brief colloquy on his most timely amendment concerning missile proliferation and the People's Republic of China to further clarify its meaning and intent.

Mr. President, had the People's Republic of China, PRC, chosen last year to join us in promoting the missile technology control regime, MTCR, this amendment would not be so pressing today. On April 16, 1987, the President announced a new policy to limit the proliferation of missiles capable of delivering nuclear weapons and set forth the guidelines of the MTCR in concert with the Governments of Canada, France, the Federal Republic of Germany, Italy, Japan, and the United Kingdom. These guidelines are quite clear and specific in establishing a strong presumption to deny any transfers of missiles capable of delivering payloads of 500 kilograms or more distances of at least 300 kilometers or the technology necessary to develop such missiles.

Unfortunately, the People's Republic of China neither joined in this regime or adhered to its guidelines, but instead has actively pursued the export of nuclear-capable missiles including the CSS-2, the M-9, and the M-11 to nations such as Libya, Syria, and Saudi Arabia.

Mr. President, under the MTCR, there would be a "strong presumption to deny such transfers" of these Chinese missiles to the nations of the Persian Gulf and Middle East and although this amendment does not specifically mention the MTCR, it is clear that its intent is to get the People's Republic of China to adhere to the accord's guidelines.

I ask the distinguished Republican leader if he agrees with this position.

Mr. DOLE. I do agree with the position offered by the Senator from Indiana.

Mr. QUAYLE. Mr. President, I thank the Republican leader, and appreciate his clarification on this point, which I believe is particularly important to the amendment's last provision, subsection 4. This provision specifies that if the People's Republic of China continues to export such missiles, the United States should reexamine all agreements it has or is contemplating that provide for arms and technology transfers to the People's Republic of China.

Again, although the amendment does not specify any particular agreements, it clearly would include the most important laws or agreements controlling United States arms and technology transfers to the People's Republic of China—in specific, those established by the Coordinating Committee for Multilateral Export Controls, Cocom, and Public Law 99-183, which implements the Agreement for Cooperation Between the Government of the United States and the Government of the People's Republic of China Concerning Peaceful Uses of Nuclear Energy signed July 23, 1985.

I ask the Republican leader if he concurs.

Mr. DOLE. Mr. President, I do concur with the Senator form Indiana.

Mr. QUAYLE. Mr. President, I thank the Republican leader in making it clear that one of his amendment's key messages is that if the People's Republic continues to make exports that are inconsistent with the missile technology control regime's guidelines, all bets are off for any further loosening of Cocom restrictions on militarily sensitive technology transfers to the People's Republic of China or any exports from the United States of nuclear technology covered by the U.S.-PRC Nuclear Cooperative Agreement. Certainly, a second message is that our Government ought not to allow any further loosening of Cocom restrictions on militarily sensitive technology to the PRC or consider certification of PRC's nuclear nonproliferation credentials as called for by Public law 99-183 until it is confident that the PRC has ceased exporting missiles or missile technology for which there is a "strong presumption to deny such transfers" under the MTCR's guidelines and our Government is convinced that there is no evidence that such exports might resume.

I ask the Republican leader if he agrees with this view of his amendment.

Mr. DOLE. Mr. President, I do agree with the position of the Senator from Indiana.

Mr. QUAYLE. Mr. President, I thank the Republican leader and congratulate him on his most timely amendment. To establish a fuller understanding of it and this colloquy, I ask unanimous consent that the full text of Public Law 99-183 be printed in the RECORD at the end of this colloquy along with a missile proliferation update report prepared by my staff.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PUBLIC LAW 99-183, 99TH CONGRESS, JOINT RESOLUTION

(Relating to the approval and implementation of the proposed agreement for nuclear cooperation between the United States and the People's Republic of China)

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the Congress does favor the Agreement for Cooperation Between the Government of the United States of America and the Government of the People's Republic of China Concerning Peaceful Uses of Nuclear Energy, done on July 23, 1985 (hereafter in this joint resolution referred to as the "Agreement").

(2) Notwithstanding section 123 of the Atomic Energy Act of 1954, the Agreement becomes effective in accordance with the provisions of this joint resolution and other applicable provisions of law.

(b) Notwithstanding any other provision of law or any international agreement, no license may be issued for export to the People's Republic of China of any nuclear material, facilities, or components subject to the Agreement, and no approval for the transfer or retransfer to the People's Republic of China of any nuclear material, facilities, or components subject to the Agreement shall be given—

(1) until the expiration of a period of thirty days of continuous session of Congress after the President has certified to the Congress that—

(A) the reciprocal arrangements made pursuant to Article 8 of the Agreement have been designed to be effective in ensuring that any nuclear material, facilities, or components provided under the Agreement shall be utilized solely for intended peaceful purposes as set forth in the Agreement;

(B) the Government of the People's Republic of China has provided additional information concerning its nuclear nonproliferation policies and that, based on this and all other information available to the United States Government, the People's Republic of China is not in violation of paragraph (2) of section 129 of the Atomic Energy Act of 1954; and

(C) the obligation to consider favorably a request to carry out activities described in Article 5(2) of the Agreement shall not prejudice the decision of the United States to approve or disapprove such a request; and

(2) until the President has submitted to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report detailing the history and current developments in the nonproliferation policies and practices of the People's Republic of China.

The report described in paragraph (2) shall be submitted in unclassified form with a classified addendum.

(c) Each proposed export pursuant to the Agreement shall be subject to United States laws and regulations in effect at the time of each such export.

(d) Nothing in the Agreement or this joint resolution may be construed as providing a precedent or other basis for the negotiation or renegotiation of any other agreement for nuclear cooperation.

(e) For purposes of subsection (b)—

(1) the continuity of a session of Congress is broken only by adjournment of the Congress sine die at the end of a Congress; and

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

Approved December 16, 1985.

BALLISTIC MISSILE PROLIFERATION UPDATE 1988

(By Senator Dan Quayle)

OVERVIEW

The pace of ballistic missile proliferation has quickened considerably since my release last year of the Congressional Research Service (CRS) report on Third World missile activity.

Egypt, India, Iraq, Iran, North Korea, Pakistan, and Saudi Arabia all joined the military ballistic missile club in the last 12 months. In addition, 1988 saw the export for the first time of an intermediate-range ballistic missile, a modified Chinese CSS-2. Ironically, this and many of the other missiles being developed or deployed by these nations were banned from U.S. and Soviet arsenals with ratification of the INF Treaty.

Clearly, these and other Third World ballistic missiles pose a threat to U.S. and allied peace keeping efforts in the Persian Gulf, and the Middle East, and the Far East. In fact, U.S. work has only recently begun on anti-tactical ballistic missiles or extended air defenses. The Joint Chiefs of Staff did establish a formal military operational requirement for such defenses, though, in March of this year.

As for intelligence on missile proliferation activity, more needs to be done. In the case of Saudi Arabia, nearly two years had elapsed between the Saudi agreement to purchase the Chinese weapons and discovery of the missiles through photo reconnaissance. Had the U.S. known of this deal even one year after it had been reached, it could probably have stopped it. Certainly, if we had more timely intelligence, it could be shared with our allies to support more effective, cooperative action.

Finally, our efforts at monitoring missile exports need significant upgrading. Although both the Secretary of Defense and the Secretary of State have called for increased participation in the Missile Technology Control Regime, no new member nations have yet joined.

More important, there are still only two experienced officials working on missile technology proliferation matters on a full-time basis—the same number that were working these issues a year ago. Last year Congress asked the Defense Department to report by February 1, 1988 on what additional personnel it needed to enforce the seven-nation Missile Technology Control Regime. The report has not yet been filed. Last month the Senate urged the Defense Department to create whatever job positions they needed to address the missile proliferation problem and to make temporary duty assignments if necessary. To date no action has been taken.

Some, of course, argue that U.S. efforts to control the export of ballistic missile technology come too little too late. Certainly nothing, including export controls, can reverse the damage that has already been done. But it is not too late to slow the pace of further dangerous missile commerce and this can buy time. With time, we can improve our missile technology intelligence network and develop cost-effective tactical missile defenses. With time, we can build the necessary diplomatic support for broader adherence to the Missile Technology Control Regime. With time and these efforts, we can reduce the threat.

All of this, however, depends on there being a clear understanding of just how real the problem of missile proliferation is, which is the key objective of this report. The summary chart lists all Third-World guided ballistic missile activities and programs publicly discussed in either last year's CRS report or in articles published since this report (these materials are available upon request).

Unguided or nonballistic missile systems along with the nations having them are excluded from the listing. So too are nations, such as Turkey, Jordan, or Ethiopia, which may have older U.S. Lance or Soviet SCUD missiles but no indigenous missile effort of their own. All instances in which these systems are being upgraded or reexported, though, are listed.

Following this chart are brief country reports on nations that have engaged in activities since the release of the CRS report. All footnotes to these country briefs can be found at the report's conclusion.

THIRD WORLD GUIDED BALLISTIC MISSILE ACTIVITIES SUMMARY CHART

[By Senator Dan Quayle]

Country	Ballistic missile	Description
Argentina	Condor I	100-km. range, 400-kg. payload.
	Condor II[1]	800-km. range, in cooperative development with Egypt.
	Medium-range missile[1]	1,500-km. range, in cooperative development with China.
Brazil	SS–300[1]	300-km. range, derived from Soviet SCUD–B, slated for production in 1989–90, offered to Iraq.
	SS–1000[1]	1,200-km. range, 1,000-kg. payload, to be operational by 1991.
	MB/EE 150	150-km. range, 500-kg. payload, to be operational by 1990.
	MB/EE 300[1] 600 and 1000	300, 600 and 1,000-km. range variants that Libya offered to buy from Brazil earlier this year.
	Sonda IV	240–975-km. range, 500-kg. payload, currently operational as a space launch vehicle.
	VLS	Space launch vehicle for low-earth orbit, 1st launch expected 1989–90.
China (PRC)	CSS–2[1]	2,700-km. range exported to Saudi Arabia, may have been offered to Libya and Argentina.
	M–9[1]	600-km. range, reportedly offered to Syria in June 1988.
	M–11[1]	300-km. range, on display for export at FIDA air show in Chile, 1988.
Egypt	Condor II[1]	800-km. range, in cooperation with Argentina, financed by Arab sources, possibly including Iraq.
	SCUD–B[1] modified	560-km. range, in cooperation with Iraq, North Korea, Argentina.
India	Prithvi[1]	250-km. range, 1,000-kg. payload, flight tested Feb. 1988.
	SLV–3[1]	Operational space launch vehicle, could be converted into a military ICBM of 1,500 to 2,000-km. range 6 months after decision to do so.
	ASLV[1]	For space launch, tested 1987 (failure), development expected to be complete by 1990, could be converted to an ICBM.
	PSLV	For space launch, 1,000-kg. payloads into low-earth orbit, development to be completed by 1989.
	GSLV	For space launch, 1,000+ kg. payloads into geosynchronous orbit, first launch expected 1991.
Indonesia	Rocket program	First test of a two-stage guided rocket in March 1988, part of a national effort to acquire a satellite launch capability by 1993.
Iran	SCUD[1] chemical upgrade/production	Tested with indigenous chemical warhead in late February of 1988, Iranians also claimed earlier this year to be producing a 300-km. range SCUD at their own plant.
	Medium-range missile[1]	130-km. range missile reported to have been tested and put into mass production in early 1988.
Iraq	SCUD[1] upgrade I	650 km. range, tested in August 1987, used against Tehran, possibly developed in cooperation with Egypt, Germany (East and West), China, Brazil and the Soviet Union.
	SCUD[1] upgrade II	900-km. range, reportedly tested late April and in cooperative development with the same list of possible nations.
	Condor II[1]	800-km. range, in development with Argentina and Egypt.
Israel	CSS–2[1]	Reported cooperative development of guidance of a nonnuclear version of this Chinese export to Saudi Arabia.
	Jericho I	452–565-km. range, 1,000–1,500-kg. payload, first flown 1968, now operational.
	Jericho II	820–1,450-km. range, in flight testing.
Libya	CSS–2[1]	Libyan attempt to purchase this Chinese medium range ballistic missile reported May 1988.
	MB–EE[1] series (150, 300, 600, 1000)	Libyan attempt to seal a $2 billion deal to buy these Brazilian missiles was reported February 1988.
	Iltissalat[1]	500-km. range missile project with OTRAG, Zaire-based rocket manufacturer owned by West German interests that has built rocket facilities in Libya.
	SCUD–B[1]	Sold these from existing inventory to Iran in exchange for chemical weapons.
North Korea	SCUD[1] upgrade	Manufactures and exports these to Iran, reported to be cooperating with Egypt and Argentina on this missile and Argentina's Condor II.
Pakistan	Theater[1] ballistic missile assistance	Tested May 1988, 1,000-kg. payload, range perhaps as high as 650 km, may have been developed with OTRAG.
Saudi Arabia	CSS–2[1]	Purchased from China, reported to be modified for nonnuclear munitions delivery, 2,700-km. range.
South Africa	SSM	Development of a long-range missile announced by ARMSCOR, 1987.
South Korea	Korean SSM	180-km. range, adaptation of U.S.-supplied Nike-Hercules air defense missiles.
	Korean SSM upgrade	220 to 250-km. range.
Syria	M–9[1]	600-km. range, deal to purchase these from China reported June 1988.
	SS–21	120-km. range, Soviet supplied.
	SCUD–B chemical upgrade	450-km. range, Soviet supplied, fitted by Syria with chemical warheads.
Taiwan	Ching Feng	100-km. range, similar to U.S. Lance.
	Theater ballistic missile	960-km. range, development reported.

[1] Denotes new items discussed in update 1988.

ARGENTINA

Argentina is now harvesting the fruits of its long-term effort to develop its own tactical missiles and has begun cooperation in this effort with Egypt and China. First news of this cooperation came in a December 21, 1987 London Times report that Argentina had recently concluded a cooperative arrangement with Egypt for the development and production of long range battlefield missiles that could reach the Falkland Islands. The missile, designated Condor II, is reported to have an 800-km. range, and is powered by a solid-fuel rocket engine.(1)

More recently, on May 22, the London Sunday Times revealed that Argentina and China had completed a secret deal for the co-production of anti-ship and medium range missiles. It has been speculated that these new missile designs will be derived from the Chinese East Wind 3 (CSS-2), which has a range of 1500 kilometers when carrying conventional explosives, and up to 2700 kilometers when carrying a nuclear warhead.(3)

BRAZIL

Brazil missile marketing attracted a new prospective customer in 1988—Libya, which offered $2 Billion to buy Brazil's latest theater ballistic missiles.

Several sources have reported that the Brazilian company Orbita Aerospacial Systems has considered Libyan offers of financial assistance in Orbita's current development of a new family of the MB/EE series ballistic missiles.(1) The series is to include missiles capable of carrying warheads of up to 900 kilograms distances of 100, 300, 600, and 1000 kilometers. The MB/EE-600 and MB/EE-1000 will be developed from the technology acquired in the manufacture of the SONDA-II and SONDA-IV rockets. If concluded, the deal may call for manufacture of the missiles in Libya.

Brazil hopes to secure other markets for its SS-300 family of missiles expected to be operational by 1991. Numerous reports issued since last summer have identified Iraq as actively pursuing a deal with Brazil for the SS-300, a 300-km. range missile derived from the Soviet SS-1 Scud B and slated for production in the 1989 to 1990 time frame.(2)

In related efforts, Brazil announced its plans to place its first satellite in orbit by 1989 or 1990, launched by a SONDA-IV rocket.(3) Brazil has also made the military responsible for the management of both its missile development and its nuclear research programs.(4)

CHINA

The Peoples Republic of China has been aggressively promoting foreign export of its ballistic missiles and other arms during the past year. It seems to be willing to sell to nearly any nation, particularly in the Middle East. The Los Angeles Times reported that China has had recent arms deals with Iran, Iraq, Egypt, Syria, Israel and Saudi Arabia.(1)

In addition to the highly publicized sale of the CSS-2 "East Wind" 2700-km range missile to Saudi Arabia, the Washington Times reported that China was continuing to sell Silkworm missiles to Iran, despite promises to the U.S. to stop sales.(2) The June 27, 1988 issue of Newsweek also revealed that China is about to sell its newest missile, the 600-km range M-9, to Syria while subsequent reports indicated that China may be negotiating a sale of these missiles with Iran as well.(3)

The M-9 is one of China's new M family of short and medium range mobile missiles similar to the Pershing missile and is still in development testing. It is said to be 20 years more advanced than either the Silkworm or the East Wind. It is also thought to be the first Chinese missile made specifically for export.

China displayed another member of its M family of missiles, the M-11, and other missiles at the FIDA 88 exhibition in Santiago, Chile. The April 9, 1988 issue so Jane's Defence Weekly described the previously unknown M-11 missile as having a range of up to 300 km with an 800 kg warhead.(4)

EGYPT

The Egyptian military, which has had an interest in fielding ballistic missiles dating back to 1956, made its most dramatic moves toward securing such weapons earlier this year.

A March 17, 1988 JPRS transcription (JPRS-NEA-88-019) of an Arabic publication (AL DUSTUR) disclosed that Egypt is supervising implementation of the final phases of a joint program with Argentina to develop a nuclear capable ballistic missile with an 800 km range. The report stated that development of the missile, the Condor II, involved technical assistance by Argentina and is financed by Arab sources.(1)

While Egypt claims the Condor II is being developed to counter the Israeli Jericho II missile and affect a strategic balance with Israel, there is growing concern that it may be exported to other third-world countries by either Egypt or Argentina. A missile with this range and performance could add a dangerous ballisitc delivery capabilty in unstable areas of the world.

An earlier JPRS transcription from AL-HAWADITH (February 26, 1988) implied that Iraq may have also entered into joint cooperation with Egypt and Argentina to produce the Condor II. According to this report, European observers also believe Egypt is developing a long-range ground-to-ground (SCUD-B) missile with North Korea.(2)

Other recent Egyptian missile development activities include work with Iraq, described in a Chicago Tribune article dated May 5, 1988, to modify Soviet-made Scud-B missiles so they can reach the Iranian capital. Jane's Defence Weekly, dated March 12, 1988, describes Egypt's effort to develop the unguided Sakr 80 rocket system to replace the Soviet FROG-7 tactical surface-to-surface missile.(3,4)

INDIA

On February 25, 1988, Prime Minister Rajiv Gandhi announced the successful test of India's first dedicated military ballistic missile, the Prithvi missile. He stated that the missile had the capability of carrying large warheads (1000 kg) at least 250 km—lighter warheads could be delivered a much greater distance. India Today reported in its March 31, 1988, issue that the missile has a very advanced and accurate inertial guidance system which makes it an effective weapon with conventional as well as nuclear warheads.(1,2)

The development of the Prithvi missile puts India in a select club of five nations. Only China, France, the USSR and the USA have proven missiles of this class. Western experts believe linking the Prithvi technology with a longer range missile could give India a truly long range nuclear capability.

India's indigenously-produced space launch vehicles have the potential for conversion into long-range ballistic missiles. Experts have predicted that their operational space launch vehicle (SLV-3) would have a range of 1500 to 2000 km. The Advanced SLV (ASLV), expected to be developed by 1990, would have an intercontinental range.(3)

An article in the August 27, 1987 issue of Far Eastern Economic Review stated that India has over 10,000 scientists and engineers working on their space program. They have demonstrated the ability to build and launch sophisticated satellites and place them into precise orbits. This vast cadre of well-trained scientists and engineers places India among the top six or eight countries in the ability to develop long range nuclear capable missiles for their own use or for export.(4)

INDONESIA

According to a Washington Times report dated 31 March 1988, Indonesia advanced toward an indigenous space launch capability by launching its first two-stage solid-fuel rocket. This, along with two subsequent rockets, were the first guided missiles to be launched by Indonesia. A spokesman said Indonesia hopes to launch its own satellite by 1993.(1)

In the past, Indonesia has experimented with small unguided sounding rockets which achieved altitudes of less than 60 km. Launching a multi-stage guided missile was a significant step forward. This technology could enable Indonesia to develop a military ballistic missile, if it chose to do so.

In 1986 China proposed a space cooperation agreement with Indonesia to construct an $800 million equatorial launch site in Indonesia to launch its Long March 3 satellite launch vehicle. A Chinese corporation reportedly suggested a joint China-Indonesia effort to develop and launch communications satellites. This corporation deals in the export of tactical missiles as well as space equipment.(2)

IRAN

Iran has escalated its missile war against Iraq beyond mere use of Soviet SCUDs by announcing that they are now producing and retrofitting these missiles with chemical warheads and producing an indigenously designed medium range missile of their own.

The Observer, on March 13, 1988 reported that the Iranians first tested a Soviet SCUD-B with an Iranian-produced chemical warhead in late February and that they intended to use these to strike Iraq.(1)

Later, on March 29, 1988, the majis Speaker, Hashemi Rafsanjani, and, then, on April 7, 1988, the Iranian Defense Minister, Brigadier General Jalali, both confirmed that Iran had tested a missile of 130-km. range (sufficient to hit Baghdad) and that Iran's Defense Industries Organization (DIO) was completing preparations to put this missile into mass production (as many as 20 a day) by the end of the month. Iran's first deputy minister of defense, Colonel Rahimi, however, stated on April 14 that the missile had only a range of 120 kilometers and that more work needed to be done to reach the 130-km. goal.(2)

Both Rahimi and the Minister of the Islamic Revolutions Guards Corps have claimed that Iran is now producing its own SCUD missiles and that 80 percent of the missiles fired on Iraq came from Iranian production. Over 50 Iranian SCUD-Bs have been fired on Baghdad since the missile "war on the cities" sarted in March, and the Soviets have denied that any of these were Soviet made.(3) Earlier in 1985, Iran bought Libyan SCUDs and Iran is known to have bought arms from North Korea, which has its own SCUD production capability and is reported to be sharing this technology with Egypt and Argentina.(4)

IRAQ

Iraq demonstrated a major advancement in missile capability earlier this year by striking Iran's capital Tehran, located 480 km east of Iraq's border, for the first time with ballistic missiles. According to a Washington Post article dated 5 May 1988, more than 160 Iraqi missiles were fired at Tehran and four other major Iranian cities between February 29 and April 18 of this year.(1)

While Iraq claims this upgraded missile arsenal, composed mainly of modified Soviet-designed Scud-B missiles, has been manufactured in Iraq, the Washington Post article and other articles cite evidence that Iraq had help from other countries. Possibilities include: Egypt, Germany (both East and West), China, Brazil and the Soviet Union. There is also conjecture, discussed in an April 1988 Defense Electronics article and a March 7, 1988, MEDNEWS (Middle East Defense News) release, that Iraq may have a cooperative venture with Brazil to produce missiles. MEDNEWS also discusses possible cooperation among Argentina, Egypt and Iraq for co-development of Argentina's Condor II missile, which is believed to have an 800-km range (2,3).

A New York Times article, dated April 30, 1988, and news releases from Baghdad claim that Iraq successfully tested a new surface-to-surface missile with a range of 900 km. This missile, designated Al-Abas, is believed to be Iraq's second upgrade of the Soviet-built Scud-B missile. The first upgrade, designated Al-Hussein, which has a 650-km range, was successfully tested in August 1987. This is believed to be the missile used against Tehran. The original Scud-B has a range of only 260 km.(4)

ISRAEL

In addition to Israel's development of its own Jericho I and Jericho II nuclear capable ballistic missiles, Israel is apparently now trying to export its missile technology to other countries. An article in the May 23, 1988 Washington Post claims Israeli experts worked secretly in China to improve the guidance system for the CSS-2 "East Wind" missile which China sold to Saudi Arabia. A Washington Times article, dated April 4, 1988, reported that Israel had also signed a secret deal to supply advanced missile warheads to China as well as "Trajectory-corrected" missiles of unspecified designation. (1,2)

LIBYA

Defense Secretary Frank C. Carlucci reported to Congress on May 10 of this year that he was concerned about Libya acquiring missiles capable of delivering nuclear warheads to the United States. What may have fueled his concern is Libya's most recent attempts to buy intermediate range ballistic missiles from Brazil and China. A May 14 article in Flight International revealed that Col. Gaddafi was attempting to buy the improved version of the Chinese CSS-2 missile, which China previously sold to Saudi Arabia. The improved CSS-2 has a range of up to 2700 kilometers and is capable of delivering a nuclear, conventional, or chemical warhead.(1)

Libya has also approached Brazil with a $2 billion offer to help finance development of a family of short to medium range ballistic missiles. The Brazilian missiles, the MB/EE series, have ranges of from 100 to 1000 kilometers, and can deliver up to a 900 kilogram warhead.(2) The proposed pact called for manufacture of the missiles in Libya, but more recent indications are that the deal may have faltered.(3)

Libya has also been attempting to establish its own ballistic missile development capability, and has been receiving assistance from German-owned firms, including OTRAG, which has build missile facilities in Libya. They have established a secret missile test range in the Libyan desert in Tauwiwa where work has focused on development of a 500-km. range ballistic missile.(4)

NORTH KOREA

The Korea Times reported in May of 1987 that North Korea was joining a number of other nations in developing its own space launch capability. This probably means an indigenous ballistic missile capability also, which was borne out by an article in the Washington Times on June 1, 1988 disclosing that Iran bought 100 surface-to-surface missiles from North Korea. These are believed to be Soviet Scud type missiles produced in North Korea. The article states that the missiles were part of a $500 million arms deal which means that North Korea continues to be a major, if not the major supplier of weapons to Iran. There is also some speculation that North Korea may be helping Iran produce its own ballistic missiles.(1,2)

North Korea is also importing new long-range surface-to-air missiles from the Soviet Union, according to a report in the June 3, 1988 issue of International Media. This missile, designated the SA-5, is said to have a 300-km range—enough to threaten the airspace over Seoul, South Korea.(3)

PAKISTAN

Pakistan took a quantum leap forward last month in its effort to develop its own ballistic missile arsenal when it test fired a missile capable of delivering a nuclear warhead to India's capital. News of this breakthrough was reported by the New York Times, which said the missile test occurred on April 25 in the Thar Desert.

Details about the missile were sketchy but The New York Times reported that it had sufficient range (at least 1000 kilometers) to reach Bombay and New Delhi and that it was a Pakistani design developed in cooperation with China.(1) Earlier reports indicate that the effect may have also received German assistance.(2)

Pakistan may also be approaching the ability to manufacture nuclear warheads for the missiles. Expanding on a London Times report of last December that the Pakistanis were building a second nuclear enrichment plant, the New York Times revealed on January 9 that although the Pakistani government denies it is planning to manufacture nuclear weapons, it continues to refuse on site inspections.(4)

SAUDI ARABIA

Disclosure earlier this year that Saudi Arabia had purchased CSS-2 "East Wind" missiles from China raised the stakes in the already overheated Middle East arms race. An article in the May 12, 1988 Washington Times stated that the U.S. photo reconnaissance analysts had discovered 50 of these 2,700-km range mobile missiles earlier this year at two desert bases in Saudi Arabia.

This article quoted one official who stated that the accuracy of the CSS-2 was so poor that only warheads of mass destruction, such as nuclear or chemical-biological warheads, made sense. However, other sources believe Israel may have helped China improve the accuracy of the missile, making it effective with conventional warheads. In either case, a missile of this range is a threat to the entire Middle East.(1)

A Los Angeles Times article dated May 4, 1988, describes the failure of our intelligence system to discover this missile sale until nearly two years had elapsed and the missiles were installed in Saudi Arabia. Even then, the missile sites in the Arabian Desert were discovered only by chance by an alert reconnaissance photo reader who was looking for new airfield construction around the world. The Washington Post reported in an article published that Saudi Arabia went to great lengths to deliberately deceive the U.S. on the missile sale for fear the sale would be stopped if the U.S. found out about it before the deal was sealed and the missiles deployed. The article suggested that, had our intelligence uncovered this sale sooner, we most likely could have stopped it.(2,3)

SYRIA

Syria may be close to putting all of Israel within range of Syrian ballistic missiles. The June 27, 1988 issue of Newsweek reported that Syria is attempting to purchase China's newest ballistic missile, the 600-kilometer range M-9. The M-9 is reported to be similar to the U.S. Pershing, and to be 20 years more advanced than either the Silkworm or the CSS-2 East Wind.(1)

Any transfer of these missiles, however, is unlikely to take place right away. Both the New York Times and the Washington Post noted that the M-9 is still in development and was only just tested for the first time on June 19 or 20, 1988. These papers also reported that both U.S. and Israeli officials believe that the deal is only at the "negotiating stage".(2)

Syria already has SCUD-B missiles with chemical warheads and more modern Soviet SS-21's and was planning to acquire 500 kilometer range Soviet SS-23 ballistic missiles before the INF Treaty banned the SS-23's export.(3)

FOOTNOTES BY COUNTRY

ARGENTINA

1. "Argentina, Egypt in Long Range Missile Project", London Financial Times, December 21, 1987, p. 1.
2. "Argentina in Missile Deal", London Sunday Times, May 22, 1988, p. 19.

BRAZIL

1. "Missiles to Libya", Washington Times, February 22, 1988, p. 10; "Libya/Brazil", Jane's Defence Weekly, February 4, 1988; "Brazil Warned by U.S. on Arms Sales to Gadaffi," 1988 Financial Times, January 27, 1988, World Trade News, p. 6.
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3. "Brazil Expects to Orbit first Satellite by 1990", Defense Daily, May 16, 1988, p. 86.
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I yield back any time I may have.

The PRESIDING OFFICER. The Senator yields back his time. The Senator from South Carolina is recognized for 9 minutes.

Mr. HOLLINGS. Mr. President, the most dynamic development perhaps of any nation in the past decade has been that of the People's Republic of China, and the United States policy is to support that development as they move in essence toward capitalism. However, Mr. President, we cannot afford to move to a capitalistic weapons development and delivery, particularly into the Mideast, as has been occurring, from the People's Republic.

On this side of the aisle, we think the distinguished minority leader's exception is well taken, and we join in the sentiment and substance of this particular provision and urge its adoption.

If anyone wishes to speak on it, I am going to suggest the absence of a quorum just for a second. We have limited time. I do not want to cut off anybody who wanted to be heard, so I suggest the absence of a quorum on my time.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. I thank the Chair.

Mr. President, the Republican leader has offered a very sensible and direct amendment to this bill. There is little doubt that the sale of Silkworms in particular and other armaments——

The PRESIDING OFFICER. Is the Senator proceeding under the time of the Senator from South Carolina?

Mr. RUDMAN. I am.

The PRESIDING OFFICER. The Senator may proceed.

Mr. RUDMAN. There is little doubt that the sale of that technology has made the Persian Gulf an even more dangerous place, and I hope that in light of the enhanced relationship we have enjoyed with the People's Republic of China they might pay some attention to the sense of the Senate and I think probably of all Americans that a reduction in the sale of this kind of high-technology weaponry in that area would certainly add to the possibilities of a peaceful solution to the conflict there.

I ask the chairman if we now wish to yield back the remainder of our time?

The PRESIDING OFFICER. The Senator from South Carolina has 1 minute 30 seconds remaining.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, the hour of 10:20 having arrived, the rollcall has been ordered.

The PRESIDING OFFICER. The Senator from South Carolina is correct. All time has expired for debate. Under the previous order, the question is on agreeing to the amendment of the Senator from Kansas [Mr. DOLE]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN] and the Senator from Ohio [Mr. METZENBAUM] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 258 Leg.]

YEAS—97

Adams
Armstrong
Baucus
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—0

NOT VOTING—3

Bentsen
Biden
Metzenbaum

So the amendment (No. 2689) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President, we have pending now, of course, the next Dole amendment, and I understand that the distinguished minority leader is on his way to submit it. That has to do with the Armenians.

Then we have the Gramm amendment, with a 1-hour time limit on it, affecting legal services. Perhaps there will be a Pell amendment, and then we will be through, for the information of everyone.

While we await Senator DOLE's presence, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, every minute that the Senate waits at this point on Senators to offer amendments is another minute tonight added on to all other 99 Senators.

I heard that a Senator is on his way to offer an amendment, but I have been hearing that for the last several minutes.

So I hope that, for the convenience of the Senate, we can have an amendment called up quickly so we can finish this bill and go on to the next appropriation bill. I have said earlier today that I expect the Senate to be in late in an attempt to finish the Labor-HHS appropriation bill this evening. As I say, time is wasting now. What comes off the front end will be added on the back end.

I hope that will help a little bit.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that there be 15 minutes, to be equally divided, on the amendment by Mr. McCAIN, and that no amendment to the amendment be in order.

The PRESIDING OFFICER. Is there objection? Hearing none, that is the order.

The Senator from Arizona is recognized for 7½ minutes.

AMENDMENT NO. 2690

(Purpose: Expressing the sense of the Senate that the Soviet government should respect the human rights and legitimate aspirations of the Armenian people)

Mr. McCAIN. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. McCAIN], for himself, Mr. WILSON, and Mr. DOLE, proposes an amendment numbered 2690.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

The Senate finds that:

The 1923 Soviet demarcation of Azerbaijan and Armenia resulted in over 100,000 Armenians residing in Azerbaijan;

The Armenian people of Azerbaijan have called upon the Soviet Government to allow them to secede and join Armenia;

The Supreme Soviet in March 1988 refused to allow the secession of Nagorno-Karabakh to Armenia;

The legislature of Nagorno-Karabakh voted on July 12, 1988 to secede from Azerbaijan and unite with Armenia;

On July 18, 1988, the Presidium of the Supreme Soviet rejected proposals for any changes in the region's borders;

The Soviet citizenship of Armenian leader and activist Paruir Airikyan has been revoked for "damaging the prestige of the Soviet Union";

The Soviet Army has been deployed to the region to maintain order, and has forceably disrupted and suppressed peaceful demonstrations;

Dozens of Armenians have been killed and hundreds injured during the recent unrest: Now, therefore, be it the sense of the Senate that:

(1) The Soviet government should respect the legitimate aspirations of the Armenian people.

(2) The Soviet government should discontinue its very serious violations of the human rights of the Armenian people.

(3) If the Soviet Union continues its deplorable suppression of the Armenian people, it will inevitably impact on U.S.-Soviet relations.

Mr. McCAIN. Mr. President, on behalf of myself, Mr. WILSON, and Mr. DOLE, I offer this amendment to express the sense of the Senate that the Soviet Union should respect the human rights and legitimate aspirations of the Armenian people.

Mr. President, despite all the wonderful things we have been hearing about concerning the Soviet Union, the much noted relaxation of the police state which has characterized the Government of the Soviet Union for now over 70 years, the atmosphere of glasnost and perestroika and all of the other Russian words that we Americans are becoming familiar with, the fact remains that in at least one part of the Soviet Union, human rights are not only being restricted, they are being abused on a daily basis. In fact, I am a bit disappointed that the shocking behavior of the Government of the Soviet Union toward the Armenian people is not being more widely reported, nor is it being widely protested by our State Department or by our media.

Mr. President, the demarcation of Armenia and Azerbaijan left thousands of Armenians in Azerbaijan. One hundred thousand Christian Armenians now live in that mostly Moslem country. They are not seeking independence from the Soviet Union, Mr. President. They are asking to join Armenia.

Moscow continuously has refused this secession. Clearly the Armenian nationalists sought, within the context of a relaxation on the part of the Soviet Government, to express their desires to join Armenia. They expressed this in a peaceful manner through nonviolent protest, through strikes, through work stoppages, and other ways which I think characterize legitimate expressions of human rights and desires.

The Government of the Soviet Union through the Red Army has now begun a severe crackdown of arrests and food embargoes to end the Armenian's nonviolent activity.

Mr. President, I have no doubt that they will be able to end the unrest, just as they have in other parts of the Soviet Union when activities by Estonians, Latvians, Lithuanians, and other nationalist organizations have sought to exercise their human rights.

At the same time, I believe we have the right to expect Mr. Gorbachev to live up to the commitments he has made to respect human rights in his own country. This amendment simply calls upon Moscow to respect the legitimate aspirations of the Armenian people and to discontinue violations of Armenian human rights. This amendment also states that continued violations would have an impact on United States-Soviet relations.

With that, Mr. President, I yield to my distinguished friend and colleague, our Republican leader, Senator DOLE.

The PRESIDING OFFICER. The minority leader is recognized for 4 minutes.

Mr. DOLE. Mr. President, I am pleased to join my colleagues from Arizona and California, and I am certain many other colleagues, in offering what I consider to be an important amendment.

I have spoken three times on the Senate floor in recent months about the tragic situation in Armenia and Azerbaijan—where Soviet military forces have violently broken up peaceful demonstration, reportedly killed several and injured hundreds of the demonstrators, and thrown hundreds in jail. I have also written twice to Soviet General Secretary Gorbachev on this terrible situation—urging him to live up to his fine words about "glasnost" in terms of Soviet policy toward its Armenian citizens.

All of this, and the many, many other protests around the world, have gone unheeded.

The violence and suppression of human rights has continued. Many more have been injured and jailed. And one prominent Armenian leader has been deported from his own homeland.

All of this because the Soviet Armenian people had the temerity to state their own political aspirations and tried to exercise their human rights.

We are under no illusion that, by passing this resolution, we are going to change anything. I remember in visiting with Mr. Gorbachev recently in Moscow, he was saying that he does not like these resolutions that somehow condemn the Soviet Union. Well, we would not pass these resolutions if he were respecting the human rights of the many nationalities that live in the U.S.S.R., and, in this case, the Armenian people.

But we know with certainty that we have to continue to speak up and we have to speak loudly and in a bipartisan way. And I have no doubt in my mind that this amendment is going to have near unanimous support. We must carry to the Nation and the world the story of what is happening to the Armenian people. We must signal to the Soviet leadership that we deplore what they are doing in Armenia, and that it will inevitably damage our bilateral relations.

The Armenian people have suffered too long. All they want are their rights.

We will not rest until those rights are restored.

So I hope that the amendment will be approved unanimously by this body, by Republicans and Democrats alike, in sending a strong signal to the Soviet Union and its leadership and a strong signal to the Armenian people and to those in this country who support the rights and the plight of the Armenian people.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, we are prepared to accept the amendment on this side. It is well taken. Coming from South Carolina, it piqued my interest when it talked about secession and I was ready to oppose it because we had learned the hard way that secession was the wrong course in my own State.

But this is not seceding, but rather the joining of people under human rights. I think of the time when the distinguished Senator from Georgia, Herman Talmadge, was talking about the Georgians moving down to Florida, which more or less likens to this particular situation, and he said that improved the intelligence levels of both States.

This would improve the liberties and human rights of Armenians, period, wherever they are within the Soviet Union. So we are not interfering with the political infrastructure or affairs, you might say, but, rather, we are trying to emphasize human rights. And on that basis, we accept the amendment on this side.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, the Republican leader and Senator from Arizona have spoken eloquently to the amendment. I agree with the chairman it is an amendment that will be overwhelmingly agreed to by the Senate and I agree with the chairman. The amendment is acceptable.

Mr. WILSON. Mr. President, I rise in support of this worthy amendment offered by my distinguished colleague, Mr. McCAIN, and I am proud to be the primary cosponsor.

The McCain-Wilson amendment simply expresses the sense of the Senate that the Soviet Government should respect the aspirations of the Armenian people. And while we hope this gesture will alter the attitude of Soviet leaders toward their own citizens, this resolution nevertheless makes the vital moral statement that the United States Senate will not forget those men and women behind the Iron Curtain who struggle for communities united in peace.

And the Armenians of the Soviet Union, Mr. President, want only to unite—not to rebel or secede. During the week of January 11, 1988, the Soviet Government received a petition from the residents of Nagorno-Karabakh, an autonomous region of the Azerbaijan Republic, asking for the merger of their community with Soviet Armenia.

The Soviets, however, reacted to this initiative by ignoring the petition, suppressing media reports, and deploying Red army troops to the Nagorno-Karabakh capital of Stepanakert. More recently, General Secretary Gorbachev issued a public statement denying the request for the unification of Karabakh with Armenia.

These actions, Mr. President, demonstrate once again that the doctrine of "glasnost" will not restrain Soviet authorities from ignoring basic human rights if they perceive a threat to the stability of their empire.

This amendment, then, sends the message that the Senate will not ignore the gap between Mr. Gorbachev's rhetoric and the reality of the injustice suffered by the ethnic populations of the Soviet Union. A united Armenia, after all, would pose no threat to Mr. Gorbachev or the Communist Party. It would simply bring generations and families of a proud yet persecuted culture back together in their one homeland.

We must keep the spotlight of constant attention on Soviet repression of the rights of Armenians within the Soviet Union, Mr. President. We must insist that the entirely legitimate and nonthreatening desire of Soviet Armenians to exercise their rights be granted by Moscow as the express condition to any credibility in the West for "glasnost."

If the General Secretary would have us believe that there is a real restructuring of Soviet society into something resembling an open and democratic society, we must tell him clearly we will not be convinced by slogans or gestures or the most massive public relations assault. Rather, he must simply let his people go—as is their right in any free society, but not yet in the Soviet Union.

Mr. CHAFEE. Mr. President, I am pleased that the Senate today approved an amendment expressing the sense of the Senate that the Soviet Union should respect the human rights of Armenians.

I have deep concern about issues raised in recent months by demonstrations in the Armenian capital or Yerevan and other cities regarding the status of the Nagorno-Karabakh region of Azerbaijan. Reports surfaced last March of Mr. Gorbachev's decision to use militia and Army forces aganst demonstrators, and possibly to impose martial law in Armenia. Last week Mr. Gorbachev made it clear he intends to make no concessions to the Armenians. These reports have greatly disturbed me and many of my constituents of Armenian descent, and prompted me to write a letter to the Soviet General Secretary.

Armenian citizens of the Soviet Union who seek unification of Nagorno-Karabakh with the Armenian SSR have risen up for legitimate reasons that deserve the close consideration of the Soviet leaders. The appropriate response to the unrest, which included acts of murder and rape committed against numerous Armenians, is not a military clampdown against Armenians, but rather new policies that will give Armenians the legal recognition and protection they deserve.

The treatment of Armenians under the Ottoman Turkish empire is a legacy of terrible violence, discrimination, and disregard for the human rights of a proud people. The division of Armenia along arbitrary boundaries in 1923 was a policy implemented without adequate consideration for the national identity of Armenians.

At this time of newly constructive relations between the United States and the Soviet Union, with the implementation of the recently ratified INF Treaty, I believe Mr. Gorbachev should take whatever steps are necessary to be responsive to the grievances of his Armenian citizens. Increased respect for the human rights of ethnic minorities and dissidents in the Soviet Union is, in my view, an important prerequisite for further cooperation between our two governments on other issues.

I am pleased my colleagues have given their support to this important and timely amendment.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. We are ready. We urge adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2690) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, is next the Gramm amendment?

Mr. RUDMAN. That is correct.

Mr. HOLLINGS. I hope you can get him here, and he is not on that slow train that we encountered last night?

I understand that the Senator is in a committee hearing and will be sought and will be, momentarily, on the floor. In the meantime I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the situation that one presently obtains is one in which the tail is wagging the dog. Committee meetings are keeping Senators who have amendments to offer on this bill from coming to the floor. In my judgment it is a little more important that the full Senate be allowed to do its work. We may have to start objecting to committee meetings and I may put in a live quorum if we do not get a Senator very shortly to call up his amendment. If I put in a live quorum that will get them over here, so I hope that works.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The majority leader.

QUORUM CALL

Mr. BYRD. Mr. President, the Senate is marking time waiting on Senators to call up amendments. I am sorry to inconvenience Senators. The full Senate is being inconvenienced by the lack of action, and it is going to mean that we stay another day. So I will put in a quorum call. It will be a live quorum, and I hope Senators will bring up the remaining amendments.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll and the following Senators entered the Chamber and answered to their names.

[QUORUM NO. 23]

Byrd
Dole
Hollings
Reid
Rudman
Shelby

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absentee Senators.

The legislative clerk resumed the call of the roll.

Mr. BYRD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN] and the Senator from Ohio [Mr. METZENBAUM] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 68, nays 29, as follows:

[Rollcall Vote No. 259 Leg.]

YEAS—68

Adams
Baucus
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Cochran
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Grassley
Harkin
Hatfield
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Melcher
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Stafford
Stennis
Thurmond
Trible
Warner
Wirth

NAYS—29

Armstrong
Bond
Boschwitz
Chafee
Cohen
D'Amato
Evans
Garn
Gramm
Hatch
Hecht
Heinz
Helms
Humphrey
Karnes
Kassebaum
Kasten
McCain
McClure
McConnell
Murkowski
Nickles
Quayle
Specter
Stevens
Symms
Wallop
Weicker
Wilson

NOT VOTING—3

Bentsen
Biden
Metzenbaum

So the motion was agreed to.

The PRESIDING OFFICER (Mr. SHELBY). With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

AMENDMENT NO. 2691

(Purpose: to provide funding to meet U.S. obligations in support of U.N. security and peace-keeping activities)

Mr. PELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. PELL], for himself, Mr. EVANS, Mr. MOYNIHAN, Mr. SANFORD, and Mr. SIMON, proposes an amendment numbered 2691.

Mr. PELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. 101. UNITED STATES SUPPORT FOR UNITED NATIONS SECURITY AND PEACEKEEPING ACTIVITIES.

(a) The Congress finds—

(1) The United Nations has had a vital role in mobilizing world opinion against the Soviet occupation of Afghanistan and in negotiating an agreement providing for a Soviet withdrawal from Afghanistan by March 15, 1989, thus permitting the people of that country to regain their freedom and independence;

(2) United Nations Security Council Resolution 598 has provided the framework for an agreement to end the Iran-Iraq war which has been the world's longest lasting and bloodiest conflict since World War II;

(3) United Nations sponsored negotiations now underway provide real hope for a peaceful settlement in Cyprus, thus ending the bifurcation of that island and a military occupation of fourteen years duration;

(4) The prospective United Nations role in administering the Western Sahara and conducting a referendum there provides a means for settling a thirteen year old war which has threatened the security of Morocco, an important United States ally; and

(5) United Nations peacekeeping forces will be instrumental to the implementation of prospective agreements providing for independence in Namibia and Vietnamese withdrawal from Cambodia.

(b) The Congress further finds that—

(1) The United Nations security and peacekeeping activities are in the vital national security interests of the United States;

(2) United Nations security and peacekeeping activities represent an unparalleled opportunity for resolution of major regional conflicts;

(3) The United Nations activities will save the United States hundreds of millions of dollars that otherwise would have to be spent in protecting U.S. interests in regions such as the Persian Gulf or in support of U.S. friends in Afghanistan, Angola, and Cambodia; and

(4) The United States therefore should support United Nations security and peacekeeping activities by paying its full assessed contributions to the United Nations and its proportionate share of peacekeeping activities.

SEC. 102. TRANSFER OF DEFENSE APPROPRIATIONS FOR U.N. PEACE-KEEPING AND SECURITY PURPOSES.

(a) In addition to any funds made available under this Act, the President shall transfer to the Department of State, from unobligated funds in the appropriations accounts specified in section 103, not less than $100,000,000 to meet U.S. obligations in support of the United Nations peace-keeping and security activities. Such transfer shall be made on an expedited basis in the first 30 days of the fiscal year.

SEC. 103. DEFENSE APPROPRIATIONS ACCOUNTS.

The appropriations accounts to which subsection 102 refers are non-ammunition procurement accounts in any of the following:

(1) funds appropriated for fiscal year 1988 and 1989 for Persian Gulf operations;

(2) the Department of Defense Appropriations Act, 1986, as contained in section 101(b) of the further continuing appropriations resolution for the fiscal year 1986 (Public Law 99-190);

(3) the Department of Defense Appropriations Act, 1987, as contained in section 101(c) of the further continuing appropriations resolution for the fiscal year 1987 (Public Law 99-500 and 99-591); and

(4) the Department of Defense Appropriations Act, 1988, as contained in section

101(b) of the further continuing appropriations resolution for the fiscal year 1988 (Public Law 100-202).

Mr. PELL. Mr. President, what this amendment does can be explained very simply.

Mr. SIMON. Point of order, Mr. President. The Senate is not in order.

The PRESIDING OFFICER. If the Senator from Rhode Island will suspend, the Senator from Illinois is correct. The Senate is not in order. All Senators will take their seats. The Senator from Rhode Island is entitled to be heard on his amendment.

Mr. PELL. Mr. President, I thank the Chair.

This amendment is a very simple one to explain. It takes $100 million out of the Defense Department appropriations and moves it to the State Department for expenditure in support of U.N. activities and U.N. peace keeping. The reason for the amendment is that the United Nations in the last few months has moved a great deal along the way to be rewarded. It has had its reform. It has reached its consensus position on voting. It has engaged in peace-keeping operations and it has been successful in Afghanistan. It is moving in Cyprus. It is moving in other parts of the world. I think we find the United Nations coming back into its own after a rather dismal period of time when it was the last resort for most of us.

I would hope that this amendment could be accepted.

I yield the floor.

Mr. HOLLINGS. Mr. President, let us be serious here for a moment. The distinguished chairman of the Foreign Relations Committee whom we all know——

Mr. MOYNIHAN. Mr. President, I make a point of order that the Senate is not in order. We cannot hear the distinguished chairman.

The PRESIDING OFFICER. The Senate will be in order. If the Senator from South Carolina will suspend, Senators will clear the well and take their seats.

The Senator from South Carolina.

Mr. HOLLINGS. I thank the Chair.

Mr. President, we all have the greatest respect for our colleague, the chairman of the Foreign Relations Committee. But let us be serious for a moment because he said he would hope it could be accepted. We had an occasion here just momentarily to discuss this amendment. If this was the order of business, if this is the way we could do business, taking from the Defense Department $100 million and putting it over in my bill. I would have done it long ago. It would be a wonderful—in fact, I would not stop at $100 million. I have $1 billion or $2 billion in mind.

We have a drug bill, and probably the Congress will pass that in an orderly fashion. Perhaps it could be passed by what the distinguished Senator from Rhode Island wants in an orderly fashion because the United Nations has improved and everything else like that. It was he who was talking about authorization.

This is absolutely a violation of the budget summit agreement. It violates it. It violates rule XVI paragraph 8 of the Senate rules whereby you cannot transfer expended balances from one Department to another. And, of course, it would cause us to exceed our 302(b) allocation. It violates 302(b) in that it gives us $100 million more than we were allocated.

You see what the committee did was to give the full $489,906,000 requested for contributions to the international organizations which included $144 million for the United Nations.

The bill also includes $29 million requested for the peacekeeping forces in southern Lebanon and Golan Heights. We fully used the $3.788 billion allocated pursuant to the budget summit agreement through our 302(b) allocation for the category 150 foreign affairs section. Any increase in the bill total, of course, puts us in violation of the 302(b) of the Budget Act. The chairman of the Budget Committee, Senator CHILES, has already sent word confirming that and will support a point of order pursuant to section 302(f) of the Budget Act.

Last year, Mr. President, the administration belatedly requested our full U.N. assessment of $193,188,000 but the budget resolution that passed this body here only allowed us to recommend $416 million or 75 percent of the administration's request for the contributions to the international organizations.

We got together. We have not been unaware or incognizant. On the contrary, we have been in touch with Ambassador Walters. We negotiated with him. We worked out the $144 million that we included in the continuing resolution. But there is a $44 million holdback to comply with the Foreign Relations Authorization Act of the distinguished chairman of the Foreign Relations Committee, specifically, the provision under section 702 of the Authorization Act where the President is to report the progress made on reforms in the United Nations.

The President has not reported. So the United States has not been able to forward that sum of money. But what we are bound with here today where we were berated last night for not being authorized with respect to the TV Marti, we are now being beat on the head for complying with the authorization this morning, of the Foreign Relations Act and of violations of all these other provisions.

We could go into the merits of this. Apparently there is a news article, and 10 Senators jump up and get excited that nobody knows about the United Nations or Ambassador Walters.

I have talked with Ambassador Walters three times in the last few weeks because I was working with him on a solution to the hearing there that was the subject of the amendment of the distinguished Senator from Florida last evening. We need to keep the best personnel in New York. I am one of his admirers. I think we are doing a good job at the United Nations, and it does cost a lot to live in New York. I have been working with him hand in glove. We have in here the best we can do.

As was pointed out in the dialog last night, we are going to continue to work with Ambassador Walters on his amount. I do not want to cut off anybody on this score. We will have a conference on which point of order we want to make or motion to table.

I see that Senators want to be heard on it. I think I will have to raise the point of order on exceeding the 302(b) allocation for this bill; and if the Senate votes that down, I will move for $1 billion more, and I will join you. [Laughter.]

Mr. RUDMAN. Mr. President, the distinguished Senator from South Carolina has said it all.

The fact is that everybody recognizes that, in light of some of the current U.N. responsibilities, the funding in this bill is probably inadequate. The chairman agrees on that, and I agree on that.

Aside from the problems of the United Nations and the problems that a lot of people there make $150,000 a year, aside from the fact that many think some of the money is spent not in a prudent fashion, we can say that the United Nations needs money for the things it does and does well.

We are dealing with reality here. We are at our 302(b) allocation, No. 1. No. 2, we have done precisely what the budget summit—the leadership of this Congress—agreed to. We have put the defense number in, the discretionary number in, and the foreign operations number in.

The Senator from Rhode Island, the chairman of the Foreign Relations Committee, understandably, with his responsibilities, is unhappy with that, and so are a lot of people. I am unhappy about the money for the FBI. As Samuel Gompers said in the 1800's, we would like more, but we do not have it.

We are at the bottom of the barrel, and we have a whole arsenal of weapons to deal with. I leave it to the chairman's good discretion as to whether to table, raise a point of order, or whatever. This is not a good amendment, and it should be defeated overwhelmingly.

Mr. MOYNIHAN. Mr. President, I rise to support the amendment.

I say, first, that I fully understand the case made by the distinguished Senator from South Carolina and the distinguished Senator from New Hampshire that this amendment is in violation of one of our rules. The Senator from Rhode Island, the chairman of the Committee on Foreign Relations, knows that.

The Senator's amendment is an unusual and exceptional proposal because we are at an unusual and exceptional moment. It appears that the war between Iraq and Iran, the bloodiest war since World War II, may now come to an end. It appears that Iran is exhausted and that a decision by the Ayatollah Khomeini to ask for peace, an act which he said was comparable to his taking poison, was a decision more than to end the war. It signaled the end of an assertion about the whole of the Islamic world, which was profoundly unsettled. And in exactly that measure, the prospect of peace is profoundly reassuring.

If we have that peace, which is being negotiated at the United Nations in the context of Security Council Resolution 598, the United Nations will be asked to send a peacekeeping force.

What are peacekeeping forces? Do they keep the peace? Certainly, they cannot. But they can make clear, if the peace is broken, which party broke it. They are a plateglass window and there for the world to watch.

Peacekeeping is a role which some of the smaller nations in the world play with exemplary willingness. I think of Nigeria, a Third World country; Ireland, a neutral country. Those countries and others will be sending their troops to the Persian Gulf, in a situation where we will be withdrawing some of our fleet.

The costs of a U.N. peacekeeping mission will be trifling compared to the daily cost of deploying our fleet there, in terms of dollars and, quite possibly, in American sailors' lives.

If it turns out that the United States will not contribute—or cannot contribute—the equivalent to the peacekeeping force, the question is will there be one? The United States is withholding its funds, withholding its assent, and withholding its participation in the international decision. We do not want that to happen. Surely we do not need it to happen.

If the Secretary of State were in here talking, he would surely say he needs this money, he needs it now, he needs it in the context of the end of the bloodiest war in a generation. And recent events bring with them the prospect not just of peace, but also the end of the Iranian threat to the Islamic world.

Yes, it violates and is contrary to one of our rules, an orderly, sensible rule. But a rule, Mr. President, surely can be set aside in this situation of extraordinary opportunity.

This is an opportunity for us to contribute to a peacekeeping force which will permit us to withdraw much of our fleet and put an end to the most devastating war since World War II, the first war since World War I in which chemical weapons have been used.

I would simply say to the distinguished managers that, of course, we are asking that the rule be set aside, but we are asking that be done in the most exceptional of circumstances and for the most laudable of purposes.

Mr. President, I hope we might persuade the Senate of this. It is a rare occasion in which the chairman of the Foreign Relations Committee comes to the floor for such a purpose.

I would hope that we would acknowledge his authority in this matter and support him in this proposal.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, we would be glad to talk with the distinguished Senator from New York who is interested in the dire emergency. We do not have an emergency supplemental bill any longer. We have dire emergency supplemental bills. That dire emergency supplemental bill was reported out of the House Appropriations Committee on yesterday. It will pass the House today. It will be on the desk here in the Senate probably by dark. That is on the way.

We do have a request from the Secretary of State. We have provided the full request for 1989. We have not heard a thing further. We are waiting to hear. We are anxious to hear, but we cannot change policy because—well, I will not make that comment.

Let me yield and let the others talk because we are ready to make the point of order, and I am sure that the distinguished Chair will sustain us.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President; I would hope somehow we can get something worked out. Technically there is no question the Senator from South Carolina is absolutely correct as is our colleague from New Hampshire, but it is also true we are at that special moment when finally we may achieve peace in the Persian Gulf.

And I do not want to have the United States be the reluctant partner that does not meet its responsibilities in that area.

I cannot tell you what is going to happen next month or 2 months from now in the Persian Gulf. But what we know is if we do not get this resolved and resolved quickly, more innocent lives, including more American lives, are going to be lost.

I see there is a huddle going on down in the well and down in the aisle there. I hope something can be worked out.

Clearly, we have a responsibility and we ought to meet that responsibility, and the rules of the Senate should not preclude our meeting that responsibility.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, while that huddle goes on, let me just state very bluntly and very openly that the United States is in the position of becoming one of the world's largest scofflaws or biggest deadbeats.

It is not a very happy position for us to be in as a nation when we refuse to support to the extent we are obligated to support the very organization which we hope will help us bring peace in not just one but a number of parts of the world.

We are already $65 million behind in our obligations to the U.N. peacekeeping forces. We are $467 million behind in paying past dues. And the failure of the United States to pay its budget has prevented the United Nations from replenishing its emergency reserves.

Mr. President, there is a long and growing list of peacekeeping operations which are current and which gives us a chance in 1988 of reaching further toward peace in many parts of the world than we have been able to do in a good many years.

Just listen to the list: We have or are on the verge of a peace in the Persian Gulf between Iran and Iraq. It is going to be imperative that the United Nations step in and offer a peacekeeping operation.

The Soviets are now withdrawing from Afghanistan and that, too, is under a U.N. program where they are being asked to take on international responsibility.

We have an agreement in principle in southern Africa. U.N. peacekeeping forces will be needed to oversee the withdrawal of South African troops and the withdrawal of Cuban troops from Angola.

There are growing possibilities of Vietnam's withdrawal from Cambodia, which once again will call on U.N. peacekeeping forces.

The U.N. peacekeeping forces may be needed to oversee a referendum on the future of the Western Sahara.

In half a dozen places throughout the world, today, now, right now, the United Nations is being asked by its individual and constituent member nations, including the United States, to take on responsibilities for which we are unwilling to pay.

And I guess the question, Mr. President, is a larger one than whether this is inside or outside of 302(b), whether it is inside or outside of a particular Senate rule. The fundamental question is if not here then where; if not now then when?

Before this Congress is over certainly and hopefully today or at an agreed-upon alternative we should step forward, put up our dues or decide that we no longer want to be an active member of the United Nations and simply withdraw.

Those are the legitimate alternatives.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, lest anyone think that peace is breaking out all over the world and we are holding it back because of some technical rule, let me remind my colleagues that there is no rule against offering an amendment that will take part of this $15 billion in the Commerce, Justice, State appropriation bill before us and transfer it to this purpose. The rule is against milking the same old cow that gets milked every time some new cause comes along, and that is defense.

So if the distinguished chairman wants to take money out of Legal Services, which is overfunded from the agency's request by $58 million, there is no rule that prohibits him from doing that. The rule simply says we have agreed on what was going to defense and what was going to each of these other appropriations.

Now that peace is breaking out all over and these daisies are blooming all over the world, we want to come in and instead of taking money for the purposes that it was provided and reallocating it, people want to take the money out of defense. Well, let us not forget the source of this peace, since peace comes through strength and our capacity to keep Ivan back from the gate and to keep the world free depends on a strong and vibrant defense.

So I just want to remind my colleagues that if this is such a critical priority, why do you not take money away from one of these other 100 programs that are funded in this appropriation instead of going back to that weary old cow, trying to jerk that last pint of milk out?

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I understand my distinguished colleague, Mr. PELL, has a modification.

Mr. PELL. That is correct.

Mr. President, I ask unanimous consent to modify my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. I ask that my amendment be modified by eliminating page 2.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment, as modified, is as follows:

SEC. 101. UNITED STATES SUPPORT FOR UNITED NATIONS SECURITY AND PEACEKEEPING ACTIVITIES.

(a) The Congress finds—

(1) The United Nations has had a vital role in mobilizing world opinion against the Soviet occupation of Aghanistan and in negotiating an agreement providing for a Soviet withdrawal from Afghanistan by March 15, 1989, thus permitting the people of that country to regain their freedom and independence;

(2) United Nations Security Council Resolution 598 has provided the framework for an agreement to end the Iran-Iraq war which has been the world's longest lasting and bloodiest conflict since World War II;

(3) United Nations sponsored negotiations now underway provide real hope for a peaceful settlement in Cyprus, this ending the bifurcation of that island and a military occupation of fourteen years duration;

(4) The prospective United Nations role in administering the Western Sahara and conducting a referendum there provides a means for settling a thirteen year old war which has threatened the security of Morocco, an important United States ally; and

(5) United Nations peacekeeping forces will be instrumental to the implementation of prospective agreements providing for independence in Namibia and Vietnamese withdrawal from Cambodia.

(b) The Congress further finds that—

(1) The United Nations security and peacekeeping activities are in the vital national security interests of the United States;

(2) United Nations security and peacekeeping activities represent an unparalleled opportunity for resolution of major regional conflicts;

(3) The United Nations activities will save the United States hundreds of millions of dollars that otherwise would have to be spent in protecting U.S. interests in regions such as the Persian Gulf or in support of U.S. friends in Afghanistan, Angola, and Cambodia; and

(4) The United States therefore should support United Nations security and peacekeeping activities by paying its full assessed contributions to the United Nations and its proportionate share of peacekeeping activities.

Mr. PELL. Mr. President, I understand it is now acceptable to the managers of the bill and I urge its adoption.

Mr. HOLLINGS. Mr. President, I thank the distinguished chairman of the Foreign Relations Committee. The amendment now is just section 101 and makes certain findings with respect to the responsibilities that we have, as outlined by the chairman, the Senator from Washington, the Senator from New York, the Senator from Illinois, and others. We are glad to support the amendment under this circumstance here of mere findings because those are our findings. We hope to work together when the dire emergency bill comes over to do our part for the peacekeeping force in the Iran-Iraq war. We are not opposing that or any other peacekeeping force, or paying our dues if we can find the money.

We are prepared to accept the amendment.

Mr. RUDMAN. Mr. President, that is precisely correct.

I would just point out that when we get a so-called urgent supplemental, under the rules of the Budget Act, as amended, we will have to find an offset. I expect we may be able to do that at that time, but it is going to be difficult. Because one has to recognize that in order to do it, as worthy as this cause is—and I certainly do not disagree—we are going to have to take it either from Defense or from the Commerce Department or from NOAA or from the Legal Services Corporation, which the Senator from Texas would like to do, or from a number of other programs. But each has its own constituency.

So I agree that this is a very good modification. I support it and hope that we can agree to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as notified.

The amendment (No. 2691), as modified, was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2692

(Purpose: To increase the appropriation for the Drug Enforcement Administration and to reduce the appropriation for the Legal Services Corporation)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Texas [Mr. GRAMM], for himself, Mr. COCHRAN, and Mr. NICKLES, proposes an amendment numbered 2692.

Mr. GRAMM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 77, line 14, strike all after the words "as amended" through line 23 and insert in lieu thereof the following: "$250,000,000.

"Notwithstanding any other provision of this Act, the appropriation of the Drug Enforcement Administration shall be increased by $58,555,000."

Mr. GRAMM. Mr. President, the distinguished ranking member on the committee has just told us that we reached the bottom of the barrel; that we are having to make very tough decisions concerning budget priorities. He is obviously correct. In fact, the chairman of the committee and the ranking member have been among those who have forced the Congress to set priorities to run our business as any family or business enterprise in America would have to be run, and that is by setting priorities.

My objection to this bill is the way the priorities have been set. I would like to first note that, relative to the level of funding requested by the administration and by the agencies to carry out their mandate, this bill underfunds the Federal Bureau of Investigation, the Drug Enforcement Administration, the Immigration and Naturalization Service, prison construction and, relative to the revised request, it overfunds programs such as the Legal Services Corporation.

Now, Mr. President, on many occasions we have debated the relative merits of all these programs and debated the particular merits of the Legal Services Corporation. In fact, only last year the distinguished Senator from New Hampshire enlightened us all and told us that, when all of these questionable practices occur in the Legal Services Corporation, the money is not really coming from the taxpayer; that that particular money they are spending for purposes like lobbying and the promotion of social causes, always comes from outside sources and not from the taxpayer. So that is not an issue here today.

What is at issue is this: When the Legal Services Corporation in its revised request for funding asks for $250 million to carry out its important mandate, should we increase that funding level by $58.6 million and, at the same time, cut funding relative to the request for DEA?

At a time when we face a war against those who are profiteering off the health and happiness and safety and sometimes lives of our children, I think it does not make any sense to be cutting the request for the Drug Enforcement Administration. I think, quite frankly, with the mandate that we are about to impose on that agency in the name of trying to win the war against illegal drugs, that the funding request that they made ought to be an absolute minimum and, in fact, the debate ought to be about increasing their funding to respond to the mandate that we are about to give them.

So this amendment, if adopted, will fund the Legal Services Corporation at the level requested by the agency in its modified submission. It will reflect the level requested by the President in his budget. The $58 million that has been added above the agency request will be transferred to DEA to fund our war on drugs.

Now, my distinguished colleagues here are about to point out that, although it is true that the Appropriations Committee cut funding for the war on drugs relative to what DEA and the President requested, the committee actually funded it above last year's level.

Well, it did fund DEA slightly above last year's level, but not enough above to buy the same services that were bought last year.

In fact, the actual current services' budget—which is a concept whereby you calculate what it would cost to provide the same DEA enforcement next year as we did this year—shows that after mandated pay increases and increases in costs incurred, DEA will have an actual reduction in its real budget given the level of funding being proposed here.

I have a great deal of respect for the chairman and ranking member of this committee, but I do not believe a real cut in the DEA budget, at a time when America is screaming out for help in a losing war against drugs, makes any sense whatsoever. I do not believe that it reflects the priorities of the U.S. Senate. And that is what this amendment is about.

We are always hearing talk about making hard choices. Well, this is an opportunity to make a choice that, in my opinion, is not so hard.

The Legal Services Corporation, in its revised request, asked for $250 million. This amendment gives it $250 million. What it also does is increases funding for DEA, to give that agency the money it asked for but did not receive and to give it the funding needed to carry on what we hope can become a successful war against drugs.

I want to tell my colleagues what DEA says that it is going to be forced to cut back if these funds are not provided. It is going to be unable to buy the aircraft needed for Latin American drug suppression efforts. It is going to have to postpone improvements in the El Paso Intelligence Center, where drug information from all over the world comes together, where we try to coordinate our effort that now involves the military and that involves over 15 Government agencies that try to put these drug thugs were they belong, which is behind bars and, for those who kill our law enforcement officers, to put them to death.

Finally, it will be forced to cut back in those areas that are producing Government seizures of drug assets. And since we are selling those assets, that is helping to fund the war on drugs.

In addition, if the current figure stands, it might be necessary to have a furlough program for employees for a certain number of days. I ask my colleagues: Is it your priority that we not undertake a program which DEA has asked for, to suppress drug production in Latin America? Is it your priority that we not improve the El Paso Intelligence Center, which is bringing together a multibillion dollar effort in our war on drugs? Is it not your priority to increase our effort to enhance our ability to seize drugs, and do we want potentially to have a furlough of DEA employees, all in the name of funding the Legal Services Corporation above its revised request?

Mr. President, unless my priorities as they relate to the American people are totally skewed, I do not believe for a minute that the U.S. Senate is in favor of cutting real funding for DEA, slashing its budgetary request, denying it the resources that it needs in order to carry out a successful war against what the public perceives to be the No. 1 problem in America.

I wish we had enough money to fund everything. Quite frankly, I think the amount would have to be a lot higher to justify the kind of add-on above the requested level we see here for the Legal Services Corporation. But we do not have that money so that is not relevant to the debate.

We are going to vote here in a minute. If you want to leave the money in Legal Services Corporation, above their revised request, and therefore deny DEA the funds it has requested to carry out a successful war on drugs, then you want to vote against the amendment.

If, on the other hand, you believe that it does not make sense to deny DEA aircraft for drug suppression, that it does not make sense to postpone improvements in the El Paso Intelligence Center at the very time we are committing more resources to the drug effort, if you do not think it makes sense to cut back on our seizure program, or if you do not think it makes sense to face the potential of furloughs, then I want to urge you to vote to adopt this amendment.

Mr. President, this is simply a choice of priorities. You may think the Legal Services Corporation is vitally important. You may think DEA is vitally important. But we are now down to a time to choose, given budget priorities. I hope my colleagues will ask themselves what their constituents think represent the real priorities that the Senate should have.

I believe we ought to fund DEA and that we ought to make this reasonable, appropriate and conservative transfer. I yield the floor and reserve the balance of my time.

The PRESIDING OFFICER. The Senator from New Hampshire. Who yields time?

Mr. RUDMAN. I believe we have on this side approximately a half-hour and I yield myself as much time as I would like.

The PRESIDING OFFICER. The Senator from South Carolina has 20 minutes—30 minutes on one side and 20 minutes on the other.

The Senator from South Carolina controls the time. He has 30 minutes.

Mr. RUDMAN. Parliamentary inquiry, Mr. President. It is my understanding that this unanimous-consent agreement allowed 1 hour equally divided, 30 minutes a side. Is the Senator from New Hampshire correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HOLLINGS. I yield such time as is necessary to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. I thank the Chair.

Mr. President, once a year my friend from Texas, it seems to me, has a lapse from his usually superb judgment and brings this type of amendment to the floor. We agree on almost everything.

As a matter of fact, it is kind of ironic that the three Senators handling this particular amendment are GRAMM, RUDMAN, HOLLINGS, who tend to work together on most things and most times.

The Senator from Texas is a past master at setting up straw men and then knocking them down and he has just given us a good example of that, setting up all of these horrible things happening within DEA and then pointing out Legal Services should have a lesser priority.

I, of course, would agree that Legal Services should have a lesser priority than the fighting of drugs in this country. But then I would have to agree with the Senator from Texas that we are not doing much for DEA and that just happens to be just plain false. Let me point out that since fiscal year 1981, DEA's appropriation has gone up 133 percent, from $216 million to $503 million this year.

I would also point out that there are $64 million additional in the drug package that is assigned to DEA. And this subcommittee works extensively with the leadership of the Drug Enforcement Administration, and I think the chairman would support me when I say that we work closely with them, and we have funded, realistically, their requests.

Before this year is over and a drug bill is passed, DEA will have what it needs that it can use efficiently. I am sure the Senator from Texas would be the first one to agree with me if you give an agency too much money too fast, they do not use it efficiently, and we have seen some examples of that, which is what a certain piece of legislation the Senator from Texas, the Senator from South Carolina, and the Senator from New Hampshire jointly sponsored in 1985 was all about.

Let me make a couple of observations about Legal Services Corporation. First, most of the kinds of problems that the Senator from Texas has been concerned about in that agency I shared. And from 1981 until this moment, many, if not all, have been rectified. It might interest the Senator from Texas to know that 95 percent of the dollars that we appropriated last year to the Legal Services Corporation went for the representation of poor people in the normal everyday kind of court case that poor people needed help in, whether it be income security, landlord-tenant, disability cases—all sorts of problems that poor people in this country endure more than the middle class.

Legal Services spent 95 percent of that money for those purposes and I am sure the Senator from Texas will be the first to agree that in America all people are entitled to justice. And without representation in this court system of America, you cannot have justice. And justice denied is surely not justice at all.

Let me talk about the Legal Services Corporation's requests. Let us come into the real world. We all know that the Legal Services Corporation Board, an 11-member Board, has been split 6 to 5 for the last several years. We know there are six members of that Board who really, Mr. President, do not believe in the Legal Services Corporation. They are on record as saying that they believe that a whole range of things would be better for poor people than Legal Services Corporation.

The new president of Legal Services Corporation, who has recently been interviewed by Legal Times, who was handpicked to replace another handpicked president of Legal Services Corporation, picked by the same six-member majority but somehow could not live up to their expectations and was asked to leave; the new president is quoted that one of his first priorities would be to reduce the funding for the Legal Services Corporation.

I wonder, Mr. President, what would happen if a corporation brought in a board of directors, elected a new president, and the president of the corporation said publicly that his first priority would be to try to impair the efficiency, cut down on the delivery of services of that corporation? Obviously, what we had in this corporation for the last 5 years has been, essentially, a war between those in this country who believe in legal services for the poor and a board that is supposed to run that corporation, but has done more to run it into the ground than it has to run the corporation in any positive way.

So, I am simply going to say that I think the Senator from Texas, who knows, probably, as much about current services budgets as anyone—I would just make an observation to the Senator from Texas. In 1981, the appropriation for Legal Services Corporation was $321 million. It has been cut over the years in real terms and in fiscal terms. This year we are up to $308 million.

In terms of current services, doing a quick calculation, it seems to me that what we are doing is giving Legal Services Corporation about 60 percent of the money in 1988, in real terms, that they had in 1981. So, no one can say we have given it a high priority. If we gave it a high priority, we would have allocated about $440 million to bring it in a current service position that would equal its 1981 figures.

So, Mr. President, let me just make it clear to our colleagues who are watching that, No. 1, we have not underfunded DEA; No. 2, there will be an additional $64 million for DEA; No. 3, the current Board of Legal Services Corporation that brought this request forth does not believe in the Legal Services Corporation, and by their act and their deed over the last 5 years they have proven that overwhelmingly. And, finally, Mr. President, let us here in the U.S. Senate agree on one thing: that poor people in America are entitled to representation to enjoy the fruits of our system of government. I thank the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I yield myself just a few minutes. By way of emphasis, DEA has been increased since 1981, 135 percent. Legal Services, if the bill is approved and the Gramm amendment is rejected, will still represent a 4-percent cut.

We have been systematically increasing the DEA up, up, and away. It is really not the DEA, Mr. President. My distinguished colleague from Texas is very clever. He picks out a popular thing at the moment. It was crop insurance before; transferring money to crop insurance. In DEA, he knows what is popular at the moment. Any way he can gut legal services he stands to gut it and transfer the money over.

We have drug caucuses, or "cauci," whatever the plural is. We will come in and appropriate billions in a little while for drug enforcement. In fact, yesterday the House Appropriations Committee added $2.6 billion over on the House side for drugs. We are going forward on the drug problem.

I can say right now, if the amendment of the Senator from Texas is taken, they will all turn to drugs. The poor have been denied. We are not doing the job. This job was started back under Justice Lewis Powell when he was lawyer Lewis Powell and president of the American Bar Association. I have had to fight for legal services over the past 15 years.

Mr. President, I ask unanimous consent to print in the RECORD a letter from the American Bar Association and a letter from one of the outstanding attorneys in my own back yard, Armand Derfner.

There being no objection, the letters were ordered to be printed in the Record, as follows:

AMERICAN BAR ASSOCIATION,
Washington, DC, July 13, 1988.

HON. ERNEST F. HOLLINGS,
Chairman, Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We understand that during Senate floor consideration of H.R. 4782, fiscal year 1989 Appropriations for Commerce, Justice, State, the Judiciary and Related Agencies, an amendment may be offered to reduce the appropriation for the Legal Services Corporation by $58.5 million and increase the appropriation for the Drug Enforcement Administration by that same amount. The American Bar Association strongly opposes this amendment and urges its defeat.

Opponents of the Legal Services Corporation have regularly sought to undercut its effectiveness by offering proposals to further reduce its funding. Frequently the proposals take the form of suggestions to transfer Corporation funds to another attractive program—e.g., to crop insurance two years ago, or to the DEA now. The Senate has repeatedly rejected such proposals in the past and should do so now.

The Legal Services Corporation is an effective, efficient mechanism for ensuring access to the justice system for the nation's poorest citizens. The program's proposed funding level, $308.555 million, or 1 percent above current level, represents the first funding increase for the program in four years and leaves it roughly 40 percent below its fiscal year 1981 level, as adjusted for inflation. The federal investment to ensure access to the legal system for the poor is less than $10 per poor person. Even with this modest federal contribution, the free legal services contributed by over 100,000 lawyers, and funding from other sources, the Corporation's beleaguered grantees are able to meet only about one-fifth of the legal needs of the poor. Further cuts would have a devasting effect on the ability of these programs to supply legal services to the poor.

By making the legal system work for the poor, we are enabling them to resolve, through conventional legal means, problems which might otherwise require public assistance or intervention. We urge your colleagues to reject any effort to reduce the funding for the Legal Services Corporation.

Sincerely,

ROBERT D. EVANS.

—

McCLAIN & DERFNER,
Charleston, SC, March 3, 1988.

Re Legal Services Corporation.
Hon. ERNEST F. HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: I am writing to urge that the "back-up" centers be preserved and funded adequately within the Legal Services Corporation.

Last year I took on a pro bono matter on behalf of a woman who needed a liver transplant but who was unable to get one because of our State's unwillingness to treat the cost as covered under Medicaid. Because of my inexperience with the complex federal regulations, I asked for help from our local legal services program (Neighborhood Legal Assistance Program), and we both then turned to the statewide back-up center in Columbia (South Carolina Legal Services Association). With the help of these programs, we helped a group of physicians persuade the State agency to change its policy and make it possible for this eligible client to obtain a liver transplant.

As a private practitioner, I am often faced with pro bono cases, like this one, that require specialized knowledge I don't have. If not for the legal services lawyers in the back-up center and the local program I would not have been able to do anything, but because they were there to help, we were able together to do important work for a deserving person and for many others.

I hope you will not only preserve but strengthen the back-up centers and the legal services program in general.

Sincerely,

ARMAND DERFNER.

Mr. HOLLINGS. The American Bar Association opposes this amendment. The old-time lawyers doing pro bono work oppose it. They know of the wonderful good the Legal Services Program does under the most trying conditions. Actually it is a 4-percent cut after 8 years so we are still down; we have not gotten back to where we were.

This is just an attempt to decimate this particular program. It is not to help drugs; it is to deny the poor.

On that basis, we are ready to have an up-or-down vote. I was bemused by the Senator talking about a tabling motion. We will give him an up-or-down vote. We think Senators will see through this particular sham about "Let's help drugs." Let us not go off on that drug of an argument. I can tell you right now, they are not trying to help drugs. When they went to crop insurance, they were trying to get at Legal Services. That is exactly what he is trying to do.

We have this exercise every year. I hope next year it will be law enforcement or maybe the budget deficit that he and I both agree on.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I always enjoy debating my good friends and colleagues here. Before we close the debate, I would just like to go over the facts. I think it is clear that there is a difference here about the Legal Services Corporation. Our distinguished colleague from New Hampshire does not like the way the Legal Services Corporation is being run. He does not agree with the majority on the board. It is a perfectly legitimate issue, but that is not the issue here.

I do not understand how somebody can say I am gutting the Legal Services Corporation by proposing that we fund it at the level that the majority of the members of the Board of the Legal Services Corporation requested. I never heard of giving people what they ask for being called gutting a program.

Obviously, if you do not agree with the way the Board is running the Corporation, if you want them to do things they are not doing, then you might view that as gutting it. But I do not think most people who are just looking at the argument from the outside would conclude that.

I also do not understand how trying to pare back on spending is necessarily equated with impairing efficiency. In fact, people are brought in to run American corporations every day who have the job of paring back spending to try to promote efficiency. Efficiency can be promoted with less money as well as it can be promoted with more money. In fact, the whole definition of efficiency is what you are getting relative to what you are spending.

The sad reality is that this bill cuts the funding for DEA $34.8 million below the level that the DEA said it needed to carry out its mandate, before anybody ever mentioned this omnibus drug bill that will soon come before us. This appropriation cuts funding for DEA $34.8 million below the level it requested. It cuts funding for the FBI below the level of the request. It cuts funding for INS below the level of the request. And at the same time the Governor of Massachusetts, Michael Dukakis, is putting out on weekend furloughs murderers who go out and rape and kill people, we are cutting back on the funding requested to construct prisons where we can put people away and keep them there where they belong.

I know there is a dispute about Legal Services, and I know there is great affection in the heart of my distinguished colleague from New Hampshire for Legal Services, and I know the size of his heart and count affection for me as part of that heart.

But, Mr. President, the request here is one of priorities. This bill cuts funding for DEA below the level it says it needs. If we maintain this level of funding, DEA says it is going to not get the aircraft it needs to spray dope in the fields and kill it before it can kill our children. It says it is going to have to postpone improving the intelligence program that brings all these agencies together, and that does not make any sense.

I urge my colleagues to make a choice, and it is not a cruel and inhumane choice. We are not killing the Legal Services Corporation. We are cutting its funding back to its request so that we can raise DEA up above its request. I do not think that is unreasonable. That is what we are here to do: set priorities.

Is overfunding Legal Services more important than funding DEA to do something the American people believe is critical? I think this amendment should be adopted, and I urge my colleagues to vote for it.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. I will be very brief, Mr. President. I believe we will be ready to yield back time and then go to a vote on the Senator's amendment.

Let me say, the Senator from Texas sounds like he makes a compelling argument about the DEA funding, but the fact is the Senator from Texas, who has been a leader in the fight against Federal spending, would agree with this Senator that if we were to honor the request of every Federal agency at the level that they request, then we would have a Federal budget probably $250 billion higher than we are now. It would be up in the $1.3 trillion area.

The fact is that we always examine these budgets in terms of fiscal realties. As a practical matter, that is not really important here because the priority of the Drug Program has been recognized, and before this year is out, DEA will have about $33 million more for its program than it originally requested. I seriously question whether or not that is a proper amount of money in terms of efficiency of expenditure.

I think we have learned over the last few years if we throw too much money at a problem too quickly, we see some of it dropping off the edges. We have seen this in this Government, and we do not like it.

Let me finally say, Mr. President, the Senator from Texas is quite right that I have some affection for the Legal Services Corporation, as well as great affection for the Senator from Texas. That affection comes out of years as attorney general of the State of New Hampshire and seeing the plight of poor people in terrible kinds of problems with no one to turn to and they turn to young lawyers, young men and women who would take a matter for them and keep them and their families from being thrown in the street, from being denied food and having things done to them that should not happen in America in a system where everybody at least ought to exert their legal rights.

In a country of 200 million plus, we will spend this year $308 million so that poor people who have a legal case may bring that case before the bar of justice.

That is what makes America so different. They do not have a Legal Services Corporation in the Soviet Union. They do not have a Legal Services Corporation in most of the Middle Eastern states which deny human rights. They do not have a Legal Services Corporation in Afghanistan. The thing that makes America different is that every American has a system of justice to which he can appeal. That is how we define human rights in America. We do not spend too much money on legal services for the poor in America. We spend too little.

I yield the floor.

Mr. HELMS. Mr. President, the problem we are addressing today focuses on priorities. We need to increase our efforts to fight drugs, not reduce them. We do not need a Legal Services Corporation [LSC] that abuses its power and wastes money. This amendment transfers funds from the LSC to the DEA to help them in their fight on drugs. But the real problem is with the activities of the LSC.

Farmers throughout North Carolina are being harassed by lawsuits brought by Legal Service attorneys on behalf of farmworkers. These suits cost growers tens, if not hundreds, of thousands of dollars.

These lawsuits have cost the growers the chance to expand their operations. In a few unfortunate instances, these suits have driven the growers out of business. I do not need underscore the economic state of the Nation's agriculture. This is certainly not the time to be adding to their financial burden.

Growers have told me that more often than not, these suits are baseless. Frequently the farmer has passed all inspections and reviews by the Department of Labor and State inspectors. In the majority of the rest of the cases, the charges involve minor infractions of the law which would be far better resolved through negotiation or mediation, rather than time-consuming lawsuits.

In fact, it is clear to me that the vast majority of these suits do little to benefit farmworkers. It is pure harrassment that must be stopped. These frivolous lawsuits are just one example of wasted LSC funds.

The Legal Services Corporation has syphoned off funds for national and State support centers that consume over $16 million a year, without producing direct benefits to the people the Congress has vowed to serve. Today, Legal Services Corporation funds 17 national, and 67 State, support centers, in addition to hundreds of private local organizations.

These support centers engage in liberal social reform, in lobbying, fundraising, and social-engineering, while their duty of providing research, information, and training to the field programs is neglected.

These federally funded support centers were set up to provide research in special areas such as migrant issues, domestic issues, and proverty or welfare issues. But the information gathered by the support centers is usually used for liberal political purposes.

It is obvious that the present system is not efficient nor economic. The support centers are consuming millions of dollars that could be better spent resolving individual cases.

The time has come to reevaluate our priorities and to allocate our resources in a responsible manner. I strongly urge the Senate to defund these wasteful support centers and reinvest the time and money into our fight against drugs.

Mr. DeCONCINI. Mr. President, I am going to vote against the Gramm amendment to H.R. 4782, the Commerce, Justice, State, and Judiciary appropriations bill. The Gramm amendment would take $58.5 million from the Legal Services Corporation and add it to the appropriation for the Drug Enforcement Administration. I believe that the appropriation for the DEA should be increased and will be increased. However, I do not believe that the amendment offered by Senator GRAMM is the proper way to go about achieving the necessary increase in DEA funding.

The appropriation level in H.R. 4872, for the DEA is $503,219,000. The budget estimate is $538,072,000, or $34,853,000 more than the appropriation. This shortfall is to be made up in two ways. First, the House Appropriations Committee has approved a supplemental appropriations bill which contains $38.9 million for the DEA. Ths money will be available in both fiscal year 1988 and fiscal year 1989. Second, the Senate is working on a bipartisan drug bill which will contain additional money for DEA. The Democratic and Republican task forces putting together the drug bill have agreed on including $64 million for the DEA. These mechanisms are the proper way to increase DEA funding without decimating another important Government agency.

I have long supported DEA and its vital mission. I have consistently voted for increased funding and resources for the DEA. I believe that the DEA should be strengthened and given the funds that it needs to accomplish what Congress has given it to do.

I have also long supported the Legal Services Corporation and its vital mission. The poor of this country deserve and have a right to legal representation. I appreciate the efforts of bar associations and individual attorneys across the country to provide pro bono legal services and I encourage them to do more. I do not believe, however, that these private efforts are adequate on their own. I have worked closely with the Legal Services Corporation in my own State of Arizona and I know what a good job it does. I want it to be able to continue this good work. I want it to be able to continue to protect the rights of the poor and disadvantaged. The funds that this amendment would cut from Legal Services would severely restrict the Legal Services Corporation's ability to provide these necessary services.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM. Mr. President, I do not know if it is possible for me, with my distinguished colleague, to get the last word, but I will try to be brief.

Our distinguished colleagues have made the point that since 1981 the DEA budget has grown by 135 percent, and that is true. But is there anybody here who does not think the drug problem has more than doubled since 1981? Is there anybody here who thinks we are winning the war on drugs? I remind my colleagues that, despite all this talk about Legal Services, I am not talking about eliminating the Legal Services Corporation. I am talking about funding it at the level at which the majority of the members of its own board voted to request funding. All I want to do is fund DEA at the level at which it said it wanted to be funded.

I think we are again down to priorities. My distinguished colleague talks about throwing money at a problem. All I am trying to do, however, is change the budget to reflect the priorities that were set by the agencies themselves. Somehow, funding that approaches DEA's request is throwing money at a problem, but funding Legal Services $58 million above its request is not.

So I hope my colleagues, though they may be swayed, as is my colleague from New Hampshire, by the importance of Legal Services, will remember that this amendment funds Legal Services at its requested level. It also tries to fund DEA at its requested level.

I ask my colleagues to look at the problem we face in drugs and to vote for this amendment.

Mr. RUDMAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second

The yeas and nays were ordered.

Mr. RUDMAN. Mr. President, I believe the chairman says he is ready to yield back our time on this side.

Mr. HOLLINGS. Is the Senator ready?

Mr. GRAMM. Go ahead.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. Bentsen], the Senator from Oklahoma [Mr. Boren], and the Senator from Ohio [Mr. Metzenbaum] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. Armstrong], the Senator from Vermont [Mr. Stafford] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 28, nays 66, as follows:

[Rollcall Vote No. 260 Leg.]

YEAS—28

Bond
Byrd
Cochran
D'Amato
Garn
Gramm
Grassley
Hatch
Hecht
Helms
Humphrey
Karnes
Kasten
Lugar
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Roth
Simpson
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—66

Adams
Baucus
Bingaman
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McCain
Melcher
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stennis
Stevens
Weicker
Wirth

NOT VOTING—6

Armstrong
Bentsen
Biden
Boren
Metzenbaum
Stafford

So the amendment (No. 2692) was rejected.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator is not in order. The Senate will come to order. Senators will take their seats and clear the well.

THE NEED FOR A NORTHERN CALIFORNIA EXPORT ASSISTANCE CENTER

Mr. CRANSTON. Mr. President, in 1986 I introduced legislation authorizing the Department of Commerce to open a Western Regional Export Licensing Office. Similar language was included in the omnibus trade bill last year. Under the leadership of Under Secretary Paul Freedenberg, the Commerce Department proceeded with a plan to open offices throughout the Nation in areas of high-technology concentration. I was pleased to attend the grand opening of the first office last month in Newport Beach, CA.

Mr. President, I introduced my bill because of the number of high-tech exporters in the West and the disadvantages they face due to their distance from Washington. More than one-quarter of all requests for export licenses come from the State of California. With the Pacific rim as the fastest growing market for high-tech exports, it is only logical to place export administration officials in the West, where the exporters are.

The office in Newport Beach is less than 2 months old, yet the demand for its services has been overwhelming—by far surpassing anyone's expectations. Congressman Les AuCoin, of Oregon, recently received a letter from Under Secretary Freedenberg discussing the Newport Beach office. I will ask unanimous consent that the complete text of that letter be printed at the conclusion of my statement.

The bill before us today includes $1 million for additional export assistance centers. Although I firmly believe more is needed for this function—and that the cost is more than made up in increased exports—I commend my colleagues on the committee for recognizing this important function. I am concerned however, that northern California, which has one of the largest concentration of high-technology firms in the Nation is not mentioned by the committee. Northern California accounts for approximately 12,000 export license applications a year—more than the combined total of 35 States—with exports valued at over $16 billion.

As the letter to Congressman AuCoin indicates, the Newport Beach office is receiving over 200 calls a day, 40 percent of which have been from northern California. This was before any outreach efforts by the Commerce Department. It is clear, Mr. President, that there is a need for an export assistance center in northern California and I urge my colleagues who will be on the conference to appropriate funds for such an office.

I ask unanimous consent that the letter to which I referred be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Commerce,
Washington, DC, July 26, 1988.

Hon. Les AuCoin,
House of Representatives,
Washington, DC.

Dear Les: Thank you for your letter concerning the Bureau of Export Administration's (BXA) new ofice in Orange County, California.

The response to this Western Regional Office has been beyond our expectations. In the first six weeks of operation, the office has received well over 200 inquiries per day, and we have had over 200 exporters visit the office. The demand for licensing information on the part of the business community has been overwhelming and, at times, more than we can handle. This is especially true given the fact that the above mentioned public response was prior to our mailing notices to over 8,000 firms in the Western export community to inform them of the BXA services now available to them on the West Coast.

You inquired about workload and the staffing of the office. We currently have eight full-time employees. In addition, we have three BXA professionals on detail from Washington to help meet the demand from the business community. The use of detailees has temporarily increased the upfront cost of operating the office but is more than offset by the immediate provision of services to the export community. We have two new employees currently being trained in Washington, and they should join our staff in September. In order to keep up with the demand, our personnel in the Western Regional Office have been working an average of ten hours a week in overtime.

Approximately half of the calls we receive have been for assistance in interpreting the export regulations. Assistance in determining commodity classifications is running a close second. The third major grouping of requests are from new-to-export companies who want to know if they need an export license and how to obtain one. This number is encouraging for our trade balance because it shows more companies are getting involved in exporting. These callers also tend to need more in-depth counseling which puts an additional drain on our resources.

Export outreach will be an important part of the Western Regional Office, resources permitting. To date, in the Los Angeles area, we have conducted demonstrations of the new electronic licensing system and briefings on regulatory changes for hundreds of exporters. As a result of these outreach efforts, many firms are taking steps to submit their license applications electronically to Washington. This will reduce the paperwork workload on our headquarters staff and improve further the efficiency of our licensing operation.

You asked if we can identify the source of calls to the new office. Based on a study of incoming calls, we are currently receiving 40 percent of our inquiries from the Southern California area. Approximately 40 percent are from Northern California, specifically the San Jose, Santa Clara and San Francisco area; and 20 percent from Oregon, Washington, and other states in the Western Region. The percentage of calls from outside the Southern California area is growing dramactically as exporters become aware of the Western Regional Office.

Thank you for your continuing interest in helping the U.S. export community and the Bureau of Export Administration.

With warm regards.

Sincerely,

PAUL FREEDENBERG.

FUNDING FOR TV MARTI

Mr. LAUTENBERG. Mr. President, I rise in support of the $7.5 million contained in this bill for TV Marti, and urge my colleagues to defeat any amendments to slow or halt this funding. As a member of the Commerce-Justice-State Appropriations Subcommittee, I was pleased to join the chairman in including this funding in the bill. Named after the Cuban patriot, Jose Marti, TV Marti will complement the Radio Marti Program, and it will also be administered by the U.S. Information Agency.

Last year, Congress mandated that the Advisory Board for Radio Broadcasting to Cuba report on the feasibility and cost of a United States Government television service to Cuba. That report concluded that creation of a United States Government television service to Cuba, or "Television Marti" would be an appropriate action, since the Cuban Government began regular transmission of television programming that can be received along the east coast of the United States. Moreover, the success of Radio Marti in providing information to Cuba not readily available to Cubans bodes well for TV Marti.

The fact that about 90 percent of Cubans have access to a television set, and that recent studies show that TV Marti would reach an even wider audience than Radio Marti, especially young people, indicate that TV Marti would be a great success.

Mr. President, some have argued that the establishment of TV Marti will cause Castro to retaliate against our U.S. broadcasting. However, we must remember that the United States is only responding in kind by establishing this service. Regular Cuban satellite transmissions to the United States are sent for 3 hours daily on Fridays, Saturdays, and Sundays. They have been occurring since July 1986, and the director of Cuban television has announced plans to expand these broadcasts to 8 hours daily. As people who value free speech, we should not shrink from presenting our side of the debate to the Cuban people through the use of public diplomacy.

I do not believe that Castro is likely to retaliate by interfering with U.S. television broadcasters. During debate on the creation of Radio Marti years ago, Castro threatened to start a radio war by deliberately interfering with U.S. commercial broadcasters. But, since Radio Marti has been on the air, Cuba has not interfered with any radio broadcasts.

Moreover, Castro cannot jam the TV signal easily and therefore make TV Marti a costly and ineffective enterprise. While local jamming inside Cuba could affect TV Marti's coverage area, TV Marti can respond by boosting signal strength and broadcasting on alternative frequencies. Moreover, Castro would harm his own public image inside Cuba by jamming.

TV Marti will not interfere with existing Cuban or American stations. TV Marti will broadcast only on available frequencies on the Cuban dial, and there are many. By using a nightly directional antenna, there will be virtually no leakage of the signal into U.S. territory. Furthermore, no U.S. stations in the area now use the intended frequencies. Thus, TV Marti cannot lower the size of service areas enjoyed by private broadcasters over the public airways.

Mr. President, through his rhetoric and his actions, Castro promotes anti-American sentiment throughout the world. Establishing TV Marti will help make Castro accountable to the Cuban people for his unsuccessful foreign adventures, and depressed economic conditions on the island.

The better informed the Cuban people, the better chance they have to overcome Castro's totalitarian regime. TV Marti will make a real contribution to that effort, and is thus worthy of our support. As the saying goes, a picture is worth a thousand words; and a television picture just might be worth a million.

Mr. WEICKER. Mr. President, I rise today, during debate on the Commerce Appropriations bill, not to offer an amendment, but to bring to the Senate's attention a matter of the utmost concern.

I am referring to the continued ocean dumping of municipal sewage sludge off the coast of New England. You may wonder how this relates to the Commerce bill. It relates because the Department of Commerce houses the National Oceanic and Atmospheric Administration, this country's lead agency for research and management of our ocean and coastal waters. NOAA carries out numerous research programs critical to the wise management of our marine resources, several of which relate to ocean dumping.

Now some of my colleagues may subscribe to the old adage "out of sight, out of mind." After all, the current sludge dumping site is 106 miles offshore. For the people who spend a good portion of their lives working the waters around the dumpsite, however, there is an entirely different perception. I would also observe that the residents of my State, and judging from recent cover stories in national news magazines, the residents of the entire country, are by no means unaware of the disturbing problems of ocean dumping.

Sludge dumping at the 106-mile site didn't begin until April 1986. That's just a little over 2 years ago now, yet already fishermen say that they are seeing very disturbing signs. In a recent article in the New York Times, fishermen reported catching fish with fin-rot disease and lobsters and crabs with a disease that burns holes through their shells. The area where these symptoms are being observed was thought to be pristine before the onset of sludge dumping at the 106-mile site, but unfortunately both of these diseases are classic indicators of pollution.

One of the most disturbing points raised by these reports is that while we are allowing the dumping to continue, we don't have anyone who can tell us if the fish and shellfish diseases are in fact related to the dumping. I know that may sound absurd, but committees in the House and Senate have held hearings on this issue and, while expert witnesses will acknowledge that these reports are anomalous for the area, they say the disease cannot be unquestionably correlated with the dumping.

I think a reasonable person would conclude that dumping must be involved. I also feel that the burden of proof should be on the dumper, not on the permitting agency. But until these arguments are resolved the most important thing for us to do is to get the scientific documentation we need of what the impact of ocean dumping is on the marine environment.

To this end, my colleagues and I have included funds in the Commerce bill to carry out targeted research in and around the ocean dumping site. We have provided funding for NOAA to enhance both surface and subsurface studies on the impact of ocean dumping.

The undersea, or in situ, studies will be carried out through NOAA's National Undersea Research Program at the University of Connecticut. This program is NOAA's regional center for undersea research off the northern Atlantic coast. The surface work will be undertaken by the National Marine Fisheries Service facility in Sandy Hook, NJ.

Research at the University of Connecticut has already begun with a series of submarine dives earlier this month, and further dives are planned for mid-August. With the funding provided in the bill before us today they intend to continue a program of direct observation of the impacted areas beneath the dumpsite as well as biological and physical sampling.

Senators may be aware of the legislation introduced by Senator LAUTENBERG, S. 2030, the Ocean Dumping Reform Act, which would completely end the ocean disposal of sewage sludge by December 31, 1991. Regardless of whether that legislation passes, and I sincerely hope that it does, the research we are supporting today must continue. It must continue because we cannot become complacent about ocean dumping. If research shows that dumping is as devastating as some suspect, we will have to consider even more drastic action than that proposed in S. 2030.

Mr. President, there have been several poorly understood incidents of diseased or dying marine life over the last few years. These include the die off of sea urchins in the Caribbean, unprecedented numbers of porpoise and whale deaths off of New England, the bleaching of coral reefs across the Caribbean, and the many localized fish kills in estuaries up and down the Atlantic coast. These events all tell us that the marine environment is under severe stress.

I would ask all of my colleagues to support the provisions of the legislation before us today which seek to improve our limited knowledge of the marine environment and of the ways in which we affect it through ocean dumping.

Mr. HOLLINGS. Mr. President, in the early 1970's the Federal Communications Commission adopted a policy of awarding preferences to minority applicants for new broadcast stations. The FCC concluded that the promotion of minority ownership of broadcast stations would expand program diversity, since it was assumed that minority ownership would affect content diversity. In 1974, the D.C. Court of Appeals affirmed the FCC's decision in *TV 9, Inc.* v. *FCC,* 495 F. 2d 929 (D.C. Cir. 1973) cert. denied 419 U.S. 986 (1974). In 1978, this policy was extended to include women. *See Mid-Florida Television Corp.*, 69 FCC 2d 607 (Rev. Bd. 1978). Subsequently the FCC adopted two other policies designed to promote minority ownership: the distress sale policy and the tax certificate policy. Finally, in 1982 in adopting provisions permitting certain broadcast licenses to be awarded by lottery, Congress included a provision designed to promote minority ownership in the lottery statute.

In 1986, the FCC questioned the constitutionality of these policies because it felt that constitutional precedent does not allow racial or gender classifications to be based on the mere assumption that minority/female ownership will result in increased content diversity. To ensure that the FCC does not eliminate these policies, the legislation before us today prohibits the Commission from eliminating the policies designed to promote the ownership of stations by women and minorities.

On June 29, 1988, the Congressional Research Service released a report titled "Minority Broadcast Station Ownership and Broadcast Programming: Is There a Nexus?" While the report is too long to include in the RECORD, the following is a brief summary of its conclusions. After analyzing data collected from broadcast stations throughout the United States, CRS concluded that there is a nexus between minority/female ownership and program diversity. Specifically the CRS Report concluded that there is "a positive relationship between minority ownership and minority programming. Stations with any minority ownership programmed proportionately more to their own minority audiences as well as to other minority audiences than did those with no minority ownership." In addition, the report indicates that the higher the minority ownership interest in a station, the higher the percentage of minority programming. Finally, CRS concluded that the minority preference policies have played an important role in increasing the number of stations with minority owners and thus the amount of programming aimed at minorities. The report clearly demonstrates that minority ownership of broadcast stations does increase the diversity of viewpoints presented over the airwaves.

The FCC's rationale for questioning the constitutionality of the minority/female ownership policies is factually and legally invalid. I am a strong supporter of diversity in ownership and programming. The Congress demonstrated its support for minority/female ownership policies by including statutory language to preserve these policies in last year's continuing resolution. The language in this year's appropriations bill simply preserves longstanding policies of both the Congress and the FCC, policies that have been upheld by the courts, and policies that benefit all Americans.

BUTTE, MT, FBI OFFICE

Mr. BAUCUS. Mr. President, I am concerned about the possibility that the FBI will propose reprogramming a portion of the funds appropriated by this legislation for the purpose of relocating the Bureau's Butte, MT, divisional headquarters.

This could have a devastating effect on law enforcement in the region. The Butte office is centrally located within the second largest FBI jurisdiction in the country. In fact, if the office were moved there would be no divisional office along the northern border from Minneapolis to Seattle. There are seven Indian reservations and two national parks within this jurisdiction. Moving the office from its present location would increase the distance from every reservation, significantly reducing accessibility, support, and the availability of administrative staff.

As a result, the support and training the FBI provides local law enforcement would be diminished at a time when we face increased activity by violent white supremicist organizations, increased crime on Indian reservations, and increased drug trafficking.

Senator MELCHER, Congressman WILLIAMS, and I have met with both FBI Director Sessions and Attorney General Meese to discuss this issue. We believe that a decision may be imminent. However, we remain unconvinced that the FBI has fully and fairly analyzed the impact that relocating the divisional headquarters would have. We also are unconvinced that the FBI has analyzed the impact that relocating the office would have on the economy of the Butte area.

In light of our concern, I would like to ask the subcommittee chairman, the distinguished junior Senator from South Carolina, how any attempt to relocate the divisional headquarters will be treated under reprogramming procedures?

As a threshold matter, my understanding is that any attempt to relocate the Butte divisional headquarters or its employees would be covered by section 607 of this legislation. As a result, the Justice Department would be required to notify the subcommittee chairman at least 15 days before any relocation occurs. Is that correct?

Mr. HOLLINGS. Yes. Section 607 states that none of the funds provided under this act shall be available for obligation or expenditure through a reprogramming of funds which, among other things, relocates an office or employees, or reorganizes offices, programs, or activities.

As I understand the details of the Butte situation, an attempt to relocate the divisional headquarters would be covered by this provision.

Mr. BAUCUS. It is my further understanding that the administration will not proceed with the relocation if the subcommittee decides, within the 15 day period, to disapprove the reprogramming. Is that also correct?

Mr. HOLLINGS. Yes, that is how reprogramming are normally treated.

Mr. BAUCUS. I hope that the chairman and the subcommittee will scrutinize any reprogramming request involving the Butte divisional headquarters carefully. As I said, relocating the office would have a significant impact on law enforcement in the entire region and on the economy of the Butte area. Despite repeated requests to the FBI, we have not been given an opportunity to review the data that supposedly supports a relocation. In light of this, I believe that it would be inappropriate for a reprogramming to be "rammed through" during the last days of the Congress and this administration.

Mr. HOLLINGS. I appreciate the concerns of my colleagues from Montana. At this point, I do not know enough about the situation to express any position about whether, ultimately, relocation is appropriate. But my colleagues have raised serious concerns that deserve careful consideration. I agree that such a proposal is subject to section 607 of this act and will give every consideration to the matter if and when a reprogramming request is submitted to the committee.

Mr. BAUCUS. I thank the chairman and floor manager for his consideration of this issue.

Mr. MELCHER. Mr. President, I wish to join Senator Baucus in thanking Chairman Hollings for agreeing to review any attempt by the FBI to use any of the funds in this bill to relocate the FBI Divisional Office in Butte.

Law enforcement by the FBI will not be enhanced by moving this office out of Butte. The area served by this office covers both Montana and Idaho, which is a very large area. Major crimes on Indian reservations, investigation of crimes in National Parks, and investigation of numerous violations of Federal laws as well as control of interstate crimes are all Federal Bureau of Investigation responsibilities.

To consolidate the Butte office by moving it to Boise, ID, or Salt Lake City, UT, is a scheme that bureacratic planners like to plot as if it creates efficiency. I see no merit in the numerous studies the FBI has had on reorganization of the Butte headquarters office.

For over a dozen years I have reviewed several different proposals on this office. None have been convincing that the duties of the Bureau would be better handled by moving this headquarters office.

The function of the FBI is only one part of total law enforcement efforts by local, State, and Indian law enforcement officials. Coordination of these activities in Montana would be seriously jeopardized by relocating this divisional office.

I again thank Senator Hollings for his statement.

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, under the previous agreement, I think there will be third reading and final passage.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. Bentsen] and the Senator from Ohio [Mr. Metzenbaum] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Vermont [Mr. Stafford] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 80, nays 16, as follows:

[Rollcall Vote No. 261 Leg.]

YEAS—80

Adams
Baucus
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Grassley
Harkin
Hatfield
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stennis
Stevens
Thurmond
Trible
Warner
Weicker
Wirth

NAYS—16

Armstrong
Conrad
Garn
Gramm
Hatch
Hecht
Heflin
Helms
Humphrey
McClure
Proxmire
Roth
Simpson
Symms
Wallop
Wilson

NOT VOTING—4

Bentsen
Biden
Metzenbaum
Stafford

So the bill (H.R. 4782), as amended, was passed.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer (Mr. Daschle) appointed Mr. Hollings, Mr. Inouye, Mr. Bumpers, Mr. Chiles, Mr. Lautenberg, Mr. Sasser, Mr. Stennis, Mr. Rudman, Mr. Stevens, Mr. Weicker, Mr. Hatfield, Mr. Kasten, and Mr. McClure conferees on the part of the Senate.

Mr. HOLLINGS. Mr. President, once again, let me thank our distinguished majority leader for his help and leadership, and my counterpart here, Senator Rudman. It is always a privilege to work with him.

I particularly thank Warren Kane and Dorothy Seder of my staff.

Mr. RUDMAN. Mr. President, if the chairman will yield, I thank John Shank, Tom Polgar, and Santal Manos of our staff and express our appreciation to the chairman.

It is always a pleasure to work with him and the majority leader helping us move this bill and this year in near record time.

Mr. BYRD. Mr. President, again I thank both managers for their splendid cooperation with the leadership in moving this bill forward. They did it under extenuating circumstances. They did not have much time in advance but, nevertheless, they answered the call to duty and responded beautifully.

Mr. Hollings has been laboring under difficult circumstances as I have been.

But they have done very well, and I thank them both.

I also thank Mr. Dole for his cooperation in moving the legislation forward.

UNANIMOUS-CONSENT REQUEST—S. 675

Mr. BYRD. Mr. President, during the remainder of Senate consideration of S. 675, the endangered species, I ask unanimous consent that the following amendments be the only amendments in order: one amendment by Mr. McClure to require a recovery plan to solicit outside comments; one amendment by Mr. McClure to require an economic assessment of listing or recovery plan; one amendment by Mr. McClure to require an annual report of a listing or recovery plan; one amendment by Mr. Simpson dealing with the study on wolf reintroduction.

Provided further, that there be no motions to recommit with or without restrictions, and that upon the disposition of the aforementioned amendments, there be no further debate.

Mr. DOLE. Mr. President, that will be all right.

I have had one phone call while the Senator from West Virginia was reading the agreement. It was from the Senator from Wyoming, Senator Wallop. We are trying to get back to him now.

I wonder if we might withhold the final request.

Mr. BYRD. Yes, I withhold the request temporarily.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

Mr. BYRD. Mr. President, I ask that the Chair lay before the Senate, in accordance with the order previously entered, the Labor-HHS appropriation bill.

The PRESIDNG OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (H.R. 4783) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1989, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Helms Amendment No. 2661, to provide that, none of the funds made available under this Act, or an amendment made by this Act for the Department of Health and Human Services shall be obligated or expended after January 31, 1989 if on that date the Secretary of that Department, using existing power, has not promulgated regulations prohibiting funds from being used to provide, on the premises of any elementary or secondary school, contraceptive drugs or devices, prescriptions for contraceptive drugs or devices, transportation for contraceptive drugs or devices, referrals for contraceptive drugs or devices, abortions transportation to aid in obtaining an abortion, counseling to encourage an individual to obtain an abortion, or referrals for obtaining an abortion.

Mr. BYRD. Mr. President, I would like to ask for the cooperation of all Senators and urge Senators who have amendments to the Labor-HHS appropriations bill to be prepared to call up those amendments. I hope that it would be possible for the Senate to complete action on the bill.

I urge Senators also to prepare for a late evening session, in the event that it is necessary, to make progress on the bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, I just want to summarize for a moment as we are going back on the bill kind of where we are. We have 22 remaining committee amendments and then we have proposed some 35 regular amendments. We have 19 more committee amendments until we get to the matter on page 46 regarding rape and incest. That seems to be one of the matters that is holding us up in the bill.

If we could get to a vote on that issue and resolve that issue, then perhaps we could start to make some real progress. We are now pending on the Helms amendment regarding contraception and school-based clinics. My understanding is conferences are going on now. I hope that we will be able to proceed on the bill in a timely fashion. I know the leader has said something about people should be prepared for a late night. Maybe it is an early morning. But I hope that we will be able to make some progress at the conferences now being held.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. The pending business is the amendment of the Senator from North Carolina?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Mr. President, it is my intent to seek unanimous consent to temporarily lay aside that amendment and to offer one of my own. However, I do not have it in my hands. It is on the way from my office. In the meantime, I beg the indulgence of my colleagues and will give a few remarks on another subject.

(The remarks of Mr. Humphrey appear later in today's Record.)

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2693

(Purpose: To provide $10,000,000 for the gifted and talented program under part B of title IV of the Elementary and Secondary Education Act of 1965).

Mr. BRADLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Jersey [Mr. Bradley] proposes an amendment numbered 2693.

Mr. BRADLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 52, line 7, after "part A," insert "part B,".

On page 52, line 17, strike out "$1,104,180,000" and insert in lieu thereof "$1,106,180,000".

On page 52, line 18, strike out "$502,000,000" and insert in lieu thereof "$494,000,000".

On page 52, line 20, strike out "$473,700,000" and insert in lieu thereof "$465,700,000".

On page 52, line 26, after the comma insert the following: "$10,000,000 for part B,".

On page 63, line 5, strike out "$260,600,000" and insert in lieu thereof "$258,600,000".

Mr. BRADLEY. Mr. President, this is an amendment that would provide $10 million to fund the Jacob K. Javits Gifted and Talented Children and Youth Education Act of 1988. Money would come from $2 million out of management funds and $8 million out of chapter 2 moneys. It has been cleared on both sides of the aisle.

Mr. President, the Federal Government began its involvement with the education of gifted and talented students over 15 years ago. In 1969, Senator Jacob Javits of New York led the fight for the passage of the Gifted and Talented Children's Education Assistance Act. His efforts focused Federal attention on talented and gifted youth, gave them priority in several Federal education programs, and directed the Commissioner of Education to report to Congress on the current status of education programs for gifted and talented children and the unmet educational needs of these children.

In 1974, Senator Javits provided the leadership needed to appropriate $2.5 million to help local educational agencies aid these children. Again in 1978, Senator Javits introduced legislation leading to the passage of the Gifted and Talented Children's Education Act. Appropriations reached $6.3 million in 1980, allowing for the support of many excellent and innovative educational programs.

Since 1980, there has been a major retreat in Federal aid for the gifted and talented. In 1981, at the request of the Reagan administration, the Gifted and Talented Children's Education Act of 1978 was eliminated as a separate program and merged with 29 other education programs under a block grant—chapter 2 of the Education Consolidation and Improvement Act. By 1986, 87 percent of all school districts receiving funds under chapter 2 had ceased providing any money at all for gifted education. And 13 percent of the districts that provide any support for gifted and talented students spend an average of only $1,000 on their programs. In 1982, the Reagan administration shut down the Office of the Gifted and Talented in the U.S. Department of Education. Today, the Federal Government now plays virtually no role in helping schools provide opportunities for the gifted and talented.

The National Commission on Excellence in Education, in its groundbreaking report, A Nation at Risk: The Imperative for Education Reform, stated:

> The Federal Government, in cooperation with states and localities, should meet the needs of key groups of students such as gifted and talented, the socioeconomically disadvantaged, minority and language minority students, and the handicapped. In combination these groups include both national resources and the nation's youth who are most at risk.

I do not believe we are doing enough to support educational opportunities for any of these children with special needs. Yet, each of these at risk groups, with the single exception of the gifted and talented, receives significant Federal assistance.

Mr. President, the needs of the gifted and talented children are real. We have nearly 2.5 million gifted and talented elementary and secondary students in the country, and nearly half of them have never even been educationally identified. Of these students identified, half are achieving below their ability level, and only 20 percent of their teachers are properly trained to design curriculum for these students. One of the reasons for this lack of attention to their needs is an unfortunate notion that our gifted and talented children will succeed on their own. That's simply not true. Without special attention, these young people frequently get bored and drop out.

In New Jersey, there are presently at least 70,000 gifted and talented school age children. Few of these children receive the services that they deserve and thousands more receive no supplemental help at all.

The talented and gifted need more attention, not less. And to this end, today I seek to amend this appropriations bill to provide moneys to make sure their talents are developed to their full potential. This amendment will rekindle our commitment to the gifted and talented children and youth of this Nation in the name of our late esteemed colleague, Senator Javits.

Eight million dollars of the 10 million will be reassigned from chapter 2 block grant, establishing a funding level for the block grant at $465 million; $2 million will be reassigned from departmental management, establishing a funding level for program administration of $258 million, an appropriation $18 million above 1988 levels and $8,750,000 above the House allowance.

This $10 million will support programs at the State and local level to meet the educational needs of gifted and talented children. Eligible recipients of this funding include State educational agencies, local educational agencies, schools of higher education, and other public and private organizations. Funds will be available to help schools find better ways to identify and educate gifted and talented school-children. Recognizing that special talents know no economic and racial barriers, half of the programs approved by the Secretary of Education must be targeted to economically disadvantaged children.

Mr. President, the Labor, Health and Human Services, and Education Appropriations bill already acknowledges the educational legitimacy of the needs of a select number of gifted and talented children and youth. The current bill provides $1 million for native Hawaiians for 1989. In addition, with passage of the Interior appropriations bill, the Senate will provide $1.4 million to assist gifted and talented American Indian students.

We must also provide a clear mandate for the education of all our gifted and talented students, particularly those from our poorest communities, many being minority students in desperate need of special educational support if their rich gifts and talents are to be developed.

Mr. President, Congress recognized the importance of helping gifted and talented children when we enacted the omnibus education bill last year. The time has come to put our words into action by funding this important program.

Gifted and talented children represent an invaluable national resource, one that remains sadly underdeveloped. I truly believe that our leadership position in the world depends on our commitment to our youth. Our goal must be to do everything in our power to help students reach their potential level of intellectual development. Special attention to gifted and talented students is called for if our Nation is to maintain and improve its position as a world leader in technology, the sciences, the humanities, and the arts. Passage of this amendment is a small step toward this end.

Mr. President, I ask that my colleagues support this amendment. Through this program we not only honor Senator Javits, we begin to realize our own commitment to the development of our gifted and talented children.

Mr. CHILES. Mr. President, the Senator from New Jersey has worked diligently to get the Gifted and Talented Education Program authorized during the recent reauthorization of the Elementary and Secondary Education Act. This program was funded as a freestanding item prior to the creation of the chapter 2 State block grant in 1981. It has been significantly improved under the new authorization, a better target of resources on our disadvataged youngsters.

We have seen some very frightening studies that show among the ranks of our school dropouts some extraordinarily gifted and talented youngsters. These are certainly the kids we need to keep in school so they can reach their full potential and become leaders and role models in their community.

The Senator from New Jersey has found an appropriate offset since this program was originally folded into the chapter 2 block grant. We are simply breaking this funding out once again to fund this initiative. I believe that it is a good initiative, and I know how long and how hard the Senator from New Jersey has worked in the area of gifted and talented children—the whole area of education, but especially in that particular area where he has been a leader in the Senate and, on the part of the majority, we will be pleased to accept the amendment.

Mr. WEICKER. This also has been cleared on the minority side.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey.

The amendment (No. 2693) was agreed to.

Mr. BRADLEY. I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2694

Mr. CRANSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the Senator seek unanimous consent to lay the Helms amendment aside?

Mr. CRANSTON. I ask unanimous consent it may be set aside so I can send this amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

> The Senator from California (Mr. CRANSTON), for himself and Mr. KENNEDY, proposes an amendment numbered 2694.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the end of the pending committee amendment, add the following: "Notwithstanding any other provision of this Act, AIDS education programs funded by the Centers for Disease Control and other education curricula funded under this Act dealing with sexual activity—
>
> (1) shall not be designed to promote or encourage, directly, intravenous drug abuse or sexual activity, homosexual or heterosexual, and
>
> (2) in addition, with regard to AIDS education programs and curricula—
>
> (A) shall be designed to reduce exposure to and transmission of the etiologic agent for aquired immune deficiency syndrome by providing accurate information, and
>
> (B) shall provide information on the health risks of promiscuous sexual activity and intravenous drug abuse;"

Mr. CRANSTON. Mr. President, this amendment is cosponsored by Senator KENNEDY of Massachusetts.

Mr. President, in anticipation of amendments later this afternoon by the Senator from New Hampshire [Mr. HUMPHREY] and the Senator from North Carolina [Mr. HELMS], I am offering this amendment on behalf of myself and Senator KENNEDY. It is intended to address the issues raised by a "Dear Colleague" letter sent by the Senator from New Hampshire and by the Helms amendment, which we have faced in the past. These issues are not new to the Senate. We have debated them before and I am sure we will debate them again.

What I am talking about, Mr. President, is educating people about AIDS. Every time legislation is brought to the floor that would help stop this terrible epidemic by funding life-saving information and education programs, we are faced with attempts to hinder and curtail those efforts. Those attempts to hamstring public health educational programs may be disguised in moralistic language. But the real truth—the bottom line—is that they will contribute to further spread of this disease, more illness, and more death.

Mr. President, our amendment addresses the concerns that have been raised by the Senators from New Hampshire and North Carolina; namely, that the Federal Government should not promote particular kinds of sexual activity. I presume that every Senator shares that view. I would add that our amendment would prohibit Government funding of programs designed to promote any type of sexual activity—heterosexual or homosexual. The Government is not now, nor should it ever be, in the business of funding materials that are designed solely and specifically to encourage sexual activity.

Our amendment would also require federally funded education programs regarding AIDS to provide information on the health risks of promiscuous sexual activity and intravenous drug abuse.

At the same time, Mr. President, our amendment clearly and emphatically would require that all education programs funded under this act "be designed to reduce exposure to and transmission of" the virus that causes AIDS. That, after all, is the purpose of any AIDS education effort. The Federal Government should be doing all it can to support and encourage the development of programs that will slow the spread of this deadly virus.

Mr. President, this amendment will let the community-based organizations that have done the most effective AIDS education efforts—efforts which have had a tangible and measurable impact on stopping this epidemic—continue to do their life-saving work. It would ensure that information that is culturally sensitive can be targeted to individuals and populations with a variety of needs and levels of understanding. Gay men, bisexual men, individuals who are uneducated or illiterate, intravenous drug users, women, teenagers—all may respond to different types of messages and information. What is appropriate to you or me or to the general population may have no impact in persuading a drug addict in New York City or a gay man in Los Angeles to change his behavior.

We must give the public health experts the flexibility necessary to decide what is appropriate or not and, most importantly, what can save lives.

The pending amendment would allow that flexibility. At the same time, it would make it clear that the Government will not support programs with the purpose of promoting sexual activity.

In contrast, the Helms amendment, which was enacted as part of the fiscal year 1988 Labor-HHS appropriations law and which also was attached to S. 1220, the omnibus AIDS legislation passed by the Senate this past April, has had a chilling effect on AIDS education efforts. I anticipate that it will again be offered this afternoon. That approach unduly restricts the efforts of those who know best how to try to get those at risk of contracting AIDS to avoid risky behaviors.

Mr. President, I would like to share with my colleagues what two distinguished, highly regarded reports on AIDS—by the National Academy of Sciences and the Presidential Commission on the Human Immunodeficiency Virus Epidemic—say about AIDS education.

The National Academy of Sciences stated, in its 1988 update of the landmark report "Confronting AIDS," that supporting AIDS education efforts:

> May mean supporting * * * efforts that contain explicit, practical, and perhaps graphic advice targeted at specific audiences about safe sexual practices and how to avoid the dangers of shared needles and syringes.

Specifically in response to the Helms amendment, the report concluded:

> Efforts to stifle candid materials that discuss safer sexual practices and that are targeted at appropriate audiences may take a toll in human lives. * * * Explicit information on the risks associated with gay sex and the way those risks can be minimized does not "promote or encourage" homosexual activities. Its sole function is to help homosexuals avoid an illness that endangers their lives and those of their sexual partners and costs the Nation billions of dollars.

Mr. President, the Presidential AIDS Commission, appointed by President Reagan, also expressed great concern about education programs. In its June 1988 report, the Commission wrote:

> The Commission is concerned that, in the promotion of the personal moral and political values of those from both ends of the political spectrum, the consistent distribution of clear, factual information about HIV transmission has suffered. HIV education programs, for example, should discourage promiscuous sexual activity * * *. However they need to be explicit in nature so that there is no confusion about how to avoid acquiring or transmitting the virus.

Mr. President, the pending amendment would provide reasonable, rational, and responsible guidelines to States and community-based organizations about the content of AIDS education materials. Programs designed directly to promote sexual activity would not be funded. But programs that can help people change behaviors, that can reduce the risk of transmission, and that can save lives will be supported by the Federal Government.

Mr. President, I urge adoption of this amendment. I also urge all my colleagues to oppose any future amendments that would restrict and undermine AIDS education efforts and that would ultimately cost human lives.

The PRESIDING OFFICER. Is there further debate?

Mr. CHILES. Mr. President, I think the amendment is positive. We would certainly urge its adoption on this side.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the amendment proposed by the Senator from California is very similar to the

Kennedy-Hatch amendment which was offered on S. 1220, the comprehensive AIDS legislation which was passed by the Senate on April 28 of this year.

That amendment carried by more than a 2-to-1 margin. It establishes a clear and unimpeachable principle: that the truth is our best defense against AIDS. The amendment provides that AIDS education materials shall be designed to reduce exposure to AIDS by providing accurate information. And to resolve the fears of those who are concerned that AIDS education materials are somehow being used to promote homosexuality, the amendment also provides that no AIDS education materials shall be designed to promote or encourage homosexual or heterosexual sexual activity.

Mr. President, this amendment is a responsible response to those who are concerned about the use of Federal dollars that could encourage sexuality—but it also states in law the powerful concern of the public health community that the language that was included in last year's Labor/HHS appropriations bill had a harmful effect on our efforts to defeat this disease. Mr. President, the National Leadership Coalition on AIDS is a group composed of many of this Nation's most respected corporations, health leaders, public associations and individuals. Members of this group include AT&T, the Burroughs-Wellcome Co., Johnson & Johnson, the American Hospital Association, the AFL-CIO, the American Medical Association, The American Red Cross, and the Catholic Health Association. In a letter dated February 19, 1988, the coalition wrote to me as the chairman of the Labor and Human Resources Committee with this evaluation of the language proposed by the Senator from North Carolina. They write:

> The restrictions offered last year by Senator JESSE HELMS regarding education materials seriously distracted attention from the primary issues comprising the AIDS epidemic, and consumed costly resources to mitigate. Those hours and dollars didn't go into services, care or focused education to help the public understand the primary aspects of AIDS.

That amendment last year cost this country lives and dollars, and caused an irresponsible and completely unnecessary setback in the war on AIDS. More than 100 organizations have written to the Labor and Human Resources Committee opposing the language proposed by the Senator from North Carolina. When we adopted this language last year, we sent a chilling message to the public health community in America. The language provides that no funds may be used to promote homosexuality—and who could disagree with that? The Federal Government has no business encouraging anyone's sexual behavior, whether it is homosexual or heterosexual. But this language does more than that—it restricts the things that public health agencies can say with regard to AIDS education—and that restriction makes this language deadly because of the ambiguity of the terms "promote or encourage." If a federally financed AIDS hotline advises a gay caller that he can reduce his risk of dying by wearing a condom, has the caller been "encouraged" to engage in homosexual sexual activity? If a pamphlet mentions or acknowledges that its reader may be homosexual, have we encouraged homosexuality? The list of possible excesses contained in this amendment goes on and on because the language of the amendment is fraught with ambiguity.

And what is the consequence of this ambiguity? What happens if an agency receives funds and uses them to provide information that is later determined to run afoul of the amendment? Then the agency is required to return all of the funds to the Federal Government. We are talking about groups and agencies that don't have big bank accounts to fall back on to pay a fine like this. They do not keep a big fraction of their money stuffed in a mattress waiting on a rainy day—for them the storm has come, and they deploy all of their resources to the fight that must be waged before more lives are lost. So when—months after the money has been spent—a Federal official waving a copy of the Helms amendment comes to town demanding a refund, that could just about shut them down. So what will they do? With the penalties so high, they will have no choice but to err far to the side of caution. They will not be able to tell the truth in clear language. They will have to censor what we know, because the Federal Government has less courage than the brave professionals and selfless volunteers who have struggled with this crisis since it was first recognized. What a tragedy, with all the struggles that these soldiers face in the war on AIDS, that the Federal Government would tie their hands as they stand at the ramparts. The deans of every school of public health in the United States have written to me that the Helms amendment "would cripple the public health 'war effort' in the most dangerous possible way."

I know that Senator HELMS has claimed that no real damage has been done by his amendment. And when we first faced this issue last year, I thought that the measure was toothless. But it is a fact that the chilling effect of this amendment is for real. It is a fact that effective materials have been shelved and vital proposals have been tabled because of the fear of what this amendment might do. The American Public Health Association, which represents 10,000 public health professionals, has written that the "Helms AIDS amendment—will inhibit the development and dissemination of AIDS educational materials which are appropriate and effective for the populations for which they are designed."

In April, during the consideration of S. 1220, Senator CRANSTON reviewed in detail the programs that have already retreated because of the Helms amendment that was attached to this bill last year. Programs in North Carolina, Texas, Nevada, Delaware, and Illinois, just to start the list, have eliminated materials targeted to gay and bisexual men for fear that they would suffer a penalty under the Helms amendment. The AIDS clearinghouse no longer distributes materials targeted to gay and bisexual men. Yet these populations account for 70 percent of the AIDS cases in this country.

The Senate Governmental Affairs Committee has conducted an extensive evaluation of the effects of the Helms amendment. They have received information from 39 States. They report that officials in Alabama, Illinois, Massachusetts, Nebraska, Ohio, Oklahoma, Utah, New Mexico, and New Hampshire believe that the amendment will cause their prevention efforts to become "more timid" and will stifle the development of safe-sex education efforts. Alabama writes that as "we expand our AIDS education efforts targeted to IV drug users, minority groups, gay and bisexual men, the potential effect of—the Helms amendment—is extremely grave." Other officials in other States report that organizations servicing people in high-risk groups have decided not to submit proposals for funding from the Federal Government.

The cost of this retreat will be borne by this society for decades to come. Make no mistake about it—the Helms amendment will cost lives. Some 200 of the Nation's leading health and behavioral researchers have written to me with this grim warning:

> Proponents of the (Helms amendment) fail to understand that the barriers they construct lead to poor preventive health measures and inevitably cost American lives.

The Child Welfare League of America writes that:

> Amendments that restrict knowledgeable, competent and experienced professionals from writing materials aimed at reaching and influencing (high-risk) youth would have a deadly consequence for many young people.

The U.S. Conference of Mayors "opposes any amendments which could hamper targetted health information from reaching those at increased risk." We have been warned by the American Psychological Association against the Helms amendment in these words: "AIDS education often must be explicit and detailed. Much of the early AIDS education materials relied on such euphemisms like "body fluids" in order to avoid frank discussions about how to really prevent HIV transmission. The mistakes of the past, which caused an untold number of infections due to ignorance, must not be repeated. Last year, we made a mistake, and this year, we have an opportunity to refuse to repeat it. I urge my colleagues to cast a vote for life, for truth, and to strike a blow against the virus, and support the Cranston amendment.

Mr. HELMS. Mr. President, I have listened with great interest, from start to finish, to the comments made in support of the amendment by the Senator from California [Mr. CRANSTON]. Senator CRANSTON was forthright. He announced at the outset that this is an attempt to render nugatory an amendment that was adopted by the Senate on two occasions. They call it the "Helms amendment," and I am proud to have it called that.

First of all, on October 14 of last year, an attempt was made to table the amendment, and the tabling motion failed by a vote of 94 to 2, a pretty good margin. Then the amendment was adopted on April 28 of this year by a margin of 71 to 18.

So, what is afoot here is to restore to various groups, hundreds upon hundreds of thousands of tax dollars to promote sodomy, to promote homosexuality.

This was something that the Senate understood clearly—once last year and once this year, when I offered the amendment. There is no other face to be put on it. They want to render this previous action, this year and one last year, nugatory.

I notice that my distinguished colleague from Massachusetts talked about the chilling effect on the public health community. I will tell you who felt a chilling effect as a result of the Helms amendment. It was those who received countless thousands of dollars collected from the American taxpayers, those who then proceed to spew out rotten, disgusting printed material, videotapes, comic books.

I remember taking one of the comic books—which was produced and circulated by an organization known as the Gay Men's Health Crisis, in New York, which has received almost $700,000 in Federal tax money—down to the White House, and I laid it on the desk of the President of the United States.

I said: "Mr. President, take a look at this and see what "safe sex" AIDS education means.

He looked at it, closed it up, and said, "Good Lord," and he instructed Howard Baker to do something about it, sitting right there.

I obtained a copy of a videotape produced by the same crowd—with Federal tax dollars—and I showed this videotape to a number of Senators. They were disgusted.

Yet, the pretense is made that this is somehow going to help slow down the AIDS Program. Not so. This abuse of public funds is nothing more than an advocacy of sodomy. If anybody doubts it, we will trot out the material again.

I do not know what motivates Senators to believe that, somehow, the homosexual community, by telling how great it is and how to engage in perversion—it will slow down AIDS. I think just to the contrary.

We have heard that this amendment has had a chilling effect on AIDS education. I will tell you who else it had a chilling effect on—the homosexual community. There was a little demonstration. My office in Raleigh, NC, was picketed by these people because of that amendment. Prior to the picketing, they would come in, in pairs, two men kissing and hugging each other and doing other things, to embarrass and humiliate my staff members. I finally got the U.S. marshal to keep them out of there.

If the Senate wants to support the Cranston amendment, fine. We will have a record vote on it and then let Senators go home and say how come they voted one way last year and the same way this year and then turn right around and vote another way because the effect of the Cranston amendment is to render nugatory the Helms amendment. I commend the Senator from California. He was very candid. He offered this amendment, he said, because he knew I was going to offer my amendment. Fine. I still intend to do it.

We have a parliamentary situation now where any amendment to a committee amendment is a second-degree amendment and therefore not further amendable.

But the shoe fits both ways, Mr. President. We are going to have a pretty good discussion about this thing. I had not meant to hold up the Senate long, but we will have some discussion and consideration.

Mr. President, at the very minimum before we vote on a tabling motion that will be made on the Cranston amendment, regarding what he called AIDS education, I think it is necessary to examine a few of the facts, such as a northwestern, Ohio, study of 303 homosexual men that stated:

> We have concluded that educational efforts on safe sex education in our areas have resulted in clinically meaningful behavior modification in only a small segment of the socially and sexually active homosexual community.

And that same study found that only 28 percent in any event practiced this totally "safe sex."

This printed material that I have alluded to earlier does not say "Stop this conduct that is killing you." It says "Just do it safe." No way.

Mr. President, this study showed that 71 percent persisted in those very activities that had been clearly described as terribly dangerous.

Mr. President, a Pittsburgh study of condom use in 503 homosexual and bisexual men showed that knowledge of safe sex did not stop the practice of so-called high risk behavior and according to the report, failure to use condoms is probably not related to deficits in knowledge. The study stated, "Knowledge of safe sex did not prevent most men who practiced anal sex from engaging in unprotected sex."

A study of the massive AIDS education campaign in Britian reached this conclusion: "The campaigns had no effect on changing sexual behavior."

Then there was the highly publicized national study by NIH, the National Institutes of Health, of homosexual and bisexual men that purported to find "a marked" decrease in dangerous sexual behavior.

But measured against the dangers of risky behavior, the reductions, were inadequate, Mr. President. For example, although the study found the proportion not practicing receptive anal sex increased 51 percent they still practiced it; although the use of condoms doubled more than two-thirds they did not bother to use them, and these were not people who did not know, they just did not care.

I think it is quite apparent, Mr. President, that other approaches need to be taken if we are going to stop the spread of AIDS, and one of them is a restoration of values. Nobody ever talks about that. We treat the homosexuals as if they are some kind of 800-pound gorilla. I think we ought to treat them for what they are. I feel sorry for them. I am sorry when any of them contracts the AIDS disease. But the fact remains that they did not have to do what they have been doing.

Mr. President, I raise a point of order that the Cranston amendment is legislation on an appropriation bill in violation of rule XVI.

The PRESIDING OFFICER. The Chair will rule on the point of order.

Mr. CRANSTON. Mr. President, I raise the defense of germaneness.

The PRESIDING OFFICER. The Senator from California will repeat his remark.

Mr. CRANSTON. The point is that this is germane to language in the House-passed bill.

The PRESIDING OFFICER. The Chair will state that under the precedents of the Senate construction of rule XVI questions of germaneness on appropriations bills are submitted to the Senate without debate.

The question is, Is the amendment germane?

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The bill clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is, is the amendment germane? The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. Bentsen], is necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden], is absent because of illness.

Mr. SIMPSON. I announce that the Senator from New Hampshire [Mr. Humphrey], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 56, nays 41, as follows:

[Rollcall Vote No. 262 Leg.]

YEAS—56

Adams
Baucus
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Conrad
Cranston
Daschle
Dodd
Durenberger
Evans
Fowler
Glenn
Gore
Graham
Harkin
Heinz
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Simon
Specter
Stafford
Stennis
Weicker
Wilson
Wirth

NAYS—41

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
DeConcini
Dixon
Dole
Domenici
Exon
Ford
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Helms
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Roth
Shelby
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner

NOT VOTING—3

Bentsen
Biden
Humphrey

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 41. The judgment of the Senate is that the amendment is germane. The point of order on the legislation falls.

UNANIMOUS-CONSENT AGREEMENT—ENDANGERED SPECIES ACT

Mr. BYRD. Mr. President, this has been cleared with Mr. Simpson and Mr. Dole. During the remainder of the Senate consideration of S. 675, the Endangered Species Act, I ask unanimous consent that the following amendments be the only amendments in order:

One amendment by Mr. McClure to require a recovery plan to solicit outside comment; one amendment by Mr. McClure to require economic assessment of the listings or a recovery plan; one amendment by Mr. McClure to require an annual report of expenditures of a listing or recovery plan.

Provided further that no motions to recommit with or without instructions be in order, and that upon the disposition of the foregoing amendments, the Senate, without further debate or intervening action or motion, proceed to third reading, and immediately without intervening action or motion or further debate, proceed to final passage.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. I ask unanimous consent that paragraph 4 of rule XII be waived.

Mr. McCLURE. Reserving the right to object, I did not hear the first part of the request. As I understand, it covered the three McClure amendments?

Mr. BYRD. It did; three amendments by Mr. McClure.

Mr. McCLURE. I thank the Chair. I have no objection.

Mr. BYRD. I thank the distinguished Senator.

The PRESIDING OFFICER. Hearing no further objection, the request of the leader is agreed to.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

The Senate continued with consideration of the bill.

Mr. GLENN. Mr. President, once again the Senate is forced to revisit an issue which has arisen, and been hotly contested, twice by this body in the last year. The ramifications of this question are immense. The issue is the spread of the HIV virus which has already claimed 37,535 lives—almost 38,000 lives and infected almost 67,000 people.

Public health officials across our Nation contend that the most effective way to curb the further spread of AIDS is through education. The question is: What type of education? Educational campaigns aimed at carefully defined target groups, using language that is both readily understandable by the members of that group, and sensitive to the group's unique characteristics. AIDS educators must both present the facts about the disease and teach the practical skills people need to successfully prevent infection. If they do not, the impact of the message may be lost and instead we will see the spread of this disease continue.

This Nation cannot afford to lose the impact of a message that teaches people how to avoid behaviors that put them at risk of becoming infected with AIDS. The stakes are too high. Treatment methods are limited, and we have not yet developed a vaccine for AIDS. Meanwhile, the numbers of infected American men, women, and children continue to increase.

Despite these high stakes, we in Congress have placed restrictions on the content of AIDS educational materials produced with funding from the Federal Government. The Senate passed these restrictions for the first time during consideration of the fiscal year 1988 Labor-HHS appropriations bill. This provision was enacted into law as part of the omnibus spending bill last year, as Public Law 100-202. Specifically, this law prohibits federally financed educational materials from directly promoting or encouraging homosexual sexual activities. Its other provisions emphasize abstinence from both sexual activity outside marriage and illegal intravenous drug use.

Most recently, during debate leading to passage of S. 1220, the AIDS Research, Information and Care Act of 1988, this body adopted by wide margins two separate amendments dealing with the allowable content of AIDS education materials. Together, the two amendments leave health officials and AIDS educators utterly confused as to the permissible content of AIDS educational materials.

On these two occasions, I voted in favor of these amendments imposing a prohibition on the use of Federal funds to promote homosexuality. I do not believe the Federal Government should be in the business of encouraging or promoting homosexuality. I voted for that twice.

But I must note that we have consistently passed these amendments only after heated debates in which sharp words and accusations were tossed across this floor. The debates were politically and emotionally charged, and points were frequently made based on conjecture, rather than on solid, supporting evidence.

However, in the last few months, the Governmental Affairs Committee, which I chair, conducted research which begins to paint a picture about how the law is actually affecting States and cities across this Nation, not just theoretically, as we talked about here on the floor, but how it is actually affecting health departments across this country. With this information, we now have the opportunity to make more informed decisions than we have had previously.

We had a hearing on June 8 in the Governmental Affairs Committee. It was titled "The Effectiveness of AIDS Education." It fell under our jurisdiction because the administration of AIDS education and AIDS research goes across several branches of Government.

In preparation for its June 8 hearing on "the Effectiveness of AIDS Education," the committee polled all of the State and several city health departments about the impact of Public Law 100-202 on their AIDS educational programs. To date, the committee has received responses from 42 States, 3 cities, and 1 territory.

One-half of the respondents criticize provisions of this law maintaining that it has, in fact, inhibited their ability to provide effective AIDS education in a variety of ways.

For example, officials in Connecticut, Delaware, Texas, Washington, New York City, San Francisco, Tennessee, North and South Carolina discuss in a frank and explicit manner the negative impact of Public Law 100-202. Some of the many problems they address include the need to reject good materials which do not meet every requirement of the law, the tendency to produce materials which are less explicit and culturally sensitive, and an inability to reach individuals with low literacy abilities. Others state that organizations servicing people in high-risk groups have decided not to submit proposals for funding from the Federal Government; a dangerous development since local and private resources have already been stretched thin.

Some of these officials state that the law essentially prohibits federally financed programs from teaching individuals how to correctly use condoms, showing men how to have "safer" sex with other men, and providing information to drug users about cleaning their injection equipment with bleach. Those are essentially prohibited.

Tennessee summarizes these factors by writing: "This restriction of explicit information and stressing only abstinence and family-oriented values allows us to effectively target those individuals at least risk of HIV infection. We completely ignore illiterate IV addicts * * * run-away youths, sexually active youths and adults, and sex partners of IV drug users * * *. For a legitimate AIDS education program to respond with anything but explicit answers threatens our credibility, not to mention our sensitivity to specific cultures and communities. The end result of this controversy will only enhance the spread of HIV among those who fail to 'abstain.'"

A small number of officials suggest that the law has adversely affected their efforts by complicating the accounting procedures. It has delayed program funding because of the review and approval process, diverted staff time from valuable activities, and slowed the distribution of educational materials.

Officials in Alabama, Illinois, Massachusetts, Nebraska, Ohio, Guam, Oklahoma, Utah, New Mexico, and New Hampshire discuss the law's potential limiting effect on their efforts to prevent infection among persons engaging in high-risk behavior. They explain that prevention efforts will become "more timid," and that service providers will begin to seek non-Federal funding sources. Others warn that the law could jeopardize educational materials and programs dealing with safer sex, and that it could stifle the development of innovative educational efforts. For example, Alabama writes that though "Public Law 100-202 has not had a major impact on AIDS control efforts in Alabama * * * as we expand our AIDS education efforts targeted to IV drug users, minority groups, gay and bisexual men, the potential impact of Public Law 100-202 is extremely grave."

Officials in Oregon, Vermont, New Jersey, New York State, North Dakota, Arkansas, California, Georgia, Idaho, Iowa, Wisconsin, Virginia, West Virginia, Louisiana, Maryland, Mississippi, Minnesota, Missouri, Montana, Nevada, Los Angeles and the District of Columbia state that the public law has not yet had any adverse impact on their AIDS education programs. However, some of these officials qualify this conclusion by pointing out that many community-based organizations providing AIDS education do not receive Federal funds. Others remark that the public law has not affected them because of their interpretation of its wording, but emphasize that further changes in the language could impair their abilities to produce effective materials.

Because the results of this survey are so critical to this discussion, I would like to briefly summarize them again. Many respondents contend that they have had to reject effective materials and instead have had to use materials which are less explicit and culturally sensitive. This problem becomes especially acute when trying to reach homosexual and bisexual men, intravenous drug users, and persons in minority groups with information about the risks of certain behaviors and how best to avoid those risks.

In addition, a few health officials cite the fact that they are now unable to reach individuals with low literacy skills who need explicit visuals and pictorials. The AIDS Education Director from Connecticut's Department of Health Services writes that "* * * Review panel members, mindful of the program's dependence on Federal benevolence, are reluctant to adopt an interpretation that is too broad. Hence, the best education materials for a targeted population may be passed over in favor of something that is less risky, less appropriate, and less effective."

These health leaders also contend that organizations serving people in high-risk groups have decided not to apply for funding from the Federal Government. Obviously, this decision will only hurt educational programs since resources for these activities are already very limited.

Another problem many of these officials highlight concerns the law's negative impact on their accounting procedures. According to these officials, Public Law 100-202 has delayed program funding because of the burdensome review and approval process. It has diverted staff time from more substantive activities, and slowed the dissemination educational materials. For example, the Acting Director of the State of Washington's Department of Social and Health Services writes that "The additional accounting procedures required by passage of Public Law 100-202 and the diversion of Federal funds from explicit risk reduction efforts will severely and negatively impact efforts to halt or reduce additional HIV infections, especially among racial/ethnic and sexual minorities."

State health officials that have not already felt the negative impact of the law point out that its potentially restrictive effect is dramatic.

As I said earlier, they warn, that prevention activities will become "more timid." Moreover, they report that the law jeopardizes educational programs teaching individuals about safer sex, and stifles the development of innovative educational efforts.

At the same time, one half of the respondents feel that the public law has not affected their programs for a variety of reasons. Some do not use Federal funds to finance their educational programs, and are encouraging organizations that do not share the law's orientation to seek private funding. Some are not involved at all with educational programs, and therefore are not affected by the public law. Others explain that they are using their best judgment to interpret the law. A few add that they would prefer if these questions were left to the discretion of the State Health Department and community review panels, instead of the Federal Government. Others contend that the law has not yet adversely affected them because their programs emphasize abstinence. However, these States qualify those comments by adding that flexibility is needed, and moralistic approaches are counter productive to educational programming.

The Governmental Affairs Committee continues to receive responses documenting the extent of the problem. Clearly, we should not take this criticism lightly as it comes from the people who run the departments of health in our states and cities across this country. They are on the front lines striving to protect the public from this killer disease on a daily basis. I think it most fitting to close my remarks with comments that I made just a moment ago but which I would like to repeat because I think they put this issue in proper perspective. We have received these comments from an official who is forced to cope with the effects of legislation this body passed last year. This response came from the Commissioner of Health in Tennessee. He writes that:

> This restriction of explicit information and stressing only abstinence and family-oriented values allows us to effectively target those individuals at least risk of HIV infection. We completely ignore, (for example) illiterate IV addicts who desperately need information on how to clean needles while waiting for entrance into a drug rehabilitation program. Also left to fend for themselves are run-away youths (any of whom turn to prostitution for survival), sexually active youths and adults, and sex partners of IV drug users.
>
> The questions coming from all segments of the community, from junior high schools and businesses to church groups, are explicit. For a legitimate AIDS education program to respond with anything but explicit answers threatens our credibility, not to mention our sensitivity to specific cultures and communities. Initiating behavior change is an immensely difficult undertaking in its own right. To respond with unrealistic answers to today's society adds to the widespread community rejection of government-generated AIDS information. The end result of this controversy will only enhance the spread of HIV among those who fail to abstain.

Mr. President, I think that captures the problem very well.

The purpose of the amendment we are considering today, which has been introduced by Senator CRANSTON, is to ensure one thing: That accurate educational information can be provided, information that will curb high-risk behavior and the spread of HIV infection. The amendment does not allow Federal funding for educational programs that promote homosexual or heterosexual activity. Either one. In that respect this amendment is neutral. I would not vote for a piece of legislation that promoted homosexual activity. I think it is also incumbent upon us not to vote for legislation that stresses heterosexual activity. This bill does neither. What it does is to try to correct the situation we have gotten ourselves into so that accurate educational information can be provided. Only then can we stop the spread of this virus or make our best attempt to do so.

Mr. President, I urge adoption of this amendment by the Senator from California and urge all my colleagues to join me in that effort. I yield the floor.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California, Mr. CRANSTON.

Mr. CRANSTON. Mr. President, I thank the Senator from Ohio for his very fine statement on this very delicate and very tragic situation.

The Senator from Ohio, as chairman of the Governmental Affairs Committee, has done an excellent job in gathering hard data from public health officials throughout the country on adverse effects of interfering with their important work in combating AIDS and supporting groups who are seeking to do so and seeking to educate Americans on how to avoid the plague of AIDS.

Mr. President, this is an issue that we have debated at great length not just today but on a good many other days. The amendment that I have offered, which was ruled to be germane to this measure, is similar to the one which was adopted on April 28 after considerable debate. By a 61 to 29 vote, the motion to table the amendment was rejected. Then it was adopted overwhelmingly by a voice vote.

This amendment now pending deals with the issue of AIDS in a very reasonable, measured, and prudent way. It would restrict the use of Federal funds so they are not used—I emphasize "not used"—to promote sexual activity of any kind, but it would ensure that these funds are used to help reduce the spread of the deadly AIDS virus.

I submit that is what we must do. That is what the Senate has made plain it recognizes that we must do. That is what this amendment will permit us to do.

Mr. WILSON. Mr. President, I am suffering a very sore throat which makes it difficult and painful even to swallow, and even more so to speak. Accordingly the Senate will suffer less as my sore throat urges brevity.

Our purpose on this floor should be to do what we can to prevent the spread of AIDS infection. It ought not to be our purpose to promote or encourage drug use or sexual activity.

But where a significant part of our population has chosen to engage in IV drug use or homosexual activity, which involves a high risk of transmitting the AIDS virus, our first concern must be to prevent the spread of AIDS infection by education.

It is possible to modify the behavior of people who have made the choice of homosexuality or IV drug use so that their activities do not carry nearly so high a risk as otherwise to other homosexuals or IV drug users—or to presently uninfected heterosexual partners.

Education can stop the spread of infection. The marked decline in the projected rate of infection within the San Francisco gay community is attributed by AIDS experts in that city to a very successful prevention education program there.

Those who have not chosen homosexuality or IV drug use are far less likely to be influenced to make that choice by educational materials that warn of the risk of AIDS infection from such activity without the prescribed precautions, than confirmed gays and IV users are likely to be influenced to modify their behavior to avoid infection.

And that means that those who are so influenced and do modify their behavior, because of preventive education, will increasingly save not only their own lives but the lives of countless others not engaged in gay sex or IV drug use.

Saving those lives, Mr. President, is a compelling reason to support the Cranston amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from California [Mr. CRANSTON].

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from North Carolina.

Mr. HELMS. Mr. President, no Senator has given a response yet. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from California [Mr. CRANSTON]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN] is necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 61, nays 37, as follows:

[Rollcall Vote No. 263 Leg.]

YEAS—61

Adams
Baucus
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
D'Amato
Daschle
Dodd
Durenberger
Evans
Exon
Fowler
Glenn
Gore
Graham
Harkin
Hatch
Hatfield
Heinz
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Simon
Specter
Stafford
Stennis
Weicker
Wilson
Wirth

NAYS—37

Armstrong
Bond
Boschwitz
Cochran
Danforth
DeConcini
Dixon
Dole
Domenici
Ford
Garn
Gramm
Grassley
Hecht
Heflin
Helms
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Roth
Shelby
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner

NOT VOTING—2

Bentsen
Biden

So the amendment (No. 2694) was agreed to.

Mr. **CRANSTON**. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **WEICKER**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The **PRESIDING OFFICER**. The Senator from North Carolina.

Mr. **HELMS**. Mr. President, a call for the regular order means that the Helms pending amendment will be the pending business; is that correct?

The **PRESIDING OFFICER**. That is the pending business.

Mr. **HELMS**. I call for the regular order.

The **PRESIDING OFFICER**. The business of the Senate is the Helms amendment.

Mr. **HELMS**. I thank the Chair.

AMENDMENT NO. 2661, AS MODIFIED

Mr. **HELMS**. Mr. President, I send a modification to that amendment inasmuch as the yeas and nays have not been obtained.

The **PRESIDING OFFICER**. The Senator has the right to modify the amendment.

The amendment will be so modified.

Mr. **HELMS**. I think it would be well to read the modification so it will be clear what it is.

The **PRESIDING OFFICER**. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], proposes an amendment numbered 2661, as modified, to the committee amendment on page 30, line 7.

On page 30, line 7, strike all after the word "of" and insert in lieu thereof the following:

SEC. . Which $2,500,000 shall be available only for the Frederick Cancer Research Facility. None of the funds provided under this Act or an amendment made by this Act under the heading "Centers for Disease Control" in title II, for public education and information programs regarding AIDS, shall be provided in any State unless the chief executive officer of such State provides prior written assurances to the Secretary of Health and Human Services that by January 1, of the calendar year following the first regular session of the legislative body of such State, the State shall require that a "good faith" effort be made to such a spouse of an AIDS-infected patient.

(b) If the State fails to require such notification by January 1 of the calendar year following the first regular session of its legislative body, the State shall return to the federal government on that date such sums as it receives for AIDS public education and information programs, in accordance with this section.

(c) As used in this section—

(1) the term "State" means a state, the District of Columbia or any territory of the United States;

(2) the term "Spouse" means a spouse who is or at any time since December 31, 1976 has been the marriage partner of a person diagnosed as an AIDS-infected patient.

(3) the term "AIDS-infected patient" means any person who has been diagnosed by a physician or surgeon practicing medicine in such state to be infected with the human immunodeficiency virus.

Mr. **HELMS**. Mr. President, I have one further modification. I inadvertently left out the word "notify" and the clerk needs to write that in.

The **PRESIDING OFFICER**. The Senator's amendment will be further modified.

Mr. **HELMS**. I thank the Chair and apologize for the inadvertence.

The amendment (No. 2661) as further modified is as follows:

On page 30, line 7, strike all after the word "of" and insert in lieu thereof the following:

SEC. . Which $2,500,000 shall be available only for the Frederick Cancer Research Facility. None of the funds provided under this Act or an amendment made by this Act under the heading "Centers for Disease Control" in title II, for public education and information programs regarding AIDS, shall be provided in any State unless the chief executive officer of such State provides prior written assurances to the Secretary of Health and Human Services that by January 1, of the calendar year following the first regular session of the legislative body of such State, the State shall require that a "good faith" effort be made to notify such a spouse of an AIDS-infected patient.

(b) If the State fails to require such notification by January 1 of the calendar year following the first regular session of its legislative body, the State shall return to the federal government on that date such sums as it receives for AIDS public education and information programs, in accordance with this section.

(c) As used in this section—

(1) the term "State" means a state, the District of Columbia or any territory of the United States;

(2) the term "Spouse" means a spouse who is or at any time since December 31, 1976 has been the marriage partner of a person diagnosed as an AIDS-infected patient.

(3) the term "AIDS-infected patient" means any person who has been diagnosed by a physician or surgeon practicing medicine in such state to be infected with the human immunodeficiency virus.

Mr. **HELMS**. Mr. President, this amendment should not be difficult for anyone to understand. It will require that prior to providing Federal funds for AIDS public education and information in any State, the State's chief executive officer must give written assurances that the State will take administrative or legislative action to require that a "good-faith" effort will be made to notify the wife or husband of a person testing positive for the AIDS virus.

Let me tell you why I drafted this amendment. Several months ago, a young woman on the House side called and asked if I would see her mother, that she had a very important matter to discuss with me.

I did not know the young lady. Of course, I did not know the mother. They came and they were delightful, attractive, poised people. After the usual amenities, I said, "What can I do for you?" The mother said, "Senator, I have AIDS."

I did not say anything for a moment. Then she said, "I know you want to understand how I got AIDS."

And then, Mr. President, she related and detailed the story of her husband who had contracted AIDS years before but never told her. She knew his doctor but the doctor was prohibited by State statute from telling this lady about the grave risk that she was running.

That suffices as to motivation for this amendment.

I wish I could relate some of the other details but I will not.

I made up my mind, Mr. President, that I was going to do everything I could to eliminate this travesty. Confidentiality is important, but when the life of a spouse is involved, confidentiality takes second place in my book.

Contact tracing, which is what we are talking about, is nothing new. For years many States have required that sex partners of individuals infected with a venereal disease be notified. Notification is done to enable potentially infected individuals to seek testing and treatment.

On top of that, Mr. President, some States recognize a common law physician's duty to warn, notwithstanding patient-physician confidentiality.

Since the 1976 California court decision, Tarasoff versus Regents of the University of California, some jurisdictions have recognized a physician's duty to warn third parties, especially family members, in cases where a patient poses a danger to their health and safety. The Tarasoff case dealt explicitly with the psychologist's duty to warn family members about a patient's psychiatric condition. However, in some jurisdictions this duty to warn has also been extended to physical conditions, including contagious diseases that pose a threat to health and safety.

The court in the Tarasoff case stated:

> The public policy favoring protection of the confidential character of patient-psychotherapist communications must yield to the extent to which disclosure is essential to avert danger to others. The protected privilege ends where the public peril begins.

And that just about says it all, Mr. President. I cannot think of any statement with which I have been in greater agreement than that one.

Mr. President, the AIDS virus is one of the greatest, if not the greatest, public perils of our time. As of July 18, more than 60,000 Americans have AIDS. Those are the ones we know about. How many there are that we do not know about is left to speculation. We really do not know how many people are infected. The figure ranges from 500,000 to 8 million, depending on who is making the estimate. The Public Health Service estimates 1½ million.

Right now, unfortunately, Mr. President, increasing evidence shows that everyone who contracts the AIDS virus will eventually die.

The lady who came to my office, she will die because nobody told her about her husband having AIDS. Her doctor did not tell her. Her husband, damn his soul, did not tell her. So this lady will die, an innocent victim.

Current research indicates, Mr. President, that the virus is spread primarily through the exchange of body fluids. So, if one agrees with the principle that, in limited circumstances, the public has a right to know that it is in danger of contracting a disease, I doubt, Mr. President, that one can argue that a spouse does not have the right to know if his wife or her husband is infected with the deadly AIDS virus.

Mr. President, for years, we have been hearing from the vocal minority whose members have proclaimed themselves to be the victims of the AIDS epidemic. They said they needed money to educate their members. The Congress responded by appropriating hundreds of millions of dollars for what they call safe sex. And there is no such thing, when you get to the AIDS virus. They opposed all efforts to treat AIDS, as we have traditionally treated every other venereal disease in history. And the States responded by refusing to impose traditional measures, such as reporting the HIV infections. Premarital testing went out the window. Contact tracing, forget it.

This vocal crowd, this vocal minority was not satisfied with the confidentiality standards on the books. Oh, no. They demanded ironclad confidentiality laws, and in some States they got them, laws which impose criminal penalties on physicians who report a person's HIV status to anybody, including the wife or husband, as the case may be, and as the case was in the instance of that lovely lady who came to my office.

Have these laws benefited this politically organized few, Mr. President? Maybe. I guess so. Have they promoted public health? Absolutely not. If you think they have promoted public health, ask that lady who sat there and said, "I have AIDS," knowing that she is going to die from it as matters stand now.

This lady who came to my office, as I said earlier, was a most attractive lady. She had a beautiful daughter. I saw the heart-wrenching emotion in their faces as they began to tell about this lady's husband and this young woman's father. I remember thinking about how young the mother looked. She is about 60 years old and she does not look a day over 40. She was a classy lady. She was a decent lady. She was an honorable lady. She was a faithful lady.

But not her husband, Mr. President. And he was the one, not her, who was protected by a stupid law that prohibited the doctor from telling her that her husband contracted the AIDS virus many years ago.

Now, Mr. President, the point is this: Here is a couple who were married, as I recall, 37 years ago. And all this time he had been a philandereer and he had been a homosexual, but she did not know it. Now, he knew about his infection because his doctor told him. But he did not tell his wife. He had no spark of decency about him. And the doctor could not, under the law, report this to the wife.

I said, "Well, where is your husband now?" "He is gone," she said. "He is living in a homosexual community."

Mr. President, after that lady left, I recall asking my staff to bring me in the relevant statutes. I could not believe what I saw. The State statute lists the people who must be notified about the individual's infection. Do you know who they are?

The blood bank. Yes; that is good. A funeral director. By all means, let us protect the funeral directors, and I think we should. An emergency worker. But not the wife or the husband of an infected spouse.

Of course, I am a little emotional about this thing because I am the guy who sat there and talked to this body. I remember thinking: You are going to die, through no fault of your own. And I remember later pondering: Just suppose the doctor had not been restrained from telling her or just suppose that her husband had had the decency to fess up. This lady would not now be one of those statistics that I was talking about awhile ago. She would not be one absolutely targeted for death. Her children would have a mother and her grandchildren have a grandmother. And I might add, at the risk of being described, as I often am, as moralistic, if they had a father who was worth a damn, he would not have gotten AIDS. Yes; I feel strongly about it. But this lady is going to be denied the right to live. Her grandchildren are not going to see her much longer; her children will not see her much longer; and she will not be able to enjoy them.

So, Mr. President, there is the reason for this amendment. This woman, and many like her, are the real victims of the AIDS epidemic. They have not engaged in the so-called high-risk activities, which I call perversity, which have placed these people at risk in contracting the deadly AIDS virus. Yet, the proponents of these laws, the State legislatures which bowed to political pressure, said that these spouses had no right to know.

This amendment is very, very simple. It will not require States to notify spouses. It simply says to a State: If you want Federal money under this statute, you must also take legislative and administrative action to make a good-faith effort to notify a patient's spouse, husband or wife, as the case may be, about the infected husband or wife, as the case may be.

I wondered how many people might agree with me on this. I mentioned it in some speeches around the country, and I found overwhelming support. The mail has just poured in.

Mr. President, I saw an article in the June edition of a magazine, Public Opinion, reporting that 70 percent of the Americans surveyed believe that public agencies should be allowed to trace the sexual partners of people who test positive for AIDS; 70 percent. And you can count me in that 70 percent because I am solid in there. Surely, Mr. President, it would be far more than 70 percent if you were not talking about sexual partners, in this round robin thing that the new morality has provided for this generation. If the question was whether spouses should be told about their husbands or their wives, as the case may be, I think it would be close to 100 percent.

Mr. President, the American people understand that in some cases privacy rights need to take a back seat to public health. And if there ever was a case, this is it. Because we are talking about the right to continue living, in the instance of the lady who came to my office and in so many others.

So, I conclude by sharing just a few more words that this lady spoke to me. At one point she could not control herself and she was weeping and she said: Senator, my life now is almost over. But I am here today, Senator, because I feel that if I can help protect other wives or husbands to avoid becoming infected with the AIDS virus—the way that she was infected, she could make some sense out of all of this. So, that is why she came to Washington. That is why she asked to see me. And that is why she bared her soul.

She is reaching out, crying out: do something for the innocent; and I think we ought to heed her call and that is why I have offered this amendment and I hope the Senate will approve it.

Mr. CHILES. Will the Senator yield for just a moment? I would like to ask the Senator just a couple of questions, if I might.

Mr. HELMS. Surely.

Mr. CHILES. One is, just for clarification because it sounds like what the Parliamentarian—that the Senator's amendment does have the effect of wiping out the amendment that we spent an hour and a half on. Which is all right. I mean, that is fine; but I want to kind of know that—or whether the Senator knows that. Maybe he does. I see a little twinkle in his eye. Maybe he has answered my question.

The other thing——

Mr. HELMS. Let me say to the Senator I am aware of that. I am also aware that I can offer it again, you know.

Mr. CHILES. I understand that. And the Senator from Florida is also aware that the other side can offer their amendment again.

Mr. HELMS. That is right.

Mr. CHILES. More than having a strong opinion, which I perhaps have on some of these subjects, I also have another motive of trying to some way move this bill along so the questions that we decide are somehow decided. Or, if we fight—I know the Senator has another amendment that he is going to offer at some time which maybe changes their language and whether it should be fought at that time or whether it should be fought now—all right, that is one answer.

The other thing, the question of the Senator from Florida is: As I read this now, I listen to the argument of the Senator and much on the merits was persuasive to me, necessity of notice being out there to the spouse. But as I read this—and maybe you can just correct me, maybe I am reading it wrong—other than looking at the part that is in quotes, the "good-faith effort to be made to such a spouse of an AIDS-infected patient"——

Mr. HELMS. Well, I modified it further, to—will the clerk read the amendment? The Senator is right, but I modified it.

Mr. CHILES. It has been now added again?

Mr. HELMS. Yes; I think the modification that I sent to the desk said it would require that a good-faith effort be made to notify such a spouse. Is that the way it reads?

The PRESIDING OFFICER. That is the further modification.

Mr. HELMS. I thank the Chair.

Mr. CHILES. That is better. I wonder, is there any kind of good-faith effort—to notify of what?

Mr. HELMS. To such a spouse of an AIDS-infected patient.

Mr. CHILES. Yes, sir; I do not mean to be technical but I think as long as you said you notified them, the notice could be of—I do not know what we are notifying them about.

Mr. HELMS. I think the amendment is perfectly clear but if the Senator wants to add something to it; fine.

Mr. CHILES. No, sir; if the Senator is satisfied with the amendment.

Mr. HELMS. Sam Erving used to say, the King's English speaks for itself. Anybody reading it—I do not mean this the way it may sound——

Mr. CHILES. I just think, since the Senator feels so strongly about this subject, and I heard what he said about the lady that came to his office, I would think he would want to make sure that he is sure what the heck she is being notified about. I would not think she was getting notice in the mail—that she was getting notice of the fact that her husband was carrying AIDS.

Mr. HELMS. I will be glad to accept any modification the Senator has in mind.

Mr. CHILES. Mr. President, the question has been answered now that this amendment does have the effect of wiping out the amendment that we spent almost 2 hours in putting down. I think under those circumstances this amendment, just to wipe out that—I think I would move to table the amendment of the Senator from North Carolina and ask for the yeas and nays so we can——

Mr. HELMS. Mr. President, would the Senator withhold just a bit?

Mr. CHILES. Yes, sir.

Mr. SANFORD. Mr. President, I rise in opposition to the amendment to the Labor, Health and Human Services, and Education appropriations bill under consideration which would prohibit the use of Federal funds for AIDS education materials that its proponents contend "promote" homosexuality or illegal activities.

To put this amendment in its proper context, I alert my colleagues to the fact that in the 3 months since we last considered AIDS legislation, 4,255 Americans have died from AIDS, while nearly 7,000 new cases of the disease have been reported. Thus, to date 37,535 Americans have died from AIDS, and nearly 60,000 cases have been reported. I offer these grim statistics to underscore that what we are talking about here—plainly and simply—is human lives. And I for one do not differentiate between the value of an individual whether homosexual or heterosexual, drug-user or not, and will take any step necessary to protect these lives. I am alarmed by this amendment that formulates our Nation's public health policy on the basis of our personal affinity—or lack thereof—for those at risk from a given disease.

Our object is to stop the spread of AIDS, despite the alarming rate at which this disease is spreading, again and again we distort the debate on AIDS policy as a debate on morality and propriety. I believe this is wrong. In addressing as serious a threat as AIDS, our priority must be, first and foremost, to protect the public interest and the public welfare. It would be a sorry day indeed if we were to sacrifice the life of a young man or woman—or of a small child or infant—by encumbering this appropriations bill with restrictions on AIDS education materials that have not so much to do with our Nation's public health, than with our own private views and beliefs.

We have learned a great deal during the time this amendment was first offered to last year's Labor-HHS-Education appropriations bill. Under that amendment, the Centers for Disease Control were prohibited from funding organizations that "promote or encourage" homosexual sexual activities. I supported that amendment.

Since last year's bill, however, it has become clear that the amendment had a far greater impact than anticipated. The fear of violating Federal guidelines caused community-based AIDS service organizations to cease producing materials specifically geared to high-risk groups. Instead, they have relied on less explicit and, consequently, less effective materials. Furthermore, as a direct result of the furor caused by the amendment, even those organizations which do not receive Federal funds and are, therefore, not subject to the amendment's restrictions, altered the content of their AIDS education materials and their methods of outreach to high-risk groups.

Having learned of the harmful consequences of this amendment, I voted against a similar amendment when the Senate debated S. 1220, the AIDS appropriations bill, and I will do so again today. We are not here to express disgust. We are trying to stop the spread of AIDS.

The onerous effect of restricting AIDS education materials was highlighted in the poll of local health departments conducted by the Senate

Governmental Affairs Committee. Of the 42 States, 3 cities, and 1 territory that responded, one-half criticized this provision and stated that the amendment impeded their ability to provide effective AIDS education. In North Carolina, for example, one community-based organization has decided not to apply for Federal funds rather than be subject to the restrictions of the amendment, while others have expressed great concern over the amendment's interpretation and impact.

In considering AIDS policy, we simply do not have the luxury to be squeamish with respect to education materials. According to the National Academy of Sciences, "efforts to stifle candid materials that discuss safer sexual practices and that are targeted at appropriate audiences may take a toll in human lives."

The importance of explicit AIDS education efforts in combating this disease was also recognized by the President's AIDS Commission. The Commission reported that while AIDS education materials should discourage promiscuous sexual activity and the benefits of abstinence and monogamy, these materials "need to be explicit in nature so that there is no confusion about how to avoid acquiring or transmitting the virus." Surely, the Presidential Commission, which considered the testimony of 550 witnesses, held 43 days of hearings, conducted numerous site visits has expertise in this area to which we in this Chamber should pay heed.

As a society, it has sometimes been too easy for us to close our eyes and perhaps even our hearts to the needs and concerns of people with AIDS because of our attitudes toward homosexuals and drug users. While we may disapprove of these groups or feel uncomfortable with the explicitness of certain education materials, this is not sufficient reason to restrict the professionally prepared information received by those most at risk from the disease. If AIDS education materials stops the spread of this deadly disease—and I believe it will—then detailed, accurate, and, if need be, graphic AIDS education materials will have proven the right approach to this most serious public health threat.

I urge my colleagues to join in the effort to save lives.

Mr. LEVIN. Mr. President, our goal should be to stop the spread of the AIDS virus. This amendment could undermine that goal by threatening to hold up AIDS education funding. By conditioning this funding on actions taken by the Governors of the States with respect to spousal notification, this amendment raises the prospect that AIDS education for an entire State could be held up if the Governor does not attempt to institute a program of spousal notification.

I believe that there should be a requirement that individuals be notified if their spouse carries the AIDS virus, but we should legislate that requirement directly. We should not tie that requirement to AIDS education funding, thereby jeopardizing the education programs that are essential to any comprehensive program to stop the spread of AIDS.

AMENDMENT NO. 2661, AS FURTHER MODIFIED

Mr. HELMS. Just to satisfy the point the Senator made, I send a further modification to the desk and ask that the clerk read it. That covers the point.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2661, as further modified.

On page 30, line 7, strike all after the word "of" and insert in lieu thereof the following:

which $2,500,000 shall be available only for the Frederick Cancer Research Facility. None of the funds provided under this Act or an amendment made by this Act under the heading "Centers for Disease Control" in title II, for public education and information programs regarding AIDS, shall be provided in any State unless the chief executive officer of such State provides prior written assurances to the Secretary of Health and Human Services that by January 1, of the calendar year following the first regular session of the legislative body of such State, the State shall require that a "good faith" effort be made to notify such a spouse of an AIDS-infected patient that the AIDS-infected patient is infected with the human immunodeficiency virus.

(b) If the State fails to require such notification by January 1 of the calendar year following the first regular session of its legislative body, the State shall return to the federal government on that date such sums as it receives for AIDS public education and information programs, in accordance with this section.

(c) As used in this section—

(1) the term "State" means a state, the District of Columbia or any territory of the United States;

(2) The term "Spouse" means a spouse who is or at any time since December 31, 1976 has been the marriage partner of a person diagnosed as an AIDS-infected patient.

(3) the term "AIDS-infected patient" means any person who has been diagnosed by a physician or surgeon practicing medicine in such state to be infected with the human immunodeficiency virus.

Mr. HELMS. I thank the Senator.

Mr. CHILES. I am happy to accommodate the Senator. I am happy he made that modification.

I do not prejudge what we should be doing with that amendment. I do not think this vote should prejudge that. I think the body should understand the effect of this amendment is to wipe out the one on which we first had a question of germaneness. The body decided that question by a majority. Then we had a question on the passage of the amendment itself, and the body decided that. We moved to reconsider and laid that motion on the table. We are coming back to an amendment the effect of which is to wipe out that amendment.

I know what will happen is that amendment will be put back on if we wipe it out here and we go through that same debate again. I do not know how we ever face up to that. Perhaps one way of doing it is a tabling motion.

Mr. HELMS. Is the Senator moving to table?

Mr. CHILES. I have not yet moved. I move to table the Helms amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS] and the Senator from Texas [Mr. BENTSEN] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

The PRESIDING OFFICER (Mr. SANFORD). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 48, as follows:

[Rollcall Vote No. 264 Leg.]

YEAS—49

Baucus
Bingaman
Bond
Bradley
Breaux
Bumpers
Burdick
Chafee
Chiles
Cochran
Cranston
Daschle
Dodd
Durenberger
Evans
Exon
Fowler
Glenn
Gore
Graham
Harkin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Riegle
Sanford
Sarbanes
Simon
Stafford
Stennis
Warner
Weicker
Wirth

NAYS—48

Armstrong
Boren
Boschwitz
Byrd
Cohen
Conrad
D'Amato
Danforth
DeConcini
Dixon
Dole
Domenici
Ford
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Reid
Rockefeller
Roth
Rudman
Sasser
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—3

Adams
Bentsen
Biden

So the motion to table amendment No. 2661, as further modified, was agreed to.

Mr. CRANSTON. I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. No. Mr. President, I ask for the yeas and nays.

Mr. WEICKER. Parliamentary inquiry. Did the Chair already rule on the matter?

Mr. HELMS. He did not finish.

The PRESIDING OFFICER. Is there a sufficient second on the motion to table? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I suggest the absence of a quorum.

Mr. BYRD. The Senator got a second.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS] and the Senator from Texas [Mr. BENTSEN], are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 51, nays 46, as follows:

[Rollcall Vote No. 265]

YEAS—51

Baucus
Bingaman
Bond
Boren
Bradley
Breaux
Bumpers
Burdick
Chafee
Chiles
Cochran
Cranston
Daschle
Dodd
Durenberger
Evans
Exon
Fowler
Glenn
Gore
Graham
Harkin
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Riegle
Sanford
Sarbanes
Simon
Stafford
Stennis
Weicker
Wilson
Wirth

NAYS—46

Armstrong
Boschwitz
Byrd
Cohen
Conrad
D'Amato
Danforth
DeConcini
Dixon
Dole
Domenici
Ford
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Humphrey
Karnes
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Reid
Rockefeller
Roth
Rudman
Sasser
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner

NOT VOTING—3

Adams
Bentsen
Biden

So the motion to lay on the table the motion to reconsider was agreed to.

(Later the following occurred:)

Mr. CONRAD. Mr. President, I again seek unanimous consent to change my vote on the last recorded rollcall. I voted "aye." I intended to vote "nay" and I ask unanimous consent to have the vote so recorded.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. It does not affect the outcome of the vote. My understanding is both the minority leader and the majority leader would accept that motion.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. WEICKER. Mr. President, I would like to take a few minutes, if I may, to address my colleagues.

I wonder if I might have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. CONRAD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. CONRAD. Mr. President, I seek unanimous consent to change my vote on the last vote. It will not change the outcome. I had a misunderstanding as to the vote as I entered the Chamber, and I seek unanimous consent to change my vote in accord with my views.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object—and I will not object—I would want to check with the majority leader.

Mr. CHILES. He has voted.

Mr. DOLE. It does not change the outcome. I think they have gone to check with the majority leader.

I wonder if we might withhold this.

Mr. WEICKER. Will the distinguished Senator withhold until I make my remarks? The only reason I mentioned it to the minority leader was that there might be some objection on the part of the majority leader, as a matter of precedent, and I wanted to make sure he will have an opportunity to be heard.

I should like to address my colleagues for 2 or 3 minutes.

We have had two matters presented to us for votes within the last hour that illustrate very well the complexities we enter as we try to be doctors and scientists and take on a role different from that of a U.S. Senator.

The fact is that the matter of spousal notification is extremely complex. It has been a subject of discussion by the American Medical Association and many other public health and medical organizations.

There is a bill pending in the Labor and Human Resources Committee which addresses this matter, but it also provides for very stringent safeguards of confidentiality and safeguards regarding the physician's role in this matter. To come along with a floor amendment and to address a huge issue such as this in a few sentences does no credit to this body or the legislation which we have before us.

Earlier we had the Cranston-Kennedy amendment, a pale version of the Helms amendment, and I have to say to all, even though I voted for it, it really is just that. It was a pale version of the Helms amendment and effectively still ties the hands or potentially ties the hands of local and State authorities to provide the education necessary to avert the tragedies of AIDS or indeed any other sexually transmitted disease.

I would hope that we would stick to this appropriations bill which supplies the much-needed funds for the various agencies of government that address science, health, education, and labor.

This is not to say that we do not have a role to play insofar as legislation on these matters is concerned but it should be done in a full-fledged debate as a matter of various authorization bills which will be before us.

I am sure there will be more amendments coming down the pipeline. I hope there would be support for the committee position and for the chairman rather than to give vent to emotion on some highly complex subjects which will have a severe impact not just on those who are suffering from AIDS, but on their families and on the medical policies of this Nation. This is no time for sloganeering or demagogery or whatever you want to call it.

This requires very precise legislating. If any bill requires precise legislating, this one does.

I understand political ramifications. We all do. But I think we just better stand up for the cause of science on these matters. I am sure that nobody will suffer retribution at the polls come November if that is the basis of their vote. In the meantime, if it is political, I do not think it will have any beneficial effect so far as votes are concerned. It will have a terribly damaging effect on science, on research and on the people who are hurting.

I just want to make those remarks in anticipation of what else lies ahead.

I yield the floor. I know that the distinguished Senator from North Dakota wishes recognition. I did not mean to preclude him. I have said what I have to say. I am glad to yield.

EXCEPTED COMMITTEE AMENDMENT, PAGE 39, LINE 9

The PRESIDING OFFICER. The question recurs on the excepted committee amendment that appears on page 39, line 9.

Mr. CHILES. I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 30, LINES 14 THROUGH 19

Mr. CHILES. Mr. President, I move the following amendment, page 30, line 14:

> . . . and the Protection and Advocacy for Mentally Ill Individuals Act of 1986, $1,583,191,000, of which $4,787,000 shall be available, on a pro rata basis, for grants to the States for State comprehensive mental health services plans pursuant to title V of Public Law 99-660 (100 Stat. 3794-3797) . . .

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENTS, PAGE 32, LINES 4 AND 5, 13, AND 14

Mr. CHILES. Mr. President, on page 32, add at line 4, "and XX," and strike "$67,144,000" and add "$69,903,000"; at line 10 strike "$3,950,000" and add "$7,500,000"; at line 13 strike "$2,568,000" and add "$4,875,000"; and line 14 strike "$1,382,000" and add "$2,625,000."

The PRESIDING OFFICER. We have already adopted several of those amendments.

Mr. CHILES. I understand part of these have been previously adopted.

The PRESIDING OFFICER. Without objection, they will be considered en bloc.

Mr. CHILES. Mr. President, without objection, I move the amendments be considered and agreed to en bloc.

The excepted committee amendments were agreed to en bloc.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the excepted committee amendments were agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 33, LINES 23 THROUGH 26

Mr. CHILES. Mr. President, at page 33, line 23, strike the language after "1988," the remainder of lines 23, 24, 25, and 26.

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 34, LINE 4

Mr. CHILES. Mr. President, on page 34, at line 4, strike "$24,732,589,000" and insert in lieu thereof "$26,236,000,000".

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENTS, PAGE 35, LINES 4 AND 5

Mr. CHILES. Mr. President, at page 35, line 4, strike "$93,817,000" and insert in lieu thereof "$94,417,000" and on line 5 strike "$1,769,919,000" and insert in lieu thereof "$1,839,819,000".

I move the amendments be considered en bloc.

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendments en bloc.

The excepted committee amendments were agreed to en bloc.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 35, LINE 19 THROUGH PAGE 35, LINE 3

Mr. CHILES. Mr. President, at page 35, line 19, add:

> *Provided further,* That for the purposes of conducting a pilot test of the Health Care Financing Administration's proposal for providing administrative law judge hearings to Medicare beneficiaries, a maximum of ten qualified persons who meet the requirements for administrative law judges appointed under 5 U.S.C. 3105 may be appointed at the GS-14 grade level to conduct hearings under titles XI and XVIII but such appointments shall terminate not later than March 31, 1990: *Provided further,*

I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the excepted amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY addressed the Chair.

Mr. CHILES addressed the Chair.

Mr. HUMPHREY. Mr. President, will the Senator from Florida yield?

Mr. CHILES. I am happy to yield.

Mr. HUMPHREY. At some point I would like to offer an amendment. I think it will be accepted.

Mr. CHILES. I missed that.

Mr. WEICKER. He has an amendment we are going to accept.

Mr. CHILES. I will be happy to let the Senator proceed right now.

AMENDMENT NO. 2695

(Purpose: To prohibit the use of funds made available under the Act to waive the minimal risk standard for research on live human fetuses)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk.

Is there an amendment pending?

The PRESIDING OFFICER. There is an amendment pending.

Is there objection to the offering of the amendment? Without objection, it is so ordered.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 2695.
>
> At the appropriate place, insert the following new section:
>
> SEC. . None of the funds made available under this Act shall be used to waive the minimal risk standard for fetal research.

Mr. HUMPHREY. Mr. President, this amendment is in regard to fetal research. The amendment would extend the moratorium on research using live, unborn human beings for the duration of fiscal year 1989.

Since the 1960's, research and experimentation has been conducted using live prenatal human beings.

Were it otherwise—were the unborn child not a human—I doubt we would care as much or at all about the subject of the experimentation. But the prenatal infant is a human being, and it is living. And experimentation on that infant should proceed carefully, if at all.

This principle has already been incorporated into existing law providing substantial restrictions on fetal experimentation. The pending amendment would extend this policy.

Currently, dead infants, whether intentionally or spontaneously aborted, are covered by virtually no Federal protection. State regulations are heavily relied on to restrict such research.

Research on live infants is regulated under a complex Federal system providing that research may only be conducted on live infants where there is minimal risk to the child, among other procedural requirements.

This minimal risk standard may be waived by the Secretary under certain circumstances, allowing potentially hazardous experimentation to be conducted.

However, legislation passed in 1985, which will expire on October 31, 1988, provides for a temporary moratorium on such waivers, which effectively bans experimentation on live infants.

During the moratorium, the Biomedical Ethics Board is charged by statute with reviewing various aspects of fetal research—including the exact meaning of "minimum risk," a definition of death, and further guidance on when waivers may be justified.

That balance is about to be upset. As the Biomedical Ethics board prepares to begin work on its statutorily mandated fetal research report, the moratorium is set to expire—jeopardizing this whole arrangement and jeopardizing the lives and health of uncounted unprotected prenatal human beings.

My amendment focuses on this moratorium on waivers, and extends the moratorium through the end of fiscal year 1989, pending the report from the Biomedical Ethics Board.

The amendment would not interfere with the pending report being prepared by the NIH panel investigating transplants of tissue from presumably dead infants. The amendment, other than perpetuating current policy pending further study, is not intended to alter existing regulations or statute.

Mr. WEICKER. Mr. President, the amendment is consistent with language included in the NIH reauthorization bill recently reported out of the Labor and Human Resources Committee. The amendment is acceptable on this side.

Mr. CHILES. Mr. President, my understanding was that this amendment was acceptable. I now hear that one of the Senators on our side, the Senator from Tennessee, has some concern and wants to have a chance to look at the amendment.

I wonder if the Senator would agree that we could temporarily set this amendment aside and let the Senator from Tennessee look at the amendment. I think perhaps when he understands this is language similar to what is in the NIH authorization bill that objection will not materialize. I do not know.

Other than that, I believe the Senator from Florida would have to put in a call for a quorum, which I hate to do because we would like to move the bill along.

Mr. HUMPHREY. I would not object to such a request, Mr. President, if I have assurances that when the matter is cleared up that the amendment would be considered.

Mr. CHILES. Mr. President, I ask that we temporarily lay the amendment aside.

Mr. HUMPHREY. As long as the amendment will be considered in a timely fashion, once the question is cleared up.

Mr. CHILES. I assure the Senator that it will be. I thank him for his indulgence.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2696

(Purpose: To prohibit the use of funds on projects entailing the capture or procurement of chimpanzees obtained from the wild, and for other purposes)

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection? If not, the clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER], for himself and Mr. CRANSTON, proposes an amendment numbered 2696.

Mr. MELCHER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a)(1) In enacting this section Congress hereby—

(A) recognizes the national and international legal protection granted chimpanzees under the Endangered Species Act and the Convention on International Trade of Endangered Species, to which the United States is a signatory, and also the World Health Organization's Policy Statement on Use of Primates for Biomedical Purposes, all of which acknowledges the threatened or endangered status of the chimpanzee; and

(B) acknowledges that substantial public monies are already being expended on a National Chimpanzee Breeding and Research Program in the United States.

(2) No funds appropriated under this Act or any other provision of law shall be used by the National Institutes of Health, or any other Federal agency, or recipient of Federal funds and be expended on any project that entail the capture or procurement of chimpanzees obtained from the wild.

(b) For purposes of this section, the term "recipient of Federal funds" includes private citizens, corporations, or other research institutions located outside of the United States that are recipients of Federal funds.

Mr. MELCHER. Mr. President, the amendment I am offering today on behalf of myself and Senator CRANSTON is a very simple amendment. It will close a loophole in the law to preclude using Federal funds for research using chimpanzees that are taken from the wild in violation of the Convention on International Trade of Endangered Species.

The United States became a signatory to this convention, which is called CITES, in 1973. Due to the dwindling populations of chimpanzees in the wild, CITES effectively banned any further importation into the United States for research purposes.

The National Institutes of Health established a National Chimpanzees Breeding and Research Program in 1986 to meet the needs of the research community, primarily for hepatitis and AIDS research.

Currently, there are 327 suitable breeding chimps in this program, and NIH estimates that 35 animals a year will be available for research by 1990. Dr. Wyngaarden, the Director of NIH, has assured me that the United States has an adequate level of chimpanzees to meet our research needs and there is no reason to import more.

The only real source of chimpanzees in the wild is Africa. For capture purposes, mature chimps are not desirable because they are more difficult to handle and are less likely to adapt to life in a research facility.

Infants ranging from 6 months to 6 years are sought for capture purposes. Since chimps are social animals with strong maternal bounds, it is rare that these youngsters are found without adult supervision. The usual way to capture these chimpanzees is to kill the infant's mother and any other adults in the area who normally come to the victim's aid.

It is for this reason that the convention, of which we are signatories, was adopted. We are not going to involve ourselves in any way as a country in capturing chimpanzees. But some of the money that is appropriated by NIH is used in laboratories for research purposes abroad. There is some question about whether or not some participants in research in a foreign establishment might participate in capturing some chimps in the wild. To preclude that from happening as much as we can, this amendment also goes to refusing or making it illegal to use any of the funds in such facilities abroad that might be engaged in capturing chimpanzees in violation of this convention.

I know of no opposition to this amendment. NIH is in favor of it. I hope that it will be adopted.

Mr. CHILES. Mr. President, we have reviewed the language of the amendment of Senator MELCHER and the committee has no objection to it. The language enforces the provisions of the Endangered Species Act and of the Convention on International Trade in Endangered Species. I know the National Institutes of Health support the language and I understand that Senator WEICKER has no objection to it either.

We urge the adoption of the amendment.

The PRESIDING OFFICER (Mr. BREAUX). The question is on agreeing to the amendment.

The amendment (No. 2696) was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MELCHER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. On the Humphrey amendment?

Mr. CHILES. Mr. President, I ask unanimous consent the Humphrey amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXCEPTED COMMITTEE AMENDMENT, PAGE 38, LINE 2

Mr. CHILES. Mr. President, on page 38, line 2, strike the figure "$3,705,000,000" and insert in lieu thereof the figure "$3,820,000,000."

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. CHILES. I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. MELCHER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 38, LINE 24 THROUGH PAGE 39, LINE 2

Mr. CHILES. Mr. President, on page 38, at line 24, aad the language:

> *Provided further,* That notwithstanding any other provision of law, amounts appropriated by this Act for the Social Security Administration shall be used to maintain not less than 66,545 full-time equivalent positions.

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 39, LINE 9

Mr. CHILES. Mr. President, on page 39, line 9, strike the figure "$7,855,137,000" and insert in lieu thereof the figure "$8,204,337,000."

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 39, LINE 21

Mr. CHILES. Mr. President, on page 39, line 21, strike the figure "$2,644,000,000" and insert in lieu thereof the figure "$2,700,000,000."

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 39, LINE 25

Mr. CHILES. Mr. President, on page 39, line 25, strike the figure "$1,567,000,000" and insert in lieu thereof the figure "$1,187,000,000."

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 40, LINE 7

Mr. CHILES. Mr. President, on page 40, line 7, we add the following language:

> For carrying out a work incentive program, as authorized by part C of title IV of the Social Security Act, including registration of individuals for such programs, and for related child care and other supportive services, as authorized by section 402(a)(19)(G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, $92,551,000 which shall be the maximum amount available for transfer to the Secretary of Labor and to which the States may become entitled pursuant to section 403(d) of such Act, for these purposes.

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENTS, PAGE 40, LINES 20 AND 23

Mr. CHILES. Mr. President, I ask unanimous consent at page 40, the following amendments be considered en bloc: At line 20, strike the figure "$354,398,000" and insert in lieu thereof "$385,864,000":

At line 23, strike the figure "$2,968,000" and insert in lieu thereof the figure "$3 million."

The PRESIDING OFFICER. Is there objection to the excepted amendments being considered en bloc? The Senator from North Carolina.

Mr. HELMS. I object.

EXCEPTED COMMITTEE AMENDMENT, PAGE 40, LINE 20

Mr. CHILES. Mr. President, on page 40, line 20, strike the figure "$354,398,000" and insert in lieu thereof the figure "$385,864,000."

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED COMMITTEE AMENDMENT, PAGE 40, LINE 23

Mr. CHILES. Mr. President, on page 40, line 23, strike the figure "$2,968,000" and insert in lieu thereof the figure "$3,000,000."

The PRESIDING OFFICER. The question is on agreeing to the excepted committee amendment.

The excepted committee amendment was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the excepted committee amendment was agreed to.

Mr. CHILES. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. HELMS. Well, I am sure he wants amendments—is the Senator at line 23 on page 40 next?

Mr. CHILES. No, I was already at page 46.

Mr. HELMS. What happened to line 23?

Mr. CHILES. Line 23 was just adopted. The Senator objected to me considering the two amendments en bloc.

Mr. HELMS. Mr. President, I suggest the absence of a quorum. I want to talk with the manager.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. CHILES. Mr. President, I yield the floor.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I further ask unanimous consent it be in order for me to offer an amendment on line 23 of page 40.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

AMENDMENT NO. 2697

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2697.

SEC. . None of the funds made available under this Act, or an amendment made by this Act for the Department of Health and Human Services including funds provided for under the heading grants to states for medicaid shall be used on the premises of any elementary or secondary school to provide the following: contraceptive drugs or devices, prescriptions for contraceptive drugs or devices, transportation for contraceptive drugs or devices, referrals for contraceptive drugs or devices, abortions, transportation to aid in obtaining an abortion, counseling to encourage a child to obtain an abortion, or referrals for obtaining an abortion.

Mr. HELMS. Mr. President, this amendment is similar to but not identical to an amendment I offered earlier. For the benefit of Senators who may be listening in their offices, or their staffs, this is the school-based clinic amendment.

As I said the other day, as I recall, this amendment is very simple. We always say that around this place. I do not believe I have ever heard anybody admit that his amendment was complicated. I happen to think it is not only forthright, but I am absolutely convinced that it is imperative that the Senate take stock of what is going on in the schools of America.

This amendment, simply said, will put an end to Federal subsidizing of the so-called family planning movement's assault on the American classroom. I do not overstate the case. That is what it is. It is an assault.

Specifically the amendment would prohibit any Federal funds provided under this act from being used on the premises of any elementary or secondary school to provide contraceptive drugs or devices; prescriptions for such drugs or devices; referrals for such drugs or devices; or abortion; transportation for abortion; or counseling or referral for abortion.

Mr. President, as I said in the previous discussion of this type of amendment, there is nothing goody-goody two-shoes about it. It is a matter of plain morality, and we are going to take a position one way or the other. I may get licked on this one, but that is all right. I have been licked before. Those who want to scoff at the Senator from North Carolina for raising this question, be my guest. One way or another, I want to do everything I can to make sure that the American people understand what is going on. It is not science; it is not some other esoteric thing; it is a matter of the American people realizing what is going on, in this instance in the schools of this country and on the school property of this country.

I cannot tell you how many people with whom I have talked have expressed amazement and consternation that such an activity would even be contemplated, let alone financed with Federal funds. Some of my friends still did not believe it when I told them. So I sent them some documentation, and they were absolutely outraged. I think that is the way the majority of the American people would be and will be once they comprehend.

Senators, of course, are aware, certainly in the abstract, of the teenage pregnancy problem, but it may be worthwhile to specify a few figures. Between 1971 and 1980, the number of teen pregnancies just about doubled from 8.5 to 16.2 percent in 1979. Birth rates climbed from 63,000 in the year 1970 to 290,000 in the year 1980.

Needless to say, abortions have soared into the stratosphere. They have increased from 232,000 in 1973 to 445,000 in 1980. And, yes, I am concerned about abortion and, yes, I understand the Senators would just as soon not talk about it or vote on it, but I think we need to talk about it and vote on it and pray about it, if that is still permitted in the United States. Prayer is not permitted in the classrooms of this country, which is one of problems, by the way, in the schools.

All of this—the pregnancies, the abortions—has occurred despite the fact that contraceptive use increased during the same period about 300 percent among blacks and by 1,700 percent among whites.

Recognizing the failure to curb teenage pregnancy, the planned parenthood types claim that inaccessibility to teens is one reason pregnancy rates continue to climb. They make no bones about it. To hear them tell it, the secret to curbing teenage pregnancies lies in the ability to prevent children—children as young as 11 years old—to say that it is OK; just play it safe. That is the implicit message. Teach them how to use birth control before they even become sexually active. That is what is going on in the schools of this country.

Mr. President, the schools grounds have become the kingdom and the school-based health clinic is the key to that kingdom.

A lot of people, including some Senators, do not have the foggiest notion what a school-based clinic is. It should be a familiar term around the Senate—I am not sure it is—certainly, in terms of what it is and what it does and what it is intended to do.

Mr. President, about 50, give or take one or two, so called school-based sex clinics have crept into the schools across the country—Arizona, California, Colorado, Connecticut, Illinois, Indiana, Maryland, Missouri, Michigan, Minnesota, New York, New Mexico, North Carolina, I am sad to say, Ohio, Texas, Delaware, Florida, Mississippi. The major purpose of these school-based clinics in most of these States that I just listed and in other States which are moving into this arena is to provide birth control and to teach the teenagers how to use it.

Oh, we do not teach them anything about the moral side of it. That is taboo. Certainly, you do not open the Bible and read the Ten Commandments, particularly the Seventh Commandment. That is what the school-based clinic is for, to provide birth-control information and devices, and those little packages of you know what.

Mr. President, what other message can the teenagers get from this except that, well, this kind of conduct is being condoned; it must be all right because they are kind of teaching us how to do it; 11 years old, 12 years old, 13 years old, whatever. And where has it brought us?

Mr. President, according to a publication a year ago by the support center for school-based clinics, 52 percent of these clinics prescribe birth control; 28 percent dispensed birth control devices—the little packages and other things; 20 percent referred to family planning agencies and so on.

Who is helping to foot the bill, Mr. President? And they do not even know it. Mr. and Mrs. John Q. Public, the taxpayers who fill out that 1040 every April. The parents of the children in school, the children who are being implicitly told that it is OK, go ahead and do it, but just take this little package of stuff and do it right and do it safe.

According to the 1986 report I mentioned earlier, maternal and child health block grants provided 27 percent of the money for the school-based clinics and the Early Periodic Screening Diagnosis and Treatment Program, to go by the initials of EPSDT, provides 14 precent of the money. Title X, which the Senate overwhelmingly endorsed the other day, mistakenly, in my view provides a substantial amount. Title XX of the Public Health Service Act and title XIX of the Social Security Act, commonly known as Medicaid, provide about 2 percent, and so on.

In any case, Mr. President, all of this is money taken from the American taxpayers who really have no knowledge about what is going on, for the most part. It is a secret operation in the school. Ask the parents of children in school if they know anything about a school-based clinic. They do not know what you are talking about.

Mr. President, the parents are shut out. In some cases they are not even asked about it. They know nothing about it. So here we go. And I said the other day I did not know whether they had the equivalent of a title X program just before Rome fell, but I rather imagine they did because we are heading in the same direction. If you do not believe it, look around. But there are some parents around this country—and arithmetically it is a large number—who do know what is going on and who complain that they can get absolutely no satisfaction as a result of their protest to Members of Congress about what is going on in these school-based clinics financed by their tax dollar.

Mr. President, I think they are right in protesting. Even if I get nowhere, I protest a little bit around this place. Sometimes I get someplace and sometimes I do not. You win some, you lose some, and some are rained out. But you keep on trying. You stand up for what you think is right, and if you get kicked around, so much for that. Try again.

After all, when all is said and done, the parents of this country are primarily responsible for their children's well-being, and they are being robbed of their authority and their right to help guide their own children's behavior, social, moral, religious, and otherwise.

But one thing is for sure, Mr. President. By every statistical measurement that I have seen, school-based clinics have been anything but a quick fix, or any kind of fix for that matter, for the teen pregnancy problem. No credible evidence has been offered anywhere to suggest that these school-based sex clinics have reduced teen pregnancy rates.

As a matter of fact, Mr. President, even the strongest proponents of the School-Based Clinic Program admit failure, but you never hear anything about that. You hear all of the oratory on this floor and elsewhere, "Well, you know, we've got to do whatever we can about teenage pregnancy," but do not try anything involving morality or teaching them the rights and wrongs or parental guidance and that sort of thing.

Let us look at a few of these so-called model clinics which tax funds are paying for.

Some time back, Mr. President, there was an article in the Family Planning Perspective publication. The article was entitled "Adolescent Pregnancy Prevention Services in High School," in which the authors boasted about the decline in the fertility rate and the birth rate and the increase in the number of children using contraceptives. What are we teaching by condoning, by helping along? And we got this "feel good" sense that we appropriate money to operate things like this and assume they are going to work when they do not have a chance of working. I do not think that an increase in the number of teenage girls from 7 to 25 pursuing contraceptives and an increase in abortions is anything to boast about at all.

In a later article in this Family Planning Perspective magazine, Mr. President, the author stated that the percentage of those on birth control for the 1983-84 school year rose even higher, to 35 percent, better than one out of three, but nowhere in either article was there a conclusion by the authors that pregnancy rates have gone down because they have not.

That is the point. We are shoveling out all of this money under the most pious of pretenses, and we are just making a rotten situation worse.

Then there is the clinic in Muskegon Heights, MI, Mr. President. That fine organization, Planned Parenthood, runs that clinic, and a couple of years back they got out a little information packet, passed it around, boasting that the clinic had successfully reduced the birth rate in the high schools from 13 percent when the clinic opened to 10. Three percent 3 years later, but then the material said there was "no significant change in the pregnancy rate." But again, there we go, these girls and boys were given all these devices and told go ahead and do it, implicitly, but just use these. I am sure they must have done something like that just before Rome tumbled.

Then there is a clinic in Kansas City, Mr. President, and in this Family Planning Perspective article that I was referring to, in an article entitled "School-Based Clinics: A National Conference," a man named Gerard Kitzi, executive director of the corporation which operates the Kansas City clinic, acknowledged that despite increased use of contraceptives by teenagers in high school from 50 percent in 1983 to 64 percent in 1985, "The proportion who said that they had ever been pregnant remained about 10 percent in both years, although the proportion who reported that they had had a baby dropped slightly."

Again, Mr. President, there was an increase in the abortion rate and an increase in contraceptive use but no decrease in pregnancies. Just more use by more people, young people, teenagers, of contraceptives handed out in these school-based clinics paid for by the American taxpayers who do not know a blinking thing about it.

Mr. President, the failure stories go on and on. I would unduly delay the Senate if I went into much more detail. I guess the point of all this, Mr. President, is that the U.S. Government, this Nation of people, has pulled out all of the stops trying to curb drug use and alcohol abuse among the teenagers. Yet we are conspicuously silent in seven languages about this permissive sex which is not only condoned but being encouraged implicitly by these school-based clinics and others. We have said no to drugs. We have said no to alcohol. I think we ought to level with the young people and spell out to them what the alternatives are in terms of the fullfilment of a constructive and decent and moral life. But we are not doing that. Oh, no, it is sort of taboo to talk about things of that sort. Instead, we are handing them these little packages of you know what and saying "Now, be careful." Implicitly what the teenagers hear is "Have a good time."

I have been accused of wanting to return to traditional values, and I plead guilty. I think we need to include rather than exclude the parents in this whole process. I do not think I am ever going to understand how anybody could vote as this Senate voted on Monday to say that the parents shall be excluded from the process, a most vital process, in the development of their children and the activities of their children. But yet that is what the interpretation is in regard to the action by the Senate on Monday. I heard several radio news broadcasts about it. There was a certain amount of elation in the voices of the newscasters that HELMS had taken a licking on this thing.

Sure. We need to get drugs out of school but we need to continue to insist to schoolchildren that they should leave alcohol alone. I fully agree. But there are some other things that we ought to insist upon as well.

So in short, Mr. President, this amendment is one small step. It is merely a beginning. I propose to prohibit Federal tax dollars taken from the hard-working American taxpayers appropriated under this act and to prevent this money from being used to provide so-called family-planning or abortion services on school property. I am persuaded and we absolutely should prohibit Federal tax dollars from being used to aid and abet the contraceptive industries assault on the moral and physical well-being of the Nation's schoolchildren.

Mr. President, I think I may have put this in the RECORD once before, but whether I did or not, I want to do it again. I ask unanimous consent that the article entitled "SBC"—that means school-based clinics—"Advocate

Admits Clinics Fail To Reduce Number of Teenage Pregnancies."

I ask unanimous consent that be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the National Right to Life News, March 10, 1988]

SBC ADVOCATE ADMITS CLINICS FAIL TO REDUCE NUMBER OF TEEN PREGNANCIES

(By Richard Glasow, Ph.D., NRLC Education Director)

A spokesman for the primary proponent of school-based clinics has admitted in a speech that a preliminary study of SBCs demonstrate that they have had "no measurable impact" on teen pregnancy rates.

That startling admission undercuts the primary rationale for installing SBCs in schools—facilities which pro-lifers have shown to promote and facilitate abortions. (For an in-depth examination of SBCs, see the forthcoming book, School-Based Clinics, The Abortion Connection, which can be obtained from NRL Education Trust Fund.)

Douglas Kirby, director of research for the Center for Population Options (COP) candidly unveiled the results of a COP-sponsored study in a March 2 workshop speech at the annual meeting of the National Family Planning and Reproductive Health Association held in Washington, DC. Although he prefaced his comments during his speech on the "Effectiveness of School-Based Clinics" with the caveat that they had not "finalized" the results, Kirby stated that "I am reasonably confident that what I am going to say will hold true" when the final report is published in late summer or early fall, 1988.

Reading between the lines, one might perceive that the study did not support the conclusions that the CPO would have wanted. To its credit, CPO apparently will not attempt to either suppress or discredit entirely its own study. Kirby offered some explanations why the study did not show that SBCs reduced teen pregnancies.

But a fair reading of reasons that the school clinics had too small an impact to measure all come down to the fact that no matter how much SBCs provide in services, it will never be enough. In other words, the proponents will not admit that their program is unsuccessful in achieving its goals. They always argue that success is just "around the corner," if they could only make the program larger and even more comprehensive.

Despite the survey's apparently disappointing results, the Center for Population Options has not abandoned its promotion of SBCs. Judging from Kirby's comments at the workshop about other findings of the research project, CPO will no longer be emphasizing that SBCs can prevent teen pregnancy and will instead adopt an different approach. An example would be to underscore the provision of general health care to inner-city teens, which would be much less controversial.

Pro-lifers may take heart in the fact the SBC proponents have finally conceded that school clinics are ineffective in reducing teen pregnancies. However, this development has no bearing on the two principal right-to-life objections to SBCs—their promotion of abortion and undermining of parental rights.

Mr. HELMS. I thank the Chair.

Mr. WEICKER. Mr. President, I oppose the amendment of the distinguished Senator from North Carolina. At the appropriate moment I will have to move to table it. I find it ironic that in the course of two amendments on the floor, my distinguished colleague from North Carolina, who certainly is among the most foremost of the advocates for States rights, would in the instance of the first amendment have the Federal Government tell the States what to do. That was on the matter of spousal notification. Now in this amendment he tells the local communities, specifically the school boards, what they should do, which brings me to the first and probably the most important point as to why I object to the amendment of the distinguished Senator from North Carolina.

The fact is that school-based clinics are not an invention of the Federal Government. They are not a philanthropic organization. Rather, they are there at the instance of the local school board. It is the local school board that places these clinics in the schools. The Federal Government has nothing to do with it whatsoever. It seems to me that is exactly where the decision ought to be, in local hands. Some communities choose to do it and some do not—mind you, these are separate and apart from title X family planning clinics. The two are totally separate.

These clinics come about because the local school board has come to the conclusion that the services needed are best located within the school setting. These clinics provide a broad range of services, including treatment of minor injuries, immunizations, athletic physicals, primary health care, and yes, in some instances, they also might be involved in giving advice to teenagers vis-a-vis the matter of pregnancy, et cetera. To me, this makes uncommon sense for all those who object to family planning clinics, or the Government going ahead and giving advice. What is supposed to happen? Nothing? What about the local community? The local school board should decide the best course of action insofar as their children are concerned. If there are anything that falls in tune with the philosophy of my distinguished colleague from North Carolina and this administration, I daresay most of us on this floor say let the local school boards make the decisions, and not the Federal Government.

I might add I do not sit here divorced from this process in the U.S. Senate. I also happen to be a father. I have children age 5, two of them 9 years of age, one 10 years of age, one age 22, one age 27 and one age 30. And I have been involved in all of their lives. I want the local community, even now for my youngest, to go ahead and make those decisions to give them the information, and to give them the help that they need in the year 1988. I daresay that information and that assistance in the year 1988 for the 5-year old, the 9-year olds, and the 10-year old is considerably different than that which was needed for the 22, 27 and 30-year olds. That is the advantage of the locality making the decisions. They can adapt to new circumstances, and to new needs. That is what the school-based clinic is all about.

It is not a secret sex clinic. Really, let us stop trivializing the health of this Nation's children with these sort of sensationalistic phrases. When we were talking about title X, these phrases come up, and they continue to come up with the school-based clinics. It is agreed by everybody that if we are going to go ahead and control in any way unwanted teenage pregnancy, this has to be done at the source. I wish as I said before that families were doing this job, and in many cases they do. But where the problem lies is with the parents who are not giving that type of advice, and that is the reason why title X and family planning comes along. But in this instance, it is only one narrow aspect of the school-based health clinics might address that particular problem. These clinics encompass a whole range of health services and advice under the control of the local school board.

If there are those who say the Federal Government should have no role, who does this job? Who does it? Are we being told here is nobody does it? Or is it 100 Senators who want to go ahead and do the job in absentia in every community in the United States?

This trend, I might add, is just like the trend in medicine as a whole, to bring it down to the smallest, most personal type of unit, just as in the case of mental health. We have gone from institutions to community-based settings. Now what we are saying in the case of the health of our youngsters, as we are moving away from a Federal program to local programs.

These clinics—and I repeat to my colleagues, for those who are off the floor—are always developed with the approval of the local school board, and with the input coming from parents and other community members. The decision as to what services each clinic will offer are determined at the local level. If school boards and parents do not want to offer family planning services, they are under absolutely no obligation to do so.

While there are Federal maternal and child health funds, as well as Medicaid funds, which go to these clinics, no title X funds are being expended—not surprising, since few clinics offer family planning services.

If adopted, this amendment would severely diminish the community's flexibility to initiate local programs, to address the problems of teen pregnancy and inadequate prenatal care among adolescent mothers.

There are communities where that is the prime concern, and it is a valid concern. We know that from the statistics.

So I hope that, as I indicated before, we bring the arguments back now to the realm of reality. We are coming very far afield from those days where the division still exists as to the matter of abortion. We are now getting into every personal aspect of family life.

I do not want anybody telling me as to how our morals have slipped. I like to think I have a very fine family, and I am sure most of my colleagues feel the same way.

Our problems are different from those of our children. I am very proud of the kids of this Nation. The fact that it is drugs in this generation rather than the alcohol of ours, they are both problems. They are both devastating to the humanity that is involved. There is no point in pointing a finger and saying how great we are and how bad they are.

In any event, I do know this: The problem is best answered at home. I am entirely consistent in my arguments. Yes, I contest the Senator for North Carolina when he tries to impose religion on my children vis-a-vis the Federal Government. The Federal Government has no role. That is my job as a parent. It is the job of my particular faith. It is not the job of the U.S. Senate. The character and morals of my children is my job. That is the job of my community. It is not the job of the U.S. Senate. The health care of my kids is my job, the physicians' job, the schools' job. It is not the job of the U.S. Senate to say what is needed and what is not needed.

When you start substituting moralizing for science, we are in pretty tough shape in this country.

I respect, as few others do, the individuality of every American citizen, and I do not want the Federal Government saying how my kids should pray, what kind of health care they are going to get, what the problems are within my family setting or my community.

What is ironic in all this is that these words come from those who are conservative; in other words, who want their points of view imposed on others.

There is absolutely no direction from the Federal Government as to how the funds involved here ought to be used. None. They are to be used for the well-being of our children as determined by the local school board.

If he wants to eliminate the funds entirely, fine; eliminate them, and say that the Federal Government will have no role in this. That is fair enough. But stop saying what it is the local school board and the community or, rather, the school clinic is going to do or not do.

You are telling the Centers for Disease Control what they can do and cannot do. You are telling the school-based clinics what they can do and cannot do. You are telling the various schools what they can do and cannot do so far as belief is concerned.

Our job is to set general policy, not to meddle and interfere with the individual lives of the citizenry. Certainly, so far as this amendment is concerned, it should fall on the basis of what will not be achieved if the amendment succeeds. The whole program goes out the window, the money is not available to any community, and therefore services that nobody would disagree with are eliminated, and services that are desperately needed in certain community settings are eliminated.

This is not an abortion program. This is not even a family planning program. It is health; and that, believe me, is best determined at the local level. That is what this is all about.

At the appropriate time, as I indicated, I will move to table the amendment of the distinguished Senator from North Carolina. I do not want to do so until he has the opportunity to regain the floor and make any comments he wants or that any other Senator may wish to make.

Mr. EXON. Mr. President, will the Senator yield for a question I have of the Senator from North Carolina?

I address this to the Senator from North Carolina: As I understand his amendment after the discussion, it has to do only with in-school or on-school property procedures—offices, clinics, call it what you will. Is that correct?

Mr. HELMS. The Senator is correct. But it is more than that. Providing Federal funds to provide contraceptives to children on school property.

Mr. EXON. On school property, which is separate and apart from family planning.

Mr. HELMS. That is right.

Mr. EXON. I ask unanimous consent that my name be added as a cosponsor of the Senator's amendment.

Mr. HELMS. I thank the Senator.

Mr. President——

The PRESIDING OFFICER (Mr. BREAUX). Does the Senator from Connecticut yield the floor?

Mr. WEICKER. I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I have a little backache, and I wanted a more comfortable chair.

I have listened to my friend from Connecticut as he talked about States rights. I said: "I think he is arguing on my side. He must have changed his mind. He must be supporting the amendment now."

There is nothing strange about the Federal Government having some say-so about how Federal funds are spent.

Let me make one thing perfectly clear: I could have no legitimate, general objection to a school board making this decision, provided it comes up with the money itself. But we do have a responsibility about how Federal money is spent. We do it in everything else.

We do not let the local governments just willy-nilly put highways anywhere they want, or any other activity. We put out guidelines.

I am talking, as the distinguished Senator from Nebraska has emphasized—and I thank him for doing so—about these mechanisms on school property, in school buildings, in so many cases—handing out contraceptives, abortion advice, and that sort of thing. I do think we have a responsibility in that regard because Federal funds are involved, in the first place, and, in the second place, families do not even know what is going on. They are not consulted about whether contraceptives shall be handed out. They are specifically excluded from consideration of that.

I cannot understand why there is any dispute about this amendment. I am not trying to intrude on the prerogatives of local school boards. Far from it. But I am saying that we have a responsibility in this matter, and I am trying to exercise it through this amendment.

Mr. WEICKER. Mr. President, to my distinguished friend from North Carolina, the answer is that so far as Federal highway funds are concerned, no, we do not exercise control. That is strictly up to the State, to use those funds once it gets to them. We do not tell them what highways they can put in or cannot.

The first time we attempted control was in terms of setting the speed limits, using the mechanism, if you will, of those highway funds. We do not tell them where to put the highways.

The entire concept of revenue sharing was raised by a Republican President, President Nixon, get the money to the States and let them figure how to spend it.

And in budget item after budget item presented by Ronald Reagan is in the form of block grants to allow the States to decide how they are going to spend it.

Now the difficulty I have in the case of the distinguished Senator's amendment is that he is referring to contraceptive drugs, devices, prescriptions, and so forth. The precedential nature of the amendment is if we do it there with the local school boards we can do it anywhere and for any item. There is no end to it as to what we say the local school board can or cannot do.

I dare say for some local school boards, information on the subject matter of teenage pregency is probably the No. 1 item on their agenda.

I cannot hear at the moment and I am now addressing the Chair, Mr. President. I cannot understand how that rich, mellifluous base baritone voice of the distinguished Senator from Illinois has not carried him to the Democratic nomination for President of the United States because it certainly rings true over on this side of the floor, and I might add I happen to be one of those who wish he had gotten the nomination.

Mr. President, I think that clearly this is an intrusion, a very substantial intrusion into how local communities are now attempting to deal with their particular priority of health problems. It is not something to be micromanaged from the floor of the U.S. Senate.

I am prepared at any suitable time to move to table the amendment.

I will certainly yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, my friend is being a tad selective in his argument for States' rights. If he will look at his own bill on page 50, for example, and there are numerous examples of this, beginning at line 1:

> SEC. 220. Notwithstanding any other provision of law, no personnel ceilings may be imposed nor any action may be taken to restrict the full-time equivalent (FTE) levels for Public Health Service programs, projects, and activities funded by this or any other Act.

So certainly we are dictating there some restriction, such as I am suggesting with this business of handing out contraceptives to children on school property.

Then beginning on line 21 on page 66 and running through line 6 on page 67:

> *Provided,* That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: *Provided further,* That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex: *Provided further,* That funds provided herein for fiscal year 1991 shall be available pending authorization.

It is a perfectly good restriction.

Mr. President, we do have a responsibility, in my judgment, to limit and restrict.

The Senator is absolutely right. The Federal Government has nothing to say, in my judgment, about a school board which provides its own money for a school-based clinic to do so. But they take the Federal funds, set up these clinics, hand out the contraceptives, and they do not let the parents know anything about it.

Obviously, the children say, "It must be all right. They gave me this. I do not know quite what to do with it, but I will find out tonight."

And that is what it amounts to.

It is a drift in the wrong direction and, while I respect my friend from Connecticut, I obviously disagree with him but I thank him for his courtesy to me in this debate.

Mr. LEVIN. Mr. President, I will vote to table the Helms amendment because it would cut off funding to the entire Department of Health and Human Services if the Secretary of that Department does not promulgate regulations which would interpose the Federal Government in decisions made by local school boards. That local control is a cornerstone of our educational system and should only be restricted when required by fundamental constitutional issues.

The passage of this amendment would set a bad precedent of Federal interference, while, at the same time, it has no actual impact on the actions of school boards, since I know of none which is providing contraceptives to students. I am concerned that sometime in the future this kind of Federal interference could be used again to reverse policies of local school boards that are actually in effect.

Mr. WEICKER. Mr. President, there is a ready remedy available to disgruntled parents who disagree with the school board, and that is to vote them out of office. That is exactly the remedy that is available to us as Americans under our constitutional system.

I would suggest that the matter is not secret, that usually if such a clinic is being considered in the community, it is probably the subject matter of rip-roaring debate at town meetings or whatever, or it is the result of pleading, if you will, to make sure that adequate health measures are applied to the children in that particular community.

In any event, is there anyone else who is desiring to speak on this matter? If not, I move to table the amendment of the distinguished Senator from North Carolina and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut to lay on the table the amendment of the Senator from North Carolina.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON I announce that the Senator from Washington [Mr. ADAMS], the Senator from Texas [Mr. BENTSEN], the Senator from South Dakota [Mr. DASCHLE], the Senator from Georgia [Mr. FOWLER], the Senator from Vermont [Mr. LEAHY], and the Senator from North Carolina [Mr. SANFORD] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

I further announce that, if present and voting, the Senator from Vermont [Mr. LEAHY] would vote "yea."

The DEPUTY PRESIDENT pro tempore [Mr. MITCHELL]. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 48, nays 45, as follows:

[Rollcall Vote No. 266 Leg.]

YEAS—48

Baucus
Bingaman
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Dodd
Evans
Glenn
Gore
Graham
Harkin
Heinz
Hollings
Inouye
Kassebaum
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Proxmire
Pryor
Riegle
Rockefeller
Rudman
Sarbanes
Sasser
Simon
Specter
Stafford
Stennis
Stevens
Weicker
Wilson
Wirth

NAYS—45

Armstrong
Bond
Boren
Boschwitz
Cochran
D'Amato
Danforth
DeConcini
Dixon
Dole
Domenici
Durenberger
Exon
Ford
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Helms
Humphrey
Johnston
Karnes
Kasten
Lugar
McCain
McClure
McConnell
Melcher
Murkowski
Nickles
Nunn
Pressler
Quayle
Reid
Roth
Shelby
Simpson
Symms
Thurmond
Trible
Wallop
Warner

NOT VOTING—7

Adams
Bentsen
Biden
Daschle
Fowler
Leahy
Sanford

So the motion to lay on the table amendment No. 2697 was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion to table the amendment was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, on page 46——

Mr. HELMS. Mr. President, may we have order in the Senate?

The DEPUTY PRESIDENT pro tempore. The Senator from North Carolina is correct. The Senate is not in order.

The Senate will be in order.

Mr. BYRD. Mr. President, will the Senator yield to me?

Mr. CHILES. I yield.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, several Senators are inquiring as to what the outlook is for the remainder of the day. It is planned to proceed and try to finish this bill if we can tonight, if it does not require us to stay too long. Mr. CHILES will not be able to be here tomorrow, so I think that it is best that we finish this bill if we can. I thank the Senator for yielding.

The DEPUTY PRESIDENT pro tempore. The Senator from Florida.

EXCEPTED COMMITTEE AMENDMENT, PAGE 46, LINE 2

Mr. CHILES. Mr. President, on page 46, line 2, add the language, "or except for such medical procedures necessary for the victims of rape or incest."

Mr. HELMS. If the Senator will excuse me, there is just so much noise I was unable to hear him, but we are at that point, I understand?

Mr. CHILES. I just proposed the amendment.

The DEPUTY PRESIDENT pro tempore. The Senate will be in order so that the other Senators may hear the manager. The Senate will be in order.

The Senator from Florida.

Mr. CHILES. Mr. President, at page 46, line 2, I would add the language, "or except for such medical procedures necessary for the victims of rape or incest."

The DEPUTY PRESIDENT pro tempore. The Senator from North Carolina.

AMENDMENT NO. 2698

Mr. HELMS. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The DEPUTY PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2698.

Mr. EXON. Mr. President, the Senator from Nebraska finds it totally impossible to hear. I came to the front of the Chamber to try to hear what the manager was saying and I could not hear. I would simply ask, once again, that the Chair clear the room, have everybody sit down and cease all conversation because there are some of us that have amendments to offer.

I had an amendment that I wanted to offer and I could not hear what was going on and I missed the opportunity. My friend from North Carolina was proper in offering it. I was hoping maybe he would let me offer an amendment, so we could try to go from side to side, but I missed because I could not hear.

I suggest to the Chair, let us stop the conversation and get on with the business at hand.

Mr. HELMS. Amen, brother.

The DEPUTY PRESIDENT pro tempore. The Senate will be in order. The Senator from Nebraska is correct. The Senate is not in order.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2698.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

SEC. . (a) Notwithstanding any other provision of this Act or an amendment made by this Act none of the funds made available under this Act or an amendment made by this Act for the Department of Health and Human Services shall be obligated or expended after January 31, 1989 if on that date the Secretary of that Department has not, using existing power, promulgated regulations to prohibit AIDS education, information, or prevention materials and activities paid for under this Act from promoting or encouraging, directly, homosexual sexual activities.

(b) Such regulations shall require that education, information, and prevention activities and materials paid for with funds made available under this Act emphasize—

(1) abstinence from sexual activity outside a sexually monogamous marriatge (including abstinence from homosexual sexual activities) and

(2) abstinence from the use of illegal intravenous drugs.

(c) Such regulations shall define the homosexual activity referred to in subsections (a) and (b) as any sexual activity between two or more males as described in section 2256(2)(A) of Title 18, United States Code.

(d) Such regulations shall define the illegal drugs referred to in subsection (b) as any controlled substance as defined in section 102(6) of the Controlled Substance Act (21 U.S.C. 802(6)).

Mr. HELMS. Mr. President, I suspect that most Senators are familiar with the pending amendment. It is almost identical to the amendment approved by the Senate on April 28. It is identical to a law which governs the expenditure of fiscal year 1988 funds for AIDS education. The amendment, to put it simply, ensures that moneys provided under the AIDS Education Program, which is reauthorized under this Act, shall not be used to promote or encourage sodomy and that all AIDS programs will emphasize abstinence from sexual activity outside of marriage and abstinence from intravenous drug use.

Mr. President, a few years ago, the public health lobby informed the Congress that education is the only available weapon against the AIDS epidemic. We heard that over and over again, and the Congress responded. To date this Congress has appropriated and spent hundreds of milions of dollars for AIDS education. Just a few months ago, we voted to authorize the biggest AIDS education research and treatment bill in the history of the country.

Now, Mr. President, the Senate is considering a bill to appropriate over $1 billion for AIDS. So I feel obliged to address this issue once more.

I think most Senators are now aware that the American taxpayers have been required to provide hundreds of milions of tax dollars to homosexual operations in this country. The evidence is there. I put it in the RECORD. There is really no dispute about it. Hundreds of millions of dollars have gone to homosexual organizations in this country. Those moneys have been used to promote sodomy. No question about it.

Mr. President, I referred earlier this afternoon to a socalled comic book produced and distributed by a homosexual organization in New York City which had received almost $700,000 from the Federal Government for operating purposes. I took that comic book down when I went to see the President of the United States, and I laid it before him. I said: "I hate to put this garbage before you, Mr. President, but I want you to see what "safe sex" education means. The most lurid, crude, despicable portrayals in that "comic book" you could possibly imagine.

The President opened up the comic book, closed it up and said: "Good Lord," and he hit the desk and he instructed the then chief of staff, our friend, Howard Baker, to get on the matter. He further said: "Why wasn't I told about this?" Well, many taxpayers are saying: "Why wasn't I told about this?"

That is just the tip of the iceberg. Hard-earned tax dollars are being used and have been used for what they call safe sodomy courses where instructors attempt to dispel what they call a "myth" that heterosexuality is superior to homosexuality.

These courses have instructors who teach participants how to negotiate "safe sex" contacts. This amendment simply says stop that; no more Federal tax dollars for that kind of garbage.

But then there is the video produced with Federal tax dollars by this group in New York. Tax dollars have been and, if my amendment fails, will be used to produce soft porn movies showing men engaging in sodomy; to hold safe sex home parties; to promote sodomy. The list goes on and on.

As I said earlier this afternoon, I took one of the video tapes produced by this crowd in New York to a meeting of Senators earlier this year. I said: "I just want you to see what you are voting for or what you are voting against." They turned on the video tape recorder to play back the tape. The Senators revolted. They were sick in their stomach. And I dare say that the American people would revolt if they knew their money, their tax money was being spent under the guise of AIDS education. It is a guise. It is a flimsy guise. It is an intellectually dishonest guise. It is fleecing the American people for the benefit of those who engage and practice sodomy.

Mr. President, these materials are now being brought into our schools. In Pavilion, NY, ninth graders learning about AIDS received a pamphlet entitled "AIDS: Prevention and"—here we go again—"Safer Sex."

Now, Mr. President, this pamphlet in no way encourages sexual abstinence before marriage. That is never mentioned. Under the list of socalled safe sexual activities the pamphlet lists dial-a-porn, fondling, costumes, and so on, and it also includes this advice to the ninth graders and younger—this is education, you see—"Be creative. Enjoy added new things into your sexual play. Try jello, whipped cream, and other new textures that provide interesting tactile sensations." Oh, bully for this education. Isn't that great. And outfits get up to $700,000 to shovel out that garbage right into the school rooms of America.

Mr. President, all the so-called low- to medium-risk homosexual activities are listed, you better believe it, and all of the so-called high-risk homosexual sexual activities are listed. But nobody can tell me with any success, Mr. President, that our 14- and 15-year-old schoolchildren ought to be educated about the sodomy tactics of homosexuals. That does not help 14- to 15-year-olds arm themselves against AIDS. It is not education. It is clearly the promotion and encouragement of sodomy.

In Missouri, according to a Kansas City article, the so-called good Samaritan project, which is a prohomosexual group, has joined with 15 area high schools to educate high schoolers about safe sex. You see the trend? They are talking about safe sex. The program does not discuss abstinence. The homosexual is not interested in abstinence. It discusses safe sex techniques for heterosexuals and homosexuals. A brochure was passed out at this Kansas City assembly. Let me tell you what it said. First, "Step 1. Learn all you can about AIDS and safer sex." Second, "Step 2. Talk about safer sex. Wear a safer sex button." "Step 3. Be creative. The ground rules are simple: Don't exchange body fluids. You can take it from there." Step 4 said, "Be a fighter. Having unsafe sex is a surrender to AIDS. Don't surrender."

Then the brochure goes on to tell the reader how to use a condom, and they go into graphic detail. It also dictates which sex acts are safe and which are unsafe.

If my amendment does not become law, nothing in the pending bill will preclude Federal tax dollars from being used for this type of so-called AIDS education.

Now, Mr. President, let us look at how the Federal money is currently being used. For example, the Boston public schools in 1987 received $154,590 for its program, and here is a taste of the AIDS education that the schoolchildren, the kids in Boston, received in July of last year. In lesson 6 entitled "How is Aids Transmitted? How Can Aids Be Prevented?" students are directed to role play the following situation. They are supposed to act it out. It says;

> Karen and Joe are people in their early 20's who are single and sexually active. They begin dating. It seems likely that they will begin to have a sexual relationship. Karen managed to practice safer sex with her last boyfriend John by suggesting they use a condom and spermicidal jelly as their birth control method. Joe, however, has had a vasectomy.

To dump right upon the schoolchildren of America—

> Karen is also aware that Joe sees himself as a very masculine man, and that he does not like homosexuals. She is worried about how he will react if she brings up her wish to practice safer sex because of her concerns about the AIDS virus.

Bear in mind, the students were directed to engage in a role play of that situation.

The teacher then asks questions about the situation, "What should Karen do? How can Karen bring up the topic of safer sex? How might Joe react if she says she wants to practice safer sex?"

Not only is hard-earned tax dollars being used to teach children to fornicate more safely, Mr. President, but Federal dollars are being used to direct these children to homosexual hotlines.

The Boston School System project, which received $154,590 of hard-earned federal tax dollars, is being used to connect these children to homosexual organizations.

As I say, the Boston school system project received $154,590 furnished by the American taxpayers through this Federal Government. And that $154,590 is being used to connect these children with and to homosexual organizations.

I protest. And that is why that amendment is at the desk right now.

The hotlines which the children will undoubtedly call for more AIDS information are, in part, homosexual hotlines. The National Gay Task Force and the Gay and Lesbian Hotlines are the only two private hotlines mentioned in the information provided these children in Boston schools, and it is being provided with Federal money which the American taxpayers are required to furnish.

Mr. President, under Information Sources, the Boston school project, paid for with $154,590 of hard-earned tax dollars, lists the Gay and Lesbian Advocates and Defenders-AIDS Law project, the Gay and Lesbian Counseling Services, and the Mayor's Liaison to the Gay Community.

Mr. President, other Education Sources listed include the infamous Gay Mens' Health Crisis, and the San Francisco AIDS Foundation. I am sure most members are aware of what they have produced.

I have talked about it enough on this floor.

Understandably, Mr. President, the AIDS Action Committee of Massachusetts endorses this project. This organization, Senators will recall, got into a little trouble with Governor Dukakis for their distribution of a graphic homosexual pamphlet. And good for Michael Dukakis. He gave them hell.

Mr. President, you may be surprised at hearing that from this side of the aisle but I do not care whether the public official is Republican or a Democrat. If he takes a stand against this kind of a garbage, I commend him.

In their endorsement letter of July 6, 1987, Larry Kessler, executive director of this homosexual organization, applauds the director of the AIDS school project for his willingness "to lead in the battle against ignorance and fear by providing the best models of education." The best models for what? To be homosexuals. That is what. And your tax dollars are being used to subsidize it.

This effort is being duplicated all over the country. Those bent on promoting the sexual revolution and the homosexual lifestyle are using the AIDS issue to promote their cause.

The bill currently before this body, left unamended, would perpetuate this travesty. We need to do more than throw our children to those intent on destroying the morals of this country.

Mr. President, in the two debates on this issue, one in October and one in April, Senators discovered what is really meant by AIDS education. Until that time, I am certain that Senators thought it meant something quite different. Yet, we did look into it and we did challenge the premise that anything goes so long as it falls loosely under the guise of AIDS education.

In the debate on April 28, Senators who opposed my amendment argued that the Helms amendment was blocking the only effective means of combatting the AIDS epidemic. Many implied, if they did not say outright, that explicit, pornographic AIDS education is responsible for the decline in AIDS infection rates.

That argument is just plain false, Mr. President. The truth is not a single credible study shows that explicit, pornographic AIDS education has succeeded in changing behavior.

True enough, Mr. President, some studies have reported a decline in HIV transmission among homosexual and bisexual men. But no credible study documents the claim that AIDS education efforts are responsible for the decline.

In a June 1987 study in the American Journal of Public Health the authors recognized factors, other than change in sexual behavior, which may have influenced the results of the study. They stated:

> The substantial reduction in infection rates could have been the result of one or more of the following circumstances:
>
> (1) Study subjects at high risk of seroconversion may have participated in the [study] in disproportionately smaller numbers than those at low risk of seroconversion, a type of selection bias.
>
> (2) Members of the cohort who engaged in high-risk behavior might have become infected early in the epidemic leaving only low-risk persons available for infection during the study, the so-called saturation effect.
>
> (3) The prevalence of high risk activities could have declined.

Other studies have come to the same conclusion. AIDS transmission may have declined but it cannot be documented that AIDS education is the reason.

> A northeastern Ohio study of 303 homosexual men stated: We have concluded that educational efforts on safe sex education in our areas have resulted in clinically meaningful behavior modification in only a small segment of the socially and sexually active homosexual community.

The study found that only 28 percent practiced totally safe sex; 71 percent persisted in activities that have been clearly described as unsafe.

A Pittsburg study of condom use by 503 homosexuals and bisexual men showed that knowledge of safe sex did not stop the practice of risky behavior, and the "underutilization—of condoms—is probably not related to deficits in knowledge." The researchers concluded that knowledge of safe sex did not prevent most men who practiced anal sex from engaging in unprotected sex.

A study of the massive AIDS educational campaign in Britain concluded, "The campaigns had no effect on changing sexual behavior."

A highly publicized National Institutes of Health [NIH] found that 51 percent of the homosexual and bisexual men studied still practiced sodomy. Although condom use doubled, more than two-thirds did not use condoms with anal sex. And almost half, 44 percent, still used nitrate inhalants.

A survey of 750 homosexual men in New York City revealed that high risk behavior, though diminished, still continues at a high level; 48 percent still practice sodomy. Of those engaging in sodomy, 40 percent are not using condoms.

A 1987 survey of homosexual men in Albuquerque showed that few were following "safe sex" guidelines; 76 percent were practicing sodomy. Only 10 percent were using condoms more than 10 percent of the time.

Even if safe sex reduces other sexually transmitted diseases, it doesn't necessarily reduce the prevalence of HIV infection.

The prevalence of HIV infection almost tripled among San Francisco homosexuals between 1980 and 1984—from 24 to 68 percent—even though safe sex techniques resulted in a 73-percent reduction of rectal gonorrhea cases in men attending San Francisco city clinics during the same period.

HIV infection can increase even when gonorrhea decreases, because of differences between the diseases. Dr. Goedert of the National Cancer Institute of the National Institutes of Health has pointed out:

> Unfortunately, gonorrhea and HIV are so different that little comfort can be drawn (from the decrease in gonorrhea.) Unlike gonorrhea, HIV infection cannot be cured, is certain to be carried for a long time (possibly for life), and is highly likely to cause death. The risk of transmitting HIV must therefore be eliminated, since there is no acceptable level for this risk. "Lower" risk is an inadequate goal and perhaps even a vacuous notion.

I think it is quite clear, Mr. President, despite our wishes to the contrary, AIDS education is not changing behavior. It could, in fact, be simply perpetuating the immoral lifestyle that got us into the AIDS predicament in the first place.

Mr. President, in the debate on April 28, one Senator argued that AIDS should not be solely a moral argument. "We are also talking about public health," he said.

I agree with this Senator's comments. AIDS is both a moral issue and a public health one. In this case, as with so many cases, adherence to the Judeo-Christian moral code happens to be the best public health policy.

Some Senators refuse to recognize this fact. To support a policy that says AIDS can be stopped by discouraging promiscuity and homosexuality forces us to slam the door on the sexual revolution which has ravaged this Nation for the past quarter of a century.

Mr. President, the Congress has already spoken on this issue. Our choice is clear: Are we or are we not going to allow hard earned tax dollars to be used to promote sodomy—an activity which affronts our Judeo-Christian values and is illegal in 24 States and the District of Columbia—and illegal drug use? Or will we continue to cling to a failed policy of promoting sodomy and emphasizing sodomy with a condom?

Lives are at stake. We cannot afford to sit back. I urge the adoption of this amendment.

I could go on and on, but it has been suggested to me that maybe we want to move along. I do want to accommodate the manager of the bill. I certainly want to accommodate the distinguished majority leader.

But let me say this: The Senate has already voted twice on substantially the same amendment overwhelmingly. It was 94 to 2 on one occasion and 71 to 18 on the other. When Senators had some notion of what was afoot, they came in here and voted as they did overwhelmingly for substantially this same amendment.

So I say to the Senators again, as I have said before, the case is clear. Our choice is clear. And the question is are we or are we not going to allow the hard-earned tax dollars of the American people to be used to promote sodomy, and activity which is an affront to our Judeo-Christian values and is illegal in 24 States in the Union, plus the District of Columbia, or will we continue to cling to a failed policy of promoting sodomy and emphasizing sodomy.

Lives are at stake. I do not think we can afford to sit back. And needless to say I urge adoption of the amendment.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, for the information of all, I will simply state that as I understand it there has been an agreement made that a tabling motion will be offered on the amendment offered by the Senator from North Carolina. When we dispose of that tabling motion, regardless of what the vote is, I just want to advise the Senate that the Senator from Nebraska will be offering an amendment with regard to rape and incest on the abortion issue. This is an amendment that passed a few years ago by over 10 votes in the Senate. I think it is very likely to be adopted here on a rollcall vote.

The amendment that I will offer after the tabling motion is voted upon will deal with the victims of rape and incest and allow them coverage under the law if it is promptly reported, and it also allows States rights with regard to the funding of abortions. It allows the States to have sole discretion of making and passing tougher abortion laws. If they do not accept this in all cases, we preserve the fundamental right where the life of the mother would be endangered. That generally accepted term would be maintained in my amendment.

Mr. WEICKER. Mr. President, I am going to be exceedingly brief. I should alert my colleagues that we will be moving to this vote in a matter of minutes.

I oppose the amendment of the distinguished Senator from North Carolina for two reasons. No. 1, it reinstates the Helms language, which language was for all practical intents and purposes obviated by the passage of the Cranston-Kennedy amendment. So it will wipe Cranston-Kennedy off the books if this language is accepted and, just as importantly it will eliminate rape and incest as it now sits in the bill as being eligible in terms of an abortion provided from Medicaid funds.

Finally, in this bill we come back to common sense. That specifically is that a woman that is pregnant by virtue of rape or incest would have available to her Medicaid funds for the performance of an abortion, a matter that we left several years ago and I am sure has caused untold hardship and tragedy among the populace.

So I hope for those two reasons the Helms amendment is not adopted.

I move to table the same, and I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. HEFLIN). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Connecticut to lay on the table the amendment of the Senator from North Carolina. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Texas [Mr. BENTSEN], the Senator from South Dakota [Mr. DASCHLE], the Senator from Georgia [Mr. FOWLER], and the Senator from Vermont [Mr. LEAHY] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Virginia [Mr. WARNER] is necessarily absent.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 47, nays 46, as follows:

[Rollcall Vote No. 267 Leg.]

YEAS—47

Baucus
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cranston
Dodd
Evans
Exon
Glenn
Gore
Graham
Harkin
Inouye
Kassebaum
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Simon
Specter
Stafford
Stennis
Stevens
Weicker
Wilson
Wirth

NAYS—46

Armstrong
Bond
Breaux
Cochran
Cohen
Conrad
D'Amato
Danforth
DeConcini
Dixon
Dole
Domenici
Durenberger
Ford
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kasten
Lugar
McCain
McClure
McConnell
Melcher
Murkowski
Nickles
Pressler
Quayle
Reid
Roth
Sasser
Shelby
Simpson
Symms
Thurmond
Trible
Wallop

NOT VOTING—7

Adams
Bentsen
Biden
Daschle
Fowler
Leahy
Warner

So the motion to table the amendment (No. 2698) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 2699 TO EXCEPTED COMMITTEE AMENDMENT PAGE 46, LINES 2 AND 3

(Purpose: To clarify the rape and incest exception to the abortion funding restriction)

Mr. EXON. Mr. President, I send a perfecting amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska (Mr. EXON) proposes an amendment numbered 2699 to the committee amendment.

Strike line 3 on page 46 and insert in lieu thereof the following: "victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service; nor are payments prohibited for drugs to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of ectopic pregnancy: provided, however, that the several states are and shall remain free not to fund abortions to the extent that they in their sole discretion deem appropriate, except where the life of the mother would be endangered if the fetus were carried to term."."

Mr. EXON. Mr. President, I rise to offer this perfecting amendment to the committee amendment which addresses the difficult issue of abortion. The amendment that I have offered passed by over 10 votes in the U.S. Senate in 1980. As far as I know, it has not been offered since that time.

Mr. President, I feel that the position that the perfecting amendment takes is the most reasonable one, a compromise, if you will, to do what this Senator has always held was the minimum necessary with regard to the most difficult and divisive abortion issue.

The PRESIDING OFFICER. The Senator will suspend. I apologize to the Senator, but the Senate is not in order. There are various conversations taking place on the floor which need not take place on the floor. Senators will take their conversations to the Cloakrooms and staffs will take their seats.

There are still various conversations taking place. The Chair will wait until those conversations are complete before the Senate resumes its business.

The Senator may proceed.

Mr. EXON. Mr. President, for the information of the body, I am going to be very brief. If you will allow me 5 or 6 minutes to basically explain the amendment, then I will ask for the yeas and nays. Certainly, there undoubtedly will be some opposition. I do understand that both of the floor managers of the bill have agreed to support and vote for this amendment. Maybe we can expedite and move things along. I do not wish to hold up the Senate.

I have long opposed abortion and funding for abortion except in the narrow cases where it is necessary to save the life of the mother or in promptly reported cases of rape or incest.

While the Appropriations Committee bill contains life of the mother and rape and incest exceptions, I have two concerns which my amendment attempts to address. First, there are no prompt reporting requirements included in the rape or incest exceptions. If there is no such requirement, there will, at least, be an economic temptation to simply claim that a pregnancy resulted from rape or incest in order to secure Federal funding. If we are to have a rape or incest exception, it is important that we assure that claims to Federal funds are legitimate and that the opportunity for fraud is minimized. My amendment simply requires that to qualify for Federal funding, the cases of rape or incest be promptly reported. The same prompt reporting requirements were included in the recently passed District of Columbia appropriations bill.

My second concern is that due in part to the 1980 court case, Roe versus Casey and Lynch, States may be required to enact more liberal public funding policies for abortion than their State legislators are prepared to accept should the committee amendment be adopted as written. My amendment simply gives the States the option to determine their own abortion funding restrictions. States would have the option of funding rape and incest cases but would not be required to do so. Those who rallied around the "states rights" issue in opposition to the District of Columbia abortion amendment, which I offered earlier this July, should find some philosophical comfort in this provision of the amendment. I hope that those individuals will see that my amendment also protects "states rights."

Mr. President, for several years in the early 1980's, language very similar to the amendment which I offer today was the accepted formulation of the abortion funding restrictions.

I realize what a difficult issue this is for the Senate. This amendment may not go as far as some would like, however, I sincerely believe that this amendment reflects the middle ground on this controversial issue. It is a middle ground which can protect the maximum number of lives. Those Senators who are interested in protecting the unborn from the rising tide of abortions should work to make progress toward protecting as many lives as possible. Unsuccessful, but dogmatically perfect, amendments may make good "score card" votes, but they do not save lives. I am hopeful that this amendment can be enacted. It assures that the exceptions to the abortion funding restrictions are carefully and narrowly drawn. It also protects States which may not wish to go as far as the Federal Government in funding abortions.

Mr. President, I will refrain from other remarks depending on the necessity for rebuttal.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CHILES. Mr. President, I believe the Senator from Nebraska has offered an amendment that we should adopt. It was in the language of a bill that the Senate adopted a number of times in the early 1980's, as he said. I think it does add some further safeguards to the rape and incest language, requiring that that be promptly reported and that it only be available if it is promptly reported. I believe it tightens up that language. I believe this is something that we should adopt and I urge that we do adopt it.

Mr. HELMS. Mr. President, I begin by stating the committee amendment offered in committee by Senator WEICKER. Senator WEICKER's amendment added a rape and incest exception to the Hyde amendment by a vote of 15 to 14. If this amendment is enacted, the Federal Government will be in the business of providing free abortions in cases where the life of the mother is endangered by carrying the unborn child to term and if the abortion is desired because the woman claims rape or incest.

I oppose this amendment for a number of reasons, but I will begin with the most important. The unborn child is a human life which should be protected. Since this unborn child's life is supreme, it should not be snuffed out because of the circumstances surrounding the child's inception. Whether that child is conceived by force or by consent, the child does not deserve being deliberately destroyed. Certainly, the taxpayer should not be required to pay for the termination of this innocent human life.

At this point, I mention there is a poignant biography entitled, His Eye Is On the Sparrow, which I hope Senators in the Chamber will read. It provides the perfect illustration: A woman becomes pregnant from a rape and many urged her to have an abortion. She did not because she believed that the child she was carrying was a human life that deserved to live. If that mother had followed that advice, if she had consented to an abortion, our Nation would never have been blessed with the life and voice of Ethel Waters.

Second, contrary to what proponents of the rape/incest exception want you to believe, the Hyde amendment does not prohibit Federal funds from being used to provide adequate treatment for victims of rape or incest. The Federal Government continues to fund diethylstilbestrol [DES] and other non-abortion procedures used within a few days of a sexual assault.

Third, the rape/incest exception would only open the floodgates for taxpayer-funded abortions. While few rapes result in pregnancy, it's clear that a rape exception would encourage false claims of rape. In a U.S.A. Today interview with Gloria Steinem, she commented that making "abortion legal only in cases of rape and incest would force women to lie."

Two leading law enforcement associations have opposed the exception for this precise reason. In a letter dated July 18, 1977, the director of the Bureau of Governmental Relations and Legal Counsel, International Association of Chief of Police, Inc., wrote the following:

> If this Senate provision ultimately becomes law, the federal government would have created a situation whereby a woman wishing to obtain a free abortion (at government expense) would be required to report that a crime of rape or incest had occurred. Obviously if the reporting of a crime becomes financially profitable, we can expect innumerable false reports. Each such report would have to be investigated requiring considerable man-hours of already overburdened police departments.

In a letter to Congressman HENRY HYDE, dated July 18, 1977, the National Sheriffs' Association expressed similar concerns.

> Furthermore, the common language, if enacted, would allow taxpayers funded abortions for "victims" of statutory rape. In effect, if the child is merely under the state's age of consent as defined by the statutory rape laws, she would be entitled to an abortion. So, in Virginia, where the age of consent for statutory rape is 16, a child under that age can get a free abortion even if it is not a product of rape.

The Exon amendment is not much better. A woman needs only to report a rape. She can lie about it, which is precisely why the law enforcement officials oppose a rape/incest exception.

Again, Mr. President, if you believe abortion is murder, then you will vote against the Exon amendment. I believe it is and I will vote against this amendment.

Mr. President, I think the writing is on the wall. The committee amendment will open the floodgates for the Federal funding of the termination of innocent human life. If you support Federal funding of abortion, vote for the committee amendment. If you believe abortion is murder and the Federal taxpayer should not have to aid and abet in this, then vote against it.

Mr. LEVIN. Mr. President, I will vote against the Exon amendment because of its requirement that there can be Federal funding for abortion in the case of incest only if that incest is promptly reported. First, this amendment does not define promptly. Vague legislative language can always present potential problems, but in this instance it could lead to very real human tragedies. Second, the embarrassment surrounding incest frequently results in the victim keeping silent for months. We should not draw a distinction as a matter of law between such an incest reported months afterward and an act of incest reported immediately.

The PRESIDING OFFICER. Is there further debate on the amendment? If there is no further debate on the amendment, the question is on agreeing to the amendment of the Senator from Nebraska (Mr. EXON). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], the Senator from Texas [Mr. BENTSEN], the Senator from South Dakota [Mr. DASCHLE], the Senator from Georgia [Mr. FOWLER], and the Senator from Vermont [Mr. LEAHY], are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Idaho [Mr. SYMMS] and the Senator from Virginia [Mr. WARNER] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 73, nays 19, as follows:

[Rollcall Vote No. 268 Leg.]

YEAS—73

Armstrong
Baucus
Bingaman
Bond
Boren
Boschwitz
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
D'Amato
Danforth
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Garn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heinz
Hollings
Humphrey
Inouye
Karnes
Kassebaum
Kasten

Kennedy
Kerry
Lugar
Matsunaga
McClure
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Pell
Pressler
Proxmire
Pryor
Quayle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Simon
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Wallop
Weicker
Wilson

NAYS—19

Bradley
Breaux
Cranston
DeConcini
Ford
Glenn
Heflin
Helms
Johnston
Lautenberg
Levin
McCain
McConnell
Packwood
Reid
Riegle
Shelby
Simpson
Wirth

NOT VOTING—8

Adams
Bentsen
Biden
Daschle
Fowler
Leahy
Symms
Warner

So the amendment (No. 2699) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, if I might have the Senators' attention, I believe things can go quickly now. We have a number of amendments, most of which I know of, and I do not think there will be any rollcalls. If Members who have an amendment will come to the floor and be prepared to allow us to handle those quickly, I think that we can get people out of here.

I do not really know of another rollcall vote before final passage, unless we run into something.

Mr. HUMPHREY. Will the Senator yield on that point? I have a number of amendments, one of which I would like to have a rollcall vote on. May I ask how many committee amendments remain to be taken up?

Mr. CHILES. There are about 25. I thought there would be no problem now to offering them en bloc.

Mr. HUMPHREY. I want to offer an amendment which will require a rollcall vote to a committee amendment.

Mr. CHILES. I wonder if the Senator will do that now. I take back what I said. I did not know of any rollcalls.

Mr. HUMPHREY. I will be happy to do that. With respect to the other amendments I have, I believe the Democrat side have agreed to them. The language needs to be cleared with the floor manager on this side, which should not be a problem.

Mr. BUMPERS. Will the Senator from New Hampshire yield?

Mr. HUMPHREY. The Senator from Florida has the floor.

Mr. BUMPERS. Will the Senator from Florida yield to me for a question? Can the Senator give us some idea how long this is going to take?

Mr. HUMPHREY. For my part, 15 minutes at the most.

Mr. BYRD. Mr. President, I ask unanimous consent that there be 30 minutes on the amendment to be equally divided in the usual form and that no amendment to the amendment be in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, is there an amendment pending?

The PRESIDING OFFICER. The Senator from New Hampshire is correct.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that we set aside the amendment so I may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I withdraw that request. There is a committee amendment pending, obviously. I want to offer an amendment to the pending amendment.

The PRESIDING OFFICER. The pending amendment is the committee amendment that has been amended. Is there further debate on that amendment?

If not, the question is on the amendment, as amended.

The excepted committee amendment, page 46, lines 2 and 3, as amended, was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, there is no amendment pending at the moment; is that correct?

The PRESIDING OFFICER. There is now a committee amendment pending.

AMENDMENT NO. 2700 TO EXCEPTED COMMITTEE AMENDMENT, PAGE 49, LINE 4

(Purpose: To ensure that funds made available by the act are not used to promote or encourage homosexuality as normal or natural)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask its immediate consideration. This is an amendment to the committee amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 2700.

In lieu of the matter proposed to be inserted, insert the following:

SEC. . Notwithstanding any other provision of this Act, or amendment thereto, none of the funds made available by this Act shall be used in materials, curriculums, or programs that promote or encourage homosexuality, or to use words stating that homosexuality is "normal," "natural," or "healthy.".

Mr. HUMPHREY. Mr. President, the amendment will prevent the use of Federal funds in the promotion of homosexuality and homosexual activity. It will also prohibit references to homosexuality as "normal or natural activity."

The amendment is not frivolous. It was in fact sparked by a curriculum published with Federal title X funds by an organization called The Clinic located in a city and State which I represent. That clinic received a grant of $160,000, a 3-year grant under title X, to develop a program aimed at involving male adolescents in family planning activities.

The curriculum, which is entitled "Mutual Care, Mutual Share," embarks on an effort which seeks to be "affirming of gay and lesbian youth" and to "focus on homophobia as the problem."

In so doing, the manual urges that "each of these sexual orientations," that is to say homosexuality and bisexuality, and the same-sex experience in general were "natural and perfectly acceptable," quoting from the manual, calling homosexuality and bisexuality natural and perfectly acceptable.

Now, anyone has the right under the first amendment obviously to make that statement but the distinction here is they are saying these things, publicizing these things, this point of view, propagandizing this point of view using Federal funds. The courts, of course, have upheld consistently the point of view that the Congress is not obligated to subsidize the exercise of constitutional rights. If people want to say these things, let them say them with their own money. That is the distinction.

The manual, Mr. President, seeks at various instances "to casually remind the participants that guys and lesbians are a very natural presence in our society."

Well, there is a great controversy over that point, and we will not settle it tonight, but when you consider the difficulties, the anatomical difficulties, shall we say, of same-sex experiences, it hardly seems that nature has fitted two men, for example, or two women to have sexual relations, so I find it difficult to accept the premise of this federally funded organization that gays and lesbians are a very natural presence in our society.

In any event, citizens and organizations of every stripe have a right to their opinion and have a right to express their opinions in speaking and writing, but they have no right to a Federal subsidy to propagandize a point of view which is objectionable to a great many citizens, indeed if it is not a majority of such citizens.

The manual has raised concerns in the State of New Hampshire among State officials and the public at large and as a result the Federal Government is nearing completion of a formal investigation into the curriculum and compliance of the organization called "The Clinic with Federal Regulations." In connection with that investigation, while I want to emphasize the investigation is not complete, nor has a report been produced, the administrator of the Federal program funding that program expressed "serious concerns about the appropriateness of this curriculum."

Mr. President, the amendment restates the principle that it should long ago have been understood that Federal funds should not be used to promote homosexuality or homosexual activity in any way whatever, nor should Federal funds be used to refer to homosexuality or homosexual conduct, activity as normal or natural. Such use of Federal funds and materials that target adolescents is particularly offensive.

Mr. President, that is all I have to say at this juncture.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. I will reserve whatever time I have remaining——

Mr. ARMSTRONG. Will the Senator yield?

Mr. HUMPHREY [Continuing].—For possible use but, in the meantime, I will gladly yield whatever time the Senator requires to my colleague from Colorado.

Mr. ARMSTRONG. Mr. President, I thank my colleague for yielding. I do not require any time other than to express my appreciation to him for raising this amendment and to ask if I may be added as a cosponsor.

Mr. HUMPHREY. I will be delighted to do so. I ask unanimous consent to that effect, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. How much time remains, please?

The PRESIDING OFFICER. To the Senator from New Hampshire, 9 minutes and 38 seconds; to the opponents, 15 minutes.

Who yields time?

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I rise to oppose the amendment. I would like to read the amendment again because I think when you read it, you understand exactly what is involved here:

> Notwithstanding any other provision of this act, or amendment thereto, none of the funds made available by this Act shall be used in materials, curriculums, or programs that promote or encourage homosexuality, or to use words stating that homosexuality is "normal", "natural", or "healthy".

Mr. President, the first question that has to be asked is why in this piece of legislation single out homosexuals? How about "none of the funds made available by this act shall be used in materials, curriculums or programs that promote or encourage permissive heterosexuality, excessive heterosexuality"?

Mr. HUMPHREY. Will the Senator yield?

Mr. WEICKER. No, I will not yield.

Mr. HUMPHREY. I thought the Senator asked a question.

Mr. WEICKER. I am making my statement about what is being done here and it is not very complimentary to this body.

Mr. HUMPHREY. I thought the Senator asked a question.

Mr. WEICKER. What is being done here is to single out a group that we may or may not agree with and point the finger at them. I know that we run a great risk in this body at this time; it is an election year. Some of my colleagues think that if you vote against this amendment, then it can be said by your opponents that you are for homosexuality. Well, I intend to vote against it, and I am up for election. I do not care what year or what time of year it is, I am not about to engage in an act of legalizing discrimination.

Why are we concerned with this? Because a particular segment of our population is hurting and dying. We did not get this kind of amendment when we were spending billions on gonorrhea, on syphilis, on chlamydia, all the diseases of heterosexuality or promiscuous heterosexuality.

No, we did not get this kind of amendment then. All we were ever interested in as a Nation was is if you were hurting or you were dying, we came to your side. Suffering was the reason for actions by this body.

That reason is no longer good enough. Very few amendments come on this floor that incense me as much as this particular one does. It will probably pass. I hope it does not. I hope that everybody sees it for what it is. Maybe it is all right that these matters take place in conversation on the streets of this Nation. But not on the floor of the U.S. Senate. Nobody is trying to promote or encourage any particular lifestyle. Nobody is trying to state what it is that anyone of us as an American should or should not do. There are obviously matters of conscience, matters of morals, and matters of medicine, and common sense that dictate what we should do. But I have been through this exercise, Mr. President, now for quite a period of time. It has always been nibbling away at the edge. But here you have it in all of its dirt. Mr. President, how you vote on this amendment is not a commentary on what you believe in or what you do not believe in as far as lifestyle is concerned. It is a statement on how you value your fellow human being. It is as simple as that.

I am sorry that tragedy has attached itself to people who conduct themselves in a way that might be different than any of us. But it is not enough to say I am sorry. It never has been. If the hurt was there, your country was there.

I hope the amendment will be defeated either by a tabling motion or a straight up and down vote. I am quite satisfied to have it up or down. And I am quite satisfied to explain to the people of the State of Connecticut what I voted for or what I voted against because of this can be done to one group of our populous, then it can be done to any of us. We better not start head counting because maybe this group is in the minority now, but sooner or later one of us will be in a minority due to something that we do or we think that is a little bit different.

I yield to the distinguished Senator from Massachusetts.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. How much time remains?

The PRESIDING OFFICER. Eight minutes remain.

Mr. KENNEDY. To the Senator from Connecticut?

The PRESIDING OFFICER. That is right.

Mr. KENNEDY. Will the Senator yield?

Mr. WEICKER. Yes.

Mr. KENNEDY. Mr. President, I think all of us are both impressed and moved by the very eloquent and effective arguments of the Senator from Connecticut. I would like to just speak for a moment about where we have been over the course of the afternoon on the language which has been included in the Humphrey amendment. So there will not be a confusion among the Members about what we have voted on and what we will be voting on in terms of the Humphrey amendment.

This will be the fifth vote on the virtually identical subject matter that we have been debating and voting on, closely certainly so over the course of the afternoon. The first vote was on the Cranston-Kennedy amendment, whether it was germane. Then the Cranston-Kennedy amendment was not tabled. Then the reconsideration of the Cranston-Kennedy was tabled, and the Helms amendment was tabled. Now we have the Humphrey amendment that contains the exact same language that drew the protest from hundreds and thousands of the public health officials.

Senators should remember that we voted three times in favor of this clause in the Cranston-Kennedy amendment: "The programs and curricula shall not be designed to promote or encourage homosexuality or heterosexual sexual activity."

So we have voted, the Members, a majority of the Members have voted three times on that particular language—shall not be designed, CBC will not design, Federal money will not be used to design program or curricula designed to promote or encourage homosexual or heterosexual activity.

You can do anything you like, Mr. President. But the basic Humphrey amendment and the language "promote and encourage, directly and indirectly" we have debated, as the Senator from Connecticut pointed out, last year, this year, and again tonight. Hopefully, the Senate now has, I think has, acted wisely, closely in terms of this same identical subject matter. It is just being packaged a different way. But we have acted on it.

I believe the majority has acted wisely. It will prohibit the kind of agregious activity that has been the concern of some, but will permit sound public health policy which ought to be the concern of all.

So I hope that the Senators will vote to—I certainly hope the floor managers would make a motion to table this amendment. If they do not so desire, I will intend to do so.

I will withhold the motion at this time if the Senator from New Hampshire wants to speak further.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. How much time do I have remaining?

The PRESIDING OFFICER. Four minutes and 18 seconds.

Mr. WEICKER. I yield 2 minutes and 18 seconds to the distinguished Senator from California.

Mr. CRANSTON. Mr. President, I will be brief in speaking in opposition to the Humphrey amendment. We have already addressed this issue several times on this day and on other days.

The Cranston-Kennedy amendment stated that the Government should not fund educational curricula that are designed to promote or encourage homosexual activity. No Member of this body wants to vote for any legislation or vote for any policy or program that promotes any particular form of sexual activity. That is not the Government's business.

As the distinguished Senator from Massachusetts just pointed out, it is unnecessary to go through all of this again. The point is that as written this amendment would chill efforts to educate people on how to avoid AIDS. It does not have the word "directly" before the words "promote or encourage" and therefore it could be interpreted in ways that could chill efforts to educate people in how to avoid the worst health threat that we have known in our times in this country, perhaps the worst ever—one that has taken many lives, and one that will take many more. The purpose is to tell people, inform people, and educate people on how to avoid getting AIDS. Those who vote for this amendment are unfortunately, and I think unknowingly, voting a death sentence on many Americans.

I oppose the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, how much time is on this side?

The PRESIDING OFFICER. The Senator from New Hampshire has 9 minutes and 20 seconds remaining.

Mr. HUMPHREY. Mr. President, more often than not, the Senator from Connecticut and I do not agree on matters, but I admire, most of the time, his determination and independence. However, I truly believe that in this case he is mistaken in his argument.

He asks, first, why this amendment now? First of all, as I said in my remarks, because of this manual, which was published at the expense of the taxpayers by an organization in my State which secured an amount under a program for which we are now appropriating money in 1989. This was an abuse, in my opinion, of Federal funds, and I am seeking to prevent that abuse in future years. That is the answer to the question, "Why now?"

The Senator asked, "Why didn't we have this sort of amendment when we were funding research on gonorrhea and chlamydia?" Until recently, we did not have this phenomenon of people trying to portray to our youth that homosexuality and bisexuality are normal, natural, and desirable and healthy. That is nonsense, in my view.

People have a right to say it. Even if I think it is wrong, they have a right to say it in speeches or in public or printed material or in any way they want, but they have no right to be subsidized in the exercise of free speech by the taxpayers. It is very poor policy for the Federal Government to be endorsing this propaganda.

Let us remember that this manual is intended for the sex education of adolescents. For the Federal Government to be endorsing the point of view that homosexuality is normal and natural and healthy—I am not blowing smoke. I read from the manual, page 11:

> We made the assertion that gay and lesbian adolescents were perfectly normal and that their sexual attraction to members of the same sex was healthy.

Do Senators believe that? Does the general public believe that? I doubt it. These people have a right to express their point of view, but they have no right to be subsidized in that point of view. It is an outrage that Federal funds were used for that purpose. It is my wish that that outrage not be repeated.

I will read more, so that Senators can have the flavor of this thing. Page 24:

> We suggested that some of the members of the group might be heterosexual, others might be bisexual, others might be lesbian or gay.

That is an offensive word, too. There is nothing gay about this perversion, but I will not try to settle that issue tonight. They use the word "gay," which is misleading to our youth.

> Some had probably had sexual experiences with their own gender regardless of their sexual orientation. We mentioned that each of these sexual orientations and same-sex sexual experiences in general were natural and perfectly acceptable . . .

This is just some of them. There are more.

Page 33: ". . . just one more way to casually remind the participants that gays and lesbians are a very natural presence in our society."

I would like someone to point out and educate this Senator how nature has equipped men to do sex with men or women with women. If nature has not equipped men and women to have sex in that manner, how can we justify Federal funds being used to tell our children that this kind of activity is natural and healthy and normal? Is it the norm? Of course not, and no one here suggests it is; but this federally-funded publication says it is normal, natural, and healthy. Could anything be further from the truth? It is absurd.

The Senator from Connecticut raises a suggestion that the public health and education effort is to minimize the effect of AIDS, and we endorse that. The Senator suggests that the only way we can inform the homosexual community and the other communities they are susceptible to AIDS is to encourage homosexuality.

He says it is impossible for the Federal Government to fund programs for visual aids—to support such material, that does not support homosexuality. That is nonsense. There are ways of getting the message to these communities without promoting homosexuality, because it is not the norm. It is not natural because men and women are not equipped to have sex with members of the same sex. The Senator from Connecticut, who is so concerned about AIDS, will agree.

This is a sensible and timely amendment, and it is intended to remedy a real problem and an evil, in the sense that it misleads our young people.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. HUMPHREY. Strike that request, Mr. President.

The PRESIDING OFFICER. The Senator has withdrawn his request.

Mr. HUMPHREY. Yes; I withdraw the request for the yeas and nays, for the reason pointed out to me by the Senator from Florida.

As the amendment is drawn, it is striking language which was not the intent of the Senator from New Hampshire to strike.

So I would propose to modify my amendment so that it will not strike the language which the Senator from Florida wishes to retain, and I suppose the Senator from Connecticut also wishes to retain. If I am not able to modify the amendment at this juncture, I will simply have to offer it as an amendment elsewhere, at the first opportunity.

I propose to modify the amendment, Mr. President, so that instead of reading, "In lieu of the matter proposed to be inserted, insert the following," it has as its prefix, "At the end of the pending amendment, add the following." The balance of the amendment would be identical to the foregoing.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The amendment has been so modified.

The amendment as modified, is as follows:

> At the end of the matter proposed to be inserted, insert the following:
>
> SEC. —. Notwithstanding any other provision of this Act or amendment thereof, none of the funds made available by this Act shall be used in materials, curriculums, or programs that promote or encourage homosexuality, or to use words stating that homosexuality is "normal", "natural", or "healthy".

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Chair observes that there is still time remaining on both sides. Who yields time?

Mr. WEICKER. I yield myself such time as I have remaining.

Mr. President, this is a bill to alleviate suffering. Whether it applies to funds for the National Institutes of Health or our schools. It is a bill to alleviate suffering. It is as simple as that.

Nobody is advocating any particular course of sexual conduct. Indeed, I think probably more tragedy, more death has been inflicted by excessive heterosexual activity than by homosexual activity. But that is not the point. The point is that a behavior which is not considered normal is considered a good political target. All I do not want to happen is to have this body be a part of that kind of exercise.

Mr. President, the Nation knows each Member here, and they know the purpose of the legislation. They also understand when you rise in your chair to be counted on the side of alleviating suffering and to averting death. They understand that. But if we are to make politics out of that suffering—that they will never understand today or well into the future when they look back on the action we are about to take here in this Chamber.

This amendment deserves to be roundly defeated, either by a tabling motion or an up down vote. It does not make a bit of difference to this Senator. Nobody is going to misread the end result.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I do not understand why the Senator from Connecticut is trying to translate this into something which it is not.

This is an effort, as I have stated repeatedly, to eliminate this very kind of abuse, Federal funding for publications—in this case, used to educate adolescents about sexuality, which, in a number of places explicitly calls homosexual and lesbian conduct normal. It is not normal; it is not the norm. Does the Senator want to argue that it is the norm? The manual calls homosexual activity natural.

Does anyone want to argue that nature fitted man for sex with man?

It says homosexuality is healthy. It is not. We ought not to be telling our children that. People are free to do so, but with their own money, not Federal funds, not from the taxpayers.

The Senator is trying to eliminate a pernicious abuse. It is a concrete problem. We ought to deal with it. It is not a matter of abstract philosphical concern that the Senator from Connecticut would seek to portray.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. LEVIN. Mr. President, I do not believe that the Federal Government should sponsor language such as that which the Senator from New Hampshire has read to the Senate from the educational materials, nor would President Reagan's Department of Health and Human Services sponsor it.

However, what troubles me about the amendment of the Senator from New Hampshire is that by stating that the Federal Government should not use funds to promote heterosexual activity among teenagers, it states by implication that it is acceptable for the Federal Government to use funds to promote heterosexual activity among teenagers. I do not believe that it is the business of the Federal Government to promote sexual activity, whether it be homosexual or heterosexual, among teenagers.

We earlier today voted to promote neither: thats the better approach.

Mr. WEICKER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts to lay on the table the amendment of the Senator from New Hampshire. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS] and the Senator from Texas [Mr. BENTSEN] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 15, nays 82, as follows:

[Rollcall Vote No. 269 Leg.]

YEAS—15

Bradley
Chafee
Cranston
Gore
Inouye
Kennedy
Kerry
Leahy
Levin
Mikulski
Moynihan
Sanford
Simon
Stennis
Weicker

NAYS—82

Armstrong
Baucus
Bingaman
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chiles
Cochran
Cohen
Conrad
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Lautenberg
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Wirth

NOT VOTING—3

Adams
Bentsen
Biden

So the motion to lay on the table the amendment (No. 2700), as modified, was rejected.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The majority leader is correct. There is not order in the Senate. Those who are engaged in conversations will take those conversations to the Cloakroom. The Chair will wait for the Senate to come to order.

The Senate is still not in order.

The majority leader.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, I understand, in talking with the managers, that most, if not all, of the amendments that remain would not require rollcall votes. I wonder if we could have an indication from any Senator who intends to ask for a rollcall vote on his amendment.

Mr. NICKLES. Mr. President, I have an amendment. I will not ask for a rollcall vote, but if it is not accepted by the managers, we will have a rollcall vote.

Mr. HUMPHREY. Mr. President, if the majority leader will yield, this Senator might be in the same fix. I hope we can secure the support by the floor managers, but, if not, we might have other amendments that require rollcall votes.

Mr. BYRD. On the pending amendment?

Mr. HUMPHREY. To this bill.

The PRESIDING OFFICER. Does the Senator have another amendment to the bill?

Mr. HUMPHREY. I have several which we thought had been cleared, but there seems to be a last minute problem. If that problem is insurmountable, then it may be that I will have to have rollcall votes.

Mr. CHILES. Senator GORE dropped his opposition.

Mr. HUMPHREY. I think we still have a problem on this side.

Mr. BYRD. Mr. President, if we could get an indication of those Senators who have amendments that will require rollcall votes, then if we could have those amendments, have the rollcall votes, and then have final passage tomorrow morning at, say, 9:30.

Well, I am sorry, I forgot Mr. CHILES will not be able to be here in the morning.

Well, would those Senators who are going to require rollcall votes call up those amendments now and indicate their intentions to ask for the yeas and nays.

(Mr. HARKIN assumed the chair.)

Mr. HEINZ. Mr. Leader, I have an amendment that I notified people of on Monday on adoption assistance that may require a rollcall vote. I do not know.

Mr. BYRD. Mr. HEINZ has an amendment that may require a rollcall vote. Mr. NICKLES has an amendment that may require a rollcall vote.

Mr. NICKLES. Mr. President, my amendment will not take but a few minutes.

Mr. BYRD. Could we then get a time agreement on the Senator's amendment?

Mr. NICKLES. I am glad to. Ten minutes equally divided?

Mr. BYRD. Ten minutes equally divided on the amendment by Mr. NICKLES, with no amendments to the amendment to be in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. HEINZ, will he agree to a time limit?

Mr. HEINZ. I will be quite happy with 30 minutes equally divided. It probably would not take that.

Mr. BYRD. Twenty minutes equally divided? I ask Mr. HEINZ if he would be agreeable to 10 minutes to a side?

Mr. HEINZ. I am sorry.

Mr. BYRD. The Chairman says he will not need a rollcall vote on the Senator's amendment.

Mr. HEINZ. It may get accepted? Ten minutes equally divided—10 minutes on a side is fine.

Mr. BYRD. Without a rollcall vote.

Any other Senators who are going to ask for yeas and nays?

Mr. KENNEDY. Mr. Leader, I had a sense-of-the-Senate resolution that the leadership is familiar with. I am not sure whether it is going to be agreeable to the committee. Obviously, if it is, no rollcall vote will be required.

The Senator from Florida had a sense-of-the-Senate resolution dealing with the priorities of education and I think both the floor manager and the majority leader as well as others are familiar with it. It is an important one. I thought that there was going to be some indication it might be acceptable to the managers. If it was acceptable, I would just make a very brief comment. I would hope it will be accepted. If not, I would want——

Mr. CHILES. It is certainly acceptable to me.

Mr. KENNEDY. Mr. Leader, if we were going to have a debate on it, I would probably need 40 minutes evenly divided.

Mr. BYRD. Very well. Mr. President, I make that request: 20 minutes equally divided on the amendment by Mr. KENNEDY.

Mr. KENNEDY. It would be 20 minutes a side, Mr. Leader. I would need 40 minutes.

Mr. BYRD. Forty minutes equally divided.

Mr. HUMPHREY. Will the Senator yield? Is by now seeking an all-inclusive and all-embracing agreement or is that just with respect to Senator KENNEDY?

Mr. BYRD. No, that was only with respect to the amendment by the Senator from Massachusetts. Does the Senator have——

Mr. HUMPHREY. Yes. I have four amendments.

We thought they were agreed to by the managers. There is, apparently, some difficulty on that point. If it cannot be overcome, I am willing to enter into a time agreement: 20 minutes equally divided on each of those, but I will require a rollcall vote unless they can be worked out.

Mr. BYRD. The Senator will require a rollcall on each?

Mr. HUMPHREY. Unless they can be worked out. I apologize to my colleagues, but we were under the impression that those things had been agreed to by the managers. Some last minute difficulty arose.

Mr. BYRD. The Senator wants 20 minutes on each of four amendments equally divided, is that correct?

Mr. HUMPHREY. That is correct.

Mr. BYRD. Mr. President, I ask unanimous consent that there be 20 minutes to be equally divided in accordance with the usual form on each of the four amendments by Mr. HUMPHREY and that no amendments be in order thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Reserving the right to object, can we find out or hear some description, Mr. Leader?

Mr. BYRD. Mr. CHILES indicated he knew what the amendments were about.

May we have other offers?

Mr. HEFLIN. Mr. Leader, in view of the hour and the need for sustenance, could we stack some of the votes for a certain time?

Mr. BYRD. We will get to that in a little while.

That is what I am trying to work myself up to.

Are there other amendments? What other Senators have amendments? What other Senators have amendments?

Mr. President, I ask unanimous consent that there be no further amendments other than those that have been enumerated. I hope Senators are listening. I hope Senators are listening.

Mr. President, I believe that the request on the amendment by Mr. KENNEDY was for 40 minutes equally divided? Is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. BYRD. And with no amendments in order to the amendment. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. I am sorry, Mr. President, I am unable to understand what this request is.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Connecticut is correct. The Senate is not in order.

Mr. WEICKER. I want to indicate at this time, not only are we not in order but I would indicate my objection to any time restrictions on the Humphrey amendments. I have not seen them. I just had one of them placed in front of me for the first time. I have no idea what it says.

Apparently, there is the impression on the part of some that we are trying to expedite the passage of the bill and we are going to do anything to move the bill to final passage. Not so.

Substance means a great deal. If it means we do not get through tonight and have to go through tomorrow or even Friday, we are going to do it right.

Mr. BYRD. Well, it is all right with me, too. I am trying to help the Senators.

Mr. WEICKER. I know the leader is and I thank the majority leader. I have no complaints at all with the majority leader or my distinguished colleague, the chairman of the committee. But there are others who are trying to drop a lot of amendments in at the end and I have been around here long enough to know that that is when the mischief starts. It is not going to happen on this bill.

Mr. BYRD. Mr. President, I have been around a while too, and I find if we can limit the amendments at this hour, identify them and get an order entered, that there will be no more amendments other than those that are enumerated, it will save us time on tomorrow.

Mr. SIMON. If the leader will yield, I have three amendments that are agreed to and I think will take less than 2 minutes apiece. But I have not listed them because they do not require rollcalls.

Mr. BYRD. Mr. President, of course, I do not know what the amendments will do. I would ask for the attention of the manager.

Mr. SIMON. I think they are agreed to by both sides.

Mr. CHILES. Those amendments are agreed to.

Mr. BYRD. Three amendments by Mr. SIMON.

The Senator from Arkansas [Mr. PRYOR].

Mr. PRYOR. Mr. President, I have one amendment. It is my understanding it has been agreed to. It will take no more than 90 seconds; perhaps 60 seconds.

Mr CHILES. We have a perfecting amendment to that.

Mr. PRYOR. I understand there will be a perfecting amendment to this amendment.

Mr. BINGAMAN. Mr. Leader, I have an amendment also which I believe has been agreed to by both sides which will take about 2 minutes.

Mr. KENNEDY. Mr. Leader, I have an amendment which I hope will be agreed to. I would not ask for a rollcall vote on it. Hopefully, it will be accepted. If not, I will take a voice vote on it. That is not the sense of the Senate.

Mr. WILSON. Mr. President, I have an amendment which I hope will be accepted. If it is, there will be no need for a rollcall, but at this point, staff on both sides are working on it.

Mr. WEICKER. The distinguished manager is trying to ascertain. We have just been handed it.

Mr. WILSON. It is related to uncompensated care for trauma centers; 10 minutes on a side if we have to have a rollcall.

Mr. BYRD. What does the amendment do? I am either not hearing very well tonight, or Senators are not speaking loudly enough. What does the amendment do?

Mr. WILSON. What does my amendment do? It would fund 13 million dollars' worth of trauma center uncompensated care attributable to the care of illegal aliens, undocumented workers. I would fund it by savings from unexpended funds from Public Health Service travel and other operating funds.

Mr. KENNEDY. Mr. President, reserving the right to object, what is the proposal dealing with illegal aliens' funding? Taking it out of Public Health Service?

Not having seen the amendment, I would object to a time limit on it until we have a chance to examine it.

Mr. WILSON. Then let us say about 10 minutes a side, Mr. Leader?

Mr. WEICKER. Again, until I have a chance to see it, because I know how carefully these matters have been worked out within the subcommittee, I am not prepared to see that kind of a transfer of funds. I could not agree to any time agreement on the amendment of the Senator from California. I say also that I have a sense-of-the-Senate resolution on low-income energy assistance which should not take any longer than 5 minutes. There should not be a rollcall vote unless somebody wants one.

Mr. STEVENS. Mr. President, if my friend will yield. I have one amendment that has been accepted on both sides.

Mr. BYRD. How much time does the Senator need?

Mr. STEVENS. One minute.

Mr. BYRD. All right. I make that request; 2 minutes equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The majority leader still has the time.

Mr. WEICKER. I also indicate to the majority leader that Senators QUAYLE and STEVENS have an amendment which apparently is noncontroversial and they ask for time.

Mr. BYRD. Also, Mr. President, an amendment by Mr. BAUCUS; an amendment by Mr. RIEGLE; an amendment by Mr. METZENBAUM, and one by Mr. TRIBLE.

Mr. CHILES. All of which are noncontroversial and cleared on both sides.

Mr. BYRD. And the amendment that was referred to by Mr. WEICKER. It seems to me that completes the list of the amendments.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The majority leader still has the time.

Mr. PRYOR. If the majority leader will yield for a moment, Senator SASSER from Tennessee has an amendment and it is my understanding it will not take a rollcall vote. It will not take over 5 minutes equally divided to present the amendment.

Mr. BYRD. Mr. President, I ask unanimous consent that the amendments that have been listed and the amendment by Mr. SASSER be the only amendments remaining to be called up to this bill, and the chairman has a package of six technical amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, most of these amendments, as I listen to them, do not require much time. At least we know there will be no more amendments beyond those enumerated.

I thank all Senators.

Several Senators addressed the Chair.

Mr. DOLE. As I understand, we need to reconsider the tabling motion. The amendment needs to be adopted.

The PRESIDING OFFICER. The minority leader is correct. An amendment is pending, the amendment by the Senator from New Hampshire.

Mr. BYRD. Mr. President, my request did not mention the remaining committee amendments. Of course, I include those. Without objection, the committee amendments will be included.

Mr. HUMPHREY. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The distinguished Republican leader has the floor.

Mr. DOLE. I yield to the Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the tabling motion was rejected.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question occurs on the amendment.

The yeas and nays are ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to vitiate the request for the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment, as modified.

The amendment (No. 2700), as modified, was agreed to.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

AMENDMENT NO. 2701 TO EXCEPTED COMMITTEE AMENDMENT PAGE 40, LINE 23

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 2701.

At the appropriate place add the following:

SEC. . None of the funds made available under this Act, or an amendment made by this Act for the Department of Health and Human Services including grants to states for medicaid shall be used on the premises of any elementary or secondary school to provide the following: abortions, transportation to aid in obtaining an abortion, counseling to encourage a child to obtain an abortion, and referrals for obtaining an abortion.

Mr. NICKLES. Mr. President, this amendment is very short; it is very simple. It is one that I hope my colleagues will support. I hope the floor managers will support it as well.

Basically, this is identical to the amendment that Senator HELMS offered earlier that dealt with elementary and secondary schools providing assistance. In the past, it dealt with contraceptive drugs, abortion services, and referrals.

In this amendment, we have stricken the language that dealt with contraceptive drugs and devices. We have stricken that language, and we leave in the language, basically, as reported by the clerk that says none of the moneys used by those schools shall be used for abortions or transportation in obtaining an abortion, counseling to encourage a child to obtain an abortion or referrals for obtaining an abortion.

I think it is common sense. I hope that my colleagues will agree and accept this amendment. If we have a rollcall vote, I hope the majority of the Members will support it as well.

Mr. CHILES. Mr. President, I believe this is an amendment that we can take. We have stricken the language that I think was controversial before. It was allowing school-based clinics to give information on birth control devices where they thought it was necessary. It now deals strictly with abortion or transportation to an abortion.

I urge we take this on a voice vote.

I yield back my time.

Mr. NICKLES. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment by the Senator from Oklahoma.

The amendment (No. 2701) was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now occurs on the excepted committee amendment, as amended.

The excepted committee amendment, page 40, line 23, as amended, was agreed to.

Mr. CHILES. Mr. President, I ask unanimous consent that the remaining committee amendments be agreed to en bloc and that the bill, as thus amended, be considered as original text for purpose of further amendments providing that no points of order will be waived by reason of this agreement.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

The Senator from Pennsylvania.

AMENDMENT NO. 2702

(Purpose: To incease funding for the Adoption Opportunities Program by $2,000,000)

Mr. HEINZ. Mr. President, on Monday, I rose on the Senate floor to bring to the attention of my colleagues an amendment that I indicated I would offer at the appropriate time on adoption assistance. I now send that amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] proposes an amendment numbered 2702.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFCER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, line 21, strike "$132,578,000" and insert "$130,578,000".

On page 41, line 26, strike "Public Law 95-266" and insert "Public Law 100-294".

On page 42, line 8, strike "$2,573,465,000" and insert "$2,575,465,000".

The PRESIDING OFFICER. The Chair will remind the Senator there are 20 minutes to be equally divided.

Mr. HEINZ. Mr. President, I do not think it will take but a fraction of that time.

Mr. President, I rise to offer an amendment to the Labor-HHS appropriations bill which will provide more funds for the Adoption Opportunities Program and two new adoption program initiatives.

These programs are designed to help special needs children—children with physical, mental, and emotional disabilities, children that have been in foster care for a long period of time, and noninfant minority children.

According to the most recent figures from the Department of Health and Human Services, approximately 36,000 children with special needs are waiting to be placed in adoptive homes. Forty-two percent of these children are minority; 37 percent are handicapped; 68 percent have been in foster care for 2 years or more, and the median age of these children is 12.

The Adoption Opportunities Program is based on the premise that "no child is unadoptable." The program is used to help find homes for children in need of permanent, adoptive families and to eliminate barriers which might prevent the adoption of children with special needs. The Adoption Opportunities Program:

Funds State and regional training conferences in order to promote the sharing of expertise;

Develops curriculum materials for State adoption workers and supervisors;

Funds national and various regional adoption exchanges which help to match a family in one State who is interested in adopting a child in another State; and

Funds specific targeted efforts to recruit permanent adoptive homes for waiting children.

Sandra Lawrence of Philadelphia adopted Rasheen 6 years ago when he was 5 years old. Rasheen was in foster care for his first 5 years, he had a speech problem and was a slow learner. Now 11 years old, Rasheen is enrolled in a program for gifted children. Sandra used the services of the Adoption Opportunities Program to fund Rasheen.

Experience has shown that targeted public awareness campaigns can be a very effective method of recruiting adoptive families for special needs children. The National Adoption Center, a private nonprofit organization in Philadelphia that receives Federal funds from the Adoption Opportunities Program, works with national and local media—television, radio, and print—to feature individual children who are waiting for families. These features also alert the public to the existence of children with special needs. In Wisconsin, 80 newspapers run weekly articles on children in need of families in order to recruit rural adoptive families.

Linking special needs children waiting for a family with families wanting children also leads to adoptions. Funding from the Adoption Opportunities Program has been used by State adoption offices and adoption agencies to purchase computer equipment that allows them to join regional and national adoption networks. The National Adoption Center operates the national adoption exchange, a computer network that links adoption agencies, local exchanges, and parent groups. The network provides a data base of waiting children and prospective families, and bulletins about current adoption practices, trends, and pertinent legislation. Through the network, waiting children can be matched with prospective parents. In 1987, 507 special needs children in Pennsylvania were registered on the exchange and 111 children were placed through the exchange.

Although the Adoption Opportunities Program has been successful and could be more successful with additional funds, Congress found, when reauthorizing the program, that additional needs must be addressed. These needs were defined as the placement of minority children and the provision of services to adoptive families following the legal adoption of special needs children.

Studies have shown that the number of minority children in foster care who are legally free and waiting for adoptive families is disproportionate. More than half of the children who were free for adoption were of racial or ethnic minority backgrounds, while the majority of children whose adoptions were finalized were white. The Minority Children Placement Program is designed to try to reverse this trend by increasing the placement of minority children in adoptive families, with a special emphasis on the recruitment of minority families. Activities under this program will include the recruitment of prospective adoptive families, outreach to inform the public of the needs and numbers of such children, and, where appropriate, expediting agency assessment of prospective adoptive families. Such targeted, comprehensive efforts will help identify adoptive families and make placements.

In addition to the need to increase minority placements, there is a great need for postlegal adoption services to help adoptive families. Working within limited budgets and having limited access to information on counseling methods, many agencies focus their resources on initial placements. Once the adoption is finalized, families are left to make it on their own. Sometimes, placements fail simply because of the lack of support services that could help the family make necessary adjustments. I have been told that parents struggling to maintain a family with a troubled adopted child were asked why they adopted and were advised "to send the child back."

Funding the Postlegal Adoption Services Program will make supportive services available to insure that adoptive families stay together. Currently, only a handful of agencies and private therapists provide specialized postlegal adoption counseling, primarily due to a lack of funding. As a result, many adoptive families report having encountered counselors and therapists who lack knowledge, familiarity, or understanding of adoption. The funds made available for the postlegal adoptive services will pay for individual, group, and family counseling, training of adoption personnel and mental health professionals, and assistance to adoptive parent support groups and other support groups.

Mr. President, my amendment will provide an additional $2 million for these worthy programs. This bill now provides $5 million for the Adoption Opportunities Program and no funds for the two new initiatives. The $2 million will be divided between the programs.

In order to provide additional funding to help these special needs children and their adoptive families, my amendment reduces the funding for the National Institute of Dental Research by $2 million. It directs that the funds earmarked to conduct behavior research on dental fear and anxiety be reduced, from its current level of $15 million to $13 million. The work of the National Institute of Dental Research is important to the dental well-being of all Americans. In particular, its research on dental pain brings significant benefits. However, I believe that the level of funding for behavioral studies, for example, on patient compliance with instructions, and the outreach efforts, such as videotapes, aimed at reducing dental fear could be reduced by $2 million without serious interruption to the program. This amendment may increase the likelihood that more special needs children like Rasheen can find a home.

Mr. President, all of us in the Senate are aware that when considering the budget, we have to make difficult choices. This amendment, to provide an additional $2 million to find homes for special needs children is well worth it, and I urge my colleagues to support it.

Mr. President, I ask unanimous consent that a letter from Sandy Lawrence describing her experience bringing Rasheen into her family be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 25, 1988.

Senator JOHN HEINZ,
Senate Office Building,
Washington, DC.

DEAR SENATOR HEINZ: I want to strongly support legislation you are introducing to increase funding for adoption opportunities, particularly to fund two critical new initiatives—the recruitment of families for minority children and post-legal adoption services.

I write to you both as an adoptive parent and as a long-time worker in the adoption field, with specific involvement with minority families. A majority of the children waiting for adoptive families in the United States are black. Most of them have been in foster care for a long time and many have been shifted from foster home to foster home while waiting for families.

I adopted my son, Rasheen, when he was five. Rasheen was lucky—he had been waiting for a family only for four years. When I adopted him, I was told that he was a child with "special needs." He had a serious speech problem and was considered to be a slow learner with an uncertain prognosis about his education future. He was also considered to have special needs simply because he was a black boy and because there are so many children like him waiting for families of their own.

In my experience in working with minority families, I know how difficult it is for families to make the decision to adopt. You can imagine, adoption of a child, especially a child who is older or has a disability of some kind, is a major milestone in the life of a family. It is not likely that hearing about the need for adoptive homes for these children one or two times will move someone to adopt. It takes a series of reminders that these children are available before someone's consciousness can be raised enough to consider adding such a child to his or her family. Most black people who eventually adopt do so only after seeing waiting children repeatedly on television, reading columns often, such as Friday's Child which has appeared in the Philadelphia Inquirer for 15 years, hearing a speaker in their church on Sunday, talking to other families who have adopted and generally being exposed to a variety of recruitment methods that kindle their interest in adopting. Without aggressive recruitment, the numbers of minority children waiting for families will continue to grow.

Through my own experience as an adoptive parent as well as my continuing work with other adoptive parents, I can attest to the critical importance of having post-legal adoption services available. Children who are adopted, as they grow up, have their own special issues about their status in the family and parents need a lot of help to help their children deal with it. Even more important, the children who are available for adoption have almost always gone through a lot of rejection and have experienced serious damage to their ego development and to their ability to function in a healthy and normal way. They have problems with trust because they have been let down so often. They have problems forming attachments because they have been disappointed too many times. Their behavior often demonstrates the sadness, anger, fear, futility and a variety of other emotions that spring from the impermanence they have known. I find it critical to belong to a support group of adoptive parents and know that therapists who are trained in these special issues of adoption and child development are very much needed by those of us who adopt children with special needs. More agencies must offer educational workshops and support to adoptive parents. They must recognize that adoption is a life-long process—that these children who are older and have other special needs wrestle with issues very different from children born into families or even from children adopted as infants.

I know that I speak for countless adoptive parents when I urge you to do all you can to increase funding for these services. Please let me know if there is anything more I can do to help.

Sincerely,

SANDY LAWRENCE.

Mr. HEINZ. Mr. President, this amendment will provide some $2 million for adoption opportunities, in particular the Adoption Opportunities Program and two new adoption program initiatives.

Right now, there are some 36,000 children with special needs who are waiting to be placed in adoptive homes. What this amendment will do is to take approximately $2 million from relatively lower priority sources in this appropriation and allocate them to the Adoption Opportunities Program, on the one hand, and two other programs, specifically the Post-Legal Adoption Services Program and the Minority Children Placement Program. They are well worthwhile programs that we have up until now failed to properly fund.

I reserve the remainder of my time, but I am told the manager of the bill had an opportunity to study this amendment.

Mr. CHILES. Mr. President, I hope the Senator will yield back the remainder of his time. We yield back the remainder of our time. We urge adoption of the amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment (No. 2702) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2703

(Purpose: To reduce certain appropriations for consulting services)

Mr. PRYOR. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. PRYOR] proposes an amendment numbered 2703.

Mr. PRYOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

SEC. . (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality for fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality for fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

Mr. PRYOR. Mr. President, I rise today to offer an amendment to the Labor, Health and Human Services, Education and related agencies appropriations bill to reduce expenditures for consulting services. As many of my colleagues know, I have pledged to offer similar amendments to each and every appropriations bill which comes before the Senate.

Already the Senate has accepted five of these amendments, one each to Treasury-Postal, Foreign Operations, Housing and Urban Development, Transportation, and the Interior appropriation bills.

All of us are concerned with the procurement scandal unfolding over in the Pentagon. But I want to assure my colleagues that the buddy system which is at work in the defense industry is well entrenched in the civilian agencies as well.

At a June 13 hearing of the Federal Services Subcommittee—which I chair—the Office of Management and Budget [OMB] testified that Federal agencies spent up to $26 billion in fiscal year 1987 on consultant services. These same agencies only reported spending $243 million for the same time period. The agencies are obviously using a narrow definition of consultants.

Mr. President, at this hearing, the Deputy Director of OMB, Mr. Joseph Wright, made these kinds of remarks about the Government's use of consultants: I paraphrase:

> The amount of consultant services used by the federal government is seriously understated.
>
> It has taken OMB much too long to revise its A-120 Circular which governs the procurement of consultant services;
>
> There is no consistency among the agencies of the federal government in terms of what they report as consultant contracts to the Federal Procuement Data System (FPDS).

Furthermore, Mr. Wright said:

> "I do not see much progress. For example, in 1987, 50 percent of consultant contracts were noncompetitive. In addition, over two-thirds of the contract awards in 1987 were for modifications to existing contracts."

It is also important to note that within this appropriations function, the Inspectors General at HHS, Labor, and the Railroad Retirement Board, are in some form or fashion in noncompliance with 31 USC 1114(b), which requires that IG's monitor this area of Government contracting.

Mr. President, I hope what I'm about to say will demonstrate the magnitude of the underreporting of consultant contracts within the Labor, HHS, Education appropriations function. GAO provided me with a comparison of the figures these agencies reported, versus what they actually spent for consultants in fiscal year 1987. The reported figure: $18,918,000. In contrast, when the GAO used a more accurate definition of consultants, it came up with $354,328,000. Again, $18 million reported; $354 million spent.

My amendment uses both a Cabinet Council on Management and Administration (CCMA) study and the new OMB Circular A-120 to establish the universe of contracts we are limiting. I asked GAO to use the CCMA study to produce estimated figures for agency expenditures within this appropriation function for these kinds of contracts in fiscal year 1987. This is essentially our baseline. A baseline, I might add, that has never existed in the past, and which is absolutely essential if we are ever going to control this area of ever-increasing Government spending.

Mr. President, the estimated savings that would accrue from my amendment, using the fiscal year 1987 baseline is $30.4 million. This is certainly a meaningful effort at deficit reduction.

I should note that GAO supplied two sets of figures. One set includes everything that could be construed as consultant services. In this category, which includes some unknown level of consultant activity such as contracts for technical representatives and quality control studies, I am requiring that agencies limit their spending to 95 percent of what they spent in fiscal year 1987, a 5-percent savings.

The second category, which GAO, OMB, and I all agree consists of consultant contracts, involves management and professional services, special studies and analyses, technical assistance and management reviews of program-funded organizations. Here I am requiring the agencies to limit their spending to 85 percent of what they spent in fiscal year 1987, a 15-percent savings. Also, I should note that the agencies, with OMB's guidance, will be required under my amendment to calculate their own fiscal year 1987 cost data, to which the cuts will be applied.

Mr. President, some have questioned whether this formula actually will produce savings. In order to respond objectively, I asked the Congressional Budget Office [CBO] to do a formal cost estimate of my amendment. CBO's conclusion is that the savings are real. I quote from the CBO letter, signed by Acting Director James L. Blum:

> CBO expects that the language is sufficient to achieve the desired reduction in appropriation levels.

I hope my colleagues will join me in supporting this effort. In doing so, I believe we will restore some modest control to an area of procurement that has taken on a life of its own.

AMENDMENT NO. 2704 TO AMENDMENT NO. 2703

Mr. CHILES. Mr. President, we received the Pryor amendment. We would be pleased to accept it at this time with a small modification. I send a modification to the desk. This amendment would force a reduction of slightly more than $30 million in spending for consulting services as defined by OMB circular A-120.

Unfortunately this definition would cut some of the important audit work done by the Inspector General at HHS and Education.

Once we have had a chance to thoroughly examine this amendment and its impact on important audit oversight activities, we may need to make some modification to it in conference.

Additionally, I would like to suggest to Senator PRYOR that we amend this amendment by making the funds cut for consultant services available for pay raise expenses.

On the Treasury bill, when we increased the fiscal year 1989 pay raise to 4 percent from the 2 percent included in the President's request, we added $75 million that must be absorbed by the agencies in this bill.

That $62 million for HHS which includes $30 million for the Social Security Administration and $26 million for the Public Health Service; $11 million for the Department of Labor, and $2.5 million for the Department of Education.

Mr. President, we need to apply these consultant service funds to the pay raise requirements. This will amend the Pryor amendment in the same manner it was amended when the Treasury bill was on the floor.

I would like to urge the adoption of my modification and then I wish to support the Pryor amendment.

Mr. PRYOR. Mr. President, I am not wild about the amendment offered by the Senator from Florida but at this time of night I am not going to oppose it and I urge we accept the perfecting amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. CHILES] proposes an Amendment No. 2704 to Amendment No. 2703:

Strike out subsection (c), beginning on page 2.

Insert the following in-lieu-thereof:

(c) All savings to any department, agency, or instrumentality which result from the application of subsection (a), shall be used for the four percent increase in rates of pay in such department, agency, or instrumentality made under this Act.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the second degree offered by the Senator from Florida.

The amendment (No. 2704) was agreed to.

The PRESIDING OFFICER. The vote now is on agreeing to the amendment, as amended, by the Senator from Arkansas.

The amendment (No. 2703) was agreed to.

Mr. PRYOR. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2705

(Purpose: To provide $8,000,000 for the English Literacy program authorized by Section 372 of the Adult Education Act.)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], proposes an amendment numbered 2705.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 52, line 17, strike the numeral and insert in lieu thereof "$1,098,180,000".

On page 52, line 18, strike the numeral and insert in lieu thereof "$486,000,000".

On page 52, line 20, strike the numeral and insert in lieu thereof "$457,700,000".

On page 54, line 26, before the comma, insert "including section 372 of said Act".

On page 55, line 1, strike out "$1,076,130,000" and insert in lieu thereof "$1,084,130,000".

Mr. BINGAMAN. Mr. President, I understand that this amendment technically amends a section of the bill that has already been amended. I therefore ask unanimous consent that this amendment be considered in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, this amendment is one which has been cleared by both the majority and minority sides.

The amendment I am offering today is designed to enhance a key element of the important vocational and adult education grant programs funded under the Department of Labor, HHS, and Education Appropriation Bill of 1989.

I am in strong support of the committee's recommendations for increases in funding for vocational and adult education. I believe the key to this Nation's ability to compete successfully—and to excel—in the 21st century lies in our ability to equip all of our citizens with the tools necessary to become productive, contributing members of our society.

The funding decreases that these two programs have experienced in recent years—and that would continue if the President's recommendations were followed—have deprived many citizens of this country of a fundamental, and absolutely essential, tool needed to fully participate in our society.

That tool is the ability to read.

The amendment I am offering builds upon the committee's recommendations by ensuring that literacy is within the grasp of as many citizens as possible. This amendment does not, I believe, take funding from the educational programs funded under this bill. Rather, it simply shifts $8 million from the more than $500 million appropriated for chapter 2 State block grants, and thereby greatly enhances State, local,, and community-based vocational and adult education programs.

My amendment specifies that $8 million will be set aside for grants to States under the English Literacy Grant Program. That program was authorized through H.R. 5, the Hawkins-Stafford Elementary and Secondary School Improvement Amendments of 1988. It was derived from legislation I introduced in the 99th and 100th Congresses to establish, operate, and improve English literacy programs for individuals of limited English proficiency.

I believe the program is an essential, fundamental component of all vocational education efforts.

If our students cannot read, how can we expect them to learn—or to maintain a desire to continue learning?

I strongly believe that readily available and affordable English literacy programs are crucial for the social and economic well-being of growing numbers of participants in vocational and adult educational programs.

For example, national studies suggest that up to 56 percent of our adult Hispanic population can be considered functionally illiterate in English. The 1982 English Language Proficiency Survey found that 37 percent of the illiterate adults in this country speak a non-English language at home.

And without fundamental language skills, these people cannot fully contribute to our economic health and vitality.

These skills are readily measurable and, once acquired, have a near-immediate impact on our society and economy. Potential workers become workers, workers become managers and contributing members of the team.

I believe a specific and guaranteed, and readily measurable investment of just $8 million, as proposed in my amendment, is small when compared to the benefits that would result. English literacy programs benefit not only the individuals who participate in vocational and adult education, but our Nation at large.

I sincerely hope the Senate will agree that the need is critical to increase English literacy in this country. I urge support for my efforts to ensure funding for English Literacy Grants Program.

Mr. CHILES. The Senator from New Mexico was successful during the recent reauthorization of the Adult Education Act in getting the English Literacy Grant Program authorized. This program will serve a vitally important role in assisting local communities in meeting the language training needs of our recent immigrants. In New Mexico, just as in Florida and so many other States, Federal immigration policies haven't been met with adequate levels of Federal assistance to bring our recent immigrants fully into the mainstream.

The Senator from New Mexico has found an appropriate budget neutral offset for his amendment. Before the creation of the chapter 2 block grant in 1981, funds were set aside for the community organizations that will be the main beneficiaries of this amendment. So, we are breaking these funds out once again to finance this initiative.

I know that Senators CRANSTON, BENTSEN, and SIMON are also strongly in favor of this program so I am pleased to accept the amendment.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment offered by the Senator from New Mexico.

The amendment (No. 2705) was agreed to.

Mr. BINGAMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2706

Mr. CHILES. Mr. President, I send to the desk six technical amendments and ask for their immediate consideration.

Mr. President, I ask unanimous consent that the six technical amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendments.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. CHILES], proposes amendments en bloc numbered 2706.

Mr. CHILES. Mr. President, I ask unanimous consent further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 74, line 9, after the word "expended", add the following: ": *Provided further,* That funds provided under this paragraph as well as $15,000,000 provided for Capital Outlay in Public Law 100-202 shall, immediately upon enactment of this act, be made available for the construction of a 200-bed Intermediate Care Facility on the grounds of the LaGarde building."

On page 42, line 8, before the period, insert: ": *Provided,* That appropriations to carry out the Comprehensive Child Development Program under chapter 8, subchapter E of the Omnibus Budget Reconciliation Act of 1981, shall be available notwithstanding Sec. 670T(b) of that Act.".

On page 68, line 25, add the following:

Furthermore, the Commission has the power to accept voluntary and uncompensated services, notwithstanding sections 208 and 209 of Public Law 99-660.

On page 54, after line 20, insert the following: "$750,000 shall be for carrying out section 202(j) (1),".

During the 12-month period beginning October 1, 1988, none of the funds were available under this Act may be used to impose any reductions in payment, or to seek repayment from or to withhold any payment to any State pursuant to sections 427 or 471 of the Social Security Act, as a result of a disallowance determination made in connection with a compliance review for any federal fiscal year preceding federal fiscal year 1989, until all judicial proceedings, including appeals, relating to such disallowance determination have been finally concluded, nor may such funds be used to conduct further compliance reviews with respect to any State which is a party to such judicial proceeding until such proceeding has been finally concluded.

On page four, add the following language after line two:

The Congress recognizes the need to prepare the Nation's workforce for the more complex work environment of the U.S. post-industrial economy. The Congress is concerned with the findings of the Office of Technology Assessment that 25 million workers will have to upgrade their job skills by the end of this century. Accordingly, the Congress directs the Secretary to give priority to funding pilots and demonstrations and research, development, and evaluation programs that will address this urgent National priority.

Further, in recognition that upgrading the skills of 25 million workers cannot be achieved with current methods of teaching, the Congress directs the Secretary to fund from the available National activities program funds research and development projects using interactive laser-videodisc technology course materials that are specifically designed to upgrade "workplace literacy."

Mr. CHILES. Mr. President, these amendments are all technical in nature and have been cleared by the minority.

The first is necessary to ensure that funds provided by the committee for an intermediate care facility at the U.S. Soldiers Home are actually spent for that purpose.

The second would assure that committee intent is carried out with respect to the recently authorized Comprehensive Child Development Program.

The third would also assure that committee intent is carried out with respect to the availability of funds for the National Commission to Prevent Infant Mortality.

The fourth clarifies that funds are included in the rehabilitation services account to support a pediatric rehabilitation research center, as authorized under current law.

The fifth would provide a temporary moratorium on penalties against States under the Foster Care Program, until litigation is resolved.

The sixth amendment would direct the Secretary of Labor to fund, from the available Labor Department discretionary funds, research and development projects to upgrade workplace literacy.

Mr. WEICKER. Mr. President, I ask the Senator, is it his intention that in the competition for the grant under this section an existing center for pediatric rehabilitation research and training would be permitted to apply?

Mr. CHILES. Yes, that it is my intention.

Mr. WEICKER. I certainly agree and appreciate the clarification by my colleague.

PEDIATRIC REHABILITATION RESEARCH AND TRAINING CENTER

Mr. President, I thank my good friend from Florida, the chairman of the Labor-HHS Subcommittee, for offering an amendment at my request.

Mr. President, this amendment clarifies that, of the funds appropriated to carry out the Rehabilitation Act of 1973, $750,000 is provided for the Pediatric Rehabilitation Research and Training Center authorized in the act. While sufficient funds are already included in the bill for the center, this amendment is necessary because I understand the Department has arbitrarily decided not to hold a new competition for this center. This decision was made in spite of the fact that the center was reauthorized in 1986 in the Rehabilitation Act amendments.

I further understand that the decision not to recompete the center was made after a review was undertaken by the Office of Management and Budget in an effort to avoid funding any program not specifically mentioned in appropriations bill language, and which was not a priority for the administration. In making this determination, the administration has ignored the continuing authority for this program under the Rehabilitation Act, the inclusion of funds in the appropriations bill, and the accompanying committee report which specifically discusses the ongoing need for a pediatric rehabilitation center.

I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The amendment (No. 2706) was agreed to.

AMENDMENT NO. 2707

Mr. SIMON. Mr. President, I send three amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The Chair would inquire, is the Senator asking that these amendments be considered en bloc?

Mr. SIMON. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois, Mr. SIMON, proposes amendments en bloc numbered 2707.

On page 56, line 24 between the words "study" and "in" insert the words "of less than one year".

On page 51, line 8, strike all after the word "That" through the word "to" on line 9 and insert in lieu thereof "no State shall receive less than $340,000 under section 1006 from".

On page 61, line 15, before the period insert a colon and the following: "*Provided further*, That the State of Illinois is relieved of all liability to repay the United States the sum of $14,547,769 representing payments made to Illinois under the Library Services and Construction Act for fiscal years 1977 through 1986 which were disallowed because of a pioneering nature of the program for libraries in that State and, in the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this proviso".

Mr. SIMON. Mr. President, today I am proposing amendments to the Labor, HHS, Education appropriations bill that request forgiveness language for the State of Illinois on its liability to repay the $14,547,769 in funds originally appropriated by the Department of Education. Mr. President, before I begin let me state that this amendment would have no budgetary impact on the appropriations bill before us.

The Department's $14 million claim is a result of three audits from fiscal years 1977 to 1986 on the Illinois State library system. The Education Appeals Board [EAB] found in favor of the Department on the first two audits and a third audit is pending. The Department claimed that Illinois misspent title I funds appropriated to it under the Library Services and Construction Act [LSCA], Public Law 91-600. The Department contends that title I funds were spent improperly for projects which were not solely for the benefit of public libraries and public library patrons.

Mr. President, the Illinois delegation has made numerous efforts over the years to work with the Department on this matter.

Illinois strongly contends that it has been unjustly fined. The Governor of Illinois, James Thompson, has met with Secretary Bennett and the entire delegation has signed letters to the Secretary in an effort to persuade him to "set-aside" the decision to fine Illinois. As a result, the Secretary has now agreed to cut the fine in half on the first two audits. The Department would also allow Illinois to apply for 75 percent "grant-backs" on each of its payments. Mr. President, if this proposal is approved by the Department of Justice, I recognize that it would drastically reduce Illinois' burden. However, I am still offering this amendment because I believe Illinois was unfairly fined in the first place.

The Illinois library system created 18 regional library systems as subgrantees of the LSCA funds. As a part of the regional library system, the State's public library members networked with nonpublic, nonmember libraries which allowed the public libraries to access materials and resources in nonpublic, nonmember libraries. The Department wants these funds returned because it claims that the funds helped to benefit nonpublic libraries in Illinois. In reality, Illinois' access of resources in nonpublic libraries greatly added to the system's resources and, thus, to the individual public libraries. Because this system networked with, and accessed the resources of, nonpublic, nonmember libraries, the Department contends that these funds should have come out of the LSCA title III funds allocated to Illinois for interlibrary cooperation and resource sharing.

Instead, Illinois allocated the bulk of funds for its library system from funds it received under title I for public library services and programs. It is for this reason that the Department is now demanding that the title I funds Illinois expended for title III types of programs be refunded.

The ultimate beneficiaries of the Illinois system were still public library users. For each year in question the Illinois State Library had submitted annual plans to the Department in accordance with the law. Mr. President, each year these plans were approved by the Department. The expansion of public library services through use of nonpublic library resources was considered by Illinois to be an eligible expenditure, since this expenditure was included in the State plans approved by the Department of Education.

Illinois has been a pioneering State in providing public library services and is considered to have a "model program." In fact, in the last audit conducted by the former Department of Health, Education, and Welfare, for the years 1974 to 1976, the Illinois library system was found to be in "exceptional order."

Requiring the Illinois library system to repay this $14 million in audit fines would not only cripple what was once a model system, but it would also be extremely unfair. The innovation, networking, and expansion accomplished in the Illinois library system is now being penalized.

Additionally, Illinois is not the only State to have run into this problem with title I funds. Similar types of problems on the misuse of title I funds have occurred in California, Ohio, Indiana, and Hawaii. The Hawkins-Stafford Elementary and Secondary School Improvement Act recently signed into law—Public Law 100-297—would reportedly resolve most of the problems with audit appeals in future cases.

Finally, Mr. President, I must reiterate that this amendment would have no budgetary impact or implications on the Department of Education nor on this appropriations bill.

Mr. DIXON. Mr. President, I rise to express my support for this amendment to H.R. 4783, the Departments of Labor, Health and Human Services, and Education appropriations for fiscal year 1989.

During my tenure as secretary of state in Illinois, prior to my coming to the U.S. Senate, I also served—by law—as the Illinois State librarian. Therefore, I fully understand the need for this amendment and am pleased that my distinguished colleague, Senator SIMON, is offering it.

What we have here is a battle among U.S. Department of Education auditors. An earlier audit covering a period relating to the service of my predecessor as secretary of state, who, likewise, served as State librarian, put the stamp of approval on how Illinois utilized Federal funds intended for libraries. Now, a new series of audits have taken that stamp of approval away.

A portion of the most recent audits involved in this matter covered the Illinois State Library while I was State librarian. Other sections of the audits relate to the service of my successor currently serving as secretary of state and State librarian.

I should point out that this quandary we face is a bipartisan one, since my successor is not of my political faith.

There is a simple reason for this claim against the State of Illinois by the auditors. It is called a misunderstanding. We cannot get the misunderstanding resolved because we can't get the Department of Education auditors to listen long enough to understand what we've achieved for libraries in Illinois.

We have—and have had for several years—a unique and progressive setup for libraries. Under the leadership of the Illinois State Library, we have the State organized into regions which are coordinated by library systems—one system to a region.

The program people in the Department of Education understand this arrangement and, earlier, consistently approved the use of Federal funds channeled through the Illinois library systems. This procedure began years before I was State librarian and has continued since.

The Department of Education auditors simply do not understand the library systems in Illinois, and now they claim we must return Federal moneys legitimately expended in Illinois.

It is because of this simple misunderstanding—which should never have arisen—that Senator SIMON and I have been working with others to resolve this matter once and for all by adopting the language in this amendment.

We are proud of our libraries and our librarians in Illinois. Our library systems arrangement serves as a model for the Nation. We want to keep it that way. With the adoption of this amendment, our librarians can go back to serving the public without this matter hanging over their heads. We ask you to help us do just that.

Mr. President, I urge my colleagues to support this amendment.

Mr. SIMON. Mr. President, I intended to raise a point of order regarding certain language on page 51 of H.R. 4783, because that language made substantive changes in the small State minimum provisions affecting the chapter I, Compensatory Education Program in the Elementary and Secondary Education Act. The new small State minimum provisions were only recently enacted into law as part of the Hawkins-Stafford Elementary and Secondary Improvement Act of 1988 (P.L. 100-297). Under the current law the small State minimum would be $250,000, unless the concentration of chapter I eligible low-income children generated a larger amount under the statutory formula.

The provision contained in H.R. 4783 would have, in my view, provided an excessively large amount of concentration funds to States with small concentrations of chapter I eligible children. Since the purpose of the concentration provision is to provide additional chapter I funding to urban and rural areas with large numbers of low-income, educationally disadvantaged children, the current law sought only to provide a minimum dollar amount for the small States.

After discussing the provision in H.R. 4783 with my colleague, Senator RUDMAN, as well as with Senator KENNEDY, the distinguished chairman of the Committee on Labor and Human Resources, and with my friend, Senator CHILES, the manager of the bill, we have arrived at a compromise which is embodied in the amendment I have sent to the desk. I offer the amendment for myself, Mr. KENNEDY, Mr. CHILES, and Mr. RUDMAN. I believe it has been agreed to on both sides.

The amendment simply increases the small State minimum for fiscal year 1989 to $340,000 and leaves the ultimate resolution of this question to the Committee on Labor and Human Resources and the appropriate committee in the other body.

I urge the adoption of the amendment.

Mr. CHILES. Mr. President, this amendment addresses a provision in the bill regarding the small-State minimum for the chapter I program. The committee included this provision to ensure that certain small States would not have their allocation cut below the previous year's level at the same time as we are adding $245 million to the program. We have since been made aware that the authorizing committee had some objections. We have worked with the authorizing committee and taken care of their concerns with this substitute amendment so I am pleased to accept it.

CHAPTER I CONCENTRATION GRANT PROGRAM

Mr. RUDMAN. Mr. President, I rise to support the Simon amendment concerning the small State minimum for the chapter I Concentration Grant Program. Mr. President, during the Senate Appropriations Committee consideration of this bill, I offered an amendment which was accepted by the committee to conform the small State minimum for the chapter I Concentration Grant Program to what was originally passed by both the House and Senate in their respective versions of H.R. 5, legislation to reauthorize elementary and secondary education programs. Specifically, under both the House and Senate versions of H.R. 5, the Concentration Grant Program included a small State minimum of one-quarter of 1 percent. In conference, where other Members of the House and Senate do not have an opportunity to vote, limitations were added to this small State minimum which had the effect of significantly reducing the minimum for a handful of small States. The amendment I offered in committee waived the limitations so that the original one-quarter of 1 percent small State minimum was operative. I might note that, without my amendment, three of the affected small States are the only States which would not receive an increase in chapter I funds—basic and concentration grants combined—in spite of the fact that we are increasing chapter I funding by one-quarter of a billion dollars.

Mr. President, I subsequently became aware of the fact that some members of the authorizing committee had some concerns with my amendment. I have been pleased to work with my good friends from Massachusetts and Illinois to arrive at a compromise amendment. This amendment provides for a minimum allotment of $340,000 to all States under the Concentration Grant Program. Since this change is made for fiscal year 1989 only, it is certainly my hope that the authorizing committee will re-examine this issue for future years. I want to thank the chairman of our subcommittee, Mr. CHILES, for his support in this matter. I also want to express my appreciation for the willingness of Senator KENNEDY, the chairman of the authorizing committee, and Senator SIMON to resolve this matter and urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment (No. 2707) was agreed to.

Mr. SIMON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2708

Mr. QUAYLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. QUAYLE] proposes an amendment numbered 2708.

Mr. QUAYLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 30, line 19, strike out "and" and insert a comma.

On page 30, line 21, insert before the period a comma and "and of which $250,000 shall be available for advisory services relating to alcohol".

Mr. QUAYLE. Mr. President, this amendment, I believe, has been cleared on both sides.

Mr. President, this amendment would earmark $250,000 of the Alcohol, Drug Abuse and Mental Health Administration appropriation to be targeted for advisory services related to a critical national problem: alcoholism. The Secretary of Health and Human Services, the distinguished Dr. Otis R. Bowen, would use these funds for the important work being carried out by the National Citizens Commission on Alcoholism.

Alcohol abuse and alcoholism are a tragic problem, of enormous magnitude in this country. The toll of this disease spans all ages, races, and nationalities. And it has a devastating financial impact as well; Dr. Bowen has estimated that these problems cost the United States more than $100 billion annually.

For those of my colleagues who are not familiar with the National Citizens Commission, this is a nonprofit organization which was formed specifically to assist Dr. Bowen in a national alcoholism and alcohol abuse initiative he announced last fall.

Dr. Bowen was convinced that he could lend the high visibility of his office to formulate a national agenda to prevent and reduce alcohol-related problems. With this as his priority, Secretary Bowen formulated a 14-point plan to implement the agenda.

Some of the components of the Secretary's program are:

Improving current alcohol and drug education programs;

Developing an HHS public affairs campaign to increase awareness of the problems;

Alerting Federal employees to expanded health insurance coverage now available for treatment of alcohol and other drug abuse;

Working with the Department of Labor to educate small businesses about the economic and social benefits of employee assistance programs; and

Working with health care foundations to increase support for clinical training on alcoholism for health professionals.

The Commission, 1 of the 14 points in the Secretary's initiative, is promoting activities to increase awareness of the effects of alcohol-related problems on the national, State, and community levels. The Commission is also working to focus public awareness on alcoholism and other alcohol-related problems, reduce the stigma of the disease, and stimulate new action in the areas of research, prevention, and treatment.

A good example of the Commission's agenda is its aggressive public service announcement [PSA] campaign. Through these announcements—which are expected to be heard in both English and Spanish on 750 television stations and 300 radio stations—the Commission is focusing public attention on such issues as fetal alcohol syndrome, drinking and driving, youth and alcohol, and prescription drugs and alcohol.

In summary, these are important efforts in our campaign to address a serious national problem. Since, in this bill ADAMHA will receive an increase of almost $10 million over the President's budget request for alcoholism research, the small amount contained in my amendment will have not compromised ADAMHA's ability to carry out its mandate. I urge my colleagues to support this amendment.

Mr. CHILES. Mr. President, we have no objection to the amendment of the Senator from Indiana.

Mr. President, I am pleased that Secretary Bowen has begun an alcoholism initiative, and I understand that the advisory commission funded under the amendment will assist the Secretary in his fight against alcoholism. I hope that they will help publicize the dangers of the drug, alcohol.

The amendment requires no offset since it earmarks funds already provided in the bill.

We urge adoption of the amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Indiana.

The amendment (No. 2708) was agreed to.

Mr. QUAYLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. If there are no further amendments, the Chair will call for the third reading.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I had hoped we might be able to work out the sense-of-the-Senate resolution. But we are not able to do that. We have a time agreement. I am quite prepared to enter into that and offer that in the next couple of minutes if that is the desire of the committee chairman. I hoped and there was some indication it might be acceptable. But if not, I will be quite prepared to wait here for some period of time to be able to offer it. I understand there was consultation about whether it would be considered. Otherwise, I am quite prepared to go to the time agreement which has been previously agreed to.

Mr. President, after that sense-of-the-Senate resolution, there is a very minor small amendment, but an important one, that I talked to the chairman about. If those are the final two amendments, I ask for a very brief quorum call for 2 or 3 minutes and then start the debate on our sense-of-the-Senate resolution.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2709

(Purpose: To express the sense of the Senate that the amounts appropriated and available under the Act shall be $39,800,000,000, the amount specified in the Senate budget resolution for 1989)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. CHILES. Mr. President, I know of no one who wants to speak on the other side of this amendment. I think we ought to be able to dispose of it right now.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for himself, Mr. HEINZ, Mr. BRADLEY, Mr. SIMON, Mr. CHAFEE, Mr. SANFORD, Mr. BOREN, Mr. ADAMS, Mr. STAFFORD, Mr. METZENBAUM, Mr. DURENBERGER, Mr. MATSUNAGA, Mr. PELL, and Mr. GRASSLEY, proposes an amendment numbered 2709.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 79, between lines 21 and 22, insert the following:

SEC. . It is the sense of the Senate that the Senate conferees on this Act should in the conference report on this Act appropriate and make available amounts equal to $39,800,000,000 in budget authority.

Mr. KENNEDY. Mr. President, I appreciate the view of the chairman of the subcommittee. It is basic sense-of-the-Senate to indicate the priorities that this body places in terms of basic education. We know there has been a difference in terms of budget resolution and the conference on the budget resolution. That has been explained in terms of the crosswalking of various figures. It has been of central concern to me, and I know a number of the Members of the Senate.

This resolution is offered in a bipartisan spirit. It would be a clear indication of the kinds of priorities that we place on the questions of education. I welcome the fact that the chairman of the committee is willing to take this to conference.

Mr. President, I am offering this amendment on behalf of myself and Senators HEINZ, BRADLEY, SIMON, CHAFEE, SANFORD, BOREN, ADAMS, STAFFORD, METZENBAUM, DURENBERGER, MATSUNAGA, PELL, and GRASSLEY. Our proposed resolution will give the Senate a chance to voice its support for increasing funding to health, education, children's programs, safety net programs for the poor, and job training. I am also offering this amendment because I believe—and I know that many of my colleagues agree—that the allocation to the Labor-HHS-Education Subcommittee is too low.

Mr. President, the Senate voted in the budget resolution to provide $39.8 billion for this subcommittee and the conference budget resolution provided $40.2 billion. However, the bill we are considering provides $39.4 billion in budget authority. This is $400 million below the Senate budget resolution and almost $800 million below the level in the conference budget resolution.

We all know that we have a terrible budget deficit and that the deficit must be reduced. We are making progress in that direction. But we cannot reduce the budget deficit by putting the children, the disabled, the elderly, and the unwell at increased risk. This is the second year in a row that the budget resolution has been higher than the amount of money available under the Labor-HHS-Education appropriation bill. I believe we can do better.

The programs funded by this subcommittee includes those designed to aid our most vulnerable citizens, to ensure the health of our Nation, to provide essential services to the poor, to help disadvantaged citizens move into jobs, and to educate our children.

Some of these programs have been cut in the past or are being cut this year. For example, LIHEAP, a program that provides energy assistance to the Nation's poorest citizens and is a basic safety net program, has been slashed in recent years. At the funding level in this bill, the program will have received a 40-percent cut between 1986 and 1989 in nominal dollars. What we are talking about is turning off the heat on low-income elderly Americans. That is unacceptable to all of us.

The amendment I am proposing would express the sense of the Senate that the funds provided for programs under this act should equal the amount agreed to in the Senate budget resolution. I emphasize that this amendment does not bind the appropriations committee in any way. It would leave the decision about how to accomplish this to the appropriations committee. However, since the budget outlays in the House Labor-HHS-Education bill are virtually identical to the amount in the Senate budget resolution, I hope this amendment will encourage the Senate appropriations conferees to accept the House level in conference.

This is a vote to help the Nation's neediest citizens. It is a vote to help disadvantaged children. It is a vote to help low-income families pay their energy bills. It is a vote to help the homeless. It is a vote to help those who need medical care. I urge my colleagues to join me and the other cosponsors in voting to approve this resolution.

Mr. MATSUNAGA. Mr. President, I rise to express my support for the Kennedy sense of the Senate resolution, which encourages the Senate appropriations conferees to accept a higher level of funding for the Labor-Health and Human Services-Education appropriation for fiscal year 1989 during negotiations with their House counterparts.

The current Senate appropriation of $39.4 billion is $400 million below the Senate budget resolution and $800 million below the final budget resolution. Given our already serious underfunding of programs for our neediest citizens, this amendment, although nonbinding, provides the Senate an opportunity to voice its concern for our Nation's health, education, job training and human service needs.

I am, therefore, pleased to urge my colleagues to join in support of this important sense of the Senate resolution.

Thank you.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Chair would inform the Senate that we are under a time agreement on this.

Mr. KENNEDY. I yield such time as may be needed by those who request it.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I am very pleased to join with Senators KENNEDY and BRADLEY in offering this amendment. It expresses the sense of the Senate that the conferees on this measure appropriate and make available the same amount of funds as were assumed in the Senate budget resolution.

I voted in favor of the budget resolution for fiscal year 1989 for several reasons, among them my belief that it provided sufficient resources for education, job training, health care, and human services. The bill before us, Mr. President, appropriates fully $400 million less than the amount assumed in that budget resolution and contained in the House-passed appropriation, and falls more than $100 million beneath the President's request.

So, those of us who supported the budget resolution feel, and I think quite rightly so, disappointed in the result we see here today. Support for a number of high-priority, low-income assistance programs has been frozen or reduced, and I would like to illustrate how serious this is:

In 1986, the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation recommended significant new measures to help return displaced workers to full employment. In the fiscal 1988 budget request, the President requested $980 million for this policy. Mr. President, the legislation before us freezes all assistance to displaced workers at last year's level of $287 million for JTPA's title III program, and $49 million for TAA training—one-third of the President's request. The modest increase which was assumed in both the House and Senate budget resolution has been canceled. Similarly, help for unemployed teenagers and youth is frozen at last year's level.

The Low-Income Home Energy Assistance Program has taken a whopping $365 million cut which will leave the poor and elderly at the mercy of a cold winter.

The fund for improvement and reform of schools and teaching, a program to help schools upgrade their teacher skills and modernize their curricula received no funding at all, despite a $12 million administration request, a similar House appropriation, and the endorsement of the NEA, the AFT, the Reagan administration, and the near-unanimous support of the authorizing committees in Congress.

Mr. President, I could go on. The fact remains that assumptions which accompanied the budget resolution have not yet been addressed, and it is the intention of this amendment to see that, in conference, these issues are dealt with fairly.

And fairness is a legitimate question to raise. As a percent of total Federal outlays, programs in function 500 of the budget, which includes education, training, employment and social services, have fallen from 5 percent in 1981 to 3 percent in 1987. The rate of growth in budget authority for programs in function 500 increased by 2 percent, on average, between fiscal 1982 and fiscal 1987.

Compare these figures with function 250 of the budget, which includes science, space and technology. Between fiscal year 1982 and fiscal year 1987, this function's budget authority increased 73.7 percent, for an average annual increase of 12.3 percent.

I support science and space technology. But we cannot say that we have restrained spending across the board. Some programs have benefited at the expense of others, particularly at the expense of human services and education programs.

Frankly, it will be extremely difficult for me, and for others, to support this appropriation if our amendment is defeated. The managers of the bill have worked hard, under a tight allocation, to do their best. I do not fault them at all. But I cannot turn away from the commitment I have to the families who cannot pay their heating bills; to the displaced workers who need jobs; to the young people who need job training; and to the schools across this Nation which are struggling to produce capable, gifted Americans.

The amendment we are offering will help keep that commitment, and I urge its adoption.

Mr. President, I want to commend Senator KENNEDY and our fellow cosponsors, including Senator BRADLEY in offering this amendment. We all know that the budget summit of last year anticipated allocating some $400 million more than we have in this appropriation. We all believe that it is very important for these high-priority programs for education, and for health to get an appropriate share of the budget allocations.

There are the low-income energy assistance programs, workers dislocation, and many worthy programs. This amendment puts the Senate solidly on record, and it will be of help to the conferees in making sure that in conference we improve the funding that is allocated to this budget function.

So, I want to commend the Senator from Massachusetts and I hope the manager of the bill will support the amendment.

Mr. CHILES. Mr. President, I am ready to yield back the time. We will yield back ours and we will try to get this amendment agreed to.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Massachsuetts.

The amendment (No. 2709) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2710

(Purpose: To provide for the sense of the Senate with respect to priority for the Low Income Home Energy Assistance Program)

Mr. WEICKER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. WEICKER], for himself, and Mr. MITCHELL, Mr. HEINZ, Mr. RUDMAN, Mr. SIMON, Mr. BRADLEY, Mr. KENNEDY, and Mr. HARKIN, proposes an amendment numbered 2710.

Mr. WEICKER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 50, between lines 5 and 6, insert the following new section:

SEC. 221. (a) The Senate finds that—

(1) the Low Income Home Energy Assistance Program is a critical component of the Nation's "safety net" protecting the lives of the most vulnerable in our society through providing assistance to poor families unable to afford to heat their homes in the winter and cool them in the summer;

(2) the average recipient of the Low Income Home Energy Assistance Program has an income of 72 percent of the poverty level and nearly 40 percent are elderly or have an elderly member in the household;

(3) prolonged periods of very hot or very cold weather claim more lives nationally than any other natural disaster, with older persons as the primary victims of such disasters;

(4) if enacted at the level recommended by the President's budget, Federal funding for the Low Income Home Energy Assistance Program will have been cut 34 percent in the last 2 years;

(5) the Department of Health and Human Services estimates that in fiscal year 1988 500,000 households were dropped from the program and the average Low Income Home Energy Assistance Program benefit declined 3 percent to below $200 per year, with many States reporting the elimination of weatherization assistance, the reduction of crisis assistance, a cut in the summer cooling program and the early termination of programs, in order to cope with the 16 percent cut; and

(6) the budget summit agreement stipulated that in implementing the budget agreement essential programs serving the poor should have a priority.

(b) Therefore, it is the sense of the Senate that priority be given to providing an appropriation for the Low Income Home Energy Assistance Program in an amount not less than the fiscal year 1988 appropriation.

Mr. WEICKER. Mr. President, basically this is a sense-of-the-Senate resolution which brings focus upon the Low-Income Home Energy Assistance Program. We will be going to conference with a lower figure for this program than the House. The fact remains that by the time all this goes into law, winter will be upon us. I think the House figures more closely resemble the reality of this Nation in the wintertime than do the Senate figures.

I hope the sense-of-the-Senate resolution will be adopted, that we will make sure that neither those who are in extreme heat, as in the Southern States, or in extreme cold, as in the Northern States, would suffer for a lack of funds to provide whatever heating or cooling temperatures are needed.

I hope the amendment is agreed to. I understand it has the approval of the distinguished chairman of the committee. I might add that I submitted the proposed amendment on behalf of Senators HEINZ, MITCHELL, SIMON, RUDMAN, BRADLEY, KENNEDY, HARKIN, and others who deem to put their names to it prior to its passage.

Mr. President, the sense of the Senate resolution that I offer provides all Senators the opportunity to express their support for the restoration of funds to the Low-Income Home Energy Assistance Program which is so critical to millions of low income Americans.

The bill before us today provides the President's request for the Low-Income Energy Program which is only $1.18 billion, $344 million below last year's appropriation. A GAO report issued in April of this year found that of 13 States surveyed, all predicted a negative effect on benefits and the people served should the President's request be enacted in fiscal year 1989.

What will the negative effect be? The National Consumer Law Center, in a survey of 45 States reported that States already have cut heating benefits, reduced the number of households served, eliminated program funds for weatherization, closed programs early, cut the Summer Cooling Program and reduced or eliminated crisis assistance in response to Federal funding reductions. Similar cuts and program alterations by the States are predicted in fiscal year 1989 should the Senate level for low income energy assistance be enacted by the Congress. These cuts are particularly devastating to the elderly and infants who are the most vulnerable to the heat and cold.

A Centers for Disease Control study following the 1980 heat wave found heatstroke rates in persons 65 and older to be 12 or 13 times higher than the rest of the population. The Low-Income Home Energy Assistance Program is the only Federal program in place to provide relief to low income households during these times of crisis. I know that in my State of Connecticut the number of elderly households receiving low income energy assistance is increasing. Continued erosion of Federal support for the Low-Income Home Energy Assistance Program may place the lives of these citizens in jeopardy as Connecticut exhausts its oil overcharge dollars and the State struggles to adjust to the cut in Federal funds.

The GAO report also surveyed the availability of oil overcharge funds in the 13 States which many claim is the answer to offsetting the Federal cuts in the Low-Income Energy Program. The survey found that these funds have helped, but have not replaced Federal funding cuts. Furthermore, the GAO noted that when all sources of available funding are considered, the average low income energy assistance benefit level in fiscal year 1988 among the 13 States was 13 percent lower than the fiscal year 1986 level.

Mr. President, in 1980 Federal energy assistance covered roughly 40 percent of eligible heating and cooling costs. In fiscal year 1988 program benefits will defray just 12.7 percent of those costs. If the Congress approves the $344 million cut in the Low-Income Home Energy Assistance Program included in this bill, that percentage will slip even further. Hundreds of thousands of families will lose their benefits, millions likely will have their benefits cut further, and more low income Americans will be forced to decide between heating their homes in the winter or cooling them in the summer and paying for food, clothes, transportation and other necessities for living.

This is not right, Mr. President. We must do better. We must not permit the Federal commitment to the Low-Income Home Energy Assistance Program to erode further. We must not turn our backs on the millions of low income Americans who depend on the few dollars the Federal Government provides for energy assistance. It is for this reason that I offer the sense of the Senate amendment today and urge my colleagues to support it.

Mr. RIEGLE. Mr. President, I would like to join my colleagues in expressing concern about cuts in the Low-Income Home Energy Assistance Program. The program has already been cut 37 percent from a high of $2.1 billion in 1985. In this bill, the Appropriations Committee is recommending an additional 21-percent cut, reducing funding to $1.19 billion, almost half its 1985 level. Mr. President, cuts in this program have already eroded protections for low income families. Further cuts, especially of this magnitude, could cause great hardship for many households and are, I believe, unconscionable.

LIHEAP currently serves only 40 percent of all eligible households. On the average, the program pays for less than 10 percent of a low income family's entire energy bill. Yet most low income people pay a larger percent of their home for heating and cooling. Low income households pay an average of 15 percent of their total income for energy—four times the national average.

In its report, the Senate Appropriations Committee says that oil overcharge funds can be used to replace LIHEAP funds. These funds, however, have not fully offset cuts in this program. Allocations to the States from the Exxon and Stripper Well cases have almost been entirely utilized and the availability of further overcharge funding is difficult to predict. Additional cuts in the program will be felt even more deeply in States that have been using this money for LIHEAP.

My State of Michigan, for example, will exhaust its oil overcharge resources by the end of the current fiscal year. Michigan, which has an aggressive Home Energy Assistance Program, has dedicated a large portion of its overcharge funds to LIHEAP. Much of the effect of previous LIHEAP cuts will be felt in my State during the next fiscal year. With further cuts in this program, many households could face severe reductions in benefits and possibly even life-threatening utility shutoffs.

Mr. President, this has been a very important program for many low income families. I would strongly urge my colleagues who will be conferees on this legislation to accept the House level of funding for the LIHEAP Program.

Mr. HEINZ. Mr. President, is the Senator from Maine seeking recognition?

The PRESIDING OFFICER. Does the Senator from Maine seek recognition to speak on this amendment?

Mr. MITCHELL. Yes.

Mr. President, I am pleased to speak in support of the amendment offered by the distinguished Senator from Connecticut, Mr. WEICKER. His amendment expresses the sense of the Senate that priority should be given to funding the Low-Income Energy Assistance Program at a level not less then the fiscal year 1988 appropriations.

The bill now before the Senate, H.R. 4783, the fiscal 1989 Labor, HHS, and Education Appropriations Act, recommends an appropriation of $1.187 billion for the Low-Income Home Energy Assistance or LIHEAP Program.

This is the amount requested by the administration. It is $380 million below the House allowance and $344.8 million below current funding. It represents a continuation of an unfortunate trend in funding for this vital program.

LIHEAP was reauthorized for 4 years in 1986. Authorized levels were established at gradually increasing amounts: $2.050 billion for fiscal year 1987; $2.132 billion for fiscal year 1988; $2.218 billion for fiscal year 1989; and $2.307 billion for fiscal year 1990.

But, appropriations for the program, where the Congress puts its commitment to the dollar and cents test, have not reached the authorized amounts: $1.822 billion in fiscal year 1987 and $1.531 billion in fiscal year 1988. Now the Appropriations Committee proposes a further cut to $1.187 billion.

I am afraid this reduction in LIHEAP funding threatens the ability of this program in many States to deliver the assistance necessary for thousands of low-income, elderly, and handicapped citizens. I do not believe that is the intention of the Appropriations Committee.

In fact, the committee report discusses the "substantial amounts" of unspent oil overcharge funds available to offset the impact of Federal cutbacks in LIHEAP. Specifically, the committee reports refers to testimony that the States have $1.3 billion in remaining unspent overcharge distributions and an estimated $246 million that may be distributed to States in the coming year.

The question facing Senators today as they consider a 20-percent cut in LIHEAP funding for the coming year is whether or not oil overcharge funds will be available in their States to make up the difference.

There are two principal sources of oil overcharge funds. Both result from litigation brought against oil companies alleging overcharges of Federal price controls on crude oil and petroleum products between 1973 and 1981.

The first is the 1985 Exxon case, under which States have received $2.1 billion. Under the court order which governs those funds, States must distribute their share of the money through one, or a combination of five designated programs: the Low-Income Energy Assistance Program; the Low-Income Weatherization Assistance Program; the Schools and Hospitals Weatherization Program; the State Energy Conservaton Program; and the Energy Extension Service Program.

The model used by the court in choosing these programs was the 1982 Warner amendment. The court also adopted the resitutionary principle set forth in the Warner amendment, which requires that these oil overcharge funds be used to "supplement, not supplant existing Federal and State resources."

The second source of overcharge money is the Stripper Well case, settled in 1986. Although the payments from that may reach $4 to $5 billion, under the terms of the settlement agreement States will receive only 40 percent of the settlement, about $1.6 billion.

So far, States have received about $970 million from the Stripper Well settlement. Although the committee report estimates that States may receive an additional $246 million in fiscal year 1989, there is no assurance that payment will be made.

Under Stripper Well, States have more leeway in spending their money than under Exxon. They can spend the money on the five so-called Warner amendment programs or other programs approved by the Department of Energy. Those choices include, for example, energy-related transportation improvements.

But as in the Exxon case, the settlement agreement requires States to use these funds to "supplement, not supplant" Federal and State resources.

So now we come to the question of whether or not oil overcharge money can or will be used by the States to make up a cut in LIHEAP funding this year.

A General Accounting Office briefing document for the Labor, HHS and Education Subcommittee on Appropriations and a 1987 National Consumer Law Center survey of States to determine their use of oil overcharge funds, conducted last winter, make some interesting points on that question.

I think they make it clear that many States will not make up the difference in Federal funding either because the money is not there or because they choose to utilize those funds for other purposes.

If I am right, the end results, if the committee's recommendation goes into effect, will be diminished LIHEAP benefits or a reduction in the number of households that receive LIHEAP benefits. Neither is acceptable.

First, and most significantly, the NCLC survey shows that 31 States have already allocated all of their Exxon money. Roughly 84 percent of all Exxon payments received by States have already been allocated.

In its survey of 13 States, the GAO found that 7 States had no Exxon money remaining.

According to the NCLC survey, 47 percent of the Exxon money has been allocated to the two low-income programs allowed under the Warner amendment, LIHEAP and weatherization.

The Stripper Well figures are similar. Through November 1987, States had received $867 million in payments. Thirteen States had already allocated all of their Stripper Well funds. States had allocated two-thirds of the Stripper Well funds. About 19 percent had been allocated to LIHEAP, weatherization, or other low-income programs.

States have received a little over $3 billion of the $3.7 billion in oil overcharge payments they are to receive. There is no more Exxon money to be distributed and it's uncertain when more Stripper Well distributions will occur.

According to the NCLC survey, the majority of oil overcharge funds used for LIHEAP came from Exxon payments. Since only 16 percent of Exxon funds remain, LIHEAP will have to depend on Stripper Well funds to replace Federal funds.

But not all States are in a position to meet that challenge. Let me use my State as an example.

Maine has received $15.1 million in Exxon funds and $8 million in Stripper Well funds. All of Maine's Exxon funds have been allocated and only the $500,000 received by the State in the most recent distribution of Stripper Well funds has not been allocated.

From its oil overcharge funds, Maine has allocated $2 million to LIHEAP and $7.6 milllion to weatherization.

Over the past 4 years, Maine's LIHEAP allocation has been reduced $7.3 million. The funding level called for in this bill would result in Maine's LIHEAP allocation being reduced by another $4 million in fiscal year 1989.

And as I have just mentioned, Maine has only $500,000 in oil overcharge funds left to be allocated by the State legislature. Even if the State of Maine wished to make up the cut in LIHEAP dollars with oil overcharge payments, it would come up about $3.5 million short.

Interestingly, GAO found that five of the 13 States surveyed faced LIPEAP cuts under this bill that essentially equaled or exceeded their remaining oil overcharge funds.

So, while in total, there may be oil overcharge funds available, it is plain that availability varies by State. Some States may have oil overcharge payments to earmark for the LIHEAP Program, many do not.

And while Maine has the need and a demonstrated commitment to LIHEAP, Maine has no oil overcharge funds left to offset cuts in LIHEAP.

Now, according to GAO, California may have available oil overcharge funds, Florida may have available oil overcharge funds, Kentucky may have available funds, and Texas may have sufficient oil overcharge funds to make up the cuts in LIHEAP.

But, the harsh cold reality for Maine's poor, elderly, and handicapped citizens who depend on LIHEAP is that those States are not very likely to give that money to Maine.

And even in those cases where oil overcharge money may be available, States are not required, nor should this Senate coerce them, into spending oil overcharge payments to LIHEAP.

Under both the Exxon court order and the Stripper Well settlement agreement, States are directed to use the oil overcharge payments for a variety of programs and in all cases to "supplement, not supplant existing Federal and State resources." But the committee recommendation calls on States to do just the opposite, to supplant Federal support, not supplement it.

Mr. President, the consequences of the proposed LIHEAP cut are clear. Either many of the homes presently receiving LIHEAP benefits will be denied benefits or the benefit provided will be cut.

I do not believe that the reduction in LIHEAP is good public policy. Given the varying availability of oil overcharge funding by States, it is most certainly not an equitable policy.

So, that I hope the Senate will accept the amendment offered by the distinguished Senator from Connecticut. In doing so, it will make clear its belief that sufficient resources should be directed to LIHEAP to allow this program to meet the needs of the thousands of low-income, elderly, and handicapped citizens who depend on it to help meet their energy needs.

Mr. HEINZ. Mr. President, I rise this evening to offer my strongest support for the sense of the Senate resolution offered by the distinguished senior Senator from Connecticut.

Federal funding for the Low-Income Home Energy Assistance Program [LIHEAP] peaked at $2.1 billion in fiscal 1985. Since then, Congress has reduced funding for the program by 27 percent, to $1.532 billion. Now we stand poised to reduce it another 23 percent, to $1.187 billion. Because of the steady erosion in Federal support for the program, LIHEAP benefits reach just 6.7 million households, fewer than 40 percent of the estimated 18 million eligible under State standards. If we consider the federally eligible, benefits reach fewer that 30 percent of those households.

LIHEAP recipients truly are the neediest of the needy. Poor women with dependent children. The frail elderly, on fixed incomes. Households headed by or containing handicapped persons. The working poor. Some are in the grips of seemingly permanent poverty. The majority are faced with a temporary but severe need for help in meeting their budgets.

According to the benchmark 1986 report prepared for the National Association of State Community Service Programs—NASCSP report—households eligible for LIHEAP benefits had a mean income of $6,184 in 1984—less than one-quarter the national average, $25,194, for that year. The LIHEAP household spent: 44 percent of its income, $2,692, on housing; 35 percent, $2,192, on food; and 15 percent, $942—four times the national average—on home energy; leaving only 6 percent, $355, for all discretionary expenses.

Imagine having just $30 per month for everthing else: transportation, clothing, school books, medication—a LIHEAP benefit of $213—the national average that year—boosted discretionary income by 60 percent—for those households fortunate enough to receive one.

The simple, hard truth of the matter is that the poor remain largely unable to pay their energy bills.

Mr. President, there are four myths about LIHEAP I would like to expose and explode. They are persistent and pernicious.

Myth No. 1, Mr. President, is that energy prices are not a problem for the poor anymore because of the recent glut.

Home heating oil prices have softened. The price drop has brought important relief to the 21 percent of low-income households that heat with oil. Other low-income energy sources—gas, LPG, and electricity—are more costly now than they were in 1981.

According to the NASCSP report, LIHEAP:

> Assistance is a meaningful supplement to low income household budgets, but these

> payments, on average, are not high enough to bring the household "energy burden" or percent of income spent for residential energy, down to its level at the time of the 1978 price explosion.

Indeed, the poor are worse off now than they were a few years ago. According to a recent Northeast-Midwest Institute report, Federal energy assistance covered roughly 40 percent of eligible households heating and cooling costs in 1980. This year, LIHEAP benefits will defray under 13 percent of those costs. The Institute report assumes that low-income households spend 10 percent of their income—or more than twice the national average—on energy bills. And I would point out here that heating and cooling costs account for just 40 percent of the low-income household's total energy expenditures.

Myth No. 2, Mr. President, is that State oil overcharge moneys are sufficient to compensate for Federal spending cuts in LIHEAP.

The committee report accompanying the Labor/HHS bill (H.R. 4783) states "The administration has testified that the States have $1,300,000,000 in remaining unspent overcharge distributions * * *" (S. Rept. 100-399, page 183).

Not so. The administration erroneously assumes that funds not reported in spending plans submitted to the Department of Energy [DOE] are available. In a recent General Accounting Office [GAO] report, the administration admits its estimates of available funds may be inaccurate. It seems some States—probably most or all—have internally approved proposals allocating funds but have yet to submit them to DOE for approval. In short, the moneys available include considerable amounts allocated and, in some instances, even obligated.

Last fall, the National Consumer Law Center [NCLC] conducted a 50-State survey to determine the availability of oil overcharge moneys. NCLC's data indicate that close to 80 percent of all Exxon and Stripper Well funds distributed have been allocated.

Specifically, 32 States have exhausted their Exxon funds. Fourteen States have exhausted Exxon and Stripper Well funds. Another nine States have less than 20 percent of their Exxon and Stripper Well funds remaining.

Allow me, Mr. President, to cite one example. GAO recently prepared a report for the chairman of the Labor/HHS Appropriations Subcommittee, Senator CHILES. GAO mistakenly reported that my State—the Commonwealth of Pennsylvania—has $70.8 million in available oil overcharge funds. In fact, Pennsylvania has exhausted its overcharge account.

John White, Secretary of Pennsylvania's Department of Public Welfare, wrote to Representative SILVIO CONTE last May. He stated:

> The Governor's budget for 1988-89 maintains the State's 1987 service level by using the entire balance of Exxon funds and the full 75 percent allowed for low income programs under the Stripper Well Court Order. Any cut below the Federal amount received in fiscal year 1988 will result in reduced service to disadvantaged Pennsylvanians.

LIHEAP funding for the Commonwealth of Pennsylvania has dropped from $134 million to $104 million. If the Senate Appropriations Committee fiscal 1989 figure for LIHEAP is enacted, funding will shrink further, to $81 million. Governor Casey informs me that 70,000 households could lose their benefits entirely.

I have additional letters, from the Governor and Michael Hershock, secretary of the Governor's budget office, which further document Pennsylvania's responsibility in targeting oil overcharge money to LIHEAP and low-income weatherization. Specifically, in the last 2 years, the Commonwealth has spent $90.8 million in oil overcharge funds. Sixty percent has been spent on LIHEAP. Twenty-two percent has been spent on weatherization.

A related myth, Mr. President—No. 3—is that energy assistance must be a low priority because States do not use much of their overcharge moneys on it, and they continue to transfer LIHEAP funds to other block grants.

Under the Warner amendment, States are permitted to spend Exxon moneys on five different DOE energy conservation programs, not just LIHEAP. Stripper Well funds can be spent on the five DOE programs, but also on energy audits, public transportation, highway and bridge maintenance and repair, and a variety of other high priority programs. Because overcharge moneys are meant to provide restitution to all aggrieved consumers, DOE has stipulated that no more than 75 percent of Stripper Well funds may be used for low income purposes.

According to a May 1988 GAO report, States have spent 59 percent of their Exxon funds and 21 percent of their Stripper Well funds exclusively on low-income weatherization and LIHEAP. These are credible amounts.

Mr. President, there are a few large, warm-weather States—regrettably—that do not put overcharge moneys into LIHEAP. And the percentage of overcharge moneys they receive is larger than their percentage of LIHEAP funds. So they tend to distort the picture when we consider whether States are spending sufficient amounts of overcharge moneys on low-income energy assistance. Perhaps Congress ought to consider changing the overcharge allocation formula to match the LIHEAP allocation formula.

A related point, Mr. President, concerns transfers from LIHEAP to other block grant programs. First, the largest percentage transfers—up to 15 percent—are made to low income weatherization, surely a longer term solution to the energy burden problem.

Second, other transfers—up to 10 percent—have accrued primarily to the social service block grant, which has experienced the largest dollar reduction of all the block grants created by the Omnibus Reconciliation Act of 1981.

Third, since the onset of LIHEAP funding cuts, virtually all of the cold-weather States have eliminated or sharply curtailed transfers to other block grants. Of 13 States surveyed by GAO, only 5 continue to transfer 10 percent of their LIHEAP funds; 4 are warm-weather States.

I think it is disingenuous to permit States to transfer a modest amount of funds to other vitally important block grants, cut funding for those block grants, and then criticize the States for making the transfers. If it is a problem, we ought to boost funding for the other block grants and remove authority for the transfers.

Mr. President, the last myth—No. 4—is that LIHEAP is just a heating program for cold-weather States.

Admittedly, the bulk of funds go to heating. But this is no justification to cut funding. Cooling is an integral part of LIHEAP.

The 1980 heat wave killed 15,000 people, 70 percent of whom were 65 or older. Hot weather places a strain on the heart. Heat wave studies indicate that the greatest number of fatalities are caused by heart attacks and stroke. Clearly, the elderly, with diminished cardiovascular stamina, are particularly vulnerable.

The elderly poor are most at risk. Many low-income elderly persons do not have access to good housing, air conditioning, medical care, and other supportive services even those individuals with access to air conditioning do not use it, or use it sparingly, for fear of high utility bills.

I remember chairing an Aging Committee hearing on energy costs and the elderly following the 1980 heat wave. Electricity consumption for cooling increased by $1.4 billion during the heat wave. We heard testimony from social service volunteers who found elderly citizens dead in their apartments or homes, just a few feet away from an unplugged air conditioner or fan.

We do not know how many deaths are attributable to the current drought and hot weather. A rule of thumb, according to Moulton Avery of the Center for Environmental Physiology, is that for each case of actual heat prostration, another 10 to 12 die of heart attacks or stroke occasioned by heat stress. Part of our problem is that the National Center for Health Statistics has no specific mandate or funding to track heat-related deaths. Perhaps it should.

At any rate, the current spell of bad weather is having an undesirable effect on low-income households. The drought has forced Alabama to close 14 of its hydroelectric plants and purchase more expensive steam generated electricity. Idaho Power Co. is relying on coal-fired generators because of low water on the Snake River. The State utilities commission has authorized the company to levy a $9.6 million surcharge on its 260,000 customers. Arkansas Gov. Bill Clinton reports his State will have no LIHEAP funds to help 28,000 elderly households meet their peak summer electricity bills.

Mr. President, Representative SILVIO CONTE—long a LIHEAP champion—wrote to all 50 States, the District of Columbia, and U.S. trust territories and possessions a few months ago. Specifically, he requested information concerning the impact of recent LIHEAP funding cuts and the availability and use of oil overcharge moneys. He has shared with me 37 responses. Uniformly, they decry the reductions. They argue they are allocating overcharge moneys in a justifiable fashion. And they warn of the dark impact of any additional funding cuts. I am tempted to have the letters printed in the RECORD. But I will not. We hear increasingly of the cost of printing the RECORD. But if any of my colleagues are interested to hear about their particular State, I will be happy to share an appropriate letter, should I have one.

Mr. President, I fear that I have talked longer than I intended. But this program is so critically important. It literally saves lives. And justifications for cutting it simply do not stand up to scrutiny.

Mr. DANFORTH. Mr. President, I would like to make a few remarks about the Low Income Home Energy Assistance Program [LIHEAP]. This program is one of the most beneficial programs that the Government provides to our needy citizens. There are few human needs more basic than food, shelter, and warmth, and the LIHEAP Program helps provide millions of Americans each year with one of these most basic needs—heat.

This year the Appropriations Committee has cut the LIHEAP Program by $345 million from the fiscal year 1988 funding level, which itself was a cut of $290 million from the fiscal year 1987 level. In Missouri alone, according to the Missouri Department of Social Services, this cut in funding will require the elimination of heat assistance services to 21,000 households that received assistance in fiscal year 1988. Most of the people who would be denied heat assistance are elderly and disabled people who face extreme hardship when they are cut off from this assistance.

Mr. President, because of the extreme importance of the LIHEAP Program to our citizens, I am supporting Senator HEINZ' amendment to add $110 million to the LIHEAP Program. I recognize that this amendment will require a waiver of the Budget Act, and I am generally opposed to all such waivers. However, I plan to make an exception in this case because the $110 million we are adding to LIHEAP matches the $110 million that we did not spend in the energy and water appropriations bill.

The conference report on the energy and water appropriations bill (H.R. 4567) was $110 million below that subcommittee's 302(b) allocation for budget outlays, Last month I joined 29 other Senators in a letter to the Appropriations Committee requesting the committee to reallocate these precious funds to the Labor-HHS Subcommittee for the LIHEAP Program. However, the Appropriations Committee decided not to make the reallocation at this time.

Mr. D'AMATO. Mr. President, I support the amendment by Senator WEICKER to restore funding to the Low-Income Home Energy Assistance Program [LIHEAP]. The fiscal year 1989 Labor-HHS appropriations bill cuts funding for this program by 22 percent—from $1.5 billion in fiscal year 1988 to $1.2 billion for fiscal year 1989.

This proposed 22-percent cut would be devastating to New York State. Under this bill, New York will receive a 12.7-percent cut, leaving an amount hardly sufficient to provide relief to the over 1 million LIHEAP households in my State. Since 1985, when funding for LIHEAP peaked, New York's share of LIHEAP funding has been cut $113 million.

In New York we have already witnessed the serious effects from the nearly $300 million in LIHEAP cuts that we approved last year. In early April, LIHEAP was forced to shut down, leaving almost 20,000 households who applied for energy help without any money for benefits, even though all of those applications had been approved. I must emphasize that this happened in a year when the State was able to make up most of the $37 million we took out of its LIHEAP allocation by using funds left over from the previous year. Well, this year there are no left-over funds, so the actual cut that New York faces under this bill is $75 million.

Cuts of the magnitude contained in this bill mean even colder winters for LIHEAP households. It is more than likely that the program will be closed down in New York even earlier than it was this year. The 22-percent cut also means that the average LIHEAP benefit in my State is likely to drop from $240 to perhaps $150 per household. In a State with severe winters like New York, that's not enough to heat a household for even a single winter month, let alone an entire winter.

Mr. President, with energy prices on the rise, we simply cannot subject our Nation's poor, elderly, and handicapped to this type of a cut. LIHEAP households already spend 15 percent of their incomes on energy, nearly four times the national average. We cannot stand here and make a difficult situation worse. I urge my colleagues to support Senator WEICKER's amendment.

Mr. SIMON. Mr. President, I am here today to speak in support of the Low-Income Home Energy Assistance Program [LIHEAP] and to request each of my colleagues to also support this critical program. I would specifically like to urge my colleagues on the Senate Appropriations Committee to restore full funding for LIHEAP in conference on the labor, HHS, education appropriations bill.

Additionally, I would like to urge my colleagues on the Appropriations Committee to use their 302(e) budget authority to reallocate the $102 million which has not been allocated in the energy and water appropriations bill into the labor, HHS, education appropriations. No other low-income program has been cut to the extent that LIHEAP has in the last few years. Now we have an opportunity to put funds that have not been allocated in the energy and water appropriations bill into a program desperately in need of funds.

Mr. President, LIHEAP funds have been slashed repeatedly over the last few years. As recently as fiscal year 1985 this program had $2.1 billion. Since then we have continually reduced funding on this program, to a low of $1.5 billion this year. The Senate Appropriations Subcommittee proposes to cut this program once again down to $1.187 billion, while the House would provide for a small inflationary increase in current appropriations for a total of $1.532 billion. Once again, this year there is a huge disparity between the House and the Senate subcommittee appropriations for LIHEAP funds in the labor, HHS, education bill.

The Senate funding level would result in more than a 40-percent reduction in LIHEAP funds just since 1986. The additional cut proposed in the Senate would result in serving even fewer households than the present 30 percent of the income-eligible households in our country now being served.

In my home State of Illinois, 70,000 households were dropped from the program in just 1 year because of last year's cutbacks. Of these recipient households, 84 percent had incomes under $6,000 per year. If the Senate reductions in this program are retained in conference, another 50,000 Illinois households will be cut from this program. Mr. President, these cutbacks have also meant the complete elimination of the summer cooling program in the State of Illinois. This program has been eliminated precisely at a time when we are suffering through one of the hottest, driest summers in 50 years.

Mr. President, the States no longer have the oil overcharge funds to rely on for low-income energy assistance funds. The funds are essentially drying up. The Exxon oil overcharge fund was a one-time allotment, and nationally, 75 to 80 percent of these funds have now been committed. The stripper well oil overcharge funds are also running dry. In my home State of Illinois, they are only expecting about $5 million in funds per year from the new Texaco stripper well fund.

Mr. President, the few million expected from the oil overcharge funds cannot begin to make up for the funding shortfall anticipated. Illinois is not an exception, it is typical of the cutbacks experienced in all cold weather States. LIHEAP funding for the poor is generally the last stop prior to a family ending up out on the streets. Once the utilities are shutoff it is nearly impossible for a family to remain in their home. And, I do not have to tell any of you the devastating effects of homelessness. This program is a critical stopgap measure.

Again, I urge my colleagues to provide their full support to LIHEAP and restore its funding.

Mr. METZENBAUM. Mr. President, I add my very strong support to this resolution in support of increased funding for the Low-Income Home Energy Assistance Program.

As many of my colleagues know, this program has been repeatedly cut over the last several years. Each year, when many important social programs compete for the scarce Labor/HHS funds, the LIHEAP Program takes a disproportionate cut.

In other words, LIHEAP's piece of the pie keeps shrinking.

Unfortunately, the pie itself is too small.

All the programs funded in this bill are vitally important to millions of Americans, and many have been drastically reduced in recent years.

I fully appreciate the need to reduce the Federal deficit, and believe that it can be accomplished in a responsible manner which does not jeopardize the health and well-being of the Nation's neediest households.

Mr. President, the LIHEAP Program primarily benefits the working poor and the elderly poor—those who are just barely hanging on.

The average LIHEAP recipient has only about $10 a week in disposable income after paying for housing, food, and home energy.

Furthermore, only a small portion of total energy costs is covered by LIHEAP. The average LIHEAP benefit is only about $200 a year, versus about $1,000 in energy costs.

Currently, only about one-third of the households eligible for LIHEAP are receiving benefits from the program.

Further cuts would force States to either reduce the benefits, or reduce the number of recipients.

If the administration's proposed fiscal year 1989 funding level for LIHEAP is adopted, Ohio's share of funds will have been reduced by $42 million since fiscal year 1986.

Such a drastic reduction over 3 years would cause severe cutbacks in my State.

Ohio's remaining oil overcharge funds could not begin to compensate for budget cuts of this magnitude.

In the current fiscal year, Ohio received $78.5 million in LIHEAP funds, which are serving some 415,000 households.

Under the Senate Appropriation's Committee's proposed funding of $1.187 billion, Ohio would receive only $60.8 million, which could serve only 323,700 households—a reduction of 91,300 households, according to the Ohio Department of Development.

About 91,300 households in Ohio would be denied assistance for one of life's most basic necessities—home heating. Children and the elderly in every State would suffer the most.

There are those who might argue that we cannot afford this program.

I believe that we cannot afford any further reductions in this vital program.

I urge my colleagues to support this amendment.

Mr. GLENN. Mr. President, I rise today in strong support of the Low Income Home Energy Assistance Program [LIHEAP]. I believe that LIHEAP is one of the most significant and critically needed programs funded under the Labor/HHS appropriations bill.

The President's budget proposal for fiscal year 1989 would cut LIHEAP funding to $1.19 billion—a 43-percent reduction in nominal terms from 1985 levels, and this 43-percent cut is being requested in a basic safety net program. LIHEAP is a needs based income supplement program serving only the very needy—the average annual income of a recipient household is less than $6,500. The needs of the individuals served by LIHEAP have not diminished, yet assistance continues to decline. Almost 40 percent of these recipients are low income senior citizens, those who are particularly vulnerable to hypothermia and heat stroke.

In my State of Ohio, the decrease would be more than $17 million which could result in over 90,000 households losing assistance. Let me share with you an example of an Ohio recipient who demonstrates how severe further LIHEAP cuts would be. This Ohioan is single and head of a household that includes two children, ages 3 and 4. She works part time, earning about $400 a month and receives some government assistance. After paying her bills for food, rent and energy, she has about $12 a week left over for other expenses. Without the assistance she receives from LIHEAP, even less money would be available to maintain her household.

The needs of this Ohio recipient graphically illustrate the importance of LIHEAP funding. A few weeks ago, I joined more than 50 of my colleagues from both sides of the aisle in a letter to the chairman of the Labor/Health and Human Services Subcommittee urging adequate LIHEAP funding. I urge my colleagues to again express their support for LIHEAP by voting for this amendment.

Mr. KERRY. Mr. President, I rise in support of the pending amendment instructing the Senate conferees to recede to the higher House funding allowance for the Low Income Home Energy Assistance Program [LIHEAP]. The current amount requested for this program as reported by the Labor HHS Appropriations Subcommittee is $1.187 billion. This represents a 43-percent reduction in funding since 1985 and will have a dramatic negative impact on a number of elderly and low income individuals throughout our country.

LIHEAP cannot sustain the continuation of these devastating cuts. Let us remember why this program was instituted and understand the priorities which led to its formation. LIHEAP was established because Congress found it intolerable that any American should suffer illness or death due to inadequate heating or cooling. While LIHEAP is a limited response to meeting the heating and cooling needs of the very poor it does represent our commitment to this basic objective. The cuts being considered here today are a sign to the elderly, the poor, the needy and to all American citizens that meeting this basic need is no longer a priority of the U.S. Senate.

Mr. President, the average LIHEAP recipient has an income which is 72 percent of the poverty level. A majority are working at low income jobs and do not receive AFDC or SSI. At least 31 percent of these individuals are elderly and 14 percent of LIHEAP homes include a person who is disabled. Energy costs for the LIHEAP recipient can consume an average of 14 percent of their annual income, possibly as much as 20 percent in

Southern States and up to 25 percent in my home State of Massachusetts.

Such cuts in benefits will stretch limited budgets beyond the breaking point. In general every 10-percent cut in LIHEAP funding, will result in a 5-percent reduction in the total household income of the recipient. The consequences of this scenario leaves few choices for many. Limited dollars will be taken from an already meager food, clothing and health care budget. Others will be unable to pay utility bills or will defer rent payments to prevent their utilities from being turned off. Thus, resulting in increased evictions and potential homelessness.

Such a situation is not only morally reprehensible, but will likely lead to an eventual increase in Government assistance in other areas. Individuals barely making it with fuel assistance may be forced onto welfare or other more costly social programs. Increased resources will be necessary for housing, shelter and health care costs of displaced individuals. LIHEAP has been shown to help people overcome difficult times without slipping into the dangerous dependency of our current welfare system.

Mr. President, the administration's budget stated, and some individuals here believe, that cuts in this necessary program can continue and in fact be offset by State oil overcharge funds. It is my understanding however, that in many States, including my home State of Massachusetts for example, that this is not the case. First, it should be made clear that oil overcharge funds were never intended to supplant general revenue supports. Second, by law only a certain percentage of these funds can be used to reduce the energy costs of low-income individuals. In Massachusetts, all of the funds that could be used to offset LIHEAP cuts have already been used.

Mr. President, should these cuts go into effect they would have a profound impact on many of the neediest citizens in Massachusetts. Specifically, fuel assistance and weatherization funding would be cut by $27 million. At least 30,000 households will be forced from the program or their minimum benefit could be cut from $325 to $100, possibly less. For most areas in the country this payment would hardly pay the bill for 1 month of high energy use.

We cannot afford to turn our back on the poor, elderly, children, and infants who are the primary beneficiaries of this program. A vote against this amendment is a vote to turn off the heat in February, as well as deny individuals relief from the heat and humidity of August. LIHEAP, which has a record of helping people, is clearly the proper way to address these needs. I urge that this amendment be adopted.

Mr. LEAHY. Mr. President, I strongly support Senator WEICKER's sense of the Senate resolution on the Low Income Home Energy Assistance Program [LIHEAP]. This cost-effective, needs-based program is a staple for over 18,000 needy Vermont households. The administration's and the Senate's fiscal year 1989 LIHEAP line item of $1.19 billion, which cuts $344 million or more than 22 percent from the already deeply slashed fiscal year 1988 appropriation, could further strap these already hard-pressed Vermonters.

In terms of direct human impact, this proposed cut would lower the national average annual fuel assistance benefit payment from the already modest level of $213 per household to a grossly inadequate $166. In a 5-month heating season, this reduces the monthly benefit per household from about $43 to about $33. This will cause real problems, for these are truly needy households—almost 40 percent of them include elderly people—that each month have almost nothing left over after they pay for the bare, basic necessities of life.

Unless this reduction is eliminated in conference by the Senate conferees receding to the House level of funding for LIHEAP, this vital program will have the terrible distinction of being one of the most deeply cut—down 43.3 percent since fiscal year 1985—needs-based income assistance programs over the last 5 years.

LIHEAP reductions limit not only heating assistance payments to low income people, but also important funds for weatherization that States use to insulate, caulk, and to repair heating systems in the homes of those most in need.

To illustrate the decline in weatherization funds caused by LIHEAP cuts, in the winter of 1986-87 about 2,200 low income Vermont homes were improved under the program. In the winter of 1987-88, that number fell to about 1,900 homes. And if the current Senate line item in this bill for LIHEAP is not overcome in the conference, that number will plunge to 1,000 or fewer homes winterized in the coming winter of 1988-89.

Some Senators, over these past several months, have made much of the alleged availability of unspent "oil overcharge funds," provided by various court orders, to compensate the States for LIHEAP cuts. As the letter I have in hand from Vermont's Gov. Madeleine M. Kunin states, if this cut remains in place, Vermont in the winter of 1988-89 would need to allocate $3.7 million in oil overcharge funds to keep fuel assistance and weatherization assistance at current levels of service. However, as Governor Kunin points out in her letter, Vermont will have no more than $1.5 million available from oil overcharge funds, necessitating a $2.2-million cut in LIHEAP-funded heating and weatherization services.

I would like to tell you of a typical case of a Vermont family receiving LIHEAP heating and weatherization aid. Frank is 67, Rose 62. Both are disabled and live on only Social Security and a VA pension. They could not afford to insulate their tiny, old house when they moved in, in 1986. As a result, they shivered during the winter of 1986-87—and still ran up a $1,000 propane gas heating bill.

In the summer of 1987, weatherization funds allowed a community action agency to perform $1,500 worth of insulating and sealing work on their house. But in the winter of 1987-88, their fuel assistance payment covered only about one-third of their propane gas costs. Under the fiscal year 1989 administration-Senate plan, they would be squeezed even harder in the winter of 1988-89.

I support and appreciate this sense of the Senate resolution, but we can do better. I strongly urge the Senate conferees on this bill, my fellow members of the Appropriations Committee, to recede to the House level of funding for this critical LIHEAP Program.

Finally, I ask unanimous consent that Governor Kunin's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF VERMONT,
OFFICE OF THE GOVERNOR,
Montpelier, VT June 16, 1988.

Hon. PATRICK LEAHY,
U.S. Senate, 433 Russell Senate Office Building, Washington, DC

DEAR PATRICK: I am writing to clarify some misleading information that appeared in a recent U.S. General Accounting Office (GAO) report regarding oil overcharge funds and reductions in the Low-Income Home Energy Assistance Program (LIHEAP).

The report, entitled "Low-Income Energy Assistance: State Reponses to Funding Reductions", listed Vermont as having $3 million of unspent oil overcharge funds that could be used to make up for federal budget cuts to LIHEAP proposed for FY 89. In fact, Vermont has only $1.2 million that has not already been designated for specific programs.

As you know, the U.S. Congress reduced the LIHEAP budget by 16% between FY 87 and FY 88. This action cost the Vermont program approximately $1.7 million. Rather than subject elderly and low-income Vermonters to unhealthy conditions, I authorized the Vermont Department of Social Welfare to divert their contribution to the Weatherization Assistance Program—$1.7 million—to make up for the federal cuts.

However, the Weatherization Assistance Program plays an equally vital role in lowering energy costs for low-income people (which, in the long run, should reduce the need for fuel assistance payments) and protecting these families from a sometimes harsh winter climate. Therefore, on my recommendation, the Legislature allocated $1.7 million of the Oil Overcharge funds to level-fund the Weatherization Program for FY 88. Over the last three years, Vermont has committed nearly $4 million to the Weatherization program—more than 50% of total oil overcharge funds received—largely as result of federal budget cuts.

It is my understanding that the Reagan Administration has proposed an additional LIHEAP cut of 23% for FY 89 which would reduce the Vermont program by another $2 million. Even assuming program participation remains at FY 87 levels, Vermont will need to make up an additional $3.7 million to compensate for these cuts. Yet Vermont has only $1.2 million of oil overcharge funds on hand ($1.5 million if you include the $300,000 the state is expected to receive from the Texaco settlement later this year).

The purpose of the oil overcharge settlements is to provide restitution to oil and gasoline consumers who suffered from price control violations in the 1970's. The states must have the flexibility to allocate oil overcharge funds to energy conservation programs with the widest public benefit. The court decisions were explicit in prohibiting the use of these funds to supplant existing state or federal appropriations. By tying LIHEAP budget cuts to available oil overcharge monies, Congress will be in direct conflict with these decisions.

Thank you for all your efforts on behalf of LIHEAP. I hope you will be successful in convincing Congress that it is essential that LIHEAP be funded to at least the FY 87 level.

Sincerely yours,
MADELEINE M. KUNIN,
Governor.

Mr. DIXON. Mr. President, before the Senate now is a matter of profound life and death consequences. There are people dying right now because they do not have the money to air-condition their homes, and there will be more people freezing to death this winter.

In the summer of 1980, as temperatures soared, 15,000 people died of heat stroke. This summer the Nation is locked into a heat wave that is even worse than 1980, and I shudder to think of how many of our elderly poor are dying from heat stroke as we continue to cut the level of energy assistance available to them.

Mr. President, in this summer of record heat and drought, my State of Illinois is not even able to run a cooling assistance program because the amount of Federal LIHEAP money it receives has been reduced nearly 30 percent over the last 4 years. Illinois cannot afford to offer cooling assistance this summer because it has necessarily committed its oil overcharge funds to heating assistance for the upcoming winter.

I echo the remarks of my friend and colleague, Senator HEINZ, to dispel the notion that States have oil overcharge funds just sitting around unused. In my State, that is just not true. Oil overcharge funds are wisely used in Illinois for long-term energy conservation programs. Those funds are already committed for the next 2 years. LIHEAP money is used for helping those with immediate heating needs.

I am pleased to support the resolution of the Senator from Connecticut calling for the Senate conferees to recede to the House level of $1.567 billion for LIHEAP. Although this level would not even come close to serving the numbers eligible to participate in this program, it may mean that 100,000 households can remain in the program this year.

The PRESIDING OFFICER (Mr. GORE). The question is on agreeing to the amendment.

The amendment (No. 2710) was agreed to.

AMENDMENT NO. 2711

Mr. HUMPHREY. Mr. President, in a moment I will send to desk a series of four amendments, all having to do with prenatal tissue, fetal tissue. The amendments have been cleared by the managers on each side.

If I may have the attention of the chairman, it is my understanding that the chairman is prepared to seek to offer these amendments en bloc.

Mr. CHILES. Mr. President, I ask unanimous consent that we be able to take up these four amendments en bloc. We have looked at them.

As the Senator knows, I want to have a colloquy with him to clear up a matter.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. HUMPHREY. Mr. President, I send four amendments to the desk to be considered en bloc.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes amendments en bloc numbered 2711.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

First amendment:

At the appropriate place, insert the following new section:

SEC. . None of the funds appropriated under this Act shall be used to perform an abortion on a woman for the sole purpose of providing fetal organs or tissue for medical transplantation to any animal or person.

Second amendment:

At the appropriate place, insert the following new section:

SEC. . (a) None of the funds appropriated under this Act shall be used to knowingly acquire, receive or otherwise transfer any human (including that derived from a fetus) organ or organ subpart for valuable consideration for use in human or animal transplantation.

(b) None of the funds appropriated under this Act shall be used to knowingly acquire, receive or otherwise transfer any human organ or organ subpart derived from a fetus that has been aborted for the sole purpose of medically transplanting such organs or organ subparts to any animal or person.

(c) For purposes of subsection (a) and (b):

(1) The term "human organ" means the human kidney, liver, heart, lung, pancreas, brain, bone marrow, cornea, eye, bone, and skin and any other human organ specified by the Secretary of Health and Human Services by regulation.

(2) The term "valuable consideration" does not include the reasonable payments associated with the removal, transportation, implantation, processing, preservation quality control, and storage of a human organ or organ subpart or the expenses of travel, housing, and lost wages incurred by the donor of a human organ or organ subpart in connection with the donation of the organ or organ subpart.

Third amendment:

At the appropriate place, insert the following new section:

SEC. . None of the funds appropriated under this Act shall be used to offer any inducement, monetary or otherwise, for a woman to have an abortion for the purpose of providing fetal organs or tissue for medical transplantation to any animal or person.

Fourth amendment:

At the appropriate place, insert the following new section:

SEC. . None of the funds made available under this Act shall be used to waive the minimal risk standard for fetal research.

Mr. HUMPHREY. Mr. President, the amendments have been cleared on both sides.

I want to state, particularly for the benefit of my colleagues on the Democrat side of the aisle, that the language in each of these four amendments was drafted in consultation with and in cooperation with the Senator from Tennessee [Mr. GORE], who happens to be in the Chair at this moment, and mute, I suppose. It was drafted in association with him and adopting his language and his recommendations.

I remind my colleagues that I raised the subject of the Senator's name because the Senator from Tennessee is the ranking Senate Member on the Bicameral-Bimedical Ethics Board, the senior Member of this body on that Board, and a man who has established a good deal of expertise in this area.

I understand that the Senator from Florida wishes to clarify, through colloquy, the intent of certain language in one of the amendments.

Mr. CHILES. Yes; I thank the distinguished Senator from New Hampshire.

One of the amendments provides that there will be no funds to acquire fetal tissue for profit. Currently, NIH and the researchers funded by NIH do use aborted fetal material in research.

There is a "user fee" that is paid for the transportation, preparation of the tissue. I do not believe the phrase "valuable consideration" is intended to apply to these user fees or service fees. I wanted to get the Senator's concurrence in that. That being the case, we would be prepared to accept the amendment.

Mr. HUMPHREY. The Senator is well justified in his concern. It is not the intent to rule out service fees and that kind of thing. The intent here is to eliminate the possibility of commerce, profitable commerce, over and above justifiable costs, in fetal tissue.

Mr. CHILES. I think that clears it up.

Mr. President, we yield back any time we have.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments (No. 2711) were agreed to en bloc.

Mr. HUMPHREY. I move to reconsider the vote by which the amendments were agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2712

(Purpose: To help establish a quality data, population based cancer registry in Cleveland, Ohio)

Mr. CHILES. Mr. President, I send an amendment to the desk on behalf of Senators METZENBAUM and GLENN.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida [Mr. CHILES], for Mr. METZENBAUM (for himself and Mr. GLENN) proposes an amendment numbered 2712.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 42, line 20 strike the period and insert in lieu thereof:

": *Provided*, That not to exceed $350,000 may be made available for the establishment of a high quality, population based cancer registry in the metropolitan Cleveland, Ohio area.".

Mr. METZENBAUM. Mr. President, this amendment is small in size, but large in purpose.

Since 1975, hospitals in the Greater Cleveland area have been working together to fight cancer through a computerized tumor registry system. By compiling this information, physicians, researchers, and hospitals can track the geographic and demographic patterns of cancer, assess different types of treatment used for cancer patients, and assist in followup. Since 1985, the hospitals have been reporting more than 9,000 cases to the Cleveland cancer data system every year.

Unfortunately, the cost of running this registry has made it virtually impossible for all of the 31 hospitals in the Cleveland area that treat cancer patients to reach a "population based" status—that is, one in which at least 95 percent of all cancer cases are reported.

This amendment would help the cancer data system achieve this "population base," thus making it one of the few metropolitan areas in the United States with such a cancer registry system. The data gathered by the registry will be invaluable to researchers not only in Cleveland, but throughout the entire country.

The National Cancer Institute recognizes the urgent need for better cancer data collection, particularly among urban black and Hispanic minorities. We have long known that there is a higher incidence of cancer deaths in the black population. Many of these deaths could be prevented or cured through better detection efforts aided by the cancer registry.

Cleveland's hospitals have always paid 100 percent of the cost of the registry, and will continue to provide the majority of funding after the system becomes "population based." This amendment would enable the National Cancer Institute to help the Cleveland registry become population based, and to help the registry gain sponsorship under the National Cancer Institute's Surveillance, Epidemiology and End Results [SEER] Registry Program.

The amendment responds to a need clearly expressed by the National Cancer Institute for better cancer data from minority populations.

I believe it is a small price to pay for such a valuable service. It is an investment in the future health of our Nation.

I urge my colleagues to support it.

Mr. CHILES. Mr. President, the language of this amendment permits the Department to make an award for a cancer registry through the normal competitive process. On that basis it is acceptable to the committee, and we urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2712) was agreed to.

AMENDMENT NO. 2713

Mr. CHILES. Mr. President, I send an amendment to the desk on behalf of myself and Senator TRIBLE.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida [Mr. CHILES], for himself and Mr. TRIBLE, proposes an amendment numbered 2713.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert before the period on page 51, line 22, the following:

: *Provided*, That any school district that received an overpayment under section 2 in fiscal year 1984 funds and also received 30.13 per centum of such sum in an overpayment of the subsequent fiscal year's funds, is relieved of the liability to repay those sums, together with interest on such sums

Mr. TRIBLE. Mr. President, this is a noncontroversial amendment. I understand the managers of the bill are prepared to accept this amendment, and I appreciate their assistance and cooperation.

This amendment directs the Department of Education to comply with congressional intent—as expressed in previously enacted legislation—affecting overpayments to the Craig County School System in Virginia.

Working with the Department of Education, I introduced legislation last year to adjust errors made by the Department in its payments to Craig County. Later, the Appropriations Committee reported substantially the same language in the fiscal year 1988 Labor-HHS-Education appropriation bill. I was assured by the Department of Education that the Craig County problem would be resolved. Finally, the fiscal year 1988 continuing appropriations resolution included language redressing this same error.

Language was also included in H.R. 5, the Augustus F. Hawkins/Robert T. Stafford Elementary and Secondary School Improvement Authorization bill. This language was dropped by the conferees who were told the problem had been resolved in the continuing resolution.

Unfortunately, the Department now contends that the law does not apply to the Craig County payment errors.

The amendment I am offering today reiterates the previously expressed congressional mandate: The Department of Education—not Craig County—must assume the burden imposed by its errors.

Mr. President, I thank the managers of the bill as well as my colleagues on the Education Subcommittee for their support. Senator KENNEDY and Senator HATCH have been extremely responsive to the needs of Craig County. Finally, I want to acknowledge the efforts of Peter Rogoff, Terry Hartle, and Becky Rogers.

Mr. President, I ask that this amendment be adopted.

Mr. CHILES. Mr. President, in the fiscal year 1988 appropriations bill, we included a provision to forgive a number of instances in which the Department of Education had accidentally paid school districts amounts in excess of their true entitlement. We did this only in instances where the Education Department confirmed that the administration was at fault and only in instances where the funds provided to the school districts had already been spent. One of these instances was addressed at the request of Senator TRIBLE. However, the language that was supplied to the Senator from Virginia by the Department of Education to rectify this problem was incorrect. The language now proposed by the Senator from Virginia would permanently fix this situation.

I should also point out that this provision forgives only a portion of the overpayment to this school district. We concur with the Department that a considerable amount that is still in the possession of the district but has not been spent should be returned immediately.

I urge the adoption of the amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment.

The amendment (No. 2713) was agreed to.

AMENDMENT NO. 2714

(Purpose: To reappropriate $500,000 from unobligated 1987 funds to restore to Montana funds that were included in the original allotment made to Montana)

Mr. CHILES. Mr. President, I send to the desk an amendment on behalf of Senator BAUCUS.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida [Mr. CHILES], for Mr. BAUCUS, proposes an amendment numbered 2714.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered. The amendment is as follows:

On page 54, between lines 22 and 23, insert the following:

"Of the funds provided under the heading "Rehabilitation Services and Handicapped Research" in fiscal year 1987 in Public Law 99-500 and Public Law 99-501, for carrying out the Rehabilitation Act of 1973, which are unobligated, the sum of $500,000 is reappropriated for an allotment under section 100(b)(1) of the Rehabilitation Act of 1973 to Montana for obligations incurred by Montana during fiscal year 1987.".

Mr. CHILES. Mr. President, this amendment would reappropriate $500,000 of fiscal year 1987 funds that have lapsed and make them available for the Montana vocational rehabilitation program.

As I understand it, Montana mistakenly returned $500,000 in unused grant moneys and has not been able to recover it from the Department of Education, since the 1987 fiscal year has ended.

I understand there is no objection to the amendment on the other side.

Mr. BAUCUS Mr. President, this is a noncontroversial amendment and it's my understanding that it is acceptable to both the chairman and the ranking member.

This amendment would simply reappropriate $500,000 from unobligated 1987 funds to restore to Montana funds that were included in the original allotment.

Under the Rehabilitation Act of 1973, individual States must report 45 days before the end of the fiscal year whether they anticipate obligating their entire grant authority. Following these guidelines, Montana concluded that it would not expend all of its grant award and would return $500,000 to be reallocated to other States that were running a deficit.

It was not until after the end of the fiscal year, that an accounting mistake was noticed and it was discovered that Montana had used its total grant authority.

This amendment would not affect the subcommittee's allocation nor would it constitute a budget outlay in 1989 and would not be subject to a point of order under the Budget Act.

This amendment would simply reinstate those funds and balance the books; $500,000 is often lost or gained in rounding the much larger numbers Congress works with every day, but it means the difference to a lot of people in Montana. It means counseling for kids trying to kick drugs and alcohol. It means job training, vocational education, and college tuition to people trying to become financially independent. It means speech and hearing rehabilitation it means the difference.

Montana is not experiencing the robust economy of the coastal States, and simply cannot afford to pay for something the Federal Government has already paid for.

Mr. President, I want to thank the floor managers for their support.

Mr. CHILES. I urge adoption of the amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment.

The amendment (No. 2714) was agreed to.

AMENDMENT NO. 2715

(Purpose: To increase the amount made available for the dependent care grant program)

Mr. CHILES. Mr. President, I send to the desk an amendment on behalf of Senators RIEGLE and BINGAMAN and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. CHILES], for Mr. RIEGLE (for himself and Mr. BINGAMAN), proposes an amendment numbered 2715.

Mr. CHILES. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 42, line 8, strike out the period and insert in lieu thereof a comma and the following: "of which, $8,750,000 shall be made available to carry out the State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.), and an additional $3,250,000 shall be made available to carry out such Act.".

On page 55, line 24, strike out "$5,837,095,000" and insert in lieu thereof "$5,833,845,000".

Mr. CHILES. Mr. President, this amendment would add $3,250,000 for the dependent care block grant, bringing the total to $12,000,000. The House recommended the budget request of $8,377,000, which is the same as the fiscal 1988 level.

This amendment has an offset for both budget authority and outlays to stay within 302(b) allocation ceilings.

This program provides planning grants to States for activities related to school-age child care services, as well as for dependent care resource and referral systems. The authorizing legislation permits funding up to $20,000,000.

The committee recommendation provided a 4.3-percent inflationary increase over the enacted level, which is the same amount provided for a variety of similar worthwhile human services programs for children, youth, senior citizens, Native Americans, and the handicapped.

I recommend we adopt the amendment.

THE LATCHKEY CRISIS

Mr. RIEGLE. Mr. President, the amendment I am offering with Senator BINGAMAN provides $12 million for the Dependent Care Grant Program in fiscal 1989. The committee bill recommends $8.75 million. My amendment increases that by a modest $3.25 million. This is still $8 million below the $20 million authorization.

The amendment is budget neutral—increased latchkey funding will be offset by a transfer from excess funds available under title III of the bill.

I strongly support increased funding for education, but according to CBO, there are excess funds in title III of the bill.

Mr. President, these funds are sorely needed. An estimated 6 million latchkey children face the dangers and stresses of unsupervised time alone. Congress this year is all talk and no action on child care: Over 100 bills have been introduced but no major new child care funds have been made available for fiscal year 1989.

Even if the ABC child care bill is enacted this year, and it has 40 cosponsors, no appropriation will be made in fiscal year 1989. Title XX, the major source of Federal funds for child care, is actually reduced by $50 million under this bill. My amendment is the only significant increase in funding for any child care program for fiscal year 1989.

The Latchkey Program, the only new Federal child care program in decades, is funded this year at $8.377—less than half its $20 million authorization. That's little more than $1 for each latchkey kid in the United States.

Many States reported enormous success in their Latchkey Programs in 1987 reports to the administration. However, States also report a large unmet need for school-age child care resources.

Mr. President, my amendment is an interim step to provide seed money to develop child care centers so we have them in place when Congress enacts a comprehensive system. I urge its adoption.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2715) was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 2716

(Purpose to make available $10,000,000 for part D of title I of the Higher Education Act of 1965, relating to the student literacy corps program)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 2716.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 52, line 17, strike the numeral and insert in lieu thereof "$1,088,180,000"

On page 52, line 18, strike the numeral and insert in lieu thereof "$476,000,000"

On page 52, line 20, strike the numeral and insert in lieu thereof "$447,700,000"

On page 59, between lines 3 and 4, insert the following: "*Provided further*, That an additional amount of $10,000,000 shall be made available for part D of title I of the Higher Education Act of 1965, relating to the student literacy corps program, to become available on July 1, 1989, and remain available until September 30, 1990.".

Mr. KENNEDY. Mr. President, I am offering an amendment to appropriate $10 million for the Student Literacy Corps Program. These funds would go to colleges and universities around the country in the form of grants of up to $50,000 over 2 years to establish student literacy corps programs on their campuses. The recipient of a grant would establish a course in an academic department, such as education, sociology, or economics, which would contain a practicum component—each week the students would tutor for 6 hours in a community agency such as a school, adult learning center, juvenile detention facility, prison, or facility for the handicapped.

This model is a proven success for all of those involved. It was begun in the late sixties at the University of Miami by Norman Manasa, then an undergraduate. It ran there for 4 years and over 1,000 undergraduates participated and served as tutors. Currently the program is operating at colleges in New York, Chicago, and Boston, and is funded by corporate contributions under the auspices of the Washington education project, directed by Norman Manasa. Each college receives a grant of $25,000 over 2 years to help pay the administrative expenses of starting a new program. Then the colleges are on their own to pay the cost of continuing the program, supported by tuition of the undergraduates.

We have heard testimony from participants in the program—undergraduates who serve as tutors, teachers who have tutors in their classrooms, and children who have been tutored by these undergraduates. And I have seen the program at work in my own State where undergraduates have praised the program for giving them the opportunity to contribute to their community in a meaningful way, and, in some instances, interested them in going into teaching as a profession. Classroom teachers have said the program enabled their students to receive individual remedial attention normally impossible in a classroom setting, and that the undergraduates were able to establish a rapport with students which improved their motivation and performance.

The student literacy corps serves several important functions. It gives college students a meaningful opportunity to give something back to their community without adding an additional burden to their demanding schedules full of classes and jobs. It leverages an enormous number of hours of tutoring for a minimal Federal contribution. The $10 million appropriated by this amendment could start programs at 400 colleges. This would generate 4 million hours of literacy tutoring in schools and other community agencies. This is the equivalent of $80 million worth of tutoring services, an eightfold return for our $10 million investment. Finally, the grant would serve as seed money to give colleges an incentive to begin a program which can then be supported by student tuition. The Federal Government does not need to play an ongoing support role for the program to continue. We can, however, provide the administrative funds to start a national student literacy corps across the country.

My amendment would offset the appropriation for this program against the chapter 2 block grant. The reason I look to chapter 2 is that several of the purposes served by the literacy corps were goals of the old teacher corps, a program which was incorporated into chapter 2 when the block grant was formed in 1981. The Teacher Corps Program sought to improve the educational opportunities for children in low-income areas by using volunteers as tutors and instructional assistants in the schools, and by providing literacy and remedial skills to juvenile delinquents, youthful offenders, and adult criminal offenders. Literacy corps would provide tutors in schools, as well as adult education centers, prisons, and juvenile detention facilities. It reinstates, in part, one of the programs subsumed within chapter 2. Therefore, literacy corps would not take funds away from those populations which benefit from chapter 2 programs, but merely target funds more specifically.

I urge my colleagues to support this amendment.

Mr. President, basically this amendment utilizes the block grant funds which are already appropriated some $10 million of it for development of a literacy corps.

That particular concept has already been accepted by the Senate in previous action and the whole literacy function basically exists within the block grant program.

This will ensure of that existing block grant fund this at least $10 million of that will be used for this particular function.

It does not add particular funds, so it is not necessary to have an offset.

Mr. CHILES. Mr. President, the funding of this program is not yet authorized. I understand that the authority is in the conference report of the trade bill. Concerning that situation I would be willing to take this amendment to the conference.

I point out to the distinguished Senator that Mr. NATCHER has a way of knocking out all programs that are not authorized but maybe the trade conference report will have passed by that point.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2716) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2717

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 2717.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At an appropriate place in the bill, insert the following.

SEC. . When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project or program.

Mr. STEVENS. Mr. President, very simply this grant guarantees receiving Federal funds to include in statements concerning project or programs for which the funds are received a clear statement of the percentage of the Federal funds and the amount of the Federal funds involved in each project

The amendment has been agreed to, I believe.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I think this is an amendment that has good merit and I think the Senator has a good reason. I see those press releases all the time myself.

I urge that we adopt the amendment.

Mr. STEVENS. I thank the Senator very much.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 2717) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2718

(Purpose: To decrease the amount of appropriations made available to the Health Care Financing Administration for program management)

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I send to the desk an amendment on behalf of Senator SASSER.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. CHILES] for Mr. SASSER (for himself and Mr. BRADLEY) proposes an amendment numbered 2718.

Mr. CHILES. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 35, line 5, strike "$1,839,819,000" and insert "$1,835,519,000".

Beginning on page 35, strike line 19 beginning at "Provided further" and all that follows through "1990:" on page 36, line 2.

Mr. CHILES. Mr. President, last year, we had questions about whether this new administrative law process would work, so we did not fund it. The House wanted to fund it, but we, instead, asked the General Accounting Office [GAO] to evaluate the proposal.

When the GAO reported back to us, they had some questions too. They recommended that a pilot and independent evaluation of the project be conducted, before any full implementation of the program.

So, that is what we did in this bill. The administration requested $8.1 million for implementation of the program in fiscal year 1989. Originally, we followed GAO's recommendation, and provided funds for a pilot test and independent evaluation of the project.

Mr. President, some groups have indicated that this pilot would eliminate the face to face hearing process. That is simply not true. Our report language directs, and the Department intends, to offer telephone hearings on a strictly optional and voluntary basis.

Now, however, there have been additional questions about even a pilot test, and the House Appropriations Committee has reversed their position, and decided not to fund any portion of the administration's request.

Under these circumstances, I agree to the Senator's amendment to delete these demonstration funds.

Mr. SASSER. Mr. President, very briefly, this amendment would strike $4.3 million included in the bill for the so-called dial-a-judge provision.

The bill as reported from committee would permit the Health Care Financing Administration to establish an alternative procedure for the Medicare appeals process.

As my colleagues are aware, the Medicare appeals process currently is the responsibility of the Social Security Administration.

The budget request sought to radically alter the Medicare appeals process and place the activity solely under the authority of the Health Care Financing Administration.

Now, I commend the action of the committee which cut the request in half. I believe the committee's intent was to establish a test of the so-called dial-a-judge concept.

The General Accounting Office, I would indicate to my colleagues, in April recommended that a small test of this new appeals process be conducted.

While the committee may have intended their action to be a test of the concept, it clearly goes much further than the GAO recommendation for a small test.

The provision in the bill would provide half—50 percent—of the administration's request.

Fifty percent is more than a test. It is tantamount to implementing a program.

I do not believe, Mr. President that enough data exists to embark on such a potentially radical change in the Medicare appeals process.

The committee's action would cover as many as one-fourth of all Medicare appeals.

Mr. President, I know many of my colleagues have heard from their constituents in recent days about this provision of the bill.

There is a great deal of concern about the dial-a-judge approach. I think we would be doing the elderly of our country a great disservice by subjecting as many as one-fourth of Medicare recipients to the dial-a-judge concept until we have a better understanding of the potential pitfalls of the dial-a-judge approach.

Now, Mr. President, some believe that the dial-a-judge concept will result in an improvement to the Medicare appeals process. But at this point in consideration of the concept, we have no way of knowing how it will impact our Nation's elderly. But we do know that at this point in time, the elderly strongly oppose such a radical new process.

Mr. President, the only way we can find out is to follow the advice of the GAO and conduct a small test—a true test.

So, I am pleased the chairman will agree to strike the provision from the bill which provides 50 percent of the funding for implementing the entire program.

I think the Health Care Financing Administration should present to the Congress a true test of this concept. Once we have completed such a small test, then the Congress and our Nation's elderly will be in a better position to act on the dial-a-judge proposal.

Mr. President, I thank the chairman of the committee.

Mr. CHILES. Mr. President, this amendment would strike from the bill a pilot program providing for an independent evaluation of a project in regard to health care financing administration.

I have some doubts about whether the amendment should be adopted, but under the circumstances we will take the amendment.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment.

The amendment (No. 2718) was agreed to.

The PRESIDING OFFICER. The Senator from California.

AMENDMENT NO. 2719

(Purpose: To make available funds for the reimbursement of certain trauma care centers that have incurred uncompensated care costs because of the treatment of undocumented patients by such centers during fiscal year 1988)

Mr. **WILSON**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mr. WILSON] proposes an amendment numbered 2719.

Mr. **WILSON**. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

On page 50, between lines 5 and 6, insert the following new section:

SEC. . (a)(1) In the case of all appropriation accounts within this title from which expenses for travel, transportation supplies, and materials & equipment under object classifications 21.0, 22.0, 26.0, and 31.0 are paid under the Public Health Service Act (42 U.S.C. 201 et seq.), there shall be obligated under such accounts in fiscal year 1989 a uniform percentage of such amounts as are determined by the President in accordance with paragraph (2) that, but for this subsection, would—

(A) be available for obligation in such accounts as of October 1, 1988.

(B) be planned to be obligated for such expenses after such date during fiscal year 1989; and

(C) result in total outlays of $13,000,000 in fiscal year 1989.

(2) Prior to making a determination under paragraph (1); the President shall obtain, from the Director of the Office of Management and Budget and the Comptroller General of the United States, recommendations for determinations with respect to—

(A) the identification of the accounts affected under this subsection;

(B) the amount in each such account available as of October 1, 1988, for obligation;

(C) the amounts planned to be obligated for such expenses after such date in fiscal year 1989; and

(D) the uniform percentage by which such amounts must be reduced in order to comply with paragraph (1).

(3) Not later than 30 days after the date of enactment of this Act, the President shall prepare and submit, to the appropriate Committees of Congress, a report specifying the determinations of the President under paragraphs (1) and (2).

(4) Sections 1341(a) and 1517 of title 31, United States Code, shall apply to each account for which a determination is made by the President under paragraphs (1) and (2).

(b) From amounts made available under subsection (a), the Secretary of Health and Human Services shall make payments to trauma care centers to partially reimburse such centers for compensated care costs incurred by such centers through their treatment of undocumented patients during fiscal year 1988.

(c) To be eligible to receive funds under this section, a trauma care center shall—

(1) be considered as a trauma care center under regulation promulgated by the Secretary for the purpose of this section;

(2) submit an application to the Secretary in such form and containing such information as the Secretary of Health and Human Services shall require; and

(3) demonstrate to the Secretary that such center has incurred a loss in revenues because of uncompensated care costs, of which 20 percent of such costs resulted from the center's treatment of undocumented patients.

(d) Not later than 60 days after the date of enactment of section the Secretary of Health and Human Services shall—

(1) prepared a list of trauma care centers eligible to receive an allotment under subsection (e); and

(2) promulgate regulations necessary to carry out this section.

(e) The Secretary of Health and Human Services shall allot to each eligible trauma care center an amount equal to the sum of the amount that bears the same ratio to the amount of funds made available under this section as the loss incurred by the eligible trauma care center bears to the loss incurred by all eligible trauma care centers identified by the Secretary.

(f) The Secretary of Health and Human Services shall pay to each eligible trauma care center the amount of its allotment under subsection (e).

Mr. **WILSON**. Mr. President, this amendment is an effort to try to reimburse in part the expenses, the uncompensated care costs of trauma care center services provided to illegal aliens.

What this would do is give to the Secretary of HHS the authority to allocate amounts of funds that have been lost by treating undocumented persons without compensation.

This is a common problem throughout the Southwest. It is a common problem throughout much of the Nation.

The $13 million we are talking about would be partial compensation.

To put things in simplest terms, what we are saying is that $13 million taken from travel, equipment, and materials accounts of the Public Health Service would be better spent saving lives in this next year than would those moneys in providing travel to conferences.

You do not have to disapprove of that effort to see that this is a priority very similar to that which the Congress has realized in restoring funding to the Coast Guard as opposed to subsidizing inner-city transportation.

Mr. President, what this amounts to is partial justice and in 1986 Congress, in passing the Omnibus Reconciliation Act, approved provisions covering the health care cost of undocumented persons but required the States to pass State legislation which confirmed to the OBRA. They have done so in many States and essentially what we have is an authorized expenditure. This act tonight would be a partial appropriation in furtherance of that authorization.

It is partial justice. It will allow trauma centers who are operating under great adversity hopefully to stay open.

Very simply stated, Mr. President, what you have in these trauma centers in the vast metropolitan areas of the United States you have costs required by the kind of traumas that involve expensive care and is being practiced primarily on people who simply lack the means to pay for it.

Mr. President, I urge the adoption of it, a simple and just amendment.

Mr. **CHILES**. Mr. President, I would hope that the Senator from California would withdraw the amendment.

The reason I would hope that is because while I think it is for a worthwhile cause and certainly the Senator from Florida has as much problems as any State does or our State does with illegal aliens. The Jackson Memorial Hospital in Miami finds more and more of its total budget services are totally used up this way.

I have great sympathy in what the Senator is trying to do.

But I just have to say at this stage, when we have had so many people propose amendments and we have turned down so many people because they had programs that were not authorized and then to see this, one, that is not authorized and, two, you make an across-the-board cut out of four agencies' CDC travel money. We have pared them down. We have pared down the travel budget already. I think those are essential agencies that you are cutting at this time.

The amendment is certainly not one that we can agree to. As I say, I wish the Senator would agree to some kind of language that we could put in expressing the problem and see if we can find a way to deal with it. There is no way that we can take this amendment now. And if we go to a rollcall, we certainly will have to urge the body to try to resist the amendment.

I hope, at this late hour, that the Senator would not make us have a rollcall and allow us either to have a voice vote or to withdraw his amendment and get some report language. We will be happy to work with him on on some report language.

Mr. **KENNEDY**. Mr. President, I join with the Senator from Florida.

Just earlier today, we reauthorized the Emergency Medical Service Program that was initially sponsored by the senior Senator from California in 1976 and which has additional funding for trauma centers. Those trauma centers which have been built have had a remarkably positive impact in relieving the cause of morbidity where they have been implemented. One of the most effective is in San Diego. They have reduced morbidity by about 50 percent. They have reduced morbidity here in the District of Columbia by about 50 percent. That is why we have increased the authorization for the creation of trauma centers. And we have also tried to deal, to some extent, with the financing and funding and also recognize the importance of developing these centers in a number of rural communities.

We have spent a good deal of time on this issue. Not that we should not get more information or be willing to consider any kind of amendments, but I would hope that we would defer action on this. It is an enormously important issue across the country. There are important rural communities—I see the Senator from Illinois here who raised the problems in America of the rural communities and farmlands in creating some option for these kinds of facilities there. We have attempted to do that and we will continue to do it.

I certainly hope, with the support that we had this morning, that we would have the opportunity to address this issue before the end of the session. But I would want to get into a good deal of discussion and debate on this measure, Mr. President. I do not think, really, this is the time or place to do it. It is a very, very important public health issue.

Trauma is the fourth cause of death today in the United States, and it is one, given all the other factors, in which we can make the greatest progress.

So I appreciate the stress and emphasis on this issue by the Senator from California, but I join in hoping that this will not be pressed to a vote now because then I would feel compelled to raise a lot of the other issues that have been raised by the members of our committee on this issue which have very important implications. That, plus the reasons the Senator from Florida has stressed in terms of diverting important Public Health Service functions that have general applications to the other 49 States and which would be reduced, would seem to me to justify the Senator withdrawing it.

We will be glad to work with him when this matter comes to the floor.

Mr. WEICKER. Mr. President, I wish to commend my distinguished colleague from California for raising the matter before the Senate. I hope that, rather than offer the amendment, which may or may not pass here and has an uncertain future in the conference, that we would keep this in the forefront of attention by having the distinguished Senator from California work out conference report language with our committee. I am more than delighted to have the committee work with his staff and with him to handle the matter in that fashion. I think his arguments are persuasive. I think the reasons are valid. In no wise do I want to diminish the importance of the issue he has raised. I think, however, at this time, the best way to handle this matter would be to have it in the bill as a matter of conference report language.

Mr. WILSON. Mr. President, I thank my friend from Connecticut.

Let me respond to the comments made by the distinguished committee chairman and my friend from Massachusetts. The Senator from Massachusetts made the point that accident, injury, the kind of thing that produces the trauma to which these trauma centers direct their efforts, is the fourth major killer in the United States. He is absolutely right in that. In fact, it is the first major killer of those from ages 1 to 34. Children, young adults, die of injury far, far more than from any other cause. The term "morbidity" which has been used means people dying of injury when, in fact, prompt attention could save them.

Mr. President, we are seeing in some trauma centers across the land perhaps the best emergency medical treatment in the history of the world. It is also some of the most expensive—people being lifted by helicopter from the scenes of terrible auto accidents with head injuries that demand instantaneous treatment if there is to be any hope for survival; those suffering gunshot wounds; those suffering household traumas, terrible burns. The list goes on.

The fact of the matter is this is a very expensive proposition. What it really comes down to is the extent to which we value life, particularly young life, that is in peril by the kind of accidents that is the stock and trade of these trauma centers every night of every week of every year that they are in operation.

Now, I take the point and I will abide by the advice of my friend from Connecticut. I accept his invitation to help work out the language, because I think it is essential that we not simply give commendation. This is a problem and a problem that, frankly, I think we have ignored.

I would have to tell you that I think that sending people to conferences, however commendable that may be, is not nearly as important as the kind of care that saves lives. But I will accept that invitation because, frankly, I do not wish to do injury.

My friend from Florida mentioned Jackson Memorial, one of the great teaching hospitals not just in the southern United States but in the United States and in the world. A great hospital. They have a trauma center.

My friend from Massachusetts mentioned that there had been excellent work done in my home county of San Diego. There has been excellent work done in Los Angeles. But less and less of that excellent work is getting done. These trauma centers are dropping like flies. They are closing left and right. Each time that a new one goes down, it expands the boundaries and expands the burden for those that remain.

So, what I will say to my friends is that I think that it would be useful to have bill language, but I hope, as we expressed, I believe, by the Senator from Massachusetts and the Senator from Florida, that before the year is out we will also provide some money. This is just a partial effort. This is an effort that is appropriately Federal, because what we are talking about are illegal aliens, undocumented workers, who are certainly not the responsibility of local governments.

If you are looking for a principle as precedent, you need look no further than the Immigration Reform and Control Act. We put $4 billion into that legislation in order to compensate local governments, to reimburse them for health care expenditures in connection with legalization of undocumented workers who were offered under that legislation the opportunity to become naturalized.

Under the OBRA Act of 1986, those who would, if legally here, qualify for Medicaid were recognized as a Federal responsibility—undocument workers—a Federal rather than a State or local responsibility.

So I will withdraw the amendment, Mr. President, and accept the invitation from the managers to work on bill language and also accept what was a clear implication in the statements of objection I heard tonight.

I heard from Massachusetts, from Florida, and from Connecticut the desire to put some money into the funding of this so that we are not simply commending good intentions but actually saving lives.

Mr. McCAIN. Mr. President, I rise as a supporter—and cosponsor—of this amendment by the distinguished Senator from California, Mr. WILSON.

In my State of Arizona, as in the case of the other States bordering Mexico, the viability of our trauma care centers is being severely threatened.

Basically, what we are talking about is that some of these centers being threatened due to the volume of care provided for those who do not have insurance, are not eligible for Government health care programs because they are undocumented aliens. This is commonly referred to as uncompensated care.

The uncompensated care burden for these centers is great. For example, in my State of Arizona, alone, there are three trauma care centers that have had to incur a loss totaling $2.2 million per year solely due to this uncompensated care burden.

Mr. President, in 1986 Congress passed legislation to provide protection for these trauma care centers. It was contingent on States passing legislation. To date most States have passed such legislation.

This amendment is very important, for it will provide for the funding—$13 million dollars worth of compensation for these centers.

We cannot afford to lose our trauma care centers because of the fact that the States have yet to act on this issue. Certainly, we have got to urge our States to do so promptly; but in the meantime they need this relief.

Mr. President, I wish to commend Mr. WILSON for his long-standing leadership with respect to trauma care center issues, and am pleased to join him as a cosponsor of this amendment which, I worked on with him. I urge my colleagues to adopt this amendment.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from California is withdrawn.

The amendment (No. 2719) was withdrawn.

AMENDMENT NO. 2695

The PRESIDING OFFICER. If there are no further amendments, the question recurs on the Humphrey amendment, No. 2695, which was set aside earlier.

Mr. CHILES. I think we can finish that amendment probably.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. I think we can take the Humphrey amendment now. There was some concern about whether the Senator from Tennessee was in agreement with that amendment. I think that has been worked out, so I think we can take that.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2695) was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I wonder if the distinguished Senator from California would agree, I would like to be a cosponsor of his amendment, even though it was withdrawn. I believe it does the right thing and I am hopeful we will accomplish it.

I ask unanimous consent that I be shown as an original cosponosor.

Mr. WILSON. I will be delighted to have the cosponsorship of the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I will not take much time because we have been at this a long time and everyone wants to go. But I do want to talk about this bill and its relationship to serious mental illness in the United States and the research that is going on at the National Institutes of Mental Health.

I would like to open by congratulating the United States Congress and the National Institutes of Mental Health. I think we can say unequivocally, because of what we have done in terms of not only putting more resources in the National Institutes for Mental Health, but in directing the research at serious mental illness and the science of the brain.

I think it is fair to say that we have now accumulated more scientific information about the human brain in 6 years than all of previous civilization, and that knowledge has been accumulated for the most part in the last 6 years. And the cutting edge research, including many now diagnostic tools, seems to be saying to this Senator that it will not be long, a decade or so, before we find critical answers. If we will continue to fund real science research on serious mental illness, as it applies to research on the brain, we will indeed, in the next decade, ascertain and find cures to many serious mental illnessess that have been hidden under the table for centuries. It is as if they were some strange disease that we should not talk about or that mothers and fathers were responsible for, because they did not bring their children up right. When, as a matter of fact, we are beginning to find that they are illnesses and diseases, just as cancer, tuberculosis and many others.

We now have the beginnings of a major 5-year plan for research in the illness of schizophrenia. And we are making some headway. And thanks to my good friend, the Senator from Florida, who chairs this committee, and Senator WEICKER, who is very committed to this cause, each year for the last 5 years we have increased the research in this area.

We insisted that they put in real science. We have increased research on average of 20 percent during tight budget times.

Again this year, this particular appropriation bill increases research money for serious mental illness by a substantial amount, in excess of $40 million, which I hope, when we go to conference, we will retain because the House is doing less.

I have a statement that explains the schizophrenic research plan for the next 5 years.

A NATIONAL PLAN FOR SCHIZOPHRENIA APPROPRIATIONS

Mr. DOMENICI. Mr. President, America's leadership in scientific research is being boosted by "A national plan for schizophrenia research." This initiative is the first major effort of Dr. Lewis L. Judd in his relatively new role as Director of the National Institute of Mental Health [NIMH].

Dr. Judd's reputation was largely built on his work to establish the ties between behavioral and biological phenomena in schizophrenia. Now, in his early months as head of NIMH, he has led the effort to craft this new national plan for schizophrenia research.

This plan was issued by the National Advisory Mental Health Council on February 8, 1988. The plan is ambitious. As stated in the plan's forward, "A scientific understanding of a complex and enigmatic disease such as schizophrenia cannot come to pass quickly or by fiat."

THE IMPACT OF SCHIZOPHRENIA

In the course of their lifetimes, over 2 million Americans will be stricken by schizophrenia. According to the plan, schizophrenia is "five times more common than multiple sclerosis, six times more so than insulin-dependent diabetes, and sixty times more so than muscular dystrophy. And tragically, the disease has its greatest impact during the most productiive years of life."

In about a fourth to a third of patients, "it is unrelenting from the very first episode. For an additional 50 percent, disabling symptoms appear intermittently throughout life—spawning additional health problems and social and occupational disabilities."

Almost without regard for the extent of the impact of this disease, our Nation spends relatively little on research—even through breakthroughs and expectations are very high. We are currently spending, in public and private efforts, over $1,000 per affected individual for research on muscular dystrophy and $300 per person on cancer research. Yet, we spend only $10 per person for schizophrenia research and research on the major depressive disorders.

The nature of the disease and the nature of scientific investigation require an "extensive and extended" research agenda. The goal of the plan is stated in the forward:

> Needed is not only an understanding of the causes of schizophrenia, but of the intricate biological and behavioral mechanism by which these causes actually produce the illness, and of ways to translate this knowledge into accurate diagnostic techniques and effective methods of treatment and prevention.

Much credit is given to Julius Segal, Ph.D. for his major contributions to the plan. Dr. Samuel Keith of the NIMH Schizophrenia Research Branch and Dr. Darrel A. Regier of the NIMH Clinical Research Division also played important roles in bringing this plan together.

I would be remiss, Mr. President, if I did not mention my wife, Nancy Domenici. She served on the subcommittee of the National Advisory Mental Health Council, chaired by Dr. David Kupfer, that developed the budgetary recommendations. Her name appears with several other contributors to this plan on the page of acknowledgments. I know she did an excellent job, and I am proud of her role in this historic effort.

THE NEED FOR FUNDING THE NATIONAL PLAN FOR SCHIZOPHRENIA

As James Howe of the National Alliance for the Mentally Ill [NAMI] testified before our Appropriations Subcommittee, the National Plan for Schizophrenia represents "the best thinking of the collective genius of scientists and administrators at the National Institute of Mental Health." If we are going to be at all successful in the struggle to find the causes, manifestations, and treatments for schizophrenia, we now have a blueprint that will lead us to more fertile ground.

Melvin Sashin, M.D., medical director of the American Psychiatric Association, also testified before our Appropriations Subcommittee regarding next year's funding. He gave us a pretty stern warning about not providing sufficient funding to launch the "promise of the major National Plan for Schizophrenia."

"Talented young investigators," he said, "would be dissuaded from engaging in research careers, slowing the quest for new knowledge and the search for tools to conquer the devastating human tragedies of mental illnesses and substance abuse."

The Congress has recognized the need to capitalize on the substantial growth in fundamental knowledge in the neurosciences which has occurred in recent years. It has recognized the rich agenda of research demonstrated in the National Plan for Schizophrenia [NPS].

One factor in the need for more funds is simply the size of the investment required for NPS. It is substantially larger than in the recent past. In Dr. Sabshin's words:

> The tools essential for contemporary research range from costly PET (positron emission tomography) and MRI (magnetic resonance imaging) apparatus to smaller items required for the operation of biomedical research laboratories. Gamma counters increase productivity in receptor research; vido-enhanced microscopy permits better visualization. Video equipment enhances our capacity to study human behavior and development. Unfortunately, today, ADAMHA researchers have no federally-supported means of obtaining research instrumentation in the $5,000 to $100,000 range, and this is hindering progress in these fields.

THE NATIONAL PLAN FOR SCHIZOPHRENIA

This plan is deserving of our attention and enthusiastic support. Schizophrenia is a mysterious, complex, and multifaceted disease.

The plan clearly reflects its authors' best efforts to promote the understanding that science from many fields must be brought together. Only a carefully coordinated scientific effort on all fronts will bring the success we desperately need to understand this very powerful but elusive disease.

A look at the table of contents for the plan is enlightening. Among the topics listed in the plan are clinical phenomenology, genetics, the immune system, virology, brain pathology, brain chemistry, behavioral sciences, and treatment.

As summarized in the National Plan for Schizophrenia [NPS]:

> The mass of data accumulated about schizophrenia makes clear that the disorder is multifaceted—in its origins, manifestations, course, and treatment. That is why this report inevitably deals with research across a broad spectrum of the biological and behavioral sciences—with topics as varied as genes, viruses, neutrotransmitters, brain structure, emotion, perception, and human relationships. Scientists in different disciplines must work not toward a single answer, but toward a mosaic of many answers that, together, will ultimately stem the tide of suffering posed by the disease.

The National Plan for Schizophrenia calls for the following levels of Federal spending for fiscal years 1988 through 1991: fiscal year 1988, $65,064,000; fiscal year 1989, $123,400,000; fiscal year 1990, $191,498,000; and fiscal year 1991, $275,161,000.

Each year's totals include recommendations for project grants, research personnel, research resources, intramural research, and equipment.

SENATE ACTION FOR FISCAL YEAR 1989

Mr. President, in the Senate Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, on which I serve, we were successful this year in our efforts to advance the National Plan for Schizophrenia. We worked hard for these important increases, and I urge my colleagues in the Senate to support our work.

In general, we added $43,379,000 for non-AIDS mental health research over last year's appropriation. The total for fiscal year 1989 is $297,044,000.

This total is $25,277,000 more than the administration request. As stated in our report to the full Senate, "The committee intends that a significant portion of the $25,277,000 provided above the administration request be used to support the highest priority Schizophrenia research recommended by the national plan."

In addition, the committee "would also expect that the new and competing Schizophrenia research grants awarded within the requested level will be used to implement the national plan."

Mr. President, I am proud of our committee's efforts in an especially tight year for new funding of any kind. I believe that we have recognized the importance of the National Plan for Schizophrenia and its potential for improving the lives of millions of Americans. While we could not provide the full increases hoped for by the plan authors, we have been able to add significant sums to help meet the goals of the NPS.

I urge my colleagues to support this important and historic effort by approving the full $43.4 million that we are adding to last year's mental health research appropriation. With this addition, a healthy boost of about $25 million will be added to the National Plan for Schizophrenia.

Mr. President, about 16 months ago here on the floor of the Senate, with a huge majority from both sides, we took a great deal of credit and we patted ourselves on the back. We had a great deal of praise for ourselves for passing the first omnibus bill in the area of homelessness. We directed a great deal of attention at those people in our homeless environment who were seriously mentally ill. And we found that some 40 percent of those who are homeless in the United States are seriously mentally ill.

During last Christmas in Washington, DC, some of us were able to see what that really meant as the television crews talked to those people who refused to leave the freezing streets and many wondered what that is all about. We began to ascertain that many of them are seriously mentally ill.

I have a detailed statement analyzing what we were able to do in this bill to finish the work of the Homeless Assistance Act and what we were unable to do. I regret to say that the House has not funded a number of provisions in the Homeless Assistance Act because they are taking the position that it is not authorized for next year. And, if not authorized, they will not fund it.

We, in turn, are funding some of those programs with the assumption that before the year is out it will be reauthorized and this may be out last effort for fiscal year 1989. So we had better fund it.

Second, there is a serious problem with a few of the programs—health, mental health, and emergency community services—in that the early funding was very large but the funding last year was very small. The year we are in, fiscal year 1988, funding was small because we were using up last year's money. So in two or three major programs we are not funding adequately because we are basing our efforts on this year's smaller level. But if you look at the total 14 or 15 months it is a dramatic cut.

So we are going to have to come up with substantial money or dismantle significant portions of the programs in homelessness.

This explains it. We have tried our best in this committee; I served on this subcommittee. We cannot do any better. But let me suggest, come December and January these three major programs in the homeless area will be very much underfunded because we were unable to fund on the basis of fiscal year 1987, but rather on the basis of fiscal year 1988, and as a result they are very much underfunded.

This statement, for those who are interested, will reveal that in detail. Our pride in getting homeless funding started some 14 or 16 months ago should be somewhat mellowed tonight because we are not able to continue that effort. So for those who are out there asking what we are doing, compared to what we did do, I can assure you, if we do not find somewhere between $300 million and $400 million, come January and February, we will almost have aborted these three homeless programs that we were so proud of just 14 or 15 months ago.

Mr. President, in enacting the Stewart B. McKinney Homeless Assistance Act 1 year ago, we forged this Nation's first homeless policy. We made a commitment to help the homeless with emergency shelter, transitional housing, primary health care, mental health care, more relevant food assistance and other important housing and service programs.

The Senate is taking the lead in providing funds for fiscal year 1989. The House, as we all know, does not make appropriations to programs that are not formally authorized. And the McKinney bill runs out on September 30, 1988.

There are pieces of the McKinney Act making their way through the authorization process in both Chambers. I am confident that we will have a newly authorized McKinney Act for the next 2 fiscal years, 1989 and 1990.

Overall, Mr. President, we are treating the McKinney Act fairly well in the fiscal year 1989 appropriations bills as they now stand, but there are at least three programs that will need more funding if we are to keep our public commitments to help the homeless.

In the HUD, Labor, and Agriculture appropriations bills—including $60 million for food stamp entitlements—we are currently commiting about $430 million to the homeless for fiscal year 1989 in McKinney Act programs. This compares to $530 million in fiscal year 1987 and $365 million in fiscal year 1988.

President Reagan signed Public Law 100-77 on July 22, 1987. In this act, we authorized programs for the fiscal years 1987 and 1988. Given that most of fiscal year 1987 had already passed, there were only 2 full months remaining in fiscal year 1987—August and September. This gave the McKinney Act an effective life of about 14 months—2 months in fiscal year 1987 and the full 12 months of fiscal year 1988.

For comparison's sake, we could add $415 million that we appropriated in fiscal year 1987—not counting the $115 million in FEMA funds prior to the McKinney Act—and $365 million for fiscal year 1988. This would give us a total of $780 million for 14 months of McKinney Act program operation.

If we assume the same rate of spending for 12 months—86 percent—of this 14-month period, the next 12 months of fiscal year 1989 would require about $670 million to continue the same McKinney Act programs at the same levels of funding. So far, as I have mentioned, we are up to $430 million or 64 percent for a comparable 12-month effort.

I am not advocating increases to take us up to $670 million for fiscal year 1989, Mr. President. I simply urge my colleagues to take a closer look at some of the important McKinney Act programs that will suffer if we do nothing to add needed funding.

I am very concerned, Mr. President, that when we do reauthorize our homeless programs, we will find ourselves short on funds for the vital health and mental health programs for the homeless. I would like to take a few moments to explain this situation to my colleagues.

The key problem arises from the timing of the McKinney Act and its related appropriations.

We knew full well that our fiscal year 1987 supplemental funding would carry over into fiscal year 1988. We foresaw this problem and we made sure that all funds provided for any fiscal year under this act would be available until expended. Realizing the late start in the fiscal year, we generally appropriated more funds in fiscal year 1987 than we did in fiscal year 1988 for the obvious reason that most of the money made available in fiscal year 1987 would not be spent until fiscal year 1988.

For primary health care we authorized $50 million and appropriated $46 million in fiscal year 1987. For the mental health block grant we authorized $35 million and appropriated $32.2 million in fiscal year 1987.

Knowing that we had just made these appropriations, and knowing that they would be available until expended, we added smaller amounts in our fiscal year 1988 appropriations cycle, just a couple of months later.

For the primary health care grants we added $14.3 million in fiscal year 1988. The amount of $11.5 million was added to the mental health block grant in fiscal year 1988.

Thus, for the 14-month life of the McKinney Act, we appropriated $60.3 million for health care and $43.7 million for mental health care.

My concern, Mr. President, is that this quirk in funding cycles has been ignored and misinterpreted for fiscal year 1989, and the resulting funding levels for these two vital programs are substantially lower than the original promise of the McKinney Act. The implications of this lower funding for fiscal year 1989 are quite severe.

The 109 primary health care grant recipients will have to be cut back by 75 percent if we do not remedy this situation. The 50 States receiving mental health block grant funds will see a 50-percent reduction.

The Senate Labor Committee and the House Energy and Commerce Committee are each recommending $61.2 and $63.6 million in authorizations for health care for the homeless in fiscal years 1989 and 1990. The Senate Labor Committee is recommending "such sums" as may be necessary for the mental health block grant for the same years. Thus, we are currently supporting higher levels of authorizations for health and mental health grants, while cutting appropriations back severely.

In addition to the health and mental health funding problems, I would remind my colleagues that the Emergency Community Services Homeless Block Grant Program has not yet received any appropriations for fiscal year 1989. We authorized this block grant at $40 million and funded it at levels of $36.8 million in fiscal year 1987 and $19.1 million in fiscal year 1988.

I believe my colleagues do not intend that the homeless people of America be deprived of vital health, mental health, or emergency community services. We intentionally built our national programs on the strengths of existing networks of churches and nonprofit organizations. Now, if we do not change our funding levels early in fiscal year 1989, we will be saying to most of these vital service providers: "Go it alone again. We have changed our minds. You can help the homeless while we cut you back 100 percent—community services, three quarters—primary health care grants or one half—mental health block grants."

Being homeless, Mr. President, is practically synonymous with poor health. In addition, 35 to 40 percent of the homeless suffer from some form of serious mental illness. These are not frivolous programs or wasted spending. They are a vital part of most communities' service programs for the homeless.

For the first 14 months of Federal assistance for the homeless we provided $104 million for health and mental health. Now we are saying, "Keep up the good work, but try continuing your efforts on $29.3 million for the next 12 months!"

Our funding for the health and mental health programs for the homeless in this fiscal year 1989 appropriations bill are about one-quarter of a similar 12-month period from the fiscal year 1987 and fiscal year 1988 appropriations. What does a such a huge reduction say about our commitment to the homeless, Mr. President?

I have a two-page summary of all authorizations and appropriations for the Stewart B. McKinney Homeless Assistant Act Programs. This summary covers fiscal years 1987 and 1988. It includes the Senate appropriations figures to date for fiscal year 1989. I ask unanimous consent that this summary be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOMENICI. In conclusion, Mr. President, I see no need to wait for cold weather and newspaper headlines to prompt us to provide adequate funding for the McKinney Act programs. This act is the centerpiece of our national policy on homelessness. We should take the leadership steps required to add about $100 million to the fiscal year 1989 appropriations bill.

One hundred million dollars could bring primary care health grants up to $60 millon; mental health block grants up to $35 million; and emergency community services up to $35 million—from zero—in the fiscal year 1989 appropriations bill now before us.

It is my recommendation to my colleagues that we find a way to add funds to these vital programs before we send this bill to the President for his signature.

EXHIBIT 1

FEDERAL HOMELESS ASSISTANCE PROGRAMS

[Funding in millions of dollars]

	Authorization		Appropriation		
	Fiscal year 1987	Fiscal year 1988	Fiscal year 1987	Fiscal year 1988	Fiscal year 1989
HUD					
Emergency shelter grants	100	120	60	8	35
Fiscal year 1987 appropriation			10		
Fiscal year 1988 supplemental			50		
Supportive housing demonstration	80	100	85	[1]65	85
Fiscal year 1987 appropriation			5		
Fiscal year 1988 supplemental			80		
Supplemental assistance for facilities to assist the homeless	25	25	15	0	0
Section 8 mod rehab assistance for SRO dwellings	35	35	35	0	35
FEMA					
Emergency food and shelter grants	[2]15	124	125	114	114
Fiscal year 1987 appropriation			115		
Fiscal year 1988 supplemental			10		
HHS					
Health services for the homeless grants	50	30	46	14.3	15.0
Community mental health services block grants	35	([3])	32.2	11.5	14.3
Community demonstration projects for chonically mentally ill	10	0	9.3	0	4.65
Community demonstration projects for alcohol and drug abuse treatment	10	0	9.2	0	4.6
Emergency community services homeless block grants	40	40	36.8	19.1	0
Education					
Adult education—statewide literacy initiatives	7.5	10	6.9	7.2	7.2
Grants to states for education of homeless children and youth	5	5	4.6	4.7	5.0
Grants for exemplary education programs for homeless children and youth	0	2.5	0	0	0
Labor					
Job training for the homeless demonstration grants	0	12	0	9.5	0
Reintegration projects for homeless veterans set-aside		2		1.9	
VA					
Additional domiciliary beds for homeless veterans			15		0
USDA					
Temporary emergency food assistance (TEFAP)	50	50	50	50	50
Surplus food distribution		7		0	
Food stamp changes		54	0	62	62
OTHER					
Interagency Council on the Homeless	0.2	2.5	0.2	[4]0.8	1.0
Total	462.7	617.0	530.2	365.3	432.75

[1] Of the $65 million, $750,000 is to be transferred to the Interagency Council on the Homeless.

[2] McKinney Act authorization only.

[3] "Such sums as may be necessary."

[4] Included under Supportive Housing Demonstration (which see); not included in total to avoid double-counting.

Mr. DOMENICI. Last, I have a detailed statement about funding in certain fields of education for the last 7 years. In particular, higher education—that indicates that we have done a reasonably good job; that those programs are up for higher education, especially student loans, not down as some might imply.

Mr. President, as we consider H.R. 4783, the Departments of Labor, Health and Human Services, Education and related agencies appropriations bill for fiscal year 1989, I would like to take this opportunity to make a few points about Federal funding for a very important national priority—the education of our Nations' children.

It seems to me that there has been a lot of talk lately about how our children cannot compete successfully for jobs. There's talk that our children are not being prepared for the future economy. We keep hearing that our high school graduates can't read beyond the ninth grade level. And that nearly a quarter of all American teenagers drop out of school.

I do not want to argue those facts. They are true. And they concern me. But what also concerns me is the allegation that our children are failing because of the lack of a Federal commitment to education funding.

Mr. President, I cannot accept this premise.

The truth is, Mr. President, in nominal dollars, the Federal Government has increased its commitment to education funding by nearly 43 percent since 1980. This is for all levels of education.

Mr. President, total expenditures for education in the United States have grown from $183 billion in the 1980-81 school year to an estimated $309 billion in the 1989 school year. The Federal share of this is nearly 9 percent.

Mr. President, the commitment to education is at the Federal level. Over the past 8 years, there have been both nominal and real increases in funding:

For compensatory education for the disadvantaged, funding increased by 35 percent since 1980, for handicapped education, there has been a remarkable 78 percent increase.

For higher education programs, the increase is equally as impressive: A 55-percent nominal increase for student financial assistance including Pell grants for needy students and a 59-percent increase for the Guaranteed Student Loan Program.

Mr. President, for higher education programs, there is also an impressive Federal commitment in real terms:

In real terms, we have increased funding for student financial assistance by nearly 8 percent since 1980. For just the Pell Grant Program, there has been a 43 percent real increase in Federal funding.

Also in real terms, we have increased funding for the Guaranteed Student Loan Program by nearly 11 percent since fiscal year 1980.

In 1980, 2.9 million students received a Pell grants. In fiscal year 1988, 3.2 million students will get this award and the administration requested funds to support a total of 3.4 million grants in fiscal year 1989. That's good news.

For the Guaranteed Student Loan Program, there were 2.3 million loan commitments in 1980. In fiscal year 1988, there are an estimated 3.5 million commitments. The administration requested funds to support 3.7 million commitments.

Mr. President, even with all of this said, I am not going to stand here and say to you that I am entirely happy with the level of funding for the Department of Education in this appropriations bill.

I for one wish we could increase funds for programs to assist children that are at the greatest risk of failing in our schools. As a nation, we have a responsibility and a commitment to helping these children and a commitment to provide them with a first rate education. One that will enable them to compete successfully for jobs when they graduate.

But, Mr. President, I think that we are doing the very best that we can do under some very significant constraints. I refer specifically to Gramm-Rudman-Hollings budget targets and to the bipartism budget agreement entered into last year between the President and the Congress. I want my fellow Americans to know that the choices we make here are not easy.

I ask unanimous consent that a table displaying historical funding levels for selected Federal education programs be inserted in the Record immediately following my remarks.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 1.—HISTORICAL FUNDING LEVELS FOR SELECTED FEDERAL EDUCATION PROGRAMS

[Budget authority in millions]

	Fiscal year—								
	1980	1981	1982	1983	1984	1985	1986	1987	1988
Elementary/secondary/vocational education:									
Chapter 1	3,216	3,117	3,034	3,200	3,481	3,688	3,530	3,944	4,328
Impact aid	825	757	456	540	600	695	683	718	708
Special programs	886	612	537	555	528	758	675	941	1,040
Indian education	76	82	78	67	69	67	64	64	66
Bilingual/immigrant education	167	161	138	138	169	173	166	189	192
Handicapped education	1,049	1,025	1,069	1,199	1,240	1,321	1,350	1,742	1,869
Vocational/adult education	907	782	742	824	838	940	907	995	1,013
Higher education:									
Financial assistance	3,685	3,497	3,581	4,009	4,241	4,988	4,663	5,074	5,705
Higher education	406	399	385	422	407	479	451	480	534
Guaranteed loans	1,609	2,807	3,074	3,081	2,256	3,800	3,266	2,717	2,565
General education	402	392	361	417	376	424	404	431	444
Training/social services:									
Rehabilitation services	932	954	952	1,045	1,155	1,234	1,309	1,485	1,590
Total, Department of Education	14,433	14,886	14,532	15,356	16,934	18,356	17,763	19,127	20,571
Nominal increase (percent)		3.14	−2.38	5.67	10.28	8.40	−3.23	7.68	7.55
Increase from fiscal year 1980 (percent)		3.14	0.69	6.40	17.33	27.18	23.07	32.52	42.53

Mr. McCAIN. Mr. President, on July 25, 1988, the Senate considered an amendment to the Labor-HHS appropriations bill to strike funding for title X of the Public Health Service Act from the committee amendment. When voting on this amendment, I was under the impression that the amendment would have withheld title X funding if the Department of Health and Human Services had not promulgated regulations to prohibit the provision of contraceptive drugs or devices to an unemancipated minor without the prior written consent of the minor's parent or guardian by January 31, 1989. As a result of this misunderstanding, I mistakenly voted against the motion to table the amendment which was before the Senate.

The effect of this amendment, if it had been adopted, would have been to eliminate funding for title X, family planning programs.

I would like to make it clear that it was not, nor has it ever been, my intention to see family planning funds slashed. I support the Family Planning Program and its goal of assisting individuals with planning out their families. I am, however, strongly opposed to Federal funding of institutions or programs which perform abortions. I also strongly believe that written parental consent must be obtained before a clinic or school provides an unemancipated minor with contraceptive drugs or devices. I believe these are issues that must be addressed and resolved. And I do not feel that any federally funded abortion activities ought to be a part of the Family Planning Program. I will, however, continue to be a supporter of the Family Planning Program.

EDUCATION INITIATIVES

Mr. KENNEDY. Mr. President, it is a sad fact that there is not enough money in this bill to fund all of the programs that we would like to support. In the education area, many new initiatives authorized by the Hawkins-Stafford Elementary and Secondary Education Improvement Act are not funded in the Senate bill. I think this is unfortunate because many of the new initiatives were the product of extensive work in the Labor Committee and address important educational needs. One new initiative is of special interest to me. This is the fund for the improvement and reform of schools and teaching [FIRST]. This was an initiative that I authored along with Senators Heinz and Bradley. This program, which is funded at $12 million in the House appropriations bill, would fund small innovative projects at the school building and school district levels that are designed and implemented at the local level.

I think the local emphasis on this is important. Most of the time, our education initiatives are based on a national perspective about what Federal programs should be like. While this is appropriate in many cases, it is not always the best strategy.

Recent education research has convincingly demonstrated that the best education reforms are those that are designed and implemented at the local level. First, by emphasizing local projects, will create a funding source for teachers and administrators so they might receive modest grants to implement their ideas. Only the best proposals will be funded and the competition will be great, but we will have a Federal funding source that focuses on local initiatives.

This program was not funded in the Senate's fiscal year 1989 appropriation bill. While I am disappointed that this is the case, I would like to note that this program is funded at $12 million in the House appropriation bill. I would hope and strongly encourge the Appropriations Committee to accept the House funding level for this important program.

Mr. HEINZ. Mr. President, I join with my friends Senator Kennedy and Senator Bradley in urging the managers of the bill to, in conference, recede to the House appropriation for FIRST. In 1983, Senator Chiles, Senator Bradley, myself and others offered the Excellence in Education Act, which provided funds to local education agencies for such activities as curricula modernization, improved teacher performance, team teaching, model programs, and more. Senator Weicker, on two occasions, assisted me in obtaining appropriations for the program.

Given the past support of my good friends, Senator Weicker and Senator Chiles, for a similar effort, I hope we can again have their help on this effort.

Last year, during consideration of the Robert T. Stafford Elementary and Secondary Education Improvement Act, Senator Kennedy offered to expand and improve the Excellence in Education Program with an exciting new proposal: The fund for improvement and reform of schools and teaching, or FIRST. FIRST, which is to replicate the successful fund for improvment of post-secondary education but at the elementary and secondary level, has an even broader scope than the previous program, is easier to administer, and—most significantly—has drawn tremendous support from the administration, from the National Education Association, the American Federation of Teachers, and others.

It has been 5 years since the report "A Nation at Risk," warned that we face a rising tide of mediocrity in education. Yet, have we in Congress responded? This program, FIRST, is the best available vehicle to provide targeted assistance to the very best education reform efforts. It provides the seed money by which education agencies—competitively selected on the basis of merit—can undertake and complete the improvements needed in the quality of education, and in teacher skills, to make education reform work. The Nation's teachers recognize how important this effort is—they strongly support this program. The Reagan administration requested $12 million, which the House has approved. The Vice President has even proposed that we exceed the authorization for the program and appropriate $50 million.

But, if we fail to provide the resources that FIRST needs to succeed, then the answer must be: No, we have not really responded.

We must not leave the battle for education reform to others. I urge the managers to strongly support this program in conference, and to include the House level of $12 million in the final conference agreement.

Mr. BRADLEY. Mr. President, I join with Senator KENNEDY and Senator HEINZ in urging the Senate conferees to recede to the House appropriation level for FIRST. I urge the conferees to provide the full $12 million, with its $4 million appropriation for the Family/School Partnership Act. I believe that the Family/School Partnership Act will provide the leadership so urgently needed by States and localities in the development of effective family-school programs which are responsive to local needs.

Mr. President, in recent years, we have seen tremendous changes in the structure of family life. More and more children are being raised in single-parent families, two-parent families where both parents work, and other variations on what we once thought as the traditional family. What has not changed is that families, across all economic and racial lines, care about their children and their children's schooling. Programs which have had successful parent involvement components, such as Head Start and Project Followthrough, demonstrate that even tired, overworked parents will make time to ensure a good education for their child.

Mr. President, I firmly believe that trying to educate children without the involvement of families is an impossibility. To get results, we must involve the child's first teachers—the family.

Mr. CHILES. I thank my colleagues for bringing their concerns to us. The proposed program was authorized earlier this year in H.R. 5. To fund this program, however, would require an adjustment in the section 302(b) ceiling for the Labor-HHS-Education Subcommittee. My colleagues understand the constraints that face this bill, and they have my assurance that the committee will consider funding for this program in conference.

Mr. WEICKER. We will have an opportunity to review the House action when we get to conference.

FUNDING FOR PRESCHOOL SPECIAL EDUCATION PROGRAMS

Mr. CRANSTON. Mr. President, as a longstanding advocate for the rights of disabled individuals and of programs to meet their specific needs, I would like to discuss briefly certain issues relating to the provision in the bill as reported appropriating $250 million for the Handicapped Preschool Grant Program—enacted in title II of the Education of the Handicapped Act Amendments of 1986, Public Law 99-457.

Federal support of preschool special education is essential to providing a wide variety of necessary services to preschool-aged children with disabilities. In California alone, due in part to this grant services through the California public schools in the State's fiscal year 1988, and, in its fiscal year 1989, California anticipates serving approximately 37,000 disabled preschool children with the assistance provided through this program. While this issue is certainly important to California, it is also of vital importance to the Nation. With early intervention and assistance provided by special education preschool, we are giving children with disabilities, age 3 to 5, an opportunity to reduce their handicap, to gain developmental, cognitive and social skills, and decrease the likelihood of developing secondary disabilities. In terms of the children's futures, early intervention decreases the likeihood of the child needing further intervention, while increasing the likelihood of their functioning productively and independently in their adult years.

If the positive effects on the quality and productiveness of each child's life are not enough of a reason to support adquate appropriations in this area, research has shown that providing special education in preschool years results in substantial cost-avoidance in terms of future services. For instance, by providing preschool services to children with exceptional needs, California enjoys an estimated cost avoidance of $23,126 over the education life of each child served. This figure includes only educational costs; reduced needs for other human services likely produce additional fiscal benefits. The California Department of Education estimates that, for the 42,081 preschoolers that California currently plans to serve by 1991, the cost-avoidance will be nearly $1 billion by the year 2004, when the first class graduates from high school. Other States would realize a cost-avoidance in accordance with the numbers of children served.

Over the last 2 years, Congress has steadily increased funding for this Preschool Grant Program, and the States depend on those funds in planning and implementing their programs. Section 619 of the Education of the Handicapped Act as amended by Public Law 99-457 (20 U.S.C. 1419) refers to an aggregate funding level of $656 million for 3 years, fiscal year 1987-89. In fiscal year 1987, Congress appropriated $180 million for fiscal year 1987 and $205 million for fiscal year 1988. To reach the projected aggregate level, a total of $275 million would need to be appropriated for fiscal year 1989.

Despite the obvious importance of this program to disabled children throughout the Nation, the President's fiscal year 1989 budget requests only $205 million—the same as was appropriated for fiscal year 1988. The House-passed version of the Labor-HHS-Education bill provides for the amount requested by the President. The Senate version, as reported by the Appropriations Committee, provides $250 million. I applaud the distinguished chairman, Mr. CHILES, ranking minority member, Mr. WEICKER, and other members of the Appropriations Subcommittee on Labor/HHS/Education for their commitment to and concern for preschool children and their special education needs as demonstrated by their excellent work in this regard.

Mr. President, concerns have been raised by many Californians that under California Assembly bill 2666, as enacted on July 29, 1987, the State would be required to terminate its participation in the preschool special education grant program unless Congress appropriates $275 million for the program for fiscal year 1989.

Mr. President, that State law requires California to terminate its participation in the program if "the Federal Government fails to fund the authorized level of title II of the Education of the Handicapped Act Amendments of 1986 * * * during the Federal fiscal year 1988, or any fiscal year thereafter." However, the authorizing legislation, section 619(e) of the Education of the Handicapped Act (20

U.S.C. 1419(e)) as amended by title II of the 1986 law, authorizes the appropriation of "such sums as may be necessary." The provision from which the $275 million figure is derived is not an authorization of appropriations. Rather, it is part of a two-step mechanism that could result in the postponement—from fiscal year 1990 to 1991—of a requirement that States receiving grants provide special education and related services to all, instead of just some, disabled children, aged 3 to 5, if a total of $656 million is not appropriated for the program in fiscal years 1987 through 1989 and if at least $306 million is not appropriated in fiscal year 1990. Thus, if neither target is met, the requirement of providing all, instead of just some, disabled preschool children with special education is delayed by 1 year.

Upon review of these provisions and the California law, it became apparent to me that the view which has expressed that California would be required to terminate its participation if $275 million were not appropriated for fiscal year 1989 might not be well-founded. Therefore, through informal contacts with the California Department of Education, I sought clarification of the State government's position on this matter. I have been advised that the State department of education agrees with me that the California statute may not require the State's termination of its participation in this program. I have been informed that the legislative counsel for the California State Legislature is reviewing the matter, and an opinion is expected in the next few weeks. However, the department of finance, which originated the interpretation that California would be required to terminate its participation, which would result in California losing approximately $27 million in fiscal year 1989 Federal funding for its preschool special education program, is not reviewing its original opinion.

I am hopeful that the legislative counsel for the State legislature will interpret the statutes as not requiring termination and that it will be possible for California to continue participation in this grant program which can ultimately be of such great benefit to thousands of preschool age disabled children in California.

Mr. President, although I recognize the severe budget constraints under which Congress and the Federal Government must operate, I believe this program of preschool special education is important enough—in terms of enhancing young lives as well as avoiding long-term costs—that the $275 million should be appropriated. However, recognizing the difficulties in achieving that result, I wish to urge the very able leaders of the Appropriations Committee and the Labor-HHS-Education Subcommittee and other Senate conferees on this measure to do their utmost to retain in conference the full $250 million provided in the Senate version of the bill for this program. I stand ready to do all I can to assist in this important effort.

GRADUATE EDUCATION PROGRAMS

Mr. RIEGLE. Mr. President, I would like to take a little time today to discuss the importance of graduate education programs. The number of college graduates choosing to enroll in graduate programs and pursue careers in teaching and research is declining. Financial disincentives are a major cause of this decline, including declining grant support, increased student indebtedness and increased tax liability.

But the need for new college faculty will increase in the mid-1990's. As at all levels of our educational system, it is very important that we encourage talented students from diverse backgrounds to become teachers and researchers.

I am concerned that the bill we are considering today does not give enough consideration to this issue. The Senate freezes funding for four key graduate education programs: Minority Participation in Graduate Education grants, Patricia Roberts Harris Graduate Fellowships, the Jacob K. Javits Fellows Program, and Graduate Assistance in Areas of National Need. However, an additional $17.3 million is needed to fund new classes next year equal in size to this year's classes and to meet obligations for continuing fellowships. The House provides a total increase of $8.5 million for three programs.

Mr. President, each of these programs helps to address a particular area of critical need. Grants for Minority Participation in Graduate Education are used to provide summer research internships and education enrichment programs for talented minority undergraduates to interest them and help prepare them for graduate schools. Blacks, Hispanics, and American Indians are currently underrepresented in graduate education.

The Patricia Roberts Harris Graduate Fellowship Program is the largest Federal program providing fellowship support for graduate and professional study to students who are underrepresented in graduate education, providing 1,400 fellowships in 1986. This program has proven to be an effective approach to increasing the graduate enrollment of women and underrepresented minorities.

The Jacob K. Javits Fellows Program is the only federally funded program providing fellowship support for graduate study in the arts, humanities, and social sciences. It has been successful in encouraging some of the Nation's most gifted college graduates to continue postbaccalaureate study. The program needs one more year of increased funding to bring it to its authorized level. After this year, level funding will be sufficient to support four classes of fellows.

Graduate Assistance in Areas of National Need is designed to increase the number of talented college graduates who pursue careers in teaching and research in critical fields. The program will support approximately 500 students this year. New money is needed to support the second year of this year's trainees while funding a new competition.

I would also like to address one other critical higher education program that I feel is seriously underfunded in the Senate bill—the State Student Incentive Grant Program [SSIG]. The Senate bill only provides $42.8 million for this program, $30 million less than its current level of funding and more than $35 million less than the House bill provides. A reduction of this magnitude would cause over 1,000 students in my State of Michigan alone to lose these scholarships. This program encourages States to expand and sustain scholarship assistance to needy students. Many of us have noted with alarm the increasing reliance on student loans in financing higher education. The program has proven effective in helping States provide assistance to needier students who might not otherwise be able to reach the dream of and promise of higher education.

Mr. President, I realize that the Appropriations Committee had to make some hard choices in deciding how to spend very tight funding in this bill, and I have some concerns with other deficiencies in this bill as well. But I hope that the conferees will agree with me that we must continue to do all that we can to encourage students to achieve their full potential. That means we have to make sure that needy students have the opportunity to go to college, and that talented students from a broad variety of backgrounds are encouraged to go on and become the teachers and researchers the Nation will need to meet the challenges of the 1990's.

LOW-INCOME ENERGY ASSISTANCE

Mr. MELCHER. Mr. President, I rise in support of the amendment offered by the Senator from Connecticut to urge restoration of funding for the Low-Income Home Energy Assistance Program or LIHEAP.

As chairman of the Senate Special Committee on Aging, I find it unconscionable that, once again, we are forced to fight severe appropriation curtailments for LIHEAP, a program that is a lifeline to many of our Nation's low-income citizens. Elderly persons live in nearly 40 percent of the households now receiving energy assistance and further cuts will only increase their vulnerability to hypothermia and heat-related illnesses.

In this summer of extreme heat and drought, front-page newspaper headlines about heat-related deaths are becoming far too common. Most of the victims are elderly, found in unventilated, uncooled rooms. Even if they have a fan or air-conditioner, many are afraid to turn them on for fear they cannot pay their electric bills. Unpaid utility bills from the summer often result in utility cutoffs in the fall. And that brings with it the fear of being without heat for the winter.

It seems that summer heat waves are becoming more the norm than the exception. In the decade of the 1980's, we have seen the four hottest summers of this century. In my northern tier State of Montana, days with temperatures over 100 degrees are common. And I am hearing about more urgent needs for cooling assistance. The heat is tough on everyone, but especially brutal on the elderly. They are the most vulnerable to heat stress, illness, and death, often brought on by stroke and heart failure. Yet, because of funding limitations, only 15 States have cooling assistance or summer crisis programs under LIHEAP, spending approximately $34 million in 1987 as opposed to $1.4 billion in all States for heating assistance and winter crisis programs.

This Safety-Net Program has been cut far too much already. If we accept the appropriations recommendations of the committee for LIHEAP, it will mean that this vital program will have been cut by 41 percent since 1986. According to a recent study by the Villers Advocacy Associates and the National Council of Senior Citizens, the elderly poor, with an average annual income of $5,306 in 1986, paid $940 for their energy expenses. That's 18 percent of their total income. Additional cuts in energy assistance in the 2 years since then has meant higher out-of-pocket costs for energy needs and even fewer dollars available for other basic necessities. Meanwhile, the majority of these elderly live alone, in single-family detached homes often in need of insulation and weatherization.

Because of the 1988 funding cuts, an estimated half million persons were dropped from the program, most of them elderly and "working poor" households. Almost half of the States also cut benefit levels in 1988. In fact, LIHEAP appropriations covered only 16 percent of the heating and cooling costs of poor eligible households in 1988 as compared to 40 percent in 1979.

The perception that oil overcharge funds are available to make up the vast gap left by Federal funding cuts is simply not true. State legislatures already have made final decisions on allocation of about 80 percent of the Exxon and Stripper Well funds that they received in 1986 and 1987. On the average, States used 21 percent of Exxon funds and 8 percent of Stripper Well funds for LIHEAP—and 50 percent and 17 percent, respectively, for all low-income uses, such as weatherization of homes, public housing and homeless shelters. Most of the States have spread the funds out over a number of years. Many States have spent more on weatherization than LIHEAP as a longer term, more permanent solution to the energy needs of the poor. At any rate, substantial new funds from oil overcharges are not likely in the future.

With the record heat wave that is baking this Nation, this is no time for the Congress to further erode a program that is so vital to the health of our Nation's very poor. It is a time to adopt this amendment.

RURAL HEALTH TRANSITION GRANTS

Mr. DURENBERGER. Mr. President, I want to thank the managers of this bill, Senator Chiles and Senator Weicker, for their excellent support and their willingness to include adequate funding for the rural health transition grants, a very important, highly targeted program that will help hundreds of small, financially fragile rural hospitals throughout America.

The $15 million appropriation should help up to 300 of the most highly distressed rural hospitals this year, at a time when the same hospitals are about to go under. It has been repeatedly documented in Minnesota and throughout rural America that rural hospitals have the most severe fiscal shortfalls and the hospitals are failing. They are in serious trouble because they face unfairly low payments from Medicare, they are unable to cover the large proportions of uninsured and poor because the local communities are still coming out of an economic depression—now compounded by the drought—and there are changes in medical practice patterns that encourage use of outpatient services. If all of that were not enough, like their urban sisters, rural hospitals are also buffeted by ever-rising costs of technology, liability insurance and serious nurse and other health professional recruiting problems. Small rural hospitals have an even harder time coping with these problems since they may be isolated, and cannot benefit from scale economies.

This grant program will buy time and opportunity to redesign their services to fit more closely to the community's needs.

Mr. President, the Senate is sending clear, unequivocal messages to rural America that: First, we care about your problems; Second, we know how important health care is to small towns and rural areas; Third, we recognize that the problems of access to health care are very different than in urban areas; Fourth, we value what small town and rural America contribute to our Nation; and Fifth, we are committed to ensuring that all Americans have access to quality health care.

Mr. President, I want again to thank the managers of the bill—Senator Chiles and Senator Weicker—for their hard work and great leadership in ensuring that essential health and human services are maintained with particular attention to serving the poor and vulnerable in our Nation. I also want to acknowledge Senator Harkin's key role and unstinting commitment to rural health care and this grant program in particular. I know that they will fight to maintain the full appropriation in conference, knowing how important each of these modest grants will be to small rural hospitals.

I want to request that the managers work hard in conference to sustain the Senate funding level of $15 million. This is money very well spent on a small but vital investment in the health of millions of rural citizens.

Mr. CHILES. I appreciate the sentiment of the Senator from Minnesota and his remarks. His own leadership and determination in creating this rural health grants program have been essential to getting this far. And his fight to get the program authorized in the Finance Committee has been well waged. We will do everything we can to preserve in conference the Senate level.

Mr. WEICKER. I too thank the Senator from Minnesota for his comments and his kind words. This is an important program that should serve as an excellent bridge or transition to the future when regionalized systems of care can permit Americans to enjoy access to the highest quality of care without duplication and enable them to receive the most appropriate level and technical quality of care in the most cost effective manner. I share the chairman's resolve to do everything we can to preserve the funding included in this bill.

Mr. HARKIN. I thank the Senator from Minnesota for his complimentary words and for his fine work in helping rural hospitals. I will certainly do all I can in conference to ensure that the full Senate appropriation is upheld.

As I travel around Iowa and realize the terrible human and economic effects the drought may have, I return with renewed commitment to do all I can to help rural Iowa, Minnesota and rural America cope with these stresses—both the new ones and the old ones. The Senator from Minnesota and I cochair the Rural Economic Development Task Force and this program is a critical feature in rural economic recovery. Hospitals and other health providers are important economic institutions, sometimes the largest employers in an area, as well as sources of health care, sometimes the largest employers in an area. The vitality of rural hospitals is essential for a healthy citizenry and healthy communities.

STUDENT FINANCIAL AID OFFICER DISCRETION

Mr. PELL. Mr. President, I rise to express serious concern with a provision in the legislation before us. It would strike the student financial aid officer discretion provision that was included in the Higher Education Amendments of 1986 and further clarified in the 1987 technical amendments.

The discretionary authority was included for two reasons. First, it provided a modicum of flexibility on which to consider extenuating circumstances in determining whether or not a student was eligible to receive Federal student aid. During reauthorization, we found numerous examples where discretionary authority was needed. For instance, we learned that escalating home values could place low-income families at a considerable disadvantage. The value of their home indicated an asset against which they could conceivably borrow to finance a child's education, but the family income was insufficient to permit the family to borrow and also repay the loan.

Second, we were able to make a series of restrictive, cost-saving changes in student aid needs analysis because we had the discretionary authority as part of our legislation. We were under very tight fiscal restraints when we reauthorized the Higher Education Act in 1986, as we are today, and one of the reasons we were able to produce a fiscally prudent bill was because of the provision that would now be struck in the appropriations bill.

I would urge, therefore, that the Senate recede on this matter when it comes up in the House-Senate conference on this legislation. The House has no similar provision in its appropriations bill, and I would hope that the final result of the conference would be an acceptance of the House bill language.

Mr. STAFFORD. I agree entirely with the statement of my colleague from Rhode Island. I might add that the example Senator Pell cited with respect to home values applies in a somewhat different sense to farm families. These families often find themselves in a situation where the value of the farm they own indicates an asset against which they can readily borrow. Unfortunately, they often cannot borrow against the value of their land, and even if they can, they all too often find themselves unable to repay the loan because their income is insufficient. This situation will only be compounded with the severity of the current farm crisis.

I would also add that the discretionary authority is an integral part of the needs analysis process now spelled out in law. It has been the subject of extensive debate and discussion by the authorizing subcommittee. It should not be altered without considering changes in other parts of needs analysis, and that is something that is best left to the authorizing subcommittee, which has expertise in this area and works with the system on a day-to-day basis.

Because of this, I join Senator Pell in urging that the provision in this legislation that strikes the student aid officer discretionary authority be dropped when this matter comes up in the House-Senate conference.

Mr. CHILES. Mr. President, my colleagues on the Subcommittee on Education, Arts, and Humanities offer a compelling argument with respect to the student aid officer discretionary authority contained in our legislation.

I want to assure my colleagues that I will give very serious consideration to their position when we go to conference with the House, and that I will make every effort to accommodate their concerns.

I should note that in adding this language, the committee is attempting to prevent the need for a linear reduction in the Pell Grant Program which the Department has the authority to do using its own estimates. A linear reduction would do a great hardship to hundreds of thousands of students. Further, it should be noted that aid administrators will continue to have discretion over awards for the campus based program and for the guaranteed student loans.

COMMUNITY SERVICES BLOCK GRANT

Mr. GRASSLEY. Mr. President, I would like to take this opportunity to commend the distinguished chairman of the Labor, HHS and Education Appropriations Subcommittee, Senator Chiles, and the distinguished ranking member, Senator Weicker, on the funding level included in the bill for the community services block grant. I note that the committee has recommended an increase of some $20 million for the CSBG funding for fiscal year 1989 over the fiscal year 1988 levels. I also note, with some concern, that the House subcommittee has recommended a cut in CSBG funding in fiscal year 1989. I wish to point out to my colleagues the importance of maintaining, at a minimum, the Senate's recommended level of funding for the community services block grant for the following reasons:

First, Mr. President, neither the House nor the Senate Labor, HHS appropriations bill includes funding for the emergency community services homeless grants. Fiscal year 1987 funding was $36.6 million; fiscal year 1988 funding was $19.1 million; it appears the fiscal year 1989 funding will be zero. I know that the committee is fully aware of the important services community action agencies provide to the homeless.

I know in my State of Iowa, community action agencies will continue their expanded efforts on behalf of the homeless even though they face this significant cut in specific homeless funds. It is my understanding that this pattern exists nationwide as well.

Also, Mr. President, it appears that we will enact legislation this year raising the minimum wage in each of the next 3 years. Community action agencies who employ some 160,000 people nationwide will certainly be affected by this increase. A recent study by the National Community Action Foundation indicated that nearly 12 percent of these employees make at or near the minimum wage level.

And finally, it appears that the Low Income Home Energy Assistance Program faces the prospect of another cut this year. I am concerned by these cuts. I also must remind my colleagues that when LIHEAP funding was cut in fiscal year 1988, community action agencies used community services block grant funds to help make up the difference. GSBG funds replaced LIHEAP funds in providing administrative and outreach and referral costs.

In closing, Mr. President, for the reasons outlined above and many more that are equally obvious, I urge my colleagues on the Appropriations Committee to insist on the Senate's recommended levels for the community services block grant when we move to conference with the House.

Mr. CHILES. Mr. President, I wish to thank the senior Senator from Iowa, Senator Grassley, for expressing his concerns and in recognizing the need for an increase in community services block grant funds—not only for Iowa and Florida, but nationwide. CSBG is an important program for meeting a variety of needs—not just for the homeless, but also for drug education and outreach and referral to the low-income/high-risk population. I would like to assure the distinguished Senator that I share his concerns and will make CSBG funds a priority in the conference.

Mr. WILSON. Mr. President, we are considering a $39.4 billion appropriations bill for the Departments of Labor, Education, and Health and Human Services. From job training programs for dislocated workers to AIDS and Alzheimer's disease research. From student aid funding to adult literacy activities. The Appropriations Committee has recommended funding increases for most Federal programs within this budget function.

I am particularly interested in the committee's funding recommendation for the Federal Preschool Grants Program under the Education of the Handicapped Act. This program provides assistance to States to meet our goal of providing special education services to all disabled preschool children by the 1990-91 school year.

In California, for example, the Preschool Grant Program has enabled the State to provide a full range of developmental and related education programs to approximately 6,500 additional disabled preschoolers. For many of these children, early intervention will enable them to enroll in regular education programs by the time they reach the first grade.

Quite simply, Mr. President, what the program amounts to is opportunity. Opportunity, pure and simple. A disability in and of itself should not preclude anyone from full participation. If a disabled individual requires assistance to break down barriers to equal opportunity, equal access—full participation—we as a society should provide that assistance. Because in the end, we all benefit. We all win.

Therefore, it is in our best interests to provide sufficient funding for the Preschool Grants Program, without which many disabled children will become learning disabled pupils or develop more severe problems once they reach school age.

Accordingly, I have urged the Appropriations Committee on two occasions to recommend the fully authorized level of funding of $275 million for the Preschool Grant Program. From my understanding, the committee bill falls short of that mark by $25 million, but is nonetheless well above the House-passed funding level of $205 million. My purpose today is to urge my colleagues who will participate in the conference on the Labor/HHS/Education appropriations bill to hold firm on the Senate-recommended spending level of $250 million.

The funding level is of particular concern to California and many other States which have expressed reservations about the Federal Government's commitment to the program. A $250 million appropriation not only would reaffirm our strong support, but also would offer hope to thousands of disabled youngsters and their families across the country. Indeed, to appropriate a lesser amount would seriously undermine our efforts to provide equal opportunity for all Americans. Equal opportunity—I submit that is a goal we can all share. A goal we should support with Federal dollars.

Mr. CHILES. I concur with the junior Senator from California that this is a matter of utmost importance. While I cannot guarantee success, I am prepared to tell him that we will press hard for acceptance of the Senate mark in conference.

Mr. WEICKER. Mr. President, I could not agree more with the Senator from California. It is essential as he has stated that these youngest and most challenged of American citizens start life with every opportunity as early as possible. I agree that if we are to keep faith with the goal of real opportunity for them, the conference must accept the Senate funding level.

Mr. WILSON. I thank the distinguished floor managers for their reassurance. I yield the floor.

SUPPORT OF RURAL HEALTH CARE INITIATIVES

Mr. BAUCUS. Mr. President, I would like to thank my colleagues for their support and hard work in improving the Federal treatment of health care services to rural America. In particular I thank Senator DOLE and Senator BURDICK for their active leadership as cochairmen of the Rural Health Caucus in ensuring that rural health programs received the attention due them. Thanks are also due the Appropriations Subcommittee chairman Senator CHILES, and the members of the committee who are part of the rural health caucus. Each of these Senators has made great efforts to support adequate funding levels for these critically important initiatives.

For too long, Federal health policies and priorities have been set without adequate regard for the realities of rural life. As a result, many of those who live in remote, rural communities have paid a steep price for health care. In the last few years, we have made considerable progress toward making the delivery of rural health care services fairer and more accessible.

We still need stepped-up efforts to improve access to quality health care in the heartland. The few dollars spent on the National Health Service Corps, the title VII training programs for health professionals, the community health centers, and the emergency medical services demonstrations emphasizing projects serving rural families with medical crises—all these make a very big difference for the health of rural communities.

For many years, our Government has turned a cold shoulder to the needs of rural America. But there is more to rural America than farms and ranches. What we are talking about in rural America is preserving a fragile network of health care services. We must continue to push forward to make sure that the unmet health concerns of rural Americans are not overlooked. Maintaining quality health care is an essential ingredient in preserving the quality of life of rural communities.

These are tough times in rural America. Each day when we read the morning papers or look at the evening news we see clear, painful evidence of that. People in rural communities deserve better. Some things we can't change. But we aren't doing our jobs if we don't try to change what we can. Improving rural health care services is a small change we can make that makes a big difference. I ask my colleagues to join us in support of these initiatives.

Mr. President, I ask unanimous consent that a letter to the Senate Appropriations Committee from members of the Rural Health Caucus be included in the RECORD following my statement.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
RURAL HEALTH CAUCUS,
Washington, DC, June 9, 1988.

Hon. LAWTON CHILES,
Chairman, Subcommittee on Labor, Health and Human Services, Education and Related Agencies; Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As members of the Senate Rural Health Caucus, we are writing to let you know about our strong support for the health programs that serve the millions of Americans who live in rural areas. We believe that the dollars invested now in rural health care will continue to pay back for years to come, and for generations of rural Americans.

One quarter of our population and one third of the nation's elderly live in rural communities. However, when it comes to health care, here is what we are up against:

The number of uninsured rural Americans is 15 percent higher than the U.S. average and a full 24 percent above urban levels.

Rural Americans have disproportionately higher rates of serious chronic illness, accidents, and disability.

Infant mortality rates are substantially higher than those in urban areas, and on the rise.

Accessibility to even basic, primary care service is being jeopardized by the combined pressures of an acute shortage of health care professionals, hospital closures, soaring professional liability expenses, and the overall stress on the rural economy.

The federal government traditionally has invested in a wide range of programs to increase the availability of quality health care in rural areas. In addition, Congress has recently increased the emphasis on rural health research and demonstration funding within the Medicare program and by the National Center for Health Services Research.

These programs have provided enormous benefits to rural Americans for the relatively few dollars invested. In many cases, they have provided the only source of quality health care services in sparsely populated areas.

For FY 1989, these are some of the priorities that we believe need to be addressed:

National Health Service Corps: The Corps continues to serve a vital role by placing health professionals where they are needed most. Last year, the Corps' federal loan repayment program was expanded and states were allowed to establish loan repayment programs with federal support. These new loan repayment authorities hold much promise for rural communities urgently in need of health professionals. We urge you to provide sufficient first-year funding for the loan repayment authorities so that this innovative concept is given a real opportunity to succeed.

Health Professions Training: We recognize the concern about the future supply and distribution in the United States of physicians, nurses, and other health professionals. However, in rural America, the supply lags far behind the demand for skilled health care providers. We recognize that these programs are a high priority and that the Committee has consistently supported them. We urge you to do so again this year. We also recommend that priority be given to proposals that emphasize rural health training.

Community and Migrant Health Centers: We support the continuation of full funding for community and migrant health centers and urge that sufficient funds also be provided to support National Health Service Corps placements to these centers. We also support the CHC infant mortality initiative and ask that funds be included for this important effort.

Emergency Medical Services Demonstrations: Funds are now provided to support 12 pediatric emergency medical services (EMS) demonstrations. For FY 1989, $3 million is needed to continue this important initiative which emphasizes projects serving rural families with medical crises.

Research and Demonstration Projects: Real progress is now being made to get accurate and current information on rural health care concerns and to develop innovative approaches to the delivery of care in remote areas. Funds included in the FY 1987 appropriations bill have been used to develop a comprehensive rural health research agenda. And we are encouraged by the President's request for $1.5 million to support several regional rural health policy centers. We need to move forward with the comprehensive research agenda by maintaining steady and stable funding in this vital area.

Rural Health Transition Grant Program: This program, based on an authorization from the Medicare Trust Fund, would help small rural hospitals to modify their facilities to ensure access to health care for Medicare beneficiaries. We urge you to appropriate the funds needed to implement this program.

We understand the stringent requirements that you face in determining funding priorities to help meet America's health care needs. We think that rural Americans need to be included in that agenda and we are prepared to help make the difficult decisions to see that they are.

We look forward to working with you as the Committee makes its decisions on the FY 1989 Labor, HHS, and Education appropriations bill.

Sincerely,

Bob Dole, Dave Durenberger, Chuck Grassley, Kit Bond, Strom Thurmond, Quentin N. Burdick, Max Baucus, Lloyd Bentsen, Tom Daschle, Jim Exon, Larry Pressler, John McCain, John Heinz, James McClure, Jack Danforth, Malcom Wallop, Dick Lugar, Richard Shelby, David L. Boren, Brock Adams, Sam Nunn, Paul Simon, Donald W. Riegle, Jr., Terry Sanford, and Daniel K. Inouye.

DATA COLLECTION ON THE INCIDENCE OF THE AIDS VIRUS

Mr. SASSER. Mr. President, it has come to my attention that the Subcommittee on Labor, Health and Human Services has specified in its report language with regard to Acquired Immune Deficiency Syndrome that $59,173,000 be earmarked for the family of surveys. Among other things, the funds included in the family of surveys allocation will be used for determining the seroprevalence of the AIDS virus in our population. In other words, this money is to determine how many people in our Nation have AIDS or carry the AIDS virus.

From this $59 million will come funding for surveys to be conducted in 30 metropolitan statistical areas to estimate the incidence of AIDS within these areas. Also within this amount is $5.7 million to expand the newborn HIV seroprevalence survey. The latter survey will estimate the prevalence of HIV infection in females only throughout the rest of the country. It is hoped that by properly assessing the incidence of AIDS and the AIDS virus among women, experts will be able to determine with accuracy the trends of AIDS infection throughout the entire population.

I feel that these surveys are of the utmost importance, Mr. President. Without accurate knowledge about the incidence of AIDS, not only within our Nation but within the population of our individual States, the Centers for Disease Control and Congress cannot make accurate determinations about how best to deal with the AIDS crisis.

My colleague, Representative JIM COOPER, was concerned that the amount of money specified for female surveys might not be adequate to assure proper surveying of the American population outside of the 30 statistical areas that receive the bulk of the funding under this provision. Consequently, he was instrumental in including language in the House AIDS research bill that would authorize additional data collection activities to insure that areas outside the main 30 metropolitan statistical areas are properly suveyed.

I am sympathetic to the intentions of my colleague, Mr. COOPER. But I am not going to offer an amendment to increase the allocation for surveys because I want to give the present survey structure a chance to work before I second guess it with my own proposal. I realize that the distinguished chairman, Mr. CHILES, selected the $14.3 million neonatal survey over the $22 million household survey that the administration advocated because of some specific reservations that he had about the latter, and I respect his judgment.

However, I would seek the assurances of the distinguished chairman that he will help me monitor the effectiveness of the female general population survey and that he will help me restructure this approach in the event that the female survey does not prove adequate in evaluating the incidence of AIDS in our society.

Mr. CHILES. I thank the Senator from Tennessee for raising the issue of funding for the family of surveys on AIDS. I agree with him about the importance of the accuracy of these surveys, particularly for the neonatal population survey that is funded for $14.3 million. Mr. SASSER is correct in saying that I deliberately chose this survey over the more expensive one recommended by the administration because of the testimony of several witnesses that questioned the validity of the administration's approach.

Nevertheless, should the neonatal survey prove inadequate in estimating the incidence of AIDS in our entire population, the Senator from Tennesee has my assurances that I will assist him in revisiting this issue at a later date.

Mr. SASSER. I thank the distinguished chairman and commend him once again for the excellent job that he has done with this year's Labor, HHS appropriation.

Mr. RIEGLE. Mr. President, I would like to engage the distinguished Senator from Florida [Mr. CHILES], in a brief colloguy regarding the title XX social services block grant.

The Senator from Florida has demonstrated a strong commitment to the people served by title XX. Title XX provides grants to the States to fund essential social service programs for children, the elderly, and disabled individuals.

An item was overlooked late last year during the final days of the fiscal 1988 appropriations cycle. After an extended battle, the Omnibus Budget Reconcilation Act of 1987 included a one-time increased authorization of $50 million for title XX in fiscal 1988. Inadvertently, the increase was not included as part of the fiscal 1988 continuing resolution.

Since title XX is an entitlement program, the Federal Government is obligated to provide States with the authorized level of funding. As the Senator knows, severe cuts in funding for this program during the 1980's have had dire consequences for these vulnerable populations.

Mr. CHILES. Mr. President, I thank the distinguished Senator from Michigan for sharing his views on this subject. I share his concern.

Mr. RIEGLE. I thank the Senator from Florida. Fiscal 1988 marks the first time since the creation of the social services block grant that funds were not appropriated at its fully authorized level. I trust that the Senator from Florida wishes to remedy this situation.

Mr. CHILES. The Senator is entirely correct. The $50 million increased authorization was part of the Omnibus Budget Reconciliation Act of 1987, and signed into law by President Reagan. At the time this authorizing measure was being considered in conference, appropriations decisions were also being made in a continuing resolution conference, based on previously enacted legislation. A supplemental would have therefore been necessary in any case, subsequent to the entitlement legislation being signed into law. The supplemental would be deficit neutral since the additional funds are already included in the Congressional Budget Office fiscal year 1988 baseline. I do agree that a title XX supplemental appropriation of $50 million for fiscal 1988 would be desirable.

Mr. RIEGLE. I thank the Senator from Florida, and commend him for his commitment to the children, elderly, and disabled persons served by title XX.

Mr. MURKOWSKI. Mr. President, the sexually transmitted disease [STD] chlamydia has replaced gonorrhea as the leading STD in the United States. According to the American Social Health Association, chlamydia is three times more common than gonorrhea and 30 times more common than syphilis. Left untreated, it can cause infertility, miscarriages, and infections in newborns.

Unfortunately, there is evidence to indicate the prevalence of this STD is even more widespread in my State. A study recently conducted in Alaska: "Unrecognized high prevalence of chlamydia trachomatis cervical infection in an isolated Alaska Eskimo population," by Dr. Kathleen Toomey, Dr. Michael Rafferty and Dr. Walters found that of the 493 women screened in Kotzebue, 23 percent tested positive for chlamydia.

Although chlamydia is both treatable and preventable through antibiotics, there is widespread concern among health experts that not enough has been done in this country to establish routine prevention, screening, and treatment programs.

Mr. President, I had originally intended to offer an amendment to this appropriations bill to specifically target dollars for developing and implementing chlamydia control programs.

However, in reviewing the committee report, I noted that STD's received more than a $5 million increase over fiscal year 1988 when most other programs are experiencing reductions, and the committee's report places a special emphasis on the need to establish chlamydia control programs. I will not offer my amendment if the bill managers will assure me that the committee intends the Center for Disease Control to put more commitment into developing and implementing chlamydia control programs.

Mr. CHILES. I can indeed assure the Senator from Alaska that is the committee's intention.

Mr. WEICKER. The Senator from Alaska raises a good point and is correct. That is the intention of the committee.

Mr. MURKOWSKI. I thank the managers of the bill and I urge the Senate to move quickly to pass this important legislation so that the urgent need for chlamydia control programs can be met.

COMMUNITY HEALTH CENTER APPROPRIATIONS

Mr. CHAFEE. Mr. President, community health centers have been a centerpiece in our efforts to provide health care services to the homeless. I had intended to offer an amendment to this appropriations bill to restore $31 million to the Health Care for the Homeless Program to bring it back up to its fiscal year 1987 funding level of $46 million. After talking with some of my colleagues on the Labor, HHS, Education Appropriations Subcommittee, I have decided against offering that amendment.

I understand that the 302(b) allocation received by the subcommittee was $600 million below what the budget resolution called for in these programs. Looking through the other programs under this appropriations bill, I was unable to find a fair and appropriate offset to restore funding to this program.

Nonetheless, the proposed funding level of $15 million for providing health care for the homeless would lead to a substantial reduction in this critical program unless it is changed. The Health Care for the Homeless Program was established in the 1987 as part of the Stewart B. McKinney Homeless Assistance Act. It is a grant program to provide primary health care, substance abuse services and mental health assistance to homeless people. Using fiscal year 1987 funds, 109 projects were funded in 43 States in 1988.

It is my hope that the chairman and ranking member of the Labor-HHS Appropriations Subcommittee will work to ensure that this critical program receives the funding it needs to continue its work.

Mr. BUMPERS. I want to join my friend from Rhode Island in expressing my support for this important program. The subcommittee simply did not have sufficient allocation available to provide adequate funding for the Health Care for the Homeless Program. We have a homeless problem in Little Rock and our applicant was denied funding under this program because the funds were not adequate to cover many worthwhile proposals. I understand there were 40 cities the size of Little Rock that had the same problem.

While the proposed $15 million appropriation for this program is slightly more than the level approved for fiscal year 1988, the fact is that it is $31 million below that approved for fiscal year 1987. The reason that the fiscal year 1988 appropriation level was so low is that the program was still in its beginning stages and had money to spend from the fiscal year 1987 appropriation.

Now that the program is up and running on the regular appropriation cycle, the level proposed by the subcommittee would result in a substantial decrease in services to the homeless.

I join the Senator from Rhode Island in supporting increased funding for health services for the homeless. I will certainly support efforts during conference to increase the appropriation for this critical program, but I note that an increase will be difficult because of the subcommittee's limited allocation.

Mr. CHILES. I appreciate the concern of the Senators from Rhode Island and Arkansas for this program. Their assessment of the difficult problems our subcommittee had in developing this bill is correct. Our subcommittee had limited dollars to spend on many competing priorities. In addition, the Health Care for the Homeless Program has not been fully reauthorized yet this year. Although we did provide an appropriation slightly above its fiscal year 1988 level, I understand the explanation of my colleague from Arkansas.

I will work during the conference to ensure that proper consideration is given to this program. If funding is available, this program will be one of my priorities.

Mr. WEICKER. I also appreciate the concern of my colleagues from Rhode Island and Arkansas for this critical program. As he correctly noted, the health care for the homeless reauthorization bill was unanimously approved by the Labor and Human Resources Committee with full bipartisan support and has been passed by the Senate. The reauthorization bill calls for continuation of the 109 programs currently funded using the fiscal year 1987 appropriation of $46 million as well as to allow for some new startup programs. Unfortunately, we were unable to provide for this level of funding in the Labor, HHS, education appropriation bill as our subcommittee received a 302(b) allocation which was $600 million below that called for by the budget resolution.

I certainly would support the Senator's call for additional funding and will work toward that end in the conference committee.

STATE AND LOCAL COUNSELING, TESTING AND PARTNER REFERRAL ACTIVITIES

Mr. SIMON. Mr. President, I commend my colleagues for their fine work on this appropriations bill. Given the allocation limitations and the significance of the programs appropriated in H.R. 4783, yours has not been an easy task. I understand that the committee has allocated $102,376,000 to the Centers for Disease Control for the State and local counseling, testing and partner referral activities, is that correct?

Mr. CHILES. That is correct. It is the amount requested by the President.

Mr. SIMON. And it is my understanding that the $102,376,000 will allow the CDC to operate at 50 percent implementation of the voluntary testing and counseling program and that State, local, and private funds are being used to supplement the Federal effort. Is that your understanding as well?

Mr. CHILES. The distinguished Senator is correct. It is a substantial increase over the $26 million appropriation for fiscal year 1987.

Mr. SIMON. And I applaud the committee for recognizing the need for that increase. I am told by the CDC that they received State requests in the amount of $165 million for those $26 million. There is a tremendous need for increasing the capacity of our voluntary, confidential testing and counseling program. People who know they have AIDS, as a general rule, do not spread the virus. But people who do not know that they are seropositive, that is the danger. And when people seek out the testing and counseling centers, they ought not to be told that there is a 1-week or 1-month or 5-month wait. We ought to be doing everything we can to prevent the spread of AIDS in all communities and this testing and counseling program is critical.

Mr. CHILES. If the Senator will yield, is my colleague aware that 1987 was a pivotal year with regard to AIDS testing and that the waiting lines that the Senator refers to have been substantially reduced?

Mr. SIMON. The Senator is aware that as a result of the increased State efforts, the waits at the existing centers are less. But I do not think that those decreases tell the whole story. For example, Chicago has two alternate testing centers, one on the near north side and one downtown. Additionally there is one pay clinic on the far north side. And indeed, as my colleague has pointed out, the waiting period has been reduced. But neither of those centers is serving the entire Chicago area. There is no access for our minorities on the northwest and far south sides, there is no access for those in the western suburbs. There is limited access for IV drug users, for black and hispanic men and women, for other high-risk populations. It may be true that the centers in Chicago are meeting the needs of those neighborhoods, but not the needs of the high risk populations throughout Chicago.

Mr. CHILES. I share the Senator's concerns about the access to these services in the city of Chicago. With the substantial increase in funding provided in this measure, I am hopeful that some of the access problems in Chicago will be resolved.

Mr. WEICKER. The Senator's point is well taken. I share his interest in expanding the counseling and voluntary testing program. But public health experts have told us that confidentiality and protection against discrimination are vital components of any voluntary testing and counseling program. I know the Senator from Illinois is aware that authorizing legislation has been introduced in both the House and Senate to provide these protections with expanded voluntary testing and counseling. The Senator has been very supportive of those authorizations and I believe he appreciates the need for the provisions.

Mr. SIMON. The Senator is correct and I am committed to enacting that authorizing legislation. But I do not want the centers and the availability of counseling and testing to languish during our political debates of the issue. Do I have the assurances of the two Senators that they will closely monitor the program?

Mr. CHILES. The Senator has my assurances that the committee will continue to closely monitor this program.

Mr. WEICKER. The Senator from Illinois has my assurances as well.

Mr. SIMON. I believe that the funding level in the committee's recommendation should be perceived as an absolute minimum funding level. I seek the committee's assurances to do all that it can to maintain that minimum level in conference and hope that once an authorization bill has been signed into law, we can significantly increase the funding for the voluntary testing and counseling centers.

Mr. CHILES. The Senator from Illinois has my assurances that I will do all that I can.

Mr. WEICKER. Once again, my assurances to the Senator and my thanks to him for raising his concern at this time.

Mr. SIMON. I thank my distinguished colleagues for their support and cooperation.

CDC HEALTH STUDY

Mr. ADAMS. Mr. President, if the distinguished chairman of the subcommittee will yield for a question, my colleague from Oregon, the ranking member of the Appropriations Committee, Senator HATFIELD and I would like to clarify the subcommittee's intentions concerning a provision in the House bill which was not included in the Senate committee's version of this legislation. The provision I refer to provide $1.5 million and three full-time equivalents for the Centers for Disease Control to initiate an epidemiological study of the health effects resulting from releases of radioactive iodine from the Federal Government's Hanford Reservation during the 1940's and 1950's. The information concerning these releases was not made available to the public until 1986 and subsequent analysis by independent analysts including staff at the Centers for Disease Control [CDC] indicates that there is likely to be significant health consequences to the population living in the vicinity of the Hanford Reservation. I share the concern of a number of people in Washington and Oregon that the CDC begin this study as soon as possible.

Mr. CHILES. I would be pleased to respond to the Senator from Washington. I am well aware of his concerns and I assure him that it was not the committee's intention to limit this study. The committee was simply unable to include all of the funds provided for the Centers for Disease Control by the House because of our smaller budget allocation. I know that the Senator and my colleague on the Appropriations Committee, Senator HATFIELD, are extremely concerned about the possibility of health problems arising from these long undisclosed releases for Hanford. I assure both of you that we will make every effort to give this matter favorable consideration in conference with the House.

Mr. HATFIELD. If the distinguished Senator from Florida will yield further, the subcommittee chairman is correct that the Senate budget allocation did not allow the Appropriations Committee to provide as much funding for the Centers for Disease Controls desired by those of us on the committee and as provided in the House bill. I want to thank him for his assurances that the committee will make every effort to give this matter favorable consideration in conference and I join with my colleague from Washington in supporting this study. It is clear that the Department of Energy and its predecessor agencies have simply not been as forthcoming or as responsible as they should have been when it comes to monitoring and reporting the releases of radioactive materials from their facilities. It is absolutely imperative that a credible, independent entity such as the Centers for Disease Control be brought in to study effects of the historical releases of radioactive iodine from Hanford.

Mr. CHILES. I understand the concerns of both Senators and look forward to working with them during the conference process to make sure their interests are addressed.

Mr. WEICKER. Mr. President, I agree with the remarks made by the Senator from Florida and I also wish to assure the Senator from Washington and the Senator from Oregon that I believe the CDC study included by the House has merit and that it will be given every consideration in conference.

OFFICE OF COMPREHENSIVE SCHOOL HEALTH EDUCATION

Mr. BINGAMAN. Mr. President, I rise to draw the attention of the chairman of the Subcommittee on Labor, Health and Human Services and Education appropriations to one of the many important education programs funded under the House-passed version of the Department of Labor, Health and Human Services, Education, and related agencies appropriations bill, 1989.

Last year, I sponsored legislation to reestablish within the Department of Education an Office of Comprehensive School Health Education. This office would coordinate and carry out health education and physical fitness programs throughout the Nation's schools. Major provisions of my legislation were incorporated into H.R. 5, the Hawkins-Stafford Elementary and Secondary Education Improvement Act, which President Reagan recently signed into law.

The need to fund such an office is critical. In recent years, as technology and economics have led us into a more competitive global society, we have come to realize the importance of higher education, and mental fitness and improvement. We must also realize that physical fitness and physical improvement are equally important. Unfortunately, many of us do not.

Indeed, we are our own worst enemy. Half the deaths in this country are related to lifestyle. Heart disease, obesity, drug abuse, alcoholism, and poor nutrition are all rooted in the way we choose to live.

Even worse, the AIDS epidemic spreading in the adult community today will filter down to our young people unless education and prevention of this disease is included in some form in our schools. Indeed, the Presidential Commission on the AIDS Epidemic, in its recently submitted report, recommended that every school in the Nation should have comprehensive school health education programs implemented by the year 2000. The Commission cited the comprehensive school health education provisions of H.R. 5 as a positive way to help school systems develop critically needed health and physical education programs.

But communicable disease is not our only enemy. Nationwide, the physical fitness of our children is sorely in decline. George Allen, Chairman of the President's Council on Physical Fitness and Sports, calls the lack of youth fitness "the best kept secret in America today."

A recently published report in the Journal of Physical Education, Recreation and Dance indicates that only one-third of the first through fourth graders surveyed take a physical education class daily and that children today watch four times as much television as they spend in physical education classes. Most alarming, the report states that as many as 50 percent of our children are not getting enough exercise to develop healthy hearts and lungs.

I strongly believe that our best weapon against these unfortunate lifestyle trends is to institute comprehensive health and physical education curricula in our schools. Unfortunately, most schools have failed to do so. It is for this reason that I introduced legislation to reestablish a Federal office of school health education.

Physical fitness and health education must be as much a part of our children's core studies as math, science, and reading. A Federal office on school health education could help accomplish this by encouraging and supporting State and local programs that stress physical health, well being, and disease prevention as a part of the regular education program. Also, and importantly, the office would work with other Federal agencies to coordinate school health and physical education programs and to provide these programs with up-to-date Federal information.

The state of our children's health is sorely in decline, and our schools do not seem to be stemming the downward slide. I believe the establishment of an Office of Comprehensive School Health Education within the Department of Education is critically important to our children and to this country's future.

Mr. CHILES. I thank my friend from New Mexico for calling my attention and the attention of the Senate to this important initiative. I understand that funding for this program has been provided in the House-passed version of the bill at the level of $4 million. I realize that the Senator from New Mexico worked diligently to have this program included in the recently enacted reauthorization of the Elementary and Secondary Education Act. However, as my friend from New Mexico is aware, our overall section 302(b) allocation prohibited the subcommittee from funding many meritorious new initiatives. Since there is funding for this initiative in the House bill, I can tell my friend that I will do my best when we consider funding for this program in conference.

Mr. BINGAMAN. I thank the chairman for his diligent work on this important bill and for his assistance today.

Mr. HARKIN. Mr. President, I would like to take this time to say a few words about my colleague from Florida and about this appropriations measure we are working on today. LAWTON CHILES has had the very difficult task of balancing the demands of thousands of constituents, interest groups and Senators—all within an extraordinarily constrained subcommittee allocation. He has performed that task with uncommon craft and diplomacy.

As a member of the Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies, I have found working on a spending bill for fiscal year 1989 a very frustrating experience. The subcommittee's allocation was simply too small to meet all of the needs. But throughout this exacting task, the chairman has remained, as always, a gentleman in the face of exacerbating demands and he has delivered a bill that I think most all of us can stand behind. He has done the best job anyone could in making the most of available resources. I am personally sorry he is retiring this year. I will miss his clear thinking and steady hand. I would also thank Senator WEICKER for his continuing strong support and defense of the defenseless. He has provided great backership on this bill.

I would also like briefly to thank the subcommittee staff. In particular, Mike Hall, the staff director, and Nancy Anderson, Jim Sourwine, Mary Malaspina, Peter Rogoff and Susan Quantius. I also want to thank Maureen Burns and Terry Muilenberg of the minority staff. Their vast knowledge, candor and accessibility make our job a great deal easier than it might be. I have very much enjoyed working with, and learning from them. Thank you all.

Mr. President, there are just a few particulars of this bill on which I'd like to comment. First, as chairman of the Labor and Human Resources Subcommittee on the Handicapped I would like to thank Chairman CHILES for his attention to programs under this bill directed toward Americans with disabilities. The recommendations contained in this bill, considerably higher than those of the House, are clearly justified in both humanitarian and economic terms, and will enhance our ability to assist the over 36 million disabled individuals in the United States become independent and productive members of society.

I am also pleased that in a year of relative austerity we have been able to provide nearly a $262 million increase for chapter 1 grants to local educational agencies. This will mean a great deal to the State of Iowa and the youngsters served there. In this whole budget—I mean in all of our appropriations bills—I can think of few programs that should be of higher priority to this body than those that serve to educate our children. Again, I thank the chairman for his efforts in this area.

Right alongside education as a high priority are the numerous health programs included in this bill—I can touch only on a few of the highlights.

The bill contains $133.7 million to support activities associated with finding the cause of, a cure, and better treatment methods for Alzheimer's disease. It provides a $24.6 million increase for community health centers, and a total of $62.7 million for assistance for homeless persons. We've included an additional $65.3 million for immunization activities next year—a significant improvement, although still far short of what is needed. Funding for activities associated with research on and treatment of alcoholism has been increased by $23 million for a total of $109 million.

Several rural health initiatives have been added to the bill, most directed toward assuring the viability of rural hospitals. Most notable is inclusion of $15 million for rural hospital transition demonstrations. With these moneys, rural hospitals will be able to experiment with modifying their service mixes, enhancing their transition into other types of health care providers.

Of great personal consequence to me is the inclusion in this bill of $96.1 million to fund the new National Institute on Deafness and Other Communication Disorders [NIDOCD]. I've worked very hard over the past year for creation of this Institute, as has my friend on the House side, CLAUDE PEPPER, and I take tremendous pleasure in seeing the dream become a reality. For the 28 million Americans suffering from communication disorders—a number of expected to increase sharply as the population ages—this Institute offers new hope. It will bring together a wide range of professionals, galvanize their abilities, give focus to their work, and give visibility to the needs of the deaf and speech impaired population.

The $961.1 million proffered for NIDOCD is derived almost exclusively from a shift in funds from the old National Institute on Neurological and Communicative Disorders and Stroke, under whose auspices research on communication disorders has been conducted in the past. It represents the bare minimum necessary for operation of the new Institute, but in light of the subcommittee's allocation is an acceptable appropriation. I'm deeply appreciative of the support Chairman CHILES has lent this project.

One notable shortfall in this bill is the reduction in funding for the Low-Income Home Energy Assistance Program [IHEAP]. Losers in this process such as LIHEAP, in another situation—say were we given the meaningful choice between funding LIHEAP versus sending more money to the military—would win. But that's not how it works. And looking within the subcommittee, there is simply not room for cutbacks of the magnitude necessary to bring this program up to its 1988 level. I will be supporting my colleague and friend from Connecticut, Senator WEICKER, when he moves to waive the budget act to allow the restoration of LIHEAP funds and hope that I'll be joined by the necessary number of my colleagues.

I want once more to thank Chairman CHILES for the time and effort he has put into this bill. The numerous days of testimony through which he sat, and the hours of planning by both him and his staff have paid off. Thank you.

Mr. MOYNIHAN. I understand that the subcommittee has given a high priority in its bill to research into the perinatal transmission of AIDS.

Mr. CHILES. That is correct. The transmission of AIDS from a mother to her unborn child is one of the most tragic outcomes of the AIDS epidemic. We want to do all we can to understand how this transmission occurs and what we can do to prevent it.

Mr. MOYNIHAN. I have learned of a most worthy research project that is being conducted at the SUNY Health Science Center in the area of perinatal AIDS transmission. The project recruits pregnant women who have tested positive for AIDS and then tracks them through childbirth to determine the rate of seroprevalence among their infants. It is my understanding that this is the type of project that the subcommittee intends to be given high priority in the competitive awarding of research grants by the National Institutes of Health and the National Institute on Drug Abuse during fiscal year 1989.

Mr. CHILES. The Senator from New York is correct. There are many unanswered questions about the rate of perinatal AIDS transmission, and the subcommittee would consider that a high-priority area of research.

TRANSFER OF FUNDS FROM CHAPTER 2 TO THE FUND FOR INNOVATION IN EDUCATION

Mr. LAUTENBERG. Mr. President, I would like to take a moment to thank the chairman and members of the full Appropriations Committee for having accepted my amendment to provide in the Senate bill $5 million in new moneys for the fund for innovation in education. This amount, coupled with the transfer of $4.5 million in unobligated funds from the Excellence in Education Program, signals the Senate's commitment to education excellence and innovation. I hope that the conference committee will provide an adequate startup for the fund, with at least $5 million for computer education programs.

Because the Labor-HHS-Education bill was at its allocation ceiling when it came before the full committee, it was necessary to offset any increase in one program by a dollar-for-dollar reduction in another. My amendment transferred the $5 million for the fund from the chapter 2 block grant, which supports similar activities of education innovation by State and local education agencies. I would like to clarify a couple of matters concerning this transfer and the intent of the accompanying report language.

As the chairman knows, the choice of the block grant as the source of $5 million for the fund was not intended to reflect lack of support for chapter 2. I hope that the conference agreement reached will be at or close to the higher House level for the program. In addition, the committee report language recognizes that the authorization permits States to retain up to 20 percent of chapter 2 funds for administration and statewide activities. The committee's expectation expressed in the report language that States would provide no less than $383,000,000 directly to local districts underscores the chapter 2 provisions in the Hawkins-Stafford education amendments for State support for effective schools. This language is intended to reflect the thrust of the new authorization, rather than supercede it.

Mr. CHILES. Thank you, Senator. I appreciate your remarks and this clarification of the committee report language.

Mr. WILSON. Mr. President, I rise today in support of H.R. 4783, the Department of Labor, Health and Human Services, and Education and Related Agencies appropriations bill of 1989. I want to congratulate Chairman STENNIS and Senator HATFIELD, Subcommittee Chairman CHILES, and Senator WEICKER, along with the distinguished members of the committee, for delivering this bill which I know required long hours of hearings and deliberation, and which ultimately required committee members to make some very difficult decisions.

No Senator looks forward to drawing the tough and delicate line between competing life and death priorities. This subcommittee must provide enough funding to continue our war against AIDS while making sure that we do not shortchange the equally as important efforts of continuing our battle to understand and cure Alzheimer's disease, protecting the health of our Nation's very young and very old citizens, pushing the edge of our understanding of mental illnesses such as schizophrenia and depression, developing a responsible and competitive strategy for the growing field of biotechnology, and all the while working to eliminate the shortage of the nurses who must care for each of us in times when we become sick with AIDS, Alzheimer's disease, mental illness, or other afflictions. This subcommittee literally must make life and death decisions while still ensuring, with the same pot of money, that we have provided our children with a quality education and that our citizens have jobs so they can live with dignity and independence.

I think the committee has done an excellent job, and I would like to draw attention to what I consider particularly important provisions in this bill and perhaps mention a few areas where I hope the conference committee will reevaluate the Senate's funding levels, for example in the case of LIHEAP.

This bill includes $1.2 billion for research, prevention, information, and education for AIDS programs, an increase of $10 million over the administration's request and $10 million over the House's funding level.

In addition to this $1.2 billion, the Federal Government will spend another billion dollars on AIDS treatment, testing, and research through the Public Health Service, Medicaid, Medicare, Social Security, and the Departments of Labor, Defense, State, Justice, and the Veterans' Administration. That means we will spend over $2.2 billion to fight AIDS in fiscal year 1989.

The Center for Disease Control currently estimates that approximately 1.5 million Americans carry the AIDS virus. Tragically, 59,491 AIDS cases to date have been diagnosed, and 33,280 people have died, many of whom are Californians.

As a sponsor of the legislation which resulted in the President establishing his Presidential Commission on AIDS, and as a cosponsor of S. 1220, I have joined with many very concerned Senators to make sure that we accelerate the effort to quickly, efficiently, and permanently fight the deadly disease of AIDS. This appropriations bill moves us further toward achieving that goal.

I was delighted that the committee paid particular attention to the unique health care needs of different segments of our population, young and old. In order to protect the health of our Nation's elderly citizens, the bill increases funding for the Administration on Aging, for Health Care Services in the Home—a grant program to States for demonstration projects to identify and assist individuals who could avoid institutionalization if home health services were made available—for university-based long-term care gerontology centers, for frail elderly in-home services, for home-delivered meals and nutrition programs, for the training of geriatric health care specialists, for grants to eligible Indian tribes to provide services to older Indians, and very importantly for finding a cause, cure, and better treatment methods for Alzheimer's disease.

In order to protect the health of infants, the bill funds the National Commission to Prevent Infant Mortality and increases fiscal year 1988 funding by almost $700,000 to $20 million for the Infant Mortality Initiative—a program which provides services to high-risk, low-income pregnant women. In recognition of the unique emergency care needs of children, the committee included $3 million for the Pediatric Emergency Medical Services Program. And to protect our children from the danger of such diseases as rubella, bacterial meningitis, and measles, the committee increased funding for immunizations to $163 million, almost $65 million over the fiscal year 1988 level.

This increased immunization funding level is of particular importance to the majority of States nationwide who have experienced a shortfall in their fiscal year 1988 Federal immunization funds. I am particularly grateful that the committee recognized the need to ensure adequate funding for fiscal year 1989. This year, California has experienced a shortfall of $1.3 million in Federal funds for immunizations. This number could climb to $3 million by the end of California's fiscal year. The State has had to use its own scarce funds to make up the difference in order to ensure that all the children who need vaccines get them. This burden falls particularly hard on California, as the State struggles to meet other health care needs for its infants and children and to cope with the enormously burdensome costs of uncompensated care which threaten the State's hospitals, particularly the emergency care networks and trauma care centers. With California Medical Center, Good Samaritan Hospital, Palomar Hospital, and many other California hospitals scaling back or closing their emergency care centers, California cannot afford to lose precious State funds due to underfunded Federal programs.

Of course, one appropriations bill cannot solve all of our national health dilemmas, nor should it. Problems such as keeping open the doors of our Nation's trauma care centers, ending the nursing shortage, or providing affordable long-term health care coverage to all Americans who want it, require both public and private solutions and cooperations between Federal, State, and local leaders. I am pleased that this bill includes funding for a U.S. Bipartisan Commission on Comprehensive Health Care, a Commission established by the new Medicare catastrophic coverage law, of which I was a cosponsor. The Commission will make recommendations to Congress on how we can ensure long-term care services and adequate health care to all Americans and on the most effective and efficient roles for Government and the private sector in promoting and assuring Americans access to quality health care.

I, along with Senator DOLE and DURENBERGER, have sponsored S. 1738, a long-term care bill which would allow the Office of Personnel Management to offer optional nursing home and home health care coverage to Federal employees who want it—and at no cost to the Federal Government. OPM would allow all Federal employees, regardless of their health status who have reached the age of 50 and participated in the Life Insurance Program [FEGLI] for 10 years, to convert their life insurance to long-term care insurance. OPM would also make coverage available to spouses, although the employee would pay the full costs of the premium.

Not only will OPM's proposal ensure that Federal employees have access to long-term health care coverage, but it will play a very important role in helping Congress make affordable, quality long-term care coverage available to the many Americans who need it. A pool of 3.1 million active Federal workers offers a tempting incentive for insurance carriers to develop a competitive long-term care insurance program. To date, only 4,000-6,000 long-term care insurance policies have been sold to individuals and groups. Ninety percent of Federal employees participate in OPM's life insurance program and 655,000 of those employees immediately would be eligible for long-term care coverage when S. 1738 becomes law. This proposal alone could double the number of people in this country who currently hold long-term care insurance.

But, just as importantly, by taking the lead to create a market in this area, the Federal Government can create a long-term care "domino effect." More insurance carriers will enter the market in order to compete for the OPM contract. In order to win this competition, insurers will have to offer greatly improved insurance packages, both in terms of price and quality. As the prices come down and the quality goes up, State and local governments and large employers like the University of California, General Motors, and United Technologies will gain an incentive to provide a new or convertible long-term care benefit, similar to OPM's, to their employees. And as more large employers begin to supply this kind of coverage, the prices should drop once again, eventually letting smaller employers and individuals enjoy the benefits of this long-term care competition. Of course, this approach will not reach everyone in need of long-term care coverage. However, while Congress labors over how to help those individuals suffering right now because they did not have the opportunity to plan ahead for their long-term care needs, we, with OPM as a catalyst, can do a great deal to make sure today's workers and perhaps even today's retirees do not find themselves in that same awful situation as they grow older.

I am certain that as this new bipartisan Commission explores private sector alternatives for providing Americans with long-term care coverage, they will agree that OPM has come up with a very sound and effective idea which will unquestionably help us to expand the private sector role in furnishing long-term health care coverage. I am proud to have Senators MITCHELL, PACKWOOD, GRAHAM, INOUYE, and KASTEN as cosponsors, and I hope that the Senate will pass S. 1738 this year so the Commission can study OPM's progress in implementing this new coverage and gain a greater understanding of the role the private sector can play in meeting this urgent need.

The private sector has taken the lead in advancing our ability to provide revolutionary and quality health care in many important areas. The U.S. biotechnology industry, which grew out of private industry and this country's premiere academic institutions, makes new progress every day. I'm proud to come from the State which leads the Nation in biotechnology. California has more research labs than any other State and spends the most money on research and development, and receives fully 21 percent of all research funding.

This appropriations bill, combined with the excellent provisions of the newly passed Biotechnology Competitiveness Act of 1987, of which I was a cosponsor, will go a long way to help this country keep its competitive edge over Japan in biotechnology and help us responsibly and ethically discover new ways to treat disease, feed our citizens, and protect our environment. This bill directs NIH to use its newly established National Biotechnology Policy Board to review and appraise the programs and activities of the Federal Government and private industry relating to biotechnology and to make recommendations to the President and Congress on biotechnology policies. Out of concern for the important social and ethical questions raised by biotechnology, the bill directs the National Biotechnology Policy Board and the Advisory Panel on the Human Genome to forward all reports to the Congressional Biomedical Ethics Board for review. And recognizing that the enormous growth of the biotechnology industry has resulted in a shortage of expert personnel in the many biotechnology fields, the bill directs that the National Institute of General Medical Sciences undertake a new biotechnology-based research training program focusing on the applications of engineering, physics, chemistry, mathematics, and biology to interdisciplinary biomedical research training. This program will add 1,500 American scientists to this country's "biotechnology brain trust."

On top of these initiatives, the Division of Research Resources will receive $367 million to fund such programs as; the Biomedical Research Technology Program—a program which identifies, develops, and provides access to the advanced technologies needed in biomedical research—the Biomedical Research Support Program—a program which advances and strengthens the biomedical research programs of academic and scientific institutions—and the Minority Biomedical Research Support Program—a program designed to increase the number of minority biomedical scientists. This bill also adds $17.3 million to the National Institute of General Medical Sciences for the establishment of the Advisory Panel of the Human Genome.

Finally, the National Library of Medicine will receive funding, at the full amount requested, for the National Center for Biotechnology Information. These funds will pay for information systems in human, animal, and plant molecular biology, biochemistry, and genetics; and will promote cooperation and prevent the duplication of research efforts between the private sector and Government sources of biotechnology information.

While we struggle through this bill and others like it to keep pace with the rapidly expanding biotechnology industry we must at the same time struggle to prevent the debilitation of one of the Nation's most important professional groups—nurses.

With RN vacancy rates rising from 4.4 percent in 1983 to 11.3 percent in 1987, with 76 percent of all hospitals reporting a nursing shortage, 19 percent calling that shortage severe and with hospitals closing beds due to their inability to fill vacant nursing positions, Congress and the private sector must move ahead as quickly as possible to find both short-term and long-term solutions to end this growing crisis.

In order to address the short-term need for nurses, I have joined with other Senators to urge INS Commissioner Alan Nelson to extend the H-1 visa status for foreign nurses. In California, of the estimated 4,600 foreign nurses, about 1,000 had reached the 5-year limit of their visas. The health care community simply could not have absorbed the shock of losing all these nurses at once, and I am grateful to Commissioner Nelson for granting that 1-year extension. Just this month, I sent another letter to the Commissioner urging that INS consider granting extensions again next year. Unfortunately, this approach simply puts a band-aid on the problem while we debate more lasting and appropriate long-term solutions.

Recent declines in admissions, enrollments, and graduations from nursing programs suggest that the future RN supply will be problematic. This appropriations bill begins the long-term effort to remedy the nursing shortage by including $17.5 million for advanced nurse training—a program which provides institutional support through grants and contracts to nursing schools to strengthen and expand graduate nurse training at the masters and doctoral level leading to the development of clinical nurse specialties, teachers, administrators, and supervisors, including a special focus on increasing the supply of mental health-related trained nurses and Asian-American nurses.

Other funding for nursing education includes $13 million for the Professional Nurse Traineeships Program, $2.7 million for Nurse Demonstration Programs, $9.5 million for nursing special projects for fiscal year 1989, and $1.1 million for nurse faculty fellowships.

The bill also includes an appropriation of $28,107,000 for the National Center for Nursing Research to undertake initiatives which explore alternatives for ensuring the retention of nurses in the profession.

Congress still has a long way to go in this area, and so does the private sector. The private sector can help to redress this nursing shortage problem by addressing chronic problems such as low average salaries and compressed salary ranges, difficult working conditions, lack of nurse autonomy, and a poor professional image.

Finally, I wanted to mention that I am concerned about the level of funding for LIHEAP and I know that Senator WEICKER will address this important issue at length, so I will defer to him.

And I am also concerned that this bill funds the Health Care for the Homeless component of the Stewart B. McKinney Homeless Assistance Act at $15 million. This year the Senate reauthorized the provision of health care services to homeless people for an additional 3 years at a funding level of $61.2 million annually. Nonetheless the bill only recommends $15 million; that's a two-thirds cut over the 1987 funding level of $46 million.

California receives 14 of the 108 McKinney grants provided nationwide. Five of these grantees are in California health departments. Alameda County, the counties of Sacramento, Santa Cruz, and Santa Barbara have recently implemented new McKinney Homeless Health Care Programs. These programs provide health care services such as mobile and clinic-based primary medical care, 24-hour alcohol and drug program services, and infant and maternal care.

According to the National Association of Community Health Centers, if the House-Senate Appropriations Conference Committee does not settle on a higher number, close to two-thirds of these 108 programs probably will shut down and 262,000 of the 400,000 homeless people it serves will lose health care services. With somewhere between 1 and 2 million homeless people this program can hardly afford to experience such a severe reduction.

By passing the Stewart B. McKinney Homeless Assistance Act of 1987, a measure I supported, the Federal Government made a commitment to the providers of this very important service who, in good faith, raised the 25 percent matching funds required by the act and set up programs to help the homeless. With such a severe cutback in funds, we stand to lose the ability to provide health care in the flexible way which makes sense for the homeless population, and we waste taxpayers money by not protecting the investment made in 1987.

The Alameda County Health Care for the Homeless Program tells a story which persuasively argues the merits of protecting Congress' original commitment to this important Homeless Health Program. Results of a laboratory test ordered by a nurse practitioner revealed primary syphilis in a 23-year-old homeless woman who was 6 months pregnant and had received no prenatal care. Although the mobile health van team made a referral for prenatal care and made transportation available, the patient never showed up at the clinic. When the nurse practitioner called the shelter to locate this young woman, she learned that the patient had left for another residence. Eventually, the woman was found. Her syphilis was treated and she received ongoing prenatal care at a community clinic. Through Alameda County's program, we were able to protect the health of a young woman, and also the health of her unborn child. If the mother's syphilis or other health care problems had caused severe illness or disability in her child, not only would an avoidable tragedy have occurred but the cost to State, local, and Federal agencies could have been enormous.

Since the House Appropriations Committee has deferred making its funding recommendation for this program until they receive the relevant authorization bills, I hope this issue will work itself out during the House-Senate Conference.

Once again, I congratulate this committee for its fine bill.

FUNDING FOR JOB CORPS CENTERS

Mr. DOLE. Mr. President, this fiscal year 1989 Labor-HHS-Education appropriations bill contains $736,135,000 for the Job Corps Program. This figure represents an increase of $20 million more than the 1988 level and an increase of $25,540,000 above the President's budget request.

This program provides severely disadvantaged young people between ages 16 and 21 with basic education, vocational training, and other job skills, as well as medical support and other services. All this is provided in a primarily residential setting. This type of training gives young men and women opportunities they would not otherwise have, given their economically disadvantaged background. The specialized services are geared to help young people find jobs, once they have attained some basic skills.

FUNDING FOR NEW CENTERS

Mr. President, many States do not yet have a Job Corps Center. In fact, my home State of Kansas is one of these. I am pleased that the fiscal year 1989 appropriations bill has earmarked $12 million to begin the acquisition and construction of six new Job Corps Centers. In locating these new centers, the Labor Department is directed to give priority consideration to those States which currently do not have existing centers. This means that Manhattan, KS, has a very good chance of being the site for one of these new centers. Several years ago, a site selection committee chose Manhattan as the location for a Kansas Job Corps Center. With the passage of this bill, this new center is a step closer to becoming a reality.

NATIONAL STUDENT LOAN DATA BANK

Mr. SIMON. Mr. President, I want to commend the senior Senator from Florida for the leadership he has exhibited as chairman of the Labor, Health and Human Services and Education Subcommittee and the contributions he has made in the education area. He has been especially supportive of the title IV, student financial assistance programs and the trio programs. As the Senator knows, I have raised with him several concerns regarding certain provisions contained in H.R. 4783. We have made every effort to resolve the disagreements I raised in my June 19, 1988, letter, and I appreciate his cooperation and the cooperation of the subcommittee staff.

Mr. CHILES. I thank the gentleman from Illinois for his willingness to work with the Senator from Florida to try and resolve our differences.

Mr. SIMON. I do want to clarify, with the chairman of the subcommittee, our understanding of the impact of the language on page 63 of the bill. That language would appear to require the Committee on Labor and Human Resources to modify certain restrictions prior to implementation of the national student loan data system, authorized by section 485B of the Higher Education Act. As I have indicated to the chairman of the subcommittee, the restrictions contained in section 485B(c) were adopted by the Committee on Labor and Human Resources with the understanding that once the national student loan data system was operative, the restrictions could be deleted and the data system used to assure that student borrowers do not borrow in excess of the annual or cumulative loan limits, or borrow again following a previous default on a guaranteed student loan [GSL], Perkins loan, or other federally subsidized or guaranteed loan.

As the author and chief sponsor of the data bank provisions during reauthorization of the Higher Education Act in 1986, I am strongly committed to its implementation. However, I do not want to have the attempt to use the data system for the purpose of catching so-called double-dippers to cause the GSL lending system to grind to a halt and disrupt the college educations of 3.5 million GSL student borrowers.

Mr. President, as I now understand the amendment on page 63 of H.R. 4783, the chairman intends to give the Committee on Labor and Human Resources the latitude to determine when repeal of section 485B(c) will occur, but that the funds provided to establish the system will be made available immediately to the Department of Education. Is that, my friend, the gentleman from Florida's understanding?

Mr. CHILES. I want to first compliment the Senator from Illinois on his interest in the national student loan data system, which, when implemented, should help us reduce default rates. The committee included this bill language to ensure that we would be funding a cost effective data system. I agree completely with the Senator from Illinois, and I think all our members agree, that we would not want a student loan data system to be implemented prior to its being tested and our receiving assurances that it will not in any way disrupt the processing of student loans. As the Senator knows, the Department has given repeated assurances that a full and complete test will be made prior to its implementation.

I would also like to note that, for the past 30 years, the private sector has successfully operated extensive credit data systems. An obvious example is the mastercard credit system and the way our credit limits can be checked instantly when we make a purchase. The technology required for the student loan data system is not new, and the Department would establish the system under contract with the private sector. Additionally, I should point out that the Department currently operates three data systems that have worked successfully and without any inconvenience to program recipients. They are the IRS Tax Refund Offset Program, the Federal Employees Salary Offset Program and computerized reporting to credit bureaus. While these systems were initially resisted, they have worked without problems.

Finally, the gentleman from Illinois is correct that this matter is completely in the hands of the authorizing committee, which is free to establish by statute any testing requirements which may be necessary. Our bill language merely ensures that the funds appropriated will be spent for a cost-effective data system. With regard to its implementation, I believe we need to start with some element of trust in modern technology and some element of trust that the Department would only operate the system when it has been fully tested and when all parties are confident that it works.

MEDICARE ADMINISTRATIVE COSTS

● Mr. HARKIN. Mr. President, I am pleased that the appropriations bill that we are considering today contains nearly $1.4 billion for the administrative activities performed by Medicare contractors. I also understand that we have provided $160 million for the first year startup costs of implementing the Medicare catastrophic health insurance legislation which begins on January 1, 1989.

Iowa's 414,000 seniors, 14 percent of the Iowa population and one of the highest per capita senior citizen populations in the Nation, depend on and expect prompt, reliable payment by Medicare for their health care costs. Proper funding for Medicare's administrative expenses can make a big difference in whether the over 5 million health care claims submitted by Iowa's seniors get paid on time and whether their questions about this complex Federal program get answered swiftly and accurately.

However, Mr. President, I am concerned that $100 million of funds we are providing for Medicare contractor activities is to be placed in a contingency fund, which means that they get released only when the Office of Management and Budget determines additional funds are needed to meet unanticipated events. Would the Senator comment on this?

● Mr. CHILES. I thank the Senator from Iowa and I am pleased to respond to his concerns.

Let me point out that we have provided $1,391 million for fiscal year 1989 for ongoing Medicare contractor activities. That's the same amount in total as included in the President's budget, the fiscal year 1989 budget resolution, and the House-passed Labor, HHS, and Education appropriations bill.

So, it is important to recognize that there is a lot of agreement on the total funding level. We want to make sure that we are ready to handle the expected 9-percent increase in Medicare claims and to pay them promptly and accurately. And we want to have the safeguards in place so that Medicare is only paying for what it is required to pay for Federal law and program regulations. That's an investment we need to make, especially on the part B side, to help bring program costs under control.

As the Senator from Iowa noted, one area where our bill differs from the administration's request for Medicare contractor funding is in the establishment of a $100 million contingency fund. While we have placed a portion of the contractor funds in a contingency, we continue to expect, as we have in the past, that these funds will be allocated and obligated promptly when claims payment performance requirements cannot reasonably be met without jeopardizing the integrity of the claims review process or the stability of the Medicare Program operations. Other uses of the contingency fund include such things as legislative changes not anticipated in the budget estimates, unexpected workload increases, or changes in claims payment performance requirements. In addition, we want to avoid protracted, unnecessary delays in the release of contingency funds if these funds are needed to administer the program properly.

● Mr. HARKIN. I thank the Senator for his clarification of the committee's intention regarding the release of contingency funds and the overall funding available for Medicare contractor operations.

● Mr. BENTSEN. I am particularly pleased that the Appropriations Committee provided sufficient funds for the first year implementation costs of the new catastrophic health insurance legislation.

I would like the Senator from Florida to give us his views on the funding for the startup costs of the catastrophic health legislation.

● Mr. CHILES. We have included $160 million in our bill to meet the fiscal year 1989 administrative costs of the new Medicare catastrophic health bill. The House bill has a lower figure of about $112 million, but I understand that their figure reflects an earlier estimate of the administrative costs of the catastrophic bill.

Our $160 million figure is based on revised estimates of the fiscal year 1989 implementation costs of the catastrophic health legislation after the conferees on that bill completed their work.

I recognize, as does the Senator from Texas, the importance to millions of seniors of having the administrative mechanisms in place to handle the catastrophic health bill. This is truly a fundamental change to the Medicare Program, and we want to make sure that it starts out on a very firm foundation.

● Mr. BENTSEN. I thank the Senator from Florida.

● Mr. CHILES. I thank the Senator from Texas for his remarks and also for his leadership on the catastrophic health legislation as chairman of the Finance Committee.●

● Mr. BENTSEN. Mr. President, I would like to direct the attention of the distinguished manager of the bill to title III of this measure, which funds the activities of the Department of Education. More specifically, I would like to direct your attention to the provisions dealing with the newly authorized "Fund for Innovation in Education."

In the committee report, I note that the committee states that funding for this program may be used for, among other things, "programs for technology education." That particular provision is of interest to me, because I am personally familiar with a Waco, TX-based program known as the Center for Occupational Research and Development which has developed modular, competency-based, instructional materials for high school students in the fields of applied biology and chemistry.

I merely seek some clarification. It would be my interpretation that a program such as the applied biology and chemistry programs developed by the Center for Occupational Research and Development could qualify for funding under this Fund for Innovation in Education as an applied technology program. Would the Senator from Florida agree with this interpretation?

● Mr. CHILES. I do agree with my colleague from Texas that the project at the Center for Occupational Research and Development would be an appropriate and meritorious use of moneys provided for the Fund for Innovation in Education. The bill before us includes $9,520,000 for the Fund for Innovation in Education. Within this total, much of the funding is earmarked for computer education, the Children's Television Workshop, and an early childhood education initiative begun in fiscal year 1988. Even so, there remains a sufficient amount in the fund for other initiatives such as the project at the center in Waco.

I would also like to point out to my friend from Texas that the bill before us also includes $9 million for national programs within the science and math education programs. This is another area which would be an appropriate source of funding for the center's project. Here again, funds have been earmarked for a secondary schools initiative discussed in the committee report. This program may also be used to support the Children's Television Workshop. Still, there remains sufficient funds in this area to support other efforts such as the curriculum development activities at the Waco center.

● Mr. BENTSEN. I thank my friend from Florida.●

MEDICAID VOLUNTARY CONTRIBUTIONS RULE

● Mr. SASSER. Mr. President, it has come to my attention that the Health Care Financing Administration and the Office of Management and Budget are considering altering or perhaps eliminating a provision of Federal medicaid regulations that is very important to Tennessee and several other States. This provision is known as the medicaid voluntary contributions rule.

Under this provision, States may use certain donated funds as the States' share in claiming Federal Medicaid matching funds. Tennessee has used this provision to improve Medicaid services to eligible individuals and to extend Medicaid coverage to low-income pregnant women and infants with incomes up to 100 percent of the poverty level.

The voluntary contributions rule has only been in existence for 2 years. Yet already, the administration is considering cutting this program. Such a change could undermine the most basic of medicaid objectives—to make quality health care available to the poor.

It is my understanding that the Senator from Alabama, Mr. SHELBY, shares my concern about this provision.

● Mr. SHELBY. That is correct, Mr. President. In Alabama, a mothers' and babies' indigent care trust fund was created to help address the terrible problem of infant mortality. The voluntary contributions provision will permit Alabama to expand Medicaid coverage to pregnant women and infants up to 100 percent of the poverty level. Private donations will also be used to fund coverage of unlimited hospital days for children under 21 and money will also go to disproportionate hospitals which treat a large proportion of patients on Medicaid or patients who cannot pay. This program is crucial for Alabama and other States which are striving to improve the quality of care available to the poor.

I share the Senator from Tennessee's concern about any change in the medicaid voluntary contributions rule and stand ready to work with my colleagues and representatives from the Health Care Financing Administration to ensure that if such change is undertaken, it will be in accordance with the intent of Congress.

● Mr. SASSER. Given the importance of the existing voluntary contributions regulation to our States, it was my intention to offer an amendment today to place a 1-year moratorium on any changes in this provision. Such a moratorium would give HCFA and all concerned States an opportunity to discuss current policy and any changes that HCFA is considering. Under a moratorium, I am confident that all States operating under the voluntary contributions regulation would be pleased to work with HCFA to remove any threat of abuse while leaving intact the positive steps that our States have made with this program.

However, I am advised that the distinguished chairman of the Labor, HHS Appropriations Subcommittee, Mr. CHILES, is sympathetic to my intent but is concerned about my amendment from a jurisdictional standpoint.

● Mr. CHILES. The Senator from Tennessee is correct. In fact, I have included language in my subcommittee report stating the desire of the committee that the Medicaid voluntary contribution rule remain unchanged until such time as the committee has reviewed HCFA's proposal prior to HCFA's solicitation of public comment. While I support Mr. SASSER's efforts to preserve the voluntary contribution regulation, I would think that a more appropriate vehicle for his amendment would be legislation in the Finance Committee.

● Mr. SASSER. Perhaps the Senator from Texas, Mr. BENTSEN, would like to address this procedural point.

● Mr. BENTSEN. Mr. President, I agree with Mr. SASSER, Mr. SHELBY, and Mr. CHILES about the importance of the Medicaid voluntary contributions rule as it exists under current law. I am aware that Tennessee and Alabama are using this provision to extend Medicaid services to eligible yet presently unreached indigent groups. My home State of Texas currently uses voluntary contributions to support hospital outreach workers.

However, I also agree with the Senator from Florida that an appropriations bill is not the correct vehicle for addressing this situation. But because I share the concern of the Senator from Tennessee about the administration's desire to alter or eliminate this provision, I give him my assurance that I will continue to monitor the administration's actions in this regard.

Should the administration propose changes in the voluntary contributions provision that are unreasonable or contrary to congressional intent, I will use my position as chairman of the Finance Committee to help Mr. SASSER block those changes. I will also work with all interested Senators and the administration in formulating constructive changes in the voluntary contributions rule as long as those changes do not adversely affect the legitimate use of voluntary contributions.

● Mr. SASSER. I thank my distinguished colleague from Texas for his assistance in this matter. With his assurances, I will withhold the offering of my amendment.

● Mr. SHELBY. I also thank the Senator from Texas and the Senator from Tennessee for addressing this important situation.●

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, just two quick words of thanks. First, to the chairman of the subcommittee, LAWTON CHILES. Nobody could have been more caring about those persons this committee serves. Nor could anybody be more conscious of obligations to meet those needs within the budget constraints imposed on ourselves by this Government.

I just want to express a deep, personal appreciation to Senator CHILES. This is the last time he will be functioning in this capacity, except within the conference and when conference report comes to the Senate for final action. The Senator from Florida is a true gentleman, a great Senator, and a human being of enormous compassion.

Last, I would like to pay a special tribute to the minority staff, led by Maureen Byrnes. The staff includes Terry Muilenburg, Craig Higgins, Riki Sheehan, and Dona Pate. I wish to recognize all of them for their work on this effort. This bill is something I think that all can be proud of, both the minority and majority. Most particularly I think my colleagues can be proud of the bill given all the controversy attached to it.

The fact is, it will stand on its own two feet. It will not be part of a continuing resolution.

Mr. CHILES. Mr. President, I thank my distinguished colleague for his kind words. I want to say how much I have appreciated serving with him both when he chaired the subcommittee and then as the ranking member. He continues to provide a great role of leadership in all of the areas of health. He is certainly the champion of children who are handicapped, of people who are disadvantaged, and has led the way in trying to provide research seeking the cure for the AIDS malady and the epidemic that we find ourselves in.

Mr. President, I also want to thank the staff who has worked long and hard on this over a long period of time and who will continue to work with us through the conference: The staff director, Mike Hall; Jim Sourwine; Mary Malaspina; Sue Quantius; Peter Rogoff; Nancy Anderson; Sally Khrum; the minority staff of Maureen Byrnes; Riki Sheehan; Craig Higgins; Dona Pate and Terry Muilenburg have all been very, very helpful. We thank them very much.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. Adams], the Senator from Texas [Mr. Bentsen], and the Senator from Mississippi [Mr. Stennis] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 80, nays 16, as follows:

[Rollcall Vote No. 270 Leg.]

YEAS—80

Baucus
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Grassley
Harkin
Hatfield
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stevens
Thurmond
Trible
Warner
Weicker
Wilson
Wirth

NAYS—16

Armstrong
Conrad
Daschle
Garn
Gramm
Hatch
Hecht
Heflin
Helms
Humphrey
McClure
Nickles
Proxmire
Roth
Symms
Wallop

NOT VOTING—4

Adams
Bentsen
Biden
Stennis

So the bill (H.R. 4783), as amended, was passed.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, I move that the Senate insist on its amendments to the bill H.R. 4783 and request a conference with the House and the Chair be authorized to appoint conferees.

The motion was agreed to, and the Presiding Officer [Mr. Gore] appointed Mr. Chiles, Mr. Byrd, Mr. Proxmire, Mr. Hollings, Mr. Burdick, Mr. Inouye, Mr. Harkin, Mr. Bumpers, Mr. Stennis, Mr. Weicker, Mr. Hatfield, Mr. Stevens, Mr. Rudman, Mr. Specter, Mr. McClure, and Mr. Domenici conferees on the part of the Senate.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for morning business not to extend beyond 20 minutes and that Senators may speak for not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALZHEIMER'S DISEASE

Mr. HEINZ. Mr. President, I will only detain my colleagues for a moment on a subject that is pertinent to this bill. But we have been on a variety of subjects involving abortion, contraception, AIDS. And those are important issues and they deserve to be considered by the Senate. But I want to bring, just for one brief moment, to the attention of my colleagues a section of this appropriations bill that is before us today.

I do not have an amendment. Indeed, to the contrary, I want to commend the managers of the bill for increasing funding for research activities that are vital to solving the mysteries of Alzheimer's disease as well as for the training of those who will care for Alzheimer's disease victims.

Mr. President, it was only a few years ago, in 1983, that Congress really began to pay attention to this debilitating illness which today claims as many as 4 million victims. The additional moneys targeted to those studying Alzheimer's disease's possible causes, and to helping those suffering from this illness has since produced a vast array of research successes in a short period of time. Our support for this research has brought us closer to understanding the disease, but we must get closer still.

The appropriations bill before us today recommends a total of $133.7 million for Alzheimer's disease research and treatment activities in fiscal year 1989. That is $43.7 million over funding levels provided in fiscal year 1988. About $4.5 million has been earmarked for three new Alzheimer's Disease Research Centers, bringing the total to 15 across the country. Not only are the centers are providing extremely important research data on the disease itself, they also provide specialized training for health care providers, a role we in Congress hope will be enhanced during the coming year.

I am especially proud of the significant work being done at one of the current centers which is located in my own State of Pennsylvania at the University of Pittsburgh. Under the direction of Dr. Francoise Boller, this center has been deeply involved in investigating the possible causes of Alzheimer's disease, as well as developing diagnostic techniques that will be useful in identifying Alzheimer's disease victims early on.

Mr. President, the statistics associated with Alzheimer's disease are startling: It is the fourth leading cause of death, after heart attacks, strokes, and cancer, for those over 40. It will claim one out of six of us in our later years. This illness usually takes from 3 to 20 years to run its cruel course—first affecting memory and personality, finally causing total bodily disfunction and death.

Over half of our nursing home patients are Alzheimer victims at an unbelievable cost of more than $36 billion a year, a cost primarily borne by individual families since most victims are not covered by Medicaid, Medicare, or private insurance. Even veterans are not assured of care as the illness is classified as non-service related and most VA hospitals will not admit Alzheimer's disease patients.

In sum, these statistics make clear that we, as an "aging" society, face a serious crisis unless we do more to combat the disease. In this regard, I want to compliment the chairmen, the ranking members, and the staffs of the Appropriations Committee, Senator Chiles, Senator Weicker, and their staffs, and their subcommittee staffs who are in charge of overseeing these programs. They have done their job well. I have been impressed with their responsiveness to concerns that I and others have raised regarding the need for increased Alzheimer's disease research funds for this coming fiscal year. This bill reflects those concerns.

I, for one, want the managers of the legislation to know, along with all the other members of the Appropriations Committee, that this is one Senator who appreciates and is very grateful for their efforts. I yield the floor.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. If I can speak for a couple of minutes to join in those remarks. Because my father suffers from Alzheimer's disease, I will be very happy to support this legislation. It broadens our biomedical research initiatives in Alzheimer's research.

I note that yesterday this body passed Senate Joint Resolution 261, to designate November 1988 as "National Alzheimer's Disease Month." With this joint resolution, higher recognition is given to Alzheimer's disease and to its devastating cost to our society. As sponsor of this legislation, I wish to thank my 58 colleagues who supported the passage of this joint resolution.

I strongly support the moneys allocated to Alzheimer's research in this appropriations bill. I think it is very proper, and I join in the remarks of my colleague from Pennsylvania.

Mr. President, recently, I wrote to my distinguished colleague, Senator CHILES of Florida, who chairs the Labor-HHS Appropriations Subcommittee, to urge his subcommittee to expand the Federal investment in Alzheimer's research and education.

I am pleased that the subcommittee has recommended $133.7 million for that purpose, of which $119 million would be allocated for research on Alzheimer's disease. This is an increase of more than 30 percent over last year's appropriation. My hope is that this amount will be agreed to by both the House and Senate.

Personal correspondence from my constituents and newspaper articles from South Dakota and across the country underscore the tragic impact of Alzheimer's disease and other dementias. Money we invest in biomedical research to unlock the mystery of Alzheimer's disease might lead either to a cure or a way to stop the progression of this disease. It could save our Nation much money in the long run.

Alzheimer's disease is a neurological disorder. It is characterized by a deterioration of cognitive functions such as memory, attention span, and judgment. This disease is progressive and irreversible. Eventually, the Alzheimer's victim cannot take care of himself or herself and must be put in a nursing home. Approximately $14 billion for nursing home care comes from Federal sources—Medicare, Medicaid, Veterans' Administration, et cetera.

No longer can we close our eyes to hide this very serious problem. As our population ages, the number of older Americans afflicted with Alzheimer's disease will increase. According to the Department of Health and Human Services, 1 in 20 Americans between the ages of 65 and 85 will be stricken by Alzheimer's disease; every fifth person over age 85 will fall victim to this devastating disorder.

The progressive mental and physical deterioration of this disease can last from 5 to 20 years, resulting in death. The cost of diagnosis, treatment, nursing home care, informal care, lost wages of caregivers, and other indirect costs is extremely high.

Although Alzheimer's disease has been recognized as a legitimate public policy issue, historically, Federal funding of research on this disease has moved at a snail's pace when compared to research on other diseases, such as cancer or AIDS.

In 1986, cancer afflicted 1 million individuals and its cost to society was $71.6 billion. In 1987, the Federal Government appropriated $1.4 billion to fund cancer research.

During that year, 1.5 million individuals were afflicted with AIDS at a cost to society of $1.1 billion. In 1987, the Federal Government appropriated $271 million for AIDS biomedical research.

Yet, in the United States, Alzheimer's disease and related dementias afflicted approximately 3 million individuals in 1986. Federal support of biomedical research in 1987 was $64 million, while the cost of care for the victims of Alzheimer's disease is more than $90 billion annually.

Even with the meager amount of funding provided to biomedical research on Alzheimer's disease, it is encouraging to note that research advances have occurred. For example, researchers are aware that 10 percent or more of all Alzheimer's disease cases are hereditary. A recent research discovery found evidence of a defective gene on chromosome 21 that causes familial Alzheimer's disease, the type of disease passed from one generation to the next.

Other studies have found that one of the signs of Alzheimer's disease is a defective protein called amyloid. Clumps of amyloid debris which damage brain cells have been found during autopsies performed on Alzheimer's victims. Recently researchers found a gene that directs the manufacture of amyloid. Finding this gene will enable researchers to study how the protein forms and determine whether it is a cause of Alzheimer's disease or a result of the disease. The Alzheimer's gene and the amyloid gene are located in the same region on chromosome 21.

Researchers also know that nongenetic factors play a part in Alzheimer's disease. Studies around the Nation are examining the role of immunological dysfunction, stress, viruses, and environmental toxins as potential causes for Alzheimer's disease.

Advances in neuroimaging technology through the use of CAT scanners and positron emission tomography have been useful in aiding the diagnosis of Alzheimer's disease.

The Alzheimer's disease research centers are standardizing screening instruments and autopsy procedures in order to better coordinate research initiatives examining Alzheimer's disease.

Funding a treatment for Alzheimer's disease must be a high priority. To that end, I am pleased that Congress last year provided start-up funding to support clinical trials on the safety and effectiveness of a promising new drug, called THA. Currently, research on this drug is being conducted at 17 sites around the United States to determine whether it can offer symptomatic relief to Alzheimer's victims. We must continue to fund research on THA and other therapeutic agents that may cure or diminish the effects of Alzheimer's disease.

Mr. President, the Senate has looked toward the long term benefits of biomedical research instead of its short term costs. We have made a wise investment that ultimately will provide us with a high rate of return.

LET'S PASS THE SUPPLEMENTAL APPROPRIATION BILL

Mr. RIEGLE. Mr. President, on July 8, I raised the serious issue of a shortfall affecting thousands of workers who depend on the Trade Readjustment Assistance Program.

The House has now passed H.R. 5026, the dire emergency supplemental appropriation bill. We need to pass this legislation immediately so that the workers who are depending on these funds get their lifeline back.

TRA, which provides extended unemployment benefits to workers who have lost their jobs due to foreign imports, is especially important in view of the lack of other benefits available to these workers.

Under TRA, workers may receive an additional 26 weeks of extended unemployment benefits, once their regular State benefits are exhausted. An additional 26 weeks of benefits are available to workers enrolled in approved training programs requiring additional time.

The regular unemployment insurance system currently pays only 26 weeks of benefits, since the extended benefits program is functionally inoperative, due to a qualification level which no States currently meet. On March 16, 1988, I introduced S. 2175 to address the ineffectiveness of this program by making the triggering mechanism more reflective of those who are supposed to receive the benefits.

As of today, 26 States, including Michigan, are out of funds to pay TRA benefits to their recipients. There are 5,000 people affected in my State, and many of them have called my offices in Washington and Michigan. These are workers with nowhere else to turn. A woman from Flint, MI, called my office this morning. She is a laid-off auto worker and has no other source of income. She cannot quality for AFDC for 45 days, and she hasn't received a TRA check for 2 weeks. She has two children and is the head of her household. She said she was about to become one of the homeless. There are thousands of people who are one or two paychecks away from the same situation.

These people have rent or mortgages to pay, they have groceries to buy, they have basic needs which are not met with answers like those we are currently being forced to give them: "We are trying to pass this legislation. Once we do, you will receive retroactive payment, but until it is passed, and the funds are funneled to the States for distribution, we wish you the best of luck but there is nothing more we can do."

I know my colleagues share my tremendous dissatisfaction with that kind of an answer to desperate people. Yet, if we delay enactment of the dire emergency supplemental appropriation, that is what we are really saying.

The Labor Department estimates that all funds for the program will be exhausted by July 31.

I need not remind my colleagues of the tremendous human toll in addition to the economic consequences of our ever-worsening trade deficit. These workers are the ones who are directly affected, and this program is the safety net which was established to assist them.

This a critical situation which must be addressed immediately. I urge my colleagues to show compassion and restraint in passing H.R. 5026 immediately and without amendment so that the workers who are counting on these funds will not be hurt further.

AMBASSADOR-AT-LARGE TO THE AFGHAN RESISTANCE

Mr. HUMPHREY. Mr. President, last night the Senate adopted an amendment sponsored by the Republican leader, Senator DOLE, that mandates within the State Department a position to be styled "Ambassador at Large to the Afghan Resistance."

That is an effort which a number of us in the Senate have been promoting for some time. Indeed, both the majority leader and the Republican leader wrote several weeks ago to the Secretary of State urging the Department on its own to create such a position.

The Senate has adopted an amendment to this bill now pending that will create such a position. I hope with the support of the majority leader and the Republican leader that this provision will remain intact when this bill reaches the conference.

When and if we name an Ambassador at Large to Afghanistan, our continued presence, with the Embassy in Kabul, the seat of the government against which the Afghan resistance, with our encouragement, are struggling, becomes inconsistent with the creation of the position of Ambassador at Large to the resistance. Not only is the continuation of our Embassy in Kabul inconsistent with the action of the Senate in the creation of such a position, but perhaps even more important, the safety of our Embassy personnel in Kabul is increasingly jeopardized.

Just this morning I read in the Washington Times an article, part of which reads as follows:

West Germany was evacuating non-essential embassy staff from Kabul yesterday after Afghan guerrillas rained 170 rockets on the Afghan capital last week in one of the biggest and most sustained barrages of the nine-year war.

A Foreign Ministry spokesman in Bonn said that over the last few days embassy staff had been reduced to a minimum and the dependents of remaining staff were being evacuated because of guerrilla attacks.

Saturday's barrage was the heaviest of the week with 60 rockets falling on the city during the day, Western diplomats in Pakistan said.

The French Embassy took a direct hit but nobody was badly hurt, Western diplomats in Pakistan said. Another rocket narrowly missed the U.S. mission.

Last week's barrage appeared aimed largely at the north and northwest of the city where there are major military installations and in southwestern areas housing the Soviet Embassy, Soviet army headquarters and the Defense Ministry.

"This latest attack is just part of the geneally worsening situation in Kabul," the Bonn official said.

So far this month more than 200 rockets have hit Kabul with at least one attack every day and sometimes salvoes of up to 10 at a time. . .

I ask unanimous consent, Mr. President, that this Washington Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AFGHAN REBELS BOMBARD KABUL WITH BIGGEST ROCKET BARRAGE YET

West Germany was evacuating non-essential embassy staff from Kabul yesterday after Afghan guerrillas rained 170 rockets on the Afghan capital last week in one of the biggest and most sustained barrages of the nine-year war.

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"This latest attack is just part of the generally worsening situation in Kabul," the Bonn official said.

So far this month more than 200 rockets have hit Kabul with at least on attack every day and sometimes salvoes of up to 10 at a time.

"This many in one week is probably the heaviest of the war," said Ijaz Gilani, an Afghan analyst with Pakistan's Institute of Strategic Studies.

"We have probably not had as heavy rocketing in such a short time before."

He said there was no indication rebel forces trying to topple the Soviet-backed government in Kabul were in any position to really threaten the capital.

"It seems to me their point is to demonstrate their ability to hit Kabul when they want," he said.

A Western analysis of this month's rocket attacks shows guerrilla activity much greater than at any time this year and far outweighing last July's levels.

On five occasions there were protracted barrages, appearing to require coordinated guerrilla action from different sides of the city, said another Western diplomat.

The diplomat said a major reason for the guerrillas being able to strike at Kabul with such intensity was a decision by Soviet and Afghan forces to withdraw from their outermost defenses and consolidate on their second defensive ring.

This had given the mujahideen the opportunity to get closer to the city.

He said they recently acquired longer range rockets, allowing them to fire on the capital from up to 20 miles away.

The seizure of territory south of Kabul gave them control of infiltration routes from border areas and camps in Pakistan, allowing a larger and more regular flow of men and arms, he said.

Western diplomats have reported a steady increase of pressure around Kabul over the past month from the mujahideen guerrillas fighting to topple the Soviet-backed government of President Najibullah.

Mr. HUMPHREY. Mr. President, the point is it is increasingly unsafe for our people in Kabul. If we need an excuse for finally shutting down that Embassy, we now have it.

This week the West German Embassy evacuated all but a skeleton staff from Kabul and removed all of its dependent personnel, according to the report. The French Embassy took a direct hit this week in Kabul. Fortunately, no one was hurt. Likewise, according to this report, another rocket narrowly missed the U.S. Embassy.

Mr. President, time is long overdue for the shutting down of that Embassy, both for strategic reasons and now for reasons of safety to our personnel. I hope that the State Department and the Executive will regard as a stimulus the option last night of the amendment which creates a position of Ambassador at Large to the resistance as a further signal that it is time to close our Embassy in Kabul.

MESSAGES FROM THE PRESIDENT

Message from the President of the United States were communicated to the Senate by Mr. Saunders, one of his Secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bills and joint resolutions:

On June 7, 1988:

S. 1988. An act to amend the Merchant Marine Act, 1920, and for other purposes.

S. 1989. An act to implement the Treaty on Fisheries between the Governments of Certain Pacific Island States and the Government of the United States of America.

On June 16, 1988:

S.J. Res. 266. Joint resolution to designate the week beginning June 12, 1988, as "National Scleroderma Awareness Week".

On June 17, 1988:

S. 1652. An act to authorize the establishment by the Secretary of Agriculture of a plant stress and water conservation research laboratory and program at Lubbock, TX.

S. 2304. An act to amend the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1986, to extend the life of the Commission on the Ukraine Famine.

On June 22, 1988:

S. 1539. An act to amend the Federal Railroad Safety Act of 1970 and for other purposes.

S.J. Res. 249. Joint resolution designating June 14, 1988, as "Baltic Freedom Day".

On June 23, 1988:

S.J. Res. 147. Joint resolution designating the week beginning on the third Sunday of September in 1988 as "National Adult Day Care Center Week."

On June 24, 1988:

S. 794. An act to amend chapter 13 of title 18, United States Code, to impose criminal penalties for damage to religious property and for obstruction of persons in the free exercise of religious beliefs.

On June 27, 1988:

S. 952. An act to improve the administration of justice by providing greater discretion to the Supreme Court in selecting the cases it will review, and for other purposes.

S. 1901. An act to designate the Federal building located at 600 Las Vegas Boulevard in Las Vegas, NV, as the "Alan Bible Federal Building."

S. 1960. An act to designate the Federal building located at 215 North 17th Street in Omaha, NE, as the "Edward Zorinsky Federal Building."

On June 28, 1988:

S. 2156. An act to amend the National School Lunch Act to require eligibility for free lunches to be based on the nonfarm income poverty guidelines prescribed by the Office of Management and Budget.

S. 2167. An act to amend the Energy Policy and Conservation Act to provide for Federal energy conservation standards for fluorescent lamp ballasts.

On July 7, 1988:

S.J. Res. 304. Joint resolution designating July 2, 1988, as "National Literacy Day."

On July 13, 1988:

S. 1856. An act to amend chapter 25 of title 44, United States Code, to provide an authorization for the National Historical Publications and Records Commission programs, and for other purposes.

S. 2188. An act to amend section 307 of the Federal Employees' Retirement System Act of 1986.

On July 19, 1988:

S. 623. An act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990, and for other purposes.

S. 2203. An act to extend the expiration date of title II of the Energy Policy and Conservation Act.

S. 2248. An act to designate the U.S. Courthouse located at 156 Federal Street in Portland, ME, as the "Edward Thaxter Gignoux United States Courthouse."

On July 26, 1988:

S.J. Res. 318. Joint resolution to designate the week of July 25-31, 1988, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War."

MESSAGES FROM THE HOUSE

At 9:55 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 90) to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 95. A concurrent resolution to express the sense of the Congress with respect to the denial of health insurance coverage for disabled adopted children.

ENROLLED JOINT RESOLUTION SIGNED

At 12:06 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 90. Joint resolution to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes.

The enrolled joint resolution was subsequently signed by the Acting President pro tempore [Mr. GRAHAM].

At 3:01 p.m., a message from the House of Representatives, delivered by Mr. Hayes, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5026. An act making dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 5026. An act making dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes; to the Committee on Appropriations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3619. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on four violations of law involving overobligations of approved appropriations; to the Committee on Appropriations.

EC-3620. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on a violation of law involving the overobligation of an approved appropriation; to the Committee on Appropriations.

EC-3621. A communication from the Director, Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, a report on the financial condition and operating results of the Working Capital Funds of the Department of Defense for fiscal year 1987; to the Committee on Armed Services.

EC-3622. A communication from the Director, Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, notice that the Defense Logistics Agency intended to exercise a provision of law for exclusion of a clause concerning examination of records by the Comptroller General; to the Committee on Armed Services.

EC-3623. A communication from the Secretary of Energy, transmitting, pursuant to law, the fifth annual update to the Comprehensive Ocean Thermal Technology Application and Market Development Plan; to the Committee on Energy and Natural Resources.

EC-3624. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3625. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3626. A communication from the Acting Administrator of General Services, transmitting, pursuant to law, informational copies of proposed lease prospectuses; to the Committee on Environment and Public Works.

EC-3627. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Hazardous Waste-New Approach Needed to Manage the Resource Conservation and Recovery Act"; to the Committee on Environment and Public Works.

EC-362. A communication from the Assistant Secretary of Commerce (Import Administration), transmitting, pursuant to law, the annual report on the activities of the Foreign-Trade Zones Board for fiscal year 1984; to the Committee on Finance.

EC-3629. A communication from the Acting Chairman of the United States International Trade Commission, transmitting, pursuant to law, the annual report of the Commission on the operation of the United States trade agreements program during 1987; to the Committee on Finance.

EC-3630. A communication from the Chairman of the Prospective Payment Assessment Commission, transmitting, pursuant to law, a report on Outlier Payment Alternatives for Burn Cases; to the Committee on Finance.

EC-3631. A communication from the Acting Chairman, of the U.S. International Trade Commission, transmitting, pursuant to law, the Commission's fifty-fourth quarterly report on trade between the U.S. and the nonmarket economy countries; to the Committee on Finance.

EC-3632. A communication from the U.S. Trade Representative, transmitting, pursuant to law, a report describing new petitions filed under Section 301 of the Trade Act of 1974; to the Committee on Finance.

EC-3633. A communication from the Director of Congressional Affairs, United States Arms Control and Disarmament Agency, transmitting, pursuant to law, a report on U.S. and Soviet updated exchanged information about their INF missile systems; to the Committee on Foreign Relations.

EC-3634. A communication from the Acting Director, U.S. Arms Control and Disarmament Agency, transmitting, pursuant to law, a report on studies relating to arms control and disarmament issues; to the Committee on Foreign Relations.

EC-3635. A communication from the Assistant Inspector General for Administration, Office of the Inspector General, U.S. Department of Agriculture, transmitting, pursuant to law, notices of computer matching programs; to the Committee on Governmental Affairs.

EC-3636. A communication from the Comptroller, General Services Administration, transmitting, pursuant to law, the annual report for the fiscal year ending September 30, 1987, on the Presidents Retirement System; to the Committee on Governmental Affairs.

EC-3637. A communication from the Administrator of the Veterans Administration, transmitting, pursuant to law, a report on the Veterans Administration records system; to the Committee on Governmental Affairs.

EC-3638. A communication from the Director of Selective Service, transmitting, pursuant to law, a notice concerning the Selective Service System Registration Compliance Program for computerized matching of individual records maintained by the Selective Service System against records of other federal and non-federal sources; to the Committee on Governmental Affairs.

EC-3639. A communication from the Administrator of Veterans' Affairs, transmitting, pursuant to law, a notice regarding a computer matching program to be conducted by the Veterans' Administration; to the Committee on Governmental Affairs.

EC-3640. A communication from the Comptroller General of United States, transmitting, pursuant to law, a listing of reports issued by the General Accounting Office during the month of June 1988; to the Committee on Governmental Affairs.

EC-3641. A communication from the Administrator of General Services, transmitting, pursuant to law, the results of a study of the costs of operating privately owned vehicles to Government employees while engaged on official business; to the Committee on Governmental Affairs.

EC-3642. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, a report entitled "Toward Effective Performance Management in the Federal Government"; to the Committee on Governmental Affairs.

EC-3643. A communication from the Clerk of the United States Court of Appeals, transmitting, pursuant to law, a report on the investigation of a special counsel in regard to Nofziger, Edwin Meese, III, Div, No, 87-1; to the Committee on the Judiciary.

EC-3644. A communication from the Chairman of the United States Naval Sea Cadet Corps, transmitting, pursuant to law, the annual audit report of the Corp for calendar year 1987; to the Committee on the Judiciary.

EC-3645. A communication from the Executive Vice President of the Non Commissioned Officers Association of the United States of America, transmitting, pursuant to law, the annual report of the Association for calendar year 1987; to the Committee on the Judiciary.

EC-3646. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for College Library Technology and Cooperation Grants Program; to the Committee on Labor and Human Resources.

EC-3647. A communication from the Acting Assistant Secretary of Health and Human Services (Legislation), and the Chair Person of the Commission on Nursing, transmitting jointly, pursuant to law, the interim report on the Secretary's Commission on Nursing; to the Committee on Labor and Human Resources.

EC-3648. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final funding priorities for Handicapped Special Studies Program; to the Committee on Labor and Human Resources.

EC-3649. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Independent Living Services for Older Blind Individuals; to the Committee on Labor and Human Resources.

EC-3650. A communication from the Executive Secretary to the Secretary of Defense, transmitting, pursuant to law, a report on the Department of Defense procurement from small and other business firms for the period October 1987 through April 1988; to the Committee on Small Business.

EC-3651. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the third annual report on agricultural trade consultations; to the Committee on Agriculture, Nutrition, and Forestry.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 1912: A bill to authorize a study of the feasibility of establishing a national Mimbres Museum in Silver City, New Mexico, and for other purposes (Rept. No. 100-433).

S. 2157: A bill to authorize three feasibility studies to be conducted in New Mexico dealing with the San Gabriel Historic Landmark, the significance of the Los Luceros Hacienda, and the establishment of an interpretive center to highlight the first colonization of the interior of the United States in New Mexico (Rept. No. 100-434).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment:

H.R. 4419: A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974 (Rept. No. 100-435).

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

H.R. 3811: A bill to designate the Federal building located at 50 Spring Street, Southwest, Atlanta, Georgia, as the "Martin Luther King, Jr., Federal Building".

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 63: A concurrent resolution expressing the sense of the Congress regarding the formulation and implementation of a regional economic development and recovery program for Central America.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

Robert O. Hunter, Jr., of California, to be Director of the Office of Energy Research;

Joseph F. Salgado, of California, to be Deputy Secretary of Energy;

Donna R. Fitzpatrick, of the District of Columbia, to be Under Secretary of Energy; and

Elizabeth Anne Moler, of Virginia, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1991.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PELL, from the Committee on Foreign Relations:

John Florian Kordek, of Illinois, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John F. Kordek.

Post: Botswana.

Contributions, amount, date, and donee.

1. Self: John F. Kordek, none.
2. Spouse: Alice M. Kordek, none.
3. Children and spouses names: Catherine and Andrew, none.
4. Parents names: Mr. and Mrs. John S. Kordek, none.
5. Grandparents names: Mr. & Mrs. Frank Kordek (deceased); Mr. & Mrs. Joseph Rogalski (deceased), none.
6. Brothers and spouses names: Phillip Kordek, none.
7. Sisters and spouses names: Judith Pasowicz, none.

Carl Copeland Cundiff, of Nevada, a Career Member of the Senior Foreign Service, Class of Minister-Counselor to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Carl Copeland Cundiff.

Post: Ambassador to Niger.

Contributions, amount, date, and donee.

1. Self: Carl C. Cundiff, none.
2. Spouse: Jacqueline E. Cundiff, none.
3. Children and spouses names: Simon S. Cundiff; Sarah E. Cundiff, none.
4. Parents names: Carl H. Cundiff; Wanda Cundiff, none.
5. Grandparents names: none.
6. Brothers and spouses names: none.
7. Sisters and spouses names: none.

John Andrew Burroughs, Jr., of Maryland, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uganda.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Burroughs, John A. (Jr.)

Post: U.S. Ambassador to Uganda.

Contributions, amount, date, and donee.

1. Self: John A. Burroughs, Jr., none.
2. Spouse: Audrey C. Burroughs, none.
3. Children and spouses names: No children.
4. Parents names: Mother, Mary Virginia Burroughs, deceased; Father, John A. Burroughs, Sr., deceased.
5. Grandparents names: Unknown.
6. Brothers and spouses names: No brothers.
7. Sisters and spouses names: No sisters.

Robert L. Pugh, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Robert L. Pugh.

Post: Embassy N'Djamena, Chad.

Contributions, amount, date, and donee.

1. Self: None.
2. Spouse: Bonnie B. Pugh, none.
3. Children and spouses names: Malcolm R. Pugh; Anne C. Pugh, none.
4. Parents names: Archie C. Pugh, died 1933; Grace A. Pugh, died 1973.
5. Grandparents names: All have been dead for decades.
6. Brothers and spouses names: George M. Sheets: Ruth Sheets; Edwin F. Sheets; Linda Sheets, none.
7. Sisters and spouses names: Lonna Arklin, none.

William H. Twaddell, of Rhode Island, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Mauritania.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: William H. Twaddell.

Post: Ambassador, Mauritania.

Contributions, amount, date, and donee.

1. Self: None.
2. Spouse: N/A.
3. Children and spouses names: William Sanderson Twaddell; Ellen Johnson Twaddell, none.
4. Parents names: Helen J. Twaddell, father (deceased) none.
5. Grandparents names: Deceased.
6. Brothers and spouses names: Stephan and Doris Twaddell, none; James F. and Marlene Twaddell, $500, August, 1984, Senator Claiborne Pell.
7. Sisters and spouses names: None.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs:

James B. Coles, of California, to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring October 27, 1990;

James G. Stearns, of Nevada, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1991; and

Richard C. Houseworth, of Arizona, to be a member of the Board of Directors of the Export-Import Bank of the United States for a term of 4 years expiring January 20, 1991.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HECHT:

S. 2659. A bill entitled the "Nevada Federal Wilderness Act of 1988"; to the Committee on Energy and Natural Resources.

By Mr. SIMON (for himself and Mr. Metzenbaum):

S. 2660. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to authorize appropriations for fiscal years 1989 through 1992 for transitional living projects; to the Committee on the Judiciary.

By Mr. MOYNIHAN (for himself and Mr. D'Amato):

S. 2661. A bill relating to the tariff treatment of certain entries of digital processing units; to the Committee on Finance.

By Mr. BYRD (for Mr. Hollings):

S. 2662. A bill to remedy injury to the U.S. textile and apparel industries caused by increased imports.

By Mr. STAFFORD (for himself, Mr. Baucus, Mr. Chafee, Mr. Durenberger, and Mr. Gore):

S. 2663. A bill entitled the "Global Environmental Protection Act of 1988"; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HECHT:

S. 2659. A bill entitled the "Nevada Federal Wilderness Act of 1988"; to the Committee on Energy and Natural Resources.

NEVADA FEDERAL WILDERNESS ACT

Mr. HECHT. Mr. President, today I am introducing a bill to designate a reasonable amount of Federal wilderness in the State of Nevada. I do so after considerable analysis and reflection. This bill is the product of a series of five official Senate hearings which I held in Nevada early in 1986, and seven unofficial public meetings which I recently conducted all around my State this spring.

"Wilderness" is one of those words that conjures up all sorts of romantic and inspiring images: Alpine lakes, rugged mountains, clear blue skies, gurgling trout streams, a herd of elk brousing in the twilight. That's the way wilderness is portrayed in glossy magazines. The beautiful photos that appear in the pages of these magazines seem to portray wilderness, but they are not Federal wilderness as defined by Federal law and Federal regulations.

Today I am speaking not of beautiful photos, but of enacting a Federal statute, which brings with it a whole raft of Federal regulations, agency manuals, and bureaucratic policies and procedures. So I think it is essential for all Nevadans to distinguish between the warm photographic image of wild lands, and the dense Federal lawbooks that define and govern what Congress calls wilderness.

For instance, in the scene I just described, the legal definition of Federal wilderness means you couldn't put a boat on that lake because there would be no practical way to get it there since motorized vehicles are forbidden in wilderness, you wouldn't be allowed to drive a snowmobile into those rugged mountains during the winter because motorized vehicles aren't allowed in Federal wilderness, you wouldn't be allowed to catch fish from that stream unless that species of fish was native to the area and not introduced by man, and, if those elk depended on habitat manipulation by State or Federal biologists, you better forget about the elk staying around very long because habitat manipulation is unnatural and therefore forbidden inside Federal wilderness. And what about the hunter or fisherman who would lose access roads to favorite hunting and fishing areas because four-wheel drive rigs are banned in Federal wilderness. Even those clear blue skies might be endangered, Mr. President, because if there happens to be a forest fire, you're supposed to sit back and watch it burn up the wilderness, and the trees and animals that live in the wilderness, because fire is part of a natural system, and, as ought to be clear by now, fooling with

Mother Nature is forbidden in Federal wilderness.

The problem is that Mother Nature has a mind of her own, and her actions are frequently unpredictable and sometimes quite threatening to us humans. We learned to use fire, clothe ourselves, domesticate plants and animals, and invented medicine. We are at the same time part of nature, and yet able to protect ourselves somewhat from her wilder moods. A blizzard or a grizzly bear may be thrilling in the pages of a magazine, it's a bit more ominous when you face it out in the mountains.

Now, I believe that Nevada needs natural wilderness areas, and I want Nevada to have wild lands. I also believe that there is enough land in Nevada so that some areas can be set aside as Federal wilderness. I believe Nevada needs wild areas; places where nature can act more or less independently of the influence of man, so that our citizens can always have a place to observe how nature works when she is pretty much on her own, so that our people can always have a place to go to experience solitude and reenter, if only briefly, that closer communion with nature and God's works that was commonplace in the West around the turn of the century, but is not so commonly experienced now, with most westerners concentrated in large cities that are more similar to what is found in the East than they are to "God's country". Finally, Nevadans need wild lands where we can test our physical abilities and mental skills in many of the same ways that nature has used for more than a century to teach the westerner strength, endurance, self-reliance, flexibility, and the skill to coexist with nature through understanding natural forces and processes. It is important to distinguish, however, between wild lands and Federal wilderness areas. We can have wild areas without the regulatory burden associated with Federal wilderness designation.

The issue, then, is how much officially designated Federal wilderness do we need, for whom, where shall it be, why should certain areas be selected and not others, and who gets to decide? After spending a great deal of time listening to the opinions of thousands of Nevadans, I have attempted, through this legislation, to answer these questions forthrightly and directly, without playing politics with the issue, and without staking out an artificial negotiating position from which to bargain with the democratic leadership of the House of Representatives that seems to be so interested in dictating to Nevadans how we should live in our own State.

We Nevadans need to look out for our own. During my recent series of meetings throughout Nevada, many sportsmen expressed great concern about the loss of hunting and fishing opportunities, and fish and wildlife management improvements, that would result from roads being closed down inside Federal wilderness. I met with many disabled individuals during my recent wilderness meetings in Nevada. These very courageous people enjoy the recreational opportunities of the great outdoors. They fish, hunt, camp, and just simply like getting out into Nevada's rugged and beautiful wild lands. And, yet, these people will be excluded from Federal wilderness. Surely, this is not the intention of Congress, but it will happen if we don't act with leadership and foresight to protect the rights of the handicapped.

My bill requires the Secretary of Health and Human Services to submit a report to Congress which analyzes the impact of Federal wilderness designation on the handicapped, disabled, and the elderly. This report will examine the loss of recreational opportunities, and the possibility of discrimination, resulting from restrictions on access to Federal wilderness areas.

Mr. President, the founder of a well known spinal chord injury organization in Las Vegas put it best. She said, "Please do not discriminate against these kids in wheelchairs and senior citizens or anybody else that needs motorized vehicles to go see the beautiful sites that we have in this State."

Mr. President, my bill creates something which all Nevadans can enjoy: Nevada's second national recreation area. The new 26,000-acre Mount Rose national recreation area created by my bill will include 18,000 acres of wilderness, so residents and visitors to northwestern Nevada will have readily accessible wild land recreational opportunities, and so this beautiful and popular area will be protected from urban sprawl as the nearby cities continue their rapid growth.

Federal wilderness has some advantages, but it also has serious disadvantages. I have tried to draw the boundaries, and write the language of my bill so that Nevadans can enjoy the advantages of a reasonable amount of Federal wilderness, and escape as many of the disadvantages as possible.

Mr. President, I readily admit that there are exceptions to some of the rather ironic and bizarre aspects of the legal definition of Federal wilderness which I just related. If a winter camper broke a leg inside a Federal wilderness, you might be able to get him out with a sheriff's search and rescue jeep posse, if you could convince three or four levels of bureaucrats that it was unreasonable to expect him to limp out or ride out on a horse. Of course, by the time you got the necessary clearances, he might have a pretty unpleasant case of gangrene. If those nonnative fish in the stream had been stocked there for a century, then stocking could probably continue, but you better forget about introducing a new species of fish, no matter how beneficial it might be. If that Federal wilderness forest fire were clearly about to endanger human life or property, it could be fought with motorized equipment. The bureaucrats are not going to pull out the mechanized equipment to save animal life from fire in Federal wilderness, so Smokey the Bear would not want to live in a Federal wilderness area. The rangers would stand off to the side and watch him try to find his own way out of the blaze. The key thing to bear in mind about forest fires is that while they tend to start small, they can rapidly explode over thousands of acres. Timing is everything in firefighting. By the time the bureaucrats decide the firefighting crews could trade in their hand axes and shovels for chain saws and bulldozers, you might have lost the opportunity to prevent the fire burning up not only the entire Federal wilderness area, but also half a county of nearby nonwilderness.

The point is, Mr. President, that there is more to the Federal wilderness debate than what meets the eyes on television nature shows. In this context, my job is to do my best to help my constituents understand what congressionally designated wilderness is really all about, to give them the opportunity to express their wishes on this issue, and then to use my best judgment, in consultation with the affected local governments, to develop a bill which best serves the needs of Nevada.

As I stated earlier, over the last 2 years I have conducted a total of 12 meetings in Nevada on Federal wilderness. I would like to share with my colleagues some of the ideas that were expressed during these meetings.

First, let me discuss some of the points that were made by the people who testified in favor of Federal wilderness. The most common argument was that Federal wilderness designation is necessary to preserve land unspoiled for future generations, so that there will always be natural places that man can retreat to, away from the daily pressures of civilization. Another major point was that Nevada needs to do something to improve the State's image across the country, and that if large amounts of the State were to be designated as Federal wilderness, then people from other States would not think of Nevada as a wasteland, and would not be as eager to make Nevada the national dumping ground for high level nuclear waste and other less than desirable programs. There was also the argument that Nevada currently has a smaller fraction of its total land in Federal wilderness than any other Western State, with the implication that we need to catch up. Finally, there is the perception the Federal wilderness designation is beneficial for fish and wildlife protection, and that animals need Federal wilderness areas if they are to survive man's depredations.

People who oppose Federal wilderness, or who would prefer a very modest amount of land to be officially designated as wilderness, typically offer the following arguments. They need their roads, or "ways," for access to hunting and fishing areas. Federal wilderness, they say, threatens the economy and the culture of rural communities that are often very closely tied to the land. Nevada is 87-percent federally owned, and many of our rural counties are well in excess of 90-percent federally owned. So, if rural communities are to survive, their citizens need access to Federal lands to mine, graze cattle, make water-related improvements, and drive in to hunt or fish. I have heard horror stories from individuals who have personal experience with Federal wilderness management resulting in the loss of grazing opportunities, forfeiture of mining claims, road closures, loss of watershed improvements, destruction of historic structures and cabins, and other injuries, all performed by Federal bureaucrats who say they are just trying to do their best to conform to what they think to be Congress' view of the definition of wilderness.

Federal wilderness, it is said, is intrinsically discriminatory. The elderly, the disabled veteran, the handicapped, young children, the less than physically vigorous of all ages, and people whose jobs prevent them from taking extended periods off from work, simply can't get into Federal wilderness to enjoy it because there is no motorized access.

Opponents of Federal wilderness point out that the reason the Federal wilderness study areas meet the manmade criteria for official wilderness designation is that they are either so inaccessible that there is no threat to them under any conceivable set of circumstances or, if they are accessible, the local people and Federal agencies have done such a good job of protecting them over the years that their wilderness qualities have been preserved, and are likely to be preserved in the future. Either way, opponents of Federal wilderness argue, there are no advantages, and there are significant disadvantages, to Congress designating these lands as official wilderness. Where there have been abuses, and land has been degraded, the appropriate response is not Federal wilderness designation, but more vigorous enforcement of the entirely adequate laws and regulations that are already on the books.

From a quantitative viewpoint, about three-quarters of the people who testified at my recent meetings, or who filled out opinion ballots which I distributed at those meetings, favored no more national forest wilderness in Nevada beyond the 132,000 acres in Congresswoman VUCANOVICH's bill, H.R. 708. This is a distinct shift from the official hearings I conducted 2 years ago, when the testimony was basically split right down the middle, with a very small majority favoring the approach that Senator LAXALT, Congresswoman VUCANOVICH, and I were proposing at that time. Quite a few people submitted written comments this year, and there were also a number of petitions and postcard campaigns on both sides of the issue.

Perhaps the most striking aspect of my recent meetings was the fact that the rural communities are overwhelmingly against Federal wilderness, for many of the reasons I have related earlier. The metropolitan area in northwestern Nevada, on the other hand, is very supportive of Federal wilderness, particularly of Federal wilderness designation for the Mount Rose area outside Reno. The residents of Clark County, Nevada's major metropolitan area, seem split on the issue, with a majority in favor of less Federal wilderness.

Two questions on the opinion ballot that I distributed at the recent public meetings dealt with the issue of Federal reserved water rights in Federal wilderness, and whether or not the delegation should wait for the Bureau of Land Management to complete its own wilderness evaluation process, and then proceed to designate all Federal wilderness for Nevada in one omnibus bill for all four Federal land management agencies that are active in Nevada: the Forest Service, the Bureau of Land Management, the Fish and Wildlife Service, and the National Park Service.

An identical 69 percent of those answering each question wanted the issue of water rights resolved before the delegation proceeded with Federal wilderness legislation, and wanted wilderness for all four Federal agencies to be resolved at the same time.

Now, there are a number of things that are very clear to me from my several years of gathering information and public input on the subject of Federal wilderness. First, there is a lot of confusion on both sides of the issue with respect to the meaning of Federal wilderness and the motivations of proponents and opponents. Let me try and clear up some of this confusion.

Federal wilderness is not a national park. Different rules apply in Federal wilderness. You can't drive into Federal wilderness, sit down at a picnic table, buy ice cream from a concessionaire, and camp overnight in a trailer park. You have to stop your vehicle at the edge of Federal wilderness, and pack in everything you plan to use while you're inside the Federal wilderness area. There are not supposed to be amenities of any kind.

Federal wilderness is supposed to be designated only in a roadless area, but it turns out that the word "road" means different things to different people. For purposes of Federal wilderness designation, a road is something that is mechanically improved and maintained; anything else is a "way." Well it turns out that there are an awful lot of "ways" inside roadless areas in Nevada, and people have been driving motorized vehicles on these "ways" for a very, very long period of time. As far as these people are concerned, a road is somewhere you can drive a vehicle, so anyone who wants to close off a "way" inside a Federal wilderness area is actually closing off a road. So when advocates of Federal wilderness say there are no roads inside wilderness areas, they may be legally correct, but they are also incorrect from the commonsense perspective that is the only perspective that matters to the people who are used to driving on these roads.

Another misconception concerning Federal wilderness involves the issue of grazing. Grazing is allowed in Federal wilderness areas, and wilderness supporters get exasperated when ranchers complain that Federal wilderness will put them out of business. The problem here is that what Congress can give with one hand, it has allowed Federal agencies to take away with the other. Grazing can be eliminated from Federal wilderness areas without being explicitly banned. Let me explain how.

In the year 1819, Chief Justice John Marshall, in his opinion on the case of McCulloch versus Maryland, said "that the power to tax involves the power to destroy." If he had written that opinion in the 1980's, he would have added that the power to regulate also involves the power to destroy. Ranching is already heavily regulated. The modern West bears little relation to the John Wayne movies full of cattle barons. Nobody gets into ranching to get rich nowadays. Ranching, at least in Nevada, is not a terribly lucrative activity. Most Nevada ranches are owned by people whose families have been in the business for generations, and do it because of tradition, because it is personally rewarding to work on the land rather than in an office, and because it gives them a sense of pleasure to be a productive part of a close-knit, rural community. Federal wilderness imposes new regulations on ranchers. It makes it more expensive and time-consuming to run cattle in Federal wilderness areas. During the meetings I held in Nevada on the issue of Federal wilderness, I uncovered many examples of Federal wilderness regulations causing problems for ranchers. These added regulations can turn a barely profitable ranching operation into a money-losing venture. You can't afford to lose money year-in and year-out for too many years, and still expect to put your children through college, or even make the payments on your mortgage or other loans. Ultimately, the rancher is forced to sell out, and Congress and the bureaucrats have eliminated grazing from Federal wilderness just as certainly and just as effectively as if there were a statutory ban in the law itself. Ranchers have seen this sort of thing happen to friends in other States, and so they are afraid it is going to happen to them in Nevada.

Supporters of wilderness argue frequently that Federal wilderness designation is necessary to protect the land. They claim that greedy private corporations, usually identified as mining companies, have raped and destroyed the land in the past and are bound to do it again if we don't designate land as official wilderness.

While it is certainly true that there is a lot of mining going on in Nevada, and that each mine does tear up the 100 or 200 acres surrounding it, but advocates of Federal wilderness seem to imply that anybody can just drive 10 or 20 bulldozers up to any mountain of his choice and start tearing the mountain down. Well, maybe that's the way things worked in the 1890's, but we have learned a lot since then. This is the age of the environmental impact statement, the 404 dredge and fill permit, the section 7 endangered species consultation, and dozens of other laws and regulations that require Federal agencies to carefully review and monitor whatever any mining company proposes to do. The plain fact is that no mining company is going to be able to bulldoze any mountain until it has jumped through a lot of regulatory loops which allow plenty of opportunity for public involvement and participation. I might add that this same process allows plenty of opportunity for senatorial intervention, as well. Let me assure my colleagues, as well as Nevada's Sierra Clubbers, that regardless of my reservations about the advantages of official wilderness designation, if anyone were to come up with some sort of scheme to bulldoze the Ruby Mountains or put a resort condominium development up in Arc Dome, this Senator would be leading the charge to prevent it.

Now, I know the Forest Service is doing a good job keeping tabs on Nevada's miners and ranchers and preventing the land from being degraded, because I regularly get complaints from ranchers and miners about what they consider to be the unreasonable demands of overzealous forest rangers. Sometimes the bureaucrats do ask a bit more than is reasonable, but at least the steady stream of complaints shows that the Forest Service is taking pains to protect the land. I therefore reject the idea that Nevada's lands will face some sort of environmental catastrophe if they aren't designated Federal wilderness. This simply won't happen. Not designating an area official wilderness will not result in destruction of the area. The Forest Service will conduct business as usual, and the land will continue to be protected under multiple use. If the Forest Service is not doing a good enough job to protect the land, then the answer is to make it easier for the agency to achieve better management under multiple use, not to exclude people from the land through Federal wilderness designation.

It is so often said that Federal wilderness is good for fish and wildlife. The facts suggest that this doesn't necessarily follow. If we humans consider it preferable to have relatively large numbers of some species, and therefore, necessarily fewer numbers of other species, then Federal wilderness designation can actually be harmful. Nature is always changing, and that means that the sorts of plants and animals that inhabit a given area also change over time.

If we want to preserve one particular plant and animal community over a prolonged period of time, that almost certainly is going to mean taking aggressive management measures to prevent natural ecosystem changes. That means putting in water improvements when the watershed is going through a dry phase. That means removing plants that do not make good forage for animals humans tend to favor like deer and elk, and artificially manipulating habitat so preferred plant foods stay in abundance. If we wish to maintain certain types of trees in our forests, then we must be willing to wage war against insects that periodically invade those forests in vast hordes and would destroy them.

For me, the final proof that Federal wilderness is not necessarily a good thing for fish and wildlife, or at least those fish and wildlife that humans seem to prefer, is the fact that the International Association of Fish and Wildlife Agencies has expressed concern about the impact of Federal wilderness designation on fish and wildlife management programs in Federal wilderness areas. To bring this discussion a little closer to Nevada, let's consider the table Mountain wilderness study area. Table Mountain is the site of a major effort to introduce elk. But in order for the elk to thrive, the Forest Service needs to manage the habitat in ways that would not be possible, or at least extremely difficult, if Table Mountain were to become a wilderness area. The Spring Mountains in southern Nevada is another area where the State is trying to establish an elk population. It hasn't been easy, and any success has resulted from aggressive habitat management, the same sort of habitat management that would be difficult or impossible inside a Federal wilderness. The choice is clear: Federal wilderness or elk.

An important part of any decision-making process, whether it's in government, business, or the playground, is evaluation of the results of one's actions. Unfortunately, government is usually more interested in starting new programs, making more Federal wilderness, than it is looking back to see whether the program actually worked, and whether it had any unexpected negative effects. We have now designated about 90 million acres of Federal wilderness in this country, and yet, as far as I know, no Federal agency has ever evaluated the impact of all that Federal wilderness designation.

Have the less-advantaged elements of our society suffered discrimination as a result of Federal wilderness designation? Has hunting decreased or increased in Federal wilderness? Are fish and wildlife more or less abundant as a result of Federal wilderness designation?

Has visitation in newly designated Federal wilderness areas increased or decreased in comparison to prewilderness levels?

Has employment in communities near Federal wilderness areas increased or decreased?

Has ranching gradually been eliminated from Federal wilderness?

Have areas that were considered for Federal wilderness, but not designated as wilderness, actually been devastated as supporters of wilderness had feared and predicted?

Have active mines been shut down as a result of Federal wilderness designation?

Has the Nation lost important mineral or oil and gas reserves through Federal wilderness designation?

These are just some of the important and legitimate questions that need to be answered, because this Nation is going to be debating Federal wilderness designation for many years to come, in many States across this country, and we can gain a great deal of insight into the effects of our past decisions by examining what has happened in areas that have already been designated wilderness, or that were considered but not designated Federal wilderness. At the appropriate time I plan to do what I can to promote a systematic review and evaluation of past decisions on Federal wilderness designation.

As I mentioned earlier, public opinion in Nevada is definitely divided on the issue of Federal wilderness. The challenge which I have considered over the last few weeks is how to satisfy the desire of Nevadans for wild lands experiences, without imposing an unacceptable burden of Federal wilderness restrictions.

The people who live in Nevada's rural areas are not ignorant slobs who mindlessly destroy the land. The modern rancher has a college degree in range management or animal husbandry; if he doesn't, you can bet that his son or daughter does. The modern rancher has also usually lived for generations on the land he uses, and has learned from the experiences of his parents and grandparents. The rancher is certainly aware that proper range management is the only way he can survive economically, and so he is not about to destroy the very resource on which his way of life depends. The rancher's respect and affinity for the land must be appreciated by his city cousins; after all, ranchers have shown their commitment to the land by choosing to live and work on it.

Urban supporters of wilderness are often viewed in Nevada's rural areas as wild-eyed extremists who couldn't survive an unescorted weekend in the mountains, either in an official wilderness or an unofficial but just as imposing wild land. This view is also distorted. The urban wilderness advocate has a very genuine affection for the land his rural cousin regularly enjoys. Indeed, the intensity of the city dweller's desire to see wild areas protected is perhaps related to the degree to which he feels isolated from nature in the course of his daily life, as he sits behind a desk or works under a roof that is far removed from the open air of the mountains. The honesty and depth of the feelings expressed by the wilderness supporter deserves to be acknowledged and respected.

Nevadans should make decisions on Federal wilderness designation based on an assessment of what is in the best interest of Nevada.

What's best for California may not be best for Nevada. There is no reason why Nevadans must necessarily have as large a fraction of our State as Federal wilderness as neighboring States. Nevada has nothing to apologize for, and we should not let others dictate to us. Nevadans have the right, and the responsibility, to determine our own future, and we should never acquiesce in the outrageous demands of Congressmen from Georgia or Minnesota that they be allowed to determine how we will live in Nevada.

Designating wilderness is not some sort of race where one State wins and another loses, and creating, Federal wilderness in Nevada will certainly not disuade Congressmen and Senators from Eastern States from their efforts to build a high level nuclear waste repository in our State. We already have unmistakeable proof of this. In 1986, I introduced the bill that created Nevada's first national park, Great Basin, and yet, in 1987, the same Congressmen who want Nevada to have a lot of Federal wilderness, twisted the nuclear waste law to force a nuclear waste repository on Nevada. With friends like these, Nevada doesn't need enemies.

Nevadans should make decisions as to how to manage Nevada's land based on our own needs, not in vain attempts to score points with people from other States. If some people think we need to improve our State's image across the country, then the way to do this is through a properly managed State tourism program, not by changing the color on Nevada's maps from light green indicating national forest, to dark green indicating Federal wilderness.

The bottom line question is where do we designate wilderness and how much do we create there. I feel very strongly that my job is to represent the people of Nevada, and to try to accomplish their desires in Congress. I have always felt that the Government which is closest to the people is likely to be the most familiar with what the people are thinking. I have always been a strong supporter of local control, so I also believe that the people most affected by an issue ought to be given a good deal of deference by the rest of us in deciding how that issue should be addressed by the larger society. For these reasons, I give a great deal of weight to the opinions of local governments with respect to the management of Federal lands within their borders, including the designation of Federal wilderness on those lands.

In the case of wilderness, I also must weigh the fact that the Nevada State Legislature has passed a resolution supporting 132,000 acres of Forest Service wilderness, and additional Federal wilderness at the Desert National Wildlife Range, which is managed by the U.S. Fish and Wildlife Service. Governor Bryan signed that resolution, although I understand he has changed his mind and now favors far more Forest Service wilderness for Nevada. The Nevada League of Counties has also supported the 132,000 acre Forest Service wilderness legislation, and various individual counties have passed their own resolutions concerning Federal wilderness designation within their counties.

Based on what I have heard from the citizens of Nevada, and the State and local governments that represent them, I have looked for areas where the demand for wilderness-type experience may soon outstrip the supply of such areas. I have also looked for areas where Federal wilderness designation might provide an awareness, within the State, of wild land recreation opportunities that are available in some beautiful areas that may now be currently overlooked by most Nevadans. I have tried to steer clear of areas where there is strong local opposition to Federal wilderness, and to thoroughly consider the wilderness potential of areas where there is strong local support for Federal wilderness. I have tried to avoid designating Federal wilderness in areas where Federal wilderness would threaten the economic development or survival of communities within our State, or conflict with the many entirely appropriate nonwilderness recreational opportunities. In particular, I have tried to avoid designating wilderness in areas that would close off roads necessary for hunting and fishing opportunities for Nevadans, or that would prevent needed wildlife management improvements from being pursued as vigorously as possible. I have also generally refrained from recommending wilderness designation for areas that may have significant wilderness characteristics, but that can continue to be protected quite effectively under existing laws and regulations, and where there is no threat anywhere on the horizon to the continued protection of the wild characteristics of these areas. Finally, to the maximum extent practical, I have tried to achieve a regional distribution of Federal wilderness around Nevada.

In the bill I am introducing today, I am recommending Federal wilderness designation for the following areas in Nevada:

9,000 acres at Boundary Peak in Esmeralda County

20,000 acres in the Jarbidge Additions in Elko County

33,000 acres at Mount Charleston in Clark County

70,000 acres at Mount Moriah in White Pine County

18,000 acres of wilderness and

8,000 acres of non-wilderness lands inside a 26,000 National Recreation Area at Mount Rose, Washoe County

262,000 acres at Sheep Peak, Clark County

This brings the total size of my wilderness bill to 420,000 acres of land. I believe that my bill reflects a good regional balance inside Nevada, and includes some of the best quality wild lands in the State. Boundary Peak is the highest mountain in Nevada, and is located in a rugged area in the White Mountains. The Jarbidge Additions expand Nevada's existing Federal wilderness area, which is generally recognized as being one of the most beautiful areas in my State. Mount Charleston is one of the most prized scenic features in southern Nevada. It is an important playground for the people of Las Vegas, providing cool summer refuge from the desert heat. Mount Moriah is a striking natural feature just a few miles from the newly dedicated Great Basin National Park, which was established by a bill I introduced in the 99th Congress. Mount Rose, located adjacent to the unique beauty of Lake Tahoe, is just as important to the people of northwestern Nevada as Mount Charleston is in the southern part of the State. My bill will create Nevada's second National Recreation Area, in which the Mount Rose Wilderness Area will be a central feature. Finally, my bill designates as wilderness the bulk of the Sheep Range unit of the U.S. Fish and Wildlife Service's Desert National Wildlife Range. The Sheep Peak wilderness is truly the jewel in the crown of the Desert Range. It is home for many of the Desert Bighorn Sheep that live in southern Nevada, and boast beautiful pine forests that lend a refreshing green to the brown hues of the desert.

During the recent meetings I conducted in Nevada, there was a very strong feeling that the delegation should address Federal wilderness for all four Federal land management agencies at once. I have attempted to be responsive to this desire of my constituents by having my bill address Federal wilderness for both the Forest Service and the Fish and Wildlife Service.

I also considered having my bill address National Park Service wilderness in the Lake Mead National Recreation Area. However, there is a potentially serious threat, posed by Federal wilderness designation in the recreation area, in the future water supply of Las Vegas and all Clark County communities that depend on Lake Mead or the Colorado River for their water supply. This threat is the issue of Federal reserved water rights in wilderness areas, which is currently tied up in the Federal courts. If the courts ultimately grant the Federal Government water rights in Federal wilderness areas, and Federal wilderness is designated along the Colorado River, it is entirely possible that the city of Las Vegas would be prevented by that Federal wilderness from using the currently unused portion of Nevada's water allocation under the Colorado River Interstate Water compact. At this time, Nevada only draws upon about half of its water allocation from Lake Mead and the Colorado River. Federal wilderness along the lower Colorado River: Lake Mead, Lake Mohave, Lake Havasu, or further south, could prevent southern Nevada from ever using the other half of the water it is entitled to. Federal wilderness could therefore jeopardize economic growth in Las Vegas, affecting all parts of the southern Nevada economy, and costing jobs. Under the circumstances, I think it is wise to hold off on any Federal wilderness designation in the Lower Colorado River Basin until the important legal issue of water rights in Federal wilderness is settled in the courts.

It will be several years before the Bureau of Land Management has a statewide wilderness recommendation for Nevada, and so it is not yet appropriate for me to address BLM wilderness in my State. However, since the people of Nevada have made the effort to share with me their opinions on Federal wilderness, I feel it is important for me to take as comprehensive a position now as I can, rather than remaining silent for 2 years until the BLM finishes its studies, and waiting an indefinite period of time for the courts to resolve the water rights issue.

There are a number of important policy provisions in this bill, which I hope the Senate will support. I have developed water rights language that I believe protects Nevada's water, and water law, although the pending Federal suit on Federal reserved water rights still leaves some uncertainty. My bill ensures that any forest fire in Federal wilderness can be fought effectively and quickly with the full range of available technology. My legislation reasserts the right of Nevada's Department of Wildlife to use all reasonable techniques to manage fish and wildlife resources inside Federal wilderness areas. The bill makes it clear that the Forest Service is not to impose arbitrary regulations designed to gradually squeeze out Nevada's ranchers from Federal wilderness areas.

The bill prohibits buffer zones around the Federal wilderness it designates, and reasserts the rights of outfitters and guides to operate in Federal wilderness. The bill also makes clear that predator control activities can take place in Federal wilderness, and allows for access to devices to monitor snowpack and precipitation so that proper water management decisions can be made by local officials and private citizens. Finally, the bill releases back into multiple use those Forest Service lands not designated as Federal wilderness.

Mr. President, these policy provisions are just as important as the acreages to be designated Federal wilderness under the bill, and I hope my colleagues will support the entirety of this legislation. I offer this bill in an effort to be responsive to my constituents, respectful to the wishes of the affected local governments, and in a desire to provide Nevadans a lasting opportunity to enjoy nature in carefully selected congressionally designated wilderness areas.

Mr. President, I ask unanimous consent that the texts of Nevada Assembly Joint Resolution No. 1, resolutions from Humboldt, White Pine, and Nye Counties, a resolution from various entities in Elko County, a resolution from the Nevada Association of Counties, a resolution from the city of Reno, a resolution from the Nevada Association of Conservation Districts, a resolution from the National Rifle Association, four affidavits from individual Nevadans, and an article on forest fires in Federal wilderness, from the July 17, 1988 edition of the Washington Post, all be printed in the RECORD immediately following my statement.

Mr. President, I further ask unanimous consent that the text of my bill, the Nevada Federal Wilderness Act of 1988, also be printed in the RECORD, immediately following the material just inserted.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2659

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE, FINDINGS AND PURPOSES

SHORT TITLE

SEC. 101. This Act may be cited as the "Nevada Federal Wilderness Act of 1988".

DECLARATION OF FINDINGS AND PURPOSES

SEC. 102. (a) The Congress finds that—

(1) certain areas of undeveloped national forest lands and national wildlife refuge lands in the State of Nevada possess outstanding natural characteristics which give them high value as wilderness and will, if properly preserved, be an enduring resource of wilderness for the benefit of the people of the State of Nevada;

(2) review and evaluation of roadless and undeveloped lands in the National Forest System of Nevada have identified those areas which, on the basis of their landform, ecosystem, associated wildlife, and location, will help to fulfill the National Forest System's share of a quality National Wilderness Preservation System; and

(3) review and evaluation of roadless and undeveloped lands in the National Forest System in Nevada have also identified those areas which should be available for multiple uses other than wilderness, subject to the Forest Service's land management planning process and the provisions of this Act.

(b) The purposes of this Act are to—

(1) designate certain National Forest System and National Wildlife Refuge System lands in Nevada for inclusion in the National Wilderness Preservation System in order to preserve the wilderness character of the land, promote primitive recreation, solitude, physical and mental challenge, and inspiration for the benefit of all the people of the State of Nevada; and

(2) ensure that certain National Forest System lands in the State of Nevada be made available for uses other than federally designated wilderness in accordance with applicable national forest laws and planning procedures and the provisions of this Act.

TITLE II—ADDITIONS TO THE NATIONAL WILDERNESS PRESERVATION SYSTEM

SEC. 201. In furtherance of the purposes of the Wilderness Act of 1964 (78 Stat. 890), the following National Forest System lands in the State of Nevada, as generally depicted on maps appropriately referenced herein, are hereby designated as wilderness, and therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Toiyabe National Forest, which comprise approximately thirty-three thousand acres as generally depicted on a map entitled "Mount Charleston Wilderness Area—Proposed", dated July 1988, and which shall be known as the Mount Charleston Wilderness.

(2) certain lands in the Humboldt National Forest, which comprise approximately twenty thousand acres as generally depicted on a map entitled "Jarbidge Additions to the Jarbidge Wilderness—Proposed", dated July 1988, and which are hereby incorporated in and which shall be deemed a part of the Jarbidge Wilderness as designated by section 3(a) of the Wilderness Act.

(3) certain lands in the Humboldt National Forest, which comprise approximately seventy thousand acres as generally depicted on a map entitled "Mount Moriah Wilderness—Proposed", dated July 1988, and which shall be known as the Mount Moriah Wilderness. Any lands depicted on such map as being within the boundaries of the Mount Moriah Wilderness and which are under the jurisdiction of the Secretary of the Interior shall, upon enactment of this Act, be transferred to the administrative jurisdiction of the Secretary of Agriculture to be administered as components of the national forest system and the National Wilderness Preservation System. The national forest boundary shall be adjusted accordingly.

(4) certain lands in the Inyo National Forest, which comprise approximately nine thousand acres as generally depicted on a map entitled "Boundary Peak Wilderness—Proposed", dated July 1988, and which shall be known as the Boundary Peak Wilderness.

(5) certain lands in the Toiyabe National Forest and the Lake Tahoe Basin Management Unit, within the Mount Rose National Recreation Area established in Title III of this Act, which comprise approximately 18,000 acres of generally depicted on a map entitled "Mount Rose National Recreation Area and Wilderness—Proposed", dated July 1988, and which shall be known as the Mount Rose Wilderness.

SEC. 202. In furtherance of the purpose of the Wilderness Act of 1964 (78 Stat. 890), the following National Wildlife Refuge System lands in the State of Nevada, as generally depicted on a map appropriately referenced herein, are hereby designated as wilderness, and therefore, as components of the National Wilderness Preservation System: certain lands in the Desert National Wildlife Range, which comprise approximately two hundred sixty-two thousand acres as generally depicted on a map entitled "Sheep Peak Wilderness Area—Proposed", dated July 1988, and which shall be known as the Sheep Peak Wilderness.

LEGAL DESCRIPTION AND WILDERNESS BOUNDARIES

SEC. 203. As soon as practicable after the enactment of this Act, the Secretary of Agriculture for national forest system lands, and the Secretary of Interior for national wildlife refuge system lands, shall file a map and a legal description of each area described in title II and title III with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in each such legal description and map be made. Each such map and legal description and map may be on file and available for public inspection in the Office of the Governor of the State of Nevada, the Office of the Chief of the Forest Service, Department of Agriculture, and the Office of the Director of the United States Fish and Wildlife Service, Department of the Interior, as appropriate.

APPLICATION OF THE WILDERNESS ACT OF 1964

SEC. 204. Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture, or the Secretary of the Interior, as appropriate, in accordance with the provisions of this Act and the Wilderness Act, except that any reference in the provisions of the Wilderness Act to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

TITLE III—MOUNT ROSE NATIONAL RECREATION AREA

SEC. 301. DESIGNATION.—For purposes of conserving and protecting scenic, wildlife, biological, educational, and recreational values, certain lands in the Toiyabe National Forest and the Lake Tahoe Basin Management Unit which comprise approximately 26,000 acres, as generally depicted on a map entitled "Mount Rose National Recreational Area and Wilderness—Proposed," dated July 1988, are hereby designated the Mount Rose National Recreation Area (hereinafter in this title referred to as "the area").

SEC. 302. MAP.—The Secretary of Agriculture shall file the map referred to in section 301 with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Such map shall have the same force and effect as if included in this Act; except that correction of clerical and typographical errors in such map may be made. The map shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture, and the Office of the Governor of the State of Nevada.

SEC. 303. ADMINISTRATION.—(a) The Secretary of Agriculture shall administer the area so as to achieve the purposes of its designation as a national recreation area in accordance with the laws and regulations applicable to the National Forest System.

(b) Subject to valid existing rights, all federally owned lands within the area are hereby withdrawn from all forms of entry, appropriation and disposal under the mining and public land laws, and disposition under the geothermal and mineral leasing laws.

(c) The area shall be closed to the harvesting of timber, except that the Secretary of Agriculture may take measures to reduce the effects of fire, insects and disease, and to enhance wildlife populations.

(d) The lands within the area designated as wilderness on the map referred to in section 301 shall remain roadless and be closed to motorized use, except that the Secretary of Agriculture may authorize the use of motorized equipment and transportation for fire suppression, search and rescue operations, and other emergencies.

(e) Off road vehicle use on lands in the area not designated as wilderness on the map referred to in section 301 shall be confined to trails and areas designated by the Secretary of Agriculture, but such trails and areas shall not exceed those for which off road vehicle use was authorized as of the date of this Act.

TITLE IV—RELEASE OF LANDS FOR MULTIPLE USE MANAGEMENT

SEC. 401. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress has made its own review and examination of national forest roadless areas in Nevada and the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest lands in States other than Nevada, such statement shall not be subject to judicial review with respect to National Forest System lands in the State of Nevada;

(2) with respect to the national forest lands in the State of Nevada which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d) upon enactment of this Act, that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974 (Public Law 93-378), as amended by the National Forest Management Act of 1976 (Public Law 94-588), to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time, the Secretary finds that conditions in a unit have significantly changed;

(3) areas in the State of Nevada reviewed in such final environmental statement or referred to in subsection (d) and not designated wilderness upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas shall not be managed to maintain their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Nevada are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation shall not be managed for the purpose of maintaining their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of maintaining their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of Nevada for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland

Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to:

(1) Those National Forest System roadless areas, or portions thereof in the State of Nevada, which were identified by unit plans listed at the end of this paragraph, which are not designated as wilderness by this Act:

National Forest	Unit Plan
Humboldt...	Santa Rosa
Humboldt...	Ruby Mtns./East Humboldt
Toiyabe.......	Mount Charleston
Toiyabe.......	Central Nevada

(2) National Forest System roadless lands in the State of Nevada which are less than five thousand acres in size.

TITLE V—MISCELLANEOUS PROVISIONS

GRAZING IN WILDERNESS AREAS

SEC. 501. (a) Within the wildeness areas designated by this Act, the grazing of livestock, where established prior to the date of enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in section 4(d)(4) of the Wilderness Act and section 108 of Public Law 96-560.

(b) The use of motorized equipment for the maintenance and care of livestock and supporting facilities, especially water developments, related to grazing activities shall be continued in wilderness areas in the State of Nevada. Such use of motorized equipment shall be expressly authorized in individual grazing permits or allotment management plans for the area involved, or by agreement with the wilderness management plans for the area involved, or by agreement with the wilderness management agency.

(c) The construction, materials for construction, and maintenance of water developments in lands designated wilderness by this Act shall be regulated in the same manner as would be the case were such lands not designated wilderness.

STATE WATER ALLOCATION AUTHORITY

SEC. 502. (a) Within the State of Nevada, nothing in the Wilderness Act nor this Act nor any other legislation designating lands as wilderness shall constitute or be construed to constitute either an express or implied reservation of water or water rights for any purpose. The United States may acquire such water rights as it deems necessary to carry out its responsibilities on any lands designated as wilderness or special management areas pursuant to the substantive and procedural requirements of the laws of the State of Nevada. This section shall not affect any reserved water right which the United States may have previously acquired within the State of Nevada with respect to any lands designated as wilderness by this Act or any other Act for the primary purposes for which such lands had been originally withdrawn from the public domain.

RETENTION OF ROADS IN WILDERNESS AREAS

SEC. 503. (a) For the purposes of this Act, any parallel track, together with an area fifty feet on each side of the centerline of such track, which—

(i) was in use, prior to the date of enactment of this Act, by motorized vehicles licensed for highway use by the State of Nevada, and

(ii) appears to be located within an area designated wilderness by this Act,

is hereby defined as a road.

(b) The designation of national forest system lands as wilderness in Title II of this Act does not include any roads as defined in subsection (a) of this section, and the Secretary of Agriculture shall indicate any such roads on the maps and shall revise the boundaries on such maps to exclude such roads from wilderness as required in section 203 of this Act.

(c) Within 60 days of the date of enactment of this Act the Secretary of Agriculture shall provide adequate notice and conduct a public meeting in a community adjacent to each area of national forest designated wilderness by this Act in order to facilitate the identification of any roads that need to be excluded as provided in subsection (b) of this section.

STATE FISH AND WILDLIFE AUTHORITY

SEC. 504. (a) As provided in section 4(d)(7) of the Wilderness Act, nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Nevada with respect to wildlife and fish in the national forests in Nevada.

(b) Nothing in this Act shall be construed as limiting the ability of the Nevada Department of Wildlife, in consultation with the affected federal land management agency, from carrying out the following activities within lands designated wilderness by this Act:

(1) Fish and wildlife research and management surveys and population sampling, including the reasonable use of helicopter, fixed wing aircraft, and motorized vehicles useful in the conduct of this scientific work.

(2) Facility development and habitat alteration, including the maintenance operation, or creation of flow maintenance dams, water developments, water diversion devices, and associated structures necessary for fish and wildlife conservation. Clearing of debris impeding movement of fish on spawning streams shall be permitted. Motorized equipment may be used, when necessary, to accomplish the purpose of this paragraph.

(3) Stocking or transplanting of fish or collection of fish spawn, is permitted if the purpose is to accomplish at least one of the following objectives:

(i) reestablishment or maintenance of indigenous species;

(ii) recovery of threatened or endangered species; or

(iii) maintenance or enhancement of recreational values associated with indigenous or exotic species, such as rainbow trout, as identified in the applicable wilderness management plan.

(4) Chemical treatment of waters is permitted when the purpose is to accomplish at least one of the following objectives;

(i) reestablishment of native species;

(ii) recovery of threatened or endangered species; or

(iii) corrections of undesirable conditions resulting from human influence.

(5) Removal, reintroduction, or supplemental transplants of terrestrial wildlife species, including the necessary use of motorized vehicles to perform this work, shall be permitted if:

(i) the status of threatened or endangered species would be enhanced; or

(ii) a population of a native species eliminated or reduced by acts of man would be restored or enhanced; or

(iii) maintenance or enhancement of recreational values associated with indigenous or exotic species, such as Hungarian partridge, as identified in the applicable wilderness management plan would result; or

(iv) other significant wilderness values would not be impaired.

(6) Control of problem wildlife shall be permitted to:

(i) reduce depredations on other wildlife and domestic livestock;

(ii) remove animals creating a public nuisance related to human interests;

(iii) prevent transmission of diseases or parasites affecting other wildlife or humans; or

(iv) abate conflicts with native species, particularly if those native species are endangered or threatened.

PROHIBITION OF BUFFER ZONES

SEC. 505. (a) No protective perimeters or buffer zones around any wilderness areas are necessary or authorized to protect any wilderness areas within the State of Nevada or may be established pursuant to this or any other law. The fact that nonwilderness activities or uses can be seen or heard from within any wilderness area shall not preclude such activities or uses up to the boundary of the wilderness area.

(b) Any air quality redesignation shall remain the prerogative of the State of Nevada as provided in section 164(a) of the Clean Air Act.

(c) It is the intent of Congress that wilderness designation shall not in itself provide for protection under the visibility provision or any other provision of the Clean Air Act (94 Stat. 2305), the Secretary of the Interior shall continue to make assessments of the mineral potential of national forest wilderness areas in the State of Nevada on a recurring basis, consistent with the concept of wilderness preservation, in order to expand the data with respect to the mineral potential of such lands.

MINERAL RESOURCES

SEC. 506. (a) In furtherance of section 4(d)(2) of the Wilderness Act and the policies of the National Materials and Minerals Policy, Research and Development Act (94 Stat. 2305), the Secretary of the Interior shall, and the State of Nevada may, continue to make assessments of the mineral, oil and gas, and geothermal potential of national forest wilderness areas in the State of Nevada on a recurring basis, consistent with the concept of wilderness preservation, in order to expand the data base with respect to the mineral potential of such lands.

(b) The use of motorized equipment for transportation, construction, and earth moving purposes and the construction of facilities related to development and mining of valid mining claims located prior to the date of enactment of this Act is permissible in Nevada. Reasonable access by road shall be permitted.

WATERSHED PROTECTION AND SNOWPACK MONITORING

SEC. 507. (a) Nothing in this Act shall be construed to limit motorized access and road maintenance by the State of Nevada and local municipalities for those maintenance activities necessary to guarantee the continued viability of whatsoever watershed facilities currently exist or which may be necessary in the future to prevent the degradation of the water supply in such wilderness areas within the State of Nevada, subject to such reasonable regulations as are deemed necessary by the Secretary of Agriculture, or the Secretary of the Interior, as appropriate.

(b) Within the wilderness areas designated by this Act, the provisions of the Wilderness Act shall not be construed to prevent the installation, maintenance, and use of hydrologic, metorologic, climatological, geologic, or telecommunications facilities, or any combination of the foregoing, or motorized access to such facilities when nonmotorized access means are not reasonably available or when time is of the essence, subject to such environmental safeguards as the Secretary of Agriculture for national forest system lands, or the Secretary of the Interior for national wildlife refuge system lands, deem desirable, where such facilities or access are essential to flood warning, flood control, snowpack monitoring, and water reservoir operation purposes, or for conducting essential surveys and tests.

(c) As provided in section 4(d)(1) of the Wilderness Act, such measures may be taken within wilderness areas designated by this Act as may be necessary in the control of insects and diseases, subject to applicable laws and such additional reasonable conditions as the Secretary of Agriculture for national forest system lands, or the Secretary of the Interior for national wildlife refuge system lands, deems desirable. This shall include the use of herbicides for plant and noxious weed control and the practice of reseeding a badly damaged area.

PREDATOR CONTROL AUTHORITY

SEC. 508. Nothing in this Act shall limit or affect the current jurisdiction or responsibilities of the Federal Government, in cooperation with the State of Nevada, with respect to predator control activities in national forest wilderness areas in Nevada.

GUIDES AND OUTFITTERS

SEC. 509. (a) Nothing in this Act shall be construed to limit appropriate present or future activities of guides and outfitters inside areas designated as wilderness by this Act, subject to reasonable terms and conditions of permits issued by the appropriate federal land management agency.

(b) Permits may be transferred from a permittee to any person who acquires the business of the permittee.

(c) Subject to a rule of practical necessity and reasonableness, permittees may use motorized vehicles in areas designated wilderness by this Act only for the purpose of maintaining and operating guide-related facilities or in emergency situations to protect human life.

(d) Permittees may use horses in their operations, utilize chainsaws to maintain passable trails, move base and spike camps as necessary, and maintain base camps for the duration of the applicable season.

(e) The Secretary of Agriculture shall not prohibit the continuance of any commercial outfitting and guide camps and practices subject to this section without the express written concurrence of the agency of the State of Nevada charged with the regulation of the outfitting and guide industry.

ARCHEOLOGICAL AND CULTURAL RESOURCES MANAGEMENT

SEC. 510. (a)(1) The Secretary of Agriculture shall cooperate with the Secretary of the Interior and with the State of Nevada in conducting a cultural resource management program within the national forest system lands designated wilderness by this Act.

(2) Such a program shall have as its purposes the protection of archeological sites and interpretation of such sites insofar as these activities are compatible with the preservation of the values for which the wilderness was designated.

(3) The Secretary of Agriculture shall develop a cultural resources management plan for national forest system lands designated wilderness by this Act. Such a plan shall—

(A) encourage scientific research into man's past use of the areas designated;

(B) provide an outline for the protection of significant cultural resources, including protection from vandalism and looting as well as destruction from natural deterioration;

(C) be based on adequate inventory data, supplemented by test excavation data where appropriate;

(D) include a public interpretation program; and

(E) comply with all Federal and state historic and cultural preservation statutes, regulations, guidelines and standards;

(F) allow for motorized access, including the use of helicopters, to archeological sites for research purposes, when reasonably necessary for the timely and efficient conduct of scientific field work.

(b)(1) Within two years from the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives a report on:

(A) the location of cabins and other structures within lands in the national forest system designated wilderness in this Act;

(B) their historic significance, if any;

(C) their present condition;

(D) recommendations as to which of these structures should be stabilized, restored, maintained, or removed;

(E) the estimated cost of such stabilization, restoration, maintenance, or removal; and

(F) the suitability of any of these structures for inclusion in the National Register of Historic Places.

(2) The Secretary of Agriculture shall not alter any cabin or other structure on national forest system lands designated wilderness by this Act until 90 days after the submission to the Congress of the report provided for in this subsection.

FIRE FIGHTING

SEC. 511. Notwithstanding any other provision of law, the appropriate federal land management agencies, in cooperation with the State of Nevada, affected units of local government, and appropriate private parties, are authorized and directed to fight wildfire in lands designated wilderness by this Act using all available means, including use of mechanical equipment, motorized vehicles, helicopters and fixed wing aircraft, in the same way fire would be fought in these areas were they not designated wilderness by this Act.

LAND ACQUISITION

SEC. 512. The Secretary of Agriculture shall—

(a) promptly inventory all parcels of land within areas designated wilderness by this Act to identify those parcels which are not owned by the Federal Government; and

(b) where such lands are privately held, shall seek to acquire such lands by purchase on a willing buyer-willing seller basis, donation, or exchange.

WILDERNESS DISCRIMINATION AGAINST THE HANDICAPPED

SEC. 513. (a) The Secretary of Health and Human Services, in consultation with the Administrator of the Veterans Administration, shall submit a report to the Congress not later than six months after the date of enactment of this Act on the restrictions on access to federally designated wilderness areas and other impediments to the use, and availability, of federally designated wilderness areas by individuals with handicaps, the elderly, and disabled veterans.

(b) The report required in subsection (a) of this section shall examine the loss of recreational opportunities and discrimination which results from prohibitions against vehicular access to federally designated wilderness areas.

(c) As used in this section, the term "individual with handicaps" has the same meaning given that term under section 7 of the Rehabilitation Act of 1973.

ASSEMBLY JOINT RESOLUTION NO. 1

Whereas, The citizens of the State of Nevada have a tremendous respect for its lands and strongly support the wise use and conservation of its natural resources; and

Whereas, Nearly 87 percent of the land in this state, including over 4,000,000 acres which have been withdrawn from use by the general public, is controlled by various agencies of the Federal Government and, therefore, the state is particularly vulnerable to decisions regarding the use of land which are made by federal agencies and not the people or elected officers of the state; and

Whereas, The economic well-being of this state, particularly some of its more rural communities, is heavily dependent on access to, and use of, the federal public lands for mining and ranching; and

Whereas, The future of mining in this state is dependent upon the availability of federal lands and the loss of areas with potential for the production of minerals would be harmful to this state and the nation; and

Whereas, The Congress of the United States now is reviewing proposed legislation which would designate as wilderness approximately 136,900 acres in this state, including portions of Mount Charleston, Mount Moriah, Boundary Peak and additions to the existing Jarbidge wilderness area; and

Whereas, In addition to these areas, there is general support in this state for the designation of an additional 1,322,900 acres as wilderness in the Desert National Wildlife Range; and

Whereas, There has been a considerable amount of public discussion in Nevada regarding designations of wilderness areas and there is a general consensus supporting the designation of those areas as wilderness; and

Whereas, The committee on public lands of the Nevada legislature is a permanent entity of the legislature and is empowered to review and comment on proposals affecting public lands under the control of the Federal Government, and in this respect the committee serves as an official liaison between the Nevada legislature when the legislature is not in session and the Congress of the United States; now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada, jointly. That this legislature urges the Congress of the United States to designate as wilderness portions of Mount Charleston, Mount Moriah, Boundary Peak, and the Jarbidge area, as identified in federal legislation now pending in Congress, and be it further

Resolved, That the Congress of the United States is urged to designate as wilderness those portions of the Desert National Wildlife Range which have been recommended for designation as wilderness by the United States Fish and Wildlife Service; and be it further

Resolved, That the Congress of the United States is urged to keep the committee on public lands of the Nevada legislature informed of additional discussions regarding potential designations of wilderness in the State of Nevada; and be it further

Resolved, That the legislative counsel shall forthwith transmit copies of the resolution to the President of the United States, the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives, each member of the Nevada congressional delegation, the Secretary of Agriculture, the Secretary of the Interior, the chairman of the Subcommittee on Public Lands and National Parks of the United States House of Representatives, the chairman of the Subcommittee on Public Lands and Reserved Water of the United States Senate, the chief of the United States Forest Service and the director of the Bureau of Land Management.

RESOLUTION No. 1-6-86

Whereas, Nevada currently has a Wilderness Area designated Jarbidge Wilderness, which comprises 64,667 acres; and

Whereas, the additions proposed by Senators Laxalt and Hecht and Representative Vucanovich would increase the area designated Wilderness to 132,000 acres; and

Whereas, any additional designation in Nevada over that proposed by Senators Laxalt and Hecht and Representative Vucanovich would create unreasonable, adverse impacts on the residents of Nevada; and

Whereas, the adverse impacts of additional Wilderness designation in Nevada over that proposed by Senators Laxalt and Hecht and Representative Vucanovich include, but are not limited to the following: deterioration of Nevada economy, severe curtailing of livestock grazing, restrictions on water rights, reduction in ranching, reduction in mining, and reduction in recreation; and

Whereas, because of the above stated adverse impacts that would be imposed on Nevada residents with an additional designation of Wilderness over that proposed by Senators Laxalt and Hecht and Representative Vucanovich, the reasons supporting only the addition to Wilderness in Nevada as proposed by Senators Laxalt and Hecht and Representative Vucanovich are reasonable and the action is herein justified: Now therefore, it is hereby

Resolved by the Board of County Commissioners of Humboldt County, Nevada, as follows: to-wit:

1. The additional Wilderness proposed by Senators Laxalt and Hecht and Representative Vucanovich is supported.

2. Any additional Wilderness in Nevada over that proposed by Senators Laxalt and Hecht and Representative Vucanovich is opposed.

OFFICE OF WHITE
PINE COUNTY CLERK,
Ely, NV., September 28, 1987.

Hon. CHIC HECHT,
U.S. Senator, Senate Office Building, Washington, DC.

DEAR SENATOR HECHT: During your recent visit to White Pine County, one of the concerns discussed was designation of wilderness areas.

The consensus of the community is that the existing laws protect these areas but do not cripple any future economic development.

The White Pine County Board of Commissioners adopted a resolution in 1981 opposing the designation of wilderness areas.

The Board of Commissioners, at its regular meeting held September 23, 1987 reaffirmed its opposition to wilderness areas by adopting the enclosed resolution.

Your assistance in making your constituents aware of the need to be flexible and still be able to maintain protection of these areas is appreciated.

The residents in areas such as ours, are well aware of the scenic beauty our state has to offer. This is one of the reasons the citizens have chosen to reside in this environment.

On behalf of the Board of County Commissioners, I would like to extend its appreciation for your support.

Sincerely,
For the Board of County Commissioners,
MARY SUE JOHNSON,
Clerk of Said Board.

RESOLUTION NO. 87-14

Whereas, White Pine County has within its boundaries several wilderness study areas upon both Bureau of Land Management and United States Forest Service lands; and

Whereas, any wilderness designation will tend to limit potential development essential to the welfare of county residents; and

Whereas, existing law and regulation afford adequate protection for undesignated wild, scenic and primitive areas under multiple-use practices; and

Whereas, the White Pine County Board of Commissioners wish to protect its economic well being in harmony with present environmental protection; and

Whereas, the White Pine County Commission adopted Resolution No. 81-90, December 23, 1981 opposing the designation of wilderness areas; and

Whereas, the White Pine County Commission reiterate through this resolution, its opposition to restraints placed on areas designated as wilderness; Now, therefore, be it

Resolved, That the White Pine County Commission dislikes the continued study of wilderness study areas, strongly opposes recommendations by the United States Department of Interior, and/or designation by Congress of any wilderness areas in or near White Pine County and favors continued practices of "multiple-use in a literal sense".

RESOLUTION No. R88-1

Whereas, the Board of County Commissioners of the County of Nye, State of Nevada, is in an ideal position to assess the impact on the residents of Nye County by designation of wilderness areas in their County;

Now, therefore, be it resolved, That the Board of County Commissioners of the County of Nye, State of Nevada, who support the basic concept of wilderness, is opposed to any designation of wilderness areas in Nye County, Nevada, until such time as all government review and public input have been completed. Such review must include the social and economic impacts of designated wilderness upon the citizens of Nye County, Nevada.

Be it further resolved, That Nye County should be a full partner in the selection of any designated wilderness within Nye County, and that any area proposed for designation as a wilderness area should meet all the criteria of the Wilderness Act of 1964, Public Law 88-577, 78, Statute 890.

A JOINT RESOLUTION OF THE ELKO COUNTY RECREATION BOARD, THE ELKO COUNTY COMMISSIONERS, THE CITY OF ELKO, THE CITY OF WELLS, THE CITY OF CARLIN, THE ELKO CITY-COUNCIL CIVIC AUDITORIUM AUTHORITY, AND THE NORTH EAST NEVADA DEVELOPMENT AUTHORITY

Whereas, the Elko County Recreation Board convened its regularly scheduled monthly meeting on May 22, 1986, and at the same time and place the Elko County Commissioners convened a special meeting on behalf of the County of Elko, the Board of Supervisors of the City of Elko convened a special meeting on behalf of the City of Elko, the Board of Councilmen of the City of Wells convened a special meeting on behalf of the City of Wells, the Board of Councilmen of the City of Carlin convened a special meeting on behalf of the City of Carlin, the Board of Governors of the Elko City-County Civic Auditorium Authority convened a special meeting on behalf of the said Authority, and the Board of the North East Nevada Development Authority convened a special meeting on behalf of said Authority; and

Whereas, a discussion was held regarding the two United States Congress bills which would designate further wilderness area within Elko County, Nevada; and

Whereas, Elko County currently has a wilderness area designated at the JARBIDGE WILDERNESS AREA which comprises 64,667 acres, and any additional wilderness designation in Elko County would be an unreasonable imposition on the recreational and economic interests of the residents of Elko County; and

Whereas, each political subdivision, upon a motion duly made and seconded and unanimously passed, the following joint resolution was adopted: Be it

Resolved and ordered, That the Elko County Recreation Board, the Elko County Commissioners, the City of Elko, the City of Wells, the City of Carlin, the Elko City-County Civic Auditorium Authority and the North East Nevada Development Authority oppose any further designation of wilderness by the United States Federal Government in Elko County, Nevada.

RESOLUTION NO. 10-85, REGARDING DESIGNATION OF WILDERNESS AREAS IN NEVADA BY THE UNITED STATES CONGRESS

Whereas, all of Nevada's counties will be directly or indirectly affected by any Nevada Wilderness Protection Act passed by the Congress of the United States: Now, therefore, be it

Resolved, by the Nevada Association of Counties to endorse and support S. 722 and H.R. 1686 introduced by the Nevada Congressional Delegation creating 136,900 acres of national wilderness area in Nevada.

Passed, approved, and adopted this 21st day of September 1985 by the following vote of the full Board at their Annual Business Meeting in Minden, Nevada.

RESOLUTION No. 4153

Whereas, Mt. Rose is an integral part of Reno's character: it is twelve miles from the City limits: the Carson Range, of which it is a part, forms the national southwest boundary of Reno; it is a major watershed for the Reno area, providing snow-fed mountain streams that bring water to Reno throughout the long, dry Nevada summers; it makes a beautiful backdrop of extensive pine forests and snow-covered peaks for our community; and

Whereas, Mt. Rose retains a surprisingly wide diversity of natural opportunities: hiking trails, trout fishing streams, deer and bird hunting, dense pine forests, deep snow in winter for sports, and excellent opportunities for solitude; and

Whereas, Mt. Rose is ecologically significant in providing summer and winter range for large deer herds as well as homes for mountain lions, eagles, and other large predatory birds; and

Whereas, Reno is one of the nation's fastest growing urban areas, the need to preserve Mt. Rose is crucial to maintaining our community character, protecting our valuable water resources, enhancing our city's image, preserving unlimited natural recreational opportunities, and ensuring future citizens the same precious natural heritage that we received.

Now therefore, the City Council of the City of Reno do resolve to endorse the consideration of Mt. Rose/Carson Range Area as a wildreness area, specifically excluding private lands and all public and private lands included in the MPR for Galena Resort as approved by Washoe County.

NEVADA ASSOCIATION OF CONSERVATION DISTRICTS—RESOLUTION No. 1, 1986

Whereas, sno-tel and other conservation and water measurement sites have been in place before most wilderness areas were established,

Whereas, sno-tel and other conservation and water measurement sites have been an important part of water forecasting for several years as an aid to farmers, ranchers, and municipalities,

Whereas, access by road (helicopter and fixed wing aircraft) is essential for continued maintenance and operation of sno-tel and other conservation and water measurement sites,

Now therefore, be it resolved, that the Nevada Association Of Conservation Districts urges the State of Nevada and all government agencies responsible for drafting the rules and regulations governing wilderness areas in the State of Nevada to allow for and guarantee land and air access to all sno-tel and other conservation and water measurement sites now in place and those later installed on all wilderness areas in the State of Nevada.

APRIL 1987 RESOLUTION OF THE BOARD OF DIRECTORS OF THE NATIONAL RIFLE ASSOCIATION

Whereas, Lawful hunting has been significantly curtailed by certain unreasonable regulations adopted as a result of the expansion of the National Wilderness System and National Park System; and

Whereas, These arbitrary and capricious regulations in fact do not promote the interests of wildlife conservation or the responsible public enjoyment of wilderness lands, contrary to the intent of Congress; and

Whereas, The National Rifle Association of America in fulfillment of its purposes to promote hunting and the conservation and wise use of our renewable wildlife resources has become increasingly concerned with this abridgement of the rights of law abiding citizens; now, therefore, be it

Resolved, That the National Rifle Association of America opposes any further expansion of the National Wilderness System and National Park System and implementing regulations that do not adequately recognize and preserve existing hunting access and opportunities; and, be it further

Resolved, That the National Rifle Association of America supports the restoration of hunting access and sound wildlife management practices in such areas where they have been improperly curtailed.

AFFIDAVIT OF VERNON W. AGEE

I am 52 years old and I have ranched in Idaho all of my life. My family had a grazing allotment adjoining a Wilderness area which was created in 1964.

After the creation of the Wilderness area the Forest Service began increasing the restrictions on our grazing operation, making changes in our periods of use and reducing the number of cattle we were permitted to graze. The Forest Service discontinued one allotment due to the proximity of the Wilderness area.

There were 13 different ranchers who grazed either in the Wilderness area or in the adjoining area. They were all treated the same way as a result of the Wilderness. None of them presently graze livestock in that area.

AFFIDAVIT OF JULIAN GOICOECHEA

I am Julian Goicoechea, 72 years old and have been a Nevada rancher all of my life.

In 1985 in the Charleston area of Northern Elko County, we repaired an old existing road just enough to get by and to move a sheep camp to the old Kincade homestead, which had been deeded property in the 1930's and which had been fenced and had buildings put on it. There were no signs on either end of the road which leads to the springs where the house formerly was. We built 3 small ponds near where the buildings were, which were left open to wildlife or other stock. I did not have this done for malice in repairing as no one had told me that the ground was not still deeded. I had the work done and knew nothing of this until confronted by a U.S. Marshal. I was informed that I had been in trespass on a Wilderness study area.

This road had been used by vehicles of one kind or another for the past 50 years, including deer hunters. We were forced to go back and make the road impassable and fill in the ponds so they were of no use to any animal or wildlife and to reseed at our expense and were fined $3,000.00.

AFFIDAVIT OF FRED DRESSLER

1. That I am an 87 year old rancher. I operate a family ranch with the main headquarters in Gardnerville, Nevada.

2. Our family has been grazing cattle on lands now the Toyabe National Forest just across the Nevada border in California since 1860.

3. In that area we have been using three reservoirs that were built in 1893 by Chinese labor. Our family and three other families use this water for irrigation.

4. In about 1964 this area was designated Wilderness by Congress.

5. The Forest Service as a result of the Wilderness designation now prohibits my family and my neighbors from maintaining these reservoirs as we had previously. We are prevented from using any of our motorized ranch equipment or the roads that were there and roads that had been used for over 90 years.

6. We are now required to haul our Fresnoe Scraper, Lumber, cement, etc., in by helicopter. The helicopter is not allowed to land.

7. The helicopter costs us in excess of $300.00 per hour and the labor costs to repair the reservoirs have soared since all the repairs must be done with horsedrawn equipment and hand equipment.

8. We are not allowed to use chain saws or any other mechanical equipment to repair the reservoirs.

9. This inflicts an unnecessary, ridiculous burden on our operation seriously impairing the operation and maintenance of our water rights and reducing the value of the ranch that our family has developed.

AFFIDAVIT OF LOYD SORENSEN

(1) I am a Nevada rancher. I have been ranching in Nevada since 1936 and previous to that I was ranching in Utah. I was born in Utah in 1900.

(2) My family ranching operation includes Federal grazing rights. In the allotments we have, we utilize roads which have been used for over 70 years by ranchers, hunters and campers. Periodically, since 1939, those roads have been repaired with mechanical equipment.

(3) Now that those roads have been included in Wilderness study areas, the Federal Government now prevents my family from repairing certain of those roads which they call "ways". We are now unable to haul water to our livestock or to move our sheep camps on those roads. On other roads the Federal Government has granted us the right to repair them but prohibits us from using mechanical equipment and we must repair them with pick and shovel only.

(4) In the Wilderness study areas the Federal Government now prohibits any trapping or hunting of predators, thus preventing my family from protecting our livestock as has been done for livestock in this area for in excess of 100 years.

(5) These Wilderness restrictions and prohibitions placed on my family by the Federal Government reduces our ability to graze our livestock, reduces the value of our ranch, and reduces the quality of our lives.

[From the Washington Post, July 17, 1988]

INTERFERING WITH NATURE BECOMES BURNING ISSUE—SHOULD FIREFIGHTERS DOUSE NATURAL BLAZES?

(By Geoffrey O'Gara)

TETON WILDERNESS, WYO.—John Baglien, ranger from the Buffalo district of the Bridger-Teton National Forest, watched from a rock shelf on a pass above Pacific Creek last week as a forest fire burned toward a tangle of fallen trees below.

Baglien was tracking what had begun as a small lighting-sparked fire and was growing into the largest fire in recent years in this forest on the southern edge of Yellowstone National Park. There on the ridge, he grappled with an issue central to the nation's wilderness system: How far should he let the "natural" process of fire go before setting aside the wilderness dictum of non-interference and sending in firefighters?

On Friday night, Bridger-Teton supervisor Brian Stout, advised by a team of firefighting experts, decided to send in crews to try to contain the rapidly growing blaze. But Baglien, as he watched the fire two days earlier from a few hundred yards distance, talked calmly about the risks and value of letting nature do its own housecleaning.

"If it gets into that heavy blowdown," said Baglien, pointing to the mass of fallen trees running up into the pass, "it'll take out quite a chunk. But, really, that may be a desirable resource option. Natural fire may be the best way to clean up a mess like this."

The "mess" was an enormous swath of fallen timber caused by a phenomenal wind storm a year ago. On July 21, 1987, winds as high as 200 mph cut a path 23 miles long and, in places, two miles wide through the wilderness. Months later, meteorologist Theodore Fujita of the University of Chicago identified the wind as the highest altitude tornado ever recorded, according to Fred Kingwill, of the Bridger-Teton National Forest.

Local loggers saw the blowdown as a chance for timber salvage operations that could bolster sparse timber supplies in the area, much of which is protected as wilderness or is considered too fragile for heavy logging. Forest officials, backed by wilderness advocates, insisted that nature be allowed to take its course, noting that in any case it would take an act of Congress to build roads and enter the wildernes with logging equipment.

This week, nature chose a rather harrowing course, as the fire Baglien had watched charred more than 9,000 acres and forced Baglien and his horsepacking party out of the forest. The question of how much management is good for wilderness again became a burning issue in the Bridger-Teton National Forest.

Despite his decision Friday to order in firefighters, forest supervisor Stout initially supported Baglien's hands-off approach to the fire. Stout said Friday morning he was prepared to reverse that position if there was a significant risk to human safety or adverse impact on wildlife.

Others viewed the current fire as the unnecessary result of rigid wilderness management. Hubert Henderson, representing a group that supports a failing sawmill in a nearby town, this month delivered to the Wyoming congressional delegation a petition with 3,000 signatures demanding an effort to harvest the fallen timber. "We predicted the fire could be a problem," he said. "The blowdown would have fit very nicely in the timber products industry."

Harold Turner, a Teton valley outfitter who takes hunting and fishing parties into the Teton wilderness, has already lost two of three camps to the flames. "It should have been put out early, when it would have been easy," he said. "With the weather like this, there is the potential for a really catastrophic fire."

By Mr. SIMON (for himself and Mr. METZENBAUM):

S. 2660. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to authorize appropriations for fiscal years 1989 through 1992 for transitional living projects; to the Committee on the Judiciary.

HOMELESS YOUTH TRANSITIONAL LIVING ACT

● Mr. SIMON. Mr. President, I rise today to introduce a bill to address the growing problem of homeless youth. Seven percent of our Nation's youth run away and never return home.

Homeless youth are adolescents thrown out or forced to leave home with no place to go except the street. Unlike runaways these teenagers cannot realistically return home. The tragedy of this situation is illustrated by the comments published in Newsweek of a San Francisco youth counselor who indicated that 68 percent of the parents he contacted to let them know that their child wished to go home replied, "You keep the kid."

The children leave for a variety of reasons for which there is no immediate solution: economic hardship, extreme neglect or desertion, physical and sexual abuse—including rape and incest—parental drug or alcohol addiction, and serious mental health problems.

Although there is no national data base, the Department of Justice Office of Juvenile Justice and Delinquency Prevention estimates that there are 1.4 to 2.4 million homeless youth across the country. This is not a problem that affects just one segment of society. Homeless youth come from wealthy suburbs, urban ghettos, and rural communities. According to the Chicago Coalition for the Homeless, there are an estimated 17,500 homeless youth in Chicago. Testimony before the House Select Committee on Children, Youth and Families indicates an estimated 20,000 in New York; in Boston, 3,500. In Houston one-third of the homeless population are youths. Cleveland, Los Angeles, Minneapolis, New Orleans, Portsmouth, Providence, Salt Lake City, and Seattle all reported increases in homeless youth according to the December 1987, U.S. Conference of Mayors Report.

Once the children are on the street they are forced to turn to stealing, selling drugs, and prostitution to survive. One in three kids turn to prostitution within 48 hours of leaving home, and an extremely high percentage of homeless youth contract AIDS. They are beaten by pimps, suffer from malnutrition and exposure, and resort to drugs and alcohol to escape, if only briefly, from their grim world.

Homeless youth between the ages of 16 and 21 face special problems. They are in a legal no-man's land. They are not old enough to live independently, and lack education or vocational skills which would enable them to get off the street. They are too young for adult shelters, but too old for the foster care system.

Again the figures demonstrate the extent of the problem. In Chicago there are 1,500 emergency shelter beds for 25,000 homeless adults. There are only 30 emergency shelter beds for 4,000 youth under 18. In Los Angeles there are only 70 emergency beds. In 1 year almost 4,000 children were turned away from Los Angeles shelters because there wasn't enough room.

The goal of the Homeless Youth Transitional Living Act is to fill this void and create a safety net for homeless youth between the ages of 16 and 21. The act would create a $5 million grant program for community based programs previously successful in providing the services and training to enable homeless youth to become independent adults. The goal of the program is to provide shelter and a variety of services such as education and vocational counseling and training in basic life skills such as balancing a checkbook and holding down a job. The act would give homeless youth an alternative to the street by teaching them the basic skills they need to survive on their own.

Without successful intervention, youth who do not get help can easily become mentally ill, part of the adult criminal network, dependents of our public welfare systems or die anonymously of disease or a drug overdose.

In a recent poll the American public indicated that our Nation's children are a top legislative priority. Congress must make our children a top priority as well. Without us they have no hope and we forfeit the brightest promise for our future. By passing this legislation we take an important step in addressing one of the most potentially devastating problems facing this Nation, our homeless youth. ●

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 2661. A bill relating to the tariff treatment of certain entries of digital processing units; to the Committee on Finance.

TARIFF TREATMENT OF CERTAIN DIGITAL PROCESSING UNITS

● Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of a bill introduced by my distinguished colleague and friend, the senior Senator from New York. This bill is intended to correct a mistake made by the U.S. Customs Service in the classification of "motherboards" for personal computers.

A similar bill, H.R. 4493, was introduced in the House by Representative BILL ARCHER on April 29, 1988.

The personal computer market is, as we all know, a highly competitive market. The high volume end of the market has come to be dominated by cheap clones of the original IBM personal computer, many of which are manufactured overseas and then imported and sold in the United States.

U.S. companies retain leadership in the high end of the personal computer market. However, even U.S. firms have had to move certain operations overseas to compete in the international market for these machines.

A number of United States firms have had the main operating part of their personal computers manufactured in Japan. This part is called the motherboard. It carries the computer's central processing unit [CPU], the part that actually computes, and memory and control chips that operate the computer.

These Japanese manufactured motherboards are imported into the United States where they are assembled with power supplies, other boards, housings, cabling, keyboards, input-output ports, memory devices, and displays, in United States plants by United States workers. When assembled into a unit, these parts become a computer.

These motherboards were imported into the United States as computer parts. As such, they entered the United States duty free. Then, on July 2, 1987, the Customs Service reclassified these parts retroactively as "unfinished data processing machines." This had the effect of subjecting these parts to a 3.9-percent tariff and an additional 100-percent tariff under sanctions imposed on the Japanese due to their failure to live up to the terms of the semiconductor agreement.

This reclassification was simply wrong. A computer motherboard is no more an "unfinished data processing machine" than an automobile engine, by itself, is an "unfinished automobile." Each is equally vital to the nature and operation of the finished product, but many more components must be added to each before they can reasonably be called, respectively, an unfinished data processing machine or an unfinished automobile.

This is not a technical issue. It is not one that requires deep knowledge of computer technology to resolve. It is a matter of common sense. It makes good common sense to pass this bill.

In fact, I understand that the U.S. Treasury now admits that the Customs Service decision may have been in error. It is now up to us to correct this mistake.

This bill simply restores the status quo ante for those unliquidated customs entries that occurred after January 16, 1986, and before January 1, 1988. It allows those motherboards brought in during that period to come in duty free. Note that this bill corrects the retroactive impact of the Customs Service erroneous reclassification and deals with the entries that remain in dispute. It treats U.S. manufacturers fairly and helps expand that part of the computer market where we still retain the lead.

If we do not act to correct this mistake, we run the risk that large numbers of U.S. manufacturing jobs will move overseas because, all other things being equal, we will have made U.S.-assembled computers as expensive as foreign assembled computers. Therefore, U.S. companies will have no incentive to sustain domestic assembly operations.

I urge my colleagues to join me and the distinguished senior Senator from New York in support of this corrective measure.●

By Mr. STAFFORD (for himself, Mr. BAUCUS, Mr. CHAFEE, Mr. DURENBERGER, and Mr. GORE):

S. 2663. A bill entitled the "Global Environmental Protection Act of 1988; to the Committee on Governmental Affairs.

GLOBAL ENVIRONMENTAL PROTECTION ACT

Mr. STAFFORD. Mr. President, the effort to protect our health and environment from the hazards of manmade pollutants is an ever changing and unending struggle.

I have learned that from nearly two decades of experience in the Senate, working in the field of environmental protection. I also know that, while we have made significant progress in this effort, there are even greater challenges ahead.

So now, near the end of my stay in the Senate of the United States, I have come here to introduce, on behalf of myself and Mr. BAUCUS, Mr. CHAFEE, Mr. DURENBERGER, the Global Environmental Protection Act of 1988.

This bill asks the American people, and by implication the inhabitants of the rest of this planet as well, to confront the threat that atmospheric contamination poses to our future existence.

We should make no mistake about it. What is at stake is life as we know it, and possibly even life itself. The world's best scientists have been telling us that, through our conduct, we have been conducting a massive experiment with the Earth's future without knowing the outcome.

The overall outcome may be uncertain, but some specific consequences of this experiment have already become quite clear.

We already know that our planet is hotter; its protective atmosphere is thinner, and its air is more poisonous than at any time in recorded history—all because of air pollution.

Any one of these circumstances not only threatens the global environment, but imperils world stability in a way that increases international tensions and raises the risk of conflict.

We humans are making vast changes in the underpinnings of virtually every important realm to create a globe that is notably different from any that man has experienced. These changes have taken place in the ocean, the atmosphere, the soil, the temperature and in all living things.

In the United States, this summer's drought has focused public and press attention on the "greenhouse effect"—the warming of Earth because of air pollution.

Despite the national attention paid to the drought throughout the Midwest in the spring and summer of 1988, few people realize that other of the world's breadbaskets have also been gripped by the searing heat. China, Vietnam, Brazil, Czechoslovakia, Canada, Ethiopia, and India have also been starved for water.

In India, where the monsoons for an extended time failed for the second year in a row, there was looting—not for money, gold, or even food, but for water.

Throughout the world, the hottest year on record was 1987, followed closely by 1983 and 1981. The Antarctic ice sheet has begun to melt, ocean levels are rising, Caribbean coral is being killed by hot waters, and the snowpack in the American West is the thinnest in a century.

Today, literally as I speak, forest fires are sweeping through our West, endangering our oldest and most majestic national parks and wilderness areas. We are told they are the worst in a century.

Because humanity has already flooded the air with so many chemicals that last for so many years, temperatures will continue to increase until the middle of the next century.

Yet temperature increases are not our only concerns. The environment has been massively disturbed in other ways as well.

The press and public have been so preoccupied with the drought that they failed to notice the massive decline and death of forests in Eastern North America that has been documented by scientists.

Every major tree species—white and yellow pine, oak, spruce, yellow and sugar maple, sweetgum, Fraser fir, and beech—is growing slower and dying faster.

On Mount Mitchell, a North Carolina mountain which is the highest point east of the Rockies, clouds have been as poisonous as battery acid since May 1.

The forests on that mountain, and along the entire Appalachian chain from Maine to Georgia, are dying by the thousands.

An article describing this circumstance appeared in the New York Times last Sunday, and I ask unanimous consent that it be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I also ask unanimous consent that an article from the Washington Post describing the forest fires sweeping through the West also be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. But the threats do not stop with our forests either, Mr. President.

Despite nearly two decades of billion dollar expenditures to control air pollution, smog levels throughout the

United States have risen to the highest levels in a decade during this summer. That is partially because hot weather is the catalyst which allows two air pollutants—organic chemicals and oxides of nitrogen—to form ground level ozone, also known as smog.

As the Earth grows hotter, the levels of smog—already high enough to endanger the health of 100 million Americans—will continue to increase.

For a period, smog levels were held in check by the Federal air pollution control imposed on automobiles. But the Nation has been coasting on that program for nearly 8 years, doing virtually nothing else to control air pollution. Now, we have just about run out of progress, and as the temperatures increase—as they surely will—smog will worsen.

Meanwhile, high overhead, the thin layer of ozone gas which shields the planet from the deadly cold and solar radiation of space was growing thinner and thinner. If compressed, the ozone layer would be only the thickness of a plastic trash bag—3 mils—yet it is all that stands between life on Earth and radiation so intense that it can explode cells on contact.

Over the Antarctic, chemicals have dissolved the ozone layer, opening a hole the size of North America and letting through massive amounts of the blistering ultraviolet radiation. The thinning has spread northward, covering New Zealand and Australia. At the North Pole, the depletion has edged down into Maine and the Dakotas.

Because the chemicals that cause this condition last so long, it will be at least a century before the depletion can be reversed, even if production and use of those chemicals were to stop instantly and completely.

These threats are linked. Higher temperatures at ground level produce more smog, and also accelerate the chemical reaction which destroys the ozone layer. As the ozone far overhead is destroyed, the air below thickens and heats. Scientists call these relationships "positive feedbacks".

Some scientists tell us that what happened to the forests in Eastern North America was probably the result of a positive feedback—a reaction which accelerates so rapidly that by the time it is seen, it is too late to stop.

Certainly, what happened in the Antarctic was a positive feedback. The cold there caused a runaway reaction which consumed all of the available ozone, sweeping through the stratosphere there like a firestorm. It took scientists completely by surprise.

The National Academy of Sciences has warned that other such surprises lie in wait for humanity unless action is taken, and quickly. But, these warnings have disappeared from public view without a trace. They are being ignored just as the earlier warnings fell on deaf ears.

Mr. President, the list of dangers can go on and on. And as time continues to pass, it will happen unless we act swiftly and decisively. That is what this Senator is proposing, Mr. President: fast, decisive action.

Some may read this bill and say it is too stringent. Yet as stringent as this bill's provisions may be it would eliminate only one degree of increase from the projected global warming of 8° Fahrenheit.

Others will say that the United States cannot solve this problem by itself—and that is true. Even modest pollution growth in the developing countries will overwhelm the progress which this bill would make.

But someone, somewhere, must take the first step.

Perhaps no other countries will step forward. But certainly they will fail to act if we never ask.

And perhaps this bill demands too much in a few places. But it is better to demand too much of ourselves than too little.

And finally, perhaps this bill might mean some fundamental changes in the way Americans, and others, conduct our lives.

But, who among us today would prefer the world of 50 to 60 years ago—before vaccines eliminated polio and other crippling childhood diseases? Before refrigeration made possible generations of healthier and happier children? Before widespread availability of electricity made life and leisure possible?

No one can accurately predict what the world of tomorrow will be like if we make the changes which this bill asks. But, for myself, I am confident that it will be a better world.

What we can imagine, and imagine all too easily, is what the world may resemble if we fail to act.

It will be a world hostile to humanity, and the rest of life, in dozens of ways. It will be a world which I would wish on neither my children nor my grandchildren.

We need not accept that bleak prediction. We need not accept a continued deterioration of our planet and of our quality of life.

Man can make a difference and, by introducing this legislation here today, I urge the Senate of the United States to take the lead in that noble endeavor.

Mr. President, I ask unanimous consent that a summary of this bill and the text of the bill be printed in the RECORD.

Mr. President, the effort to protect our health and environment from the hazards of manmade pollutants is an ever-changing and unending struggle.

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Mr. President, I ask unanimous consent that a summary of this bill and the text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2663

Be it enacted by the Senate and House of Representative of the United States of America in Congress assembled,

SEC. 1.

This Act may be cited as the "Global Environmental Protection Act of 1988.".

SEC. 2. FINDINGS.

The Congress, recognizing the profound, irreversible and potentially catastrophic impacts of humanity's activities on the global atmosphere and the world's environment, and the inability of science to predict with certainty the consequences for humanity of any such changes, hereby declares that each person has a responsibility and obligation to avoid contamination of the atmosphere.

TITLE I—ELIMINATION AND REGULATION OF GLOBAL CHANGE POLLUTANTS

PART A—CHLOROFLUROCARBONS AND RELATED CHEMICALS

SECTION 101. SHORT TITLE.

This Part may be cited as the Act to Eliminate Chloroflurocarbons and Related Chemicals.

SEC. 102. FINDINGS.

The Congress finds that—

(1) The best available scientific evidence shows that manufactured substances, including chlorofluorocarbons, are polluting the atmosphere and destroying stratospheric ozone, as well as contributing to global climate change, and other atmospheric modifications.

(2) No level of stratospheric ozone depletion or global climate change caused by human activities can be deemed safe.

(3) Stratospheric ozone deletion will lead increased incidence of solar ultraviolet radiation at the surface of the Earth.

(4) Increased incidence of solar ultraviolet radiation will cause increased rates of disease in humans (including skin cancer), threaten food crops, and otherwise damage the natural environment.

(5) Stratospheric ozone depletion and global climate change from continued emissions of chlorofluorocarbons and other halogenated carbons with ozone depleting potential, and emissions of other gases, imperil human health and the environment worldwide.

(6) In order to stabilize and eventually reduce concentrations of chlorine and bromine in the stratosphere, to conserve the stratospheric ozone layer (an exhaustible natural resource), and to reduce the extent of global climate change—

(A) emissions of chlorofluorocarbons and other substances covered by this Act, including halogenated carbons with ozone depleting potential, should be terminated rapidly, and

(B) it is necessary to control international trade in substances covered by this Act and products containing or made with processes that use such substances.

(7) The highest priority must be given to developing and deploying safe substitutes to replace ozone depleting substances within 6 years.

(8) The United States needs to develop and deploy safe substitutes to replace ozone depleting substances in order to demonstrate to the world its commitment to protect the stratosphere.

SEC. 103. OBJECTIVES AND NATIONAL GOAL

(a) The objectives of this Act are to restore and maintain the chemical and physical integrity of the Earth's atmosphere and to protect human health and the global environment from all known and potential dangers due to atmospheric or climatic modification, including stratospheric ozone depletion, that is or may be related to the chlorofluorocarbons or other substances covered by this Act by—

(1) reducing significantly the production and emission into the atmosphere of pollutants caused by human activities,

(2) promoting the rapid development and deployment of alternatives to the use of the chlorofluorocarbons and other substances covered by this Act, and

(3) promoting additional scientific research on atmospheric or climatic modification, inculding stratospheric ozone depletion, and on the known and potential adverse effects therefrom on human health and the global environment.

(b) In order to achieve the objectives of this Act, it is the national goal to eliminate atmospheric emissions of manufactured substances with ozone depleting potential, including chlorofluorocarbons and other halogenated carbons with ozone depleting potential, and to reduce significantly emissions of other gases caused by human activities that are likely to affect adversely the global climate.

SEC. 104. DEFINITIONS.

As used in this Act:

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "household appliances" means noncommercial personal effects, including air conditioners, refrigerators, and motor vehicles.

(3) The term "import" means to land on, bring into, or introduce into, or attempt to land on, bring into, or introduce into, any place subject to the jurisdiction of the United States, whether or not such landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States.

(4) The term "manufactured substances" means any organic or inorganic chemical substances of a particular molecular identity, or any mixture, that has been manufactured for commercial purposes.

(5) The term "medical purposes" means medical devices and diagnostic products (A) for which no safe substitute has been developed and (B) which, after notice and opportunity for public comment, has been approved and determined to be essential by the Commissioner of the Food and Drug Administration, in consultation with the Administrator.

(6) The term "person" means an individual, corporation (including a government corporation), partnership, firm, joint stock company, trust, association, or any other entity, or any officer, employee, agent, department, or instrumentality of the Federal Government, of any State or political subdivision thereof (including any interstate body), or of any foreign government (including any international instrumentality).

(7) The term "substances covered by this Act" means those substances which are known or may reasonably be anticipated to cause or contribute to atmospheric or climatic modification, including stratospheric ozone depletion, and are listed under subsections (a) or (b) of section 105.

SEC. 105. LISTING OF REGULATED SUBSTANCES.

(a) Substances To Be Phased-Out.—Within 60 days after enactment of this Act, the Administrator shall publish a priority list of manufactured substances which are known or may reasonably be anticipated to cause or contribute to atmospheric or climatic modification, including stratospheric ozone depletion. The initial list shall include chlorofluorocarbon-11, chlorofluorocarbon-12, chlorofluorocarbon-113, halon-1211, and halon-1301.

(b) Other Regulated Substances.—Simultaneously with publication of the priority list, the Administrator shall create a list of other manufactured substances which, in the judgment of the Administrator, meet the criteria set forth in the first sentence of subsection (a). The list of other substances shall be subject to the limitations on ozone depletion potential under section 109 of this Act and shall include chlorofluorocarbon-22, chlorofluorocarbon-114, chlorofluorocarbon-115, carbon tetrachloride, methyl chloroform, and methylene chloride. At least annually thereafter, the Administrator shall publish a proposal to add to such list each other manufacturer substance which, in the judgment of the Administrator, meets the criteria set forth in the first sentence of subsection (a). Within 180 days of any such proposal, after allowing an opportunity for public comment, the Administrator shall promulgate a regulation adding each such substance to the list, unless the Administrator determines that such substance clearly does not meet the criteria set forth in the first sentence of subsection (a).

(c) Ozone Depletion Factor.—Simultaneously with publication of the lists or additions thereto under this section, and at least annually thereafter, the Administrator shall assign to each listed substance a numerical value representing the ozone depletion potential of such substance, on a mass (per kilogram) basis, as compared with chlorofluorocarbon-11. The numerical value shall, for the purposes of section 109, constitute the ozone depletion factor of each such substance. Until the Administrator promulgates regulations under this subsection, the following ozone depletion factors shall apply:

Substance ozone depleting factor

Chlorofluorocarbon-11	1.0
Chlorofluorocarbon-12	1.0
Chlorofluorocarbon-22	.05
Chlorofluorocarbon-113	.78
Carbon tetrachloride	1.06
Methyl chloroform	.10
Halon-1211	2.69
Halon-1301	11.43

SEC. 106. REPORTING REQUIREMENTS.

(a) Priority List.—Within 90 days after enactment of this Act, each person producing a substance listed pursuant to subsection (a) of section 105 shall file a report with the Administrator setting forth the amount of the substance that was produced by such person during calendar year 1986. Not less than annually thereafter, each producer shall file a report with the Administrator setting forth the production levels of such substance in each successive 12-month period until such producer ceases production of the substance. Each such report shall be signed and attested by a responsible corporate officer.

(b) Other Regulated Substances.—Within 90 days of the date on which a substance is placed on the list under subsection (b) of section 105, each person shall file a report with the Administrator setting forth the amount of the substance that was produced by such person during the 12 months preceding the date of listing. Not less than annually thereafter, each producer shall file a report with the Administrator setting forth the production levels of such substance in each successive 12-month period until such producer ceases production of the substance. Each such report shall be signed and attested by a responsible corporate officer.

SEC. 107. PRODUCTION PHASE-OUT

(a) Effective January 1, 1989, it shall be unlawful for any person to produce a substance listed pursuant to subsection (a) of section 105 in annual quantities greater than that produced by such person during calendar year 1986.

(b) Effective January 1, 1990, it shall be unlawful for any person to produce a substance listed pursuant to subsection (a) of section 105 in annual quantities greater than that produced by such person during calendar year 1986.

(c) Effective January 1, 1991, it shall be unlawful for any person to produce a substance listed pursuant to subsection (a) of section 105 in annual quantities greater than that produced by such person during calendar year 1986.

(d) Effective January 1, 1993, it shall be unlawful for any person to produce a substance listed pursuant to subsection (a) of section 105 in annual quantities greater than that produced by such person during calendar year 1986.

(e) Effective January 1, 1995 it shall be unlawful for any person to produce or release a substance listed pursuant to subsection (a) for any use other than medical purposes.

(f) Effective January 1, 1999, it shall be unlawful for any person to produce or release a substance listed pursuant to section 105 for any use other than medical purposes.

SEC. 108. LIMITATION ON USE.

(a) Effective January 1, 1994, it shall be unlawful to introduce into interstate commerce or to use a substance listed under subsection (a) of section 105 except for medical purposes approved by the Commissioner of the Food and Drug Administration, in consultation with the Administrator, and, for a period not to exceed 10 years after January 1, 1994, to maintain and service household appliances.

(b) Effective January 1, 1999, it shall be unlawful to introduce into interstate commerce or to use a substance listed under subsection (b) of section 105 except for medical purposes approved by the Commissioner of the Food and Drug Administration, in consultation with the Administrator, and, for a period not to extend beyond January 1, 2004, to maintain and service household appliances. For purposes of this subsection and subsection 107(f), a manufacturing process utilizing such a substance solely as an intermediate in a manufacturing process in which the substance is wholly consumed and none is released, does not constitute a use.

SEC. 109. LIMITATION ON OZONE DEPLETION POTENTIAL.

(a) Effective January 1, 1989, it shall be unlawful for any person to produce substances covered by this Act in annual quantities that, based upon the ozone depletion factor assigned to each such substance under subsection (c) of section 105, yield a total ozone depletion potential greater than that produced by such person during calendar year 1986.

(b) Effective January 1, 1990, it shall be unlawful for any person to produce substances covered by this Act in annual quantities that, based upon the ozone depletion factor assigned to each such substance under subsection (c) of section 105, yield a total ozone depletion potential greater than 75 per centum of that produced by such person during calendar year 1986.

(c) Effective January 1, 1991, it shall be unlawful for any person to produce substances covered by this Act in annual quantities that, based upon the ozone depletion factor assigned to each such substance under subsection (c) of section 105, yield a total ozone depletion potential greater than 50 per centum of that produced by such person during calendar year 1986.

(d) Effective January 1, 1995 it shall be unlawful for any person to produce a substance listed pursuant to section 105(a) for any use other than medical purposes.

(e) The Administrator shall promulgate regulations, after notice and opportunity for public comment, which require each producer to reduce its production of

(1) a substance listed under subsection (a) of section 105 more rapidly than the schedule provided under this Act; or

(2) a substance listed under subsection (b) of section 105 on a specific schedule not otherwise provided for in this Act

if the Administrator determines that such revised or specific schedule (A) based on new information regarding the harmful effects on the stratosphere or climate which may be associated with a listed substance, is necessary to protect human health and the environment or (B) based on the availability of substitutes for a listed substance, is attainable. Any person may petition the Administrator to issue such regulations. The Administrator shall issue such regulations within 180 days after receipt of any such petition, unless the Administrator denies the petition.

SEC. 110. PRODUCTION PHASE-OUT EXCEPTION FOR NATIONAL SECURITY.

(a) The President may issue such orders regarding production and use of halon-1211 and halon-1301 at any specified site or facility as may be necessary to protect the national security interests of the United States if the President personally finds that adequate substitutes are not available and that the production and use of such substance is necessary to protect such national security interests. Such orders may include, where necessary to protect such interests, an exemption from any requirement contained in this Act. The President shall notify the Congress within 30 days of the issuance of an order under this paragraph providing for any such exemption. Such notification shall include a statement of the reasons for the granting of the exemption. An exemption under this paragraph shall be for a specified period which may not exceed one year. Additional exemptions may be granted, each upon the President's issuance of a new order under this paragraph. Each such additional exemption shall be for a specified period which may not exceed one year. No exemption shall be granted under this paragraph due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation.

SEC. 111. CERTIFICATION OF EQUIVALENT PROGRAMS.

(a) Imports.—Effective 12 months after the date on which a substance is placed on the priority list pursuant to section 105, it shall be unlawful for any person to import such substance, any product containing such substance, or any product manufactured with a process that uses such substance unless the Administrator, in consultation with the Secretary of State (the Secretary), has published a decision, after notice and opportunity for public comment, certifying that the nations in which such substance or product was manufactured and from which such substance or product is imported have established and are fully implementing programs that require reduced production of such listed substance, and limit production of other substances covered by this Act, on a schedule and in a manner that is at least as stringent as the reduction schedule in a manner that is at least as stringent as the reduction schedule for, and limitations on, domestic production which apply under this Act. the prohibition on the import of any product manufactured with a process that uses a substance listed under subsection (a) of section 105 shall include, after notice and opportunity for public comment, any product which the Administrator has reason to believe may have been manufactured with a process that uses such substance. The Administrator's decision that a product may have been manufactured with a process that uses such substance shall constitute a rebuttable presumption.

Certification of National Program.—The Administrator shall not certify any national program under subsection (a) unless it is determined that—

(1) the nation has adopted legislation or regulations which give the reduction schedule for each listed substance the force of law; and

(2) the legislation or regulations include reporting requirements and enforcement provisions no less stringent than those specified in this Act, and that the information contained in such reports is available to the Administrator and the Secretary.

(c) Revocation.—At least annually, the Administrator, in consultation with the Secretary, shall review each certification made under this section and shall revoke such certification, after notice and opportunity for public comment, unless it is determined that the conditions of subsections (a) and (b) remain satisfied and that the reduction schedule for each listed substance is in fact being carried out in such nations. Any such revocation shall take effect 180 days after notice of the revocation has been published.

(d) Allocation.—Any person who imports a substance covered by this Act or a product containing such substance shall, for the purposes of section 107 (production phase—out for priority list) and section 109 (limitation on ozone depletion potential), shall be deemed to have produced an equivalent amount of such substance on the date of such importation.

SEC. 112. LABELLING.

(a) Effective 90 days after the date on which a substance is placed on a list maintained under subsection (a) or (b) of section 105, no container in which such substance is stored or transported, no product containing such substance, and no product manufactured with a process that uses a listed substance shall be introduced into interstate commerce unless it bears a label stating either of the following, as appropriate:

(1) "Contains (insert name of listed substance) a substance which harms public health and environment by destroying ozone in the upper atmosphere and by disrupting the climate".

(2) "Manufactured with (insert name of listed substance), a substance which harms public health and environment by destroying ozone in the upper atmosphere and by disrupting the climate".

The Administrator shall issue regulations to implement the labelling requirements of this section within six months after enactment of this section, after notice and opportunity for public comment. Such regulations shall require all containers and products which are subject to this section and introduced or reintroduced into commerce later than 90 days after promulgation of such regulations to bear the appropriate label. Unless and until such regulations have been promulgated and become effective, the required label shall be permanently affixed on the face of such product, with the lettering and background in contrasting colors and the letters themselves not less than two inches in height (or 20 percent of the height of the product which is less than four inches in height). Neither the labeling requirement nor any other provision of the Global Environmental Protection Act of 1988, including the Act as a whole, shall constitute, in whole or part, a defense to liability or a cause for reduction in damages in any suit, whether civil or criminal, brought under any law, whether Federal or state, other than a suit for failure to comply with the labelling requirements of this section.

SEC. 113. MANUFACTURE AND DISPOSAL.

(a) Effective January 1, 1990—

(1) A substance listed pursuant to this Act shall be deemed to meet the requirements of section 3001 of the Resource Conservation and Recovery Act.

(2) A substance listed pursuant to this Act shall be disposed of only through incineration or other means which assures 99.999 destruction of such substance.

(3) Any appliance, machine or other good containing a listed substance in bulk (including but not limited to refrigerators and air conditioners) shall be accepted for disposal only by persons licensed to accept such goods and shall be disposed of only after such substance has been removed from confinement and destroyed pursuant to the requirements of this Act. Unless and until regulations establishing a program for approving, licensing, and assuring the financial responsibility of persons to accept goods containing such substances, only govermental entities, or their agents, contractors or employees, are authorized to do so.

(4) No listed substance shall be vented into the atmosphere or otherwise released in a fashion which permits it to enter the environment in other than de minimus quantities.

(5) Any product in which a listed substance has been incorporated so as to constitute an inherent element of such product, including but not limited to rigid and soft foams, shall be disposed of only through incineration or other means which result in not less that 99.999 percent destruction.

(b) Effective July 1, 1990—

(1) No person shall manufacture, process, distribute in commerce or otherwise use (except for medical purposes) any listed substance in any manner other than a totally enclosed manner. "Totally enclosed" means that during the lifetime of the good in question not more than five percent of the original charge or volume of such substance will be released during the course of ordinary and customary use of such good, including repairs or disposal.

(2) No person shall manufacture, process, distribute in commerce or otherwise use (except for medical purposes) a listed substance in a totally enclosed manner without—

(A) installing on such device a servicing aperture which will allow service and repair of such good with release of only de minimus amounts of such substance,

(B) assuring the availability and actual use of servicing equipment adequate to assure the achievement of no more than a de minimus release of such substance.

(c) For purposes of this section a "de minimus" amount is .050 percent of the total charge of such substance or 5 pounds, whichever is less, released during a period of twelve months.

PART B—CARBON DIOXIDE

SEC. 114. SHORT TITLE.

This Part may be cited as the Act to Reduce and Stabilize Atmospheric Concentrations of Carbon Dioxide.

SEC. 115. FINDINGS.

The Congress finds that—

(1) There is widespread agreement, and no credible scientific dispute, that increases in atmospheric concentrations of carbon dioxide will increase the temperature of the planet;

(2) Current emissions of carbon dioxide are approximately 70 times as great as those a century ago;

(3) Average concentrations of carbon dioxide in the absence of major contributions from human activity have ranged between 180 and 280 parts per million;

(4) The current concentration of carbon dioxide is approximate 380 parts per million;

(5) Concentrations of carbon dioxide because of human activity are increasing at the rate of about 4 percent per decade;

(6) There has already been an observed increase in globally-averaged temperature of 0.7 degrees Centigrade during the last century;

(7) Increases in North Atlantic ocean temperatures of 0.2 to 0.3 degrees Centigrade have been measured;

(8) Ocean water levels have increased;

(9) The years 1981, 1983, and 1987 are the hottest on record;

(10) To date, the year 1988 will exceed the temperatures of all previous years on record;

(11) Elevated temperatures and drought are now prevailling in many of the world's agricultural areas;

(12) All of these changes are consistent with predictions that increases in carbon dioxide will lead to global temperature increases;

(13) Further temperature increases of as much as four degrees Centigrade will be experienced if concentrations of carbon dioxide and other trace gases continue to accelerate at current rates;

(14) Even with stringent and immediate controls, global average temperatures are predicted to increase 1-0 to 2-5 degrees centigrade.

(15) Scientists are unable to state with certainty whether the global environment will respond predictably to further temperature increases, especially if they occur in combination with other alterations in the atmosphere and oceans;

(16) Probable consequences of further warming will include, but cannot with certainty be said to be limited to, the following:

(A) Sea level rise of between one and four feet, accompanied by widespread flooding, estuary destruction, and increased frequency of extreme storm events such as cyclones;

(B) Disappearance of many tree and plant species in areas where they now predominate;

(C) Widespread and endemic drought in many areas of the world which now supply the bulk of humanity's foods;

(17) To minimize further climate destruction and mitigate that which is already inevitable will require that atmospheric concentrations of carbon dioxide be stabilized;

(18) The level of carbon dioxide emission reductions necessary to achieve atmospheric stabilization is uncertain, but has been estimated by some to be 50 percent or more;

(19) Given the uncertainty of the response of the global environment to further temperature increases, the prudent policy is to strive to minimize carbon dioxide emissions through all possible means rather than establish an arbitrary goal;

(20) Between 20 and 25 percent of the world-wide emissions of carbon dioxide originate in the United States;

(21) Technologies and practices exist which could reduce carbon dioxide emissions substantially;

(22) The adoption of these technologies and practices would increase the efficiency and competitiveness of the United States business and industrial sector, decrease the Nation's dependence on foreign supplies of fuel, protect the agricultural sector, preserve the natural environment, and simultaneously achieve reductions in other chemicals which cause acid rain, ground level ozone, and fine particle pollution;

(23) Therefore, the United States can protect the global environment directly by reducing emissions of carbon dioxide emissions and indirectly protect such environment by demonstrating the technologies and practices which can be applied elsewhere.

SEC. 116. STATIONARY SOURCE CONTROLS.

(a)(1) Not later than January 1, 1990 the Administrator of the Environmental Protection Agency shall revise the standards under section 111(b) of the Clean Air Act to require—

(A) that such standards be expressed in terms of carbon dioxide emitted per unit of electricity output;

(B) that such standards applicable to fossil fuel fired electric utility generating units provide for emissions of carbon dioxide not to exceed the following:

(i) effective January 1, 1990, 610 pounds of carbon dioxide per million British thermal units of heat output;

(ii) effective January 1, 2000, 435 pounds of carbon dioxide per million British thermal units of heat output; and

(iii) effective January 1, 2010, 280 pounds of carbon dioxide per million British thermal units of heat output.

For purposes of this section, "heat output" includes usable energy, whether electric or thermal, measured at the point of distribution to residential, commercial or other customers.

(2) Effective January 1, 1995, each fossil fuel fired stationary source shall comply with the standards established under section 111(b) of the Clean Air Act for new sources within such class or category, in the case of each electric utility generating source, on and after the date 30 years following the completion of construction of such source and, in the case of each other source, on and after the date 35 years following the completion of construction of such source.

(3) To the extent that the emissions rate limits required by this section and section 111 of the Clean Air Act through increases in combustion, generation, transmission and utilization efficiencies, such program for achieving reductions shall constitute enforceable continuous emissions reduction measures, enforceable by the Federal Government, States other than those in which the emissions occur, and citizens under section 304 of the Clean Air Act.

SEC. 117. MOBILE SOURCE CONTROLS.

(a) The Clean Air Act is amended as follows:

(1) In section 202(a)(3)(A)(i) inserting before the period at the end of the first sentence, the following: "and, for emissions of carbon dioxide, during and after model year 1990".

(2) in section 202(a)(3)(A)(ii) inserting the following new clause:

"(III) 1990 in the case of carbon dioxide shall contain standards which require a reduction of at least 10 percent in 1990; at least 25 percent in 1995; at least 50 percent in 2000; and at least 75 percent in 2010."

(3) inserting in section 202(b)(1)(B) the following new language immediately before the period:

"The regulations under subsection (a) applicable to emissions of carbon dioxide from light duty vehicles and engines shall provide that emissions of carbon dioxide may not exceed—

360 grams of carbon dioxide per vehicle mile from light duty vehicles and engines manufactued during and after model year 1990;

300 grams per mile for light duty vehicles and engines manufactured during and after model year 1995;

200 grams per mile for light duty vehicles and engines manufactured during and after model year 2000; and,

100 grams per miles for light duty vehicles and engines manufactured during and after model year 2010."

SEC. 118. RESIDENTIAL CONTROLS.

(a) Not later than January 1, 1991, the Administrator shall promulgate regulations identifying the best available residential control technology available for central furnaces, air conditions, and hot water heaters designed and sold for installation in single-family dwellings. For purposes of this section, "best available residential control technology" means that technology which achieves in a unit which is commercially available the maximum degree of reduction of emissions of carbon dioxide, whether directly through combustion or indirectly through consumption of electrical energy. Unless and until such regulations are promulgated and become effective, the best available control technology shall be deemed to be as follows:

(1) for furnaces, that which achieves an AFUE of.90 for oil, an AFUE of .95 for gas and a COP of 2.6 for electric heat pumps;

(2) for central air conditioners, that which achieves an Energy Efficiency Rating of not less than 15.0; and,

(3) for hot water heaters, that which achieves an EF of 64 for gas and 96 for electricity.

(b) Each new single-family dwelling for which a building permit is issued on or after January 1, 1992, which is equipped with a central furnace, central air conditioner or hot water heater, shall be equipped only with one which meets or exceeds the emission limitation achieved by the best available residential control technology.

(c) Effective January 1, 1993, each replacement central furnace, central air conditioner, or hot water heater installed in a single-family dwelling shall meet or exceed the emissions limit achieved by the best available residential control technology.

(d) Not later than January 1, 1990, the Secretary of the Treasury shall recommend to the Congress means of encouraging the replacement of central furnaces, air conditioners and water heaters and otherwise minimizing the emissions of carbon dioxide and other greenhouse gases from residential units through a system of tax or other incentives.

PART C—GROUND LEVEL OZONE

SEC. 119. SHORT TITLE.

This part may be cited as the Act to Minimize Ground Level Ozone.

SEC. 120. FINDINGS.

The Congress finds that—

(a) Ground level ozone, and the pollutants which lead to its formation, contribute substantially to the following damages:

(1) increases in global average temperatures and the consequent threats to humanity and the global environment, as described in greater particularity in the findings accompanying Part B;

(2) widespread and substantial damage to crops and other vegetation, including the forests of eastern North America and Europe;

(3) injury to human health, including probable long-term damage comparable to that resulting from tobacco smoking;

(4) acidification of the soils and waters of North America and Europe;

(b) Concentrations of free tropospheric ozone have doubled to quadrupled in the last century;

(c) Ground level ozone is formed by the reaction of volatile organic chemicals with oxides of nitrogen in the presence of sunlight;

(d) Elevated temperatures and extended summer seasons likely to accompany the global temperature increases will cause increased production of ground level ozone;

(e) Virtually all oxides of nitrogen and the majority of the volatile organic chemicals result from human activities;

(f) Technologies and practices exist to reduce substantially emissions of oxides of nitrogen and volatile organic chemicals;

(g) In the absence of a program to minimize emissions of volatile organic chemicals and oxides of nitrogen, emissions and concentrations of these pollutants are projected to increase.

SEC. 121. STATIONARY SOURCE CONTROLS: OXIDES OF NITROGEN.

(a)(1) Not later than January 1, 1990, the Administrator shall propose revised standards of performance pursuant to section 111 of the Clean Air Act for emissions of oxides of nitrogen (including nitrous oxide) from fossil fuel fired steam or electricity generating units, including both electric utility and non-utility units. Not later than January 1, 1991, the Administrator shall promulgate such standards of performance. Such revised standards of performance shall reflect improvements in methods for the reduction of emissions of oxides of nitrogen and shall require an emissions rate equal to or less than 0.1 pounds per million British thermal units of heat input or a reduction of not less than 90 per centum from an uncontrolled state unless the Administrator determines that such limits are technologically infeasible. Unless and until such revised standards are promulgated and become final, the application of selective catalytic reduction to achieve an emissions reduction of 90 percent shall be deemed to be such standard.

(2) Not later than January 1, 1990, the Administrator shall propose standards of performance pursuant to section 111 of the Clean Air Act for emissions of oxides of nitrogen (including nitrous oxide) from large stationary diesel and turbine engines. Not later than January 1, 1991, the Administrator shall promulgate such standards of performance. Unless and until such revised standards are promulgated and become final, the application of selective catalytic reduction to achieve an emissions reduction of 90 percent shall be deemed to be such standard.

(b) Effective January 1, 1993, each unit of a major stationary source that is a fossil fuel fired steam generating unit shall achieve an emissions rate of oxides of nitrogen that does not exceed, on an annual average basis, 1.0 pounds per million British thermal units of heat input for cyclone boilers, 0.5 pounds per million British thermal units of heat input for wall-fired boilers, and 0.4 pounds per million British thermal units of heat input for tangential-fired and other boilers.

SEC. 122. STATIONARY SOURCE CONTROLS: HYDROCARBONS.

(a) Not later than two years after the enactment of this subsection, the Administrator of the Environmental Protection Agency shall publish control technique guidelines consistent with section 171(6) of the Clean Air Act for the following categories of sources:

(A) wood furniture coating;

(B) autobody refinishing;

(C) metal rolling;

(D) SOCMI distillation;

(E) SOCMI batch process;

(b) SEC. 304. (a) Part A of title I of the Clean Air Act is amended by adding the following new section:

"HYDROCARBON EMISSION CONTROLS

"SEC. 130. (a) Not later than two years after the enactment of this section, the Administrator shall promulgate regulations establishing emission limitations, standards of performance, or standards for product composition or application for hydrocarbon emissions associated with the following categories of sources—

"(1) commercial solvents;

"(2) consumer solvents;

"(3) architectural coatings;

"(4) pesticide application;

"(5) traffic marking coatings; and

"(6) metal parts coatings in military specification applications and aerospace industry applications.

"(b) With respect to existing sources or activities not subject to section 111 or section 173, the regulations under this section shall require the degree of emission reduction or control, at a minimum, achievable through the adoption of reasonably available control technology, as defined in section 171(6). In developing regulations under subsection (a)(1) and (a)(6) of this section, the Administrator shall consult with the affected industry, including the industries procuring such parts, and with representatives of the Department of Defense, the Federal Aviation Administration, and the National Aeronautics and Space Administration involved in the establishment of specifications for such parts or coatings.

"(c) For the purposes of this act, any requirement of a regulation promulgated under this section shall be deemed a requirement of an applicable implementation plan.".

(b) Section 116 of the Clean Air Act is amended by striking "111 or 112" and inserting in lieu thereof "111, 112, or 130".

(c) Effective January 1, 1995, each major stationary source of hydrocarbons shall comply with the standards established under section 111 (b) of the Clean Air Act for new sources within such class or category, on and after the date 35 years following the completion of construction of such source.

SEC. 123. MOBILE SOURCE CONTROLS.

VEHICLE EMISSION STANDARDS

SEC. 301. (a) Section 202(b)(1)(A) of the Clean Air Act is amended by adding at the end thereof the following new sentence: "The regulations under subsection (a) applicable to emission of hydrocarbons from ligh-duty vehicles and engines manufactured during and after model year 1992 shall contain standards which provide that such emissions may not exceed 0.25 gram per vehicle mile.".

(b) Section 202(b)(1)(B) of the Clean Air Act is amended by adding at the end thereof the following new sentence: "The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during and after model year 1990 shall contain standards which provide that such emissions may not exceed 0.4 gram per vehicle mile.".

(c) Section 202(b)(1) of the Clean Air Act is amended by adding the following new paragraph:

"(D) The Administrator shall promulgate regulations under subsection (a) applicable to emissions of particulates from light-duty vehicles and engines manufactured during and after model year 1990, and such regulations shall contain standards which provide that such emissions, may not exceed 0.08 gram per vehicle mile.".

(d) Section 202(a)(3) of the Clean Air Act is amended by inserting after subparagraph (E) the following new subparagraphs and redesignating succeeding subparagraphs accordingly:

"(F) Regulations under paragraph (1) applicable to emissions of oxides of nitrogen from heavy duty vehicles and engines shall contain standards that provide that such emissions shall not exceed 4.0 grams per brake horsepower-hour for vehicles manufactured during and after model year 1991 and that such emissions shall not exceed 1.7 grams per brake horsepower-hour for vehicles manufactured during and after model year 1995. Regulations applicable to emissions of particulates from heavy-duty diesel vehicles and engines shall require that such emissions may not exceed 0.1 gram per brake horsepower-hour, beginning in model year 1991 with respect to buses, and in model year 1994 with respect to other heavy-duty diesel vehicles and engines.

"(G) Regulations under paragraph (1) applicable to emissions from light-duty trucks and engines manufactured during and after model year 1990 shall contain standards that provide that such emissions may not exceed 0.5 gram per vehicle mile of oxides of nitrogen, 0.5 gram per vehicle mile of hydrocarbons, 0.08 gram per vehicle mile of particulates, and 5.0 grams per vehicle mile of carbon monoxide. Such regulations shall require that light-duty trucks and engines manufactured during and after model year 1990 comply with the standard for emissions of carbon monoxide regardless of the altitude at which they are sold. For the purposes of this subparagraph, the terms 'light-duty truck' and 'light-duty truck and engine' means any motor vehicle (including the engine thereof) with a gross vehicle weight (as determined under regulations promulgated by the Administrator) of eight thousand five hundred pounds or less and a curb weight of six thousand pounds or less (as determined under regulations promulgated by the Administrator) and which—

"(i) is designed primarily for purposes of transportation of property or is a derivation of such a vehicle,

"(ii) is designated primarily for transportation of persons and has a capacity of more than twelve persons, or

"(iii) has special features enabling off-street or off-highway operation and use.

For the purposes of this section, any motor vehicle with a gross vehicle weight of six thousand pounds or less shall be a light-duty vehicle.".

(e) Section 202(a)(3)(H) of the Clean Air Act (as redesignated by this Act) is amended by adding the following new sentence: "Regulations under this section applicable to exhaust and evaporative emissions from motorcycles and motorcycle engines manufactured during and after model year 1992 shall contain standards that provide that such emissions, in the case of motorcycle engines with a displacement of less than 700 cubic centimeters, may not exceed 2.0 grams per vehicle mile of hydrocarbons, 17.6 grams per vehicle mile of carbon monoxide, and 2.0 grams per test of evaporative emissions, and in the case of motorcycle engines with a displacement of 700 cubic centimeters or more, may not exceed 3.6 grams per vehicle mile of hydrocarbons, 17.6 grams per vehicle mile of carbon monoxide, and 4.0 grams per test of evaporate emissions.".

(f) Section 202(a)(6) of the Clean Air Act is amended to read as follows:

"(6) Regulations under this section applicable to vehicles manufactured during and after model year 1991 shall require the use of onboard hydrocarbon control technology to recover emissions from the fueling of such vehicles. Such onboard hydrocarbon control technology shall be designed to accommodate all available fuels.".

(g) Section 209(b)(1) of the Clean Air Act is amended by striking ", in the aggregate,".

(h)(1) Section 202(b)(1) of the Clean Air Act is further amended by adding the following new paragraph:

"(E) The Administrator shall promulgate regulations under subsection (a) applicable to emissions of formaldehyde from light-duty vehicles and engines manufactured during and after model year 1990 which may be fueled, in whole or in part, by fuels other than gasoline. In no event may such regulations permit emissions of formaldehyde at a higher rate than from comparable gasoline-fueled vehicles.".

(2) Section 202(a)(3) of the Clean Air Act is further amended by adding at the end thereof the following new subparagraph:

"(I) The Administrator shall promulgate regulations under subsection (1) applicable to emissions of formaldehyde (i) from heavy-duty vehicles and engines and (ii) from light-duty trucks and engines manufactured during and after model year 1991 which may be fueled, in whole or in part, by fuels other than gasoline. In no event may such regulations permit emissions of formaldehyde at a higher rate than from comparable gasoline-fueled vehicles.".

(i) Section 202 of the Clean Air Act is amended by adding the following new subsection:

"(g) The Administrator shall promulgate regulations applicable to motor vehicle and other engines manufactured during and after model year 1991 that prohibit the manufacture, sale, or introduction into commerce of any engine that requires leaded gasoline.".

(j) Section 202(a) of the Clean Air Act is amended by adding the following new paragraph:

"(7)(A) To augment existing regulations controlling carbon monoxide emissions under temperatures between 68 and 86 degrees Fahrenheit, the Administrator shall prescribe regulations under paragraph (1) of this subsection applicable to emissions of carbon monoxide over a temperature range of 20–68 degrees Fahrenheit from light-duty vehicles and light-duty trucks manufactured during and after model year 1990.

"(B) Regulations under subparagraph (A) shall require a reduction of at least 90 percent from the average emissions from light-duty gasoline-fueled vehicles and trucks manufactured in model year 1970 to a level not to exceed 6.2 grams per vehicle mile of carbon monoxide at 20 degrees Fahrenheit. Demonstration of compliance shall be determined under regulations promulgated by the Administrator and may be based on testing of randomly selected engine families.".

ASSURANCE OF IN-USE COMPLIANCE

SEC. 302. (a)(1) Section 202(d)(1) of the Clean Air Act is amended by striking "five years or of fifty thousand miles" and inserting in lieu thereof "ten years or of one hundred thousand miles".

(2) The amendment made by this subsection shall take effect with respect to light-duty vehicles and engines manufactured during and after model year 1990.

(b) Section 202 of the Clean Air Act is amended by adding the following new subsection:

"(h) Each emission standard under this section shall apply to and be met by each an every vehicle or engine sold, offered for sale, introduced into commerce, or imported, and may not be met or complied with by the average of the performance of various vehicles, engines, engine families, or models manufactured by the same manufacturer.".

(c) Section 206(a) of the Clean Air Act is amended by adding the following new paragraph:

"(4) Not later than one year after the enactment of this paragraph, the Administrator shall promulgate regulations adding an idle test mode to the Federal Test Procedure for light-duty vehicles as in effect on such date of enactment. Such modified test procedure shall be used for the certification of light-duty vehicles and engines manufactured during or after model year 1990.".

(d) Section 206(b)(2)(A) of the Clean Air Act is amended by adding the following new clause:

"(iii) A certificate of conformity shall be suspended or revoked under clause (i) with respect to a class or subclass of vehicles if that class or subclass fails a sampling plan having an acceptance quality level of 10 per centum.".

(e)(1) Section 207(c)(1) of the Clean Air Act is amended by striking the word "properly" each time it occurs and inserting in lieu thereof "normally".

(2) Section 207(c) of the Clean Air Act is amended by adding the following new paragraphs:

"(4) In making determinations of nonconformity under this subsection, the Administrator shall take into account information collected under any State vehicle emission control inspection and maintenance program. Any State in which such a program is operating may petition the Administrator to make a determination of nonconformity under paragraph (1) on the basis of information collected in such program. The Administrator shall act upon such petition within sixty days of receipt of such petition.

"(5) For the purpose of paragraph (1), the phrase 'normally maintained and used' means the maintenance and use ordinarily to be expected in the hands of the ultimate purchasers, not necessarily in accordance with instructions under paragraph (3), but not including intentional misfueling or intentional violations of section 203(a)(3).".

(3) Section 207(c) of the Clean Air Act is further amended by adding the following new paragraph at the end thereof:

"(6) Not later than 180 days after enactment of the Clean Air Standards Attainment Act of 1987, the Administrator shall establish at least one testing center in addition to the existing two testing centers, which shall be located at a site that represents high altitude conditions, to ascertain whether, when in actual use throughout their useful life (as determined under section 202(d)), each class or category of vehicle and engine to which regulations under section 202 apply conforms to the emission standards of such regulations. The Adminsitrator shall, in cooperation with the States, conduct routine testing of a representative sample of classes or categories of vehicles and engines to which regulations under section 202 apply. In carrying out such tests, the Administrator shall assure that the testing procedures and methods are of sufficient accuracy and consistency to carry out the purposes of this section. For the purposes of this paragraph, the term 'high altitude conditions' refers to high altitude as defined in Environmental Protection Agency regulations in effect as of the enactment of this Act.".

(f)(1) Section 203(a)(3) of the Clean Air Act is amended to read as follows:

"(3)(A) for any person to remove or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this title prior to its sale and delivery to the ultimate purchaser, or for any person knowingly to remove or render inoperative any such device or element of design after such sale and delivery to the ultimate purchaser, except as may be temporarily necessary in the course of routine proper maintenance; or

"(B) for any person to manufacture or sell, or offer to sell, any part or component intended for use with, or as part of, any motor vehicle or motor vehicle engine, where a principal use of such part or component is to bypass, defeat, or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this title, and where such part or component is being offered for sale for such use or put to such use within the specific knowledge of such person; or".

(2) Section 205 of the Clean Air Act is amended to read as follows:

"Sec. 205. (a) Any person who violates paragraph (1), (2), or (4) of section 203(a) or any manufacturer or dealer who violates paragraph (3)(A) of section 203(a) shall be subject to a civil penalty of not more than $10,000. Any other person who violates paragraph (3)(A) of section 203(a) or any person who violates paragraph (3)(B) of section 203(a) shall be subject to a civil penalty of not more than $2,500. Any such violation with respect to paragraph (1), (3), or (4) of section 203(a) shall constitute a separate offense with respect to each motor vehicle or motor vehicle engine.

"(b) A civil penalty for a violation of section 203 shall be assessed by the Administrator by an order made on the record after opportunity for a hearing. In connection with any proceeding under this section the presiding officer may issue subpoenas for the attendance and testimony of witnesses and the production of papers, books, and documents.

"(c) In determining the amount of a civil penalty, the Administrator shall take into account the gravity of the violation, the size of the violator's business, the violator's history of compliance, action taken to remedy the violation, and the effect of the penalty on the violator's abilty to continue in business.

"(d) If any person fails to pay a civil penalty assessed under this section—

"(1) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with section 307, or

"(2) after a court in any action brought for judicial review has entered a final judgment in favor of the Administrator or the action has otherwise been terminated if such person has filed a petition for review under section 307,

the Attorney General shall recover the amount assessed (plus interest from the date of the expiration of sixty days from the date of the order, or from the date of such final judgment, as the case may be) in an action brought in any appropriate district court for the United States. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to reveiw.".

(3) Section 203(c) of the Clean Air Act is amended by striking "from section 203(a)(3)" the second time it appears.

(g)(1)(A) Section 207(a)(3) of the Clean Air Act is amended by striking the last sentence and inserting in lieu thereof the following: "The term 'designed for emission control' as used in the preceeding sentence means a catalytic converter, thermal reactor, trap oxidizer, oxygen sensor, air pump, air flow sensor, electronic control unit and other elements of a fuel metering system, exhaust gas recirculation system, evaporative emission control system, and altitude compensation system, or any other component that is first installed on or in a vehicle in mass production after the date of enactment of the Clean Air Standards Attainment Act of 1987 and that is installed for the primary purpose of reducing vehicle emissions. Such term shall not include those vehicle components which were in general use prior to model year 1968.".

(B) The penultimate sentence of section 207(b)(2) of the Clean Air Act is amended by striking all after "catalytic converter, thermal reactor," and inserting in lieu thereof "trap oxidizer, oxygen sensor, air pump, air flow sensor, electronic control unit and other elements of a fuel metering system, exhaust gas recirculation system, evaporative emission control system, and altitude compensation system, or any other component that is first installed on or in a vehicle in mass production after the date of enactment of the Clean Air Standards Attainment Act of 1987 and that is installed for the primary purpose of reducing vehicle emissions.".

(2) Section 207(c) of the Clean Air Act is further amended by adding at the end thereof the following new paragraph:

"(7) The Administrator shall promulgate regulations requiring each State which is required to implement a vehicle inspection and maintenance program to adopt quality control audits to assure that such inspections detect and report to the Administrator any patterns of defects in any manufacturer's emission control systems. The Administrator shall annually report to the Congress, with respect to each manufacturer, any significant finding of repeated or common emission system defects and the actions taken to remedy such nonconformity through ordered or voluntary recalls or other actions authorized by this Act.".

(3)(A) Section 207(c)(3)(B) of the Clean Air Act is amended by striking all after "no commercial relationship" and inserting in lieu thereof a period.

(B) Section 203(a)(4)(C) of the Clean Air Act is amended by striking "except as provided in subsection (c)(3) of section 207,".

(C) Section 203(a) of the Clean Air Act is amended by adding at the end thereof the following: "Paragraph (4)(C) shall not apply to the provision of any communication regarding any part, component, or system, or service provided without charge under the terms of the purchase agreement.".

(4) Section 207(e) of the Clean Air Act is amended by inserting "(1)" after "(e)" and by adding the following new paragraph:

"(2)(A) Each manufacturer of a new motor vehicle shall affix, and each dealer shall maintain, on each motor vehicle manufactured during and after model year 1990, a label indicating the full cost of applying the warranty under subsections (a) and (b) to such new motor vehicle. The form and content of such label, and the manner in which such label shall be affixed, shall be prescribed by the Administrator by rule, except that each such label shall contain, in bold face type, the following statement: 'The vehicle manufacturer or dealer may offer to sell warranties extending beyond those required by section 207 (a) and (b) of the Clean Air Act and covering the emission system or other components or parts of the vehicle. The purchaser of the vehicle does not have any obligation to purchase the extended warranty from the manufacturer or the dealer. The vehicle purchaser may elect to buy an extended warranty from any other vendor of such warranties.'.

"(B) The Administrator may permit a manufacturer to comply with the provisions of subparagraph (A) by permitting such manufacturer to disclose the information required under this paragraph on the label required under section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232).

"(C) A violation of subparagraph (A) shall be treated as a violation of section 3 of the Automobile Disclosure Act (15 U.S.C. 1232).

"(D) The Administrator shall utilize the authorities of section 208 of this Act to verify the costs disclosed by each manufacturer under subparagraph (A).".

(5) Section 207(g) of the Clean Air Act is amended to read as follows:

"(g) For the purposes of this section, the owner of any motor vehicle or motor vehicle engine warranted under this section is responsible in the proper maintenance of such vehicle or engine to replace and to maintain, at his expense and at any service establishment or facility of his choosing, such items as spark plugs, points, condensers, and any other part, item, or device related to emission control (but not designed for emission control under the last two sentences of subsection (a)(3)), unless such part, item, or device is covered by any warranty not required by this Act.".

REGULATION OF FUELS

Sec. 303. (a) Section 211 of the Clean Air Act is amended by adding the following new subsections:

"(h)(1) After July 1, 1990, the sale or introduction into commerce of diesel fuel for use in motor vehicles, which fuel has a sulfur content in excess of 0.05 per centum by weight, shall be prohibited.

"(2) The fuel required to be used in certification of heavy duty diesel vehicles and engines manufactured during and after model year 1991 shall have a sulfur content that does not exceed 0.05 per centum by weight.

"(3)(A) Paragraph (1) of this subsection and any regulations promulgated by the Administrator thereunder shall not require a small refinery to reduce the sulfur content of diesel fuel to 0.05 per centum by weight prior to July 1, 1993.

"(B) For the purpose of this subsection, the term "small refinery" means a refinery—

"(i) the diesel fuel producing capacity of which was in operation or under construction at any time during the one-year period immediately preceeding October 1, 1987,

"(ii) which has a crude oil or bona fide feed stock capacity (as determined by the Administrator) of 175,000 barrels per day or less, and

"(iii) which is owned or controlled by a refiner with a total combined crude oil or bona fide feed stock capacity (as determined by the Administrator) of 350,000 barrels per day or less.

"(4) The Administrator shall report to the Congress not later than the date six months after the enactment of this subsection, on whether a sulfur content in diesel fuel of 0.05 per centum by weight is necessary to assure that heavy-duty diesel vehicles and engines can achieve the particulate emission standards specified in section 202(a)(3)(F) or in regulations under section 202 for model year 1991 and model year 1994, or is otherwise warranted for the protection of public health.

"(i) Not later than two years after the date of enactment of this subsection, the Administrator shall promulgate regulations under this subsection requiring that the Reid vapor pressure of gasoline sold, offered for sale, or introduced into commerce during warm weather months (as defined by the Administrator), shall not exceed nine pounds per square inch, or with respect to any region established under section 178, any lower level requested by the regional commission for such region established under section 178(b). After April 1, 1990, no manufacturer or importer of gasoline may sell, offer for sale, or introduce into commerce any fuel which does not comply with such regulations. For ethanol/gasoline blends containing 10 percent denatured anhydrous ethanol, the Reid vapor pressure limitations promulgated pursuant to this subsection shall be 1.0 pound per square inch greater than the applicable Reig vapor pressure limitations which apply to gasoline: *Provided, however,* That a refiner, distributor, blender, marketer, reseller, carrier, retailer, or wholesale purchaser-consumer shall be deemed to be in full compliance with the provisions of this subsection and the regulations promulgated thereunder if it can demonstrate (by showing receipt of a certification or other evidence acceptable to the Administrator) that (I) the gasoline portion of the blend complies with the Reid vapor pressure limitations promulgated pursuant to this subsection, and (II) the ethanol portion of the blend does not exceed its waiver condition under subsection (f)(4).

"(j)(1) After October 1, 1989, the sale or introduction into commerce of gasoline for use in motor vehicles, in any area that is a nonattainment area as defined in section 171(2) for carbon monoxide, during the period from October 1 to April 1 of each year, which fuel has an oxygen content less than 2 per centum oxygen by weight, shall be prohibited.

"(2) After October 1, 1990, the sale or introduction into commerce of gasoline for use in motor vehicles, in any area that is a nonattainment area as defined in section 171(2) for carbon monoxide during the period from October 1 to April 1 of each year, which fuel has an oxygen content less than 3.7 per centum oxygen by weight, shall be prohibited.

"(3) The Administrator may waive the requirements of paragraph (1) or (2) in whole or in part with respect to the level of oxygen content, the timing of available oxygenated gasoline, or the use of oxygenated fuels, in a specific area, where full implementation of such provision may reasonably be anticipated to result in an unacceptable increase in levels of other air pollutants.

"(4) Not later than two years after the enactment of this subsection, the Administrator shall submit a report to the Environment and Public Works Committee of the United States Senate and the Energy and Commerce Committee of the House of Representatives concerning the increased use of oxygenated fuels nationwide; and the use of oxygenated fuels with an oxygen content by weight greater than 3.7 per centum. Such report shall include an analysis of emissions, drivability, fuel volatility and availability of gasoline with increased oxygen levels.".

(b)(1) Section 211(d) of the Clean Air Act is amended to read as follows:

"(d)(1) Any person who violates subsection (a), (f), (h) or (j) or the regulations prescribed under subsection (c), (h), or (i) or who fails to furnish any information required by the Administrator under subsection (b) shall be subject to a civil penalty of not more than $10,000 for each and every day of such violation. Such civil penalty shall be assessed by the Administrator by an order made on the record after opportunity for a hearing. In connection with any proceeding under this section the presiding officer may issue subpoenas for the attendance and testimony of witnesses and the production of papers, books, and documents.

"(2) In determining the amount of a civil penalty, the Administration shall take into account the gravity of the violation, the size of the violator's business, the violator's history of compliance, action taken to remedy the violation, and the effect of the penalty on the violator's ability to continue in business.

"(3) If a person fails to pay a civil penalty assessed under this subsection—

"(A) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with section 307, or

"(B) after a court in any action brought for judicial review has entered a final judgment in favor of the Administrator or the action has otherwise been terminated if such person has filed a petition for review under section 307,

the Attorney General shall recover the amount assessed (plus interest from the date of the expiration of sixty days from the date of the order, or from the date of such final judgment, as the case may be) in an action brought in any appropriate district court for the United States. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.".

(2) Section 211(c) of the Clean Air Act is amended by adding a new paragraph as follows:

"(5) Regulations under this subsection shall prohibit any person from introducing, or causing or allowing the introduction, of a regulated fuel or fuel additive into a motor vehicle not designed for such fuel or fuel additive.".

(b)(1) Effective January 1, 1992 each State shall implement a vehicle emission control inspection and maintenance program.

(2) The term "vehicle emission control inspection and maintenance program" as used in section 172(d) means a program to reduce in-use emissions of hydrocarbons, carbon monoxide, oxides of nitrogen, and diesel particulates from motor vehicles that—

(A) covers all vehicles regularly operating in the program area;

(B) includes at a minimum (i) each Metropolitan Statistical Area (as defined by the Director of the Bureau of the Census) with a population of one hundred thousand or more according to the 1985 Census, containing a nonattainment area, and (ii) each area identified under section 178(c)(1);

(C) requires annual emission testing and necessary adjustment, repair, or maintenance;

(D) requires direct inspection of components of vehicle emission control systems (including evidence of misfueling) and, where such components have been rendered inoperative, the repair or replacement of such components;

(E) requires inspection of heavy-duty vehicle exhaust or compliance with existing standards for the opacity of such exhaust;

(F) is operated on a centralized or, with respect to emission testing, computerized basis; and

(G) has a repair cost waiver in the case of failure of at least $200, or provides that any repair cost waiver limit shall apply only to costs that are not covered by a warranty under section 207.".

PART D—METHANE

SEC. 123. SHORT TITLE.

This part may be cited as the Methane Emissions Elimination Act.

SEC. 124. METHANE SOURCE IDENTIFICATION AND ASSESSMENT.

(a) Not later than January 1, 1991, the Administrator of the Environmental Protection Agency, in consultation with the Administrators of the National Oceanic and Atmospheric Administration and the National Aeronautics and Space Administration, shall submit to the Congress a report on the following:

(1) the contribution of methane to global climate change;

(2) the sources and sinks of methane;

(3) the methods of controlling emissions of methane; and,

(4) the relationship between emissions of methane and concentrations of other trace gases, including the hydroxyl radical.

(b) The Solid Waste Disposal Act is amended by—

(1) inserting in section 4001 immediately before "are environmentally" the following: "minimize emissions and other releases to the environment and which are otherwise".

(2) in section 4002(c)(1) striking the words "reasonable protection of ambient air quality" and substituting "and the minimization of emissions and other releases to the environment of pollutants including, but not limited to, methane or other harmful gases or materials".

(3) in section 4003(a) adding a new subsection (7) as follows:

"(7) The plan shall provide for methods (including prohibitions on the nature of materials which are disposed), practices, or technologies which minimize emissions of methane and other gases, both during operation and after closure."

(4) in section 4007(a) inserting immediately before the period at the end of the second sentence the following: ", provided that the Administrator determines that such plan satisfies the requirements of paragraph (7) of section 4003. Plans which fail to satisfy such requirements shall be disapproved".

(c) Not later than January 1, 1991, the Administrator shall promulgate regulations implementing the requirements of this section and requiring State plans developed under Subtitle D of the Solid Waste Disposal Act to be amended and either approved or disapproved by July 1, 1992. Any plan not affirmatively approved by such date shall be deemed disapproved for purposes of the Solid Waste Disposal Act. Amended plans shall require all facilities constructed after January 1, 1993 subject to Subtitle D to be designed, constructed and operated so as to minimize emissions of methane and shall require all existing facilities to be modified prior to January 1, 1993 and thereafter operated so as to minimize emissions of methane and other pollutants.

(d) Effective January 1, 1994 mass releases of methane, whether through intentional venting of wells or otherwise, and flaring of methane are prohibited.

PART E—MISCELLANEOUS PROVISIONS

SEC. 125. FEDERAL ENFORCEMENT.

(a) COMPLIANCE ORDERS.—(1) Whenever on the basis of any information the Administrator determines that any person has violated or is in violation of any requirement of this title, the Administrator may issue an order assessing a civil penalty for any past or current violation, requiring compliance immediately or within a specified time period, or both, or the Administrator may commence a civil action in the United States district court in the district in which the violation occurred for appropriate relief, including a temporary or permanent injunction.

(2) Any order issued pursuant to this subsection may include a suspension or revocation of any permit issued by the Administrator and shall state with reasonable specificity the nature of the violation. Any penalty assessed in the order shall not exceed $25,000 per day of noncompliance for each violation of a requirement of this Act. In assessing such a penalty, the Administrator shall take into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

(b) PUBLIC HEARING.—Any order issued under this section shall become final unless, no later than thirty days after the order is served, the person or persons named therein request a public hearing. Upon such request the Administrator shall promptly conduct a public hearing. In connection with any proceeding under this section the Administrator may issue subpenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and may promulgate rules for discovery procedures.

(c) VIOLATION OF COMPLIANCE ORDERS.—If a violator fails to take corrective action within the time specified in a compliance order, the Administrator may assess a civil penalty of not more than $25,000 for each day of continued noncompliance with the order and the Administrator may suspend or revoke any permit issued to the violator.

(d) CRIMINAL PENALTIES.—Any person who—

(1) knowingly exceeds the production limits under section 107 (production phase-out for initial list) or section 109 (limitation on ozone depletion potential);

(2) knowingly introduces into interstate commerce a substance that was produced in violation of section 107 or section 109;

(3) knowingly imports a substance listed under section 105, a product containing such substance, or product manufactured with a process that uses such substance, in violation of section 111 (certification of equivalent programs);

(4) knowingly introduces into interstate commerce a substance or product in violation of section 108 (limitation on use) or section 112 (labeling);

(5) knowingly omits material information or makes any false material statement or representation in any application, record, report, permit, or other document filed, maintained, or used for purposes of compliance with this title; or

(6) knowingly produces, transports, distributes, or uses any substance listed under section 105, a product containing such substance, or a product manufactured with a process that uses such substance, and who knowingly destroys, alters, conceals, or fails to file any record, application, report, or other document required to be maintained or filed for purposes of compliance with this title

shall, upon conviction, be subject to a fine in accordance with title 18 of the United States Code for each day of violation, or imprisonment not to exceed two years, or both. If conviction is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment under the respective paragraph shall be doubled with respect to both fine and imprisonment.

(e) CIVIL PENALTY.—Any person who violates any requirement of this title shall be liable to the United States for a civil penalty in an amount not to exceed $25,000 for each such violation.

(f) VIOLATIONS.—Each day of violation of any requirement of this title shall, for purposes of this section, constitute a separate violation. In addition, for purposes of section 107 (production phase-out for initial list), section 108 (limitation on use), section 109 (limitation on ozone depletion potential), and paragraphs (1), (2), (3), and (4) of subsection (d) of this section, the production, introduction into commerce, or importation of each 100 pounds of a substance listed under section 105 that is in excess of the production limits under section 107 or section 109 shall constitute a separate violation.

SEC. 126. JUDICIAL REVIEW OF FINAL REGULATIONS AND CERTAIN PETITIONS.

Any judicial review of any fiscal action of the Administrator pursuant to this title shall be in accordance with sections 701 through 706 of title 5 of the United States Code, except that—

(1) a petition for review of any final action of the Administrator may be filed by any interested person in the Circuit Court of Appeals of the United States for the Federal judicial district in which such person resides or transacts business, and such petition shall be filed within ninety days from the date of such promulgation or denial or after such date if such petition is for review based solely on grounds arising after such ninetieth day; action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in civil or criminal proceedings for enforcement; and

(2) if a party seeking review under this Act applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the information is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper; the Administrator may modify administrative findings as to the facts, or make new findings, by reason of the additional evidence so taken, and shall file with the court such modified or new findings and the Administrator's recommendation, if any, for the modification or setting aside of the original administrative order, with the return of such additional evidence.

SEC. 127. CITIZEN SUITS.

(a) IN GENERAL.—Except as provided in subsection (b) or (c) of this section, any person may commence a civil action on his own behalf—

(1) against any person (including (a) the United States, and (b) any other governmental instrumentality or agency, to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any permit, regulation, condition, requirement, prohibition, or order which has become effective pursuant to this title; or

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this title which is not discretionary with the Administrator.

Any action under paragraph (a)(1) of this subsection shall be brought in the district court for the district in which the alleged violation occurred. Any action brought under paragraph (a)(2) of this subsection may be brought in the district court for the district in which the alleged violation occurred or the District Court of the District of Columbia. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce the permit, regulation, condition, requirement, prohibition, or order, referred to in paragraph (1), to order such person to take such other action as may be necessary, or both, or to order the Administrator to perform the act or duty referred to in paragraph (2), as the case may be, and to apply any appropriate civil penalties.

(b) ACTIONS PROHIBITED.—No action may be commenced under subsection (a)(1) of this section—

(A) prior to 60 days after the plaintiff has given notice of the violation to—

(i) the Administrator; and

(ii) to any alleged violator of such permit, regulation, condition, requirement, prohibition, or order; or

(B) if the Administrator has commenced and is diligently prosecuting a civil or criminal action in a court of the United States to require compliance with such permit, regulation, condition, requirement, prohibition, or order.

In any action under subsection (a)(1), any person may intervene as a matter of right. Any action respecting a violation under this Act may be brought under this section only in the judicial district in which such alleged violation occurs.

(c) NOTICE.—No action may be commenced under paragraph (a)(2) of this section prior to 60 days after the plaintiff has given notice to the Administrator that he will commence such action. Notice under this subsection shall be given in such manner as the Administrator shall precribe by regulation.

(d) INTERVENTION.—In any action under this section the Administrator, if not a party, may intervene as a matter of right.

(e) COSTS.—The court, in issuing any final order in any action brought pursuant to this section or section 125, may award costs of litigation (including) reasonable attorney and expert witness fees) to the prevailing or substantially prevailing party, whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

(f) OTHER RIGHTS PRESERVED.—Nothing in this section, or this title, shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or requirement or to seek any other relief (including relief against the Administrator).

SEC. 128. SEPARABILITY.

If any provision of this title, or the application of any provision of this title to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this title, shall not be affected thereby.

SEC. 129. RELATIONSHIP TO OTHER LAWS.

(a) Nothing in this title shall be construed to diminish the authority of the Administrator under the Clean Air Act, the Resource Conservation and Recovery Act or the Toxic Substances Control Act, or any other law, or to affect the authority of any other department, agency, or instrumentality of the United States under any provision of law to promulgate or enforce any requirement respecting the control of any substance, practice, process, or activity for purposes of protecting the stratosphere or ozone in the stratosphere, or the global environment.

(b) Nothing in this Act shall preclude or deny any State or political subdivision thereof from adopting or enforcing any requirement respecting the control of any substances, practice, process, or activity for purposes of protecting the stratosphere or ozone in the stratosphere or the global environment.

SEC. 130. AUTHORITY OF ADMINISTRATOR.

The Administrator is authorized to prescribe such regulations as are necessary to carry out this Act.

TITLE II—GLOBAL CHANGE ADJUSTMENT AND MITIGATION

SEC. 201. SHORT TITLE.

This title may be cited as the Environmental Adjustment Act of 1988.

SEC. 202. FINDINGS.

The Congress finds that—

(a) There has been an observed increase in global average temperatures of 0.7 degrees Centigrade in the last century;

(b) Regardless of any action taken by humanity, there will be further global average temperature increases of up to one degree Centigrade;

(c) Such temperature increases will manifest themselves in widespread alterations of the current environment;

(d) Such changes may include, but will almost certainly not be limited to, the following:

(1) a rise in the level of oceans, bays, sounds, and other bodies of water, with ensuring destruction of natural and manmade structures;

(2) shifts in patterns of rainfall and soil moisture, resulting in marked changes in agricultural productivity;

(3) changes in the distribution and seasonal availability of fresh water resources, including the exhaustion of surface and ground water supplies;

(4) increased political instability, with the potential for international conflict; and,

(5) accelerated extinction of plant and animal species, including many now classified as endangered;

(e) The adverse effects of some such changes can be mitigated through proper long range planning, analysis and, most importantly, action;

(f) Substantial resources can be saved through the adoption of a program to systematically identify the impacts of proposed actions on global environmental change and the effects of such changes on the natural environment and engineered structures and systems.

SEC. 203. AMENDMENT TO THE NATIONAL ENVIRONMENTAL POLICY ACT

The National Environmental Policy Act of 1969 is amended by adding at the end thereof a new title as follows:

"TITLE III.—GLOBAL PROTECTION

"Subtitle A—Atmospheric Protection

"SEC. 301. SHORT TITLE.

"This subtitle may be cited as the "Atmosphere Protection Act of 1987".

"SEC. 302. FINDINGS.

The Congress, recognizing the profound and irreversible and potentially catastrophic impacts of humanity's activities on the global atmosphere and the world's environment, and the inability of science to predict with certainty the consequences for humanity of any such changes, hereby declares that each person has a responsibility and obligation to avoid contamination of the atmosphere.

"SEC. 303.

"The Congress authorizes and directs that, to the fullest extent possible: (1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this chapter, and (2) all agencies of the Federal Government shall, with respect to pollutants, substances, products or practices which may contribute to global climate change, stratospheric ozone depletion or trace gas modification of the atmosphere—

"(A) utilize a systematic, interdisciplinary approach which will insure the integrated use of the natural and social sciences and the environmental design arts in planning and in decisionmaking which may have an impact on man's environment;

"(B) identify and develop methods and procedures, in consultation with the Council on Environmental Quality established by subchapter II of this chapter, which will assure that the environmental contamination is minimized;

"(C) include in every recommendation on report or proposals for legislation and other major actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on—

"(i) the environmental impact of the proposed action,

"(ii) any adverse environmental effects which cannot be avoided should the proposal be implemented,

"(iii) alternatives to the proposed action,

"(iv) the relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity, and

"(v) any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented.

Such pollutants and substances shall include, at a minimum, the following: carbon dioxide, oxides of nitrogen, chlorofluorocarbons, halons, methyl chloroform, carbon tetrachloride and methane. Prior to making any detailed statement, the responsible Federal official shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate Federal, State, and local agencies, which are authorized to develop and enforce environmental standards, shall be made available to the President, the Council on Environmental Quality and to the public as provided by section 552 of Title 5, and shall accompany the proposal through the existing agency review processes;

"(D) study, develop, describe and select appropriate alternatives which recognize and minimize the environmental impacts of such proposed action.

"(E) make available to States, counties, municipalities, institutions, and individuals, advice and information useful in restoring, maintaining, and enhancing the quality of the environment;

"(F) initiate and utilize ecological information in the planning and development of resource-oriented projects; and

"(G) assist the Council on Environmental Quality established by subchapter II of this chapter."

SEC. 204. INVENTORY AND REVIEW OF FEDERAL FACILITIES, HOLDINGS AND ACTIVITIES

(a)(1) Not later than January 1, 1990, the President shall direct each agency and instrumentality of the Executive Branch to undertake a systematic and comprehensive survey of all Federal lands and structures to ascertain their vulnerability to changes associated with changes in the global environment. To the maximum extent practicable, such survey shall include the lands and structures of State and local government and Indian tribes as well. Such survey shall include, but not be limited to, the following:

(A) public highways, bridges, tunnels, and other transportation structures;

(B) ports, waterways, locks and dams;

(C) public buildings and monuments;

(D) publicly owned treatment works;

(E) national parks, forests, wilderness areas, wildlife refuges, marine sanctuaries, and all other comparable facilities; and,

(F) national defense facilities, including but not limited to military bases and reservations, whether located in the United States or elsewhere.

(2) Not later than January 1, 1992, the President shall submit a report to the Congress containing the results of the survey required by this section and recommending both generic and site-specific actions and policies to—

(A) preclude further public or private investment in areas susceptible to loss or damage due to global environmental change;

(B) minimize and mitigate the loss or damage due to the global environmental change which is likely to occur.

SEC. 205. GROUND WATER PROTECTION AND RECHARGE

(a) FINDINGS.—The Congress finds that—

(1) a consequence of global climate change may be the exhaustion of groundwater resources essential to the maintenance of agricultural productivity, the loss of which could jeopardize the national economy and security;

(2) existing knowledge and technology of artificial recharge of ground water is inad-

equate to meet existing and anticipated future water resource problems and to take advantage of possible water resource opportunities;

(3) a program to support and assure the study and development of artificial ground water recharge techniques is essential.

(b) The Secretary of the Army (hereinafter in this section referred to as the "Secretary") acting through the Chief of Engineers, is authorized to undertake a program of research, development, and demonstration of artificial groundwater recharge techniques. The purpose of such program shall be to—

(A) demonstrate the usefulness of artificial ground water recharge as a method for improving ground water quantity and for preventing degradation of, or improving ground water quality;

(B) determine the economic viability of artificial ground water recharge as a method of augmenting existing water supplies and improving ground water quality on a local or regional basis; and

(C) develop new and more efficient techniques for the transfer of surface water to existing or potential water bearing underground strata.

(3) In order to advance the purpose of this subsection, the Secretary shall, at different locations throughout the United States, design, construct, and operate and maintain projects to demonstrate different artificial ground water recharge techniques. To the maximum extent feasible, such locations shall be chosen to reflect a variety of geological, physical, and chemical conditions affecting ground water quality and quantity. In selecting such locations, and carrying out such work, the Secretary shall consult and coordinate with appropriate State and local governmental agencies.

(c) COORDINATION.—In order to prevent any unnecessary duplication of effort, and in order to fully utilize the available expertise of other agencies and departments of the United States, the Secretary, in carrying out subsection (b) of this section, shall consult and coordinate with the United States Geological Survey, the Environmental Protection Agency, the Bureau of Reclamation, and other appropriate agencies and departments of the United States.

(d) UTILIZATION OF CURRENT RESOURCES.—To the extent possible, activities undertaken pursuant to subsection (b) of this section shall utilize existing or authorized Corps of Engineers water resources projects, programs, facilities, and personnel.

(e) REPORT.—Not later than May 30, 1993, the Secretary shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works in the Senate, a final report describing the results of activities undertaken pursuant to this section. Not later than 30 months after the date of enactment of this Act, the Secretary shall transmit to such Committees of Congress a brief report describing the progress of such activities.

(f) DEFINITIONS.—For the purposes of this section, the term—

(1) "artificial ground water recharge" shall include but not be limited to techniques to supplement or otherwise affect ground water supplies such as wells, pits, ponds, spreading basins, or gravel chains; and

(2) "non-Federal sponsor" shall mean a State, city, county, or any other entity which derives its powers from a State constitution, or was created pursuant to an Act of a State legislature.

(g) SHORT TITLE.—This section shall be known as the "Ground Water Recharge Research and Demonstration Act".

TITLE III—INTERNATIONAL COOPERATION

SEC. 301. FINDINGS

The Congress finds that—

(a) Complete elimination of chloroflurocarbons and related chemicals which are destroying the Earth's protective ozone layer and adding to global temperature increases requires concerted international agreement and action;

(b) the most effective controls on emissions of carbon dioxide, hydrocarbons, oxides of nitrogen, methane and other trace gases which are increasing global temperatures will require concerted international agreement and action;

(c) international agreements to address some aspects of these global threats are already underway and include—

(1) an international protocol to reduce production and use of chloroflurocarbons;

(2) an international agreement to reduce emissions and trans-boundary transport of oxides of sulphur;

(3) an international agreement to reduce emissions and trans-boundary transport of oxides of nitrogen.

(d) in the absence of such international cooperation and agreement, the interests of the United States will be directly and substantially threatened due to—

(1) damage to the domestic environment;

(2) damage to the national economy;

(3) increased international tension;

(4) increased danger of international armed conflict.

SEC. 302. INTERNATIONAL COOPERATION

(a) the President is hereby directed to request that the United Nations promptly establish a temporary new agency to be headed by the director of the United Nations Environmental Program, to—

(1) Coordinate international efforts to minimize and mitigate the effects of unavoidable environmental alterations; and,

(2) provide financial, technical, and other assistance to developing nations to facilitate improvements in their domestic standards of living while minimizing or eliminating contributions to global, continental and subcontinental scale environmental damages.

(b) The President is hereby directed to request that the United Nations establish a temporary program of forestation to—

(1) assist and encourage nations in halting activities which are resulting in destruction of the world's forests; and,

(2) undertake a global program of reforestation.

(c) The President is hereby directed to insturct United States representatives to bilateral and multi-lateral organizations other than the United Nations to review the activities of such organizations to assure that their actions and programs are consistent with the goals and objectives of this Act and, where necessary, to persuade such organizations to adopt programs to implement the goals and objectives of this act.

TITLE IV—ELEVATION OF THE ENVIRONMENTAL PROTECTION AGENCY TO CABINET LEVEL

SEC. 401. FINDINGS

The Congress finds—

(1) It is essential that protection of the environment be assigned a priority which is at least equal to that assigned to other functions of the Federal government;

(2) Protection of the environment increasingly involves negotiations with the representatives of foreign states, a majority of whom are minister status; and

(3) The size of the budget and the number of Federal civil servants devoted to tasks associated with environmental protection is commensurate with department status.

SEC. 402. CREATION OF DEPARTMENT

(a) REDESIGNATION.—The Environmental Protection Agency is hereby redesignated as the Department of Environmental Protection and shall be an executive department in the executive branch of the Government.

(b) SECRETARY OF ENVIRONMENTAL PROTECTION.—(1) There shall be at the head of the Department a Secretary of Environmental Protection who shall be appointed by the President, by and with the advice and consent of the Senate. The Department shall be administered under the supervision and direction of the Secretary.

(2) Notwithstanding section 212 of title 38, United States Code, the Secretary may not assign duties for or delegate authority for the supervision of the Assistant Secretaries, the General Counsel, or the Inspector General of the Department to any officer of the Department other than the Deputy Secretary.

(c) OFFICE OF THE SECRETARY.—The Office of the Secretary shall consist of a Secretary and a Deputy Secretary and may include an Executive Secretary.

SEC. 403. PRINCIPAL OFFICERS.

(a) DEPUTY SECRETARY.—There shall be in the Department of Environmental Protection a Deputy Secretary for Global Environmental Protection, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretary shall perform such functions as the Secretary shall prescribe and shall be responsible for implementing the provisions of the Global Environmental Protection Act of 1988.

SEC. 404. ASSISTANT SECRETARIES.

(a) ESTABLISHMENT OF POSITIONS.—There shall be in the Department of Environmental Protection such number of Assistant Secretaries, not to exceed eight, as the Secretary shall determine, each of whom—

(1) shall be appointed by the President, by and with the advice and consent of the Senate; and

(2) Shall perform such functions as the Secretary shall prescribe.

(b) FUNCTIONS OF ASSISTANT SECRETARIES.—The Secretary shall assign to Assistant Secretaries such functions as the Secretary considers appropriate, which may include the following functions;

(1) Administration and resources management;

(2) Enforcement and compliance monitoring;

(3) Policy Planning and Evaluation;

(4) External affairs;

(5) Research and development;

(6) Regulation of pesticides and toxic substances;

(7) Regulation of air pollution and radiation;

(8) Regulation of water pollution;

(9) Regulation of solid waste, and administration of toxic chemical and other liability and emergency response programs.

(c) DESIGNATION OF FUNCTIONS PRIOR TO CONFIRMATION.—Whenever the President submits the name of an individual to the Senate for confirmation as Assistant Secretary under this section, the President shall state the particular functions of the Department such individual will exercise upon taking office.

(d) CONTINUING PERFORMANCE OF ASSISTANT SECRETARY FUNCTIONS PENDING CONFIRMATION.—An individual who, on the effective date of this Act, is performing any of the functions required by this section to be performed by an Assistant Secretary of the Department may continue to perform such functions until such functions are assigned to an individual appointed as an Assistant Secretary of the Department under this Act.

SEC. 405. DEPUTY ASSISTANT SECRETARIES.

(a) ESTABLISHMENT OF POSITIONS.—There shall be in the Department of Environmental Protection such number of Deputy Assistant Secretaries, not exceeding twenty-four, as the Secretary may determine.

(b) APPOINTMENTS.—Each Deputy Assistant Secretary—

(1) shall be appointed by the Secretary; and

(2) shall perform such functions as the Secretary shall prescribe.

(c) MINIMUM NUMBER OF DEPUTY ASSISTANT SECRETARY POSITIONS IN THE COMPETITIVE SERVICE.—At least two-thirds of the number of positions established under subsection (a) and filled under subsection (b) shall be in the competitive service.

(d) FUNCTIONS.—(1) Subject to paragraph (2), functions assigned to an Assistant Secretary under section 4(b) may be performed by one or more Deputy Assistant Secretaries appointed to assist such Assistant Secretary.

(2) The following functions may be performed by a Deputy Assistant Secretary only if such Deputy Assistant Secretary is in a competitive service position:

(A) Personnel management and labor relations functions.

(B) Equal opportunity functions.

SEC. 406. OFFICE OF THE GENERAL COUNSEL.

There shall be in the Department of Environmental Protection the Office of the General Counsel. There shall be at the head of such office a General Counsel who shall be appointed by the President, by and with the advice and consent of the Senate. The General Counsel shall be the chief legal officer of the Department and shall provide legal assistance to the Secretary concerning the programs and policies of the Department.

SEC. 407. OFFICE OF THE INSPECTOR GENERAL.

(a) REDESIGNATION.—The Office of Inspector General of the Environmental Protection Agency, established in accordance with the Inspector General Act of 1978, is hereby redesignated as the Office of Inspector General of the Department of Environmental Protection.

SEC. 408. MISCELLANEOUS EMPLOYMENT RESTRICTIONS.

(a) TEMPORARY DETAILS TO SENIOR POSITIONS.—Notwithstanding section 3348 of title 5, United States Code, a vacancy in the position of Secretary, Deputy Secretary, Assistant Secretary, General Counsel, or Inspector General caused by death or resignation may be filled temporarily under section 3345, 3346, or 3347 of title 5, United States Code, for not more than 120 days unless a nomination to fill such vacancy has been submitted to the Senate, in which case the person so designated may serve—

(1) until the Senate confirms the nomination;

(2) for not more than 30 days after the date that the Senate rejects the nomination; or

(3) if the position is so filled during an adjournment of Congress sine die, for not more than 120 days after the Congress next convenes.

(b) LIMITATION ON NUMBER OF NONCAREER SENIOR EXECUTIVES.—Notwithstanding section 3134(d) of title 5, United States Code, the number of Senior Executive Service positions in the Department of Environmental Protection which are filled by noncareer appointees in any fiscal year may not exceed 5 percent of the total number of senior executives employed in Senior Executive Service positions in the Department at the end of the preceding fiscal year.

(c) LIMITATION ON NUMBER OF SCHEDULE C EMPLOYEES.—The number of positions in the Department of Environmental Protection which may be excepted from the competitive service, on a temporary or permanent basis, because of their confidential or policy-determining character may not at any time exceed the equivalent of 15 full-time positions.

(d) PROHIBITED EMPLOYMENT AND ADVANCEMENT CONSIDERATIONS.—Except as otherwise provided in this Act, political affiliation or political qualification may not be taken into account in connection with the appointment of any person to any position in or to perform any services for the Department of Environmental Protection or in the assignment or advancement of any employee in the Department.

SEC. 409. REFERENCES.

Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to the Environmental Protection Act—

(1) to the Administrator of the Environmental Protection Agency shall be deemed to refer to the Secretary of Environmental Protection;

(2) to the Environmental Protection Agency shall be deemed to refer to the Department of Environmental Protection;

(3) to the Deputy Administrator of Environmental Protection Agency shall be deemed to refer to the Deputy Secretary of Environmental Protection;

SEC. 410. SAVINGS PROVISIONS.

(a) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, grants, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, by the Administrator of Environmental Protection Agency, or by a court of competent jurisdiction, in the performance of functions of the Administrator or the Environmental Protection Agency, and

(2) which are in effect at the time this Act takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary, or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) PROCEEDINGS NOT AFFECTED.—The provisions of this Act shall not affect any proceedings or any application for any license, permit, certificate, or financial assistance pending before the Environmental Protection Agency at the time this Act takes effect, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operaton of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c) SUITS NOT AFFECTED.—The provisions of this Act shall not affect suits commenced before the date this Act takes effect, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this Act had not been enacted.

(d) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Environmental Protection Agency, or by or against any individual in the official capacity of such individual as an officer of the Environmental Protection Agency, shall abate by reason of the enactment of this Act.

(3) PROPERTY AND RESOURCES.—The contracts, liabilities, records, property, and other assets and interests of the Environmental Protection Agency shall, after the effective date of this Act, be considered to be the contracts, liabilities, records, property, and other assets and interests of the Department of Environmental Protection.

SEC. 411. CONFORMING AMENDMENTS.

(a) PRESIDENTIAL SUCCESSION.—Section 19(d)(1) of title 3, United States Code, is amended by inserting before the period at the end thereof the following: ", Secretary of Environmental Protection".

(b) DEFINITION OF DEPARTMENT, CIVIL SERVICE LAWS.—Section 101 of title 5, United States Code, is amended by adding at the end thereof the following:

"THE DEPARTMENT OF ENVIRONMENTAL PROTECTION"

(c) COMPENSATION, LEVEL I.—Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following:

"SECRETARY OF ENVIRONMENTAL PROTECTION"

(d) COMPENSATION, LEVEL II.—Section 5313 of title 5, United States Code, is amended by striking out "Administrator of Environmental Protection Agency" and inserting in lieu thereof "Deputy Secretary of Environmental Protection".

(e) COMPENSATION, LEVEL IV.—Section 5315 of title 5, United States Code, is amended—

(1) by striking out "Inspector General, Environmental Protection Agency" and inserting in lieu thereof "Inspector General, Department of Environmental Protection"; and

(2) by adding at the end thereof the following:

"Assistant Secretaries, Department of Environmental Protection (8).

"General Counsel, Department of Environmental Protection.".

(g) INSPECTOR GENERAL ACT.—The Inspector General Act of 1978 is amended—

(1) in section 2(1)—

(A) by inserting "the Department of Environmental Protection,": after "Transportation,";

(B) by striking out "The Environmental Protection Agency.";

(2) in section 11(1)—

(A) by striking out "or Transportation" and inserting "Transportation, or Environmental Protection,"; and

(3) in section 11(2)—

(A) by striking out "or Transportation" and inserting "Transportation, or Environmental Protection,"; and

SEC. 412. ADDITIONAL CONFORMING AMENDMENTS.

After consultation with the Committee on Environment and Public Works of the

United States Senate and the appropriate committees of the House of Representatives, the Secretary of Environmental Protection shall prepare and submit to the Congress proposed legislation containing technical and conforming amendments to the United States Code, and to other provisions of law, to reflect the changes made by this Act. Such legislation shall be submitted not later than 6 months after the effective date of this Act.

SEC. 413. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on such date during the 6-month period beginning on the date of enactment, as the President may direct in an Executive order. If the President fails to issue an Executive order for the purpose of this section, this Act and such amendments shall take effect on July 1, 1989.

TITLE V—DEVELOPMENT OF NON-POLLUTING ENERGY SOURCES

SEC. 501. NATIONAL COMMISSION ON INHERENTLY SAFE NUCLEAR ENERGY

(a) There is established a commission to be known as the National Commission on Inherently Safe Nuclear Energy (hereinafter in this section referred to as the "Commission").

(b) The duties of the Commission are to:

(1) Assess generally the safety and reliability of the current generation of nuclear power plants in the United States;

(2) Review the nuclear industries of other nations which rely heavily on nuclear power for the generation of their electricity and report on the comparative safety and reliability of the programs of those nations, which shall include but not be limited to France, West Germany, Canada, Japan, Sweden, and Finland;

(3) Review each incident in the United States related to the operation of a nuclear power plant in which there has been personal injury, or a significant threat thereof, and report on the causes or consequences of such incident, including ways in which it could have been avoided;

(4) Review and assess the nature and magnitude of public opposition and concern with the safety of nuclear power and the reasons for such concern and opposition;

(5) Evaluate options for responding to the concerns and fears of the public in a fashion which allays fears by responding substantively;

(6) Evaluate the suitability of the current structure of the domestic utility industry with respect to the safe and efficient operation of nuclear units, and alternatives to such current structure;

(7) Identify and evaluate each inherently safe passive control technology which might reasonably become available by the year 2010 and examine explicitly whether each such technology has the potential to minimize or eliminate the risks, whether real or perceived, associated with nuclear power by the American public;

(8) Review the differences in operating records of each utility operating nuclear generating plants and make specific recommendations for changes in technologies, policies, practices, and organizational structure of the industry designed to assure that the best of those safety records become the standard for the United States industry;

(9) Conclude and state specifically whether it is possible to develop in the United States a nuclear industry capable of supplying not less than 50 percent of the nation's electricity needs through the year 2100 in a way which enjoys the trust, confidence and support of the public.

(c)(1) The Commission shall be composed of nineteen members as follows:

(A) six appointed by the Speaker of the United States House of Representatives from among the Members of the House of Representatives;

(B) four appointed by the majority leader of the United States Senate from among the Members of the United States Senate;

(C) eight appointed by the President as follows:

(i) four from among a list of nominations submitted to the President by the National Governors Association;

(ii) one from among a list of nominations submitted to the President by the National League of Cities and the United States Conference of Mayors;

(iii) three from among a list of nominations submitted to the President from groups, organizations, or associations of citizens which are representative of persons concerned with pollution and environmental issues and which have participated, at the State or Federal level, in studies, administrative proceedings, or litigation (or any combination thereof) relating to nuclear energy; and

(D) the Chairman of the Nuclear Regulatory Commission.

A vacancy in the Commission shall be filled in the manner in which the original appointment was made. Appointments may be made under this subsection without regard to section 5311(b) of title 5, United States Code. Not more than four of the six members appointed under subparagraph (A) and not more than three of the four members appointed under subparagraph (B) may be of the same political party. No member appointed under paragraph (C) may be an officer or employee of the Federal Government.

(2) If any member of the Commission who was appointed to the Commission as a Member of the Congress leaves that office, or if any member of the Commission who was appointed from persons who are not officers or employees of any government becomes an officer or employee of a government, he may continue as a member of the Commission for not longer than the ninety-day period beginning on the date he leaves that office or becomes such an officer or employee, as the case may be.

(3) Members shall be appointed for the life of the Commission.

(4)(A) Except as provided in subparagraph (B), members of the Commission shall each be entitled (subject to appropriations provided in advance) to receive the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission. While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(B) Members of the Commission who are Members of the Congress shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(5) Five members of the Commission shall constitute a quorum but two may hold hearings.

(6) The Chairman of the Commission shall be appointed by the Speaker of the House of Representatives from among members appointed under paragraph (1)(A) of this subsection and the Vice Chairman of the Commission shall be appointed by the majority leader of the Senate from among members appointed under paragraph (1)(B) of this subsection. The Chairman and the Vice Chairman of the Commission shall serve for the life of the Commission unless they cease to be members of the Commission before the termination of the Commission.

(7) The Commission shall meet at the call of the Chairman or a majority of its members.

(d)(1) The Commission shall have a Director who shall be appointed by the Chairman, without regard to section 5311(b) of title 5, United States Code.

(2) The Chairman may appoint and fix the pay of such additional personnel as the Chairman considers appropriate.

(3) With the approval of the Commission, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code.

(4) The Commission shall request, and the head of any Executive Branch Agency is authorized to detail on a reimbursable non-reimbursable basis, any of the personnel of their respective agencies to the Commission to assist it in carrying out its duties under this section.

(e)(1) The Commission may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this section.

(3) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(4) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(5) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(f)(1) The Commission shall transmit to the President and each House of the Congress a report not later than October 30, 1994. The report shall contain a detailed statement of the findings and conclusions of the Commission with respect to each item listed in subsection (b), together with its recommendations for such legislation; and administrative actions, as it considers appropriate.

(g) The Commission shall cease to exist on January 1, 1995.

(i) There is authorized to be appropriated for the fiscal year 1989 through 1995 not to exceed $50,000,000 to carry out this section.

SEC. 502. NATIONAL GOAL

It is hereby established as a national goal of the United States to derive 50 percent of the national supply of energy from non-polluting technologies and practices by the year 2000 and 100 percent by the year 2050.

[From the New York Times, July 24, 1988]

DEADLY COMBINATION FELLING TREES IN EAST

(By Philip Shabecoff)

MOUNT MITCHELL, NC.—Thousands of dead trees, their barren trunks and branches stark against a hazy sky, stand like an army of skeletons as far as the eye can see along the crest of this mountain.

Five years ago a red spruce forest covered the top of Mount Mitchell, the highest mountain east of the Mississipi. Today, only raspberry and blackberry bushes, slumps of sedge and a few young trees, brown and dying, cover the ground near the summit.

This stark evidence is forcing many scientiests to accept a conclusion that seemed only a possibility five years ago: air pollution, including acids in the air, is combining with natural stresses to cause heavy damage to forests throughout the East.

"What you see here is happening all along the crest of the Appalachians from Maine to Georgia," said Prof. Robert I. Bruck of North Carolina State University, a plant pathologist.

Dr. Bruck observed early symptons of the decline of Mount Mitchell's spruce and fir five years ago. Now the ecological system at the summit has collapsed, he said.

CANARY IN THE COAL MINE

Dr. Bruck said he was "90 percent certain" that manmade air pollution traveling from the Ohio and Tennessee valleys, particularly low-level ozone and acidic moisture in clouds, was combining with such natural stresses as the high temperatures and drought of recent years to create an environment in which the trees cannot survive.

So far, the effects are chiefly visible at high altitudes, where natural stresses are greatest and acidic clouds are nearest. But a number of scientists who believe that high levels of air pollution are instrumental in destroying coniferous forests at high altitudes in the East also expressed another fear in interviews over the past few days.

They warned that the death of the mountain top spruce and fir forests might be what several of them called "the canary in the coal mine"—an early warning that forests of low altitudes, including hardwood forests, are also in danger of being damaged by a combination of man-made and natural stresses.

Dr. Bruck said the damage he is seeing on 6,684-foot Mount Mitchell seems similar to the early stages of the mass destruction of forests in recent years in central Europe. Dr. Bruck and the other scientiests interviewed said that the role of air polution in killing the trees was still a hypothesis rather than a scientific fact. But virtually all contended that prudence dictated action.

Of most serious concern, the scientists said, are ozone and acidity in clouds, rain, snow and dust. Ozone is formed at ground level by the reaction of sunlight with manmade pollutants from automobile exhaust, industry and a variety of small sources.

While ozone in the upper atmosphere shields the earth from damaging ultra-violet radiation from the sun, ground level ozone contributes to smog, respiratory damage to people and damage to trees and crops. Acid rain, clouds, snow and dust are formed when pollutants, chiefly oxides of nitrogen and sulfur from coal-fired power plants, are transformed chemically as they travel through the atmosphere. Acid rain has been found by scientists to be destroying life in lakes and streams in the Northeast and Canada.

But while the ill effects of these pollutions have been documented, scientists say it is difficult to separate their influence from climate or other possible factors. The problem is complicated by the fact that scientists only began intensive studies of forests a decade ago.

WE SHOULD NOT WAIT

Volker H. Mohnen, a professor of atmospheric science at the State University of New York at Albany, who has watched half the spruce trees atop Whiteface Mountain in upstate New York die in recent years, said that while it is has not been conclusively proved that air pollution added to natural stress is killing the trees, "I would advocate housekeeping before all the answers are in."

"We should not wait," he said. "We must address the problem holistically."

He said that a variety of pollutants released by the combustion of fossil fuel, including sulfur, nitrogen and carbon, might not only be damaging forests but also might be contributing to other crucial problems like urban smog, acidic lakes and global warming, the greenhouse effect.

There are, Dr. Mohnen said, "economic and technological solutions to improve our fossil fuel-based society by increasing efficiency and, at the same time, decrease emissions of sulfur, nitrogen and carbon."

There is also growing evidence that air pollution may be damaging or slowing the growth of trees in other parts of the country, according to David L. Radloff, a United States Forest Service representative on the Administration's program to study acid rain. He said evidence in recent years supported the hypothesis that high ozone concentrations were contributing to the declining growth rate of southern yellow pine trees, one of the nation's more important commercial species. There are also indications that ozone and other airborne pollutants are damaging tress along virtually the whole length of the Sierras in California, he said.

OPINION HAS EVOLVED

Forest Service officials had been extremely skeptical until recently that air pollution might play a significant role in slowing the growth of trees and damaging forests. Dr. Radloff said that the evidence linking the declining health of forests and the high levels of pollution reaching those forests was still "circumstantial."

But the discovery in the past couple of years that ozone pollution was reaching very high levels in rural as well as urban areas and the discovery that clouds could be significantly more acidic than acid rain has caused opinion in the Forest Service to "evolve," Dr. Radloff said.

The World Research Institute, a Washington-based research and policy group, has had a team of scientists investigating the potential effect of multiple air pollutants on trees and field crops. Mohamed El-Ashry, the group's vice president for research and policy, said that the research over the last two years had demonstrated "systematic links" between air pollution and the destruction of trees and crops in all parts of the country.

Dr. El-Ashry also said the deaths of trees reflected the end of a long process reflecting the accumulated stress of air pollution stretching back for decades. "By the time we see visible damage it is the beginning of the end," he said.

Acid air pollution and ozone, Dr. El-Ashry said, had been found to weaken trees to the point where "they cannot avoid destruction by natural causes such as frosts, high winds, insects and disease."

He also said the group's researchers had been finding that the forests dying along the Eastern Seaboard cannot regenerate because of high levels of lead and other heavy metals in the soil.

SCIENTIFIC DISAGREEMENT

Not all those with an immediate interest in the nation's forests agree that air pollution is a threat to the nation's forests. Robert C. Kaufman, director of the air quality program of the American Paper Institute and National Forest Products Association, industry groups, said that "there is no evidence that acid deposition is affecting the soil of commercial forests."

He asserted, "We do not see conclusive evidence air pollution in general is causing reduced productivity in commercial forests."

Mr. Kaufman added that the industry saw no need for a regulatory program to curb acid rain, but that it did support more research into the effects of acid rain.

Walter L. Warnick, who represents the Energy Department on the Administration's acid rain study program, said that the death of trees on a large scale "is not unprecedented in history." He also said that the scientific consensus that pollution from fossil fuels is damaging trees is "shaky."

Several scientists have contended that the trees are dying because of climatic factors, particularly the hot summers and cold winters of recent years.

But Dr. Michael Oppenheimer, an atmospheric physicist with the Environmental Defense Fund, a national environmental group, said that mounting evidence shows this: "Forests all along the Eastern seaboard and into Canada are experiencing stress at high and low altitudes. The stress comes from air pollution and from climate extremes we have seen in recent years from the greenhouse effect. What is going on is an indicator that the natural environment is in very, very deep trouble due to air pollution."

"Those mountain tops sit in a chemical soup made of ozone, acid fog and acid deposition, which puts them under continual stress. It is starting to look as if those stressed systems are snapping like rubber bands."

The soup has been especially potent on the top of Mount Mitchell in this hot, dry summer. It is widely agreed, Dr. Bruck said, that ozone levels of 55 parts per billion in the air are enough to cause physiological damage to spruce and fir trees. Measurements taken by his research team, he reported, have shown that since May 1, ozone levels have been above that level 90 percent of the time; more than 120 parts per billion 28 percent of the time, and once reached a high of 178 parts per billion. Moreover, the ozone has remained over the mountain through the night instead of dissipating as it normally does in lower latitudes, he said.

Dr. Bruck has also noted a rapid deterioration of the forest down the slope, all the way to the transition line between the coniferous and hardwood trees. Dr. Bruck said he had observed some damage to the hardwood trees but that there had not been any studies of the extent or the cause of the damage to these trees.

Standing at the edge of a bowl of dead and dying trees several thousand feet below the summit of Mount Mitchell, Dr. Bruck said, "This is not supposed to be happening."

[From the Washington Post, July 7, 1988]

YELLOWSTONE FIREFIGHTING: "LIGHT HAND ON THE LAND"

LIGHTNING-SPARKED BLAZE BACKS AWAY FROM OLD FAITHFUL; FOCUS IS ON PROTECTING STRUCTURES

(By Geoffrey O'Gara)

GRANT VILLAGE, YELLOWSTONE NATIONAL PARK, WYO.—Small knots of flame appeared and faded, appeared and faded in the dense smoke that rose this afternoon behind the Grant Village ranger station, as an arc of foam fell on the shingle roof. Firefighters sat on logs, some with rags on their faces to keep away the ash, watching for spot fires leapfrogging the main blaze among a dozen fires burning in the park.

"We're just sitting here waiting for it to get here," said Roger Castillo, a fire information specialist with the National Park Service. The Grant Village fire was expected to make a run at this modern complex of cabins, hotel and campground late today.

Park service officials have concentrated most of their energy here because of the structures at risk, though larger fires are burning in the park's northeast and southeast quadrants during this unusually dry, hot summer. The largest, the Clover Mist fire on the northeastern edge of the park, covered more than 35,000 acres.

Earlier today, winds pushed a 5,500-acre blaze away from Old Faithful, the park's most famous geyser, where visitors were evacuated Saturday from the 82-year-old inn, the lodge and cabins. The fire, touched off Friday by lightning in nearby Targhee National Forest, was burning today seven to eight miles west of the Old Faithful complex, but tourists were being allowed to drive into the area to see the geyser, one of 200 natural hot springs in the park.

In fact, park life proceeded more or less normally today, although about 3 percent of its 2.2 million acres was in flames. The south entrance was closed, but the other three remained open, and tourists stopped along the north shore of Yellowstone Lake, east of Grant Village, to watch smoke plume above the trees.

Park service officials estimated that 1,700 firefighters were fighting—or merely trying to manage—the blazes, which fed in some places on 300-year-old trees.

Over the hum of fire trucks parked by the Grant Village ranger station, the advancing fire crackled quietly. But the flames were obscured by billowing gray smoke, tumbling over the trucks and cabins, with an occasional towering chute as fire climbed a vulnerable lodgepole pine.

About 4,000 campers and tourists were evacuated from Grant Village last Friday. Today, tourists saw the sights through a whitish haze that blanketed the entire park and surrounding national forests.

Thus far, the park service is sticking to its "light hand on the land" policy. A few hundred firefighters moved against the Clover Mint fire only when it jumped park boundaries into Shoshone National Forest.

Instead of trying to stop the fires from burning through the park's dense stands of lodgepole pine, firefighters have concentrated on protecting multimillion-dollar facilities like Grant Village, Old Faithful Lodge, roads and campgrounds. Those areas were being cleared of deadfall and pine needles to rob the flames of fuel if they arrived.

Flame-throwing helicopters also stood ready to start "backfires"—fuel-consuming fire-breaks—if the blaze turned back toward Old Faithful.

Firefighting conditions improved today, as some rain—and the temperature—fell, although not enough to stop the fires cold. "These fires are going to burn until the weather puts them out," fire information officer Bruce Fox told the Associated Press.

Each day, about noon when the wind kicks up, the fires begin to build, then make their final runs late in the day before abating at dusk. Watching flames approach the village this afternoon, Castillo said, "This is a healthy fire. It doesn't get up every tree, it spots ahead. You're cleaning out the undergrowth, and that's a natural phenomenon."

GLOBAL ENVIRONMENT BILL OUTLINE

The general approach of the bill will be to have five titles, as follows:

Title I: Regulation of Global Change Pollutants.

Title II: Climate Change Adjustment and Mitigation.

Title III: International Cooperation.

Title IV: Elevation of EPA to a Cabinet Level Agency.

Title V: Development of Non-Polluting Power.

Reductions: Initial rough calculations are that the bill would reduce CO_2 emissions in the United States by about 35 percent in the year 2010 assuming, conservatively, no growth in the size of the vehicle fleet. CFCs would be completely eliminated, except for essential medical uses, by 2000. In the absence of an adequate computer model to measure the effects of such changes, a best guess of the bill's effect on warming trends is that it would eliminate one to two degrees of the eight degree F global temperature increase projected to occur by the year 2030.

TITLE I: REGULATION OF GLOBAL CHANGE POLLUTANTS

1. Coverage:

a. Chlorflurocarbons (CFC's).

b. Carbon dioxide (CO_2).

c. Ozone (O_3) (via oxides of nitrogen (NO_x) and hydrocarbons (HC).

d. Methane (CH_4).

Regulatory programs: CFC's

Goal: complete elimination of halogenated CFC use and sale by 1999.

1. Bans on production and sale:

A. Fully halogenated CFCs: six years from the date of enactment, the production of fully halogenated CFCs is prohibited. Uses, except for essential medical uses, are banned five years later.

B. Partially halogenated CFCs: ten years from the date of enactment, the production of partially halogenated CFCs is prohibited. Uses, except for essential medical uses, are banned five years later.

C. Exceptions:

i. essential medical uses are excluded from the bans on production and sale.

2. Regulations on production and disposal

A. Effective 24 months after the date of enactment, the use of CFCs except in a totally enclosed system is prohibited. Totally enclosed systems must—

i. Preclude the release of any more than 5 percent of the original charge during the life time of the equipment;

ii. Be equipped with servicing apertures to allow removal and storage of CFCs during repair or maintenance of the equipment.

B. Effective 12 months from the date of enactment, the storage, treatment and disposal of CFCs, or appliances or goods containing CFCs, must be regulated under subtitle C of RCRA, which shall require all waste CFCs to be incinerated to 99.999 percent destruction of disposed CFCs (or a chemical treatment equivalent thereof). (Recycling is not disposal under RCRA>)

Regulatory programs: CO_2

Goal: The achievement of a 50 percent reduction in emissions of CO_2 by the year 2000.

1. Regulation of new sources:

A. Vehicles: effective with model year 1990, vehicles are required to achieve CO_2 emissions reductions below 1985 as follows:

	Percent
1990	10
1995	25
2000	50
2010	75

B. Stationary sources:

i. Powerplants: fossil-fuel fired electricity generating plants are required to achieve CO_2 emission limits reflecting the following efficiencies:

	Percent
1990	35
2000	50
2010	75

ii. Residential units: effective five years from the date of enactment, all new homes are required to be equipped with furnaces and hot water heaters emitting CO_2 in an amount not exceeding the equivalent of the best efficiencies currently available commercially and air conditioners with an enregy efficiency rating of not less than 15.0.

2. Regulation of existing sources:

A. Powerplants: effective in 1995, establish a mandatory retirement age of 30.

B. Industrial/commercial: effective in 1995, establish a mandatory retirement age of 35.

C. Residential: effective in 1995, require that all furnace and CAC replacements meet the standards described above.

Regulatory programs: Ozone

1. Oxides of nitrogen:

A. Vehicular sources: a tailpipe NOx limit of .4 (down from the current law's requirement of 1.0) grams per mile is established. Nationwide I&M and a 10-year/100,000 mile warranty are required.

B. Stationary sources:

i. New: effective in 1991, require a 90 percent reduction in emissions of oxides of nitrogen from each newly constructed source.

ii. Existing: effective in 1995, require each major utility source to reduce NOx emissions by 90 percent upon reaching its 30th anniversary and each major industrial/commercial source to reduce NOx emissions by 90 percent upon reaching its 35th anniversary.

2. Hydrocarbons:

A. Vehicular sources: a tailpipe HC limit of .25 (down from the current law's requirement of .41) grams per mile is established. On-board vapor recovery is also required.

B. Stationary sources:

i. New: 50-state BACT by 1993.

ii. Existing:

Require each major source to install BACT on its 30th anniversary of operation or 1995, whichever is later.

Require new regulations for the control of specified categories of existing sources to be promulgated.

Regulatory programs: Methane

1. Source identification: require EPA to inventory and report on all sources of CH4 emissions by January 1, 1991.

2. Interim requirements:

A. Wells and refineries: effective January 1, 1994, prohibit the mass releases or flaring of methane.

B. Landfills:

New: require new landfills opened after January 1, 1993 to be designed, constructed and operated to minimize emissions of methane and other air pollutants;

Existing: require all existing landfills to be retrofitted by January 1, 1993 to minimize emissions of methane and other air pollutants.

TITLE II: GLOBAL CHANGE ADJUSTMENT AND MITIGATION

1. NEPA amendment: amend NEPA to (a) require preparation of environmental impact statements on the effects of proposed action on the global environment; and (b) minimize the impacts of the proposed action on the environment.

2. Federal public works survey: require the Federal government to undertake a comprehensive survey of all Federally-owned lands (national parks, wilderness areas, etc.) and public works (highways, buildings, military bases, etc.) to determine their vulnerability to global changes. Also, require the development of site-specific mitigation plans.

3. Private investment: require a Presidential report recommending actions and policies to preclude public or private investment in susceptible areas.

4. Corps of Engineers: expand the authority of the Corps of Engineers to include climate change mitigation measures, including—

a. Identification and mapping of areas likely to be adversely affected by increases in sea level or other environmental changes; and,

b. Provision of water supplies for groundwater recharge.

TITLE III: INTERNATIONAL COOPERATION

1. Governmental cooperation: require the President to petition the United Nations to establish a temporary new agency, to be headed by the director of the United Nations Environmental Program, to—

a. Coordinate international efforts to minimize and mitigate the effects of unavoidable environmental alterations;

b. Provide financial, technical and other assistance to developing nations to enable improvements in the standard of living while avoiding aggravation of global, continental and subcontinental scale environmental damages.

2. Deforestation: require the President to petition the United Nations to establish a temporary program of forestation to—

a. Halt deforestation and desertification; and,

b. Reforest areas already cleared.

TITLE IV: ELEVATION OF EPA TO CABINET LEVEL

Without increasing the authorities of the Environmental Protection Agency, confer on it cabinet status.

TITLE V: NON-POLLUTING ENERGY SOURCES

Nuclear: establish a temporary National Commission on Inherently Safe Nuclear Energy to report to the Congress by January 1, 1994 on—

a. The reasons for public fears and apprehensions regarding the safety of nuclear energy and ways to allay such fears by responding to them substantively (e.g., building in safety margins which engineers might consider unnecessary, etc.).

b. The prospects for developing inherently safe nuclear technologies.

c. The reasons for different safety records between domestic companies and between the United States and other nations, and ways to assure that the best records become the industry standard.

General: establish as a national goal of the United States to generate 100 percent of the nation's power from non-polluting energy sources by the year 2050.

Mr. BAUCUS. Mr. President, the world's climate is changing. Effluents from modern society are slowly building up in the Earth's atmosphere.

Extensive weather records compiled in the United States and Great Britain demonstrate that the world has warmed about 1 degree Fahrenheit since 1880.

One degree doesn't sound like much but at the height of the last ice age about 18,000 years ago with much of North America locked under a mantle of ice, the world was only about 9 degrees cooler than today.

While 1 degree over a 100-year period of time is very fast in a geologic sense, it is not something that instantly arouses concern.

What does raise the spectre of concern is the accelerating pace of this change.

Since 1980, the warming trend has accelerated; 1987 was the warmest year worldwide since temperature record keeping began in the 19th century.

The two next warmest years occurred in 1981 and 1983; 1988 promises to break all records.

The Nation's attention is focused on the devastating drought we are experiencing. For the past 3 months, we have daily learned of the damage being caused to the Nation's agriculture. In my own State of Montana, crop yields may only reach one-third of previous volumes.

But the agriculture impacts don't stop at the U.S. border; the impact are worldwide. Crop-killing damage extends into the prairies of Canada, throughout Africa, India and the north China plain.

Stockpiles of grain which only a few months ago were considered abundant have largely disappeared.

While the impacts on global agriculture are both tragic and visible, they do not represent the full extent of the drought.

The tinder dry conditions of our forests and rangelands have resulted in extensive fires burning hundreds of thousands of acres across the United States.

As stream flows decrease, rivers wither and are unable to transport barges, affecting the economies of whole communities. Barges stranded on the Mississippi would have been considered out of the realm of possibility a few years ago. Today it is a reality.

Communities relying both on surface and ground water find themselves running out of drinking water. Water use restrictions are becoming increasingly prevalent from coast to coast.

While there is not unanimity among the scientific community whether or not this year's drought is man-caused, there is agreement the Earth is warming and that greenhouse gases are building up in the atmosphere.

Current projections based upon existing rates of adding greenhouse gases to the atmosphere are that worldwide climate will warm by another 7 to 8 degrees Fahrenheit by the middle of the next century. Each day we wait to begin to address the problem commits the world to more change.

No one knows what this change really means. We must accept this fact. What we do know is that we are going to have a climate that hasn't existed for over 100,000 years. And we do know that even the short-term 1 year drought has produced dramatic economic trauma.

This concern alone should move us to action. But, I believe a recent global climate phenomenon involving stratospheric ozone makes the most compelling case for why we need to act now.

In 1974, the scientific theory was put forward that CFC's could destroy the Earth's stratospheric ozone layer. A major Presidential report concluded that we needed to discontinue use of these substances. Those with vested interests countered that too much scientific uncertainty existed to warrant terminating production of these substances.

These substances while destroying stratospheric ozone are also extremely potent greenhouse gases.

The response to industry was that governments failed to act until the information was overwhelming.

Unfortunately, we acted too late. We are now living with the consequences of this decision. Future generations are likely to pay a high cost for our failure to act.

Surprises now dominate the science of stratospheric ozone. No one predicted an ozone hole over Antarctica, but it is now a reality extending north over Argentina with the potential to grow much larger. No one predicted ozone depletion over the Northern Hemisphere. Now, scientists expect that an Arctic hole similar to an Antarctic hole exists.

Stratospheric ozone depletion while involving the entire globe is caused by a small group of chemicals.

Greenhouse gases include a much wider spectrum of chemicals. The levels of scientific uncertainty are even greater. The commitments already made to warming are large.

What is not understood, is what surprises are in store for us. What are the things no one considered? What Antarctic hole analogies exist for climate change?

The question must be raised, what is the risk of not acting? The legislation being introduced today charts a course to avoid disaster.

The Global Climate Protection Act, for the first time regulates all greenhouse gases, insures that decisions made by the United States do not exacerbate the problem, charts a course for the development of an international treaty to control global air pollution and puts in place programs to take effective actions to mitigate the impacts of a changed climate.

The Global Climate Protection Act establishes a regulatory program to control emissions of greenhouse gases.

Chlorofluorocarbons and other halogenated carbon compounds have been recognized as being responsible for destroying the Earth's protective ozone shield high above the Earth's surface in the stratosphere.

These same compounds are extremely potent greenhouse gases. In the lower atmosphere, these compounds are as much as 10,000 times more efficient than carbon dioxide in trapping ultraviolet radiation. It has been estimated that these gases are responsible for between 15 to 20 percent of the greenhouse gas buildup.

The legislation being introduced today calls for the complete elimination of the use of the most potent greenhouse gases over the next 6 years. Other halogenated carbon compounds since they are both less efficient greenhouse gases and can play an important role in moving to safer substitutes are provided a longer phaseout schedule.

Carbon dioxide, a byproduct of burning fossil fuels is the single largest source of greenhouse gases. The United States is the single largest source of these emissions. To address the problem posed by this greenhouse gas, as a nation we must become much more efficient in the use of energy.

The legislation establishes emissions rates for carbon dioxide from fossil fuel fired electric utility generating units beginning with a limit of 610 pounds of carbon dioxide per million British thermal units on January 1, 1990 and reducing the emission rate to 435 pounds by the year 2000 and 280 pounds of CO_2 per million Btu's by 2010.

Standards and a slower reduction schedule are then established for nonutility boilers. A standard of 610 pounds of carbon dioxide per million Btu's by 1990 is established. A standard of 435 pounds of carbon dioxide per million British thermal units by 2010 is then required.

Beginning in 1995, every fossil fuel fired utility must comply with standards under the Clean Air Act when the facility turns 30 years old in the case of electric utility generating sources and 35 years for other sources.

Every time a tank of gas is used to fuel your automobile, approximately 400 pounds of carbon dioxide is released to the atmosphere.

Emissions on a vehicle mile basis must be reduced. Emissions of carbon dioxide from mobile sources must be reduced. 10 percent in 1990, 25 percent in 1995; 50 percent in the year 2000; and at least 75 percent by the year 2010.

The legislation requires "best available residential control technology" for residential furnaces, central air conditioners and hot water heaters.

A third class of greenhouse gases addressed by this legislation is ground-level ozone. Oxides of nitrogen when reacted with sunlight form ozone a greenhouse gas. Oxides of nitrogen emitted through the combustion of fossil fuels is currently regulated under existing authorities in the Clean Air Act. The Administrator of EPA is to promulgate a revised standard for fossil fuel fired steam or electricity generating facilities of equal to or less than 0.1 pounds per million British thermal units or a 90-percent reduction from an uncontrolled state by 1991.

For large stationary diesel or turbine engines, the Administrators shall establish a new standard by 1991.

Methane, one of the more troubling greenhouse gases, is increasing more rapidly than any other greenhouse gas in the atmosphere. Unlike other greenhouse gases, methane is released to the atmosphere from both natural and man-made sources. The Administrator or EPA in consultation with the Administrators of NOAA and NASA are to identify the sources and sinks for methane; its affect on global climate change and to report back to Congress on its findings.

One of the major man-made sources of methane is municipal landfills. The legislation requires that methane and other gas emissions be controlled by 1993.

A national policy is established to insure that all Federal policies are interpreted and administered to minimize impacts to the world's global environment. The National Environmental Policy Act is amended to specifically require that atmospheric contaminants be considered in all Federal actions.

The United States is the single largest source of greenhouse gases. The United States has the technical expertise to address the problem, but to achieve this task, a high level Federal commitment to solving the problem will be needed. A full cabinet-level Department of Environmental Protection is needed to achieve this goal.

To insure that a high-level international effort comparable to the U.S. effort is undertaken, a new agency within the United Nations focused exclusively on global climate change is created.

The legislation then recognizes that as a nation, we must find energy sources which do not pollute. Nuclear power at one time offered that hope, but misguided regulators, and lack of attention to long-term safety has caused the American public to lose faith in nuclear power. The legislation establishes a national commission to investigate ways to construct and operate safe nuclear energy facilities.

The threat posed by greenhouse gases is so large and so potentially disruptive that we must begin to take steps immediately to address them. The Global Climate Protection Act is a step in that direction.

ADDITIONAL SPONSORS

S. 549

At the request of Mr. HOLLINGS, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 549, a bill to remedy injury to the U.S. textile and apparel industries caused by increased imports.

S. 628

At the request of Mr. GRASSLEY, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 628, a bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on educational loans.

S. 675

At the request of Mr. HUMPHREY, his name was added as a cosponsor of S. 675, a bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, 1991, and 1992.

S. 1081

At the request of Mr. BINGAMAN, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 1081, a bill to establish a coordinated National Nutrition Monitoring and Related Research Program, and a comprehensive plan for the assessment of the nutritional and dietary status of the U.S. population and the nutritional quality of the U.S. food supply, with provision for the conduct of scientific research and development in support of such program and plan.

S. 1523

At the request of Mr. METZENBAUM, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 1523, a bill to amend chapter 96 of title 18, United States Code.

S. 1673

At the request of Mr. CHAFEE, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 1673, a bill to amend title XIX of the Social Security Act to assist individuals with a severe disability in attaining or maintaining their maximum potential for independence and capacity to participate in community and family life, and for other purposes.

S. 1738

At the request of Mr. Wilson, the names of the Senator from Mississippi [Mr. Cochran] and the Senator from Alaska [Mr. Stevens] were added as cosponsors of S. 1738, a bill to make long-term care insurance available to civilian Federal employees, and for other purposes.

S. 1804

At the request of Mr. Roth, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 1804, a bill to amend the National Wildlife Refuge Administration Act.

S. 1877

At the request of Mr. Roth, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 1877, a bill to restore balance among sources of supply for the Nation's sweetener needs, and for other purposes.

S. 2033

At the request of Mr. Thurmond, the names of the Senator from Alaska [Mr. Murkowski], the Senator from Pennsylvania [Mr. Specter], and the Senator from New Mexico [Mr. Bingaman] were added as cosponsors of S. 2033, a bill to amend title 18, United States Code, with respect to child protection and obscenity enforcement, and for other purposes.

S. 2142

At the request of Mr. Harkin, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of S. 2142, a bill to establish a National Mars Commission, and for other purposes.

S. 2320

At the request of Mr. Exon, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 2320, a bill to amend the Rail Passenger Service Act to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes.

S. 2346

At the request of Mr. Harkin, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of S. 2346, a bill to preserve the cooperative, peaceful uses of outer space for the benefit of all mankind by prohibiting the basing or testing of weapons in outer space and the testing of antisatellite weapons, and for other purposes.

S. 2523

At the request of Mr. Reid, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 2523, a bill to amend title 23, United States Code, to require States to promptly suspend or revoke the license of a driver found to be driving under the influence of alcohol and for other purposes.

S. 2530

At the request of Mr. Bingaman, the name of the Senator from Indiana [Mr. Quayle] was added as a cosponsor of S. 2530, a bill to improve the management of the Federal pay system and increase efficiency and productivity of Federal employees, and for other purposes.

S. 2561

At the request of Mr. Harkin, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 2561, a bill to establish a program of grants to States to promote the provision of technology-related assistance to individuals with disabilities, and for other purposes.

S. 2650

At the request of Mr. Johnston, the name of the Senator from Idaho [Mr. McClure] was added as a cosponsor of S. 2650, a bill to establish the National Park of Samoa.

SENATE JOINT RESOLUTION 321

At the request of Mr. Bradley, the names of the Senator from California [Mr. Cranston], the Senator from Missouri [Mr. Bond], the Senator from Kansas [Mr. Dole], the Senator from New Jersey [Mr. Lautenberg], the Senator from Arizona [Mr. McCain], the Senator from Vermont [Mr. Stafford], the Senator from Colorado [Mr. Wirth], the Senator from Hawaii [Mr. Inouye], the Senator from West Virginia [Mr. Rockefeller], the Senator from Maine [Mr. Mitchell], the Senator from North Carolina [Mr. Sanford], the Senator from Utah [Mr. Garn], and the Senator from Illinois [Mr. Simon] were added as cosponsors of Senate Joint Resolution 321, a joint resolution to designate the period commencing February 19, 1989, and ending February 25, 1989, as "National Visiting Nurse Associations Week."

SENATE JOINT RESOLUTION 346

At the request of Mr. Lautenberg, the names of the Senator from Vermont [Mr. Stafford], the Senator from Michigan [Mr. Riegle], the Senator from Montana [Mr. Melcher], and the Senator from Nevada [Mr. Reid] were added as cosponsors of Senate Joint Resolution 346, a joint resolution to designate March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE JOINT RESOLUTION 350

At the request of Mr. Simon, the names of the Senator from Tennessee [Mr. Gore] and the Senator from North Dakota [Mr. Conrad] were added as cosponsors of Senate Joint Resolution 350, a joint resolution designating Labor Day Weekend, September 3-5, 1988, as "National Drive for Life Weekend."

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. Grassley, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applicants for employment and that provision should be made for a listing and description of volunteer work on employment application forms.

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. DeConcini, the name of the Senator from Indiana [Mr. Quayle] was added as a cosponsor of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Charles E. Thronton, Lee Shapiro, and Jim Lindelof, citizens of the United States who were killed in Afghanistan.

SENATE CONCURRENT RESOLUTION 132

At the request of Mr. Simon, the names of the Senator from Michigan [Mr. Riegle] and the Senator from Massachusetts [Mr. Kennedy] were added as cosponsors of Senate Concurrent Resolution 132, a concurrent resolution regarding the protection and promotion of human rights in the Republic of Singapore.

AMENDMENT NO. 2689

At the request of Mr. Dole, the names of the Senator from Alaska [Mr. Murkowski], the Senator from Arizona [Mr. McCain], and the Senator from Indiana [Mr. Quayle] were added as cosponsors of amendment No. 2689 proposed to H.R. 4782, a bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

At the request of Mr. DeConcini, his name was added as a cosponsor of amendment No. 2689 proposed to H.R. 4782, supra.

AMENDMENTS SUBMITTED

DEPARTMENTS OF COMMERCE, JUSTICE AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

McCAIN (AND OTHERS) AMENDMENT No. 2690

Mr. McCAIN (for himself, Mr. Wilson, and Mr. Dole) proposed an amendment to the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes; as follows:

At the appropriate place in the bill, insert the following:

The Senate finds that:

The 1923 Soviet demarcation of Azerbaijan and Armenia resulted in over 100,000 Armenians residing in Azerbaijan;

The Armenian people of Azerbaijan have called upon the Soviet Government to allow them to secede and join Armenia;

The Supreme Soviet in March 1988 refused to allow the secession of Nagorno-Karabakh to Armenia;

The legislature of Nagorno-Karabakh voted on July 12, 1988 to secede from Azerbaijan and unite with Armenia;

On July 18, 1988, the Presidium of the Supreme Soviet rejected proposals for any changes in the region's borders;

The Soviet citizenship of Armenian leader and activist Paruir Airikyan has been revoked for "damaging the prestige of the Soviet Union";

The Soviet Army has been deployed to the region to maintain order, and has forceably disrupted and suppressed peaceful demonstrations;

Dozens of Armenians have been killed and hundreds injured during the recent unrest: Now therefore be it the sense of the Senate that:

(1) the Soviet government should respect the legitimate aspirations of the Armenian people.

(2) The Soviet government should discontinue its very serious violations of the human rights of the Armenian people

(3) If the Soviet Union continues its deplorable suppression of the Armenian people, it will inevitably impact on U.S.-Soviet relations

PELL (AND OTHERS) AMENDMENT NO. 2691

Mr. PELL (for himself, Mr. EVANS, Mr. MOYNIHAN, Mr. SANFORD, and Mr. SIMON) proposed an amendment, which was subsequently modified, to the bill H.R. 4782, supra; as follows:

SEC. 101. UNITED STATES SUPPORT FOR UNITED NATIONS SECURITY AND PEACEKEEPING ACTIVITIES

(a) The Congress finds—

(1) The United Nations has had a vital role in mobilizing world opinion against the Soviet occupation of Afghanistan and in negotiating an agreement providing for a Soviet withdrawal from Afghanistan by March 15, 1989, thus permitting the people of that country to regain their freedom and independence;

(2) United Nations Security Council Resolution 598 has provided the framework for an agreement to end the Iran-Iraq war which has been the world's longest lasting and bloodiest conflict since World War II;

(3) United Nations sponsored negotiations now underway provide real hope for a peaceful settlement in Cyprus, thus ending the bifurcation of that island and a military occupation of fourteen years duration;

(4) The prospective United Nations role in administering the Western Sahara and conducting a referendum there provides a means for settling a thirteen year old war which has threatened the security of Morocco, an important United States ally; and

(5) United Nations peacekeeping forces will be instrumental to the implementation of prospective agreements providing for independence in Namibia and Vietnamese withdrawal from Cambodia.

(b) The Congress further finds that—

(1) The United Nations security and peacekeeping activities are in the vital national security interests of the United States;

(2) United Nations security and peacekeeping activities represent an unparalleled opportunity for resolution of major regional conflicts;

(3) The United Nations activities will save the United States hundreds of millions of dollars that otherwise would have to be spent in protecting U.S. interests in regions such as the Persian Gulf or in support of U.S. friends in Afghanistan, Angola, and Cambodia; and

(4) The United States therefore should support United Nations security and peacekeeping activities by paying its full assessed contributions to the United Nations and its proportionate share of peacekeeping activities.

GRAMM (AND OTHERS) AMENDMENT NO. 2692

Mr. GRAMM (for himself, Mr. COCHRAN, and Mr. NICKLES) proposed an amendment to the bill H.R. 4782, supra; as follows:

On page 77, line 14, strike all after the words "as amended" through line 23 and insert in lieu thereof the following: "$250,000,000.

"Notwithstanding any other provision of this Act, the appropriation of the Drug Enforcement Administration shall be increased by $58,555,000."

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

BRADLEY AMENDMENT NO. 2693

Mr. BRADLEY proposed an amendment to the bill (H.R. 4783) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1989, and for other purposes; as follows:

On page 52, line 7, after "part A," insert "part B,".

On page 52, line 17, strike out "$1,104,180,000" and insert in lieu thereof "$1,106,180,000".

On page 52, line 18, strike out "$502,000,000" and insert in lieu thereof "$494,000,000".

On page 52, line 20, strike out "$473,700,000" and insert in lieu thereof "$465,700,000".

On page 52, line 26, after the comma insert the following: "$10,000,000 for part B,".

On page 63, line 5, strike out "$260,600,000" and insert in lieu thereof "$258,600,000".

CRANSTON (AND KENNEDY) AMENDMENT NO. 2694

Mr. CRANSTON (for himself and Mr. KENNEDY) proposed an amendment to the reported amendment on page 30, line 7 to the bill H.R. 4783, supra; as follows:

At the end of the pending committee amendment, add the following:

"Notwithstanding any other provision of this Act, AIDS education programs funded by the Centers for Disease Control and other education curricula funded under this Act dealing with sexual activity—

(1) shall not be designed to promote or encourage, direclty, intravenous drug abuse or sexual acitivity, homosexual or heterosexual, and

(2) in addition, with regard to AIDS education programs and curricula—

(A) shall be designed to reduce exposure to and transmission of the etiologic agent for acquired immune deficiency syndrome by providing accurate information, and

(B) shall provide information on the health risks of promiscuous sexual activity and intravenous drug abuse;"

HUMPHREY AMENDMENT NO. 2695

Mr. HUMPHREY proposed an amendment to the bill H.R. 4783, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . None of the funds made available under this Act shall be used to waive the minimal risk standard for fetal research.

MELCHER (AND CRANSTON) AMENDMENT NO. 2696

Mr. MELCHER (for himself and Mr. CRANSTON) proposed an amendment to the bill H.R. 4783, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a)(1) In enacting this section Congress hereby—

(A) recognizes the national and international legal protection granted chimpanzees under the Endangered Species Act and the Convention on International Trade of Endangered Species, to which the United States is signatory, and also the World Health Organization's Policy Statement on Use of Primates for Biomedical Purposes, all of which acknowledges the threatened or endangered status of the chimpanzee; and

(B) acknowledges that substantial public monies are already being expended on a National Chimpanzee Breeding and Research Program in the United States.

(2) No funds appropriated under this Act or any other provision of law shall be used by the National Institutes of Health, or any other Federal agency, or recipient of Federal funds and be expended on any project that entail the capture or procurement of chimpanzees obtained from the wild.

(b) For purposes of this section, the term "recipient of Federal funds" includes private citizens, corporations, or other research institutions located outside of the United States that are recipients of Federal funds.

HELMS (AND EXON) AMENDMENT NO. 2697

Mr. HELMS (for himself and Mr. EXON) proposed an amendment to the reported amendment on page 40, line 23 of the bill H.R. 4783, supra; as follows:

At the appropriate place in the pending amendment add the following:

SEC. . None of the funds made available under this Act, or an amendment made by this Act for the Department of Health and Human Services including funds provided for under the heading grants to states for medicaid shall be used on the premises of any elementary or secondary school to provide the following: contraceptive drugs or devices, prescriptions for contraceptive drugs or devices, transporation for contraceptive drugs or devices, referrals for contraceptive drugs or devices, abortions, transportation to aid in obtaining an abortion, counseling to encourage a child to obtain an abortion, or referrals for obtaining an abortion.

EXON AMENDMENT NO. 2699

Mr. EXON proposed an amendment to the reported amendment on page 46, lines 2 and 3 to the bill, H.R. 4783, supra; as follows:

Strike line 3 on page 46 and insert in lieu thereof the following:

"victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service; nor are payments prohibited for drugs to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of ectopic pregnancy: provided, however, that the several states are and shall remain free not to fund abortions to the extent that they in their sole discretion deem appropriate, except where the life of the mother would be endangered if the fetus were carried to term."

HUMPHREY AMENDMENT NO. 2700

Mr. HUMPHREY proposed an amendment, which was subsequently modified, to the reported amendment on page 49, line 4, to the bill, H.R. 4783, supra; as follows:

At the end of the matter proposed to be inserted, insert the following:

SEC. . Notwithstanding any other provision of this Act, or amendment thereafter, none of the funds made available by this Act shall be used in materials, curriculums, or programs that promote or encourage homosexuality, or to use words stating that homosexuality is "normal," "natural," or "healthy.".

NICKLES AMENDMENT NO. 2701

Mr. NICKLES proposed an amendment to the bill H.R. 4783, supra; as follows:

At the appropriate place, add the following:

SEC. . None of the funds made available under this Act, or an amendment made by this Act for the Department of Health and Human Services including funds provided for under the heading grants to states for medicaid shall be used on the premises of any elementary or secondary school to provide the following: abortions, transportation to aid in obtaining an abortion, counseling to encourage a child to obtain an abortion, or referrals for obtaining an abortion.

HEINZ (AND OTHERS) AMENDMENT NO. 2702

Mr. HEINZ (for himself, Mr. WIRTH, and Mr. SANFORD) proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 26, line 21, strike "$132,578,000" and insert "$130,578,000."

On page 41, line 26, strike "Public Law 95-266" and insert "Public Law 100-294".

On page 42, line 8, strike "$2,573,465,000" and insert "$2,575,465,000".

PRYOR AMENDMENT NO. 2703

Mr. PRYOR proposed an amendment to the bill H.R. 4783, supra; as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

SEC. . (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, or instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

CHILES AMENDMENT NO. 2704

Mr. CHILES proposed an amendment No. 2703 proposed by Mr. PRYOR to the bill H.R. 4783, supra; as follows:

Strike out subsection (C), beginning on page 2.

Insert the following in-lieu-thereof:

(c) All savings to any department, agency, or instrumentality which result from the application of subsection (a), shall be used for the four percent increase in rates of pay in such department, agency, or instrumentality made under this Act.

BINGAMAN (AND WILSON) AMENDMENT NO. 2705

Mr. BINGAMAN (for himself and Mr. WILSON) proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 52, line 17, strike the numeral and insert in lieu thereof "$1,098,180,000".

On page 52, line 18, strike the numeral and insert in lieu thereof "$486,000,000".

On page 52, line 20, strike the numeral and insert in lieu thereof "$457,700,000".

On page 54, line 26, before the comma, insert "including section 372 of said Act".

On page 55, line 1, strike out "$1,076,130,000" and insert in lieu thereof "$1,084,130,000".

CHILES AMENDMENT NO. 2706

Mr. CHILES proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 74, line 9, after the word "expended", add the following:

": *Provided further*, That funds provided under this paragraph as well as $15,000,000 provided for Capital Outlay in Public Law 100-202 shall, immediately upon enactment of this Act, be made available for the construction of a 200-bed Intermediate Care Facility on the grounds of the LaGarde building."

On page 42, line 8, before the period, insert:

Provided, That appropriations to carry out the Comprehensive Child Development Program under chapter 8, subchapter E of the Omnibus Budget Reconciliation Act of 1981, shall be available notwithstanding Sec. 670T(b) of that Act.

On page 68, line 25, add the following:

Furthermore, the Commission has the power to accept voluntary and uncompensated services, notwithstanding section 1342 of Title 31, and shall continue operating, notwithstanding sections 208 and 209 of Public Law 99-660.

On page 54, after line 20, insert the following:

"$750,000 shall be for carrying out section 202(j)(1),"

During the 12-month period beginning October 1, 1988, none of the funds made available under this Act may be used to impose any reductions in payment, or to seek repayment from or to withhold any payment to any State pursuant to sections 427 or 471 of the Social Security Act, as a result of a disallowance determination made in connection with a compliance review for any federal fiscal year preceding federal fiscal year 1989, until all judicial proceedings, including appeals, relating to such disallowance determination have been finally concluded, nor may such funds be used to conduct further compliance reviews with respect to any

State which is a party to such judicial proceeding until such proceeding has been finally concluded.

On page four, add the following language after line two:

The Congress recognizes the need to prepare the Nation's workforce for the more complex work environment of the U.S. post-industrial economy. The Congress is concerned with the findings of the Office of Technology Assessment that 25 million workes will have to upgrade their job skills by the end of this century. Accordingly, the Congress directs the Secretary to give priority to funding pilots and demonstrations and research, development, and evaluation programs that will address this urgent National priority.

Further, in recognition that upgrading the skills of 25 million workers cannot be achieved with current methods of teaching, the Congress directs the Secretary to fund from the available National activities program funds research and development projects using interactive laser-videodisc technology course materials that are specifically designed to upgrade "workplace literacy."

SIMON AMENDMENT NO. 2707

Mr. SIMON proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 56, line 24 between the words "study" and "in" insert the words "of less than one year"

On page 51, line 8, strike all after the word "That" through the word "to" on line 9 and insert in lieu thereof "no State shall receive less than $340,000 under section 1006 from"

On page 61, line 15, before the period insert a colon and the following: "*Provided further*, That the State of Illinois is relieved of all liability to repay the United States the sum of $14,547,769 representing payments made to Illinois under the Library Services and Construction Act for fiscal years 1977 through 1986 which were disallowed because of a pioneering nature of the program for libraries in that State and, in the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this proviso".

QUAYLE AMENDMENT NO. 2708

Mr. QUAYLE proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 30, line 19, strike out "and" and insert a comma.

On page 30, line 21, insert before the period a comma and "and of which $250,000 shall be available for advisory services relating to alcohol"

KENNEDY (AND OTHERS) AMENDMENT NO. 2709

Mr. KENNEDY (for himself, Mr. Heinz, Mr. Bradley, Mr. Simon, Mr. Chafee, Mr. Sanford, Mr. Boren, Mr. Adams, Mr. Stafford, Mr. Metzenbaum, Mr. Durenberger, Mr. Matsunaga, Mr. Pell, and Mr. Grassley) proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 79, between lines 21 and 22, insert the following:

Sec. . It is the sense of the Senate that the Senate conferees on this Act should in the conference report on this Act appropriate and make available amounts equal to $39,800,000,000 in budget authority.

WEICKER (AND OTHERS) AMENDMENT NO. 2710

Mr. WEICKER (for himself, Mr. Mitchell, Mr. Heinz, Mr. Rudman, Mr. Simon, Mr. Reigle, Mr. Kennedy, Mr. Harkin, Mr. Bradley, and Mr. Bond) proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 50, between lines 5 and 6, insert the following new section:

Sec. 221. (a) The Senate finds that—

(1) the Low Income Home Energy Assistance Program is a critical component of the Nation's "safety net" protecting the lives of the most vulnerable in our society through providing assistance to poor families unable to afford to heat their homes in the winter and cool them in the summer;

(2) the average recipient of the Low Income Home Energy Assistance Program has an income of 72 percent of the poverty level and nearly 40 percent are elderly or have an elderly member in the household;

(3) prolonged periods of very hot or very cold weather claim more lives nationally than any other natural disaster, with older persons as the primary victims of such disasters;

(4) if enacted at the level recommended by the President's budget, Federal funding for the Low Income Home Energy Assistance Program will have been cut 34 percent in the last 2 years;

(5) the Department of Health and Human Services estimates that in fiscal year 1988 500,000 households were dropped from the program and the average Low Income Home Energy Assistance Program benefit declined 3 percent to below $200 per year, with many States reporting the elimination of weatherization assistance, the reduction of crisis assistance, a cut in the summer cooling program and the early termination of programs, in order to cope with the 16 percent cut; and

(6) the budget summit agreement stipulated that in implementing the budget agreement essential programs serving the poor should have a priority.

(b) Therefore, it is the sense of the Senate that priority be given to providing an appropriation for the Low Income Home Energy Assistance Program in an amount not less than the fiscal year 1988 appropriation.

HUMPHREY AMENDMENT NO. 2711

Mr. HUMPHREY proposed an amendment to the bill H.R. 4783, supra; as follows:

At the appropriate place, insert the following new section:

Sec. . None of the funds appropriated under this Act shall be used to perform an abortion on a woman for the sole purpose of providing fetal organs or tissue for medical transplantation to any animal or person.

At the appropriate place, insert the following new section:

Sec. . (a) None of the funds appropriated under this Act shall be used to knowingly acquire, receive or otherwise transfer any human (including that derived from a fetus) organ or organ subpart for valuable consideration for use in human or animal transplantation.

(b) None of the funds appropriated under this Act shall be used to knowingly acquire, receive or otherwise transfer any human organ or organ subpart derived from a fetus that has been aborted for the sole purpose of medically transplanting such organs or organ subparts to any animal or person.

(c) For purposes of subsection (a) and (b):

(1) The term "human organ" means the human kidney, liver, heart lung, pancreas, brain, bone marrow, cornea, eye, bone, and skin and any other human organ specified by the Secretary of Health and Human Services by regulation.

(2) The term "valuable consideration" does not include the reasonable payments associated with the removal, transportation, implantation, processing, preservation, quality control, and storage of a human organ, or organ subpart or the expenses of travel, housing and lost wages incurred by the donor of a human organ or organ subpart in connection with the donation of the organ or organ subpart.

At the appropriate place, insert the following new section:

Sec. . None of the funds appropriated under this Act shall be used to offer any inducement, monetary or otherwise, for a woman to have an abortion for the purpose of providing fetal organs for medical transplantation to any animal or person.

At the appropriate place, insert the following new section:

Sec. . None of the funds made available under this Act shall be used to waive the minimal risk standard for fetal research.

METZENBAUM (AND GLENN) AMENDMENT NO. 2712

Mr. CHILES (for Mr. Metzenbaum, for himself, and Mr. Glenn) proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 42, line 20 strike the period and insert in lieu thereof:

": *Provided*, That not to exceed $350,000 may be made available for the establishment of a high quality, population based cancer registry in the metropolitan Cleveland, Ohio area."

CHILES (AND TRIBLE) AMENDMENT NO. 2713

Mr. CHILES (for himself and Mr. Trible) proposed an amendment to the bill H.R. 4783, supra; as follows:

Insert before the period on page 51, line 22, the following:

: *Provided*, That any school district that received an overpayment under section 2 in fiscal year 1984 funds and also received 30.13 per centum of such sum in an overpayment of the subsequent fiscal year's funds, is relieved of the liability to repay those sums, together with interest on such sums

BAUCUS (AND MELCHER) AMENDMENT NO. 2714

Mr. CHILES (for Mr. Baucus, for himself and Mr. Melcher) proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 54, between lines 22 and 23, insert the following:

"Of the funds provided under the heading "Rehabilitation Services and Handicapped Research" in fiscal year 1987 in Public Law 99-500 and Public Law 99-501, for carrying out the Rehabilitation Act of 1973, which are unobligated, the sum of $500,000 is reappropriated for an allotment under section 100(b)(1) of the Rehabilitation Act of 1973 to Montana for obligations incurred by Montana during fiscal year 1987.".

RIEGLE (AND OTHERS) AMENDMENT NO. 2715

Mr. CHILES (for Mr. RIEGLE, for himself, Mr. BINGAMAN, and Mr. WILSON) proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 42, line 8, strike out the period and insert in lieu thereof a comma and the following: "of which, $8,750,000 shall be made available to carry out the State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.), and an additional $3,250,000 shall be made available to carry out such Act.".

On page 55, line 24, strike out "$5,837,095,000" and insert in lieu thereof "$5,833,845,000".

KENNEDY AMENDMENT NO. 2716

Mr. KENNEDY proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 52, line 17, strike the numeral and insert in lieu thereof "1,088,180,000".

On page 52, line 18, strike the numeral and insert in lieu thereof "$476,000,000".

On page 52, line 20, strike the numeral and insert in lieu thereof $447,700,000".

On page 59, between lines 3 and 4, insert the following:

Provided further, That an additional amount of $10,000,000 shall be made available for part D of title I of the Higher Education Act of 1965, relating to the student literacy corps program, to become available on July 1, 1989, and remain available until September 30, 1990.

STEVENS AMENDMENT NO. 2717

Mr. STEVENS proposed an amendment to the bill H.R. 4783, supra; as follows:

At an appropriate place in the bill, insert the following:

SEC. . When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project or program.

SASSER (AND BRADLEY) AMENDMENT NO. 2718

Mr. CHILES (for Mr. SASSER, for himself and Mr. BRADLEY) proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 35, line 5, strike "$1,839,819,000", and insert "$1,835,519,000".

Beginning on page 35, strike line 19 beginning at "Provided further" and all that follows through "1990:" on page 36, line 2.

WILSON (AND OTHERS) AMENDMENT NO. 2719

Mr. WILSON (for himself, Mr. DOMENICI, and Mr. MCCAIN) proposed an amendment to the bill H.R. 4783, supra; as follows:

On page 50, between lines 5 and 6, insert the following new section:

SEC. . (a)(1) In the case of all appropriation accounts within this title from which expenses for travel, transportation (including per diem allowances) supplies, and materials and equipment under object classifications 21.0, 22.0, 26.0 and 31.0 are paid under the Public Health Service Act (42 U.S.C. 201 et seq.), there shall be obligated under such accounts in fiscal year 1989 a uniform percentage of such amounts as are determined by the President in accordance with paragraph (2) that, but for this subsection, would—

(A) be available for obligation in such accounts as of October 1, 1988;

(B) be planned to be obligated for such expenses after such date during fiscal year 1989; and

(C) result in total outlays of $13,000,000 in fiscal year 1989.

(2) Prior to making a determination under paragraph (1), the President shall obtain, from the Director of the Office of Management and Budget and the Comptroller General of the United States, recommendations for determinations with respect to—

(A) the identification of the accounts affected under this subsection;

(B) the amount in each such account available as of October 1, 1988, for obligation;

(C) the amounts planned to be obligated for such expenses after such date in fiscal year 1989; and

(D) the uniform percentage by which such amounts must be reduced in order to comply with paragraph (1).

(3) Not later than 30 days after the date of enactment of this Act, the President shall prepare and submit, to the appropriate committees of Congress, a report specifying the determinations of the President under paragraphs (1) and (2).

(4) Sections 1341(A) and 1517 of title 31, United States Code, shall apply to each account for which a determination is made by the President under paragraphs (1) and (2).

(b) From amounts made available under subsection (a), the Secretary of Health and Human Services shall make payments to trauma care centers to partially reimburse such centers for uncompensated care costs incurred by such centers through their treatment of undocumented patients during fiscal year 1988.

(c) To be eligible to receive funds under this section, a trauma care center shall—

(1) be considered as a trauma care center under regulation promulgated by the Secretary for the purpose of this section;

(2) submit an application to the Secretary in such form and containing such information as the Secretary of Health and Human Services shall require; and

(3) demonstrate to the Secretary that such center has incurred a loss in revenues because of uncompensated care costs, of which 20 percent of such costs resulted from the center's treatment of undocumented patients.

(d) Not later than 60 days after the date of enactment of this section, the Secretary of Health and Human Services shall—

(1) prepare a list of trauma care centers eligible to receive an allotment under subsection (e); and

(2) promulgate regulations necessary to carry out this section.

(e) The Secretary of Health and Human Services shall allot to each eligible trauma care center an amount equal to the sum of the amount that bears the same ratio to the amount of funds made available under this section as the loss incurred by the eligible trauma care center bears to the loss incurred by all eligible trauma care centers identified by the Secretary.

(f) The Secretary of Health and Human Services shall pay to each eligible trauma care center the amount of its allotment under subsection (e).

IMPROVEMENT MANAGEMENT OF FEDERAL PAY

ROTH AMENDMENT NO. 2720

Mr. DOLE (for Mr. ROTH) proposed an amendment to the bill (S. 2530) to improve the management of the Federal pay system and increase efficiency and productivity of Federal employees, and for other purposes; as follows:

On page 17, insert after line 14 the following:

"(3) Bonus payments by an agency during any fiscal year may not exceed one percent of the agency's payroll for that fiscal year, unless the Office of Personnel Management authorizes a higher limit for the agency due to unusually difficult recruitment or retention problems.".

On page 19, insert after line 2 the following:

"(e) The Office of Personnel Management shall submit a report to Congress each year on the operation of this section, including the number and amounts of bonus payments and the occupations and agencies involved.".

On page 19, insert after line 7 the following:

"(c) SENSE OF CONGRESS.—The amendments made by this section are enacted by the Congress with the expectation that bonus payments under such amendments will prove to be a more cost-effective method to deal with recruitment and retention difficulties than the payment of higher minimum rates of pay under section 5303 of title 5, United States Code.

"(d) REPEAL.—The amendments made by this section are repealed 7 years after the date of enactment of this Act.".

TAFT INSTITUTE PROGRAM REAUTHORIZATION

PELL AMENDMENT NO. 2721

Mr. BYRD (for Mr. PELL, for himself, Mr. THURMOND, Ms. MIKULSKI, and Mr. COCHRAN) proposed an amendment to the bill (H.R. 4585) to extend the authorization of appropriations for the Taft Institute through fiscal year 1991; as follows:

On page 1, between lines 2 and 3, insert the following:

TITLE I—THE TAFT INSTITUTE

PROGRAM REAUTHORIZATION

On page 1, line 3, strike out "That section" and insert in lieu thereof "Sec. 101. Section".

At the end of the bill, add the following new titles:

TITLE II—CONSTITUTIONAL BICENTENNIAL EDUCATION PROGRAM

TEACHER TRAINING AMENDMENT

Sec. 201. Section 501(c)(1) of the Arts, Humanities, and Museums Amendments of 1985 is amended—

(1) by striking out "$5,000,000 for each of the fiscal years 1987 and 1988," and inserting in lieu thereof "$8,000,000 for each of the fiscal years";

(2) by inserting before the period at the end thereof a comma and the following: "of which at least $3,000,000 in each fiscal year shall be reserved for elementary and secondary teacher training and retraining programs in history, geography, and other related disciplines in the social sciences and humanities designed to enhance understanding of the Constitution.

TITLE III—LIBRARY AND EDUCATION RESOURCE AUTHORIZATIONS

WASHINGTON LIBRARY CONSORTIUM

Sec. 301. (a) General Authority.—The Secretary of Education is authorized to provide financial assistance, in accordance with the provisions of this section, to the Washington Library Consortium for the purpose of constructing and equipping a facility in Prince Georges County, Maryland, that would link by computer eight university libraries (located at American University, Georgetown University, George Washington University, Catholic University, George Mason University, Gallaudet University, Marymount University, and the University of the District of Columbia) and provide central storage for the rare books of the participating institutions of higher education.

(b) Application.—No financial assistance may be made under this section unless an application is submitted to the Secretary of Education at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(c) Authorization of Appropriations.—There are authorized to be appropriated $7,500,000 to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

VERMONT HIGHER EDUCATION COUNCIL

Sec. 302. (a) General Authority.—The Secretary of Education is authorized to provide financial assistance, in accordance with the provisions of this section, to the Vermont Higher Education Council located in Hyde Park, Vermont, for development activities for faculty at institutions of higher education which are members of the Vermont Higher Education Council designed to address and overcome professional isolation experienced by such faculty members.

(b) Application Required.—No financial assistance may be made under this section unless an application is submitted to the Secretary of Education at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(c) Authorization of Appropriations.—There are authorized to be appropriated $1,000,000 to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

HEALTH AND HUMAN RESOURCES CENTER AUTHORIZED

Sec. 303. (a) General Authority.—The Secretary of Education is authorized, in accordance with the provisions of this section, to provide financial assistance to Voorhees College, located in Denmark, South Carolina, to pay the cost of construction and related costs for a Health and Human Resources Center at Voorhees College.

(b) Application Required.—No financial assistance may be made under this section unless an application is made at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require.

(c) Authorization of Appropriations.—There are authorized to be appropriated such sums, not to exceed $4,500,000, as may be necessary to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

UNIVERSITY OF MISSISSIPPI LAW LIBRARY

Sec. 304. (a) General Authority.—The Secretary of Education is authorized to provide financial assistance, in accordance with the provisions of this section, to the University of Mississippi Law School for the renovation and completion of the library facilities of the University of Mississippi Law School at Oxford, Mississippi.

(b) Application Required.—No financial assistance may be made under this section unless an application is submitted to the Archivist at such time, in such manner, and containing or accompanied by such information as the Archivist may reasonably require.

(c) Authorization of Appropriations.—There are authorized to be appropriated $2,200,000 to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

TITLE IV—STUDENT LOAN DEFAULT TAX OFFSET PROGRAM

SENSE OF THE SENATE

Sec. 401. (a) Findings.—The Senate finds that—

(1) the Internal Revenue Service program to offset tax refunds against amounts owed by individuals who owe the Federal Government money has been remarkably effective;

(2) $400,000,000 is anticipate to be raised by the offset program this year;

(3) the most effective offset program, returning $213,000,000 in 1987, has been default student loans;

(4) the publicity from the offset program has resulted in $30,000,000 being paid by student loan defaulters;

(5) the Department of Education, which incurred default costs of $1,600,000,000 in 1988 and is projected to incur costs of $2,000,000,000 in 1990, expects that the Internal Revenue Service tax offset program will continue to be an effective means of recovering defaulted student loans;

(6) the authority for the Internal Revenue Service tax offset program expires on July 1, 1988, and Federal departments such as the Department of Education will be unable to prepare files to be sent to the IRS at the end of the year: and

(7) each Federal department which cannot prepare files before the summer will lose a year of offsets.

(b) Sense of the Senate.—It is the sense of the Senate that the Internal Revenue Service tax offset program should be reauthorized as soon as possible so that the Federal Government can continue to collect the anticipated recovery of $400,000,000 resulting from offsets in 1988, and further, that the tax offset program be permanently authorized.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON, Mr. President, I would like to announce for the public that an oversight hearing on the strategic petroleum reserve has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place Monday, August 8, 1988, at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to discuss the status and outlook of the strategic petroleum reserve.

For further information, please contact Jim Bruce, senior counsel for the committee, at (202) 224-5052.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 27, 1988, to hold a hearing on judicial nominations.

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 27, 1988, to hold a nominations hearing on Francis A. Keating and Edward Dennis.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, July 26, to resume hearings on the defense acquisition process, SH-216.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, July 27, 1988 to mark up S. 2544, the International Securities Enforcement Cooperation Act of 1988; S. 2073, as revised, the Thrift Charter Enhancement Act of 1988; S. 2283, the Statehood Centennial Commemorative Coin Act of

1989; and the nominations of James B. Coles, to be a member of the Board of Directors of the National Corporation for Housing Partnerships; Richard C. Houseworth, to be a member of the Board of Directors of the Export-Import Bank of the United States; and James G. Stearns, to be a Director of the Securities Investor Protection Corporation.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, July 27, and Thursday, July 28, at 9:30 a.m., to hold hearings on Oversight of Department of Defense Safety Programs for Chemical and Biological Warfare Research.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

HOBOKEN'S "AMBASSADORS" BASEBALL TEAM GOES TO THE SOVIET UNION

● Mr. LAUTENBERG. Mr. President, today, United Nations Ambassador Vernon Walters is meeting the Ambassadors, a baseball team from Hoboken, NJ. At the United Nations in New York, Ambassador Walters will wish the team luck as they depart for the Soviet Union to play in a baseball tournament against a Soviet team.

The Ambassadors will be the first American team of high school players to play baseball in the Soviet Union. The team will play games in Moscow, Kiev, and Tiblisi. It will be in the Soviet Union for 3 weeks.

Mr. President, last year the New York Times reported that Soviet officials had claimed that the Soviets invented baseball. But New Jerseyans and others know that the first game was not played in the Soviet Union but in Hoboken, NJ, on June 19, 1846.

To set the Soviets straight, I met with Valery V. Tkachuk, Deputy Chief of the Soviet Committee for Physical Culture and Sport, while I was in the Soviet Union last summer. At my request, Mr. Tkachuk extended an invitation to a team from New Jersey to play baseball against a Soviet team. Shortly after my trip, the Soviets invited the Hoboken team to play in its national tournament.

The Ambassadors are a terrific baseball team, and its record demonstrates just that. Last summer, the baseball team won all local games. It then went on to win the New Jersey and the North Atlantic Championship in its league. Since the team was so successful last season, it traveled to Puerto Rico for a league World Series. There, the team finished 4th out of 10 teams.

Since it was invited to participate in the tournament in the Soviet Union, the team has done a tremendous amount of work. It has raised a considerable amount of money and has made hotel and travel arrangements. In addition, the team has been preparing to play well in the tournament.

Mr. President, I am proud of the Ambassadors' outstanding record, and am certain they will play well in the Soviet Union. I hope my colleagues will join me in wishing the team luck during its games in the Soviet Union.●

A SALUTE TO THE ST. OLAF COLLEGE CHOIR

● Mr. BOSCHWITZ. Mr. President, I am proud today to bring to the attention of my colleagues an outstanding group of young people who will represent the United States at the summer Olympics in Seoul. It is not the athletes I am recognizing at this time, but rather the students who make up Minnesota's own St. Olaf College Choir.

The St. Olaf Choir is one of only five choirs, worldwide, chosen to participate in the Olympic Arts Festival, an important part of the summer Olympic festivities.

This is a tremendous honor and well deserved. The St. Olaf choir has an outstanding reputation and has distinguished itself over 75 years, earning national and international acclaim under each of its three directors: F. Melius Christiansen, founder of the choir; Olaf Christiansen, his son; and Kenneth Jennings, the current director, who has led the choir in performances at the Bergen Music Festival, the People's Republic of China, the Strasbourg Music Festival, and the Vatican.

Minnesotans are proud of this world-class organization, and I take great pleasure in congratulating them and wishing them well in Korea. I know they will bring great credit to Minnesota and our whole Nation.●

CHINA DOCUMENTARY COMMENDED

● Mr. INOUYE. Mr. President, I wish to call to the attention of my colleagues a recent television broadcast that was exceptional in its scope and subject. This was a 1-hour documentary entitled, "Journey Through a Changing China," which was produced and hosted by Miss Yue-Sai Kan, an American of Chinese ancestry. The program aired on June 22 on WUSA-TV in Washington, DC.

The program took viewers on an exciting and colorful journey to the middle of the new China and offered a colorful sampling of the day-to-day lives of the Chinese people, who comprise one-quarter of the world population. I hope that "Journey through a Changing China" will be seen by other audiences throughout our Nation because of its fascinating and revealing study of the social, economic, and cultural changes being brought about by China's version of glasnost.

It may interest my colleagues to know that Miss Kan is probably the best known American in China. Her weekly television program about Western society, "One World," is seen by millions of Chinese viewers. Thanks to her unique relationship with the people and Government of China, Miss Kan opened doors in her documentary to places most of us have only read about. Her charming, insightful, and loving portrait of China gave me a new perspective toward the changes now occurring in that ancient land, especially the influence of modern Western democracy on contemporary Chinese culture.

Miss Kan's program was underwritten by the American Express Co., which deserves our thanks for its support of intercultural understanding. In an age of declining expectations by American television audiences, this exemplary broadcast demonstrates the full potential of television as a medium of entertainment and beauty and, most importantly, as an instrument of peace and understanding between two societies.●

MINISH & POTTS

● Mr. McCONNELL. Mr. President, I rise today to insert into the RECORD an article that appeared yesterday in the Louisville Courier-Journal about Minish & Potts, Inc., a florist, nursery, and landscape company that has served Louisville for over 60 years.

Minish & Potts was founded in 1922 by William F. Potts, Sr., and Richard W. Minish. The company began with an 11-acre site in Crestwood, KY, and shipped gladiolus bulbs and violets to Louisville and the Midwest. During the Depression, retail operations were begun to boost income, and Richard Minish sold his interests in the company to William Potts.

Today, Minish & Potts is owned primarily by five Potts brothers; three female family members, and three third-generation Potts men also worked for the company.

Minish & Potts has done interior landscaping for home and garden shows, shopping malls, horse shows, and the recent Lawn, Garden, and Power Equipment Expo in Louisville. They have also done landscaping for Louisville's Watterson Expressway and River City pedestrian mall and supplied flowers for countless Kentucky Derby parties, Valentine's Day sweethearts, and Kentucky mothers on Mother's Day.

I urge my colleagues to take a moment to read about this admirable, thriving family operation. My appreciation is extended to Minish & Potts, Inc., for serving as a shining example of successful business and management to Louisville and to Kentucky.

The article follows:

FAMILY MAKES MINISH & POTTS A BLOOMING SUCCESS

(By Judith Berzof)

Lawrence Potts calculates that he rides a golf cart more miles than anyone else in Kentucky—strictly for business.

Potts, 72, is the senior member of a large family that owns Minish & Potts, a 66-year-old florist, nursery and landscape company.

During the past week, for example, Potts has spent untold hours in a golf cart at the Kentucky Fair and Exposition Center. It's one of eight small vehicles and trucks his firm used while setting up park and garden areas at the International Lawn, Garden & Power Equipment Expo.

Such floral landscaping and decorating, which the florist does for home shows and businesses as well as trade shows, is called interior-scaping and accounts for 30 percent of Minish & Potts' annual sales.

Retail operations contribute 40 percent; landscaping, 20 percent; and wholesaling, 10 percent. Annual sales range from $1.5 million to $2 million—and have increased each year for the past 10 years.

The Potts family eventually included 11 children; however, not all are involved in the business. Five brothers now mainly share ownership of the company.

Richard W. Minish, always a silent partner, was bought out during the Depression.

Minish & Potts was founded by Potts' father, William F., who ran the Crestwood L&N Railroad station. The elder Potts joined with Minish, who was a cashier at the Crestwood Bank, borrowing $2,200 to establish the business.

The partners invested in gladiolus bulbs and bought 11 acres in Crestwood at the site of the current 23-acre nursery and retail operation.

Potts shipped the gladioluses on consignment by railway express to cities such as Cleveland and Detroit, and the new business thrived. Eventually the new company purchased a second-hand greenhouse and planted only violets in it.

Lawrence Potts recalls picking violets as a child and putting them in bunches of 26 to be shipped to Louisville on the electric cars.

During the Depression, the flowers the company shipped did not bring in enough revenue to pay the shipping costs, so the elder Potts opened a retail store in the Highlands in 1937, at that time the "cream of the residential areas," said Lawrence Potts.

Although since relocated to the Buechel-Hikes Point area, that venture signaled the start of the firm's retail operations in Louisville.

The company opened its branch in St. Matthews in 1950, and had a branch in the Medical Towers South downtown for 19 years before moving to the Humana Building in 1985.

Another brother, John, 67, jokes that he began working in the family operation when he was 2 years old. Now partially retired, John is a past president of the company and is still involved in management of the central office and Humana Building retail store. He also handles Derby activities and does some show work.

About five years ago John Potts helped organize Derby City Pool Delivery, a nonprofit service that has grown to include 15 florists. It led to the creation of another pool when the first became too large.

In addition to Lawrence and John, other family members involved in the company include William F. Jr., 58, president of the firm and manager of the nine Crestwood greenhouses; and Joe, 55, manager of the St. Matthews store and two greenhouses there. Russell, 69, is semiretired, but previously managed the 4012 Bardstown Road store.

A sister, Hazel Trummer, 63, works part-time in the central office; two other female family members—Betty Potts, 57, and Debbie King, 31, work there full time.

Three sons represent the third generation in the business: Michael Potts, 31, who assists in landscape work; Bradley Potts, 27, who runs the St. Matthews garden center; and William F. Potts III, 31, who assists at the Crestwood greenhouses.

Keeping so many family members busy and productive hasn't been easy, but the Potts family has been able to work together well because its members basically respect one another, said John Potts.

"We have company meetings and cuss and discuss," he said.

The company diversity, many locations and separate operations also have given individual members areas of authority.

Minish & Potts has done interior-scaping at the recreational vehicle and mobile home shows for the past 28 years; it has worked for the lawn and garden expo since 1985. Other projects include the large entry garden at the annual home and garden show, the International Arabian Horse and Mid America Truck shows. For about 15 years the firm did the Christmas and spring gardens in the center court of the Oxmoor shopping center.

The firm planted 18,000 nursery plants and trees on the Watterson Expressway after it was built and landscaped the original River City pedestrian mall, which has since been altered for the Toonerville II trolley system.

Valentine's Day is the single busiest day of the year for the floral operations, followed by Mother's Day. And although Derby-related activities have grown over the years, becoming more lavish, Christmas remains the busiest season."

The greenhouses provide 25,000 pot mums annually, 20,000 poinsettias for Christmas and 3,000 Easter lilies. For just one Derby party, the company has forced 150 red rhododendrons into bloom each of the last three years by giving them special treatment in the greenhouses.

The company has weathered all types of growing conditions—including a 1930s drought that Lawrence Potts recalls as being worse than the drought this summer.

"During the Depression we didn't have Louisville water and had to haul water from Anchorage for the greenhouses, starting in the summer and going into the winter using a 1,000-gallon tank truck," he said.

Competitor Ramsey Kraft, owner and manager of Nanz & Kraft Florists Inc., called Minish & Potts "a good florist as far as the quality of the work they do and what they produce. They always care about what they do and that's a good competitor. It keeps you on your toes—you know you had better do it right, too."●

HONORING SGT. JAKE LINDSEY

● Mr. KERRY. Mr. President, on this day, the 35th anniversary of the signing of the Korean armistice, I would like to remember a man who was truly one of the heroes of the Korean war as well as the Second World War. Sgt. Jake W. Lindsey, who just passed away last Monday at the age of 67, will go down in history as one of America's greatest soldiers.

History will remember Sergeant Lindsey for having earned more military honors than almost any other American in the history of this Nation. In fact, Sergeant Lindsey is second only to the late Audie Murphy for having the most decorative military status. Bearer of the Medal of Honor, Silver Star, Bronze Star, Purple Heart, Good Conduct Medal, American Defense Service Medal, American Campaign Medal, European-African-Middle Eastern Campaign Medal with one silver star and three bronze service stars, a World War II Victory Medal, National Defense Service Medal, Korean Service Medal with four bronze service stars, U.N. Service Medal, and the Combat Infantry Badge with one star, Sergeant Lindsey served 4 years in active combat, 3 during World War II, and 1 in Korea. He participated in 13 major campaigns under Generals Patton, Hodge, Eisenhower, and Bradley. He has served in the infantry, basic airborne, jumpmaster, jungle warfare, special forces, mountain and cold weather. His areas of operation span Algeria-French Morocco, Tunisia, Sicily, Normandy, Northern France, Rhineland, and Korea.

Sergeant Lindsey's honors peaked on May 21, 1945, when he received the Medal of Honor by President Truman for his actions in Germany during World War II. That day, Sergeant Lindsey became not only the 100th infantryman to receive the Medal of Honor for bravery above and beyond the call of duty in World War II, but also the only American Army infantryman to be decorated officially before a joint session of the U.S. Congress.

But if history will record Sergeant Lindsey's honors, the American people will remember, with pride and gratitude, his extraordinary bravery and personal patriotism. We will remember Sicily when Sergeant Lindsey and his soldiers, pinned down by German machinegun fire, established their own machinegun position, even though they were completely exposed to the Germans' fire and after several hours of fighting, were able to gain a foothold in the battle from that virtually indefensible position.

We will remember Germany, when Sergeant Lindsey, though wounded, faced a German infantry company backed by five tanks. He killed more than 20 Germans with rifle and grenade fire, knocked out one of the tanks, and then, after depleting his supply of ammunition, took his bayonet and engaged eight Germans in hand-to-hand combat.

We will remember Korea when during one night of fighting, Sergeant Lindsey was left virtually alone in the defense of his position and found himself the next morning among 155 dead North Korean soldiers, 123 killed by rifle and grenade, and the balance of 32 by bayonet.

How does a nation thank one of its sons who so often went over and beyond the call of duty? Upon bestowing Sergeant Lindsey with the Medal of Honor, President Truman noted:

> His inspiring deeds on the battlefield require no further praise from any man. They stand—with the deeds of the others on whom this decoration has been conferred—in the finest tradition of American heroism. * * * They were a flash of nobility which we like to think is part of every American. They were the unselfish valor which can triumph over terrible odds. They were the very essence of victory.

But perhaps no better tribute can be paid to Sgt. Jake W. Lindsey than remembrance of his pure, honest patriotism. At a homecoming celebration in his hometown on May 26, 1945, Sergeant Lindsey himself said it all. He said:

> It was for you that I and my buddies fought and offered to give our lives if need be. * * *

I would like to offer my condolences to his family, his wife Lucille, his daughter Renee, and his son William of Waynesboro, MS, his son Jake, Jr., of Holbrook, MA, and his daughter Gail Darling of Brockton, MA. This day, we, as Members of Congress and as citizens of the Nation for which Sergeant Lindsey fought, share in their loss as well as their pride.●

UNITED STATES-SOVIET HIGH SCHOOL EXCHANGE INITIATIVE

● Mr. BRADLEY. Mr. President, I want to take this opportunity to express my strong support for the United States-Soviet high school exchange initiative that President Reagan and General Secretary Gorbachev announced at the end of their recent Moscow summit.

The initiative calls for an immediate exchange of 100 American and 100 Soviet high school students. By 1991, there will be as many as 1,500 students from each country, hopefully representing at least one school from each State and from many of the Soviet republics. The students will spend a semester studying in high schools, living in dormitories or with families throughout the United States and the Soviet Union.

Since language is essential for a true understanding of a foreign society, the program will have a language requirement for participating students. There are over 500 schools in this country that presently have Russian language courses, and another 300 have the potential to immediately begin teaching Russian. Language instruction will, of course, continue to be stressed during the semester abroad. Cultural events, too, will be an important part of the program and students will be encouraged to take advantage of what their host city has to offer. Additionally, the host school will arrange for at least one extended sightseeing and cultural events trip.

Currently, only three schools have similar exchanges: Phillips Academy in Andover has one with the Physics Mathematics Institute in Novosibirsk; Chaote Rosemary Hall in Wallingford, CT, has one with Moscow School No. 18; and the McDonogh School has one with Odessa Schools No. 119. No public high school in the United States has an exchange program with a Soviet school and without the new initative it is unlikely that one ever will.

The program, which will be administered in this country by the U.S. Information Agency, has already received the support of the American Council of Teachers of Russian and the National Association of Secondary School Principals. USIA hopes that other private sector groups will endorse the program, and it foresees the private sector eventually providing 75 percent of the necessary funding. To begin the program USIA has requested $1 million. I strongly support their request and hope that funds will be provided in the conference for this important effort.

Ignorance breeds fear and fear is destructive. We want our world, and the world of our children, to be a world of peace. It is the time to begin breaking down the barriers that separate our two peoples. Our children must learn to understand their Soviet counterparts, and Soviet children must learn to understand us. There is no better way to learn about a culture, and a people, than to be immersed in it for an extended period of time.

In proposing this initiative President Reagan and General Secretary Gorbachev have shown that they want the children of both the United States and the Soviet Union to live in a world of mutual trust. I heartily support this initiative and I hope that Congress, too, will support it.●

CITATION HONORING THE LONG ISLAND REGION OF THE NATIONAL CONFERENCE OF SYNAGOGUE YOUTH

● Mr. MOYNIHAN. Mr. President, the Long Island Region of the National Conference of Synagogue Youth [NCSY] was twice honored at the just completed NCSY National Convention in South Fallsburg, NY. The region which services over 2,000 Jewish teenagers in Nassau and Suffolk counties was selected as "Region of the Eighties." At the same time, the retiring regional director, Rabbi David Orlofsky and his wife Simi were honored in a moving tribute at the convention's gala award banquet.

I am sure that many Members of the Senate are familiar with the National Conference of Synagogue Youth, the dynamic youth arm of the Union of Orthodox Jewish Congregations. For 35 years the NCSY has been preparing the next generation of American Jewish leaders in some 500 chapters in 33 States and 5 Canadian Provinces.

The Jewish citizens of Nassau and Suffolk counties take considerable pride in the Long Island Region accomplishments. I ask to place in the CONGRESSIONAL RECORD the text of both the "Region of the Eighties" citation and the tribute to Rabbi David and Simi Orlofsky.

The material follows:

REGION OF THE EIGHTIES CITATION

(Presented to Long Island Region at the National Convention of the National Conference of Synagogue Youth)

Picture a vast Jewish community—one of the largest on earth—in which the voice of Torah had simply never been heard in most homes and neighborhoods. This is where tens of thousands of Jews moved in the years after the second World War and discovered a lush suburban setting in which the sabbath was soon forgotten, day schools were not available and orthodox religious practices were only a memory of the distant past in changing neighborhoods long deserted.

Now picture effort after effort to create NCSY and failure after failure—until their entire membership consisted of one stubborn NCSYer and in slightly zany hometown boy coming home to accept a regional directorship no sanner person would have ever considered.

One NCSYer. One director. But what an NCSYer (she only became our National President) and what a Regional Director (he ony became a legend). Chapters started, programs developed. If there was no Orthodox synagogue the Region would simply create one. If there was no tradition they would invent one. If there were no advisors they would borrow them. If there was no money the NCSYers would come up with yet another new way to raise funds.

Their own Israel tours part of our Israel Summer Seminar; Teen Torah Centers throughout the Region; remarkable publications; an entire gerneration of NCSY officers and alumni; who all reflect their beloved Regional Director's rather unique approach to the world—it is the only Region in NCSY in which lunch at a Shabbaton means three hours of new songs about everything from Five Town members to the chapter with the long Indian name that fell off the edge of the earth.

For ten years they have set the tone and done so with such special verve that we acclaim them as Region of the Eighties and call upon Regional President, Scoot Feltman and Regional Director, Rabbi David Orlofsky of our Long Island Region.

SPECIAL TRIBUTE TO RABBI DAVID AND SIMI ORLOFSKY

"Beware, beware his flaming eyes, his floating hair; weave a circle 'round him thrice and stand away in holy dread-for he on honeydew hath fed and drunk the milk of paradise."

He is an NCSY original. A zany pied piper who has worked his magic on both corners of the North American continent and retained a remarkably unique sense of humor in an organization which sometimes forgets how to laugh at itself.

He was a flawless chapter advisor—assembling a regional and national chapter of the year out of the odds and ends of human flotsam and jetsam that happened to be out on parole at any particular time. He so captured everyone's imagination with this feat that he was the logical choice for the Bermuda Triangle of NCSY—an area with the third largest Jewish community in North America which had managed to consume four regional directors and defy three efforts to create a permanent NCSY infrastructure. The region was bankrupt; there was exactly one member on the books; the local synagogues no longer believed NCSY was possible and the local teenagers couldn't care less. So all he did was take the job; create one of the finest regions in all of NCSY; develop innovative Torah programs; change a thousand lives and establish a vibrant, thriving youth group in an area that had been too busy for NCSY, too busy for Torah, too busy for caring.

He did it with devotion and humor; he did it with expertise and dilligence. But something happened. Not only did the NCSYers listen to him—he began to listen to himself. Aided by an exceptional wife and a supportive family he took a year off to learn Torah he kept telling the NCSYers they should be learning. But it wasn't enough. He didn't feel fulfilled—something was missing. He listened and that inner voice which had guided him to NCSY greatness demanded that he have the true courage of his convictions.

And so he is leaving us—leaving to pursue the full time study of Torah. He is leaving us. But his legacy lives on in hundreds of homes where Shabbat and Kashrut thrive because of this magician of the NCSY ethos. His legacy lives whenever a teenager continues on the path he so bravely blazed.

Some people bring Torah to the wilderness. He brought it to the suburbs. Some people convince others to go away to learn Torah. He convinced himself.

With love, affection, awe—and a touch of envy—we bid farewell to Rabbi and Simi Orlofsky.●

YOUNG GEORGIANS FIGHT HOMELESSNESS

● **Mr. FOWLER.** Mr. President, we would all agree that the issue of homelessness is one which we as a civilized and responsible society cannot ignore. Should this problem remain a national priority during the coming years? Clearly the answer is yes.

We all believe that, in this land of opportunity, there is no reason that any of our citizens should be shut out so completely, or experience such want in a land of plenty. We must work together to end this tragedy on our streets. Congress has addressed this issue with some very effective legislation, but Congress alone cannot end this problem.

That is why I am proud to stand here today and bring to my colleagues' attention a program established by Morrow Senior High School called SPLASH, "Students Promoting Love and Support for the Homeless." These students have seen the problem in their community and are working collectively to address it.

The ultimate goal of this group is to make a difference by involving as many people as possible in the problem of homelessness. I have always believed that the most effective group, no matter what their goal, is an educated group. These students are armed with statistics and have seen first hand the plight of the homeless through their volunteer work. They are taking this information and educating others on the issue of the homeless.

Currently, there are about 25,000 to 35,000 homeless in Georgia, with nearly 10,000 of these in Atlanta. Ninety-five percent of the homeless are between the ages of 17 and 59. Sixty-three percent are black and 75 percent are male. Forty percent are high school graduates and 23 percent have been homeless before. Another statistic which I think warrants mention is the fact that 61 percent of the homeless in Atlanta work at least part time.

The most troublesome of all statistics is the fact that the fastest growing single group of homeless people is children under 6 years of age. These children are our Nation's future. They must, at too early an age, contend with inadequate medical treatment, poor nutrition, and a lack of structure and predictability in their environment. I think we would all agree that this survivalist lifestyle does not prepare our children to face the complex issues of today much less those in the future.

On the other hand, I am proud to see that in my home state we have young Georgians helping other young Georgians. SPLASH is an excellent model for other students to follow. I would urge other groups to follow in their footsteps to alleviate this tragedy in our society. This program has provided a positive experience for the students and their community and has bettered the lives of that often neglected segment of our society—the homeless.●

IN MEMORY OF JOHN ROSE

● **Mr. DURENBERGER.** Mr. President, I rise today to pay tribute to an outstanding Minnesotan. John Rose, who passed away last week, was not only a dear friend of mine, but a friend of Minnesota and its environment. In his passing Minnesota loses one of its very best public servants.

As a six-term member of the Minnesota House of Representatives and chairman of the House Environment and Natural Resources Committee from 1984 to 1986, John leaves a legacy that not only his children Kathy, Julie, Dan, and Keith will enjoy but their children and grandchildren as well. It was his leadership that created and passed into law the Reinvest in Minnesota Program, landmark legislation in land stewardship and conservation. For his work to protect the environment the North Star Chapter of the Sierra Club named him environmentalist of the year in 1985.

As a person, John was always there to help and, for me served as a sage of political wisdom. His thoughtful views and invaluable ability to work closely with people across the political spectrum were instrumental in the achievement of the higher good for the people of Minnesota.

In sum, John Rose was a man of kindness, humility, and selflessness. He had a vision that helped all who knew him see the potential for a better world and pursue it. For this, I will deeply miss him.●

ETHANOL FOR CLEANER AIR

● **Mr. SIMON.** Mr. President, the ripple effects of the 1988 drought are spreading across our land. In Illinois, rising corn prices are putting the squeeze on the ethanol industry. In a recent column I wrote for newspapers in my State, I outlined why it is important to keep that industry vital and viable. I ask to have it reprinted in the RECORD.

The article follows:

ETHANOL FOR CLEANER AIR

(By U.S. Senator Paul Simon)

Henry P. Slane of the Peoria Journal Star makes this interesting observation:

"Take a sealed room with a hundred people in it, let 25 percent smoke cigarettes, cigars or pipes. At the end of an hour the air will be pretty foul, I admit, but put one good old gasoline guzzler in the same area, and local funeral homes will be mighty busy . . .

"Engineers have been able to modify carburetors to burn ethanol for years. Farmers can supply the basic ingredients, and we don't have to send a fleet of ships half around the world to see our dollars leave this country, have our men killed and cost the taxpayers billions.

"Some fuels are partially mixed with ethanol now. During World War II, more than 40 years ago during gasoline rationing, ethanol was used in higher percentage then. Why not now?

"Keep the air cleaner, our dollars at home and still be able to ride the latest model car in style."

What Henry Slane suggests makes sense. Right now a little more than 7 percent of the gasoline sold for automobiles is 10 percent ethanol, largely a product of corn.

The drought, however, is having an adverse impact on our fledgling ethanol industry and we need to look at ways to minimize that negative effect. One drought-related proposal would make government grain stocks available to domestic ethanol producers at reduced prices.

The hot, dry weather has pushed the price of corn up dramatically. That, in turn, has driven up the cost of producing ethanol, which could, in the long run, discourage ethanol use.

In a very round-about way, ethanol may be able to help blunt future droughts. There is growing concern that recent swings in extreme weather patterns, like our hot, dry summer, may be influenced by increased global air pollution—the so-called Greenhouse Effect. Scientists argue that excess carbon oxides being pumped into the atmosphere are at least partly caused by automobile emissions.

I have a bill in the Senate, and Illinois Congressmen Dick Durbin and Ed Madigan have a bill in the House, to gradually increase the use of gasoline sold with ethanol. In five years it would require that 50 percent of all gasoline sold would be 10 percent ethanol.

It would help our corn farmers, reduce subsidies for agriculture by several billion dollars, and make our air cleaner.

Then why don't we do it?

There are two problems.

The first is a perception problem. Many people believe that ethanol in gasoline causes engine problems. The reality is that all new car manuals indicate clearly there is no problem. On some older cars there may be temporarily, because the cleaner product will clean up carburetors and adjustments may need to be made.

But it is interesting that in the Indianapolis 500, every car in the race used ethanol. And they weren't doing it to clean the air!

The second problem is more serious. The big oil companies don't want us to shift over to ethanol, so they are fighting it, for obvious reasons.

In Colorado today, all gasoline sold has to be either 10 percent ethanol or methanol, a product that has some different problems. Colorado is not doing this because they want to help Illinois corn farmers. They are doing it because they want to clean up the air in Denver.

Yes, we can do better, much better.

And I hope we have the good sense to start moving in that direction. Almost everyone will benefit.●

THE SUPERCONDUCTING SUPER COLLIDER: A NATIONAL IMPERATIVE

● **Mr. DeCONCINI.** Mr. President, last year President Reagan endorsed as a Presidential priority the superconducting super collider [SSC], observing that "in the face of ever-increasing global competition, the United States must maintain the leading edge in science and technology." Granted, completing the SSC will require a substantial investment. However, given the importance of the super collider to the future of American scientific research, education, technology, and international competitiveness, the costs of abandoning the project would clearly be far greater.

The potential value of the SSC to basic scientific research is inestimable. In fact, Harvard physicist Dr. Roy Schwitters calls it "essential that the United States build the collider if this country is to retain world leadership in scientific research." By enabling scientists to investigate the basic building blocks of matter and the forces guiding their subatomic interactions, the SSC will illuminate previously hidden realms of nature. In addition, by simulating the conditions that existed one-millionth of a second after the big bang, the super conductor will help cosmologists move closer to explaining the origins of the universe. Still, as Arizona State University's physics chair, Dr. Richard Jacob observes, "more important are the surprises: the discoveries we don't expect and cannot predict, but which assuredly will happen and which just as surely will have profound effects on our understanding of this universe and on our descendents' way of life." In the words of University of Chicago physicist, Dr. David Schramm, "we're at a great threshold in physics and need the SSC to cross it."

Due to its large scale and focus on fundamental questions, the SSC has the dramatic appeal necessary to inspire young people and help revitalize the U.S. educational system. As Dr. Wesley Posvar, president of the University of Pittsburgh, observes, "the supercollider can become a flagship for a whole new generation of scientific education in America * * *. It will not only produce scientific benefits, but will attract a generation of young people into our laboratories, in physics and other sciences." The SSC will also promote increased scientific literacy in the general public.

American industry and technology will also benefit immeasurably from construction of the SSC. Throughout history, research in the field of high energy physics has led to innovative practical applications in electronics, nuclear medicine, cryogenics, computer systems, energy, materials science, mathematics, and a myriad of other fields. In fact, as Professor Jacob argues, knowledge of the subatomic realm "is responsible for most of the material quality in our lives these days." A statement signed by the Chairs of 226 college and university physics departments acknowledges this synergism and predicts that the SSC will be a catalyst for technological progress: "high energy physics has always driven technology and will, through the SSC, continue to do so, with unmeasured benefits to everyone's quality of life and economic wellbeing." Nobel Laureate Glenn Seaborg agrees: "The vast majority of money expended in building such a product is cycled back into the economy, and the support industries not only aid the economy but also motivate new developments in practical applications of sciences."

Mr. President, America is losing its lead in elementary particle physics as Europe, Japan, and the Soviet Union construct superior accelerators. When the GERN accelerator in Geneva and the HERA accelerator at Hamburg become operational in 1989, experts like Dr. Schwitters anticipate a dangerous exodus of talented scientists from the United States. This "brain drain," similar to that which has plagued Britain during the past two decades, could be exacerbated by the Soviet UNK accelerator, scheduled for completion in the mid-1990's. Nobel Laureate, Dr. Steven Weinberg has commented on this threat:

> If we don't proceed with the SSC . . . in ten years, when the largest American accelerators have passed their prime, the brightest young American physicists will all be getting on planes and . . . living in Switzerland, Japan, or the Soviet Union where they can do the kind of fundamental physics that they need to do. And that won't be good . . . for our society—to lose that cadre of brilliant young men and women . . . we cannot be a center of the scientific excitement without facilities that allow the work at the frontier of science to go on in this country.

Dr. Posvar agrees: "Basic research is still our prime advantage in the world economy, and if we're to maintain our lead in this cooperative, new, interdependent world, the United States should be the site for [The SSC]."

The SSC will also have symbolic value, representing America's determination to remain internationally competitive. As the letter from the physics Chairs observes, "proceeding to build the SSC will be a clear signal to all that the United States is not about to relegate to others its position as an international leader in pure and applied science."

Obviously, the case for the super collider is overwhelming; it must be built in this country, and it must be built as soon as possible.

I think it is equally clear that the SSC belongs in my State of Arizona.

Although the seven States on the DOE best qualified list are equal in many respects, five special endowments make Arizona the best of all possible sites for the supercollider.

A smooth and rapid transfer to DOE jurisdiction of all lands required for construction and operation of the SSC is guaranteed by four factors:

Of the greater than 16,000 acres of land to be donated without cost to the Department of Energy for construction and operation of the SSC at the Arizona Maricopa site, nearly 70 percent is already Government-owned.

It is extremely unlikely ownership transfers will be delayed by legal proceedings as only five relocations will be required.

The purchase of private lands from the fewer than 150 owners will be expeditiously negotiated at no cost to the Federal Government.

The Maricopa site is situated in an undeveloped region of the Sonoran

Desert, but is only 35 miles southwest of Phoenix. It is readily accessible to Sky Harbor International Airport, major nearby universities, superior cultural and recreational facilities, and affordable housing.

Five components make the Arizona SSC site ideal for rapid and safe construction of the SSC ring and injector complex:

It is dry. The entire ring path at the Arizona SSC site lies in unsaturated materials well above the ground water table, making the occurrence of water inflows, underground gases, or collapsing soils highly improbable.

It is shallow. Experimental chambers will be 100 feet deep on average, and the injector complex, which will be excavated from the surface, will be 65 feet deep.

It is simple and predictable. The principal substructural material is fanglomerate, a cemented alluvium, permitting either tunnel machine boring methods or cut-and-fill excavations for rapid and safe tunnel construction.

It is stable. Experience in the mining industry and on other tunneling projects in the State of Arizona show the substructural Earth materials to be exceptionally stable, a stability accentuated by the absence of damaging Earth tremors.

The climate is favorable year round. Few, if any, construction days will be lost due to smog, winter, and other climate-related problems.

Reliable geotechnical data and a reputation for excellence on grandscale projects predict that regional construction firms can build the SSC faster for less money at the Maricopa site.

Survey data taken at the site by project geologists, hydrologists, seismologists, and construction engineers indicate that the geotechnical conditions are well known.

The ability of Arizona construction firms to undertake grandscale projects is demonstrated by the Palo Verde Nuclear Generating Station, the Papago Freeway Drainage Tunnels, and the Central Arizona project. Those projects, together with the long-standing excellence of the mining industry in the State, create a store of geotechnical expertise and a pool of skilled labor.

A cost-and-schedule model based on data specific to the Maricopa site predicts a 22-percent savings over the lowest DOE estimate and predicts a reduction of construction time by 2 years.

The Super Collider Site Evaluation Committee praised the Maricopa proposal as "particularly strong in its response to the environmental criterion of the Invitation for Site Proposals." The Arizona site offers a unique opportunity to enhance on-site environmental quality.

Opposition to the SSC in Arizona on environmental grounds is nonexistent, and the Sierra Club and Arizona Wilderness Coalition have commented favorably on the construction of the SSC at the Maricopa site.

There are no natural wetlands on the Arizona site, no naturally occurring permanent surface waters, no prime farmlands, no forests, and no threatened or endangered planet or animal species.

Because areas in the collider ring path requiring cut-and-fill construction have already been disturbed by cattle grazing and vehicle travel, the Maricopa proposal will actually improve the environment through a vigorous program of salvaging and replanting desert vegetation.

Plans are being prepared to create riparian and wetlands habitats with SSC tail water, to restore native plants along the ring path, and to replace topsoils and reseed in the campus areas following SSC construction.

Construction of the SSC at Maricopa will have the effect of protecting the ecological integrity of two prime examples of Sonoran Desert that lie inside the ring.

The Arizona SSC site also offers a distinct regional advantage as part of the traditionally pioneering American West.

Arizona will depend on its Western neighbors for the magnets, detecting equipment, cryogenic technologies, and sophisticated computer systems required to bring the SSC into operation and to maintain it. Thus, part of every dollar allocated to the SSC will be spent to purchase the industrial and technical resources of Arizona's western neighbors, spurring further development in SSC-related industries.

While astronomical scientists at such Western research centers as Kitt Peak National Observatory, the Palomar Observatory, the large array of radio telescopes in Socorro, NM, and the three new University of Arizona telescopes at Mount Graham, scientists and technicians from all over the world will gather at the Arizona Super Collider to explore the cosmos by probing the depths of the atom.

Like the Los Alamos National Laboratory and Silicon Valley, the Arizona Super Collider will create a sphere of influence throughout the Western United States, drawing scientists and technicians from around the world and nurturing the 12 Western regional class I research universities.

In the 1950's and 1960's, the American Space Program responded effectively to the foreign challenge embodied by Sputnik. Now, we are faced with a comparable threat. Unless this Nation has the foresight to move forward with the Super Collider, we can be sure someone else will; and our technological edge in high energy physics and related sciences will be lost.

Mr. President, the Super Collider is a national scientific imperative. It permits the United States to assert leadership in an area where America has traditionally been in the forefront and needs to remain ahead. I am proud that my State of Arizona is a finalist in the competition to host this worthy project. The Super Collider should be defended no matter where it is built, but I am confident that Arizona remains the single best site for its construction.●

CONTINUED BUY AMERICA ENFORCEMENT PROBLEMS

● Mr. HEINZ. Mr. President, today I would like to bring to the attention of the Senate a statement by the Railway Progress Institute Committee on Passenger Transportation. This statement was delivered at a hearing before the House Public Works Subcommittee on Investigations and Oversight on May 12 of this year. At the hearing, Mr. Larry Salci, president of Bombardier Corp., expressed his appreciation to the Congress for writing Buy America requirements into law.

Buy America legislation, however, was not the primary topic of discussion. At the hearing, Mr. Salci and Mr. Richard Griffin, director of government relations for General Signal Corp., expressed their deep concern that the Urban Mass Transportation Administration [UMTA], has been negligent and inconsistent in its interpretation and application of the Buy America regulations. In addition, they argued that enforcement procedures have been inadequate, and that regional offices, States, and/or grantees have not interpreted the regulations faithfully or accurately.

Mr. President, the Senate should be familiar with the problems and deficiencies surrounding Buy America legislation, given the number of times we have debated it over the years. Without question, enforcement of such legislation has always been a problem, and its record of achieving its objectives is distinctly mixed. It was originally conceived to help reduce the competitive imbalance between the American producers of transit systems and their European and Japanese competitors, but in the years since its enactment, all of the United States companies building cars have gone out of business, four in the last decade.

Our failure to preserve a domestic manufacturing capability for transit cars does not mean that the concept of Buy America has been a complete failure. Rather, the failure has been one of implementation. The transit operators who must comply with Buy America have little incentive to do so since there is no protected domestic market, nor is there an underlying social compact between supplier and operator which holds the maintenance of jobs and industrial capacity to be a national objective. In the United States, transit systems are operated by governmental or quasi-governmental entities which use tax generated or tax sheltered funds to underwrite their costs. Transit operators are understandably primarily interested in getting the most for their money, and are less concerned about the adverse effect on U.S. jobs that occurs when a foreign manufacturer obtains an order.

Most upsetting, however, is the fact that American transit operators willingly accept subsidized foreign bids, offered at less than cost, and pay for them with Federal funds. Domestic railcar builders cannot cope with the incursion of foreign competitors who have the unfair advantage of both government assistance and heavily protected home markets. This, of course, is not the only sector where this has happened, as I have often taken this floor to explain, but it is one of critical importance, not only for American jobs but for our industrial base. That is why Congress has assigned UMTA the role of strictly enforcing penalties against those who ignore or seek to circumvent the law that encourages domestic procurement.

The problem of enforcement of Buy America legislation is further exacerbated when UMTA takes a passive stance toward investigation of violations. Investigations seem to be undertaken only when an interested party has developed enough information to determine the probability of a violation. Due in large part to the difficulty of obtaining data about one's competitors, only one such has been requested. Most of the industry, and apparently UMTA, has been content to accept certificates of compliance at face value.

A prime example of lack of adequate enforcement is a case involving the Rapid Transit District of Sacramento, CA, and Siemens Energy & Automation, Inc. The Sacramento Transit Agency contracted for 26 light rail vehicles with Siemens on the basis of a Siemens' bid that committed them to comply with the Buy America provisions. Subsequently, under some pressure from other industry sources, UMTA investigated the project and found that Siemens was in substantial violation of its commitment and the law. On March 3, 1986, UMTA notified the city that it was in noncompliance. By this point, unfortunately, more than half the cars had already been built.

How did UMTA extricate itself from this situation? In brief, UMTA waived Buy America requirements for the first 15 rail cars delivered. For the remaining 11, it agreed to Siemens' compliance proposal, even though some had raised questions about it. This is hardly an example of tough, aggressive enforcment that will encourage other foreign manufacturers to take their commitments seriously and comply with the law.

Mr. President, Congress has tried to address these problems by continually writing legislation with stronger enforcement language. Most recently, on April 2, 1987, Congress passed the Surface Transportation and Uniform Relocation Assistance Act, Public Law 100-17, which further strengthened the Buy America provisions. Now it appears that these changes are being circumvented like their predecessors.

A particular problem is that as of this week, 15 months after the act became law, UMTA has yet to issue new Buy America regulations. They apparently are trapped somewhere in the Office of Management and Budget. This delay has once again retarded enforcement of this law and eroded public confidence in our Government's commitment to the principle of Buy America.

With the potential market in this country estimated at $2.5 billion over the next 5 years, it is obvious that our failure to enforce our laws is more than just a debating point. There are clear economic consequences. Procurement at that level would have the effect, including secondary and tertiary purchases, of creating 106,500 jobs. Congress has already repeatedly urged UMTA to establish an active, rather than a passive, enforcement profile, and it is past time for UMTA to meet that standard.

Mr. President, I ask that Mr. Salci's and Mr. Griffin's statements before the House Subcommittee on Investigations and Oversight be printed at this point in the RECORD.

The statement follows:

STATEMENT OF THE RAILWAY PROGRESS INSTITUTE COMMITTEE ON PASSENGER TRANSPORTATION

(Remarks of Larry E. Salci, president, Bombardier Corp.; president, Pullman Technology, Inc.—a wholly owned subsidiary of Bombardier Corp.—Washington, DC)

The Committee on Passenger Transportation of the Railway Progress Institute, which is the international trade association of suppliers to rail transportation systems, is pleased to submit the following information for the record as a supplement to abbreviated verbal statements.

We are grateful to the United States Congress for having written the Buy America requirement into law, and then strengthening it. And we appreciate very much this opportunity to contribute our first-hand knowledge to this committee's oversight hearing on how the Urban Mass Transportation Administration (UMTA) has followed the wishes of Congress.

Your committee has asked us, "Has UMTA been consistent in its interpretation and application of the Buy America regulations?" No, it has not.

You asked us. "Have enforcement procedures been sufficient to ensure that the Buy America rules are being met?" No, they have not.

Your third question was, "Have the regional offices, states, and/or grantees interpreted the regulations consistently and accurately?" No, they have not.

WHY DO YOU NEED BUY AMERICA?

In adopting the Buy America language in the Surface Transportation Act of 1978, Congress has two main objectives: To maintain U.S. jobs, and to conserve the U.S. capability to manufacture transit equipment. At that time, it was felt that Buy America would help reduce the competitive imbalance between the American supply industry and their European and Japanese competitors.

In the intervening decade since the law's passage, the effect of these provisions has been mixed. In the positive sense, they have maintained by encouraging foreign manufacturers to obtain a large percentage of their components and subsystems from U.S. companies, and they have brought about the establishment of final assembly shops. On the downside, however, the U.S. railcar building industry as it existed 10 years ago has been virtually wiped out. In 1978, there were four domestic manufacturers of rail passenger cars: Boeing-Vertol, The Budd Company, General Electric, and Pullman-Standard. They were the then-survivors in a tough marketplace: Pressed Steel Car Company and J.G. Brill pulled out of the field in 1941, Bethlehem Steel dropped out in the 1940s, American Car & Foundry in the 1950s, St. Louis Car Company, in the early 1970s, and, about the middle of the 1970s, Boeing and Rohn dropped out.

Of those four domestic companies still surviving in 1978, none are in the business of building complete rail cars today.

When looking at this dismal record, one is forced to ask why the industry failed. Attached is an exhibit that sets forth in some detail four domestic practices that exacerbated the domestic railcar building companies' problems with their subsidized foreign competition. In summary, these were one-sided contractual terms and conditions, a lack of standardization in railcars, labor problems compounded by much new federal legislation, and increased management problems.

However, the overriding factor that made it impossible for domestic railcar builders to cope was the incursion of a series of foreign competitiors, each of whom demonstrated an eagerness to grasp a segment of the American market. With each successive order, a new competitor from a different country appeared. From their protected domestic markets, they would offer bids at less than cost with two goals in mind: Gain an inroad into the U.S. market and maintain their labor and manufacturing base at home.

Here we see clearly a basic difference between the U.S. and European/Japanese economic and political systems. The overseas manufacturers want to maintain jobs and keep factories in operation. They have commitments from their central governments to help them do this. This was not true for our domestic companies. Generally speaking, the foreign governments function as partners to their railcar and subsystem manufacturers by providing research, design, development and sales support, in addition to financing. The offshore manufacturers have the freedom to form consortia (which we have not had until very recently), and to jointly agree when to bid or not to bid, to designate among themselves the lowest price bidder from their country, and to engage in activities which would be subject to anti-trust challenges if U.S. firms were to behave similarly. Through mechanisms such as the value added tax they have significant tax advantages on export sales. They don't have to comply with such costly measures as OSHA EPA and/or DBE requirements. Sometimes the manufacturing entities are owned by their governments. And, as has been mentioned, the manufacturers are protected at home from foreign competition.

Does this lack of success indicate that the concept behind Buy America is wrong? No. The failure is one of implementation and not, in our opinion, a failed or flawed concept. And don't listen to those who call for free trade in this sector. They just don't know what they're talking about: This is Not a free market. Worldwide, it is dependent on government funds for capital and operating support. The customer is a government entity. With the exception of the United States, most of the suppliers are directly or indirectly owned or subsidized by their governments. The only way to level the playing field in *this* arena is through government action.

CONGRESS'S INTENT WAS NOT CARRIED OUT

(Remarks of Richard Griffin, Director, Government Relations, General Signal Corp.—Washington, DC)

Why hasn't Buy America worked?

Congress enacted Buy America because it viewed the domestic economy from a national viewpoint. It recognized the need to rectify an inequitable situation that was wiping out jobs and eroding away part of the U.S. industrial base. Unfortunately, the intent of Congress in this matter was just not carried out over the years. Recognizing this, Congress was forced to write the law again and again, each time in an attempt to strengthen its effectiveness. Why then didn't it work as intended?

One reason is that those charged with the primary responsibility for enforcing Buy America, the transit operators, had little incentive to do so. As was pointed out earlier, the European and Japanese systems foster a close, mutually supportive relationship between the various public and private sector entities within their respective countries. All share the twin goals of maintaining jobs and manufacturing capabilities, especially in those sectors of their economies that have a broad national impact: education, defense, communications and, of course, transportation.

The situation here in the United States is quite different, even though there appear to be surface similarities. Here as abroad, quasi-governmental entities using tax generated, or tax sheltered funds to underwrite their capital costs and a portion of their operating costs. However, here in the U.S., there is no cozy relationship between operator and supplier, there is no protected domestic market, nor is there an underlying (stated or unstated) social compact that makes the maintenance of jobs and industrial capacity a primary national objective.

In fact, national objectives such as Buy America are far removed from the concerns of those charged with operating transit systems. They are primarily interested in getting the biggest immediate bang for their always-limited bucks, and they don't care about the impact on U.S. jobs which occurs when a foreign transit manufacturer obtains a U.S. order.

These local authorities are deluding themselves if they think they are creating jobs by requiring local assembly, as many have recently. A foreign manufacturer can fulfill the letter of the Buy America requirement by creating a small shop that exists purely for final assembly of railcars for a particular order. While the letter of the law is observed, the spirit is violated because such here today-gone tomorrow shops don't create or help sustain an ongoing carbuilding capability in this country. Incidentally, short term savings from purchasing from foreign manufacturers can turn into long term maintenance nightmares due to dependence upon foreign sources: where the nearest source of spare parts is dependent upon the vagaries of transoceanic shipment, customs clearance, and foreign manufacturers whose priorities are much closer to home.

The buyers of transit rail cars are members of the American Public Transit Association (APTA). Why isn't APTA testifying before the Committee on this issue? APTA maintains an active interest in federal funding matters, and has workshops or internal committee efforts aimed at educating its membership about such federal concerns as Section 13C labor protection, minority business, and the handicapped. However, I know of no ongoing effort to educate their members about Buy America. Why not? Is it because the transit properties don't care? Or is it because, in search of a "cheaper" product, they would rather give lip service to compliance.

A second reason for Buy America's lack of effectiveness is that UMTA has too small a staff to "police" the properties to uncover violations of Buy America. UMTA must rely on the transit properties' certifications that they have complied. Consequently, Buy America investigations have been undertaken only when an interested party, usually an American company, has developed enough information to determine the probability of a violation. Needless to say, it is very difficult to obtain data about one's competitors. Only one transit property has ever requested an investigation. Most of the transit properties have been content to accept certificates of compliance at face value, and have bought foreign products in increasing quantities. And as we have seen, the U.S. car producers have succumbed, with only the sub-suppliers managing to survive, thanks in large part to Buy America.

Curiously enough, the foreign manufacturers, perhaps because in their own countries such requirements are religiously adhered to and enforced, seemed initially to have treated the Buy America requirements more seriously than did the transit properties, and sought out American sub-suppliers. However, with the properties paying lip service to Buy America regulations, and UMTA not aggressively ensuring that Buy America was adhered to, it became just a matter of time before Buy America came to be regarded as something which could be ignored, or avoided.

This all came to light when UMTA's Project Management Oversight Contractor relayed news of the blatant disregard of Buy America by the Rapid Transit District of Sacramento, California, and Siemens Energy and Automation, Inc. UMTA had to act and an investigation was carried out.

The facts are these:

The Sacramento agency contracted for 26 light rail vehicles with Siemens and then asked UMTA to waive Buy America's requirements. UMTA refused. It did nothing further until, several years later, it was pressured into conducting a full-scale investigation.

The investigation by UMTA found that Siemens was in substantial violation of Buy America. It was determined that, rather than meeting the statutory requirement that the vehicle be manufactured of more than 50 percent U.S. content by cost, actual domestic content was 10 to 15 percent.

On March 3, 1986, UMTA's Chief Counsel notified the city that they were in non-compliance. At that time, Siemens had completed 15 of the 26 cars contracted for. What is unusual in this case is that this determination was made three years after UMTA's original contract with Sacramento, and two years after UMTA had rejected a request for a waiver from Buy America. For two years, Sacramento knew that Buy America compliance was an issue, and yet it allowed Siemens to proceed.

How did Sacramento and UMTA extricate themselves from this situation?

In brief, UMTA's Administrator exercised his discretion and waived Buy America requirements for the first 15 railcars delivered. For the remaining 11, he agreed to Siemens' compliance proposal, even though some would say that their compliance is questionable—at least under the spirit of Buy America.

This case clearly demonstrates a number of flaws in the Buy America compliance system. Regardless of the specifics:

(1) There is no automatic system to trigger a Buy America investigation.

(2) UMTA and Sacramento were lax in their enforcement of Buy America. Presumably other transit agencies are equally lax.

The only penalty, debarment, is so severe that UMTA is loath to use it.

What has happened in the meantime to improve the situation? A number of things, but not enough.

Most important was passage of the Surface Transportation and Uniform Relocation Assistance Act of 1987, which rectified many of the problems identified. Yet, UMTA has yet to issue new Buy America regulations in the year since enactment.

Are the transit agencies more in compliance? Porbably not. I would venture to guess that if one were to do a spot check of the RFPs issued by the transit properties over the past twelve months, only a minority would reflect the new Buy American requirements.

To sum up, when one looks at past and recent performance, compliance with Buy America is, at the very least, inadequate.

IMPROVED ENFORCEMENT

Buy America, with a few strengthening provisions and with vigorous enforcement by UMTA and the transit agencies, can lead to a resurgence of domestic rail carbuilders and component suppliers.

Attached is a copy of a report in the January 1988, issue of Railway Age entitled "Passenger Car Market at a Glance." This forecasts orders from 20 American operating systems for approximately 1,390 to 1,500 new passenger cars.

In addition to those 20 systems that told *Railway Age* of their purchasing plans, there are 13 metropolitan areas where rail transit is at various stages of consideration or development. They are Austin, Dallas, and Houston, all in Texas; Columbus and Cincinnati in Ohio; Denver; Honolulu; Kansas City; Long Beach and Los Angeles in California; Minneapolis-St. Paul; Phoenix, and St. Louis. There are another 12 cities with existing and expanding rail passenger systems—Atlanta, Cleveland, Detroit, Ft. Worth, Miami, New Orleans, Philadelphia, Pittsburgh, Portland, San Jose, Seattle, and Washington, D.C. Also not included in the *Railway Age* table are the new Viewliners that Amtrak will order when and if its funding can be worked out.

All of this leads us to believe that the potential market within the next five years is something like $2.5 billion.

How are we to understand the importance of $2.5 billion in expenditures for rail passenger cars to our economy? We apply multipliers, which are the subject of another exhibit attached to this statement.

We assert that if all $2.5 billion is spent within the U.S., we believe it will have an overall effect, through secondary and tertiary purchases of approximately $6.5 billion. We estimate the $2.5 billion, all spent in this country, would result in a year's employment for 106,500 persons.

What can Congress do to see the positive impact of this market accrues to Americans? One way is to strengthen Buy America.

ENFORCEMENT

First, the new Buy America legislation has provisions which require that subcomponents be as strictly examined as components for American content. The goal is to thwart the situation whereby "American components" can be created from 100 percent foreign subassemblies, by putting them together into a final product at a U.S. location. Despite the positive legislative stance, the dismal record of compliance to date will require close Congressional oversight of these provisions. The UMTA regulations (when they are issued), the compliance system they establish, and the response of the major transit authorities should be scrutinized.

Second, Congress adopted a requirement for pre-award and post-delivery audits of procurements subject to Buy America. Just who will conduct these audits—UMTA, the transit properties, or a third party—has not been determined. Whoever does it, these audits must be undertaken effectively, in an unbiased fashion. We urge Congress to query UMTA on this point and follow up by reviewing closely their proposed procedures.

Third, we strongly urge Congress to ask UMTA to establish an active, rather than a passive, posture for verifying compliance with its own regulations. Simply waiting for an aggrieved party to complain is not enough. UMTA should make spot checks of the transit properties' compliance and, in particular, should closely monitor all railcar, and all rail transit equipment procurements over $10-million to ensure Buy America compliance.

NEW LEGISLATION

In terms of a legislative agenda, we recommend that an enforceable schedule of penalties for non-compliance be developed, and enacted into law. The current legislation calls only for the Draconian measure of debarment from all federal procurements. This penalty is so severe that one would hesitate to enforce it in most cases. Thus we would recommend both a graduated series of penalties and a clear legislative requirement that the penalties be meted out when non-compliance is identified.

An example of an "intermediate" penalty might be a fine of 25 percent of the total value of the contract. This 25 percent equals the 25 percent cost differential referred by in the Surface Transportation Act to establish an automatic Buy America waiver. If it is determined that the product is not as claimed in the certification, the supplier should be forced to pay the 25 percent differential to both UMTA and the property in the same ratio as the original local/Federal support.

Alternatively, a company found non-compliant could be precluded from participating in any UMTA-funded program for a period of five years. This seems more realistic, and more enforceable, than a U.S. government-wide prohibition for a first-time offense. Of course, if continued non-compliance, or criminal malfeasance were detected, suitable penalties could and should be established, including U.S. government-wide debarment. Further, the transit agency should be penalized if it can be shown that it willfully encouraged, or participated in noncompliant activities. In short, Congress should establish a range of appropriate and enforceable penalties and then enact these into law.

Second, Congress should investigate the possibility of modifying the UMTA authorizing legislation to preclude a transit property from "segmenting" its funds, thereby avoiding compliance with all federal requirements. Currently, such segmentation is perfectly legal. By this we mean the procedure by which a city or transit authority separates contracts which utilize federal funds from those which it determines utilize solely state or locally generated funds. Thus a city building a rail system extension can buy railcars using state and local funds, and build tracks and stations using a combination of UMTA and non-federal funds, despite the fact the system could not be built without federal funds. Further, under current law, such a car procurement does not have to comply with the provisions of MBE, DBE, Buy America or any other federal requirements. While a transit authority may call for voluntary compliance in such instances (and some have done so), we feel that the Congress should evaluate whether or not the entire operation of a transit agency should be subject to Buy America.

We have attempted to explain, from the perspective of the rail transit industry, the limited sources of Buy America over the past decade. We have pointed out its dismal failure in safeguarding the railcar manufacturing industry and a limited success in that portion of the industry devoted to components and sub-components. We have described why neither UMTA nor the transit agencies have had any real incentive to vigorously enforce Buy America, and never will unless Congress makes its concerns known and felt. Finally, we have made several administrative and regulatory suggestions which should work to improve compliance. The bottom line, however, lies with you in Congress. You have recognized the need for Buy America. We look for you to ensure that it works.

DOMESTIC PRACTICES AFFECTING U.S. PASSENGER RAILCAR MANUFACTURERS

Outside the scope of Buy America, we can isolate four *domestic* factors that crippled this U.S. industry.

First, American car builders were faced with contracts riddled with one-sided contractual terms and conditions. It seemed as if the consultants hired by the transit agencies vied with one another to see if they could develop more rigorous technical and financial conditions in each successive order. Contrary to the stated expectation, these terms did not produce better equipment, on a more timely basis, at a cheaper cost. The single clear result was to help drive the Americans out of the business or into bankruptcy. Only the foreigners seemed willing to agree to the terms, knowing that their own domestic markets would keep them afloat. And in the case of Atlanta's procurement, a French company was driven into reorganization. But another foreigner always appeared willing to step up to the plate.

Second, there was a lack of standardization. Each city demanded different cars and continued demanding different versions on successive orders, forcing the redesign of both cars and subsystems. New technologies were not introduced on an incremental basis; rather a complete "new" car was the normal procurement. This demand for a "new" product precluded economies of scale, increased engineering costs, and magnified technical risks, thereby destroying any advantage a U.S. manufacturer might achieve from selling a standardized product.

Third, the industry was plagued with labor problems. Saddled with antiquated labor relationships, and new Federal safety, minority hiring, and other government requirements, U.S. manufacturers faced massive resistance to more productive working methodologies. American car builders had to compete at a cost disadvantage. Ultimately, they had to leave the business. Transit America, which closed its doors last summer, is the latest case in point.

Fourth, management problems increased as the product became more complex; schedules, tighter; customer demands, heavier, and capital costs, greater.

GAUGING FOREIGN PURCHASES IMPACT ON THE U.S. ECONOMY

For this presentation, the RPI Committee on Passenger Transportation has sought up-to-date multipliers based upon the most recent input-output studies of the U.S. Department of Commerce.

However, we have been unsuccessful in attempting to quantify the number of jobs and the lost secondary and tertiary purchases that result from transit authorities' buying railcars outside the United States. The 1982 input-output figures have not yet been published by the Commerce Department.

Consequently, we have reverted to a program we issued several years ago, calling for a balanced public transportation program for our country. Among papers we consulted was the Office of Technology Assessment's study, "Energy, the Economy, and Mass Transit," published in December of 1975.

Based on our efforts to bring those figures forward in the 1980's, we concluded that every dollar spent on railcar manufacturing ultimately had a total overall impact on the economy of $2.60 and that a million dollars spent for railcars yielded 42.6 fulltime jobs for one year.

One may quarrel about whether an individual multiplier factor should be higher or lower, and by how much, but the basic point is unarguable. When we send our dollars out of the country to buy railcars, we are exporting employment—the foregone domestic work in the railcar building industry and the ancillary domestic businesses—as well as the goods and services that would have been purchased by their wage earners.

An article in The New York Times for April 21, 1988, cites a study by the Port Authority of New York and New Jersey of the effect of the expenditures of some $7.7 bil-

lion on rebuilding subway and commuter cars. That study showed the creation of 15,000 jobs and $12 billion in wages and business sales. No secondary or tertiary impacts were included, because the Port Authority wanted to be conservative.

PASSENGER-CAR MARKET AT A GLANCE

Purchaser	Number of cars	Type	Builder
These cars were delivered in 1987:			
Amtrak	2	Intercity prototypes	Budd, Amtrak.
Atlanta	36	Rapid transit	Hitachi, C. Itoh.
Baltimore (MARC)	13	Commuter	Nippon Sharyo, Sumitomo.
Boston	40	do	Bombardier.
	34	do	Messarschmitt-Bolkow-Blohm.
	9	Light rail	Kinki Sharyo.
	6	Rapid transit	UTDC, Inc.
Chicago (CTA)	36	do	Transit America.
NJ Transit Rail Operations	27	Commuter	Bombardier.
New York (Metro-North)	54	do	Mitsui, Tokyu Car.
	28	do	Bombardier.
New York (NYCTA)	335	Rapid transit	Do.
	184	do	Westinghouse/Amrail.
PATH (PA of NY/NJ)	69	do	Nissho Iwai, Kawasaki.
Philadelphia (SEPTA)	35	do	Bombardier.
Pittsburgh (PAT)	1	Light rail	Siemens-Duewag.
Sacramento	9	do	Do.
San Francisco (BART)	5	Rapid transit	Soferval.
San Francisco (CALTRANS)	2	Commuter	Nippon Sharyo, Sumitomo.
Santa Clara County	32	Light rail	UTDC, Inc.
Toronto (TTC)	26	Rapid transit	UTDC Group.
	5	Light rail	Do.
Washington (WMATA)	52	Rapid transit	Breda.
Total	1,040		
Work goes forward on this undelivered backlog:			
Alaska Railroad	8	Intercity	Daewoo.
Amtrak	1	Intercity prototype	Budd, Amtrak.
Boston	33	Commuter	Messerschmitt-Bolkow-Blohm.
	41	Light rail	Kinki Sharyo.
	52	Rapid transit	UTDC, Inc.
Los Angeles (LACTC)	54	Light rail	Nippon Sharyo.
NJ Transit Rail Operations	13	Commuter	Bombardier.
New York (NYCTA)	100	Rapid transit	Westinghouse/Amrail.
	200	do	Kawasaki.
Philadelphia (SEPTA)	26	Light rail	Asea Traction-Amtrak.
San Diego (MTDB)	20	do	Siemens-Duewag.
San Francisco (BART)	145	Rapid transit	Soferval.
Santa Clara County	18	Light rail	UTDC, Inc.
Toronto (GO Transit)	63	Commuter	Do.
Toronto (TTC)	46	Light rail	UTDC Group.
	94	Rapid transit	Do.
Washington (WMATA)	32	do	Breda.
Total	946		
Orders likely to develop in 1988:			
Baltimore	35–40	Light rail	
Boston	95–115	Commuter	
Dallas (DART)	12	Light rail	
Los Angeles (SCRTD)	30	Rapid transit	
Montreal	24	Commuter	
NJ Transit Rail Operations	40	do	
New York LIRR)	12	do	
New York (NYCTA)	44	Rapid transit	
Sacramento	6	Light rail	
Toronto (GO Transit)	60	Commuter	
Total	363–378		
The 5-year (1989–93) outlook:			
Baltimore	40	Light rail	
Baltimore (MARC)	30	Commuter	
Boston	100	Rapid Transit	
Buffalo (NFTA)	6	Light rail	
Calgary	14	do	
Chicago (CTA)	280–356	Rapid transit	
Chicago (METRA)	116	Commuter	
Dallas (DART)	12	Light rail	
Los Angeles (LACTC)	30	do	
Los Angeles (SCRTD)	34–42	Rapid transit	
NJ Transit Rail Operations	90–110	Commuter	
New York (LIRR)	46	do	
New York (Metro-North)	60	do	
New York (NYCTA)	[1]400	Rapid transit	
PATH (PA of NY/NJ)	29	do	
Portland (Tri-Met)	5–10	Light rail	
Sacramento	12–25	do	
San Diego (MTDB)	15–20	do	
San Francisco (CALTRANS)	13	Commuter	
San Diego (MTDB)	15–20	do	
San Francisco (CALTRANS)	13	Commuter	
San Francisco (MUNI)	24	Light rail	
St. Louis	31	do	
Toronto (GO Transit)	42–60	Commuter	
Toronto (TTC)	22–58	Rapid transit	
Vancouver (BC Transit)	10–20	Light rail	
Total	1461–1652		

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[1] Annual 200 car procurements beginning in 1992. ●

TRADE READJUSTMENT PROGRAM

●Mr. METZENBAUM. Mr. President, I rise to address a very serious situation which threatens to disrupt unemployment benefits for thousands of workers across the Nation.

On July 31, funding will run out for the Trade Readjustment Program which provides extended unemployment benefits to workers who have lost their jobs due to foreign imports. At least 26,000 workers who are currently enrolled in TRA are threatened with the loss of their benefits because of this funding shortfall. More than 3,000 Ohio workers could be adversely affected.

Trade readjustment assistance is an important program. It provides a safety net for thousands of unemployed American workers who might otherwise be unable to buy food for their families or pay their rent.

Under TRA, eligible workers can receive 26 weeks of additional benefits once their regular State unemployment benefits are exhausted. If workers are enrolled in approved training programs requiring more time beyond 52 weeks, they can receive such benefits for up to 78 weeks. But all of this is about to end.

In my State of Ohio, funds for trade readjustment assistance are already basically depleted. I understand the Ohio Bureau of Employment Services is mailing out a few final benefit checks this week with those remaining dollars it has on hand for the program.

The Department of Labor has requested a $49 million supplemental appropriation to fund the Trade Readjustment Assistance Program through the end of this fiscal year. That request is contained in a supplemental appropriation bill just passed the House today by a vote of 357 to 54.

Mr. President, the enormous trade deficit has taken a very human toll in this country. Plants have closed, workers have lost their jobs and communities have been devasted because of surging imports.

We must not turn our backs on those who have lost their jobs because of trade policies beyond their control.

I urge my Senate colleagues to move promptly on this supplemental appropriation. It's essential that we continue this assistance. Thousands of unemployed workers are depending upon it.●

COMMENDING MRS. ELLEN REEDER

● Mr. BOREN. Mr. President, I would like to take this opportunity to bring to your attention the achievements of one of my constituents, Mrs. Ellen Reeder. Today she was bestowed with the unprecedented honor of being the first recipient of the Life Service Award for the American Cancer Society of Oklahoma. Her dedication and commitment to this notable organization is truly admirable and deserves commendation.

Mrs. Reeder's 30 years of volunteer service began when she worked in a door-to-door educational campaign drive in Elk City, OK. After several years of service in this and various other capacities, Mrs. Reeder moved to Cordell. She has spent the last 24 years in Cordell, serving as the county chairman for the Cancer Crusade of Washita County. For each of these years she has skillfully managed to match, or more often, exceed her dollar and educational goals.

Mrs. Reeder is a shining example of a citizen dedicated to community concerns. To further applaud her unrivaled service, the mayor of Cordell proclaimed today, her 86th birthday, as Ellen Reeder Day. In addition, Governor Bellmon presented her with the Outstanding Oklahoman Award. The award conferrals took place at a ceremony this morning to an audience of over 250 citizens. This impressive turnout is a telling sign that the people of Cordell respect and appreciate the commitment Mrs. Reeder has demonstrated, and the service she has rendered to their community. I am pleased and proud that the American Cancer Society has dedicated this award to Mrs. Reeder, and I am honored to represent her in the U.S. Senate.●

FEDERAL PERSONNEL IMPROVEMENTS ACT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 740.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2530) to improve the management of the Federal pay system and increase efficiency and productivity of Federal employees, and for other purposes.

The Senate proceeded to consider the bill.

AMENDMENT NO. 2720

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Mr. ROTH and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. ROTH, proposes an amendment numbered 2720.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, insert after line 14 the following:

"(3) Bonus payments by an agency during any fiscal year may not exceed one percent of the agency's payroll for that fiscal year, unless the Office of Personnel Management authorizes a higher limit for the agency due to unusually difficult recruitment or retention problems.".

On page 19, insert after line 2 the following:

"(e) The Office of Personnel Management shall submit a report to Congress each year on the operation of this section, including the number and amounts of bonus payments and the occupations and agencies involved.".

On page 19, insert before line 7 the following:

"(c) SENSE OF CONGRESS.—The amendments made by this section are enacted by the Congress with the expectation that bonus payments under such amendments will prove to be a more cost-effective method to deal with recruitment and retention difficulties than the payment of higher minimum rates of pay under section 5303 of title 5, United States Code.

"(d) REPEAL.—The amendments made by this section are repealed 7 years after the date of enactment of this Act.".

Mr. ROTH. Mr. President, I rise today to offer an amendment to S. 2530, the Federal Personnel Improvement Act of 1988. This legislation would expand the authority of the Office of Personnel Management to implement demonstration projects within the Federal Personnel System using alternative compensation systems. Four of these projects would be in the Department of Defense, one in the National Aeronautics and Space Administration, and between one and five in other Federal agencies. Title II of the legislation extends the authority to grant special pay rates, updates uniform allowances and the remote worksite allowance, provides incentive pay for nurse officers in the public health service, and creates a new bonus system for recruitment and retention of Federal employees.

I support the goal of improving the civil service that is at the heart of this legislation. I am concerned, however, about the budget impact of the new bonus authority, and I offer this amendment in an effort to maintain budget control of this new program.

Section 202 of title II provides for bonus payments of $1,000 to $10,000 to be used by agency heads for employees with whom there is a recruitment or retention problem. Individuals receiving such a bonus shall enter into an agreement with the agency ensuring that he or she will remain within the agency for not less than 6 months and not more than 2 years after receiving the bonus. If employees receiving a bonus leave the agency before they have worked the required period, they must return the bonus.

Mr. President, I became concerned about this section of the bill after reading a budget estimate from the Congressional Budget Office. According to the estimate, "no data are available to ascertain the number and size of the bonuses that will be awarded under this provision. A comparable system of providing bonuses does not exist in the Government, nor has the administration testified on how the bonuses would be awarded. If the total number of special rate employees receive the full bonus of $10,000, this provision would cost $1.2 billion. On the other hand, this provision would have no net budgetary effect if no bonuses were awarded. The cost of the bonus could be reduced to the extent that bonuses might be used instead of special pay rates to target incentives on specific individuals instead of groups."

My amendment is intended to satisfy concerns that this new bonus incentive, while an important feature of this legislation, will strain our budget resources. My amendment has four sections: Section I requires that bonuses by an agency during any fiscal year may not exceed 1 percent of the agency's payroll for that fiscal year, unless the Office of Personnel Management authorizes a higher limit for the agency due to unusually difficult recruitment or retention problems. This would reduce by half, or by $600 million, the potential expense of this provision in the bill.

It is my understanding, Mr. President, that money appropriated under this authority will come from the salary and expense accounts of the agency budgets. While I fully support the concept of a recruitment and retention bonus, it is my expectation that it should be used carefully and prudently. I am hopeful that this new bonus authority will provide agencies experiencing recruiting and retention difficulties with the flexibility they need to maintain a strong, well-qualified workforce.

Section II of the amendment requires the Office of Personnel Management to submit a report to Congress each year on the operation of the bonus authority, including the number and amounts of bonus payments and the occupations and agencies involved.

Section III of the amendment expresses the sense of Congress that the amendments made by the bonus authority are enacted with the expectation that bonus payments will prove to be a more cost-effective method of dealing with recruitment and retention difficulties than the payment of higher minimum rates of pay.

Section IV of the amendment requires that the bonus system created under this bill will be repealed 7 years after the date of enactment of this legislation. This will provide the Congress with the opportunity to review the merits of this program after 7 years. If the Congress believes the program has been successful, the program can be reestablished at that point.

Mr. President, it is my understanding that this amendment is acceptable to the sponsor of the legislation, Senator BINGAMAN. I thank him for his cooperation and congratulate him on this important legislation.

THE PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Delaware (Mr. ROTH).

The amendment (No. 2720) was agreed to.

THE PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BINGAMAN. Mr. President, I would like to very briefly indicate that I think it is important legislation. It is legislation that was put together by a bipartisan group of Senators. We have had very good cooperation from both sides of the aisle on this. If we can enact this legislation it will be significant reform since the Civil Service Reform Act of 1978.

The legislation had really been the brainchild of Mr. David Packard and the Packard Commission. His suggestion are ones we incorporate in here very extensively.

Mr. President, I am delighted today to have the opportunity to speak in favor of S. 2530, the Federal Personnel Improvements Act of 1988, which I introduced June 17, together with a bipartisan group of 12 other Senators from the Governmental Affairs, Armed Services, and Commerce Committees.

I am not going to repeat here today all the arguments in favor of this legislation which I enumerated in introducing the bill. But I do want to briefly discuss the potential importance of this legislation.

This bill is designed to deal with the growing problems we face in attracting and retaining the sort of top-quality people we need in the Federal civilian work force. It would be, if enacted, the most significant reform since the 1978 Civil Service Reform Act.

Title I of the bill mandates up to 10 personnel demonstration programs with up to 25,000 individuals in each program. It will allow the Office of Personnel Management, the Department of Defense, the National Aeronautics and Space Administration, and other civilian agencies to explore alternatives to the current civil service system in a variety of settings.

This section of the bill has its roots in the recommendations of the 1983 White House Science Council study of our Federal laboratories and the 1986 Presidential Commission on Defense Management study, both of which were chaired by David Packard. Those studies called for much broader application of the more flexible, performance-oriented personnel system developed at the Naval Weapons Center at China Lake, CA, and at the Naval Ocean Systems Center in San Diego, CA, under the terms of the 1978 Civil Services Reform Act. The Packard Commission recommended the China Lake model be applied to the entire DOD acquisition work force, including the scientists and engineers in the DOD laboratories.

I have been pleased with the very strong support this bill has received not only from the members of the Packard Commission, including Mr. Packard and James Woolsey, who testified earlier today before the Senate Armed Services Committee, but also from the Defense Department itself. Deputy Secretary Will Taft and Assistant Secretary for Force Management and Personnel, Grant Green, have played instrumental roles in forging administration support for this bill and I appreciate their efforts, as well as those of Secretary Carlucci who served on the Packard Commission. Let me quote from Secretary Carlucci's July 12 testimony before the Senate Armed Services Committee:

> The quality of our defense acquisition work force gets little help from the current civilian personnel system. As pointed out by the Packard Commission and the Defense Science Board, problems in recruiting, retaining, and providing incentives for high quality scientific, engineering, and acquisition personnel are becoming acute. As one study recently described it, DOD is trying to design, acquire, and maintain 21st century technology while working under a restriction-oriented personnel system, which has its roots in the 19th century civil services philosophy. This is why we have been working closely with Committee on and Office of Personnel Management in support of legislation that will allow us to test personnel systems that are less reliant on rigid classification distinctions and more reliant on pay flexibility that is market oriented and more closely linked to performance. Your bill, S. 2530 will give us that opportunity for 100,000 DOD employees. It is clearly a step in the right direction.

I am personally convinced that there is nothing we can do that is more important for the reform of the $160 billion per year defense acquisition system than to improve the quality of people we have in Government working on these issues. We need people representing the interests of the Federal Government and the taxpayer as talented as those representing the firms doing business with the Government. We need continuity in our defense acquisiton work force, so that we do not repeat the mistake of the past. That means young people from our engineering schools, law schools, and business schools need to be able to look forward to as challenging a career in Government service as they will find in the private sector.

And let me note that our private sector wants to have top-quality people dealing with them in Government, and in the defense acquisition system in particular. I have heard many defense industry leaders make that point over the past few years.

So, title I of this bill would give the new administration a chance to take a significant step forward in civil service reform. It is vitally needed and I hope that positive action today by the Senate will be followed up later this year by our colleagues in the House.

Title II of the bill has a shorter term focus. It broadens the current special pay rate program, creates a recruitment and retention bonus program, and makes various other changes designed to increase the flexibility agencies have in managing their work forces and in dealing with recruitment and retention problems.

Much of title II derives from S. 987 introduced last year by my colleagues from Virginia, Senators TRIBLE and WARNER, who are original cosponsors of the bill before us. I commend them for their leadership on special pay rate reform.

Mr. President, after this bill was introduced we did receive a Congressional Budget Office cost estimate on the various elements of the bill. I ask unanimous consent to insert that cost estimate at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 24, 1988.

Hon. DAVID PRYOR,
Chairman, Subcommittee on Federal Services, Post Office, and Civil Service, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In response to your request, the Congressional Budget Office has prepared the attached cost estimate for S. 2530, the Federal Personnel Improvements Act of 1988.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JAMES L. BLUM,
ACTING DIRECTOR.

S. 2530: THE FEDERAL PERSONNEL IMPROVEMENTS ACT OF 1988

The Congressional Budget Office has reviewed the proposed Federal Personnel Improvements Act of 1988 (S. 2530). Title I, Alternative Compensation Programs, is required to be cost neutral. The total cost of Title II, Higher Minimum Rates of Pay, Miscellaneous Allowances, and Other Matters, cannot be estimated because of a lack of data about the effects of several of its provisions.

The estimates assume an effective date of October 1, 1988, and that necessary amounts are appropriated.

TITLE I—ALTERNATIVE COMPENSATION PROGRAMS

This title authorizes the Office of Personnel Management (OPM) to implement between six and ten demonstration projects using alternative compensation systems. Four of these projects would be in the Department of Defense, one in the National Aeronautics and Space Administration (NASA), and between one and five in other federal agencies. Each project would cover between 5,000 and 25,000 full-time equivalent positions. The Department of Defense may have up to 35,000 positions in up to two projects, but the total number of positions for the department may not exceed 100,000. The salaries must be between the rate of pay each employee received immediately preceding implementation of the program and level V of the Executive Schedule (currently $72,500). The bill allows a two-year period before the projects must be implemented, and an additional two-year phase-in period for all the employees that are to be included to be brought into the project. The projects are to continue for seven years after they are implemented, or five years after all the employees that are to be included are brought into the project.

The bill identifies the following four alternative compensation systems that the relevant agencies should consider implementing; it does not require that any of these systems be implemented.

1. Provide pay rate adjustments under Section 5305 of Title 5 of the U.S. Code that raises total pay and benefits to levels that are comparable to employees in equivalent positions in the private sector.

2. Provide pay rate adjustments under Section 5305 of Title 5 of the U.S. Code that provides comparability for basic pay to private sector employees in the same geographic region.

3. Establish a system of collective bargaining for determining pay and certain benefits and conditions.

4. Establish a system of pay based on performance, similar to the demonstration project at the Naval Weapons Center at China Lake, California.

The bill provides that carrying out these projects shall not increase total government costs. The estimate assumes that this limitation is effective.

Table 1 shows the costs of the three alternative compensation systems. Other spending would have to be reduced by these amounts for each alterantive to be cost neutral.

TABLE 1.—ESTIMATED COST OF ALTERNATIVE COMPENSATION SYSTEMS

[By fiscal year, in millions of dollars]

	1989	1990	1991	1992	1993
Total comparability:					
Estimated authorization level	747	772	798	824	852
Estimated outlays	667	807	833	861	890
Pay comparability:					
Estimated authorization level	928	958	989	1,021	1,054
Estimated outlays	828	1,0001	1,033	1,066	1,101
China Lake:					
Estimated authorization level	32	65	132	167	207
Estimated outlays	28	63	128	170	209

The costs of the alternatives are proportional to the number of positions participating in the demonstration projects. The estimates in Table 1 assume 140,000 positions are included in the projects, which is the mid-point between the minimum number of positions and the maximum number of positions that may be included by this proposal. The cost of the projects will vary if more or fewer positions are included. The cost of each alternative system may not be added together; the table shows the cost of each alternative system if it includes 140,000 positions. The estimates also assume that the demonstration projects begin October 1, 1988.

Comparability. The alternative total comparability system assumes a pay rate adjustment of 23.3 percent would be required in 1989 to make total pay and benefits comparable to the private sector. To provide comparability to the private sector for basic pay alone, the estimate assumes a 27.2 percent increase in 1989 would be required. These percentages are derived from the findings of the President's Pay Agent's comparability survey for fiscal year 1988, which reports the gap between wages for federal employees and employees in the private sector. Under CBO baseline assumptions, federal salaries grow by the inflation rate; CBO does not allow for the approximately 25 percent raise that is required to make federal salaries comparable to private sector salaries. Based on information provided in testimony before the House Post Office and Civil Service Subcommittee on Compensation and Employee Benefits on March 19, 1986, benefits for federal employees are generous relative to private sector employees; therefore, the adjustment to provide comparability for total pay and benefits is less than the adjustment required for basic pay alone. The cost of these alternatives will vary to the extent that the agencies use a different comparability measure, which might include variations in pay rates by geographical area.

China Lake. According to OPM data, China Lake spends the equivalent of 1 percent of its total pay base more per year under the demonstration project than if the project was not in place. The estimate assumes the total payroll of the demonstration projects will be $3.2 billion. This is based on an average annual salary of approximately $23,000 for the 140,000 positions included in the demonstration projects.

It is not possible to determine how much a collective bargaining system would cost relative to current law, because it is not known what agreements would be reached by the employees and their agencies under such a system.

TITLE II—HIGHER MINIMUM RATES OF PAY, MISCELLANEOUS ALLOWANCES, AND OTHER MATTERS

Title II extends the authority to grant special rates provided in the Continuing Resolution of Appropriations for Fiscal Year 1988, updates uniform allowances and the remote worksite allowance, and provides incentive pay to nurse officers in the Public Health Service. The budgetary effects of these proposals are summarized in Table 2.

Higher Minimum Rates. Section 201 of title II amends Section 5303 of Title 5 of the U.S. Code, expanding the number of positions eligible for higher minimum rates of pay. Under current law, higher rates may be granted only when pay rates in the private sector are substantially higher than in the government. Section 201 allows higher minimum rates to be granted for any reason. It also raises the minimum rates that may be given.

For 1988, OPM has the authority to grant expanded higher minimum rates. With this authority, they have granted special rates to 3,000 to 4,000 law enforcement positions at a cost of approximately $4 million. The estimate assumes OPM will continue to grant special rates under this expanded authority at the same rate as in 1988. The provision to raise the higher minimum rate payable to special rate employees assumes 6,900 new special rate positions are granted each year (based on an average turnover rate of 6 percent for special rate employees), and the cost of increasing the higher minimum rate is $2,500 per position. These estimates are based on the assumption that the number of special rate positions are held constant throughout the projection period. The budgetary implications of this proposal will vary if the number of special rate positions change.

TABLE 2.—ESTIMATED COST OF TITLE II PROVISIONS

[By fiscal year, in millions of dollars]

	1989	1990	1991	1992	1993
Higher minimum rates:					
Estimated authorization level	11	34	57	82	107
Estimated outlays	10	32	56	82	108
Bonus payments:					
Estimated authorization level	[1]	[1]	[1]	[1]	[1]
Estimated outlays	[1]	[1]	[1]	[1]	[1]
Advance payments of basic pay:					
Estimated authorization level	[1]	[1]	[1]	[1]	[1]
Estimated outlays	[1]	[1]	[1]	[1]	[1]
Eliminate GS–11 threshold:					
Estimated authorization level	[1]	[1]	[1]	[1]	[1]
Estimated outlays	[1]	[1]	[1]	[1]	[1]
Miscellaneous allowances:					
Estimated authorization level	32	34	36	38	40
Estimated outlays	27	33	35	37	40
Nurse officer incentive pay:					
Estimated authorization level	1	1	1	1	1
Estimated outlays	1	1	1	1	1

[1] No basis for estimate.

Bonus Payments. Section 202 of title II provides for bonus payments of $1,000 to $10,000 for employees receiving special rates under Section 5303 of Title 5 of the U.S. Code, as well as any employee in the agency for whom the head of the agency approves the bonus. Employees are required to work for a period of at least six months and up to two years after receiving a bonus. If employees receiving a bonus leave the agency before they have worked the required period, they must return the bonus.

No data are available to ascertain the number and size of the bonuses that will be awarded under this provision. A comparable system of providing bonuses does not exist in the government, nor has the administration testified on how the bonuses would be awarded. If the total number of special rate employees receive the full bonus of $10,000, this provision would cost $1.2 billion. On the other hand, this provision would have no net budgetary effect if no bonuses were awarded.

The cost of the bonuses could be reduced to the extent that bonuses might be used instead of special pay rates to target incentives on specific individuals instead of groups.

Advance Payment of Basic Pay. Section 203 authorizes the head of an agency to advance up to 30 days salary to an employee appointed to a position receiving a higher minimum rate of pay under Section 5303. There is no basis to estimate the number of employees that would receive this advance. Assuming the current number of special rate positions and the current turnover rate remain constant, if all new employees receive this advance and must pay it back within six months, this provision would cost $9 million in the first year. The cost would be negligible by the second year, because the amounts advanced would be offset by the amounts returned by employees. On the other hand, if no advances are made, this provision would have no budgetary effect.

Eliminate GS-11 Threshold. Section 204 enables an agency, with OPM approval, to pay a new appointee at a rate of pay higher than the minimum rate for the grade regardless of the grade. Current law requires that the position be rated as a GS-11 or above. According to OPM data, this would affect a relatively small number of positions, and therefore would have a negligible budgetary effect.

Miscellaneous Allowances. Section 205 removes the limits placed on allowance to cover the cost of uniforms and the allowance to cover additional cost incurred by employees at remote worksites. At present, approximately 90,000 employees receive $125 for uniforms each year. The estimate assumes the uniform allowance will average $500 in 1989 under the proposal, based on the average cost of a uniform at current prices.

Little data are available at this time on which we can base an estimate of the cost of increasing the remote worksite allowance. It does not appear that this provision will have significant budgetary effects.

Incentive Special Pay for U.S. Public Health Service Nurses. Section 206 provides incentive pay for commissioned nurse of officers of the Public Health Service. The amount of the incentive is the same as provided in the 1989 defense authorization (S. 2355) for nurses and physicians in areas where the military faces critical shortages. At present, the Public Health Service has 769 commissioned nurse officers, and has a critical shortage of 300 to 400 health service positions. These positions may be filled by commissioned or civil nurses. If commissioned nurses fill these positions, according to the Public Health Service.

AMENDMENTS

On page 17, insert after line 14 the following:

"(3) Bonus payments by an agency during any fiscal year may not exceed one percent of the agency's payroll for that fiscal year, unless the Office of Personnel Management authorizes a higher limit for the agency due to unusually difficult recruitment or retention problems.".

On page 19, insert after line 2 the following:

"(e) The Office of Personnel Management shall submit a report to Congress each year on the operation of this section, including the number and amounts of bonus payments and the occupations and agencies involved.".

On page 19, insert before line 7 the following:

"(c) SENSE OF CONGRESS.—The amendments made by this section are enacted by the Congress with the expectation that bonus payments under such amendments will prove to be a more cost-effective method to deal with recruitment and retention difficulties than the payment of higher minimum rates of pay under section 5303 of title 5, United States Code.

"(d) REPEAL.—The amendments made by this section are repealed 7 years after the date of enactment of this Act.".

Mr. BINGAMAN. Mr. President, I would like to conclude by thanking my colleagues on the Governmental Affairs, Armed Services, and Commerce Committees for their support in the development of this legislation. Senators PRYOR and STEVENS have the responsibility of overseeing the civil service personnel system. They have recognized the need for reform and have been instrumental in forging a compromise bill. Senators NUNN and WARNER and my other colleagues from the Armed Services Committee have been committed to trying to implement the Packard Commission's 1986 recommendations, not only in the areas of personnel reform, but across the board. Senators HOLLINGS and DANFORTH and their colleagues on the Commerce Committee have been working with NASA Administrator James Fletcher to deal with NASA's recruitment and retention problems. We have all come together in support of this legislation, and I hope we will be joined by the rest of our colleagues today in passing this bill and sending it to the House.

Mr. President, before we move to final passage, I would like to take note of the tremendous staff contributions to this bill in both the Senate and the administration.

I am indebted to Kim Weaver, Ed Gleiman, and Jeff Landry of the Civil Service Subcommittee staff; Jane McFarland and Jeff Steger of the Governmental Affairs Committee staff; Andy Effron of the Senate Armed Services Committee staff; Bruce Navarro of the Office of Personnel Management; Claire Freeman and Frank Cipolla of the DOD civilian personnel office; James Ling, now in the private sector who previously staffed both Packard studies I mentioned earlier; Rem Dickinson of Senator WARNER's staff; Lori Beth Feld of Senator TRIBLE's staff; and finally Ed McGaffigan of my own staff.

Without their hard work, we would not be in a position to take this long step forward toward civil service reform. Many hours of effort over the past 3 years have gone into finding a middle ground around which a consensus for reform could be forged. We are all the beneficiaries of that effort.

The PRESIDING OFFICER. If there are no further amendments, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2530

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Personnel Improvements Act of 1988".

SEC. 2. STATEMENT OF PURPOSE.

The purposes of this Act are to—

(1) improve the management of the pay systems for Federal employees;

(2) increase the efficiency of agency operations;

(3) enhance the productivity of the Federal workforce; and

(4) promote the efforts of the Government in the recruitment and retention of qualified career employees.

TITLE I—ALTERNATIVE COMPENSATION PROGRAMS

SEC. 101. DEFINITIONS.

For purposes of this title—

(1) the term "agency" means an Executive agency (as defined in section 105 of title 5,

United States Code), except that such term does not include—

(A) the National Security Agency;

(B) the Central Intelligence Agency;

(C) the Defense Intelligence Agency;

(D) the Federal Bureau of Investigation; or

(E) the General Accounting Office;

(2) the term "employee" means an employee (as defined in section 2105 of title 5, United States Code) whose rate of basic pay would, but for this title, be determined under—

(A) subchapter III or section 5371 of chapter 53 of title 5, United States Code, relating to the General Schedule; or

(B) chapter 54 of title 5, United States Code, relating to the performance management and recognition system; and

(3) the terms "collective bargaining", "collective bargaining agreement", "exclusive representative", "management official", and "supervisor" each has the meaning given such term under section 7103(a) of title 5, United States Code.

SEC. 102. DEMONSTRATION PROGRAMS OF ALTERNATIVE COMPENSATION SYSTEMS.

(a) DEMONSTRATION PROGRAMS.—Within 2 years after the date of the enactment of this Act, the demonstration programs using alternative compensation systems as provided under this Act, shall be implemented by the Office of Personnel Management and—

(1) the head of the relevant agency for any program described under subsection (b)(1)(A);

(2) the Secretary of Defense for the programs described under subsection (b)(1)(B); and

(3) the Administrator of the National Aeronautics and Space Administration for the program described under subsection (b)(1)(C).

(b) PROGRAMS, PARTICIPANTS, AND LIMITATIONS.—(1) There shall be implemented under the provisions of this section, no less than 6 and no more than 10 demonstration programs using alternative compensation systems, of which—

(A) between 1 and 5 such programs shall be designed and implemented by the head of an agency, after consultation and approval by the Office of Personnel Management;

(B) 4 such programs shall be developed and implemented within the Department of Defense by the Secretary of Defense, after consultation and approval by the Office of Personnel Management; and

(C) 1 such program shall be developed and implemented within the National Aeronautics and Space Administration by the Administrator of such Administration, after consultation and approval by the Office of Personnel Management.

(2) Each such program under this section shall—

(A) cover a sufficient number of positions within an agency to provide an adequate basis on which to evaluate the desirability of implementing such program on a broader scale within the Government, except that not less than the equivalent of 5,000 full-time positions and no more than the equivalent of 25,000 full-time positions shall be covered in any such program at any time;

(B) include in the development of such program, prior to implementation, a detailed information gathering plan—

(i) to provide for the evaluation of such program to be developed by the Office of Personnel Management and the head of the relevant agency;

(ii) which shall include the total number of employees to participate in such program;

(iii) which shall be—

(I) submitted to the General Accounting Office, at least 60 days prior to program implementation; and

(II) reviewed by the General Accounting Office which shall report the results of the review to the Senate Committee on Governmental Affairs, the House Committee on Post Office and Civil Service, and the head of the relevant agency; and

(iv) which shall be periodically reviewed with regard to the adherence of such agency to such plan by the General Accounting Office which shall submit reports of such reviews to the relevant congressional committees; and

(C) within 2 years after the date of implementation under subsection (a), have the full number of employees participating in such program as provided for in subparagraph (B)(ii).

(3)(A) Notwithstanding the provisions of paragraph (2), no more than 2 programs described under paragraph (1)(B) may cover no more than the equivalent of 35,000 full-time positions each.

(B) Notwithstanding the provisions of subparagraph (A), the total number of equivalent full-time positions combined for the 4 programs described under paragraph (1)(B) may cover no more than 100,000 such positions.

(c) MINIMUM AND MAXIMUM RATES OF BASIC PAY; PROGRAM COST LIMITATIONS.—Each program under this section shall provide that—

(1) the rate of basic pay for an employee participating in any program under this title—

(A) shall be at least equal to the rate of basic pay payable to such employee for the pay period immediately preceding the date of the implementation of such program; and

(B) may not exceed the rate of basic pay payable for level V of the Executive Schedule; and

(2) the total cost to the Government in carrying out such programs shall not exceed what the total cost to the Government would have been, during the same period, if this Act had not been enacted.

(d) EMPLOYEES IN COLLECTIVE BARGAINING UNITS.—(1) Employees within a unit with respect to which a labor organization is accorded exclusive recognition under chapter 71 of title 5, United States Code, shall not be included within any program under this section if the program—

(A) would violate a collective bargaining agreement between the agency and the labor organization, unless there is another written agreement with respect to the program between the agency and the organization permitting the inclusion; or

(B) is not covered by such a collective bargaining agreement, until there has been consultation or negotiation, as appropriate, by the agency with the labor organization.

(2) Employees within any unit with respect to which a labor organization has not been accorded exclusive recognition under chapter 71 of title 5, United States Code, shall not be included within any program under this section, unless there has been agency consultation regarding the program with the employees in the unit.

(e) NOTIFICATION OF PROGRAMS AND REPORTS.—The Office of Personnel Management, the Secretary of Defense, and the Administrator of the National Aeronautics and Space Administration shall, with respect to each applicable program implemented under subsection (a)—

(1) publish the plan developed under subsection (b)(2)(B) for such program in the Federal Register prior to implementation of such program;

(2) provide notification of the implementation of such program to affected employees and the Congress within 90 days before the date of such implementation; and

(3) provide an annual report to the Congress on such program.

(f) TERMINATION OF PROGRAMS.—(1) Subject to paragraph (2), any demonstration program implementing an alternative compensation system under this section shall terminate at the earlier date of—

(A) 5 years after the date on which the full number of employees are participating in such program as provided for under subsection (b)(2)(C); or

(B) 7 years after the date of the implementation of such program under subsection (a).

(2)(A) A program under this section may be terminated in accordance with the provisions of subparagraph (B), if the Office of Personnel Management, in consultation with the head of the relevant agency, determines that such program creates a substantial hardship on, or is not in the best interests of, the public, the Federal Government, or employees.

(B) If a determination is made under the provisions of subparagraph (A), a program may be terminated by the Office of Personnel Management, after consultation with—

(i) the head of the relevant agency, with regard to a program described under subsection (b)(1)(A);

(ii) the Secretary of Defense, with regard to a program described under subsection (b)(1)(B); or

(iii) the Administrator of the National Aeronautics and Space Administration, with regard to the program described under subsection (b)(1)(C).

(3) If a program is terminated under the provisions of paragraph (2), the head of the relevant agency shall notify all affected employees of such termination no later than 90 days before the date of such termination.

SEC. 103. ALTERNATIVE COMPENSATION SYSTEMS.

(a) TYPES OF SYSTEMS.—Before developing and implementing a demonstration program under section 102, the Secretary of Defense, the Administrator of the National Aeronautics and Space Administration, and each head of a relevant agency shall consider an alternative compensation system—

(1) under which annual pay adjustments under section 5305 of title 5, United States Code, provide that the total pay and benefits for Government service shall be comparable to the total pay and benefits for individuals at the same levels of work outside the Government;

(2) under which annual pay adjustments under section 5305 of title 5, United States Code, provide that rates of basic pay payable to employees are consistent with rates of basic pay generally payable for the same levels of work outside the Government within the same geographic region;

(3) under which conditions of employment for employees shall be subject to collective bargaining; or

(4) established by the head of the agency involved, which—

(A) may identify separate career categories for employees in positions which are subject to the system;

(B) shall provide for the rate of basic pay of an employee to be set and adjusted within salary structures based on such factors as the experience and achievements of the employee, position in a pay range, job responsibilities, rates of pay for similar positions outside the Government, and (consistent with section 5334 of title 5, United States Code) changes in positions or types of appointments;

(C) shall provide pay differentials for service as a supervisor or management official (which shall be considered a part of basic pay for purposes of subchapter III of chapter 83, and chapter 84, of title 5, United States Code);

(D) may authorize special awards (which shall not be considered a part of basic pay for any purpose); and

(E) shall authorize performance recognition in the form of—

(i) a lump-sum payment (which shall not be considered a part of basic pay for any purpose);

(ii) an increase in the rate of basic pay of an employee within a pay range or to a higher pay range; or

(iii) nonmonetary recognition.

(b)(1) Collective Bargaining Alternative System.—If the Secretary of Defense, the Administrator of the National Aeronautics and Space Administration, or any head of an agency implements a program using a system described in subsection (a)(3), such program shall provide that—

(A) any pay schedules or rates shall be established to provide that an appropriate differential (which shall be considered part of basic pay) is provided for service as a supervisor or management official; and

(B) only a unit or subdivision of a unit for which an exclusive representative is certified may participate.

(2) Definition.—For purposes of a program using a system described in subsection (a)(3), the term "conditions of employment" means—

(A) personnel policies, practices, and matters, whether established by rule, regulation, or otherwise, included under section 7103(a)(14) of title 5, United States Code; and

(B) personnel policies, practices, and matters, whether established by rule, regulation, or otherwise, relating to classification of positions, leave, pay, or other compensation or benefits;

except that such term does not include policies, practices, and matters relating to life insurance, health insurance, and retirement.

SEC. 104. RULE OF STATUTORY CONSTRUCTION.

(a) Except as provided in subsection (b), in the administration of an alternative compensation system under this title, the provisions of this title shall apply notwithstanding any inconsistent provision of title 5, United States Code.

(b) In the administration of an alternative compensation system under this title, no provision of this title may be construed to waive any inconsistent provision of—

(1) chapters 83 and 84 of title 5, United States Code, relating to retirement;

(2) chapter 87 of title 5, United States Code, relating to life insurance; or

(3) chapter 89 of title 5, United States Code, relating to health insurance.

TITLE II—HIGHER MINIMUM RATES OF PAY, MISCELLANEOUS ALLOWANCES, AND OTHER MATTERS

SEC. 201. HIGHER MINIMUM RATES OF PAY.

(a) Section 5303 of title 5, United States Code, is amended to read as follows:

"§5303. Higher minimum rates of pay

"(a) When the Office of Personnel Management finds that the Government is experiencing significant difficulty in recruiting or retaining well-qualified employees under a statutory pay system for one or more occupations in one or more areas or locations—

"(1) because the pay rates for the positions involved are generally less than the rates payable for similar positions held—

"(A) by individuals outside the Government; or

"(B) by other individuals within the executive branch of the Government;

"(2) because of the remoteness of the area or location involved;

"(3) because of the undesirability of the working conditions or the nature of the work involved, including exposure to toxic substances or other occupational hazards; or

"(4) because of any other circumstance which the Office may identify;

the Office may establish for the areas or locations higher minimum rates of basic pay for one or more grades or levels, occupational groups, series, classes, or subdivisions thereof, and may make corresponding increases in all rates of the pay range for each such grade or level. However, a minimum rate so established may not exceed the maximum pay rate for the grade or level by more than the amount by which such maximum rate exceeds such minimum rate.

"(b) In addition to positions under the statutory pay systems, the authority conferred on the Office by section (a) may be exercised with respect to positions paid under any other system established by or under Federal statute for positions within the executive branch of the Government.

"(c) A rate of pay established through the exercise of any authority under this section—

"(1) shall be subject to revision or adjustment; and

"(2) shall be subject to reduction or termination (in which case, pay retention shall be provided under section 5363).

"(d) Any authority under this section may be exercised only to the extent that funds are available for payment of rates of basic pay authorized under this section.

"(e) If the rates of pay under the General Schedule are increased pursuant to section 5305 of this title in any fiscal year, then, not later than the effective date of the increase in such rates, each rate of pay in effect for a position under this section on September 30 of the preceding fiscal year shall be increased by any percentage that is not less than the increase in the rates of pay for the corresponding grade of the General Schedule. Nothing in this paragraph prohibits more than one increase in such rate of pay during any fiscal year.

"(f) An increase in a rate of basic pay under this section—

"(1) is not an equivalent increase in pay within the meaning of section 5335(a); and

"(2) has the force and effect of statute.

"(g) Under regulations prescribed by the Office of Personnel Management, the benefit of advancement through the range of basic pay for a grade or level shall be preserved for any individual who is covered by this section and whose continuous service is interrupted in the public interest by service in the Armed Forces or by service in essential non-Government civilian employment during a period of war or national emergency.".

(b) Conforming Amendment.—The table of sections for chapter 53 of title 5, United States Code, is amended by striking out the item relating to section 5303 and inserting in lieu thereof the following:

"5303. Higher minimum rates of pay.".

SEC. 202. BONUS PAYMENTS.

(a) Bonus Payments.—Chapter 53 of title 5, United States Code, is amended by inserting after section 5303 the following new section:

"§5303a. Bonus Payments

"(a)(1) Under regulations prescribed by the Director of the Office of Personnel Management, the head of an agency may provide for recruitment and retention bonus payments under this section—

"(A) to employees serving in positions for which the minimum rate of basic pay has been established under section 5303 of this title;

"(B) to employees whose responsibilities include the regular supervision of any employee paid at a rate established under section 5303 of this title; or

"(C) subject to the approval of the head of an agency, under criteria prescribed by the Office of Personnel Management, to any other employees of such agency.

"(2) A bonus payment under this section shall be equal to an amount, not less than $1,000 and not more than $10,000, determined by the head of the agency making such payment.

"(3) Bonus payments by an agency during any fiscal year may not exceed one percent of the agency's payroll for that fiscal year, unless the Office of Personnel Management authorizes a higher limit for the agency due to unusually difficult recruitment or retention problems.

"(b)(1) A payment may not be made to an individual under this section unless such individual has entered into an agreement with the head of the agency employing such individual which provides that—

"(A) such individual will continue in the service of the agency for a period of time determined under paragraph (2) of this subsection; and

"(B) if separated (except by reason of a reduction in force) from the agency before the end of the period agreed to, such individual will repay to the Government any amounts paid to such individual under this section.

"(2) The period of service applicable under paragraph (1) of this subsection may not—

"(A) be less than 6 months; and

"(B) exceed 2 years.

"(3) If an individual fails to repay any amount required under paragraph (1)(B) of this subsection, such amount is recoverable by the Government from the individual or the estate of such individual by—

"(A) setoff against accrued pay, compensation, amount of retirement credit, or other amount due the individual from the Government; and

"(B) any other method provided by law for the recovery of amounts owed to the Government.

Notwithstanding the preceding sentence, the head of the agency concerned may, under the regulations issued under subsection (a) of this section, waive in whole or in part a right of recovery under this subsection if it is shown that the recovery would be against equity and good conscience or against the public interest.

"(c) The full amount of a bonus under this section shall be paid, whether in a lump sum or in the form of periodic payments, before the end of the period of service agreed to under subsection (b) of this section.

"(d) A payment under this section is not part of the basic pay of an individual.

"(e) The Office of Personnel Management shall submit a report to Congress each year on the operation of this section, including the number and amounts of bonus payments and the occupations and agencies involved.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 53 of title 5, United States Code, is amended by inserting after the item relating to section 5303 the following:

"5303a. Bonus payments.".

(c) SENSE OF CONGRESS.—The amendments made by this section are enacted by the Congress with the expectation that bonus payments under such amendments will prove to be a more cost-effective method to deal with recruitment and retention difficulties than the payment of higher minimum rates of pay under section 5303 of title 5, United States Code.

(d) REPEAL.—The amendments made by this section are repealed 7 years after the date of enactment of this Act.

SEC. 203. ADVANCE PAYMENT OF BASIC PAY.

(a) GENERAL RULE.—Chapter 55 of title 5, United States Code, is amended by inserting after section 5522 the following:

"§5522a. Advance payment of basic pay

"(a) The head of an agency may provide for the advance payment of basic pay, covering a period of not more than 30 days, to or for the account of any employee of the agency who is appointed to a position if the rate of pay for such position is established under section 5303.

"(b) Subsection (c) of section 5522, relating to the recovery of funds advanced under subsection (a) of such section, applies with respect to any amounts advanced under subsection (a) of this section.

"(c) Notwithstanding section 5521(1), for the purpose of this section, the term 'agency' means any agency to which section 5303 applies.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 55 of title 5, United States Code, is amended by inserting after the item relating to section 5522 the following:

"5522a. Advance payment of basic pay.".

SEC. 204. ELIMINATION OF GS-11 THRESHOLD FOR NEW APPOINTEES TO BE PAID ABOVE MINIMUM RATES.

Section 5333(a) of title 5, United States Code, is amended by striking "in GS-11 or above".

SEC. 205. MISCELLANEOUS ALLOWANCES.

(a) REMOTE WORKSITE ALLOWANCE.—Section 5942 of title 5, United States Code, is amended by striking "of not to exceed $10 a day." and inserting in lieu thereof "under this section.".

(b) UNIFORM ALLOWANCE.—(1) Section 5901(a) of title 5, United States Code, is amended to read as follows:

"(a)(1) There is authorized to be appropriated annually to each agency of the Government of the United States, including a Government-owned corporation, such amounts as may be necessary—

"(A) to furnish a uniform to each employee of such agency who is required by regulation or statute to wear a prescribed uniform in the performance of official duties; or

"(B) to pay to each such employee an allowance adequate to cover the full cost of such uniform.

"(2) A uniform allowance under this section may be paid only at the times authorized by the regulations prescribed under section 5902 of this title.".

(2)(A) Chapter 59 of title 5, United States Code, is amended—

(i) by striking out section 5902; and

(ii) by redesignating section 5903 as section 5902.

(B) The table of sections for chapter 59 of title 5, United States Code, is amended by striking the items relating to sections 5902 and 5903, respectively, and inserting in lieu thereof the following:

"5902. Regulations.".

SEC. 206. INCENTIVE SPECIAL PAY FOR UNITED STATES PUBLIC HEALTH SERVICE NURSES.

Section 208(a) of the Public Health Service Act (42 U.S.C. 210(a)) is amended by by inserting at the end thereof the following new paragraph:

"(3) Commissioned nurse officers in the Regular and Reserve Corps shall while on active duty be paid incentive special pay in the same amounts as, and under the same terms and conditions which apply to, the incentive special pay now or hereafter paid to commissioned nurse officers of the Armed Forces under chapter 5 of title 37, United States Code.".

SEC. 207. EFFECTIVE DATE.

The provisions of this title and the amendments made by this title shall take effect 90 days after the date of the enactment of this Act.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CIVIL LIBERTIES ACT—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on H.R. 442 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 442) to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the RECORD.)

Mr. GLENN. Mr. President, the conference report on H.R. 442, a bill to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, reflects a reasonable and well-thought out compromise between the Senate and House verisons of the bill. H.R. 422 was passed by the House in September, 1987, and S. 1009, the Senate version of the bill, which was reported from our Governmental Affairs Committee, was passed last April. There were several substantive differences between the two bills which have been resolved. On behalf of the Governmental Affairs Committee, I am glad to report to the Senate on that resolution.

First, the compromise bill includes restitution to the Aleuts who were relocated during World War II from their homes on the Aleutian and Pribilof Islands. This provision was included in the Senate version of the bill, but is contained in separate legislation that has not yet been passed by the House.

Second, the bill creates a civil liberties education fund authorized to be funded for $1.25 billion. From this fund, each individual of Japanese ancestry living on the date of enactment is eligible to receive payment of $20,000. The Senate version would have allowed such compensation to each internee who is living on the date of payment.

In addition, as a compromise, the conferees agreed that the payments of the vested rights of those eligible individuals who die after the date of enactment, but before they receive payment, are limited to three categories: First, a surviving spouse of 1 year, and if no surviving spouse, then second, equal shares to all children living at the time of payment, and if no surviving children, then three equal shares to parents living on date of payment. Under the compromise, if none of these three categories of heirs survive the eligible individual, then the compensation remains in the fund for allowable educational purposes.

Frankly, this was the most difficult issue for the conference committee to resolve. However, I feel that we have reached a compromise that manages to retain the essential thrust of both approaches. The sentiment underlying the Senate bill is that it is appropriate that compensation be made to those who actually suffered in the internment camps. The House approach recognizes the administrative problems for the Department of Justice, the agency responsible for locating and identifying eligible individuals, and the fundamental fairness of vesting the eligibility rights of those Japanese Americans who survive to see this bill become law.

The compromise bill accepts the House provision that the right to compensation should be vested at a specific point in time, but incorporates the Senate notion that compensation should only be paid to those most directly affected by internment. The compromise bill therefore limits the heirs who could claim under the vested rights to those most directly affected by the Government action—the spouse, children, and parents of the internees. This makes sense as well because the compromise bill only authorizes appropriations to the fund up to $500 million in any given fiscal year. Because of this restriction, and the fact that the internee population is dying at a rate of almost 2,000 persons a year, it is very likely that some eligible individuals alive on the date of enactment will not survive to see their payment.

Now, some people might think that because the bill would allow payment to certain heirs of internees alive on the date of enactment, we ought to allow heirs of internees who died before the bill is enacted to also receive payment. I think we should not go down that road for several reasons. First, from a simply practical point of view, it will be nearly impossible for the Justice Department to track down the heirs of all internees who have died throughout this world from 1946 on.

Second, and more importantly, the payment of $20,000 to those interned is in many ways symbolic—it cannot possibly be an exact monetary accounting for the trauma and dislocation suffered by these Japanese-Americans. It is an important element of our recognition of responsibility for this unnecessary Government action. However, the establishment of a right to payment, in and of itself, is not the sole purpose of this legislation. In formally acknowledging and apologizing for this action, we are fulfilling our obligation to those internees who have already died. By allowing eligibility for payment to be vested at the time of enactment in recognition that the mechanics of payment may not occur quickly enough, and that there may be insufficient funds appropriated to make payments to all internees in the first year, we are fulfilling our responsibility to those who have survived to see this bill enacted into law.

I would add that the choice between the Senate and House versions on this issue was not affected by budgetary considerations. Once the funds are appropriated to the civil liberties education fund, they remain available for distribution for individual compensation or educational purposes for a 10-year period. Under no circumstances would those funds be returned to the U.S. Treasury during that period.

Mr. MATSUNAGA. Mr. President, I rise to urge approval of the conference report on H.R. 442, the Civil Liberties Act. A similar bill, S. 1009, which I had introduced with 75 cosponsors, passed the Senate on April 20, 1988. After its passage, the Senate considered the House bill, H.R. 442, amended it by striking all after the enacting language and inserting in lieu thereof language of S. 1009, as amended and passed by the Senate. H.R. 442, as amended, was sent back to the House, which asked for a conference.

The bill, as agreed to by the conferees, would implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, authorizing an apology on behalf of the Nation to American citizens and permanent resident aliens of Japanese ancestry who were relocated and interned by the United States Government during World War II. It further authorizes the payment of token compensation to approximately 60,000 surviving former internees, and the establishment of a civil liberties education fund to conduct research and to educate the American public about this and other egregious violations of civil liberties.

The conference committee, composed of members of the House Judiciary Committee and the Senate Governmental Affairs Committee, agreed to accept the Senate amendment which provides token compensation of $12,000 to about 450 surviving wartime evacuees from the Aleutian and Pribilof Islands in Alaska. The Aleutian and Pribilof Islanders, who are Native Americans, were evacuated from their remote island villages because of the threat of enemy attack. Relocated to southeastern Alaska, they were housed under deplorable conditions in abandoned canneries and mines. Because of a lack of adequate food, clothing, and medical care, 10 percent of them died. Upon returning to their homes near the end of the war, they discovered that their homes and public buildings had in many cases been destroyed by the American forces which occupied the islands, and that unexploded ordnance and other wartime debris had been left behind. The Senate-passed bill and the conference report also provide for clearance of such debris and, where appropriate, for the repair and reconstruction of community property.

The House conferees also accepted a Senate amendment offered during floor consideration of S. 1009 by the senior Senator from North Carolina [Mr. HELMS] which provides that nothing in the act shall be construed as recognition of any claim of Mexico, any other country, or any Indian tribe—except Aleuts—to any territory or other property of the United States, nor as providing any basis for compensation in connection with any such claim.

The House did not formally accept the findings of the Commission on Wartime Relocation and Internment of Civilians as the Senate did, but the House-passed bill contained a "Statement of the Congress" recognizing the grave injustice committed against American citizens and permanent resident aliens of Japanese ancestry and extending an apology on behalf of the Nation. The Senate conferees receded and accepted the House-passed language with amendments which added a statement relative to Aleutian and Pribilof Islanders and which emphasized the fact that no documented acts of sabotage or espionage by Americans or permanent resident aliens of Japanese ancestry were found by the Commission.

The conferees adopted a House-passed provision which would spread over a 10-year period the payments to Americans of Japanese ancestry who were interned, dropping a 5-year payment plan contained in the Senate-passed bill. I might add, Mr. President, that during the early stages of the conference on H.R. 442, the White House also expressed its support for a 10-year payment period.

Both House- and Senate-passed bills contained language which would extinguish any further claims against the United States Government stemming from the relocation and internment of Japanese-Americans. The conferees adopted the House language which specifically prohibits a former internee from accepting both court-awarded damages and the $20,000 settlement authorized by H.R. 442. A former internee would have up to 18 months to decide whether or not to accept the payment, after being notified by the Federal Government that funds were available to pay his or her $20,000 settlement.

The disagreement between the House and Senate which proved most difficult to resolve concerned a difference in the definition of individuals who would be eligible for the $20,000 payments. The House bill language provided that any former internee living on the date of enactment of the bill was an "eligible individual", and interpreted this provision to mean that if an eligible beneficiary died before funds became available to make the compensatory payments, his or her estate could receive the payment. By contrast, the Senate-passed bill defined "eligible individual" as one who was living on the date of payment. The difference is significant because many former internees are now elderly, because they have been waiting many years for this official, tangible recognition of the injustice which was done to them, and because the conferees had agreed to spread the payments out over a 10-year period, rather than the shorter period, of 5 years as proposed by the Senate. The conferees spent a considerable amount of time attempting to resolve this difference. Eventually, they agreed on what I believe is a very workable compromise. The Senate conferees agreed to accept the House language with an amendment which provides that in the event of the death of an eligible beneficiary after enactment of the bill but before payment is made, the individual's surviving spouse, children, or parents would be eligible to receive the $20,000 compensatory payment.

Finally, Mr. President, the Senate accepted the House authorization of $1.25 billion—instead of the Senate's $1.3 billion—for the portions of the bill relating to Japanese-Americans who were interned during World War II.

It is most gratifying to me personally to see this long battle for personal justice come to an end at last. The many questions which Americans of Japanese ancestry had about the wartime relocation and internment have been largely answered as a result of the study conducted by the distinguished nine-member Commission on Wartime Relocation and Internment and the subsequent series of congressional hearings on redress bills introduced in the 98th, 99th, and 100th Congresses. I personally believe that the process has been an educational one, and that all Americans, can take great pride in the fact that this long overdue legislation will have set right a most grievous wrong and removed a longstanding blot on our great Constitution, as we commemorate its 200th anniversary. The compromise reached by the conferees is a good one and deserves the full support of the Senate. I hope that it will be speedily passed by the Senate and House and signed into law by the President.

I wish to thank my fellow conferees for their dedication to this task, the distinguished chairman of the Governmental Affairs Committee [Mr. Glenn], the ranking member of that committee [Mr. Roth], the chairman of the Subcommittee on Federal Services, Post Office and Civil Service [Mr. Pryor], and the ranking member of the subcommittee [Mr. Stevens] who has been a principal cosponsor and staunch supporter of the legislation from the very beginning. I also thank the majority and minority leaders for their support in arranging timely consideration of my bill, S. 1009, the House bill, H.R. 442, and this conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. DOLE. I move to lay that motion on the table.

TAFT INSTITUTE AUTHORIZATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 724.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4585) to extend the authorization of appropriations for the Taft Institute through fiscal year 1991.

The Senate proceeded to consider the bill.

AMENDMENT NO. 2721

(Purpose: To provide for a State constitutional bicentennial education program and to provide certain library and education resource authorizations, and for other purposes)

Mr. BYRD. Mr. President, on behalf of Mr. Pell, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd], for Mr. Pell (for himself, and Mr. Thurmond, Ms. Mikulski, and Mr. Cochran), proposes an amendment numbered 2721.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, between lines 2 and 3, insert the following:

TITLE I—THE TAFT INSTITUTE

PROGRAM REAUTHORIZATION

On page 1, line 3, strike out "That section" and insert in lieu thereof "Sec. 101. Section".

At the end of the bill, add the following new titles:

TITLE II—CONSTITUTIONAL BICENTENNIAL EDUCATION PROGRAM

TEACHER TRAINING AMENDMENT

Sec. 201. Section 501(c)(1) of the Arts, Humanities, and Museums Amendments of 1985 is amended—

(1) by striking out "$5,000,000 for each of the fiscal years 1987 and 1988," and inserting in lieu thereof "$8,000,000 for each of the fiscal years"; and

(2) by inserting before the period at the end thereof a comma and the following: "of which at least $3,000,000 in each fiscal year shall be reserved for elementary and secondary teacher training and retraining programs in history, geography, and other related disciplines in social sciences and humanities designed to enhance understanding of the Constitution."

TITLE III—LIBRARY AND EDUCATION RESOURCE AUTHORIZATIONS

WASHINGTON LIBRARY CONSORTIUM

Sec. 301. (a) General Authority.—The Secretary of Education is authorized to provide financial assistance, in accordance with the provisions of this section, to the Washington Library Consortium for the purpose of constructing and equipping a facility in Prince George's County, Maryland, that would link by computer eight university libraries (located at American University, Georgetown University, George Washington University, Catholic University, George Mason University, Gallaudet University, Marymount University, and the University of the District of Columbia) and provide central storage for the rare books of the participating institutions of higher education.

(b) Application.—No financial assistance may be made under this section unless an application is submitted to the Secretary of Education at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(c) Authorization of Appropriations.—There are authorized to be appropriated $7,500,000 to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

VERMONT HIGHER EDUCATION COUNCIL

Sec. 302. (a) General Authority.—The Secretary of Education is authorized to provide financial assistance, in accordance with the provisions of this section, to the Vermont Higher Education Council located in Hyde Park, Vermont, for development activities for faculty at institutions of higher education which are members of the Vermont Higher Education Council designed to address and overcome professional isolation experienced by such faculty members.

(b) Application Required.—No financial assistance may be made under this section unless an application is submitted to the Secretary of Education at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(c) Authorization of Appropriations.—There are authorized to be appropriated $1,000,000 to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

HEALTH AND HUMAN RESOURCES CENTER AUTHORIZED

Sec. 303. (a) General Authority.—The Secretary of Education is authorized, in accordance with the provisions of this section, to provide financial assistance to Voorhees College, located in Denmark, South Carolina, to pay the cost of construction and related costs for a Health and Human Resources Center at Voorhees College.

(b) Application Required.—No financial assistance may be made under this section unless an application is made at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require.

(c) Authorization of Appropriations.—There are authorized to be appropriated such sums, not to exceed $4,500,000, as may be necessary to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

UNIVERSITY OF MISSISSIPPI LAW LIBRARY

Sec. 304. (a) General Authority.—The Secretary of Education is authorized to provide financial assistance, in accordance with the provisions of this section, to the University of Mississippi Law School for the renovation and completion of the library facilities of the University of Mississippi Law School at Oxford, Mississippi.

(b) Application Required.—No financial assistance may be made under this section unless an application is submitted to the Archivist at such time, in such manner, and containing or accompanied by such information as the Archivist may reasonably require.

(c) Authorization of Appropriations.—There are authorized to be appropriated

$2,200,000 to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

TITLE IV—STUDENT LOAN DEFAULT TAX OFFSET PROGRAM

SENSE OF THE SENATE

SEC. 401. (a) FINDINGS.—The Senate finds that—

(1) the Internal Revenue Service program to offset tax refunds against amounts owed by individuals who owe the Federal Government money has been remarkably effective;

(2) $400,000,000 is anticipated to be raised by the offset program this year;

(3) the most effective offset program, returning $213,000,000 in 1987, has been for defaulted student loans;

(4) the publicity from the offset program has resulted in $30,000,000 being paid by student loan defaulters;

(5) the Department of Education, which incurred default costs of $1,600,000,000 in 1988 and is projected to incur costs of $2,000,000,000 in 1990, expects that the Internal Revenue Service tax offset program will continue to be an effective means of recovering defaulted student loans;

(6) the authority for the Internal Revenue Service tax offset program expires on July 1, 1988, and Federal departments such as the Department of Education will be unable to prepare files to be sent to the IRS at the end of the year; and

(7) each Federal department which cannot prepare files before the summer will lose a year of offsets.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Internal Revenue Service tax offset program should be reauthorized as soon as possible so that the Federal Government can continue to collect the anticipated recovery of $400,000,000 resulting from offsets in 1988, and further, that the tax offset program be permanently authorized.

Mr. PELL. Mr. President, on behalf of Senators THURMOND, MIKULSKI, COCHRAN, and myself I am offering an amendment which would do the following: First, increase the authorization of the Constitutional Bicentennial Education Program by $3 million for enhanced teacher training; second, authorize $7.5 million for a grant to the Washington Library Consortium; third, add an authorization of $1 million for a grant to the Vermont Higher Education Council; fourth, add a provision that authorizes a $4.5 million grant to Vorhees College in Denmark, SC, to pay the costs for a health and human resources center at the college; and fifth, authorize $2.2 million for the University of Mississippi Law School.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2721) was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TEXTILE AND APPAREL TRADE ACT OF 1988

Mr. BYRD. Mr. President, on behalf of Mr. HOLLINGS, I send a bill to the desk and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2662) to remedy injury to the United States textile and apparel industries caused by increased imports.

Mr. HOLLINGS. Mr. President, today I am introducing an amended textile bill. This bill contains three modifications from S. 549, the textile bill that is now on the Senate Calendar and that has been cosponsored by 49 other Senators.

These modifications are:

First, a change, recommended by Senator DASCHLE, and otherwise known as the Daschle amendment. This amendment requires the administration to give preference to countries which increase their commercial purchases of U.S. agricultural products when allocating textile, apparel, and footwear quotas under the bill. The Daschle amendment also changes the year on which the quotas are based from 1986 to 1987 now that we have import figures for the full year for 1987.

Second, a category for neckties is added to the bill at the request of Senator JOHNSTON. Neckties were included in the textile bill that passed this Chamber in the last Congress and since then, conditions in this segment of the industry have worsened considerably.

Last, because there is an estimated shortfall in tariff revenues due to import controls, a pilot program to auction import licenses on 20 percent of textiles and apparel is added for calendar year 1989 only. It is left to the Secretary of the Treasury, in consultation with the Secretary of Commerce, to decide which categories will be covered by the pilot program. This program was included in the bill so that any projected revenue shortfall would be paid for by the program itself. If the program is successful and the administration wishes to continue to expand it after 1989, existing discretionary authority under the 1979 Trade Act can be used to do so.

I am introducing this bill today with these three salutary changes in order to give my colleagues a chance to examine these changes before the bill is considered by the full Senate.

While the basic thrust of the bill remains unchanged—a 1-percent increase in imports per year from all sources—I believe these changes are excellent improvements to the original bill. I am using the rule 14 procedure because this new bill closely resembles the basic bill reported by the Senate Finance Committee in July 1987 and now on the calendar.

Import penetration of the U.S. textile and apparel market has doubled since 1980, and foreign producers now claim 55 percent of the U.S. apparel market. Nearly $17 billion in capital investments since 1980 have enabled U.S. textile and apparel producers to hold their own in terms of style, quality, and proximity of market. But if present import trends continue, it will no longer make sense to invest and try to remain competitive. The greatest employer of women and minorities will be gone from America. The crisis in the U.S. footwear industry is even more devastating: Import penetration is now 82 percent of the U.S. market; since 1980, 70,000 footwear jobs have been lost with the closing of 400 plants.

It is in this urgent context that I am again submitting the textile-apparel-footwear trade bill, hoping to gain additional support with these modifications to the previous bill.

I urge my colleagues to support a strong American textile and footwear industry. Please join in voting for the Textile and Apparel Trade Act when it comes before the Senate.

Mr. BYRD. Mr. President, I ask for second reading.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill will remain at the desk.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I have discussed this request with the able Republican leader. In the morning at 10 o'clock, the Senate will resume consideration of the unfinished business, the endangered species bill. There are only three amendments in order to that bill. Upon the disposition of that bill, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 836, S. 2631, a bill to provide drought assistance to agricultural producers.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, upon the disposition of the drought assistance bill, the Senate then will proceed to the consideration of the agriculture appropriation bill. So it would mean then that tomorrow the Senate will be voting on endangered species, drought assistance, and if we finish that bill we go on to the agriculture appropriation bill. What we do not finish tomorrow we will be on on Friday.

Mr. President, does the distinguished Republican leader have any comment he wishes to make in this regard?

Mr. DOLE. No, except to compliment both managers of the bill and also the majority leader. That is No. 11. That is the lucky number.

Mr. BYRD. Yes.

Mr. DOLE. Only two to go.

Mr. BYRD. That is right.

Mr. DOLE. There is no doubt in my mind that maybe not by August 1 but shortly thereafter would be my guess all of the appropriations bills will have been passed due to the hard work of managers on both sides of the aisle and due to the efforts of the distinguished majority leader for pushing us every day.

Mr. BYRD. And due to the efforts of the distinguished Republican leader, without whose support and cooperation it could not have been done.

Mr. President, let me just take a moment to say that we all will miss the work of Mr. CHILES. This is his last time to manage this appropriation bill. He has unstintingly dedicated himself to his work. He has been a man of great courage and his leadership will be missed greatly.

I also wish to compliment the distinguished minority ranking member, Mr. WEICKER. He is not only a big man but, more importantly, he has a big heart. Over the years, he has demonstrated his sympathy and concern for the underprivileged, those who are disadvantaged, those who are handicapped, the blind, the halt, the lame. He has committed himself to serving them, and it is with great admiration that I compliment him on his work. I thank him for the good work he did on this particular bill and that he unfailingly does on the other bills that he manages on the floor.

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. I thank the Senator. I want to underscore the remarks about both Senators. Senator CHILES does a remarkable job and has all the time I have known him in the Senate. He will be missed in this body by Members on both sides of the aisle for his patience and determination and even temper.

I also thank the majority leader for his recognition of the outstanding work that Senator WEICKER has done over the years. When it comes to the handicapped and the down and out and left out, Senator WEICKER has stood tall in many ways.

He has an excellent record. I thank the majority leader for his remarks.

Mr. BYRD. I thank my friend.

ORDERS FOR THURSDAY

ADJOURNMENT UNTIL 9:30 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:30 tomorrow morning.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that, after the two leaders have been recognized under the standing order, there be a period for morning business to extend until the hour of 10 o'clock a.m., and that Senators may speak therein for not to exceed 5 minutes each.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

MOTIONS AND RESOLUTIONS OVER, UNDER THE RULE

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, no motions or resolutions over under the rule come over.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

WAIVE CALL OF THE CALENDAR

Mr. BYRD. I ask unanimous consent that the call of the calendar be waived on tomorrow.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ADJOURNMENT TO 9:30 A.M. TOMORROW

The **PRESIDING OFFICER.** Under the previous order, the Senate will stand in adjournment until 9:30 tomorrow morning.

Thereupon, at 10:23 p.m., the Senate adjourned until Thursday, July 28, 1988, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 27, 1988:

DEPARTMENT OF JUSTICE

THOMAS M. BOYD, OF VIRGINIA, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE JOHN R. BOLTON, REASSIGNED.

DOUGLAS W. KMIEC, OF INDIANA, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE CHARLES J. COOPER.

NOREEN T. SKAGEN, OF WASHINGTON, TO BE U.S. MARSHAL FOR THE WESTERN DISTRICT OF WASHINGTON FOR THE TERM OF 4 YEARS, VICE EUGENE M. CORR, TERM EXPIRED.

EXECUTIVE OFFICE OF THE PRESIDENT

MARJORIE B. KAMPELMAN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE ADVISORY BOARD FOR RADIO BROADCASTING TO CUBA FOR A TERM EXPIRING DECEMBER 20, 1991 (REAPPOINTMENT).

UNITED NATIONS

THE FOLLOWING-NAMED PERSONS TO BE A REPRESENTATIVE AND ALTERNATE REPRESENTATIVES OF THE UNITED STATES OF AMERICA TO THE 43D SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS:

REPRESENTATIVE:
PEARL BAILEY, OF ARIZONA.
ALTERNATE REPRESENTATIVES:
NOEL GROSS, OF NEW JERSEY.
LESTER B. KORN, OF CALIFORNIA.
HUGH MONTGOMERY, OF VIRGINIA.

BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION

SAM E. KEITH, JR., OF TEXAS, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION FOR A TERM OF 4 YEARS (NEW POSITION).

JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION

DELBA WINTHROP, OF MASSACHUSETTS, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION FOR A TERM OF 4 YEARS (NEW POSITION).

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

THE FOLLOWING-NAMED PERSONS TO BE MEMBERS OF THE NATIONAL COUNCIL ON THE ARTS FOR TERMS EXPIRING SEPTEMBER 3, 1994:

PHYLLIS CURTIN, OF MASSACHUSETTS, VICE SAMUEL LIPMAN, TERM EXPIRING.

MEL HARRIS, OF CALIFORNIA, VICE GEORGE L. SCHAEFER, TERM EXPIRING.

WENDY W. LUERS, OF NEW YORK, VICE ROBERT STACK, TERM EXPIRING.

KEVIN ROCHE, OF CONNECTICUT, VICE WILLIAM LAURENS VAN ALEN, TERM EXPIRING.

JOCELYN LEVI STRAUS, OF TEXAS, VICE CELESTE HOLM, TERM EXPIRING.

VETERANS' ADMINISTRATION

RENALD P. MORANI, OF VIRGINIA, TO BE INSPECTOR GENERAL, VETERANS' ADMINISTRATION, VICE FRANK SABURO SATO, RESIGNED.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370.

To be admiral

ADM. RONALD J. HAYS, xxx-xx-xxxx/1310, U.S. NAVY.

HOUSE OF REPRESENTATIVES—*Wednesday, July 27, 1988*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As light has guided people through all the years, so may Your light, O God, transcend the darkness of our time and allow us to find our way to the fullness of life. We recognize that the light of truth comes from every side and from people of every style and background. Help us not to dim that light by limitations we place on Your spirit or by our stubbornness and lack of vision. Keep our eyes open to that light that brightens our hearts and allows us to see the potential of every person. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 475. Joint Resolution to designate October 1988 as "Polish American Heritage Month."

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4174. An act to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4174) "An act to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BUMPERS, Mr. NUNN, Mr. SASSER, Mr. WEICKER, and Mr. BOSCHWITZ to be conferees on the part of the Senate.

EXTRAORDINARY REVELATIONS ABOUT ATTORNEY GENERAL MEESE

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, I have never before used this or any other forum to criticize Attorney General Ed Meese; today however, I feel compelled to do so because of the extraordinary, truly incredible revelations of the Justice Department's former second ranking official, Arnold Burns, Mr. Meese's continuing denial that he has done nothing wrong and his personal attacks on his former staff.

Mr. Burns described the Justice Department under Meese as a "World of Alice in Wonderland."

According to Mr. Burns, the Justice Department was "a world of illusion * * * a world in which up was down and down was up, in was out and out was in, happy was sad and sad was happy, rain was sunshine and sunshine was rain, hot was cold and cold was hot."

He said further that there was no doubt that Attorney General Meese's activities on behalf of E. Bob Wallach for the Wedtech Corp., were of such severity that had Mr. Meese been an ordinary public servant, anything but the Attorney General, his case would have been approved for prosecution.

Attorney General Meese's continuing denial of any wrongdoing suggest that the Attorney General is still stuck in wonderland. Wake up Mr. Meese, the tea party is over. Clearly, as Mr. Burns indicated in his testimony yesterday, you were in the wrong job. You were never qualified for the highest law enforcement position in the land, except possibly in a land where up was down and down was up, a land that one can reach, only by passing through the looking glass.

"WHERE WAS MIKE?"—FURLOUGHS AND CRIME

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, the Democratic nominee for President, Mr. Dukakis, says he is tough on crime. My question is, Where was Mike when Willie Horton—who was serving a sentence of life without the possibility of parole for first degree murder—failed to return from his weekend furlough? Where was Mike when Horton terrorized a Maryland couple, brutally stabbing the man and raping the woman? Just where was Mike when that couple traveled all the way to Massachusetts to ask him to stop furloughing first degree murderers for weekend vacations from their incarceration? Why did Mike refuse to meet with that couple?

According to the Boston Herald, Mr. Dukakis said, "I don't see any particular value in meeting with people. I'm satisfied we have the kind of furlough policy we should have."

Thank God for Maryland Judge Vincent Femia, who said of Massachusetts and Horton:

> With all due respect to the citizens of our sister State, the Commonwealth of Massachusetts * * * I'm not prepared to take the chance that Mr. Horton might again be furloughed or otherwise released. * * * He (Mr. Horton) now belongs to the State of Maryland.

I must admit, after a great deal of public pressure and the threat of a referendum on this year's ballot, Mike finally relented in his stubborn opposition to banning furloughs for first degree murders. Unfortunately for the citizens of Massachusetts and the rest of the Nation, Mr. Dukakis continues to allow furloughs for rapists, drug offenders, and other heinous offenders. Under the Governor, furloughs for drug offenders have doubled and furloughs for rapists have gone up 40 percent. Is this Mike's idea of making tough decisions?

In conclusion, Mr. Speaker, I think we can all see where Mike was and is on these issues. Governor Dukakis obviously cares more about the rights of criminals than the rights of victims. If Dukakis makes it to the White House, look out America, stock up on mace, double bolt lock your door and buy a gun before he takes away that right too.

WELFARE KINGS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in 1981 Ronald Reagan declared war on welfare queens. He said they drove Cadillacs to pick up their food stamps and then they bought vodka with them. Some are in jail today; but the fact is that since then Ronald Reagan has created the welfare king. They have ripped off the Pentagon for billions of dollars. In fact, they drive Rolls-Royces to the country club and then they phone their Swiss bank accounts, and it is still business as usual at the Pentagon, let us tell it as it is.

The Navy recently let a multimillion-dollar bid for 500 shelters. The

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

bid, of course, was sent only to the Navy's friends. They did not even send a bid notice to McDonald Welding in my district, even though McDonald Welding bid $2 million lower—$2 million lower than the last time the Navy awarded a contract to somebody else.

I say it is time that these fat cats not "pass go," they go to jail.

I asked for an investigation down here and all I got was excuses, and that is the problem in America today. It is not what you know, it is who you know and who you are in with. Unfortunately, most Americans are on the outside looking in.

NOT ANOTHER DAY SHOULD PASS—MEESE MUST LEAVE NOW

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, the whole world knows now. Attorney General Meese's own former assistant said yesterday he would have sought to prosecute the Attorney General for a litany of actions during his tenure.

My question today is, "Does the President know yet?"

When Mr. Meese announced his resignation, he was to leave on August the 1st. This week he is talking about a couple more weeks. He has done enough damage to the credibility of the Department of Justice.

Yesterday Mr. Arnold Burns and Mr. Bill Weld told the Senate that several months ago they related to both the President and the Vice President in the Oval Office that Mr. Meese's conduct did not merit retention in the Justice Department.

The President should let Mr. Meese know that he wants him out of the door by the end of this week. Failure to do so will continue to taint the ethics sincerity of President Reagan and Vice President BUSH.

"WHERE WAS MIKE?"—THE PLEDGE OF ALLEGIANCE

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, while watching the patriotic display of the Democratic National Convention last week, I got a few goose pimples. The media declared that the Democrats had learned to run conventions like Republicans. They discovered the American flag. I applaud my Democratic colleagues for this discovery, certainly there is never too much patriotism.

Mr. Dukakis brought the convention to their feet upon the conclusion of his acceptance speech by reciting the pledge of the ancient people of Greece. And what an eloquent pledge it is: "We will never bring disgrace to this, our country, by any act of dishonesty or of cowardice." And so forth, and so forth.

However, in the middle of my goose pimples I remembered that Mr. Dukakis had vetoed a bill which required teachers to lead students in a daily recitation of the Pledge of Allegiance. Mike maintained that the first amendment rights of teachers would be violated.

Mr. Speaker, I am not questioning the patriotism of Governor Dukakis. I do, however, wonder about his reasoning. How could anyone believe, let alone admit they believe, that requiring the recitation of the Pledge of Allegiance is unconstitutional. Mr. Dukakis, I commend the U.S. Constitution to you—it is wonderful reading.

Mr. Speaker, I am happy to report that the Massachusetts legislature had the good sense to override Mike's veto. And it has not been declared unconstitutional yet.

In conclusion, Mr. Speaker, just think how much more appropriate it would have been if Mr. Dukakis had recited the U.S. pledge to his fellow conventioneers and America rather than the pledge of ancient Greece.

ZERO TOLERANCE IS MAXIMUM TOLERANCE FOR MR. MEESE

(Mr. MATSUI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MATSUI. Mr. Speaker, at the Department of Justice, Edwin Meese has been the proponent of a policy called zero tolerance.

That's zero tolerance toward civil rights; zero tolerance toward antitrust enforcement; and zero tolerance toward individuals rights in countless cases before the Supreme Court.

For Mr. Meese, there was one arena where zero tolerance became maximum tolerance: the area of ethical impropriety. Here, the Attorney General tried to convert his ethical blindspot into a moral virtue.

According to two former colleagues, Mr. Meese committed repeated acts which could have resulted in felony indictments. The special counsel agreed, and it was simply prosecutorial discretion which kept the Attorney General out of handcuffs, out of court and, possibly, out of jail.

In contrast to the Reagan-Bush administration, Mike Dukakis has made his zero tolerance policy crystal clear: if you violate the law, you'll be prosecuted and if you violate the public trust you'll be fired. That's the right standard, but it is one Mr. Meese repeatedly failed to meet.

WHERE WAS MIKE?

(Mr. SLAUGHTER of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLAUGHTER of Virginia. Mr. Speaker, the Democrats in Atlanta did a masterful job of concealing their solution to the budget deficit—which is, raising taxes.

If my colleagues want to know Mr. Dukakis' position on taxes, I simply direct you to his record as Governor of Massachusetts.

Mr. Speaker, despite Governor Dukakis' campaign pledge not to raise taxes, in his 13 years as Governor of Massachusetts, he never opposed a tax hike, and he opposed virtually every major initiative of the State legislature or the people to cut taxes.

By the time Governor Dukakis was finished financing his new spending proposals on the backs of the people of Massachusetts, property taxes were 81 percent above the national average, income taxes were 65 percent above the national average, and the total tax burden was the fifth highest in the Nation.

In 1980, Governor Dukakis vigorously fought the citizen-sponsored proposition 2½ referendum. However, proposition was adopted despite his opposition and the taxpayers of Massachusetts were returned $484 million in taxes.

Mr. Speaker, the American people do not want higher taxes. Walter Mondale lost in 1984 because he threatened to raise taxes. The American people would not stand for this in 1984, and they will not stand for it in 1988.

CHILD CARE—A PRESSING ISSUE

(Mr. BUSTAMANTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUSTAMANTE. Mr. Speaker I rise today to speak about a pressing issue which affects a majority of the American people—high quality, affordable child care.

At the turn of this decade, $200 million of funding under title XX of the Social Security Act was earmarked for child care. This administration eliminated earmarking and cut title XX funding by 20 percent during its first year in office.

Now, 3 months before the Presidential election, Vice President BUSH had just realized the need for some type of federally assisted child care program. He has offered what he believes is an adequate child care proposal.

But I ask, "Does this plan provide assistance to hard working, middle-class Americans?"

What tangible benefit is this tax credit going to provide a family living below the poverty line? We know this administration's record on child care, and it isn't something to boast about.

By contrast, Governor Dukakis has made substantial strides with child care in the State of Massachusetts. In 1985, he established the Governor's Day Care Partnership to increase and improve the quality of affordable day care. Today Massachusetts has 46 new day care centers for the children of State employees.

When Governor Dukakis talks about child care, we know he is sending a sincere message to the American people. His record as Governor of Massachusetts shows a proven commitment to high quality, affordable child care.

□ 1015

SDI AND THE DEFENSE BILL

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, the chairman of the House Armed Services Committee says that his party has taken the star out of star wars when he cut $800 million out of the strategic defense initiative, or SDI, during the House-Senate conference on the Defense authorization bill. That may be so, but what has he left instead? This country is totally vulnerable to a ballistic missile attack from the Soviet Union or anyone else. The liberal Democrats seem to like it that way.

Gov. Mike Dukakis applauds what the Democrats did in the bill, and has said what he wants is "star schools" instead of star wars. Well, as a columnist wrote in a liberal Massachusetts newspaper, if Mike Dukakis gets his way as President, we will be the "best educated nuclear cinders in history."

Mr. Speaker, what the Democrats did to SDI in the Defense bill is a national tragedy, and is a repudiation of President Reagan's vision for America. I have never endorsed giving the Pentagon a blank check, but funding for essential programs such as SDI cannot be compromised. The funding in this bill marks the first decline in SDI's budget. Even in the face of a massive Soviet research and development program on strategic defenses—to the tune of $10 billion per year—the Democrats in Congress will limit our options and forbid our scientists and technology to explore the realm of nuclear security through ballistic missile defenses.

I hope the President will veto this bill. It completely rearranges his priorities, and leads us down the road to a more insecure and perhaps dangerous future.

"WHERE WAS MIKE?" THE MASSACHUSETTS BUDGET CRISIS

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, the Democratic Presidential nominee likes to talk about tough choices and making hard decisions. And yet, I ask, when Massachusetts was experiencing a budget crisis—where was Mike? Oh, that's right, he was in Atlanta talking about making tough choices while his budget was in shambles in Boston.

Governor Dukakis loves to say that he has had a balanced budget every year of his tenure. He also enjoys pointing out that Ronald Reagan has never submitted a balanced budget. What he fails to mention, is that Massachusetts State law requires the Governor to submit a balanced budget. Mr. Speaker, I wonder why he opposes a constitutional amendment to require the U.S. Congress to balance the Federal budget?

While Mr. Dukakis left Boston claiming the State budget was balanced, any objective analysis would reveal that the budget is very much unbalanced. Mike balanced his budget by new borrowings, delaying payments into fiscal year 1989, counting fiscal year 1989 receipts toward the fiscal year 1988 budget and various other "blue smoke and mirror" tactics. Sounds like Mike would fit appropriately into the Washington scene.

Mr. Speaker, since 1983, Dukakis has increased the State budget by 74 percent. That represents the largest rate of increase in State spending in history and even doubles the growth of Federal spending which the Democratic-controlled Congress managed to implement.

The people of Massachusetts aren't fooled by this budgetary acrobatics. James Howell, the chief economist of the Bank of Boston has said, "We could be seeing a budget hemorrhage." When questioned by the Boston Herald whether the fiscal year 1989 budget was really balanced, Lt. Gov. Evelyn Murphy said, "I think we will know better at the end of the first quarter."

In conclusion, Mr. Speaker, if Governor Dukakis's record on spending and his recent budget highjinks are examples of tough choices and hard decisions, then the U.S. taxpayer better be ready for a huge deficit and increased taxes, if Governor Dukakis becomes President Dukakis.

"WHERE WAS MIKE?"—THE PLATFORM

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, the American public observed a great spectacle last week in Atlanta. That spectacle was the Democratic National Convention straining to obscure their true intentions for America. If Ronald Reagan's landslide reelection of 1984 didn't prove that America has rejected liberalism, than the Democrats of Atlanta certainly did.

Mr. Speaker, please pay close attention. I didn't say that the Atlanta Democrats aren't liberal. Even the news media was happy to reveal just how liberal the delegates to the convention were. By huge percentages, the Atlanta Democrats favored drastic cuts in the defense budget, massive increases in social spending, and a repeal of some of the President's tax cuts—just like the San Francisco Democrats.

The difference between the Atlanta Democrats of 1988 and the San Francisco Democrats of 1984 is that this year's version are better at not telling the truth. After all, how could the delegates support the liberal agenda and yet not explicitly include it in the platform. How could the delegates overwhelmingly support tax increases and yet defeat Jesse Jackson's tax increase on the rich.

That leads me to this question: Where was Mike when they wrote the platform. My colleagues, don't be fooled. We all know that Mr. Dukakis is liberal Democratic of the first order. We all know that Mike furloughs 1st degree murderers and rapists. You and I know that he is a tax and spend Governor of the Jimmy Carter tradition. We know that Mike's defense and foreign policy views will cripple our military and make America the laughingstock of the world again.

Where was Mike? He was there when the platform was written. Mr. Speaker, the Governor knows that he cannot speak from the heart because he'll suffer the same fate of Walter Mondale. Thus, Dukakis and the Atlanta Democrats speak from the head. Talk like a conservative and you'll win. Thus, all that is left for Mr. Dukakis and my colleagues on the other side of the isle, is to be true to your intellect and your words—join the Republican Party.

AMERICANS SUPPORT DEATH PENALTY FOR DRUG DEALERS WHO KILL

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, Members of the House of Representatives three times have voted in favor of giving a jury the choice of imposing the death penalty for a drug dealer who would kill in the furtherance of the criminal enterprise which has poisoned our youth, three times, and now in this session, the Senate of the United States has followed suit. There seems to be an editorial outcry from the Washington Post and elsewhere that the death penalty cannot do any good to reach the kingpin who happens to reside in another country.

Mr. Speaker, we are not devising and trying to implement this law-enforcement measure for the benefit or to protect us against the kingpin from Bolivia but, rather, to put the ultimate penalty on those who would kill in the furtherance of a criminal enterprise wherever they may be found, wherever they may be brought to justice. When the time comes for this House again to confront that issue, I ask the Members whether or not the American people are in favor of capital punishment for those who would kill in the furtherance of a drug deal and to poison our youngsters. The answer is a resounding "Yes."

DROUGHT-RELIEF PACKAGE

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, the Committee on Agriculture yesterday completed work on a drought-relief package. The committee has worked closely with the administration in the development of this plan, and it was approved by a strong bipartisan vote. This measure will soon come to the House for consideration.

Mr. Speaker, this measure provides relief in three important ways. It, first of all, provides disaster payments to producers based on actual crop loss. In this way, the assistance will be targeted to individual farms, and in that manner we should assure that the money will not go to those who have not experienced crop loss. We also provide expanded feed assistance for livestock, hog and dairy producers who are affected by this drought severely. And we provide some additional benefit to dairy producers by raising the price level over the next several months to offset some of the higher feed costs. That then would be sunset in July, and existing law, which gives the Secretary authority to lower price supports during times of surplus, would be restored.

All of this, we think, sends a signal to our agricultural producers across America that we are going to provide some income protection so that they can get through the drought crisis this year and stay on their farms.

ARIZONA-FLORIDA LAND EXCHANGE ACT OF 1988

The SPEAKER pro tempore (Mr. BRUCE). Pursuant to House Resolution 493 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4519.

□ 1025

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4519) to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes, with Mr. DURBIN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Arizona [Mr. UDALL] will be recognized for 22½ minutes; the gentleman from Arizona [Mr. RHODES] will be recognized for 22½ minutes; the gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 7½ minutes; the gentleman from Arizona [Mr. STUMP] will be recognized for 7½ minutes; the gentleman from Michigan [Mr. KILDEE] will be recognized for 7½ minutes; the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 7½ minutes; the gentleman from North Carolina [Mr. JONES] will be recognized for 7½ minutes; and the gentleman from Alaska [Mr. YOUNG] will be recognized for 7½ minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I am pleased to present to the House today H.R. 4519, the Arizona-Florida Land Exchange Act of 1988.

H.R. 4519 would effect a major land exchange to acquire valuable conservation lands for addition to the Big Cypress National Preserve, the Florida Panther National Wildlife Refuge, and the Ten Thousand Islands National Wildlife Refuge, all in south Florida. Many of these lands were incorporated into these units by legislation passed by the Congress earlier this year and signed into law by President Reagan.

To accomplish this exchange, the United States is agreeing to close the Phoenix Indian School and transfer to private interests most of the more than 100 acres on which the school sits in north central Phoenix.

Major interstate land exchanges are rare, Mr. Chairman, and I think this proposal helps to demonstrate why. The negotiations to achieve this legislation and the accompanying exchange agreement have been unusually long, difficult, and complex. Members of the Arizona congressional delegation have themselves been intimately involved in these negotiations for more than a year, and the Department of the Interior and the Collier family, which owns the Florida lands, have been working at this proposal even longer.

Our work has involved hundreds of millions of dollars of property, the future of many Indian children, and numerous matters of vital interest to the developer, the city of Phoenix, the Veterans' Administration, the United States and others. This painstaking effort has produced an exchange proposal that I believe to be fair to all the parties and in the best interests of the United States.

In a nutshell, the United States would acquire from the Collier family about 108,000 acres of land. These lands are valued at about $45.1 million. In addition, the Colliers would pay the United States an additional $34.9 million. In exchange, the Colliers would acquire 68.4 acres of the Phoenix Indian School property.

The cash will be used to finance a trust fund to be used for the educational and child-welfare needs of Arizona Indian tribes. Mr. Chairman, the closure of the Phoenix Indian School is a necessary but very regrettable step. I believe that we have a profound moral obligation to use the proceeds from the sale of this property to address the critical educational and social needs of the Indian peoples affected by the closure.

A major concern has been to assure that the taxpayers receive full value for this highly valuable asset—the Phoenix Indian School is, by some accounts, the most valuable plot of urban in-fill land in the Southwest. To do this, the bill contains a very unusual feature. After submission of a development plan to the Phoenix City Council and before the site is actually transferred to the developer, the United States will put the property on the open market. If the United States receives a qualifying offer higher than the Colliers', they will have an opportunity to match it or the property will be sold to the new and higher bidder. In conjunction with the Education and Labor Committee, we have made changes in this process as reported from the Interior Committee to strengthen it and give competing bidders every opportunity to make a competent proposal.

We therefore have a strong market mechanism to assure that the taxpayers receive full value for this property and that the Indian trust fund is as large as possible.

The city of Phoenix and the Veterans' Administration, which maintains a major medical facility on land adjacent to the school, also have major concerns to be addressed.

The city is guaranteed 20 acres of the site at no cost strictly for use as public open space. Thus, Phoenix is assured the development will make provision for a badly needed park.

Also, the exchange presents an unparalleled opportunity to provide for the expansion of the Veterans' Administration medical center. The veterans population served by this facility in Arizona and throughout the Southwest will be growing exponentially in the next several decades—faster than in any other region of the county. The already cramped VA hospital needs to expand. This legislation makes 11.5 acres available to the VA for that expansion, and an additional 4.5 acres would be available for transfer to the State of Arizona should it elect to participate in the creation of a State veterans' nursing home in the future.

Mr. Chairman, a lot of work has gone into this complex and difficult exchange, but it appears we have won the agreement of all the committees involved and come up with a fair and equitable arrangement. I urge my colleagues to support this bill.

□ 1030

Mr. Chairman, I reserve the balance of my time.

Mr. RHODES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 4519, the Arizona-Florida Land Exchange Act. The bill would accomplish many goals. First, through exchange, it would provide a mechanism for acquiring environmentally sensitive lands near the Florida Everglades to protect the endangered Florida panther and the manatee currently on privately held developable lands. Second, it would authorize closing an Indian boarding school, which has experienced declining enrollment, and would provide a trust fund to assist those current and potential Phoenix Indian School students. Third, it would transfer a parcel of the school lands to the Veterans' Administration for expanding the regional VA Medical Center in Phoenix. Finally, it would transfer a parcel of the school lands to the city of Phoenix for an urban park.

Mr. Chairman, the issue of greatest concern, both to the delegation and to the Interior Committee centered around how best to determine the true value of the Phoenix Indian School property. According to the General Accounting Office, this parcel may be the most valuable piece of urban property in the West. And, without a final development plan and zoning by the city, additional appraisals would only be another guidepost based on assumptions without determining true value. Our dilemma was how to best determine the fair market value.

As we know, only the marketplace can determine fair market value. In H.R. 4519, we have attempted to create a market opportunity. The developer, the Collier family, has entered into an elaborate agreement with the city of Phoenix on a procedure for planning, zoning, and developing the property in an open public process. Near the end of that public process, when the final plan and zoning are in place, the property, under this bill, would then be put on the open market for new bids for a period of 90 days. Should another purchaser make a higher bid, then the Colliers would have the right to match any better offers.

Mr. Chairman, I believe that the 90-day open bid opportunity is the only way we can assure the taxpayers that the ultimate purchaser of the property will pay fair market value, while still meeting the other goals of the bill, both local and the national environmental.

I support the compromise worked out between the various committees of jurisdiction—Interior, Veterans' Affairs, Education and Labor, and Merchant Marine and Fisheries. I would like to commend those committees for the improvements they have made to the bill, particularly the efforts of the chairman and the minority members of the Veterans' Affairs Committee on clarifying the land transfer to the Veterans' Administration for expanding the regional center in Phoenix. As you may know, the Southwest has the fastest growing veteran community in the Nation. Also, I would like to commend the chairman and the minority of the Education and Labor Committee for making sure that none of the current students of the Indian school fall through the cracks. I know that we shared the same concerns and their expertise was welcome.

Mr. Chairman, we have a bill before us today that resolves several issues in Arizona and Florida, and more important issues of national interest; and would provide a real mechanism to reach our goals. Finally, I note that the administration supports this exchange. I urge my colleagues to support H.R. 4519.

Mr. Chairman, I reserve the balance of my time.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, I thank the gentleman from Arizona, chairman of the full committee, for the opportunity to express my opinion on this measure.

Earlier this year the chairman authorized me to tour the area in question at the Big Cypress National Preserve adjacent to the Everglades, and it was a very informative and interesting tour.

I want to say that we can talk about values, and I guess the only opposition that could be had to this measure is we are tallking about valuable land in the downtown area of one city in exchange for much more land that perhaps does not have as much value per acre. But the thing we are concerned with in the Committee on Interior and Insular Affairs, and the thing we must be concerned with nationally is, if we take an acre of ground in the Bronx, and it could be worth $100 million, but when we talk about preserving the environment and preserving the integrity of the nature of America, and then take 100,000 acres in Florida in exchange for that, and we preserve the wildlife and the natural waterflow of that area that is essential to the Everglades. The 107,000 acres of ground north and east of the Everglades is necessary for the water basin that flows in and preserves the Everglades National Park and Forest. The wildlife in that area is in danger. The birds, the panther, the other wildlife is in danger of disappearing unless we do something and do it immediately. We have this opportunity and should take it.

Mr. Chairman, I would like to recite that when the Senate conducted a hearing on this measure the following environmental groups appeared and testified in favor of the land transfer: The National Audubon Society, the National Parks and Conservation Association, the National Wilderness Society, the National Wildlife Federation, the Florida Audubon Society, the Defenders of Wildlife, American Rivers, Florida Chapter of the Wildlife Society, Fund for Animals, Florida Defenders of the Environment, and Tropical Audubon Society.

I would hope that all of the Members would join in seeing the wisdom of conveying this land so that we can continue to preserve the natural heritage of America.

Mr. RHODES. Mr. Chairman, I yield such time as he may consume to my friend and colleague, the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, I rise in support of H.R. 4519, the Arizona-Florida Land Exchange Act.

This measure, which is supported by the entire Arizona delegation, will help resolve the disposition of the Phoenix Indian School property in downtown Phoenix. It represents a carefully crafted compromise designed to meet the needs of Arizona Indians and veterans, residents of the city of Phoenix, and environmentalists in Arizona, Florida, and across the Nation. Throughout our work on this legislation, the Arizona delegation has also kept the interests of the American taxpayer in mind, ensuring that we get the highest value for the land.

The impetus for the legislation is the Interior Department's desire to acquire 108,000 acres of environmentally sensitive land in Florida to add to the Big Cypress National Preserve, the Florida Panther National Wildlife Refuge and the Ten Thousand Islands National Wildlife Refuge. Under the terms of the bill, the present owners of that land, the Collier family, would acquire about 68 acres of the Indian school property in return for a cash payment of $34.5 million and the Florida land. To protect the taxpayers, we've included a provision to allow others to bid on the property, once it has been zoned by the city of Phoenix—only then will its exact value be known, and if the bids are higher than the price established for the Colliers under the bill, the Colliers must match it or the land will be sold to the competing bidder.

This legislation fulfills our commitment to Arizona veterans to secure additional land needed for expansion of the adjacent Veterans' Administration Medical Center and for the construction of a new State veterans' home. The delegation appreciates all of the support that we've received from the chairman of the Veterans' Affairs Committee, Sonny Montgomery, on this important point.

Not all Arizonans support the bill. Some would rather see the entire 110-acre site in Phoenix be converted into a city park at no cost to the city. We understand that, with a value of about $120 million, that would not be fair to the taxpayers and would not be supported.

Others suggest that this will harm the interests of Arizona Indians. That's just not true. The Phoenix Indian School is closing because of declining enrollment. Something must be done. We've crafted the legislation so that any cash derived from the sale of the property is deposited into a trust fund for Indian education. That will amount to $34.5 million.

Mr. Chairman, this is a sound piece of legislation, and I urge my colleagues to support it.

Mr. RHODES. Mr. Chairman, I yield such time as he may consume to our colleague, the gentleman from Florida [Mr. Lewis].

Mr. LEWIS of Florida. Mr. Chairman, I thank the gentleman from Arizona for the opportunity to rise in strong support of H.R. 4519, the Arizona-Florida Land Exchange Act. First, allow me to compliment the two gentlemen from Arizona [Mr. Udall and Mr. Rhodes] for their persistence, diligence, and hard work in bringing this bill to the House floor today.

As many House Members may recognize, H.R. 4519 is a complicated piece of legislation. But what most Members may not fully understand is the tremendous benefits which this important and timely measure provides not only to Arizona and Florida, but to the entire Nation.

On April 29 of this year President Reagan signed into law legislation sponsored by myself and Florida Senator Lawton Chiles. This measure authorized a 146,000-acre addition to the Big Cypress National Preserve in south Florida. The bill before us today H.R. 4519 is the means by which the Federal Government can acquire 83,000 acres for the Big Cypress addition, all without spending one tax dollar.

Now that alone is a good deal, but as the TV ads often say: "wait—there's more."

In addition to greatly reducing the cost of acquisition for the Big Cypress National Preserve addition, H.R. 4519 also provides for the addition of 5,000 acres to the Florida Panther National Wildlife Refuge and the creation of the Ten Thousand Islands National Wildlife Refuge. In all, some 108,000 acres of land will be acquired and protected.

Now that's what I call a pretty good deal.

Clearly, there are other aspects to this important legislation and I am sure that these issues will be discussed thoroughly today by members of the Arizona delegation. But, from a Florida perspective, this bill is wonderful and certainly deserves our full support.

Mr. Chairman, some opponents to this bill would have my colleagues believe and charge that Arizona lands are worth a lot and the Florida lands are not. First, let me say that this addition to the Big Cypress adds more support and more credence to the Florida water supply for south Florida's 5 to 6 million people. On an acre per acre basis, true, the swamp would not be equal. But what opponents are not telling is that the 68 acres in Phoenix are being swapped for 108,000 acres in south Florida and at least $34.5 million in cash. All the lands in question have been subject to competent, professional appraisals. The final value of the Arizona land will ultimately be determined by the open bidding competition after it has been rezoned by the city of Phoenix.

We have a responsibility here in this body, and that responsibility is to protect our national treasures. The Big Cypress in Florida is a national treasure. It also is the water catchment area and provides, as I mentioned, water for south Florida. We must preserve and keep this, and specifically when we look to the problems today with drought conditions throughout this country, we must be even more conscious of the problem.

I urge strong support by my colleagues for H.R. 4519. I think its time has come. Again, the work by the members of the Committee on Interior and Insular Affairs, the chairman and ranking member, and the subcommittee members has certainly been outstanding.

Mr. UDALL. Mr. Chairman, I would inquire as to the order for debate. Is it anticipated that we would use all of our time before the Chair would proceed to other committees? I wanted to save some of our time, if we could?

The CHAIRMAN. Of course the gentleman from Arizona can reserve time until the end of the debate if he chooses to do so.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from Colorado [Mr. Campbell].

☐ 1045

Mr. CAMPBELL Mr. Chairman, many things have developed since I first attended our first hearings on the Phoenix Indian School. In all those deliberations we have heard from virtually everyone. We have heard from the veterans who want a portion of that land for a hospital, we have heard from the city of Phoenix, we have heard from environmentalists who want to protect wildlife in Florida and a number of other interests. The group that we have not heard much from are the Indian students, the people whose lives are going to be affected. I wanted to mention a few things concerning those students.

The Phoenix Indian School property, as you know, was initially acquired for the purposes of educating Indian youngsters. While the days of Indian boarding schools are really numbered, the United States still is obligated to see that quality education is provided under the trust responsibility arrangement.

Despite the efforts of the administration to close the school, Congress has stood by its commitment to the tribes and to those students to make sure that the appropriations were there to see that the interests of the students were met. I particularly want to commend Chairman Yates for his strong commitment to those students in making sure language in fiscal years 1986, 1987, 1988 appropriations prohibited the closure of that school.

The BIA announcement of its intent to close the school generated a great deal of momentum for the disposition of the school and the lands.

Several years ago members of the Committee on Interior and Insular Affairs began to actively consider ways in which these Indian children would continue to benefit from the school after its closure. I would note that even without the pressure of the administration, declining enrollments made it only a matter of time before we had to close that school. The challenge before our committee in this Congress was to find a way to continue to ensure that the school and its lands would provide long-term benefits for the Indian youngsters.

Under the leadership of Chairman Udall, the committee has arrived at a balanced legislative solution; through not perfect, probably the best we could hope for.

Title II of the bill establishes a trust fund and a plan for assisting the Indian children. I have not been supportive of the bill until we made sure that there was adequate money in the bill to make sure that these youngsters were educated. The plan established through legislation clearly outlines how such a transition would occur using funds provided by the Office of Indian Education and other BIA programs otherwise involved in operating the school.

Mr. Chairman, I find it very troubling that during recent Senate hearings on this matter, the administration opposed the establishment of this trust fund. Instead, the President and Secretary Hodel are demanding the return of any monetary proceeds to the U.S. Treasury. I have in my hand a letter to Speaker WRIGHT, confirming that, from Secretary Hodel. This is an example of this administration's very callous treatment toward Indian youngsters and I urge my colleagues to reject that proposal and support the bill which best maintains the welfare of Indian children whose lives are going to be affected by this legislation.

Mr. Chairman, I submit the letter from Secretary Hodel to Speaker WRIGHT for the RECORD:

THE SECRETARY OF THE INTERIOR,
Washington, July 26, 1988.

Hon. JIM WRIGHT,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: As the House of Representatives prepares to consider H.R. 4519, the Arizona-Florida Land Exchange Act, I would like to reemphasize the extraordinary environmental benefits that will accrue to the Nation and the State of Florida from enactment of this measure.

H.R. 4519 would permit us to acquire and protect highly sensitive lands in South Florida near Everglades National Park. By authorizing these lands for addition to the Big Cypress National Preserve in Public Law 100-301, Congress has already recognized their superior environmental value. Without protection these properties could be developed, damaging the critical wildlife habitat as well as vital water resources.

Development here does not necessarily mean building condominiums and shopping malls—it can also mean agricultural development, which can be permitted under local zoning. Although agriculture is not generally a threat to resources in other parts of the country, in some parts of South Florida it often takes the form of "rock plowing," a technique whereby the thin layer of caprock on the land's surface is pulverized for planting. It is this limestone cap that protects the land for the vital water sheet flow that supplies the Everglades and is so critical to protecting the aquifer lying immediately beneath, which is a source of drinking water to the region.

We support this bill with an amendment discussed below, because it provides a method of acquisition for these important lands that is timely, more efficient, and less costly than other alternatives. H.R. 4519 would permit us to exchange an Indian school property in Arizona, scheduled for closure, for much of the lands described above. We believe this is a good deal, both for the taxpayer and for the environment.

It is imperative that we move quickly on this bill because events have opened a window for expeditiously protecting land in the Big Cypress. The completion of Interstate 75 (Alligator Alley) through the area is proceeding, and the State of Florida is willing to assist with the acquisition of the remaining Big Cypress parcels as part of the severance costs that must be paid to many of the landowners when the new highway cuts off their access. This is why the exchange proposal was initiated at this time, so that the two events of highway building and conservation lands protection could move forward together, allowing the Federal Government to acquire this property without compensating these landowners twice.

Furthermore, we are fortunate that the major landowner in the area was willing to exchange out his Florida land, valuable for our environmental purposes, for the Arizona property which was scheduled for eventual disposal. This legislation would permit the orderly disposal of this surplus property while easing the transition for the American Indians who would be affected by the planned closing of the school.

We would note that the Administration strongly opposes the earmarking of the cash equalization payment ($34.9 million) for an Indian trust fund. We believe the needs of the Arizona Indian community have already been met in large part by the expenditure of over $40 million in Federal funds to construct new on-reservation high schools in Arizona to replace the Phoenix Indian School. Any additional need should be met through the formal appropriations process. We thus seek an amendment to ensure that these dollars are returned to the Treasury.

It is rare when an agreement can be forged such as this that benefits all parties, satisfies the will of the Congress, and saves taxpayer dollars. We therefore urge, with the Administration's amendment, your prompt enactment of an amended H.R. 4519.

Sincerely,

DONALD PAUL HODEL.

Mr. RHODES. Mr. Chairman, I reserve the balance of my time.

Mr. UDALL. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Pursuant to the rule, the gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 7½ minutes and the gentleman from Arizona [Mr. STUMP] will be recognized for 7½ minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the amendment to H.R. 4519, and I want to express my deep appreciation to the very able and distinguished chairman of the Interior and Insular Affairs Committee, Mr. UDALL, for his cooperation in working with the Committee on Veterans' Affairs in resolving differences on that part of the bill relating to the transfer of 16 acres of land to the Veterans' Administration. The gentleman from Arizona, and his committee staff, were most helpful to us and we appreciate their willingness to work with us on the bill.

Mr. Chairman, I also want to thank the very able ranking minority of the committee, Mr. YOUNG of Alaska, for his cooperation. I'm grateful to the distinguished gentleman from Arizona [Mr. RHODES], a member of the Interior Committee, and other Members of the Arizona congressional delegation for working with us in reaching agreement on that part of the bill relating to the transfer of a small portion of the land to the VA for the expansion of the Hayden VA Medical Center in Phoenix.

I want to pay special tribute to my colleague, Mr. STUMP, a distinguished member of our committee, who has worked closely with me in drafting the Montgomery-Stump amendments adopted by our committee. We are in total agreement on that part of the bill. Mr. STUMP and I have worked very closely with Senator DECONCINI and Senator MCCAIN as well. Of course, we worked closely with the distinguished ranking minority member of our committee, Mr. SOLOMON of New York.

I can tell you that veterans in Arizona will be pleased with this bill. The bill would transfer 11.5 acres of land adjacent to the Hayden VA Medical Center to the Veterans' Administration for a major expansion of the existing facility. The boundaries are clearly set out in a Bureau of Land Management survey dated March 22, 1988. In addition, the bill would transfer 4.5 acres of land to the Veterans' Administration, which will be the site of a State veterans nursing home. The 4.5 acre tract would be contiguous to the existing Hayden VA Medical Center and to the 11.5 acres being transferred for the expansion of the Hayden Medical Center.

Mr. Chairman, the veteran population within the primary service areas of the medical center will total more than 250,000 by 1995. The most significant increase is projected in the number of veterans over the age of 65, which is expected to double by the year 2000 to a total of 94,500.

In addition, many of the 42,000 veterans in the Prescott service area are being referred to the Phoenix Hospital for surgery and other care. As the number of outpatient visits increases, the need for additional clinical services becomes even more important. Outpatient treatment at the Phoenix VA Medical Center is provided in space designed for 60,000 annual visits. The medical center is projected to accomplish 190,000 visits for fiscal year 1988. The rapid growth in this activity is constrained by current staffing and space resources, creating a real limitation on meeting future projected patient care needs.

According to the Veterans' Administration, the existing medical center is not physically capable of meeting this increased demand for services without an expansion and modernization of the physical plant. The medical center is landlocked on three sides and future expansion within current boundaries is not feasible. Thus, further expansion of medical facilities is dependent on acquisition of land by passage of this legislation.

Mr. Chairman, when the current size of the Hayden VA Medical Center in Phoenix was planned in the late 1960's, the city of Phoenix was the 22d largest city in the country. The tremendous growth of population is reflected by the 1980 census data, which showed that the city had become the ninth largest. The Phoenix area is currently the fastest growing metropolitan area in the United States with a projected census for the year 2000 of more than 4 million people. A spiraling demand for veterans health care services in one of the most expensive health care costs cities in the country parallels this general growth in population.

Unless this land transfer takes place, veterans in the Phoenix area will be unable to get the health care they need, and are entitled to, in the future.

The Veterans' Administration is in agreement with the amendments we have proposed to the bill. I received the following letter from the Administrator of Veterans' Affairs dated July 8 expressing the official views of the agency on H.R. 4519 as introduced:

VETERANS ADMINISTRATION,
Washington, DC, July 8, 1988.

Hon. G.V. (SONNY) MONTGOMERY,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: We are pleased to respond to your May 24, 1988, request for the views of the Veterans Administration (VA) on H.R. 4519, a bill "To provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes." We have been working closely with Mr. Mack Fleming, Chief Counsel and Staff Director, House Veterans' Affairs Committee, and his staff, seeking to more accurately reflect the needs of the VA in the subject bill relative to the acquisition of property for the expansion of the Phoenix VA Medical Center.

The bill, if enacted, would authorize the Secretary of the Interior to dispose of the Phoenix Indian High School Property, with the VA obtaining 11.5 acres thereof for the expansion of the Phoenix VA Medical Center. Among other uses, the parcel would be the site for a new clinical addition, a laundry facility, a new warehouse, and a parking garage, all of which are needed to meet the ever-increasing medical care needs of veterans in Arizona.

While the VA supports the intent and purpose of H.R. 4519, our primary objection centers around subsection 101(f). This would authorize the VA Administrator to elect to receive an 11.5 acre parcel of the Phoenix Indian School Property to be used for the expansion of the Phoenix VAMC. While the subject parcel is not specifically identified, the VA Administrator would be authorized "to determine the exact location and configuration of the land" transferred.

The VA believes that this section should be entirely revised to provide for a direct transfer of jurisdiction and control of an 11.5 acre parcel from the Secretary of the Interior to the VA Administrator, without the need for the election currently provided for by this subsection. While the property to be transferred would be compact and contiguous to the present VAMC property, it should also be more specifically defined as a parcel with the western boundary "running north from the eastern boundary of Third Street at the point of its intersection with Indian School Road (as that intersection was located on January 1, 1988) and running parallel with the western boundary of the Veterans Administration Property and the southern boundary shall be the northern boundary of Indian School Road." We strongly favor the direct transfer of the subject parcel on the closing of the Land Exchange or Purchase Transaction. The necessity for an election by the VA to receive the property escapes us, as there is no doubt as to the VA's need for and interest in acquiring this property.

In addition, we recommend that subsection 101(f) be further amended to provide for the transfer to the VA of the improvements presently located on the subject parcel. This would afford the VA the flexibility to determine whether it can utilize these existing structures rather than allowing the National Park Service, as provided in subsection 201(c), the authority to make determinations on the disposition of these improvements.

Subsection 101(f)(3) also is unacceptable. This directs the VA to cooperate with the City of Phoenix in the planning and development of the use of the 11.5 acres to ensure "comprehensive planning and zoning and efficient and productive use of the School Property, in accordance with the objectives of the Public Planning Process. . . ." The VA strongly opposes this requirement which would impose an unacceptable burden on the VA's planning and development of the Phoenix Medical Center site. This is clearly a VA function, and while we will cooperate with the City of Phoenix in the planning and development of the site, we cannot be bound by the outcome of the City's Public Planning Process. We would also propose that subsection 101(f)(4) be revised to provide that the information to be provided to the House and Senate Veterans' Affairs Committees, the House Committee on Interior and Insular Affairs, and the Senate Committee on Energy and Natural Resources be limited to reports on the cooperative planning process for the development of the site transferred pursuant to subsection 101(f), to be initially submitted within 6 months after the date of enactment of this legislation and every 6 months thereafter until the planning process has been completed. This revision would be in keeping with the changes suggested to subsection 101(f)(3).

The VA also recommends that subsection 101(g) be restructured to authorize the Secretary of the Interior to transfer directly to the VA jurisdiction and control of a 4.5 acre parcel of the Indian School Property, including the improvements, which would then be made available to the State of Arizona provided certain prerequisites were met. The parcel would be contiguous to the property transferred to the VA under subsection 101(f) and to the existing VA Medical Center with its southern boundary being the northern boundary of the parcel transferred to the VA under subsection 101(f), and its northern boundary to include the gymnasium constructed on the Indian School Property in 1975. Under this arrangement, the VA would hold the property until such time as (1) the State of Arizona submitted an application, pursuant to 38 U.S.C. §5035, for assistance in the construction of a State veterans' home; (2) the State appropriates sufficient funds to pay for its portion of the cost of construction of the facility; and (3) the VA Administrator approves the application. All of these events, we suggest, must occur within 5 years of the VA's receipt of the subject parcel. In that event, the VA will convey the 4.5 acres without reimbursement to the State, on which it will construct the State veterans' home. Should the 5 years expire without each of these events occurring, the VA would then transfer jurisdiction and control of the parcel back to the Secretary of the Interior who would be authorized to offer the property for sale to the City of Phoenix. If the City does not purchase the parcel, it would be offered to the Barron Collier Company, the Purchaser of the Phoenix Exchange Property, as defined in section 2(16) of H.R. 4519, at fair market value. The amount received from any sale of this parcel would be deposited in the Arizona Intertribal Trust Fund and in the Navajo Trust Fund in accordance with the allocation described in subsection 202(e).

Finally, we oppose subsections (n), (o), and (p) of section 101, which would require the reservation of an access right-of-way over VA property for ingress and egress to the property conveyed to the Purchaser (Barron Collier Company) and the State of Arizona. In fact, subsection (p), if enacted as proposed, would cut into our existing Building 21 at the Medical Center. The VA's authority to grant easements and rights-of-way across property under its jurisdiction, in accordance with section 5024 of title 38, provides the necessary authority should access to these parcels be required. The applicable terms and conditions of such grants also should be determined by the VA, not mandated by this legislative proposal. We recommend, therefore, that these subsections be deleted in their entirety.

We firmly believe that if the subject bill is revised to reflect these considerations, it will more accurately represent the needs of the VA in expanding the Phoenix VA Medical Center.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this report on H.R. 4519 to the Congress.

Sincerely,

THOMAS K. TURNAGE,
Adminstrator.

Again, Mr. Chairman, I want to thank the distinguished chairman of the Committee on Interior and Insular Affairs for his cooperation in resolving our differences and for the leadership and support he continues to give our Nation's veterans. I also want to acknowledge the good work of the Interior Committee staff, both majority and minority, in working with us on the VA land transfer. I'm especially grateful to Stanley Scoville, Mark Trautwein, and others who worked with us. They are a very professional group of people.

Mr. Chairman, I urge my colleagues to vote for the bill. There are a number of reasons why the bill should be adopted. I plan to support it because it provides for the future health care needs of veterans in Arizona.

Mr. Chairman, I reserve the balance of my time.

Mr. STUMP. Mr. Chairman, I yield myself such time as I may consume.

Mr. STUMP. Mr. Chairman, I want to extend a most sincere expression of appreciation to Sonny Montgomery, the distinguished chairman of the Committee on Veterans' Affairs, for his special assistance in this legislation.

Through his initiative, we have improved the provisions of the bill identifying acreage for the Veterans' Administration Hospital in Phoenix, and for the State of Arizona, to be used for the benefit of veterans.

I also want to commend Chairman Udall for his leadership on this bill, and thank the other members of the Arizona delegation for their hard work on this legislation, and a special thanks to Mack Flemming, general counsel of the Veterans' Affairs Committee, for his invaluable assistance.

Mr. Chairman, despite months of hard work by the Arizona delegation and several House Committees, controversy surrounding legislation disposing of the Phoenix Indian School property was inevitable. A variety of interested parties have had their eye on this valuable real estate for quite awhile. It would be naive to expect a perfect compromise to be reached by our legislative process, satisfying everyone's concerns.

As a member of the Committee on Veterans' Affairs, I have focused most of my attention toward that portion of H.R. 4519, designating 16 acres to serve the needs of Arizona veterans. The distinguished chairman of our committee, the Hon. G.V. (Sonny) Montgomery has taken a strong interest in this legislation because the property in question is located adjacent to the Phoenix Veterans' Administration Medical Center. Chairman Montgomery recognizes the necessity of expanding the Medical Center to meet the needs of Arizona's rapidly increasing veterans population. Knowing how quickly the average age of our veterans is rising, he also understands the need to provide for long-term nursing care facilities. Chairman Montgomery's active support for meeting the needs of Arizona veterans resulted in the adoption of the Montgomery-Stump amendment to H.R. 4519. The Montgomery-Stump amendment specifies the legal boundaries for the 11.5-acre parcel to be transferred directly to the Veterans' Administration [VA]. It also clarifies the procedure for transferring a 4.5-acre parcel through the VA to the State of Arizona for the specific purpose of establishing a State veterans' home. I want to extend my most sincere expression of appreciation to the chairman for all his assistance and perseverance in fashioning an amendment which addresses the needs of the VA and Arizona veterans in a more precise manner than the bill itself. My support for H.R. 4519 is based upon our ability to include the Montgomery-Stump amendment as part of the bill. I have great reservations about the land exchange proposal itself. Hopefully some of these can be addressed as the bill proceeds through the remaining steps of the legislative process.

A fundamental problem with the exchange is that we are trading prime property in downtown Phoenix, having a tremendous per-acre economic value, for Florida swampland with little per-acre economic value. Somehow the large number of Florida acres, plus their environmental importance and a cash payment, are supposed to persuade Members that our standard value-for-value requirement for land exchanges has been satisfied. Significantly, the primary market value of the Florida land lies in its oil and mineral rights, and yet the developer is allowed to retain those rights.

The appraised value of the properties to be exchanged continues to be controversial. The city of Phoenix has been unable to zone the property without first having a development plan in place, and the Florida appraisals are still being criticized. The General Accounting Office [GAO] has taken the position that the appraised fair market values do not provide a basis to proceed with the exchange.

The Interior Department used a prorated average value per acre for establishing the value of the property to be transferred to the VA, the State of Arizona, and the city of Phoenix. The GAO concluded that this approach was not adequate because each acre does not have the same value. If those acres are overvalued, the amount of cash added to the deal by the developer is reduced substantially.

Proponents of the exchange claim the difficulties in appraising the Indian school property are cured by allowing outside bidding to achieve a marketplace value for the property. Outside bidders are given a 90-day opportunity to bid, at a point in time ultimately determined by Collier. However, the Colliers are bidding with a mix of land and cash whereas outside bidders are restricted to cash only bids. Collier is also provided the preference of matching outside bids, while bidders are not allowed to counteroffer. I am not convinced that this so-called market mechanism solution provides much comfort to taxpayers who may believe the Federal Government is getting shortchanged in this deal.

A very broad scope of uses for the interest accrued by the Indian education trust fund is provided for under the bill. An accurate determination of the educational needs of Arizona Indians should be made, and the use of the trust fund disbursements should be limited to meet those needs.

H.R. 4519 reimburses the Colliers for attorneys fees, consultant fees, and general administrative costs associated with the public planning process engaged in by Collier and the city of Phoenix. I do not believe this is appropriate considering the deal is a dream come true for a land developer holding thousands of acres of swampland amidst Federal land refuges and preserves.

Mr. Chairman, I support passage of H.R. 4519 as amended by the Montgomery-Stump amendment, and hope that these other concerns can be addressed prior to final enactment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair advises that if each committee of jurisdiction reserves the balance of its time it may become difficult to manage the time and the Chair encourages Members to use their time and then allow the Committee on Interior and Insular Affairs to close the debate.

Mr. MONTGOMERY. Mr. Chairman, I yield back the balance of my time.

Mr. STUMP. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the gentleman from Michigan [Mr. Kildee] is recognized for 7½ minutes.

Mr. KILDEE. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, throughout my years in the Congress, I have always been a strong supporter of the rights of native Americans. Like the distinguished chairman of the Interior Committee, I have always believed that the Federal Government has an obligation to enhance the welfare of the native Americans by providing them with educational opportunities, health care services, and other essential human services.

As you know, this legislation originated from a decision by the Department of Interior to close down the 100-year-old Phoenix Indian High School. In considering this legislation, I believed that the first obligation of the Congress was to ensure that the students who attended this school would be provided with a quality education. The Education and Labor Committee requested sequential referral of H.R. 4519, in order to strengthen the provisions of the bill relating to the future of the students and the faculty of the Phoenix Indian High School. As I will point out in a colloquy with the chairman of the Interior Committee, I believe we have taken steps to meet their unique needs.

Mr. Chairman, I also want to discuss the provisions relating to the disposition of the Indian school property through an open bidding process. I have been working with the chairman to ensure that the bidding process is open to all potential bidders and that the Indian tribes get their fair share of the money through a trust fund established by this legislation. As a result of our negotiations, we have agreed to extend the time in which a bid can be submitted from the 30-day period which appeared in the orginal text of the bill, to a more equitable period of 90 days. We also agreed to stipulate that the Colliers must wait a minimum period of time before they could exercise their option on the property. Under this compromise, they would have to wait until 1 year after the date of enactment or until after the submission of the specific use plan, including rezoning plans, called for in this statute, whichever date is later. This legislation also requires the General Accounting Office to submit a report to Congress on the procedures used to develop the "specific plan." The GAO will issue another report to the Congress 60 days after the Secretary of the Interior has accepted a bid for the property.

Mr. Chairman, I would like to engage in a colloquy with the chairman of the Committee on Interior and Insular Affairs to clarify three essential points in this bill.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. I thank the gentleman for yielding.

Mr. Chairman, I would be happy to join with the gentleman in a colloquy or whatever procedure will be helpful.

Mr. KILDEE. I thank the chairman.

Mr. Chairman, there are three aspects of this bill affecting educational opportunities for American Indians that relate to the substitute H.R. 5012 which the chairman will offer.

Mr. Chairman, I have been pleased with the way that the chairman of the committee has worked so diligently to accommodate my concerns regarding the continuation of educational opportunities for those students who would, under other circumstances, attend the Phoenix Indian School. I will say that the chairman has gone the extra distance in resolving my concerns and those of the Committee on Education and Labor, and he should be recognized for it.

With respect to the issue of the use of the equipment and materials currently located at the Phoenix school, the substitute contains language clearly stating that the Secretary is responsible for safeguarding these materials and equipment, pending inventory and disposition, and that the first choice regarding the disposition of these assets will go on to the Sherman Indian School. This is in anticipation of the fact that the majority of the students who originally attended the Phoenix school and who elect to continue in a Bureau operated program will attend this school.

I am concerned about reports that some of these assets are already "being deposed of," through transfer to other programs. The excuse used is that these materials are excess and were not used last year. Considering the fact that the Bureau has artificially induced a student count reduction of 75 percent in the school over the past few years, such an explanation is spurious. We are faced with a situation forced on us by the Bureau. Of course some materials are being unused, due to these cuts. For this reason, the Bureau's explanation is suspect. Again, I would stress that Sherman Indian School, because it will be absorbing the majority of former students from the Phoenix school, requires this additional equipment in order to accommodate a larger student body.

I just want to be clear that this bill encompasses all of these materials, and that the transfer of other sites should stop. Is this the proper interpretation of this provision?

Mr. UDALL. If the gentleman will yield, that is the proper interpretation of the provision in the bill, and the Secretary should have already taken such steps as are necessary to be sure that no further resources have been affected.

Mr. KILDEE. I thank the chairman for that explanation. With respect to another issue, is it the correct interpretation that the types of activities to be supported from the Indian trust funds are those worked out in negotiations between your committee's staff and representatives of the Arizona Intertribal Council, which you can place into the RECORD.

Mr. UDALL. If the gentleman will yield, yes, that is correct. At the proper time I would ask unanimous consent that the following list setting forth these activities be made a part of the RECORD.

Mr. Chairman, I yield 4 minutes additional to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. I thank the gentleman.

Mr. Chairman, I have one further question which relates to the final disposition of the property. Is it the proper interpretation that the city council is to work in an equitable fashion with whomever the successful purchaser of the property is to complete a rezoning and development package as soon as is possible after the sale? Further, is it also correct to state that the specific plan, which is to be submitted to the city as part of the implementation of the statute, will include specific zoning recommendations?

Mr. UDALL. If the gentleman will yield, in both instances, the gentleman has correctly stated the provisions of the legislation.

Mr. KILDEE. Let me again say that I thank the gentleman for all his efforts on behalf of Indian students. The substitute offered today embodies many changes to improve the educational programs of other bureau schools, allowing them to continue to provide services to these students. It contains provisions which will guarantee that each eligible student will have his or her needs carefully analyzed, and it provides a mechanism whereby a followup, as well as the funds to support it, are provided. This substitute does not just close this school and leave the students to fate. It recognizes that an alternative was needed, but that the Federal responsibility continues.

I want to thank the chairman of the Interior Committee, Mr. UDALL, for his deep and abiding concern for native Americans and for his determination in resolving these important issues. By working together, we have been able to ensure that the students who have attended the Phoenix Indian High School will continue to get a proper education.

Once again I want to thank Chairman UDALL and his staff for their commitment in resolving these issues.

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Mr. Chairman, let me say again that I thank the gentleman for all his efforts in behalf of the Indian schools.

The substitute offered today embodies many changes to improve the educational programs of other bureau schools, allowing them to continue to provide services to these students. It contains provisions which will guarantee that each eligible student will have his or her needs carefully analyzed.

Mr. Chairman, I want to thank the chairman of the Committee on Interior and Insular Affairs for his cooperation with me on this bill.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. PETRI], a member of the Committee on Education and Labor.

Mr. PETRI. Mr. Chairman, I rise in opposition to this bill. It is outrageous that we are proposing to exchange swampland in Florida for prime development land in downtown Phoenix, AZ. Proponents of the bill argue that the land in Arizona will be open for competitive bidding before the Collier family takes over. Unfortunately, the process is rigged. Any bid offered for the land in Arizona must be in the form of a single cash payment higher in value than the Collier's $50 million swamp in Florida, plus the additional $34 million the Colliers will be paying for the Arizona land. Even then, the Colliers get the right to match anyone else's bid. The terms virtually ensure that no other bidder will succeed. CBO has estimated that the Phoenix parcel's fair market value could be at least $175 million and possibly as much as $220 million. Even at the Department of the Interior's low valuation of $120 million, the Colliers will be receiving a windfall of more than $40 million and the true value is probably much higher. Why could we not offer the Phoenix land for sale on a truly competitive basis, using the proceeds to provide the necessary funds for the Indian school trust fund and the purchase of the land in Florida, and maybe, some extra funds will be raised for the Treasury. After all, if we're going to sell off prime Federal real estate, we ought to make an effort to get the best deal for the taxpayers. It seems to me the Collier family is getting a fine windfall and the taxpayers will receive only a fraction of what they deserve.

I urge my colleagues to vote "no."

Mr. KILDEE. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I join the gentleman from Wisconsin [Mr. PETRI] in my opposition to this bill. I think it is a very bad bill.

I think that this gives an inordinate preference to the Collier Co., so great a preference that one is moved to say that Santa Claus for contractors is not only in the Department of Defense, but that the Department of the Interior has a full measure as well. This bill proposes to validate a cushy, cozy contractor's contract with the Secretary of the Interior.

The swap program is a device, and swaps in Arizona have become a contractor's dream. Yesterday, I told the House about four swaps that have taken place in Arizona. The Bureau of Land Management values the Wallace Ranch in Arizona at $4.6 million and swapped that to a contractor who sold that same parcel subsequently in a short time for $26 million.

The Spurlock Ranch in Arizona was valued by the Bureau of Land Management at $7.8 million and was sold by the contractor who received it a short time later for $20 million.

The Fitzgerald Ranch in Arizona was valued by BLM at $2.1 million and was sold by the contractor who received it for $4 million.

The Empire Ranch in Arizona was valued by BLM at $21.4 million and was sold in part subsequently for $31.5 million.

The difference between the two valuations is that BLM's valuation was $41.8 million and the contractors received $107 million.

The deal promises to make even more for the Collier Co. The Phoenix Indian School, if this bill is approved, will be subject to the same kind of deal. The contractor is not even paying the lowest value. He is about $4 million short of that appraisal. The two appraisals that are talked about in the General Accounting Office report on this bill show that the lowest appraisal is $122 million and the highest appraisal is $220 million. The contractor's offers are about $40 million short of the lowest appraisal and about $140 million short of the highest appraisal. And this has become a sole source contract.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. YATES] has expired.

Mr. UDALL. Mr. Chairman, I yield 1 additional minute to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, there is not a more beloved or higher respected Member of the House than the gentleman from Arizona, Mo UDALL. He and I have worked together, he as the chairman of the Committee on Interior and Insular Affairs and I as chairman of the Interior Subcommittee of the Appropriations Committee. We have worked together to try to bring some good out of the present Department of the Interior. If this were not Mo UDALL's bill, it would be laughed off the floor, like one of the jokes in Mo's new book.

But, unfortunately, this is not a laughing matter. If this is approved, the contractor will benefit by as much as $100 million more than he should. I would suggest that we do not be fooled by the gifts that have taken place to the Indians or the gifts that have taken place to the Veterans' Administration. What is important is the contractor's gift in this bill.

Mr. Chairman, this bill should be defeated. The property should be sold not to a sole source contractor but placed on the open market and sold through competitive bidding.

The CHAIRMAN. The Chair will state that the gentleman from Michigan [Mr. KILDEE] has 3½ minutes remaining and the gentleman from Pennsylvania [Mr. GOODLING] has 5½ minutes remaining.

Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the compromise in the bill before us would provide for the closing of the Phoenix Indian School, and basically that is our major concern on the Committee on Education and Labor. I think the bill dealing with the education part is a good bill, and I must compliment the gentleman from Michigan [Mr. KILDEE] and his staff on his side, and also Jo-Marie St. Martin and the other members of the staff on our side for making sure as a matter of fact that we take care of our responsibility, and that is providing oversight as far as Indian education is concerned.

If I were speaking as a private citizen or from another committee, I would have some concerns, which I will express as I make my remarks.

Mr. YATES. Mr. Chairman, will the gentleman yield for a question?

Mr. GOODLING. I yield briefly to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, let me tell the gentleman that we have something to do with Indian education on the Interior Subcommittee of the Appropriations Committee. We know that the state of education for the Indian children is far below that being offered to the children of other races throughout the country, and that whatever advances have been made in providing schools for the Indian children in recent years have been a result of the work that our subcommittee has done in putting money in to build those schools over and above the budget submitted by the President.

The point I am trying to make is that much remains to be done for the Indian children of this country.

Mr. GOODLING. Mr. Chairman, taking back my time, I mentioned that in my remarks, which I will continue to make, and I was not trying to take any jurisdiction or any joy of accomplishment from any other committee. I was merely pointing out that our responsibility in this particular issue had nothing to do with whether we were trading some magnificent land, 110 acres in downtown Phoenix, and I know that if we subtract what they were giving to other people, it is $83 million, not $122 million, according to the Interior Department. All I am talking about is that we in getting into this matter wanted to make very sure as a matter of fact that those 150 Indians attending that school and who will continue to attend that school until it is closed were not as a matter of fact all of a sudden left out in the cold with no comparable education.

So in this particular bill I say the best provisions of the bill are those which ensure that educational services will be provided to the Indian students who will be attending the school.

The Department of the Interior wants to close the school, but let us not forget to provide for the children.

By closing the school, we must ensure that they will receive an education elsewhere. I believe the bill does just that. It will require that each student will receive an adequate and appropriate comparable education.

Finally, the bill provides that the proceeds of the sale will be used in a trust fund for Indian education.

As I say, Mr. Chairman, I think we have done our job in the Committee on Education and Labor. I do have concerns that when we have an "open bid," if part of that open bid says that one group can give something in kind and then also has an opportunity to up the ante after they see what the other bids are, may cause some people to stay away from the bidding. If everybody gets into the act, of course, the bid on 110 acres in downtown Phoenix at $122 million probably will be $222 million or maybe $522 million, I do not know. If I had the money, I would give any price for that 110 acres in downtown Phoenix.

But, Mr. Chairman, let me say that from the Education and Labor Committee side, we did our job.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I agree with the gentleman that it is well that money should be made available for the tribes in Arizona and the education of their children, but what happens to the other Indian tribes throughout the country who may need educational facilities more desperately that those in the State of Arizona? Should this money not be used for them as well as for those Indians?

Mr. GOODLING. We could put it into all the programs. Elementary and secondary education gives more dollars to Indian children through chapter 1 bilingual and impact aid than all other Indian education programs combined. So that is where we really have the money for Indian education, and I do not have the jurisdiction to say that anything that is left over here should go into those programs rather than into any other trust fund.

Mr. YATES. Mr. Chairman, will the gentleman yield further for a question?

Mr. GOODLING. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, is it the gentleman's understanding that the money for Indian tribes for the education of their children is to be restricted to the Arizona tribes, or is it to go for education for all Indians?

Mr. GOODLING. As I understand it, it is for Indian education.

Mr. YATES. Throughout the country?

Mr. GOODLING. Mr. Chairman, perhaps the gentleman from Michigan [Mr. KILDEE] would like to clarify that, but as I understand it, it is for Indian education, period.

Mr. YATES. Mr. Chairman, I have a contrary impression.

Mr. CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GOODLING] has expired.

The gentleman from Michigan [Mr. KILDEE] has 3½ minutes remaining.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in order to clarify the situation, let me say that the trust fund would be established for the Indian children in the State of Arizona.

Mr. YATES. Mr. Chairman, if the gentleman will yield, then it is only for the children in the State of Arizona?

Mr. KILDEE. Yes, that is correct.

Mr. YATES. That was my impression, too.

The CHAIRMAN. The gentleman from Michigan [Mr. KILDEE] now has 3 minutes remaining.

Mr. KILDEE. Mr. Chairman, I yield back the balance of my time.

Mr. UDALL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I would hope that the House would reject H.R. 4519 because this is not a bill that serves the public interest. This is a bill that serves the very private interests of the Collier Enterprises.

This is a bill that results not from the negotiations so much of our Committee on Interior and Insular Affairs but rather because of the negotiations by the Department of the Interior to bring about a land exchange agreement between the Federal Government and Collier Enterprises.

During the negotiations on this exchange, what we have now been asked to ratify in this legislation is a great deal for Collier Enterprises and a terrible deal for the American taxpayer. We are asked to ratify the exchange of hundreds of thousands of acres of Florida land, much of which is swamp land and some of which is under mean tide and some of which may belong to the State of Florida and not even to the Colliers, we are asked to take that land and exchange that for what the GAO says may be one of the most valuable pieces of urban property in the Western United States.

□ 1115

What is it that the Federal Government is buying? The Federal Government is in fact buying nothing. We are not buying the subsurface rights under the Collier land. The lands are already protected from development because they are either in refuges or in the park system. All of us know the difficulties of trying to get the Corps of Engineers to issue 404 permits for development on wetlands; so in fact the Federal Government is taking one of the most valuable pieces of land that it has, an asset that belongs to the native Americans in this country, and it is exchanging it for nothing and you are being asked to ratify that today. You ought to understand that.

This is not a free market arrangement. The Colliers will be allowed a $50 million cushion. That is the price that has been placed on their land. They will be allowed to go to the Phoenix City Council, and the moment they submit a plan for zoning, not a completed zoning plan, they will be allowed to exercise their option. Should they do that, some other party, a third party or fourth party, will be able to come in and bid against the Colliers; but unlike the Colliers, who may be able to pay their cash balance over 30 years, unlike the Colliers who have already received value for their land in Florida, the other person that comes in and bids must bid all cash. Now, nobody is going to do that based upon a speculative plan for future zoning. That is not how developers work. That assures that the Colliers in fact can be the only party that can win under this process.

So the amendments that have been talked about here in terms of clarifying this legislation have not cured the fundamental defect, and the fundamental defect is that this is a sweetheart deal between the Colliers and the Federal Government that excludes other individuals from having a fair chance to bid on this property on equal terms, because even should they bid, the Colliers have a right to match that bid, but the other party does not have the right to come back and bid again.

Who loses in that process? Not the Colliers, but the Federal taxpayer, because maybe the other party would have bid $5 million more or $10 million more or $1 million more, but we are excluded under the provisions of this bill of having the Federal Treasury or the Indian trust fund or anyone else reap the benefits of the value of this land.

So you can start to see that this is not a proposal that the House of Representatives ought to accept. It is a proposal that works against the best interests in the disposal of assets.

This is not in any way to prejudice the rights of the Veterans' Administration to take some of the land where this is declared surplus property, as it has been. This is not in any way to prejudice the notion that a trust fund should be setup for the Indians, but what we understand after reviewing this is very clear, and that is we can clearly do better. We can clearly provide a better benefit for the Indians in Arizona and elsewhere. We can clearly provide a better benefit for the taxpayer and we can do that by simply going to the market system.

The gentleman from Illinois [Mr. YATES] suggested earlier that we simply put this out for bid and we do it at such a time that the benefit is in the taxpayers' best interests.

Do you want to know how deficits are created? This is how deficits are created. This is only $100 million or maybe only $40 million, but as Senator Dirksen once said, it starts to add up.

The point is this starts to add up, because you are not looking out after your constituents, after your taxpayers, when you give away valuable governmental assets at bargain basement prices. That is what has got to be stopped by the rejection of this bill.

The committee has the full ability to go back and to allow the Department to put this out on to the auction block, do it at a time not when the market in Phoenix is depressed, not when the vacancy factor is at an all-time high, but do it at a time when any other individual would put their property out for sale, when they can receive the greatest value. That is not allowed by this legislation. This precludes the market system. This precludes other individuals from bidding on the single most valuable urban piece of property in the Western United States, and this bill should be rejected.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, only in this great deliberative body can this happen. Later on today our good chairman, the gentleman from Arizona [Mr. Udall] of the full Committee on the Interior; our good chairman of the Subcommittee on Water and Power are going to try to attempt to pass a bill that will do away with 6,000 Alaskan jobs, put an additional approximately 1,700,000 acres of land into de facto wilderness in my State, break a commitment made in 1980, and yet I am on the floor at this time to speak in support of this bill that the gentleman from Arizona [Mr. Udall] has proposed. Only in this body can that happen.

I would like to bring to the attention of my colleagues that I do strongly support this legislation. It has had years of negotiations between the city of Phoenix, the American Indian tribes, Florida, the Collier Corp., and the administration. This is not a bill that just happened. This is a bill that has had a lot of small intricate parts, and they are finally put together.

It passed out of the Interior Committee with only two dissenting votes—two.

I am one who happens to believe in the committee process. I also happen to be one that many times takes great exception to the national environmental groups, because I do believe most of the time they have their heads in the tundra and do not look at the big picture, but in this case they are right.

The gentleman from California said that these lands are already protected from Florida, and he is right to a degree, but he is not right totally because these lands if they are protected have been taken without compensation to the Collier Corp.

In fact, the gentleman talks about money being available to appropriate later on, some $650 million in backlog to $1 billion in backlog that we have not purchased in holding.

This is an exchange, not a swap, an exchange of very valuable wetlands in Florida that we must protect in all other areas of the United States, but this is an opportunity through this exchange process to acquire these lands, 108,000 acres, for approximately 16 acres downtown in Phoenix, AZ.

Now, we have also heard that there has been an offer for an open bid process. The gentleman from the Appropriations Committee says, "Let us have a bid process." There have been offers to this land before, $30 million in 1985, $100 million in 1986, land and $20 million in 1987. That is not $200 million.

This is the best thing that can happen today, because if we did go to the open bid process, if we were to follow the example of the gentleman from California and say, "Let's put some money into the Treasury," we would not appropriate for those lands in Florida. We would not do that. We know that. No one has even suggested that. That would be a backlog.

In this bill, by the way, we have some time, there will be an open bid. It will be watched by all the developers, and there is a chance that Collier could be outbid; but I am suggesting respectfully if we wish to obtain the wetlands in Florida, this is the quickest and best way to do it.

I have sat on the Interior Committee now for 16 years. We set lands aside in parks and refugees. We have told landholders we are going to pay them for it and we have not done it. As I mentioned, there is $1 billion in backlog. We have not appropriated the money, and that is wrong. In America when we take from a citizen, we are supposed to pay him for it, and we are not doing it. This Congress is not doing it.

This is not a sweetheart deal. This is a deal that solves numerous problems. It helps the veterans. How can you in this committee vote against the veterans?

It helps the native tribes. It develops a $50 million trust fund.

It helps the city of Phoenix. It establishes a park.

We are doing many things in this piece of legislation that solves many problems, and now we hear opposition from the big spenders that would say this is costing the taxpayers money. I am suggesting respectfully this bill saves the taxpayers money; but more than that, just the other day I read in the papers about the polluted seas and the disappearing wetlands.

This is an environmental vote. If you want to vote for an environmental piece of legislation, this is the vote today, not the Tongass Forest. This is the vote today. This is the vote that will save those lands, to continue the ecosystem to protect the alligators and the ducks and the cranes and the beautiful cypress trees. That is the vote right now we should be taking.

Do not take jobs away from Alaska. Vote for this. This bill today has great merit for the environmentalists, for the city of Phoenix, the Indian tribes of America, for education in the future and for the veterans.

Those who say vote against this bill have not spent the time the committee has spent on it or the Arizona delegation, and our good leader, the gentleman from Arizona [Mr. Udall], although he leads us astray sometimes, in this case he is absolutely right.

So I am going to suggest to everybody in this great deliberative body of ours, vote "yes" on this bill and vote "no" on the Tongass bill.

Mr. RHODES. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. Kolbe].

Mr. KOLBE. Mr. Chairman, I thank the gentleman for yielding this time to me.

I rise in support of H.R. 4519, as amended, the Arizona-Florida land exchange bill.

I want to congratulate most particularly the chairman of the Interior Committee, the gentleman from Arizona, Mr. Mo Udall, for his work on this.

I think this once again demonstrates why this body has such respect for the gentleman from Arizona, Mr. Mo Udall. Without his work, without his efforts, this bill would not be here today.

It is getting a bum rap from some of the talk that we have heard on the floor here today. It has been described uncharitably and incorrectly as an exchange between swampland and desertland. In our sense, I guess that is correct. It is swampland that we are talking about in Florida, but then the whole Everglades is swampland, and if somebody just discovered that we are exchanging this, that the Everglades and this land we are exchanging, which is environmentally important swampland, then I suggest they go down and take a look, because it is environmentally important land. It is some of the most sensitive land in the Nation, the Florida Everglades, and on the other end of the country we are talking about some of the most important undeveloped urban space in the country, some of the most valuable undeveloped urban space in the country owned by the Federal Government, the Phoenix Indian School.

Exchanges of this sort are subject to microscopic scrutiny by committees, by the General Accounting Office, by the agencies at hand and by this body, and they should be. Determinations of value for both parcels of land are difficult to assess. We are talking about very complicated issues when we are talking about the environmentally sensitive land in Florida against this piece of land in the middle of one of the major metropolitan urban areas of the United States, how you assess this.

We have been spending months and literally years on this project. It has been looked at by the Interior Department, by the Interior Committee and our entire congressional delegation, and I think the result here shows that we have been scrupulous in giving attention to the potential problems that might exist with this exchange. With extensive meetings and review, we have ironed out some uncertainties in the Interior Department's original proposal. We have reviewed a competing proposal that in our determination simply could not match the original bid in terms of conferring assets to the Government.

□ 1130

The proposal we have before us is a good one all the way around. It is good for the environment, it preserves 108,000 acres of sensitive and important land in the public trust, it is a good deal for the veterans of Arizona, who gain 11½ acres in the heart of Phoenix adjacent to the current Veterans' Administration hospital for expansion of that hospital, it is a good deal for the city of Phoenix, which gains 20 acres of important open recreation park, for park lands, which are compatible with the land development use of the rest of this land, and it is certainly a good deal for the Indian education of Arizona tribes, with a $39 million trust fund that will help provide stable and consistent funding for the educational needs of the children.

The committee has done what is necessary to assure that the United States and all the interested parties receive a fair deal. Concerns expressed by the General Accounting Office about the respective appraisals have been addressed through the process that we have for keeping open the bids on this for 90 days and having an open-market mechanism, and I would suggest to the Members that a lot of other deals have been put together in terms of financing in a lot less than 90 days. One does not have to do the whole thing and, no, there is not zoning that is going to be provided at this time, but neither then do the Colliers in their exchange or in matching any bid know what the zoning would be, so everybody is operating on the same basis. This is clearly an instance where the whole package is greater than the sum of the parts. The value of this land goes far beyond the money and land that is changing title.

Mr. Chairman, the real benefits lie in what the people of the United States, the State of Florida, the State of Arizona, the city of Phoenix, and the Indian tribes of the Western United States get out of it.

We have recently heard on this floor some extraneous issues thrown in about other land exchanges in Arizona as though to sully the whole thing. We have heard some things about other land exchanges, and I would just suggest to the Members that the information given to them by the gentleman from Illinois [Mr. YATES] yesterday is just plain wrong. Three of those ranches, the Wallace Ranch, the Spurlock Ranch, and the Fitzgerald Ranch that he referred to were mandated by Congress to satisfy the requirements of the Navajo-Hopi Land Exchange Act of 1973. The figures are incorrect. The figures for the Empire-Seneca that the gentleman cited yesterday at about $21 million does not include all the money that had to be spent in order to acquire the mineral rights for the land under the BLM land being exchanged. Millions and millions of dollars were spent to acquire those mineral rights. That is not included in that figure.

Mr. Chairman, if we are going to talk about those kinds of things, we ought to at least have the figures correct. We ought to know what we are talking about.

I suggest that this is a good deal for the United States, a good deal for Arizona, for Florida, for all the people of this country and certainly, most particularly, for the Indian tribes who will benefit from this.

I urge the Members' support for this legislation.

Mr. RHODES. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would like to point out that the need was determined by passage of the Big Cypress bill a few months ago as to the further need for this bill.

If this agreement is trashed, if this bill is voted down, then we are placing this land on the auction block and five things would happen: First, we would not acquire the 108,000 acres of land in south Florida which is desperately needed to preserve its water supply; second, the veterans would not get the land for their VA hospital; third, the Indians would lose because there would be no trust fund established and set up for their education; fourth, the city of Phoenix would not get their land for a park; and fifth, the State of Arizona would not get their land for the veterans' retirement home. I think these are all important, and I do get, I guess, a little disturbed when I hear yesterday's environmentalists when they are today being born again deficit-busters.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Florida. I am happy to yield to the gentleman.

Mr. YATES. Mr. Chairman, yesterday's environmentalist is today's environmentalist as well, and we would hope, but we would expect, that if this property were placed on the open market in accordance with the direction of this committee, that this committee could as well direct that the money that was obtained by a sale on the open market be directed for the purposes that the gentleman said this bill states they should be used for.

Mr. LEWIS of Florida. Mr. Chairman, reclaiming my time, the gentleman may be giving a fact, but I do not think that fact is real and realistic, because the gentleman knows and I know that this is not going to happen. We have the deal in hand right now to preserve south Florida's water supply, to provide these four other items to the State of Arizona and to the city of Phoenix, and we should take advantage of them.

Mr. RHODES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just quote briefly from a statement from the Intertribal Council of Arizona:

> The ITCA, representing 19 tribal governments in Arizona, considers it would be a serious blow to the Indian children of Arizona were this bill not to pass.

Mr. Chairman, we have heard much today about the fact that this property is not being disposed of properly, because we are not subjecting it to the market process. We have not, though, heard in any way from any source any suggestion as to how we can subject this property to the market process other than the solution which we, the sponsors of this legislation, have produced. The fact of the matter is that there is no market for this property at the present time, because the city of Phoenix has not determined how it will permit this property to be developed. We have devised a mechanism whereby a proposed developer can go to the city and work with the city and produce a development plan for this property which can then be placed on the market. This is an open public process. Any interested party can observe it and will know at the time the property is made available what uses the city of Phoenix will permit, and at that point in time the market can work and the return to the taxpayers of this country can be maximized.

Mr. Chairman, finally, it surprises me to hear talk about sweetheart deals, cozy, cushy transactions for the benefit of a developer, how we are going to make one person rich at the expense of the taxpayers of this country. It surprises me that people who would say something like that apparently believe that there is 1 of the 20 members of the Florida delegation or 1 of the 5 members of the Arizona delegation with enough intelligence or integrity to see what those people see and to blow the whistle on this transaction if, in fact, that were the case.

Mr. Chairman, that is not the case. This is a good transaction for the United States of America and the taxpayers of this country. Secondarily, it is a good transaction for veterans, and it is a good transaction for the city, and it is a good transaction for the environment, and it poses the opportunity for the city of Phoenix to have orderly development of this property.

I urge my colleagues to support this piece of legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. UDALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wanted to express my appreciation to Deborah Broken Rope, who has been one of the key staffers in the Indian Affairs Office of the Committee on Interior and Insular Affairs. She is leaving us, and this will be her last bill. We will miss her very much.

Mr. Chairman, I just wanted to point out on the last point made by my friend, the gentleman from Arizona, that there is protection here. There is this last ditch after 3 years of negotiation and all kinds of conferences, and we have come out with a bill, and at the end of the road here, having invested all of this time and money, we put it out for public bid, we put it out so that the market forces can help give us true values.

Mr. Chairman, in this day of the hotshot takeover artists who make $1 million a day manipulating things, I have had two or three people tell me that people will be down there that day of the comparable sale waving a $100 million check. That is no big deal in today's market, and I just hope that this bill which does this, as the gentleman from Arizona [Mr. KOLBE] said so eloquently that it does so many things for so many people, and I think it would be shortsighted to reject it. Everybody expects to make some money when one buys or sells real estate, and I think the Colliers may make some money, but I think we have tightened it up so that any profit that is made on their part is reasonable and is compensated by the fact that we are achieving some other real goals.

Mr. JONES of North Carolina. Mr. Chairman, I support H.R. 4519, a bill to provide for the exchange of certain lands in Arizona under the jurisdiction of the Department of the Interior, and for other purposes.

The Committee on Merchant Marine and Fisheries was granted a sequential referral of H.R. 4519. In seeking a referral of this bill, I set forth for the Parliamentarian three separate reasons why H.R. 4519 addressed matters within the jurisdiction of my committee.

First, the bill would authorize the creation of a new 19,620-acre Ten Thousand Islands National Wildlife Refuge in Florida. Second, the bill would provide for a 5,109-acre expansion of the existing Florida Panther National Wildlife Refuge in that same State. Finally, the bill would ratify certain negotiated land management provisions with regard to the development of reserved oil and gas mineral interests in the new acreage being added to the national wildlife refuge system.

Mr. Chairman, as the committee with jurisdiction over the national wildlife refuge system, my committee supports the bill's proposed expansion of the national wildlife refuge system and has no objection to the provisions it contains on reserved oil and gas interests. Therefore, we allowed the bill to be discharged from my committee without further action. Despite our general support for the bill, however, I am increasingly worried about the impact of the continued creation or expansion of national wildlife refuges without a parallel expansion in the amount of money going into the refuge revenue sharing fund. I fear that the day may not be far off when otherwise meritorious refuge proposals have to be delayed until an adequate source of funding is assured for refuge revenue sharing. I would urge all supporters of the national wildlife refuge system to join me in developing a solution to this problem.

Mr. SMITH of Florida. Mr. Chairman, I would like to express my support for H.R. 4519, the Arizona-Florida Land Exchange Act. As a cosponsor of this bill and as a supporter of the Big Cypress National Preserve Addition Act, I believe that this bill will play a vital role in the State of Florida's campaign to protect the environment.

The Arizona-Florida land exchange utilizes a unique form of creative financing which will result in the public ownership of thousands of acres of pristine land. The passage of H.R. 4519 will enable the Department of the Interior to exchange 68 acres of prime Federal land in Phoenix, AZ, for 107,799 acres in south Florida owned by the Collier family. In addition, the Collier family will pay the Federal Government approximately $34.9 million in cash.

The Arizona-Florida Land Exchange Act focuses attention on three environmentally significant areas in Florida:

The Big Cypress National Preserve which will be expanded by 83,070 acres,

The Florida Panther National Wildlife Refuge which will be expanded by 5,109 acres, and

The Ten Thousand Islands Wildlife Refuge which will be created through the acquisition of 19,620 acres.

The acquisition of thousands of acres of protected Florida land is vital to endangered species protection and environmental preservation in these regions. The effort to protect the endangered Florida panther, as well as other endangered species, vegetation, and wildlife will be greatly enhanced by this addition. Equally important is the preservation of the natural watersheds which supply drinking water for south Florida.

This bill is specifically designed to benefit the State of Florida as well as the State of Arizona. With the passage of this act, 68 acres of the 114 acres that the Phoenix Indian School property now occupies will be conveyed to the Collier family. The proceeds will be deposited in trust funds for use in Indian program activities, such as education and child welfare programs. The remaining 36 acres will be distributed between the city of Phoenix, the Veterans' Administration, and the State of Arizona for various purposes.

Mr. Chairman, few pieces of legislation satisfy such diverse interests. The passage of this important legislation will expand protection to some of our Nation's most endangered ecosystems, located in the State of Florida, and at the same time address the needs of Indians, veterans, and residents of Phoenix, AZ. I urge my colleagues to vote in support of this bill.

Mr. MACK. Mr. Chairman, I want to take this opportunity to offer my strong support for the Arizona-Florida Land Exchange Act. As my colleagues will recall, the Congress earlier this year enacted a law, the Big Cypress National Preserve Addition Act. Under that law, the United States and the State of Florida will share responsibility for acquiring 146,000 acres of environmentally sensitive lands in south Florida. These lands provide critical habitat for a number of endangered and threatened plant and animal species. Even more important, the lands in this area feed the Everglades watershed—the fragile "River of Grass" that secures the water supply for south Florida.

The need for protective Federal ownership of this land is undisputed. Many national and local environmental groups have long considered the acquisition of these lands to be of the highest national priority. Over the last 3 years, I joined with my colleagues in the Florida delegation in a bipartisan effort to ensure enactment of the Big Cypress National Preserve Addition Act, which paved the way for Federal acquisition of this land.

Although the environmental importance of these lands is without question, legitimate questions were raised concerning the ability of the Federal Government to meet the substantial price tag for purchase of these lands through appropriated funds. In fact, we in Congress who supported the acquisition were unable to gain administration support until it became apparent that we would be able to acquire nearly 60 percent of these lands through the Arizona-Florida land exchange which had been proposed by the Department of the Interior.

When the Big Cypress Preserve bill lay on the President's desk, I had an opportunity to discuss the bill with President Reagan and urge him to sign it into law. We discussed the need for protection of the Florida lands, and the enormous public benefits that could be achieved if the lands could be acquired without massive Federal expenditures. At that time I assured him that all efforts were being made to finalize the land exchange package and make sure that ratifying legislation could be enacted this year. It was clear to me from our conversation that his decision to sign the bill was based in large measure on the prospect that the land exchange would ultimately be approved by the Congress.

I have watched the progress of this land exchange proposal for over 2 years, from the early stages of negotiation, through two congressional hearings, and culminating in the efforts over the last year of the members of the Arizona delegation and the House Interior

Committee to develop this legislation. To accomplish this final step, the Arizona delegation and the committee have had to come to grips with the host of important local and national issues, and to do so in a way that provides the Congress with confidence that the exchange is sound public policy and is fair to all interested parties. I think we should be grateful for the yoeman's effort required by colleagues on both sides of the aisle to put together this complex transaction—and I am very pleased with the results.

I commend Chairman UDALL, other members of the Arizona delegation, the members of the Florida delegation, especially TOM LEWIS, and others of my colleagues who have responded in a creative way to our call for help in protecting Florida's great natural treasure. I think that we have an end product that effectively balances a diversit of legitimate political interests in Arizona and Florida, and benefits those throughout the Nation who share our commitment to protection of one of our most valued national assets—the Florida Everglades.

Mrs. COLLINS. Mr. Chairman, I rise in opposition to the bill. It is not that I would not welcome the conservation enhancements in Florida from acquisition of the new lands there by the Department of the Interior. It is not that I do not favor the use of sales proceeds to establish trust funds for the benefit of Indian education, child welfare, community development. I want no one to misunderstand me. I support such objectives.

But I am faced with a serious dilemma. H.R. 4519 involves property disposal procedures that fly in the face of the long established policies and procedures which the Federal Property and Administrative Services Act establishes for the utilization and disposal of Federal property. I chair the Government Operations Subcommittee of Government Activities and Transportation, which has jurisdiction over that act.

Clearly, the 110 acres of Indian school land in Phoenix will be no longer required for the needs of the Department of the Interior and the discharge of its program responsibilities. According to the Federal Property Act, this land would be regarded as excess. Then, if there is no further Federal need, the land would be determined surplus and ready for non-Federal disposal. But, except for an 11.5-acre parcel assignable to the VA, further Federal agency needs would be ignored.

The bill, of course, operates without regard to the Federal Property Act. But that act would require maximum utilization of excess property by executive agencies. We do not know what needs another Federal agency might have for part of this land in order to serve an authorized program. In this respect, Mr. Chairman, H.R. 4519 is a complete departure from standard Federal property management policy and practice.

Furthermore, H.R. 4519 sanctions a negotiated disposal to a private person of what in reality will be surplus property, that is, surplus to all Federal agencies' needs. The Federal Property Act does not permit negotiated disposal by any mode to an entity other than a public agency, unless it is impractical to advertise publicly for competitive bids and the estimated fair market value can be obtained by negotiation. H.R. 4519 specifically recognizes that the Phoenix school land can and may be offered for competitive bids.

Further, Mr. Chairman, we must deal with the practical fact that the limited public offering under H.R. 4519, supposed to establish the market value, is not a truly open and valid competitive procedure. The bill would give the Collier family the right to obtain the Phoenix land anyway simply by matching the highest bid. It is hard to conceive of a potential outside bidder that would be strongly interested. For he would have to spend the resources necessary to plan for, evaluate, prepare, and submit an all-cash bid, undoubtedly with a large bid deposit and made irrevocable for 4 months, knowing that whatever he might bid, Collier, working from important advantages, financial and otherwise, could come in and snatch the property away.

Mr. Chairman, every Congress, the Government Activities and Transportation Subcommittee reviews and comments in detail on upward of 50 proposed negotiated disposals of surplus real property. These come to us in the form of explanatory statements submitted to the committee by the Administrator of General Services. This duty is imposed on the committee by the Federal Property Act.

Our committee has exercised this responsibility over several decades. It has gained much experience with surplus land disposals. I can flatly state that the disposal procedures this bill adopts do not adequately protect the public interest. Moreover, they amount to a potentially huge Federal subsidy to a private developer at the Federal taxpayers' expense. It is an all too common fallacy to believe that, when the Government spends valuable and highly marketable surplus real estate, it is not spending tax dollars. Fair value given for fair value received is the standard that should apply to all spending.

Therefore, Mr. Chairman, I must vote against the bill as now framed and urge its rejection.

Mr. UDALL. Mr. Chairman, I yield back the balance of my time.

Mr. RHODES. Mr. Chairman, I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair will consider the 7½ minutes allotted to the majority on the Committee on Merchant Marine and Fisheries to be yielded back.

Pursuant to the rule, an amendment in the nature of a substitute consisting of the text of H.R. 5012 is considered as an original bill for the purpose of amendment under the 5-minute rule and each title is considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Arizona-Florida Land Exchange Act of 1988".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. DEFINITIONS.

For purposes of this Act—

(1) The term "Administrator" means the Administrator of Veterans' Affairs.

(2) The term "Arizona Intertribal Trust Fund" means the fund established pursuant to section 202(a)(1) of this Act in the Treasury of the United States for the benefit of Arizona Tribes that were members of the Intertribal Council of Arizona on January 1, 1988, and the members of such Tribes.

(3) The term "Arizona Tribe" means an Indian tribe that has a reservation located partially or totally in the State of Arizona.

(4) The term "City" means the City of Phoenix, Arizona;

(5) The term "Collier" means the nongovernmental parties to the Exchange Agreement identified in the Exchange Agreement as Barron Collier Company and Collier Enterprises.

(6) The term "Exchange Agreement" means the Agreement Among the United States, Collier Enterprises and the Barron Collier Company, executed on May 15, 1988, and subsequently submitted to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(7) The term "Florida Lands" means the lands that would be conveyed to the United States by Collier under the terms of the Exchange Agreement or this Act, and other lands owned by Collier and located within the boundaries of the Florida Panther National Wildlife Refuge to be acquired by purchase by the United States and managed as part of such Refuge, other than those lands identified for conveyance to the United States pursuant to agreements for purchase and sale of such lands executed by Collier prior to January 1, 1988.

(8) The term "Intertribal Council of Arizona" or "ITCA" means the corporation organized and existing under the laws of the State of Arizona under the name Intertribal Council of Arizona, Inc., or a successor to such corporation organized and existing under the laws of the State of Arizona, the membership of which includes thirteen or more of the Arizona Tribes that were members of the ITCA on January 1, 1988.

(9) The term "Land Exchange" means the transaction providing for the acquisition by the United States of title lands in Florida owned by Collier and the receipt by the United States of Monetary Proceeds in exchange for the acquisition by Collier of title to land within the School Property.

(10) The term "Monetary Proceeds" means either—

(A) the amount required to be paid to the United States by Collier upon closing of the Land Exchange in accordance with paragraphs 13 through 15 of the Exchange Agreement, or

(B) the amount required to be paid to the United States by a Purchaser other than Collier upon closing of the Purchase Transaction, less the amount required to be paid from the account for acquisition of the Florida Lands and reimbursement of costs established under section 101(i) of this Act.

(11) The term "Navajo Education Trust Fund" means the fund established pursuant to section 201(a)(2) of this Act in the Treasury of the United States for the benefit of the Navajo Tribe and its members.

(12) The term "Phoenix Exchange Property" means the land within the School Property to be conveyed to a Purchaser under the Land Exchange or the Purchase Transaction, which land shall be the School Property less any parcel of land to be conveyed to the City of Phoenix or transferred to the Veterans' Administration upon closing of the Land Exchange or Purchase Transaction pursuant to section 101 of this Act.

(13) The term "Planning and Development Agreement" means the Memorandum of Agreement between the City of Phoenix, Arizona, Collier Enterprises and Barron Collier Company approved by the City Council of Phoenix, Arizona, on July 1, 1987, including any amendments or modifications of such Memorandum of Agreement subsequently agreed to by the parties, or, as the context may require, an agreement between the City of Phoenix, Arizona, and a Purchaser other than Collier that is identical in all material respects to such Memorandum of Agreement.

(14) The term "Public Planning Process" means the land use planning and zoning process applicable to the School Property under the Planning and Development Agreement or other State or local law and regulation applicable to the planning and zoning of such property.

(15) The term "Purchase Transaction" means the cash purchase of the Phoenix Exchange Property by a Purchaser other than Collier under section 101(h) of this Act.

(16) The term "Purchaser" means Collier or, in the event that Collier does not accept the offer of the United States to acquire the Phoenix Exchange Property under section 101(h)(6) and (7) of this Act, any other person that acquires the Phoenix Exchange Property under a Purchase Transaction.

(17) The term "School Property" means the real property used by the Secretary on January 1, 1988, for the Phoenix Indian High School in Phoenix, Arizona.

(18) The term "Secretary" means the Secretary of the Interior.

(19) The term "Trust Fund Payment" means the payment to the United States of the Monetary Proceeds for deposit into, as the context requires, the Arizona Intertribal Trust Fund or the Navajo Trust Fund, in the form of a lump sum payment or annual payments as determined under section 102 of this Act.

(20) The term "Trust Fund Payment Agreement" means an agreement providing for payment by the Purchaser of annual Trust Fund Payments for deposit into the Arizona Intertribal Trust Fund or the Navajo Trust Fund or, as the context may require, an agreement between the United States and a Purchaser other than Collier that is identical in all material respects to such Trust Fund Payment Agreement.

(21) The term "Trust Income" to the Arizona Intertribal Education Trust Fund or the Navajo Education Trust Fund means the interest earned on amounts deposited into each such trust fund and any amounts paid into each such trust fund in the form of annual Trust Fund Payments.

(22) The term "Veterans' Administration Property" means the property adjacent to the School Property owned by the United States and under the jurisdiction and control of the Veterans' Administration on January 1, 1988.

The CHAIRMAN. Are there any amendments to section 2?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I

SEC. 101. DISPOSITION OF SCHOOL PROPERTY.

(a) Authorization of Disposal.—The Secretary is authorized to dispose of the School Property and use the Monetary Proceeds only in accordance with this Act. The provisions of this Act shall govern the disposal of such property and other provisions of law governing the disposal of Federal property shall not apply to the disposal of the School Property.

(b) Exchange Agreement.—The Exchange Agreement is ratified and confirmed and sets forth the obligations, duties, and responsibilities of the parties to the Exchange Agreement. The Secretary shall implement the Exchange Agreement in accordance with its terms and conditions; except that, the Secretary may, with the concurrence of Collier, make minor and technical amendments in land descriptions and instruments of conveyance, as set forth in the agreement, upon 30 days prior written notice to the House Interior and Insular Affairs and Senate Energy and Natural Resources Committees.

(c) Conveyance of Lands; Transfer of Jurisdiction.—If the Phoenix Exchange Property is conveyed under the Land Exchange or a Purchase Transaction, the Secretary is authorized and directed, subject to the requirements of this section, to—

(1) convey to the City by quitclaim deed a parcel of 20 acres of the School Property upon election by the City to accept such conveyance under subsection (e);

(2) transfer jurisdiction and control of a parcel of 11.5 acres of the School Property to the Veterans' Administration pursuant to subsection (f); and

(3) transfer jurisdiction and control of a parcel of 4.5 acres of the School Property to the Veterans' Administration pursuant to subsection (g).

(d) Preliminary Notice.—(1) On a date no later than 135 days prior to acceptance by Collier of the offer of the United States under the Exchange Agreement, Collier shall provide preliminary notice in writing of its intent to accept such offer to—

(A) the Secretary;

(B) the Mayor of the City;

(C) the Administrator of Veterans' Affairs.

(D) the Intertribal Council of Arizona;

(E) the governing body of the Navajo Tribe; and

(F) the Governor of the State of Arizona.

The provision of this preliminary notice by Collier shall not affect Collier's right to accept or not to accept the offer of the United States under the Exchange Agreement and in accordance with subsection (h)(7).

(2) Notwithstanding any provision of the Exchange Agreement, Collier may not provide preliminary notice under paragraph (1) prior to the later of one year following the date of enactment of this Act or the submission of a Specific Plan for the Phoenix Exchange Property as provided in the Planning and Development Agreement.

(e) Election by City.—(1) Within 15 days after receipt of notice to the Mayor of the City under subsection (d), the City may advise the Secretary in writing that it elects to accept conveyance of a parcel of 20 acres of land within the School Property identified for conveyance to the City by mutual agreement with Collier in accordance with the Public Planning Process.

(2) On or after conveyance of the Phoenix Exchange Property under the Land Exchange or Purchase Transaction, the Secretary shall convey to the City such parcel of 20 acres of the School Property as the City may elect to receive under paragraph (1), subject to the requirements of this section: *Provided*, That if the City and the Purchaser have not identified 20 acres for conveyance to the City in accordance with the Public Planning Process at the time of closing of the Land Exchange or the Purchase Transaction, the Secretary shall convey to the city a parcel of land consisting of the northernmost 20 acres of the School Property.

(3) Nothing in this Act shall be construed as a limitation on the authority of the Purchaser and the City to enter into agreements to exchange, on an acre-for-acre basis, land within the School Property conveyed to the Purchaser for land conveyed by the United States to the City or owned by the City contiguous to the School Property.

(4) Any conveyance to the City by the United States under this subsection shall include the requirement for a right of reverter in favor of the United States restricting the use of such land perpetually to provide for public open space and recreation.

(5) Any conveyance by the Purchaser to the City of land within the School Property pursuant to exchange shall include a right of reverter in favor of the United States restricting the use of such land perpetually to provide for public open space and recreation. The conveyance by exchange of land to the Purchaser from the City shall extinguish any right of reverter restricting the use of land so conveyed to the Purchaser.

(6) Nothing in this subsection shall be construed to alter any right of the City to purchase additional acres of land within the School Property from the Purchaser pursuant to the Planning and Development Agreement or as may otherwise be agreed to by the City and the Purchaser.

(f) Transfer to the Veterans' Administration.—(1) Upon the closing of the Land Exchange or the Purchase Transaction, the Secretary shall transfer to the Veterans' Administration jurisdiction and control of a parcel of 11.5 acres (including improvements located thereon) within the School Property to be used for expansion of the Veterans' Administration Medical Center in Phoenix, Arizona.

(2) Such parcel shall be the portion of land designated as Tract C on the metes-and-bounds surveys in the southeast quarter of section 20, township 2 north, range 3 east, of the Gila and Salt River Meridian, Arizona, conducted by the Bureau of Land Management of the Department of Interior, dated March 22, 1988.

(3)(A) The Administrator shall cooperate with the City in the planning and development of land transferred under this subsection for the purpose of ensuring comprehensive planning of the School Property in accordance with the objectives of the Public Planning Process. The general authorities of the Administrator, including but not limited to those contained in sections 5022(a)(2) and 5024 of title 38, United States Code, shall be available to the Administrator for the purposes of this subsection.

(B) The Administrator shall, within six months after the date of the enactment of this Act and every six months thereafter until the cooperative planning referred to in subparagraph (A) is completed, transmit a report to the Committee on Interior and Insular Affairs and the Committee on Veterans' Affairs of the House of Representatives and the Committee on Energy and to Natural Resources and the Committee on Veterans' Affairs of the Senate. Each such report shall contain a description of the efforts made by the Veterans' Administration in carrying out such planning during the period for which the report is submitted.

(C) The Secretary shall enter into a memorandum of understanding with the Administrator for the temporary use by the Administrator of the gymnasium constructed on the School Property in 1975. Such temporary use shall not extend beyond the interim period before the transfer or development of the property on which the gymnasium is located.

(g) TRANSFER TO THE STATE OF ARIZONA.—(1) Upon the closing of the Land Exchange or the Purchase Transaction, the Secretary shall transfer to the Veterans' Administration jurisdiction and control of a parcel of 4.5 acres (including improvements located thereon) within the School Property which shall be under the jurisdiction and control of the Veterans' Administration until disposed of in accordance with paragraph (3) or (4).

(2) Such parcel of land shall be contiguous to the parcel of land transferred to the Veterans' Administration under subsection (f) and to the Veterans' Administration Property. Such parcel shall be identified by mutual agreement of the City, the Administrator, Collier, and the State of Arizona in accordance with the objectives of the Public Planning Process for use by the State of Arizona as a site for facilities owned and operated by such State as a home for veterans.

(3) The Administrator shall convey such parcel (including improvements located thereon), without reimbursement, to the State of Arizona when—

(A) the Administrator of Veterans' Affairs has approved the State of Arizona's application for assistance in construction of a State veterans' facility on such parcel pursuant to section 5035 of title 38, United States Code; and

(B) the State of Arizona has appropriated sufficient funds to pay for its portion of the costs of construction of such facility.

(4) If the State of Arizona does not submit an application for assistance described in paragraph (3)(A) and appropriate the funds described in paragraph (3)(B) within three years after such parcel is transferred to the Veterans' Administration under this subsection, the Administrator of Veterans' Affairs shall transfer jurisdiction and control of such parcel to the Secretary.

(5) Such land shall be offered by the Secretary for sale to the City, subject to a right of reverter in favor of the United States restricting the use of such land perpetually to provide for public open space and recreation, at a price determined by the Secretary which shall be representative of the value of such land discounted to account for such restrictions in use. In the event that the City does not accept the offer of the United States to purchase such land within six months from the date such offer is made, such land shall be offered for sale to the Purchaser at fair market value. The amount received from any sale of such land shall be deposited in the Arizona InterTribal Trust Fund and in the Navajo Trust Fund in accordance with the allocation described in section 202(e).

(h) OFFERS TO PURCHASE.—(1) Upon receipt by the Secretary of the notice of election to receive the parcel of land by the City of Phoenix, under subsection (e) but in no event later than 30 days after receipt of preliminary notice to the Secretary by Collier under subsection (d), the Secretary shall publish notice that the Secretary will consider offers by persons other than Collier to purchase the Phoenix Exchange Property, subject to the requirements of this section.

(2)(A) Notice under paragraph (1) shall be published in the Federal Register and shall otherwise be advertised in newspapers of general circulation and other appropriate publications, including newspapers in Phoenix, Arizona. Such notice shall include—

(i) an accurate description of the Phoenix Exchange Property, and an identification of any parcels of land within the School Property elected for conveyance to the City pursuant to subsection (e), transferred to the Veterans' Administration pursuant to subsection (f), or conveyed to the State of Arizona pursuant to subsection (g);

(ii) the name and address of State and local offices from which information concerning the zoning and other legal requirements applicable to such property may be obtained;

(iii) a description of the terms and conditions for purchase of the Phoenix Exchange Property established under this Act pursuant to which the Secretary may accept an offer to purchase the Phoenix Exchange Property;

(iv) a statement of the minimum price that the Secretary may accept for sale of the Phoenix Exchange Property under paragraph (4) of this subsection;

(v) a description of the other terms and conditions for purchase of the Phoenix Exchange Property that the Secretary determines are necessary to ensure that the rights and obligations of a Purchaser under this section are comparable in all material respects to the rights and obligations of Collier under the Exchange Agreement, except as otherwise provided in this Act;

(vi) a statement establishing requirements for deposit of bond or other guarantee of credit in an amount determined by the Secretary; and

(vii) any other information that the Secretary, in his discretion, determines is reasonably necessary to permit a bona fide potential purchaser to evaluate the terms and conditions for purchase of the Phoenix Exchange Property.

(B) Upon request, the Secretary shall make available to any potential purchaser a copy of the Exchange Agreement or any other document in the possession of the Secretary which the Secretary in his discretion determines is reasonably necessary to permit a bona fide potential purchaser to evaluate the proposal of the United States to sell the Phoenix Exchange Property.

(3) Any person seeking to acquire the Phoenix Exchange Property by purchase under this section shall, within 90 days after publication of notice in the Federal Register under paragraph (1), deliver to the Secretary in the form prescribed in such notice, a written offer to purchase the Phoenix Exchange Property which offer shall—

(A) offer to purchase the entire Phoenix Exchange Property for cash in a single transaction at a price greater than the minimum acceptable price established under paragraph (4);

(B) by its terms be irrevocable for a period of at least 120 days from the date such offer is delivered to the Secretary and be legally binding on the offeror upon acceptance of such offer by the United States;

(C) offer to enter into a Purchase Agreement with the United States under the terms and conditions for purchase of the Phoenix Exchange Property described in the notice by the Secretary under paragraph (2);

(D) contain an offer to the United States to enter into a Trust Fund Payment Agreement in a form prescribed by the Secretary consistent with the requirements for payment of the Trust Fund Payment in the form of annual payments under section 102, which agreement shall be legally binding upon the offeror upon election of the Secretary to receive payment of the Monetary Proceeds in the form of annual payments under section 102 of this Act, including: (i) a detailed description of the collateral to be provided by the offeror to secure the payment obligation under the Trust Fund Payment Agreement upon such election of the Secretary to receive payment in the form of annual payments, and (ii) evidence of ownership and value of such collateral sufficient to permit the Secretary to determine whether such collateral is adequate to secure the payment obligations of the Purchaser under the Trust Fund Payment Agreement;

(E) contain evidence that the offeror has made an offer to the City of Phoenix, legally binding by its terms on the offeror upon approval by the City Council of Phoenix, Arizona, to enter into the Planning and Development Agreement;

(F) contain full and substantial evidence of the capacity of the offeror to enter into and perform each of the obligations required to be undertaken by the offeror under the terms described by the Secretary in accordance with paragraph (2) including a description of any financing arrangements to be undertaken by the offeror in order to perform the payment obligation of the Purchaser upon closing of the Purchase Transaction;

(G) meet any other requirements prescribed by the Secretary in the notice published under paragraph (1) which are reasonably necessary to ensure that any offer accepted by the United States under this subsection will provide public benefits to the United States comparable to those provided to the United States under the Land Exchange; and

(H) be accompanied by the deposit of a bond or other guarantee consistent with the requirements prescribed by the Secretary under paragraph (2).

(4) The minimum acceptable price for sale of the Phoenix Exchange Property is a cash amount equal to the sum of the amount required to be deposited into the account for purchase of the Florida Lands and reimbursement of costs under subsection (i) and an amount equal to the amount required to be paid by Collier under paragraphs 13 and 14 of the Exchange Agreement.

(5)(A) The Secretary shall review any offer to purchase the Phoenix Exchange Property delivered to the Secretary within 90 days after publication of notice under paragraph (1) for the purpose of determining whether such offer meets the requirements under paragraph (3) or other requirements set forth in the notice of the Secretary pursuant to paragraph (2). The Secretary shall identify for consideration as qualifying offers all such offers that meet such requirements subject to the limitations of subparagraph (B).

(B) In determining whether an offer is a qualifying offer under this paragraph, the Secretary shall exclude from consideration any offer that the Secretary in his discretion determines—

(i) does not meet the requirements set forth in the notice of the Secretary pursuant to paragraph (2);

(ii) is made by an offeror without adequate capacity to enter into or perform the payment obligations under this Act or the Trust Fund Payment Agreement; or

(iii) has failed to identify collateral that is adequate to secure the obligations under the Trust Fund Payment Agreement.

(C) The Secretary shall, within 105 days after publication of notice in the Federal Register, select from among the qualifying offers the best qualifying offer, which shall be the single offer from among the qualifying offers that contains an offer to pay to the United States the highest lump sum cash payment upon closing of the Purchase Transaction: *Provided*, That nothing in this paragraph shall be construed to limit or alter the right of the Secretary to elect to receive payment of the Monetary Proceeds in the form of annual payments under section 102 of this Act.

(6) Within 105 days after publication of notice in the Federal Register under paragraph (1), the Secretary shall advise Collier whether the Secretary has identified a qualifying offer or offers. In the event that the Secretary has not identified any such qualifying offer, he shall advise Collier that Collier may accept the offer of the United States to Collier under the terms of the Exchange Agreement and this Act. In the event that the Secretary has identified a qualifying offer, the Secretary shall provide Collier with a copy of the best qualifying offer, and shall advise Collier that Collier may accept the offer of the United States under the Exchange Agreement subject to the requirement that Collier rather than the amount required to be paid under paragraphs 13 and 14 of the Exchange Agreement, pay the difference between the price to be paid under the best qualifying offer and $45,100,000.

(7) Collier may accept the offer of the United States by notice to the Secretary within 30 days of receipt of notice under paragraph (6) that Collier accepts such offer under the terms of the Exchange Agreement and subject to the requirement, if any, for additional payment under paragraph (6). If Collier accepts the offer of the United States under this paragraph, closing of the Land Exchange shall occur under the terms of the Exchange Agreement and this Act.

(8) If Collier does not accept such offer, the Secretary shall accept the best qualifying offer. If no qualifying offer has been received within the period specified in paragraph (3), the Secretary shall maintain the School Property in accordance with subsection (l) of this section, and notify the Committees on Interior and Insular Affairs and Veterans' Affairs in the House of Representatives, and the Committee on Energy and Natural Resources in the Senate within 60 days of the Secretary's notice to Collier under paragraph (6). Closing of the Purchase Transaction under this subsection shall occur within 90 days after acceptance by the United States of the best qualifying offer, subject to the requirements respecting deposit of payment under subsection (i).

(9) No action of the Secretary under this subsection shall be subject to the provisions of 5 U.S.C. 553 through 558 or 701 through 706.

(i) Account for Purchase Transaction Amounts.—(1) Upon closing of the Purchase Transaction, there shall be established in the Treasury of the United States an account into which shall be deposited from the amount paid to the United States under the Purchase Transaction, at the direction of the Secretary, an amount equal to the sum of—

(A) $49,400,000, less any amount received by Collier in consideration of the conveyance to the United States of any portion of the Florida Lands prior to the closing of the Purchase Transaction, and

(B) an amount equal to the costs determined by the Secretary as reimbursable to Collier under paragraph (2), based on information to be provided to the Secretary by Collier at the time that Collier provides preliminary notice under subsection (d).

(2) For purposes of this subsection, reimbursable costs of Collier shall include—

(A) all costs, including fees for attorneys and consultants, paid or incurred by Collier in connection with the Public Planning Process and planning and zoning of the School Property, and

(B) an amount for compensation of general administrative costs and overhead, which shall be an amount equal to the costs reimbursable to Collier under subparagraph (A) multiplied by a factor of 0.8.

(3) Upon conveyance by Collier to the United States of title to the Florida Lands pursuant to this subsection, the Secretary shall cause to be paid to Collier from the account established under paragraph (1): (A) $49,400,000, less any amount previously paid to Collier by the United States in consideration of conveyance of any portion of the Florida Lands, and (B) an amount equal to the total amount of costs reimbursable to Collier under this subsection, as determined by the Secretary.

(j) Conveyance of Title.—Upon conclusion of the procedures under subsection (h), the Secretary is authorized and directed to release and quitclaim to the Purchaser all right, title, and interest of the United States to the Phoenix Exchange Property.

(k) Reversion.—Any land within the School Property not conveyed to the Purchaser or the City or transferred to the Veterans' Administration upon closing of the Land Exchange or the Purchase Transaction or which reverts to the United States under subsection (e)(4) or is transferred to the Secretary under subsection (g)(4) and is not sold to the City or the Purchaser shall be maintained under the administrative jurisdiction, management and control of the National Park Service and shall not be disposed of until authorized by an Act of Congress: *Provided, however*, That such lands shall not be considered a unit of the National Park System.

(l) State and Local Authority.—Nothing in this Act shall be construed to supersede, abrogate, enlarge, diminish, or otherwise alter the exercise of authority of the State of Arizona, the City or other State and local authority with respect to planning and zoning of the School Property under applicable State or local law.

(m) Specific Plan Reports.—(1) No later than 30 days after the submission of the Specific Plan as provided for in the Planning and Development Agreement, the Comptroller General of the United States shall submit to Congress a report analyzing the Specific Plan, particularly as it relates to the final proposals for zoning of the Phoenix Exchange Property, the alternatives considered, the reasons for rejection of the alternatives, and the effect of the rezoning proposals on the potential value of the property relative to the effects of other zoning proposals.

(2) Within 60 days after acceptance of the Purchasers' offer under subsection (h)(8), or acceptance of the Colliers' offer under subsection (h)(6) or (h)(7), whichever is later, the Comptroller General shall provide a further report on all actions taken subsequent to the submission of the Specific Plan relative to disposition of the Phoenix Exchange Property, particularly as they relate to the value received by the United States and the process by which such value was determined.

(3) The Comptroller General shall transmit all reports required by this section to the Committees on Interior and Insular Affairs and Education and Labor of the House of Representatives and the Committee on Energy and Natural Resources and the Select Committee on Indian Affairs of the Senate.

SEC. 102. PAYMENT TO THE TRUST FUNDS.

(a) Deposit of Monetary Proceeds.—The Monetary Proceeds shall be paid to the United States for deposit in the Arizona InterTribal Trust Fund and the Navajo Trust Fund in accordance with this section and section 202 of this Act.

(b) Election of Lump Sum or Annual Payments.—Subject to the requirements for consultation under subsection (c)(3), the Secretary may, in his discretion, elect to receive the Trust Fund Payment for deposit in the Arizona InterTribal Trust Fund or the Navajo Trust Fund, or both, in the form of either a lump sum payment or 30 annual payments, calculated in accordance with subsection (c). The Secretary shall provide notice of such election to the Purchaser within 90 days after receipt of notice from Collier that it intends to accept the offer of the United States under the Exchange Agreement pursuant to section 101(d).

(c) Method of Payment.—(1) If the Secretary elects to receive a Trust Fund Payment in the form of a lump sum payment, the Purchaser shall, at the time of closing, pay to the United States an amount equal to that portion of the Monetary Proceeds that is properly allocable to the Trust Fund for which such election is made.

(2) If the Secretary elects to receive a Trust Fund Payment in the form of annual payments, the Purchaser shall make—

(A) 30 annual payments equal to the interest due on an amount equal to that portion of the Monetary Proceeds that is properly allocable to the Trust Fund for which such election is made; and

(B) at the time of the last annual payment, a payment equal to that portion of the Monetary Proceeds that is properly allocable to the Trust Fund for which such election is made.

(3) Prior to making any election as to form of the Trust Fund Payment under this subsection, the Secretary shall consult with—

(A) the InterTribal Council of Arizona, concerning the form of the Trust Fund Payment to the Arizona InterTribal Trust Fund; and

(B) the governing body of the Navajo Tribe, concerning the form of the Trust Fund Payment to the Navajo Trust Fund.

(4) If the Secretary elects to receive a Trust Fund Payment in the form of annual payments under subsection (c)(2), the Secretary is directed to execute the Trust Fund Payment Agreement pursuant to which such annual payments will be made.

(5) The interest rate to be used in determining the interest due on annual Trust Fund Payments payable by the purchaser

shall be the interest rate being offered on bonds payable in 30 years sold by the United States on the date that notice of the election of the form of the Trust Fund Payment is made by the Secretary plus 0.25 percent, except that in no event shall such interest rate be lower than 8.5 percent or higher than 9.0 percent.

(6) Closing of the Land Exchange or the Purchase Transaction shall occur no sooner than 90 days after notice of the Secretary's election is provided to the Purchaser, except that if the Secretary elects to receive a Trust Fund Payment in the form of annual payments under subsection (c)(2), closing of the Land Exchange or the Purchase Transaction shall not occur unless a Trust Fund Payment Agreement has been executed.

(d) CASH PROCEEDS.—Any cash proceeds to the United States from the sale of land within the School Property offered to and accepted by the City or the Purchaser subsequent to closing of the Land Exchange or the Purchase Transaction shall be in the form of a lump sum payment, unless otherwise agreed to by the parties, payable to the United States for deposit into the Arizona InterTribal Trust Fund and the Navajo Trust Fund pursuant to section 202 of this Act.

The CHAIRMAN. Are there any amendments to title I?

Mr. YATES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I was going to ask the gentleman from Arizona, the chairman of the committee, whether he proposed to offer any amendments to the bill. As I understood what he said in letters that he sent out to Members of the House, there were amendments that he proposed or that he was proposing in connection with extending the time for allowing competitive bidding and also for providing for a year for negotiations.

Is my understanding correct, or is the gentleman not available.

The CHAIRMAN. It is the understanding of the Chair that the gentleman from Michigan [Mr. KILDEE] is going to manage the bill on behalf of the Committee on Interior and Insular Affairs.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am happy to yield to the gentleman.

Mr. KILDEE. Mr. Chairman, the amendments the gentleman is referring to were amendments negotiated between the Committee on Education and Labor and the Committee on Interior and Insular Affairs, and those amendments were incorporated in the bill brought up by the gentleman from Arizona [Mr. UDALL], and they already are in the substitute. They are included in the substitute.

Mr. YATES. Mr. Chairman, would the gentleman explain what those amendments do?

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am happy to yield to the gentleman.

Mr. KILDEE. Mr. Chairman, basically they extend the time in which another bidder can enter into the bidding process to 90 days. That would allow another bidder 90 days to match or surpass the bid of the Collier Corp. We felt on the Committee on Education and Labor that that was important, that we leave that bidding process open longer than was in the original bill.

Mr. YATES. Does that amendment also give the Collier company the right to match any outside bids?

Mr. KILDEE. Mr. Chairman, the gentleman is correct.

Mr. YATES. Mr. Chairman, if that were true, the Collier company would then obtain or would continue to occupy a preferred position, would it not?

Mr. KILDEE. Mr. Chairman, one could characterize it that way. They would be able to match any bid that was higher than the original Collier bid offered during the 90-day period; Collier Corp. would be allowed to match any bid that was higher than the original Coller bid offered during the 90-day period; Collier Corp. would be allowed to meet that.

Mr. YATES. Would the bidder then be allowed to increase his bid subsequently, or would the bidder be allowed only one bid?

Mr. KILDEE. They would be allowed only the one bid.

Mr. YATES. Mr. Chairman, the gentleman has explained.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am happy to yield to the gentleman.

Mr. MILLER of California. Mr. Chairman, I would like to propose a question, and that is that I am at a loss to understand why it is that we only allowed the one bid by somebody that seeks to, based upon what is a tentative zoning plan, pursue this plan, why we would deny the United States the ability to receive the benefits of a competitive bidding should both parties decide that it is in their interest to ratchet up the price of this land.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am happy to yield to the gentleman.

Mr. KILDEE. Mr. Chairman, I would respond in this fashion, and I am probably not the best person to respond to this, inasmuch as the gentleman well knows, I tried to find a negotiated solution between the position of the Committee on Education and Labor and that of the Committee on Interior and Insular Affairs, both of which committees I serve on.

I can only answer that this is a compromise. I share other wishes that I had hoped that I could have put into this compromise, but this is the compromise that we were able to arrive at.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am happy to yield to the gentleman.

Mr. RHODES. Mr. Chairman, if I might just take a moment of time to attempt to provide the gentleman an explanation of the thought process that went into this. I realize this explanation probably will not satisfy either the gentleman from Illinois or the gentleman from California.

Mr. YATES. Will it satsify the gentleman?

Mr. RHODES. Mr. Chairman, yes, it will. First of all, there is no procedure or precedent in the disposal of Federal assets for an auction, an auction back and forth with bids. It is traditionally done by a sealed bid process.

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The second question is, why should the Collier's have the opportunity to match. The reasoning behind that, sir, is that it is the Collier's who have gone to the time and the expense not only to get this process to this point, but then will have done the same thing to have gotten the property through the planning and zoning process for the city of Phoenix. They will have expended approximately 2 years and the amount of money necessary for them to produce a development plan ultimately accepted by the city. We simply felt that it was fair since they have created the development plan, have taken the time and have spent the money, for them to have the opportunity to have the last say-so as to whether or not they wanted to increase the purchase price.

That is the thought process, and that is why we decided to give the right of last refusal, if you will, to the Collier's.

Mr. YATES. May I ask the gentleman a question in turn?

The CHAIRMAN. The time of the gentleman from Illinois [Mr. YATES] has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 5 additional minutes.)

Mr. YATES. Mr. Chairman, did I understand the gentleman to say that the Collier's and the city of Phoenix have worked out a development plan?

Mr. RHODES. If the gentleman will yield, no, I did not say that or did not mean to imply that. What I said was that when this legislation is passed it is then up to the Collier's to proceed to negotiate with the city of Phoenix, to produce a development plan. There is not now a development plan at all.

Mr. YATES. Could not any developer who wanted to bid find themselves in the same position? Any developer could negotiate with the city. But what this bill requires is that any developer who comes on the scene and wants to compete with the Collier's is in an inferior position because he knows that if he makes an offer without knowing what the city is going to do, the Collier's would be able to match it.

Mr. RHODES. I think we have not made this explanation perfectly clear to the gentleman.

The bidding process does not take place until after the city of Phoenix has indicated its acceptance of a plan of development for the property. At that point in time interested parties will know what the city will permit on the property and will be able to determine at that point in time what they determine the value of the property to be and to submit a proposal.

Mr. YATES. If the gentleman will permit me to ask another question, the gentleman pointed out the Collier's had been negotiating with the city and with other parties for 18 months. Does the gentleman believe that the 90 days that he allows for competing developers is sufficient time to permit the development of a competing plan?

Mr. RHODES. There will be no competing plan.

Mr. YATES. That is what I am afraid of.

Mr. RHODES. The property will be put on the market, subject to bid, on the basis of the development plan that the city of Phoenix has adopted. That puts everybody on an equal footing.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am glad to yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, the gentleman's question is whether or not the notice time runs from the time the city of Phoenix adopts the submission or whether or not it is simply the submission of a proposal by the Collier's to the city?

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, it is from the time they adopt the plan. The 90 days begins from that time, so the only thing remaining at that point is the financing that anybody else might want to get who would come in in order to match or to get a bid in, and making sure that they secure their financing with an insurance company or a large bank or whatever. The plan is adopted at that point.

Mr. MILLER of California. The law on page 9 says the submission of a specific plan for the Phoenix exchange property is provided by the planning and development agreement. So it is the simple submission. The question I have is whether or not a competing bidder would in fact know whether or not a site-specific plan has been adopted by which they could make the economic determinations?

Mr. KOLBE. If the gentleman will yield, it is a two-step process. As I understand in most cities, and I think in the city of Phoenix, there is an overall development plan. They may not at that time have adopted the specific zoning ordinances for the land, but they will have master-planned the land. That is what anybody bidding on it will have to meet, is that master plan for the land, and that is what when we talk about submission, that is what is dealt with. A specific zoning ordinance may not be adopted at that point by the city of Phoenix.

Mr. YATES. Mr. Chairman, as I understand what the two gentleman from Arizona are saying, as of a certain time the Collier Corp. and the city of Phoenix will sit down and try to develop a plan for the use of this particular property. At such time as they agree upon a development plan, a 90-day period will then begin to run. Notice I assume will go out in newspapers, on radio, everywhere, inviting developers to come in and present competing plans. At that point a developer will put in a bid or a plan.

The gentleman shakes his head. Is that not correct?

Mr. KOLBE. If the gentleman will yield, not another plan. They can only bid on the same plan.

Mr. YATES. On the same plan? Why should they not be allowed to put in another plan?

Mr. RHODES. If the gentleman will yield, at some point in time this process has to stop and the development of the property and the payment of the proceeds has to commence.

Mr. YATES. I see; so that we have here just one option that is open, and that is the agreement that is reached?

The CHAIRMAN. The time of the gentleman from Illinois [Mr. YATES] has again expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 5 additional minutes.)

Mr. YATES. Mr. Chairman, this is a deal then between the Collier Corp. and the city of Phoenix?

Mr. RHODES. If the gentleman will yield on that point, no. The legislation is rather specific, and the city of Phoenix also has been very specific.

Development of a plan for the development of this property will proceed in accordance with the established ordinances and procedures of the city of Phoenix as they exist today. An open, public process, public hearings, opportunity for the public to participate. This is a city of Phoenix planning process. It is not a city of Phoenix/Collier planning process; it is not a city of Phoenix/U.S. House of Representatives planning process.

Mr. YATES. Will the gentleman permit me to ask another question then? I do not understand the report of the GAO then. The GAO and its appraiser both came to the conclusion and recommended against the committee's plan on the grounds that the appraisals that were made could not be used because it was unknown how much of the Phoenix property the city of Phoenix would allow for development. That is still an unknown at the time the Collier Corp. and the city of Phoenix sit down and negotiate, is that not true?

Mr. KOLBE. If the gentleman will yield, that is true. It is correct that it is still an unknown. It is an unknown now and it will be an unknown then.

The point that is fallacious about the GAO report is that it assumed, it went and took the most optimistic or whatever approach you want to take of the highest and the best use of every single acre, and the city of Phoenix has no intention of allowing the land to be developed that way. They want to master plan it in such a way so that the appraisals that have been developed have been based on what is the best estimate of the use of this land that the city of Phoenix would permit.

Mr. YATES. That is correct, and the GAO and its appraiser said that you cannot do that and come out with a realistic figure of the value of the property, and that is why you have this enormous discrepancy between the appraisals, the one that was used for the negotiation which was $122 million, and of course the Collier Co. is providing lands and funds that are $40 million below that. The Collier Co. is putting up, as I remember, approximately $80 million for this property.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, two points to the gentleman. First of all, at the time that the GAO report was issued we did not have this process for submitting the plan for development to the city and then opening it for bids. This was done specifically in response to the GAO report and the criticism that the GAO made. The criticism was determined to be valid, that we could not accurately appraise the property until we know what the city of Phoenix would do. So we put in this process to determine what the city would approve and how we could then develop a market price.

Second, the reason that instead of $122 million for the land as money that the Collier's are putting up, that instead being only $80 million-some, is because we have taken out 20 acres of this property for the city of Phoenix for a park, we have taken out 11½ acres of this property for the Veterans' Administration, we have taken out 4½ acres additionally for the Veterans' Administration for the development of a State home. There is other property that has been taken out for the purpose of developing an Indian cultural center. So there are only 60-some acres left to be conveyed to the

Collier's, and that is why their property is being put in at $83 million-some worth of land and money.

Mr. YATES. What happens to the money that is supposed to go to the Indian tribes? Under the bill that the committee has drafted, the amount of money may be paid either at the time of the conveyance or at the end of 30 years, depending upon what the Secretary of Interior wants to do, is that not correct?

Mr. RHODES. That is not totally correct, because the determination as to whether the money should be paid in cash at the close or deferred based upon the interest rate is made by the Interior Tribal Council of Arizona, at their discretion, and they direct the Secretary as to how they wish the money to be paid at the close.

Mr. YATES. The phrase used in the bill is that it is at the discretion of the Secretary.

The CHAIRMAN. Are there any amendments to title I?

The Clerk will designate title II.

The text of title II is as follows:

TITLE II

SEC. 201. CLOSURE OF THE PHOENIX INDIAN HIGH SCHOOL.

(a) CLOSURE.—Notwithstanding any other provision of law, the Secretary shall close the Phoenix Indian High School on a date determined by the Secretary, which date shall be no earlier than June 1, 1988, and no later than September 1, 1988.

(b) NOTICE.—Within 30 days after enactment of this Act, the Secretary shall notify the tribal governing body of each Arizona Tribe affected by the closing of the Phoenix Indian High School and each person, or parent or guardian of each person, enrolled as a student at the Phoenix Indian High School on January 1, 1988, of the date of closing of the Phoenix Indian High School as determined by the Secretary under subsection (a).

(c) INDIVIDUAL EDUCATION PLANS.—(1) Beginning upon the date of enactment, but in no case later than September 2, 1988, the Secretary, through the Assistant Secretary of Indian Affairs, shall—

(A) identify each eligible Indian student who is enrolled or preenrolled for attendance at the Phoenix Indian High School, as of the date of enactment of this Act, or who attended the Phoenix Indian High School during the academic year 1987-88, and who did not graduate from a secondary program, and shall—

(i) contact each student, or the parents or guardians of record of each such student,

(ii) notify each student that the Phoenix Indian High School is to be closed at the date established by the Secretary under subsection (a),

(iii) inform each of the alternatives available to each student and their families, including attendance at the Bureau operated facility at Riverside, California, and

(iv) develop the individual education plans required under subparagraph (B);

(B) develop for each student identified under subparagraph (A) an individual education plan, which shall be formulated in a cooperative fashion between Bureau education and other appropriate social services. Each individual education plan shall, at the minimum, include—

(i) an identification of the student;

(ii) an identification of the special educational, social, or academically related cultural needs of each student;

(iii) a description of the consultation and discussions with the student and the parent involved in the formulation of this plan;

(iv) an identification of the alternative service provider chosen by the student or parent to provide educational services;

(v) any actions taken, pursuant to the requirements to protect confidentiality, to contact and coordinate the alternative service provider, the tribe, any appropriate Bureau social service entities, and the Office of Indian Education Program; and

(vi) set out in detail the actions to be taken by the Bureau of Indian Affairs to supplement the program provided with additional services and support for the student, where the student attends a non-Bureau funded program or a Bureau funded program which does not include the services described within the plan; and

(C) take such steps as are necessary to establish a formal internal mechanism for implementing the findings and recommendations of the plans developed under subparagraph (B).

(2)(A) Any other provision of law notwithstanding, the Secretary shall, for the fiscal years ending prior to September 30, 1990, reserve from funds appropriated under section 1128 of Public Law 95-561 and other Bureau of Indian Affairs accounts presently providing support to the Phoenix Indian High School during the fiscal year 1988 an amount equal to the amount determined under subparagraph (B) for the purpose of implementing subparagraph (C).

(B)(i) The amount reserved for the fiscal year ending September 30, 1989 shall be equal to the sum of three-fourths the amount generated under the Indian Student Equalization Formula during fiscal year 1988 for the Phoenix Indian High School plus three-fourths the amount generated under the accounts referenced in subparagraph (A), such funds to be reserved from the respective accounts and administered pursuant to subparagraph (C).

(ii) The amount reserved for the fiscal year ending September 1990 shall be equal to the sum of one-half the amount generated under the Indian Student Equalization Formula during fiscal year 1988 for the Phoenix Indian High School plus one-half the amount generated under the accounts referenced in subparagraph (A), such funds to be reserved from the respective accounts and administered pursuant to subparagraph (C).

(C) From funds reserved pursuant to subparagraph (B), the area education director and the area director shall jointly administer a program to implement the individual education plans developed under paragraph (2), with particular emphasis being placed on monitoring the performance and attendance of students covered by the individual education plans. From such funds, they shall also, to the extent funds are available, conduct such activities as may be necessary to determine those eligible Indian students who reside within the State of Arizona or the jurisdiction of the Phoenix Area Office of the Bureau of Indian Affairs who are of legal age to be attending school but who are not enrolled in any program.

(d) TRANSFER OF JURISDICTION.—Within 60 days after closure of the Phoenix Indian High School under subsection (a), the Secretary shall transfer administrative jurisdiction, management and control of the school property from the Bureau of Indian Affairs to the National Park Service: *Provided*, That, prior to the disposition of the School Property under the terms of the Exchange Agreement or otherwise, the National Park Service shall manage and control such School Property in a manner consistent with the requirements of the Exchange Agreement and subsection (e), except that the Administrator of Veterans' Affairs may, during the interim period of administration, take such actions as are necessary to protect the improvements located on the 11.5 acres of land and 4.5 acres of land to be transferred to the Veterans' Administration pursuant to subsections (f) and (g) of section 101. During the interim period of administration the School Property shall not be considered a unit of the National Park System.

(e) TRANSFER OF RESOURCES.—(1) Any other provision of law notwithstanding, the following shall apply to the Sherman Indian School, located in Riverside, California, and operated by the Bureau of Indian Affairs, or its successors, effective on the date of enactment:

(A) The attendance boundaries used by the Bureau of Indian Affairs to govern placements in the Sherman Indian School is expanded to include all of the attendance boundary served in the fiscal 1988 year by the Phoenix Indian High School.

(B) Subject to school board approval, the superintendent of the Sherman Indian School is authorized to pay the recruitment and retention allowance authorized under section 1131(h)(3).

(C) The Secretary shall inventory all Bureau of Indian Affairs educational property, including personal property, currently located at the Phoenix Indian High School. The superintendent of the Sherman Indian School, and their designees, shall have first option on all materials located at the Phoenix Indian High School and the Secretary shall take all steps necessary to move the materials chosen by the superintendent of the Sherman Indian School to the school as expeditiously as possible. Remaining property shall be made available to other off-reservation boarding schools.

(D) Subject to the provisions of subsection (d), the personnel ceilings at the Sherman Indian School shall be immediately adjusted to reflect employees who transfer from the Phoenix Indian High School and any increase in the student population projected by the closure.

(2) With respect to any employee employed at the Phoenix Indian High School prior to the closure of the academic program—

(A) for each employee within 2 years of retirement eligibility, who elects to retire, an additional credit of two years;

(B) for the purpose of conducting the reduction in force associated with the closure of the Phoenix Indian High School, Phoenix Indian High School and the Sherman Indian School in Riverside, California shall be considered as one employment area; and

(C) for those who do not elect to exercise the above, or to whom they do not apply, outplacement assistance, including where available job retraining programs, professional résumé and other job placement assistance.

SEC. 202. ESTABLISHMENT OF THE ARIZONA INDIAN TRUST FUNDS.

(a) ESTABLISHMENT.—Upon disposal of the School Property and receipt by the United States of the Monetary Proceeds, there shall be established in the Treasury of the United States—

(1) a fund to be known as the Arizona InterTribal Trust Fund; and

(2) a fund to be known as the Navajo Trust Fund.

(b) Amounts in Funds.—Each Trust Fund established under this section shall consist of—

(1) an amount equal to the sum of—

(A) that portion of the Monetary Proceeds properly allocable to each such Trust Fund;

(B) that portion of the cash proceeds from the sale by the United States to the City or the Purchaser of additional acres of land within the School Property pursuant to subsection (g)(5) of section 101 of this Act properly allocable to each such Trust Fund; and

(C) any interest accruing on any amount deposited in each such Trust fund,

(2) less the amount of Trust Income from the Trust Fund used by the Secretary pursuant to subsection (d).

(c) Investment.—(1) If a Trust Fund Payment is made in the form of a lump sum payment under section 102(c)(1) of this Act, the Secretary of the Treasury shall invest the amount of such lump sum payment in interest-bearing deposits and securities in accordance with the Act of June 24, 1938 (25 U.S.C. 162a).

(2) If a Trust Fund Payment is made in the form of annual payments under section 102(c)(2) of this Act, the Secretary of the Treasury shall hold in trust the security provided in accordance with the Trust Fund Payment Agreement.

(3) At the direction of the Secretary, the Secretary of the Treasury may invest in accordance with the requirements of paragraph (1) any portion of the Trust Income not used by the Secretary in any year.

(d) Use of Trust Income.—(1) The purpose of these trust funds is to supplement, not supplant, current Federal efforts. The Secretary shall not reduce, rescind, alter or change in any distribution of funds to which any Indian tribe or students covered by this section to which they may otherwise be entitled or eligible under any other Federal authority. The Congress also expresses its intention that in determining the amount of any funds to provide services to Indian tribes or students covered by this section, there shall be no amendment, alteration, limitation, or reduction within future congressional action occasioned by the presence of these funds.

(2) Trust Income may be used only for—

(A) supplemental educational and child-welfare programs, activities, and services for the benefit of—

(i) those Arizona Tribes that were members of the InterTribal Council of Arizona on January 1, 1988, in the case of payments from the Arizona InterTribal Trust Fund; and

(ii) the Navajo Tribe, in the case of payments from the Navajo Trust Fund;

(B) the design, construction, improvement, or repair of related facilities; and

(C) the payments referred to in paragraph (3).

(3)(A) To carry out the purposes of paragraph (2), the Secretary, pursuant to appropriations, may make grants—

(i) from the Arizona InterTribal Trust Fund to Arizona tribes that were members of the InterTribal Council of Arizona on January 1, 1988, public school districts on or near reservations of such Tribes in the State of Arizona, and the InterTribal Council of Arizona; and

(ii) from the Navajo Trust Fund to the Navajo Tribe or public school districts on or near the Navajo Reservation in the State of Arizona.

(B) The Secretary shall require, as a condition for making any grant to a public school district, the approval of the governing body of the Arizona Tribe the children of which are to be served by such grant.

(4)(A) An amount equal to 5 percent of the Trust Income during the preceding fiscal year shall be paid annually by the Secretary—

(i) to the InterTribal Council of Arizona from the Arizona InterTribal Trust Fund; and

(ii) to the governing body of the Navajo Tribe from the Navajo Trust Fund.

(B) Payments made under this paragraph shall be used for education, child welfare, community development, and general administrative purposes, and may be made only pursuant to an annual budget adopted by the vote of—

(i) a majority of the members of the InterTribal Council of Arizona, in the case of payments to the Arizona InterTribal Trust Fund; and

(ii) the governing body of the Navajo Tribe, in the case of payments to the Navajo Trust Fund.

(C) The limitation on the amount of payments under this paragraph shall not be construed as a limitation on the authority of the Secretary to make grants to the InterTribal Council of Arizona or the Navajo Tribe under paragraph (3).

(5) None of the Trust Income may be used for scholarship grants for higher education.

(e) Allocation.—In depositing into the Trust Funds the Monetary Proceeds, any payment by the State of Arizona, or the cash proceeds from the sale of land within the School Property—

(1) the amount properly allocable to the Arizona InterTribal Trust Fund shall be 95 percent of the total amount of such payment or cash proceeds to the United States; and

(2) the amount properly allocable to the Navajo Trust Fund shall be 5 percent of the total amount of such payment or cash proceeds to the United States.

AMENDMENT OFFERED BY MR. FORD OF MICHIGAN

Mr. FORD of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ford of Michigan: Page 35, strike lines 10 through 12;

Page 35, line 13, strike "(B)" and insert "(A)" in lieu thereof;

Page 35, line 18, strike "(C)" and insert "(B)" in lieu thereof.

Mr. FORD of Michigan. Mr. Chairman, the amendment I offer is very straightforward. It strikes language which would have granted employees nearing retirement at the Phoenix Indian High School an additional service credit of 2 years.

While I understand the motivation for this provision as seeking to protect employees who are about to lose their workplace, the language presently in the bill sets a bad precedent for giving service credit for time not in fact worked and, honestly, is unnecessary.

Under other existing provisions of law, Federal employees are eligible to elect early retirement under circumstances such as those involved in this legislation. Such employees are eligible to retire at age 50 with 20 years of service or at any age with 25 years of service.

It is my understanding that the reporting committees have no objection to the amendment. I appreciate the cooperation of the gentleman from Arizona [Mr. Udall] and the gentleman from Michigan [Mr. Kildee], in resolving this matter.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, the gentleman from Arizona [Mr. Udall] and I, have looked over the amendment and we find it acceptable.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, we believe the gentleman's amendment is appropriate. We probably overstepped our traces. They are already covered. We just wanted to be sure.

Mr. FORD of Michigan. I thank the gentleman from Pennsylvania and the gentleman from Michigan and urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Ford].

The amendment was agreed to.

Mr. SHAW. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will be brief, but I would like to compliment the gentleman from Arizona [Mr. Udall] and the committee as well as the other gentleman from Arizona [Mr. Rhodes] for putting forth this most important bill. The land that is becoming available in Florida under public ownership is very environmentally sensitive, containing over 108,000 acres. This land is not only the home for many endangered species, but it is also part of the water supply for the entire south Florida area.

We are experiencing problems in the southern end of the Everglades National Park. We are finding that over 50 percent of the wading birds who are naturally associated with that area of the country have disappeared. We are finding problems with nutrients coming into that area and flowing down through the sawgrass. We are finding that the cattails are taking over where the sawgrass once was, which does not nearly filter out the amount of nutrients coming into this part of the park.

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Because of the environmentally sensitive nature of this particular land, it is very important that it does not be developed and that it come under public ownership. I thank the committee on behalf of the millions of residents of South Florida for their aggressive stand in bringing this most important bill to the floor.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, further to the issue of the payment of the purchase price, I certainly do not want to mislead the gentlement from Illinois [Mr. YATES]. The gentleman is correct that the bill states on its face that the choice to accept the lump-sum payment or a periodic payment is at the discretion of the Secretary, but goes on to require that the Secretary consult with both the InterTribal Council of Arizona and the Navajo Nation.

This provision, as I mentioned, was included at the request of the Indians, so they can be sure they can maximize their rate of return.

But the gentleman is technically correct. The discretion is with the Secretary but he is required to consult with the interested parties.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

Mr. Chairman, I thought I was correct and I read from the report on page 11 where it says:

> Upon the closing of the Indian School land exchange, the purchaser must pay $34.9 million in the United States. At the discretion of the Secretary, in consultation with the InterTribal Council of Arizona and the Navajo tribe, the payment may be made in either a lump-sum payment or in thirty annual payments. While the Committee has given the Secretary the discretion, as trustee, to make this determination, it intends that the preference of the tribes, unless clearly outweighed by other considerations, will be given effect.

But the fact remains that if the Secretary wants to defer the payment, even after listening to the tribes, he can do that. Does the gentleman agree with that?

Mr. RHODES. Yes, I certainly do agree with that, but I think the intent of the committee and the intent of the legislation is quite clear.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in the last colloquy between the gentleman from Illinois and supporters of this legislation, you cannot get away from the fact that what has been constructed here is a procedure that is biased directly in the interest of the Collier Enterprises.

It was suggested by one of the supporters of the bill that the reason we had to stop the process, the reason we had to give the Colliers the chance for the last bid and not the benefit to the taxpayers of a bidding process, was that the Colliers were the ones who spent time and money to develop the plan. The fact that they spent time and money, then in fact maybe we should reimburse them if they are the losing party to this interest. That may in fact be worth hundreds of thousands of dollars. The question is is it worth millions of dollars?

So you have built in a process here that is for the sole purpose of locking out competitors. The Colliers start out with a questionable $50 million pad in terms of the money that is given for the land in Arizona. They are then provided a means by which they can develop the plan, they can submit that plan; that plan is not final. So you are asking somebody to come in and compete against a plan that is not final with an all-cash lump sum payment that they must then put down on the board prior to knowing whether or not that is a zoning plan that the city of Phoenix is going to accept or is not going to accept.

The Colliers, on the other hand, get the advantage of possibly paying this over interest-only for 30 years on an asset that is inflating, an asset that is going up in value as vacancy rates go down in commercial property in Phoenix. Yet they need only pay interest-only. There is nobody that can come in and compete in that process. That is the uncertainty there; they are far too great for another developer.

So the point remains and the fact remains that we are denying the taxpayers of this country the benefit of open and competitive bidding on this property. The proceeds of the sale which very well should be probably sent to purchase the land in the Everglades if we believe they are under threat. But I would remind my colleagues that the lands that we are purchasing are already protected under Federal law from threat of development, from habitat.

That is already existing law.

So I question whether we are purchasing anything. But if that is the decision of this committee, then that is fine. But we should not rig the process which denies the public the benefits of the marketplace so that we can acquire these lands prematurely when they are already under protection. I would hope that the committee would reject this bill.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

Mr. Chairman, the impression has been given that if the bill is defeated and the property was placed on the open market and a higher price was obtained for the property that the money in that instance would go to the Treasury for disposal as the Secretary of the Treasury saw fit in taking care of the needs of the country. That is not necessarily true.

A provision in the new bill could provide exactly what this bill provides and that is this:

> The provisions of this act shall govern the disposal of such property and other provisions of law governing disposal of federal property shall not apply to the disposal of the school property.

So that those of us who are arguing for the opportunity to place this property on the open market for competitive bidding favor what has been done for the Indians, favor what has been done for the veterans, favor the open space for the city of Phoenix, but we believe that we ought not to pay—we ought not lose for the taxpayers another $100 million that the property might bring if put on the open market.

This is a cozy, cushy deal with the Colliers at the present time. There is no opportunity, no possibility for any other developer to come in under the terms of this bill or under this arrangement.

Mr. Chairman, I think the bill ought to be defeated.

Mr. MILLER of California. Mr. Chairman, the gentleman makes a good point. There is nothing that prevents the committee or even Federal Government today, currently, to dispose of the property to the Veterans' Administration and for the committee and the Congress to direct where the disposal of funds should take place and for which benefit.

I would hope that the House would reject this bill.

The CHAIRMAN. Are there further amendments to the bill?

If there are no further amendments, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Mr. DURBIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 4519) to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes, pursuant to House Resolution 493, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The **SPEAKER** pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. **MILLER** of California. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER** pro tempore. Is the gentleman opposed to the bill?

Mr. **MILLER** of California. I am, Mr. Speaker.

The **SPEAKER** pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MILLER of California moves to recommit the bill, H.R. 4519, to the Committee on Interior and Insular Affairs with instructions to hold hearings and report a bill providing for: the competitive bidding sale of the Phoenix Indian School Property; the transfer of land to the Veterans' Administration, city of Phoenix, and State of Arizona; and, proceeds from the competitive sale of the Indian School to be used for the purchase of the Florida lands and the enhancement of Indian education.

The **SPEAKER** pro tempore. The gentleman from California [Mr. MILLER] is recognized for 5 minutes in support of his motion to recommit.

Mr. **MILLER** of California. Mr. Speaker, I offer this motion to recommit so that Members of the House may have an opportunity to vote on whether or not we ought to dispose of what has been described earlier by the GAO and by Members on the floor of what may be the single most valuable piece of urban property in the Western United States; whether or not we ought to have the benefit, whether or not the Federal Government ought to have the benefit and whether or not the taxpayers of this country ought to have the benefit of having the disposal of that property go to an open and competitive public bidding for that resource.

By doing so to assure that we get a fair return on that asset for the taxpayers, by doing so to make sure that we have open and public process and that we do not continue to endorse secret negotiations that were held between the administration and the Colliers for many, many months prior to the notification certainly of any members of our committee, and to make sure that we in fact derive the true value of these assets in the city of Phoenix.

This would also allow for the Veterans' Administration to have its share of the land, for the city of Phoenix for the part that was described, for the State of Arizona. It also provides that the proceeds of this sale shall be used for the purchase of the Florida lands which have been described and discussed here, if in fact the Committee makes the decision they are worthy of purchase, when we have to pay hard dollars and good money for them, and also for the enhancement of Indian education along the lines of the provisions outlined by Mr. KILDEE and others.

So it protects the rights of all of the interest groups but, more importantly, it protects the rights of the biggest interest group, that is the public interest and the public taxpayers in this transaction.

Mr. **YATES**. Mr. Speaker, will the gentleman yield?

Mr. **MILLER** of California. I yield to the gentleman from Illinois.

Mr. **YATES**. I thank the gentleman for yielding.

Mr. Speaker, so that the gentleman's motion to recommit does everything, provides for the drafting of a bill that does everything that this bill does in providing for the purchase of the lands in Florida, in providing for taking care of the needs of the veterans in Arizona, provides for open lands for the city of Phoenix. The only thing that is not provided for in this bill which the motion takes care of is placing this property on the open market where it may obtain as much as $100 million more for the taxpayers. Is that not correct?

Mr. **MILLER** of California. The gentleman is quite correct.

I ask the House to support the motion to recommit.

The **SPEAKER** pro tempore. Does any Member seek recognition in opposition to the motion?

Mr. **RHODES**. Yes, Mr. Speaker.

The **SPEAKER** pro tempore. The Chair recognizes the gentleman from Arizona [Mr. RHODES] for 5 minutes in opposition to the motion to recommit.

Mr. **RHODES**. I thank the Speaker.

Mr. Speaker, very briefly, the gentleman is quite correct that the bill does everything in terms of end results—that is the motion to recommit does everything that the bill does in terms of end results but one, and that is it will not maximize the return to the taxpayers. It may well minimize return to the taxpayers because it does not address the single question of what will the city of Phoenix permit on this property?

It is premature. It puts property on the market before there is a determination as to how it will be used. This property currently on the city of Phoenix's master plan, calls for relatively low density housing and no commercial development whatsoever.

There was a proposal 2 years ago to purchase this property by a reputable southwestern developer for cash, for $30 million.

Now when we talk about the range of possibilities for this property, then you start at $30 million and without any plan of development approved by the city this property could well go, gentlemen, for $100 million less rather than $100 million more. I submit to you that the motion to recommit is a tremendous roll of the dice and the taxpayers come up losers rather than winners.

Mr. **UDALL**. Mr. Speaker, will the gentleman yield?

Mr. **RHODES**. I yield to the gentleman from Arizona.

Mr. **UDALL**. I thank the gentleman for yielding.

Mr. Speaker, the Miller proposal reminds me of a new missile they had called Civil Servant. It will not work and you cannot fire it.

I want to say that this is a killer, this motion to recommit. It prevents all the good things from being done that were mentioned here earlier. This would kill it sure enough.

The Colliers are not going to pursue this year on end with more appraisals, more discussion, more contention.

We found, my colleagues will remember, that Phelps-Dodge Co. was liquidating its holdings in Arizona. They wanted to get in on the act. We told them to bring a proposal forward and they did. It was pretty good but it was not as good as the Collier property and any other groups of this kind.

So I hope my colleagues will vote against the motion to recommit. I had not seen it until just a few moments ago, but there is no way that this can be handled under this procedure.

□ 1215

Mr. **SHAW**. Mr. Speaker, will the gentleman yield?

Mr. **RHODES**. I yield to the gentleman from Florida.

Mr. **SHAW**. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to comment briefly on the Arizona end of the transaction. Anyone who has been involved in commercial real estate at all knows that when one has a contract to buy a piece of property, it is always subject to some type of zoning, either the existing zoning or zoning to be placed upon the property. As I understand from the conversation that has been had on this floor, the property in Arizona is now without zoning, and the master plan of the city of Phoenix is completely up in the air. We do not know where they are going. But the bill before us does provide that that big question mark will be taken away before the property is put out for bid; is that correct?

Mr. **RHODES**. Yes; Mr. Speaker, reclaiming my time, that is absolutely correct.

Mr. **SHAW**. I would say to my colleagues that this is a much more responsible way to go, and the motion to recommit should be turned down and the bill passed.

Mr. Speaker, I thank the gentleman for yielding.

Mr. RHODES. Mr. Chairman, I agree with my colleague, the gentleman from Arizona [Mr. UDALL], that the motion to recommit is a killer motion. It is intended to do away with 3-plus years of hard work designed to produce a solution to a difficult problem to the best interests of all concerned.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MURTHA). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage.

The vote was taken by electronic device, and there were—yeas 133, nays 279, not voting 19, as follows:

[Roll No. 239]

YEAS—133

Annunzio
Armey
Atkins
AuCoin
Bartlett
Bates
Beilenson
Berman
Boland
Bonker
Boxer
Brennan
Brooks
Brown (CA)
Bryant
Cardin
Carr
Clay
Coleman (TX)
Collins
Conte
Conyers
Coyne
Crockett
DeFazio
Dellums
Dixon
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Evans
Fawell
Fazio
Flippo
Florio
Foglietta
Frank
Frenzel
Gilman
Grandy

Gray (PA)
Green
Gregg
Hawkins
Hayes (IL)
Hefner
Henry
Hopkins
Jacobs
Jenkins
Kanjorski
Kastenmeier
Kennedy
Kostmayer
LaFalce
Leach (IA)
Lehman (FL)
Leland
Levin (MI)
Lewis (GA)
Lipinski
Lowry (WA)
Lujan
Mavroules
McCurdy
McEwen
McGrath
McHugh
McMillan (NC)
Mfume
Miller (CA)
Miller (OH)
Mineta
Morrison (CT)
Mrazek
Neal
Nowak
Oberstar
Obey
Owens (NY)
Panetta
Patterson
Payne
Pease
Pelosi

Penny
Petri
Pickle
Regula
Rodino
Rostenkowski
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sensenbrenner
Sharp
Sikorski
Sisisky
Skaggs
Slaughter (NY)
Smith (IA)
Smith, Robert (NH)
Stangeland
Stokes
Stratton
Studds
Synar
Tauke
Torres
Towns
Traxler
Upton
Vento
Visclosky
Volkmer
Walgren
Weber
Weiss
Williams
Wolf
Wolpe
Wyden
Yates

NAYS—279

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Aspin
Badham
Baker
Ballenger
Barnard
Barton
Bateman
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonior
Borski
Bosco
Boucher
Broomfield
Brown (CO)
Bruce
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Carper
Chandler
Chapman
Chappell
Cheney
Clarke
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Cooper
Coughlin
Courter
Craig
Crane
Dannemeyer
Darden
Davis (IL)
Davis (MI)
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dornan (CA)
Dowdy
Dreier
Dyson
Edwards (OK)
Emerson
English
Erdreich
Espy
Fascell
Feighan
Fields
Fish
Flake
Foley
Ford (MI)
Ford (TN)
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gingrich

Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Horton
Houghton
Hoyer
Hubbard
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kaptur
Kasich
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kyl
Lagomarsino
Lancaster
Lantos
Latta
Lehman (CA)
Lent
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Luken, Thomas
Lukens, Donald
Lungren
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McDade
McMillen (MD)
Meyers
Michel
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher

Nelson
Nichols
Nielson
Olin
Ortiz
Owens (UT)
Oxley
Packard
Parris
Pashayan
Pepper
Perkins
Pickett
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rose
Roth
Roukema
Rowland (GA)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Shaw
Shays
Shumway
Shuster
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (FL)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stenholm
Stump
Sundquist
Swift
Swindall
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Traficant
Udall
Valentine
Vander Jagt
Vucanovich
Walker
Watkins
Waxman
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NOT VOTING—19

Biaggi
Boulter
Combest
Daub
Donnelly
Gray (IL)
Hefley

Huckaby
Kemp
Leath (TX)
Mack
MacKay
Mica
Miller (WA)

Oakar
Rowland (CT)
Spence
Stark
Sweeney

☐ 1234

Miss SCHNEIDER and Messrs. GONZALEZ, SMITH of Florida, McMILLEN of Maryland, JEFFORDS, and INHOFE changed their vote from "yea" to "nay."

Messrs. PAYNE, EARLY, FOGLIETTA, BATES, FAZIO, and VISCLOSKY changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MURTHA). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. YATES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. The Chair will remind the Members this is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 281, nays 125, not voting 25, as follows:

[Roll No. 240]

YEAS—281

Ackerman
Akaka
Alexander
Andrews
Aspin
Badham
Baker
Ballenger
Barnard
Bateman
Bennett
Bereuter
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Carper
Chandler
Chapman
Chappell
Cheney
Clarke
Clement
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conte

Cooper
Courter
Craig
Crane
Dannemeyer
Darden
Davis (IL)
Davis (MI)
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
Dornan (CA)
Dowdy
Dreier
Dwyer
Dyson
Early
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frost
Gallegly
Gallo
Garcia
Gejdenson
Gephardt
Gibbons
Gingrich
Gonzalez
Goodling

Gordon
Gradison
Grant
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Herger
Hiler
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Lehman (CA)

Lehman (FL)
Lent
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Luken, Thomas
Lukens, Donald
Lungren
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McDade
McEwen
McHugh
McMillen (MD)
Meyers
Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Nelson
Nichols
Nielson
Olin
Ortiz
Owens (UT)
Oxley
Packard
Parris
Pepper
Perkins
Pickett
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Rogers
Rose
Roth
Roukema
Rowland (GA)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Shaw
Shumway
Shuster
Skeen
Slattery
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stratton
Stump
Sundquist
Swift
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Watkins
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wortley
Wylie
Young (AK)
Young (FL)

NAYS—125

Annunzio
Anthony
Applegate
Archer
Armey
Atkins
Bartlett
Barton
Bates
Beilenson
Bentley
Berman
Bonior
Boxer
Brennan
Brooks
Cardin
Carr
Clay
Coble
Collins
Conyers
Coyne
Crockett
DeFazio
Dellums
DioGuardi
Dixon
Dorgan (ND)
Downey
Durbin
Dymally
Eckart
Evans
Fawell
Fields
Flippo
Frank
Frenzel
Gaydos
Gekas
Gilman
Glickman
Grandy
Gray (PA)
Green
Gregg
Hall (TX)
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Holloway
Hopkins
Jacobs
Jenkins
Jontz
Kanjorski
Kastenmeier
Kostmayer
Leland
Levin (MI)
Lipinski
Lowry (WA)
Lujan
McCurdy
McGrath
McMillan (NC)
Mfume
Miller (CA)
Morrison (CT)
Mrazek
Neal
Nowak
Oberstar
Obey
Owens (NY)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Petri
Pickle
Regula
Roe
Rostenkowski
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sensenbrenner
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slaughter (NY)
Smith, Robert (NH)
St Germain
Stangeland
Stenholm
Stokes
Studds
Synar
Traxler
Upton
Walgren
Walker
Waxman
Weber
Weiss
Wolf
Wolpe
Wyden
Yates
Yatron

NOT VOTING—25

Anderson
AuCoin
Bevill
Biaggi
Boulter
Combest
Coughlin
Daub
Donnelly
Gray (IL)
Hefley
Huckaby
Kemp
Leath (TX)
Mack
MacKay
Mica
Oakar
Pashayan
Rowland (CT)
Smith, Denny (OR)
Solomon
Spence
Stark
Sweeney

□ 1244

The Clerk announced the following pair:

On this vote:

Mr. Combest for, with Mr. Stark against.

Messrs. DOWNEY of New York, COBLE, and HERTEL changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4519, the bill just passed.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Arizona?

There was no objection.

DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT, 1988

Mr. WHITTEN. Mr. Speaker, pursuant to the previous order of the House, I call up the bill (H.R. 5026) making dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The text of H.R. 5026 is as follows:

H.R. 5026

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes, namely:

TITLE I—DIRE EMERGENCY PROGRAM SUPPLEMENTALS

To meet dire emergencies created by needs for State Unemployment Insurance and Employment Service Operations, the Black Lung Disability Trust Fund, Trade Adjustment Assistance and Small Business Disaster Assistance and for personnel, operations, and capital required to meet dire emergencies caused by the drought, disaster, and financial conditions:

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For an additional amount for "State unemployment insurance and employment service operations", $50,000,000 which shall be expended from the Employment Security Administration account in the Unemployment Trust Fund, to fund activities under section 6 of the Act of June 6, 1933, as amended (29 U.S.C. 49-491-1; 39 U.S.C. 3202(a)(1)(E)), include the cost of penalty mail made available to States in lieu of allotments for such purpose: *Provided,* That such amount shall be available for obligation for the period July 1, 1988, through June 30, 1989.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

(TRANSFER OF FUNDS)

In order to provide for the Black Lung Disability Trust Fund and for Trade Adjustment Assistance, such amounts for necessary advances for the fiscal year ending September 30, 1988, that exceed those provided in appropriations, may be derived from balances in the revolving fund established by 42 U.S.C. 1101(e).

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(BY TRANSFER)

For an additional amount for "Salaries and expenses", $15,300,000, to be derived by transfer from the "Business Loan and Investment Fund".

BUSINESS LOAN AND INVESTMENT FUND

Outlays in fiscal year 1988 resulting from the use of funds appropriated under this heading may not exceed $204,105,000, not including transactions originated by the Federal Financing Bank.

To meet the dire emergency which requires increased drug interdiction activities and the enhancement of protection of life and property:

DEPARTMENT OF TRANSPORTATION

COAST GUARD

OPERATING EXPENSES

(TRANSFERS OF FUNDS)

For an additional amount of "Operating expenses", to remain available until September 30, 1989, not to exceed $60,000,000, of which $4,303,000 shall be derived from prior-year unobligated balances of "Access highways to public recreation areas on certain lakes"; $457,000 shall be derived from unobligated balances of "Territorial highways"; $2,460,000 shall be derived from unobligated balances of "Motor carrier safety grants"; $129,000 shall be derived from unobligated balances of "Conrail labor protection"; $651,000 shall be derived from unobligated balances of "Facilities, engineering, and development"; not to exceed $16,000,000 shall be derived from funds recovered under sections 5, 9, and 18 of the Urban Mass Transportation Act of 1964, as amended, that would otherwise be reapportioned on or after October 1, 1988; $2,000,000 shall be derived from unobligated balances of "Research, training, and human resources" other than funds for the cold weather transit technology program and the phosphoric acid fuel cell bus technology program; not to exceed $8,000,000 shall be derived from unobligated balances of "Acquisition, construction, and improvements"; $8,000,000 shall be derived from unobligated balances of "Research, development, test, and evaluation"; $5,000,000 shall be derived from unobligated balances of "Pollution fund"; $2,000,000 shall be derived from unobligated balances of "Offshore oil pollution compensation fund"; $1,000,000 shall be derived from unobligated balances of "Deepwater port liability fund"; and $10,000,000 shall be derived from unobligated balances of "Panama Canal revolving fund".

To meet the dire emergency created by the destruction occurring during the Mariel Cuban prisoner riots in Federal prisons:

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES

SUPPORT OF UNITED STATES PRISONERS

For an additional amount for "Support of Prisoners", $15,000,000, to remain available until expended.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For an additional amount for "Salaries and expenses, Community Relations Service", $6,000,000, to remain available until expended.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $42,609,000, to remain available until expended.

BUILDINGS AND FACILITIES

For an additional amount for "Buildings and facilities", $46,050,000, to remain available until expended: *Provided*, That funds available under this heading are authorized to be used to reconstruct Federal Prison Industries plants destroyed in the Mariel Cuban prisoner riots.

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

EMERGENCY DROUGHT AUTHORITY

To meet the problems of the Mississippi River Basin, where the water is the lowest in history, with the River flowing north at New Orleans, with water systems endangered, and similar conditions elsewhere, the Secretary of the Army, acting through the Chief of Engineers, within existing law and within available funds, is directed to—

(a) conduct emergency drought relief activities for domestic, municipal, industrial, aquacultural and agricultural purposes in and adjacent to the Mississippi River and its tributaries. Such activities may include, but shall not be limited to, dredging of shoals impeding navigation; construction and operation of salt water intrusion barriers and associated facilities; transportation (by barge or other means) of potable water; and construction of water wells and necessary treatment and distribution facilities;

(b) as provided by existing law, in cooperation with local authorities, utilize water in any reservoir operated by the Secretary for emergency water supply purposes: *Provided*, That no additional authority to change the existing situation in regard to the Great Lakes or reservoirs at the headwaters of the Mississippi is provided by this language.

(c) provide technical assistance to State and local governments and public water agencies engaged in water conservation and drought management activities; and

(d) prepare regional drought management plans.

DEPARTMENT OF AGRICULTURE

ADMINISTRATIVE PROVISION

Because of the effects of the drought, financial, and other problems, the Department of Agriculture is urged to use all authority in existing law in addition to such additional authority as may be provided by the Congress, to enable those engaged in agriculture to stay in business and to prevent foreclosure and make their normal and essential contribution to the general economy.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

Not to exceed an additional $45,427,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund to meet the increased workload in the county offices as a result of the 1988 drought.

SOIL CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for emergency measures as provided by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), $10,000,000, to remain available until expended, to be derived by transfer from the unobligated balances in emergency insured loans, Agricultural Credit Insurance Fund.

TITLE II—GENERAL PROVISIONS

No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

This Act may be cited as the "Dire Emergency Supplemental Appropriations Act, 1988".

COMMITTEE AMENDMENT

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 8, line 18, insert the following:

FUNDS APPROPRIATED TO THE PRESIDENT

DEPARTMENT OF STATE

UNITED STATES EMERGENCY MIGRATION AND REFUGEE ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended, $24,000,000 to remain available until expended: *Provided*, That not less than $6,000,000 shall be made available for Soviet and other Eastern European Refugees.

The SPEAKER. Pursuant to the unanimous-consent agreement of yesterday, the gentleman from Mississippi [Mr. WHITTEN] is recognized for 1 hour.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5026, and that I be permitted to include tabular and extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. CONTE] for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, the dire emergency supplemental appropriations bill (H.R. 5026) provides funds to continue authorized programs which are in immediate need of funds because of drought, disaster, and financial conditions.

Mr. Speaker, just before the break for the Democratic Convention, I talked with the ranking minority member, Mr. CONTE, and met with the House leadership, and we tried to get agreement to consider the dire emergency bill. We were told a unanimous-consent request would be objected to. The leadership did, as you recall, however, promise they would consider it as soon as we returned.

Yesterday, the Appropriations Committee met and unanimously reported H.R. 5026, the dire emergency supplemental. We then obtained unanimous consent to consider the bill here on the floor today.

The bill includes immediately needed funds for the following:

Employment Service State grants to keep 100 offices open—$50,000,000 increase in limitation;

Black lung funds for 135,000 beneficiaries—$43,000,000 by transfer;

Trade Adjustment Assistance funds for 26,000 beneficiaries—$49,000,000 by transfer;

Small Business Administration disaster assistance—$15,300,000 by transfer;

Coast Guard drug interdiction and life protection and safety—$60,000,000 by transfer;

Meet urgent needs caused by Mariel Cuban riots for prison reconstruction and prisoner support—$109,659,000;

Administrative support for USDA drought relief efforts—$45,427,000 by transfer;

Flood disaster assistance—$10,000,000 by transfer; and

Emergency drought assistance direction to the Corps of Engineers to respond to present drought emergency.

Mr. Speaker, it is important that this bill proceed promptly. I discussed with the Senate Appropriations leadership the advantages of passing H.R. 5026 clean so funds can get to these programs as quickly as possible and not later than August 1; that any amendments, if necessary, would be considered in connection with H.R. 5096.

Mr. Speaker, yesterday the committee agreed to separate out those items for which supplementals are needed that are not as urgent as those in this bill and included them in a separate bill and reported it as H.R. 5096.

Mr. Speaker, I urge adoption of the bill.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the purpose of this supplemental is to provide money for programs deemed to be in dire need of additional money. There is no problem in this country more urgent, no issue more grave, than the war on drugs. In the report from the Commerce, Justice, and State appropriations bill, there is language which states there is a shortfall of $160 million in appropriated funds that will be included in the fiscal year 1988 emergency supplemental. There are no such funds being considered today.

Local law enforcement officers are on the front line of the war on drugs. They are dying in the streets, leaving wives and children in the war on drugs, yet we are not considering the shortfall that was promised to them.

Local law enforcement funds in the supplemental budget are missing, but I hear they will be in the second supplemental budget, which may or may not come.

Mr. Speaker, we have a responsibility to step forward. We have to get our priorities in order. Local law enforcement is being asked to fight the war on drugs, face the so-called enemy, and we are letting them down.

Where is our commitment here in the Congress to the people who are fighting the war on drugs? We do not have it.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5026, the dire emergency supplemental appropriations bill for fiscal year 1988. This is a new event in my 30 years on this committee—a dire emergency appropriations bill. There have often been urgent bills, there have even been, on occasion, urgent urgent bills, but to my knowledge, never before a dire emergency bill.

In fact, the bill is a relatively modest effort to address pressing funding issues—important programs that have run out of money, or are about to run out of money, or expenditures made in response to an unexpected situation. Additional funding is provided in this bill to nine programs. In addition to the Veterans Administration supplemental we passed earlier this year, these represent the most time-sensitive of all the supplemental requests made by the administration or otherwise brought to our attention.

The big one, the mammoth—I would not call it an elephant, since it is not this side's doing—is waiting in the wings, and it is coming up like a thunderstorm in August. If you want to have some fun, wait until you get a look at that one.

But this one contains a few urgent matters, and ought to be worked out without too much controversy, hopefully. There is a total of $264.3 million recommended in this bill, $130.7 million by transfer, not involving new money, and $133.7 million in new budget authority.

The items include: $6 million for Armenian and Jewish refugees from the Soviet Union to the United States and; $18 million for Africa refugee programs; $50 million to keep State unemployment offices open; $43 million to continue black lung payments; $49 million to keep Trade Adjustment Assistance going; $15.3 million, by transfer, to end furloughs at the Small Business Administration; $60 million, by transfer, to keep the Coast Guard afloat; $110 million to cover the emergency costs of the Mariel Cuban prison riots, as well as reconstruction costs; $45 million by transfer to cover Agriculture Department's drought workload; and $10 million, by transfer, for watershed protection from floods in Arkansas, Hawaii, Mississippi, Missouri, New Mexico, and Puerto Rico.

For the most part, these additional funds are offset by reductions taken in other previously appropriated programs. But two items, the $110 million for the Mariel Cuban prison riots, and the $24 million in refugee funds, and arguably another, the $50 million for the State unemployment offices, which comes out of the unemployment trust fund, are not offset by reductions in spending elsewhere. And that is where the rub with the administration comes in.

In a letter from Jim Miller dated July 26, 1988, he says "Dear Sil." He then goes on to say that without offsets, he could not recommend that the President approve the bill, although he stops short of saying he would recommend a veto.

Why are we talking about offsets? Because in the budget summit conference last fall, which I sat through for 25 days, while the country's financial confidence teetered on the brink, we made the following agreement. We agreed that once we have reached our ceilings—and we have—supplemental spending with new money, not offset by reductions elsewhere, could only be made in case of dire emergency.

And so here we have our first dire emergency supplemental. And here we get our first glimpse of the pending questions. What constitutes a dire emergency? Who decides when an emergency is dire? What if the different branches disagree over what is dire? It is a whole new jurisprudence waiting to be uncovered.

These issues are out there. Let me say I do not think we have to answer them here, because this bill is modest enough, and the possibilities for working things out as this bill proceeds are good enough, that we will not have to resolve them here.

But just wait. Yesterday, in the Appropriations Committee, we took all the less time-sensitive items and put them into a second bill, an emergency supplemental appropriations bill.

We started out with $550 million of unoffset appropriations—for Justice Department activities, in the war on drugs and for other purposes, and by the end of the day, that figure was up to $3.2 billion; $3.2 billion!

So if you want a day in court on the issue of whether we abide by the budget summit agreement, and whether we really mean what we say about winning the war on the deficit, let me tell you, your day is coming. And I will be right up there with you, just as I was yesterday. Let me tell you how bad it was.

I offered an amendment in full committee yesterday on the other supplemental, the one that is coming, stating that every funding item had to be offset, chapter by chapter, by reductions in spending, and I could not even get a vote. When it came time to state openly and publicly that we would and we could abide by our commitment to limit the Federal deficit to agreed-upon levels, and to abide by our commitments made in the budget summit conference, the committee ducked and weaved and bobbed.

And there was not one Member, not one Member, from the other side, who was willing to be recorded on whether we would stick to our commitment to limit the Federal deficit.

So let me tell you, folks, the time is coming, but with this bill, this dire emergency supplemental, I believe we can work it out. I support it, and I ask you to support it, too.

COAST GUARD

A week ago, I talked to Admiral Yost, the commandant of the Coast Guard. I asked him how the Coast Guard was surviving in the face of continued congressional inaction on the Coast Guard's March request for $60 million. He told me the Coast Guard was using up its inventory of spare parts and reducing maintenance. He said that if the Coast Guard does not get the $60 million soon, it will begin the next fiscal year as if it had taken a $60 million cut in its budget.

Mr. Speaker, we cannot let that happen. As you know, last year the Coast Guard suffered a $103 million shortfall. That cut caused the Coast Guard to close permanently many of its stations. That cut also caused the Coast Guard to cancel all routine air and surface patrols. Those are the patrols that produce 90 percent of the Coast Guard's drug busts. Drug interdiction efforts had to be reduced by 55 percent from fiscal year 1987 levels. Not surprisingly, drug seizures so far this year are about half as much as those made during the same period in previous years.

Similarly, because the Coast Guard has had to cut back its fisheries law enforcement efforts, U.S. fishermen in Alaska are complaining that foreign fishermen are coming into U.S. economic exclusion zones.

Mr. Speaker, we can't just sit here while all around us is the evidence of what our delay means to the American people. We must act now to repair last year's shortfall.

EMPLOYMENT AND TRAINING ADMINISTRATION STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

H.R. 5026 provides an additional $50 million for the Employment Service state grants to overcome the problems that are being experienced by State employment security agencies as a result of a reduction in the fiscal year 1988 appropriation. Some States are facing layoffs and closings of local employment security offices where employment services are provided to individuals seeking jobs and to employers seeking workers.

I am told that at least four States, Mississippi, South Dakota, Ohio, and Hawaii, already are putting plans in place to curtail services. Pennsylvania will be in the same shape very soon. And, in Massachusetts my people are facing curtailed services and may have to close our satellite offices in the very near future.

These offices are on the front line of our labor exchange system. This is where the unemployed worker can come to receive counseling, testing, job information, and referrals to employers. In addition, these offices will play a large role in administering the new Worker Adjustment Program that we just passed in the trade bill by an overwhelming margin.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

(TRANSFER OF FUNDS)

(BLACK LUNG AND TAA BENEFITS)

The bill provides supplemental funds requested by the Administration for advances to the black lung disability trust fund and Federal unemployment benefits and allowances account. The Labor Department estimates that an additional $43 million will be needed to make mandatory black lung benefits payments and an additional $49 million will be needed to make mandatory benefits payments under the Trade Adjustment Act.

Currently, there are no funds available for advances to the black lung disability trust fund, and retroactive benefit payments already are being withheld from beneficiaries, with medical payments expected to be withheld starting this month. Since May 31 of this year, Labor has been forced to withhold $6.6 million in retroactive payments.

In addition, all funds previously appropriated for TAA benefits have been expended, in large part due to the fact that a higher percentage of certified auto workers are collecting larger benefits for a longer period of time than was anticipated.

At this time, approximately 27,000 unemployed workers, who have been certified as eligible for TAA benefits, are not receiving them. In Michigan, 5,000 workers are in this category; Pennsylvania has 4,200, Ohio 2,744, Missouri 2,000, New York 1,800, West Virginia 1,200, and in my own State of Massachusetts, 412 certified workers are awaiting our action on this supplemental in order to receive their payments.

This is not an isolated problem. Twenty-six States are already out of funds, and all 50 will be out of money by July 31.

Both the Black Lung and Trade Act supplementals involve transferring funds from the revolving fund of the employment security trust fund, and are for mandatory activities.

SMALL BUSINESS DISASTER LOAN OPERATIONS

The bill includes $15.3 million for salaries and expenses in connection with the operations of the Small Business Disaster Loan Program. These funds are transferred from the business loan and investment fund of SBA, so there is no adverse budgetary impact.

Mr. Speaker, I got a call yesterday from the Administrator of SBA, and he was very upset at the prospect of another month's delay in making these funds available. Because of some significant disasters early in this fiscal year, they ran out of money to pay for loan processing in March. Here we are in July, and they still don't have their requested supplemental. Even with short-term reprogramming, they cannot respond to new applications. They are in desperate straits. This is indeed a "dire emergency."

PRISON RIOTS REPAIRS AND EXPENSES

The bill provides a total of $110 million for the costs of the Mariel Cuban prison riots. Included are funds to reconstruct the Federal penitentiary in Atlanta, GA, and the Federal detention center in Oakdale, LA, to hold the displaced prisoners in other secure quarters pending reconstruction, and to resettle those prisoners approved for release.

Mr. Speaker, much of this money has already been spent, and these funds are needed to reimburse the Federal prison system for expenses during the riots. Those riots, of course, were completely unexpected, and this qualifies under the budget summit agreement as a dire emergency.

DIRE SUPPLEMENTAL (H.R. 5026)—AGRICULTURE CHAPTER

Mr. Speaker, in the Agriculture chapter we have three provisions.

The first item is an administrative provision in which the Department is urged to use all of the authority it has under existing law to help those affected by the drought and other emergencies.

The second item is a $45 million transfer from the CCC to the Agriculture Stabilization and Conservation Service to meet the increased need for assistance in combating the effects of drought, flooding, and other crises that affect our farmers. ASCS gets its funding from the CCC, so this transfer is in accordance with the normal funding flow and is based on the request of the Department.

The last item is a $10 million transfer from Farmers Home to the Soil Conservation Service based on the requests for assistance to the Department from States affected by flooding earlier this year. The transfers are coming from unobligated balances in the agricultural credit insurance fund.

EMERGENCY REFUGEE ASSISTANCE

The bill includes $24 million for the U.S. emergency migration and refugee assistance fund. A serious shortfall has developed in this fund due to unanticipated numbers of refugees leaving the Soviet Union and Eastern Europe and several African and Asian countries.

Of the $24 million, $6 million will be used to alleviate an unfortunate backlog which has built up of visa applications from Soviet Armenians and Jews.

These people have received permission to leave the Soviet Union, but our State Department does not have the resources to process their visas. These funds will take care of that rather embarrassing situation.

The remaining $18 million will allow the United States to respond to emergency appeals by the U.N. High Commissioner for Refugees and the International Red Cross for Emergency Assistance to Refugees in Africa and Asia.

The number of refugees leaving Ethiopia, Mozambique, and the Communist-controlled countries of Southeast Asia is much greater that earlier estimates. These people are destitute. The United States has always responded humanely and generously to such appeals, and we must continue that worthy tradition.

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Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think I should say here, as we start another round of appropriations action, that the Committee on Appropriations has consistently held appropriations bills below the total requested by the President. The so-called summit agreement apparently was an oral agreement by some members of the summit committee, because it is interpreted in various ways. For a while it was recognized it could not appropriate, it could not authorize, and that is still the fact.

Mr. Speaker, it also was said that it was a ceiling which it definitely is; after some discussion, it was said it was also a floor. In this bill here that we have before us, we continue to hold down appropriations. We have agreed to transfer funds that were available, and each subcommittee has to help meet this need. But I say again while we continue to increase everything we are spending money for except our own country, we also have to stand up and do those things that are essential to keep our country going. This we have done.

We have had the cooperation of all of the members of the Committee on Appropriations in holding this amount down, but may I say that the gentleman from Massachusetts and I agree that many of the things that we have facing us in the future are controversial, but we have got to reach an agreement by the August 1 for the programs that are included in this bill. Other programs will come up later.

Mr. Speaker, I want to say this: This committee will take its hat off to nobody when it comes to meeting the financial cost of the drug problem, and that will come later from the gentleman from Iowa, who chairs the subcommittee. That is a serious situation that we have, and recognizing it is controversial, we had to include it in the other bill which will come up shortly. I just want to say here that we have done a great job here, and it is not the Committee on Appropriations that has been responsible for the situation we have in increasing debt. It has been the passing of legislative entitlements where one can sue for it and entering into binding contracts where they have to be paid, and I want to leave that with you.

We are doing our job. We just hope that those that do the other things will slow down a little bit so we may straighten out the national finances.

Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of H.R. 5026, the dire emergency supplemental appropriations bill. Among other items, H.R. 5026 permits funds to be transferred from a dormant unemployment trust fund account to the Trade Adjustment Assistance [TAA] Program.

As you know, Mr. Speaker, the TAA program provides benefits and reemployment services to workers who lose their jobs or have their hours reduced by foreign competition. In addition, weekly trade readjustment allowances [TRA] may be paid to workers who exhaust their unemployment insurance benefits.

On July 8, the Michigan Employment Security Commission [MESC] stopped making trade readjustment allowance [TRA] payments to 5,000 unemployed workers in Michigan, including those in training programs. Since last October, the MESC has provided more than $25 million in TRA benefits to jobless workers in the State. In my district alone, 2,500 jobless workers lost their TRA benefits.

Mr. Speaker, my constituents in Flint, MI, desperately need those checks. Their TRA payments are used to buy groceries and other basic staples. Many of the jobless in Flint have already sold their homes and automobiles and are just barely surviving on the money they receive from the TAA Program.

Michigan has suffered a disproportionate share of the national unemployment burden. Numerous plant closings and layoffs in our State have resulted in thousands of jobless workers, many of whom have exhausted their unemployment benefits, and in some cases, families and lives that have been destroyed. Quite clearly, the plant closings and layoffs in Michigan are a catastrophe.

I want to thank Chairman WHITTEN and Chairman NATCHER for their work on the bill.

I urge my colleagues to support H.R. 5026, which will reestablish funding for the TAA Program.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. NOWAK].

Mr. NOWAK. Mr. Speaker, I want to thank the gentleman for the changes he has made in the provisions relating to the Corps of Engineers. I had expressed concern about the effects of earlier language relating to uses of water in reservoirs on the Great Lakes. The new language appears to address my concerns. The drought emergency provisions of this bill include the use of reservoirs operated by the Secretary of the Army, to provide emergency water supply. The Secretary is directed to utilize water in any reservoir operated by the Secretary for emergency water supplies as provided by existing law. Am I correct in saying that this does not give the Corps of Engineers any new legislative authorities, but rather directs them to use their existing authorities in such a manner as to provide relief from the drought.

Mr. WHITTEN. The gentleman is correct.

Mr. NOWAK. The language of the bill provides no additional authority to change the existing situation in regard to the Great Lakes. Is my understanding correct, that the effect of this language is to make it clear that nothing in this bill affects existing authorities and restrictions relating to the diversion of water from the Great Lakes?

Mr. WHITTEN. The gentleman is correct. Nothing in this bill changes the existing situation with regard to the diversion of water from the Great Lakes. It does not authorize any new diversion of water from the Great Lakes.

Mr. NOWAK. There is one more point I wish to clarify. The language of the bill directs the Secretary to utilize water in any reservoir for emergency water supply purposes. As I understand the term "reservoir" it refers to artificial lakes impounded by dams. Is this the gentleman's understanding?

Mr. WHITTEN. That is correct. The committee understands that a reservoir is a body of water created by a dam.

Mr. NOWAK. And the existence of a structure capable of regulating the level of and release of water from a natural lake, such as the diversion structure at Lake Michigan in Chicago, would not result in that lake being considered to be a reservoir.

Mr. WHITTEN. That is correct. The existence of a control or diversion structure to regulate flows from a natural lake in no way makes that lake a reservoir.

Mr. NOWAK. I thank the gentleman.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, earlier in the debate, my colleague, the gentleman from Florida, mentioned the important money in this bill for drug interdiction efforts, the $60 million for the Coast Guard. This is not new money. It is reprogrammed from other transportation accounts, and is money clearly important and necessary for the Coast Guard to carry out its job of interdicting illegal drugs.

By taking pressure off other Coast Guard accounts, the money is also important to keep the Coast Guard's search-and-rescue operations intact, saving lives on our navigable waterways and preventing the drownings that would otherwise occur if the Coast Guard were not there and operating in the interests of the public.

The highest mission of the Coast Guard is to save lives. Congress has made this clear repeatedly. We have said over and over again to the Coast Guard that this is the highest priority. In both the Senate and the House versions of the Transportation appropriations legislation, we have again clearly stated this to the Coast Guard.

Mr. Speaker, I want to commend the chairman, and I want to commend my ranking member, the gentleman from Massachusetts [Mr. CONTE], who has shown very strong leadership in supporting the Coast Guard search-and-rescue operations, and the members of the Appropriations Committee for including these important funds.

We have sent a message to Admiral Yost to do his job, to continue to do it well, and in this measure we provide the moneys so that he can keep Coast Guard search-and-rescue operations protecting our citizens.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Speaker, I rise in support of the bill. It is something we have to do, and the portion in the Justice Department that is mentioned, I would like to refer to that very briefly.

The moneys that are included in the Justice function are for the Mariel prison riots, to repair the facilities and to get the prisons back in operation as well as the legal activities involved, as well as the regular construction program for the Federal prison system which is severely underfunded at the moment.

The administration wanted us to find these funds from existing expenditures. For example, they wanted to take $39.3 million from the present building and facilities construction fund, but those funds were going to come from the ongoing construction projects to provide badly needed prison space, and they will have to be restored in the 1989 expenditures anyway. If we take those funds, we would only be shifting the problem to fiscal 1989 which we do not have the money for in the 1989 bill. Other moneys they would take out of juvenile justice and INS and the FBI, all of whom are severely underfunded at the moment and would force us to transfer that problem to the fiscal 1989 appropriations bill. We do not have the 302(b) allocation for that anyway, so it is an unrealistic expectation that the administration wants of us to take moneys from existing programs which are severely underfunded now in order to cover these additional expenditures in the supplemental. We just simply do not have the allocation. We do not have the funds with which to do it.

It is a necessary part, a dire emergency, and no one could anticipate the Mariel prison riots, no one can anticipate the extra need for prison space which is in the Justice function of this bill.

Mr. Speaker, I urge the House to adopt the bill, because it is absolutely necessary.

Mr. WHITTEN. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. Dowdy].

Mr. DOWDY of Mississippi. Mr. Speaker, I rise in strong support of H.R. 5026.

Included in this emergency supplemental is $50 million for State employment service operations. Although the Veterans' Affairs Committee has no legislative jurisdiction over the Employment Service [ES], we have a strong interest in this system because it is the delivery system for most veterans' employment and job training programs.

As chairman of the Subcommittee on Education, Training and Employment of the Veterans' Affairs Committee, I am concerned that a weakened, underfunded national labor exchange will be unable to provide the employment assistance our Nation's veterans need and deserve.

The dramatic reduction in Employment Service funding since 1981 has already taken a toll on services to veterans. For example, during the program year ending June 30, 1987, nearly half of the 2.5 million veterans who registered for employment services nationwide received no reportable service. In my home State of Mississippi, during the same timeframe, although 33,599 veterans registered for services, only 14,188 received some services.

Our subcommittee recently completed a thorough review and rewrite of the veterans' employment and training provisions in title 38, United States Code. A significant portion of that review dealt with the Employment Service and the veterans' employment specialists in those agencies who have a direct impact as service providers. Public Law 100-343, the legislative reform which resulted from the subcommittee examination of veterans' employment assistance programs, strengthened and clarified services and programs available to veterans through the Employment Service.

As chairman of the Education, Training and Employment Subcommittee, however, I am concerned that the changes that have been made to provide better services to veterans through the public employment service system will be in jeopardy if these additional funds are not provided.

In closing, I want to commend my good friend and colleague from Mississippi, chairman of the Appropriations Committee, the Honorable Jamie Whitten, for bringing this legislation to the floor. Chairman Whitten is a strong advocate of the national program of State public employment services and a great friend to veterans. His leadership is deeply appreciated.

Mr. Speaker, I urge my colleagues to support H.R. 5026.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. Miller].

Mr. MILLER of Ohio. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, in this bill, we have $24 million, although $30 million will be needed in order to pay for the relocation and emigration of Armenians and Jews that have received permission to leave the Soviet Union. I have no quarrel with the fact that they will be emigrating. They have been mistreated. I have absolutely no quarrel with that.

My quarrel is with the United Nations. The U.N. has indicated it will cost $100 million to facilitate all the moves but the U.S. share will be $30 million.

□ 1315

We always seem to be paying the bulk of the bill.

For the people who have been mistreated and will be able to leave the Soviet Union, this is a wonderful day. By the same token, I know we cannot change the U.S. share of U.N. expenses in this bill just for this purpose. As I recall, we passed legislation some time ago requiring that the United States pay only 25 percent of the total amount of the United Nations' expense.

I take this time to again attract attention to the fact the United States is paying more than its share into the United Nations, and perhaps we need to take a fresh look at this.

I thank the gentleman for yielding time to me.

Mr. WHITTEN. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentlewoman from Louisiana [Mrs. Boggs].

Mrs. BOGGS. Mr. Speaker, I want to commend the committee and both sides of the aisle and the staff for coming forth with this dire, urgent supplemental appropriation that is so badly needed throughout the country. I would like to especially commend them for understanding the problems that have been brought on by the drought in the Lower Mississippi Valley.

In our area of the Mississippi River we have been experiencing some very difficult times because 11 municipalities, including the city of New Orleans in the metropolitan area draw their drinking water from the Mississippi River. Because of the unusually, historically low levels of the river, we have been endangered with a salt water intrusion that is of vast proportions.

I was very pleased that in the bill the committee was able to recognize that the Chief of the Corps of Engineers should conduct emergency drought relief activities for domestic, municipal, industrial, aquaculture and agricultural purposes in and adjacent to the Mississippi River and its tributaries and to take care of the water systems that were endangered, and among other things that they were authorized under existing law for the transportation by barge or other means of potable water and construction of water wells and necessary treatment and distribution facilities.

Mr. Speaker, the language of the report goes on to say that the Corps of Engineers is directed to prepare a backup system to provide for the transportation and distribution of potable water for populations served by the municipal water systems contaminated by saltwater.

I would like to ask the chairman if he feels that the language of the bill and the language of the report are consistent with making certain that the Army Corps of Engineers does have the authority to be able to carry out an emergency backup system of water supply and drinking water supply for the New Orleans metropolitan area?

Mr. WHITTEN. Mr. Speaker, will the gentlewoman yield?

Mrs. BOGGS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, may I say to my colleague, the gentlewoman from Louisiana, we certainly have that intent in mind.

I call the attention of my colleagues to the fact that under the law, appropriated funds must be used for the purposes for which appropriated. Not only that, but the committee report, and in case of a conference report, the statement on the part of the managers is the best evidence of the intent of the Congress. So the language here is written for the very purpose of explaining what the appropriation is for, and it must be used for that purpose under the law.

Mrs. BOGGS. I thank the chairman very much for the assurance.

Mr. CONTE. Mr. Speaker, I yield 1 minute to my good friend, the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, H.R. 5026, the dire emergency supplemental appropriation, is extraordinary even on the basis of its name. It contains some needed funds, but, in the larger scheme of total spending priorities, the bill looks like neither an emergency nor a dire emergency.

I have a particular interest in the increased refugee money. I see that expense as a real emergency. I would like to vote for that provision.

There are other features which are less attractive. Even so, as a whole, I would vote for this bill, if all the expense in it were offset by transfers from other accounts. Since the committee has given us nearly $200 million in new, unbudgeted spending, I shall not vote for H.R. 5026.

This bill is a perfect example of Congress' fiscal inebriation. We can always spot needs to spend more. We seldom seem to be able to find trade offs where we can spend less. Fiscal sobriety has been beyond our capability.

Until we can achieve that happy balance, and finance new, or emergency needs by transfers, even dire emergency bills should be defeated.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY], a member of the committee.

Mr. OBEY. Mr. Speaker, I would simply say in response to the last comment that I find it very interesting that the administration suggests that there ought to be offsets, but the fact is that in the refugee assistance area, for instance, it is very clear the administration would not support an offset because the administration is opposed to squeezing other foreign assistance titles. So while I would be very happy to provide an offset by reducing funds out of ESF and out of military assistance accounts, the fact is the administration would not support that.

That leaves us simply with one fundamental fact in terms of the refugee portion of this bill. For years the United States has been lecturing the Soviet Union saying that they should not allow procedural impediments to stand in the way of Soviet citizens who want to leave that country, and emigrate somewhere else. Now that the Soviets have approved departure for some 4,000 of their citizens, we are now in effect in the position of providing procedural impediments to their leaving if this money is not provided. I very much doubt that we want to be in that position. I think it would be ludicrous if the United States were not facilitating the emigration of Soviet citizens who wish to leave that country, and this bill allows us to do that. I am sure it is fully consistent with the administration's foreign policy goals and with America's conscience, and I am very pleased to support the bill.

I appreciate the fact that the chairman of the committee was sensitive as well in altering the language to conform to the concern of the Great Lakes States with regard to water problems we might have otherwise been concerned about.

Mr. BRENNAN. Mr. Speaker, I rise today in support of H.R. 5026, making emergency supplemental appropriations for fiscal year 1988. This is an important funding measure which deserves our immediate support.

Contained in this measure is essential funding for the Trade Adjustment Assistance and Black Lung Programs, to cover the costs associated with the Mariel Cuban prisoner riots in Georgia and Louisiana, for SBA disaster loans, to assist in the applications for payments and aid to farmers suffering from the drought, and assistance to the Coast Guard for increased drug interdiction.

As a member of the Coast Guard Subcommittee, I have been acutely aware of the funding problems the Coast Guard has experienced due to the so-called budget summit agreement of last November. The funding reductions incurred by the Coast Guard led to a reduction of drug interdiction patrols by 55 percent. These reductions have sent the wrong signal around the world that the United States is sounding retreat on the war against drugs. Since the Coast Guard announced earlier this year their response to budget reductions would entail drug interdiction patrol cutbacks, I have strongly endorsed the reprograming of funds from other Department of Transportation programs. Today, this House will finally have the opportunity to support needed funds for the Coast Guard.

I am pleased that the Appropriations Committee has presented a supplemental which is streamlined and yet addresses the funding problems encountered in some worthwhile programs. In fact, of the new spending authority contained in the measure, some 58 percent of the funding covers costs associated with the Mariel Cuban Prisoners. Over $125 million is transferred or reprogrammed from other accounts—such as the Coast Guard funding—to meet important programs demands.

I am confident my constituents will welcome the transfer in funding to the Coast Guard so that in the final 2 months of the fiscal year we can see a restoration of drug interdiction patrols. There may be an increase from previous patrols due to the short amount of time remaining in this fiscal year. This would certainly be good news for Americans who support strong efforts in the war against drugs and bad news for those involved in the smuggling of drugs. I am hopeful the restoration of funding will make a lasting commitment to insuring an adequate level of funding for the Coast Guard in their important efforts against drugs.

I urge my colleagues to join me in a strong vote of support on H.R. 5026.

Mr. DENNY SMITH. Mr. Speaker, I rise today in reluctant support of H.R. 5026, a bill making supplemental appropriations for fiscal 1988.

While I have, as a rule, opposed supplemental appropriation measures in the past, I support this one because much of the money included within it goes to needed programs.

H.R. 5026 includes funding to assist State and local prisons with the cost of housing Federal inmates. Over the past few years, I have seen my home State of Oregon move to fourth on the list of per capita crimes in the Nation. Unfortunately, Oregon ranks within the top four nationally on many specific types of crime.

Crime is the No. 1 issue in my State at this time, as evidenced by the more than 115,000 individuals that have signed petitions to put a get-tough sentencing proposal on the ballot this year. The long-term success of this measure will rely upon cooperation among Federal, State and local authorities.

H.R. 5026 also contains needed funding for the Coast Guard's drug interdiction programs. The Coast Guard is on the front-line of the war against drugs, but have suffered as a result of some of the misguided priorities we must cope with in Washington. While the $60 million included in this bill is probably not enough, it is a step in the right direction.

H.R. 5026 also contains funding for worthy programs such as employment service state grants, trade adjustment assistance and the black lung disability trust fund.

My reluctance stems from the fact that we are once again faced with a supplemental appropriations bill. These were theoretically outlawed by the White House-Congress budget summit agreement signed into law last year. This so-called leadership agreement was supposedly cast in stone, and served as the basis for every budget debate this year. But, as the old saying goes, "here we go again!"

H.R. 5026 does not violate the letter of our budget laws, but it violates the spirit. If we were to do our job correctly in the first place, we would not need to have supplementals pushed through the process as the fiscal year ends.

The dire emergency in this bill is not the need for immediate funding of these programs. The true dire emergency is a budget process that doesn't work. It's time for us to start dealing with that problem.

Mr. LAFALCE. Mr. Speaker, I am very pleased to express my strong support for H.R. 5026, making dire emergency supplemental appropriations for the balance of fiscal 1988; and I wish to commend Chairman WHITTEN for moving this most important legislation through the Appropriations Committee so expeditiously after our return from the recent recess. I also want to commend my friend and colleague on the Small Business Committee, Representative NEAL SMITH, for his efforts to insure that H.R. 5026 includes supplemental funding to permit the continuation of the Small Business Administration's disaster loan program.

As you know, the Small Business Administration is the primary provider of long-term financial assistance to nonfarm victims of natural or other disasters, including businesses, homeowners, tenants, nonprofit institutions and others. After disaster strikes, SBA disaster loans provide for the quick restoration of jobs, services, business revenues and taxes, promoting the long-term recovery and health of the community as well as offering assistance to affected individuals.

Because it is impossible to predict with any certainty the level of disaster activity in a forthcoming fiscal year, the administration has historically requested in its annual budget submissions a relatively low amount for the administrative expenses necessary to make and service disaster loans. Although sufficient funds have been and are available for the loans themselves, the amounts originally requested for administrative expenses are predictably insufficient to deal with even modest levels of disaster activity. As a result, supplemental funding is usually required before the end of the fiscal year, as is now the case.

This year, heavy disaster activity occurred early in the fiscal year with a major earthquake in the Los Angeles area. Although a variety of cost-saving measures were implemented early-on to ration scarce administrative expense dollars—measures such as restricted personnel ceilings, limiting travel and per diem allowances and the elimination of overtime, severely compromising the level and timeliness of services to disaster victims—it soon became evident that even more stringent steps had to be taken in order to stay within the unrealistically low salary and expense allowance. As early as November, a personnel freeze was implemented; and by May, layoffs had begun. On June 3, SBA stopped taking requests for new disaster declarations, and processing and disbursement of loans already "in the pipeline" from prior disasters lagged seriously behind normally expected performance.

Since SBA suspended making new disaster declarations on June 3, it has received requests for disaster assistance to help victims of an explosion in Nevada, fires in Pennsylvania and California, flooding in New Mexico and Texas and, most recently, severe tornadoes in Iowa. Additional economic injury assistance was requested by the Governor of Illinois due to a major utility disruption and the Governor of California due to severe rain. Also, the availability of SBA economic injury disaster loans to small businesses adversely affected by agricultural disasters declared by the Secretary of Agriculture has thus far been suspended in Alabama, Arizona, Georgia, Idaho, Indiana, Missouri, Montana, Ohio, and Wisconsin, with more States soon to follow as additional farm disaster areas are designated by the Secretary.

H.R. 5026 provides the desperately needed supplemental funding to allow SBA to honor these requests for disaster assistance from throughout the Nation. It will further permit those loans resulting from prior disasters, the processing of which has been stalled due to funding shortages, to be expeditiously disbursed. Finally, the SBA supplemental disaster funding will make unnecessary further layoffs of the agency's permanent disaster specialists, whose loss threatens to affect the implementation of the disaster program for years to come.

In closing, I urge the approval of H.R. 5026 so that SBA's Disaster Program can once again provide financial assistance to disaster victims as Congress originally intended.

Mr. LANCASTER. Mr. Speaker, I rise today in support of H.R. 5026, the emergency supplemental appropriations bill. This measure contains a much-needed and already-delayed transfer of $15.3 million for salaries and expenses to continue administration of the SBA's disaster loan assistance programs.

In North Carolina, for example, this will mean continuing to service disaster assistance loans dating back to our 1977 agricultural disaster. There are still nearly 600 disaster assistance loans to farmers still on the books, and nearly 300 disaster loans to small businesses, which require servicing. About 150 of these loans relate to the two great agricultural disasters of 1977 and 1980 in the South. There is also an urgent need to follow through with necessary assistance to victims of North Carolina's recent Red Tide disaster.

North Carolina's difficult situation is not unique, but is replicated throughout the Southeast and in other areas of the Nation. The SBA, and district directors across the country are increasingly being faced with an unpleasant dilemma: To allow funding for salaries and expenses on disaster loan assistance servicing to run dry; or, alternatively, to rob scarce funds from other programs. In North Carolina, the problem has been addressed thus far by placing a freeze on all hiring and cutting back on travel and other expenses. These are not solutions but only amount to stop-gap measures. The crunch grows greater each day.

This situation, obviously, cannot continue if the SBA is to fulfill its mission of helping businesses decimated by disaster to get back on their feet. I am therefore pleased that the House has included this provision in today's emergency supplemental appropriations bill. I urge all my colleagues to support the passage of H.R. 5026.

Mr. STANGELAND. Mr. Speaker, I rise in support of provisions of H.R. 5026 relating to emergency drought authorities of the Army Corps of Engineers.

First, let me commend the leadership of the House Appropriations Committee, and indeed all those Members of the House who have worked so hard and so swiftly on this legislation. Chairman WHITTEN, ranking minority member SILVIO CONTE, subcommittee Chairman BEVILL and ranking minority member of the subcommittee, JOHN MYERS, have all helped make this a fiscally responsible, yet responsive bill to the Nation's water needs.

With record heat and drought conditions, the parched Midwest and Southeast are leaving farmers emptyhanded and barge operators high and dry. Aside from personal calamities for individuals and families, the drought presents real threats to our overall economy and national security.

America's rivers, the original and unpaved highways of the Nation, must remain free and clear. Everyone—from the producer to the transporter to the ultimate consumer—loses if these commercial lifelines stop flowing.

National security and water quality are certainly at risk, as well. Fish and wildlife, wetlands and recreational opportunities are all on the endangered list as the drought continues.

The emergency drought authority provisions of this bill should help. As a member of the Public Works and Transportation and Agriculture Committees, I have been working with the corps, the Agriculture Department and other members of the President's Interagency Drought Task Force. The directives on dredging and water supply activities, reservoir reallocations, technical assistance, and drought management planning should help improve the corps' response efforts.

One particular provision deserves special mention, however. Originally, the provision on utilizing reservoirs for water supply caused me, and certainly the gentleman from Minnesota [Mr. OBERSTAR], considerable concern. We were worried about its impact on the six reservoirs in the headwaters of the upper Mississippi.

In fact, with Chairman OBERSTAR'S leadership, the Public Works and Transportation Committee held a recent hearing on a proposed plan by and the Minnesota Department of Natural Resources to increase reservoir releases in response to the drought.

Prior to the hearing, I was not convinced the proposal adequately considered the impacts upon those who live and make their livings in the region. While I respect the good intentions of the plan's proponents and all the work of the Minnesota task force members, I am still not convinced the plan offers the best approach.

The current proposal in Minnesota may set a bad precedent, provide an unworkable solution, and treat other groups and regions unfairly. While not abandoning it totally, we should use the plan only as a starting point for use as a last resort. In the meantime, the Twin Cities need to continue to increase their commitment to water conservation.

My concern about H.R. 5026, however, has been addressed by an amendment that specifically referenced the upper Mississippi's headwaters. The bill before us now states clearly that the corps has no additional authority to increase releases or reallocate waters at any of the six reservoirs.

Mr. Speaker, with this improvement, H.R. 5026 will help in the Nation's drought relief efforts without antagonizing the senitive situation in the upper Mississippi headwaters region.

Mr. AKAKA. Mr. Speaker, I rise in support of this bill and ask unanimous consent to revise and extend my remarks.

As the title of this legislation indicates, the bill before us would make supplemental appropriations for dire emergencies caused by natural disasters and other unforeseen circumstances facing our Nation. This legislation must proceed if the Federal Government is to meet its responsibility to the American people and extend a helping hand in a time of great need.

Much of the funds contained in this bill will assist farmers and rural communities that are facing the worst drought since the Dust Bowl days of the 1930's. Whether your district is directly affected by the drought or not, every Member of Congress understands the gravity of the situation. We cannot wait a day longer to act on the bill.

Funds are also contained in this bill to repair the destruction which occurred during the Mariel Cuban prisoner riots as well as to prevent the disruption of Coast Guard drug interdiction and search and rescue efforts between now and the end of the fiscal year.

Also contained in this bill are funds for emergency watershed repairs in Hawaii and other States where devastating rains caused intense flooding, mudslides and erosion. I want to express my profound appreciation to Chairman WHITTEN and my colleagues on the Appropriations Committee for their support in providing this much-needed relief.

I am pleased that recognition has finally been given to the severe floods that occurred earlier this year in my State and elsewhere throughout the country. It is understandable that the drought of 1988 has overshadowed events such as the severe flooding that occurred in Hawaii. But I can assure you that the relief in this bill for the people of Hawaii whose homes were overwhelmed by flood waters is just as necessary and important as the assistance this bill will provide for drought-affected areas.

For many months, families in the flood damaged areas have been waiting for the Soil Conservation Service to carry out stream bank repairs so that they can begin to rebuild their lives. In some areas where stream banks were severely eroded, the ground underneath houses was partially stripped away and houses were left suspended over the new stream bed. Families go to bed each night knowing that another heavy rainfall will send their homes cascading downstream. For many months they have lived with this fear.

As difficult as it may seem, over 22 inches of rain fell on areas of Hawaii in a 24-hour period ending on New Year's Day. During an intense rain surge, 12 inches of rain fell in a 4-hour period. Rainfall exceeded the 100-year storm event for both the 24-hour period and the 4-hour surge. Eight days later, the President declared the area a major disaster.

Unfortunately, due to an unusually heavy demand for emergency watershed protection assistance, all funds appropriated for this program were exhausted soon after the Hawaii disaster. That is why this supplemental is necessary.

Hawaii was not alone in facing this predicament. A total of $10 million is needed at the present time to fund Emergency Watershed Protection work in Arkansas, Hawaii, Mississippi, Puerto Rico, and Saipan since the beginning of the fiscal year.

It seems as though this year's weather has been one of extremes. When it comes to rain, we simply had too much or not enough. We all wish that areas of the country which had an excess of rain could share some of it with other areas that are experiencing a drought, but those decisions are not ours to make. That's why emergency legislation like this is necessary.

In closing, I want to make clear that this bill is in keeping with the November budget summit and the President's January budget message. Any statements to the contrary are nothing but a "bunch of bunk."

The budget summit agreement and the President's January budget message clearly contemplated supplemental appropriations such as this. I refer my colleagues to part 2 of the President's budget document which states that only three types of supplementals would be considered this year, one of which is a supplemental dictated by a "true emergency." If a natural disaster is not a "true emergency," then that term has no meaning. If ever there was an emergency that cries out for assistance, this is it.

I urge my colleagues to support this bill.

Mr. HENRY. Mr. Speaker, today I am voting against the dire emergency supplemental appropriations bill, H.R. 5026, because it violates our own attempt to control new add-on spending through supplementals which are outside the control of the budgetary process. The bill includes some very important funding transfers which people in my State and elsewhere have been counting upon and are vitally necessary. Trade adjustment assistance benefits have been cut off to people in my State and in my district, and I strongly support the transfer of funds to maintain these benefits.

Likewise I support the transfer of funds to increase drug interdiction efforts by the Coast Guard. The Coast Guard was underfunded for this effort, no one needs to be convinced of the need for increased drug interdiction efforts, and funds are available in other DOT accounts for transfer to this effort.

Similarly, the unforeseen drought has increased needs for which the Army Corps of Engineers and USDA may indeed need additional resources, which the bill appropriately addresses through existing funds.

Mr. Speaker, my reason for opposition to the bill is the presence of new funds for the Mariel Cuban riots and emergency refugee assistance. Both of these may indeed be priorities for which funds are necessary. But could they not be met through transfers of existing funds from lesser priority programs, as indeed the administration requested? Are they truly dire national emergencies for which the resolve and discipline of the budget summit agreement should be broken?

The funds involved—$110 million—are merely a gnat on the elephantine Federal deficit, but they once again point out how we got in the budgetary shape in the first place and why we are not getting out as fast as we ought.

Mr. BOSCO. Mr. Speaker, I rise in support of H.R. 5026, making emergency supplemental appropriations for fiscal year 1988. This measure will provide the U.S. Coast Guard with $60 million in funds that are desperately needed to carry out urgent search-and-rescue and drug interdiction missions, and I urge my colleagues to support it.

The Coast Guard has been faced with a $100 million funding shortfall in the current fiscal year which has seriously undermined its ability to perform its duties, thus endangering the lives of countless Americans. This shortfall has resulted in an unfortunate reduction in operations and support functions, and the service has been forced to contemplate cuts that strike at the very heart of its mission.

Routine patrols have had to be reduced 55 percent. Maintenance, overhauls, and purchases of spare parts and fuel have had to be deferred or even canceled, thus hampering readiness as well as training. Far too many facilities have been placed on the chopping block.

Mr. Speaker, the emergency measure we are considering today is more modest than I would have liked. I was a cosponsor of legislation introduced by Mr. DAVIS of Michigan that would have provided the Coast Guard with the full $105 million necessary to perform its missions at full speed, without cuts or interruptions.

I would like to remind my colleagues that the $60 million proposal before us today represents a transfer of funds previously obligated to other Department of Transportation accounts. It does not represent a new drain in any way on the Federal Treasury. These funds will be used to acquire fuel, spare parts and other necessary supplies for the fleet, enabling it to maintain a higher profile on our Nation's coastlines.

Mr. Speaker, there are many in my congressional district who depend explicitly upon the prompt, effective search-and-rescue capabilities of the U.S. Coast Guard. The Humboldt Bay Station represents the difference between life and death for commerical fishermen and many other boaters, and it is my intention that it will continue to do so far into the future. The Commandant of the Coast Guard himself can attest to the phenomenal public response on the north coast when, earlier this year, residents were faced with the possible closure of the Humboldt Bay Station.

We were fortunate in saving the Humboldt Bay Station, and I will continue my efforts to ensure a vigorous Coast Guard presence on the north coast. Reductions in Coast Guard capabilities on the north coast all-too-quickly translate into lost livelihoods, severe injuries, and lost lives.

Mr. Speaker, I urge my colleagues to support passage of this emergency appropriations bill.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 5026, the dire emergency supplemental appropriations bill. I wish to commend the gentleman from Mississippi [Mr. WHITTEN] for his fine work on this measure. This legislation includes $60 million desperately needed by the Coast Guard for drug-interdiction activities.

The importance of the Coast Guard is vital in our struggle against drugs and can not be overstated. They play a crucial role in interdiction, whether working bilaterally in such programs as OPBAT [Operation Bahamas and Turks and Caicos] in the Caribbean Sea, in concert with DOD through their LEDET [Law Enforcement Detachment] team program, or on their own. They have the trained personnel and the equipment needed to do a first class job on interdiction; all they need is a first class budget. I believe this legislation goes a long way toward that goal.

Accordingly, I urge my colleagues to support this measure. We can not stand there in Washington and call for a war against drugs if we do not properly supply our frontline troops. We have given the Coast Guard the very difficult mission of interdicting the burgeoning flow of illicit drugs into our country. If we do not provide the Coast Guard with the necessary resources, drug interdiction will remain our Nation's "Mission Impossible."

Mr. RANGEL. Mr. Speaker, The U.S. Coast Guard is one of the key Federal agencies charged with drug interdiction responsibilities. The Coast Guard has done an admirable job with existing resources to intercept the flow of drug traffic to America. Although the flow of drugs to America has continued to increase in recent years, this is not the fault of the Coast Guard. Without the Coast Guard's presence to interdict drugs and deter potential smugglers, I have no doubt the drug barons in South America would flood our shores with even greater quantities of their poison.

During fiscal year 1988 budget deliberations the Coast Guard's operating expense budget was cut about $75 million. This cut was a result of the bipartisan budget summit agreements reached last year. When combined with certain other unbudgeted costs, the Coast Guard suffered a total 1988 budget shortfall of $103 million.

At the time these reductions occurred, few realized the crippling effects they would have on the Coast Guard's ability to conduct its many missions successfully, especially drug enforcement. As a result of these cutbacks, however, the Coast Guard was forced to reduce its routine drug patrols by 55 percent. Since 90 percent of the Coast Guard's drug seizures are made as a result of routine patrols, the shortfall in the Coast Guard's budget has serious consequences for the agency's drug interdiction mission.

If we are going to continue to say that drugs are the No. 1 domestic issue confronting America today, and if we want to do anything to ameliorate the problem, we must appropriate sufficient funds so that our words are not hollow. While money will not solve the drug problem, lack of sufficient resources will ensure that it will continue indefinitely.

I am pleased, therefore, that H.R. 5026, which we consider today, appropriates an additional $60 million for Coast Guard operating expenses in 1988. This money is the glue which holds the Coast Guard together. It pays for the training, fuel, and spare parts which make it possible to operate Coast Guard ships and airplanes, which conduct drug surveillance patrols. I commend Congressman WHITTEN the chairman of the House Appropriations Committee and Congressman WILLIAM LEHMAN, the chairman of the Transportation Subcommittee, for their wise judgment in bringing this legislation before us.

This $60 million supplemental appropriation will be funded by shifting funds from other transportation accounts to Coast Guard operations without increasing overall spending levels agreed to by the Congress and the President. This reprogramming will enable the Coast Guard to end its slow-down mode of operations, and restore vital drug interdiction activities. The Reagan Administration supports this provision.

Currently, Coast Guard cutters are sitting idle at the docks and airplanes on runways due to the budget shortfall. This is clearly a waste of highly trained personnel and adversely affects the morale of Coast Guard personnel. Congressional approval of this supplemental would enable us to reactivate these airplanes and ships. The Coast Guard was able to save $43 million by closing marginal facilities, reducing operations, and deferring such things as routine maintenance, training and restocking spare parts.

Because the $60 million is needed for the Coast Guard to carry out essential drug interdiction activities, I support it.

Mr. CONTE. Mr. Speaker, I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 357, nays 54, not voting 20, as follows:

[Roll No. 241]

YEAS—357

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bateman
Beilenson
Bennett
Bentley
Berman
Bevill
Bilbray
Bliley
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Hoyer
Hubbard
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Snowe
Solarz
Spratt
St Germain
Staggers
Stangeland
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NAYS—54

Archer
Armey
Bartlett
Barton
Bates
Bereuter
Bilirakis
Brown (CO)
Buechner
Bunning
Burton
Cheney
Craig
Crane
Dannemeyer
Davis (IL)
DeLay
DeWine
Dornan (CA)
Dreier
Fawell
Fields
Frenzel
Gradison
Gregg
Hansen
Henry
Houghton
Hunter
Inhofe
Konnyu
Kyl
Leach (IA)
Lukens, Donald
Lungren
Martin (IL)
McCandless
Moorhead
Nielson
Olin
Petri
Rhodes
Schaefer
Sensenbrenner
Shumway
Smith, Robert (NH)
Solomon
Stump
Swindall
Taylor
Thomas (CA)
Upton
Walker
Wylie

NOT VOTING—20

Badham
Biaggi
Bonker
Boulter
Combest
Daub
Donnelly
Gingrich
Gray (IL)
Huckaby
Mack
MacKay
Mica
Oakar
Pickle
Rowland (CT)
Spence
Stallings
Stark
Sweeney

☐ 1345

The Clerk announce the following pair:

On this vote:

Mr. Gray of Illinois for, with Mr. Combest against.

Mr. KONNYU and Mr. DAVIS of Illinois changed their vote from "yea" to "nay."

Mr. GEKAS changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

TONGASS TIMBER REFORM ACT

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 488 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 488

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1516) to require annual appropriations of funds necessary to support timber management and resource conservation on the Tongass National Forest and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendment made in order by this resolution, and which shall not exceed one and one-half hours, with sixty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs and with thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by titles instead of by sections, each title shall be considered as having been read and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. Moody). The gentleman from California [Mr. Beilenson] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Missouri [Mr. Taylor], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 488 is the rule providing for consideration of H.R. 1516, the Tongass Timber Reform Act. This is an open rule, providing for 1½ hours of general debate.

One hour of debate is to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, and 30 minutes of debate are to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture.

The rule makes in order the Interior Committee amendment in the nature of a substitute, now printed in the bill, as original text for the purpose of amendment. It provides for consideration of the substitute by titles, rather than sections, and it wavies clause 7 of rule XVI, which prohibits nongermane amendments, against the substitute.

Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, H.R. 1516, the bill for which the Rules Committee has recommended this rule, would end the economically irrational and environmentally damaging policy under which the Tongass National Forest is currently managed. It would eliminate both the permanent appropriation for road construction and the mandated timber harvest rate for the Tongass. It would also require the renegotiation of the two existing long-term timber contracts, and it would place a 5-year moratorium on harvesting in areas of the Tongass that are particularly valuable for wildlife habitat, subsistance, or recreation and tourism.

Mr. Speaker, I urge the adoption of House Resolution 488, so that the House can proceed to consideration of H.R. 1516.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at the time this rule was reported, there was strong disagreement over the provisions of the bill, but there was agreement that the rule should provide an open amending process.

The ranking Republican member of the Committee on Interior and Insular Affairs, the gentleman from Alaska [Mr. Young] wrote a letter to the chairman of the Rules Committee on the day of the Rules Committee meeting noting that this bill would repeal the timber supply provisions of the Alaska Lands Act of 1980, require renegotiation of long-term timber contracts, and impose a 5-year timber harvesting moratorium on 1.7 million acreas of national forest in Alaska. He further pointed out that if enacted as reported, the legislation would have a severe negative impact on employment in southeast Alaska, an area in which timber harvesting is the primary industrial employment base.

There was one key vote in committee which was settled by a vote of only 22-18, so the issue was closely divided.

However, in the Rules Committee both sides supported an open rule, which will allow compromise solutions to be considered by the House. It should be noted that this rule includes a waiver of the germaneness rule, because the committee amendment in the nature of a substitute includes new titles II and III which were not in the original bill. These new titles deal with subjects not covered in the original bill, and therefore the germaneness waiver was included. Mr. Speaker, I will not oppose this rule so that the House may proceed to the consideration of the Tongass Timber Reform Act.

Mr. Speaker, I yield such time as he may consume to the gentleman from Alaska [Mr. Young], the ranking member of the Committee on Interior and Insular Affairs.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of this rule. It is a good rule. The committee has done a good job. It is an open rule, but it is a bad bill.

The bill, as proposed by the committee, would in fact cause the loss of 6,000 Alaskan jobs, American jobs, jobs that we hear a lot about during this Presidential year in the rhetoric of the candidates, stating that everyone must be fully employed, everyone must have an opportunity, the impoverished must become wealthy, the poor strong, the weak strong, and the people of America on the move. But because of some special interests, we are going to have a vote that would in fact take away those jobs.

But I am going to offer all my colleagues who have been lobbied by the

Wilderness Society, the Sierra Club, the Trustees of Alaska, the Friends of the Earth, the Audubon Society, and all the other environmental groups that have been in Members' offices a chance to do what is right and a chance to save the taxpayers $40 million and yet save 6,000 jobs in Alaska.

That figure of 6,000 jobs will be disputed by different Members who have proposed this legislation. They say there are only 3,200 Alaskans involved, but if there is one job lost, it is wrong. It is wrong for this Congress to do that.

I am going to suggest to the Members that they support the Young-Huckaby substitute, which lost by two votes in committee. And those two votes would have been mine if they had not been told there was a compromise to be worked out, a compromise that would have given us an opportunity to protect the areas in the southeast that should be protected and that yet give us the 450 million board feet a year that maintains those jobs. So I go back to the loss of employment in Alaska.

Now, it is easy for most of us in the great body to look upon Alaska as a far, far away State of the Union, so this is a good, cheap environmental vote. There is nothing cheap; about taking the shoes off babies or taking education away from a student or taking away the pride of a worker, be he in Alaska, in Puerto Rico, in Hawaii, or in Ohio or wherever he may be.

It is ironic to me, Mr. Speaker, that we are about to do what I have suggested if we do not vote for the Young-Huckaby substitute. And yet tomorrow we are going to bring to this floor a bill that is going to cost $5.2 billion for drought aid that provides no employment, drought aid because of an act of nature, a loss of employment for the farmers, a higher cost to the consumer, a drain on the Treasury. Yet here today we have a group of people that I considered to be those who have fed misinformation to the Congress: Sports Illustrated, the New York Times, the Los Angeles Times, Reader's Digest. They have all painted a picture of Alaska's last rain forest being destroyed.

That is far from the truth, Mr. Speaker. In 1980—and a few of us are left in this room, not many, who remember this—we set aside 5.5 million of rain forest that will never be touched again, that went into wilderness. We also said that because we are setting aside that good timber, we are going to allow 1.7 million acres to be left for harvesting. Under the bill that came out of the Committee on Interior and Insular Affairs, we are going to take away 1.3 million acres and make it over 7,100,000 acres of defacto wilderness. We are going to take away the 4.5 million board feet guarantee to maintain the employment in the State of Alaska. We are going to take away the opportunity for Alaskans to continue their livelihood in southeast Alaska, in the Tongass Forest.

The mistruths that have been sent to Members' offices, the mistruths by the national media are a disgrace to the information circle of these United States. There is no way that we are cutting the last rain forest in America. We have already set aside 5.8 million acres.

So, Mr. Speaker, I do support this rule. I will be offering a substitute. Hopefully, the wisdom of this body will see that we save $40 million under this substitute, and we save our jobs, too. If we adopt the committee bill, we would not only take the $40 million from Alaska, we should be taking away the 6,000 jobs, and we would be taking away the opportunity of Americans so far away to have their way of life.

So I am asking, in fairness and in justice, that the Members vote for the substitute to protect, yes, 300,000 acres of additional lands to maintain the integrity of the 1980 act.

Some Members have been here longer than I, but I have been here 16 years and I have seen the tendency of this Congress to break its word. And this word was given in 1980, that we would no longer touch Alaska. We put 147 million acres in wilderness at that time on the floor of this House. That was a great stroke of environmental genius, to the detriment of the State of Alaska, and now we are coming back.

So, Mr. Speaker, I would suggest respectfully that if we want to do what is right, what is justice, what is American, we will defeat the committee bill and adopt the substitute. If we adopt the substitute bill, I will not have to offer my other 25 amendments. And those amendments, let me say to my friends, could take up a great deal of time and debate.

□ 1400

The substitute bill, remember, does two things. It saves the taxpayers $40 million. But it protects 6,000 American jobs.

Some say all those figures are wrong, but it does affect 3,200 direct jobs. If you take that economy out of Southeast, you do not have the barber, you do not have the dentist, you do not have the grocery clerk, and you do not even have the fisherman because even the fisherman cannot function without the timber industry in Southeast.

Now my colleagues are going to hear that, oh, by taking away these jobs we will have more opportunity for the fishermen, and I dispute that because the fishermen in Alaska have a limited entry permit system. There is no expansion availability. Yet, we have lived side by side and will continue to do so.

I am not asking for expansion in my substitute. I am asking for basically the status quo, the protection of those jobs that mean so much to the State of Alaska.

Ask each one of yourselves how it would feel if we went into an automobile district, a dairy area, or wherever we want to be and take those jobs away from your constituents? Just ask yourselves that.

Let us vote for what is right. Let us vote for the Young-Huckaby substitute. Let us keep Americans working. Let us keep them free. Let us keep them Alaskan. Let us keep them contributing. Let us make them part of our society. Let us not put them on the welfare rolls.

Mr. TAYLOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, I rise in support of H.R. 1516, the Tongass Timber Reform Act. In this time of fiscal crisis, Congress ought to be taking a close look at all kinds of Federal spending to determine how to ensure that Government programs are more cost effective.

During the period from 1981 to 1986, the Federal Government spent more than one-quarter of a billion dollars on the Tongass Timber Program. That's money spent to sell Government assets. Now it's true that one often has to spend money to make an asset more salable, but in this case, more than half went to prepare timber that was never sold. One hundred thirty-one million dollars went to prepare timber for sale that no one wanted to buy. Current law requires the Forest Service to offer billions of board feet of Tongass timber to the industry each decade—whether the industry wants it or not.

And, even though the price per thousand board feet has dropped from $160 to $2.50, sales have declined, and so have jobs. So the taxpayers money is wasted. A valuable recreational resource is being damaged. And so is the salmon industry. Now I think selling timber from marketable areas is just fine. This bill would make the Tongass timber sales more like those in the rest of our national forests. This bill is supported by the National Taxpayers Union, the environmental groups, and others.

I urge my colleagues to support the Tongass Timber Reform Act.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. CARR). Pursuant to House Resolution 488 and rule XXIII, the Chair declares the House in the Committee of the

Whole House on the State of the Union for consideration of the bill, H.R. 1516.

□ 1402

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1516) to require annual appropriations of funds necessary to support timber management and resource conservation on the Tongass National Forest, with Mr. Moody in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

The gentleman from California [Mr. Miller] will be recognized for 30 minutes; the gentleman from Alaska [Mr. Young] will be recognized for 30 minutes; the gentleman from Missouri [Mr. Volkner] will be recognized for 15 minutes; and the gentleman from Washington [Mr. Morrison] will be recognized for 15 minutes.

The Chair recognizes the gentleman from California [Mr. Miller].

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. MILLER of California. Mr. Chairman, I rise in support of H.R. 1516, the Tongass Timber Reform Act.

This legislation has a history of substantial, bipartisan support in the House. The original bill was introduced by Mr. Mrazek of New York and 153 cosponsors.

H.R. 1516, as reported, is a comprehensive substitute that I offered as was approved by the Interior Committee on March 23, 1988.

Title I of the bill is essentially identical to H.R. 1516 as introduced. This title repeals section 705(a) of the 1980 Alaska National Interest Conservation Lands Act [ANICLA]. Section 705(a) was added by the Senate in the last days of the 96th Congress and became law without the opportunity for a conference with the House.

Section 705(a) established a permanent fund of "at least $40 million or as much as the Secretary finds is necessary to subsidize the dependent timber industry in the Tongass National Forest in Alaska. Further, this section mandates that the Secretary supply national forest timber at a harvest rate of 4.5 billion board feet per decade.

There are many reasons why we should repeal section 705(a). Our committee record is filled with examples of environmental and fiscal abuse of the Tongass Timber Supply Fund. For example, in 5 years, the Forest Service spent about $285 million of the taxpayers money on the Tongass timber program but received only $3 million in timber stumpage receipts.

The GAO calculates that the Forest Service—by attempting to force feed the industry—actually spent $131 million on timber sales that were not necessary to meet market demand.

Title II of the committee substitute mandates that the Secretary of Agriculture make major reforms in two 50-year contracts for Tongass timber held by the Alaska Pulp Corp. and Louisiana Pacific-Ketchikan.

Put simply, we are giving the Forest Service one last shot at putting its management of the Tongass in order. These two contracts—signed in the 1950's—enable the contract holders to operate as if the national forest were their private plantation.

The cost to the contract holders for a towering old growth Sitka spruce tree is $1.48—less than the $2 it costs a tourist for the map of Prince of Wales Island.

Title III of H.R. 1516 places a 5-year commercial harvest moratorium on 1.7 million acres to lands with special fish and wildlife, subsistence, recreation and other values.

The purpose of the moratorium is for the Forest Service to evaluate these lands for permanent protection in the scheduled revision of the Tongass land management plan. The moratorium areas include lands recommended for protection by the Southeast Alaska Conservation Council, the State and Alaska Department of Fish and Game, the United Fishermen of Alaska, Sealaska Corp., and a number of small southeast Alaska communities.

Mr. Chairman, in 1980 Chairman Udall reluctantly accepted the Tongass provisions as part of a large package in ANILCA. Chairman Udall has been a central figure in Alaska legislation for the last two decades. It is a privilege to join with him in this endeavor to set things straight on the Tongass.

Finally, I want to acknowledge the sincere and good faith efforts of the ranking minority member from Alaska to reach a compromise on this subject.

This is a complicated, divisive issue in southeast Alaska, and Mr. Young has made every effort to bridge the gap between constituencies with widely differing points of view. I'm disappointed we weren't able to forge a compromise; it certainly wasn't from a lack of trying.

Mr. Chairman, I urge my colleagues to join me in voting for H.R. 1516.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I get into my presentation, I wanted to also say that the work that was put forth by the chairman of the subcommittee, the gentleman from California [Mr. Miller] and some of his staff and my staff; I want to thank all of those people who participated in the past 17 months trying to reach a solution to a very divisive issue, an issue between the timber industry, the largest employer of people in the Southeast environmental community of Alaska, and the fishermen of Alaska, and the tourist industry of Alaska. I sincerely believe that we came so close so often to a solution that will provide the employment in all sectors and take this issue off our backs once and for all. I will not take the responsibility, nor do I think it should be cast upon the gentleman from California's [Mr. Miller] shoulders or those people in Alaska that have been involved. I would like to cast it upon the nice little environmental groups that do not want a solution, that would like to in fact, I would say, yes, punish Alaska for being Alaska, for not recognizing the rights of people, for taking away those things we cherish so dearly in Alaska, in the last frontier, the freedoms and the opportunity that we would wish to protect to provide for our young because they—the national environmental groups—do not understand Alaska and do not care to understand Alaska or they would have allowed us to reach a compromise that I was seeking. It did not happen, and thus we are here today arguing for a substitute and against the passage of the bill that came from the committee.

Mr. Chairman, I rise in the strongest opposition to H.R. 1516, the Tongass Timber Reform Act. With the exception of the Redwoods National Park expansion during the late 1970's, no other legislation in my memory of 16 years will so impact working men and women in the timber industry. The cost of the Redwoods legislation is now in excess of $1 billion, and there is no accountant who can accurately account for the human suffering and despair that has been visited upon the working men and women of that part of the country, in California, as a result of a similar misconceived piece of legislation.

Mr. Chairman, the Tongass National Forest is the Nation's largest. It is almost 17 million acres, in fact is a little over 17 million acres. That is larger than the combined States of Massachusetts, which has 11 Congressmen, New Jersey, Connecticut, Delaware, and Rhode Island. And if it were a State by itself, it would be bigger than West Virginia and right behind South Carolina. In Massachusetts, New Jersey, Connecticut, Delaware, and Rhode Island there are around 19 million people, and in the Tongass National Forest there is less than a hundred thousand. The economy of the Tongass is resource based and is best compared to a three-legged stool made up of timber, fishing and tourism. This bill would kick the strongest of the legs of the three-legged stool out.

Fishing? Yes. Tourism? Yes. But they are seasonal, and only the Tongass timber is year-round employment, employment of Alaskans and employment of Americans. That is supposed to be the official policy of the United States.

In 1947 Gen. Douglas MacArthur urged the U.S. Government to encourage the settlement of southeast Alaska, beyond what was called for in the development of a timber industry which provided the first year-round employment in the region. That was 1947. Until that time the Government was unable to attract the type of investment necessary to effectively manage the timber resource on the Tongass which was roughly half dead and decaying timber. In order to attract the pulp mills necessary to handle the type of wood in the Tongass, Congress authorized the Forest Service to competitively offer 50-year contracts on timber resources. Until that time no one could realistically invest because they could not be guaranteed enough timber to warrant the investment in the pulp mills, a contract made by this Congress.

Although those opposed to settlement of the region now say these were sweetheart contracts, the fact is only two mill offers were eventually accepted. Although the Tongass Forest is capable of producing over 1 billion board-feet of timber annually on a sustained yield basis forever and ever, which by the way is less than one-quarter of the annual cut in Washington and Oregon States—less than one quarter of the cut in the States of Washington and Oregon—the contracts now call for roughly 300 million board feet annually. This is about 7 percent of Washington and Oregon's forests' annual output.

The deal was simple. Build expensive pulpmill plants and keep them running through good times and bad, and we will guarantee to sell them enough timber to keep folks employed. It is pretty straightforward, pretty common sense, but something happened along the way.

MacArthur, a hero and a great man, a thinker and a doer, a man of his times who not only benefited his own country, but then went on to set up the Japanese system, is gone. His legacy in Japan is kicking the bejesus out of us in this country. In fact, we just passed a trade bill to try to stop some of it. He has been replaced by a hand-wringing, "never worked a day in my life and do not need to" representatives of a wealthy society who do not understand the difference between national parks and national forests, and there is a big difference. MacArthur understood that when we cut trees in southeast Alaska, they grew back better than ever. He knew that we built the roads necessary to get to the timber and they would last far beyond the temporary clearcuts and provide access for community development and public use of the newly innovated national forest.

□ 1415

He understood the land, just as he understood what it took to make people aspire to greatness. In place of heroes like MacArthur, we now have urban environmentalists. Too timid to actually live in the woods, they feel good in their significant leisure time by huffing and puffing of their "moral superiority." They are morally superior to those who mine for a living, so they think; to those who drive heavy equipment for a living, so they think; to those who make a living logging. In short, they feel themselves morally superior to anyone who gets his hands dirty, who built America, who uses his hands and his muscles to make a living, who does an honest day's work.

Instead of having faith in God and in his gift of the Earth to man to shape his own needs while practicing stewardship, theirs is a pagan and temporary view of the world. Milk comes from cartons, not cows. Wood comes from the lumberyard, not from trees. Minerals come in products, not through the sweat and tears of miners and their heavy equipment.

This "new age" humanistic faith in man as a near-god leads the urban environmentalists to assume that man is the be-all and end-all. Man will destroy his environment, according to them.

"We must leave this land untouched for our children and their children." These are the same folks who tell others, "Don't have children, because we have too many. They will only increase consumption and pollution and over populate this Earth." The same people saying save it, so they do not have children.

In 1980, in the culmination of the politics of leisure, this remarkably vocal minority, using all of the tools of media-technology society available to them bludgeoned the Congress into breaking the compact of statehood between the United States and the people of the State of Alaska with the passage of the Alaska National Interest Lands Conservation Act [ANILCA].

One hundred forty-seven million acres were set aside in single use units, parks and wilderness, locking up the vast resources of the State of Alaska, and that was done in 1980, and now you are coming back to do more. Enough is enough.

One of the last remaining issues in 1980 was what to do with the Tongass National Forest. The advocates of leisure wanted large blocs of wilderness—5.4 million acres—set aside. No roads, no mines, no timber, no handicapped access, no agriculture, no dams, no nothing.

"But wait," said the Alaskans, "if you take that much land away from the folks working in the timber industry, many of us will lose our jobs. We won't stand for it."

This was a major sticking point, which was only resolved when Senator STEVENS, Senator Scoop Jackson, and Senator Paul Tsongas agreed to give the wilderness to the environmentalists in return for a guarantee that the remaining timber acreage of 1.7 million acres would be managed to produce as much timber as traditionally had been produced on a much larger land base, 1.7 million—5.5. Keep that in mind. Now they are back after 1.3 million more to put my people out of work.

To me, the 1980 deal was made. Now they say there is no deal. "We didn't make a deal." This is 8 years later. "We're going to come back and put the Alaskans out of work again." Because they don't want opportunity in the Tongass.

Now, Alaskans have kept their bargain, and not one stick of timber has been cut in the wilderness. Alaska is still a place where a man's word is his bond. Now the leisure lobby wants to go back on its word. They want to go after the crop which employs hardworking Alaskans in some of the prettiest country in the world.

If we reward the leisure lobby with passage of this bill, we will pull the plug on communities of Wrangell, Petersburg, of Sitka and Ketchikan and Thorne Bay and all the other communities in that area close to the Tongass to be used by all but the few and the wealthiest. We will take those people and put them out of work, and yes, the people will come up in their tour boats and they can say, "My Lord, look at the eagles; and by the way, why are all these trees still standing?" And there will be 5½ million acres presently, with this bill there will be 6-some million acres, set aside, never touched by man.

Now, this bill has three parts. The first cuts out the automatic funding for infrastructure in southeast Alaska necessary to manage the forest for timber and other multiple uses. Let me let you in on a dirty little secret held close by those who push this legislation. This bill is not about money. The Tongass ranks tenth from the bottom of 155 national forests in spending per acre—tenth from the bottom. We spent less in the Tongass than all the rest of the 145 forests. The bigger the forest, the more it takes to manage it.

This bill is about ways of life, rejecting honest labor in favor of the wants and needs of a growing population of those who can afford in these good economic times to spend their time and money on leisure.

Well, I am calling their bluff today with my substitute, and I hope you will support it, which does away with automatic funding by making the timber program subject to the annual appropriations process.

Now, many of you got letters from the Taxpayers Union telling about the big rip-off. I am solving that problem for you. If you vote for the substitute, you are saving 6,000 jobs and you are saving $40 million. Such a deal, such a deal you have got. It is the right thing to do.

My substitute will retain jobs because it will retain the 450 million board-feet per year. It will put 325,000 acres in de facto wilderness, but not over a million.

The second title directs the Secretary in the bill that came out of the committee to renegotiate the long-term contracts to reach goals inconsistent with national forest laws. As the Chief of the Forest Service has testified, the contracts are presently in compliance with all of the laws governing the National Forest System passed by the Congress.

Mr. Chairman, I am going to suggest respectfully again that the easiest and best way to solve this major problem today is to vote for the substitute. We have heard many, many arguments about roads to nowhere. We have heard many, many arguments about mismanagement, many arguments about cutting the last forest tree, the last rain tree in America. These are simply not true.

If you look at this map, this is really the basis of my presentation. The Tongass National Forest is 17 million acres. Now off limits to harvesting forever, off limits is 8.5 million acres, due to nature and due to congressional action. The timber base today as is presently scheduled for harvesting is 1.7 million acres, out of 17 million acres, 1.7.

The timber base under the bill that came out of the committee is 1.4 million acres, and the base currently used is employing 6,000 jobs directly and indirectly, and it is our estimation with the repeal of the 4.5, we will be losing 3,000 jobs, 3,000 jobs at least in southeast Alaska. I am saying 6,000 jobs totally.

Some people will dispute that. If that is the case then, I am sure my good chairman would support an amendment which will be offered that would make sure that if there is any loss of employment bacause of the act that is before us today, then they will be reimbursed, as they were in the Redwoods Forest. I do not like that part. I think it is incorrect. I like to see people work for a living.

Sometimes I think this Congress has forgot about that, that America was built upon sweat and tears.

Mr. Chairman, again may I suggest that it is awful easy for the environmentalist community to say that this is in fact the environmental vote of the year for the 100th Congress. It is awful easy for those who have never walked the forest, who never saw a tree and never actually had an opportunity to be with people, as I have in Alaska, to watch the concern in their eyes, when the gentleman from New York will introduce the bill, who never saw one until he went from Brooklyn, to watch their concern when they do not know really what to do because of the action of this Congress.

Mr. Chairman, this bill is a bad bill. The substitute is livable, but the bill that came out of the committee is a bill that will do away with a way of life for the Alaskan people, the Alaskan chance will be taken away from them.

Now, some people have been told, well, you know, you worked very hard for a compromise, you worked with both sides of the aisle, it is a bipartisan effort and you failed, but you have also been able to keep the bill in the House for a considerable length of time, and it will not, in fact, become law on the Senate side. That may be true, but even then it is wrong to pass this type of legislation.

Any time we pass legislation on the floor of the House that takes away the opportunity of Americans if they are even far away is wrong.

We had a trade bill that we voted on here, a plant closing bill which we voted on here, trying to protect the American worker.

Out of sight, out of mind, and the environmental community, the national group, says, "Who cares? If we had our way, we would move them all outside the State of Alaska so we could have our own big park." That is wrong. It is immoral. It is un-American.

Now, you are going to hear some arguments from other people, I know you are going to be told, I used to ask them if they ever really spent any time in the Tongass? Have they ever talked to anybody who was really sweating as they were working for a living?

I am going to suggest, I read a lot about this Congress and how we have some problems about leadership. The first sign of leadership in a body that serves this Nation is to take a position that is contrary to the national media and those people who convey their untruths to your constituents, because there is nobody in this body that can say that this bill is the right way to go and really mean it deep in their hearts, really mean that they are not going to hurt the Alaskan worker. That is what you are doing.

It is an easy, cheap environmental vote, because Alaska is far, far away. There is one spokesman. Everybody can go back to their districts and say, "Look what I did for you."

Think what you did to the Alaskan worker, the American. Just think about that for a moment.

Think about do you really feel good inside about this? If you do not think you are going to lose any jobs, then I am going to suggest respectfully to my chairman of the full committee, who supported the redwoods bill, would adopt the compensation amendment that will say that if there is a loss of employment and those children who do not have shoes and those people who want to go to school will be reimbursed. Then you really, really believe in what you are doing.

Mr. Chairman, I would suggest again, this is bad legislation. I am hoping that the Members of this body will consider my substitute in sincerity because it solves the problem of your taxpayers union. It saves $40 million, but it keeps Americans working.

If you adopt the committee substitute, you save $40 million and you put Americans out of work. If you want that on your conscience, fine.

I am going to suggest the best way is to have it both ways. Save the money, keep Americans working, and let us in Alaska have our way of life.

Mr. Chairman, I rise in the strongest opposition possible to H.R. 1516, the Tongass Timber Reform Act. With the exception of the Redwoods National Park expansion during the late 1970's, no other legislation in my memory will so impact working men and women in the timber industry. The cost of the Redwoods legislation is now in excess of $1 billion, and there is no accountant who can accurately account for the human suffering and despair that has been visited upon the working men and women of that part of the country as a result of that similarly misconceived legislation.

The Tongass National Forest is the Nation's largest, at almost 17 million acres. That is larger than the combined States of Massachusetts, New Jersey, Connecticut, Delaware, and Rhode Island. If it were a State by itself, it would be bigger than West Virginia and right behind South Carolina. In Massachusetts, New Jersey, Connecticut, Delaware, and Rhode Island, there are around 19 million people; in the Tongass, less than 100,000. The economy of the Tongass is resource based, and is best compared to a three-legged stool, made up of timber, fishing, and tourism. This bill would kick the strongest of the legs of the three-legged stool out. Fishing and tourism are seasonal—only timber is year round employment. That is by official policy of the United States. In 1947, Gen. Douglas MacArthur urged the U.S. Government to encourage the settlement of southeast Alaska, and the development of a timber industry which would provide the first year-round employment in the region. Until that time, the Government was unable to attract the type of investment necessary to efficiently manage the timber resource on the Tongass, which was roughly one-half dead and decaying timber. In order to attract the pulp mills necessary to handle the type of wood on the Tongass, Congress authorized the Forest Service to competitively offer 50-year contracts for timber resources. Until that time, no one would invest because they could not be guaranteed enough timber to warrant the investment in the pulp mills.

Although those opposed to settlement of the region now say these were "sweetheart contracts", the fact is, only two mill offers were eventually accepted. Although the Tongass Forest is capable of producing over 1 billion board feet of timber annually on a sustained yield basis—which by the way is less than one-quarter the annual cut on Washington and Oregon forests—the contracts now call for roughly 300 million board feet annually. This is about 7 percent of Washington and Oregon forests' annual output.

The deal was simple—you build expensive pulp plants and keep them running for fifty years through good times and bad, and we'll guarantee to sell you enough timber to keep folks employed. Pretty straightforward, pretty commonsense.

But something happened along the way. MacArthur, a hero and a great man—a thinker and a doer—a man of his times who not only benefited his own country but then went on to set up the Japanese system—is gone. His legacy lives on in Japan, which is kicking the bejeesus out of this country. He has been replaced by hand-wringing, "never worked a day in my life and don't need to" representatives of an wealthy society who don't understand the difference between national parks and national forests—and there is a big difference. MacArthur understood that when we cut trees in southeast Alaska, they grew back—better than ever. He knew that when we built the roads necessary to get at the timber, they would last far beyond the temporary clearcuts, and provide access for community development and public use of the newly invigorated national forest. He understood the land, just as he understood what it took to make people aspire to greatness. In place of heroes like MacArthur, we now have urban environmentalists. Too timid to actually live in the woods, they feel good in their significant leisure time by huffing and puffing of their "moral superiority"—they are morally superior to those who mine for a living; to those who commercially farm for a living; to those who drive heavy equipment for a living; to those who make a living logging—in short, they feel themselves morally superior to anyone who gets his hands dirty; who uses his hands and his muscles to make a living; who does an honest day's work. Instead of a faith in God, and in His gift of the Earth to man to shape to his own needs while practicing stewardship, theirs is a pagan and temporary view of the world. Milk comes from cartons, not cows. Wood comes from the lumberyard, not from trees. Minerals come in products, not through the sweat and tears of miners and their heavy equipment. This "new age" humanistic faith in man as a near-god leads the urban environmentalist to assume that man is the be-all and end-all. Man will destroy his environment. "We must leave this land untouched for our children and their children". These are the same folks who tell others, "Don't have children, because they only increase consumption and pollution, and overpopulate this Earth". In 1980, in the culmination of the politics of leisure, this remarkably vocal minority, using all of the tools of media/technology society available to them, bludgeoned the Congress into breaking the compact of statehood between the United States and the people of the State of Alaska with the pasage of the Alaska National Interest Lands Conservation Act [ANILCA].

One of the last remaining issues in 1980 was what to do with the Tongass National Forest. The advocates of leisure wanted large blocs of wilderness—5.4 million acres set aside. No roads, no mines, no timber, no handicapped access, no agriculture, no dams, no nothing. "But wait", said Alaskans, "if you take that much land away from the folks working in timber, many of us will lose our jobs. We won't stand for it." This was a major sticking point, which was only resolved when Senators STEVENS, Scoop Jackson, and Paul Tsongas agreed to give the wilderness to the environmentalists, in return for a guarantee that the remaining timber acreage of 1.7 million acres would be managed to produce as much timber as traditionally had been produced on a much larger land base. Along with the deal was a guarantee that the monies necessary to "intensively manage" this renewable crop of trees would be made available annually.

Alaskans have kept their part of the bargain, and not one stick of timber has been cut from the wilderness. Alaska is still a place where a man's word is good for something. Now the leisure lobby wants to go back on its word. They want to go after the crop which employs hard working Alaskans is some of the prettiest country in the world.

If we reward the leisure lobby with passage of this bill, we will pull the plug on communities, close the Tongass to use by all but a few of the wealthiest, and break faith with thousands of Alaskans who thought the Government was supposed to promote things like hard work and access to the public lands.

This bill has three parts. The first cuts out automatic funding for infrastructure in southeast Alaska necessary to manage the forest for timber and other multiple uses. Let me let you in on a dirty little secret held close by those who push this legislation. This bill is not about money—the Tongass ranks 10th from the bottom of 155 national forests in spending per acre. The bigger the forest, the more it takes to manage it. This bill is about ways of life—rejecting honest labor in favor of the wants and needs of a growing populations of those who can afford in these good economic times to spend their time and money on leisure. I'm calling their bluff today with my substitute, which does away with automatic funding by making the timber program subject to annual appropriations. This is the part of the bill that also does away with the level of timber cut that was guaranteed in the 1980 act as a tradeoff for wilderness. My substitute will retain this, because without timber, there will be no jobs. It is no wonder that this body has a lower esteem in the eyes of the public than used car salesmen, and our allies around the world are afraid to get involved with us in anything. Title I is the "we can't be trusted and here's proof" title.

The second title directs the Secretary to renegotiate the long term contracts to reach goals inconsistent with national forest laws. As the Chief of the Forest Service has testified, the contracts are presently in compliance with all of the laws governing the National Forest System passed by the Congress. The only difference is that they are guaranteed the chance to buy timber for a longer period of time. By the same token, they are required to cut and process timber when the markets are at their worst, as they were until very recently. That's why employment went down—during the depression in the timber industry, the short term buyers of timber weren't buying or cutting, because they didn't have to. The two mills did, and they kept people employed. To add insult to injury, some of our colleagues intend to offer an amendment to terminate the Government's obligations under these contracts. Since these are long-term binding contracts between the two pulp mills and the U.S. Government and under the Constitution the taking of property must be compensated, this action could cause the taxpayers many hundreds of millions of dollars in damages, and even lost profits for the next 20 to 25 years. This money will go to companies who will have no incentive to stay in the region, and will mean money in their pockets at the same time we throw thousands out of work. I've renamed this the "Imperial Congress, or 'we can't keep our word'" provision.

Title 3 is magnificent, because without any hearings in the region, or without any input from anyone except the Southeast Alaska Conservation Council, a local environmental group, the proponents of this legislation would set aside 1.6 or 1.7 million acres for 5 years, with a special congressional treatment of these lands.

The legislation is crosswise to the promises of many earlier Congresses. In some ways, which I have described earlier, this is deliberate, as in the case of the 450. However, in other regards it appears to be the result of a serious lack of attention to detail and a serious lack of appreciation for the history of the people and the area. Whatever the reason, the result is very unfair to those inhabitants of southeast Alaska who rely on the Federal Government in one way or another for their livelihood and lives there.

For example, in 1986, the 99th Congress passed the Haida Land Exchange Act, which extended an offer by the United States to a small and bankrupt Alaska native corporation to enter into a land exchange to give these people what we described as "lands of value". In the Interior Committee's Report, the committee clearly stated its intention that the Haidas were to get lands of economic value. John Seiberling and I worked very hard to get this legislation passed to remedy the inequitable land selection rights the Haidas got under ANCSA.

Now the promise of the 99th Congress to the Haida Indians, as reflected in the legislation we passed, is in jeopardy. When ANCSA was passed in 1971, the Haidas had aboriginal claims to hundreds of thousands of acres of the richest timber lands in the entire State of Alaska. But under ANCSA, they were denied title to these valuable lands because of certain technicalities of ANCSA. By the time the Haida legislation was enacted in

1986, most of the base lands originally inhabited by Haidas had been committed to other purposes. What the Haida legislation did was to give the Haidas the right to exchange about 8,000 acres of their ANCSA lands and selection rights in 1995 for an equal amount of Federal lands in Alaska, which meet the following criteria; they are to be lands (1) of a type traditionally used by the Haidas; (2) accessible from the coast; and (3) of economic utility to the corporation. Our thought was that the Haidas would participate in the TLMP process and that the state selections would be complete by 1994, and that then the Haidas could surely get 8,000 acres of their traditional timberlands under the section 10 provisions of their legislation. Section 10 is what gives them their exchange rights.

However, the Miller legislation proposes to tie up two of the prime Haida areas—Nutkwa and Karta—without any consideration of the fact that these are some of the very few lands left which meet the three criteria of section 10 of the Haida Exchange Act Congress has made a promise to the Haida people, a promise for something in the future.

This is just one example how title 3 turns the forest planning process upside down, and opens each of the 155 national forests in this country to the tyranny of the majority in this body. This is colonialism at its worst. This presumes that Washington, DC is better capable of determining the proper uses of the Tongass— some 5,000 miles away—than the people who are presently working hard in Southeast to have their input felt in the update of the congressionally mandated 10-year planning process. This amounts to premature legislative dictation on a well-planned and expensive public input process—the type of process this body is so supportive of for so many things nationwide. I will give the Committee on Interior some credit. Of the 19 areas in this bill, they did visit 2 this past year. And despite repeated requests from communities affected by these decisions to hold local hearings on the areas, they held absolutely none. Now that's public input we can be proud of. Of the two areas visited, the committee swooped down in numerous float airplanes at a cost of thousands of dollars per hour like regal visitors to foreign outposts, anxious to hear for an hour or less, their views on the areas. They didn't walk in the woods or get their shoes dirty. Truly colonialistic and despicable because of it. I call this the "We are King George the Third" title.

As for myself, I am proud to represent Southeast Alaska, although on days like today, not proud of some of my Colleagues. All of you know this is a cheap environmental vote in an election year. Many of you have already told me you think its wrong, but you are going to vote in favor anyway, because of pressure back home. I understand that—it doesn't affect you, or your constituents. But it should. If Alaska can be thrown into the dustbin for cheap political gain, so can your state or your district. It's not right, we all agree, but its just one of those things.

Unlike many of you, I will strongly oppose the bill. That's because I have to go back to Alaska and look people in the eye and try to explain why Government of the people, for the people and by the people could so ignore the needs, wants, hopes and dreams of the people most affected by Government's actions. I will have to intervene to ensure unemployment benefits are delivered, that moneys for support services for social programs directly attributable to this miscarriage of justice are spent in those communities once happy but now ravaged by the sickness and despair of congressionally-created unemployment.

I will have to explain to others in Southeast—some of whom support changes in the Tongass management along the lines of what GEORGE MILLER and I worked so hard to achieve—why their electrical rates have doubled, or why the cost of fuel has jumped due to decreased efficiencies of scale. I'll probably have to field questions about why we can spend billions in the Philippines to rebuild their economy at the same time we wipe out the economy of an area the size of South Carolina. I will not sleep well through all this, but if you do after you vote for this bill, you have no soul.

Mr. MILLER of California. Mr. Chairman, I yield 5 minutes to the chairman of the full committee, the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Chairman, I want to commend our leader, the gentleman from Alaska. He is becoming more eloquent through time and he makes us talk straight in answer to the tough questions.

In 1980, the House reluctantly accepted the provisions of the Senate-passed Alaska Lands Act after the Senate refused to negotiate with the House. It was a wild scene those last days.

□ 1430

I am one of the few survivors of that time, but I predicted when the Senate insisted on writing these provisions that I hope we will repeal in this act, I said that the chickens were coming home to roost, that we had made bad law, and it would come back to haunt the Congress, and today is part of that day of judgment. I said then that the law's requirement that 4.5 billion board feet of timber be made available to industry regardless of the market demand would lead to overcutting prime old-growth forest. I feared that it would lead to serious distortions of forest management that hurt fish, wildlife, recreation, and tourism. I said that important areas of the Tongass that deserved to be protected had been left out of the equation. I warned that an off-budget appropriation of at least $40 million a year for Tongass was dangerous and unnecessary, and 8 years later I think the truth of all of these observations is abundantly clear. Trees that the Forest Service cannot sell are mindlessly prepared for sale in the forest, and we are cutting down 300-year-old trees to send to Japan, to one of the pulp mills we visited there on our trip last summer and is owned by a barefooted, hard-pressed taxpayer named the Bank of Japan.

Mr. Chairman, the taxpayers lose tens of millions of dollars every year on the timber program that fails even its own modest goal of protecting local jobs. The future of the fishing, recreation, and tourism industries are being devastated, and instead of being used to intensively manage marginal timber stands as was intended, the Tongass timber supply fund has been used to build roads to nowhere, Forest Service employee housing, and other nonauthorized uses.

The Tongass Timber Reform Act puts a stop to all this nonsense. It ends the indefensible budget of $40 million per year; it terminates the mandate that the Forest Service offer more timber than it can sell; it tells the Forest Service to renegotiate and revise long-term contracts and promote fair competition and wise forest management. It protects the areas of great importance who do not want to see these areas cut, at least until the Tongass management plan is revised. These reforms are overdue. They are fair. They are in the long-term best interests of the taxpayer, the economy of the region and one of America's most prized environmental jewels.

Mr. Chairman, I think that we help the people of Alaska protect their long-term best interest when we pass this legislation, and I will go to work trying to get an honorary membership in the local Sierra Club for the gentleman from Alaska in light of his eloquence today.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 6 minutes to the gentleman from Oregon [Mr. ROBERT F. SMITH].

Mr. ROBERT F. SMITH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, before this train runs by us so rapidly that we do not have a chance to discuss it, I want to bring forward three or four points and emphasize them, that I think that are important not only to this issue but every issue this Congress faces with respect to how much wilderness do we have in America, how much do we set aside for timber harvest, how much do we match jobs against the environment, et certera.

I have been on the Tongass, and thanks to our distinguished subcommittee chairman of the Committee on Agriculture, Subcommittee on Forests, we held 2 days of hearings on this bill, so I am familiar with it. I sat through these hearings, and I think I am familiar with the issue.

There are, I think, four issues in contention here. The first is simply this one: We know what happened in 1980 to Alaska. There were huge amounts of land set aside. In this case the Tongass has 17 million acres in it, and 1.7 million acres only is left for "multiple-use management." That means that only 10 percent of the Tongass is available for any timber harvest. When we say multiple-use management, we do not mean that we are going to harvest timber beyond the recognition of the fishery, we are not going to harvest timber to injure recreation, we are not going to harvest timber to injure the stream banks. That means that all uses are considered—multiple use within the 1.7 million acres.

Therefore, the injury is not there to any one individual tourism item or one individual fishery item, although I agree that more emphasis ought to be placed on the fishery, and we have done that in the agriculture amendment, but I think the issues here simply is we are trying to micromanage the Forest Service whom we hire to manage our vast timber resources, that the Forest Service has a plan that they are developing for the Tongass that will be available in 3 years.

The Congress is intercepting the very people we hire to manage our timber resource if we follow through with the committee bill. That is wrong.

Beyond that, this question of how much timber should we harvest, the gentleman from Alaska and I agree, and I think the committee agrees, we should never harvest more than is logically sound to harvest. No one is suggesting that. There has been an arbitrary 4.5 billion board feet over 10 years, and that means 450 million board feet a year. It is true that there have only been harvested 300 to 338 million board feet each year, and nobody is arguing we ought to harvest more than we can grow. We are only saying that Members are gauging those areas that were cut at a time when we had a depressed timber market, and, yes, we had a depressed timber market and, yes, we were not harvesting as much then as we are today in a better market, whether it be 338 or 400 million board feet a year, and it ought to be done on the basis of what the Forest Service says we can harvest and that we can logically harvest forever for Alaskans and Americans.

Mr. Chairman, on the question of the $40 million investment, part of the deal in 1980 was everybody knew in 1980 that we were going to have a reduction of job opportunities and employment in southeast Alaska, in 1980, and the reason for the $40 million was to help mitigate against that loss. The gentleman from Alaska is agreeing to strip out the $40 million. I think that is a mistake. What are the Alaskans going to do if the bill passes designed by the committee when we are going to lose 3,000 jobs? Who is going to help southeast Alaska with that situation? But in the spirit of compromise, he has even agreed to that. I cannot blame him except I do not see a compromise here.

Mr. Chairman, the fourth question is of the 50-year contracts. These are contracts entered into in good faith by the United States and those people who were encouraged to come to Alaska to build pulp mills that were essential to the timber industry, because it is important to have pulp in a comparative stance with other mills in Alaska. That combination was essential for the economy of that area.

If we intercept a 50-year contract, we are going to pay the bill.

If we are going to say that the Bank of Tokyo is involved, then they are going to be a lot more invovled, because if we intercept the 50-year contract, they are going to sue the Federal Government. They are going to collect, and we are going to pay the Bank of Tokyo directly out of the coffers of U.S. Government money supply.

The question here is, I think, jobs, yes, and we ought to balance the issue of the environment, yes, but with only 10 percent of the forest being used, we can keep 3,000 jobs in Alaska. That might not be important to New York and California, but it is awfully important to us in Oregon, because we face the same issue.

Stay with the gentleman from Alaska. It is a reasonable compromise which he has. Vote down the committee amendment, and then we will see how this turns out, because it will benefit Alaska and benefit America if we do that.

Mr. MILLER of California. Mr. Chairman, I yield 6½ minutes to the gentleman from Connecticut [Mr. GEJDENSON], a member of the committee.

Mr. GEJDENSON. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would like to commend the chairman, the gentleman from Arizona [Mr. UDALL], for giving me the opportunity to chair the hearings on the Tongass, and the gentleman from California [Mr. MILLER] for his leadership on this issue, and the gentleman from New York [Mr. MRAZEK] for his foresight in introducing this legislation, and the gentleman from Alaska [Mr. YOUNG] for the spirited, often very spirited, involvement he has had on this issue, for the spirit in which he joined in the negotiations in trying to come to a reasonable compromise.

Mr. Chairman, I support H.R. 1516, and I hope as the day progresses we will have an opportunity to discuss and exchange some of the details of this legislation.

This legislation will go a long way to returning fiscal control of the Tongass to the Government and returning the management and control of the Tongass Forest to the Forest Service.

The gentleman from Oregon [Mr. ROBERT F. SMITH] spoke of allowing the Forest Service to manage, and the reality is that the existing system does not allow for the Forest Service to manage.

The previous legislation passed by Congress in the late 1970's which mandated that the Forest Service renegotiate those contracts was not executed, and it will go a long way toward ending the fiasco of spending large amounts of taxpayer dollars to destroy our national forest while losing jobs in the process and subsidizing foreign corporations.

The driving force between the waste in the Tongass, however, is not being addressed in this bill. The waste is driven by the two 50-year contracts, and H.R. 1516 directs the Forest Service to attempt to renegotiate these contracts. I enthusiastically support the legislation, but history makes me fearful that the Forest Service will not do what is in H.R. 1516.

Mr. Chairman, initially I was wary of canceling contracts. It seems the very essence of un-American activity—that contracts made between the Federal Government and private companies ought to be lived up to. But living up to a contract is a two-way street, and while my friend, the gentleman from Alaska [Mr. YOUNG] and the gentleman from Oregon [Mr. ROBERT F. SMITH] speak of jobs in Alaska, it seems clear that what we have had is some control over who gets jobs in Alaska.

We had before my subcommittee just weeks ago a gentleman who testified on the Tongass legislation fired, by every witness' identification, because he testified to Congress in a way the company did not appreciate. The company's defense was even more startling. The company's defense was that although it had earlier said that to a member of the NLRB that they fired the gentleman for testifying before Congress, the company's defense was, "We did not fire him for testifying before Congress as we had indicated earlier." The company's defense was, "We fired the individual because he wrote a letter to the editor," a letter to the editor that was never published, but a letter to the editor caused this individual to lose his job.

Mr. Chairman, if the taxpayers of America funded a quarter of a billion dollars in there to save jobs, it ought not be up to foreign corporations to determine the freedoms of individuals of this country, on whether they can write letters to an editor or address the U.S. Congress.

Contracts represent about two-thirds of the cost of making timber available. Even if this bill passes, the Forest Service still has to make available 300 million board feet of timber each year regardless of the demand and at an approximate cost of $30 million per year.

This represents the same problem the GAO just identified in finding that the Forest Service lacks the flexibility to deal with a reduction in cost for operating the Tongass, and this is why, according to GAO, the Government lost $131 million between 1980 and 1986, to make timber available for which there was no demand.

Unless the contracts are terminated or significantly revised, there is a built-in $30 million-a-year appropriation for each of the next 16 years for the period that both companies still have their 50-year contracts. Even if we do terminate these contracts, timber will still be available. We would simply be changing the terms and conditions under which timber is provided to make these two corporations fend for themselves like every other private entrepreneur in the Tongass.

There is no intention of stopping cutting in the Tongass, just the sweetheart deals that stifle competition and have driven out all the small and independent loggers in the area.

Mr. Chairman, the two companies have engaged in a series of actions which have demonstrated they are not deserving of the unique agreement the Government gave them.

A Federal court found them guilty of anticompetitive practices such as price-fixing and collusive bidding which drove out small, independent timber operators. The Forest Service found that the two companies defrauded the Government of between $65 and $83 million.

Mr. Speaker, I would like to cover other issues, but I would like to say two things at this point. One is the talk that these companies are going to close. This is not this year. This is 1977, July 1, and it says that one of the two companies are going to close down. Why? Because we are asking them to follow environmental standards for pollution. Every time an issue arises in the Tongass, these people say they are leaving town.

The two issues I would like to enter into quickly with the chairman of the committee are that I would like to clarify the meaning of H.R. 1516 to make sure the renegotiation process adequately addresses significant inequities of the contracts.

□ 1445

The two issues I would like to enter into quickly with the chairman of the committee is that I would like to clarify the meaning of H.R. 1516 to make sure that the renegotiation process adequately addresses significant inequities of the contracts.

It is my understanding that the intention of this bill is for the renegotiation contracts to establish stumpage rates that are virtually the same as those in the short-term contracts.

It is my understanding that the renegotiated contracts will eliminate the ability of the contract holders to pick and choose the timber that they want to cut; rather, they will have to purchase the entire volume of timber appraised by the Forest Services.

It is my further understanding that the renegotiated contracts will preclude high-grading the cutting of timber volume and species in excess of its natural occurrence on commercial forest land.

I would ask the gentleman from California if I am correct in these interpretations?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, the gentleman from Connecticut is correct in his characterization of the intent of title II of the bill. Yes. If the Forest Service fails to achieve these and the other stated objectives of title II, I will support legislation to terminate or substantially modify these contracts. It is my understanding that the chairman of the full committee makes the same commitment.

Mr. GEJDENSON. I thank the gentleman for his response.

Mr. MILLER of California. Mr. Chairman, I yield 5½ minutes to the gentleman from New York [Mr. Mrazek].

Mr. MRAZEK. Mr. Chairman, after having worked on this particular issue for more than 2 years now, I would like to take the liberty of thanking a member of my staff, Ms. Anna Bennett, who has done an extraordinary amount of work on this issue, as well as a former staff member of mine, Matthew Brennan, who first brought it to my attention more than 2 years ago.

I also want to thank my colleagues, the gentleman from California, Mr. George Miller, and the gentleman from Connecticut, Mr. Sam Gejdenson, two of the finest legislators in this body, who have tried to work to produce a fair and a judicious bill. And I also want to express my appreciation to the gentleman from Arizona, Mr. Mo Udall, the chairman of the Interior and Insular Affairs Committee, who was kind enough to invite me to participate in a field hearing in the Tongass last summer. Day after day we flew in float planes from one community to another throughout the Tongass Forest. We went to logging camps, we went to some of the fishing communities. We went to the timber mills, we went to the pulp companies, and we visited hundreds of Alaskans from every walk of life, and if there was a consensus of any one issue that I found it was that they loved to be Alaskans, they are very proud of the environment they come from. None of them moved to Alaska originally to make $1 million, and they are anxious to preserve what is best about Alaska.

Certainly a good economic base is critically important for Alaska's future, as well as its environmental future.

I would like to express appreciation to the gentleman from Alaska, Mr. Don Young. I regret that we have disagreed on many facets of this issue, but I know how hard he works for Alaska and has worked on this issue to the best of his ability.

We are dealing with a forest that is perhaps the most extraordinary temperate rain forest still around in the United States of America, the home for the greatest concentration of grizzly bears and bald eagles in the United States. It is the home of 200-, 300-, and 500-year old Sitka spruce trees that are probably the highest grade timber one can find anywhere in the world today.

We have invested as a Federal Government hundreds of millions of dollars into the timber industry in Alaska since 1980. We have clear-cut a good portion of the forest, and one can see it coming down the Marine Highway and see it from the air in those float planes as we were flying over it. It has clearly destroyed some of the most sensitive ecosystems within some parts of the Tongass National Forest.

We have also seen hundreds of millions of dollars spent since 1980 to protect timber jobs, and we have seen the number of jobs go from 3,200 direct timber jobs down to approximately 2,000.

I plan to talk further later on in the debate on many facets of this issue, but I would like to try to cover a few points in my opening remarks.

This is the only forest of 155 national forests in the United States where there is a mandated appropriation of $40 million a year to clear-cut timber regardless of whether there is a market for the timber or not. All we are saying in H.R. 1516 and in title I is that Congress ought to have the same opportunity each year to review and appropriate spending levels in the Tongass National Forest as we do in every other national forest. In 1985 and 1986 taxpayer losses in the Tongass were 99 cents on every dollar, yet the Forest Service has continued to offer for sale timber for which there was no market demand.

The 1950 stated goal of employment has been a failure, and the Forest Service itself has estimated that there were only 2,300 jobs in 1987.

Recently Senator Proxmire of Wisconsin and Senator Ted Stevens, a colleague of the gentleman from Alaska, Mr. Don Young, also of Alaska, requested that the Government Accounting Office, the nonpartisan Government Accounting Office evaluate the Forest Service efforts to maintain employment in the Tongass timber industry. And since employment seems to be an important issue on the mind of the gentleman from Alaska, I would like to briefly reiterate the points made by the Government Accounting Office in their study.

According to the Government Accounting Office:

> Timber industry employment declined from 2,700 jobs in 1980 to 1,420 jobs in 1986, primarily because of the decreased harvest levels resulting from declining demand for timber.
>
> During 1986, the Tongass timber sales program had expenditures of $47.9 million and revenues of $3.3 million.

If this was working as a jobs bill there would be at least some foundation for saying that it should be continued, but it is a failure as a jobs bill, just as it is destructive to the environment in that region, and I hope that we can pass H.R. 1516, the Miller substitute, because it is a fine bill and one that will I believe increase employment in the future in southeast Alaska and resolve some very significant controversial problems once and for all.

Mr. MILLER of California. Mr. Chairman, may I inquire of the Chair the time remaining on each side?

The CHAIRMAN. The gentleman from California [Mr. MILLER] has 8½ minutes remaining, and the gentleman from Alaska [Mr. YOUNG] has 3 minutes remaining.

PARLIAMENTARY INQUIRY

Mr. YOUNG of Alaska. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. YOUNG of Alaska. Mr. Chairman, how much time does the Committee on Agriculture have on our side?

The CHAIRMAN. The Committee on Agriculture has 15 minutes on each side. The gentleman from Missouri [Mr. VOLKMER] will be recognized for 15 minutes, and the gentleman from Washington [Mr. MORRISON] will be recognized for 15 minutes.

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman from Washington [Mr. MORRISON] is not present, can that time be extended to another member of the Agriculture Committee?

The CHAIRMAN. That time may be allotted to another member of the Committee on Agriculture.

Mr. YOUNG of Alaska. Mr. Chairman, in that case, if the gentleman from Washington [Mr. MORRISON] does not take his time, I would ask that the gentleman from Montana [Mr. MARLENEE] be allotted that time. He is on the Committee on Agriculture.

The CHAIRMAN. Without objection, the gentleman from Montana [Mr. MARLENEE] will be recognized for 15 minutes in lieu of the gentleman from Washington [Mr. MORRISON].

There was no objection.

Mr. YOUNG of Alaska. Mr. Chairman, in my remaining time I would like to set the record straight because there have been some statements on this floor that I think are quite misleading. We have reports directly from the Labor Department and we have to start believing somebody in these agencies, because it is always funny that one time we believe them and the next time we do not. But the Labor Department says today there are 3,049 employed Alaskans in the timber industry, and that is direct jobs, and they have also indicated that there are 3,000 indirect jobs related to the timber industry, the highest employer in southeast Alaska.

So when we start hearing figures from the GAO about 1,200 people and that sort to thing, it is just not true.

There was also another statement that we are destroying the Tongass Forest by cutting it. Mr. Chairman, if I may, there are 5.5 million acres of the Tongass set aside forever—500-year old trees, beautiful streams, and all those things we cherish and hold dear to our hearts are already set aside. We are not talking about the whole Tongass Forest.

But even if we did not set one more acre aside, one more acre aside, I want to give the figures, Mr. Chairman, of how much timber has actually been cut since 1978.

In 1978 we cut 12,000 acres; 1979, 11,000 acres; 1980, 9,000 acres; 1981, 7,000 acres; 1982, 7,000 acres; 1983, 7,000 acres; 1984, 3,000 acres during a depressed market; 1985, 4,000 acres; 1986, 8,000 acres; and 1987, 8,000 acres. What I am trying to bring across, Mr. Chairman, is if we total that all up it is less than 56,000 acres of land. So do not let anybody tell anybody that we are cutting the whole Tongass Forest.

I have to stress my concern over another comment that was made that we are cutting the timber when it does not have a market. We have a market today. We did not have it in 1984 and 1985. We have the employment today. We did not have it in 1984 and 1985.

So, Mr. Chairman, these arguments that have been made in Sports Illustrated have about as much merit as their bathing suit edition. So I would suggest respectfully again that a lot of what has been disseminated to the national media is actually dishonest.

Keep in mind that 5.5 million acres of wilderness already will never be touched. We will protect the brown bears and we will protect the streams and we will protect the eagles, and we are doing that.

What the bill that came out of the committee right now does it to take an additional 1.7 million and set it aside as a moratorium.

Mr. Chairman, if I have any time left at all I was deeply disturbed when I heard a comment from the chairman of the subcommittee and the gentleman from Connecticut [Mr. GEJDENSON], chairman of the Oversight Committee, saying that we are going to be back next year with another bill. Already we are talking about coming back to the well.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, that was in response to the gentleman from Connecticut [Mr. GEJDENSON] on the question of if the Forest Service did not carry out the provisions of title II of this bill, under those circumstances we would be back.

The CHAIRMAN. The time of the gentleman from Alaska [Mr. YOUNG] has expired.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO] a subcommittee chairman of the Committee on Interior and Insular Affairs.

Mr. VENTO. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of H.R. 1516 as reported from the Interior Committee. It has been well thought out and crafted to provide a much needed and comprehensive improvement for the management of the Tongass National Forest.

The Tongass is being mismanaged now. There are two causes of this. The first is a poor provision of law, namely the language in the Alaska Lands Act that mandates a timber-supply quota of 4.5 billion board feet per decade from the Tongass and that removes from the usual congressional scrutiny the flow of money to the Forest Service activities in the Tongass. When this provision was being debated, Agriculture Secretary and a Minnesotan, Bob Bergland called it a mandate to overcut the Tongass, and he was right, because it skews the planning process and distorts management of the Tongass at the expense of noncommodity uses of that precious temperate zone rain forest, one of the only such forest, and the many species that depend on this rain forest.

The House finally accepted this provision of the Senate's bill because the Senate simply left us no choice. The alternative was to have no Alaska Lands Act, which was totally unacceptable after the years of hard work that had been poured into that bill, but this provision was wrong then and is wrong today. It should be repealed—and H.R. 1516 rightly repeals the Tongass mandate to overcut.

The second basic problem in the Tongass is even older. The two long-term contracts are relics of another time. As the reported bill puts it, changes in these contracts are needed because the contracts prevent proper management of the Tongass, because they have undermined fair competition in the southeast Alaska timber industry, and because they fail to provide a proper financial return to the United States.

I think that the repeated and extensive hearings on the Tongass held by the Interior Committee since 1980 have amply demonstrated the accuracy of my statements. In fact, there is plenty of evidence that the contracts should properly be terminated now, without further delay. But today I support the approach taken in the Interior Committee bill. The bill would direct the Secretary to start negotiations with the holders of the contracts, to hopefully achieve needed changes in the contracts, as outlined in the legislation. Meanwhile, the bill would shield some of the special areas of the Tongass from commercial timbering while the negotiations proceed and the Forest Service completes the revision of the Tongass land management plan. If negotiations don't work other options are open to the Congress. These policies and practices must change and will be changed, that is clear.

Mr. Chairman, planning is the essence of proper national forest management. Now, planning for the Tongass is severely distorted by the mandated timber quota and by the power of the holders of the long-term contracts to control events in the Tongass and southeast Alaska. H.R. 1516 directly addresses both of these distortions. It should be enacted, so that such obvious and harmful distortions can be removed and the Tongass can be properly managed, under the same planning procedures and other requirements that apply to all the other national forests in the Nation.

I urge all Members to join me in voting for this important bill.

Mr. Chairman, I commend the gentleman from California [Mr. MILLER], the chairman of the subcommittee and the gentleman from Arizona [Mr. UDALL], chairman of the full committee, and the other sponsors of this measure.

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The CHAIRMAN. The gentleman from California [Mr. MILLER] has 5½ minutes remaining.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Chairman, I rise in support of the Tongass Timber Reform Act and want to pay tribute to Mr. MRAZEK, Mr. MILLER of California, Mr. GEJDENSON, and Mr. UDALL, who have done such a beautiful job in moving this legislation forward.

I also want to pay my respects to Mr. YOUNG of Alaska. We sometimes disagree on issues, but he is always a very forceful advocate for his point of view.

Mr. Chairman, this legislation would both conserve resources, natural resources and save taxpayer dollars. It has broad bipartisan congressional support as well as the support of a diverse coalition of organizations. I strongly urge its passage.

Mr. Chairman, the General Accounting Office recently completed a study of the Tongass National Forest Timber Program. The GAO concluded that over 50 percent of the money spent on the timber program between 1981 and 1986 was wasted preparing timber sales that no buyer wanted. Over $131 million in Federal tax dollars was lost during that period.

H.R. 1516 would put a stop to that waste and provide much needed oversight to the Tongass Timber Program.

In this body, we frequently talk about waste in Government. We use numbers in the millions, billions and sometimes even trillions. But it is easy to lose sight of what these numbers really mean. On the Tongass we are needlessly destroying ancient trees, a fishery and a wilderness unique in America. That is what has brought such a diverse coalition of goups around to the view that the Tongass National Forest is being badly mismanaged.

It simply does not make much sense for example to the thriving tourist industry that the Forest Service sells prime Sitka spruce trees for two bucks, less than it costs for a Tongass map. It does not make much sense to the profitable fishing industry that the Forest Service spend $40 million logging a salmon stream that only has $40,000 worth of trees. It does not make much sense to the National Taxpayer's Union that the Forest Service spends over $50 million each year for a program that only returns a couple of cents on the dollar.

You know, Mr. Chairman, none of this makes sense to me either.

That is why I have joined with 152 of my colleagues in cosponsoring this act. That is why this legislation has been endorsed by Members of Congress across the political spectrum, by labor groups, by conservation groups, by fishing groups, Alaskan communities, and scientific organizations.

Mr. Chairman, H.R. 1516 is legislation that is good for America and good for the American taxpayer. I urge its passage.

Mr. MILLER of California. Mr. Chairman, I yield the remaining time to the gentleman from South Carolina [Mr. RAVENEL].

The CHAIRMAN pro tempore (Mr. MURTHA). The gentleman from South Carolina is recognized for 2½ minutes.

Mr. RAVENEL. Mr. Chairman, the Tongass is what Longfellow called the forest primeval, a marvelous, precious remnant of so little of it that is left in the world.

The rape and destruction of the Tongass to feed the industrial appetites of those whale killers, the Japanese, is a crime against our environment. Practically all Americans are friends of the Tongass Forest. Let us support them with our votes today.

Mr. Chairman, I yield back the balance of my time.

Mr. MILLER of California. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Missouri [Mr. VOLKMER] will be recognized for 15 minutes and the gentleman from Washington [Mr. MORRISON] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, because of our jurisdiction over forestry and the Forest Service, the Agriculture Committee has a significant interest in the management of the Tongass National Forest and in H.R. 1516, the Tongass Timber Reform Act.

This matter is clearly one of the most important and controversial that has come before my Subcommittee on Forests, Family Farms, and Energy during this Congress.

Upon receiving a sequential referral of H.R. 1516, our subcommittee conducted two extensive days of hearings, looking at both the bill and management of the Tongass. We heard from some 40 witnesses, including the entire Alaska delegation and the primary sponsor of H.R. 1516. I regret we did not have time to take formal action on the bill, but our review was certainly helpful.

We found in our hearings a forest which in many respects is not managed as our other national forests. Unlike any other forest, the time sale level is determined largely by statute rather than market forces, and permanent appropriations are provided for the timber sale program, resulting in inefficiencies that lose millions of taxpayer dollars annually.

We found the Forest Service, the stewards of our forests and managers of these national assets, selling timber at a fraction of the cost of preparing sales, with our Treasury receiving about the same price for a 100-year-old tree as farmers were getting for a bushel of corn, before the drought drove the price of corn higher.

We even found a company suing the U.S. Government because they were unable to make a profit on timber purchased from the Tongass.

The historical development of Tongass management is a long and complex story, but there are clearly two primary contributors to the current situation—the long-term timber sale contracts, and the statutorily mandated timber supply level.

The two long-term timber sale contracts, which were designed to assure industry an adequate timber supply in Southeast Alaska, have done so but have also tied the hands of the Forest Service and removed a great deal of the flexibility that is needed to appropriately manage the lands.

The timber supply level of 4.5 billion board feet per decade mandated in the Alaska National Interest Lands Conservation Act was designed to protect employment in the region from any adverse affects of the wilderness designations also included in the act. However, employment in the timber industry has not been limited by available timber land, but by the market for timber products. In fact an industry witness at our hearing said the most important factor in employment levels is the strength of the yen.

The 4.5 billion board feet per decade, we were told, is insurance for the industry against the designation of further wilderness. But Congress can, of course, designate additional wilderness, or not do so, based on its own judgment about the needs of the country, so this provision of law does very little and has, until recently, resulted in the Forest Service preparing millions of board feet in timber sales which could not be sold.

To implement this mandated timber supply level, ANILCA provided a $40 million permanent annual appropriation. Based on Forest Service and General Accounting Office job estimates, this comes down to the expenditure of about $25,000 per year per timber industry job, which is a subsidy many of my colleagues would welcome in their own States.

According to those GAO estimates, timber, commercial fishing, and recreation each contribute approximately equal shares to the economy of the region. Yet we found the Forest Service, because of the contracts and statutory mandates, concentrating a vastly disproportionate amount of its time and funds on the timber sector, giving insufficient attention to the nontimber resources of the forest. Particularly at this time when demand for nontimber resources are increasing, we think greater emphasis on these areas is called for.

Ultimately, Mr. Chairman, it is our hope that the Tongass can be managed the same as our other national forests, based upon a sound multiple-use concept. H.R. 1516 contributes to that end, and I support its enactment.

I will be offering some amendments, which are consistent with the purpose of the bill and which I think will help fine tune the measure as reported.

Mr. Chairman, I yield such time as he may consume from the remainder of the Agriculture Committee time to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from Kansas has 9 minutes remaining.

Mr. GLICKMAN. Mr. Chairman, I rise today to address the Members of the House regarding an amendment to H.R. 1516, the Tongass Timber Reform Act, that I had intended to offer today. This amendment would have directed the Secretary of Agriculture to terminate the two long-term timber sale contracts still being operated on the Tongass National Forest in southeast Alaska. In return for termination of these contracts effective January 1, 1990, my amendment would have provided just compensation to the companies for damages incurred in dissolving these contracts.

Mr. Chairman, these contracts are and will continue to be an affront to the sound conservation and management of the unique forest resources of southeast Alaska. These contracts are the root cause of millions of dollars of taxpayers losses each year due to heavily subsidized timber sales in the Tongass National Forest. Finally, these contracts continue to permit two large timber companies—one a wholly owned Japanese firm—to maintain monopolistic control over the forest products industry in southeast Alaska and have eliminated all possibility for fair competition for timber sales to occur.

Two companies—Ketchikan Pulp Co., a subsidiary of Louisiana-Pacific Corp., and Alaska Pulp Corp.—hold the remaining 50-year timber sale contracts which give them rights to certain amounts of timber from large areas of the Tongass NF. Ketchikan Pulp Co. entered into a contract on with the Federal Government on July 26, 1951. The contract guaranteed the purchaser 8.25 billion board feet [BBF] of timber and required harvest by the year 2004. Nearly 5 billion board feet [BBF] of timber remain to be harvested.

Alaska Lumber and Pulp (Alaska Pulp Corp.) purchased its contract on January 25, 1956, requiring harvest by 2011. The contract provided for approximately 5 BBF of timber of which 2.8 BBF remains to be harvested.

These contracts were let in return for the companies agreeing to build a pulp mill in the area to provide a source of year round employment for what was then a developing southeast Alaska. Two other long-term timber sale contracts remain in existence in the United States—one affecting six forests in Arizona and New Mexico—will expire March 1, 1989. The other in northern Minnesota was to be completed last month.

Of the total timber harvested 78 percent from the Tongass in 1987 was from these long-term contract sales. These two contracts drive the management of the Tongass National Forest and tie the hands of the Forest Service to prevent the agency from doing anything else other than emphasizing timber in administering this national forest.

While the contracts served the purpose of promoting the development of southeast Alaska, they now work to the detriment of the public resources and the economy of the region. Two-thirds of the southeast Alaskan economy depends upon nontimber resources from the Tongass supporting a growing recreation and tourism business and a strong fishing industry. Despite the fact that only one-third of the region's economy relies on timber, most of the Tongass' budget goes into preparing timber for sale. Why? Because the Forest Service remains bound by the contracts to offer minimum levels of timber for sale, every year, irrespective of demand.

I submit to the Members that these contracts should be terminated for the following reasons:

First. These contracts provide the two companies with unique control over management decisions affecting the forests:

The companies develop 5-year operating plans for harvesting timber in their sale areas of the forest, which identifies the quantity and location of timber to be harvested and roads built in the operating unit.

According to the contracts, however, the Forest Service has only limited discretion to reject or modify the company's timber sale plan.

The companies are permitted to harvest what timber they choose in a sale area, "picking and choosing" the best timber and leaving the remainder behind.

Timber sales operated under the long-term contracts are not subject to environmental review as is the case with other timber sales on the national forests. Instead, the public has only one opportunity to comment on the timber sale program when the 5-year operating plan is prepared.

Second. The long-term contracts were signed before current legislation and regulations to guide the management of the national forests was enacted, including:

The Multiple-Use Sustained Yield Act;

NEPA; and

The National Forest Management Act.

The companies claim that they should not be forced to operate under laws that were not in existence when the contracts were signed. One company has gone so far as to sue the Government for more than $80 million in damages, claiming losses resulting from Forest Service efforts to bring them into compliance with modern environmental and forest management laws.

Third. The long-term contracts have created a monopoly for timber harvested from the Tongass which has squelched competition for timber and cost the American taxpayer millions of dollars in forgone revenues.

In 1981, a U.S. District Court found that the two companies had used the power of their 50-year contracts to conspire to restrain trade and drive most independent loggers out of business in southeast Alaska or to work for logging outfits ostensably owned by the two companies.

The court found:

> ALP and KPC acquired ownership or control of virtually every sawmill which at one time operated as an independent manufacturing facility in southeast Alaska. * * * With a drop of the executioner's sword, the defendants could cut off a logger's financing, force the logger out of business, and acquire the company or its assets.

As a result of the court's findings in the Reid Brothers case, the USDA Office of General Counsel recommended that the Justice Department pursue civil and criminal actions against the two companies.

OGC wrote, in a letter to Justice:

> By far the most important single Forest Service policy which has made possible the monopolistic system in Alaska was the grant of the long-term timber sales to the pulp companies, at what in restrospect seems a bargain price.

An internal Forest Service review found that the companies had defrauded the Government of between $60 and $80 million.

As a result of the lack of competition and due to the terms of the contract, the two companies pay extremely low rates for stumpage:

As low as $2 per thousand board feet, less than the value of a bushel of wheat.

This is 15 times less than the value of timber sold competitively on the forest and not even close to what it costs the Forest Service to prepare the timber for sale.

As I stated, the amendment I had planned to offer would have provided for termination of these two long-term contracts in return for just compensation to the contract holders. This would not be the first time that the Congress had taken such an action in the public's interest. In fact, it was the Interior Committee which has set the precedent for contract termination which my amendment was based upon. Specifically, in legislation creating the Boundary Waters Canoe Area, the committee chose to terminate several long-term timber sale contracts in the Superior National Forest of Minnesota. In return, the contract holders were provided with just compensation which the U.S. Court of Claims held to mean the replacement value of the timber which was lost, but not recovery of lost potential profits. In this court case, Hedstrom Lumber Co. versus United States, replacement value was calculated to be the difference between stumpage prices of timber specified in the contract and the average price of the replacement timber the company was forced to purchase.

If the same logic were applied to compensation provided to the long-term contract holders on the Tongass, which is the reason for using the exact compensatory language from the Interior Committee's Boundary Waters Act in this amendment, then the replacement timber value for the contract holders in southeast Alaska would be limited to between $8 and $150 million. Even at the high end, given the losses currently being suffered by the taxpayer on the long-term contract sales on the Tongass, the savings generated from contract termination would pay for itself several times before the contracts expired on their own.

Eleven Members of the House, including Messrs. GEDJENSON and MRAZEK, who have been closely involved in this issue from the start, joined me in distributing a "Dear Colleague" letter to seek support for the contract termination amendment. Despite the bipartisan support for it, I have been convinced by Mr. MILLER of the Interior Committee, that one more effort should be made to attempt to negotiate fixes to the ills created by these long-term contracts. Frankly, given the Forest Service's previous record at negotiating new terms for these contracts, I am skeptical that a favorable outcome will result. However, I have agreed to yield to Mr. MILLER's expertise on this matter and his wishes to try to correct these contract problems through negotiation. I take this action with the understanding that should this matter not be resolved by 1 year from today, that Mr. MILLER will support my intent to seek cancellation of these long-term contracts through similar legislation.

I would like to clarify this issue with the gentleman from California [Mr. MILLER].

Mr. Chairman, is it true that Mr. MILLER's bill would provide the Secretary 1 year to seek to resolve major concerns regarding the long-term contracts and their effects on the management of the Tongass National Forest?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from California.

Mr. MILLER of California. I thank the gentleman for yielding.

Mr. Chairman, I say to the gentleman that is, in fact, correct and that is the purpose of this legislation.

Many of the egregious activities the gentleman has outlined in his statement and many of the detrimental impacts that these contracts have had both on the economic management of this forest and on the environmental management of this forest in fact were borne out to be true in testimony before the committee.

Others on the Committee on Interior and Insular Affairs and certainly others in the House here wanted to support the gentleman's amendment to provide for the repeal of these contracts. We felt, however, that it would be better to give the Forest Service the strong language from the Congress to take those steps that they can take unilaterally to reform these contracts.

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Should they fail to do that—and I also made this commitment in response to the questions asked by the gentleman from Connecticut [Mr. GEJDENSON], the cosponsor of the gentleman's amendment—should they fail to live up to that mandate in title II to correct these practices that are now currently allowed under the contracts, then we would come back with an effort to repeal those contracts, outlining our support of either the gentleman's legislation or his amendments to do that.

We think this is a good-faith offer. We think it is very clear, it is bipartisan in its support, and the message is clear to the Forest Service that we no longer want to tolerate many of the practices the gentleman has outlined, the practices that the Committee on Interior and Insular Affairs has discovered and that certainly the Committee on Agriculture has discovered.

Mr. GLICKMAN. Mr. Chairman, I thank my colleague for his statement.

I personally believe the savings generated from contract termination would pay for themselves several times before the contract expired on its own, but I believe that the agreement we have reached today will give the Forest Service 1 additional year. And as I understand it, if the objectives are not reached, it is the gentleman's intent to revisit the question of cancelling the contracts once and for all.

So, Mr. Chairman, I appreciate the opportunity to work with the gentleman.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for all his work and effort on this legislation.

Mr. GLICKMAN. Mr. Chairman, I reserve the balance of my time.

Mr. MORRISON of Washington. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 1516, Tongass Timber Reform Act of 1987, has been the subject of considerable public interest. Two major periodicals, the Reader's Digest and Sports Illustrated, have featured articles on management, or shall we say, mismanagement, of the Tongass National Forest. Many Members of both the House and Senate have received numerous letters from constituents concerning the Tongass and much congressional interest has arisen regarding this bill; it has approximately 153 cosponsors. Management of the Tongass is an issue of great importance to all Americans because this national forest is rather unique and is truly one of this country's natural treasures.

H.R. 1516 was the subject of 2 full days of hearings before the Subcommittee on Forests, Family Farms, and Energy, where I serve as the ranking minority member. The subcommittee heard from approximately 40 witnesses representing widely differing views concerning the management of timber, recreation, fish and wildlife habitats, and the preservation of the environmental qualities of the Tongass. The main issues raised dealt with the two 40 year timber harvesting contracts which expire in the 21st century, the $40 million permanent annual appropriation, and a 5-year moratorium of timber harvesting in some areas thought to be critical to the protection of fish and wildlife habitats. These issues are very important ones and members of both the Agriculture Committee as well as the Interior and Insular Affairs Committee have strong feelings concerning them, as will be evidenced here today.

The sequential referral of this legislation expired before the Committee on Agriculture had an opportunity to schedule consideration of this important legislation. However, our inaction does not represent our lack of interest in this legislation, which does address the management of a national forest, an issue clearly within the jurisdiction of the Agriculture Committee. I continue to support the normal planning process set forth by the National Forest Management Act of 1976. This law, as well as others which originated in the Agriculture Committee, provide the orderly development and implementation of management plans for each national forest in the country with an opportunity for public participation in the process. The administration does not believe a major change in management direction mandated by the Congress is appropriate at this time—Tongass is due for its next 10-year management plan in a couple of years. Consideration of the management of the Tongass National Forest outside this process concerns me; however, Members of this body will have ample opportunity to deliberate on this controversial issue here today.

Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Chairman, the bottom line in this debate is: "Stop the harvest of renewable resources in the United States of America."

I sit as vice chairman of the Subcommittee on National Parks and Public Lands, and having been on that subcommittee for some 12 years, it is amazing how soon agreements with the obstructionists, the wilderness activists, and those who seek to put more and more of our American public lands out of the use of the general public are forgotten, ignored, and violated.

This legislation is a prime example of the treachery of their efforts to sabotage and shut down harvesting renewable resources on our public lands. The Wilderness Society and its supporters got their allocation of wilderness by bamboozling those in Alaska, the Natives, the labor force, the State itself, and some of the Members of Congress into thinking that if they got this wilderness allocation, then we could go ahead and harvest the timber and they would support us in the harvesting of that timber.

Mr. Chairman, I think the title of this bill is almost totally inappropriate because of what the actual results of all this legislation would do. The title of this legislation should be: "Timber Harvest Elimination." It is the same song, the same dance, the same old story. What we are really doing in a piecemeal fashion is eliminating the United States of America as a competitor in the forest products arena.

What we are doing is throwing Americans out of work. Just the stroke of a pen will throw them out of work. To them it really does not matter that we have unemployment in Alaska, it really does not matter that we do not have access to those public lands to harvest the renewable resources; they say, "We will get our wilderness allocation, and to hell with everybody else."

Does anyone here, especially those who live on the east coast, think that the Canadian dimension lumber they are buying at the local hardware store or the local lumber yard comes from the wood lot behind the barn? Do they really think that dimension lumber is from the United States of America, and that it is not supported in one form or another by the Canadian Government?

What concerns me even more than this one piece of legislation is our future lumber supply, the supply of raw materials that we need, raw materials that in the past have made America one of the great nations in the world, that have given everyone in the United States of America the opportunity to own a home, one of our most prime possessions.

Are we going to be lumber dependent on the Canadians and perhaps on the Soviet Union? Is that going to happen in the not too distant future?

What I see happening on national forest lands is that acre by acre they are becoming off limits to the timber industry.

This is happening with the passage of wilderness bills, with appeals relative to forest management lands, and in the courts. If this tide is not stemmed, our timber industry will have no place to go but one, and that is to go broke. I know this is what some want and what some are working toward in this country and in this Congress.

We are always hearing about the need to keep things available for future generations. Well, I want to do that, too, because I want my grandchildren and yours to have the opportunity to build and own a home. That, I say to my friends, will require a viable timber industry, a timber industry that can harvest renewable resources.

I emphasize that these are renewable resources. They have been renewed time after time. Forest fires have swept through for eons, and they have had to be renewed.

By passing the so-called Tongass Timber Reform Act without the amendments proposed by the Member representing the area, the gentleman from Alaska [Mr. YOUNG], we are tightening the screw just one more turn on the timber industry. I think many Members with national forest reserves in their States should be concerned, because they may be next. They may be the next ones where the screw is turned. Montana is feeling the pressure of that screw being turned on them right at this moment.

Mr. Chairman, let us not let that happen in Alaska. I ask the Members to support the gentleman from Alaska [Mr. YOUNG] and his amendments.

Mr. MORRISON of Washington. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Oregon [Mr. ROBERT F. SMITH].

Mr. ROBERT F. SMITH. Mr. Chairman, I just want to raise a couple of additional points about this whole debate. Really this issue comes down to the question of old growth, not only in Alaska but in all of America.

This battle is being waged, as we all know, in Alaska, Oregon, and Washington, and across this Nation. The Congress has addressed the issue many, many times, and for those Members who believe we are running out of wilderness, let me make this accurate statistical contribution: There are 89,600,000 acres of wilderness in America today, and that means that you could take a strip 56 miles wide stretching from San Francisco to New York City, and if you add the national wildlife refuges, as well as the national parks, you would extend that strip to

115 miles wide from San Francisco to New York City. That is quite a lot of wilderness.

There have been innuendoes made that somehow we are sacrificing the fisheries in Alaska by the passage of the Young bill or by continuing along with timber harvest, and that somehow we are sacrificing the deer population. Let me quote some statistics from the Southeast Alaska Game Management Unit of the State of Alaska that indicate that the deer population, while we are harvesting timber, has increased dramatically, from 5,000 deer in 1980 to 15,000 deer in that forest in 1985. It is so good that if you are like I am and you enjoy hunting, you can go to the Tongass and take six deer—not one but six.

Now, the other issue of the question is what is happening to the salmon runs. I can tell the Members that I got this information from the same source, the Alaska Department of Fish and Game, and I learned that the salmon have been increasing astronomically in that area. In 1975 there were 5 million salmon identified; in 1985, 60 million salmon were identified in an area where we are harvesting timber. So do not let anybody say that we cannot provide multiple use for these forests and protect the fisheries, protect the deer population, protect tourism, and protect that very important resource for jobs in Alaska.

Mr. Chairman, I ask the Members to vote for the amendment offered by the gentleman from Alaska [Mr. YOUNG].

The CHAIRMAN pro tempore (Mr. MURTHA). The Chair will state that the gentleman from Washington [Mr. MORRISON] has 4 minutes remaining, and the gentleman from Kansas [Mr. GLICKMAN] has 2 minutes remaining.

Mr. MORRISON of Washington. Mr. Chairman, I yield the balance of my time, 4 minutes, to the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Mr. Chairman, I would like to comment that the gentleman from Kansas, sincere though he may be, talks about the big act of the Tongass Forest as being a subsidy, being the greatest subsidization in the history of Congress. I suggest respectively that the gentleman ought to go back to the history of Kansas. The Homestead Act, a congressional act, was the largest subsidization to encourage the development and the settling of our lands. It was very similar to the 1947 act in Alaska, and it was passed to develop an economy, to diversify. So this was not quite as large as yours, I say to the gentleman.

The second thing I suggest is that the gentleman talks about saving money for the taxpayer. I have done this in my substitute, if that is what he seeks to do. In my substitute, I eliminate the $40 million because I believe we can go through the appropriation process and actually get a better run for our money. We had the $40 million for 8 years. We have been able to do what we sought to do in some degree, to try to ease the substandard timber in the area.

We have built some roads, yes, roads to nowhere in cases. But most of the time they were built for future development and settlement of southeast Alaska, and they are sorely needed. If an amendment would be adopted later on that will be offered, we can address some of those concerns.

I am always interested when we talk about saving money in one location versus another location. As a Member that has the greatest sympathy in the world for the American farmer, because I come from an agriculture background, let me suggest that the gentleman from Kansas has to recognize that timber is a renewable resource, just like corn or sunflowers or wheat or soybeans.

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It will come back in better and greater yield than it was in the past. Old timber does not provide anything for anyone but those who like to view it. The future generations depend on the new timber, not the old timber.

And tomorrow, Mr. Chairman, we are going to bring up, I believe, a drought bill. That will cost approximately $4 billion, or maybe more, out of the taxpayers' pocket. This is supposedly to help the farmer, not the little farmer by the way. We are talking about the big one. He is going to receive the benefits from this drought bill, and yet we have a renewable resource.

We are not asking for anything at all. I am taking out the money. All we are asking for is an opportunity to continue harvesting on 1.7 million acres of land so we can continue to operate our two pulp mills; yes, one owned and operated by Japan, but employing Americans. That is what I am asking, that those in Ketchikan and Sitka and those in Metlakatla and Wrangell can operate their mills because we need the pulp mills.

Not many people understand what we are doing with pulp. It does not all go to Japan. We sell it to the east coast by the way. We sell it to about 60 different buyers now around the Nation, around the world, but what we are seeking frankly is an opportunity again to maintain that type of market, and we are doing that on a very small part of the Tongass Forest.

I think the gentleman from Washington [Mr. MORRISON] brought it up. We are circumventing the planning process. We should follow the TLMP process, the timber planning program, the management process that this Congress set forth, but the environmental community does not want to follow that. They want to go forth before the 1991 date comes up, so I can suggest, Mr. Chairman, if my amendment is adopted, we save lands.

Mr. Chairman, those around the communities of Alaska do not want to be logged around, and I understand their problems. We protect the fisheries. We eliminate the $40 million so the taxpayers of America can be happy as they spend $4.5 billion tomorrow on the drought bill. The taxpayers can be happy, but we maintain and protect our Alaskan jobs because it guarantees 4.5 million board feet per year which we will cut this year and next year.

So do not tell me the market is not there. It was not in the past, but it is there now.

So, Mr. Chairman, I request respectfully a vote on my substitute when it is offered, a final vote and a favorable one.

The CHAIRMAN pro tempore. All time of the gentleman from Washington [Mr. MORRISON] has expired.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I rise today in support of H.R. 1516, the Tongass Reform Act. Occasionally in this Chamber, we have the opportunity to right a wrong. Today, we have the opportunity to put a halt to waste, fraud, and the senseless abuse of a rare and valuable temperate rainforest ecosystem that has resulted from two antiquated timber contracts.

The existence of these contracts and the situation at the Tongass National Forest today are deeply rooted in historical events. Allow me to go back in time a bit. More than a decade ago, as a member of the Agriculture Committee, I was deeply involved with legislation that eventually passed in 1976 as the National Forest Management Act, or the NFMA.

Much of the debate on the NFMA concerned timber sales contracts. Much to this body's credit, the law limited any new timber sale contracts on National Forest land to 10 years or less in duration. The 10-year limit is important because experience showed that contracts of any greater length precluded the Government from receiving a fair price for its public timber, and unnecessarily restricted the ability of the Forest Service to manage public lands.

Despite this valuable knowledge gained through experience, the Congress allowed the two 50-year timber contracts to continue, albeit with important modifications. In keeping with the spirit of the NFMA, Congress ordered the Forest Service to modify the contracts in order to make them as similar to new, NFMA-guided timber sales as possible. Despite clear congressional direction, the Forest Service has continually failed to incorporate the major reforms of the NFMA into the structure of the long-term sales. The two contract holders—Ketchikan Pulp Co. and Alaska Lumber & Pulp Co.—pay a minute fraction of the current market value of the timber cut on the Tongass National Forest. In fact, the price of the timber has not increased since operations began in the 1950's. Furthermore, as members of the Agriculture Committee recently heard in testimony from former Forest Service personnel, the two contract holders continue to yield extraordinary control over Forest Service timber cutting operations. They determine how and where timber is cut on two-thirds of the commercial forest land in this national forest.

In 1976, a small Alaskan logging company that depended on short-term timber sales filed suit against the two giant pulp mills. The company claimed that the collection and price fixing of the two contract holders had driven them out of business. When the suit was finally settled in 1981, a Federal court found that from the beginning of their joint operation in 1960 until the date of the suit, the two contract holders had engaged in illegal practices to drive virtually every independent timber company in the area out of business. The Federal judge stated his belief that the contracts were much to blame for the monopoly created by the two mills. Today, virtually no independent operators are able to stay in business in the Tongass National Forest. Had Congress known of the monopoly created by the two contract holders as early as 1976, the National Forest Management Act would have been drafted differently to incorporate measures to protect the independent loggers in the Tongass National Forest.

Despite efforts by Congress to direct the Forest Service to manage the contracts in a more equitable and environmentally sound manner, very little has changed over the years. It is time now to take decisive action by requiring the Forest Service to reform the contracts through unilateral action or renegotiation. Although past experience has made some of us skeptical, I believe the Forest Service should be given one more chance to prove they can do it right this time. If necessary, I am prepared to revisit this issue in the future with a more drastic agenda: cancellation of the contracts. I hope today's action will prevent such a recourse.

Therefore, I urge my colleagues to vote for H.R. 1516 and save the Tongass National Forest, a rare and beautiful temperate rainforest, from gross mismanagement at the taxpayer's expense. Let us be wise enough to correct the mistakes of the past.

Mr. GLICKMAN. Mr. Chairman, I just want to commend my colleague from Missouri [Mr. VOLKMER] for his leadership on the Agriculture Committee. My State's honor has been called into question by the gentleman from Alaska [Mr. YOUNG] who commented that both Alaska and Kansas were settled by large grants from the Federal Government, and of course we appreciate that. We think the United States of America got good value out of that. You cannot compare it to those contracts, however, because there were not competitive applications for States at the time those grants were made. Kansas and Alaska came in on their own. They have proven their value to this country, and in this case, however, these contracts provide these companies with unique, uncompetitive control over decisions affecting the forest.

Mr. Chairman, I support this bill. I hope the Forest Service will be able to work out the contract termination provisions among themselves during the next year.

Mr. Chairman, I yield back the balance of my time.

Mr. BRUCE. Mr. Chairman, today we have an excellent opportunity to save the taxpayers money and protect the Nation's largest national forest with the Tongass Timber Reform Act. The 16.7 million acre Tongass National Forest includes the last intact temperate rain forest in North America. The Tongass also includes glaciers, alpine areas, bogs, and stands of "old growth" timber ranging up to 800 years in age and reaching 200 feet in height. The Tongass also provides habitat for large populations of endangered bald eagles and brown and grizzly bears, and accounts for 85 percent of the commercial salmon harvest in the region. The Tongass Timber Reform Act will allow Congress to assert needed control over timbering in this spectacular forest region.

The 1980 Alaska National Interest Lands Conservation Act [ANILCA] set aside more than one million acres of Federal lands in Alaska for conservation purposes. The law also included a sweetener for the Alaska timber industry including a permanent $40 million annual appropriation to subsidize logging activities including construction of timbering roads by the U.S. Forest Service. In addition to this Federal subsidy, two Alaskan timber companies benefit from long-term contracts signed by the Federal Government. These contracts provide extremely favorable timber sale terms and the right for the companies to select which timber to harvest in exchange for the companies commitment to construct and operate pulp mills. This may be a good deal for the timber companies and their employees but it is a bad deal for the taxpayers and the environment.

The Tongass timber program should be brought into line with timber management practices in our other national forests where timber sale quantities and funding are based on market forces, and where other land uses and environmental considerations are taken into account. The permanent appropriation has resulted in a massive taxpayer subsidy to the timber industry. Federal outlays for the Tongass timber program having totaled $285 million from 1982 to 1987.

The Tongass Timber Reform Act repeals provisions of the 1980 ANILCA that provide a minimum permanent appropriation and harvesting goal for timbering activities in the Tongass. It also requires renegotiation of the two existing long-term timber contracts and provides for a 5-year moratorium on timber harvesting in 19 sensitive areas of the Tongass forest.

This legislation will bring needed congressional oversight of management of this precious natural resource and will ensure that environmental concerns are given adequate weight alongside timbering interests. The bill will also save the taxpayers money. The Congressional Budget Office estimates that the Tongass Timber Reform Act will reduce Federal spending by $146 million between 1990 and 1993 due to the repeal of the permanent appropriation for the Tongass timber supply fund. Mr. Chairman, I urge all of my colleagues to join me in voting for this legislation.

Mr. YOUNG of Alaska. Mr. Chairman, I have previously expressed my concern over the accuracy of the GAO report on the management of the Tongass National Forest. One of my constituent groups—one of the largest of timber operators—has also seriously questioned the accuracy of the GAO report. At this point in the RECORD, I am submitting a letter I received from this constituent, the Sealaska Corp., which seriously questions some of the assertions in the GAO report.

SEALASKA CORP.,
Juneau, AK, July 27, 1988.

Hon. DON YOUNG,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN YOUNG: We are writing to express concern about, and respond to, misleading statements by the Government Accounting Office ("GAO") regarding the impact of Alaska Native corporations' timber activities on employment in the timber industry which is dependent upon the Tongass National Forest. We are particularly concerned because members of Congress are relying on the GAO Report in their deliberations on H.R. 1516, the Tongass Timber Reform Act. *See, e.g.,* Report of House Committee on Interior and Insular Affairs, H. Rep. No. 100-600, 100th Cong., 2d Sess. at 11 (May 4, 1988). Indeed, the House Report quotes directly from the GAO Report on this issue. We wish to correct some mistaken impressions created by the GAO Report which are reflected in the House Report.

In response to a request from Senators William Proxmire and Ted Stevens, the GAO recently published a report on the management of the U.S. Forest Service's timber sales programs on the Tongass National Forest. The Report, entitled "Tongass National Forest: Timber Provision of the Alaska Lands Act Needs Clarification," April 1988 ("GAO Report"), discusses several issues, including revenues from timber sales on the Tongass, employment by the timber industry dependent on the Tongass, and the administration of the timber sales offered pursuant to the Alaska National Interest Lands Conservation Act of 1980 ("ANILCA").

The GAO Report finds that timber harvest, and associated employment, has declined on the Tongass since 1980 and incorrectly concludes that the success of Alaska Native corporations in selling round logs to Japan and other Asian countries is responsible, in part, for the decline. The report recommends revising the timber supply provisions of ANILCA and improving the Forest Service's efficiency and flexibility in administering timber sales under varying market conditions.

We disagree vehemently with the GAO's implication that the decline in timber sales from the Tongass, and in employment in the industry dependent on the Tongass, is attributable in part to increased production of timber by the Alaska Native corporations.

The Alaska Native corporations have, indeed, been successful in promoting the sale of Native-owned timber, particularly to Japan and other countries of the Pacific Rim. These efforts have created over 1000 *new* jobs for Alaskans, jobs that are filled by Natives and non-Natives alike. These are jobs that would have been lost by the Southeast Alaska economy were it not for the Native corporations' success. Moreover, the success of Native timber operations has actually helped to maintain demand for processed timber from the Tongass by maintaining shipping contacts between Alaska and the Far East.

The success of Native timber operations has not disadvantaged the non-Native timber industry in Southeast Alaska in the manner suggested by the Report. One factor affecting the decline in the sale of timber from the Tongass in the past eight years has been the reduced demand for processed timber by Pacific Rim countries. By statute, the timber from the Tongass must be manufactured or processed before it can be exported. The usual practice to satisfy this requirement is to saw round logs a minimum amount, producing squared "cants." Native corporations are not subject to that constraint, and neither are timber companies in Canada and in the states of Washington, Oregon and California. Nor are other countries that supply timber to the Pacific Rim.

The GAO Report notes that the largest market, indeed, almost the exclusive market, for Tongass timber is in Japan and in other Asian countries. In recent years, these countries' demand for timber decreased due to a decline in housing starts there.

The Native corporations provide only about ten percent (10%) of the timber supply available from North America to Japan and other Asian countries. The GAO Report notes that the Native Corporations currently provide approximately 250 million board feet of timber to Asia annually, which is more than is provided from the Tongass. But the GAO Report neglects to mention that the total supply to Asia of round logs and cants from Alaska, Canada, Washington, Oregon and California is over 2.4 billion board feet annually.[1] Moreover, North America competes with Russia and New Zealand to supply countries such as Japan, and at best, Alaska has supplied only 2% to 4% of Japan's demand for wood products.[2]

The demand for cants from the Tongass has not decreased due to the Native corporations' sale of round logs, and the demand would not be altered if the Native corporations stopped offering round logs. Any demand created if Native corporations stopped selling would be met quickly by timber companies in Canada, Washington and Oregon that also offer round logs. Clearly, Native corporations satisfying only 2% of the market do not wield sufficient market power to wrest business away from the timber companies that are dependent on the Tongass National Forest.

The GAO also fails to credit the important contributions to employment that the Native corporations have made. Of the 1,000 new jobs in the timber industry created by Native corporations since 1980, almost half are filled by non-Native workers. These are jobs that likely would not exist but for the Native corporations' success in the timber industry.

The loss in employment in industry dependent on the Tongass must also take into account technological displacement or improved productivity. Approximately 800 jobs have been lost due to technological improvements.[3] In providing 1,000 jobs to offset 1,400 lost by dependent industry, Native corporations have replaced more than half of the jobs lost due to productivity gains.

The timber supply provisions of ANILCA were intended to keep employment high in Southeast Alaska's timber industry. Congress assumed in 1980, when ANILCA was enacted, that the Tongass would be the primary source of employment in Southeast Alaska. Unfortunately, the timber sales from the Tongass have not been adequate to maintain employment at the 1980 level, despite massive federal subsidies. The reduction in employment is due to world timber market changes and improved productivity, not to displacement of timber sales caused by Native corporations. In fact, Native timber operations have offset job losses that otherwise would have been suffered by Southeast Alaska.

Sincerely,

ROBERT W. LOESCHER,
Senior Vice President,
National Resoruces.

Mr. MILLER of Washington. Mr. Chairman, I rise in strong support of H.R. 1516, the Tongass Timber Reform Act. I have cosponsored this bill. I have written to my Republican colleagues urging them to support this bill. And, today, Mr. Chairman, I urge the House to pass this bill. And, equally important, I urge the Senate to pass the same bill so we can reform the way the Tongass National Forest is managed.

Mr. Chairman, the U.S. Forest Service spent over $53 million in 1986 on the Tongass National Forest. It took in only $82,000 in timber receipts. The Tongass timber program is one of the great wastes of taxpayers money losing 98 cents for every dollar we spend.

The taxpayer ripoff requires the Federal Government to spend at least—that's right, Mr. Chairman, we must spend a minimum of $40 million each year regardless of need. The General Accounting Office has found that the Forest Service spent $131 million preparing timber sales that had no buyers. Worse still, Mr. Chairman, this taxpayer ripoff isn't even creating jobs. While spending doubled, jobs directly related to Tongass timber have declined from 3,000 in 1980 to about 2,000 today. The General Accounting Office recommends that current law should be changed "to provide the Forest Service with more flexibility for supplying timber under varying market conditions." That is part of what H.R. 1516 does.

This bill would fix the sweetheart contracts which result in bad forest management. Currently, contracts devote two-thirds of the timber land in this national forest for the use of two pulp mills. These mills still pay the same stumpage rates today, about $2 per tree as they did in the 1950's. Mr, Chairman, even the cost of a cup of coffee on Capitol Hill has kept pace with the rising cost of living. This bill directs the Forest Service to renegotiate these timber contracts.

My colleagues, Congressman GLICKMAN, GEJDENSON, and MRAZEK will offer an amendment to cancel these contracts. This amendment, which the House should support, will replace the current sweetheart deals with the system used in every other national forest in the United States—short-term competitive sales.

Mr. Chairman, not only is the current system of managing the Tongass bad for the Federal Treasury, it is also bad for the forest. We are destroying a national forest. Currently, less than 5 percent of the Tongass is protected as wilderness. It is currently a poorly managed tree farm where 400-year-old spruce and hemlock trees give essential habitat for Sitka black-tail deer, grizzly and black bear, bald eagles, martin, mink and mountain goats. The Tongass is the last remaining temperate old growth rain forest in North America. It should be treated as a national treasure, not a tree farm.

H.R. 1516 will protect 19 of the remaining key fish and wildlife old growth areas from logging for 5 years. This ensures that areas will not be logged until the Forest Service has written a management plan for the Tongrass. And then, we will have an opportunity to evaluate the plans the Forest Service has made for the Tongass.

Mr. Chairman, let us put the management of the Tongass National Forest back on track. Let us pass this bill today. It is good for the taxpayer, it is good for the environment, and it is about time. Let's pass this bill today, so we can properly manage the Tongass National Forest tomorrow.

Mr. LEHMAN of California. Mr. Chairman, I would like to make some brief remarks in support of H.R. 1516 a bill to reform timber sales in the Tongass National Forest in Alaska. This bill makes good economic sense and it makes good environmental sense. By repealing the automatic $40 million annual appropriations for the Tongass, by eliminating the required 4.5 billion board feet fimber harvest every decade, and by placing a moratorium on 1.7 million acreas of national forest, Congress will place the southeastern Alaska rain forest on an equal footing with the rest of the national forests in the United States. Instead of treating the Tongass as a single-purpose timber farm, H.R. 1516 would return the Tongass to a multipurpose national forest with consideration for tourism, fishing, and natural resources—as well as timber production.

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[1] *Id.*

[2] *Id.*

[3] The GAO Report concluded that improved technology in harvesting and manufacturing timber has decreased the need for human labor by 30%: from 6 persons per mmbf to 4.2 persons per mmbf. See GAO Report at 32. Even if the demand for Tongass timber had remained at a constant level since 1980, approximately 800 jobs would have been lost to technological improvements alone. (2,700 x 30% = 810).

If we do not enact H.R. 1516, the consequences of business as usual are serious. Tongass timber contracts negotiated in the 1950's will continue to give two multinational companies a monopoly in southeastern Alaska. U.S. taxpayers will continue million-dollar subsidies to these timber companies which have defrauded the Government. If Congress stands idly by, we too will be guilty of the devastation of the last remaining temperate rain forest—home to salmon and bald eagles and grizzly bears.

As a cosponsor of H.R. 1516, I urge my colleagues to vote yes on Tongass timber reform in order to bring the Tongass back into the world of supply and demand and to protect a portion of America's last rain forest.0

The CHAIRMAN pro tempore. Pursuant to the rule, the committee amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs, now printed in the reported bill, shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND DEFINITIONS.

(a) SHORT TITLE.—This Act may be cited as the "Tongass Timber Reform Act".

(b) DEFINITIONS.—As used in this Act, the following terms shall have the following meanings:

(1) The term "the Act" means the Alaska National Interest Lands Conservation Act (Public Law 96-487).

(2) The term "the Secretary" means the Secretary of Agriculture.

(3) The term "long-term timber contracts" means the contracts numbered 12-11-010-1545 and A10fs-1042 between the United Statea and Alaska Pulp Corporation and Ketchikan Pulp Company, respectively.

(4) The term "review team recommendations" means the recommendations of a Forest Service review team, as set forth under the heading "Reid Brothers Anti-Trust Case Review Team Findings," printed as an appendix to the Report of the Committee on Interior and Insular Affairs to accompany the bill H.R. 1516 (House Report 100-600, Part I).

(5) Unless otherwise specified in this Act, any other term used in this Act shall have the same meaning as such term has in the Alaska National Interest Lands Conservation Act.

The CHAIRMAN pro tempore. Are there any amendments to section 1?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—ALASKA LANDS ACT AMENDMENTS

SEC. 101. ANNUAL APPROPRIATIONS FOR TONGASS MANAGEMENT.

Section 705(a) of the Act (16 U.S.C. 539d(a)) is hereby repealed, effective October 1, 1988, and subsections (b) and (c) of section 705 are redesignated as subsections (a) and (b), respectively.

SEC. 102. IDENTIFICATION OF LANDS UNSUITABLE FOR TIMBER PRODUCTION.

Section 705(d) of the Act (16 U.S.C. 539d(d)) is hereby repealed.

SEC. 103. REPORT ON ADEQUACY OF TIMBER SUPPLY.

The second sentence of section 706(a) of the Act (16 U.S.C. 539e(a)) is hereby repealed.

SEC. 104. STATUS OF TONGASS NATIONAL FOREST.

Section 706(b) of the Act (16 U.S.C. 539e(b)) is amended—

(1) by striking out "and (4)" and inserting in lieu thereof "(4)"; and

(2) by striking out the period at the end of such section and inserting in lieu thereof ", and (5) the impact of timber management on subsistence resources, wildlife, and fisheries habitats.".

SEC. 105. FUTURE REPORTS ON THE TONGASS.

Section 706(c) of the Act (16 U.S.C. 539e(c)) is amended by striking out "and the Alaska Land Use Council" and inserting in lieu thereof "the southeast Alaska commercial fishing industry, and the Alaska Land Use Council".

AMENDMENTS OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment to title I and also an amendment to title II, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. VOLKMER: At the end of subsection 202(a), add the following new sentence: "To the extent that the objectives specified in subsection (b) can be achieved solely through unilateral action, the Secretary shall, within one year of the date of enactment of this Act, take such actions necessary to achieve the objectives."

Section 103 is amended to read as follows:

SEC. 103. REPORT ON ADEQUACY OF TIMBER SUPPLY.

Section 706(a) of the Act (16 U.S.C. 539e(a)) is amended by—

(1) striking out "and the Committee on Interior and Insular Affairs" and inserting in lieu thereof "the Committee on Agriculture and the Committee on Interior and Insular Affairs"; and

(2) repealing the second sentence of such subsection.

Mr. VOLKMER (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VOLKMER. Mr. Chairman, the first amendment is purely a technical amendment which requires reports to be made not only to the Committee on Interior and Insular Affairs, but also the Committee on Agriculture as well.

The second amendment merely helps clarify the provisions of the bill as to the powers of the Secretary for taking unilateral action in regard to the long-term contracts to provide that he should do so if they are within the law and power of the Secretary to do so.

Mr. MORRISON of Washington. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Washington.

Mr. MORRISON of Washington. I just want to make the point that we have worked together on these amendments and are very much in support of them, believe they improve the bill in front of us.

I thank the gentleman for yielding this time to me.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from California.

Mr. MILLER of California. On behalf of the majority of the Committee on the Interior and Insular Affairs, we also find these amendments acceptable, and we will accept the amendments.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, I still oppose the bill. This just improves it a little bit.

Mr. VOLKMER. Mr. Chairman, I yield to the gentleman from Oregon for purposes of a colloguy.

Mr. ROBERT F. SMITH. I would like to make a brief inquiry with the distinguished chairman of the Subcommittee on Forests, Family Farms, and Energy. Unilateral modifications of important contract rights might be viewed by a court of law as a repudiation of these contracts. Such a repudiation would subject the Federal Government to millions of dollars in compensatory damages.

Does the chairman agree that we do not intend that the Secretary unilaterally modify the contracts to the extent that the Government incurs a financial liability for those changes.

Mr. VOLKMER. Mr. Chairman, the intent of my amendment is to direct the Secretary to use such legal authorities as exist under current law to attempt to achieve the objectives set out in section 202. We would simply state in the bill what the Interior Committee report describes as the intent of this section.

Mr. ROBERT F. SMITH. Therefore, is the chairman saying that, in the absence of mutual agreement between the contracting parties, there may still be provisions within the contracts which can be modified pursuant to the stated policy objectives without incurring liability?

Mr. VOLKMER. Yes, I believe there may be.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Missouri [Mr. VOLKMER].

The amendments were agreed to.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. YOUNG of Alaska: Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. RESOURCE MANAGEMENT ON THE TONGASS NATIONAL FOREST.

Subsection (a) of section 705 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 539d) is amended to read as follows:

"(a) The Congress authorizes and directs that the Secretary of Agriculture shall, subject to annual appropriations, make available from the Tongass National Forest a timber supply to dependent industry at a rate of four billion five hundred million foot board measure per decade subject to the annual market demand of dependent industry.".

SEC. 2. MORATORIUM ON TIMBER HARVESTING.

Title VII of the Alaska National Interest Lands Conservation Act is amended by adding at the end thereof the following:

"SEC. 709. MORATORIUM ON TIMBER HARVESTING.

"The following public lands within the Tongass National Forest shall be deferred from timber harvest pending completion of the Tongass Land Management Plan Revision of 1990, at which time timber harvest shall be permitted in accordance with that plan:

"MORATORIUM AREAS

Area	TLMP Map	Acreage
Lisianski	VCU 249,262	23,640
Noyes Island—Conclusions Island..	VCU 567	24,651
	VCU 417 (partial	1,800
Nutkwa	VCU 686	16,853
	VCU 685 (upper ⅓)	
Chuck River	VCU 66.71.76	74,942
Young Lake	VCU 133	18,173
Total		160,059"

"All land uses other than timber harvest which are presently permitted under the Tongass Land Management Plan shall continue to be permitted in such areas in accordance with that plan.".

SEC. 3. TONGASS NATIONAL FOREST MANAGEMENT ADVISORY COMMITTEE.

Title VII of the Alaska National Interest Lands Conservation Act, as amended by section 2, is further amended by adding at the end thereof the following:

"SEC. 710. TONGASS NATIONAL FOREST MANAGEMENT ADVISORY COMMITTEE.

"(a) ESTABLISHMENT.—There is hereby established the Tongass National Forest Management Advisory Committee (hereafter in this section referred to as the 'Advisory Committee').

"(b) MEMBERSHIP.—The Advisory Committee shall consist of the following 11 members appointed jointly by the Secretary of Agriculture and the Governor of Alaska:

"(1) 2 members from local governments in the State of Alaska;

"(2) 1 member from the State of Alaska;

"(3) 3 members from environmental groups;

"(4) 3 members from timber industry groups;

"(5) 1 member from commercial nontimber interests in the Tongass National Forest; and

"(6) 1 member from Alaska Native groups.

"(c) RECOMMENDATIONS.—

"(1) The Advisory Committee shall from time to time make recommendations concerning the management of the Tongass National Forest to the Regional Forester of Region 10, United States Forest Service.

"(2) Such recommendations shall be given due consideration by the Regional Forester in the formulation of and revisions to the Tongass Land Management Plan.

"(d) APPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT.—Appointments to and the operations of the Advisory Committee shall comply with the Federal Advisory Committee Act.".

SEC. 4. LONG-TERM CONTRACT RENEGOTIATION

Title VII of the Alaska National Interest Lands Conservation Act is amended by adding at the end thereof the following:

"(A) The Secretary of Agriculture shall, within one year after the date of enactment of this paragraph, renegotiate the long-term timber sale contracts (contract numbers 12-11-010-1545 and A10fs-1042) in Alaska to achieve the following objectives:

"(i) To bring forest planning and management practices into substantial conformance with the National Forest Management Act of 1976 and the Forest and Rangeland Renewable Resources Planning Act of 1974 and to ensure that highgrading of timber resources does not occur.

"(ii) To provide that the contract holders pay fair market value for timber sales on the Tongass National Forest.

"(iii) To promote fair competition within the timber industry in the Tongass National Forest.

"(iv) To clarify the authority of the Forest Service to protect fish and wildlife resources and habitats.

"(v) To bring administration of the contract into substantial conformance with procedures for short-term timber sales.

"(vi) To provide employment for residents of the State of Alaska.

"(B) At the conclusion of the one-year renegotiation period, the Secretary of Agriculture shall submit to Congress a written report including a complete description of proposed changes to the contracts, an analysis of how the amended contracts would meet the objectives identified in subparagraph (A) and recommendations, if any, for congressional action. The report shall be prepared in consultation with the Tongass National Forest Management Advisory Committee.

"(C) The Secretary of Agriculture may not sign a contract renegotiated pursuant to this paragraph until 90 days after the report described in subparagraph (B) is submitted to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

Mr. YOUNG of Alaska (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. YOUNG of Alaska. Mr. Chairman, I offer this substitute on behalf of myself and the gentleman from Louisiana [Mr. HUCKABY]. We have worked with the chairman of the subcommittee to reach a compromise. I believe we came very close. However, the choice has been made to go ahead with consideration of the committee substitute without any compromise.

I am offering an amendment in the nature of a substitute that would allow for several changes in the Tongass Timber Fund, without destroying an industry which employs nearly 6,000 people in my State.

Under our amendment, the USFS would be required to target funding at a 4.5 bbf per decade rate, but could make a determination in any given year that such a level was not warranted due to market demand. Also, the Secretary could change the 4.5 bbf per decade rate if he determines that the industry demand is different.

At the request of several Members, we have agreed to provide in this substitute that future expenditures in the Tongass shall be subject to the usual appropriations process. My substitute therefore will have the same budget savings as the committee bill. CBO estimates this savings at $144 million over 4 years. I disagree with this estimate—but whether it is accurate or not, I tell my colleagues that my substitute will have the same level of savings, (whatever level that proves to be), as the committee bill.

Under section 2 of the amendment, 5 areas would be deferred from commercial timber sales through the end of the Tongass Land Management Plan (1991) (Lisianski, Noyes and Conclusion Islands, Nutkwa, Young Lake, Chuck River).

Finally, section 3 requires the appointment of a citizens Advisory Committee. The amendment provides for a Tongass National Forest Land Management Plan Advisory Committee to provide input to the Regional Forest (and the Secretary) on the formulation of the plan. The Advisory Committee shall be made up of 11 individuals—2 from local governments, 1 from the State of Alaska, 3 from environmental groups, 3 from timber industry groups and 1 from other commercial nontimber interests in the Tongass and 1 from Alaska Native landowners. The recommendations of the Advisory Committee shall be given due consideration by the Regional Forester in the formulation of TLMP. In addition, the annual recommendations of the advisory committee shall be forwarded to the Congress along with the proposed TTSF expenditures for each year to be used as part of congressional review of proposed TTSF expenditures.

The long-term contract renegotiations are fairer under this substitute. The Miller substitute calls for the contract lands areas to be cut down and for long-term sales to be equalized to short-term sales. Both provisions are arbitrary changes in long-term contracts.

This substitute protects 160,059 acres, for 5 years without substantially reducing the timber base.

The Young-Huckaby substitute could become law. The Miller substitute is opposed by the delegation and would be vetoed.

Mr. Chairman, this amendment is the only amendment being offered with regard to the Tongass National Forest which has any chance of being enacted. I urge any of my colleagues who are truly interested in the Tongass to support this substitute.

Mr. MRAZEK. Mr. Chairman, I rise in opposition to the substitute. Mr. Chairman, I think it is important to understand that although there is room for constructive discussion on this issue, and certainly nobody has a monopoly on good judgment, that there are some changes in this substitute that are not going to lead to the kinds of reforms that many of us would like to see in the management of the Tongass Forest, and, if there were one thing that I learned in the trip that I took to the Tongass Forest and all of the town meetings that we held, no one seems to believe that the Tongass is being managed wisely, judiciously, or effectively. There are, of course, a lot of different recipes for how we can improve and change the existing situation. In the substitute of the gentleman from Alaska [Mr. Young] there is simply a reference to renegotiating the long-term timber sale contracts. And in the Miller substitute it is not simply a renegotiation. It says, "You have the authority to bring into line with these forest planning and management practices and conformance with the Forest Management Act of 1976 and the Forest and Rangeland Renewable Resources Planning Act of 1974." The authority already exists.

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What Congress will be mandating in approved legislation in the House of Representatives if we approve the Miller substitute is that in fact they must go ahead and bring it into conformance within that year based upon new decisions.

To renegotiate means that the long-term contract holders would be interested in renegotiating their contracts.

All they would simply have to say is, "We are not interested in renegotiating," and I guess they probably would because they are paying the same stumpage fees that contract holders were paying back in the 1950's, 30 years ago, stumpage fees today of less than $2 per thousand board feet. For the price of a Big Mac, they are knocking down a 400-year-old Sitka spruce tree.

For the hundreds of millions of dollars that the Federal Government has invested in 1980 in the timber industry within the Tongass, we have received back through those stumpage fees less than $100,000 in return on our investment; yet if you were a young Alaska entrepreneur looking to bid on some contract holding areas for short-term contracts to take timber out of some of the areas not covered by the contracts within the Tongass that are being opened up, chances are you are paying $40 to $50 per thousand board feet. In other words, you are paying 20 or 30 times what these long-term contract holders are paying.

Now, one of the reasons why there are not too many Alaska entrepreneurs available to bid on these contracts is that a number of years ago a Federal judge was able to determine in the Reed Brothers case in the Western District of Washington that these two pulp mills, the Alaska Pulp Co. and Louisiana Pacific, had conspired illegally in restraint of trade to drive small independent loggers out of business in the Tongass Forest and to take control of their companies through buying them out.

I submit to you that the time has come for the good jobs to be found in Alaska and not on the Pacific Rim. All of us want to see good jobs developed in Alaska. There are a lot of young entrepreneurs in Alaska who would like to have a chance to bid on short-term contracts within the Tongass Forest and within the contract holding areas of the two pulp companies.

It is my hope that if we pass the Miller substitute we will see that kind of growth and development in Alaska's industry. We will see more finished wood products being produced in Southeast Alaska.

I think the issue was summed up for me in a town meeting that the Interior Committee held in a town called Pelican, a small community near the Lisianski Inlet where all of us were able to listen to everyone who wanted to speak from the community of Pelican to address the Interior Committee.

I would venture to say that many of the people who spoke have made a portion of their living in the timber industry. There were commercial fishermen who at different times in their lives had worked in the timber industry as well.

They are not antitimber, but they are deeply concerned about the clear cutting of a place like Lisianski. They are concerned about the impact on the habitat from a fishery standpoint. They are concerned about the impact from a future tourism standpoint. They do not know what the results would be if that area was clear cut, but Alaska Pulp has requested the right to go in and clear cut Lisianski.

I can only tell you that if we pass the Miller substitute and defeat the Young substitute, we will have a chance to see that kind of growth and development in Alaska, and we look forward to it.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Young substitute and in opposition to the Miller substitute.

One of the great experiences of my adult life was participation in that trip to Alaska last summer with my friend, the gentleman from New York, and my friend, the gentleman from California. I have heard the gentleman from New York [Mr. Mrazek] describe the impressions that he had and gained during that experience, and I share them. It was a wonderful trip in a glorious part of the world, and I came away with many of the same conclusions that the gentleman from New York [Mr. Mrazek] did and an understanding I think of many of the same problems that he is identifying; but unfortunately, we arrived at solutions in a different fashion.

The thing that concerns me the most about the substitute of the gentleman from California [Mr. Miller] and impresses me the most about that of the gentleman from Alaska [Mr. Young] is the matter of jobs. We all met with the same people on that trip. We all heard the same things.

I sat in that town meeting in Pelican. There are people's livelihoods at stake in the management and in the mismanagement of the Tongass. I think that the substitute of the gentleman from Alaska [Mr. Young] addresses or begins to address those problems in a way that will protect those jobs.

Now, it is small comfort to me to hear that the Miller substitute will create jobs in the fishing industry and create jobs in the tourism industry and create other jobs so that we do not need to worry about the loss of jobs.

Timbermen are not fishermen. It may create fishing jobs for other fishermen, but that does not convert a lumberman into a fisherman. It may create jobs in the tourism industry, but lumbermen are not tour guides.

The lumbermen, the people who are currently employed and working in this industry will be out of jobs, out of employment, and that is what concerns me about this debate here.

This is a jobs issue. This is a people issue and it is an issue that Alaskans ought to be considered in and their futures considered.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentleman for yielding.

I would like to make one thing clear again. The idea of the Young substitute versus the Miller substitute, the gentleman from New York keeps talking about Lisianski and those areas. They are protected under my bill.

The only difference between the Miller substitute and the Young substitute really is the 4.5 million board feet per year. That is all. That is all it is. That is really the basic difference.

The committee bill and the Miller bill repeals the $40 million. The Young substitute repeals the $40 million.

Savings of $144 million, the Young substitute saves $144 million.

The difference is that it repeals the 4.5 million board feet per decade timber supply planning requirement. Mine maintains the timber supply planning requirement for the jobs needed.

The committee bill requires renegotiations of 2- and 50-year timber contracts. Let me say, the difference between a long-term and a short-term, everybody talks about the sweetheart deal as a long-term contract. Under the long-term contracts, those who have that contract, Mr. Chairman, and I say to the gentleman, have to buy timber on the down years.

The short-term contracts, the small businessman buys it on the up year. That is the difference.

The main thing is that it keeps the pulp mills working. It keeps the people in the mills working. It keeps the city of Sitka alive, the city of Ketchikan alive, the city of Wrangell alive. That is what it does.

So the long-term contracts, with all the so-called sweetheart deals, they keep the industry alive so when the market goes up, then the short-term contracts can be sold and in fact they will get the benefit of those people invested on the long term.

The committee bill places 1.7 million in the Tongass National Forest in a 5-year timber moratorium. Three hundred thousand acres of this area already have been scheduled for harvest to be put up.

My bill puts 160,000 acres in timber harvest moratorium until the completion of 1991, 2 more years.

The committee bill has no advisory committee because they do not want any public input. They want the national environmental community to manage the Tongass National Forest.

I have in my bill provided for an 11-member citizens advisory committee to advise on land planning with environmentalists, the timber industry, outside interests and the whole concept.

So I am suggesting respectfully that if you look at the Young substitute, we have given a lot from the 1980 Act trying to reach that compromise.

When you look at the Miller substitute, really what they are doing, they repeal the $40 million. They take the 4.5 away, they put 1.7 million into the 5-year timber moratorium, when 300,000 acres have already been scheduled for sale, and in fact they kill the industry.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Young substitute. The Young substitute continues to clearly treat the Tongass National Forest different than any other forest in the country, as pointed out by my colleague, the gentleman from New York, by maintaining the 4.5 million.

What the gentleman from Alaska [Mr. YOUNG] has done, he has continued to maintain the one part of the Tongass agreement that continues to drive the irrational promotion, the irrational cutting and irrational management of the Tongass Forest.

It is not enough to just get rid of the contracts, and that is why we in fact get rid of both, because if you maintain, as the gentleman from Alaska [Mr. YOUNG] does in his substitute, you will still be required to make substantial appropriations so that those harvests can be completed to meet the 4.5 million goal of the decade. I think you have got to understand that to continue to allow that, even with the areas that the gentleman has set aside, areas which by way of fact are not slated to be cut, so in fact the protection is not really provided to areas that are threatened, you will find that the situation is that you continue to drive the appropriations just as if the fund was in place, because you must cut these lands. You must prepare these lands under the dictates of the Young amendment.

I think it is also very clear that you continue a process where Congress clearly has intervened into the management practices of this forest area, the only area in the country where we have intervened to mandate that this cut take place.

The gentleman from Alaska [Mr. YOUNG] referred earlier to the fact that they had not cut that much in previous years because they did not have the market. This year they do have the market.

The fact is that the figure that is mandated under the Young substitute still does not respond to the market. If the market should die, if inflation should return, if homebuilding goes down or paper prices go down, if the packaging industry is less than successful in ensuing years, you still have in the Young figure the 4.5 million board-feet that drives the process without regard to market.

But more than that, it also is not responsive to the multiple uses of this forest land. It dictates that the preeminent purpose of this act is to market this timber and this amount of board-feet without regard to these other concerns.

That is what our substitute, the committee substitute, really in fact does. It tries to put these considerations, given the market, given other uses, given other economic factors, given the job outlook in the area, and tries to come up with the proper management of this Forest Service, as the Forest Service does in other forests.

Finally, there is a substantial distinction between the areas that are protected under the Young substitute and the areas that are protected under the committee substitute.

Let me just say, the 1.7 million acres that we recommend for the moratorium in 19 areas, these are not new areas. These are not areas that we pulled out of a hat. These are not areas that people thought up overnight. Four of the areas were in the 1978 House bill as wilderness, 6 areas were approved as special management areas by both the Interior and the Senate Energy Committees in 1978; 11 areas are identified by the Alaska Fish and Game Department as class 1 fish and wildlife, areas, which should be permanently protected; and 6 areas were recommended for wilderness in the 1987 testimony before the committee by the Sealaska Regional Corp.

The point is this, that the committee bill offers the House an opportunity to have a balanced approach to both marketing timber, the cutting of timber, the economic viability of southeastern Alaska, and at the same time provide for the rational management of that recourse, along with the protection of those valuable areas that should be given special consideration either for special management and/or wilderness, and certainly to be given special consideration in the form of a moratorium between now and the forest planning process.

We believe that this is a balanced approach. What the gentleman from Alaska [Mr. YOUNG] does by taking away the permanent fund is to try to tell Members that if they do that, they will in fact save money. No, they will not, because the 4.5 still drives the Federal Government's spending process which is required to meet that goal, since that is the goal that is mandated under the Young substitute.

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I would hope that members of the committee would reject the Young substitute, that they would support the committee amendment and provide for the balanced management, conservation and economic viability of this area of the Tongass National Forest in southeast Alaska.

Mr. ROBERT F. SMITH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to clear up this question of 450 million annual allowable cut and the 4.5 billion, 10-year plan simply because I think there is a misunderstanding here. The issue is simpy this: Tongass Forest is managed like every other forest. In 1979, the Forest Service stated that there will be an allowable cut, harvestable, sustainable of 450 million board-feet of timber. The Young substitute merely reinstates that point.

Mr. Chairman, may I quickly point out that that is not an overharvest. We are not cutting out the timber in the Tongass. It is being sustained perpetually at 450 million board-feet, and I want to point out also that like every other forest, the Forest Service in the Tongass may offer 450 million for sale. If, like last year, there is only 338 million that is bid upon, then, of course, only 338 million is sold. There is a difference between the allowable and the sold.

The Young substitute merely suggests that the 1979 designation of the forest plan be followed in the Tongass just like every other forest in America.

Mr. Chairman, I yield to the gentleman from Alaska [Mr. Young] and ask whether I have stated those facts correctly, and if not, the gentleman may correct me.

Mr. YOUNG of Alaska. Mr. Chairman, the gentleman is absolutely correct. The only thing I want to add to it is my substitute does not repeal the 450 but it does, subject to annual demand, if the market is not there, they do not have to sell 450 million board-feet. They attempt to keep the 450, and why I am so adamant about this and why it should be kept, why it should be kept in is because I am confident, as I stand here today, that this Congress will be back tomorrow to put more land in southeast into wilderness and to take away that 450. That is what it is all about, my friends. I know the intent of the national environmental community is to put the people out of work, to stop the industry. It is that simple, and that is why the objection to the 4.5. If we could have that so it cannot go below that, that means that eventually Members cannot get any more wilderness in southeast and set it aside. Instead of 6 million acres, they want 8 and 9 and 10, and I keep hearing this thing about planning. This is the planning process under the 4.5. Why not wait until 1991 and find out what occurs? But do not repeal the 4.5 at this time at all. That is what the gentleman is doing, and we know what for.

If I could have the word of the gentleman from California and the word of the gentleman from the full committee that we would never address this issue again if it became law, I might sleep a little bit better at night, and so would those people back in my district who are depending upon this industry for their jobs as they tuck their little kids in bed. They would know there would be a future for them. But we do not know that. They are back here in 1988 after 1980 asking for more.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I am happy to yield to the gentleman.

Mr. MILLER of California. Mr. Chairman, does the gentleman want to sleep better? I would do anything to help him sleep better.

Mr. Chairman, let me say to the gentleman that the gentleman from Oregon [Mr. Robert F. Smith] stated that this is just like any other forest. The fact of the matter is it is not like any other forest. That is what drives the process—if we do not repeal this, the process does not work; it continues to drive the single use of this forest, and that is the difference between the Young substitute. We obviously disagree on this, and it is not just like any other forest, and that is not the case.

Mr. ROBERT F. SMITH. Mr. Chairman, reclaiming my time, the Tongass is managed on a multiuse basis just like any other forest, and the allowable is 450 million.

Mr. MILLER of California. Mr. Chairman, no other forest has a congressionally mandated cut.

Mr. ROBERT F. SMITH. Mr. Chairman, if it is not sold just like last year, it is 338 million sold, and 450 allowed.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I am happy to yield to the gentleman.

Mr. YOUNG of Alaska. Let us remember where the 450 came from. The 1980 act. Remember, we cut up as high as 650 million board-feet, but there was a figure that was given to us by the Forest Service and by the industry to maintain the two pulp mills, to maintain the jobs. Again, as I ask the gentleman, if I could have his assurance from the gentleman that we should never revisit this issue again, that the Wilderness Society would not be on our necks, that we would not address this again, I would not be so concerned. Believe me, this is like the baddest bad penny of all. A new Congress will come in and they will say, "They are cutting down the Tongass National Forest." They will be back.

Mr. MILLER of California. Would the gentleman repeat that?

The CHAIRMAN pro tempore (Mr. Murtha). The time of the gentleman from Oregon [Mr. Robert F. Smith] has expired..

Mr. GEJDENSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just like to join with the chairman of the subcommittee, the gentleman from California [Mr. Miller], and others in opposing the alternative of the gentleman from Alaska. As it is, we are not doing enough to bring this forest into compliance. It is amazing how we talk about the free market and allowing the Forest Service to do its job, yet the alternative of the gentleman from Alaska would allow the two companies to continue to dictate how the forest is managed in southeast Alaska.

Mr. Chairman, I yield to the gentleman from New York [Mr. Mrazek].

Mr. MRAZEK. Mr. Chairman, I think it is important to look at the fine print in any amendment, and just to compare the sentences, the one in the substitute of the gentleman from California [Mr. Miller] and another in the substitute of my colleague, the gentleman from Alaska [Mr. Young].

In relation to the long-term contracts, the Miller substitute has specific language to section 202, specifically to provide that the holder of long-term timber contracts pay stumpage rates comparable to those paid under other sales on the Tongass National Forest. That is a very simple, declarative sentence. It stipulates that if a short-term contract holder is bidding for stumpage rate at the rate of $40 or $50 per thousand board feet that the long-term contract holders would also have to bid at comparable prices. I do not know why the gentleman from Alaska [Mr. Young] would not have used the same language. But instead, he substituted language that says, "to provide that contract holders pay fair market value for timber sales on the Tongass National Forest." That is a simple, declarative sentence, but fair market value for the long-term contract holders is $2, and there are only two of them, and they are the ones with the sweetheart contracts.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman.

Mr. YOUNG of Alaska. Mr. Chairman, again the gentleman from New York shows his great lack of knowledge about the Tongass National Forest. There is a difference between short term and long term. What he is saying is all going to be short term. Remember, in the long-term contracts, under those long-term contracts, they have to buy the timber at the very, very low market. They have to meet all the stipulations. All my bill says is fair market value, and that is up to the agency to do so.

Mr. GEJDENSON. Reclaiming my time, I would point out something that happened in this Congress, and we would like to reflect back, that in 1976 with the National Forest Management Act with language tougher than that of the gentleman from Alaska, in section 15(b) requires the Secretary, in developing 5-year operating plans under the contracts, to revise the contracts to make them consistent with the guidelines and standards provided in the bill. This will ensure that timber harvesting under these long-term sales will be conducted in accordance with the same standards which would apply to new sales in Alaska. That is not so. That is not happening. These two companies have had special deals. They have tried to run southeast Alaska.

If one is an employee that does not support the two companies, they run that person out of town. This is worse than the old mill towns of New England.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman.

Mr. YOUNG of Alaska. Mr. Chairman, the gentleman knows that is not true; he knows that is not true.

Mr. GEJDENSON. But that is true.

Mr. YOUNG of Alaska. Mr. Chairman, in fact, it is still managed. There has been an investigation. The gentleman had it. That is not true; and the gentleman knows that.

Mr. GEJDENSON. Reclaiming my time, the gentleman is incorrect in his conclusion. I would like not to be interrupted. What has happened here is these two companies, through the long-term contracts, have forced the Forest Service to set up a plan that does not give them the kind of options that excludes independent operators and that what we want to do is make sure that the American taxpayers are not subsidizing foreign pulp companies and to the exclusion of American independent operators. That is why the committee bill is the right one, and the alternative of the gentleman from Alaska is the wrong one.

Mr. HERGER. Mr. Chairman, I rise in support of the Young substitute.

Mr. Chairman, I yield to the gentleman from Alaska [Mr. Young].

Mr. YOUNG of Alaska. Mr. Chairman, I would just like, in closing, because it is my substitute, in closing to suggest to the committee that to solve the major problems, my substitute does that. It protects those areas around the communities in southeast that have legitimate concerns. It also provides and maintains jobs for those involved in the timber industry. It maintains the cut but is only driven by the market. The substitute which I offered, each time the chairman and I would be that close and the gadflies would come around like the black flies of Alaska, and we could not reach an agreement, and by the way, I believe we are giving up a whole lot more than we should have been, but in order to get this behind us, I was willing to do that.

I am going to suggest respectfully again that if Members want to solve the problem, if they want this to become law, then they support the Young substitute by savings of $40 million, the maintaining of the 6,000 Alaskan jobs, and if the good chairman had accepted my 4.5 so we would be protected forever from future Congresses such as we can be, this bill, this package, would have sailed through this House clear and free, but no one would buy that.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. HERGER. I am happy to yield to the gentleman.

Mr. GEJDENSON. Mr. Chairman, I would just like to read the gentleman one line from the Forest Service, when they testified before our committee, and this is a statement from me, "So if we wanted to do something here that would bring them into economic conformity as well, it is your feeling that we would need new legislation?"

Mr. Leonard from the Forest Service answered, "That is correct."

Mr. YOUNG of Alaska. But he is not the Director of the Forest Service, as the gentleman well knows, and he has a difference of opinion.

Mr. VALENTINE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will not take all my time. I rise in opposition to the Young substitute and to express my support for H.R. 1516.

Mr. Chairman, I rise in support of the Tongass Timber Reform Act. In a time of budgetary crisis, I do not think we can afford the present U.S. Forest Service program in the Tongass National Forest. Just as importantly, this program is causing severe environmental destruction of a rare ecosystem of incalculable value.

The Tongass National Forest is the only largely intact rain forest left in the temperate latitudes of the Western Hemisphere. This national treasure is a mixture of ancient spruce and hemlock, clear streams, alpine meadows, and snow-capped peaks. Living within the forest are the greatest concentration of grizzly bears and bald eagles on Earth. It also serves as a critical winter habitat for Sitka black-tailed deer.

Since 1980, the destructive effects of the massive, subsidized timber program in the Tongass have increasingly threatened the tourism industry, which is southeast Alaska's fastest growing industry, and commercial fishing, which, as the largest cash industry in southeast Alaska, employs over 6,000 people. The Forest Service has stated that 80 to 85 percent of the salmon harvested in southeast Alaska is spawned and reared in watersheds in the Tongass National Forest, yet one-half of these salmon-producing Tongass watersheds are targeted for clear cutting. Furthermore, Alaska Department of Fish and Game studies have projected 50 to 90 percent reductions in deer populations.

The Forest Service has defended the destruction of Tongass as a jobs program. But, as the New York Times asked in an editorial last year: What logic is there in asking the American taxpayer to cover the wages of workers hired to chop down 500-year-old trees that hardly anyone wants to buy?

Once the forests are cleared and the natural wildlife habitat is destroyed, it will take hundreds of years to repair the environmental and ecological damage to this region. For the generations of Alaskans and others who might never have the opportunity to enjoy the pristine beauty of the Tongass National Forest and for the millions of creatures who make Tongass their home, we should pass H.R. 1516.

The CHAIRMAN pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Alaska [Mr. Young].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. YOUNG of Alaska. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 100, noes 311, not voting 20, as follows:

[Roll No. 242]

AYES—100

Applegate
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bateman
Boggs
Brown (CO)
Byron
Callahan
Chandler
Cheney
Craig
Crane
Dannemeyer
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
English
Fields
Gallegly
Gekas
Goodling
Grandy
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hayes (LA)
Herger
Holloway
Houghton
Hunter
Inhofe
Johnson (CT)
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Lewis (CA)
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCrery
McDade
McEwen
Michel
Miller (OH)
Molinari
Montgomery
Moorhead
Morrison (WA)
Murphy
Myers
Nielson
Ortiz
Oxley
Packard
Parris
Pashayan
Quillen
Regula
Rhodes
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Solomon
Stenholm
Stratton
Stump
Sundquist
Sweeney
Tauzin
Taylor
Thomas (CA)
Vander Jagt
Vucanovich
Watkins
Whittaker
Wortley
Yatron
Young (AK)

NOES—311

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Bartlett
Barton
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fawell
Fazio

Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Gradison
Grant
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hefley
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Hopkins
Horton
Hoyer
Hubbard
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCurdy
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (CT)
Mrazek
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Rahall
Rangel
Ravenel
Ray
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (NH)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stokes
Studds
Swift
Swindall
Synar
Tallon
Tauke
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Walker
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Young (FL)

NOT VOTING—20

Bentley
Biaggi
Boland
Boulter
Combest
Coughlin
Daub
Dymally
Early
Gray (IL)
Huckaby
Kemp
Mack
MacKay
Mavroules
Mica
Oakar
Rowland (CT)
Spence
Stark

☐ 1632

Mrs. SMITH of Nebraska, Mr. DELAY, and Mr. DAVIS of Michigan changed their vote from "aye" to "no."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Alaska: Delete section 102 and substitute a new section 102 as follows:

SEC. 102. The provisions of this section shall apply notwithstanding the provisions of section 6(k) and 6(f)(iv) of the National Forest Management Act of 1976 (90 Stat. 2949).

Mr. YOUNG of Alaska (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. YOUNG of Alaska. Mr. Chairman, prior to my colloquy on the amendment, it is my intent to offer this amendment and have a colloquy with the chairman, the gentleman from California [Mr. MILLER] and then not ask for a rollcall vote on the amendment if the colloquy goes according to plan.

Then, Mr. Chairman, I have another amendment that I will present and speak on. I believe members of the committee wish to speak on it at that time.

I expect to have a voice vote and if we are ruled against I will not call for the vote.

At that time there will be a motion to recommit. There will not be a vote on that. Then there will be final passage. It is not the intention of this Member, although thoroughly bruised and abused, I am not going to ask for a vote on final passage. If somebody on the other side wishes to take the time of the members of this committee on a bill that only had 100 votes for my substitute, then they will have the prerogative of wasting the Members' time.

So I am suggesting they let it go by voice vote.

Now, Mr. Chairman, my amendment, this amendment will make a long overdue change in clearcut acreage limits contained in the National Forest Management Act.

This amendment is a measure that not only corrects the problem that environmentalists and timber companies agree exists, but the problem it corrects also shows the way in which environmentally motivated legislation can clearly backfire. The reasons that this amendment should be supported are exactly the same reasons that we should not rush forward to pass H.R. 1516.

Mr. Chairman, by present law we can only cut 100 acres at a time in a clearcut.

Some people like that. But in fact, that is where the "road to nowhere" came from because we are limited to that. It has been proven that we can have a better, not only economic return, but environmental return if in fact we can have larger clearcuts in Alaska. The reforestation that takes place is greater, the windblown falldown does not occur, and we do not build unnecessary roads. Mr. Chairman, it is my understanding that the Forest Service has discretion under current law to all the clearcut trees. Clearcut acreages are variable at the discretion of the Forest Service and are now established by regulation. I have been informed that one method to lower costs, with fewer areas cut, is to increase clearcut acreage where appropriate.

Mr. Chairman, is it the chairman's intent that the Forest Service should consider allocations in clearcut sizes in Alaska where appropriate to lower costs and reduce the number of areas which are harvested under the land management plan?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from California.

Mr. MILLER of California. I thank the gentleman for yielding.

Mr. Chairman, I would like to respond to the gentleman that I think this amendment, in fact, does raise an important point in terms of the management of forest areas. I am concerned, however, that I think the amendment goes too far in the effect of repealing this provision of the law. It is my understanding, and I think the gentleman correctly stated it, that the Forest Service can, in its discretion, allow for clearcutting in excess of the areas that they have allowed in Tongass which is about 65 acres. But they have refused in most instances to provide for that to happen.

The gentleman has laid out a scenario that I think we should ask the Forest Service to consider and that is, where there is a consistency between both the economic use of the resource, the protection of the resource, the environmental protections of those resources where larger clearcuts in fact may make sense.

As the gentleman pointed out, they may save roadbuilding money, they may prevent the wind damage that takes place each and every time you clearcut and they may provide for better environmental management of that resource and reforestation. I think where those cases can be made clearly, CHEC, the industry, and other interested parties ought to go to the Forest Service and the Forest Service ought to listen to that case and where it makes sense allow for larger clearcuts to be derived under their existing authority which the Forest Service currently has.

Mr. Chairman, I wish the gentleman would withdraw his amendment to at least give us a chance to go back over the history of the Forest Service to see exactly how they have handled this situation. But I agree with him there may be a number of instances where it makes very good sense on all of the bases of common concern to provide for a larger clearcutting.

Mr. YOUNG of Alaska. I thank the gentleman for his comments, Mr. Chairman. As long as we have an understanding that we should revisit this situation so that we can get a better return on our dollar, I believe at this time it would be beneficial to all of us if I withdraw the amendment.

Mr. Chairman, I ask unanimous consent that I be allowed to withdraw the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

The CHAIRMAN pro tempore. Are there other amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—TONGASS CONTRACT REFORMS

SEC. 201. FINDING.

The Congress hereby finds and declares that changes in the long-term timber contracts are necessary because the contracts prevent proper management of the Tongass National Forest, have undermined fair competition in the southeast Alaska timber industry, and fail to provide a fair financial return to the United States.

SEC. 202. CONTRACT CHANGES.

(a) SECRETARIAL ACTION.—No later than 90 days after the date of enactment of this title, the Secretary shall enter into negotiations with the holders of the long-term timber contracts to make changes in the contracts that will achieve the objectives specified in subsection (b), to the extent that the objectives cannot be achieved solely through unilateral actions of the Secretary.

(b) OBJECTIVES.—Actions and negotiations pursuant to section 2020 shall be undertaken in order to achieve the following objectives:

(1) To bring forest planning and management practices on the Tongass National Forest into conformance with such planning and practices on other national forests and into compliance with the National Forest Management Act, the National Environmental Policy Act of 1969, and other laws applicable to the National Forest System.

(2) To provide that the holders of long-term timber contracts pay stumpage rates comparable to those paid under other sales on the Tongass National Forest.

(3) To promote fair competition within the timber industry in southeast Alaska.

(4) To prevent excessive harvesting of high-volume old-growth timber and to enhance the protection of fish and wildlife resources and habitats in the Tongass National Forest.

(5) To bring administration of the long-term timber contracts into substantial conformance with the procedures for short-term sales, pursuant to the review team recommendations, including (but not limited to)—

(A) requiring timber purchasers to harvest the entire volume of timber appraised rather than selecting just the timber they desire to harvest; and

(B) reducing the size of timber sale areas reviewed under the procedures of the National Environmental Policy Act of 1969.

(6) To provide that the 5-year operating periods under the long-term timber contracts are integrated with the planning periods under the revised Tongass Land Management Plan.

SEC. 203. REPORT TO CONGRESS.

(a) REPORT.—No later than one year after the date of enactment of this Act, the Secretary shall submit to the Congress a written report concerning the implementation of section 202. Such report shall describe the actions taken and the results of the negotiations pursuant to subsection (a) of such section, including the extent to which the holders of the long-term contracts have agreed to changes in such contracts in order to achieve the objectives specified in section 202(b).

(b) RECOMMENDATIONS.—

(1) The report described in subsection (a) shall also include recommendations of congressional action to achieve the objectives specified in section 202(b).

(2) In the event that the Secretary determines that the objectives specified in section 202(b) have not been achieved through actions pursuant to section 202, the Secretary shall provide an analysis of the extent to which the objectives would be achieved through termination of the contracts.

The CHAIRMAN pro tempore. Are there amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—MORATORIUM ON HARVESTING

SEC. 301. PURPOSE.

The purpose of this title is to impose a moratorium on commercial harvest of timber in certain areas of special fish and wildlife, subsistence, recreation, and other values, pending the first full revision of the Tongass Land Management Plan.

SEC. 302. MORATORIUM.

(a) MORATORIUM.—For five years after the date of enactment of this Act, except as necessary for salvage of insect-infested, dead, damaged, or down timber there shall be no sale or harvesting of timber or associated development (including timber sale preparation or road construction) within any of the areas specified in subsection (b) of this section.

(b) AREAS AFFECTED.—The moratorium described in subsection (a) of this section shall apply to the following areas, as generally depicted on the map entitled "Tongass Timber Moratorium Areas" dated March 1988, and on file in the offices of the Chief of the Forest Service in Washington, District of Columbia, and in the Office of the Regional Forester in Juneau, Alaska:

Area	*Approximate Acreage*
Yakutat Forelands	232,962
Berners Bay	5,379
Young Lake	18,173
Chichagof	338,359
Kadashan	33,641
Trap Bay	6,446
Chuck River	125,574
South Kuiu	190,301
Rocky Pass	74,423
West Duncan Canal	118,812
South Etolin Island	81,939
Naha River	46,539
Calder/Holbrook	64,029
Sarkar Lakes	57,526
Outside Islands	95,524
Karta River	38,671
Nutkwa	53,635
Kegan Lake	23,858
West Dall	71,850

The CHAIRMAN pro tempore. Are there amendments to title III?

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California: On page 9, line 23, delete "5,279" and insert in lieu thereof: "35,279".

Mr. MILLER of California. Mr. Chairman, this is simply a technical amendment to correct a misprint in the legislation which was 5,279 and replaces that with 35,279. It is technical in nature and I believe has been checked with the minority.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I thank the gentleman for yielding.

Mr. Chairman, much as I would like to leave the 5,000 figure in there, the figure is exactly what was in my substitute. It was a typographical error.

Mr. Chairman, I do accept the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. MILLER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER:

At the end of the bill, add the following new title:

TITLE IV—MANAGEMENT OF THE TONGASS NATIONAL FOREST

SEC. 401. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the commercial fishing, recreation, and tourism industries each make a substantial contribution to the economy of southeast Alaska and their ability to contribute in the future depends upon a significant change in planning and management priorities for the Tongass National Forest; and

(2) the Forest Service should plan and manage the Tongass National Forest in a manner that adequately protects and enhances fish, wildlife and recreation resources and should act in the long-term best interests of all natural resource dependent industries and subsistence communities in southeast Alaska.

(b) PURPOSE.—The purposes of this Title are—

(1) to require the Secretary to assess the extent to which planning and management of the Tongass National Forest prior to the enactment of this Act has differed from other national forests, and

(2) to require the Secretary to change planning and management priorities, in conformance with laws applicable to the National Forest System, so as to assure that greater emphasis is given to the long-term best interests of the commercial fishing, recreation, and tourism industries, subsistence communities in southeast Alaska, and the national interest in the fish and wildlife and other natural resources of the Tongass National Forest.

SEC. 402. DIRECTIVE AND REPORT.

(a) The Secretary is authorized and directed to take such steps as necessary to achieve the purpose described in section 401(b).

(b) Section 706(b) of the Act (16 U.S.C. 539e (b)), as amended by section 104 of this Act, is amended—

(a) by striking out "and (5)" and inserting in lieu thereof "(5)"; and

(2) by striking out the period at the end of such subsection and by inserting in lieu thereof ", and (6) the steps taken by the Secretary under section 401(b) of the Tongass Timber Reform Act."

Mr. VOLKMER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VOLKMER. Mr. Chairman, when our subcommittee conducted hearings on the management of the Tongass National Forest, it became evident to us that southeast Alaska derives approximately equal shares of its economy from commercial fishing, the timber industry, and recreation and tourism.

For a variety of reasons, however, including the restrictions of some provisions of current law and the long-term contracts, the Forest Service places a disproportionately low emphasis on nontimber resources of the forest. For example, there is minimal activity regarding fish and wildlife habitat enhancement beyond mitigation of potential damage from timber activities.

H.R. 1516 will help alleviate some of this problem, by helping to bring the timber sale program into reasonable perspective.

The purpose of this amendment is to make clear that we are expecting the Secretary to begin to take steps to assure that the Tongass is managed like other national forests, with consideration given to all of the resources. Testimony before our subcommittee indicated that demand for fishing and recreation resources of the Tongass are increasing, and we expect the Forest Service to respond to these needs.

This amendment is supported by most of the members of our subcommittee, and I believe by the gentleman from California as well.

□ 1645

Mr. MORRISON of Washington. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Washington.

Mr. MORRISON of Washington. Mr. Chairman, I think the gentleman just wants to put in a word of support for our subcommittee chairman. This particular amendment is the work of the Committee on Agriculture. We are pleased to make this input. It is desirable and an improvement to the bill as it came to us from the Committee on Interior and Insular Affairs.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, the gentleman and I had a discussion, and I understand the chairman of the subcommittee indicated we were going to improve the language. Is the gentleman insinuating on page 1, under (B)(2), where it says, "To require the Secretary to change planning and management priorities, in conformance with laws * * *" or is he implying that they are not in conformance at this time?

Mr. VOLKMER. We are implying that there has been not as much emphasis—I like to use the word, "emphasis"—as some of us feel there should have been in the planning stages in regard to recreation and tourism and commercial fishing as there has been in regard to timber in the past. We are not saying they violated any law.

Mr. YOUNG of Alaska. The gentleman's amendment does not insinuate that they have been violating any law?

Mr. VOLKMER. No, we do not insinuate that they have been violating any law. We just do not think they have properly been doing the planning as far as the consideration of emphasis on the other two aspects of the economic conditions in southeast Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentleman for his explanation.

Mr. MILLER of California. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think this is a good amendment, and I want to take this time to thank the Committee on Agriculture and specifically the subcommittee chairman, the gentleman from Missouri [Mr. VOLKMER], for their work in behalf of this legislation. We accept the amendment.

The CHAIRMAN pro tempore (Mr. MURTHA). The question is on the amendment offered by the gentleman from Missouri [Mr. VOLKMER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Young of Alaska: Insert at the end of H.R. 1516, the following new section:

"SEC. 401. EMPLOYEE MITIGATION MEASURES.

(a) DECLARATION.—The Congress recognizes that the cumulative impact of this Act may have an adverse impact on employee in Southeast Alaska. The purpose of this section is to provide workers in the Southeast Alaska timber industry with appropriate safeguards should this Act reduce employment opportunities.

(b) SECRETARIAL AUTHORITY.—The Secretary is authorized and directed, in consultation with the Secretary of the Department of Labor, to develop procedures to financially assist workers adversely effected by this Act during the period of transition to alternative and comparable employment. Such financial assistance may be used for, but not be limited to, the retention of health and welfare benefits; unemployment compensation for permanent employees and severance pay for short-service employees; layoff and vacation benefits; retraining expenses; and relocation expenses. *Provided,* That such financial assistance shall be available only for a reasonable period of time, not to exceed six years from the date of enactment of this Act.

(c) PREFERENTIAL HIRE.—The Secretary, in consultation with the Secretary of the Department of Labor, is also directed to provide workers adversely affected by this Act with the opportunity to fill Federal employment positions which will be primarily located in Southeast Alaska for a period ending six years from the date of enactment of the Act, notwithstanding applicable civil service laws and regulations.

(d) ADMINISTRATION.—(1) The Secretary, in consultation with the Secretary of Labor, shall to the maximum extent practicable, model the procedures authorized by subsections (b) and (c) after those procedures and calculations contained in Public Law 95-250 (the Redwood National Park Expansion Act of 1978).

(2) Effective October 1, 1988, there are authorized to be appropriated annually such sums as may be necessary to meet the obligations provided for in this section.

Mr. YOUNG of Alaska (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alaska.

There was no objection.

Mr. YOUNG of Alaska. Mr. Chairman, this is a very simple amendment. This Congress has passed this amendment before.

H.R. 1516 creates some uncertainty in southeast Alaska, with a loss of jobs with people not knowing what the future is going to hold. In fact, what faces us today is what faced us in 1978 with the Redwoods National Forest, the national park, and at that time we passed an amendment called the Burton amendment, may his soul rest in peace.

The Burton amendment was a safety net for employees, not for the companies but for the employees.

This amendment is modeled after the Redwoods Act. It provides for preferential hiring of employees who are laid off as any result created by the passage of this legislation today. It provides unemployment benefits, it has the retention of health and welfare benefits, and pension rights to be paid by the Federal Government. It has the retention of layoff and vaction benefits, special coverage for employees who are approaching retirement, severance pay for short-serviced employees in lieu of unemployment benefits, and retraining and relocation assistance.

Mr. Chairman, it is amazing to me that I can have a bill such as H.R. 1516 and everybody says, "No, it isn't going to cost any jobs. Don't worry about it. Go home and go to sleep because it is not going to cost any jobs." In fact, the gentleman from New York says it is going to create jobs, that we are going to have more jobs. If that is the case, good, bless us all, because we are going to be better employed.

But if, in fact, we lose jobs because of an action of this Congress, I think it is vitally important that we compensate them. That side of the aisle has a great reputation for being for the working man. We have a President running around and saying that everybody is going to be employed. Let me correct myself, Mr. Chairman. I mean we have a Presidental candidate who says that everybody should be employed.

I have heard these people say, "All right, we are not going to lose any jobs by H.R. 1516." If that is the case, then I suggest that we are in good shape. But if there is a loss of jobs, I think it is important that they be reimbursed because of the action of this body. If the Members truly believe this is not going to cost any jobs, then they should vote for this amendment, because it takes care of everybody. It will not cost us a cent if there is no loss of jobs.

So, Mr. Chairman, I am urging a yes vote on this amendment.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I am glad to yield to the gentleman from West Virginia.

Mr. RAHALL. Mr. Chairman, I appreciate the gentleman's yielding.

Mr. Chairman, I rise in strong support of the gentleman from Alaska's labor protection amendment.

This amendment should be supported by all Members, Democrats and Republicans alike, no matter where you stand on the provisions of this legislation dealing with the Tongass timber program.

The fact of the matter is that this amendment transcends the debate over the environmental integrity of the Tongass National Forest.

I say this, Mr. Chairman, as a member of the Interior Committee who supports the committee reported legislation. And in this regard I would suggest that those of us who support the pending legislation have a special obligation to vote for this amendment.

What this amendment does is provide labor protections for the people of southeast Alaska who may suffer job loss as a result of this legislation.

In this regard, it is based on precedent as Congress has traditionally and consistently provided protections when congressional acts would adversely impact the livelihood of workers.

In effect, with this legislation the Congress is implementing a midcourse correction in a policy we instituted for the Tongass in the 1980 Alaska Lands Act and under timber sale contracts the Federal Government entered into during the 1950's.

We are now changing the rules of the game. And while we may believe that what we are doing may be good for the environment, and while the public interest may be better represented under this legislation, we are, nonetheless, taking a unilateral action that may have some grave consequences on working men and women in southeastern Alaska.

I, for one, would not relish the prospect of having to appear before these people at a town meeting and explain to them they may lose their jobs because the Congress found that some broader national interest considerations took precedent.

These people have families to feed and clothe. They have the same hopes and dreams all of us have for the education of their children. And they, as us, simply want to prosper in this life and to make a better world for the next generation and generations to come.

So I would say to my colleagues vote for this amendment. It is what is fair. It is what is right. And, it is what is the honest thing to do.

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentleman from West Virginia [Mr. Rahall] for his support, and I hope that all the Members who support labor will support this amendment.

Mr. MILLER of California. Mr. Chairman, I rise in opposition to this amendment.

I would hope that my colleagues will listen to this closely. This is a clever amendment offered by the gentleman from Alaska [Mr. Young], but I think Members have to understand that there is not precedent for this amendment being offered. In fact, when we had the Redwoods legislation before us, the Federal Government was going in and condemning and purchasing private property. This is not private property. The Tongass is a public resource. The owners of these two pulp mills may think this is their private property because they have run it as their private property, they have run it as their plantation, and they have run it as their fully subsidized Federal program. But it is not that.

But what the gentleman from Alaska [Mr. Young] is now suggesting, after we have already paid out some $308 million in taxpayer's moneys to deal with ANILCA, after we have already paid out millions of dollars in subsidies to two mills that could not survive on their own, is that now we have some obligation to come in because of the job loss.

The fact of the matter is that under the current law the constituents of the gentleman from Alaska [Mr. Young] have continued to suffer job loss on the Tongass because this program has not worked. It has not kept people employed to the extent that was promised. All it has done is make the owners rich.

So there is no reason to accept this amendment. It is a very mischievous amendment. When Mr. Burton of California offered this amendment—and he had a lot of talent—when he offered this amendment, he stood before the House and said, "This will cost you $40 million." We are now 8 years into that 10-year program, and the cost of this legislation is $118 million.

So I want to suggest to the Members that we are buying pig in a poke here. We have no way of knowing the impact of this amendment. I do not happen to believe that there will be any impact on jobs because in fact what we are trying to do is open up the Tongass for competition and bring new mills and new people into the process rather than the monopolistic federally subsidized practices that have existed.

So, Mr. Chairman, I would hope that the Members of the House would reject this amendment overwhelmingly by voice. The gentleman from Alaska [Mr. Young] has suggested that he would not take a rollcall vote if it were rejected by voice vote. I think it is in everybody's interest to vote loud and to vote no on this amendment.

Mr. ROBERT F. SMITH. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from Alaska [Mr. Young].

Mr. YOUNG of Alaska. Mr. Chairman, may I suggest respectfully that if Members want to vote against hiring employees who were laid off, if they want to eliminate unemployment benefits, if they want to eliminate retention of health and welfare benefits and retention of layoff and vacation benefits, if they want to cut off severance pay, if they do not want retraining and relocation assistance, then they should vote against the Young amendment. It is that simple.

The gentleman from California [Mr. Miller] says there is not going to be any loss of jobs. He says there are these two companies. I have got to say something about that. The people working there are employed by those companies, and if the companies walk away, those people are not employed.

I think this is only a sense of fairness. We ought to protect the working man. If there is no job loss, there is no cost to anybody. What is wrong with that? If there is nothing lost, then it does not kick in, but if there is a loss, we ought to take care of the working Alaskan.

The heads of these companies can walk away from it, yes, but the rest of them cannot take care of themselves because the employment will not be there. If it is there, this does not kick into effect. It is that simple.

So I am going to suggest that we should remember that if we do not want to support the working man, then we should vote against the Young amendment, but if we want to support the working man, then we should vote for the Young amendment.

Where are my good friends on that side of the aisle? I say to the Members, where are you? As I said, we have had a Presidential candidate say that we have to to have full employment, and I suggest respectively that this is the solution to it.

Mr. Chairman, I thank the gentleman for yielding.

Mr. MRAZEK. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just make one point, and that is that according to the GAO, in 1987 40 percent of the jobs in the Tongass timber industry were not filled by Alaskans, they were filled by non-Alaskans, and there is a very good reason why. It is because these two pulp companies broke the unions at those two companies and ran their employees out of town.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Alaska [Mr. YOUNG].

The amendment was rejected.

MODIFICATION OF AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that my amendment which was previously approved or modified or changed from "5,279" to "5,379" as it appears on page 9, after line 23.

The SPEAKER pro tempore (Mr. MURTHA). Without objection, the modification is agreed to.

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. MILLER of California, as modified: On page 9, line 23, delete "5,379" and insert in lieu thereof: "35,279".

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the committee rose; and the Speaker pro tempore [Mr. GEPHARDT] having assumed the chair, Mr. MURTHA, Chairman pro tempore of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1516) to require annual appropriations of funds necessary to support timber management and resource conservation on the Tongass National Forest, pursuant to House Resolution 488, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

□ 1700

MOTION TO RECOMMIT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore [Mr. GEPHARDT]. Is the gentleman opposed to the bill?

Mr. YOUNG of Alaska. I am opposed to the bill, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. YOUNG of Alaska moves to recommit the bill, H.R. 1516, to the Committee on Interior and Insular Affairs.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit offered by the gentleman from Alaska [Mr. YOUNG].

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. MRAZEK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 361, nays 47, not voting 23, as follows:

[Roll No. 243]

YEAS—361

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Durbin
Dwyer
Dyson
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Gonzalez
Goodling
Gordon
Gradison
Grant
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Hoyer
Hubbard
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lungren
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parris
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth

Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (NH)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stenholm
Stokes
Studds
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—47

Archer
Armey
Badham
Baker
Burton
Callahan
Craig
Crane
Dannemeyer
Dickinson
Dreier
Edwards (OK)
Emerson
Fields
Gallegly
Grandy
Hammerschmidt
Hansen
Herger
Holloway
Hunter
Kyl
Latta
Livingston
Lott
Lujan
Lukens, Donald
Marlenee
Myers
Nielson
Packard
Pashayan
Rhodes
Shumway
Shuster
Skeen
Smith, Denny (OR)
Smith, Robert (OR)
Solomon
Stangeland
Stratton
Stump
Sundquist
Taylor
Thomas (CA)
Vucanovich
Young (AK)

NOT VOTING—23

Bentley
Biaggi
Boulter
Chappell
Cheney
Combest
Daub
Dymally
Early
Glickman
Gray (IL)
Hall (TX)
Huckaby
Kemp
Mack
MacKay
Mavroules
Mica
Oakar
Rowland (CT)
Spence
Stark
Vander Jagt

☐ 1719

Messrs. EMERSON, HAMMERSCHMIDT, and LIVINGSTON changed their vote from "yea" to "nay."

Mr. MOORHEAD changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to repeal the permanent appropriation of $40 million to the Secretary of Agriculture for the Tongass National Forest, require the Secretary of Agriculture to renegotiate two 50-year timber supply contracts, provide for a 5-year moratorium on commercial timber harvesting in 19 areas within the Tongass National Forest, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on H.R. 1516, the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. FOLEY. Mr. Speaker, I take this time to advise the Members of the schedule for the remainder of the day.

We have almost completed the program, but we will not take up H.R. 3964, to Establish a National Park System Review Board. I am advised by the managers of the bill on both sides that they do not expect the bill to take us late into the evening. I hope we can conclude the bill at an early hour, but there will be the possibility, of course, of votes on either amendments or final passage. I make this announcement so that Members are advised of that.

Tomorrow we will be taking up the drought legislation and will be completing that legislation. Such time as is required to complete that legislation tomorrow will be taken, so Members should be advised of that with respect to the closing hour.

PERMISSION FOR SUBCOMMITTEE ON AVIATION OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT DURING 5-MINUTE RULE ON THURSDAY, JULY 28, 1988

Mr. MINETA. Mr. Speaker, I ask unanimous consent that the Subcommittee on Aviation of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule in the House on Thursday, July 28, 1988.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 1226, PROVIDING SENATE CONFIRMATION OF COMMISSIONER OF FOOD AND DRUG ADMINISTRATION

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1226) to amend the Federal Food, Drug, and Cosmetic Act to require the appointment of the Commissioner of Food and Drugs to be subject to Senate confirmation with a House amendment to the Senate amendment thereto, insist on the House amendment to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ARMEY. Reserving the right to object, Mr. Speaker, it is not clear to me what the gentleman is doing. Could the gentleman give an explanation?

Mr. WAXMAN. Mr. Speaker, if the gentleman will yield, we are taking up a House-passed bill so we can insist on our House-passed amendments. This has been cleared with the gentleman from Illinois [Mr. MADIGAN], the Republican member of the subcommittee.

Mr. ARMEY. Mr. Speaker, would the gentleman mind withholding the request, so we can be sure?

Mr. WAXMAN. I will withhold, but we do have to do this at a time when the Speaker is in the chair.

The SPEAKER. The Chair understands that the gentleman's request is to go to conference?

Mr. WAXMAN. That is correct, Mr. Speaker.

The SPEAKER. The gentleman is asking to go to conference on H.R. 1226, the Food and Drug Administration Act, so that we can consider it in the House on Monday

Is the gentleman from Texas objecting to that?

Mr. WAXMAN. Mr. Speaker, if the gentleman will yield, I assure the gentleman from Texas that the gentleman from Illinois [Mr. MADIGAN] has agreed to this and understands that we would go to conference. This is a bill that would require a Senate confirmation of the Commissioner of the Food and Drug Administration, to which we are asking that the House-passed bill on medical devices be added so that we can go into conference.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for that explanation. It was not clear to me.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. DINGELL, WAXMAN, LELAND, LENT, and MADIGAN.

ESTABLISHING A NATIONAL PARK SYSTEM REVIEW BOARD

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 494 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 494

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3964) to establish a National Park System

Review Board, and for other purposes and the first reading of the bill shall be dispensed with. All points of order against consideration of the bill for failure to comply with the provisions of section 401(b)(1) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to be considered an amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 494 is an open rule providing for the consideration of H.R. 3964, a bill which establishes a National Park System Review Board. The rule provides for 1 hour of general debate to be equally divided and controlled between the chairman and ranking minority member of the Committee on Interior and Insular Affairs and makes in order an amendment in the nature of a substitute which is recommended by the Committee on Interior and Insular Affairs now printed in the bill. The substitute shall be considered for amendment under the 5-minute rule and each section shall be considered as having been read.

All points of order against the bill for failure to comply with section 401(b)(1) of the Congressional Budget Act are waived. Section 401(b)(1) prohibits consideration of any bill providing new entitlement authority which is effective prior to the first day of the fiscal year which begins during the calendar year in which such bill is reported.

H.R. 3964, as introduced, provides new entitlement authority for fiscal year 1988 in the form of salaries for the members of a National Park System Review Board. Since the bill, as introduced, provides that this spending authority is effective prior to fiscal year 1989, the bill would violate section 401(b)(1) of the Budget Act.

It should be noted that the section 401(b)(1) waiver is technical in nature since the substitute made in order by the rule has been amended to remedy the section 401(b)(1) Budget Act violation. A waiver of a point of order is only necessary against the original bill, not the substitute.

Finally, Mr. Speaker, the rule provides for one motion to recommit, with or without instructions.

The National Park Service is responsible for managing the National Park System and insuring that the Nation's parklands are properly maintained. In recent years, NPS' management decisions have become increasingly politicized. In order to assure that decisionmaking is more objective, the Committee on Interior and Insular Affairs introduced H.R. 3964.

H.R. 3964 provides greater autonomy for the National Park Service by removing all administrative and managerial functions involving the park system, historic preservation and recreation programs from the Office of the Secretary and placing them in a new independent authority within the department. The measure provides for a three-member Park Service Review Board to evaluate NPS and the quality of current parks. The bill also provides for a Presidentially appointed director with a fixed term of 5 years who could communicate directly with Congress. Finally, the measure provides that the board would submit its own budget proposals to Congress.

Mr. Speaker, responsible management of the country's park system and parklands is a matter of importance to us all. I urge that we adopt the rule so that we may proceed to consideration of the legislation.

□ 1730

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when the Rules Committee met on this rule, three members representing both sides of the aisle on the Interior Committee appeared and joined in requesting this open rule.

While the rule is routine. I should note that once again it includes a waiver of the Budget Act. The problem is that the original bill provided a new entitlement for compensation for members of the new National Park System Review Board and for the Director of the National Park Service. The new entitlement would be effective before October 1, which means there is a Budget Act violation. While the problem was corrected in the reported version of the bill, the waiver is still included in order to protect the introduced version of the bill.

Mr. Speaker. There is controversy over the provisions of the bill. Thirteen members of the Committee on Interior and Insular Affairs filed dissenting views objecting that creating an independent oversight board and eliminating virtually all authority of the Secretary of the Interior over the National Park System would be unworkable.

They note that while the intent of the legislation is to remove politics from within the National Park Service, the exact opposite could result from enactment of this bill. With Presidential appointment of the director and the board members and Senate confirmation of the director, political involvement in the National Park Service would continue and most likely escalate. There is also the potential for micromanagement by Congress resulting in additional political influence.

Mr. Speaker, the administration has sent a statement noting that if this bill is presented to the President, several of his senior advisers would recommend that he veto the bill. The administration's concern is that this bill's limitation on the President's authority to remove the Director of the National Park Service and the exemption from Presidential review of the Director of the National Park Service, and the exemption from Presidential review of the Director's legislative and budgetary recommendations to Congress, represent an unwise and unconstitutional impairment of the powers of the executive branch.

Mr. Speaker, there are clearly problems with this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I have no requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to House Resolution 494 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3964.

□ 1733

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3964) to establish a National Park System Review Board, and for other purposes, with Mr. LELAND in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 30 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the National Park Service was established by the Congress in 1916 to protect the great national treasures that give substance to our natural and cultural heritage. Over the years the Congress has authorized 341 units of the National Park System, each park nationally significant, and all established in perpetuity. Perpetuity means that the Park Service should manage the park units to protect and preserve the resources so that succeeding generations will have the opportunity to know first hand our natural and cultural heritage.

The Congress has repeatedly reaffirmed that the protection of units of the National Park System should be given the highest priority and has stated, section 1, 1970 Administrative Act, that these lands shall be managed to prevent derogation of the values for which they were created.

Management of natural and cultural resources in the Park System in perpetuity required the development of a highly professional organization that was trained to protect the natural and cultural resources on the basis of reaching objectives in scores or even hundreds of years. The National Park Service is the result of that requirement and carried out the mandate in a highly professional manner during its first 40 to 50 years.

However, as land and resource scarcity has increased so have the pressures of special interest segments of society to take actions detrimental to the basic legislative directives to protect the National Park System. Such actions have polarized opposite reactions from citizen groups and the general public who see park resources being seriously degraded.

The result of these conflicts has been a rapidly escalating process whereby professional resource managers' decisionmaking has been supplanted by political decisionmaking.

Such political interference tends to make decisions based on the short-term need to react to pressure from favored groups or individuals and is rarely looked at in terms of long-term park protection objectives. Such decisionmaking is rarely one reflecting any national policy or goal but involves the minutiae of day to day operations.

Mr. Chairman, even under the best of circumstances, with enough money, enough staff, sufficient legal authority, and professional management free of overt daily political interference, it would be difficult to fully carry out the mandate of Congress to protect the Park System, overuse at Yosemite, water developments and pollution destroying the bird life in the Everglades, oil and gas drilling at the boundary of Glacier, a shopping mall at Manassas, subdivisions at Antietam, and dozens of other problems beset the park management. We need to set the kinds of policy that will help these people do their job and not allow archaic organizational ideas detract from the best solutions.

Let me emphasize national. What we are talking about here are our national treasures, areas we and past Congresses have said are worthy of national protection. Not as an adjunct to increase the value of houses and businesses built next to them; not as a convenient way to hold minerals, timber, forage, or oil and gas until someone wants to use them; not as a Federal land reserve to be sold to the highest bidder for homes or tourist development; and not for multiple use of the resources in the parks. We, the Congress established this National Park System to protect and preserve those resources in perpetuity, not until it was convenient for economic or ideological reasons to find ways to use or destroy those resources.

The first Director of the National Park Service, Stephen Mather, recognized in 1916 that no university programs existed to train the kind of professional he needed. In fact the principles of ecology, scientific land and resource management were only vaguely known and expounded in the broadest concepts by a few writers such as John Muir. Stephen Mather started the process to develop professional park managers and succeeded.

The leadership of the National Park Service from Mather on was provided by dedicated park professionals until the 1960's when a Director was appointed from the staff of the committee to reelect the President. The previous Director of the Park Service had been fired because he tried to protect a park unit from exploitation by a Presidential contributor. In a later administration, the Heritage Conservation and Recreation Service was established, in part, to weaken the role of the Park Service.

In the most recent administration:

Political appointees were substituted for professionals at various levels and at different times including the Deputy Director of the National Park Service.

The Assistant Secretary's Office changed performance ratings of professional employees for political reasons.

The Secretary publicly attacked park personnel at Grand Canyon and threatened formal personnel action all of which was quietly dropped after the Inspector General found no improprieties.

National Park Service personnel appearing before House committees present testimony written by low-level political appointees in the Assistant Secretary's Office that rarely reflects the professional views of the Park Service.

Secretary Hodel designated the Whitaker chamber's "pumpkin patch" as a national historic landmark reversing the decision of the Historic Advisory Council and the National Park Service.

The Director of the National Park Service was excluded from high level meetings by the Assistant Secretary that dealt with coal leasing contiguous with national parks which is part of a deliberate pattern of excluding Park Service views on issues of interest within the Department of the Interior.

The Director of the Park Service has consistently been ordered to give political testimony opposing bills before Congress on such issues as aircraft overflight, Natchez Historic Site, and expansion of the John Muir National Historic Site, in spite of the Director's public statement of support for such legislation. The Director of the Park Service should be free to advocate for Park Service issues and to give professional judgment to the Congress.

On February 8, 1988, EPA published a draft rule in the Federal Register proposing to establish a new PSD—prevention of significant deterioration—increment for nitrogen oxide, and asked for public and agency comments. Deputy Under Secretary of the Interior Becky Norton Dunlop sent official comments to EPA for the Department, without any National Park Service input. The National Park Service, with nearly 25 air quality experts on its staff, is the only agency in the Department which has lands classified as class I for PSD. After National Park Service protest, they were allowed to negotiate a set of comments through the Department. But the National Park Service official comments were "watered down" considerably, eliminating the National Park Service recommendations of a "short-term increment" of less than 1 year because nitrogen oxide effects such as visibility impairment, ozone formation, and acid deposition occur during a period of time much shorter than 1 year; and eliminating the National Park Service recommendation that the baseline date for establishing the major source increment consumption be set in 1980 rather than 1988. The effect is that protection would be considerably less. This is particularly a problem at locations such as Prudhoe Bay whose emissions currently exceed even class II standards. In other words, the Secretary of the Interior would not allow the Director to be an advocate to protect the parks.

The Assistant Secretary's Office forced the resignation of one regional Director and forced the demotion of another for political reasons.

Most recently Secretary Hodel has required an Inspector General investigation into the role of the Director and one other employee of the Park Service because they were meeting with a group to encourage local efforts to provide park and recreation opportunities through privately sponsored "outdoor week," even though such actions by the Park Service are clearly authorized by Public Law 88-29. Secretary Hodel threatened Director Mott with possible criminal charges and advised him and his employees to retain an attorney. The employee, fearing for his job and his freedom has already spent large amounts for an attorney but has yet to be advised of any charges. This is simply the latest example of political harassment of professional employees.

There have been a significant number of unsuccessful attempts, other than those I've listed, to alter congressional directives to protect the units of the Park System, to privatize park units, to eliminate professional leadership and replace it with political appointees, and to eliminate or diminish funding for the National Park System. Many of those attempts failed but, unfortunately, many succeeded; to the detriment of our national parks.

In fact, too many of these attempts have succeeded and it is now clear that political expediency will continue to undermine professional management of the National Park System unless we take some action to reassert a reasonable balance between long-term protection of the national and cultural resources of the Park System and responsiveness to the policy directives expected from any given administration.

I believe that H.R. 3964 does that. The bill does not direct any radical changes. It simply and substantially readjusts the relationship of the Park Service and the Secretary of the Interior. The administration's domestic policy functions and budget control are left with the Secretary but day-to-day policy and operations control are shifted to the Director of the Park Service.

Mr. Chairman, much has been made of a letter from the Justice Department alleging that H.R. 3964 is unconstitutional. The arguments by Justice are the same arguments they used in attempting to strike down the independent counsel law. The Supreme Court overwhelmingly rejected their arguments on that issue and I believe have completely discredited the argument over this bill. However, in an attempt to clarify the allegation by Justice I wish to point out the issues.

In support of a variety of actions since 1981 designed to ensure ultimate Presidential control of decisionmaking in all executive branch agencies, the Reagan administration has consistently challenged the power of the Congress on a variety of issues claiming constitutional authority for the President to absolutely control the actions of all executive branch employees and to require them to be responsible only to the President or his appointees and not to act in accordance with the laws passed by the Congress unless so ordered.

The Congressional Research Service [CRS] has reported on this issue before and issued a report, dated October 18, 1987, which states in the summary:

> This report analyzes and assesses the legal and historical underpinnings of the theory and concludes that Congress's authority to enact legislation directing and controlling administrative decisionmaking has a substantial constitutional basis and that presidential claims of power in this are unjustified.

Assertion by the Justice Department regarding the unconstitutionality of H.R. 3964 is based on these old worn-out and discredited ideas that the President can pick and choose which laws passed by Congress he likes or does not like and then order every employee of the Federal Government to disobey whichever law he does not like.

I think the issue is a clear one of the Executive attempting to reduce the constitutional authority of the legislative branch and leave us not a nation of laws but a nation of Presidential whim.

However, to further clarify the issue I asked CRS American law division for an opinion on this specific Justice Department letter. Let me quote a few of the legal opinions discrediting the Justice view provided to me by CRS:

> (1) Congress can assign a "head of Department" any Executive power not textually reserved to the President in article II.
>
> (2) The "Take Care" clause (used in the Justice letter as the basis of their position) has not been read by the courts to vest absolute power in the President over heads of Departments and other subordinate officials.
>
> (3) In the words of the Supreme Court where a valid duty is imposed upon an executive official by the Congress, "the duty and responsibility grow out of and are subject to the control of the law and not the direction of the President."
>
> (4) Relevant judicial precedent, and the history of Federal administrative practice, appear to accord Congress virtually plenary power over the creation of the structure of the administrative bureaucracy and the power and tenure of the offices and officers who are to carry out the legislative will.
>
> (5) Limiting presidential removal is in the court's words "an appropriate incident", of Congress's power to subject nonpolitical officers "to the control of the law, and not to the direction of the President."
>
> (6) Statutory requirements that Executive Branch officials report directly to the Congress trace their roots to the very first Congress. The legislation establishing the Treasury Department required the Secretary to report to Congress . . .
>
> (7) (In the case of H.R. 3964) the Chief Executive maintains his ability to communicate with the Director with respect to budget matters and proposed legislation and to influence his ultimate views. Moreover, the President's recommendatory duty under article II is not circumscribed in any way by such a provision.
>
> (8) The Director of the National Park Service would clearly appear to be such a nonpolitical officer and H.R. 3964 makes the intent to insulate that office from Presidential control abundantly evident.

Threats of a veto aside, there is clearly no constitutional basis to support the justice letter. In facts this consistent effort to subordinate the role of Congress to legislate direction to the Executive is simply an attempt to override the powers of the Congress and I for one, intend to do everything I can to see that this ill-advised transgression does not succeed.

On another subject, some have argued that independence for the Director to direct the Park Service and the Review Board established by this legislation is not consistent with sound management.

Well, let me make it clear that it is the intent of this legislation that the Director be made responsible for managing the National Park Service. I do not intend that some faceless "political hack" in the White House or OMB or some unknown assistant to the Deputy Assistant Secretary who is accountable to no one and cannot be held responsible for his decisions should continue to direct the National Park Service as is now the case.

I also have concerns with the idea of a totally independent agency and feel that organizational checks are needed to keep such agencies in balance. This bill includes three such checks:

The Presidential appointment and Senate confirmation of the Director;

Retention of the Cabinet policy and budget authority by the Secretary;

And finally the establishment of a watchdog review board.

This three-member review Board would be appointed by the President for fixed terms from the ranks of natural or cultural resource professionals to maintain oversight of the Park Service, public concerns with their actions, and to advise the President and Congress as to their view and recommendations.

Mr. Chairman, "Peer review" groups such as this have long been the backbone of professional and scientific organizations' oversight of actions by their members. It has been used by doctors, lawyers, and universities, among others. It is also paralleled by the business management teams that are now common in industry. I believe it's about time we tried this approach in government and I believe it is essential to the proper management and protection of our National Park System.

Mr. Chairman, I've also heard objections because the Review Board and staff would cost more money. In fact CBO estimates it would cost about $1.5 million per year. What CBO and the critics did not say was that because of the shift in responsibilities from the Secretary's office to the Review Board and the Director a number of highly paid political appointees who now direct the Park Service will not have jobs. No one knows for sure how many such positions would be cut by the next administration—since this legislation can not affect the current administration—but I can easily assume there will be a reduction of six to eight people. As a result of these tradeoffs any additional costs for a more efficient and effective organization will be minimal.

Mr. Chairman, I believe this legislation is a logical and necessary reaction on the part of the Congress to respond to changing circumstances that are adversely affecting the national treasures that we have placed in the care of the National Park Service. The problems are evident, the alternative solutions may be debatable but the need for action by the Congress is without question and I believe that H.R. 3964 is the best solution that we can achieve.

I urge all of my colleagues to support H.R. 3964.

Mr. Chairman, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Chairman, I yield myself 5 minutes.

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Mr. LAGOMARSINO. Mr. Chairman, I rise in opposition to H.R. 3964, to establish a National Park System Review Board. As the ranking member of the Subcommittee on National Parks and Public Lands, I have and will continue to support legislative efforts aimed at improving the National Park Service. However, in spite of the good intentions of the subcommittee chairman, Mr. VENTO, I am always rising to commend him on legislation, I do not feel this bill meets this goal, nor is it in the best interests of the Park Service.

This legislation, in my opinion and that of other Members on both sides of the aisle, goes much too far. It proposes a radical revision in the current management scheme of the Park Service and would, I believe, set a dangerous precedent for other agencies, such as the Forest Service within the Department of Agriculture, or NOAA within the Department of Commerce.

H.R. 3964 would create an independent oversight board and eliminate virtually all Secretarial authority over the Park Service. This would be completely unworkable, as well as unsound management. It is imperative that a Cabinet officer have authority over operating programs within the bureaus under his or her department in order to manage effectively. This also establishes a system of checks and balances which insures accountability. Equally important, the Park Service feels that the Secretarial void created by this proposal would be a political and managerial liability. Yet, this is the management scheme which H.R. 3964 would implement. I fail to see how it could be characterized as beneficial for the Park Service.

Another important point is that the Department of Justice has determined the bill to be unconstitutional due to violation of the separation of powers and infringement on the executive authority of the President. These are serious issues which need to be addressed prior to further action on this bill. However, they failed to receive the necessary attention in committee despite requests on the contrary.

It is also important to note that the Department of the Interior and Park Service Director Mott, who are responsible for the management of the Park Service, strongly oppose H.R. 3964. They do not believe, for good reasons, that management of this nature would work properly and effectively. In addition, I might point out that passage of this bill at this time will result in its implementation by new administration—an administration which has not even had the opportunity to review or comment on this radical change. I believe it is only fair that the upcoming administration—whichever party it might be—is provided with such an opportunity.

Furthermore, enactment of H.R. 3964 will create additional bureaucracy and hence, additional Federal spending. As we all know, new agencies and programs tend to grow larger and larger over the years, resulting in the expenditure of more and more Federal dollars. The Congressional Budget Office has estimated the current costs of H.R. 3964 at $1.5 million per year. I believe there is no question this amount would increase in the future as additional personnel are requested and added to the staff of the review board. Also, there is a strong likelihood that the review board staff would duplicate much of the existing work within the Park Service. This is clearly not cost-effective management, particularly in light of the enormous Federal budget deficits we are attempting to reduce.

Finally, I do not believe this bill is necessary. It proposes a major revision to correct what appear to be only minor problems. In addition, it creates the potential for micromanagement of the Park Service by Congress which I also believe would be detrimental and would establish a dangerous precedent. I feel the present management system for the Park Service represents sound and effective policy. It provides for coordination with other agencies within the Department and the Federal Government, and with the administration. It also provides Congress and the public with ample opportunities to review and revise Park Service programs and budgets. Furthermore, a National Park System Advisory Board is already in existence and has been functioning very well for many years.

In closing, Mr. Chairman, while improvement of the management of the National Park Service is a laudable goal, I believe it could be accomplished through other more responsible and effective means. One such method which I will support when it is offered as a substitute today by the gentleman from Idaho is to require Presidential appointment and Senate confirmation of the Director. However, short of that, I feel the current management system works very well. Therefore, I must oppose H.R. 3964 which proposes major and costly structural reconstruction for what appear to be only minor cracks in the system.

Mr. Chairman, I urge my colleagues to vote against H.R. 3964 and support the Craig substitute as the responsible alternative.

Mr. Chairman, I would point out also that the administration has signaled that there will be a veto on this legislation if it is passed in its present form.

Mr. VENTO. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Chairman, I rise in support of this legislation. I think it is time that we sort of reached out and protected our natural resources in the form of parks.

Members would think a place like Chicago would not have any forests or natural resources, but we do have forest preserves and we have a lakefront, and just east of Chicago in Indiana we have the sand dunes, and these are the kinds of things I would certainly like to be protected, and I think this legislation does it.

To set up a commission that would help us to get reports on the status of these kinds of natural resources, and yes, keep it out of the control of politics, I think is a step in the right direction.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. HAYES of Illinois. I am glad to yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I appreciate the gentleman yielding and his support for the legislation that we have written together.

The fact is that today the gentleman is exactly right, because the Assistant Secretaries who are political appointees are involved on a day-to-day basis.

It is not this legislation that micromanages the Park Service, it is the Assistant Secretaries who refuse to cooperate with the Director, who undermine the Director, who insist on injecting themselves into almost every park unit on a daily basis.

Who elected these appointees? They were appointed because of their rapport with the administration.

The fact is our parks cannot stand that type of management. We need to have the professionals who have been working in these areas, who have been in the Civil Service to come up and who we hire to use their expertise. I think it is time we start listening to these people instead of yo-yoing them up and down every time an administration changes, and finally put that Director in position where he can direct, where he can advocate for these units that are so important to the gentleman's constituency in Illinois and to my constituency in Minnesota.

These are resources that belong to all of the people. It is time that we stop letting special interests through the political process manipulate and damage these important resources.

I very much appreciate the gentleman's help and support here today.

Mr. HAYES of Illinois. I certainly share completely the opinions expressed by the gentleman from Minnesota. I know that we have a responsibility as legislators here to protect the interests of the people who use these parks, use these forest preserves as a means of recreation and that add beauty to our countryside. I think we ought to do what we can, and I think this legislation is a step in that direction. I am wholeheartedly in support of it and the appointment of this Commission.

Mr. LAGOMARSINO. Mr. Chairman, I yield 3 minutes to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. Chairman, I stand in opposition to H.R. 3964 and oppose it for what I think are very sound reasons. I just heard my chairman say a few minutes ago that we had political appointees stepping in and making decisions as it relates to the management of our parks, and yet this evening he proposes a bill to us in which political appointees would in fact manage the Park System in his new approach toward an Advisory Board and a politically appointed Director who serves independent of the executive branch of Government.

Having said that, I find it unique that at a time when we can disagree on management decisions we also find ourselves disagreeing on the management mechanism. After a good long while and decades of running the Park Service under relatively small to little criticism, we stand today in criticism of a management system that has worked very, very well.

Mr. Chairman, this legislation, I have to think, is the worst kind of micromanagement.

H.R. 3964 removes management responsibility of the National Park System from the Department of Interior by making the Park Service an autonomous entity that answers directly to the Congress. The bill would also create a new free-wheeling bureaucracy—a National Park Advisory Board—that would guide the operation of the Park Service. Mr. Chairman, this country does not need a law that creates a new bureaucracy. Furthermore, management of the Park Service by committee will only create problems—not correct any perceived problems. More important, this bill presents serious constitutional problems. By creating a board that answers directly to the Congress, this bill would circumvent the constitutionally mandated separation of the powers.

Good management and the wise expenditure of the dollars that this Congress appropriates is best accomplished by following a cohesive policy that is agreed to by the Congress and the sitting administration. We must not create fiefdoms that are accountable to no one.

The administration has indicated that if this bill is passed in its current form—it will be vetoed. To correct the inherent managerial and constitutional problems of this bill, I intend to offer an amendment that will provide the needed congressional guidance while maintaining managerial responsibilities where they should be—in the Department of the Interior.

I urge my colleagues to reject H.R. 3964, as reported, and approve the amendment that I will offer.

Mr. VENTO. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today to add my support to the bill H.R. 3964, to establish a National Park System Review Board. As a member of the Interior Committee which has jurisdiction over this bill, and as a Member of Congress who has a Park System unit in my home district in Missouri, I feel this bill provides an effective step toward meeting the demands that are being made on our parks, not just for our use today, but also for the increasing demands that future generations will place on our public land.

It was the great Rough Rider, Teddy Roosevelt who said, "to waste, to destroy, our natural resources, to skin, and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them * * *"

I think Teddy Roosevelt was right. And I think we must make efforts to ensure the protection of some of our most valued natural resources—our national parks.

Let me first make clear that my actions today should in no way be misconstrued as displeasure with the current National Park Service. I believe that it is doing a very fine job, and I am in whole-hearted support of the current director, Mr. William Mott and his staff, with whom I have had the pleasure of working on numerous projects. I have found the Park Service to be very helpful, efficient, knowledgeable, and effective. In fact, should this bill be passed, I would wish Mr. Mott be appointed and confirmed as the next head of the National Park Service.

Thus, my support for this bill comes from my desire to see Park Service duties continue to be carried out in a highly professional manner, with greater autonomy. We are nearing a time when national parks will come under increasing pressure and we need to be ready with the best resource management plans we can provide. I am of the notion that the sum is only as good as the parts, and if we can take steps to make the Park Service an even better component, we will find ourselves with a more efficient and effective Federal Government as a whole. This is a goal I think we can all support. I would not extend the principle of this bill to other public lands, but I do believe our national parks are unique and should be far removed from cursory temptations. The National Park Service serves all Americans, and all Americans will reap the benefits for the great work provided by the National Park Service for generations to come. The added safeguards and continuity of personnel that this bill would provide will be very valuable to us all as our Nation demands more from our national parks. This bill, H.R. 3964 would continue to keep the Director of the Park Service as a Presidential appointee, while making the term of service a fixed, 5-year term, and requiring Senate confirmation of the Director. The bill also transfers all aspects of park management—administration of the Park System, historic preservation, and recreation from the Secretary of the Interior to the Director of the Park Service—a very logical change it seems to me. It is only right that the Park Director have jurisdiction over management aspects related to park activities.

The bill would also establish a Park System Review Board of three people to evaluate existing units in the park system, analyze the system's budget and other needs, and recommend new acquisitions. I believe that this review board would provide fresh insight into our National Park System, and provide input that could be very useful in resolving some of the problems and conflicts within the Park System.

Take for example, the very current issue regarding the Manassas National Battlefield Park in Virginia. I believe that the provisions contained in this bill might have enabled us to avoid the highly publicized controversy which we now find ourselves caught in the middle of, over whether a small tract of privately owned land should be added to the park, or continue to be developed into part of a larger shopping mall. Had there been a peer review board looking into the historical value of the entire national park site when land acquisition was taking place for the battlefield many years ago, addition of the small parcel that is now drawing so much attention may have been brought up for consideration and resolved when other additions to the battlefield site were being discussed in Congress.

I urge my colleagues to join with me in supporting this legislation.

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Mr. LAGOMARSINO. Mr. Chairman, I yield 2 minutes to the gentlewoman from Nevada [Mrs. Vucanovich].

Mrs. VUCANOVICH. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in opposition to H.R. 3964, a bill which would completely reorganize the National Park Service.

This bill would do a number of things I disagree with. It would create an independent review board for park management; it would virtually remove policy and budgetary decisions from the Secretary; and I believe, if passed, would create an administrative nightmare. As you know, it would also provide for Presidential appointment and Senate confirmation of the Director—and I do agree with that. It would designate a service term of 5 years for the Director—which I do not support. I firmly believe each President should have the right to appoint the Director of his or her choice.

Mr. Chairman, I also rise today in strong support of the substitute to be offered by my colleague from Idaho, [Mr. Craig]. His substitute would not change the organization of the National Park Service or remove it from the Interior Department. What it would do is make the position of Director a Presidential appointment to be confirmed by the Senate. It also requires that the Director must have experience in natural and cultural resources and recreation management. The Director of the National Park Service plays a vital role in the management of our public lands and it is reasonable and appropriate that that person be a Presidential appointee.

The Park Service is an extremely important agency in our Federal Government. It is charged with the responsibility of being the caretaker of our most prized national treasures. I am proud to represent the State which has the newest addition to the national park system, the Great Basin National Park, and I want to be sure any changes we make in the Park Service organization are in the best interest of our national parks. I believe the Craig substitute is in the best interest of our national parks and that H.R. 3964, as proposed, is not in the best interest of our parks.

Mr. Chairman, the Craig substitute is a good one, and I urge this body to adopt it.

Mr. VENTO. Mr. Chairman, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Herger].

Mr. HERGER. Mr. Chairman, I rise in strong opposition to H.R. 3964, and in support of the substitute offered by my colleague, the gentleman from Idaho.

I believe the substitute addresses the issues which motivated this legislation much more effectively and economically. The substitute would require Senate confirmation of the Director of the National Park Service, and would also require that the occupant of this position have experience in the management of natural and cultural resources.

Mr. Chairman, we do not need to create another layer of bureaucracy to achieve these objectives. We do not need to create a 3-member board, to be served by an 18-member professional staff, as well as ever further staff detailed from other Federal agencies.

This legislation would also remove the National Park Service from the responsibilities of the Secretary of the Interior, thus depriving the Park Service of Cabinet-level representation.

Mr. Chairman, two heads are not always better than one. In this case, four heads, only three of which will have any real power, are certainly worse than one. This bill leaves us with a Director of the National Park Service unable to direct anything, while empowering three people to do a job now performed by only one.

Enacting this change could forever disrupt the management of our national parks, and establish an embryonic bureaucracy that will grow and grow and grow. With a $148 billion Federal budget deficit last year, we cannot afford to continue expanding the Federal bureaucracy by duplicating functions which are being satisfactorily performed by people already on the public payroll. I urge the adoption of the substitute.

Mr. VENTO. Mr. Chairman, I yield 6 minutes to the gentleman from California [Mr. Lehman].

Mr. LEHMAN of California. Mr. Chairman I rise in strong support of H.R. 3964, a bill to strengthen and depoliticize the National Park Service. I want to commend my subcommittee chairman, Bruce Vento for his authorship of this legislation and his overall leadership in national park issues before the Congress. Let me briefly outline the key features of H.R. 3964 as I see them.

First, H.R. 3964 elevates the Director of the National Park Service to a Presidential appointee with Senate ratification who will serve for 5 years and who may be removed only for cause.

Second, H.R. 3964 requires the Director of the National Park Service to be knowledgeable in natural and cultural resources.

Third, H.R. 3964 transfers authority for park administration—except for budget and legal reviews—from the Secretary of the Interior to the Director of the National Park Service.

Fourth, H.R. 3964 establishes a National Park System Review Board whose primary purpose is to provide the President and the Congress with annual, independent reports on the national park system and its budgetary needs.

H.R. 3964 reaffirms the original principles set forth in the National Park Organic Act of 1916. This act declared unequivocally that the purpose of the National Park System is to: "conserve the scenery and the natural and historic objects and the wildlife therein and to provide for the enjoyment of the same in such manner * * * as will leave them unimpaired for the enjoyment of future generations."

Unfortunately, under our current division of authority for our national parks, political expediency can override professional judgment. This occurs because the Secretary of the Interior holds the reins of the National Park Service. Although the present administration has demonstrated less concern for "conserving the scenery" in our national parks than any administration in recent memory, the politicization of National Park Service is institutional and under existing law could reoccur at any time, under any administration. Why? Because the Secretary of the Interior is a multihatted administrator. He is the chief miner. He is the chief oil driller. He is the chief grazer. He is the chief water developer. And in addition to all of this, the Secretary of the Interior is the chief park ranger. Because the majority of public lands under the Secretary of the Interior are multiple use, conflict is inevitable when the multiple-use manager tries to wear his single purpose hat as chief manager of 80 million acres of the national park system.

The gentleman from Minnesota has carefully crafted a bill to restore independence and professionalism to the

National Park Service while diminishing the conflicts of management faced by Secretaries of the Interior. Management and personal decisions in the National Park Service must be made by directors of the National Park Service. Independent budget and policy recommendations should come from the National Park Service Review Boards. And ultimately, final budget requests and legal authority will still reside with Secretaries of the Interior.

Our national park system represents the very best of our American landscape. Our national parks are repositories of our history, our culture, and our natural environment. If we neglect our national parks, we will have devalued our history and destroyed our legacy. And in the present, our national parks in 49 States and the District of Columbia may well be the most direct contact many American families will ever have with the Federal Government. Over the last 10 years, visitors to our national parks have increased by 30 percent. Yet, since 1980 the budget for the National Park Service has declined by some $340 million after inflation.

The General Accounting Office suggests that our national parks are in disrepair. Campgrounds, roads, trails, visitor centers and employee housing have deteriorated. The National Park Service reports a $1.5 billion backlog in priority construction repairs. A de facto moratorium on land acquisition in the parks is put forth every year by the Department of the Interior and historic preservation and State park grants are routinely zeroed out by the administration. Personnel ratings of career Park Service employees are downgraded by political appointees in the Department of the Interior. Day-to-day management decisions such as commercial overflights of the Grand Canyon or ORV use at a national seashore are assumed by Interior Department officials.

Congress must act now to rescue the national parks from the political expediency of this or any other administration. The national park system is special, it is unique. The mission of the National Park Service is historic. It is national and international. If we supply our Park Service employees with the tools, they will supply us with the vision to "conserve the scenery" in the parks and "leave them unimpaired for the enjoyment of future generations." I urge my colleagues to vote "yes" on H.R. 3964.

Mr. LAGOMARSINO. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Chairman, H.R. 3964 would establish what amounts to a meddling, micromanaging, second-guessing, watchdog bureaucracy between the Director of the National Park Service and the Assistant Secretary for Fish and Wildlife in the Department of the Interior. This is absolutely the wrong way to address any perceived or for real concerns regarding what the bill's proponents call "political interference * * * and destructive meddling" within the administration.

If we do this today, we may as well create similar "review commissions" within each Cabinet department. Why just the National Park Service in the Department of the Interior? Why not the Forest Service in the Department of Agriculture as well? Why not the Justice Department; the Department of Education; or the Department of Labor? Surely the proponents of this legislation believe there is political interference and destructive meddling in those departments as well, at least unless their political party gains control of the administration. Then everything will be pure as the driven snow no doubt, and all wrongs will be righted.

The fact is this review commission is not necessary. All that need be done is for the appropriate committees of the Congress to better fulfill their oversight responsibilities. If the committees believe administration witnesses are gagged by senior department Secretaries, all the committees need do is to summon lower level park superintendents or park rangers, to get the "real" unfiltered and unsanitized information they seek.

The fact is, the National Parks and Public Lands Subcommittee did just that yesterday, when it summoned six forest rangers to testify on National Forest Service wilderness management policies. The purpose was to get to the "truth" as the subcommittee sees it, and to counter the so-called sanitized administration testimony. That's fine. It helps to provide a full and complete hearing record on which future policy decisions—which are set by the Congress—can be developed. We don't need a massive bureaucratic review commission to accomplish the job the House should be doing in the first place.

I certainly oppose the bill as presented to the House. However, I do support the substitute amendment that will be offered by Mr. CRAIG, which would make the Director of the National Park Service a professional appointment, with the nomination from the President subject to Senate confirmation. That approach, combined with better congressional oversight, will properly address any problems that may exist, now or in the future.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, the gentleman would share with me the fact that we have a full work schedule in, at least, my subcommittee, during the past year and this year. The gentleman has been a good participant and I appreciate that.

But it is precisely the type of testimony that we had yesterday from the National Forest Service that frankly we cannot get from the National Park Service.

□ 1815

Those wilderness rangers that came and testified to us and gave that straight-from-the-shoulder type testimony is what we have been denied in the National Park Service. I know the gentleman disagrees with my legislation, but it is my hope that this would be possible, that we would have those professionals be able to communicate. But time and again we found that even the Director himself, while he privately supports measures, publicly has been forced by the Secretary and others to actually come before the committee and oppose the legislation and many of the measures.

Mr. RHODES. Mr. Chairman, my time has expired, and I cannot respond fully, but I would like to say that yes, the gentleman does maintain a very heavy work schedule.

Mr. VENTO. Mr. Chairman, I have no further requests for time.

Mr. LAGOMARSINO. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, it seems to me that although certainly there is always room for improvement and while I think that the idea of having Senate confirmation would help a great deal, and perhaps the chairman of the subcommittee can take credit for that because he started the process to do that, it seems to me that what we need with many of the problems we are facing with regard to land management in many of the national parks is better coordination.

I think we are going in exactly the opposite direction as we shrink the interests of the people making these decisions, taking it away from the Department of the Interior that contains other agencies that have to cooperate, it seems to me, if we are going to have the proper kind of coordination with our land policies.

I would like to read the statement of the administration policy with respect to this bill. The statement is as follows:

> If H.R. 3964 is presented to the President, the Secretary of the Department of the Interior, the Attorney General, and the Director of the Office of Management and Budget would recommend that he veto the bill. This bill's limitation on the President's authority to remove the Director of the National Park Service, and the exemption from Presidential review of the Director's legislative and budgetary recommendations to Congress, represent an unwise and unconstitutional impairment of the unitary powers of the Executive branch.

Mr. Chairman, I yield back the balance of my time.

Mr. VENTO. Mr. Chairman, I yield myself such time as I may consume, and I will yield to other Members. I do not mean to take unfair advantage of my colleagues here.

However, I do want to point out that in the statement of the President or in the statement of the administration officials, it sounds like they are even opposed to the confirmation of the Director.

The fact is that this legislation would do a number of things, very simply. The review board that is created here would not run the Park Service. They would provide advice to both the Congress and to the administration. The Director would, of course, receive Senate confirmation, but substantial powers within the department would be transferred to him, other than the budgetary responsibilities, those that directly relate to the professional operation and the protection of our parks.

The fact is that not all public lands are equal. We have set these parks up as being special, as being our crown jewels. We cannot permit those crown jewels to be turned into rhinestones by mismanagement and by the actions of political appointees, whether they be Democratic political appointees or Republican.

Finally, in conclusion, I would like to point out what the legislation does. It provides that this would be within the Department of the Interior, obviously with greater autonomy, with greater independence, but with less or, hopefully, no political interference.

Mr. CRAIG. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I am happy to yield to my colleague, the gentleman from Idaho.

Mr. CRAIG. Mr. Chairman, my only comment is that tonight that beautiful crown jewel known as Yellowstone Park is in fact a smokey rhinestone because of an attitude of management that is displayed not just by this administration but others that says, "Let Mother Nature do her thing." Tonight she burns it bare.

Mr. VENTO. Mr. Chairman, I think the gentleman goes on to make a point. I do not think this legislation controls forest fires or the existing type of administrative structure. Obviously our management techniques are not the subject of debate. What we do not need is political interference; what we need is scientists and professionals in the department, and we should permit them to do their jobs. That is what the Vento legislation does.

Mr. Chairman, I hope my colleagues will vote the legislation up and vote against the amendments offered to it.

Mr. GREEN. Mr. Chairman, I rise today to explain my opposition to H.R. 3964.

I do not disagree with the bill's desire to protect this Nation's park system. Without a doubt, our environment is our most treasured resource.

But one does not improve management of our national parks by destroying accountability for the quality of their management. H.R. 3964 would reorganize the National Park Service by creating an independent board that would transfer all current functions and authorities relating to the park system from the Secretary of the Interior to the director of the board, who would not be subject to removal by the President. Decentralizing management authority from a Cabinet officer is not only poor management, it has the potential of creating more delays in important environmental decisions. It makes it impossible for the American people to hold an administration accountable for what happens in our national parks.

That is unacceptable. Isolating the administration from the actions of the Park Service is not the proper way to deal with the problems of our national parks. A better way must be found.

Mr. VENTO. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill is considered as an original bill for the purpose of amendment, and each section is considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NATIONAL PARK SYSTEM REVIEW BOARD.

(a) ESTABLISHMENT AND FUNCTIONS.—There is hereby established a National Park System Review Board (hereinafter in this Act referred to as the "Board"). The Board shall maintain a continuing review of programs and activities of the National Park Service and of existing and proposed national park system units. The Board shall transmit to the President and to each House of the Congress an annual report containing the results of its review, together with any recommendations for the management of the National Park System or any proposed additions to such system, as it considers appropriate. Concurrently with the submission of the annual budget of the United States by the President, the Board shall submit to the President and to the Congress budget recommendations for the National Park Service and for the Board. Notwithstanding any other provision of law or any rule, regulation, or policy directive, the Board shall transmit such annual report and budget recommendations, and provide any other information on the request of any committee or subcommittee of Congress, by report, testimony, or otherwise without review, clearance, or approval by any other administrative authority except to the extent that the Board may deem such review, clearance, or approval appropriate.

(b) MEMBERSHIP AND TERMS OF OFFICE.—The President shall appoint members of the board from among persons who, because of education or experience, are considered knowledgeable regarding policy issues affecting the natural or cultural resources of the Nation. The Board shall consist of 3 members serving for terms of 4 years, except that the terms of the members first taking office shall expire (as designated by the President at the time of appointment) as follows: one member after 1 year, one member after 3 years, and one member after 5 years. Members of the board may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office. Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

(c) ADMINISTRATIVE PROVISIONS.—The Board shall elect a Chairman from among its members. A majority of the Board serving at any one time shall constitute a quorum for the transaction of business. The Board shall have an official seal, which shall be judicially noticed. The Board shall meet at the call of the Chairman. Any member of the Board may, with the authorization of the Chairman, conduct public meetings. There shall be at least 6 meetings of the Board each year. In carrying out its functions, the Board may adopt bylaws, rules, and regulations necessary for the administration of its functions and may, subject to the amounts provided in an appropriation Act, contract for any necessary services.

(d) PUBLIC MEETINGS; PUBLIC COMMENT.—All meetings of the Board shall be open to the public and the Board shall solicit, and review, public comments on all recommendations to be made by the Board.

(e) COMPENSATION.—Members of the Board shall each be paid annual compensation at a rate not to exceed the highest rate of basic pay payable for level V of the Executive Schedule. While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(f) STAFF; EXPERTS AND CONSULTANTS.—The Board may appoint and fix the pay of such personnel as it considers appropriate, including at least a chief of staff, a secretary to the Board, a legal counsel, 5 investigators, and 10 support staff. The staff shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. The Board may procure temporary and intermittent services under section 3109(b) of the United States Code, but at rates for indviduals not to exceed basic pay payable for GS-13 of the General Schedule. Upon request of the Board, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Board to assist the Board in carrying out its duties of this Act.

(g) OBTAINING DATA.—Notwithstanding sections 552 through 552b of title of the United States Code, the Board may secure directly from the National Park Service information necessary to enable it to carry out this Act. Upon request of the Chairman of the Board, the Director of the National Park Service shall furnish such information to the Board.

(h) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Board on a reimbursable basis such administrative support services as the Board may request. The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. CRAIG

Mr. CRAIG. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. CRAIG: Strike all after the enacting clause and insert in lieu thereof: "That there shall be within the Department of the Interior, a National Park Service headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall have a broad background and substantial experience and knowledge in the management of natural and cultural resources and recreation."

Mr. CRAIG. Mr. Chairman, the Members of the House have heard read to them the entirety of my amendment. It is in the form of a substitute, it would strike the whole of H.R. 3964, and it would do exactly as it has just been read. It would allow the Director of the National Park Service to be appointed by the President, and that appointment to be with the advice and consent of the Senate.

This approach is not a precedent. We know that many of the areas of our Federal Government, including agencies, their directors and management, are selected and dealt with in this way. A prime example within the Department of the Interior is the Director of the BLM appointed by the President with the advice and consent of the Senate.

The Members have heard the whole debate on H.R. 3964, and I am one of those Members who has concluded that we do need a massive and major restructuring of the park management, and that we most certainly need not take it out from under the Department of the Interior and the general oversight that has been provided by the Interior Committee and certainly by the Congress of the United States.

I think that the amendment I have proposed is straightforward and simple. It does not remove the argument of politics, because I am convinced that we cannot remove the argument of politics. It does accept the current management, but it says that management should be responsible to the President of the United States, and it does bring in an overview. That, of course, is the advice and the consent of the Senate in the approval of that appointment.

The chairman of the subcommittee said earlier that the administration and the Department of the Interior opposed or did not necessarily support my substitute amendment. I would like to read a letter that was sent to our minority leader, the gentleman from Illinois, Mr. BOB MICHEL, from the Secretary of the Interior, Don Hodel. The text of the letter is as follows:

THE SECRETARY OF THE INTERIOR,
Washington, July 26, 1988.

Hon. ROBERT H. MICHEL,
Minority Leader, House of Representatives,
Washington, DC.

DEAR MR. MICHEL: This letter is to present the Department's support for the Craig amendment to H.R. 3964, the National Park System Review Board, which Representative Larry Craig intends to offer on the floor July 27, when the House considers H.R. 3964. The Craig amendment would change H.R. 3964 to require only that the Director of the National Park Service (NPS) be appointed by the President with the advice and consent of the Senate. This is a far better alternative than the current version of H.R. 3964.

As reported, H.R. 3964 provides that the National Park Service would fall under an independent review board and basically be removed from Secretarial review with regard to policy and budgetary decisions. In addition, the NPS Director would be appointed by the President and confirmed by the Senate for a term of five years. While we support the concept of Senate confirmation, we do not support such an appointment for a term of five years. We believe each President has the right to his or her own political appointments.

Without change, H.R. 3964 sets up a system which is unworkable and against the interests of both the Park Service and sound Government administration. Should the Congress adopt H.R. 3964 without change, I will have to recommend that the President veto it.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the Administration's standpoint, and that enactment of H.R. 3964 in its current form would not be in accord with the President's program.

Sincerely,

DONALD PAUL HODEL.

Mr. Chairman, I think it is quite clear where the administration stands and certainly where most of the minority members of the Committee on Interior and Insular Affairs stand on this issue. We believe that this Congress does have responsibility over the Park Service in an oversight way and certainly in a budgetary way, but we have always believed that it is the right and the responsibility of the administration in power to have substantial say over the management of the park systems of this country, together with the Secretary of the Interior and the Director of the Park Service. All we are suggesting by this substitute this evening is that we bring the Park Service current with other agencies and bureaus of the Federal Government to derive some greater strengths for the Director of Parks, certainly with the advice and consent of the Senate.

So there is substantial change in what I suggest this evening with the substitute amendment, because we do elevate the Director of the parks to a different status that he or she currently would hold, and that gives them greater authority in voicing the particular direction that the professional staffs of the Park Service in concert with the Director would propose to the Secretary of the Interior or, for that matter, to the subcommittee or the full committee on which I serve, the Committee on Interior and Insular Affairs.

Mr. Chairman, I think this is an important amendment, one that does assist in changing some of the direction of the Park Service in a way that I think most of the Members of this House could agree with. It is not political. It serves any administration that would be in power. Most importantly, it would serve the longstanding professional cadre of employees that exist within the National Park Service, and it would protect the marvelous system we have devised through the Park Service of this country. I believe this is an important amendment.

Mr. VENTO. Mr. Chairman, I, of course, rise in opposition to the amendment.

This amendment does great damage to the bill. This would provide cosmetic change, and we could all say we did something, but the net effect would be that the existing regime, in terms of structure within the Department of the Interior, would be intact. I would just remind my colleagues that what that means is that it preserves the power for the political appointees.

It is not just the matter of appointing a Director every 4 years, that every President has the right to appoint a Director as his political appointee, which may or may not be in the best interest of the parks, I might add, but it is the Assistant Secretary's, and the other people in the Department of the Interior, not even the Secretary himself, that then continue to undercut or to undermine the Director.

This amendment does not transfer the responsibilities and powers to the Director and give him the charge of directing our national parks. It continues the type of atrophied management that exists today where there is really basically a situation where everyone is in charge of the national parks, but then nobody is in charge. When every land management agency within the Department of the Interior is put in an equal footing with the public mainlands, the BLM, the Fish and Wildlife Service, and the park system, and everything is treated equally, then nothing is special.

We have said repeatedly under the Organic Act of 1916 and under modifications to the act since then that we think parks are special, that they are crown jewels. They are the areas that preserve our national heritage, our cultural heritage, and we want them indeed preserved.

This, of course, deletes the review board, and I want to point out that the review board only has the power of knowledge, the power of information, the power to gather information on an annual basis. On a regular basis, on a day-to-day basis, and to bring that knowledge and that scientific information and background to the U.S. Congress to make its case and to bring that information to the administration.

That is the power of the review board, to stand in review, to stand as a counterbalance to whatever independence we give to the Secretary of the Interior and whatever independence we give to the Director of the National Park Service. That is the power we are providing, the power of knowledge, the power of know-how in this particular instance, the power to provide continuity.

Our parks need continuity. We do not need every 4 years a new political appointee. What we need is someone who will provide the type of continuity and constancy and certainty to carry forth the mission and the mandate to protect these resources.

For that reason, Mr. Chairman, I rise, of course, in strong opposition to this amendment, which, I think, represents a cosmetic change. It is not enough. We cannot buy out cheap.

☐ 1830

It is too important to accept an amendment that simply provides some window dressing in terms of park reform. We need real reform. The Vento legislation, the legislation that exists now, is a reasonable step. It keeps it within the Department of the Interior. It is a model really in terms of how some of our agencies that need independence could have the independence and still retain or remain within a particular department or agency because we deal with the essence of the political problems. We deal with the essence of the management problems in this legislation.

Mr. Chairman, I hold it up as an example, and it has been held, in fact, as an example by other experts that are looking at administrative structures within this Government and within other governments, and I strongly oppose the Craig amendment, and I hope that we defeat it here today.

Mr. CRAIG. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from Idaho, my friend.

Mr. CRAIG. Mr. Chairman, I can only make a simple observation. I was curious that my amendment was basically half of the gentleman from Minnesota's approach, and yet he roundly condemns mine as being the wrong way to do it, and yet it is half of what he does. I find that curious.

Mr. VENTO. Mr. Chairman, reclaiming my time, this is half. This is one step when we got a mile to go, and we have got a lot more steps to go if we want to preserve the National Park System as opposed to just providing an excuse for reform.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by my colleague from Idaho, Mr. Craig. I believe that this substitute is a much more rational and effective approach toward improving the management of the National Park Service.

We are all cognizant of the fact that the National Park System has grown tremendously since its establishment in 1916. We now have approximately 341 units within the System which are extremely diverse in nature. As the Parks System has increased in size, so has the responsibility and the complexity in managing these areas. The Director of the National Park System is now faced with a myriad of difficult decisions, ranging from administration to use conflicts within the parks. I might add that the present director, William Penn Mott, Jr., has done an excellent job in this position.

The Craig amendment would recognize and accommodate this increasing responsibility by elevating the position of the Director through the requirement of Presidential appointment and Senate confirmation. This revision would conform the appointment of the Park Service Director with that of the Directors of the Bureau of Land Management and the Fish and Wildlife Service within the Department of the Interior. In addition, the amendment requires the Director to have a background of experience and knowledge in the management of natural and cultural resources and recreation. These requirements will insure that all future directors possess the qualifications needed to properly manage the outstanding resources within our National Park System.

These changes are certainly appropriate and a preferable means than H.R. 3964 to accomplish the objective of improving the management of the National Park Service. Therefore, I urge my colleagues to approve the Craig amendment.

Mr. VENTO. Mr. Chairman, will the gentleman yield on that point?

Mr. LAGOMARSINO. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I contemplated that, but I thought this year being an election year there really should not be any vested interest in terms of political appointees. Obviously in January we are back to a different problem. Then someone has the opportunity for 4 years to put their political appointees in, and I think we have a new problem.

I would just say, if the gentleman will continue to yield, that I want to certainly recognize the outstanding work of the director we have today, and it is really such articles as I picked up from the Washington Post here where the Director and, of course, the Interior Secretary are having their disagreements to the point where there is legal action threatened against the Secretary that concern me, and I will put this in the Record.

[From the Washington Post, July 12, 1988]

Hodel Probes Park Service Officials

(By Jack Anderson and Joseph Spear)

There is no love lost between Interior Secretary Donald Hodel and National Park Service Director William Penn Mott Jr. Now, Hodel has initiated what appears to be a politically motivated investigation of Mott and his special assistant, Loren Fraser, because they are helping a private committee promote a celebration of the great outdoors.

In the tradition of Reagan appointees to the top Interior job, Hodel is prodevelopment. Mott is a conservationist with a career in parks protection spanning more than half a century.

The current tiff between the two centers on the "National Celebration of the Outdoors." Interior Department correspondence we have obtained indicates that the department's inspector general is investigating the involvement of Mott and Fraser.

Mott is on the organizing committee for the celebration with people such as newsman Walter Cronkite and Garden Club of America President Jane Ward—hardly a group of subversives.

But the organization is a minor embarrassment to the Reagan administration. Conservationists and parks advocates organized the program privately after the administration didn't take to heart the recommendations of a presidential committee on outdoor recreation.

Sources close to the probe said Hodel appears to be on a fishing expedition. No allegations or charges have been made.

The only clue about the subject of the investigation is contained in a memo sent May 10 from the Interior Department legal office to Mott and Fraser advising them to stop work with the committee until the investigation is completed. The memo also suggested that Mott and Fraser get themselves a lawyer.

Our reporter, Dawn Larsen, talked to half a dozen park and recreation leaders who are baffled by the probe and see nothing illegal or unethical about Mott's or Fraser's activities. The 79-year-old Mott has close ties to Reagan from the time that he served as director of California State Parks and Recreation under then-Gov. Reagan.

Mott and Fraser are not commenting about the investigation, but George J. Berklacy, public affairs director for the Park Service, said Mott has not hired a lawyer. Fraser's lawyer, Lawrence Speiser, called the investigation "outrageous, unwarranted and without basis."

The problems with the National Celebration of the Outdoors began years before its inception. In 1985, a presidential commission was organized to assess America's outdoor recreation needs. Some Democrats dismissed the commission as an attempt by Reagan to whitewash his environmental record. The commission, however, recommended extensive and expensive changes.

When little was done to implement the suggestions, more than a dozen park and recreation leaders and conservationists decided to organize the national celebration. They designated one week in May 1989 for local groups to plan activities and meetings focusing on the outdoors.

A spokesman for Hodel rejected the speculation that the resulting investigation is politically motivated. "Someone is suspicious of everything [Hodel] does. It goes with the territory," he said.

I am sure the gentleman from California is aware of that. I think that we have got a problem. We should be able to come together. This is not a partisan matter. It is one that would affect equally Democrats and Republicans, and I just think we ought to go the entire direction, and I respect the gentleman and his cooperation.

Mr. LAGOMARSINO. Mr. Chairman, I merely would point out, as I already have, that the Secretary of the Interior is opposed, as is the administration, to this bill. They support the resolution, and the Director, Mr. Mott, who we have all commented on here this afternoon, is opposed to the legislation as well.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when the National Park System was authorized by Congress almost three-quarters of a century ago now, it was done so to assure that degradation of these wonderful lands would not be allowed and that the resources would be held pretty much as they were then, in perpetuity, and of course the National Park System was required to continue to manage the parks to the benefit, and use and enjoyment of the American people.

In other words, my colleagues, the mandate for the National Park System and the requirement of the American people with regard to the parks are about the same thing, and that is that folks say they would like the parks left about the way they are. That is how we can prevent degradation, and that is how we can best enjoy the parks.

Let us pretty much leave them alone. I tend to be resistant to legislation that does not leave the parks alone, but I do think that this House has to come to grips with something, and that is that although the parks, if we are careful in our management of them do not change much, politics in America does change. And politics in America in these past 72 years since the establishment of a National Park System has changed.

Let us take, for example, the great fires that, as we debate this issue, are raging through the first national park, Yellowstone. There will be before this week is out, I will bet, pressure on the Park Service from both public and private sectors to fight the fires in different ways than they are doing. There are 3,000 firefighters now in Yellowstone, and I am sure that the superintendent of Yellowstone, the Secretary of the Interior and the Director of the National Park System are all under great pressure to have those 3,000 firefighters fight the fire in different ways. Some want fires put out so that people can better enjoy that park. Others say that lightning is a natural cause so we should be careful that the fire does not get away, but let us let it burn out, at least some of the area because it is nature's way.

In other words, Mr. Chairman, we are trying to let the park be, but there will be before this week is out political pressure brought to bear on the parks, and what the chairman is trying to do is to let the parks be by avoiding, as best we can, inappropriate political pressure.

I have looked closely at the legislation because I share geographically some proprietary interest in the great park called Yellowstone with the gentleman who has offered this amendment. I have another national park in Montana called Glacier.

Now I have looked at this legislation pretty carefully, and I want to commend the committee and commend the gentleman from Minnesota [Mr. VENTO] for having drafted this legislation in a way that I believe will appropriately buffer the managers of the Park System against the changing vagaries of American politics so that hopefully they can follow both the letter of the law and the insistence of the American people to leave the parks in their natural state. Let them be. Leave them alone. Prevent degradation of them and still allow them to be used for the benefit, use and enjoyment of the American people.

Mr. Chairman, I really think that is what the committee, and its chairman and its subcommittee has done in this instance, so although I am reluctant to oppose the gentleman from Idaho [Mr. CRAIG], my friend and neighbor, in his amendment, I find that the bill that the committee has presented to the floor is superior to the gentleman's amendment, and I urge the defeat of the gentleman from Idaho's amendment.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Idaho [Mr. CRAIG].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CRAIG. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 145, noes 231, not voting 55, as follows:

[Roll No. 244]

AYES—145

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bilirakis
Bliley
Boehlert
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Clinger
Coble
Coleman (MO)
Coughlin
Craig
Crane
Dannemeyer
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
LaFalce
Lagomarsino
Latta
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McCrery
McDade
McEwen
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Porter
Pursell
Quillen
Regula
Rhodes
Ridge
Roberts
Rogers
Roth
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skaggs
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swindall
Taylor
Thomas (CA)
Udall
Upton
Vucanovich
Walker
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—231

Ackerman
Akaka
Anderson
Andrews
Annunzio
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Clarke
Clay
Clement
Coelho
Coleman (TX)
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Eckart
Edwards (CA)
Emerson
English
Erdreich
Evans
Fazio
Feighan
Flake
Florio
Foglietta
Foley
Ford (MI)
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Grant
Gregg
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd

Lowry (WA)
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Miller (CA)
Mineta
Moakley
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price
Rahall
Ravenel
Ray
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (GA)
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Slattery
Slaughter (NY)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stokes
Studds
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—55

Alexander
Anthony
Applegate
Bentley
Biaggi
Bonker
Boulter
Broomfield
Brown (CA)
Carper
Chappell
Cheney
Coats
Collins
Combest
Conte
Daub
Derrick
Dymally
Early
Espy
Fascell
Flippo
Ford (TN)
Frank
Frost
Gekas
Glickman
Gray (IL)
Gray (PA)
Hawkins
Kemp
Lent
Mack
MacKay
Madigan
Mavroules
McGrath
Mica
Mollohan
Oakar
Owens (NY)
Petri
Rangel
Rowland (CT)
Roybal
Skelton
Smith (FL)
Smith (NJ)
Smith, Denny (OR)
Spence
Stark
Vander Jagt
Weber
Wilson

☐ 1900

The Clerk announced the following pairs:

On this vote:

Mr. Boulter for, with Mr. Gray of Illinois against.

Mr. Denny Smith for, with Mr. Dymally against.

Mr. Combest for, with Mrs. Collins against.

Mr. BORSKI changed his vote from "aye" to "no."

Mr. LaFALCE changed his vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The **CHAIRMAN.** Are there other amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. NATIONAL PARK SERVICE.

(a) Director of National Park Service.—There shall be within the Department of the Interior, a National Park Service headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, from among persons qualified, by training and experience and by demonstrated ability, to administer, protect, and preserve the natural and cultural resources of the United States. The Director shall be paid at a rate not to exceed the rate of basic pay payable for level IV of the Executive Schedule under section 5316 of title 5 of the United States Code. The Director shall hold office for a term of 5 years and may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office.

(b) Functions.—On the effective date of this Act, all functions and authorities of the Secretary which are carried out through the National Park Service as of July 1, 1988, shall be transferred to and vested in the Director of the National Park Service appointed under this Act, except that the Secretary shall retain the authority and responsibility for the budget of the National Park Service and for conveying information regarding the national park system to and from the cabinet. In the performance of his functions, the Director and the officers and employees of the National Park Service shall not be responsible to, nor subject to the supervision or direction of, any officer or employee, or agent of any other part of the Department of the Interior.

(c) Employees.—The Director shall appoint and fix the compensation of all officers and employees of the National Park Service. The Director shall appoint the following 3 Deputy Directors from among the professional employees of the National Park Service: a Deputy Director of the National Park Service, a Deputy Director of Historic Preservation and Cultural Resources, and a Deputy Director for Recreation, Conservation, and Open Space. Salaries, grades, and benefits of employees so transferred shall not be affected adversely thereby, except that no employee of the National Park Service shall be appointed from or under schedules excepted from the competitive service. No person whose position has been excepted from the competitive service, other than the Director or an individual holding a Senior Executive Service Position, may conduct, or participate in the conduct of, any performance appraisal under chapter 43 of title 5 of the United States Code for any officer or employee of the National Park Service.

(d) Transfers.—Upon appointment of the Director of the National Park Service under this Act, the Director of the Office of Management and Budget shall provide for the transfer to the administrative jurisdiction of such Director such of the personnel, property, funds, and records of the service created by the first section of the Act approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1), as are under the administrative jurisdiction of the Department of the Interior.

(e) Independence in Providing Information.—Notwithstanding any other provision of law or any rule, regulation, or policy directive, the Director shall provide any information on the request of any committee or subcommittee of Congress, by report, testimony, or otherwise, without review, clearance, or approval by any other administrative authority.

The **CHAIRMAN.** Are there any amendments to section 2?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. EFFECTIVE DATE.

This Act shall take effect on February 1, 1989.

The **CHAIRMAN.** Are there any amendments to section 3?

If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The **CHAIRMAN.** Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. Foley] having assumed the chair, Mr. Leland, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 3964) to establish a National Park System Review Board, and for other purposes, pursuant to House Resolution 494, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The **SPEAKER** pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The **SPEAKER** pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER** pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 248, nays 130, not voting 53, as follows:

[Roll No. 245]

YEAS—248

Ackerman
Akaka
Anderson
Andrews
Annunzio
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bliley
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Bruce
Bryant
Buechner
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Clarke
Clay
Clement
Coble
Coelho
Coleman (MO)
Coleman (TX)
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Eckart
Edwards (CA)
Emerson
English
Erdreich
Evans
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Grant
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto

Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella

Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price
Quillen
Rahall
Ravenel
Ray
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (GA)
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider

Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Slattery
Slaughter (NY)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—130

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bilirakis
Boehlert
Brown (CO)
Bunning
Burton
Callahan
Chandler
Clinger
Coughlin
Craig
Crane
Dannemeyer
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert

Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kolbe
Kyl
Lagomarsino
Latta
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McCrery
McDade
McEwen
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Myers
Nielson
Oxley

Packard
Parris
Pashayan
Payne
Porter
Pursell
Regula
Rhodes
Roberts
Rogers
Roth
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skaggs
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vucanovich
Walker
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—53

Alexander
Anthony
Applegate
Bentley
Biaggi
Bonker
Boulter
Broomfield
Brown (CA)
Carper
Chappell
Cheney
Coats
Collins
Combest
Conte
Daub
Derrick

Dymally
Early
Espy
Fascell
Frank
Frost
Gekas
Glickman
Gray (IL)
Gray (PA)
Hawkins
Hayes (IL)
Kemp
Lent
Mack
MacKay
Madigan
Mavroules

McGrath
Mica
Oakar
Owens (NY)
Petri
Rangel
Rowland (CT)
Roybal
Skelton
Smith (FL)
Smith (NJ)
Smith, Denny (OR)
Spence
Stark
Vander Jagt
Weber
Wilson

☐ 1920

The Clerk announced the following pairs:

On this vote:

Mr. Hayes of Illinois for, with Mr. Boulter against.

Mr. Dymally for, with Mr. Denny Smith against.

Mr. Stark for, with Mr. Daub against.

Mrs. Collins for, with Mr. Combest against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks, and to include extraneous matter, on the bill just passed.

The SPEAKER pro tempore (Mr. COLEMAN of Texas). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

RESOLUTION PROVIDING FOR MOTION TO TAKE FROM THE SPEAKER'S TABLE H.R. 1414, PRICE-ANDERSON AMENDMENTS ACT OF 1987, AND TO DISAGREE TO AND CONCUR IN CERTAIN SENATE AMENDMENTS

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-803) on the resolution (H. Res. 502), providing for a motion to take the bill (H.R. 1414) to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to extend and improve the procedures for liability and indemnification for nuclear incidents, from the Speaker's table, and to disagree with Senate amendments numbered 1 through 15 and concur in Senate amendment numbered 16 with an amendment, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4200, MARITIME PROGRAMS AUTHORIZATION, FISCAL YEAR 1989

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-804) on the resolution (H. Res. 503) providing for the consideration of the bill (H.R. 4200) to authorize appropriations for fiscal year 1989 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5015, DROUGHT ASSISTANCE ACT OF 1988

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-805) on the resolution (H. Res. 504) providing for the consideration of the bill (H.R. 5015) to provide drought assistance to agricultural producers, and for other purposes, which was referred to the House Calendar and ordered to be printed.

FEDERAL LAND EXCHANGE FACILITATION ACT OF 1987

MR. VENTO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1860) entitled the "Federal Land Exchange Facilities Act of 1987," with Senate amendments thereto, and concur in the Senate amendments with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments and the House amendment to the Senate amendments as follows:

Senate amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Land Exchange Facilitation Act of 1988".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds and declares that—

(1) land exchanges are a very important tool for Federal and State land managers and private landowners to consolidate Federal, State, and private holdings of land or interests in land for purposes of more efficient management and to secure important objectives including the protection of fish and wildlife habitat and aesthetic values; the enhancement of recreation opportunities; the consolidation of mineral and timber holdings for more logical and efficient development; the expansion of communities; the promotion of multiple-use values; and fulfillment of public needs;

(2) needs for land ownership adjustments and consolidation consistently outpace available funding for land purchases by the Federal Government and thereby make land exchanges an increasingly important

method of land acquisition and consolidation for both Federal and State land managers and private landowners;

(3) the Federal Land Policy and Management Act of 1976 and other laws provide a basic framework and authority for land exchanges involving lands under the jurisdiction of the Secretary of the Interior and the Secretary of Agriculture; and

(4) such existing laws are in need of certain revisions to streamline and facilitate land exchange procedures and expedite exchanges.

(b) PURPOSES.—The purposes of this Act are:

(1) to facilitate and expedite land exchanges pursuant to the Federal Land Policy and Management Act of 1976 and other laws applicable to exchanges involving lands managed by the Departments of the Interior and Agriculture by—

(A) providing more uniform rules and regulations pertaining to land appraisals which reflect nationally recognized appraisal standards; and

(B) establishing procedures and guidelines for the resolution of appraisal disputes.

(2) to provide sufficient resources to the Secretaries of the Interior and Agriculture to ensure that land exchange activities can proceed consistent with the public interest; and

(3) to require a study and report concerning improvements in the handling of certain information related to Federal and other lands.

SEC. 3. LAND EXCHANGES AND APPRAISALS.

(a) FLPMA AMENDMENTS.—Section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716) is hereby amended by adding the following new subsections:

"(d)(1) No later than ninety days after entering into an agreement to initiate an exchange of land or interests therein pursuant to this Act or other applicable law, the Secretary concerned and other party or parties involved in the exchange shall arrange for appraisal (to be completed within a time frame and under such terms as are negotiated by the parties) of the lands or interests therein involved in the exchange in accordance with subsection (f) of this section.

"(2) If within one hundred and eighty days after the submission of an appraisal or appraisals for review and approval by the Secretary concerned, the Secretary concerned and the other party or parties involved cannot agree to accept the findings of an appraisal or appraisals, the appraisal or appraisals shall be submitted to an arbitrator appointed by the Secretary from a list of arbitrators submitted to him by the American Arbitration Association for arbitration to be conducted in accordance with the real estate valuation arbitration rules of the American Arbitration Association. Such arbitration shall be binding for a period of not to exceed two years on the Secretary concerned and the other party or parties involved in the exchange insofar as concerns the value of the lands which were the subject of the appraisal or appraisals.

"(3) Within thirty days after the completion of the arbitration, the Secretary concerned and the other party or parties involved in the exchange shall determine whether to proceed with the exchange, modify the exchange to reflect the findings of the arbitration or any other factors, or to withdraw from the exchange. A decision to withdraw from the exchange may be made by either the Secretary concerned or the other party or parties involved.

"(4) Instead of submitting the appraisal to an arbitrator, as provided in paragraph (2) of this section, the Secretary concerned and the other party or parties involved in an exchange may mutually agree to employ a process of bargaining or some other process to determine the values of the properties involved in the exchange.

"(5) The Secretary concerned and the other party or parties involved in an exchange may mutually agree to suspend or modify any of the deadlines contained in this subsection.

"(e) Unless mutually agreed otherwise by the Secretary concerned and the other party or parties involved in an exchange pursuant to this Act or other applicable law, all patents or titles to be issued for land or interests therein to be acquired by the Federal Government and lands or interest therein to be transferred out of Federal ownership shall be issued simultaneously after the Secretary concerned has taken any necessary steps to assure that the United States will receive acceptable title.

"(f)(1) Within one year after the enactment of subsections (d) through (i) of this section, the Secretaries of the Interior and Agriculture shall promulgate new and comprehensive rules and regulations governing exchanges of land and interests therein pursuant to this Act and other applicable law. Such rules and regulations shall fully reflect the changes in law made by subsections (d) through (i) of this section and shall include provisions pertaining to appraisals of lands and interests therein involved in such exchanges.

"(2) The provisions of the rules and regulations issued pursuant to paragraph (1) of this subsection governing appraisals shall reflect nationally recognized appraisal standards, including, to the extent appropriate, the Uniform Appraisal Standards for Federal Land Acquisitions: Provided, however, That the provisions of such rules and regulations shall—

"(A) ensure that the same nationally approved appraisal standards are used in appraising lands or interest therein being acquired by the Federal Government and appraising lands or interests therein being transferred out of Federal ownership; and

"(B) with respect to costs or other responsibilities or requirements associated with land exchanges—

"(i) recognize that the parties involved in an exchange may mutually agree that one party (or parties) will assume, without compensation, all or part of certain costs or other responsibilities or requirements ordinarily borne by the other party or parties; and

"(ii) also permit the Secretary concerned, where such Secretary determines it is in the public interest and it is in the best interest of consummating an exchange pursuant to this Act or other applicable law, and upon mutual agreement of the parties, to make adjustments to the relative values involved in an exchange transaction in order to compensate a party or parties to the exchange for assuming costs or other responsibilities or requirements which would ordinarily be borne by the other party or parties.

"As used in this subparagraph, the term 'costs or other responsibilities or requirements' shall include, but not be limited to, costs or other requirements associated with land surveys and appraisals, mineral examinations, title searches, archeological surveys and salvage, removal of encumbrances, arbitration pursuant to subsection (d) of this section, curing deficiencies preventing highest and best use, and other costs to comply with laws, regulations and policies applicable to exchange transactions, or which are necessary to bring the Federal or non-Federal lands or interests involved in the exchange to their highest and best use for the appraisal and exchange purposes. Prior to making any adjustments pursuant to this subparagraph, the Secretary concerned shall be satisfied that the amount of such adjustment is reasonable and accurately reflects the approximate value of any costs or services provided or any responsibilities or requirements assumed.

"(g) Until such time as new and comprehensive rules and regulations governing exchange of land and interests therein are promulgated pursuant to subsection (f) of this section, land exchanges may proceed in accordance with existing laws and regulations, and nothing in the Act shall be construed to require any delay in, or otherwise hinder, the processing and consummation of land exchanges pending the promulgation of such new and comprehensive rules and regulations. Where the Secretary concerned and the party or parties involved in an exchange have agreed to initiate an exchange of land or interests therein prior to the day of enactment of such subsections, subsections (d) through (i) of this section shall not apply to such exchanges unless the Secretary concerned and the party or parties involved in the exchange mutually agree otherwise.

"(h)(1) Notwithstanding the provisions of this Act and other applicable laws which require that exchanges of land or interests therein be for equal value, where the Secretary concerned determines it is in the public interest and that the consummation of a particular exchange will be expedited thereby, the Secretary concerned may exchange lands or interests therein which are of approximately equal value in cases where—

"(A) the combined value of the lands or interests therein to be transferred from Federal ownership by the Secretary concerned in such exchange is not more than $150,000; and

"(B) the Secretary concerned finds in accordance with the regulations to be promulgated pursuant to subsection (f) of this section that a determination of approximately equal value can be made without formal appraisals, as based on a statement of value made by a qualified appraiser and approved by an authorized officer; and

"(C) the definition of and procedure for determining 'approximately equal value' has been set forth in regulations by the Secretary concerned and the Secretary concerned documents how such determination was made in the case of the particular exchange involved.

"(2) As used in this subsection, the term 'approximately equal value' shall have the same meaning with respect to lands managed by the Secretary of Agriculture as it does in the Act of January 22, 1983 (commonly known as the 'Small Tracts Act').

"(i)(1) Upon receipt of an offer to exchange lands or interests in lands pursuant to this Act or other applicable laws, at the request of the head of the department or agency having jurisdiction over the lands involved, the Secretary of the Interior may temporarily segregate the Federal lands under consideration for exchange from appropriation under the mining laws. Such temporary segregation may only be made for a period of not to exceed five years. Upon a decision not to proceed with the exchange or upon deletion of any particular parcel from the exchange offer, the Federal lands involved or deleted shall be promptly restored to their former status under the mining

laws. Any segregation pursuant to this paragraph shall be subject to valid existing rights as of the date of such segregation.

"(2) All non-Federal lands which are acquired by the United States through exchange pursuant to this Act or pursuant to other law applicable to lands managed by the Secretary of Agriculture shall be automatically segregated from appropriation under the public land law, including the mining laws, for ninety days after acceptance of title by the United States. Such segregation shall be subject to valid existing rights as of the date of such acceptance of title. At the end of such ninety day period, such segregation shall end and such lands shall be open to operation of the public land laws and to entry, location, and patent under the mining laws except to the extent otherwise provided by this Act or other applicable law, or appropriate actions pursuant thereto.".

(b) CONFORMING AMENDMENT.—The first sentence of section 206(b) (43 U.S.C. 1716(b)) of the Federal Land Policy and Management Act of 1976 is hereby amended by inserting the word "concerned" after the words "the Secretary".

(c) ADDITIONAL AMENDMENT.—Section 206(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(c)) is hereby amended to read as follows:

"(c) Lands acquired by the Secretary by exchange under this section which are within the boundaries of any unit of the National Forest System, National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, or any other system established by Act of Congress, or the boundaries of the California Desert Conservation Area, or the boundaries of any national conservation area or national recreation area established by Act of Congress, upon acceptance of title by the United States shall immediately be reserved for and become a part of the unit or area within which they are located, without further action by the Secretary, and shall thereafter be managed in accordance with all laws, rules, and regulations applicable to such unit or area.".

SEC. 4. LAND EXCHANGE FUNDING AUTHORIZATION.

In order to ensure that there are increased funds and personnel available to the Secretaries of the Interior and Agriculture to consider, process, and consummate land exchanges pursuant to the Federal Land Policy and Management Act of 1976 and other applicable law, there are hereby authorized to be appropriated for fiscal years 1989 through 1998 an annual amount not to exceed $4,000,000 which shall be used jointly or divided among the Secretaries as they determine appropriate for the consideration, processing, and consummation of land exchanges pursuant to the Federal Land Policy and Management Act of 1976, as amended, and other applicable law. Such moneys are expressly intended by Congress to be in addition to, and not offset against, moneys otherwise annually requested by the Secretaries, and appropriated by Congress for land exchange purposes.

SEC. 5. SAVING CLAUSE.

Nothing in this Act shall be construed as amending the Alaska Native Claims Settlement Act (Public Law 92-203, as amended) or the Alaska National Interest Lands Conservation Act (Public Law 96-487, as amended) or as enlarging or diminishing the authority with regard to exchanges conferred upon either the Secretary of the Interior or the Secretary of Agriculture by either such Acts. If any provision of this Act or the application thereof is held invalid, the remainder of the Act and the application thereof shall not be affected thereby. Nothing in this Act shall be construed to change the discretionary nature of land exchanges or to prohibit the Secretary concerned or any other party or parties involved in a land exchange from withdrawing from the exchange at any time, unless the Secretary concerned and the other party or parties specifically commit otherwise by written agreement.

SEC. 6. NFMA AMENDMENTS.

Section 17(b) of the National Forest Management Act of 1976 is hereby amended—

(1) by striking out "$25,000" and inserting in lieu thereof "$150,000";

(2) by striking out "and" at the end of paragraph (3);

(3) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(4) by adding after paragraph (4) the following:

"(5) any adjustment made by the Secretary of relative value pursuant to section 206(f)(2)(B)(ii) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716).".

SEC. 7. ADDITIONAL AMENDMENTS.

The Act of July 26, 1956 (70 Stat. 656, 16 U.S.C. 505a, 505b) is hereby amended as follows:

(a) The words "national forest lands" are hereby deleted wherever they occur, and the words "National Forest System lands" are inserted in lieu thereof.

(b) The words "a national forest" are hereby deleted in the first paragraph, and the words "a unit of the National Forest System" are inserted in lieu thereof.

(c) The following sentence is hereby added at the end of the second paragraph: "Lands interchanged under the authority of this Act shall be deemed to include interests in lands.".

SEC. 8. LAND INFORMATION STUDY.

(a) STUDY.—The Secretary of the Interior shall conduct an assessment of the need for and cost and benefits associated with improvements in the existing methods of land surveying and mapping and of collecting, storing, retrieving, disseminating, and using information about Federal and other lands.

(b) CONSULTATION.—In conducting the assessment required by this section, the Secretary of the Interior shall consult with the following—

(1) the Secretary of Agriculture;

(2) the Secretary of Commerce;

(3) the Director of the National Science Foundation;

(4) representatives of State and local governments;

(5) representatives of private sector surveying and mapping science.

(c) REPORT.—No later than one year after the day of enactment of this Act, the Secretary of the Interior shall report to the Congress concerning the results of the assessment required by this section.

(d) TOPICS.—In the report required by subsection (c), the Secretary of the Interior shall include a discussion and evaluation of the following:

(1) relevant recommendations made by the National Academy of Sciences (National Research Council) on the concept of a multipurpose cadastre from time to time prior to the date of enactment of this Act;

(2) ongoing activities concerning development of an overall reference frame for land and resource information, including but not limited to a geodetic network, a series of current and accurate large-scale maps, cadastral overlay maps, unique identifying numbers linking specific land parcels to a common index of all land records in United States cadastral systems, and a series of land data files;

(3) ways to achieve better definition of the roles of Federal and other governmental agencies and the private sector in dealing with land information systems;

(4) ways to improve the coordination of Federal land information activities; and

(5) model standards developed by the Secretary for compatible multipurpose land information systems for use by Federal, State and local governmental agencies, the public, and the private sector.

(e) RECOMMENDATIONS.—The report required by subsection (c) may also include such recommendations for legislation as the Secretary of the Interior considers necessary or desirable.

SEC. 9. CASH EQUALIZATION WAIVER.

Subsection 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)) is hereby amended by adding the following at the end of the third sentence thereof:

"The Secretary concerned and the other party or parties involved in the exchange may mutually agree to waive the requirement for the payment of money to equalize values where the Secretary concerned determines that the exchange will be expedited thereby and that the public interest will be better served by such a waiver of cash equalization payments and where the amount to be waived is no more than 3 per centum of the value of the lands being transferred out of Federal ownership or $15,000, whichever is less.".

SEC. 10. TEMPORARY REVOCATION AUTHORITY.

The Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), as amended, is further amended by adding the following new section:

"SEC. 215. (a) When the sole impediment to consummation of an exchange of lands or interests therein (hereinafter referred to as an exchange) determined to be in the public interest, is the inability of the Secretary of the Interior to revoke, modify, or terminate part or all of a withdrawal or classification because of the order (or subsequent modification or continuance thereof) of the United States District Court for the District of Columbia dated February 10, 1986, in Civil Action No. 85-2238 (National Wildlife Federation v. Robert E. Burford, et al.), the Secretary of the Interior is hereby authorized, notwithstanding such order (or subsequent modification or continuance thereof), to use the authority contained herein, in lieu of other authority provided in this Act including section 204, to revoke, modify, or terminate in whole or in part, withdrawals or classifications to the extent deemed necessary by the Secretary to enable the United States to transfer land or interests therein out of Federal ownership pursuant to an exchange.

"(b) REQUIREMENTS.—The authority specified in subsection (a) of this section may be exercised only in cases where—

"(1) a particular exchange is proposed to be carried out pursuant to this Act, as amended, or other applicable law authorizing such an exchange;

"(2) the proposed exchange has been prepared in compliance with all laws applicable to such exchange;

"(3) the head of each Federal agency managing the lands proposed for such transfer has submitted to the Secretary of the Interior a statement of concurrence with the proposed revocation, modification, or termination;

"(4) at least sixty days have elapsed since the Secretary of the Interior has published in the Federal Register a notice of the proposed revocation, modification, or termination; and

"(5) at least sixty days have elapsed since the Secretary of the Interior has transmitted to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate a report which includes—

"(A) a justification for the necessity of exercising such authority in order to complete an exchange;

"(B) an explanation of the reasons why the continuation of the withdrawal or a classification or portion thereof proposed for revocation, modification, or termination is no longer necessary for the purposes of the statutory or other program or programs for which the withdrawal or classification was made or other relevant programs;

"(C) assurances that all relevant documents concerning the proposed exchange or purchase for which such authority is proposed to be exercised (including documents related to compliance with the National Environmental Policy Act of 1969 and all other applicable provisions of law) are available for public inspection in the office of the Secretary concerned located nearest to the lands proposed for transfer out of Federal ownership in furtherance of such exchange and that the relevant portions of such documents are also available in the offices of the Secretary concerned in Washington, District of Columbia; and

"(D) an explanation of the effect of the revocation, modification, or termination of a withdrawal or classification or portion thereof and the transfer of lands out of Federal ownership pursuant to the particular proposed exchange, on the objectives of the land management plan which is applicable at the time of such transfer to the land to be transferred out of Federal ownership.

"(c) LIMITATIONS.—(1) Nothing in this section shall be construed as affirming or denying any of the allegations made by any party in the civil action specified in subsection (a), or as constituting an expression of congressional opinion with respect to the merits of any allegation, contention, or argument made or issue raised by any party in such action, or as expanding or diminishing the jurisdiction of the United States District Court for the District of Columbia.

"(2) Except as specifically provided in this section, nothing in this section shall be construed as modifying, terminating, revoking, or otherwise affecting any provision of law applicable to land exchanges, withdrawals, or classifications.

"(3) The availability or exercise of the authority granted in subsection (a) may not be considered by the Secretary of the Interior in making a determination pursuant to this Act or other applicable law as to whether or not any proposed exchange is in the public interest.

"(d) TERMINATION.—The authority specified in subsection (a) shall expire either (1) on December 31, 1990, or (2) when the Court order (or subsequent modification or continuation thereof) specified in subsection (a) is no longer in effect, whichever occurs first.".

Amend the title so as to read: "An Act entitled the 'Federal Land Exchange Facilitation Act of 1988'".

House amendment to Senate amendments: At the end of Section 9, strike the period and in lieu thereof insert: ", except that the Secretary of Agriculture shall not agree to waive any such requirement for payment of money to the United States."

Mr. VENTO (during the reading). Mr. Speaker, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Minnesota?

Mr. MARLENEE. Mr. Speaker, reserving the right to object, under my reservation I would ask the gentleman from Minnesota, [Mr. VENTO] to explain his amendment, and I yield to the gentleman for that purpose.

Mr. VENTO. Mr. Speaker, I am glad to explain my request.

H.R. 1860, the Federal Land Exchange Facilitation Act was passed by the House on December 14 of last year. A similar bill passed the House in the 99th Congress but the Senate did not complete action on it.

Now the Senate has passed the bill with a number of revisions, which we have carefully reviewed.

For the most part, the Senate changes are acceptable and indeed make improvements in the bill as originally passed by the House. However, there is one respect in which the Senate changes cause some difficulties. That is with respect to the matter of whether the Secretary of Agriculture should be authorized to allow other parties to an exchange involving national forest lands to omit payment to the United States of money—up to $15,000—which would serve to equalize the values involved in the exchange.

When the bill was considered in the House, the Forest Service suggested such a cash-equalization waiver, but it was not included in the bill. The Committee on Agriculture, which shared in the shaping of the House bill, is particularly concerned about the inclusion of this provision in the Senate version of the bill. Accordingly, we are seeking to revise the Senate version in this single respect—so that the Secretary of Agriculture could not waive payment to the United States of required cash equalization amounts. It is my understanding that this change is expected to be acceptable to the Senate, and should not significantly delay final passage of this worthwhile bill.

Mr. Speaker, as I noted when the House considered the bill last year, H.R. 1860 would not alter the basic policies that apply to Federal land exchanges, as those policies are established by the Federal Land Policy and Management Act of 1976 and other applicable law. The bill is policy neutral. It deals with administrative procedures that apply when the Bureau of Land Management or the Forest Service decide to pursue an exchange. It would not require either agency to complete any exchange; their discretion in this area would be retained, and the agencies would in no way be bound to complete any exchange if they decided for any reason not to go forward.

For the most part, the Senate revisions are minor ones that clarify some of the provisions of the bill as passed by the House. For example, the Senate version provides that while the American Arbitration Association will suggest the names of possible arbitrators to resolve disputes over appraisals, the Secretary concerned will make the choice. Thus, the Secretary is able to request new lists of possible arbitrators, until the Secretary identifies a listed person as acceptable for the minor office of an arbitrator.

There is one part of the Senate version, however, that deserves special mention.

The Senate added a new section to the bill, section 10, that addresses the impact on exchanges of an injunction that has been issued in a current lawsuit. The lawsuit involves the National Wildlife Federation, the Bureau of Land Management, and others—including myself, as chairman of the Subcommittee on National Parks and Public Lands and successor, for purposes of the lawsuit, to the former subcommittee chairman who was an original plaintiff.

Under the Senate's language, the Secretary of the Interior would be given temporary authority to take steps necessary to complete certain exchanges, notwithstanding that injunction, provided that certain requirements have been met. We have reviewed this carefully, and it has been discussed with the other plaintiffs in the lawsuit, and have concluded that it is acceptable and deserves approval by the House.

In particular, I want to point out that section 10(c) of the Senate version of the bill specifies that nothing in this new section is to be construed as affirming or denying any of the allegations made by any party to the lawsuit, or as expanding or diminishing the jurisdiction of the court where that case is underway.

The Senate version also states that nothing in section 10 constitutes an expression of congressional opinion with respect to the merits of any of the allegations, contentions, or arguments that have been made by any of the parties in that lawsuit.

Given those safeguards, I believe that section 10 of the Senate version of the bill is a sound, practical, and statesmanlike approach to this matter, and should be accepted, especially since by its own terms that section will expire either on December 31, 1990, or when the current injunction is no longer in effect, whichever comes first—so that this is a short-term provision tailored to fit what many of us hope will be a relatively short-term situation.

In summary, Mr. Speaker, as I said, I trust the Senate will concur in the House's amendment just approved.

That will send the bill to the President for his signature. I believe that it should and will be signed, despite the fact that some in the executive branch have expressed concerns that it will improperly "bind" the agencies. As I mentioned, it would not require the completion of an exchange. And under the property clause, Congress certainly can provide for arbitration as a way to "price" Federal lands for purposes of exchanges, just as other pricing mechanisms have been used in the past.

Mr. MARLENEE. Further reserving the right to object, Mr. Speaker, we support the amendment although we are disappointed that the Land Facilitation Act was not accepted as it came from the Senate. We defer to the concerns of those in the House Agriculture Committee concerned about the section waiving cash equalization payments.

As the chairman pointed out, the amendment which takes care of those concerns does not preclude the Forest Service from waiving payments due to other parties, nor does it preclude the BLM from waiving payments to other parties involved in the land exchange negotiations.

Mr. Speaker, the bill as passed by the Senate is a good bill. I hope that the Senate will accept our amendment and send the bill to the President for his signature.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the initial request of the gentleman from Minnesota?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just considered.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The **SPEAKER** pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC.
July 27, 1987.

Hon. JIM WRIGHT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that an employee in my office has been served with a subpoena *duces tecum* issued by the Superior Court of the District of Columbia, Civil Division.

After consultation with my General Counsel, I have determined that compliance with the subpoena is consistent with the precedents and privileges of the House.

With great respect, I am,
Sincerely yours,
DONNALD K. ANDERSON,
Clerk,
House of Representatives.

H.R. 1414, THE PRICE-ANDERSON AMENDMENTS ACT OF 1987

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, I hope to be able to bring H.R. 1414, the Price-Anderson Amendments Act of 1987, to the floor later this week or early next week. This legislation revises and extends the liability and indemnification provisions of the Price-Anderson Act, under which the public would be compensated for damages arising out of Federal nuclear defense activities or the commercial nuclear power program.

The House passed the bill on July 30, 1987, after it was favorably reported by the Committees on Interior and Insular Affairs (House Rept. 100-104, part 1), Science, Space and Technology (part 2), and Energy and Commerce (part 3). The Senate passed the House bill with 16 numbered amendments on March 18, 1988.

The Department of Energy's authority to indemnify nuclear defense contractors under the Price-Anderson Act expired last year, on August 1, 1987, when Congress failed to complete action on the Amendments Act by that date. As a result, the Department has had to execute contracts for important defense activities without the benefit of Price-Anderson indemnification. Several additional contracts will expire in the next 2 months and at least one contractor has already announced its unwillingness to continue nuclear defense activities for the Government without Price-Anderson indemnification.

Mr. Speaker, it is imperative that Congress complete action on this important and long-overdue legislation, consideration of which has already spanned 4 years, before further disruption of the Government's nuclear defense program results. For this reason, Chairman DINGELL and I have asked for a rule permitting us to offer a substitute to H.R. 1414 that disposes of the Senate amendments in a manner we believe will be acceptable to both Houses.

To fully inform Members of the content of the substitute I am including in the RECORD a summary of the proposed substitute and the complete text of the substitute:

SUMMARY OF AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1414

(1) Civil and criminal penalties amendment:

Senate amendment: authorizes civil fines up to $100,000 per violation per day for violating DOE safety rules; and criminal fines of up to $25,000 per violation per day and prison terms up to 2 years ($50,000 fines and 5-year terms for repeat offenders) for willful violation of DOE safety rules.

House bill: authorizes a study of penalties but did not impose penalties.

Substitute: accepts Senate amendment with a conforming amendment striking the House study.

(2) Limitation on waste accident liability amendment:

Senate amendment: strikes the House bill's special provisions waiving liability limits on nuclear waste accidents. Waste accidents would be subject to the same limit on liability as other DOE-contractor accidents and utility accidents (over $7 billion).

House bill: limits liability for all nuclear accidents (waste accidents, other DOE-contractor accidents and utility accidents) to over $7 billion, but waives the limit for waste accidents if damages exceed the limit and if Congress does not enact a compensation plan within one year after the President submits the plan.

Substitute: accepts Senate amendment.

(3) Radiopharmacies amendment:

Senate amendment: exempts NRC and state licensees making or dispensing nuclear medicine from insurance requirements and requires NRC to indemnify all such licensees for liability over $250,000, up to $500 million.

House bill: no provision.

Substitute: Requires the NRC to conduct a rulemaking to determine whether to indemnify radiopharmacies under existing authority.

(4) Sovereign immunity amendment:

Senate amendment: allows victims to sue the Government under Price-Anderson for nuclear waste accidents caused by DOE.

House bill: no provision, thus preserving current law which permits suits under Price-Anderson only against private parties and suits against the Government only under the Federal Tort Claims Act.

Substitute: rejects Senate amendment.

(5) Expedited procedures amendment:

Senate amendment: establishes expedited procedures for House and Senate to consider Presidential plan to compensate liability exceeding the $7 billion limit. These procedures limit committee consideration to 20 calendar days.

House bill: no provision.

Substitute: accepts expedited procedures for the Senate; rejects expedited procedures for the House.

(6) Length of extension amendment:

Senate amendment: extends the Price-Anderson Act for both DOE contractors and NRC licensees for 20 years.

House bill: extends Price-Anderson for DOE contractors for 12 years and NRC licensees for 10 years.

Substitute: compromises at 15 years for both DOE contractors and NRC licensees.

(7) Retroactivity amendment:

Senate amendment: applies the new Price-Anderson amendments to DOE contracts executed after the prior Act expired last August.

House bill: no provision.

Substitute: adopts alternative amendment requiring all DOE nuclear contracts to be covered by Price-Anderson as amended.

Motion and Amendment in the Nature of a Substitute to H.R. 1414, the Price-Anderson Amendments Act of 1987

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

Strike out all after the enacting clause of the bill, as passed by the House, and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Price-Anderson Amendments Act of 1988".

SEC. 2. FINANCIAL PROTECTION.

(a) Primary Financial Protection Amount Required for Large Electrical Generating Facilities.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended—

(1) by inserting "primary" before "financial protection" the first, second, third, and sixth places it appears;

(2) by inserting before the period at the end of the proviso in the first sentence the following: "(excluding the amount of private liability insurance available under the industry retrospective rating plan required in this subsection)"; and

(3) by striking in the third sentence all that precedes "private liability insurance" and inserting the following: "The Commission shall require licensees that are required to have and maintain primary financial protection equal to the maximum amount of liability insurance available from private sources to maintain, in addition to such primary financial protection,".

(b) Standard Deferred Premium Amount—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended—

(1) in the second proviso of the third sentence by striking "That" and all that follows through "protection" and inserting the following: "That the maximum amount of the standard deferred premium that may be charged a licensee following any nuclear incident under such a plan shall not be more than $63,000,000 (subject to adjustment for inflation under subsection t.), but not more than $10,000,000 in any 1 year, for each facility for which such licensee is required to maintain the maximum amount of primary financial protection"; and

(2) in the third proviso of the third sentence, by adding after "and costs" the following: "(excluding legal costs subject to subsection o. (1)(D), payment of which has not been authorized under such subsection)".

(c) Lesser Annual Deferred Premium Amounts.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended—

(1) by inserting "(1)" after the subsection designation;

(2) in the first sentence, by redesignating clauses (1) through (3) as clauses (A) through (C), respectively;

(3) by striking the fifth and sixth sentences; and

(4) by adding at the end of the fourth sentence the following new paragraph:

"(2)(A) The Commission may, on a case by case basis, assess annual deferred premium amounts less than the standard annual deferred premium amount assessed under paragraph (1)—

"(i) for any facility, if more than one nuclear incident occurs in any one calendar year; or

"(ii) for any licensee licensed to operate more than one facility, if the Commission determines that the financial impact of assessing the standard annual deferred premium amount under paragraph (1) would result in undue financial hardship to such licensee or the ratepayers of such licensee.

"(B) In the event that the Commission assesses a lesser annual deferred premium amount under subparagraph (A), the Commission shall require payment of the difference between the standard annual deferred premium assessment under paragraph (1) and any such lesser annual deferred premium assessment within a reasonable period of time, with interest at a rate determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the date that the standard annual deferred premium assessment under paragraph (1) would become due.".

(d) Borrowing Authority.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended—

(1) by inserting "(3)" before the penultimate sentence and redesignating the penultimate and last sentences as a paragraph (3); and

(2) by adding at the end the following new paragraph:

"(4)(A) In the event that the funds available to pay valid claims in any year are insufficient as a result of the limitation on the amount of deferred premiums that may be required of a licensee in any year under paragraph (1) or (2), or the Commission is required to make reinsurance or guaranteed payments under paragraph (3), the Commission shall, in order to advance the necessary funds—

"(i) request the Congress to appropriate sufficient funds to satisfy such payments; or

"(ii) to the extent approved in appropriation Acts, issue to the Secretary of the Treasury obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be agreed to by the Commission and the Secretary of the Treasury.

"(B) Except for funds appropriated for purposes of making reinsurance or guaranteed payments under paragraph (3), any funds appropriated under subparagraph (A)(i) shall be repaid to the general fund of the United States Treasury from amounts made available by standard deferred premium assessments, with interest at a rate determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the date that the funds appropriated under such subparagraph are made available.

"(C) Except for funds appropriated for purposes of making reinsurance or guaranteed payments under paragraph (3), redemption of obligations issued under subparagraph (A)(ii) shall be made by the Commission from amounts made available by standard deferred premium assessments. Such obligations shall bear interest at a rate determined by the Secretary of the Treasury by taking into consideration the average market yield on outstanding marketable obligations to the United States of comparable maturities during the month preceding the issuance of the obligations under this paragraph. The Secretary of the Treasury shall purchase any issued obligations, and for such purpose the Secretary of the Treasury may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under such chapter are extended to include any purchase of such obligations. The Secretary of the Treasury may at any time sell any of the obligations acquired by the Secretary of the Treasury under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of obligations under this paragraph shall be treated as public debt transactions of the United States.".

SEC. 3. INDEMNIFICATION AGREEMENTS FOR LICENSEES OF NUCLEAR REGULATORY COMMISSION.

Section 170c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended by striking "August 1, 1987" each place it appears and inserting "August 1, 2002".

SEC. 4. INDEMNIFICATION AGREEMENTS FOR ACTIVITIES UNDERTAKEN UNDER CONTRACT WITH DEPARTMENT OF ENERGY.

(a) In General.—Section 170d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended to read as follows:

"d. Indemnification of Contractors by Department of Energy.—(1)(A) In addition to any other authority the Secretary of Energy (in this section referred to as the 'Secretary') may have, the Secretary shall, until August 1, 2002, enter into agreements of indemnification under this subsection with any person who may conduct activities under a contract with the Department of Energy that involve the risk of public liability and that are not subject to financial protection requirements under subsection b. or agreements of indemnification under subsection c. or k.

"(B)(i)(I) Beginning 60 days after the date of enactment of the Price-Anderson Amendments Act of 1988, agreements of indemnification under subparagraph (A) shall be the exclusive means of indemnification for public liability arising from activities described in such subparagraphs, including activities conducted under a contract that contains an indemnification clause under Public Law 85-804 entered into between August 1, 1987, and the date of enactment of the Price-Anderson Amendments Act of 1988.

"(II) The Secretary may incorporate in agreements of indemnification under subparagraph (A) the provisions relating to the waiver of any issue or defense as to charitable or governmental immunity authorized in subsection n. (1) to be incorporated in agreements of indemnification. Any such provisions incorporated under this subclause shall apply to any nuclear incident arising out of nuclear waste activities subject to an agreement of indemnification under subparagraph (A).

"(ii) Public liability arising out of nuclear waste activities subject to an agreement of indemnification under subparagraph (A) that are funded by the Nuclear Waste Fund established in section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222) shall be compensated from the Nuclear Waste Fund in an amount not to exceed the maximum amount of financial protection required of licensees under subsection b.

"(2) In agreements of indemnification entered into under paragraph (1), the Secretary may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity, and shall indemnify the persons indemnified against such claims above the amount of the financial protection required, to the full extent of the aggregate public liability of the persons indemnified for each nuclear incident, including such legal costs of the contractor as are approved by the Secretary.

"(3)(A) Notwithstanding paragraph (2), if the maximum amount of financial protection required of licensees under subsection b. is increased by the Commission, the amount of indemnity, together with any financial protection required of the contractor, shall at all times remain equal to or greater than the maximum amount of financial protection required of licensees under subsection b.

"(B) The amount of indemnity provided contractors under this subsection shall not, at any time, be reduced in the event that the maximum amount of financial protection required of licensees is reduced.

"(C) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person, shall be deemed to be amended, on the date of the enactment of the Price-Anderson Amendments Act of 1988, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection on such date.

"(4) Financial protection under paragraph (2) and indemnification under paragraph (1) shall be the exclusive means of financial protection and indemnification under this section for any Department of Energy demonstration reactor licensed by the Commission under section 202 of the Energy Reorganization Act of 1974 (42 U.S.C 5842).

"(5) In the case of nuclear incidents occurring outside the United States, the amount of the indemnity provided by the Secretary under this subsection shall not exceed $100,000,000.

"(6) The provisions of this subsection may be applicable to lump sum as well as cost type contracts and to contracts and projects financed in whole or in part by the Secretary.

"(7) A contractor with whom an agreement of indemnification has been executed under paragraph (1)(A) and who is engaged in activities connected with the underground detonation of a nuclear explosive device shall be liable, to the extent so indemnified under this subsection, for injuries or damage substained as a result of such detonation in the same manner and to the same extent as would a private person acting as principal, and no immunity or defense founded in the Federal, State, or municipal character of the contractor or of the work to be performed under the contract shall be effective to bar such liability.".

(b) DEFINITIONS.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014) is amended by adding at the end the following new subsections:

"dd. The terms 'high-level radioactive waste' and 'spent nuclear fuel' have the meanings given such terms in section 2 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101).

"ee. The term 'transurance waste' means material contaminated with elements that have an atomic number greater than 92, including neptunium, plutonium, americium, and curium, and that are in concentrations greater than 10 nanocuries per gram, or in such other concentrations as the Nuclear Regulatory Commission may prescribe to protect the public health and safety.

"ff. The term 'nuclear waste activities', as used in section 170, means activities subject to an agreement of indemnification under subsection d. of such section, that the Secretary of Energy is authorized to undertake, under this Act or any other law, involving the storage, handling, transportation, treatment, or disposal of, or research and development on, spent nuclear fuel, high-level radioactive waste, or transurance waste, including (but not limited to) activities authorized to be carried out under the Waste Isolation Pilot Project under section 213 of Public Law 96-164 (93 Stat. 1265).".

SEC. 5. PRECAUTIONARY EVACUATIONS.

(a) COSTS INCURRED BY STATE GOVERNMENTS.—Section 11 w. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(w)) is amended by inserting after "nuclear incident" the first place it appears the following: "or precautionary evacuation (including all reasonable additional costs incurred by a State, or a political subdivision of a State, in the course of responding to a nuclear incident or a precautionary evacuation)".

(b) DEFINITION.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"gg. The term 'precautionary evacuation' means an evacuation of the public within a specified area near a nuclear facility, or the transportation route in the case of an accident involving transportation of source material, special nuclear material, byproduct material, high-level radioactive waste, spent nuclear fuel, or transuranic waste to or from a production or utilization facility, if the evacuation is—

"(1) the result of any event that is not classified as a nuclear incident but that poses imminent danger of bodily injury or property damage from the radiological properties of source material, special nuclear material, byproduct material, high-level radioactive waste, spent nuclear fuel, or transuranic waste, and causes an evacuation; and

"(2) initiated by an official of a State or a political subdivision of a State, who is authorized by State law to initiate such an evacuation and who reasonably determined that such an evacuation was necessary to protect the public health and safety.".

(c) LIMITATION.—Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) is amended by adding at the end the following new subsection:

"q. LIMITATION ON AWARDING OF PRECAUTIONARY EVACUATION COSTS.—No court may award costs of a precautionary evacuation unless such costs constitute a public liability.".

SEC. 6. AGGREGATE PUBLIC LIABILITY FOR SINGLE NUCLEAR INCIDENT.

Section 170 e. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)) is amended to read as follows:

"e. LIMITATION ON AGGREGATE PUBLIC LIABILITY.—(1) The aggregate public liability for a single nuclear incident of persons indemnified, including such legal costs as are authorized to be paid under subsection o. (1)(D), shall not exceed—

"(A) in the case of facilities designed for producing substantial amounts of electricity and having a rated capacity of 100,000 electrical kilowatts or more, the maximum amount of financial protection required of such facilities under subsection b. (plus any surcharge assessed under subsection o. (1)(E));

"(B) in the case of contractors with whom the Secretary has entered into an agreement of indemnification under subsection d., the maximum amount of financial protection required under subsection b. or the amount of indemnity and financial protection that may be required under paragraph (3) of subsection d., whichever amount is more; and

"(C) in the case of all other licensees of the Commission required to maintain financial protection under this section—

"(i) $500,000,000, together with the amount of financial protection required of the licensee; or

"(ii) if the amount of financial protection required of the licensee exceeds $60,000,000, $560,000,000 or the amount of financial protection required of the licensee, whichever amount is more.

"(2) In the event of a nuclear incident involving damages in excess of the amount of aggregate public liability under paragraph (1), the Congress will thoroughly review the particular incident in accordance with the procedures set forth in section 170 i. and will in accordance with such procedures, take whatever action is determined to be necessary (including approval of appropriate compensation plans and appropriation of funds) to provide full and prompt compensation to the public for all public liability claims resulting from a disaster of such magnitude.

"(3) No provision of paragraph (1) may be construed to preclude the Congress from enacting a revenue measure, applicable to licensees of the Commission required to maintain financial protection pursuant to subsection b., to fund any action undertaken pursuant to paragraph (2).

"(4) With respect to any nuclear incident occurring outside of the United States to which an agreement of indemnification entered into under the provisions of subsection d. is applicable, such aggregate public liability shall not exceed the amount of $100,000,000, together with the amount of financial protection required of the contractor.".

SEC. 7. COMPENSATION PLANS.

(a) IN GENERAL.—Section 170 i. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(i)) is amended to read as follows:

"i. COMPENSATION PLANS.—(1) After any nuclear incident involving damages that are likely to exceed the applicable amount of aggregate public liability under subparagraph (A), (B), or (C) of subsection e. (1), the Secretary or the Commission, as appropriate, shall—

"(A) make a survey of the causes and extent of damage; and

"(B) expeditiously submit a report setting forth the results of such survey to the Congress, to the Representatives of the affected districts, to the Senators of the affected States, and (except for information that will cause serious damage to the national defense of the United States) to the public, to the parties involved, and to the courts.

"(2) Not later than 90 days after any determination by a court, pursuant to subsection o., that the public liability from a single nuclear incident may exceed the applicable amount of aggregate public liability under subparagraph (A), (B), or (C) of subsection e. (1) the President shall submit to the Congress—

"(A) an estimate of the aggregate dollar value of personal injuries and property damage that arises from the nuclear incident and exceeds the amount of aggregate public liability under subsection e. (1);

"(B) recommendations for additional sources of funds to pay claims exceeding the applicable amount of aggregate public liability under subparagraph (A), (B), or (C) of subsection e. (1), which recommendations shall consider a broad range of possible sources of funds (including possible revenue measures on the sector of the economy, or on any other class, to which such revenue measures might be applied);

"(C) 1 or more compensation plans, that either individually or collectively shall provide for full and prompt compensation for all valid claims and contain a recommendation or recommendations as to the relief to be provided, including any recommendations that funds be allocated or set aside for the payment of claims that may arise as a result of latent injuries that may not be discovered until a later date; and

"(D) any additional legislative authorities necessary to implement such compensation plan or plans.

"(3)(A) Any compensation plan transmitted to the Congress pursuant to paragraph (2) shall bear an identification number and shall be transmitted to both Houses of Congress on the same day and to each House while it is in session.

"(B) The provisions of paragraphs (4) through (6) shall apply with respect to consideration in the Senate of any compensation plan transmitted to the Senate pursuant to paragraph (2).

"(4) No such compensation plan may be considered approved for purposes of subsection 170 e. (2) unless between the date of transmittal and the end of the first period of sixty calendar days of continuous session of Congress after the date on which such action is transmitted to the Senate, the Senate passes a resolution described in paragraph 6 of this subsection.

"(5) For the purpose of paragraph (4) of this subsection—

"(A) continuity of session is broken only by an adjournment of Congress sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day calendar period.

"(6)(A) This paragraph is enacted—

"(i) as an exercise of the rulemaking power of the Senate and as such it is deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions described by subparagraph (B) and it supersedes other rules only to the extent that it is inconsistent therewith; and

"(ii) with full recognition of the constitutional right of the Senate to change the rules at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

"(B) For purposes of this paragraph, the term 'resolution' means only a joint resolution of the Congress the matter after the resolving clause of which is as follows: 'That the approves the compensation plan numbered submitted to the Congress on , 19 .', the first blank space therein being filled with the name of the resolving House and the other blank spaces being appropriately filled; but does not include a resolution which specifies more than one compensation plan.

"(C) A resolution once introduced with respect to a compensation plan shall immediately be referred to a committee (and all resolutions with respect to the same compensation plan shall be referred to the same committee) by the President of the Senate.

"(D)(i) If the committee of the Senate to which a resolution with respect to a compensation plan has been referred has not reported it at the end of twenty calendar days after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration with respect to such compensation plan which has been referred to the committee.

"(ii) A motion to discharge may be made only by an individual favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same compensation plan), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"(iii) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same compensation plan.

"(E)(i) When the committee has reported, or has been discharged from further consideration of, a resolution, it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"(ii) Debate on the resolution referred to in clause (i) of this subparagraph shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing such resolution. A motion further to limit debate shall not be debatable. An amendment to, or motion to recommit, the resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such resolution was agreed to or disagreed to.

"(F)(i) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution or motions to proceed to the consideration of other business, shall be decided without debate.

"(ii) Appeals from the decision of the Chair relating to the application of the rules of the Senate to the procedures relating to a resolution shall be decided without debate.".

(b) CONFORMING AMENDMENT.—Section 170 o. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)) is amended—

(1) in the matter preceding paragraph (1), by striking "subsection 170 e.:" and inserting "the applicable limit of liability under subparagraph (A), (B), or (C) of subsection e. (1):"; and

(2) by striking paragraph (4).

SEC. 8. DATE OF EXEMPTION FROM FINANCIAL PROTECTION REQUIREMENT.

Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended—

(1) by striking "August 1, 1987" each place it appears and inserting "August 1, 2002"; and

(2) by striking "excluding cost of investigating and settling claims and defending suits for damage;" in paragraph (1) and inserting "including such legal costs of the licensee as are approved by the Commission;".

SEC. 9. PRESIDENTIAL COMMISSION ON CATASTROPHIC NUCLEAR ACCIDENTS.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) is amended by striking subsection 1. and inserting the following:

"1. PRESIDENTIAL COMMISSION ON CATASTROPHIC NUCLEAR ACCIDENTS.—(1) Not later than 90 days after the date of the enactment of the Price-Anderson Amendments Act of 1988, the President shall establish a commission (in this subsection referred to as the study 'commission') in accordance with the Federal Advisory Committee Act (5 U.S.C. App.) to study means of fully compensating victims of a catastrophic nuclear accident that exceeds the amount of aggregate public liability under subsection e. (1)—

"(2)(A) The study commission shall consist of not less than 7 and not more than 11 members, who—

"(i) shall be appointed by the President; and

"(ii) shall be representative of a broad range of views and interests.

"(B) The members of the study commission shall be appointed in a manner that ensures that not more than a mere majority of the members are of the same political party.

"(C) Each member of the study commission shall hold office until the termination of the study commission, but may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"(D) Any vacancy in the study commission shall be filled in the manner in which the original appointment was made.

"(E) The President shall designate 1 of the members of the study commission as chairperson, to serve at the pleasure of the President.

"(3) The study commission shall conduct a comprehensive study of appropriate means of fully compensating victims of a catastrophic nuclear accident that exceeds the amount of aggregate public liability under subsection e. (1), and shall submit to the Congress a final report setting forth—

"(A) recommendations for any changes in the laws and rules governing the liability or civil procedures that are necessary for the equitable, prompt, and efficient resolution and payment of all valid damage claims, including the advisability of adjudicating public liability claims through an administrative agency instead of the judicial system;

"(B) recommendations for any standards or procedures that are necessary to establish priorities for the hearing, resolution, and payment of claims when awards are likely to exceed the amount of funds available within a specific time period; and

"(C) recommendations for any special standards or procedures necessary to decide and pay claims for latent injuries caused by the nuclear incident.

"(4)(A) The chairperson of the study commission may appoint and fix the compensation of a staff of such persons as may be necessary to discharge the responsibilities of the study commission, subject to the applicable provisions of the Federal Advisory Committee Act (5 U.S.C. App.) and title 5, United States Code.

"(B) To the extent permitted by law and requested by the chairperson of the study commission, the Administrator of General Services shall provide the study commission with necessary administrative services, facilities, and support on a reimbursable basis.

"(C) The Attorney General, the Secretary of Health and Human Services, and the Director of the Federal Emergency Management Agency shall, to the extent permitted by law and subject to the availability of funds, provide the study commission with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the study commission.

"(D) The study commission may request any Executive agency to furnish such information, advice, or assistance as it determines to be necessary to carry out its functions. Each such agency is directed, to the extent permitted by law, to furnish such information, advice or assistance upon request by the chairperson of the study commission.

"(E) Each member of the study commission may receive compensation at the maximum rate prescribed by the Federal Advisory Committee Act (5 U.S.C. App.) for each day such member is engaged in the work of the study commission. Each member may also receive travel expenses, including per diem in lieu of subsistence under sections 5702 and 5703 of title 5, United States Code.

"(F) The functions of the President under the Federal Advisory Committee Act (5 U.S.C. App.) that are applicable to the study commission, except the function of reporting annually to the Congress, shall be performed by the Administrator of General Services.

"(5) The final report required in paragraph (3) shall be submitted to the Congress not later than the expiration of the 2-year period beginning on the date of the enactment of the Price-Anderson Amendments Act of 1988.

"(6) The study commission shall terminate upon the expiration of the 2-month period beginning on the date on which the final report required in paragraph (3) is submitted.".

SEC. 10. WAIVER OF DEFENSES.

(a) Statute of Limitations.—Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended in clause (iii) of the first sentence by striking the following: ", but in no event more than twenty years after the date of the nuclear incident".

(b) Applicability.—Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended—

(1) by redesignating subparagraphs (a), (b), and (c) as subparagraphs (A), (B), and (C), respectively;

(2) by striking "or" at the end of subparagraphs (A) and (B); and

(3) by inserting after subparagraph (C) the following new subparagraphs:

"(D) arises out of, results from, or occurs in the course of, the construction, possession, or operation of any facility licensed under section 53, 63, or 81, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection under subsection a.,

"(E) arises out of, results from, or occurs in the course of, transportation of source material, byproduct material, or special nuclear material to or from any facility licensed under section 53, 63, or 81, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection under subsection a., or

"(F) arises out of, results from, or occurs in the course of nuclear waste activities.".

SEC. 11. JUDICIAL REVIEW OF CLAIMS ARISING OUT OF A NUCLEAR INCIDENT.

(a) Consolidation of Claims.—Section 170 n. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(2)) is amended—

(1) in the first sentence—

(A) by striking "an extraordinary nuclear occurrence" each place it appears and inserting "a nuclear incident"; and

(B) by striking "the extraordinary nuclear occurrence" each place it appears and inserting "the nuclear incident";

(2) in the second sentence, by inserting after "court" the first place it appears the following: "(including any such action pending on the date of the enactment of the Price-Anderson Amendments Act of 1988)"; and

(3) by adding at the end the following new sentence: "In any action that is or becomes removable pursuant to this paragraph, a petition for removal shall be filed within the period provided in section 1446 of title 28, United States Code, or within the 30-day period beginning on the date of the enactment of the Price-Anderson Amendments Act of 1988, whichever occurs later.".

(b) Definition of Public Liability Action.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"hh. The term 'public liability action', as used in section 170, means any suit asserting public liability. A public liability action shall be deemed to be an action arising under section 170, and the substantive rules for decision in such action shall be derived from the law of the State in which the nuclear incident involved occurs, unless such law is inconsistent with the provisions of such section.".

(c) Special Caseload Management Panel.—Section 170 n. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)) is amended by adding at the end the following new paragraph:

"(3)(A) Following any nuclear incident, the chief judge of the United States district court having jurisdiction under paragraph (2) with respect to public liability actions (or the judicial council of the judicial circuit in which the nuclear incident occurs) may appoint a special caseload management panel (in this paragraph referred to as the 'management panel') to coordinate and assign (but not necessarily hear themselves) cases arising out of the nuclear incident, if—

"(i) a court, acting pursuant to subsection o., determines that the aggregate amount of public liability is likely to exceed the amount of primary financial protection available under subsection b. (or an equivalent amount in the case of a contractor indemnified under subsection d.); or

"(ii) the chief judge of the United States district court (or the judicial council of the judicial circuit) determines that cases arising out of the nuclear incident will have an unusual impact on the work of the court.

"(B)(i) Each management panel shall consist only of members who are United States district judges or circuit judges.

"(ii) Members of a management panel may include any United States district judge or circuit judge of another district court or court of appeals, if the chief judge of such other district court or court of appeals consents to such assignment.

"(C) It shall be the function of each management panel—

"(i) to consolidate related or similar claims for hearing or trial;

"(ii) to establish priorities for the handling of different classes of cases;

"(iii) to assign cases to a particular judge or special master;

"(iv) to appoint masters to hear particular types of cases, or particular elements or procedural steps of cases;

"(v) to promulgate special rules of court, not inconsistent with the Federal Rules of Civil Procedure, to expedite cases or allow some equitable consideration of claims;

"(vi) to implement such other measures, consistent with existing law and the Federal Rules of Civil Procedure, as will encourage the equitable, prompt, and efficient resolution of cases arising out of the nuclear incident; and

"(vii) to assemble and submit to the President such data, available to the court, as may be useful in estimating the aggregate damages from the nuclear incident.".

"(d) Legal Costs.—

(1) Payment Criteria.—Section 170o. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)), as previously amended by this Act, is further amended by—

(A) inserting after the subsection designation the following: "Plan for Distribution of Funds.—(1)";

(B) redesignating paragraphs (1) through (3) as subparagraphs (A) through (C); and

(C) adding at the end the following:

"(D) A court may authorize payment of only such legal costs as are permitted under paragraph (2) from the amount of financial protection required by subsection b.

"(E) If the sum of public liability claims and legal costs authorized under paragraph (2) arising from any nuclear incident exceeds the maximum amount of financial protection required under subsection b., any licensee required to pay a standard deferred premium under subsection b. (1) shall, in addition to such deferred premium, be charged such an amount as is necessary to pay a pro rata share of such claims and costs, but in no case more than 5 percent of the maximum amount of such standard deferred premium described in such subsection.

"(2) A court may authorize the payment of legal costs under paragraph (1)(D) only if the person requesting such payment has—

"(A) submitted to the court the amount of such payment requested; and

"(B) demonstrated to the court—

"(i) that such costs are reasonable and equitable; and

"(ii) that such person has—

"(I) litigated in good faith;

"(II) avoided unnecessary duplication of effort with that of other parties similarly situated;

"(III) not made frivolous claims or defenses; and

"(IV) not attempted to unreasonably delay the prompt settlement or adjudication of such claims.".

"(2) Definition of legal costs.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"jj. Legal Costs.—As used in section 170, the term 'legal costs' means the costs incurred by a plaintiff or a defendant in initiating, prosecuting, investigating, settling, or defending claims or suits for damage arising under such section.".

SEC. 12. REPORTS TO CONGRESS BY NUCLEAR REGULATORY COMMISSION AND DEPARTMENT OF ENERGY.

Section 170p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended—

"(1) by inserting "(1)" after the subsection designation;

(2) by striking "shall submit to the Congress by August 1, 1983, a detailed report", and inserting the following: "and the Secretary shall submit to the Congress by August 1, 1998, detailed reports"; and

(3) by adding at the end the following new paragraph:

"(2) Not later than April 1 of each year, the Commission and the Secretary shall each submit an annual report to the Congress setting forth the activities under this section during the preceding calendar year.".

SEC. 13. LIABILITY OF LESSORS.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"r. LIMITATION ON LIABILITY OF LESSORS.—No person under a bona fide lease of any utilization or production facility (or part thereof or undivided interest therein) shall be liable by reason of an interest as lessor of such production or utilization facility, for any legal liability arising out of or resulting from a nuclear incident resulting from such facility, unless such facility is in the actual possession and control of such person at the time of the nuclear incident giving rise to such legal liability.".

SEC. 14. PUNITIVE DAMAGES.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"s. LIMITATION ON PUNITIVE DAMAGES.—No court may award punitive damages in any action with respect to a nuclear incident or precautionary evacuation against a person on behalf of whom the United States is obligated to make payments under an agreement of indemnification covering such incident or evacuation.".

SEC. 15. INFLATION ADJUSTMENT.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"t. INFLATION ADJUSTMENT.—(1) The Commission shall adjust the amount of the maximum standard deferred premium under subsection b. (1) not less than once during each 5-year period following the date of the enactment of the Price-Anderson Amendments Act of 1988, in accordance with the aggregate percentage change in the Consumer Price Index since—

"(A) such date of enactment, in the case of the first adjustment under this subsection; or

"(B) the previous adjustment under this subsection.

"(2) For purposes of this subsection, the term 'Consumer Price Index' means the Consumer Price Index for all urban consumers published by the Secretary of Labor.".

SEC. 16. TECHNICAL AND CONFORMING AMENDMENTS.

(a) REFERENCES TO NUCLEAR REGULATORY COMMISSION.—

(1) Section 11 q. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(q)) is amended by striking "Commission" each place it appears and inserting "Nuclear Regulatory Commission".

(2) Section 170 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(a)) is amended by striking "Commission" in the first sentence and inserting the following: "Nuclear Regulatory Commission (in this section referred to as the 'Commission')".

(b) REFERENCES TO SECRETARY OF ENERGY.—

(1) Subsections j. and m. of section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014) are amended by striking "Commission" each place it appears and inserting the following: "Nuclear Regulatory Commission or the Secretary of Energy, as appropriate,".

(2) Section 11 t. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(t)(2)) is amended by striking "Commission" and inserting "Secretary of Energy".

(3) Section 170 f. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(f)) is amended by inserting after "Commission" the first 2 places it appears the following: "or the Secretary, as appropriate,".

(4) Subsections g., h., j., and m. of section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) are amended by inserting after "Commission" each place it appears the following: "or the Secretary, as appropriate,".

(5) Section 170 n. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)) is amended—

(A) in paragraph (1)—

(i) by striking "Commission" in subparagraph (C) and inserting "Department of Energy"; and

(ii) by inserting after "Commission" the second place it appears the following: "or the Secretary, as appropriate,"; and

(B) in paragraph (2), by inserting after "Commission" the following: "or the Secretary, as appropriate".

(6) Section 170 o. (1)(C), as redesignated by section 11(d)(1) of the bill, is amended—

(A) by inserting after "Commission" the first place it appears the following: "or the Secretary, as appropriate,"; and

(B) by inserting after "Commission" the second place it appears the following: "or the Secretary, as appropriate".

(c) REFERENCES TO REVISED STATUTES.—

(1) Section 170 g. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(g)) is amended by inserting "(41 U.S.C. 5)" after "Statutes".

(2) Section 170 j. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(j)) is amended by striking "section 3679 of the Revised Statutes, as amended" and inserting the following: "Sections 1341, 1342, 1349, 1350, and 1351, and subchapter II of chapter 15, of title 31, United States Code".

(d) INTERNAL CROSS-REFERENCES.—

(1) Section 11 q. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(q)) is amended by striking "subsection" each place it appears and inserting "section".

(2) Section 11 t. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(t)) is amended by striking "subsection" each place it appears and inserting "section".

(3) Section 11 w. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(w)) is amended by striking "subsections 170 a., c., and k." and inserting "subsections a., c., and k. of section 170".

(4) Section 170 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(a)) is amended—

(A) in the first sentence, by striking "subsection 2 i. of the Atomic Energy Act of 1954, as amended" and inserting "section 2 i.";

(B) in the first sentence, by striking "subsection 170 b." and inserting "subsection b."; and

(C) in the second sentence, by striking "subsection 170 c." and inserting "subsection c.".

(5) Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended in the first sentence by striking "subsection 170 a." and inserting "subsection a.".

(6) Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended in the last sentence by striking "subsection 170 e." and inserting "subsection e.".

(7) Section 170 o. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)) is amended in subparagraph (B), as redesignated by section 11 (d)(1) of the bill, by striking "subparagraph (3) of this subsection (o)" and inserting "subparagraph (C)".

(e) SUBSECTION CAPTIONS.—

(1) Section 170 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(a)) is amended by inserting after the subsection designation the following: "REQUIREMENT OF FINANCIAL PROTECTION FOR LICENSEES.—".

(2) Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by inserting after the subsection designation the following: "AMOUNT AND TYPE OF FINANCIAL PROTECTION FOR LICENSEES.—".

(3) Section 170 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended by inserting after the subsection designation the following: "INDEMNIFICATION OF LICENSEES BY NUCLEAR REGULATORY COMMISSION.—".

(4) Section 170 f. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(f)) is amended by inserting after the subsection designation the following: "COLLECTION OF FEES BY NUCLEAR REGULATORY COMMISSION.—".

(5) Section 170 g. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(g)) is amended by inserting after the subsection designation the following: "USE OF SERVICES OF PRIVATE INSURERS.—".

(6) Section 170 h. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(h)) is amended by inserting after the subsection designation the following: "CONDITIONS OF AGREEMENTS OF INDEMNIFICATION.—".

(7) Section 170 j. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(j)) is amended by inserting after the subsection designation the following: "CONTRACTS IN ADVANCE OF APPROPRIATIONS.—".

(8) Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by inserting after the subsection designation the following: "EXEMPTION FROM FINANCIAL PROTECTION REQUIREMENT FOR NONPROFIT EDUCATIONAL INSTITUTIONS.—".

(9) Section 170 m. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(m)) is amended by inserting after the subsection designation the following: "COORDINATED PROCEDURES FOR PROMPT SETTLEMENT OF CLAIMS AND EMERGENCY ASSISTANCE.—".

(10) Section 170 n. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)) is amended by inserting after the subsection designation the following: "WAIVER OF DEFENSES AND JUDICIAL PROCEDURES.—".

(11) Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by inserting after the subsection designation the following: "REPORTS TO CONGRESS.—".

SEC. 17. CIVIL PENALTIES.

The Atomic Energy Act of 1954, as amended, is further amended by adding a new section 234A as follows:

"SEC. 234A. CIVIL MONETARY PENALTIES FOR VIOLATIONS OF DEPARTMENT OF ENERGY REGULATIONS.—a. Any person who has entered into an agreement of indemnification under subsection 170 d. (or any subcontractor or supplier thereto) who violates (or whose employee violates) any applicable rule, regulation or order related to nuclear safety prescribed or issued by the Secretary of Energy pursuant to this Act (or expressly incorporated by reference by the Secretary for purposes of nuclear safety, except any rule, regulation, or order issued by the Secretary of Transportation) shall be subject to a civil penalty of not to exceed $100,000 for each such violation. If any violation under this subsection is a continuing one, each day of such violation shall constitute a separate violation for the purpose of computing the applicable civil penalty.

"b. (1) The Secretary shall have the power to compromise, modify or remit, with or without conditions, such civil penalties and to prescribe regulations as he may deem necessary to implement this section.

"(2) In determining the amount of any civil penalty under this subsection, the Secretary shall take into account the nature, circumstances, extent, gravity of the violation or violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require. In implementing this section, the Secretary shall determine by rule whether nonprofit educational institutions should receive automatic remission of any penalty under this section.

"c. (1) Before issuing an order assessing a civil penalty against any person under this section, the Secretary shall provide to such person notice of the proposed penalty. Such notice shall inform such person of his opportunity to elect in writing within thirty days after the date of receipt of such notice to have the procedures of paragraph (3) (in lieu of those of paragraph (2)) apply with respect to such assessment.

"(2)(A) Unless an election is made within thirty calendar days after receipt of notice under paragraph (1) to have paragraph (3) apply with respect to such penalty, the Secretary shall assess the penalty, by order, after a determination of violation has been made on the record after an opportunity for an agency hearing pursuant to section 554 of title 5, United States Code, before an administrative law judge appointed under section 3105 of such title 5. Such assessment order shall include the administrative law judge's findings and the basis for such assessment.

"(B) Any person against whom a penalty is assessed under this paragraph may, within sixty calendar days after the date of the order of the Secretary assessing such penalty, institute an action in the United States court of appeals for the appropriate judicial circuit for judicial review of such order in accordance with chapter 7 of title 5, United States Code. The court shall have jurisdiction to enter a judgment affirming, modifying, or setting aside in whole or in part, the order of the Secretary, or the court may remand the proceeding to the Secretary for such further action as the court may direct.

"(3)(A) In the case of any civil penalty with respect to which the procedures of this paragraph have been elected, the Secretary shall promptly assess such penalty, by order, after the date of the election under paragraph (1).

"(B) If the civil penalty has not been paid within sixty calendar days after the assessment order has been made under subparagraph (A), the Secretary shall institute an action in the appropriate district court of the United States for an order affirming the assessment of the civil penalty. The court shall have authority to review de novo the law and facts involved, and shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part, such assessment.

"(C) Any election to have this paragraph apply may not be revoked except with consent of the Secretary.

"(4) If a person fails to pay an assessment of a civil penalty after it has become a final and unappealable order under paragraph (2), or after the appropriate district court has entered final judgment in favor of the Secretary under paragraph (3), the Secretary shall institute an action to recover the amount of such penalty in any appropriate district court of the United States. In such action, the validity and appropriateness of such final assessment order or judgment shall not be subject to review.

"d. The provisions of this section shall not apply to:

"(1) The University of Chicago (and any subcontractors or suppliers thereto) for activities associated with Argonne National Laboratory;

"(2) The University of California (and any subcontractors or suppliers thereto) for activities associated with Los Alamos National Laboratory, Lawrence Livermore National Laboratory, and Lawrence Berkeley National Laboratory;

"(3) American Telephone and Telegraph Company and its subsidiaries (and any subcontractors or suppliers thereto) for activities associated with Sandia National Laboratories;

"(4) Universities Research Association, Inc. (and any subcontractors or suppliers thereto) for activities associated with FERMI National Laboratory;

"(5) Princeton University (and any subcontractors or suppliers thereto) for activities associated with Princeton Plasma Physics Laboratory;

"(6) The Associated Universities, Inc. (and any subcontractors or suppliers thereto) for activities associated with the Brookhaven National Laboratory; and

"(7) Battelle Memorial Institute (and any subcontractors or suppliers thereto) for activities associated with Pacific Northwest Laboratory.".

SEC. 18. CRIMINAL PENALTIES.

Section 223 of the Atomic Energy Act of 1954, as amended, is further amended by adding a new subsection c. as follows:

"c. Any individual director, officer or employee of a person indemnified under an agreement of indemnification under section 170 d. (or of a subcontractor or supplier thereto) who, by act or omission, knowingly and willfully violates or causes to be violated any section of this Act or any applicable nuclear safety-related rule, regulation or order issued thereunder by the Secretary of Energy (or expressly incorporated by reference by the Secretary for purposes of nuclear safety, except any rule, regulation, or order issued by the Secretary of Transportation), which violation results in or, if undetected, would have resulted in a nuclear incident as defined in subsection 11 q. shall, upon conviction, notwithstanding section 3571 of title 18, United States Code, be subject to a fine of not more than $25,000, or to imprisonment not to exceed two years, or both. If the conviction is for a violation committed after the first conviction under this subsection, notwithstanding section 3571 of title 18, United States Code, punishment shall be a fine of not more than $50,000, or imprisonment for not more than five years, or both.".

SEC. 19. NEGOTIATED RULEMAKING ON FINANCIAL PROTECTION FOR RADIOPHARMACEUTICAL LICENSEES.

(a) Rulemaking Proceeding.—

(1) Purpose.—The Nuclear Regulatory Commission (hereafter in this section referred to as the "Commission") shall initiate a proceeding, in accordance with the requirements of this section, to determine whether to enter into indemnity agreements under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) with persons licensed by the Commission under section 81, 104(a), or 104(c) of the Atomic Energy Act of 1954 (42 U.S.C. 2111, 2134(a), and 2134(c)) or by a State under section 274(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2021(b)) for the manufacture, production, possession, or use of radioisotopes or radiopharmaceuticals for medical purposes (hereafter in this section referred to as "radiopharmaceutical licensees").

(2) Final determination.—A final determination with respect to whether radiopharmaceutical licensees, or any class of such licensees, shall be indemnified pursuant to section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) and if so, the terms and conditions of such indemnification, shall be rendered by the Commission within 18 months of the date of the enactment of this Act.

(b) Negotiated Rulemaking.—

(1) Administrative conference guidelines.—For the purpose of making the determination required under subsection (a), the Commission shall, to the extent consistent with the provisions of this Act, conduct a negotiated rulemaking in accordance with the guidance provided by the Administrative Conference of the United States in Recommendation 82-4, "Procedures for Negotiating Proposed Regulations" (42 Fed. Reg. 30708, July 15, 1982).

(2) Designation of convener.—Within 30 days of the date of the enactment of this Act, the Commission shall designate an individual or individuals recommended by the Administrative Conference of the United States to serve as a convener for such negotiations.

(3) Submission of recommendations of the convener.—The convener shall, not later than 7 months after the date of the enactment of this Act, submit to the Commission recommendations for a proposed rule regarding whether the Commission should enter into indemnity agreements under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) with radiopharmaceutical licensees and, if so, the terms and conditions of such indemnification. If the convener recommends that such indemnity be provided for radiopharmaceutical licensees, the proposed rule submitted by the convener shall set forth the procedures for the execution of indemnification agreements with radiopharmaceutical licensees.

(4) Publication of recommendations and proposed rule.—If the convener recommends that such indemnity be provided for radiopharmaceutical licensees, the Commission shall publish the recommendations of the convener submitted under paragraph (3) as a notice of proposed rulemaking within 30 days of the submission of such recommendations under such paragraph.

(5) Administrative procedures.—To the extent consistent with the provisions of this Act, the Commission shall conduct the proceeding required under subsection (a) in ac-

cordance with section 553 of title 5, United States Code.

SEC. 20. EFFECTIVE DATE.

(a) Except as provided in subsection (b), the amendments made by this Act shall become effective on the date of the enactment of this Act and shall be applicable with respect to nuclear incidents occurring on or after such date.

(6)(1) The amendments made by section 11 shall apply to nuclear incidents occurring before, on, or after the date of the enactment of this Act.

(2)(A) Section 234A of the Atomic Energy Act of 1954 shall not apply to any violation occurring before the date of the enactment of this Act.

(B) Section 223 c. of the Atomic Energy Act of 1954 shall not apply to any violation occurring before the date of enactment of this Act.

□ 1930

THE HOUSE ETHICS COMMITTEE, COMMON CAUSE, AND THE INVESTIGATION OF THE SPEAKER

The SPEAKER pro tempore (Mr. COLEMAN of Texas). Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 5 minutes.

Mr. GINGRICH. I thank the Speaker.

Mr. Speaker, I want to speak this evening about the Ethics Committee, Common Cause and the investigation of the Speaker.

I am sending out a "Dear Colleague" to every Member of the House that outlines some concerns I have about the press reports we have had involving the decisions apparently made by the Ethics Committee about hiring special counsel.

I am concerned by various press reports suggesting that the Ethics Committee has placed limitations on the scope of the investigation and is attempting to control the activities of the special counsel.

I strongly agree with the Common Cause letter urging the Ethics Committee to "commit itself to the following measures:

1. The outside counsel shall have full authority to investigate and present evidence and arguments before the Ethics Committee concerning the questions arising out of the activities of House Speaker James C. Wright, Jr.;

2. The outside counsel shall have full authority to organize, select, and hire staff on a full- or part-time basis in such numbers as the counsel reasonably requires and will be provided with such funds and facilities as the counsel reasonably requires;

3. The outside counsel shall have full authority to review all documentary evidence available from any source and full cooperation of the Committee in obtaining such evidence;

4. The Committee shall give the outside counsel full cooperation in the issuance of subpoenas;

5. The outside counsel shall be free, after discussion with the Committee, to make such public statements and reports as the counsel deems appropriate;

6. The outside counsel shall have full authority to recommend that formal charges be brought before the Ethics Committee, shall be responsible for initiating and conducting proceedings if formal charges have been brought and shall handle any aspects of the proceedings believed to be necessary for a full inquiry;

7. The Committee shall not countermand or interfere with the outside counsel's ability to take steps necessary to conduct a full and fair investigation; and

8. The outside counsel will not be removed except for good cause.

That is from the Common Cause letter to the Ethics Committee.

It is my impression from press reports that the Ethics Committee has specifically failed to meet the Common Cause standard. Furthermore, it is my understanding that the special counsel cannot go beyond the six areas outlined in June 9, 1988, "Resolution of Preliminary Inquiry." This leads me to believe that the special counsel will not be allowed to investigate the questionable bulk purchases of Mr. WRIGHT's book "Reflections of a Public Man," as a way to circumvent House limits on outside income.

I am particularly concerned that the unusual purchases by the Teamsters Union, the New England Mutual Life Insurance Co., a Fort Worth developer, and a Washington lobbyist will not be investigated.

I believe many will perceive this action as an attempt by the Ethics Committee to control the scope and direction of the investigation.

I am asking therefore, for a copy of the resolution or guidelines adopted by the Ethics Committee outlining the authority the committee has given the special counsel. If the guidelines are specified in the contract with Mr. Phelan, to be approved by House Administration, I am also asking, for a copy of that contract.

I want to know the nature of Mr. Phelan's subpoena power. In order to conduct a thorough and credible investigation, the special counsel needs unlimited subpoena power. What role is the Ethics Committee going to play in granting or refusing the special counsel's request for subpoenas?

Both Common Cause and I insist that, "in order to carry out the responsibilities of an outside counsel effectively, it is necessary for the counsel's authority and independence to be clearly and publicly established." The special counsel must have the "authority and independence necessary to conduct the inquiry in an effective and credible manner."

The House of Representatives, as well as the American public, deserve an investigation which will uncover the truth. At this moment, I am afraid that the apparent restrictions placed on this special counsel will not allow the truth to be uncovered.

I am enclosing with this special order a copy of the "Dear Colleague" I am sending around to my colleagues. I think it is vital that we recognize that the rules normally applied by the Ethics Committee to an investigation of a typical Member are insufficient in an investigation of the Speaker of the House, a position which is third in line of succession to the Presidency and the second most powerful elected position in America.

Clearly this investigation has to meet a higher standard of public accountability and integrity. I think it is vital that every Member reflect on the fact that the integrity of the House is at stake and that all of us have a responsibility to insure that the standards being set are those of an extraordinary investigation. I look forward to hearing from the Ethics Committee. I think it is vital in the next few days that we clear up this matter and I think the full House has to be prepared to involve itself in deciding this if, in fact, the Ethics Committee has not taken the appropriate steps.

I thank the Speaker.

DEAR COLLEAGUE: Attached is a copy of a letter from Common Cause to the Chairman of the House Ethics Committee, Rep. Julian Dixon, urging the Ethics Committee to grant the special counsel hired to investigate Speaker Jim Wright with "the authority and independence necessary to conduct an effective and credible inquiry."

I've also attached a copy of my letter to the Members on the Ethics Committee requesting information dealing with the scope, authority, and independence of the special counsel.

I am concerned by various press reports suggesting that the Ethics Committee has placed limitations on the scope of the investigation and is attempting to control the activities of the special counsel.

If the Ethics Committee refuses to respond to my letter or if their response is inadequate, I plan to bring a Privileged Resolution to the floor of the House instructing the Ethics Committee to grant the special counsel the conditions outlined by Common Cause.

If you agree that it is vital that we have a totally independent investigation of Speaker Jim Wright, not one which is politically controlled and protected by the House Ethics Committee, contact Karen Van Brocklin on my staff at x4501.

Sincerely,

NEWT GINGRICH.

SALE OF VA LOAN ASSETS WITHOUT RECOURSE IS BAD POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, at the insistence of the Office of Management and Budget, the Veterans' Administration held its first nonrecourse loan sale a few weeks ago, and the results were as we had predicted. The sale was a disaster for the taxpayers.

At a time when the program is virtually broke and Congress has had to appropriate over $900 million to keep the program running just for this year, the OMB policy makes no sense at all. The sale not only depleted income-producing assets, but realized only 56 cents on the dollar in upfront cash. Obviously, if loan asset sales are to continue, sales should be done in such a way as to maximize upfront proceeds to the program. If reasonable prices cannot be expected, income-producing assets should be held for program funding.

As you may recall, Public Law 100-136 effectively prohibited the Veterans' Administration from selling any of its assets unless they could be sold for par. This law was repealed as part of the summit agreement.

I hope the administration will back off from its position on nonrecourse loan sales and realize maximum returns on all sales, which is good business management.

MINT'S POLICIES BELITTLING TO AMERICAN VETERAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, even though I carry the scars of World War II, I am being treated like a second-class citizen. I am only a peon collector. Since I can't afford to buy millions of dollars work of coins from the mint, then I must pay premium prices to distributors.

Mr. Robert A. Johnston of Bloomington, CA, wrote these words to me in a recent letter regarding the policies of the U.S. Mint in selling American Eagle bullion coins. I have long criticized the mint for making the bullion coins available only to a limited set of distributors. This practice is discriminatory, and circumvents the original intent of the Gold Bullion Coin Act.

This law was passed to enable the American public and investors worldwide to invest in an American bullion coin. The Krugerrand was soon to be banned from sale in American markets, leaving the Canadian Maple Leaf coins and a few others as the only possibilities for bullion investing in the United States. Not only were Americans interested in an American bullion coin, but the international market was receptive to the proposal. The policies of the South African Government were drawing interest away from the Krugerrand.

Meanwhile, the U.S. budget deficit was growing both in size and in national concern. An American bullion coin would stimulate investment and in turn, help the economy. Investors worldwide are interested in bullion coins. With the Federal deficit becoming a rising national concern, and the policies of the South African Government threatening to hurt the sales of Krugerrands, the market was ready for an American bullion coin. The United States seized the opportunity.

Unfortunately, the mint chose a marketing scheme which has not only been an embarrassing failure, but is also unfair to the general public. The mint decided to make the Eagle coins available to a cartel of around two dozen distributors. Coins can be sold in bulk purchases only. No individual is to be able to purchase coins from the mint, either in bulk or in small amounts. This policy forces the consumer to buy coins from a distributor or in the secondary market. The unfairness here is obvious: The consumer must pay a price which has been increased due to the use of a middleman, the distributor.

In his letter, Mr. Johnston expresses feelings of rejection and consternation with the current system of selling the bullion coins:

> In my couple of coin periodicals I read advertisements that are selling 1988 Eagles at varying prices. I can't just buy them from a government that I literally fought to sustain. I don't expect preferential treatment, but I do, yes, demand first class status. I know that I have your respect as a first class citizen, but I am not receiving this from certain Government agencies.

Is this the way that we want our veterans or any other citizens to perceive the U.S. Government? The Government selected certain coin distributors and elected to grant them the corner of the market for bullion coins. Other distributors cannot obtain these coins from the mint, nor can individuals.

I have discussed again and again the spiraling sales figures for the American Eagle bullion coins. The marketing strategy and the policy of using distributors rather than selling directly to the public have failed. Mr. Johnston's comments reflect the feelings of many Americans who believe that they are being treated unfairly. This is dramatically affecting the sales of the American Eagle, and is insulting to American citizens such as Mr. Johnston.

REBUTTAL TO CRITICISMS OF REPUBLICANS BY THE DEMOCRATS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Mr. Speaker, we on my side of the aisle, have watched a lot of Reagan bashing go on, some of it highly disrespectful to the elected President of the United States, way beyond usual partisan politics criticism in this well. And we have certainly watched a lot of Bush bashing going on with little or no repsect for the Vice President of the United States, with little or no regard to what it is like for his family to hear some of this inane criticism that goes on here and that went on at the Democratic Convention, of which Mr. Dukakis took no part but then again it is kind of clever to have the point man not saying anything disparaging and having the whole team pretty much, for 4 days, try to dissect a man's entire life of public service and trivialize it.

Now first, in a lighter vein, I would like to point out, Mr. Speaker, a column from my good friend Mary McGrory, the prime special liberal columnist of the Washington Post, special because she gets a page all to herself and gets black boxes and marks around her column that makes it sort of special.

Mary is pretty fair spirited. She debated me before one of the more conservative caucus groups here on the Hill and we have a rather pleasant relationship.

Therefore, I do not mind pointing out that Mary has broken hearts on Capitol Hill and it is not my heart. It is the tall, handsome, young Irish American from Massachusetts, my good friend and colleague, ED MARKEY.

I will never forget during my hiatus when I was gerrymandered out of my seat and could not believe I was no longer in Congress and used to hang out in the Halls and wish that I were participating in the nuclear freeze debate. And I could call in a few signals through some of my friends who were saying, "We need you out there." I said, "I will be back in 1984, next year," and I was.

But during that debate I was out here in the Speaker's Lobby—I could almost mark the spot—and I watched ED MARKEY, after calling to freeze everything—and of course if we had frozen everything in strategic defense, offensive and defensive, and if we had stopped all missile testing and gone along with the blocks on our testing antisatellite weapons, of course we would not have now Gorbachev on Red Square with Reagan's arm around him and we would not have the INF Treaty.

But MARKEY goes out that door and Mary McGrory grabs him and gives him a big hug and a kiss. And I admit there was a little pining away there. I thought, "Gee, when is the last time a liberal columnist hugged me or anybody on my side of the aisle or any of the so-called boll weevil Democrats on this side of the aisle?"

Then I thought for that matter when is the last time that anybody of any gender who is a conservative journalist has hugged any of us or given us a big kiss?

I saw, physically, in front of my face that unusual relationship inside the beltway of liberal columnists and liberal journalists pulling for their team, their guys and gals in the Senate and the House to prevail.

But then I pick up this column. It says, "Faint-hearted phrasemakers." And I see that Mary McGrory has given her heart from the tall Irish American from Massachusetts, MARKEY, to the smaller Greek American from Massachusetts, Michael Dukakis. This glowing piece—she writes:

> By this time I had hoped to bring you the new lexicon from the election front. The election, after all, is only 170 days away and I thought that the trends might be set by now.

She goes on to talk about her love affair for Mike Dukakis.

Well, I told Ed Markey 2 years ago and then I told him again the night of the first Democratic debate when I looked at all of the candidates and saw what 2½ to 3 years of debating on the PBS show called The Advocates the skill and the calmness it had given Michael Dukakis on the tube, all of his multiple press conferences as Governor. I had five Young Americans for Freedom—that is a formal organization—in my office. I said:

> Here is a secret ballot, don't tell me what you think. Everybody write down who is going to win the Democratic primary season.

Every one of the five and myself, we all picked Dukakis. I said to them as I have said to Mr. Markey, "Beware of Greeks wearing lifts." Well, with that little remark, I changed it to "Beware of Greeks bearing gifts," the old original expression about the Trojan horse.

A Democratic nominee saying "I will give this group that, this group that, this group that, this group that," but doing it not so blatantly as Mr. Mondale did 4 years ago, but doing it very subtly.

Now in not so light a vein I call your attention, Mr. Speaker, to an excellent open letter by a former Secretary of Defense, one James Schlesinger, a gentleman who at one time was the head of the Rand Corp. in Santa Monica, CA. They do not come any smarter on defense. I do not always agree with him, but he always gives a thoughtful opinion. He has served all sorts of administrations, Republican and Democratic. And in this open letter he takes apart the Dukakis nondefense record.

He left out one glaring thing that Dukakis has done, so arrogantly that he has even filed suit against the President of the United States. This is about 2 years ago. It is something that Mr. Dukakis would like to forget.

He filed suit along with the Governor of Ohio against the Commander-in-Chief and I will save that for a closing item because it is something that makes the whole case of what James Schlesinger, former Secretary of about three different Cabinet positions, what he says in his open letter.

I would like to read some of the more interesting paragraphs, Mr. Speaker. The title taken by Time magazine, taken out of the letter is "Your Record Is Not Reassuring."

It goes on, "In an open letter, a former Secretary of Defense questions Dukakis' grasp of national security." Then further, "James Schlesinger has dealt with national security for every President since Dwight Eisenhower. He was CIA Director and Secretary of Defense in the Nixon and Ford administrations, then Energy Secretary for Jimmy Carter," the only Republican on Carter's Cabinet.

The letter begins, "Dear Governor Dukakis:

> While congratulating you on your nomination, many of us who have worked for the nation's security in Democratic and Republican Administrations feel the trepidation about your views—and, more important, your instincts—on crucial defense issues. All that we have to go on are your actions as Governor and your statements in the campaign.

Now on a personal note, as Mr. Dukakis is precisely a contemporary of this Congressman, we were both born in the low-yield baby birth year of this century, 1933. I was born April 3, 1933, he was born November 3, 1933.

I skipped a half year in school so we went through school all the way together.

When Michael Dukakis and Bob Dornan were in the second grade, George Bush, 19 years of age, was flying off carriers in the South Pacific, 58 combat missions downed twice, and the second time, 87 days after his 20th birthday, he watched both of his crewmen, one of them a lifelong friend on his very first mission, he watched both of them die in his airplane.

One man he saw dead in the cockpit behind him, an older family friend who had already graduated from Yale. George Bush was only a high school graduate. He went from high school directly into the Navy and was a commissioned officer and a pilot while he was just 18 years of age. But this older friend of the family, already a Yale graduate, Lt. Ted White, said to George, "I have never had a combat mission. I am a deck officer here on this carrier. Can I come with you tomorrow?" and Bush says, "It is a hot mission over Chi Chi Jima. We can expect to get shot at plenty." He said, "That is what I want to do, George, I want to see what you pilots are going through and the young enlisted aircrew."

George went to Leo Nado, his gunner who was born in 1924 on St. Patrick's Day, a few weeks older than George. Leo told me himself. He said, "The ensign came to me," and he said, "I am sorry, Congressman, but I still tend to call him the ensign," he went on, "Ensign Bush says, 'Leo, do you mind if I let someone ride in the turret today?' and he said, 'You're the boss, it is your call, Ensign.'"

Then he further said, "So Ted White climbed into the gun turret. That was his first, his only combat mission and he gave his life on that mission."

Down below in the gunner's low area, the radio man, Johnny Delaney, 5 foot 4, but 3 years older than George and about the age of the lieutenant who died, Delaney had flown over 50 combat missions with by then Lieutenant-Junior Grade Bush.

Delaney, Vice President Bush tells it, was shot in his parachute as he was coming down.

□ 1945

Chi Chi Jima was an island where, after the war, the war crimes trials were held that never got as much attention as the Nuremberg trials in Germany. They tried the commander of that island and two of his officers and hung them for torturing to death American crewmen and even for cannibalism. This was known to the aircrews. They were briefed on the ship.

So that is when George Bush looks around and sees his family friend, a Yale graduate, Lt. Ted White, dead in the ball turret, and then sees his young gunner down below, John Delaney, killed coming down, and then he is swimming in the salt water to his life raft, and he throws up in the raft and then feels the current taking him to the shore, knowing what is waiting for him there. You can imagine how happy he felt then when a submarine came up and plucked him out of the water.

All of that happened while Dukakis and Dornan were in the seventh grade. Yes, my freedom and the freedom of my kids and my seven grandkids was purchased for me by heroes like George Bush.

So now let us take his experience and come back to what Schlesinger says about Dukakis. He says: "As chief executive of Massachusetts you have had an opportunity to affect the national security policy of the country as a whole, and your record as Governor is not reassuring. You have steadily prevented Massachusetts' participation in the Ground Wave Emergency Network, a communications system designed to transmit warnings or Presidential orders to the Strategic Air Command and to the North American Aerospace Defense Command"—NORAD—"if the Nation were under nuclear attack."

That is when these matters would be transmitted to the President.

"Of 56 intended GWEN"—that is the acronym for Ground Wave Emergency Network—"sites around the country, 52 have now been completed. Only your State, Governor Dukakis, and Rhode Island continue as holdouts."

We should ask Senator Chafee what is wrong with Rhode Island here.

"This Massachusetts' gap in the national-warning system is particularly disquieting since the primary radar installation for detecting a submarine-launched missile attack is located on Cape Cod."

"That is something which we all know. It sticks way out into the North Atlantic like a big hook."

"In your 1986 letter to the Air Force objecting to the placement of GWEN in Massachusetts, you suggested, Governor, that having such a communications system might encourage the"—and these are Dukakis' quotes—"mistaken belief that nuclear war can be kept under control once it begins and thereby make national leaders more inclined to let one begin."

That is nuclear war.

"Governor, what deters war is the completeness and integrity of the U.S. deterrent and secure communications enhance our deterrent. Yet you seem to suggest that the way to deter war is to be unprepared to respond."

I ask the Members, Mr. Speaker, and I ask everyone who follows the proceedings of this House electronically or who reads the written RECORD the next day, have we not heard that same asinine argument on this floor? Have we not heard a Member stand up and say that the best defense is a nonthreatening defense? That is on its face sort of strange. But this is the Dukakis approach, to be unprepared for war. This is sort of the attitude that Winston Churchill fought all during the middle and late 1930's on the floor of the British Parliament.

James Schlesinger continues: "In a matter less consequential"—and since he says it is less consequential, let me insert here what I was going to save for later, something that Schlesinger missed in this thoughtful essay, this open letter, but which reinforces his point.

Governor Dukakis is one of those Governors who has decided his National Guard will not maneuver in places where he decides it should not be. He and the very liberal, the equally liberal, Governor of Ohio, Governor Celeste, are suing the President of the United States, the Commander in Chief, to stop the Commander in Chief from sending the National Guard of Ohio or the National Guard of Massachusetts to maneuvers in Honduras.

This is so asinine on its face that an American has to know something about what our Guard does, either the Air Guard, the Army Guard, the Air Reserve, the Army Reserve, or the Navy Reserve. All across this country, we send regular pilots in the National Guard and the Air Reserve all around the world. The Air Force Reserve and the Navy Reserve have pilots flying all 24 time zones around the world in C-5 Galaxies and C-4-1-B's, the Big Stretch Star Lifter. They are going all over the world. Fighter pilots are not restricted to their home State or to a summer camp, as I used to be when I flew Guard in California and would go up to Idaho for summer camp.

Our summer camp for pilots in the Guard is what, for example, the Reserve unit did at March Air Force Base where Dean Martin's son was killed on a regular, active drill date last March. They fly to Spain, they fly to Italy, they fly to Germany, and to France. They fly to Okinawa, they fly to the Philippines, they fly all over the world to summer camp, and the Army should be able to train its men anywhere they want, including Honduras.

But Dukakis says, "No, I will set myself up as one-fiftieth of the United States in a population less than half the size of most large States, and," he says, "I will decide where my men go." And Celeste of Ohio joins in. But not the Democratic Governor of Texas, because when they turned down the assignment, and started to block it in court, that created trouble, and you could see Governor White of Texas proudly say that "My Texas armored divisions will go to Honduras," and along the Honduran border on the evening news you could see those armored vehicles, those tanks and armored personnel carriers of Texas with the Texas Lone Star flag flying as a guide-on off their vehicles, and he was proud as a Texas Democratic Governor that they were there. He could not get away with that in Texas, and he understood that also; he could not get away with what Dukakis is trying to get away with in Massachusetts.

That is probably second or third of importance to what Schlesinger points out, but it is something Mr. Schlesinger missed.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I am glad to yield to my colleague, the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

In a few minutes here I am going to talk a little about what Governor Dukakis said in his speech to the Nation at the Democratic Convention the other day, and I will try to make the point that some of the things that were said do not exactly match the record. The gentleman is in an area where Governor Dukakis did make a statement at the Convention that I thought might fit in here.

He said, "We must be, we are, and we will be militarily strong."

Now, given what the gentleman has just told us, one has to wonder what those words really meant. If I understood the gentleman correctly, he said that the Governor was unwilling to send his National Guard forces to train as a part of our overall defense structure. Yet this is the same Presidential candidate who tells us that his idea of defense is to have a strong conventional army, a strong conventional military. One of the chief component parts of that conventional military, I think the gentleman would agree is the National Guard.

Mr. DORNAN of California. Absolutely.

Mr. WALKER. Mr. Speaker, many of the divisions that we depend upon in our conventional strength are from the National Guard and yet we have Governor Dukakis say, "Well, but if they are needed to train in places I don't want to send them, then I am not for having that strong conventional force."

Mr. DORNAN of California. Precisely.

Mr. WALKER. That does not make much sense.

Then the gentleman also, it seems to me, told us here a minute ago that the Governor was not for a communications network to warn us about a possible Soviet attack?

Mr. DORNAN of California. Not only warn us but help the President and the Strategic Air Command either respond or prepare to respond. In other words, if we are getting hit, I guess he says that the best thing is just to take it in the chops, see our society destroyed but not even be able to respond.

Mr. WALKER. So weakness in fact is strength under that particular formulation, if I understand correctly, so I wonder what this means: "We must be, we are, and we will be militarily strong."

When weakness becomes strength, we have to begin to wonder what those statements mean, because I will say to the gentleman that what is also interesting about the Governor is, if he is not willing to have us communicate the fact that we are being attacked, that is probably in line with the fact that he does not want us to have anything to send back either. He is against the MX missile, and he is against the Midgetman missile. Most of the Members of this body who are against the MX at least say they are for Midgetman. He is against both.

Mr. DORNAN of California. Right.

Mr. WALKER. He would curtail spending on the B-1 bomber.

Mr. DORNAN of California. He has changed on that, let me say to the gentleman.

Mr. WALKER. Oh, he has?

Mr. DORNAN of California. Let me tell the gentleman from Pennsylvania how he has changed. The other day he said he would not cancel the B-1 program. That is interesting. I wonder if he knew what he was saying.

The last B-1 bomber was delivered to the Fourth Base, the last base to get them, and that is McConnell in Kansas. That was on April 30.

So all 100 have been delivered. One has crashed because of a bird hit. So there are 99 that are already flying. So he says he is not going to shut down the program and tell the young pilots, "Get out of your B-1's. I am junking them. Get back in those old B-52's."

Mr. WALKER. What it means, then, is that he is now for a program that has already been completed?

Mr. DORNAN of California. Exactly. He is not going to cancel an existing program.

Mr. WALKER. How nice. That is something we can all be proud of.

Mr. DORNAN of California. That is very similar, except by difference of degree only, to saying that "I am not going to be against General Eisenhower's B-52 program any longer. I will allow the B-52's."

Or it is like saying, "I am not going to be against the M-1 tank," which Ann Richards was against in her remarks. The keynote speaker at the convention said that we have spent billions on tanks that will not shoot and billions on planes that will not fly. The only ones she could possibly have referred to is like when one of the gentlemen from Minnesota got up here and attacked the F-18 and said it would not fly, and then I took the well and said, "Isn't that funny? I just flew it the day before yesterday."

So they do not attack the F-18. It is all over the world, with the Navy and the Marine Corps, the Spanish, the Australians, and the Canadians. So they stopped attacking that, and the B-1 is now flying at a base in Texas, where Ann Richards could go and get a flight anytime. They would love to take that grandmother up and show her that they are happy with the 27 birds, the B-1-B's that are flying at Dyess Air Force Base in Texas. It would be nice if Ann Richards, the treasurer of the State, would visit there, but maybe she has the same visceral contempt for the military that Schlesinger thinks he detects in Dukakis. I will read that in a minute.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. DORNAN of California. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, we know that Governor Dukakis opposes the MX, and we know he opposes the Midgetman. The gentleman now corrects me and indicates that he is for keeping the B-1's that we have already built.

Mr. DORNAN of California. But he is against the B-2 Stealth. And do you know why? I swear I saw this in quotes in Newsweek or Time. He says, "It is too stealthy." What does that mean?

Mr. WALKER. We know that he opposes the strategic defense initiative; is that not right?

Mr. DORNAN of California. Yes.

Mr. WALKER. In other words, he wants to weaken our offense, but he also is not for any defense. And as I understand it, from what the gentleman told us from Mr. Schlesinger's letter, he is not for being able to communicate if we are being attacked, and then he also opposes testing and deployment of antisatellite weapons.

So he is going to give the Soviets the opportunity to shoot down our satellites, he gives them the opportunity to use their satellites against us, he does not want anything that would allow us to shoot down their satellites, he is against the strategic defense initiative, so that we would not be able to protect ourselves, he is against having any offensive missiles like Midgetman or MX, and yet he says, "We must be, we are, and we will be militarily strong."

Mr. DORNAN of California. Would the gentleman stop right there? Two words in that sentence jumped at me.

Given that the gentleman and I came together in our Bicentennial year, given 12 years of battling over defense authorization bills and appropriation bills in this House, two words in the middle of that sentence jumped at me. What are they?

Mr. WALKER. "We are."

Mr. DORNAN of California. "We are." Whom do we thank for that, that we are at this moment militarily strong, out of the mouth of Michael Dukakis?

Mr. WALKER. We certainly were not when the previous administration left office. The American people gave Ronald Reagan as a part of his mandate the assignment of rebuilding a military which had been neglected to the point of becoming a joke.

That was the time, as the American people will well remember, when the volunteer military was on the verge of failing largely because we could not attract recruits who had enough education to be able to run the sophisticated equipment we were building.

Mr. DORNAN of California. Exactly.

Mr. WALKER. Since that time Ronald Reagan has rebuilt the military in a way which not only has allowed us to get top-notch recruits into the military but we have the highest level of education among our enlisted people today than we have ever had.

Mr. DORNAN of California. Mr. Speaker, let me ask the gentleman, has he seen this Time magazine, this open letter?

Mr. WALKER. No, I have not.

Mr. DORNAN of California. I say to the gentleman, "Don't move. Don't go away. Don't touch that dial. Wait until you hear this next paragraph, because this shocked me. Schlesinger starts out by saying that this "baby" is inconsequential, but it makes the gentleman's point.

He said, "In a matter less consequential but perhaps equally indicative, in your 10 years as Governor, you have declined all invitations to visit Hanscom Air Force Base, the premier military facility in Massachusetts and the home of the Air Force's Electronic Systems Division. Four ESD commanders have invited you."

They probably begged him.

"Accepting such invitations is the normal political practice * * *."

The gentleman from Pennsylvania visits every military installation in your district, and so has almost every Congressman here except those with an observable antipathy, if not dislike, for the military.

□ 2000

He said, "You have turned down all invitations while other Massachusetts officials have regularly accepted the invitations. Your unwillingness to visit Hanscom has led many of us to wonder whether you are viscerally antimilitary."

Just one little note on that:

Most Americans who know anything about the military know Wright-Patterson Field, now Wright-Patterson Air Force Base. They know that that was the main experimental place in the country even flying test flights out of there until during the Second World War we moved out to my neck of the woods, to Muroc Dry Lake, now Edwards Air Force Base named after a test pilot who died there.

Now Wright-Patterson is still the prime installation in this country for airplanes named after the Wright Brothers for airplanes, and propulsion and armament. Armaments are tested down in Eglin, but I can tell my colleagues as a peacetime fighter pilot we can have the fastest airplane in the world, the best engines, the greatest airframe, multisonic, but, if you do not have the electronics, the black boxes, as they are called in the industry, to fire and deliver our weapons, we are worthless. We will die before even reaching a battle environment. Hanscom is to electronics what Wright-Patterson is to airplanes and propulsion systems, and to not visit that is amazing to me.

Let me read one more paragraph because it underscores what the gentleman from Pennsylvania [Mr. WALKER] just said.

"Your campaign statements to date have done little to dissipate such concerns," that you are visibly antimilitary.

"You have explicitly opposed America's latest intercontinental ballistic missile, the MX; plans for a small, single warhead mobile ICBM, the Midgetman," which a lot of liberals on the other side of the aisle like; "the B-1"; he did not hear his slight retraction as the gentleman from Pennsylvania had not, "and the Stealth bombers."

Probably did not catch that line that it is too stealthy.

"You have also urged a ban on all missile flight tests."

How many times has the gnetleman taken to the floor, or the well, that mike, that mike, that mike or here, to counter this banning everything so that we can test nothing?

He said, "You have indicated that you would terminate or radically reduce the strategic defense initiative [SDI]. To be sure, you have strongly supported efforts to achieve further arms control agreements. Nonetheless, for us unilaterally to curtail our strategic programs, as you have suggested, would remove much; "I believe all," much of the Soviet Union's military incentives for compromise and thus destroy much of America's leverage in negotiations. In recent months, Governor Dukakis, you have moved toward the political center."

Is it cynical? That is the big question, folks.

"You have acknowledged the continued necessity for nuclear deterrence," mostly when Jackson was hammering on him to pull out of Europe and pull out of South Korea.

> You have acknowledged the continued necessity for nuclear deterrence. You have indicated that despite your opposition to the MX and Midgetman you are not necessarily against the new ICBM in principle. Yet you will find that any new missile system is impossible unless you back off. Governor, from your commitment to a missile test flight ban. We cannot have a new missile system unless we test it. You have expressed support for NATO and called for a conventional defense initiative. This exhortation, which so far is largely lacking in content, Governor, seems intended to constitute your substitute for SDI and other new strategic programs.

To those of us who have long advocated an improved conventional capability that Schlesinger, the gentleman from Pennsylvania [Mr. WALKER], the gentleman from California [Mr. DORNAN] and everybody on our side of the aisle and about a third of them over here including most of the southerners.

> But those who have advocated improved conventional capability are eager to join in any serious effort to that end, but you seem not to have faced up to the intractable reality that improvement in conventional balance is both difficult and costly.

This by the way, and I say this as a loyal, practicing Catholic—this is what the Roman Catholic bishops and large groups of rabbis and the Episcopalian bishops, way before the Catholic bishops, do not face up to. They all want to talk about conventional weapons, but they forget where we are going to get the payroll figures. Payroll is 42 percent of the U.S. military budget, and somewhere in the high thirties or forties for most of Europe—no, in the low thirties because they are helped by a draft. We have no draft. Every European native country has a draft, but the Soviet Union only spends 9 percent on personnel, and since their defense budget runs about 13 percent, 14-15 percent of GNP compared to ours, which is way below half that figure, and they only have to spend 9 percent on payroll, their privates are 3 years. Every one of them are drafted. Only one thing gets someone out of the draft: science. Go into the space program, which is 95 percent military, and they would not get drafted, and that is it. There is one-millionth of 1 percent; believe it or not, if you go into ballet or you can dazzle the West out of the Leningrad or Bolshoi ballet, then you don't have to go in the draft, but they draft everybody for 3 years, and then they get like 40 bucks a month. That is about what our guys got in 1942. So, where are we going to get the money to pay people, and then to start the cost of tanks and everything?

So listen to what Schlesinger says then.

"Quite simply, nuclear weapons and nuclear strategy hold NATO together."

I would ask Governor Dukakis, and I am sure Jim Schlesinger would like him to do this, to go back and read all of the notes, and news stories and the now declassified documents on what happened to NATO when it was barely 2 years of age and was about to implode, explode, completely spin off the planet and come to pieces. It was saved because the European countries were going to relive the turn of the century and then relive the twenties again and the thirties. They did not want to put up money for conventional arms. And the idea of a nuclear deterrent, good or bad, whether the Catholic bishops like it or not because only about nine of them understand it; they decided that they would go nuclear deterrent, and it saved NATO. It was one of the most important moves that was made to keep the NATO alliance together. And one of the people that was just brilliant on the exposition of this, because he was there, is our Ambassador, the permanent Representative to the United Nations, Gen. Dick Walters.

Now, he says "Quite simply, nuclear weapons and nuclear strategy held NATO together. Our European allies will view with alarm any statement, Governor, that seems to weaken the nuclear element of the deterrent. They will be especially disturbed by any repetition of your remarks, Governor Dukakis, to the Atlantic Council on June 14, Flag Day in the U.S.A., that NATO must be"—this is Dukakis—"up to the challenge of fighting and winning a conventional war."

The Europeans are not interested in fighting, but in deterring a war, as every peace lover should be. Deterrence is the whole reason for all of our defense budget here, not to use it, but to cut it up in a desert graveyard someday and expose it to the satellites that we are through with the B-36 and the B-52 DC. We have cut them in half for Russian satellites. We are trying to truly disarm here and watch our millennium come in in the year 2000 with real peace among the brotherhood of man. We don't want to fight a conventional or a nuclear war.

And Schlesinger continues, "The Europeans would not want as an American President anyone who believes that conventional war is somehow fightable and winnable, therefore unacceptable."

That is how the flaming liberals on this side of the aisle talk all the time about nuclear war. It is unthinkable. Well, conventional warfare is unthinkable.

My father won three Purple Hearts. Then they were called wound chevrons in World War I. Two of them were for poison gas. When I was 8 years of age I dug out his momento trunk down in the basement of a building in New York, and I found his gas mask, and it smelled like vomit until a quarter of a century later, and I looked at it, and I took it upstairs, and I asked my dad what it was. He said:

> You couldn't smell gas. We had canaries in the trenches. We would hope like miners that the canary would drop dead first. If you get one whiff of mustard gas, you would put your mask on, you would throw up in your mask," and he said, "If you took it off, you die, and I watched some kids do just that or sear their lungs so that they died 20 years later, a shortened life as a delayed result of World War I.

Now we call it "delayed stress syndrome," I guess.

Now, when you watch a whole generation of European young kids, 10 million of them ground up in Europe until we came in singing "Over There" to save the day, and we lost more Americans in 5 months of World War I than we lost in 10 years in Vietnam.

Now no European wants to fight again, and World War II made World War I, which was not called one; it was called the Great War because it was thought it was the war to make the world safe for democracy, as Wilson put it. When they came back to relive it in World War II, 55 million people died, and it truly was every continent, every ocean all around the world, and we are going to tell Europeans, "Naw, this nuclear stuff is terrible. Let's think about fighting a conventional war."

Schlesinger concludes: "Moreover you will find, Governor Dukakis, that over the past decade or so the Soviet Union has enormously improved the number and the quality of its conventional forces."

I think it was Schlesinger who told me when I was a freshman Congressman 12 years ago that we used to say the Russians believe in more. We believe in better. And then when the B-team and the CIA began to reevaluate what the Russians were doing, we suddenly found out that our quality was not the cutting edge over there in numbers of tanks, numbers of airplanes, 3 million man army. Suddenly the Russians believed in better and more, and we are doing both.

He closes:

"The Soviet Union has enormously improved the quality of its conventional forces and the number. The Warsaw Pact has particularly improved its capability for short warning attack."

Is that like German blitzkrieg, using the book of a little-known French military tank officer called Charles DeGaulle or Von Clauswitz?

It says, "Therefore we have a dauntingly long way to go, Governor, in restoring the conventional balance. Yet we and our other key allies are under immense budgetary and other pressures to shrink NATO forces."

You tell the average European and the average American Gorbachev smiled at us and Reagan had his arm around him in Red Square, and they go, "That's it. A millennia is here. We can cut our defense budgets, just gut them right down to the bone."

Gorbachev smiled at us. No, we are not that stupid, I hope, after World War I and World War II.

"So while strengthening NATO's conventional capability is desirable, Governor," Schlesinger continues, "it will require careful handling of our allies." He probably would want to rewrite that sentence. We do not like to think we handle our allies; careful guidance with our allies, and sorry, Jim, "and additional resources. In estimating the price tag for these conventional improvements at $3 billion over 4 or 5 years, as you did, Governor Dukakis, in an interview with the Baltimore Sun published on July 3; that's 23 days ago, folks, right here in the Beltway, "You have trivialized the problem, Governor."

It is not 3 or 4 billion over 5 years.

"A more realistic estimate would be tens of billions of dollars a year."

This is what I cannot get across to the Catholic or the Episcopalian bishops: billions. And I have never heard this line before: "Strengthening NATO's ability to deter war should not be simply an afterthought for a politician who may have painted himself into a corner by opposing strategic nuclear programs; a true conventional defense initiative will require additional expenditures rougly on the order of the strategic defense initiative itself."

This Congressman believes in it a lot more.

"As you seek, Governor Dukakis, to become the leader of the Free World and our Commander in Chief, many of us hope that you will acquire a better feel for these complexities." Signed James Schlesinger, and he left out of course that the Governor thinks he knows more than the Commander in Chief, and I would refer people, and, if I had the extraction—my staff could not find them fast enough—I would ask permission to put in the RECORD at this point—I will just do another special order and put them in—all of the speeches of one of our fine Democratic leaders, chairman of the Committee on Veterans' Affairs, high-ranking member, No. 2 or 3 on defense, the gentleman from Mississippi [Mr. MONTGOMERY] who has taken the other lecturn in this well and very carefully and very politely tried to explain to Governor Celeste of Ohio and Governor Dukakis of Massachusetts before Mr. MONTGOMERY knew that he would be the standard bearer of his party, of the majority party in this House, SONNY MONTGOMERY of Mississippi, a two-star general in the Mississippi National Guard retired, a man who knows the value of the Reserve, the prime speaker in this House getting better airplanes, better ships, and better weapons and better training for our reserve forces of all of our military forces. SONNY MONTGOMERY has tried to explain we have one Commander in Chief and one call for our Reserves, and we do not need Celeste or Governor Dukakis trying to preempt the constitutional powers of the Commander in Chief on how to train our military forces.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I feel a little strange being an intrermediary between the gentleman and his wife, but the wife of the gentleman from California just called a minute ago with a message that she thought would be useful.

Mr. DORNAN of California. She is an honorary delegate to the convention. I listened very carefully.

Mr. WALKER. Well, OK.

Now I do not know the show, but she says that on George Putnum's show today it was announced that none other than Jane Fonda gave Governor Dukakis a fundraiser.

Mr. DORNAN of California. Oh, I did not know that.

Mr. WALKER. And also announced that no press was allowed in that fundraiser for fear that that Fonda-Hayden connection might not look very good in terms of access to the White House and so on, and of course we all know the reason for that, and that is because that gives the connotation of being weak on defense and weak with those who stood up and fought.

Mr. DORNAN of California. Solve the mystery for me. May I give the gentleman a political quiz and throw him a softball?

What does the T in T-word mean?

Mr. WALKER. The T-word?

Mr. DORNAN of California. Taxes.

The Dukakis people say, "Don't use the T-word."

Mr. WALKER. They say, "Don't use the L-word, too."

Mr. DORNAN of California. What is that?

Mr. WALKER. Liberal.

Mr. DORNAN of California. Let me tell the gentleman where I first heard that little game on an initial for a word you must not say. A person came to me and said, "Sit down, BOB DORNAN; you won't believe this tape recording. It is from a Jane Fonda meeting for CED"; that's the Campaign for Economic Democracy. Of course it means just the opposite. It's Orwellian, as the gentleman knows, where upward is down and backward is forward, and it was up in Chico, CA, and Fonda was saying, "We can't use the S-word." Now the S-word is "socialism."

□ 2015

Guess who used the S-word? Ortega.

Remember, last week he finally said, "We are Socialists." That is the code word for communism. Because what does Gorbachev say all the time? "We in the Socialist world. We in the Communist world."

This has been a code word for communism for 70½ years.

So Fonda says, "Don't use the S-word. Don't use the L-word as the keystone of the Democratic Convention."

I wonder if Michael Dukakis picked this up at the fund raiser, probably in one of the wealthy canyons of Beverly Hills, Brentwood, or Holmby Hills, the great triangle of wealth of the west side of Los Angeles County.

I wonder if they said, "You know, we avoid the S-word. You should avoid the T-word" for taxes.

Mr. WALKER. Well, they also avoid the P-word, obviously, the press. They did not want any press to hear what words they may have been avoiding.

Mr. DORNAN of California. Well, now, let me tell you, the gentleman said to me the other day, a bunch of us were sitting around, and said, "What are we going to do with DAN LUNGREN? Who is going to fill that void? What are we going to do about BOB BADHAM?"

One to retirement and one to a nasty Democratic blocking of a fine distinguished Member moving up to be treasurer of California.

The Duke of California, Deukmejian, who gives credit for the California miracle to the Reagan defense budgets and Reaganomics and the tax cuts, while the Duke of Massachusetts, who is less than one-fourth the size of our State, has not created nearly the jobs even proportionately that we have created in California. He takes credit for the whole thing, and he fought the tax cuts, he fought the defense build-up, when our Deukmejian out in California who tried to appoint LUNGREN, we lost LUNGREN to that, he will be back one of these days probably in a statewide office, probably win as treasurer during the next election; but LUNGREN is being replaced by Dana Rohrbacher from the White House, and BADHAM is being replaced by Chris Cox. Chris Cox told me—now, you will like this or you will hate it—Chris Cox told me that when he was at Harvard he was a co-editor of the Harvard Law Review with Michael Dukakis' campaign manager, Susan Estrich, who is married to a top vice president executive of Walt Disney.

That is why they are sort of plugged into the Hollywood community. It is a bicoastal marriage. She lives in Boston. He lives in Burbank, I guess.

He said that Susan Estrich will be the first appointee by Michael Dukakis to the Supreme Court, at 36 years of age; not Lawrence Tribe.

Now, I said that I thought Lawrence Tribe was going to be the first appointee, and then Susan Estrich and then Mario Cuomo and then heaven knows.

He said, "Oh, no. Susan first, then Tribe, then probably Mario Cuomo."

Then if they get a fourth one, Byron "Whizzer" White, the best thing John F. Kennedy ever did to America was to appoint that All-American football player to the Supreme Court, if he retires and they get four, they will probably appoint them all at once, overload the system.

BIDEN, God willing, I hope he does, gets back on the chairmanship over there, they will have four people interviewed at once and they will try to rush the whole thing through, Susan Estrich going first.

Susan Estrich is probably to the left of Jesse Jackson, if that is possible.

Lawrence Tribe, who I thought would be No. 1 to bring this full circle back to what my wife says about the Fonda fundraiser in the canyons of the west Los Angeles area, guess who had a party for Tom Hayden in Harvard to the illerati and the educational elite of the Cambridge area? Lawrence Tribe had a book party, the guy that gutted in his soft manner Robert Bork, the Justice of great standing who unanimously won on the Ninth Circuit Court of Appeals, unanimously out of that center, while he was gutting Bork he went home to have a book party for Tom Hayden for his book "Reunion."

Fonda was there, everybody sharing stories of where were they when Jane was in Hanoi? All laughing about it.

"Where were you in December of 1972?"

And what is "Reunion" about? It takes its title from the reunion of the Chicago Seven.

Remember what Jerry Reuben said, and Hayden cursed him for it? He said, "We were all guilty as hell. We went there to turn Chicago upside down, bust that Democratic Convention wide open, and we succeeded. We were guilty as hell."

And Hayden said, "Speak for yourself, and shut your mouth."

I wonder if Jerry Reuben got to go to the reunion that they all had on the set of the PBS special, paid for with our tax dollars, one of the things that slipped through Reagan's fingers in 7½ years, that liberals still control the agenda of the Corporation for Public Broadcasting, and this anti-Central American policy, garbage, this leftwing garbage that we see regularly on PBS, that slipped through also and they did this glorifying thing making them all look good, particularly Hayden, on PBS.

Well, "Reunion," Hayden's book—I do not want to sell any copies—that is about the reunion of the Chicago Seven, "Guilty as hell" according to one of them, and thank you, Lawrence Tribe, for having the book party.

If Lawrence Tribe and his Mrs. will have a book party for Tom and Jane, you can imagine what kind of a Supreme Court Justice he will be when he is appointed after the campaign manager, who have been described to me as somebody who finds the concept of private property offensive. That is going to be Dukakis's first appointment to the Supreme Court.

Well, I would like, because I want to hear the special order of the gentleman from Pennsylvania, I think I will stay around.

Mr. Speaker, this is not something I would ordinarily do, discuss politics as blatantly as I have, but it involves national defense. I am sorry, but I have sat here for the last 12 years and listened to a lot of bashing of my party. I think GEORGE BUSH is one of those young Americans who put his life on the line for my freedom. I was one of those lucky Americans who served between wars in peacetime and I am telling you, I owe everything to those who went to Vietnam after me and those who were in World War II before me. That is why I would have been honored to be out in the field for GEORGE BUSH for 2½ years and I look forward to a couple minutes at that convention with whoever is watching, I understand people are more interested in other things than our national conventions, those who do worry about the future of this country and how we are going into the 1990's with this next important 41st President of the United States, I can only quote the words of Douglas MacArthur about Michael Dukakis, that as far as this well is concerned, Mr. Speaker, and these issues, "I shall return."

THE DUKAKIS SPEECH—AN ANALYSIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, as I indicated earlier, I want to spend a little bit of time this evening taking a look at the speech that was delivered to the Democratic Convention by their nominee. It was a speech which in my opinion was well-written, well-delivered, and so therefore it is well worth examining in some detail as to the content that it gave to the American people.

The speech has a number of different parts to it. I am not going to take them in any particular order, but I am going to quote directly out of the speech and then fill in with some details.

For example, the Democratic nominee for President, Governor Dukakis, talked at one point in the speech about the fact that the Democratic Party was a Party that believed in the American dream. He then went on to point out, he said, that people should be told, it says, "You tell them that the Reagan era is over and a new era is about to begin."

An examination of what Governor Dukakis stands for and what he has done would certainly indicate that that statement is absolutely true. If Governor Dukakis is elected President, there is no doubt the Reagan era will be over and the next era would begin.

The question is, Is that something which the American people would find desirable?

For example, as a percentage of gross national product, Federal spending has shrunk by 4 percent over the last 8 years. Now, that is not much, but it does mean that Federal spending has actually come down relative to gross national product over the last 8 years.

What about spending in Massachusetts? In Massachusetts, spending has increased over the last 5 years by 72 percent.

Let me repeat that. In just 5 years in Massachusetts, spending has gone up by 72 percent.

The Reagan era shrinks the size of Federal spending relative to the GNP. The Dukakis era in Massachusetts raises spending enormously in that State. If the Reagan era ends and the Dukakis era begins, the question is, How long will it take to bankrupt America?

Now, in addition to the increases in spending, Governor Dukakis has also imposed the largest tax increase in Massachusetts history back in 1975, and he has opposed every major initiative to cut taxes since then.

The Reagan era has been one where we have attempted to dramatically reform the tax structure by lowering the tax rates for the American people.

Governor Dukakis's new era in Massachusetts and we assume his new era in the country would be to raise taxes, because he imposed upon Massachusetts the largest single tax increase in its history in 1975 and has opposed every one of the initiatives to lower taxes since that time.

The Reagan era has been an era in which we have attempted to rebuild American strength and prestige in the world. Mr. Dukakis has opposed nearly every aspect of the part of the Reagan era, so one would have to assume that the new era under Mr. Dukakis would be considerably different.

For instance, Governor Dukakis has opposed the military buildup. In other words, he was satisfied with the military in the State that the Jimmy Carter administration left it in. That would have been all right to continue for this 8-year period under the Dukakis formulation, because he has opposed the military buildup that has taken place in this 8-year period.

He also criticized the liberation of Granada. He criticized the bombing of the terrorist camps in Libya and he has steadily opposed aid to freedom fighters around the world.

Yes, Governor Dukakis is right. You can tell the American people that the Reagan era is over and the new era is about to begin if Governor Dukakis is elected President.

Will it be an era we can be proud of? Well, that is open to question when you look at the record.

In his speech the Democratic nominee also said, "It is time to rekindle the American spirit of invention and daring, to exchange voodoo economics for can-do economics, to build the best America by bringing out the best in every American."

Well, let us take a look at what his economic can-do performance is in Massachusetts. In his first term, can-do economics in Massachusetts meant that the State's tax burden was increased by 21 percent, increasing State taxes by more than $500 million, shrinking local aid from 36 percent of State revenues to 26 percent, and upping local property taxes by more than $800 million. That is can-do economics the Dukakis way.

Specifically in his first term, Governor Dukakis raised the sales tax, raised the income tax rate on interest and dividends, put a tax on gasoline, cigarettes and alcohol. He placed a 7½ percent surcharge on personal income and a 10-percent surtax on corporations. That is can-do economics the Dukakis way.

Despite a budget surplus in 1987—now, under the Massachusetts Constitution you have to have a balanced budget. Every once in a while if the economy is really rolling along pretty well you get a budget surplus.

Now, in our version of economics, when you have a surplus you ought to return it to the taxpayers. In other words, if government has not used all the money that it has coerced out of people, then what we ought to do is give it back to the people.

What did Governor Dukakis do in can-do economics in 1987 when faced with a budget surplus? He proposed a $222 million tax increase. At the same time that he had a budget surplus, he proposed another $222 million in tax increases. This year the Governor has signed approximately $115 million in additional tax increases. He has gone after funds that exist in the already severely underfunded State pension fund and approved a $200 million bond issue.

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That one about the pension fund is particularly interesting. In other words, when he ran into problems in the economy, where did he reach for money? He went after the State pension funds, the moneys that accumulated there. For years we have heard around here that the Democrats protect Social Security. I think, given the past history, we had better get an assurance from Governor Dukakis that he does not intend to raid the Social Security funds in order to do the job of funding the Federal Government when he gets here.

During all of his years as Governor, Governor Dukakis has proposed tax increases worth an estimated minimum of $1.5 billion, and signed tax increases valued at $474 million. The President, and I think it was President Reagan, has suggested that this ticket ought to be known in shorthand jargon as the Tax and Tex ticket. The tax portion of it is certainly what Governor Dukakis has been all about.

Governor Dukakis's can-do economics consistently shows that he relies upon heavier and heavier taxes as the wave of the future. What would that mean in terms of the Nation? It is hard to relate sometimes State figures to national figures. There has been an extrapolation done of some of the Massachusetts economic data versus the national economy to show what would have happened in the national economy had he applied all of those can-do economic policies to the national economy. It turns out, when extrapolated, what went on in Massachusetts to the national scene, you find out that 2,344,131 current manufacturing workers would not have jobs if Governor Dukakis had done to the country what he did to Massachusetts.

We also find that the Federal Government would have 114,507 more civilian employees than it does today with an annual payroll cost of $3.2 billion more than current levels. We find that Federal spending would be $372.5 billion higher than it is today. The average household would have to pay $4,162.99 more in taxes to finance increased Federal spending in fiscal year 1989. To fund the cumulative growth in the Federal spending, tax increases between 1983 and 1987 would cost $6,221.76 per household. Can-do economics? Yes. What it can do to us is bankrupt us. Can-do economics means between $4,000 and $6,000 more in taxes in every household in the country. Can-do economics is bankrupt economics.

What about the values that Governor Dukakis talked about in his speech? He said, and I quote, "Because this election isn't about ideology, it is not about meaningless labels, it is about American values, old-fashioned values like accountability and responsibility and respect for the truth."

Let us examine that a little bit. He said that he is for respect for the truth. When he was running in the primary season, Governor Dukakis proudly presented himself to his own party, because that is where you get the votes, as a liberal. When the general election is getting under way, Governor Dukakis has called himself more conservative than Vice President BUSH. He is really liberal, but he is willing to be labeled a conservative. Is that real respect for the truth?

How about the label that he has attempted to put on his Vice Presidential nominee, that his Vice Presidential nominee is a true conservative and so, therefore, he has balanced things? I happen to have the latest edition of the National Taxpayers Union rating of the Congress where it rates spending, and the way to really make the difference between who is conservative and who is liberal is what do you do when it comes to spending taxpayers' money. That is where we really figure out where the labels make sense. I went and I looked at Texas. I found out that one of the Senators from Texas is, indeed, a true conservative. Seventy-five percent of the time that Senator voted to save the taxpayers money, was a friend of the taxpayer. However, that particular Senator is not the one that Governor Dukakis picked to be his running mate. He picked the other Senator from Texas. The other Senator from Texas voted 65 percent of the time against the taxpayer. Only 35 percent of the time did he cast a conservative vote, and yet that is a conservative—that is the label. Respect for the truth? I guess maybe in politics the truth gets sullied at times.

Let us not call it an old-fashioned value. Let us call it what it is—politics as usual.

What about accountability? Governor Dukakis says that we ought to hold people accountable in government; we ought to have good accountability. What about accountability for the furlough-for-murderers program in Massachusetts? Today Governor Dukakis does not want to be held accountable for that at all. This was a program that allowed people who were convicted of murder, who were serving life sentences without parole, to go out, walk the streets for weekends on little furloughs so that they would feel better about themselves. One of those people, a convicted killer by the name of Willie Horton, came down to Maryland and raped and terrorized a man and his fiancee here in Maryland while he was out on this furlough program. Whenever we bring up the furlough program, is Governor Dukakis willing to be held accountable for that despite the fact that he was one of the largest advocates of the program? No, because his explanation has been, "Well, Massachusetts had it, but it is just like everybody else. Everybody else has a similar program, too." They do not. Very few furlough programs in this country allow people who are murderers, who are serving life sentences without parole, to go out on furlough. Massachusetts was unique there. Accountability? Governor Dukakis does not want to be held accountable for those things that he does not like.

Governor Dukakis said in his speech at the Democratic Convention, and I quote, "It is time to meet the challenge of the next American frontier, the challenge of building an economic future for America that will create good jobs at good wages for every citizen in this land no matter who they are, where they come from, or what the color of their skin."

I think that Governor Dukakis ought to examine the record before he starts using that kind of phraseology, because if we look at the real record, we find out that today under the Reagan economics that the number of black Americans employed is at a record level. Since the beginning of the current economic expansion in November 1982, employment of blacks has risen 24 percent, nearly twice the employment rate gain of whites. Blacks have gained an average of more than 35,000 jobs per month; 1 of 7 new jobs created has gone to a black American; over half of the new jobs created in the Reagan-led expansion have gone to women. The percentage of women employed in traditionally high-paying but historically male-dominated jobs has increased significantly since 1980. The unemployment rate for blacks has fallen by 37 percent since November of 1982. The real median income of Hispanic married-couple families increased by 5.4 percent between 1985 and 1986, and was 8.9-percent higher in 1986 than in 1982. The percentage of blacks in the highest income bracket, that is, $50,000 and over in 1986 dollars, has nearly doubled since 1982. In March of 1988, the civilian unemployment rate for women aged 20 years and older was 4.8 percent, lower than the overall rate of civilian unemployment, and lower than the overall rate since October of 1973. Since November of 1982, more than 2.3 million Hispanic workers have found jobs. This represents an increase of 40 percent, nearly three times the job-gain rate for other civilian employees, and more Hispanics are at work today than at any time since employment statistics for Hispanics were first compiled in 1973. The employment rate for black teenagers has grown by 5.3 percentage points during the current economic expanision, four times more than from 1975 to 1980, the last period of time when we had a Democrat in office in the White House, and with both Houses of Congress in the hands of the Democratic Party.

From 1983 to 1986, almost 900,000 black Americans escaped poverty, the largest 3-year decline in black poverty in nearly two decades. Those are the realities of what is taking place now. Are we perfect? Have we solved all the problems? Heavens, no. The unemployment rate for black teenagers is still over 25 percent. That is a figure that is far too high and has got to be changed. We have got to continue the economic expansion that will allow us to continue to create jobs. There has to be more work done to make certain that women are equally treated in the work force. There has to be far more work done to make certain that Hispanics and all minority groups are included in the economic expansion. We cannot do any of that if we kill off the economic expansion.

The Dukakis program of taxes and spending will kill off the economic expansion, and all of those gains will be lost, in my opinion tragically.

Governor Dukakis said in Atlanta, "In 9 years I have balanced 9 more budgets than this administration has, and I just balanced a 10th, and I have worked hard to create hundreds of thousands of new jobs, and I mean good jobs, jobs you can raise a family on, jobs you can build a future on, jobs you can count on."

Let us examine that a little bit. There is no doubt he has produced balanced budgets in Massachusetts. One of the reasons why Governor Dukakis has produced balanced budgets in Massachusetts is because his constitution requires him to have a balanced budget. The constitution of the Commonwealth of Massachusetts requires balanced budgets. One would think then that Governor Dukakis would be in favor of having that same kind of mandate at the Federal level so that that which he does at the State level would also be applied to the Federal level. Does he favor a balanced-budget amendment to the Constitution at the Federal level? No, he does not. He specifically opposes a balanced-budget amendment to the Constitution at the Federal level, and so that tool which helps him balance the budget in Massachusetts he would take away for the Nation.

What happens? We remember that Governor Dukakis has raised spending, remember the figures I said a little while ago, raised spending by 72 percent in 5 years in Massachusetts. Guess what, if we do not have a balanced-budget amendment keeping the cap on, spending increases are going to produce massive deficits.

What about this claim here that, "I worked hard to create hundreds of thousands of new jobs, I mean, good jobs, jobs you can raise a family on, jobs you can build a future on, jobs you can count on"? Is that really factual? The facts show that in Massachusetts during the Dukakis administration there has been a loss of 96,000 high-paying manufacturing jobs. Let me say that again: The good jobs, the high-paying manufacturing jobs, are not being gained in Massachusetts. They are being lost; 96,000 of them have been lost in Massachusetts. That is a miracle? That is the Massachusetts miracle?

They say, "Well, that is just the fact that the economy is so sour all over the country," just like Governor Dukakis said. Let us look at that. Massachusetts had 3.1 percent of the Nation's manufacturing job base, and yet in the last 3½ years, Massachusetts has accounted for over 40 percent of the Nation's industrial employment decline. In other words, 40 percent of all the jobs we have lost in manufacturing have been lost in one State—in Massachusetts. That does not sound like what Governor Dukakis said that he has created hundreds of thousands of new jobs, I mean, good jobs, jobs you can raise a family on, jobs you can build a future on.

He also said something else which is very interesting given his record. He said, "It is time to ask why it is that we have run up more debt in this country in the last 8 years than we did in the previous 200, and make sure it never happens again." That is right. All of this debt that we have been accumulating and so on is something which we all have to be concerned about. We ought to stop it, and we ought to make certain that we never have an 8-year run where we do that again.

Is Governor Dukakis the man to lead us toward that? Let me give you a little fact, a little fact, according to the Wall Street Journal on July 22.

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It says, and I quote, "Governor Dukakis has created more debt than all previous Governors combined."

In other words, here is a guy who is talking about this administration that has run up this huge debt. He in Massachusetts has created more debt during his administration than all of the Governors of Masssachusetts combined before him.

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from California.

Mr. DORNAN of California. I have to ask a question of the gentleman that I do not know the answer to. We are going to learn all of these things, and I hope America learns with us. Does Dukakis have a line-item veto in Massachusetts?

Mr. WALKER. I am not certain. I cannot tell the gentleman.

Mr. DORNAN of California. We will have to find that out, and I will tell the gentleman why I ask the question. It is because 42 of our States do, and I believe that is a correct figure, and I bet probably Massachusetts is in there. So a Governor with a line-item veto is able to go in, line by line, and scratch out things that a big-spending State legislature and Senate might do to him.

But here is I think the biggest misconception of the average American person where liberals demagogically engage in this line of hyperbole that Reagan has created this debt. Who has the power of the purse at the Federal level? The Congress. The gentleman in the well, the gentleman from Pennsylvania [Mr. Walker] is a student of this House and worked for 10 years as a chief of staff before his 12 years as a Congressman. Which the two bodies, and now we can say the U.S. Senate because of a little change in rules, and we used to have to politely say the other body except in the last 2 years, who has the power, the other body or this body, and who originate all spending and appropriation bills?

Mr. WALKER. By the Constitution we are forced to originate all spending and all taxing too.

Mr. DORNAN of California. And this is modeled after the House of Commons, in Great Britain, the mother of Parliaments, correct?

Mr. WALKER. The gentleman is correct.

Mr. DORNAN of California. They wanted to take the money away from the peerage, the House of Lords, the bloodline of royalty, but they maintained their House of Lords, but it was the House of Commons, in the Cromwellian sense, that spent money.

The biggest disappointment to Bob Walker and to Bob Dornan and to other fiscal conservatives in this House is that Ronald Reagan has been too amiable a President, too nice a man, and there was too much compromise in the first 4 years. After the euphoria of the tax cuts and adjustments on the first defense budget, never did he wield the veto pen with, and to tell the truth and use the right words, the courage of Jerry Ford, the courage of Dwight Eisenhower, the courage of Dick Nixon. Never did he, and it was his advisors who said let us compromise, let us get along with the Congress. We cannot shut the Government down.

Only until he stood there in January of 1988, this year, and took three big, massive CR bills, and he gave the weight of each package, 14¾ pounds, and then he dropped them to the right of that Speaker's lectern up there, dropped them, and they pounded on that second tier of these desks in the well, and he said, "I will not sign a CR this year."

And what did we do under that threat when we finally saw that the Gipper meant it? Why Jim Wright, our great Speaker, stood up there and said we have for the first time since 1960, when Mr. Wright was in his fifth year, passed all 13 appropriation bills on time, by June 30. I think that was June 28, and the Senate is still working on theirs. So obviously they took him at his word.

The gentleman has voted against every continuing resolution, has he not?

Mr. WALKER. I do not know. I have voted against most of them.

Mr. DORNAN of California. But this year there will not be a lameduck session, as Howard Baker called when he was the Senate leader. We had that short majority in the Senate 6 years, and there will be a lameduck session coming back after the election this year. If we try to come up with some big, Mussolini style, rolling big spending bill with $600 billion of a massive continuing resolution, I hope in his eighth and final year that President Reagan shuts down the U.S. Government and refuses to sign it, and let this country know that it is the Congress of the United States that starts the money bills, authorizes them, appropriates the funds, and tells the President, "We dare you to veto it, piece by piece, or all in one big chunk in a CR." Then we shut down the Government because in these few midnight sessions that we have had in the gentleman's 12 years and my 10 years, with a break in service, we see the same old stock footage rolled out, the printing presses coming to a halt, people taking noon breaks out from their Federal offices, happily going to do some Christmas shopping and saying, my gosh, the Congress is shutting down.

No, the Congress is at fault. What the gentleman pointed out is the biggest spending Governor in Massachusetts' history is doing this double talk thing, this hypocrisy of pointing at Reagan and the hypocrisy when he has powers at the State level to control and blaming President Reagan for taxing and spending which began with this Congress, in the 95th Congress right on through the 100th Congress while you and I have been here, and all the preceding years, and it is one of the biggest lies by confusion that I have ever seen perpetrated on the American people. And it was all through the 4 days of that convention we had some of the biggest spending liberals in the history of this country wringing their hands and talking about more debt from George Washington through Jimmy Carter than we have ever seen in our life, and somehow or other they are going to be the fiscally responsible people in the 101st Congress.

Mr. WALKER. Let me tell the gentleman why we have to be a little bit suspicious of that, because I have also gone through and costed out some of the things that the Dukakis platform calls for. Just with the most conservative kind of estimate it shows that the plans that are in that platform would cost at least an additional $22 billion per year in Federal spending. That includes a whole compendium of programs here that they have committed themselves to. At least $22 billion a year more in spending is proposed under the Democratic platform, and the cost to the economy beyond the Federal spending of the proposals that are in that platform is another $64 billion a year. So if we reduce out of the economy, out of the productive sector of the economy $64 billion and are adding $22 billion to Federal spending, guess what is going to happen to the economy? Like the economy of the Jimmy Carter era when we did the same kinds of things, the economy once again is going to go into the toilet. All of these things came directly out of what they committed themselves.

What is really interesting is the fact that they, even in the course of this, have a Dukakis proposal where he has committed himself to some actual pork barrel already. We know how this Congress loves pork. But does my colleague know that it is a $200 million item that Dukakis has already committed himself to, a high-speed rail between where? Boston and New York. Boston and New York is going to get a high-speed rail under the Dukakis administration at a cost, a startup cost, of $200 million. Pork already. I mean they have not hit the ground yet and we are already talking about pork that can be divvied up.

Mr. DORMAN of California. One question. Most businessmen who you know that use that tremendous corridor that we have had since the Reagan defense buildup and all of the tax cuts in Massachusetts, and the miracle tax credit which is taking place on Highway 128, most of those businessmen who go from Washington to New York, and will they use the high-speed train, or will they fly? So what will the Federal subsidy be on a ticket? I guarantee that if a ticket costs $18 bucks, the Federal Government will put up $15, and the people in Iowa, California, Texas, and the State of Washington will be asked to pay to subsidize those businessmen, those handful of men who may be afraid of flying and do not mind taking an hour and a half or 2 hours instead of a 40-minute plane flight.

Mr. WALKER. Let me say I am trying to be as conservative as I can. The $200 million start-up cost is all that I can tell the gentleman that we honestly can attribute to it, but it is 200 million dollars' worth of pork that we can probably be sure of.

Mr. DORNAN of California. What was the startup for the Metro in Washington, DC, and what was the final cost figure? I would like to know that.

Mr. WALKER. I would hate to think what the difference is.

He has also proposed, I would say to some who are concerned about how much money we are spending on foreign aid, he has proposed $500 million a year, and I did not even include that in the figures I just had here, $500 million a year for an international fund to supposedly fight poverty, famine, and diseases in the Third World, all worthy goals but that is $650 million.

And here is one that is really interesting. The UPI in September of last year reported that Governor Dukakis said he would forgive the Central and South American debt. He would forgive the Central and South American debt. Does my colleagues know how much that is worth? The Federal Reserve report of October 1987 estimates that Central and South America owe U.S. banks $217 billion and owe the U.S. Government $12 billion. So if what he meant was he is going to forgive that which the Federal Government is owed, that is $12 billion of taxpayers' money that he is just going to write off. If he really meant what the report said, that he was going to write off all of the debt, that would mean an increase in the U.S. national debt of over $1,000 for every man, woman, and child in the United States. Incredible, and this coming from people who say that they are going to be fiscally responsible.

Mr. DORNAN of California. May I ask the gentleman a question at this point?

Mr. WALKER. Sure.

Mr. DORNAN of California. If he does that, that is his way of saying to the banks you ought to forgive the $217 billion. Now they are beholding to their stockholders, and if they were to do that, which one major bank is inching toward and very close to, how are those stockholders going to feel about any future loans to Central and South American countries? How are the taxpayers, through us, their elected Representatives, going to feel about any future loans? These words, debt restructuring, they are terrifying words when you talk about this unless it means sincerely trying to stretch out things and adjust some payments and forgive a little here and there, but keep them responsibly paying something. Unless you do it that way, there is no way to make future loans, because if you forgive all of this, the Federal $12 billion and the private $217 billion from the banks, what is going to happen is that we are going to have a cutoff, with the American taxpayers saying "that is it."

I can remember when one of the finer Senators, STEVE SYMMS, was serving with us here in this Chamber, that he had to get up and point out when these loans were originally going down there that we were pumping it into an oligarchy in many places where it was going to be squandered, and the end result was the Communists would be there to pick up the pieces. I remember Senator SYMMS saying that.

Mr. WALKER. And we wish we had Senator SYMMS in this body to speak up on those issues now.

Mr. DORNAN of California. He is one of the few Members who does occasionally come back and at least visits with the peasants, one of the starlets on the south side of the Hill, those guys coming across the tracks from the north.

But as serious as this whole debt thing is, there is another statement of Dukakis that he probably wishes, after the wonderful exercise in moderation at the Democratic Convention, he wishes he could eat, and that is to go back to this crime thing, or we will do it in a future special order, but the refusal of Governor Dukakis to meet with the Barnes family.

We are going to try and stay away from some of this overly cute personal stuff that came out of some of the so-called leaders at the convention, the "Where was GEORGE thing," because we just think of a certain word like Chappaquidick and we want to say where was somebody else when somebody was fighting for their life in the back of a car, or when somebody fought alcoholism for years in their life when GEORGE BUSH was serving as Ambassador to China, Ambassador to the U.N., the head of his party, the head of the CIA, and you want to say that is great, grandma, but where were you when GEORGE was doing all of these things? Were you stoned out of your gourd so that you did not even know about it? And we are glad for your recovery, but why don't you have the same attitude as other alcoholics who have recovered of trying to build things up and not take them down?

But I think it is fair to say where was Michael when the Barnes were asking to meet with him and explain how his furlough program resulted in their both being beaten up and a woman being raped multiple times in front of her own fiance?

Mr. WALKER. The gentleman will remember that Mr. Dukakis said in his speech down there the other night that he was going to have a Justice Department that understands what the word justice means. One has to ask the question that the gentleman has posed when he makes a statement like that, I mean when we let out a killer like Willie Horton and he comes down, he gets out on a free pass, comes down, mutilates Cliff Barnes, rapes his fiance and then Governor Dukakis will not even meet with them to talk to the victims of that social experiment, you have to wonder what the word justice means on that occasion.

Mr. DORNAN of California. There is one category that would not be furloughed, I can guarantee this. Michael Dukakis would not at the Federal level ask for a furlough of Squeaky Frome because she took a shot at a President. It happened to be President Ford. And what about the young fellow, I have mercifully forgotten his name, that shot President Reagan in the lung, some mixed up kid from a rich family, Hinkley. I doubt young Hinkley, whose crime, except for the level of person he was, psychopathically trying to kill to impress some movie star, he is not anywhere nearly in the category of some of the multiple offenders and viscious, violent criminals that have been let out.

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You know, I do "Crossfire," the CNN show. The other night we had ED MARKEY of Massachusetts. When I brought this up MARKEY's line is the standard liberal Democrat line now to defend Dukakis. "Every State does it", he throws out.

I was split-screened from LA so I could not fight back.

They cut my mike. Buchanan did it for me.

You said it on this floor, that just is not true. When we were meeting the other day, somebody said, TOM DELAY of Texas said, "Well, how many people have been furloughed? 500?" Well, that is wrong. Eight thousand people and it is more than all the other States put together.

When KERRY, the distinguished gentleman from Massachusetts, the other K-twin from Massachusetts, the Senator; he said to ARLEN SPECTER who was up there talking about the furlough program as a former prosecutor in another State; he said, "Look, other States do this." And he said, "Four States." And within days there were press conferences in New Mexico and the other four States where they said, "Our furlough program is for people who are in the last 20 percent of their term, the end of their term, not the first 20 percent of their term and we have restrictions on killers and people who have perpetrated violent crimes."

So it is confusing, the whole thing.

Mr. WALKER. I do not think there is another State that allows murderers who are serving life terms with no parole to go out on weekend passes, get a free pass for a weekend. Yet that was the Massachusetts program to which we referred.

A few more statements of what Governor Dakukis said at the Democratic convention which leaves us some cause for question. He said, and I quote, "We are going to have nominees to the Federal bench who are men and women of integrity."

Well, I think the record needs to be looked at there, because a Dukakis appointee for chief justice of the Massachusetts Superior Court was impeached after only 1 year on the bench for attending a fundraiser for some homosexual child molesters who were defendants in his court. Is that the kind of nominee we are going to get at the Federal level?

Michael Dukakis said in his speech at Atlanta, "We are going to have an environmental protection agency that is more interested in stopping pollution than in protecting the polluters."

Well, in 1974 Governor Dukakis promised to clean the Boston Harbor. Nine years later the Reagan-Bush administration's EPA had to sue Massachusetts to force the cleanup of what has been officially declared the dirtiest harbor in America. And the cleanup will not be completed until 1999.

I yield to the gentleman from California.

Mr. DORNAN of California. A dolphin worth of the name, not one of them, not one of the many species of dolphins will enter Boston Harbor, not for the last 2 years has a dolphin been know to be in that harbor. The smartest mammal on the planet. They know the Dukakis record.

Mr. WALKER. Well, the place has been officially declared as the dirtiest harbor in America. This is something that Mike Dukakis pledged to clean up back in 1974. Yet he says the Environmental Protection Agency is going to be something that he will stop pollution, rather than protecting the polluters.

He said, and I quote, "We are going to have a real war, not a phoney war, against drugs." And yet here is a guy who opposes the bill that has been passed by the U.S. Senate that says that we ought to have a death penalty for the drug kingpins who are allowing murders to take place as a result of their activities. Dukakis specifically opposed that.

He has yet to criticize this Congress for the fact that this Congress appropriated in fiscal year 1988 $72 million less for the Coast Guard than was requested by the administration.

Not once has Governor Dukakis criticized that particular situation. And I happen to be someone who is a little bit familiar with the concept called the drug-free workplace where we are going to say when you spend Federal money in the country we ought to have a zero tolerance level in businesses with regard to drug use in that business, that we ought not allow Federal money to be spent in places that are tolerating the use of drugs.

George Bush has endorsed that concept. Governor Dukakis? We have never heard from him on it.

We do not know; it is probably going to be included in the drug bill that passes here. It has been roundly endorsed. Governor Dukakis? Have not heard from him on this issue.

He says we are going to have a real war against drugs? One has to wonder.

He also said in Atlanta, "In the Dukakis White House, as in the Dukakis State House, if you accept the privilege of public service, you had better understand the responsibilities of public service."

Well, he says that now, "And in the Dukakis White House as in the Dukakis State House," well, what about the Dukakis State House? One of his top education advisers was convicted of stealing $80,000 in State money.

The public safety deputy director resigned after it was revealed that he consorted with known mob figures and lived with a cocaine dealer. Are those the kinds of people that we are talking about?

I yield to the gentleman.

Mr. DORNAN of California. Again, what happened to that person in the Massachusetts government? He was allowed to resign?

Mr. WALKER. Yes, he resigned; you know, he was allowed to resign after it was revealed he had consorted with known mob figures and lived with a cocaine dealer.

I heard George Bush yesterday say that in his White House we were going to have an ethics body that will ferret out this kind of thing and will deal with it. It sounds to me as though in the Dukakis State House that he compared to what it would be like in his White House that if you are consorting with mob figures, "well, just resign and it is OK."

I yield to the gentleman.

Mr. DORNAN of California. One of the most closely held stands of Governor Dukakis—although I read this in liberal mass media—is that he is invoking executive privilege on all the documents involving the proposed purchase for $10 million of a chunk of acreage in New Braintree, MA, which had been purchased only months before, a year before or something, by a group for only $3 million. And although Dukakis, to give him his statement, says he does not know these people, the news media out there say some of them are friends, if not close friends. He has invoked executive privilege.

Now where are the same crusading Bob Woodward-type reporters that have been charging around this city demanding that the White House never invoke executive privilege on anything, even national security secrets, but they are not making an issue out of Dukakis sealing up this whole mess surrounding the New Braintree proposed Massachusetts prison on land for $10 million that was only purchased for $3 million just a few months before? If nothing else, given all the dialog over the appearance of wrong-doing, if that does not look like the classic tip-off of your brother-in-law, where the new Federal freeway is coming through and he suddenly buys all this land and dumps it a few months later at 2,000-percent profit, this looks like it.

Let me say something to the Chair here. Nobody has said a word to me and they may not. But in these new rules about how you can refer to the Senate, it just occurred to me we are still not allowed to refer to Senators by name but I believe we are allowed to say the junior or the senior Senator from such and such a State, are we not?

Mr. WALKER. I think so.

Mr. DORNAN of California. I think so. So let me say that the senior Senator from the great State of Kansas is most anxious to get hold of all of the costed-out figures on all of these promises. "Beware of Greeks bearing gifts." All of these promises that went on at the four-star moderate extravaganza in Atlanta. If you would zip those over, Mr. Walker, to our great distinguished Republican leader, the distinguished senior Senator from the great State of Kansas, it would be appreciated, tonight.

Mr. WALKER. I will be very glad to do it. I have the sheet here. I will make a copy of it and we will get it over to him.

I thank the gentleman.

Well, that pretty much wraps up the material that I had to look at. But in the CQ, the Congressional Quarterly's coverage of the Dukakis speech, the headline read, "Nomination in Hand, Dukakis Pledges Era of Greatness."

Well, I think when you examine in detail what that era of greatness was all about, that it does leave many questions, questions not about intent—we know all politicians intend to do the right things—the questions are about what Governor Dukakis described as the key to this campaign, competence.

When you examine what he said in his speech and what his record is, the question of competence becomes a key question. It is not a question which is answered very well with regard to Governor Dukakis because much of what that well-written, well-delivered speech said in Atlanta cannot be borne out by the realities of the Dukakis record.

The American people are going to have several weeks now to examine that record. They need to do so carefully because Governor Dukakis has promised to bring the Reagan ear to an end.

Well, he has promised that; he would probably achieve it, but it could take us back to the kind of dark days that we were faced with before the Reagan era began.

I yield to the gentleman.

Mr. DORNAN of California. For one final time: The media, most of the media—I found two reporters that I could take listening to were Britt Hume of ABC and Bernie Shaw of CNN. All the rest, including the vaunted Ted Koppel fawned all over Ann Richards, former President Jimmy Carter. I mean, it was just like they were so thrilled that all this President Reagan-bashing was going on. I do not know if the gentleman in the well saw the Judy Mann column of today, July 27, but she savages the Reagan family and has not got much to say about the Bush family. It goes after Bush on only one point, that he went down to the Business and Professional Women's Clubs and talked about a $2.2 billion plan to give tax credits to families with children under 4 years of age.

But she really tore into the Reagan family. And then says how wonderful the Dukakis family is, that they will have dinner in the White House at Christmas. She picked up on something that I also picked up on where Dukakis falls flat on his face, particularly as the son of an ob-gyn doctor in Massachusetts, Dukakis' father. She says, to quote her, "Did you notice how Dukakis refers to his daughter-in-law Lisa as one of his children?" Well, that is great. I call my two sons-in-law and my daughter-in-law my children, too. I thought it was a touching moment.

She says that he announced to the world that night that Lisa and his son, John were going to have a baby around Inauguration Day.

My wife turned to me, a grandmother of seven, and my wife of 33 years said, "Isn't it interesting that Michael Dukakis can stand up there before the whole world and announce about that young life in his daughter-in-law Lisa's womb that it is a baby?" It was only conceived in April if it is going to be born on Inauguration Day. And is it not funny, she said—because we had just seen the piece by Olympia Dukakis and all the stuff about the father, the ob doctor—she said, "I wonder what it is in Michael Dukakis' background that he goes against his Greek Orthodox faith, maybe the training of his father." Or we will never know. Any doctor who in his father's generation performed abortions was considered a criminal.

"What is it that he can refer lovingly to this baby," and I would not wish this on anybody on the planet, but suppose Lisa decided that she wanted to abort her baby and his step-son John weighed in and said, "No, please," I wonder if the grandparents would give their opinion and what we see as the current debate in America is that the Judy Mann's and the Eleanor Smeal's in the whole world, say, "It is not the grandparents' business, it is not the parents' business on how these young girls, even down to grade school, conduct themselves or counsel in private with Federal or State doctors who are for abortion and it is certainly not the husband's business if the wife suddenly her mind clicks and says, 'I have decided it is not a baby, I do not want to have it,' therefore it becomes a thing, a pock, a part of conception, a fetus, anything but a baby."

You cannot have it both ways.

And Judy Mann's article is kind of interesting that they do not understand that taking care of human beings goes from conception to not forcing euthanasia as Hitler did on old people or Down's syndrome children or anybody. I found myself kind of enjoying that Dukakis was talking about a child coming, his first grandchild on the very day that he might be sworn in as President of the United States. But when he calls that child, which I believe is a baby and his child-to-be, with interest for Kitty Dukakis and Mike Dukakis and their son, John, not just Lisa, I find there is a certain hypocrisy in that by one of the most outspoken people for abortion of any of our Governors who said, "I am a card carrying member of the ACLU." And this very week the ACLU bragged in a court case that they won against a Chicago doctor named Diamant that they spend almost $1 million a year, the ACLU, on defending abortion-on-demand all 9 months in these United States of America.

I thank the gentleman for letting me share in his excellent special order.

Mr. WALKER. I thank the gentleman and I yield back the balance of my time.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON THE BUDGET REGARDING CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEAR 1989

(Mr. DERRICK asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DERRICK. Mr. Speaker, on behalf of Chairman William H. Gray III, pursuant to the procedures of the Committee on the Budget and section 311 of the Congressional Budget Act as amended, I am submitting for printing in the Congressional Record the official letter to the Speaker advising him of the updated current level of spending, credit, and revenues for fiscal year 1988. This is the second comprehensive report for fiscal year 1988 in the second session of the 100th Congress. Since the last comprehensive report, filed on April 14, 1988, Congress has cleared and the President has signed the following spending legislation: Veterans' emergency supplemental (Public Law 100-304); Veterans' Benefits and Services Act (Public Law 100-332); college-aid annual appropriation for territories (Public Law 100-339); catastrophic health care (Public Law 100-360); and the Atomic Veterans' Compensation Act (Public Law 100-321). These actions have resulted in changed estimates of budget authority and outlays.

The term "current level" refers to the estimated amount of budget authority, outlays, credit authority and revenues that are available—or will be used—for the full fiscal year in question based only on enacted law.

Current level reports are intended to provide Members information to compare enacted spending and revenues with the aggregate ceilings on budget authority, outlays, and revenues established in a budget resolution, and also to compare enacted legislation with the allocations of new discretionary budget authority, entitlement authority, and credit authority made to a committee pursuant to subsection 302(a) of the Budget Act. This report compares the spending, credit, and revenue levels in current level with those assumed in the budget resolution for fiscal year 1988 (H. Con. Res. 93), adopted on June 24, 1987.

Current level reports provide information that is necessary for enforcing section 311 of the Budget Act. Subsection 311(a) prohibits the consideration of a spending or revenue measure if the adoption of that measure would cause the ceiling on total new budget authority or total outlays set in the budget resolution for a fiscal year to be exceeded or would cause revenues to be less than the appropriate level of revenues set in the budget resolution.

Subsection 311(b) provides an exception to the 311(a) point of order for measures that would breach the ceilings on total spending set in the budget resolution but would not cause a committee to exceed its "appropriate allocation" of discretionary spending authority made pursuant to section 302(a) of the Budget Act. Such an exception was first provided by the budget resolution for fiscal year 1985 (H. Con. Res. 280, 98th Cong.). The exception was made permanent by the amendments to the Budget Act included in the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177, Gramm-Rudman-Hollings). This exception is intended to protect a committee that has stayed within its allocation of discretionary budget authority and new entitlement authority from points of order if the total spending ceilings have been breached for reasons outside of its control. For fiscal year 1988, the 302(a) allocations to House committees made pursuant to the conference report on House Concurrent Resolution 93 were printed in House report 100-201, July 1, 1987.

Section 311(c) of the Budget Act provides that, for purposes of enforcing section 311, the levels of new budget authority, entitlement authority, outlays, and revenues shall be determined on the basis of estimates made by the Committee on the Budget. Current level reports represent partial fulfillment of this enforcement responsibility of the Budget Committee by providing both estimates of enacted aggregate spending and revenues, and, for purposes of determining the applicability of the section 311(b) exception, estimates of the relationship between the budgetary effect of enacted legislation within a committee's jurisdiction and the allocation of spending authority made to that committee.

The estimates in this report are based on economic and technical assumptions in place at the time of the adoption of the budget resolution, House Concurrent Resolution 93, on June 24, 1987. This is intended to protect committees which acted on the basis of the assumptions of the budget resolution from changes in economic and technical factors over which they have no control. Unless the Congress adopts a subsequent budget resolution for a fiscal year that alters the assumptions about legislative actions, committees should be able to expect that measures that conform with the budget resolution will not be subject to points of order for violation of the Budget Act. To do otherwise and base enforcement on constantly changing economic and technical estimates would seriously disrupt the legislative process, penalize committees that are unable to complete work on legislation within a short period after adoption of a budget resolution, and undermine respect for budget enforcement procedures.

In addition to section 311, the Budget Act contains another point of order that requires Budget Committee estimates for enforcement. Section 302(f) of the Budget Act prohibits the consideration of a measure providing new budget authority, entitlement authority, or credit authority if the adoption of that measure would cause a committee to exceed its allocation of new spending or credit authority made pursuant to subsection 302(b) of the Budget Act. The 302(b) allocation is a subdivision of the new spending, entitlement, and credit authority allocated to a committee pursuant to section 302(a), among either the subcommittees of that committee or among programs over which the committee has jurisdiction. This point of order was added to the Budget Act by the amendments included in the Balanced Budget and Emergency Deficit Control Act of 1985.

Section 302(g) provides that the enforcement of section 302 shall be based on estimates of spending and credit authority made by the Committee on the Budget. The Budget Committee fulfills this responsibility by providing, as necessary, a separate section 302 status report to the Speaker.

For information purposes only, current level reports will continue to include a comparison of the budget and credit authority divided among the Appropriations subcommittees by that committee's 302(b) division with the actual enacted spending and credit legislation within each subcommittee's jurisdiction.

As chairman of the Budget Process Task Force, and on behalf of Chairman GRAY, I intend to keep the House informed regularly on the status of the current level.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, July 27, 1988.

Hon. JAMES C. WRIGHT, Jr.,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending.

I am herewith transmitting the status report under H. Con. Res. 93, the Concurrent Resolution on the Budget for Fiscal Year 1988.

In the House of Representatives, the procedural situation with regard to the spending ceilings (total budget authority and total outlays) is affected by Section 311(b) of the Congressional Budget Act of 1974, as amended by P.L. 99-177. Enforcement against possible breaches of the spending ceilings under 311(a) of the Budget Act would not apply when a measure would not cause a committee to exceed its "appropriate allocation" of "new discretionary budget authority" or "new entitlement authority" made pursuant to Section 302(a) of the Budget Act. It should be noted that under this procedure the committee's outlay allocation is not considered.

The intent of Section 311(b) of the Budget Act is to protect a committee that has stayed within its spending authority allocations—discretionary budget authority or new entitlement authority—from points of order if the total spending ceilings have been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on H. Con. Res. 93 were printed in H. Rept. 100-201 (July 1, 1987).

The enclosed tables compare enacted legislation to each committee's 302(a) allocation of discretionary budget authority, new entitlement authority, new direct loan obligations and new primary loan guarantee commitments. The estimates of spending and revenues for purposes of the application of points of order under the Budget Act are based upon the economic and technical assumptions underlying the fiscal year 1988 budget resolution, H. Con. Res. 93.

Sincerely,

WILLIAM H. GRAY III,
Chairman.

REPORT TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1988 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 93

REFLECTING COMPLETED ACTION OF JULY 26, 1988

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	1,146,000	1,034,700	932,800
Current level	1,145,673	1,031,722	922,250
Amount under ceilings	327	2,978	
Amount over ceilings			
Amount under floor			10,550
Amount over floor			

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $327 million in budget authority for fiscal year 1988, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 93 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $2,987 million in outlays for fiscal 1988, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 93 to be exceeded.

REVENUES

Any measure that would result in a revenue loss which is not included in the current level estimate, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con Res. 93

FISCAL YEAR 1988 BUDGET AUTHORITY

Comparison of current level and budget resolution allocation by committee pursuant to section 302

[In millions of dollars]

House Committee	*Current level budget authority*
Agriculture	+167
Appropriations[1]	−5,976
Armed Services	
Banking, Finance, and Urban Affairs	+199
District of Columbia	
Education and Labor	
Energy and Commerce	+566
Foreign Affairs	
Government Operations	
House Administration	
Interior and Insular Affairs	−6
Judiciary	
Merchant Marine and Fisheries	+94
Post Office and Civil Service	−460
Public Works and Transportation	−20
Science and Technology	
Small Business	−41
Veterans' Affairs	−2
Ways and Means	+546

[1] See next table for detail.

Committees are over + or under − their 320(a) allocation for "discretionary action".

FISCAL YEAR 1988 HOUSE APPROPRIATIONS COMMITTEE DISCRETIONARY ACTION

COMPARISON OF CURRENT LEVEL AND BUDGET RESOLUTION SUBDIVISIONS OF THE HOUSE APPROPRIATIONS COMMITTEE PURSUANT TO SECTION 302

[In millions of dollars]

House appropriations subcommittee subdivisions	Current level budget authority	Direct loans	Primary loan guarantees
Commerce, State, Juste	−261	−56	+23
Defense	+4,281		
District of Columbia	−32		
Energy and Water	−701		
Foreign Operations	−176	+158	+5,944
HUD/Independent Agencies	−1,227	−33	−6
Interior	−151		
Labor, HHS, Education	−2,589	−29	
Legislative Branch	−38		
Military Construction			
Rural Development and Agriculture	−2,658	−192	−227
Transportation	−494	−95	+45
Treasury, Postal Service	−311		
Contingencies/Unassigned	−1,619	−64	−72
Total	−5,976	−311	+5,707

Subcommittees are over + or under − their 302(b) subdivisions of discretionary action.

FISCAL YEAR 1988

ALLOCATION OF NEW ENTITLEMENT AUTHORITY (NEA) PURSUANT TO SECTION 302

[In millions of dollars]

Committee	Allocation	Reported	Enacted	Enacted over (+)/ under (−) allocation
Agriculture	−1,200	−1,474	−1,167	+33
Armed Services	+1,682	+1,482	+1,648	−33

ALLOCATION OF NEW ENTITLEMENT AUTHORITY (NEA) PURSUANT TO SECTION 302—Continued

[In millions of dollars]

Committee	Allocation	Reported	Enacted	Enacted over (+)/under (−) allocation
Education and Labor	+5	+5	−229	−234
Energy and Commerce	+550	+487	+54	−496
Interior and Insular Affairs			+9	+9
Post Office and Civil Service	+1,459	+1,458	−299	−1,758
Veterans' Affairs	+367	+385	+344	−23
Ways and Means	−1,389	−173	−2,221	−832

U.S. Congress,
Congressional Budget Office,
Washington, DC, July 27, 1988.
Hon. William H. Gray III,
Chairman, Committee on the Budget, House of Representatives, Washington, DC.

Dear Mr. Chairman: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays, estimated revenues, and direct and guaranteed loan levels in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1988 budget (H. Con. Res. 93). This report for fiscal year 1988 is tabulated as of close of business July 26, 1988. A summary of this tabulation is as follows:

[In millions of dollars]

	Current level	Budget resolution[1]	Current level +/− resolution
Budget authority	1,145,673	1,146,000	−327
Outlays	1,031,722	1,034,700	−2,978
Revenues	922,250	932,800	−10,550
Direct loan obligations	34,442	34,600	−158
Guaranteed loan commitments	155,145	156,700	−1,555

[1] House Concurrent Resolution 93.

Since my last report the President has signed the Veterans Emergency Supplemental, P.L. 100-304; the Veterans Benefits and Services Act, P.L. 100-322; the College-Aid Annual Appropriation for Territories, P.L. 100-339; the Catastrophic Health Care bill, P.L. 100-360; and the Atomic Veterans Compensation Act, P.L. 100-321. These actions changed budget authority and outlay estimates.

Sincerely,

James L. Blum,
Acting Director.

PARLIAMENTARIAN STATUS REPORT, 100TH CONGRESS, 2D SESSION, HOUSE SUPPORTING DETAIL, FISCAL YEAR 1988 AS OF CLOSE OF BUSINESS JULY 26, 1988

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			922,250
Permanent appropriations and trust funds	777,385	659,641	
Other appropriations	569,646	574,400	
Offsetting receipts	−202,566	−202,566	
Total enacted in previous sessions	1,144,464	1,031,475	922,250
II. Enacted this session:			
Rescission of Jewish Education Centers (P.L. 100-251)	−8	−5	
Veterans Home Loan Program Emergency Amendments (P.L. 100-253)		1	
Assistance and Support for Central America (P.L. 100-276)		43	
Veterans Emergency Supplemental (P.L. 100-304)	709		
Veterans Benefits and Services Act of 1988 (P.L. 100-322)	1	1	
College-aid Annual Appropriation for Territories (P.L. 100-339)	(1)	(1)	
Catastrophic Health Care (P.L. 100-360)		5	
Atomic Veterans Compensation Act (P.L. 100-321)[2]			
Total enacted this session	702	45	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Special milk	5	1	
Special benefits	83	83	
Special benefits for disabled coal miners	7		
Medicaid	51	51	
Social Services block grants	50	48	
Veterans compensation:			
Previous law	282		
H.R. 1811	15	12	
Payment to air carriers	8	2	
Coast Guard retired pay	6	6	
Total entitlement authority	506	202	
Total current level as of July 26, 1988	1,145,673	1,031,722	922,250
1988 budget resolution H. Con. Res. 93	1,146,000	1,034,700	932,800
Amount remaining:			
Over budget resolution			
Under budget resolution	327	2,978	10,550

[1] Less than $500 thousand.

[2] This act increases the current law estimate for veterans compensation, which requires an appropriation. The amount is shown in section V.

Note.—Numbers may not add due to rounding.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Rowland of Connecticut (at the request of Mr. Michel), for today, on account of the birth of his third child.

Mr. Combest (at the request of Mr. Michel) for today and tomorrow, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McEwen) to revise and extend their remarks and include extraneous material:)

Mr. Dornan of California, for 60 minutes, on July 28.

Mr. Porter, for 60 minutes, on August 3.

Mr. Gingrich, for 5 minutes, today and 60 minutes, July 28.

(The following Members (at the request of Mr. Vento) to revise and extend their remarks and include extraneous material:)

Mr. Udall, for 5 minutes, today.

Mr. Montgomery, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Coelho, for 60 minutes, on August 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. McEwen) and to include extraneous matter:)

Mr. Clinger.
Mr. Schaefer.
Miss Schneider.
Mr. Kemp in two instances.
Mr. Fawell.
Mr. Bliley.
Mr. Lagomarsino.
Mr. Shuster.
Mr. Denny Smith.
Mr. Bartlett.
Mr. Henry.
Mr. Davis of Michigan.
Mr. Gilman.
Mr. Ballenger.
Mr. Inhofe.
Mrs. Morella.
Mr. Hyde.
Mr. Conte.

(The following Members (at the request of Mr. Vento) and to include extraneous matter:)

Mr. Traficant in three instances.
Mr. Roybal.
Mr. Edwards of California.
Mr. Smith of Florida.
Mr. Dorgan of North Dakota.
Mr. Feighan.
Mr. Traxler.
Mr. Florio.
Mr. Rowland of Georgia.
Mr. Waxman.
Mr. Yatron.
Mr. Hamilton in two instances.
Mr. Bonker.
Mr. Early.
Mr. Pease.
Mr. Studds.
Mr. Conyers.
Mr. Fauntroy.
Mr. Dyson.
Mr. Payne.
Mr. Stark.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 90. Joint resolution to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 3251. An act to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the U.S. Congress;

H.R. 2615. An act to provide certain lands shall be in trust for the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, California; and

H.J. Res. 569. Joint resolution designating July 24 through 30, 1988, as "Lyme Disease Awareness Week."

ADJOURNMENT

Mr. DORNAN of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 15 minutes p.m.), the House adjourned until tomorrow, Thursday, July 28, 1988, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

4088. Under clause 2 of rule XXIV, a letter from the Secretary of Health and Human Services, transmitting a report on the fiscal year 1986 Low Income Home Energy Assistance Program, pursuant to 42 U.S.C. 8629(b), was taken from the Speaker's table; referred jointly, to the Committees on Education and Labor and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 4845. A bill to make technical corrections in pension-related provisions in the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974; with an amendment (Rept. 100-801, Pt. 1). Ordered to be printed.

Mr. BROOKS: Committee on Government Operations. H.R. 4699. A bill to amend title 5, United States Code, to ensure privacy, integrity, and verification of data disclosed for computer matching, to establish Data Integrity Boards within Federal agencies, and for other purposes. (Rept. 100-802). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 502. A resolution providing for a motion to take the bill (H.R. 1414) to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to extend and improve the procedures for liability and indemnification for nuclear incidents, from the Speaker's table and to disagree with Senate amendments numbered 1 through 15 and concur in Senate amendment number 16 with an amendment (Rept. 100-803). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 503. A resolution providing for the consideration of H.R. 4200, a bill to authorize appropriations for fiscal year 1989 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission (Rept. 100-804). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 504. A resolution providing for the consideration of H.R. 5015, a bill to provide drought assistance to agricultural producers, and for other purposes (Rept. 100-805). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

H.R. 5012. Referred to the Committee on Appropriations for a period not to exceed 15 legislative days, with instructions to report back to the House as provided in section 401(b) of Public Law 93-344.

Mr. de la Garza: Committee on Agriculture. H.R. 5015. A bill to provide drought assistance to agricultural producers, and for other purposes; with an amendment, referred to the Committee on Appropriations for a period not to exceed 15 legislative days, with instructions to report back to the House as provided in section 401(b) of Public Law 93-344 (Rept. 100-800, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H.R. 5097. A bill to amend title VII of the Civil Rights Act of 1964 to prohibit discrimination based on race, color, religion, sex, handicap, national origin, or age in employment in the legislative branch of the Federal Government; jointly, to the Committees on Education and Labor and House Administration.

By Mr. DORGAN of North Dakota:

H.R. 5098. A bill to amend the authority of the Corps of Engineers with respect to bank stabilization and shoreline erosion along the Missouri River; to the Committee on Public Works and Transportation.

By Mr. FLORIO (for himself and Mr. Bartlett):

H.R. 5099. A bill to amend the Employee Polygraph Protection Act of 1988 to provide coverage under the act with respect to employees of units of the legislative branch of the Federal Government; jointly, to the Committees on Education and Labor and House Administration.

By Mr. MOODY:

H.R. 5100. A bill to amend the Internal Revenue Code of 1986 to provide for 10-year basis recovery in the case of annuities under governmental plans; to the Committee on Ways and Means.

By Mr. PEASE:

H.R. 5101. A bill to authorize and encourage Federal agencies to use mediation, conciliation, arbitration, and other techniques for the prompt and informal resolution of disputes, and for other purposes; to the Committee on the Judiciary.

By Mr. KEMP (for himself, Mrs. Byron, Mr. Boulter, Mr. Dornan of California, Mr. Gingrich, Mr. Hall of Texas, Mr. Livingston, Mr. Donald E. Lukens, Mr. McEwen, Mr. Mack, Mr. Robinson, and Mr. Tauzin):

H.J. Res. 625. Joint resolution entitled: "Nicaragua Freedom Act of 1988"; jointly, to the Committees on Foreign Affairs, Appropriations, Armed Services, and the Permanent Select Committee on Intelligence.

By Mr. STRATTON:

H.J. Res. 626. Joint resolution designating September 13, 1989, as "Uncle Sam Day"; to the Committee on Post Office and Civil Service.

By Miss SCHNEIDER (for herself, Mr. Brown of California, Mr. Conte, Mr. Rangel, Mr. Richardson, Mr. Jeffords, Mr. Towns, Mr. Fauntroy, Mr. Downey of New York, Mr. Atkins, Mr. Bates, Mr. Owens of New York, Mr. Berman, Mr. Conyers, and Mr. Hayes of Illinois):

H. Con. Res. 341. Concurrent resolution in support of access to sustainable means of transportation in developing countries to help meet basic human needs, protect the global environment, and provide affordable, low-cost mobility; jointly, to the Committee on Foreign Affairs and Banking, Finance and Urban Affairs.

MEMORIALS

Under clause 4 of rule XXII,

456. The SPEAKER presented a memorial of the 19th Legislature of Guam, relative to an investigation by the Federal Trade Commission of the Guam Rate Agreement; which was referred jointly, to the Committees on Energy and Commerce and Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 81: Mr. Lewis of Florida.

H.R. 639: Mr. Rahall.

H.R. 772: Mr. Owens of New York.

H.R. 1144: Mr. Bryant.

H.R. 1638: Mr. Panetta, Mr. Brown of California, and Mr. Dellums.

H.R. 1721: Mr. Schaefer.

H.R. 1933: Mr. Holloway.

H.R. 1938: Mr. Moakley.

H.R. 2537: Ms. Kaptur.

H.R. 2647: Mr. Lowry of Washington.

H.R. 2697: Mr. Derrick.

H.R. 2854: Mr. Fawell.

H.R. 3314: Ms. Slaughter of New York and Mr. Nagle.

H.R. 3392: Mr. Dowdy of Mississippi and Mr. Pursell.

H.R. 3486: Mr. Wise.

H.R. 3521: Mr. Frank.

H.R. 3565: Mr. Davis of Illinois.

H.R. 3612: Mr. McEwen, Mr. Evans, Mr. Towns, Mr. de la Garza, and Mr. Davis of Illinois.

H.R. 3663: Mr. Traficant.

H.R. 3719: Mr. Aspin, Mr. Tauzin, Mr. Baker, Mr. Wylie, Mr. Nagle, Mr. Hutto, Mr. Buechner, and Mr. Inhofe.

H.R. 3783: Mr. Slattery and Mr. Richardson.

H.R. 3805: Mr. Hayes of Illinois, Mr. Morrison of Connecticut, and Mr. Atkins.

H.R. 3891: Mr. Owens of Utah.

H.R. 3944: Mr. Denny Smith.

H.R. 3978: Mr. de Lugo, Mr. Lewis of Georgia, and Mr. Wheat.

H.R. 3988: Mr. Martinez.

H.R. 4012: Mr. Berman, Mr. Gilman and Mr. Swift.

H.R. 4111: Mr. Walgren, Mr. Lipinski, Ms. Snowe, Mr. Bates, Ms. Kaptur, Mr. Clarke, Mr. Rowland of Connecticut, Mr. Borski, Miss Schneider, Mr. Brennan, Mr. Bevill, Mr. Saxton, Mr. Mrazek, and Mr. Fascell.

H.R. 4127: Mr. Oxley, Mr. Hunter, Mr. Dellums, Mr. Dwyer of New Jersey, Mr. Fawell, Mr. Biaggi, Mr. Spence, Mr. Gunderson, and Mr. Obey.

H.R. 4226: Mr. Thomas A. Luken, Mr. Fazio, Mr. Traficant, and Mr. Richardson.

H.R. 4277: Mr. Durbin.

H.R. 4352: Mr. Moody.

H.R. 4391: Mr. Roe, Mr. Atkins, Ms. Kaptur, Mr. Kennedy, Mr. Stallings, Mr. Manton, and Mr. Rangel.

H.R. 4398: Mr. Leland and Ms. Pelosi.

H.R. 4444: Mr. Atkins.

H.R. 4450: Mr. Lowry of Washington.

H.R. 4479: Mr. Downey of New York and Mr. Mrazek.

H.R. 4552: Mr. Garcia and Mr. Martinez.

H.R. 4678: Mr. Studds and Mr. Martinez.

H.R. 4695: Mr. Vento, Mr. Shaw, Mr. Matsui, Mr. Hochbrueckner, and Mr. Williams.

H.R. 4703: Mr. Brown of California, Mr. Chapman, Mr. Fauntroy, Mr. Fuster, Mr. Levine of California, Ms. Pelosi, Mr. Sikorski, Mr. Studds, Mr. Atkins, and Mr. Shays.

H.R. 4717: Mr. DioGuardi.

H.R. 4720: Mr. Espy, Mr. Fauntroy, Mr. Lewis of Georgia, Mr. Roe, Mr. Bustamante, Mrs. Bentley, and Mr. Kolter.

H.R. 4785: Mr. Stump.

H.R. 4831: Mrs. Bentley and Mr. Armey.

H.R. 4896: Mr. Bonior, Mr. Carr, Mr. Davis of Michigan, Mr. Levin of Michigan, Mr. Donald E. Lukens, and Mr. Wolpe.

H.R. 4902: Mr. Pepper, Mr. Torricelli, Mr. Stokes, Ms. Oakar, and Ms. Pelosi.

H.R. 4921: Mr. Hawkins.

H.R. 4967: Mr. Bevill and Mr. Nichols.

H.R. 5010: Mr. Cheney.

H.R. 5076: Mr. Kolter.

H.R. 5077: Mr. Kolter.

H.J. Res. 1: Mr. Coughlin, Mr. Ford of Tennessee, Mr. Gilman, Mr. Richardson, Mrs. Roukema, Mr. Shays, and Mr. Skaggs.

H.J. Res. 138: Mr. Hayes of Louisiana, Mr. Tauzin, Mr. Nichols, Mr. Spratt, Mr. Roberts, Mr. Packard, Mr. Anderson, Mr. Parris, Mr. Bliley, Mr. Bilirakis, Mr. McCrery, Mr. Weber, Mr. Akaka, Mr. Tauke, Ms. Slaughter of New York, Mr. Coleman of Texas, Mr. Burton of Indiana, Mr. Stallings, Mr. Bates, Mr. Kanjorski, Mr. Hall of Ohio, Mr. Gallegly, and Mr. Thomas A. Luken.

H.J. Res. 140: Mr. Sawyer, Mr. McDade, Mr. Gejdenson, Mrs. Boggs, Mr. Stallings, Mr. Skaggs, Mr. Miller of California, Mr. Campbell, and Mr. Dorgan of North Dakota.

H.J. Res. 152: Mr. Derrick, Mr. Hoyer, Mr. Buechner, Mr. Coyne, Mr. Durbin, and Mr. Foglietta.

H.J. Res. 330: Mr. Bosco, Mr. Frank, Mr. Clarke, Mr. Wortley, Mr. Blaz, Mr. Martin of New York, Mr. Synar, Mr. Hamilton, Mr. Bonker, Mr. Kleczka, Mr. Manton, Mr. Boehlert, and Mr. Schaefer.

H.J. Res. 360: Mr. Porter, Mr. Yates, Mr. McCloskey, and Mr. Hyde.

H.J. Res. 463: Mr. Anderson, Mr. Hutto, Mr. Natcher, Mr. Montgomery, Mr. Moorhead, Mr. Brennan, Mr. McMillen of Maryland, Mr. Flake, Mr. Conyers, Mr. Darden, Mr. Sabo, Mr. McEwen, Mr. Hertel, Mr. Martinez, and Mr. Mineta.

H.J. Res. 477: Mr. Russo, Mr. Tauke, Mr. Lantos, Mr. Visclosky, Mr. Young of Florida, Mr. Solomon, Mr. Martin of New York, Mr. Kostmayer, Mr. Bonker, Mr. Bliley, Mr. Yatron, Mr. Brooks, Mr. Lipinski, Mr. Lujan, Mrs. Bentley, Mr. DeFazio, and Mr. Campbell.

H.J. Res. 490: Mrs. Boxer, Mr. Dicks, Mr. Dymally, and Mr. Scheuer.

H.J. Res. 501: Mr. Akaka, Mr. Roberts, Mrs. Roukema, Mr. Wortley, Mr. Synar, Mr. McDade, Mr. Matsui, Mr. Richardson, Mr. Anderson, Mr. Archer, Mr. Bevill, Mr. Blaz, Mr. Bliley, Mr. Bruce, Mr. Burton of Indiana, Mr. Coleman of Texas, Mrs. Byron, Mr. Conte, Mr. Darden, Mr. Daub, Mr. Clement, Mr. Dellums, Mr. Dicks, Mr. Gray of Illinois, Mr. Jones of North Carolina, Mr. Leland, Mr. Lewis of Georgia, Mr. Lewis of Florida, Mr. McCollum, and Mr. Bryant.

H.J. Res. 516: Mr. Hamilton, Mr. Bliley, Mr. Rowland of Georgia, Mr. Fawell, Mr. Staggers, Mr. Fauntroy, Mr. Ravenel, Mr. Nelson of Florida, Mr. Lent, Mr. Denny Smith, Mr. Dicks, Mr. Mineta, Mr. Bevill, Mr. Barnard, Mr. Coats, Mr. Wolf, Mr. Inhofe, Mr. Ray, and Mrs. Lloyd.

H.J. Res. 540: Mr. Sabo, Mr. Pursell, Mr. Stump, and Mr. Jones of North Carolina.

H.J. Res. 543: Mr. Robert F. Smith, Mr. Harris, Mr. Brennan, Mr. Smith of Texas, Mr. Torricelli, Mr. Derrick, Mr. Foglietta, Mr. Pepper, Mr. Schuette, Mr. Nielson of Utah, Mr. Bliley, Mr. Gallegly, and Mr. Darden.

H.J. Res. 570: Mr. Hatcher, Mr. Hughes, Mr. Frost, Mr. Smith of Florida, Mr. Davis of Illinois, Mr. McGrath, Mr. Lipinski, Mr. Kasich, Mr. Gunderson, Mr. Borski, Mr. Ballenger, Mr. Kennedy, Mr. Green, Mr. Foglietta, and Mr. Bosco.

H.J. Res. 571: Mr. Owens of New York, Mr. Bates, Mr. de la Garza, Mr. Morrison of Connecticut, Mr. Lungren, Mr. Weiss, Mr. Coelho, and Mrs. Morella.

H.J. Res. 580: Mr. Spence, Mr. Hansen, Mr. Hyde, Mr. Gilman, Mr. Jeffords, Mr. Daub, Mr. Emerson, Mr. Henry, Mr. Kemp, Mr. Lagomarsino, Mr. DioGuardi, Mr. Gray of Pennsylvania, Mr. Murphy, Mr. Moakley, Mr. Foley, Mr. Flippo, Mr. Sunia, Mr. Stratton, Mr. Tallon, Mr. Foglietta, Mr. Fauntroy, Mr. Owens of New York, Mr. Dymally, Mrs. Lloyd, Mr. Traxler, Mr. Walgren, Mr. de la Garza, Mr. Yatron, Mr. Atkins, and Mr. Hammerschmidt.

H.J. Res. 595: Mr. Fawell, Mr. McEwen, Mr. Daub, Mr. Brown of California, Mr. Fuster, Mr. Tauzin, Mr. Dwyer of New Jersey, Mr. Espy, Mr. Lagomarsino, Mr. Wyden, Mr. Boland, Mr. Dixon, Mr. Rogers, Mr. Horton, Ms. Kaptur, Mr. Hatcher, Mr. Roe, Mr. Fazio, Mr. DeFazio, Mr. Biaggi, Mr. Holloway, Mr. Bevill, Ms. Pelosi, Mr. Rahall, Mr. Lipinski, Mr. Anderson, Mr. Manton, Mr. Valentine, Mr. Scheuer, Mrs. Bentley, Mr. Edwards of Oklahoma, Mr. Hall of Ohio, Mr. Hughes, Mr. Lancaster, Mr. Weiss, Mr. Jenkins, Mr. Levin of Michigan, Mr. Rangel, Mr. Mrazek, Mr. Lungren, Mr. Owens of New York, Mr. Gunderson, Mr. Florio, Mr. Spence, Mr. Weldon, Mr. Tallon, Mr. Traxler, Mr. Vento, Mr. Goodling, Mr. Walgren, Mr. Wilson, Mr. Waxman, Mr. Sawyer, Mr. Wolpe, Mr. Shaw, Mr. Skelton, Mr. Smith of Iowa, Mr. Spratt, Mr. Yates, Ms. Oakar, Mr. Ravenel, Mr. Coelho, Mrs. Vucanovich, Mr. Watkins, Mr. Pashayan, Mr. Foglietta, Mr. McDade, Mrs. Morella, Mr. Synar, and Mr. Hammerschmidt.

H.J. Res. 596: Mr. Nelson of Florida, Mr. Scheuer, Mr. Walgren, Mr. Tauke, Mr. Mineta, Mr. Moorhead, and Mr. McCollum.

H.J. Res. 599: Mrs. Bentley, Mr. Lancaster, Mr. Levin of Michigan, and Mr. Mineta.

H.J. Res. 603: Mr. Florio, Mr. Dwyer of New Jersey, Mr. Whittaker, Mr. Wolf, Mr. Gilman, Ms. Pelosi, Mr. Vander Jagt, Mr. Skeen, Mr. McCloskey, Mr. Rangel, Mrs. Patterson, Mr. Fauntroy, Mr. Owens of New York, Mr. Dorgan of North Dakota, Mr. Campbell, Mr. Towns, Mr. Hutto, Mr. Espy, Mr. Nielson of Utah, Mr. Burton of Indiana, and Mr. Baker.

H.J. Res. 609: Mr. Andrews, Mr. Bilirakis, Mr. Borski, Mr. Brown of California, Mr. Brown of Colorado, Mrs. Collins, Mr. Courter, Mr. Gallo, Mr. Grant, Mr. Kolter, Mr. McGrath, Mr. Manton, Mr. Owens of New York, Mr. Sabo, Mr. Schaefer, Miss Schneider, Mr. Sisisky, Mr. Traficant, Mr. Williams, Mr. Wortley, Mr. Yatron, Mr. Burton of Indiana, Mr. Gingrich, Mr. Rodino, Mr. Smith of Texas, Mr. Molinari, Mr. Volkmer, and Mr. Hunter.

H. Con. Res. 15: Mr. Lott and Mr. Miller of Washington.

H. Con. Res. 28: Mr. Smith of Texas.

H. Con. Res. 258: Mr. Mica.

H. Con. Res. 295: Mr. Nelson of Florida, Mr. Brown of California, Mr. Torres Mr. Chappell, Mr. Grant, Mr. Pepper, Mr. Mica, Mr. Rose, Mr. Hall of Texas, Mr. Barnard, Mr. Konnyu, and Mr. Lewis of Florida.

H. Con. Res. 320: Mr. Ackerman.

H. Con. Res. 330: Mr. Packard and Mr. Konnyu.

H. Res. 445: Mr. Berman, Mr. Coleman of Texas, Mr. Crockett, Mr. de Lugo, Mr. English, Mr. Fascell, Mr. Foglietta, Mr. Jacobs, Mr. Penny, Mr. Studds, and Mr. Owens of New York.

H. Res. 483: Mr. Spratt, Mr. Murphy, Mr. Berman, Mr. Biaggi, Mr. Horton, Mr. McCloskey, Mr. Durbin, Mr. Owens of New York, Mr. Lipinski, Mr. Dixon, Mr. Crockett, Mr. Lewis of Georgia, Mr. Lagomarsino, Mr. Robinson, Mr. Hayes of Illinois, Mr. Jontz, Mr. Stokes, Mr. Wise, Mrs. Collins, Mr. Dowdy of Mississippi, Mr. Kolter, Mr. Wortley, Mr. Lantos, Mrs. Boxer, Mr. Anderson, Mr. Perkins, Mr. Kildee, Mr. Solarz, Mr. Dellums, Mr. Conyers, Mr. Fauntroy, Mr. Applegate, Mr. Fuster, Mr. Mineta, Mr. Roe, Mr. Flake, Mr. Bates, Mr. Mfume, Mr. Carper, Mr. Espy, Mr. Bevill, Mr. Garcia, Mr. Foley, Mr. Ford of Tennessee, Mr. Gray of Illinois, Mr. Neal, Mr. Florio, Mr. Derrick, Mr. Leland, Mr. Gray of Pennsylvania, Mr. Hayes of Louisiana, Mr. Clay, Mr. Weldon, Mr. Fazio, Mr. Rangel, Mr. English, Mr. Moakley, Mr. de la Garza, Mr. Towns, Mr. Courter, Mr. Wheat, and Mr. Inhofe.

H. Res. 487: Mr. Horton, Mr. Frank, Mr. Dornan of California, Mr. Ballenger, Mr. Henry, Mr. Rowland of Connecticut, Mr. Skeen, Mr. Upton, Mr. Lott, Mr. Sundquist, Mr. Bustamante, Mr. Nielson of Utah, Mr. Edwards of Oklahoma, and Mr. Roe.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5015

By Mr. ESPY:

—Section 605 (a) shall be amended by:

Inserting the following paragraph as paragraph (2) and redesignating paragraph (2) as paragraph (3). The newly inserted paragraph (2) shall read as follows:

(2) In the case of a fish used for food producer that does not produce feed on the farm, or (in the case of a producer that produces feed on such producer's farm but normally not in amounts sufficient to feed all the producer's fish used for food) with respect to the portion of such producer's fish used for food not normally fed with feed produced on the farm, such producer shall be eligible for (A) assistance under Section 606, and (B) such other assistance under Section 606 as the Secretary, in the Secretary's discretion, determines necessary to alleviate a crisis caused by the livestock emergency.

By Mr. SCHUETTE:

—Page 34, at the end of Section 206 insert the following new sections and redesignate subsequent sections:

SEC. 207. ACTUARIAL DATA, COMMUNICATIONS AND EDUCATION.

Section 508 of the Federal Crop Insurance Act, (7 U.S.C. 1509) is amended by adding the following new subsections:

"(j) To accumulate sufficient actuarial data and thereafter it shall provide crop insurance that meets the differentiating needs of dry edible beans, by type, commencing with the 1989 crop year.

"(k) As well as directed, to improve—

(1) the dissemination of information to producers on the availability of crop insurance, utilizing existing United States Department of Agriculture education facilities and producer financial and crop program support personnel;

(2) the training requirements of crop insurance agents who sell and service crop insurance coverage;

(3) the incentives to increase the sales of crop insurance through such delivery systems as are being utilized in accordance with sections 507(c) and 508(e);

(4) the crop insurance agency referral system to producers seeking information or insurance coverage;

(5) the cooperation between federal and state agencies relating to the crop insurance program; and

(6) the utilization of financial and educational computer programs available in federal and State agencies to foster the use of crop insurance as a uniform input of costs of production of agricultural commodities for purposes of disaster risk management."

SEC. 208. RESEARCH.

The Comptroller General of the United States shall conduct a study, in consultation with the Manager of the Federal Crop Insurance Corporation, that provides an analysis, with accompanying recommendations, concerning—

(a) how the Federal Crop Insurance Corporation can effectively expand crop insurance sales to producers, especially family farmers and the more efficient producers of agricultural commodities insured by the Corporation;

(b) the extent to which yield trends from crop reporting districts, counties and the state, regional geographic yields, and other factors might be used to increase the reliability of existing factors to determine producers' transitional yields and to promote the participation of more efficient producers;

(c) What effects the requirements of the provisions governing Highly Erodible Land Conservation and Wetland Conservation as authorized by Title XII of the Food Security Act of 1985 may have on the sale of crop insurance in future years;

(d) whether the Federal Crop Insurance Corporation should be given the authority to waive denial of crop insurance availability to producers who have been denied such availability as the result of violations of the terms and conditions of conservation programs that are conducted by the United States Department of Agriculture under the authority of Title XII of the Food Security Act of 1985; and

(e) how best, and at what time intervals, if at all, to shift risk bearing cost of federal crop insurance programs to the private sector.

—Page 52, after line 22, insert the following new section:

SEC. 314. LOAN GUARANTEES FOR FAILED ORCHARDS OR PERENNIAL CROPS.

(a) LOAN GUARANTEES.—The Secretary of Agriculture shall make guarantees during fiscal years 1988 and 1989 for emergency guaranteed loans under subtitle C of the Consolidated Farm and Rural Development Act to producers of nonprogram crops, as defined in Section 209(d) of this Act, subject to prior appropriation as provided in section 402(a) of the Congressional Budget Act of 1974, where greater than 35 percent of such producers' total crop of perennial trees or plants have died (less normal mortality) or otherwise have been made unproductive primarily because of the 1988 drought or related conditions. Such loan guarantees shall be for the purpose of obtaining loans to pay up to 65 percent of the cost of reestablishing such of perennial trees or plants that have died primarily because of the drought or related condition.

(b) DEFINITIONS.—As used in this section, the term "perennial" means trees or plants whose normal life-cycle or production cycle exceeds one year.

(c) LIMITATIONS.—Loan guarantees made under this section shall be limited to a maximum sum not to exceed $100,000 for each individual producer qualifying for assistance.

EXTENSIONS OF REMARKS

VOICE OF DEMOCRACY CONTEST WINNER

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. CHENEY. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct the Voice of Democracy broadcast scriptwriting contest. I am proud today, to honor Wyoming's Voice of Democracy winner Karen Dombeck. Karen's thoughtful script entitled "America's Liberty—Our Heritage" is a commentary on the unique nature of the freedoms that we enjoy in this country, how we attained these freedoms and our responsibilities with regard to protecting them for ourselves and future Americans.

I am very proud to present Karen's winning essay.

AMERICA'S LIBERTY—OUR HERITAGE

It is my heritage. It is something that has been in my family for generations. It is a very precious gift. I will work hard to preserve it so that it will be a part of the next generation's heritage. My family is America, and the gift I speak of is liberty.

You cannot see liberty. You'll never hold it in your hands, but everyday as an American citizen you will experience its benefits.

More than two hundred years ago, a group of courageous people fought to win their independence from a king. We read about them in history books, and some we even know by name. We will never really know these people, and they could not have possibly imagined the millions of Americans that followed them, yet they are an important part of our lives and our heritage. They secured for us the blessings of liberty. These blessings are documented in the Declaration of Independence and the Constitution. In the United States we have freedom of speech and freedom of the press. The government makes no restrictions on our opinions and gives us the right to voice these opinions and make them known to others through the media. We have the right to choose our government officials. We select the leadership of our country by voting in elections. These people we elect make and enforce our laws. We are given the right to pursue our own personal happiness. Without restricting the freedom of others and staying within the limits of the law, we are free to become the best that we can be. No matter what your sex, religion, or ethnic background, America offers equal opportunity. All citizens are guaranteed the same rights. If you feel that your rights are being infringed upon, you have the right to bring your case to a court. When involved in a criminal case, an American will not be asked to be a witness against himself and will not be deprived of his rights without due process of law. The rights explained are just a few of the many we have as American citizens. Our government rests upon the recognition of the rights of the people.

Today's America emerged from the challenges of yesterday. Our country is rich in tradition. We are tempered by war, disciplined by peace, and proud of our ancient heritage.

The citizens of America are the builders of the future and the caretakers of the past. We are responsible for protecting and defending our precious liberty. We must also prepare America for the challenges it will face in its third century.

We should be grateful for our rights and not forget that there is another side to liberty. Liberty not only means freedom but also responsibility. Liberty's flame will blaze only so long as our people work to preserve and defend our freedoms. This country's strength is the sum of the strengths of each American. A special spirit has kept our nation strong and the fires of freedom burning brightly. Let this enthusiasm continue from the Atlantic to the Pacific, from now until the end of time. Let the world know that we will pay any price, bear any strain, meet any challenge, and oppose any foe to ensure the survival and success of liberty.

ENERGY AND ANWR

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. YOUNG of Alaska. Mr. Speaker, many of our colleagues are aware of our energy dependence upon other nations, and the fact that the picture is not looking any brighter for the foreseeable future. Nevertheless, legislation before the Congress to open to environmentally sound oil and gas leasing the coastal plain of the Arctic National Wildlife Refuge in my district—the State of Alaska—is the bright spot in terms of responding to this growing international threat. Today I submit for the RECORD an article from Deseret News, Utah, which underscores the need for prompt action by the Congress on this subject. Because of the vast support nationwide for this legislation, I will do this daily.

The article follows:

[From the Deseret News (Utah), Apr. 22, 1987]

MORE OIL—AND CARIBOU, TOO

Congress had better brace itself for a tough fight over the future of the Arctic National Wildlife Refuge in Alaska.

The fight will be tough because it's so important. The outcome can help determine whether America continues to become more and more dependent on foreigners for oil and natural gas—or gets serious about becoming more self-reliant.

This week Interior Secretary Donald Hodel issued a long-awaited recommendation on the refuge, calling for Congress to approve oil and gas leasing in the region's coastal plain.

The decision makes sense even though it has angered environmentalists understandably concerned about maintaining the pristine beauty of this choice area. The trouble with this opposition is that it seems to be based on some incredibly short memories.

After the discovery in Alaska's Prudhoe Bay of the largest oil field ever found in the U.S., environmentalists insisted that development of the field and construction of the Trans-Alaska Pipeline would damage the area's plants and wildlife, especially its caribou herds.

Yet, nearly two decades after these projects went ahead anyway, what has happened? The Central Arctic caribou herd, which numbered 3,000 in 1968, now numbers 13,000. Many of the animals placidly migrate under the pipeline.

This episode is worth recalling now because environmentalists again are warning that oil and gas development would seriously damage the caribou and other wildlife in the Arctic National Wildlife Refuge. What happened in Prudhoe Bay is also worth recalling in light of Hodel's report this week that nearly as much oil could be recovered from the new coastal plain field as from Prudhoe Bay.

Keep in mind, too, that if new fields aren't developed and present trends continue, the U.S. will be importing 50% of its oil by the early 1990's. As it is now, imports already account for 38% of the petroleum Americans use. The figure was only 33% in 1973 when OPEC figured the U.S. was so vulnerable it could get away with imposing its oil embargo.

As Congress considers the future of the coastal plain of the Arctic National Wildlife Refuge, it should pay particularly close attention to Secretary Hodel's observation:

"Our nation has proved that we need not choose between exploring for and developing the energy necessary for survival and growth on one hand, and protecting the environment on the other. We can have both."

Indeed, we can.

A TRIBUTE TO BLUE STAR MOTHERS OF AMERICA

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to the Blue Star Mothers of America, Inc. It truly humbles me to note that a resident of my 17th Congressional District, Mrs. Eva Morrison of Warren, OH, serves as national president of the Blue Star Mothers of America. Also, it should be noted that their national convention will be held in Canton, OH, this fall.

The Blue Star Mothers of America was formed as a patriotic service organization on February 2, 1942, and the Ohio department was founded in May 1942. The Blue Star Mothers were incorporated by an act of Congress which was signed into law by President Dwight Eisenhower on June 14, 1960. The Blue Star Mothers give countless hours to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

aiding the sick veterans in Veterans' Administration hospitals throughout the United States, and it truly warms my heart to know that this organization insures that our veterans are not forgotten after having risked their lives for all of us.

The Blue Star Mothers is open to any mother who has a son or daughter who served or is now serving in the U.S. Armed Forces. I want to tip my hat in salute to the Blue Star Mothers for their outstanding patriotic devotion and service to humanity. Thus, it is with thanks and special pleasure I join with the people of the 17th Congressional District in paying tribute to the love of country and excellent work of the Blue Star Mothers of America, Inc.

SOUTH DAKOTA VOICE OF DEMOCRACY WINNER

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. JOHNSON of South Dakota. Mr. Speaker, Cindy K. Mathieu of Crooks, SD, was recently selected as a State winner in the Voice of Democracy broadcast scriptwriting contest conducted each year by the Veterans of Foreign Wars of the United States and its Ladies Auxiliary. This program began 41 years ago and has grown to include over one-quarter million students from over 6,000 schools across the Nation. The contest theme this year was "America's Liberty—Our Heritage." Mr. Speaker, I ask that Cindy's winning script be reprinted in the CONGRESSIONAL RECORD. Cindy deserves to be commended for her exceptional efforts in writing this script and participating in this contest. Her insights and enthusiasm will serve as a model to others her age.

AMERICA'S LIBERTY—OUR HERITAGE

The new parents gaze proudly at their baby. Then, they gently reach over and place a small gift in the baby's tiny hand. The gift had been given to them by their parents, and they are now continuing the family tradition. The tiny baby will use the gift throughout life, and will give the gift to his children, but he will probably never realize its importance and its rarity. The gift is freedom, the parents are America, and we are that baby who received the gift only because of the unique privilege of being born in this country.

The gift began as only an idea. Extraordinary men like George Washington, Benjamin Franklin, and Thomas Jefferson foresaw a nation with freedoms like none other on the earth. When the gift became reality in 1776, years of planning had already gone into the notion that "all men are created equal" and that they are given by their Creator the rights of "life, liberty, and the pursuit of happiness".

But throughout the years this gift of liberty has often been taken for granted. Because we inherited freedom by just being born in this country it is difficult for us to realize what life without liberty would be like. We don't have to worship God in private like many Russian citizens and those behind the Iron Curtain. We don't have to live everyday as second-class citizens like the Blacks in South Africa. And we don't have to go to bed every night with the sounds of grenades and machine guns, like the people in the Middle East. But we must also be dedicated to the freedoms that are not listed in the Constitution: the freedom to think, the freedom to ask why, the freedom to choose, and the freedom to hope. These are the freedoms that we must also preserve.

But how can we preserve this gift in order to give it to our children and to our children's children? Voting, being informed, and supporting the government and its officials are the obvious answers to this question. But I think the best answer lies within ourselves, in dedicating ourselves to a genuine concern, respect, and commitment to anyone who is deprived of the liberties that we take for granted. A pastor from India who is presently serving in my community summed up our heritage and our responsibilities in this way: "You are the greatest experiment in democracy the world has ever known. Never on such a vast scale, nor for so long a time has there been a government of the people, by the people, and for the people. It can survive only if there is a built in integrity in the people themselves.

It is clear, then, that we have the power and the responsibility to decide how our country will preserve the freedoms that were made the basis of our government over 200 years ago. The real enemy to our heritage is not a foreign country. Instead, the real danger lies within the people themselves in their apathy and indifference. So if I want to see this gift of freedom placed in future generations' tiny hands, I know I must do what I can to insure "life, liberty, and the pursuit of happiness for all".

NELSON MANDELA

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Ms. PELOSI. Mr. Speaker, July 18 was the 70 birthday of Nelson Mandela—hero of the struggle against apartheid in South Africa. Over one-third of his life has been spent in prison at the hands of the South African Government.

Even in prison, Mr. Mandela continues to raise the spirit of the oppressed majority who have struggled 40 years under the indignity of apartheid. He is joined by several thousand critics of the Government who are locked up in prisons or "banned" from society—merely for expressing their desire to be counted as human beings. Many of these prisoners are children. Many are tortured.

Mr. Speaker, the United States must, once and for all, disassociate itself from the racist government of South Africa. America can no longer tolerate a government that imprisons dissenters and tortures children in the name of national security.

Rather, let us put our moral and economic strength behind Nelson Mandela and the struggle for majority rule. Let us cut off trade with such a government and isolate it in the international community. Let us tone down the rhetoric and step up the pressure—to free Nelson Mandela and free South Africa.

Nelson Mandela celebrates his birthday in the isolation of a prison cell. I hope that he will celebrate his next birthday with his people in freedom.

INDIANA WRESTLERS TRAVEL TO SOVIET UNION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. HAMILTON. Mr. Speaker, today I would like to honor an outstanding group of high school athletes from the State of Indiana.

After visiting Washington this week, 29 wrestlers representing the State of Indiana will travel to the Soviet Union to visit the school of wrestling in Novosibrisk. Sanctioned by the Indiana State Wrestling Association, these students were chosen not only for their athletic ability, but for exemplifying outstanding citizenship and sportsmanship qualities as well. They will participate in three practice sessions and three competitions with Soviet wrestlers. Following their trip to southwestern Siberia, the students will visit Moscow for 2 days.

This athletic competition will promote more than just the spirit of sportsmanship between two teams. Through their communication and interaction, these students will help foster the spirit of friendship and understanding between our two countries. I would like you to join me in commending them for their fine efforts.

DISTINGUISHED JUDGE RONALD KEBERLE TO RETIRE

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. OBEY. Mr. Speaker, all of us in public life have known individuals who have made lifelong contributions of public service in our own communities. One such person in my hometown is retiring after serving the public for more than three decades.

Judge Ronald D. Keberle was born in Milwaukee on September 2, 1927, the son of Frank and Gladys Keberle. He and his wife Shirley were married on August 28, 1948. They are the parents of three sons: David, Daniel, and Douglas. Ron served in the U.S. Navy in 1945 and 1946.

He earned undergraduate and law degrees at the University of Wisconsin-Madison where he was executive editor of the Wisconsin Law Review and a member of the Order of the Coif. He began practicing law in Wausau in 1951 and became assistant city attorney in 1953. He was named Wausau's Outstanding Young Man in 1957 and Wisconsin's Outstanding Young Man in 1958.

I remember being a high school freshman when Ron Keberle was serving as Marathon County Republican Chairman. He became Marathon County District Attorney in 1955. He was succeeded in that office by my brother-in-law who is a Democrat but who, like myself, has a strong admiration for the quality of Ron's service.

Ron was elected Marathon County judge in 1962 and circuit court judge for Marathon, Lincoln, Oneida and Vilas Counties in 1970. When Wisconsin courts were reorganized in 1978 he became Marathon County circuit judge and was appointed chief judge of the Ninth Judicial Circuit by Supreme Court Chief Justice Bruce Beilfuss that same year.

During his 33 years of service as district attorney and judge, Ron Keberle performed in a balanced and fair-minded way. He provided even-handed justice to everyone who came into his court and developed a good many friendships, with Republicans and Democrats alike, along the way.

I am pleased to call to the attention of the House of Representatives the retirement of someone who maintained high standards and performed with dedication throughout his public career.

ANTHONY J. PRINCIPI

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. MONTGOMERY. Mr. Speaker, it has been my pleasure over the last 20 years to work with some truly knowledgeable and dedicated individuals in an effort to protect and improve veterans' benefits. Tony Principi ranks high on this list.

Since 1984, Tony has served as Republican chief counsel and staff director for the Senate Committee on Veterans' Affairs, a position he is leaving for other career opportunities on the west coast. During this time, we on the House Veterans' Affairs Committee have come to appreciate Tony's high level of integrity, his openmindedness, and the spirit of cooperation and compromise he has sustained and strengthened between our two committees.

A lot of people claim to know what veterans' feel and need, but Tony really does know—he's a combat veteran. From the Naval Academy to a destroyer to Vietnam to training bases, he's been there and he knows what it's all about.

Before taking over his duties with the Veterans' Affairs Committee, Tony was the Associate Deputy Administrator for Congressional and Public Affairs, as well as White House Liaison, for the Veterans' Administration. Previously, he served as counsel to the former chairman of the Senate Armed Services Committee, Senator John Tower.

Tony graduated from the U.S. Naval Academy at Annapolis in 1967. He served as engineering officer aboard the destroyer U.S.S. *Joseph P. Kennedy* before becoming unit commander of a river patrol force at Tra Cu, Vietnam. As a result of this combat experience in Vietnam, he received the Bronze Star with Combat "V", the Vietnamese Cross of Gallantry, three Navy Commendation Medals with Combat "V", the Navy Combat Action Medal and several service and campaign medals.

Tony received his law degree in 1975 from Seton Hall University School of Law, where he was president of the Student Bar Association.

Prior to his work in Washington, Tony was the chief defense attorney for the Navy in San Diego and the staff counsel to the Commander of the Training Command of the U.S. Pacific Fleet, also in San Diego. His first job in Washington was as legislative counsel in the Department of the Navy. From there, he came to Capitol Hill and the Armed Services Committee.

Mr. Speaker, those of us who have worked with him and experienced his concern and compassion for the Nation's veterans want to extend to Tony and his family our best wishes for continued success, good health, and happiness as he enters a new stage in an illustrious career of service to his country. He is a great public servant. He has served his country well for 23 years. We need more people like him.

A TRIBUTE TO TERRY THOMPSON

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mr. Terry Thompson, a very special resident of my 17th Congressional District. It truly gives me great pride to announce that Mr. Thompson has won the men's division of the 1988 Shoe Service magazine's orthopedic contest. Mr. Thompson will receive this award from Shoe Service Institute of America President Gary Miller at the 41st Annual Shoe Service Exposition's Awards Banquet in Seattle, WA, on July 16, 1988.

Mr. Thompson received this award because of his wizardly workmanship in shoe repair. He submitted a pair of men's shoes with a ½-inch orthopedic buildup adjusted to the heel of the left shoe. Two experienced orthopedic repair specialists judged the entry by comparing the orthopedically repaired shoe with its unrepaired mate.

The judges were truly astounded when they saw Mr. Thompson's entry with its amazing sole and heel balance and its superlative buildup. The judges quickly saw that they had no choice but to give its award to Mr. Thompson.

Terry Thompson works at Cobbler's Corner in Columbiana, OH. I salute you Terry, and want you to know that when my shoes need repairing, I will be certain to bring them to you. Thus, it is with thanks and special pleasure that I join with the residents of the 17th Congressional District in paying tribute to the outstanding shoe repair skills and wonderful personality of Mr. Terry Thompson.

A SALUTE AND COMMENDATION TO ANDREW SHAGRIN AND GERALDINE HUGHES

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. FAUNTROY. Mr. Speaker, I rise to salute and to commend two fine young people from the District of Columbia, Andrew Shagrin and Geraldine Hughes. Andrew and Geraldine understand the tyranny of taxation without representation that their fellow residents of our Nation's Capital face and have set their efforts to remedy this injustice by making the District of Columbia the 51st State.

Mr. Speaker, during the first 2 weeks of July, Andrew and Geraldine worked tirelessly with the D.C. Statehood Commission to organize a D.C. statehood presence in Atlanta during the Democratic National Convention. They contacted the delegations from all 50 States, providing them with information on the issue and scheduling formal delegation meetings with D.C. statehood representatives during the week of July 18. Last week, Andrew and Geraldine went to Atlanta, GA, at their own expense, to help D.C. delegates and other elected officials like myself educate leaders from around the country about D.C. statehood. Working five consecutive 12- to 14-hour days, Andrew and Geraldine's efforts made it possible for us to personally address 35 State delegations, distribute more than 10,000 pamphlets and brochures and over 4,000 D.C. Statehood Now! buttons. Because of their hard work and dedication, statehood for the nearly 700,000 residents of the District of Columbia was the single most visible issue at the Democratic National Convention.

Andrew Shagrin and Geraldine Hughes believe that the District of Columbia should no longer suffer from colony status and they have set out to end this injustice. On behalf of the citizens of Washington, DC, and Americans across this great Nation, I salute and commend them for their efforts.

A TRIBUTE TO KAY SNELL OF OWOSSO, MI

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. SCHUETTE. Mr. Speaker, today I would like to take the opportunity to pay special tribute to an outstanding citizen of the Owosso, MI, community. That person is Kay Snell, who has improved the Owosso community through her unselfish efforts and devotion.

Kay Snell most recently was the first recipient of the Owosso-Corunna Area Chamber of Commerce Athena Award. This honor is given to an outstanding person who exhibits initiative and creativity enhancing business and for improving the community. These criteria certainly describe Kay Snell.

Kay Snell has had an outstanding career with Universal Electric Co. until her retirement this spring. Kay worked her way up the corporate ladder at Universal. Starting in 1947 as a personnel clerk, she advanced to secretary, executive secretary, and finally became the director of public relations. After 41 years of hard work and dedicated service, Kay retired from Universal last February. Throughout her career, Kay was involved in her community, working as the Business Office Education Clubs Advisor, company representative for Junior Achievement, company coordinator for U.W. Explorer Post No. 68, Genessee Shiawassee County private industry council chairman, and member of the Program Planning and Assessment Committee.

This dedication to her community and her professional excellence also led her to serve her community on the board of directors of the Owosso Corunna Area Chamber of Commerce and she was active as a member of the executive board, chairman of the Education Committee, chairman and vice chairman of the Ambassadors Club, Public Relations Committee chairman, and Legislative Committee.

For most, Mr. Speaker, this long list of service would be quite enough. But not for Kay, she has also participated and held leadership roles in the First Baptist Church, the Boy Scouts of America, Shiawassee YWCA, the Zonta Club of Owosso, the Commission of Alcohol and Drug Abuse and the Owosso City Club.

Mr. Speaker, I hope my colleagues in the House will join me today to recognize the outstanding accomplishments of Kay Snell. She certainly deserves our sincere congratulations. She has given her community an enormous amount of time and hard work. Kay Snell is certainly an inspiration to all of us here today. I hope all of my colleagues in the U.S. House of Representatives join me in congratulating Kay Snell and I know we all wish her continued success.

IMAGES OF HOPE AND DESPAIR

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, the renewed food emergency in Africa flashes in and out of our consciousness, and on and off of network news reports. The villagers and refugees in the Horn of Africa enjoy no such luxury. For them, drought, hunger, and governmental manipulation of food aid are a constant reality. Even so, there are bright spots amidst the gloomy reports.

The bad news, as reported by CARE, is that 5 million Ethiopians are at risk of starvation because of crop losses. Further aggravating the situation is a deliberate policy on the part of the Ethiopian Government of trying to starve into submission the rebel forces in the Provinces of Eritrea and Tigre.

Nor is the situation limited to Ethiopia, a Soviet-backed client. Our own ally, Sudan, is using a strategy of food aid denial to punish and control rebel forces in its southern region.

The good news is that innovative projects by CARE and other U.S. aided voluntary organizations are mitigating the impact of drought and adversity by helping to keep hungry people in their villages. Here, they have a chance to obtain emergency relief without having to abandon their traditional homes or to face the danger of epidemics that often rage through temporary feeding camps.

For example, CARE has assisted two Ethiopian communities to: Start 45 community tree nurseries, dig 9 wells, plant 1.2 million tree seedlings, build 4 school roof catchments to capture rain water, construct 620 miles of hillside terraces, and build many new roads.

These hopeful signs could be repeated in dozens of other communities where CARE helps people to help themselves.

I urge my colleagues to join with me in condemning the barbaric policies of the governments of Ethiopia and Sudan—governments which choose to starve innocent women and children to win political and military victories. I also encourage my fellow members to support the kind of foreign aid that keeps people and hope alive despite all odds to the contrary. The kind of aid provided by CARE and several other organizations like it.

THE FIRST AMERICAN SOVIET YOUTH ORCHESTRA PERFORMS FIRST CONCERT AT KENNEDY CENTER AUGUST 5

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mrs. SCHROEDER. Mr. Speaker, I urge my colleagues to attend the inaugural concert of the first U.S.-U.S.S.R. Youth Orchestra at the Kennedy Center on August 5 with Zubin Mehta, music director of the New York Philharmonic, conducting.

The orchestra includes 58 Americans age 17 to 23 from 24 States chosen from over 500 who auditioned. Fifty-two young musicians were selected from the Soviet Union. After opening its United States tour here in Washington, the orchestra will travel to four other United States cities, then tour the Soviet Union.

The orchestra will play two programs of works by Ives, Copland, Prokofiev, Shostakovich, Tchaikovsky, and Mahler. The orchestra is sponsored by the Conservatory of Music at Oberlin College and AFS Intercultural Programs. Nancy Reagan is the honorary chairperson for the U.S. tour.

I hope you will attend the performance of these musical ambassadors.

FORMER MEMBER OF CONGRESS FROM WESTERN MASSACHUSETTS, JULIUS ROCKWELL: MODEL PUBLIC SERVANT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. CONTE. Mr. Speaker, as one of the founders of the Republican Party and a vocal opponent of slavery, Julius Rockwell was among the most distinguished public servants of his time. Throughout his 50-year career, he served as a State legislator, bank commissioner, Federal judge, and as a Member of both Houses of the Congress. In spite of electoral defeats, his passion for public service never faltered during his long career.

Rockwell was born in Colebrook, CT, on April 26, 1805. After living in western Massachusetts for several years as a schoolboy at Lenox Academy, Rockwell returned to Connecticut to continue his studies at Yale University. In 1829, Rockwell took his law degree to Pittsfield, MA, to begin his own practice.

Julius Rockwell's life as a public servant began in 1834 when he was elected to the Massachusetts House of Representatives. He quickly rose through the ranks and was speaker of the house from 1835 to 1838. Upon completion of his second term as speaker, he was appointed State bank commissioner and served in that capacity until 1840.

Running as a Whig, Julius Rockwell was elected to the U.S. House of Representatives in 1843 where he served until 1851. During his time in Congress, Rockwell became widely known for his stance against admitting States to the Union that would permit slavery. As a member of the Committee of the Territories, Rockwell gave a powerful speech against the admission of Texas as a slave State. In that speech, Rockwell characterized slavery as "an evil directed against the truest interest of this country."

Not running for Congress in 1851, Rockwell stayed in the public eye as a delegate to the State convention 2 years later. In 1854 he was appointed by Governor Washburn to the U.S. Senate to fill a vacancy which was created by the resignation of Edward Everett. His elevation to the Senate followed his eloquent advocacy of natural rights and constitutional law in the House of Representatives. Throughout his entire career in Congress, Julius Rockwell displayed great ability in the use of persuasive rhetoric.

With the dissolution of the Whig Party, Rockwell followed his antislavery views and allied himself with the Republican Party. He was the Massachusetts Republican Party's first nominee for Governor in 1855. He ran unsuccessfully in a remarkably good second place showing for the newly formed party. Rockwell was then named an elector for the Fremont ticket.

In 1858 the former Senator was again elected to the State legislature and was made speaker of the house. He was the first person in Massachusetts history to serve the public at the national level and then return to State government. This is one example of Julius Rockwell's commitment to public service.

Rockwell's longest tenure in a government position began in 1859, when he was made a justice of the Superior Court of Massachusetts. He presided over the court for 27 years. In that time he distinguished himself as just, honorable, and judicially discriminate. He resigned his seat in 1886, with accolades coming from every corner of the State. In the words of one reporter at the time, "his whole career before the public commended sterling honesty."

Julius Rockwell died on May 19, 1888, as a result of injuries he sustained a week earlier when he was thrown from his horse-drawn carriage. Throughout his entire career as a public servant, Julius Rockwell was a distinguished and confident leader. He didn't allow partisan affiliation to confine him, but rather, he relied on his sound judgment and firm convictions to guide him in his service to this Nation.

HUMANITARIAN AID, HUNGER AND WARFARE

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. LELAND. Mr. Speaker, confusion about the definition of humanitarian aid threatens genuine help for innocent victims of war and civil strife. The term is misused repeatedly. The distortion of the term away from its original and legitimate meaning has accelerated as supporters of the Nicaraguan Contras search for acceptable packaging of assistance for their cause.

According to international law and custom, in the tradition of the Geneva Conventions and Protocols, humanitarian aid is provided to noncombatants in need, and is to be delivered through impartial channels. Aid to a fighting force is not humanitarian as the term is commonly understood. Real humanitarian aid is given to meet basic human needs, not to accomplish political or military objectives.

Private voluntary agencies have expressed concern about abuse of the term "humanitarian aid." A delegation from InterAction, a consortium of 112 relief and development agencies, has requested that the U.S. Government use the term with greater care and precision. Members of Congress have received letters with a similar plea. Yet, within the past month, there have been proposals that call any aid to the Contra fighters which does not consist of guns and bullets humanitarian. On the other hand, the House leadership has consistently referred to nonmilitary aid to the Contras as sustenance aid.

The issue of language does not stand alone. Improper usage threatens the integrity of the concept of "humanitarian aid." This extends far beyond Nicaragua. Today's wars are increasingly the result of clashes within nations, making the provision of aid to noncombatant populations more difficult. This is true in Ethiopia and the Sudan, Afghanistan and Sri Lanka, as well as El Salvador and Nicaragua. The very existence of humanitarian aid is jeopardized when it is seen as serving ideological goals.

Private voluntary organizations struggle with the political implications of providing aid in these countries. In complex situations even humanitarian assistance is often interpreted as support for one side or another. Aid may be intended as impartial but it is seldom possible to assure that all victims on both sides of military lines of control receive it in just proportions. In a number of situations, the relief agencies and their workers have been targets of the violence they sought to relieve.

This same reasoning applies to aid given by governments and by international organizations. While it is unarguable that providing humanitarian assistance promotes the interests of the United States, it is equally unarguable that aid delivered in a nonpolitical manner makes the greatest contribution to our national credibility, our reputation in the world, in the long-term.

Appeals for food, clothing and medical supplies grow dramatically as populations are uprooted by internal warfare, as villages are razed and fields that once produced quantities of food are made barren by landmines. The experience of the International Committee of the Red Cross [ICRC], whose activities are limited to conflict situations, confirms the increasing need for aid. In the decade 1974-84, the number of ICRC staff and delegates grew from 357 to 890; in 1974 there were ICRC delegations in 16 countries; and, in 1984 they were in 36 countries with subdelegations in 16 others.

Each year millions of children are hungry because of war. Lack of food and health care leave irreparable consequences throughout their lives. To give food, clothing, shelter, medical care and education to those in urgent need is our primary task. We must not allow a twisted meaning of "humanitarian aid" entangled with ideological policy considerations to deny the chance of survival for these children.

Friends Service Committee representative Corinne Johnson properly defined humanitarian assistance as "an active expression of mutual responsibility in the human community, a responsibility higher than that to any government, party or policy."

The moral stature of the United States as a world leader is based to a great extent on a generous response to people in need. Let us protect this honorable tradition and stop debasing language in cynical attempts to advance short-term political goals.

TRIBUTE TO WRIGHT TIRE, INC.

HON. JAMES A TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. TRAFICANT. Mr. Speaker, I rise today to pay special tribute to a newly opened company in my district: Wright Tire, Inc. of North Jackson, OH. Kenneth Wright and Bill Zeller, the owners are avidly seeking to focus on the high quality of America's tires and other auto products.

This company is actively pursuing a customer-seller relationship that is first based on honesty and integrity. While this may not seem surprising, it is refreshing to have that confidence in the business sector of today. Ken and Bill represent the pride in America and type of ingenuity that has helped this country to prosper.

Ken and Bill decided that they had enough of tangling with other service garages and decided that they could offer a better service. So, they not only established a trustworthy business, but one that will specialize in marketing products that are made in America, by American workers. With this type of work ethic, I know that Wright Tire, Inc. will be serving the North Jackson community for years to come.

On behalf of the people of the 17th Congressional District, it is with great honor and pride that I salute this new venture.

SUPERCONDUCTING SUPER COLLIDER

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. PURSELL. Mr. Speaker, Federal funds have been appropriated to continue research on building the biggest and most important scientific research center in the world—the superconducting super collider [SSC].

The SSC would be the world's pre-eminent scientific center. But sadly, all too few Americans are aware of the enormous importance of this project or of the tremendous benefits it can bring to our country.

By any standard the super collider is immense. Its main features include two rings of metal pipe encased in a circular tunnel 53 miles around. Ten thousand superconducting magnets cooled by liquid helium and hydrogen line the rings. Inside the two pipes narrow beams of protons—the tiny nucleus of hydrogen atom—are forced to whirl around the tunnel in opposite directions. At peak speeds, near the speed of light, the two beams of protons are forced into each other. One hundred million protons collide every second. Each collision produces a tiny fireball resulting in a shower of subnuclear particles. Sophisticated electronic detectors catch and record these showers; 100 million per second. The records are studied and analyzed by high energy physicists. From their studies will come new ideas, theories, and inventions. This is important, vital knowledge which can help shape a new world.

Consider just a few of the benefits we can expect from this major scientific project:

World leadership. As the biggest collider in the world, the superconducting super collider will attract scientists from around the globe to use its outstanding facilities. Our country will be the leader in high energy physics research.

New technologies. Just building the super collider will lead to new advances in supercooling techniques so vital to our future energy needs, as well as in more sophisticated computer and electronic equipment. In addition, the basic research the super collider will accomplish is almost certain to produce totally unexpected discoveries of future benefit. For example, the silicon chip which today makes possible everything from watches and tiny radios to complex communications, computer, and electronics equipment came from yesterday's basic research. That basic discovery blossomed into thousands of uses. We can only guess at what new marvels the super collider's research may bring us.

Inspiration for America's youth. Like the Apollo Moon landing project, the super collider will inspire and encourage many young people to point their lives toward careers in science and engineering. Those who do meet the challenges of this unprecedented search for scientific knowledge will become our future leaders in universities, industry, and government.

Opening a new window on our universe. One of the biggest benefits will come from the answers the super collider will give us to some of the basic questions about our universe: the fundamental forces operating in it, the structure of matter, how it all began, and whether it will ever end.

America's high energy physicists believe the super collider should have our Nation's No. 1 priority in this field of science. Fifty-six universities from across the country have pooled their knowledge and resources in a consortium to coordinate research and development of the super collider. They know the basic research it accomplishes will give us the knowledge which can be the cornerstone of our Nation's defense, industrial, and economic strength.

I feel this vitally needed project will help assure a brighter future for us, our children and our Nation.

A SALUTE TO ALBERT M. BECKER

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. HOCHBRUECKNER. Mr. Speaker, I would like to take this opportunity to honor a distinguished citizen of Suffolk County, Mr. Albert M. Becker, on the occasion of his election to the office of New York State Department Commander of the American Legion. His exemplary service, both within the Legion and to the community at large, is worthy of our respect and recognition.

Throughout his life, Al Becker has dedicated himself to his fellow man and the American way of life. Americanism, patriotic citizenship, law and order, brotherhood, and freedom are some of the tenets which Al holds dear. He is an activist, a committed do-er, a person whose actions convert ideals into reality. Looking over his extraordinary record of achievements a person can hardly disagree.

During World War II, Al Becker served his country first as a military policeman in the United States and then as a medic abroad. Aboard the hospital ship *Algonquin,* he sailed to England, France, and Italy. Later, Al saw duty in the Pacific, New Guinea, and the Philippines, while working on board a U.S. Army transport, the *Sea Cat.*

A year to the day after obtaining his honorable discharge from the military, Al Becker joined the Rusy-Bohm Post No. 411 of the American Legion in Islip, NY. Five years later, he became the post commander, a position which he would hold twice more. Extremely active, Al would also hold at one time or another every office of consequence and major chairmanship at the post. Since joining the Rusy-Bohm Post in 1947, Al Becker has been extremely active in the American Legion, holding at least 32 major positions at the county, district, department, and national levels. Sergeant at Arms, chaplain, vice commander, commander, chairman, editor, adjutant, and finance officer are some of the titles which Al has had. For his efforts, Al Becker was twice honored as Suffolk County Legionnaire of the Year.

Outside the post, the diligence of Al Becker can be seen as well. Whether at an Islip PTA meeting, on a trail leading a pack of boy scouts, coordinating a fundraising drive for the March of Dimes, or at a civil defense meeting, Al Becker can be found. Omnipresent in civic affairs and bounding with energy, Al Becker's presence is widely felt.

Friends have described Al Becker as an articulate, sincere, hard-working and caring individual. He is the epitome of the responsible citizen, the person who takes upon himself the burden of hard work for the benefit of others. Al Becker is a remarkable man. I congratulate him on his election, and wish him the best of luck during his tenure as the New York Department Commander of the American Legion.

FOUR HOUSE MEMBERS INTRODUCE HOUSE CONCURRENT RESOLUTION 339

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. SLATTERY. Mr. Speaker, I am pleased to join with the distinguished chairman of the Energy and Commerce Committee, JOHN DINGELL, and with Representatives AL SWIFT and TOM TAUKE, as well as with several other of my colleagues who have taken a leadership role in fighting to bring the telecommunications revolution to all Americans, in introducing House Concurrent Resolution 339, which calls for the full participation of American industry in the provision of telecommunications equipment and services.

Current rules prevent the telephone companies from offering many information services. And, it's just too difficult and complicated for most Americans to set up systems for themselves. The telephone companies have their hands tied up in knots with legal technicalities about exactly what they can and cannot offer while the whole world speeds ahead of us with the very technology we invented in the first place.

America's economic development, both rural and urban, is not a matter for academic discussion; it's a matter of our survival as a first rate power. Yet, seven of this Nation's most advanced companies, the ones which built our communications infrastructure, are prohibited from doing the very thing they do best—making communications simple, easy, and affordable.

What could an economic infrastructure based in sound telecommunications do for the rural areas of America—and more specifically for a State like Kansas? Ask the people of South Dakota? An area of scattered population, among the coldest in the Nation, is now—thanks to telecommunications—one of the centers of financial transactions.

Today, South Dakota does a brisk business in credit-related finance for companies based hundreds of miles from that State.

There are similar opportunities for other States and cities, if we only take advantage of them. Imagine a Nation whose rural areas are equipped with cutting edge information services delivered via state of the art network hardware and software.

An enterprise in northeast Kansas, with an inventory of specialized information to sell, could compete with a similar enterprise based in a large, urban area—and, with much lower overhead, would have a good chance for success. Inventory, shipping, receiving, billing, and a variety of other basic commercial activities, including even some types of manufacturing, could conceivably be displayed electronically, making even the most remote outpost into a viable commercial hub by placing it at an information-age crossroad of advanced telecommunications lines.

That's why I have joined this bipartisan effort to allow the telephone companies—with proper safeguards for ratepayers—to provide America with the fruits of the information age.

NICARAGUA: THE SANDINISTAS DROP THE VEIL AGAIN

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. FASCELL. Mr. Speaker, Nicaragua's Sandinista government has repeatedly stated its commitment to the provisions of the Central American Peace Treaty, Esquipulas II. Yet since that agreement was signed, the Ortega brothers and company have taken steps which fly in the face of that publicly professed commitment.

While I do not wish to downgrade the significance of recent Nicaraguan actions, which deserve the strong condemnation of all those who seek democratization in Nicaragua, the contrast between the promises and conduct of the Sandinista government is, unfortunately, nothing new. Long-term observers of the Nicaraguan revolution can hardly be surprised by recent government actions to close Radio Catolica and La Prensa, arrest over 43 opposition figures, and break up the democratic opposition's march at Nandaime. Unless held to meaningful reforms by a specific calendar, the Sandinistas will persist with tactical concessions only. The recent actions simply make it even clearer that the limited political space gained by the Arias plan can be withdrawn anytime at the whim of the commandantes.

The Esquipulas II agreement speaks clearly: "There shall be freedom of the press, radio and television. This complete freedom shall include opening and keeping in operation mass media for all ideological groups and operating those media without subjecting them to prior censorship. There shall be total pluralism of political parties. In this regard, political groups shall have full access to the mass media, shall enjoy fully the rights of association and the right to public assembly in the unrestricted exercise of oral, written and televised publicity. * * *"

Yet even before the recent repression, in late May the Nicaraguan Interior Ministry suspended three opposition radio news programs. Newsprint and electoral power continued to be rationed by the government. Censorship laws remains on the books. Intimidation was and, as recent events show, remains widespread. Despite his signature on Esquipulas II, President Ortega simply turned down the request by a private business group to operate an independent television station.

On amnesty, Esquipulas II notes that "* * * decrees for amnesty shall be issued that will establish all of the provisions to ensure inviolability of life, freedom in all of its forms, material property and safety of the persons to whom these decrees are applicable."

Although some political prisoners have been set free, the vast majority remain jailed. The series of releases specified in the Sapoa truce agreement have been indefinitely delayed. Up to 8,200 political prisoners remain in detention and arrests on political grounds continue, such as the four economists—Mario Alegria Castillo, Nora Aldana, Pedro Pablo Su Olivas and Jose Espinales Rodriguez—whose crime was to openly visit the commercial section of the U.S. Embassy in Managua. The scope of the government campaign waged against these four has undermined any possibility of their receiving a fair trial.

Mr. Speaker, the Secretary of State has recently undertaken efforts to explore the possibility of additional pressures, particularly diplomatic, which could be brought against the Sandinista regime.

This is a worthy effort, deserving of our full support, as is the President's retaliation in kind against Nicaragua diplomats for the expulsion of our ambassador and diplomats. Without pressure, the Sandinistas will simply continue with more of the same.

ENACT THE DEFENSE SAVINGS ACT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. BEREUTER. Mr. Speaker, an editorial appeared in the July 25, 1988, Washington Post praises the Defense Savings Act which was passed by the House on July 12. By providing for the closing of unneeded military installations based on national defense priorities rather than political considerations, that measure could save the American taxpayer from $2 billion to $5 billion per year.

The conferees who bear the responsibility for further action on this legislation would be well advised not to attempt to thwart the will of the House. Those of us who have given our strong support to the measure which we believe to be clearly in the national interest will most assuredly continue to raise this issue until the legislation is enacted.

I commend the editorial to my colleagues.

[From the Washington Post, June 25, 1988]

MILITARY BASE BALL

The House has virtuously passed a bill to save a little defense money by closing unnecessary military bases. That lets the members go home and claim they cast a vote against pork and waste, which in fact they have. The only hitch is that the bill is not yet law. The Senate earlier put a comparable provision in the defense authorization bill, but it was dropped in conference because the House failed to act in time—and the president may veto the authorization vehicle anyway.

That means that somehow the Senate, where the idea has determined enemies as well as seeming friends, must take another vote. Then, unless the Senate swallows the House bill whole (an unlikely event) the matter must go to conference and back to both floors. At each of these stages there will be opportunities to blur or sidetrack it. The time for celebration is not yet.

Outmoded bases have been a problem and, even more, a symbol for years. Military bases are like any other form of federal spending. They mean profits and jobs, and Congress can't bring itself to close even the least defensible among them, particularly in an election year. This time a bill was fashioned by Rep. Dick Armey of Texas, leaders of the armed services committees, Defense Secretary Frank Carlucci and others to avoid the usual difficulty by reducing Congress' role. A committee of outside experts whom Mr. Carlucci has already named will recommend a list of bases to be closed. If forwarded to Congress by the president, the recommendations would automatically take effect unless voted down by both houses over the president's presumed veto. To guard against favoritism, neither the president nor Congress would be able to alter the recommended list; they would have to take all the recommendations or none.

The four House committees to which this was referred, including Armed Services, resisted in varying degrees. Their version of the legislation included a range of further environmental and economic conditions that had to be met before a base could be closed, and prevented the recommendations of the advisory committee from taking effect until Congress affirmatively approved them. That, of course, is precisely what Congress has never been able to make itself do; it is the very obstacle the bill is aimed at skirting. In an unusual step the House, by vote of 223 to 186, rejected its committees' combined advice in favor of Mr. Armey's untrammeled alternative. But if and when the bill comes back for conference, leaders of these same committees can be expected to be among the conferees.

This bill probably won't save the full $2 billion to $5 billion a year its proponents claim. It's still the right thing to do, and never more so than in a time of budget cuts in defense and civilian programs alike. But Congress needs to be watched, or, in the election-year rush to adjourn without offending, this bill—the congressional equivalent of an unnatural act—could still be lost.

TRIBUTE TO DOLORES RICH

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. BORSKI. Mr. Speaker, I rise today to pay tribute to a nurse of 40 years, Dolores Rich.

In these times of nursing shortages throughout the country and high turnover within the profession, Dolores Rich's longevity and dedication are commendable.

Dolores is a lifelong resident of Philadelphia. In 1945, she became the first person in her family to further her education beyond high school by entering the Hahnemann Hospital School of Nursing.

This year marks the 40th anniversary of Dolores' graduation from Hahnemann. In addition, this is the 25th year that Dolores has held the position of nursing supervisor at Friend's Hospital. In that capacity, she is responsible for the welfare of 180 patients.

Throughout her career, Dolores has earned the respect of her colleagues and the affection and appreciation of her patients. She has made the kind of contribution to her profession and community that all too often goes without recognition.

I am sure that Dolores' family, friends, and colleagues are justifiably proud. I join them in commending Dolores for her extraordinary accomplishments in the nursing profession.

FILLMORE CELEBRATES CENTENNIAL

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1988

Mr. LAGOMARSINO. Mr. Speaker, I rise today to help commemorate the birthday of a beautiful place. On Sunday, July 31, Fillmore, CA, will celebrate 100 years of existence. Many of Fillmore's almost 11,000 citizens will host an old-fashioned birthday party, including square dancing, barbershop quartets, community sing alongs, turn-of-the-century costumes, pit barbeque, cake decorating contest, and much more.

Fillmore is, in the best American traditions, just a quiet little town. There are two wooden carvings on Fillmore's City Hall; one bearing the likeness of an oil worker and the other bearing the image of a citrus farmer. These symbolize the two industries around which Fillmore has grown.

Like many other American towns, Fillmore had humble beginnings; Main Street consisted of a rooming house, general store, pool hall, barbershop, lumber yard and, of course, a saloon. And like many other American towns, Fillmore suffered adversity; a fire destroyed many Main Street businesses in 1903. Like many other American towns, Fillmore weathered adversity and eventually prospered. Progress marched on in Fillmore; street lights were installed in 1911 and the streets were paved in 1917, just 3 years after officially becoming incorporated into Ventura County as the city of Fillmore.

Although time has changed Fillmore, some things have remained the same. People there take pride in their "quiet little town," and have worked hard to keep it a good place to live, raise a family, and prosper.

Happy birthday, Fillmore.

WORLD BANK RESPONDS TO CONGRESSIONAL LETTER ON POVERTY ALLEVIATION

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. HALL of Ohio. Mr. Speaker, on June 16, 1988, 187 Representatives and 46 Senators cosigned a letter to World Bank President Barber B. Conable which urged further efforts by the World Bank to use its considerable resources to combat world poverty more effectively.

The same letter also was sent to the World Bank by members of the Parliaments of Australia, Canada, Great Britain, and the Federal Republic of Germany. A total of 777 members of national legislatures, representing more than 270 million constituents in five countries, signed the letter that were sent on June 16.

This international effort was coordinated with the help of RESULTS, an organization dedicated to ending world hunger. In addition, the letter was endorsed by CARE, Catholic Relief Services, Church World Service, Lutheran World Relief, National Council for International Health, and World Vision.

There is growing awareness both in the world's legislative bodies and in the private voluntary organizations that the World Bank has tremendous potential to improve the quality of life for the poorest people on our planet. The purpose of our interparliamentary letter was to reiterate our support for the World Bank's antipoverty efforts, and to pursue an ongoing dialog with the Bank on the specific means both to measure and to achieve poverty alleviation.

On July 20, 1988, we received a formal response to our letter from the World Bank. From this letter, it is clear that the World Bank welcomes our interest and considers seriously the points that we have raised.

In view of the interest in this interparliamentary exchange with the World Bank, the full texts of the Bank's reply and the U.S. letter follows:

THE WORLD BANK,
Washington, DC, July 20, 1988.
Hon. TONY P. HALL,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN HALL: Thank you for your thoughtful letter of June 16. The issues you raise are of great importance, and we share your conviction that The World Bank must continue to be the forefront of the battle against world poverty.

Poverty alleviation has long been and continues to be central to the Bank's work. In many ways the progress achieved in the last forty years by developing countries has been remarkable—in incomes, health indicators, literacy and other measures of improved welfare. Nevertheless, the problems remain immense; with Third World population pressures, the magnitude of poverty is enormous by any measure, and is growing. The alleviation of poverty will require a concerted, long-term effort by aid donors, international agencies, the private sector and the governments of the developing countries. The World Bank is committed to playing an important role in this cooperative endeavor.

SOCIAL INDICATORS

Your letter stressed the importance of using social indicators to help monitor progress on development. We have been using such indicators for some time in our economic and sector work; we believe they add a valuable dimension to more strictly economic measurements. Moreover, in the context of our lending operations in the social sectors (such as health, education and population), we often set as benchmarks expected future changes in key social indicators. To the extent possible, we then monitor these changes during project implementation, so as to assess the impact of our lending and as a guide in the design of follow-up operations. The Bank is also actively involved in many programs to improve the statistical capability of developing countries, an essential element if greater use is to be made of social indicators in evaluating development progress.

However, a cautionary note is required with regard to the immediate prospects for greatly expanded use of social indicators. While we are sympathetic to the suggestion that we define, together with our borrowers, social indicator targets and time tables and subsequently plan Bank activities to ensure that these goals are met, a number of difficult issues must still be addressed. Relevant data is often difficult to obtain, and the evidence is frequently limited and unreliable. Moreover, social indicators tend to be meaningful only in a long-term perspective. In addition, the best social data is usually derived mostly from censuses that are typically conducted ten years apart or at even longer intervals. We cannot always await the results of such censuses to guide our operations. Whenever such data can be collected as part of a Bank-supported government program, we shall of course utilize it in our work. We will also do our utmost to advance the capacity of developing countries to design and use effective indicators. We believe that this issue must be given special attention, and we expect that social indicators will play an increasingly important role in our work in the years ahead.

IDA LENDING

We share your concern about the debt burden of the poorest countries, particularly those in sub-Saharan Africa. For the past several years the Bank has supported an international program of assistance to those low-income, debt-distressed countries undertaking significant adjustment programs. We are pleased that many of the creditor governments have increasingly realized the severity of the situation, and have pledged to take further action. We are working with them, and with others, on a wide range of programs in this area.

As you know, IDA is the largest single multilateral source of concessional assistance for the low-income countries. About 50 percent of the $12.4 billion in IDA-8 resources is being directed to sub-Saharan Africa. Moreover, the Bank has taken the lead in the past year in mobilizing over $6 billion in additional cofinancing support for these African countries. The major debt problems faced by these countries are derived from non-concessional loans—export credits, loans from private financial sources and loans from non-aid sources. We shall continue to encourage flexible approaches by creditors for countries undertaking necessary policy changes.

The terms, conditions and size of IDA are determined by the donor countries in the course of replenishment negotiations. IDA is by no means a static institution. It must constantly adapt to changing perceptions of the types of policies and projects that will produce the most effective forms of development. It must direct its resources to countries where the problems of poverty are the greatest and where resources can be used most efficiently. It must also adapt to the budgetary constraints in the donor countries that influence the availability of resources to the Association. All of these issues are discussed, and ultimately resolved, within the replenishment negotiations.

During the IDA-8 negotiations two years ago, the donors agreed that IDA terms (which had remained unchanged since its inception in the early 1960s) should be hardened, provided that this would enhance the size of the replenishment. Hardening terms, they felt, would lead to a more rapid recycling of IDA resources, thus enhancing the Association's ability to redirect its funds to areas of greatest need. Relatively wealthy countries successfully graduated from IDA status still owed substantial concessional money to IDA because of the great length of IDA loans. Loan maturities thus were shortened from 50 years to 40 years for the least developed IDA-only countries, and to 35 years for other IDA eligible borrowers who, because of their better creditworthiness, receive a blend of IBRD and IDA lending. This was not an easy decision for the donors, but an agreement was reached which significantly expanded IDA resources. I cannot predict the course of the IDA-9 negotiations, but we will be working with the donors to ensure that these negotiations result in an agreement which is in the best long-term interests of the recipient countries.

STRUCTURAL ADJUSTMENT

The economic difficulties experienced by most developing countries over this decade have made poverty alleviation a more formidable challenge and a more urgent priority. In the 1970s, the effort to address poverty generally took place in the context of widespread economic growth; today the issue is increasingly how to address poverty in an environment of limited or no growth.

There is broad consensus that the difficult economic conditions of the 1980s require all countries—developed and developing—to adjust to new realities. The World Bank has played a critical role in fostering an orderly adjustment process through our advice to borrowers on policy reform. This advice has been supported by substantial lending for adjustment programs and by the mobilization of significant resources from other donors. This two-pronged approach is designed to help put these countries back on the growth path. Economic growth is necessary to the success of long-term efforts to reduce poverty. Experience also demonstrates, however, that growth alone is not sufficient to alleviate poverty. Growth policies must be complemented by a wide array of carefully designed programs and policies which assure that the poor share in the benefits of growth. We contributed to the development of the OECD guidelines for structural adjustment programs, and support their implementation.

The impact of stabilization and adjustment reforms on the poor is now explicitly considered in the design of adjustment programs. Each report to our Board on an adjustment program is required to comment specifically on the program's social impact on the poor. Special measures to protect the poor are increasingly being included in these programs. Social expenditures, particularly in health and education, are being refocused toward the poor. Targeted cost-effective compensatory programs, particularly in the areas of nutrition and employment, are being designed. We are also encouraging the expansion of policy-based lending in the social sectors as a means of achieving a more lasting poverty impact. Experience has shown that increased expenditures alone are not enough to assure widespread availability of social services. Delivery systems and institutions need to be strengthened, and often reformed; targeting services on the poor must be given special attention, and more emphasis is required on developing innovative and cost-effective means of reaching the poor.

Moreover, the Bank has initiated a Social Dimensions of Adjustment project that explicitly focuses on the effect of adjustment policies on the poor. This project, cofinanced by UNDP, the African Development Bank and others, will include more than two dozen African countries. Each of these countries will receive technical assistance and other resources to build the analytical and statistical capability necessary to improve the design of adjustment operations and to monitor the social effects of adjustment. Compensatory measures will be built into the adjustment programs to benefit and protect the poor during the transition period. Although this project is specifically designed for the Africa region, similar initiatives are underway in other regions on a country-by-country basis.

A significant part of the Bank's research portfolio is currently devoted to improving our understanding of the social consequences of various aspects of adjustment programs. These studies include: the effect on the poor of changes in agricultural prices; the employment and real wage implications of industrial realignment; the possibility of protecting real income though public employment schemes; and options for protecting the poor against the adverse effects of price increases in the social sectors or reductions in government food subsidy programs.

In conclusion and to reiterate, the Bank is dedicated to improving the living standards, economic potential and the prospects of the poor. We have no illusions about the difficulty of the task ahead. Perseverance, dedication, and concerted action by both donors and recipient governments are required. In view of your concern, we look forward to working with you on this urgent undertaking.

With all best wishes.

Sincerely,

BARBER B. CONABLE.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 16, 1988

Hon. BARBER CONABLE,
President,
The World Bank, Washington, DC.

DEAR MR. CONABLE: Many of us wrote to you last year prior to the Bank's annual meeting, and we were pleased to see from your address to that gathering that you share our concerns. We note particularly your statements that:

"our greatest goal is to reduce poverty, misery and destitution which blights our world . . . rapid economic growth or the advances of modern technology seem of little consequence if nearly a billion people do not have enough food, clean water or shelter . . . there is little reason to expect that future growth alone will attain the progress against poverty that it has failed to secure in the past"

". . . Although we shall pursue the eradication of poverty globally, the effort in Asia, which contains more than 500 million of the world's absolute poor, has particular relevance. In the large poor countries of Asia we wish to support government strategies to eliminate the worst aspects of absolute poverty by the year 2000."

We join our colleagues from other countries in raising three issues on which progress should be made: (1) the use of social indicators to measure development progress; (2) future IDA terms; and (3) structural adjustment lending.

1. In light of your comments regarding eradicating the worst aspects of absolute poverty in Asia, we were particularly pleased to learn of the discussions that have been going on for some time between the World Bank, donor governments, and others about the much wider use of social indicators, as well as economic indicators to measure progress in development.

The conditions of the poor can best be measured by social indicators such as the mortality rate of children under 5; life expectancy; access to safe water; the adult literacy rate, particularly among women; and the proportion of children suffering from malnutrition. Public support of funding for the World Bank and other development institutions ultimately depends on their contribution to progress in key areas such as these.

We urge the World Bank to agree by its annual meeting this Autumn on the principle of using social indicators to monitor progress on development, which social indicators will be used, and how these should be measured and monitored. Discussions should then begin with individual recipient countries on targets for improvements in specific social indicators, target dates for achieving these, and planned Bank activities to ensure that these goals are met.

2. One of the major factors hindering progress in development is the burden of debt. Unlike the middle income countries, such as those in Latin America whose debt is primarily owed to the commercial banks, the poorest countries, particularly those in sub-Saharan Africa, are mainly indebted to governments and international financial institutions such as the World Bank's affiliate the International Development Association (IDA).

When IDA started lending to the Third World's poorest countries in the early 1960's, its terms were among the most concessional of any aid donor. However, since then the governments of many donors such as the United States, the United Kingdom, and the Federal Republic of Germany have switched to providing nearly all of their bilateral aid to the poorest countries on grant terms.

In the discussions beginning this year on the ninth replenishment of IDA, we urge that you put proposals to donor governments that the funds they supply for IDA should then be provided to the poorest countries on grant terms. This would not then place on the world's poorest countries the burden of having to repay additional aid loans well into the next century.

3. In the letter many of us signed last summer, we expressed our concern about the effects of structural adjustment programs on some of the poorest sections of the population in developing countries. We suggested ways in which policies could be tailored to the needs of the poor, particularly by involving representatives of the poor. We were therefore pleased to see the agreement reached last December by the major donor countries who constitute the Development Assistance Committee of the OECD on guidelines for structural adjustment programs:

"Ensuring that overall funding levels for structural adjustment programs are sufficient to regain growth and development momentum and that such programs are so designed as to cushion the impact of adjustment on all vulnerable groups with special attention to women and children.

"Improvement of the design and delivery of public services to poor people, with an emphasis on financial and institutional sustainability and local community involvement.

"Support for policies which promote widely shared growth and, in particular, foster the creation of productive employment.

"Strengthening the productive role of the poor in the economy.

"Enhancement of the capacity of developing country governments to monitor and analyze the impact of policy reforms on poverty and to generate better information on poverty and nutrition.

"Strengthening arrangements for consultation, coordination, and monitoring."

We strongly support these policies for future adjustment lending and welcome the special attention paid to the needs of the poor in these guidelines. On the assumption that the Bank has now adopted these guidelines for its future structural adjustment loans, you have our full support for the careful monitoring that will be required to ensure that future structural adjustment programs reflect each of these six guidelines. We urge you to prepare a poverty impact statement on each adjustment loan as part of the loan document which goes to the executive board. Such a statement should give a full account of how the poorest people will benefit from the program.

We wish you well as you seek to utilize the considerable resources of the Bank in the battle against world poverty. You can anticipate the continued support of the undersigned for the policies outlined in this letter.

Sincerely,

U.S. Senators:

Daniel K. Inouye, Bob Kasten, Patrick J. Leahy, Claiborne Pell, Richard G. Lugar, George J. Mitchell, Edward M. Kennedy, Mark O. Hatfield, Paul S. Sarbanes, William L. Armstrong, Alan Cranston, Orrin G. Hatch, Ernest F. Hollings, Robert T. Stafford, Timothy E. Wirth, Thad Cochran, Tom Harkin, Larry Pressler, John Melcher, Frank R. Lautenberg, Jeff Bingaman, Nancy L. Kassebaum, Quentin N. Burdick, William S. Cohen, Thomas A. Daschle, Lowell P. Weicker, Jr.

John D. Rockefeller IV, Dave Durenberger, Kent Conrad, Rudy Boschwitz, Bob Graham, David L. Boren, Wendell H. Ford, Terry Sanford, John F. Kerry, Spark M. Matsunaga, Carl Levin, Frank H. Murkowski, Richard C. Shelby, John McCain, Barbara A. Mikulski, Bob Packwood, Howard M. Metzenbaum, Donald W. Riegle, Jr., Daniel J. Evans, John Heinz.

U.S. Representatives:

Tony P. Hall, Carlos J. Moorhead, Frank R. Wolf, Dante B. Fascell, Silvio O. Conte, Matthew F. McHugh, Benjamin A. Gilman, Mel Levine, James M. Jeffords, Tom Lantos, Christopher H. Smith, Tony Coelho, Marge Roukema, Byron L. Dorgan, Constance A. Morella, Joe Moakley, Matthew J. Rinaldo, Jaime B. Fuster, Sherwood L. Boehlert, Doug Walgren, Larry E. Craig, Robert J. Mrazek, Manuel Lujan, Jr., Thomas J. Manton, Claudine Schneider.

Barney Frank, John Miller, Ronald V. Dellums, Steve Gunderson, Tim Johnson, Jim Kolbe, Don Bonker, Olympia J. Snowe, Don Edwards, Robert J. Lagomarsino, Henry J. Nowak, Charles E. Schumer, Brian J. Donnelly, Daniel

K. Akaka, Jim Moody, Robert G. Torricelli, Philip R. Sharp, Timothy J. Penny, Romano L. Mazzoli, John Lewis, Elton Gallegly, Harris W. Fawell, Rod Chandler, Lynn Martin, Paul B. Henry, Andrew Jacobs, Jr., Vic Fazio, Dale E. Kildee, Albert G. Bustamante, Lawrence J. Smith.

Frank McCloskey, Chester G. Atkins, Gerry E. Studds, Gary L. Ackerman, Mario Biaggi, Joseph E. Brennan, Thomas M. Foglietta, John Conyers, Jr., George J. Hochbrueckner, Martin Olav Sabo, Edward R. Roybal, Marcy Kaptur, Mike Lowry, William J. Hughes, Ted Weiss, Stephen L. Neal, Edward F. Feighan, Kweisi Mfume, Thomas J. Downey, Peter A. DeFazio.

Claude Pepper, Nancy Pelosi, Dan Glickman, Robert W. Kastenmeier, Mike Synar, Kenneth J. Gray, Jim Slattery, Beverly B. Byron, Norman D. Dicks, William Lehman, Mary Rose Oakar, Robert E. Wise, Jr., James H. Bilbray, Major R. Owens, Dan Mica, Morris K. Udall, Alan Wheat, Howard L. Berman, Sidney R. Yates David E. Skaggs.

Robert T. Matsui, Bruce A. Morrison, Esteban Edward Torres, Leon E. Panetta, Jim Bates, Martin Frost, Nicholas Mavroules, Henry A. Waxman, Wayne Owens, Jim Jontz, Thomas R. Carper, Charles Wilson, Richard H. Lehman, William Clay, David E. Price, Charles A. Hayes, Barbara Boxer, Floyd H. Flake, Wayne Dowdy, Bill Richardson.

David E. Bonior, Gerald D. Kleczka, Fortney H. Stark, Les AuCoin, W. G. Hefner, Stephen J. Solarz, Ronald D. Coleman, Matthew G. Martinez, Patricia Schroeder, Tim Valentine, Marty Russo, James L. Oberstar, Robert K. Dornan, Frank Horton, George C. Wortley, David Dreier, Bill Schuette, Bruce F. Vento, William J. Coyne, Douglas H. Bosco.

Mickey Leland, George Miller, Bill Nelson, Gerry Sikorski, Elizabeth J. Patterson, Dave McCurdy, Edward J. Markey, Richard J. Durbin, George E. Brown, Jr., James McClure Clarke, Dan Coats, Frederick S. Upton, Clyde C. Holloway, Curt Weldon, Michael DeWine, John J. Rhodes, III, Patricia F. Saiki, William F. Clinger, Jr., Sam Gejdenson, Benjamin L. Cardin.

Ben Nighthorse Campbell, James Sensenbrenner, Jr., Richard H. Stallings, Lane Evans, Mike Espy, Ron de Lugo, Pat Williams, Harley O. Staggers, Jr., Bob Carr, Robert Lindsay Thomas, Cardiss Collins, Christopher Shays, Amo Houghton, Peter W. Rodino, Jr., Mervyn M. Dymally, Julian C. Dixon, Howard Wolpe, Robert A. Roe, Lee H. Hamilton, Al Swift, Joseph P. Kennedy II, H. Martin Lancaster, Louise McIntosh Slaughter, William S. Broomfield, E. Clay Shaw, Jr., Ron Packard, Tom Lewis, Denny Smith, Barbara B. Kennelly, Jim Cooper, Edolphus Towns, Louis Stokes.

STATES ARE INTERESTED IN STRONGER PCB REGULATIONS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. FLORIO. Mr. Speaker, on June 14 of this year the House passed H.R. 3070, the PCB Regulatory Improvements Act. The bill was an unfortunate and inadequate attempt to deal with the problems of PCB disposal.

I argued, during debate, that the bill was so weak it was antienvironmental. Since the passage of the bill, I have received letters from several States asking to strengthen the bill by granting them the power to protect their own citizens from PCB's. Amendments which I had hoped to offer to H.R. 3070 would have given States that authority.

Mr. Speaker, during debate on H.R. 3070 one of the bill's sponsors observed that no State had shown any interest in enforcing stronger PCB regulation. Today I include letters from five States which seek that power. I urge my colleagues to read these letters and understand that we should not send any bill to the President that is as inadequate as this one.

Mr. Speaker the letters follow:

DEPARTMENT OF JUSTICE,
Des Moines, IA, July 13, 1988.

Hon. JAMES J. FLORIO,
Chairman, Subcommittee on Commerce, Consumer Protection and Competitiveness, Committee on Energy and Commerce, House Office Building, Washington, DC

DEAR CONGRESSMAN FLORIO: I am writing to express my support for your efforts to amend H.R. 3070, the PCB Regulatory Improvements Act of 1988, to allow states the authority to impose more stringent requirements on facilities which handle PCB's. As I understand your proposed amendment, states would be allowed to regulate PCB wastes under the Toxic Substances Control Act (TSCA) the same as states regulate hazardous wastes under the Resource Conservation and Recovery Act (RCRA).

Proper management of PCB wastes is critical to protecting the public health and environment. In my view facilities which handle PCB's should be subject to the same strict regulation that applies to facilities handling hazardous wastes in compliance with the provisions of RCRA.

Congress has clearly recognized the important role that states play in enforcement of our nation's environmental laws, such as RCRA, the Clean Water Act, and the Clean Air Act. States should have the authority under the Toxic Substances Control Act to impose more stringent requirements on facilities handling PCB's than those contained in federal law.

I support your efforts to amend H.R. 3070 and if I can provide any further assistance please contact me.

Sincerely,

THOMAS J. MILLER,
Attorney General of Iowa.

STATE OF MINNESOTA,
St. Paul, MN, June 9, 1988.

Hon. JAMES J. FLORIO,
Chairman, Subcommittee on Commerce, Consumer Protection and Competitiveness, Committee on Energy and Commerce, House Office Building, Washington, DC.

DEAR CONGRESSMAN FLORIO: I am writing to express my support for your efforts to amend H.R. 3070, the PCB Regulatory Improvements Act of 1988, to provide states with the authority to impose more stringent regulatory requirements on facilities which handle PCB wastes.

Mismanagement of PCB wastes poses a serious threat to the public health and the environment. In my view facilities which handle PCBs should be subject to the same strict regulatory requirements which apply to facilities which manage hazardous waste in compliance with the provisions of the Resource Conservation and Recovery Act (RCRA).

The only way to prevent mismanagement of the 140 million pounds of PCB wastes which will require treatment and disposal in the next few years is to provide each of the states with adequate authority to enforce and implement the PCB regulatory program. States should have the authority under the Toxic Substances Control Act (TSCA) to impose more stringent regulations on PCB facilities than those contained in the federal law. Congress has long recognized the key role that states have played in implementing other major pieces of environmental laws, such as Superfund, the Clean Water Act, RCRA, and the Clean Air Act. I will continue to work to ensure that each of these federal legislative initiatives, as well as more stringent state requirements which may apply, are enforced in an effective manner in the State of Minnesota.

Best regards,

HUBERT H. HUMPHREY III,
Attorney General.

STATE OF ALABAMA,
Montgomery, AL, July 7, 1988.

Hon. JAMES J. FLORIO,
Chairman, Subcommittee on Commerce, Consumer Protection and Competitiveness, House Office Building, Washington, DC.

DEAR JIM: I read with interest your recent amendment to H.R. 3070 relating to retention of State authority over PCB's and enthusiastically support such an amendment. In the past, my office and other state regulatory officials have been unable to successfully control PCB's in our State despite attempts to do so because of arguments that TSCA preempts all State authority in this area. Because of the large influx of toxic substance to the Chemical Waste Management landfill at Emelle, Alabama, much of which is PCB contaminated soil or PCB liquids, our State desperately needs the ability to regulate these compounds.

Let me know what I can do to help with the passage of your amendment.

Sincerely,

DON SIEGELMAN,
Attorney General.

STATE OF NEW YORK,
DEPARTMENT OF LAW,
New York, NY, June 22, 1988.
Congressman JAMES J. FLORIO,
Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN FLORIO: I am writing in reference to H.R. 3070 the PCB Regulatory Improvement Act.

We in New York State feel very strongly that current federal regulation of waste PCBs is inadequate because of the lack of manifesting and other requirements and other requirements applicable to all other hazardous wastes under the Resource Conservation and Recovery Act (RCRA). While we believe that the simplest method of ensuring adequate regulation of waste PCBs would be for either EPA or the Congress to add them to the current list of RCRA hazardous wastes, since that has not occurred, we believe that the enactment of manifesting and financial responsibility and other requirements included in the H.R. 3070 are an important step in the right direction.

Even if that bill is adopted however, it is essential that the amendments which you have proposed be adopted as well. It is clear that EPA does not have sufficient staff to adequately enforce the proposed amendments throughout the country, and that without state enforcement they will be rendered virtually meaningless. Although New York and several other states have been regulating PCB's pursuant to their own RCRA-type statutes, such state regulation of PCB's has been challenged by the regulated community in cases such as *PEPCO* v. *Sachs,* 639 F. Supp. 856 (D. Md., 1986). Thus your proposed Section 13 giving states the power to enforce the new TSCA provisions on a basis equivalent to EPA is of critical importance. In addition, your proposed amendment regarding retention of state authority to impose stricter regulations than the federal government, as under RCRA, is also tremendously important to state enforcement efforts.

Particularly in light of their long lasting efforts, PCBs are capable of causing great harm to the environment. For example, because of PCB contamination in the Hudson River, New York State banned fishing for striped bass. Our state is therefore acutely aware of the adverse economic as well as environmental and public health impacts which can be caused by the improper disposal of PCBs.

We therefore thank you for your efforts to assist the states in ensuring the future proper handling and disposal of these toxic chemicals.

Sincerely,
NANCY STEARNS,
Assistant Attorney General.

ATTORNEY GENERAL'S OFFICE,
ENVIRONMENT PROTECTION DIVISION,
Austin, TX, June 13, 1988.
Re: H.R. 3070; PCB Regulatory Improvements Act.

Hon. MIKE SYNAR,
Chairman, Subcommittee on Environment, Energy and Natural Resources, Committee on Government Operations, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN SYNAR: I understand that the Subcommittee on Transportation, Tourism and Hazardous Materials is taking up H.R. 3070 for consideration this week. This bill will bring the regulation of polychlorinated biphenyls (PCBs) in line with the requirements of the Resource Conservation and Recovery Act (RCRA) to a great extent.

I also understand that Representative Florio has offered three amendments to the Bill:

1. To give the states the same power to regulate PCB sites that they have with respect to hazardous waste facilities under RCRA, including the imposition of more stringent requirements.

2. To require PCB operators to clean up spills within RCRA standards, by imposing RCRA-corrective action authority on PCB facilities.

3. To give the states the same powers assigned to EPA, to enforce federal and more stringent state requirements.

This office supports H.R. 3070 and the Florio Amendments. From our point of view, the regulation of PCB wastes under the Toxic Substances Control Act (TSCA), while other wastes are regulated under RCRA, has created a regulatory dichotomy that has hindered environmental enforcement. This bill, as amended, should go a long way towards resolving these problems and promoting the effective enforcement of PCB regulations.

Please give me a call if I can be of any assistance or if you have any questions.

Sincerely,
NANCY N. LYNCH,
Assistant Attorney General.

TRIBUTE TO TOM WHITE'S WESTERN AUTO STORE

HON. JAMES A. TRAFICANT, JR.

OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1988

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Tom White's Western Auto Store of Canfield, OH, and its dedicated operators, Tom and Flo White. These outstanding individuals, having marked 37 years of service to the Canfield community, were selected as the grand marshals for this year's Fourth of July celebrations.

Tom White's Western Auto Store is unique in that it maintains the tradition of the old general store of yesteryear. Wooden floors and the original tin square ceiling bring back memories of fathers and sons buying new baseball gloves or local folks swapping the latest stories. Those that stop at Tom White's store cannot help but be infected with the friendliness that is shared by the owner and his wife.

Tom and Flo White were married on July 18, 1949, and have a son Richard White, who is now an attorney in my hometown of Poland, OH. They are active in the community as members of St. Anthony Church of Youngstown and various other organizations. Tom is a Navy vetern and served 2 years in the Pacific in World War II. Flo is a member of the Canfield Business Women's Club.

It is with honor that I pay special recognition, on behalf of the people of the 17th Congressional District, to these two fine individuals and their long-standing business. I wish them continued success and happiness.

THE ECONOMY

HON. LEE H. HAMILTON

OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1988

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 27, 1988, into the CONGRESSIONAL RECORD:

THE ECONOMY

In recent years we have made significant progress on some nagging economic problems, such as inflation and unemployment. Yet there are still some major uncertainties about the strength of the U.S. economy which must be addressed.

There are several pieces of good economic news. First, the economy continues to expand. We are in the midst of a 67-month expansion, the longest peacetime expansion in U.S. history. Second, inflation generally remains under control. Inflation last year was 4.4 percent, down from 13.3 percent in 1979, though it has recently crept up to an annual rate of 5.3 percent. Third, the unemployment rate continues to fall. The 10.7 percent unemployment rate at the end of 1982 has been reduced to 5.3 percent, the lowest rate since 1974. The economy has spawned 4 million new businesses since 1981, and has generated almost 17 million new jobs since 1982. The continued strength of the economy and its ability to shake off gyrations in the stock market, the plunge in the dollar, and regional recessions, have led some to speculate that the expansion could continue well into the next decade. Our economic system is being copied by many other countries, and foreign investor confidence in the United States remains strong.

On the other hand, there are also several danger signals for the U.S. economy, as recently pointed out by the Cuomo Commission on Trade and Competitiveness. First, the United States is increasingly unable to compete in international trade. Our merchandise trade balance went from a slight surplus in 1975 to a $171 billion deficit last year. Second, we have become a nation of debtors. In recent years there has been a sharp increase in consumer debt, farm debt, corporate debt, and federal debt. In 1980 the federal government's accumulated debt was $1 trillion; by the time the next President takes office it will be $3 trillion. Once the world's largest creditor, the United States is now its largest debtor. Third, economic risk and volatility are increasing. Business bankruptcies and bank failures have soared in recent years, and bond and stock prices have fluctuated widely. Fourth, the U.S. economy is becoming less innovative and less dynamic. Investment in new plant and equipment is weak; our competitors are catching up to our productivity; Japan and Germany devote a much larger share of GNP to civilian research and development than we do; and American primary and secondary education trails many countries. Finally, the standard of living is no longer rising for many Americans. Real income levels have generally declined since the early 1970's, and there has been a growing economic inequality. The rich have been getting richer while others have fallen behind.

It is critically important that we face the central economic realities of our time. America is being tested now as it has been tested only a few times in its history. We must frankly acknowledge our economic problems and our economic strengths. We should not exaggerate either, but we can afford to be generally optimistic. We have no problems that we cannot solve.

We must be committed to economic growth. That is the most workable solution to our economic problems. The focus of our efforts should be on investment, growth, and production. It is slow and unglamorous work, but necessary. A critical point is the priority that we must give to competitiveness. It is certainly as worthy as any other national priority.

Governments at all levels have a role to play in restoring our economic power. We have a great advantage in the strength of the federal system. We should reject the extreme views on government's role. On the one hand, government cannot do it all. We do not want a single, all-encompassing national industrial plan; we want to allow for the role of the market and individual enterprise. We should also reject the view that government has no role to play. The issue is not whether government should intervene in the market, because it already does, even massively, but whether it intervenes in a way that helps or hurts growth. The proper government role is necessary in trade, fiscal policy, exchange rates, and interest rates.

The first step to spur economic growth must be to reduce the U.S. budget deficit and to increase savings. That will mean more funds available for productive investment. We have a profound competitiveness problem, and addressing it will require a major effort to increase saving. Raising the national saving rates should be a top priority of economic policy in the coming years.

We should invest in those things which strengthen us and make us more productive. That means investments in infrastructure, research and development, and education. There is no more important investment than in education. It is the most important path to competitiveness. We should also provide incentives for research and development. We must get an R&D program directed toward improving America's competitive capability, and we must disseminate better the results of our research. Without investment in infrastructure—roads, airports, water systems—we cannot sustain future growth and prosperity.

We have to pay more attention to how economic policy is made. Economic policymaking in the federal government is too widely dispersed. Someone must be in charge of American economic policy—including trade policy—and that someone must have the clout to direct and coordinate it.

We must recognize that the United States is now part of a global economy, and is not the only strong economy. The United States must insist on strict reciprocity in its relationships with advanced countries throughout the world, and we should move aggressively toward a level playing field. Our goal should be more trade, not less. Trade should be seen as an integral part of American economic and national security policy. The issue is not free trade or unbridled protectionism, because we have never had either, but rather what combination of free trade and managed trade is the best.

Finally, I think we should lower our rhetoric blaming the government, the incompetence or greed of business leaders, or the lethargy of labor. Legitimate criticism is always in order. The point is that all of us have to try harder. The United States cannot succeed if industry, government, and labor maintain hostility and mutual suspicion.

TRIBUTE FOR RUBY DUNCAN

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. BILBRAY. Mr. Speaker, Mrs. Ruby Duncan, welfare activist will receive the prestigious community service award on July 30, 1988, at 6 p.m. at the Union Plaza Hotel and Casino. This award is being presented by first lady Bonnie Byran to Mrs. Duncan for her outstanding accomplishments in the face of adversity.

Ruby Duncan was born on a farm in the back woods in Tallulah, LA, in 1932. Her parents were poor, black, and earned their living by working in the cotton fields in the nearby Ivory Plantation. Although, Ruby began her life in the midst of the Great Depression, it had little effect upon her life in rural Louisiana where people were already poor, none had money at anytime. The rural Louisiana area where Ruby grew up was lush flat farm lands. On their small farm, each family had their own garden which supplemented their meager income from the cotton fields to provide their subsistence.

Ruby had three brothers and one sister, all except one dying in their youth from either accident or illness. Her parents were both dead before she was 4 years old. Ruby spent her youth living with various relatives in and around Tallulah. She and other black children worked in the fields of the Ivory Plantation from May through October each year and attended school from November through April.

She well remembers the dual school system in Louisiana with awe. Ruby dropped out of school after completing the ninth grade to work full time. For several years, she worked as a waitress and bar maid with her income finally reaching $9.50 per week and for an 80-hour week. Meanwhile, one of her aunts had moved to Las Vegas, NV, and wrote Ruby about the high wages she was earning working in a laundry making less than $40 per week. In 1953, Ruby decided she had enough of low wages in Tallulah and moved to Las Vegas to live with her aunt.

She found her aunt living in a cardboard shack in the desert east of Las Vegas sharing a community wash house and outhouse with other poor blacks. Water had to be hauled from Henderson, a 10-mile distance. In 1953, Las Vegas was a segregated community by practice, if not by law.

While there were no dual school segregation at the elementary level, housing patterns and school zones resulted in school segregation. Although "white only" signs were not posted in public places, blacks were not welcome as patrons at the strip hotels and there were "colored" sections designated in the movie theaters.

Ruby became a "hotel maid" in 1959 where she worked for the same property until 1964 when she was fired for allegedly saying "slavery is over" and attempting to organize other maids to protest the heavy workload. For awhile, her only income for herself and her children was an aid to dependent children [ADC] grant she received from State welfare. She walked the streets trying to get a job and finally was hired to work in the pantry of one of the strip hotels. After several years on that job, she slipped and fell and was disabled for a year. After her recovery, she learned that she could no longer do the heavy work she had done all her life.

She began pressing State welfare for job training to get off public assistance. She enrolled in a Federal program designed to meet those goals, however, the program was inexplicably terminated by State welfare. Unhappy about the cancellation of the job training and education program, she contacted in March 1969, to attend the meeting of ADC mothers. She gladly attended to voice her complaint about State welfare.

At the meeting she learned that the mothers wanted to send more representatives to the Nevada State Legislature meeting in Carson City to protest the low welfare grants. Ruby remembers that she did not know what a "legislature" was. But she knew that the other mothers couldn't make it on what they were receiving. And she was willing to try to increase their grants.

On April 4, 1969, Nevada had its first welfare demonstration. Ruby and two other mothers marched in front of the State building in Carson City protesting Nevada's low ADC grants. Inside she attended a hearing of the welfare committee and when it became obvious that no one was going to speak for the needs of the recipients, the two women with her urged Ruby to speak to the committee.

Having no previous experience in public speaking, Ruby was extremely nervous and her mind went blank. She was not aware that she had finished speaking when she heard a loud applause from the audience. Her companions told her that she had spoken beautifully on the hunger and plight of welfare children. At the meeting of welfare mothers following her return to Las Vegas, Ruby Duncan was elected president of the Clark County Welfare Rights Organization [CCWRO].

The rest is history. As president of the CCWRO, Ruby led the nationally publicized welfare marches on the glittering Las Vegas strip in 1971 protesting the welfare department purge of thousands of needy families, black and white, from the welfare rolls.

In 1971, McCalls named Ruby first among women making the most significant contribution to our Nation that year. From Ruby's concern for the health and welfare of the poor people in Clark County sprung the idea of Operation Life which she is executive director.

Her appointments and honors are too numerous to mention. But in keeping with the professional black women's alliances' goals and objectives Ruby certainly deserves the community services award.

STREAMLINING REAGANOMICS FOR THE 1990'S

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. KEMP. Mr. Speaker, contrary to the noise emanating from Atlanta last week, the American people are benefiting from the strongest economic expansion in this country's history. The Reagan economy has created more than 16 million jobs during 67 straight months of economic growth, offering hope and opportunity to millions of Americans.

Obviously, more needs to be done. One of our greatest challenges is to reform our monetary policy to lower interest rates and stabilize exchange rates. We also need to pass enterprise zone legislation to break down the bariers to economic opportunity existing in our inner cities and poor rural areas. We should lower the capital gains tax to attract more venture capital to start up new companies. We also should expand trading opportunities for U.S. firms by creating a North American free trade area.

As Martin Anderson, President Reagan's former domestic policy adviser, astutely pointed out in a recent article, our goal must be to maintain and broaden the economic expansion. We need to build upon the Reagan agenda, not destroy it. Mr. Anderson's thoughtful article outlines a 10-point proposal to ensure that all Americans benefit from the economic expansion. The article, which appeared in the July 22 edition of the New York Times, follows:

STREAMLINING REAGANOMICS FOR THE 1990'S

(By Martin Anderson)

Despite what the Democrats have been saying all week in Atlanta, the economy is alive and well. During 67 straight months of economic growth, we have seen 16 million jobs created and $20 trillion in goods and services produced. It has literally been the greatest economic expansion in history.

The most important task facing our next President—after insuring that bilateral nuclear disarmament with Moscow continues in a way that enhances national security—will be to maintain and accelerate this astonishing economic performance.

We shouldn't underestimate the difficulty of the task. Indeed, we need to guard against overconfidence, to resist the temptation to say that, after all, the great stock market crash of 1987 was absorbed with barely a whisper and the economy seems to thrive in spite of the large Federal budget deficit; to resist thinking that we have entered an era of permanent economic prosperity—the Holy Grail of all economists. The economy is not invulnerable.

The lesson of Reaganomics—for both Democrats and Republicans—is that economic policy matters. Where we set tax rates, how much we spend, what kind of economic regulations we impose—all these things have clear consequences for economic growth and job creation.

And economic growth remains supremely important. It has paid for the powerful national defense that has made nuclear arms reduction possible. It has allowed us to increase annual spending on social welfare and welfare programs by more than $180 billion during President Reagan's time in office. If the economy collapses into recession, then the difficult economic problems we are now wrestling with will overwhelm us.

The bottom line of a successful economic policy is jobs. The continual infusion of new jobs gives people hope, both for first-time job seekers and for those who want better, higher-paying jobs. It is jobs and only jobs that produce things, including tax revenues. I wonder how many people know that Federal tax revenues leaped from $517 billion a year in 1980 to an estimated $909 billion in 1988 despite (some would argue because of) our cutting top personal income tax rates from 70 percent to 28 percent.

Creating new jobs was the major goal of President Reagan's economic program, and it has been its greatest success. More jobs were created during the past five years than for any like period in American history. More than 50 percent of those jobs paid in excess of $20,000 a year. The key to future success is to keep that job-creation machine humming.

But how can we avoid a prolonged and deep recession and the millions of lost jobs it would entail? The key is to make absolutely sure we keep doing the things that have worked so well, even as we stretch out to do new things and to undo our mistakes.

Following is a 10 point proposal for keeping the economy thriving and prosperous:

1. No tax increase.—There is nothing that is more certain to choke off economic growth than a stiff tax increase on individuals and business. Nothing. Yes, the deficit is a serious problem, but the way to deal with it is by controlling Federal spending—across the board. And even the deadly deficit seems finally to be yielding to this powerful economic growth. Current economic forecasts show the Federal deficit fading very close to zero in four or five years.

2. More tax reductions.—Reducing the tax on capital gains actually would increase revenues, because of increased investment activity and economic growth. More important, such a cut would stimulate new job creation.

3. Tighter control of Federal spending.—The Defense Department scandal has highlighted the fact that there is no Government program, not a blessed one, that could not be tightened up, managed better and made to produce more with less of the taxpayers' money. We wouldn't even have to cut spending; merely a slower rate of increase would do wonders for the Federal deficit and the economy in general, as well as making us all feel better about how our money is being spent. Better management is rarely a sexy political issue but this year it just might be—and it should be.

4. A balanced-budget amendment.—To make sure that Federal spending is controlled and the budget is balanced we must have a small amendment to our Constitution, a paragraph or two that would force Congress to match spending to tax revenues. The amendment should allow five years to phase out the deficit and then lock in a balanced budget.

5. A line-item veto.—A modern president must have line-item veto authority—the power to veto sections of the Federal budget—if he is to be a full partner in controlling Federal spending. Right now, Congress has too much power over spending. A line-item veto would help redress that imbalance.

6. Advanced regulatory reform.—Some basic changes have been made in Government regulations during the past eight years, perhaps the most notable and successful being the complete decontrol of oil prices. But there remain thousands of areas for improvement. What we need is a reinvigorated, advanced regulatory reform effort that carefully re-examines every piece of economic regulation on the books.

7. Privatization.—As a recent report of President Reagan's Commission on Privatization underscored, there are still many things the Government does that it should not do. For starters, we could sell Amtrak and begin decriminalizing the carrying of first-class mail (few Americans seem to know they could go to jail for accepting a modest fee for delivering a sealed letter). Other countries, notably Britain, seem to be outpacing the United States in privatization efforts.

8. Say no to protectionism.—Slapping tariffs and quotas on foreign trading partners who annoy us is appealing and seductive but dangerous to our economy. We must relentlessly push for more free trade, while using the full diplomatic and economic power of the United States to coax and coerce others along the same path. And we must say a flat no to blatant protectionist legislation.

9. A strong, stable dollar.—A stable, predictable monetary policy is essential to continuing economic growth. We should consider a greater role for gold to anchor the dollar in international markets. The Treasury should begin to issue gold bonds, whose interest and principal would be payable in ounces of pure gold, for at least a small part of the Government's annual borrowings.

10. A national job bank.—Jobs are vital to our future prosperity. We should use the technology that is at our fingertips—computers, satellites, Fax machines—to match people wanting work with the available jobs. We should make it possible for anyone to find out easily and quickly the number, nature and location of unfilled jobs.

During the last eight years, President Reagan laid down a basic economic program that, in spite of imperfections, accomplished a great deal. What we need now is advanced Reaganomics, a more sophisticated, more elegant, perhaps more complicated economic policy that will ensure continued prosperity well into the 21st century.

1988 PUBLIC SERVICE SCHOLARSHIP WINNERS

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mrs. MORELLA. Mr. Speaker, on July 28 the Public Employees Roundtable will be presenting the 1988 Public Service Scholarships. These scholarships play an important role in encouraging some of our Nation's best and brightest students to pursue careers in the public service. Candidates must be working toward a Government career and preference is given to those applicants who have had some work experience in local, State or Federal Government or community service.

I am pleased that three residents of my congressional district are among the 26 recipients of this award nationwide. As part of their applications, each of these three wrote a short essay entitled "Why I Have Chosen to Pursue a Government Career." These essays are eloquent and inspiring. I would like to share them with my colleagues.

The following essay was written by Mariaelisa Torres of Silver Spring, MD. Mariaelisa is presently working toward a doctoral degree in Special Education Administration and Supervision at Gallaudet University.

WHY I HAVE CHOSEN TO PURSUE A GOVERNMENT CAREER

When I decided to pursue my education, I selected the habilitation and rehabilitation of children with speech and language disorders as my goal. The motivation for this decision was two-fold, on one side my concern for a child's welfare, and in the other, the importance that communication has for humanity. These two considerations made this area the most interesting among the different special education disciplines. If I could help children communicate and make their lives more fulfilling by improving their communication skills, then that would be a tangible demonstration of my love for them.

As I began my work within the public school system, I realized an additional motivation for continued education, this time, from an administrative and supervisory position. My goal? I strongly believe that I will be better able to serve and help children, not at the individual or group level, but through other professionals. Through an administrative and supervisory position, I can expand the scope of my objective by helping a greater breadth of children.

I have concluded from my experience as speech pathologist in the Montgomery County Public School System that a child's language proficiency improves dramatically with use of modern diagnosis, thorough and enthusiastic therapy as well as providing a positive and emotionally challenging atmosphere. These are difficult factors for any single individual to maintain, let alone an entire school or program's staff. I have concluded from my doctoral work that staff can, though, provide children with high caliber, continuing and effective help if they are provided, themselves, with effective, supportive and enthusiastic supervision. Staff must be encouraged to utilize current techniques as well as investigate new developments in their field. I consider the philosophy that supervisors should provide staff with improved skill and career development as having only positive effects on the individual staff members. A program must also furnish its supervisors with the tools necessary to provide lower level staff with the support they need to achieve their duties. I consider the philosopy that administrators should provide programs with continuing, effective and improved fiscal support also as having only positive effects. Support at these levels, both supervisory and administrative, can positive effects on public special educational programs, their staff and, more importantly, the children that are served by that system.

In summary, I have chosen to pursue a government career because, through these institutions, I can effectively achieve my life goal: to share my enthusiasm and expertise in special education with other professionals so that they can provide these children with the best available education.

The following essay was written by Jerry Edward Moore of Gaithersburg, MD. Jerry is presently working toward a doctorate of public administration with the Washington Public Affairs Center of the School of Public Administration of the University of Southern California.

WHY I HAVE CHOSEN TO PURSUE A GOVERNMENT CAREER

All of us to some extent experience major turning points in our lives, moments in time when the sheer force of events leads us down new paths. The tragic assassinations of Dr. Martin Luther King, Jr. and Senator Robert F. Kennedy in the spring of 1968 served as such a turning point in my life. I clearly trace my decision to pursue a career in government to the dreams and visions, and untimely deaths of these two men. Like many Americans, I had a tremendous amount of admiration for them, the genuine compassion they had for poor and disadvantaged, and the dreams they had for the future of our society.

As a young high school student I stood near the reflecting pool and cried as I listened to the words of Martin Luther King and his dreams for our nation. Several years later, as a student volunteer in the RFK presidential primary campaign, I stood among a sea of black faces in Washington, D.C. and listened to Robert Kennedy speak of the same kind of dreams. He spoke of the need to go beyond simply understanding one's world to committing oneself to making a difference. He noted that, "Some men see things as they are and ask why. I dream of things that never were, and ask why not."

These words strike at the core of my decision to pursue a career in government, for I too dream of things that never were, and ask why not. Following the easy and familiar paths of personal ambition and financial success was not for me then, nor is it now. I chose then, and choose now to dedicate my life to helping to build a better society, one committed to allievating human misery, suffering, ignorance, injustice, and violence. Today, in looking at the multitude of difficult and complex problems that confront us as a nation—the pain and suffering of the poor, the sick, and the homeless; the tragic loss of young lives as a result of drug and alcohol abuse; growing crime and violence in our communities; the educational needs of so many of our inner city youth; the lack of hope and dignity in the lives of an increasing number of jobless Americans; the health and medical needs of our aging population; outdated mass transit systems; and increasing threats to the safety of our environment—I know that I made the right decision, the only possible decision for me.

Recent presidential administrations would have us believe that the answers to these and other problems reside in simply returning much of the responsibility in these policy areas to the private sector. As a public administrator who has worked hard to improve efficiency and effectiveness in government, I can understand the frustration and cynicism of individuals who are disillusioned with government. But the solution lies not in the simple dismantling of government. History clearly indicates to me that much of the politicization of societal problems occurs precisely because groups and individuals in the private sector and other social institutions are either unable or unwilling to address them. Perhaps more than ever before, it is precisely the kinds of services and leadership that have been traditionally provided by government that appear to be most needed.

I believe that government will, and must continue to be a primary, if not the primary instrument of social betterment in our society. As long as major problems remain unresolved; as long as other sectors of our society fail or refuse to deal with critical problems, government will of necessity continue to be the primary instrument of intervention.

The problems that we face are tremendously difficult and complex. The resources that we have to work with are far more limited than we may have once believed. I sincerely feel that it is the responsibility of people like me, people who believe that dreams for a better society, and commitment to the ideals of our nation are not incompatible with practical, efficient and effective governmental programs, to do everything possible to address the concerns of Americans regarding the performance and accountability of their government. We can and we must introduce new approaches, methods, and techniques for providing both efficient and effective programs.

For me, a career in government provides me with a unique opportunity to help shape the finest human ideals of our society into pragmatic, realistic possibilities. It provides me with an opportunity to help transform the finest dreams and visions of our society into concrete outcomes that will result in a finer democratic society. The role that I will play may be quite small. However, my actions along with those of so many others who have also chosen a career in public service will be important. As Robert Kennedy noted, "Few (men) will have the greatness to bend history itself, but each of us can work to change a small portion of events, and in the total of those acts will be written the history of one's generation."

The following essay was written by Laura S. Levy of Silver Spring, MD. Laura is presently an undergraduate at the Georgia Institute of Technology.

WHY I HAVE CHOSEN TO PURSUE A GOVERNMENT CAREER

Many firms in private industry can claim that their contributions to society are broad reaching. Many firms can also claim that results of their labor touch the lives of many Americans. But only the Federal Government single handedly sets precedent on matters in every field, of national and international scope, on a daily basis. And only the Federal Government affects the lives of every American and countless citizens of other nations everyday.

My interest in transportation safety and accident investigation led me to the National Transportation Safety Board (NTSB). NTSB is responsible for the investigation of all accidents involving commercial carriers in the fields of Aviation, Railroad, Highway, Marine, and Hazardous Materials/Pipeline. The opportunity offered at the Safety Board is exceptional. First, it is the foremost goal of the Safety Board to find the most probable cause of an accident regardless of who may be at fault. The employees of the Safety Board are not looking for a way to release their employer from liability, as may be the case for those investigators employed by a commercial carrier or an insurance adjuster. This leaves the employees of the Safety Board in a completely unbiased atmosphere where the only objective is to find the most truthful assessment of the cause of the accident. Second, the government provides the best resources for an investigation of any scale. Nowhere else is such a great amount of knowledge and technology dedicated strictly to accident investigation. Third, what is learned by the Safety Board will actually be translated into safer travel here and abroad, in the form of safety recommendations and reports.

As an employee of the National Transportation Safety Board, I deal with investigations in which the work is so current and the demand for information is so great that occasionally on the way home from work I will hear on the car radio about a breakthrough in an investigation that happened that very same day. And not just as an employee of the Safety Board but also as a traveler, I have been able to see tangible results of the work done at the Safety Board. Whenever I travel, regardless of whether by rail or air or highway, I know that I am protected by the dedicated efforts of the Safety Board.

No where else than at the National Transportation Safety Board is the opportunity for such in depth, impartial study in the field of transportation safety; and no where else is the information collected put to such wide, universally beneficial use.

TRIBUTE TO JOHN R. McCRAW

HON. LEWIS F. PAYNE, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. PAYNE. Mr. Speaker, when we returned from the recent district work period, I was delighted to see in the Martinsville Bulletin an article about Mr. John R. McCraw, Jr., chairman of the Martinsville High School Social Studies Department and teacher of government.

If my colleagues will read the article, they may conclude that perhaps I have his titles reversed, at least insofar as Mr. McCraw's main interests are concerned. For he is obviously first of all a teacher, embodying all the good qualities we want to see in one to whom we entrust our young people.

Mr. McCraw has been selected Outstanding Teacher of the Year at Martinsville High School, and the Parent Support Group has awarded him the Golden Apple Master Teacher Award.

Mr. McCraw obviously feels very strongly about the process and purpose of government, and his students cannot help but leave his classroom with a positive attitude on that subject.

I commend to this body's reading the article regarding this man which appeared in the July 17 edition of the Bulletin.

McCRAW TEACHES GOVERNMENT, STUDIES POLITICS

(By George Lyle)

If you ran a blood test on John McCraw, chances are you would find red, white and blue running through his veins.

To anyone who enters his Martinsville High School classroom it is obvious McCraw teaches government—and teaches it with a passion, illustrated by the large American flag that covers the back wall of the room.

McCraw said he likes an active style of teaching, the kind that carries him up and down the aisles of students' desks as he lectures. As he stands in front of the flag, the image of George C. Scott addressing the troops in the opening scene of the film "Patton" comes to mind.

But McCraw says he is not nearly as overbearing.

"I teach with them and not at them," he says. "I try not to teach down to them."

That may have been one of the reasons McCraw recently was selected by the students as the outstanding teacher of the year. The Martinsville High School Parent Support Group, in turn, awarded McCraw the Golden Apple Master Teacher Award.

McCraw, who has taught at Martinsville High School since 1966, says he keeps students' attention with an endless supply of corny jokes.

"Sometimes government can be cut and dry, so you have got to make it interesting," he says. "If they (students) see I'm going to make a joke they keep watching me."

Class objectives are written on the board and he uses a lot of audio-visual lessons so students can "see what I'm saying," he adds.

McCraw, a two time candidate for public office himself, notes that he likes his students to become involved in the world outside of the classroom as well.

"Back in 1971 when I ran for the board of supervisors in the county * * * I was a big proponent of the 26th amendment," which lowered the voting age to 18.

After the amendment passed McCraw said he took a busload of 18-year-old students to the Martinsville Municipal Building to register. He later convinced then-city Registrar Gloria Vass to come to the school to increase registration of 18-year-olds, a procedure that now is required by the state.

In addition to his board of supervisors' campaign, he ran for city council in 1976. Both campaigns were unsuccessful.

A native Virginian, McCraw has been involved in politics since the Eisenhower campaign and says his love for the process never has faded. He has worked on presidential campaigns for Barry Goldwater, Richard Nixon, and Ronald Reagan, as well as on state and congressional campaigns.

As a student, he was a founding member of both the Ferrum and Emory and Henry colleges' student Republican parties.

With an ear to ear smile he recounts dozens of campaign stories, and says his own campaigns provided some of his best insights into the field.

"The first time I went out campaigning was a rude awakening for me," says McCraw, who is the chairman of the Social Studies Department at the school. "So many people were not even registered voters.

"It's just so time consuming," he says. "If you really campaign for an office you have to be out there beating the bushes all the time."

In addition to his teaching duties he has interned in the school superintendent's office and as an assistant principal. He also is the school's football and basketball photographer.

Being involved with the students is important to his teaching says McCraw.

"If you are going to teach children, show them you are interested in them outside of the classroom."

True to his love of politics and teaching, he jokes that he and his wife, who also is a teacher at the school, had their first date at a high school track meet and their honeymoon was to a Republican convention.

PERSONAL EXPLANATION

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. PICKLE. Mr. Speaker, I was unavoidably absent during the vote on final passage of H.R. 5026, "Dire Emergency Supplemental Appropriations," rollcall No. 241. Had I been present, I would have voted "aye" on final passage.

ED BRANCA IS AN INSPIRATION FOR THE DISABLED

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to recognize a very special constituent, Edward Branca, of Rockland County, NY. Over the years, I have worked with Mr. Branca on a number of legislative initiatives. What is special about Ed Branca is that he has been disabled since early childhood; but today, in his mid-thirties, is holding down a job and studying to earn a high school diploma. Ed has overcome tremendous odds and a disability to become a productive and contributing member of society.

Mr. Branca recently submitted testimony to the House Ways and Means Subcommittee on Social Security for a hearing they held on disability. I believe his testimony would be of interest to all my colleagues.

Accordingly, in order to enable my colleagues to share Mr. Branca's views and accomplishments, I request that the full text of Mr. Branca's testimony be printed in full at this point in the RECORD:

STATEMENT OF EDWARD BRANCA, JR.

I appreciate being able to share my experiences with the committee. I am a psychiatrially disabled worker. I am proud to be able to say I am employed part time as a clerical worker by Rockland Medilabs. Rockland Medilabs, which is headquartered in Valley Cottage, New York, is the largest medical laboratory in Rockland county. In addition to my earnings, I am receiving SSI, disability benefits. My SSI benefits are reduced because I have earnings. I am proud to say that my working saves the American taxpayer over one hundred dollars each and every month. I'm also proud to say that I am paying taxes. Though I'm not earning enough money to pay income taxes, eighty five dollars and sixty four cents in Social Security taxes have been deducted from my pay checks thus far in 1988.

I was born on December 25th, 1950 and was disabled since early childhood. My illness (I am diagnosed as having manic-depression) prevented me from going to school. I was in and out of the Rockland Psychiatric Center from when I was eight until I was seventeen. When I was released at age seventeen (in 1968) I had low self esteem and felt I'd never be able to work. I was sure I'd be a bum and I'd live on the streets when my family, whom I was totally dependent on, was no longer able to care for me. I existed at home till 1980. Then I read a newspaper article which saved my life.

In September, 1980, I read of the chance reunion of a set of nineteen year old identical triplets who had been adopted separately at birth. The triplets' reunion moved me, and I decided to do what I could to try to change the laws to allow adoptees to obtain from their sealed adoption records the identities of their natural brothers and sisters. My state legislators, Assemblyman Thomas

Morahan and state Senator Linda Winikow, introduced a bill and I enthusiastically lobbied to try to gain the bill's passage. The work I did lobbying made me realize that I could recover from my illness and could work.

In February, 1987, I applied for vocational help from the New York state Office of Vocational Rehabilitation, (OVR) and began treatment at the Rockland County Community Mental Health Center.

OVR placed me in a "supported work" program called Project STEPs. Project STEPs is a service of the Jawonio rehabilitation center. Because STEPs is a supported work program, a "job coach" from Jawonio helps me adjust to the working world.

When I began working, the job coach was with me for my entire work period. Now she sees me twice a week during break.

A week after I began working, I encountered what I feel was by biggest problem, job stress, for the first time. Rockland Medilabs didn't put any pressure on me. I put pressure on myself. For months, the stress was torture. I was determined to stick it out, and stick it out I did. I am making it in the world of work.

This spring, Rockland Medilabs increased my hours from fifteen to sixteen. A month later, my hours were increased to seventeen. I like working more hours and I like making more money. When my hours were increased to seventeen, I said to the job coach, "Less welfare. More workfare."

There are non-material rewards that come from working. Five mornings a week, I get up, eat breakfast and catch the bus to WORK. I have the satisfaction of knowing that I'm doing what everyone else does. Work brings much more than a paycheck. I have self esteem and self respect. I am studying to earn a high school diploma. I am asking women out. I am becoming an average citizen.

In January, I moved to a group home called Bernstein House. Bernstein House is a service of the Mental Health Association of Rockland County. I feel sorry for the residents who aren't able to work. A life without work would be very boring to me. I am thankful that I am working.

I have goals. I will work full time and support myself. (I'll kiss SSI goodbye!) I will leave the Mental Health Association housing system. God willing, I will fall in love and get married. (If you know of anyone who might be interested in going out with me, I'd appreciate your letting her know I'm here.) Labor Day used to mean that I couldn't go swimming any more. This year, and every year, Labor Day will be extra special. Thank God I am working.

THE IMPACT OF TRUCK DEREGULATION ON HIGHWAY SAFETY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. FLORIO. Mr. Speaker, highway accidents involving trucks, especially trucks carrying hazardous materials, understandably cause great public concern. My fear is that deregulation of the truck industry has resulted in strong incentives by truck companies to cut corners on maintenance, driver training, and other safety related expenditures.

The following is an article by Gerard Trippitelli, the president of Matlack, Inc., a bulk trucking company, that recently appeared in the Philadelphia Daily News. Mr. Trippitelli raises some important questions about the effect of truck deregulation on highway safety.

[From the Philadelphia Daily News, Apr. 4, 1988

TOO HIGH A PRICE TO PAY FOR HIGHWAY SAFETY?

A shocking and extremely dangerous situation is occurring on American highways—truck accidents.

Potentially most dangerous are accidents involving tank trucks hauling hazardous chemicals and petroleum products. These accidents have resulted in the loss of lives, serious injuries, evacuations and damage to our enviroment. Consequently, mounting public concern and outrage are vented through the news media, public hearings, government investigations, precedent-setting lawsuits and fines against carriers and their customers.

This increasing problem can partly be blamed on deregulation of the trucking industry. Since this occurred in 1981, to remain competitive and survive in an industry plagued by overcapacity and severe pricecutting, truckers have had to cut costs. Responsible trucking companies have cut costs by easing up on such areas as safety and maintenance programs. Some have been unable to afford all that is involved with proper handling of hazardous materials, and tremendous liabilities are mounting.

At some trucking companies, the quality of screening, training and supervision of drivers is severely lacking. Some unprofessional truck drivers are traveling with a flagrant disregard for other motorists' safety, ruining the image of the many professionals.

Quality-minded trucking companies (and there are still many of them) which spend the time and the money up front to prevent losses by designing effective systems, by properly training employees and providing sophisticated equipment and facilities, are often mislabeled as "high cost" operators.

This problem is multi-facted and requires action by governmental agencies, trucking companies and shippers/receivers.

Improved, sensible, uniform, nationwide safety regulations and procedures equitably enforced by federal, state and local governments would add to the safety of the industry. All trucking companies must be subjected to this enforcement.

More trucking companies should spend much more time and money on quality loss prevention and safety systems which include proper screening and training of drivers and improvement in design and maintenance of equipment and facilities. The American Trucking Association, unequivocally, supports and promotes highway safety through many member-funded programs which are available to any trucker.

In examining all the parties involved in the solution to the problem, most attention needs to be given to the shipper or receiver of hazardous materials, as actual purchaser of the motor carrier's services, who must immediately become more concerned with purchasing the services of quality-minded motor carriers, rather than selecting based on the lowest priced bid.

Shippers/receivers need to ask more questions of their truckers, and then personally verify the answers. For example, how stringent is the carrier's driver screening and hiring process? What kind of employee training does the carrier do? What loss control programs does the carrier use to prevent accidents? What emergency response systems and capabilities does the carrier have. What is the carrier's equipment maintenance program? From what kind of facilities does the carrier operate?

Safety on our highways should be the prevalent concern of everyone involved in the trucking industry. Safety for those we love while they're traveling the U.S. highways. The price may be higher, but we can afford it.

A TRIBUTE TO THE URSULINE BASEBALL TEAM

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to the Fighting Irish baseball team of Youngstown Ursuline High School, a very special baseball team of my 17th Congressional District. A few weeks ago, I did a tribute to the Ursuline Baseball Team for having won the 1988 State Championship of Ohio. Unfortunately, at that time two very key members of the baseball team were not included in that tribute, and I would now like to rectify this error.

Jay Hall was a truly great player for the team, and Shelly Cutrone did a mind-boggling job as team statistician. I sincerely believe that Ursuline would not have won the State championship without the efforts of these two outstanding individuals.

It was an exhilirating moment for me when I learned that Ursuline won the State title, and it is my deepest desire that they repeat as Ohio champions in 1989. Thus, it is with thanks and special pleasure that I join with the people of the 17th Congressional District in saluting the grand masters of Ohio baseball—the 1988 State Champions Ursuline Fighting Irish.

ASSESSING EDUCATION REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. HAMILTON. Mr Speaker, I would like to insert my Washington Report for Wednesday, July 20, 1988 into the CONGRESSIONAL RECORD:

ASSESSING EDUCATION REFORM

Five years ago the nation was startled by several reports on the state of education in America. Most important was "A Nation at Risk," commissioned by the Department of Education, which warned of a "rising tide of mediocrity" in our schools threatening our nation's future. An intensified national education reform movement resulted, with states and educators moving to change the way children are taught in America.

This May, Secretary of Education Bennett reported on the progress of education reform. In his mixed assessment, he reported that American education has made undeniable progress over the past few years, but that we are still a nation at risk. Some 25 percent of all high school students drop out, only 40 percent understand events in newspapers, and less than 25 percent have adequate writing skills. The Secretary recommended that schools strengthen curriculums, revive a "healthy dose of achievement, discipline and hard work," and be more accountable for student achievement. He criticized the education establishment for blocking education reforms only for political reasons. In return, many educators criticized the Secretary's report as premature and too negative, and they blamed him for not giving enough credit for the real changes which have occurred.

Indisputably, there has been much positive action in recent years. Soon after "A Nation at Risk," 275 state and local task forces were formed to work on education issues. Within a year, 35 states strengthened their high school graduation requirements. States have increased teacher salaries more than twice the inflation rate, and many have implemented competency tests. Indiana enacted an ambitious education reform program, which included increased spending, a performance-based school accreditation system, a longer school year, and statewide proficiency testing.

Various test scores show some improvements. Scholastic Aptitude Test scores fell 90 points from 1963 to 1980, but rose 16 points since 1980. In 1982, 2 percent of high school students surveyed had completed the stringent high school program recommended by "A Nation at Risk," including four years of English, three years of social studies, math, and science, two years of a foreign language, and a semester of computer science. In 1986, almost 13 percent had completed the program.

At the same time, many areas have shown little improvement. In a 1988 international student science assessment of 14-year-olds in 17 developed countries, U.S. students ranked 14th. The federal National Assessment of Educational Progress (NAEP) reports very little improvement in student writing since 1974. A recent NAEP humanities assessment found that two-thirds of the 17-year-olds tested did not know when the Civil War took place, and one-fifth did not know that George Washington was the commander of the colonial forces during the Revolution.

In many ways, the Secretary has advocated a "back to basics" approach rather than a major reform of educational institutions. Many educators are concerned that the call for higher standards may translate into more rote learning and less individualized instruction. They feel that students who have not succeeded in a traditional school environment may be further alienated by stricter standards and methods. Educators warn that although standardized tests serve as useful indicators of achievement, too much emphasis on scores can lead to teaching students how to do well on tests, rather than improving their overall skills and problem-solving abilities.

The Secretary feels that increases in education funding are not necessary; instead, he says that more of the current spending should go towards classroom activities and less for the education "bureaucracy." Nonetheless, from 1981 to 1986 state spending for education increased 40% per capita. Education is now the largest item in all but two state budgets. While the Education Department strongly encouraged states to implement new programs, it has been criticized for cutting education funding. In most years since 1981, the President has proposed sharps cuts in important federal education programs. Although the Congress rebuffed most of the proposed cutbacks, significant reductions have been made.

The Secretary's report emphasized the need to open up teaching to people with college degrees other than education degrees. He called for wider recruitment, demonstrated competence, and merit pay to attract better teachers. Educators feel that although salaries have increased, the Secretary has made teachers the scapegoat, blaming them for poor education performance rather than addressing their problems. Teachers must deal with large class sizes, little time to prepare lessons, and limited input on how education money is spent or how schools are operated.

It is too early to evaluate fairly the education reforms, many of which were implemented by the states only two or three years ago. I agree with the Secretary that schools should work to further improve the quality and salaries of educators, get more out of their education dollar, and ensure that students achieve minimum standards of knowledge before they leave school. At the same time, states should be careful about placing too much emphasis on standardized testing of knowledge. School districts should continue to experiment with alternative means of providing instruction, as has been done with great success in magnet schools. Poverty, drug abuse, and immigration have presented educators with special difficulties which cannot be ignored. The school population will increase 5 million by the year 2000. Many new students will be from disadvantaged backgrounds, and this will certainly require additional efforts to maintain educational standards and opportunities.

Since World War II, the nation has seen dramatic increases in graduation rates and access to elementary, secondary, and postsecondary education. At the same time, more jobs require increased skill levels, creating a greater need for better education. "A Nation at Risk" began the most recent reform movement, further contributing to the steady upgrading of education in the United States. We are doing better now than five years ago, but will need to build upon recent efforts in order to make Americans the best educated people in the world.

IN TRIBUTE OF MAGGIE PEARSON

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. BILBRAY. Mr. Speaker, Maggie Pearson was born in Wetumpka, AL, and is a 20-year resident of Las Vegas, NV. A graduate of Alabama State University, a certified counselor, Mrs. Pearson is being honored for outstanding accomplishments at the Professional Black Womens' Alliance second annual Rose Award Ceremony Saturday, July 30, 1988, at 6 p.m. at the Union Plaza Hotel and Casino.

A great humanitarian, Mrs. Pearson has devoted her life to helping others together with her husband Dr./Commissioner William U. Pearson. They have taken 11 children into their home and helped them grow up into positive, productive, adults and citizens.

She also assists local senior citizens with shopping, church, and any activities they wish to attend. Her civic involvement includes the NAACP, Beta Phi Beta Sorority, Eureka Social Club, The Links, Southeast Medical Association Auxiliary, the American Business Women and the National Association of Counselors.

Her achievements include Women of the Year 1962, Mother of the Year 1980, and membership to the Dothan Alabama Hall of Fame.

ENTERPRISE ZONES: ANOTHER SUCCESS STORY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. KEMP. Mr. Speaker, the litany of success stories with State enterprise zones continues. This time the beneficiaries are the poor and minorities in San Diego, CA. As the following article points out, the increase in employment within the zone is higher than the countywide rate, while the rise in welfare cases is significantly lower.

The success of States with enterprise zones points out two important facts. First, enterprise zones create meaningful jobs which enable this country's poor to plant their feet firmly on the ladder of upward mobility. Enterprise zones promise hope and economic opportunity to our inner city minorities and rural poor. Second, the States' successes highlight the stubborn refusal of the Democratic majority in the House to release Federal enterprise zone legislation. Federal legislation is essential to provide additional incentives to potential entrepreneurs and small business owners to become employers in this country's pockets of poverty.

I commend to my colleagues the July 10 editorial that appeared in the San Diego Union, which outlined California's success with enterprise zones and called upon Congress to do the right thing for the American people and pass enterprise zone legislation.

The article follows:

[From the San Diego Union, July 10, 1988]

POSITIVE ENTERPRISE

A report by the state auditor general supports what proponents have been saying all along about enterprise zones: They create jobs.

Employment within San Diego's enterprise zone increased by 8.4 percent last year, according to a random survey of 41 businesses in the 6.8-square-mile area that covers parts of downtown and Southeast San Diego. That compared with a 5.8 percent increase countywide. Significantly, the rise in welfare cases in the enterprise zone was only 2.9 percent compared with a countywide increase of 8.3 percent for AFDC recipients.

San Diego's positive results parallel those in nine other enterprise zones and three "incentive areas" that were created under the state Enterprise Zone Act of 1984. Amazingly, most businesses in the area did not take advantage of the tax incentives offered under the program, namely tax credits on employee wages, equipment purchases, and operating losses, as well as promises by the city to cut red tape in the permit process.

Because some of the zones have been in effect for less than two years and other redevelopment programs may have contributed to the good economic news, Auditor General Thomas Hayes is reluctant to predict how successful the program will be in its long-term goal of spurring economic development in urban areas where high unemployment exists. But the experience so far in California confirms that of other states operating similar programs. Enterprise zones stimulate redevelopment in blighted areas.

The only bad news about enterprise zones has been Congress' repeated refusal on partisan grounds to enact federal enterprise zone legislation. The Democrats have successful defeated enterprise zone legislation sought by President Reagan since the earliest years of his first term. This punishes the disadvantaged for no other reason than an inordinate fear the President might get a little credit.

A federal program would be invaluable to San Diego and other cities with enterprise zones because it would add tax breaks to those already offered by the state and local governments. The results from California's enterprise zones should shame Congress into action.

EXCHANGE ENHANCES INTERNATIONAL UNDERSTANDING

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mrs. MORELLA. Mr. Speaker, an excellent and thought-provoking article written by a 19-year-old resident of my congressional district was recently brought to my attention. The article is by Michael Langley, a Brock scholar at the University of Tennessee at Chattanooga. Michael's father, Roger, is information officer at the Office of Information and Volunteer Services of the Montgomery County, MD, government.

Michael's article, published on April 14, 1988, in the Montgomery Journal, provides an illustration of how international understanding can be improved through exchange programs. As Michael's father so eloquently put it in a letter to me, "There will always be differences between nations, but the willingness of young people to create ways to bridge them offers hope for a better world tomorrow."

[From the Montgomery Journal, Apr. 14, 1988]

BRIDGING CULTURAL GAPS IN "SMOKY" YUGOSLAVIA

U.S. STUDENT FINDS POINTS OF SIMILARITY

(By Michael Langley)

Before I left Rockville, Md., last fall to visit Europe, I had heard three things about Yugoslavia from my well-traveled college roommate.

First, he said, it's the most lascivious country in Europe; second, they try to rip you off; and third, everyone smokes.

I found only faint glimmers of truth in the first two (personified in an occasional leering pedestrian or taxi driver), but a heavy, lung-filled cloud of truth in the last one.

Our trip, through a country many of my friends could not locate on a map, would provide experiences ranging from a visit to a town where visions of the Blessed Virgin are alleged to occur daily, to a close-up look at Richard Mull, the bald-headed "Bull" of TV's "Night Court."

Our group of 11 from the University of Tennessee at Chattanooga included two Marylanders—myself and Millie Bentley of Catonsville.

We were led by Dr. Richard Jackson, a UTC English professor, who had been invited to Yugoslavia on a Fulbright exchange. We joined him to see the country and work on a research project.

We traveled by plane, bus, van, boat and gondola down empty rural roads, crowded city streets, calm blue seas and dark lakes.

Our first stop, Split, was founded in 305 A.D. by the Roman Emperor Diocletian, who considered himself a god and lived in extreme seclusion. Today, a family's brightly colored laundry sways over the emperor's courtyard.

A toothless woman selling cheese offered us generous samples. She accepted a little hug, and we made a rare sight, she in her babushka, bulky sweater and black skirt, me in my Orioles cap and Mickey Mouse sweatshirt.

Later, we boarded a boat and sailed for Hvar, an idyllic island off the coast. In the airports and on the streets, we'd been made a little uneasy by armed soldiers. This day, though, we met Boris, a Yugoslavian sailor who showed us a friendlier side of the military.

Boris was traveling as a passenger, sitting in the corner of the lounge, indifferent to the light drizzle falling on the deck. A cigarette dangled loosely from the corner of his mouth. The guitar he was gently strumming rested on his crossed legs.

"Do you know any Bruce Springsteen?" Jackson asked. Boris smiled and launched into the opening chords of "Downbound Train."

Soon we were all gathered around his table, trying to name a song he couldn't play. He knew top 40, Dylan, the Beatles, the Stones.

He knew more of the words to our favorite songs than we did.

Boris told us he learned the music from listening to the radio and his English was good because he had a brother in Australia. He was thinking about trying to get there himself.

He asked what Americans thought of Yugoslavians and he whispered that they like us there much more than the Russians. Now he was on leave, going to see his parents on a tiny island beyond Hvar. The two-hour trip passed quickly.

"TOURISTS OF THE RAIN"

Hvar is known as the "island of the sun," but we were beginning to call ourselves the "tourists of the rain." It rains so rarely on Hvar that hotels offer to pay for inclement days. Unfortunately, we were only there for an afternoon so we couldn't collect.

After seeing Split, Solona, Trogir and Hvar, we rented a van and a car and drove along the coast toward Dubrovnik.

We stopped that afternoon in Ston, and remarkably, it was sunny. We went to the beach. Or actually we found our own spot, walking across marshy grass to a rocky place in the sun.

While there, we heard about the remarkable accounts that have been coming out of the nearby village of Medjugorgy—which means "place between mountains"—for the past six years.

The reports speak of daily apparitions of the Blessed Virgin to six local children. When we arrived, we found that accounts of a strange peace pervading the village were not borne out. Instead, we found the clatter of loud tourists and aggressive street vendors selling cheap souvenirs near the town church.

More spiritual to me was the immense concrete cross atop Mount Crizevac erected in 1933 by pious farmers to commemorate the 1900th anniversary of the crucifixion.

LITERARY EXCHANGES

Saravejo, the sight of the 1984 Winter Olympics, was where we got down to work. We interviewed several poets, went to numerous readings and met with university students. There was language problems, to be certain.

Yugoslavia's 22 million citizens belong to six major nationalities and about a dozen other groups. They speak three official languages and have two alphabets.

Poets arrived in Sarajevo from all parts of Yugoslavia, as well as from West Germany, Russia, Turkey, France, Great Britain, Cuba, Cyprus, Romania and Hungary. Our beleaguered interpreter was a pretty 25-year-old language student named Tanya.

She and all the other students we met were exceptionally bright. One afternoon some of us sat at a cramped table in a little cafe with a Yugoslavian student and his young instructor.

We tried first for some basic conversation but ended up mostly shaking our heads or looking down at our forks.

But when the student heard me mention William Faulkner, a fascinating conversation began. The student and teacher would confer for a second and then offer, in thick Bosnian accents, the name of a great author or philosopher.

We would huddle together until some one recognzied "Nietzsche." We introduced the slam of disapproval, bringing a forearm down hard on the table for those figures we did not care for.

The corner of the cafe, in a matter of minutes, grew loud with shouts of "Robert Frost" or "Fyodor Dostoyevsky" with competing yells of appreciation.

NEARLY CAPSIZED BOAT

Our last stop was in the peaceful city of Lubijana in the North. The people here consider themselves Central Europeans and it seems almost like another country. We went to nearby Lake Bled, where Millie almost capsized our gondola by standing for a snapshot of Bled Castle.

In our hotel lobby our last night, Millie and I saw a familiar face. It took us a while to recognize that the man who had just strode across the lobby was "Bull," "Night Court's" hulking courtroom guard.

Actor Richard Mull was there making a movie. Seeing him made me realize that old castles, churches and mosques would soon give way to television and suburbs.

FORMER MEMBERS OF CONGRESS FROM WESTERN MASSACHUSETTS—JOHN GOODRICH: A BERKSHIRE "STAR" TARNISHED BY SCANDAL IN BOSTON

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. CONTE. Mr. Speaker, I rise today to continue in my series of brief biographies on former Members of Congress from western Massachusetts. In order to help celebrate the 200th anniversary of the Constitution and to nurture the history of this body, I am profiling each of my predecessors in the House.

John Goodrich was a distinguished son of the Berkshires. He founded a popular newspaper. He was a colonel in the Berkshire militia. He was elected to the State senate. Mr. Goodrich was even elected to two successive terms in the U.S. Congress. Yet, as the collector of customs at the Port of Boston, he was implicated in a scandal that forced him to withdraw from public service forever.

Born to Amanda Landon and John Zaccheus Goodrich on September 27, 1804, in Sheffield, MA, John Goodrich was educated at Lenox Academy. After practicing law for a year in the office of Henry Bishop, Goodrich embarked on a short career in journalism as a reporter for the Pittsfield Argus. In 1829 , he bought the successful Berkshire Star and after a series of consolidations continued the publication as the Berkshire Eagle in 1835.

In 1838, Goodrich left the Eagle to enter into business with Samuel Wheeler at the Glendale mills. In 1847, the Glendale Woollen Co. was formed. Among the most important contracts for the mills was the manufacture of navy-blue cotton for soldiers' uniforms. But that contract wasn't the only connection Goodrich maintained with the military during those years. From 1834 to 1838, Goodrich served as the division inspector of the Berkshire Militia.

After making a name for himself as a successful lawyer, publisher, businessman and military specialist, Goodrich launched a bid for the State senate at the age of 44. After 4 years in the State senate, John Goodrich was elected to the U.S. House of Representatives in the same year that Franklin Pierce was elected President. But the battle for the seat from what was then known as the 11th District was a tough one. Running as a Whig, Mr. Goodrich defeated his Democratic opponent but was unable to muster the majority needed to secure the seat. It wasn't until a special election in December of 1850, that Goodrich secured the necessary majority by a scant 349 votes.

As a U.S. Congressman, Goodrich was an outspoken opponent of the establishment of slavery in the new States. In the often bitter debate over the Kansas-Nebraska Act, Goodrich argued that it was not the intention of the Founding Fathers to permit slavery anywhere beyond the original Southern States. In fact, his denial of the rights of new States to establish themselves as slave States became so widely known that he was sent to the Peace Congress of 1861 as a delegate from Massachusetts.

Despite marked successes in the Congress, Goodrich was defeated in his reelection race of 1854 by a "Know-Nothing" party candidate, Rev. Mark Trafton. The Know-Nothings were members of a secret society also known as the American Party. When anyone who was not a member would ask about the party, the members were required to answer, "I don't know." Apparently the response was adequate and Trafton defeated Goodrich.

In 1861, after serving as chairman of the Massachusetts Republican Committee and receiving the Republican nomination as Lieutenant Governor in 1860, the former Berkshire County newspaper publisher and Congressman was appointed the collector of customs at the Port of Boston by the first Republican President, Abraham Lincoln.

However, amid concerns of improprieties at the Boston Port, President Lincoln appointed a new collector in 1864. While no criminal charges were brought against Mr. Goodrich, the merchants of Boston filed a formal petition for his removal and the President obliged. In those days the collector of customs was entitled to a share of the revenue from his collections as a means of encouraging strict enforcement. However, the merchants of Boston asserted that Mr. Goodrich was overzealous in his collection, and was in fact, intimidating merchants with the threat of punitive action if they did not satisfy his personal financial needs.

After his dismissal from the Boston Customs House, Mr. Goodrich never again held public office. He continued in a variety of private enterprises and became a well-known philanthropist, providing funds for the construction of the Stockbridge Library as well as a classroom building at Williams. However, the scandal in Boston continued to plague him. The former Berkshire "Star," the founder of the Berkshire Eagle, and a respected Berkshire politician, died in Stockbridge in 1885.

THE NEXT BIG CRISIS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. STARK. Mr. Speaker, a succinct summary of the global environmental dangers facing us is aptly described by Flora Lewis in today's New York Times. I believe it is especially important to note that Ms. Lewis is normally a writer on foreign affairs and not the environment. The fact that she is writing on these issues is an ominous indicator of how truly large the impending environmental disasters are. But this is not a call of despair, it is a call for action. The article follows:

THE NEXT BIG CRISIS

PARIS.—The cold war isn't over. But even as the political climate is warming, so is the world's physical climate. There are many signs that the next general international crisis is going to be about the environment. It can become as abrasive, dangerous and costly as the arms race.

There have been warnings about environmental abuse for decades, but concerns were separated from high politics and security. Now convergence has begun. Environment is changing from a noble, usually local cause to an international political issue that can be seen gathering force. It is already a major domestic issue in a few countries, notably West Germany.

The key difficulty at this stage is that there are so many different aspects of the problem and no overall approach. Nobody really knows how various causes and effects fit together, and how to assign responsibility. There has been much talk about the greenhouse effect, ozone depletion, acid rain and toxic wastes, not to mention nuclear accidents. But the nations have yet to develop a concept of coordination.

For example, the Inter-Action Council, a group of eminent former government leaders, recently recommended a new look at nuclear energy. They concluded that accumulating atmospheric deterioration caused by burning ever more coal and oil is more dangerous than expanded use of nuclear energy under proper safety rules.

But there is no solid body of scientific information on what is really happening, how much of the damage comes from industrial emissions, how much from deforestation and changing use of land, how much from new chemical compounds.

Some scientists say there are much more efficient ways of burning coal that would produce more energy with far less pollution, but utilities are reluctant to make the investment because of their big losses resulting from initial euphoria about atomic power. Some say a crash program for controlled fusion, the principle of the hydrogen bomb, is best. Others say fusion energy is still far away and will always be too expensive.

Deforestation is an important element in worldwide climatic change. But the suggestion that the powers impose conservation of rain forests would obviously provoke fierce north-south conflict. These dense stretches of greenery are mostly in developing countries, whose retort is that they cannot bear the burden of protecting rich countries from the effects of earlier development.

Underworld pollution has started. It is a new kind of trafficking where unscrupulous dealers pay off irresponsible third-world officials to accept storage of poisonous wastes at cut rates. Lebanon has asked Interpol to arrest a man who fled under suspicion of dumping thousands of barrels of toxic and radioactive material in its waters. Some of the barrels turned up on beaches in Cyprus.

Environmental damage is becoming a political issue in the Soviet Union, where central planning authorities long ignored the effects of their decisions. Daniel N. Nelson, a Soviet specialist at the University of Kentucky, says it has become a more important focus of opposition than human rights or religious dissidence.

Informally, Soviet officials say the West ought to help them clean up since it is ahead in the technology and is own interests would be served. Chancellor Helmut Kohl of West Germany plans to propose sales of equipment, presumably on favorable credits, when he visits Mikhail Gorbachev in October.

Seventeen national space agencies are planning an International Space Year for 1992, with the emphasis on "mission to planet Earth." This will be the first attempt to coordinate the mass of satellite-gathered information and to document all available details of environmental change.

Reversing damage will be expensive and may change world economic patterns. The poor countries won't renounce development, and the rich are likely to face a high premium to maintain standards. Unless a system is worked out for international responsibility, quarrels can become as explosive as old territorial triggers of war.

A West German woman who wrote a sensitive, personal book about her girlhood experience, and acceptance, of Nazism was trying to explain to hostile students a while back how it was possible not to recognize the evil from the start. "It was the times," she said, "the attitudes of the society all around us. Now you can look back. Think how people will look back on us in 50 years or so and wonder how we could have tolerated what we are doing to the earth, just going on with everyday life."

There is a difference in motive. The result can be as awful.

THE PERFECT MANAGER

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. LEVINE of California. Mr. Speaker, anyone familiar with baseball knows that the Los Angeles Dodgers are blessed with the perfect manager. No man better personifies what being a major league manager is all about than Tommy Lasorda. His skills in handling players, his knowledge of the game of baseball, and his loyalty to the Dodgers make him the best in the business.

This year Tommy has demonstrated his ability to fashion a winning ball club despite a number of new players who had never played together, and injuries to key players. He has drawn out the best of his players and has, once again, made Dodger Blue symbolize the best in baseball.

In a recent column Jim Murray, the best sportswriter in the world, celebrated the best manager in the world. I wanted to share Mr. Murray's column with my colleagues and ask them to join with me in honoring Tommy Lasorda and the first place Los Angeles Dodgers.

[From the Los Angeles Times, July 12, 1988]

NO ONE CAN SAY THE GUY CHOSE THE WRONG FIELD

(By Jim Murray)

If you had a license from God to construct yourself a baseball manager, you would probably begin with one with a big belly, short legs that were slightly bowed or pebbled with lumps so that they looked like sacks of walnuts. You would want one who had his own syntax, a voice that sounded like an oncoming train in a tunnel. It'd have to be a nice part for Vincent Gardenia.

He wouldn't have been a big star in his youth. A .500 pitcher, perhaps. A .260 hitter who made a lot of noise. He'd have to know how tough this game is. He'd never have a self-doubt or a moment's anxiety. He'd come into a room as if he were leading a parade. Everybody would be his best friend. He'd talk to shoeshine boys, parking lot attendants. He'd sell baseball. He'd be sure God was a baseball fan. He'd know that America was the greatest country in the world, otherwise how could a poor boy like him grow up to be part of the greatest organization in the world?

He'd never be at a loss for words, he'd like to eat, he'd cry at sad movies, but he'd have a temper like a top sergeant whose shoes were too tight. He'd be sentimental, cantankerous, on speaking terms with the President of the United States but, if you asked him what his foreign policy was, he'd say, "Beat Montreal!"

He'd be part-press agent, part father-figure, all man. He'd have an anecdote for every occasion, always with a moral attached. He'd tell at the drop of a hat of the time when he knocked the big league batter down the first time he faced him because that batter had refused him an autograph as a knothole kid years before. His stories would be more entertaining than true, but no reporter ever would leave his office with an empty notebook or stomach.

He wouldn't be one of those tense, secretive guys like the manager in the World Series last year who looked as if he was guarding a gang hideout and you were the Feds. He'd be selling baseball. It would be his job, and he'd come from a long line of people who did their jobs.

He'd have a lot of con in him. He'd never forget he was dealing with kids, and that he could make them pick the shell without the pea under it if he had to.

When he'd have a player who didn't want to transfer from the outfield to catcher, he'd say, "Didn't you know the great Gabby Harnett, the greatest catcher of all time, started out in the outfield?" Gabby Hartnett started out in a catcher's mask, but a good manager is resourceful.

When a team was floundering in a 10-game losing streak, this manager would reassure them that "The 1927 Yankees, the greatest team of all time, lost 11 games in a row that year!" The 1927 Yankees didn't have 11 losing innings in a row, but that would be irrelevant.

He'd know baseball wasn't nuclear physics. It was show business. It was "Entertainment Tonight." The pitctures on his wall would not be Babe Ruth, Ty Cobb, Stuffy McInnis, Connie Mack, John McGraw, guys sliding into second. They'd be the heavy hitters of show business, Sinatra, Rickles, Berle, Kaye.

He'd be a star in his own right. People would have his picture on their office walls.

He'd be Tommy Lasorda. He'd be Mr. Baseball, a guy with his own show. He'd get the best tables in restaurants, he'd be part of the fabric of the glitter and glitz of a town that prides itself in it. He'd never be out of character when the spotlight was on. He'd be on the dais of every black-tie dinner there was, he'd make a speech at the tap of a glass.

Some managers are worth five games a year to their franchises. Sagacious moves can account for that much success. Tommy Lasorda is worth something more—a few hundred thousand in attendance.

His predecessor, Walter Alston, was a great manager. He had to be. But he was as quiet as snowfall. He officed out of his pocket. He dressed with his coaches. He led by example. His office had a picture of his wife and grandchildren on it. He never made a headline in his life. He was patient, kindly, courtly, a gentleman of the old school. A guy you would most want to be in a foxhole—or a lifeboat—with. Dependable, matter-of-fact, as untemperamental as a butler, he knew more about the balk rule than any man who ever lived.

It's not what baseball is about. It's no secret the late owner Walter O'Malley chafed under Alston's monkish managerial policy. He was stuck with him because Alston was so good. It was hard to fire an annual pennant. So, he did the next-best thing: he gave him an annual one-year contract.

It was all well and good to be low-key in the corner of the dugout when the Dogers were new to the town and every night was New Year's Eve and they had Koufax and Drysdale and Maury Wills and The Duke and the Davis boys and you didn't have another major league baseball team, football teams (two) and pro basketball teams (two) and a hockey team and a lot of other promotions to vie for your space in the sports sheets.

You think the Dogers are going to hire Tom Kelly, or the manager of Seattle (if it has one) or some minor leaguer who understands the infield fly rule backward and foward (which reads the same, anyway)?

Tommy Lasorda is as perfect for the Dodgers as peanut butter for white bread. Or Laurel for Hardy. A lot of people were surprised when the Dogers broke precedent and signed him to an early extension on his contract. Why? Peter O'Malley is Walter's son, isn't he? The only way Tommy Lasorda could be let go is if Casey Stengel suddenly became available. God is not going to let that happen. Or the real Angels are going to have a drop in attendance.

Neither is Peter O'Malley going to let his manager become available. There are, conservatively, 14 big league teams who would sign Lasorda tomorrow for more money than the Dodgers pay him. But Lasordas do not change their religions, either. "Who gave me a chance to manage?" he yells. "The Yankees? The Phillies? No, it was the Dodgers." Lasordas dance with the one what brung them. "Lack of loyalty," Lasorda shouts, "is rooning this country!"

TRIBUTE TO ERNEST AND ELEANOR BUTLER, SR.

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to a special couple from my district, Ernest and Eleanor Butler, Sr., of Youngstown, OH, who will celebrate 50 joyous years of marriage on August 4, 1988.

This couple has been an enthusiastic supporter of the Youngstown community by their active participation in a number of organizations. Both Ernest and Eleanor have been devoted members of Price Memorial AME Zion Church, with Eleanor distinguishing herself as the organizer of the Price Memorial AME Women's Conference Committee. Other organizations include the Society for the Blind, which Mr. Butler has served as member of the board of directors, and the Choffin Career Center, which has had Mrs. Butler's participation as a board member.

Mr. and Mrs. Butler have also been outstanding in their respective fields. Ernest is a private practicing attorney after many years with various agencies including the State Highway Department. As a beautician since 1948, Eleanor has provided a much enjoyed service for the Youngstown community known as "Eleanor's Beauty Salon." Both of them look forward to continued years of dedicated service.

It is with honor that I pay special recognition, on behalf of the people of the 17th Congressional District, to this fine couple on their golden wedding anniversary. May they enjoy continued joy and happiness in the years to come.

ALTERNATIVE DISPUTE RESOLUTION

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. PEASE. Mr. Speaker, civil case filings in U.S. district courts have increased by 300 percent since 1960. The average case takes 20 months to get to trial. Major cases can take 8 years or more.

American companies, under the onslaught of foreign competition, spend more than $20 billion a year on litigation-related legal fees. The share of legal services in the Nation's gross national product has risen almost 60 percent since the 1970's.

It's time to take a closer look at alternatives to litigation. A good place to start is in the Federal agencies.

Federal agencies are involved in far more disputes than any other party, and decide far more cases than do the Federal courts—hundreds of thousands annually. The immense growth of the Federal bureaucracy manifests itself in protracted formal adjudications, myriad regulatory decisions, and court actions challenging agency actions or seeking enforcement of legislative or administrative requirements.

Agency procedures have become too expensive and far too lengthy. For example, the average time for processing a complaint before administrative law judges at the National Labor Relations Board was 26 months. At the Social Security Administration and Department of Labor, it was 14 and 13 months, respectively. Bad as they are, these figures understate the problem in that they do not take account of the period required for judicial review of administrative law judge decisions.

I am introducing today a bill to promote the use of alternative means of dispute resolution by the Federal agencies. The Administrative Dispute Resolution Act would amend the Administrative Procedure Act to authorize parties to a dispute arising from Federal programs to use arbitration, negotiation, mediation and minitrials. In addition, the bill removes certain existing legal impediments to the use of alternative dispute resolution, such as the current GAO prohibition on the use of outside arbitrators to determine the liability of the U.S. Government.

The bill essentially tracks the recommendations of the Administrative Conference of the United States, which was established by Congress in 1964 to promote improvements in the efficiency and fairness of agency procedures. A virtually identical bill has been introduced in the Senate by Senator GRASSLEY.

The Federal Government ought to do what it can to reduce the costly and counterproductive litigiousness of our society. It is my hope that my bill will gain a favorable hearing from my colleagues.

PERSONAL EXPLANATION

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. BALLENGER. Mr. Speaker, I was not present during House consideration of H.R. 4741, the Veterans' Compensation Amendments of 1988. Had I been present, I would have voted "yea" on final passage of the bill (rollcall vote 237).

In addition, Mr. Speaker, I was not present during consideration of S. 328, the Prompt Payment Act amendments. Had I been present, I would have voted "yea" on the bill (rollcall vote 238).

ANGOLAN CHILDREN PRAISE FREEDOM AND AMERICA

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. SHUSTER. Mr. Speaker, I recently had the opportunity to visit Jonas Savimbi's base camp in the jungles of southeastern Angola. His UNITA organization not only has 60,000 soldiers fighting to free Angola from Soviet-Cuban Communist domination, but also has developed a functioning society in the third of the country that UNITA controls.

Most impressive were the schools I visited in his Jamba headquarters. Under the trees, on crude benches, the children are studying advanced subjects such as mathematics and chemistry, reminding one of the addage: "Bricks and Mortar do not a schoolhouse make."

Following is a paper presented to us in English by Jorge Chitende, one of the high school students, which I believe drives home the point that we Americans take so very much for granted.

[From National High School of Jamba, July 20, 1988]

TO CONGRESSIST

(By Jorge Chitende)

Honourable Congressist!
Dear Visitors!
Sisters and Brothers!

It is with happiness to receive you here in our National Secondary School of Jamba, on behalf of all students of Liberated Areas of Angola, wishing you so deeply very good welcome.

We feel really happy to have you here among us. We do represent the real Youth which is struggling against the Soviet's expansionism to conquer Peace, Liberty, Democracy, Dignity and Social Progress in all over the Country.

We the real Angolans, since, Colonialism, we opposed always against the oppression and alienation, thats why we want to keep on being, linked to one, past originally African.

Honourable Congressist!
Distinguished Visitors!

It was with joy we followed the great victorious reception of the Beloved Son of Angolan People Dr. Jonas Malheiro Savimbi, in New York in Northern states and at last the historic meeting with President Ronald Reagan, in white house, on behalf of American People, President Reagan did it so humanly, defending the respected principles of Peace, Liberty, Freedom, Democracy and Independence.

As students, we recognize your great affection to the Angolan People. There's our gratitude!

Despite crossing a lot of difficulties, flowing of blood which Angolan People has lost defending this so much loved Country, without it, we're absolutly nothing, on behalf of Our Leader and Beloved President Dr. Jonas Malhuro Savembi were created in the Liberated Areas Schooling institutions, where youngs are met coming from all parts of Angola studying with minimum necessary conditions for a student there our subjects:

Geography, Math, Portuguese, English, French, Chemistry, Drawing, Latin, Biology, National Languages and Universal History, where the most famous Civilizations of the world and Antiquity, as such, the French Revolution, the American Revolution has influenced the Democratic winds over the world. It was just possible by your Beloved President Sir George Washington.

We feel terribly hurt when our brothers some recruited violently to the MRLa's army and others sent to Cuba, they lose the opportunity of education to serve the interesses of the Communist Fidel de Castro, in tobaco and sugar-cane plantations, in his poor little island, teaching them, Marxism-Lenenism. What's happening today in MPLa, is very sad!

Honorable Congressests!
Destinguished visitors!

A so rich country as Angola, said independent 13 years ago, is not able to supply with good his people rulled by MPLa, obliging children to pick up putefation food in the publics streets, where waste is found. Is that the kind of government for Angolans? No, so we fight for genuine Angola, where the Angolan People can live in peach social-well-being and can decide freely it's future.

Please convey, to the American people, to the Government, to the students of great universities.

You have struggled to the U.S.A. independence, we do the same. The historical principles on which you had struggled, Liberty, Democracy Dignity as well for the struggle we are facing, we swear to reach them we the Patriotics Student of Freeland of Angola we believe and we are sure that shortly with our Defender and Beloved Dr. Jonas Malhuro Savembi, we'll reach Luanda.

We wish you a very good enjoyment in our Provisional Capital-Tamba

Thanks a lot for your attention.

WHAT'S HAPPENING TO SOME OF OUR HEALTH CARE PROVIDERS

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. ROWLAND of Georgia. Mr. Speaker, I have just received a letter from a young physician that is very revealing. I want to share it with all of my colleagues, particularly those interested in what is happening to some of our health care providers.

The letter follows:

WAYCROSS, GA, *July 23, 1988.*

DEAR CONGRESSMAN J. ROY ROWLAND: Only being out of Family Practice residency one year, I am already "burned-out" and frustrated with the current status of medicine. Our area has has just lost/is losing two internal medicine physicians seeking a practice with less hassle. I am contemplating veterinary medicine, medical research, or a totally different field. Taking care of people is not the problem, it is the Medicare, Medicaid, DRG's HMO's, PPO's, insurance, malpractice, patients and lawyers wanting to take workman's comp. and insurance companies to the cleaners, etc., etc.

I have, as yet, never been named in a malpractice suit. I don't know what, but something has to be done. I know absolutely nothing about politics, government, etc., so my thoughts may seem very naive.

It seems most frivolous malpractice claims are won due to the patient having a very unfortunate, depressing problem; a very sympathetic lay-person jury; and, even though the physician has nothing to do with the patient's terrible problem; judgment is passed against him because the jury legitimately feels so sorry for the patient. Perhaps, if these malpractice claims were tried by a jury of peers (isn't that the way it was initially intended), some of these outrageous cases would be settled more fairly and prevent further exorbitant rises in malpractice insurance (and the cost of health care).

I realize things will never get better as long as congress is composed of lawyers—because they will make laws to protect themselves. There will never be peer review to control lawyers from accepting these frivolous cases that cause rises in the cost of medical and malpractice insurances and the cost of medical care. What would happen if lawyer's fees were contained and set at a fixed limit rather than 51% of "whatever they can get"? The lay juries would be surprised if they knew that half of the 5 million dollar judgment to a child with a birth defect went to the lawyer.

Another thing—I thought someone was supposed to be innocent until proven, without a doubt, guilty. This seems to be the case for violent criminals and child molesters. But, how can one say that a baby's birth defect, whose mother smoked, drank, or used drugs during pregnancy, was caused without a doubt by an over the counter spermicide or prescription medication. It seems that most physicians are sued basically because they "are not God". Most people equate physicians with God, as you know, but we are people, too. And, we do make mistakes, but unintentionally and without malice. Medicine is still an art.

And now for AIDS—it is a dreadful but preventable disease. I wish I knew some statistics. I am sure we are spending an exorbitant amount of money on AIDS research. I am totally in full support of any amount of money being spent on AIDS prevention. While there is a minority of innocent people who have acquired it by transfusion, birth, their spouse, or hemophilia products—the vast majority affected are drug addicts, prostitutes and their users, and homosexuals. Prevention is the key. I don't see why something can't be done about cigarettes which cause many, many more deaths and much, much more morbidity. But instead we subsidize the tobacco farmers and allow the tobacco industry to glamorously advertise their products to the impressionable young people in magazines, on billboards, at sports events, and subliminally in movies and TV shows. It is an addiction, if you don't believe it, ask your fellow congressmen if they've ever tried to quit. Addictive narcotics are illegal, why can't tobacco be made so,

I am so frustrated with medicine. I didn't go into medicine for money. I always wanted to help women through pregnancy and deliver babies, but now I can't because of malpractice. I don't mind taking care of patients that don't have money; I've thought of doimg missionary work. But it's a shame these Medicaid patients, who are so poor, can still afford to buy cigarettes to slowly kill themselves and cause the taxpayers more money to treat their smoking related illnesses. Alcohol is the same, also. There is none of this in veterinary medicine, nor is there work comp, Medicare, Medicaid, insurance, malpractice, hospital restrictions.

I would just like to pay off my school loans and get out of the profession. Who knows, maybe I'll move to an Amish community in Pennsylvania. It seems like the physicians who really care are the ones getting the most frustrated, leaving the ones who are just out to make money in practice. Who is going to be around to take care of us when we get old?

I wish there was something you could do.

Sincerely,

MARTHA D. DICKENS, M.D.

THE 100TH ANNIVERSARY OF THE CHEBOYGAN OPERA HOUSE

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. DAVIS of Michigan. Mr. Speaker, I rise today to commemorate the 100th anniversary of the Cheboygan Opera House located in my northern Michigan district. I would also like to commend those people whose efforts over the years have contributed to the success of the opera house.

It is refreshing to see a community take pride in its history. Over the years the opera house has provided numerous evenings of entertainment for Cheboygan and the surrounding community. This 580 seat auditorium has been the stage for such theater greats as the legendary silent film star, Mary Pickford. It has survived two fires and now houses the town's city hall, fire department, and police department.

The Cheboygan Opera House is truly a northern landmark. I wish the opera house a second 100 years of continued success.

LIBRARY AWARENESS?

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. EDWARDS of California. Mr. Speaker, for many years American libraries have provided Americans with the opportunity for increased knowledge and awareness. We are all conscious of the benefits of these institutions that encourage a freedom of thought to which we Americans are both entitled and accustomed. That is why the FBI's program, ironically called the "Library Awareness Program, is of such concern. Its activities in monitoring libraries and library patrons diminish the rights of all of us in this country. We must ensure that people may continue to read and educate themselves on any topic without fear of coming under the scrutiny of the FBI.

I would like to share with my colleagues an excellent editorial by Robert Maynard which explores this issue. The article appeared in the July 21, 1988, Oakland Tribune.

LOVE, ESPIONAGE AND THE LIBRARY

(By Robert C. Maynard)

My friend and I, experiencing what our older siblings scorned as "puppy love," met faithfully each afternoon at the Brooklyn Public Library. Love and learning went hand in hand for her and for me. Needless to say, we were not alone. My generation gave "going to the library" new, tender meaning.

Mind you, we studied, just as we always promised our parents. They, of course, were mildly suspicious of our scholarly enthusiasm, but they assumed there was a limit to how much trouble was possible in open spaces of the reading room. They overlooked the romantic potential in the nether reaches of the musty stacks.

Now the Federal Bureau of Investigation has come along with a new story of hanky-panky in the stacks. Only the FBI tale lacks romance. Instead, it's about international espionage. What's more, the FBI and the nation's librarians are in a heated tiff that's hardly romantic.

On its face, the "Library Awareness Program" sounds like a good idea to get more people to take greater advantage of that wonderful resource called your local public library. In an exercise of euphemism worthy of George Orwell, the FBI's "Library Awareness Program" is nothing of the kind.

In fact, it is a counterintelligence program intended to ferret out Soviet spies who supposedly search our nether stacks these days in pursuit of our latest published reports on science and technology.

The "awareness" referred to is the FBI's goal of making every librarian aware of potential spies. The profile includes people with names that sound Russian or Eastern European. In addition, if they show an interest in science and technology, they should be watched and, presumably, reported to the feds.

Unaware of the FBI's "awareness" program, several librarians in New York City and elsewhere have found themselves facing FBI badges. They also soon found themselves under intense questioning about some of their clientele. The agents have gone so far as to examine computerized literature searches to try to sniff the trails of Soviet spies.

As you might guess, the nation's librarians are none too pleased to be conscripted into the FBI's counterintelligence apparatus. To begin with, they protest, the public libraries are at the foundation of our heritage of open inquiry, which is essential to a free society.

Beyond that, the librarians point out, anything found in a library can also be purchased from the publisher or obtained from the Government Printing Office. Public libraries do not habitually stock classified military secrets.

Above all, the librarians argue, if the FBI is interested in catching spies, it should rely on its own resources and not "intimidate" librarians by obliging them to attempt to divine which patrons are legitimate and which might be agents of a hostile power.

This story has an element of deja vu for journalists. It was not too many years ago that the government tried to enlist the news media in its war against political activists by demanding notes and unused film of interviews with leaders of unpopular causes.

The courts eventually held, and the government agreed, that if the information could be obtained elsewhere, journalists should not be forced to become junior G-men. Law enforcement is the function of the police, not the press.

Similarly, librarians should not be compelled to become counterintelligence agents unless there is some specific situation in which the government has no other means of establishing its case. Such instances should be rare, if not non-existent.

In this age of exploding information and shrinking budgets, the nation's librarians have enough on their hands without the government placing on them the additional burden of spy-catcher. Librarians are ill-suited for that. Nor is it in the best interests of a free society to fight its war against foreign espionage in the stacks of its libraries.

Upon reflection, what my girlfriend and I did in the stacks was not exactly what libraries were intended for, but that was a lot better than turning the libraries into yet another battleground in the Cold War.

THE ATLANTIC CHALLENGE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. STUDDS. Mr. Speaker, I would like to take this opportunity to pay tribute to the French town of Douarnenez, which will soon be welcoming many of our young athletes as the official sponsor of the international rowing competition, the "Atlantic Challenge."

A number of students from the 10th District of Massachusetts will be participating in the contest, and I would also like to extend special thanks to the town of Brest for providing a home away from home for these young Americans.

I extend my best wishes to the participants from both sides of the ocean, and commend them for the valuable contribution they are making to the future of international exchanges.

FITCHBURG STATE COLLEGE CONFERS HONORARY DOCTOR OF LAWS DEGREE UPON HON. EDWARD P. BOLAND

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. EARLY. Mr. Speaker, Fitchburg State College recently recognized our distinguished colleague, Congressman EDWARD BOLAND, by bestowing upon him the degree of doctor of laws, honoris causa. This was only the fourth such honorary doctor of laws degree which has been conferred by Fitchburg State College since its' founding in 1894.

Those of us who have the high privilege of serving with EDDIE BOLAND know how deserving he is of this honor. His has been an extraordinary career indeed. Since his election to the 83d Congress, he has offered exceptional leadership in the House of Representatives, and he has led with vision and dedication. From a personal standpoint, I know of no one in this House for whom I have deeper respect and warmer affection.

Fitchburg State's President Vincent Mara highlighted many of Congressman BOLAND'S accomplishments in the citation accompanying the honorary degree. Appropriately, the citation speaks of the depth of EDDIE BOLAND'S commitment to public service and of the breadth of his influence. From his sensitive oversight of housing programs for the disadvantaged to his vigilance in safeguarding international peace through the Boland amendments, EDDIE BOLAND has exhibited a quality of statemanship which is worthy of the highest praise.

As a tribute to my friend, EDDIE BOLAND, it gives me enormous pleasure to include the Fitchburg State College degree citation in the RECORD:

FITCHBURG STATE COLLEGE: DOCTOR OF LAWS, HONORIS CAUSA TO EDWARD P. BOLAND

"For your extraordinary embodiment, as a first-generation American, of the freedom of opportunity given to all to achieve the American Dream;

For your record of compassionate efforts on behalf of those in need, as you worked tirelessly, quietly, and diligently in the halls of the Congress of the United States to fund public housing;

For your dedication to the rule of law and courageous responsibility in reinforcing the limits of justice in the international military and diplomatic policy of our nation through the Boland Amendments;

For your more than half-century of service in county, state, and the highest levels of federal legislative office, where you have been a tower of honesty, integrity, loyalty, and faith in the ideals of the American Republic;

We, the academic community of Fitchburg State College, on this twenty-ninth day of May, 1988, bestow upon you the degree of Doctor of Laws, Honoris Causa."

U.S. FOREIGN POLICY SUCCESSES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. LAGOMARSINO. Mr. Speaker, I bring the following commentary by Deputy Secretary of State John Whitehead in the Washington Post to the attention of my colleagues. During the Democratic Convention in Atlanta, the American public was told about alleged failures of the Reagan administration's foreign policy. By examining the real facts and series of events over the past 8 years, one will realize that these allegations are not true. On the contrary, the President's "peace through strength" policy has led to many foreign policy successes. I urge my colleagues to carefully review Secretary Whitehead's insightful comments which elaborate on these successes.

[From the Washington Post, July 27, 1988]

WE'RE ON A ROLL

(By John Whitehead)

The prime-time rhetoric from the Democratic National Convention in Atlanta may be obscuring the facts about a series of recent U.S. foreign policy successes. A remarkable thing is happening. Seeds sown by President Reagan eight years ago, nurtured by toughness, firmness and a clear vision of American principles, are not bearing fruit. Between political conventions I thought it useful to remind the American people that important advances in America's interests are taking place around the globe. All result from American commitment and American action.

Success No. 1: Our relations with the Soviets are good and continue to improve. We have made progress across the whole range of our agenda—human rights, regional issues, bilateral relations and arms control. We've made a dramatic breakthrough on arms control. With the INF Treaty we have agreed to eliminate an entire category of nuclear weapons—not just another ceiling, but a complete elimination. We have also made substantial progress toward agreement on strategic arms reduction. The human rights picture is also brighter. The number of people allowed to leave the Soviet Union is increasing. Patience and clear thinking have produced a realistic, solid and far-reaching political dialogue with Moscow.

Success No. 2: The Soviets are getting out of Afghanistan. They have committed themselves to getting all of their troops out of that country by February of next year, and 50 percent of their troops must be out by Aug. 15 of this year. After eight long years of war, the courage and determination of the Afghan freedom fighters—and our steadfast support for their efforts—have paid off. Our military assistance to the Afghan resistance will continue as long as the Soviets provide military assistance to the puppet regime in Kabul. The Afghan people are winning their freedom. We are proud to help.

Success No. 3: The Vietnamese are starting to take their troops out of Cambodia. We welcome this development. Our policy of isolating Vietnam diplomatically and economically is getting results. We want a free and independent Cambodia as much as we have wanted a free and independent Afghanistan.

Success No. 4: There is a plan to get Cuban troops out of Angola. Under U.S. leadership, the governments of Angola, Cuba and South Africa have made remarkable progress in recent months on an accord that will bring about our longstanding goals of independence for Namibia by implementing United Nations Security Council Resolution 435, and a complete withdrawal of all foreign troops—primarily Cuban—from Angola. Years of patient diplomacy and clear commitment to U.S. interests are beginning to prove effective in southern Africa.

Success No. 5: We are moving closer to an end of the Iran-Iraq war. In the last few days there has been a major breakthrough toward resolving this 8-year-old war in the Persian Gulf. Iran has finally accepted United Nations Security Council Resolution 598, which calls for a cease-fire between Iran and Iraq. We have worked long and hard in the Security Council and elsewhere for this commitment. It is an important first step. The next step is for both nations to cooperate with the secretary general and the Security Council in implementing 598. We urge them to do so promptly.

Success No. 6: Freedom and democracy are on the move all over the world. Freedom is the key to economic prosperity, to social justice and to liberation from tyranny, poverty and intolerance. In Latin America, 26 of 33 countries are now democratic or in transition toward democracy, and the percentage of the population living under freely elected governments has grown from 30 percent in 1976 to 90 percent today. Democratic systems have also taken root in the Philippines and in South Korea. In Afghanistan, Angola, Cambodia and Nicaragua, oppression has given rise to popular resistance movements. Even in South Africa, the system of apartheid is under increasing pressure to change.

Success No. 7: Free economic systems are prospering. The world now sees that command economies don't work and that free markets do. Japan, Korea and Taiwan lead a Pacific Basin brimming with energy and success. They are opening their markets to our exports to promote even more prosperity. We have concluded a historic free trade agreement with Canada. Former command economies in China and in Eastern Europe are adopting free markets. Even the Soviet Union is experimenting with free-market concepts.

Seven important gains for America. Of course much remains to be done. We face many challenges. American power and American diplomacy must continue to be linked together in a coherent strategy consistently applied. A resurgent, self-confident America, a resolution of regional conflicts and a turn to democracy and free markets throughout the world are making the world more peaceful, prosperous and hopeful. These are the successes on which future administrations can build.

ARMS CONTROL AND THE DOD AUTHORIZATION CONFERENCE REPORT

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. BLILEY. Mr. Speaker, H.R. 4264, the National Defense Authorization Act for Fiscal Year 1989, is a dream come true for the Soviet Union. Through this bill, the Democrats in this Congress have given more to the Soviets in terms of arms control concessions than they have been able to achieve in 8 years of negotiations.

My friends, that is not a mistake. Let me read you the list. First, it requires that we abide by the narrow interpretation of the ABM Treaty, even when the Soviets are violating it.

Second, it says that we must prepare in advance for a ban on nuclear testing, which will practically ensure that a nuclear deterrent is neither effective nor safe.

Third, it bans us from testing a missile flying in a depressed trajectory mode, something that we don't even have any plans of doing.

And fourth, it provides for the dismantling of two Poseidon class ballistic missile submarines normally scheduled for overhaul so that we can stay within the sublimits of the Salt II Treaty.

Now, if I am correct, our ballistic missile submarines are our most survivable leg of our deterrent triad. Furthermore, the Salt II Treaty was never even ratified by the Senate, and would have expired even if it had been ratified.

So what our Democratic friends are doing is dismantling part of our most effective nuclear deterrent so that we can resurrect a defunct Arms Control Treaty that the Soviets are violating.

My colleagues, I strongly believe the President should veto this misguided piece of legislation, and let's start over on a clean sheet of paper and do what is best for our national security.

HUMAN NEEDS AND MOBILITY

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Miss. SCHNEIDER. Mr. Speaker, today I am introducing the "Human Needs and Mobility Resolution," which addresses a subject virtually ignored by decisionmakers both in development agencies and lending institutions: the transportation needs of those who comprise a majority of the Earth's people, the Third World poor.

Lack of transport is one of the gravest problems facing the world's underdeveloped and debt-ridden countries. The virtual absence of this fundamental need adversely affects the health, well-being, and economic productivity of hundreds of millions of impoverished human beings.

For millions of families the daily reality requires hours of hand carrying heavy loads of water and firewood located miles from their dwellings. The respected international assistance organization, Save the Children, finds a lack of transport to critically undermine essential health services. For example, the absence of vehicles leave health posts without drugs, mobile vaccination campaigns are not carried out, the sick are not transferred to medical attention, and much disease prevention and health promotion goes untapped because people cannot visit health centers.

Although development agencies and lending institutions have engaged in expanding motorized transport services in developing countries, in practice this is an unrealistic possibility. Even bus fare, let alone simple motorbikes or cars, are beyond the reach of hundreds of millions of families. Lack of money for the purchase of motorized transport, plus problems with maintenance, repair and supply of fuel, lubricants and spare parts, makes it unlikely that in the short- and medium-term these will be a real answer to the transport problems of families, or workers in the health, welfare, education, and assistance community.

Save the Children, the Peace Corps, and other private and public development agencies working at the village level have found a variety of nonmotorized vehicles to be quite in line with the needs of cash-poor families and local agencies. Bicycles and tricycles, for example, are cheap to buy, easy to assemble and maintain, require little in the way of lubrication and nothing in the way of fuel. Millions of families currently use them, often in conjunction with carts, to transport up to 400 pounds of cargo over even the most difficult terrain. There is a long tradition of using such human-powered vehicles to transport agricultural products, fuelwood, water, manufactured goods, clothes, drugs, and medical materials, and even for use as an ambulance in emergencies.

Unfortunately, development programs funded in part by the United States currently promote policies favoring capital-intensive highways and motorized vehicles, to the exclusion of nonmotorized options. All too frequently, the low-cost, nonpolluting, more broadly affordable, human-powered vehicles are marginalized or destroyed. A few stark examples make the point.

Jakarta, Indonesia has thrown 75,000 tricycles, the basis of a thriving system of microenterprises, into the sea, ostensibly to reduce traffic congestion. El Salvador spends over one-half of its export earnings on petroleum, yet only five out of 1,000 people can afford to own a car. Pakistan has received a $200 million World Bank loan to begin automobile production, yet only a tiny minority can afford cars.

One-quarter of the World Bank's portfolio is invested in transportation-related projects, yet almost nothing goes for vehicles people can afford or to encourage nonmotorized, low-cost forms of transportation. Similarly, the U.S. Agency for International Development [AID] has no projects related to reducing transport-related energy use or promoting sustainable substitutes. Humanitarian relief distribution in Mozambique and Ethiopia relegate women to pack animal status to head carry 100-pound sacks of grain from distribution centers to villages.

Sustainable and affordable transportation strategies are desperately needed to address the mobility needs of all without destroying the environmental resources that underpin sustainable economic development. The "Human Needs and Mobility Resolution" builds upon language inserted in the fiscal year 1989 House Foreign Operations' appropriations bill. It recognizes the problems of too little transport for so many people, and emphasizes actions to be taken by AID and U.S. representatives to multilateral funding institutions to provide real and sustainable solutions for the mobility needs of the poor in developing countries.

If we are to encourage flourishing microenterprises as a means of helping people help themselves to overcome their impoverished conditions, and transform aid-dependent nations into thriving trade partners, then we need to assist in the development of sturdy, low-cost, sustainable transport options appropriate to local conditions.

OUTSTANDING TEACHERS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. DYSON. Mr. Speaker, today I rise to salute four outstanding teachers from the First District of Maryland. They have recently been honored for exemplary service to the St. Mary's County School System.

Violet Sakran, a mathematics teacher at Chopticon High School, will be representing St. Mary's County at the Maryland State Teacher of the Year program, which is being sponsored by the Maryland State Department of Education. Ms. Sakran has been teaching for 27 years, spending the last 16 in St. Mary's County. Also, she has received numerous awards and honors throughout her teaching career in addition to being an active member of her community.

Three other teachers were recognized for their outstanding service to the St. Mary's County School System by their respective schools. Ann Schumaker was chosen as the Teacher of the Year representative for the Ridge Elementary School. Ms. Schumaker is a resource teacher approaching her 19th year teaching in the county. Kathryn Sloan, who has been in the school system for 5 years, was the Carver Elementary School representative. Mary Jane Shoemaker, a physical education teacher for 15 years, was Oakville Elementary School's choice for Teacher of the Year.

These four teachers represent the quality of instruction the students of St. Mary's County are receiving. This year alone, 18 service academy nominees from the First District of Maryland were accepted to their respective institutions. Mr. Speaker, this extraordinary number reflects impressively on our highly successful school systems. We, in Maryland's First District, are proud of all the teachers in our area, and these four distinguished educators are to be proudly commended for their valuable contributions to our children's education.

A TRIBUTE TO DR. EILEEN L. POIANI

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. GUARINI. Mr. Speaker, I rise in tribute to a distinguished citizen, a good friend, and a dedicated professional with an outstanding past and a brilliant future.

Dr. Eileen L. Poiani combines the best of academic excellence, professional achievement, and a commitment to time-honored values and ideas. She is truly a woman for all seasons.

As assistant to the president for planning at St. Peter's College, she has brought honor to Jersey City and to her home State of New Jersey. And as a widely respected professor of mathematics, she has been selected to represent our country at the sixth annual International Congress on Mathematical Education, in Budapest, Hungary from July 27 to August 3, 1988.

The International Commission on Mathematical Instruction sponsors a conference, every 4 years, to bring together mathematicians from around the world to discuss ways to improve the teaching and learning of mathematics. The fact that Dr. Poiani was chosen as the sole representative of the United States is a reflection of her ability, reputation, and stature.

Mr. Speaker, the United States faces a real challenge in the high stakes battle of world trade. Almost every day, Members rise on the floor of Congress to talk about improving our education, strengthening our competitiveness, and motivating our students and workers.

I am proud to say that Dr. Poiani is a field commander in this important battle of strengthening the American economy. Throughout her career at St. Peter's, she has demonstrated a strong dedication to the field of mathematics, and a strong commitment to mathematics education throughout the United States.

St. Peter's College has recognized her substantial contribution, by awarding her a Bene Merenti medal last year for 20 years of service to the college. And her colleagues have recognized her contribution by designating her to represent our country in Hungary.

Dr. Poiani has also received the Jesuit college's George F. Johnson, S.J. Award for excellence in teaching and was inducted an honorary member of the college's Order of the Cross Keys and Alpha Sigma Nu, the National Jesuit Honor Society.

On the national level, Dr. Poiani was named a Danforth Associate. Sponsored by the Danforth Foundation, the program funded educational projects designed to improve student-faculty relationships and to strengthen the learning and teaching processes.

Dr. Poiani is also listed in the American Men and Women of Science, Who's Who of American Women, and Who's Who in Technology today.

A graduate of the doctoral program in mathematics at Rutger's University, she has emerged as a spokesperson for programs that encourage more women and minorities to pursue upper level mathematics courses. Dr. Poiani is indeed a role model for women, both those in the field of mathematics and those who pursue other career options. She was the founding director of Women and Mathematics, a national organization created to encourage young women to study mathematics. This is a critical contribution at a time when the United States needs more people with expertise in science, math and technology.

Academic achievement has marked her career, beginning with her graduation from Nutley High School, where she served as valedictorian of her class. She went on to earn her undergraduate degree in mathematics from Douglass College, where she was a Phi Beta Kappa graduate. Her alma mater inducted her into the Douglass Society, an honor reserved to recognize the achievements of distinguished alumnae.

Dr. Poiani later added a master's degree in mathematics from Rutgers University before beginning her studies for a doctorate. She attained that achievement at age 27, a relatively young age for a mathematics doctorate.

Dr. Poiani has applied her many talents beyond her field to her local community. She is a member of the New Jersey Supreme Court Ethics Committee for Hudson County and a trustee of Saint Peter's Preparatory School in Jersey City. Dr. Poiani has also served as a member of the Hudson County Commission on the Bicentennial of the Constitution and a trustee of the Nutley Free Public Library.

Of course, Dr. Poiani has devoted much of her energy toward strengthening the field of education. Her position as an evaluator for the Middle States Association of Colleges and Schools is an indication of her dedication to excellence in education. Dr. Poiani also participates as a member of the advisory committee of the Consortium for Educational Equity based at Rutgers University.

The degree of excellence she has attained has not gone unnoticed in national mathematics circles. Dr. Poiani chairs the United States Commission on Mathematical Instruction, a commission of the National Research Council of the National Academy of Sciences, and is currently serving as the first female president of Pi Mu Epsilon, the National Honorary Mathematics Society.

And now, those active in mathematics on the international level will benefit from Dr. Poiani's expertise. As the U.S. representative to ICME-6, she has been charged with the important task of presenting U.S. concerns in mathematics to representatives from nations around the world. She will also join with those representatives to develop an agenda to guide mathematical education research and the teaching of mathematics for the next 4 years.

But Dr. Poiani's efforts at the conference will not end with that task. Dr. Frank Press, President of the National Academy of Sciences, also appointed her to head a six-member American delegation to be available at the congress to discuss the latest trends in American mathematics.

Dr. Poiani was also invited by the chairperson of the International Program Committee for ICME-6 to present her paper "A Successful Approach to Preparing Students for Collegiate-Level Mathematics," during the week-long congress.

Mr. Speaker, when Americans travel abroad they are ambassadors of the American people. Dr. Poiani will represent us with distinction. Her commitment to public service, her spirit of goodwill, and her intellectual and professional depth will make friends for our country, and will make us all proud.

SIEGE OF PORT HUDSON, LA

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. BAKER. Mr. Speaker, this year is the 125th anniversary of three of the most important battles of the Civil War. Most people can identify the first two of these battles: Gettysburg, PA, and Vicksburg, MS. The third, Port Hudson, LA, was the longest battle of the war.

By May 1863, the only Confederate strongholds on the Mississippi River were Port Hudson and Vicksburg. Both garrisons guarded the mouth of the Red River, a Mississippi River tributary, which served as a vital Confederate supply route from the West.

May 23, 1863, was the first day of the longest genuine siege in U.S. military history. For 48 days the 6,000 Confederate soldiers of the Port Hudson, LA, garrison were besieged by a force composed of nearly 40,000 soldiers of the Union's XIX Corps.

The Port Hudson garrison was established at the site of the small Mississippi River cotton port of Port Hudson. Located 15 miles north of Baton Rouge, Port Hudson was built on a series of high river bluffs. Encircling the town was a 4½-mile-long earthen wall which the Confederates erected in order to protect their nine river gun batteries.

Port Hudson's first major Union attack began on the night of March 14, 1863 when seven ships of Adm. David G. Farragut's river flotilla attempted to pass its batteries. Only Farragut's flagship, the U.S.S. *Hartford,* and her escort succeeded in passing. Of the five remaining ships two were severely damaged and one, the U.S.S. *Mississippi,* was sunk. The U.S.S. *Mississippi* had the distinction of being Commodore Matthew C. Perry's flagship on his historic voyage to Japan a decade earlier.

Not until May was another major Union assault carried out on Port Hudson. This occurred on May 23 when elements of the XIX Corps linked together and completely surrounded the garrison. Under the command of former Speaker of the House of Representatives and Governor of Massachusetts Maj. Gen. Nathaniel P. Banks, the XIX Corps besieged Port Hudson.

During the siege the Port Hudson Confederates, under the command of Maj. Gen. Franklin Gardner, withstood two main assaults against their lines. These occurred on May 27 and June 14. Though both assaults were disastrous for the troops of the XIX, the attack on May 27 was significant in that it was the first time in U.S. military history that black troops were used on a large scale. The actions of the 1st and 3d Louisiana Native Guards (United States) during this attack were later cited during recruiting campaigns in the North. Their actions helped to raise black enlistment to nearly 180,000 by the end of the war.

Though suffering from a lack of supplies, the debilitating effects of disease and the elements, and the constant Union gunfire, Port Hudson did not surrender until after receiving news of the fall of Vicksburg. On July 9, the Port Hudson garrison officially surrendered, becoming the last Confederate stronghold to fall on the Mississippi.

Long overshadowed by the siege of Vicksburg, Port Hudson remained virtually forgotten for the next 100 years. Not until the Civil War Centennial did an active movement begin to establish a Port Hudson historic park. This was established in 1982 when the Louisiana Office of State Parks opened the Port Hudson Commemorative Area. Port Hudson State Commemorative Area takes in approximately one-third of the Confederate earthworks. These works are connected by 6 miles of trails and will be interpreted by a visitor center presently under construction.

The battle fought at Port Hudson was important for many reasons and should properly take its place along with the better known engagements at Gettysburg and Vicksburg in the 125th anniversary of these three important events in our country's history.

AN ANNIVERSARY OF TENSION AND OF HOPE

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. FEIGHAN. Mr. Speaker, each July, Americans celebrate the birth of our country. More than anything else, these celebrations pay tribute to the founding principle of democratic rule—that power emanates from the will of the governed.

But few Americans are aware that half way around the world, on the island nation of Cyprus, each July 20, marks the anniversary of a brutal invasion and illegal occupation that continues today. On July 20, 1974, 40,000 Turkish troops attacked Cyprus in response to an abortive coup attempt against President Makarios. The coup failed. Makarios regained control. But, the Turkish troops stayed. And a month later, they attacked again until they occupied more than a third of the island.

Fourteen years later, 30,000 troops enforce that illegal occupation. These troops are the most dramatic reminder that no such celebration of government by the people is possible on Cyprus.

Congress responded by taking the unprecedented step of placing an arms embargo on our NATO ally, Turkey. Three years later, the embargo was lifted in hopes that Turkey would be more forthcoming in dealing with the Cyprus issue. Those hopes still have not been realized.

In 1983, the Turkish-Cypriot leader Rauf Denktash declared the independence of the Turkish-controlled sector as the "Turkish Republic of Northern Cyprus." Turkey immediately recognized the puppet state and remains its lone benefactor today—pouring in foreign aid and sending 60,000 settlers to change the demographic make-up of the island. On the street in the north of Cyprus today, every other person is a recent emigrant from mainland Turkey.

Turkish intransigence on the Cyprus issue has only been made easier by a cosy relationship with the Reagan administration. The East-West focus of the President's foreign policy jibed with Turkey's self-image as principle defender of the landbridge linking East and West, and guardian of the Dardanelles—the strategic outlet for Soviet ships from the Black Sea. Reagan's realpolitick reduced the Cyprus conflict to a minor annoyance, certainly not an over-riding concern to NATO stability.

During the Reagan years, Turkey received nearly $5 billion in U.S. foreign aid. The administration opposed every single congressional measure designed to condition aid to Turkey based on progress on the Cyprus issue. Last year, Congress succeeded in passing a law stating that no U.S. arms provided to Turkey for NATO purposes should go to further the division of Cyprus.

On the diplomatic front, the Reagan administration has backed the U.N. Secretary-General's efforts to bring about an agreement between the two sides. Recently, the Secretary-General released a report on the programs of his mission. He reported that the report to the Security Council was made at a time of tension in Cyprus but also at a time of hope. According to the Secretary-General, the tension comes from shooting incidents between U.N. forces and the Turkish-Cypriot forces and between the armed forces of the two companies. The hope stems from the possibility of breaking the diplomatic stalemate and getting the two sides to resume their dialog.

What can the United States do? It is clearly in our interests to see that the parties resolve their differences. To do this, the United States must take steps to promote a climate for constructive negotiations. The conditions are ripe for action. First, the Secretary-General has invited the leaders of the two Cypriot communities to resume a high-level dialog without preconditions. The meeting is set for the end of next month. Second, the unprecedented dialog now going on between the Greek Prime Minister Andreas Papandreou and Turkish Prime Minister Turgut Ozal has eased tensions in the region and forms a helpful diplomatic environment for progress on Cyprus.

But above all, the United States can embrace and echo the Secretary-General's renewed call for the removal of Turkish troops on Cyprus—and impress it upon the Turks. Turkey holds the unenviable distinction of being the only western nation occupying another western nation. No single move by Turkey would have greater significance, or go further to help break the diplomatic statements than a decision to take its troops off Cyprus.

Throughout history, divided lands have always held the potential for destabilizing violence. A unified Cyprus could well become the "Switzerland of the Middle East." Deadlock, frustration and military escalation could make it into another Lebanon. The challenge to the leadership of the two communities—and to U.S. diplomacy—is finding a way to defuse the danger of escalation take advantage of the favorable conditions that exist today for a just settlement of the Cyprus issue.

SALUTE TO DAVID HALPERN

HON. JAMES M. INHOFE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. INHOFE. Mr. Speaker, today I would like to bring your attention to an Oklahoman who has brought the Rocky Mountains to Washington, DC. Into this capital heat-wave, he has introduced snow. Tulsa photographer, David Halpern, has been recognized by the National Park Service for his work as the artist-in-residence for the Rocky Mountain National Park. Halpern spent 8 weeks at Rocky

Mountain where he photographed nature during the four seasons.

Mr. Halpern is the only artist ever to be asked to participate in the artist-in-residence program more than once. He has also had the distinct honor of having his photographs of the Rocky Mountain National Park displayed in the Director's office of the National Park Service for the last 6 months. The photos are done in black and white in order to give them the look of a silent movie.

Nature and one man's creativity meet in these photographs in a way that makes you want to spend the rest of your life in the Rocky Mountains. Mr. Halpern said of the Rocky Mountains National Park:

> Rocky is at once silent and roaring, nurturing and uncaring, very old and ever young. It is life in all its forms and moods, and it is what I enjoy feeling a part of, with the jay and the elk and the ground squirrel and the aspen and the changing seasons.

I would encourage my friends and colleagues to go by the office of Director William Mott of the National Park Service and view the exhibit of 46 photographs that are as breathtaking as the Rocky Mountains themselves.

U.S. ARMS SALE POLICY IN THE PERSIAN GULF

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. SMITH of Florida. Mr. Speaker, last week in an interview with the Defense News, Prince Bandr Bin Sultan, Saudi Arabia's Ambassador to the United States, expressed his country's interest in purchasing additional advanced fighter aircraft from the United States in the early 1990's. The Saudis are seeking to replace their American-manufactured F-5's with either American-manufactured F-18's, F-16's, or the F-16 *Agile Falcon*.

Ironically, it was only 2 weeks ago that numerous political pundits were busy writing the postmortem on United States-Saudi relations after it was revealed that the British had signed a multibillion dollar arms contract with Saudi Arabia.

Prince Bandr's action accentuates two recurring themes in the foreign policy of Saudi Arabia and other Persian Gulf nations. First, United States friends in the region, Saudi Arabia, Kuwait, and Bahrain, for example, have insatiable appetites for buying American-made weapons—and for good reason. American weapons are, on the whole, superior to those of other nations and carry the political clout of the United States. Considering the tumultuous history of the Persian Gulf region, it is understandable why these countries are determined to purchase weapons from us.

Second, the nations of the Persian Gulf have become masters at playing regional and international powers against one another in order to shore up their own security. A prime example of this is how these countries procure defense articles and services. For decades now, the British, French, Soviets, Americans, and most recently, the Chinese, have been pumping billions upon billions of armaments to the oil rich Persian Gulf countries. In its 1987 report, the Arms Control and Disarmament Agency [ACDA] notes that from 1982-86, not only did Kuwait purchase $230 million in arms from the United States, but they also purchased $220 million from the Soviet Union and $420 million from France. Saudi Arabia has bought $6.1 billion from the United States, $6.8 billion from France, and $1.2 billion from the United Kingdom.

As such, its should surprise no one when 1 week the Saudis purchase an estimated $12 billion in millitary goods from England, and the next week express an interest in a $3 billion arms deal with the United States. And nobody should be surprised when the Kuwaitis conclude an arms deal with the Soviets in the midst of negotiating the purchase of F-18's and Maverick missiles with the United States. The fact is, that no matter what the United States does or does not do, these countries will rely on alternative sources for military hardware. It is ingrained in their political culture.

The United States has a tremendous amount of influence with the friendly countries of the Persian Gulf. However, it appears we are either timid or simply unwilling to exercise it. When will the United States cease to play the role of the benevolent, clumsy giant in the Middle East? While the Saudis and Kuwaitis are interested in upgrading their defense establishments, the United States is interested in reducing international support for terrorism and initiating negotiations that lead to direct talks to resolve the Arab-Israeli conflict. We should demand more cooperation from these allies in return for our military support. Instead of arms sales being used as a litmus test of our commitment to the security of the requesting country, they should be used as a carrot to entice these countries into helping us achieve fundamental foreign policy goals.

SAMUEL AND RITA RAPPAPORT HONORED

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. FOGLIETTA. Mr. Speaker, on September 16, 1988, the Friends of Multiple Sclerosis in Philadelphia, PA, will honor two of our area's most respected people. In recognition of their untiring service to volunteer organizations throughout the Delaware Valley, and the Nation, Samuel and Rita Rappaport will be the recipients of the Multiple Sclerosis Society's most outstanding volunteer honor, the Silver Hope Award.

Throughout the Delaware Valley, Samuel and Rita are well-known philanthropists, donating millions of dollars and countless hours of time to more than 100 local charities over many years. In addition, the Rappaports have helped raise millions of dollars to fight such diseases as multiple sclerosis, tay sachs, juvenile diabetes, and to support the Arthritis Center at Hahnemann University in Philadelphia. In addition, Mr. and Mrs. Rappaport have donated their talents and their fundraising skills on behalf of such humanitarian causes as the Philadelphia Committee for the Homeless, the Moss Rehabilitation Center, the Boy Scouts of America, the Jewish community centers, and the Mayor's Commission on Literacy, to name only a few. Each organization has benefited from their influence, their generosity, and their rare ability to work well with staff, volunteers and the community at large.

Samuel and Rita Rappaport are a treasure to the city of Philadelphia. Their never-ending support of important organizations throughout the Delaware Valley is one of the reasons that our city is such a wonderful place to live. I congratulate them on this special occasion. Samuel and Rita Rappaport have opened the doors to a brighter day for thousands of people. Their Silver Hope Award could not be more appropriately named.

HERMAN J. MEGDAL IS HONORED AS "MAN OF THE YEAR" BY GATEWAYS HOSPITAL MEN'S CLUB

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. WAXMAN. Mr. Speaker, on Sunday, October 23, 1988, Gateways Hospital Men's Club is proudly honoring Herman J. Megdal as this year's recipient of the highly esteemed "Man of the Year" award.

Originally from Chicago, Mr. Megdal served in the U.S. Department of the Army during World War II. He later moved to Los Angeles where he subsequently cofounded and operated Cal State Metals. Throughout the years, Mr. Megdal has maintained an involvement in the community and in many important causes which are important to all of us.

In keeping with the high standards of Gateways Hospital Men's Club, Herman Megdal is a much distinguished and accomplished civic and community leader. He has served as an organizer, contributor, participants and leader of innumerable organizations and has been the honored recipient of many well-deserved awards, citations, and tributes.

Some of the organizations in which Mr. Megdal has participated in are: as board member and president of Gateways Hospital Men's Club, board member and president of Westwood Shrine Club, president of King Soloman Lodge, B'nai B'rith, California Highway Patrol Foundation, City of Hope, ORT, Junior Blind, ADL, Catholic Youth, Friars Charity, and as a board member of Temple Beth Am. Herman J. Megdal has also given unselfishly in offering assistance to the Shrine Hospital for Crippled Children, Indian Guides, Cedar-Sinai, Vista Del Mar, Red Cross, United Way, UJA, the Boy Scouts, and the YMCA.

Mr. Megdal's children, Steven, Robert, and Lori and their families are understandably proud of his many fine achievements.

I ask the Members to join me in offering congratulations to Herman J. Megdal, this year's honored recipient of the Gateways Hospital Men's Club "Man of the Year" award to be presented at the 23rd Annual Heal-A-Mind Ball at the Century Plaza Hotel.

RACISM IN JAPAN

HON. JOSEPH E. BRENNAN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. BRENNAN. Mr. Speaker, I rise today to bring attention to a situation that is most disturbing. Last Friday, July 22, the Washington Post ran an article entitled "Old Black Stereotypes Find New Lives in Japan." This article details marketing practices of three Japanese companies.

Today the Japanese are distributing black mannequins with grossly exaggerated features. They are marketing a line of clothes called Sambo which dredges up the image of the racist character Little Black Sambo, and they are using these racist stereotypes to sell their clothes.

This blatant example of racism brings back the ugly memories of when former Prime Minister Yasuhiro Nakasone suggested that blacks were partly responsible for bringing down the intelligence level of the United States. Unfortunately the Japanese are continuing to make the same mistake.

The parading of these racist characters to sell clothing is an affront to all minorities in this country and around the world.

Yesterday I distributed a letter which I propose to send to the Japanese Ambassador, Nubuo Matsunaga, protesting the Japanese companies' actions. I urge my colleagues to join me in signing this letter to voice our disapproval of the trend in advertising of products in Japan.

ARGUMENT PAPER FOR STATEHOOD FOR THE DISTRICT OF COLUMBIA—BY ANN-MARIE AGOSTINELLI

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. FAUNTROY, Mr. Speaker, I want to share with my colleagues the following student essay, "Argument Paper for Statehood for the District of Columbia," which was written by one of my constituents, Ms. Ann-Marie Agostinelli.

ARGUMENT PAPER FOR STATEHOOD FOR THE DISTRICT OF COLUMBIA

(By Ann-Marie Agostinelli)

The United States of America was founded on the principles of equal rights and representative government for all. Our democratic ideals are proudly proclaimed and advocated to the world. Our integrity lies in our dedication to these virtues of democracy and in our determination to see that every dutiful citizen is granted his or her just voice in government. As American citizens we expect, and will accept, nothing less. We would be appalled should we be denied these fundamental rights.

Nevertheless, for more than 700,000 tax paying citizens residing in the capital city[1], that voice in government is muffled. Those fundamental rights are denied. Democracy is stifled. Instead, District of Columbia residents are subject to taxation without representation. They are treated as second-class citizens who carry all the burdens of citizenship, but have no representation in the Senate and one non-voting delegate in the House of Representatives.[2] District residents are not allowed full control of their own affairs as Congress exercises ultimate control over their government. D.C.'s legislative authority is subject to congressional veto and Congress must approve the District's budget.[3]

[Footnotes at end of article.]

I say it is time to authenticate our policy of Democracy and amend this condition of injustice. It is time to grant the District of Columbia equal status with the fifty-states. We must recognize citizens in D.C. on equal terms with the citizens in the fifty states. It is time to make the District of Columbia the fifty-first state in the Union.

On the principles of Democratic government alone, one would surely heed the call for D.C. statehood. For the role of the District of Columbia in the United States' generation of revenue, in the total federal tax burden, as well as in contributions concerning other important duties of citizenship, more than qualifies D.C. to be on equal terms with the fifty states.

Residents of the District pay over a billion dollars annually in taxes to the Federal Treasury; this amount is more total federal taxes than nine states pay.[4] The per capita tax payment for District residents is $500 above the national average[5] and is a payment higher than 49 states.[6] District residents have fought and died in every war since the War for Independence.[7] During the Vietnam War, D.C. had more casualties than ten states, and more killed per capita than 47 states.[8] D.C. contributes more to social security than six states and pays more excise taxes than seven states.[9] Earnings in the communications industry rank higher than 25 states.[10] Finance, insurance, and real estate earnings are higher than those of 14 states.[11] D.C. earns more from hotels and lodging than 27 states and more from business services than 30 states.[12] Legal services rank higher than 41 states, educational services, higher than 43 states.[13] D.C.'s generation of revenue on the state and local levels surpasses that of 12 states; the District makes more from amusement and recreation than nine states and more on retail trade than eight states.[14]

Despite these facts and figures, statehood for the District of Columbia has been challenged with the question of its constitutionality. Some argue the mandatory neutral status of the capital city of the United States and therefore oppose its subjection to any one state's authority. House Resolution 51, the Congressional bill that seeks to admit the District of Columbia as the fifty-first state, actually does not terminate the function of a neutral capital city. Washington D.C. will still exist, only its size will be reduced to what is known as the federal enclave, consisting of the principal federal monuments, the White House, the Capitol, the Supreme Court Building, and the federal executive, legislative and judicial buildings located adjacent to the Mall and to the Capitol Building.[15] If the bill passes both houses of Congress, the state of New Columbia will be created from most of what is now the District of Columbia, including its territorial waters and excluding the federal enclave.[16]

There is no Constitutional provision prohibiting the creation of a state from the capital city. In fact, in Article I, section 8, clause 17 of the U.S. Constitution, Congress is given the power to "exercise exclusive legislation in all cases whatsoever", over the capital district. Additionally, this clause provides a ceiling of 10 miles square, but not a floor, on the size of this district. Despite the argument that Congress lacks the authority to redefine District boundaries without a constitutional amendment,[17] Congress has in fact already exercised this authority to alter the District of Columbia's size, when it returned the 33 square miles to Virginia that that state had earlier ceded to make up the District in 1846.[18]

The disenfranchisement of the residents of Washington, D.C. can be historically explained, but can no longer be justified. When Congress first accepted the cession of the District of Columbia by Maryland and Virginia in 1790, it continued their respective jurisdictions over District residents and land until the Capitol relocated and Congress "could otherwise by law provide" for their government.[19] So District residents voted in either Maryland or Virginia until December, 1800 when the Capitol, and Congress with it, moved to the Potomac site.[20] Soon after the move, Congress passed a bill de-authorizing the laws of the two states in D.C., intending to "allow Congress at some future period . . . to enter on a system of legislation in detail, and to have established numerous policy regulations."[21] The disenfranchisement of District residents was the immediate consequence.[22]

This disenfranchisement was by no means a permanent intention. Opponents of the bill objected to the reducing of residents to "the state of subjects . . . deprived of their political rights."[23] In 1803, sponsors of a return of voting rights to the District of Columbia stated that the disenfranchisement was "an experiment in how far free men can be reconciled to live without rights."[24] There were only 3,200 D.C. residents at this time, not enough population to meet the 50,000 required for Statehood.[25] The bill just mentioned, enabled Congress to postpone indefinitely the enactment of legislation attending to the rights and representation of this sparse population.[26]

Furthermore, Congress could not have foreseen the growth of the District as, originally, D.C. was assumed to be a part-time residence for federal employees who returned to the states for their legal and permanent residencies.[27] Surely Congress did not conceive of the eventual deprivation of the rights of 700,000 persons. The lack of full voting representation for the District can no longer be justified. D.C. statehood would further the principles of democracy that the Founding Fathers intended for all American citizens.

Aside from this issue of democracy, the Department of Justice objects with the statehood bill itself. The Department of Justice claims that H.R. 51 cannot provide for the relinquishing of federal property not for public use or without compensation.[28] However, Article VI, section 3, clause 2 of the U.S. Constitution gives Congress the power to "dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States". There is no provision requiring relinquished land to be compensated for or used for public purposes.

As to the Justice Department's argument that H.R. 51 fails to obtain Maryland's consent for D.C. statehood,[29] the District territory given by Maryland, was acknowledged to be "forever ceded and relinquished to the Congress and Government of the United States, in full and absolute right and exclusive jurisdiction", according to the act passed by the Maryland General Assembly in 1791.[30] Maryland permanently surrendered sovereignty over the ceded territory to the federal government.

Congressman Stanford E. Parris faults H.R. 51 with providing for the continuance of D.C.'s annual federal payment to the state of New Columbia.[31] This payment, however, is not a "grant" or gift as the Justice Department contends. Quite the contrary, the legislation would permit, not require, the federal government, at its own option, to provide payment for services rendered and revenues foregone because of the federal presence.[32] Such a payment, if there is one, would be on an annual appropriated basis and would be, as it is now, a fair contribution of the Federal Government for its own upkeep.

The Justice Department raises the issue of a lacking embassy provision in H.R. 51, alleging that "various treaty obligations of the United States . . . require that such installations be at the seat of government."[33] Point of fact, there simply is no such requirement. Existing international agreements as authorized by the Vienna Convention of Diplomatic Relations, require only that the host nation assist the foreign nation in obtaining a diplomatic residence and provide protection.[34] There is no requirement that foreign embassies be located in the capital city. Article 23 of the Convention specifically exempts diplomats from all national, regional and municipal taxes.[35] In doing so, it actually implies that embassies may be located in an area in which the federal government is not the only governing authority.

The Justice Department further holds that the Twenty-Third Amendment, which gave the residents of D.C. representation in the Electoral College, must be repealed before Statehood can be granted to New Columbia.[36] In response to this argument, Congressman Fauntroy points out the fact that for the last two centuries, at least six other sections of the Constitution have been superseded or rendered obsolete by subsequent legislature and were never repealed.[37] Citing some examples, he mentions Article 1, Section 2 of the Constitution which counted slaves as three-fifths of a person. He cites also, Article 4, Section 2 of the Constitution that mandated the return of fugitive slaves who escaped state borders. When the 13th Amendment, emancipating all of the slaves of the U.S., was passed, neither of these sections was repealed. Both simply became dead letters as they were no longer operative. This, too, will be the case for the 23rd Amendment, upon passage of H.R. 51, as it will no longer be applicable. All residents of the Federal Enclave will become citizens of New Columbia for voting purposes.

The Department of Justice maintains that the District of Columbia lacks sufficient economic resources as well as sufficient population to exist as a state.[38] In all actuality, its population is already larger than that of Alaska, Wyoming, Vermont and Delaware, and is projected to be larger than Nevada and North and South Dakota as well, after the 1990 census.[39] Furthermore, the District has already proven itself to be a viable economic entity. Its unique economy is predominantly service-oriented but is no less legitimate or stable than the economies of states dominated by manufacturing or agriculture industries.[40] The District has the capacity to support its own government.

The Pensacola, Florida Sun-Press newspaper article entitled "51st State?" claims that it is in the country's interest to oppose the creation of the state of New Columbia as, in future years, the federal government will need the land it will be giving away.[41] Whether or not this need will arise in the future is immaterial as the federal government has the power of eminent domain to appropriate whatever land in the U.S. it needs. The state of New Columbia will necessarily be equally subject to this authority as the other states.

James J. Kilpatrick, a syndicated writer, cites in his newspaper article, "Statehood for the city of Washington?", that "the bill holds a prospect of political disaster" as, most likely, the new state would send two liberal Democrats to the Senate and upset the balance of power between liberals and conservatives.[42] Additionally, the population of the District is predominantly black, and although blacks are about 12 percent of the U.S. population, there are no black state governors or U.S. senators.[43] Surely as there are those who find the likelihood of two black Senators to be undesirable, H.R. 51 has its opponents who find the likelihood of two liberal Senators to be undesirable. These, however, are not sufficient reasons to block passage of the D.C. statehood bill, as balance of power in the Senate is not required, and personal prejudices have no legal authority.

Historically, voting representation was denied to nonlandowners, to blacks, and to women. Similarly, it is wrong to deny representation to residents of our capital city. Granting equal representation to residents of the capital city is not unique. Quite the contrary, of the 115 nations with elected national legislatures, only the United States denies representation in the legislature to citizens of the capital city.[44] The residents of the District of Columbia have paid their dues to America. Washington D.C. has sufficient population and resources to support a state government. It is time to grant District residents the same rights enjoyed by all other tax paying citizens. For no American citizen can continue to deny D.C. residents the equal status and rights that they demand for themselves. A fair and democratic nation, who professes to the world the fundamental right of government by the people, must grant D.C. self-government in New Columbia, and accompanying representative government in both Houses of Congress.

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FOOTNOTES

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4. March 18, 1988 Memorandum, Public relations report, Marc Apter/David Apter & Associates, p. 4.

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8. Ibid.

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10. "The Briefing Book for H.R. 51 The D.C. Statehood Bill," Georgetown University Law Center's Harrison Institute for Public Law, in conjunction with the Committee on the District of Columbia/Subcommittee of Fiscal Affairs and Health, U.S. House of Representatives, pg. 33.

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12. March 25, 1988, Memorandum, Public relations report, p. 7.

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15. "The Briefing Book for H.R. 51 The D.C. Statehood Bill," foreword page.

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18. Ibid, p. 7.

19. "If You Favor Freedom," p. 5.

20. Ibid.

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22. Ibid.

23. Ibid.

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25. Ibid, p. 6.

26. Ibid, p. 5.

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34. Ibid.
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41. March 25, 1988 reports from the District of Columbia Statehood/Compact Commission, p. 14.
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THE 14TH ANNIVERSARY OF INVASION OF CYPRUS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. YATRON. Mr. Speaker, July 20 marked the 14th anniversary of the Turkish invasion and occupation of the island nation of Cyprus. This tragic event, undertaken with United States arms, has left over a third of Cyprus controlled by Turkish military forces and forced over 200,000 Greek Cypriots to live as refugees in their own homeland.

In that 14 years, the Government of Turkey has rejected calls from the United Nations and the international community to withdraw its forces. Throughout this period the Republic of Cyprus has remained an internationally recognized democracy which has sought a political solution to end this unwarranted aggression through diplomatic means sponsored by the United Nations.

The new President of the Republic of Cyprus, George Vassiliou, will be making a state visit to Washington this week to apprise both President Reagan and our colleagues about his government's proposal to facilitate a peaceful settlement to this 14-year dispute. President Vassiliou's visit is taking place just prior to his U.N.-sponsored meeting with Turkish Cypriot leader Rauf Denktash scheduled for late August.

Mr. Speaker, these meetings come at a time when the United Nations is playing a critically important role in brokering a cease-fire in the Iran-Iraq war and the withdrawal of Soviet forces from Afghanistan. I am cautiously optimistic that the U.N. can establish a framework for a meaningful and productive negotiation between the Turkish Cypriot community and the Republic of Cyprus. In this respect, Deputy Assistant Secretary of State, James Wilkinson, has been instrumental in promoting U.N. efforts to renew a dialog on the Cyprus question. However, this process will not result in a settlement without a firm commitment from Turkey to withdraw its forces from Cyprus.

Mr. Speaker, for years the Congress has recognized the importance of securing such a commitment and I am hopeful President Vassiliou's meetings in Washington will finally convince the Reagan administration to call on Ankara to end its 14-year occupation. Peace and stability in the eastern Mediterranean calls for no less.

MISSOURI RIVER LAND EROSION

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, in 1933 the Corps of Engineers began construction of the first of six dams on the Missouri River. The purpose of building these dams was to prevent flooding and harness hydroelectric power. The construction and operation of these dams has resulted in damaging land erosion along the banks of the Missouri River in North Dakota, Montana, South Dakota, and Nebraska. The corps has identified 192 erosion sites along the Missouri River. According to the corps, some of these sites need immediate attention.

Today I am introducing a bill that would address the problem of streambank erosion along the Missouri River. Currently, the corps does not have the authority to repair the erosion damages. My bill would authorize the Corps of Engineers to renovate and install structures to prevent and repair the erosion of land along the Missouri River. This bill is only an authorization to repair damages caused by the installation and operations of the Pick-Sloan dams.

This bill involves no increase in appropriations. Funding for the construction of erosion prevention structures will be provided by the corps general maintenance appropriations. According to my bill, the revenues generated from the dams will pay for the erosion repairs.

According to a GAO report, the corps failed to adequately evaluate the streambank erosion problems before building the dams. The law authorizing the dam projects in the 1930's and 1940's did not include bank stabilization measures. The corps agrees, however, that since the construction of the dams there has been a continuous net loss of lands along the Missouri River. The report concludes that the banks along the Missouri River will continue to erode unless some construction is done to repair and protect the streambanks. Currently, the landowners along the river are bearing the consequences of this erosion problem.

Therefore, I feel that it is necessary that the corps be given the legal authority to construct bank protection structures. My bill will do this and it will do it with the hydropower revenues from the dams causing the erosion and not at the expense of taxpayers.

OPENING THE PATH FOR SOVIET EMIGRATION

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. BONKER. Mr. Speaker, as Members of Congress who have championed the issue of human rights and emigration for Soviet refuseniks, we have sent countless letters to the Soviet leadership and Secretary Gorbachev urging them to lift restrictions on Soviet emigration. It appears that in recent months the Soviets have begun to respond more positively in their emigration policy. Although we should never condone the imposition of any conditions on freedom of movement, we should nevertheless be encouraged by this change.

Unfortunately, just as the Soviet leadership's attitude toward emigration is beginning to show some positive signs, it is the United States that is turning away the refuseniks who have been granted emigration visas. Why is this happening? Because the State Department claims it has exhausted the funding for this program. This is an outrageous and deplorable situation. We cannot on the one hand press the Soviet Union to open its doors, while on the other the United States closes its own.

My colleagues, we must do everything we can to clear the way for these refuseniks.

PROTECTION AGAINST DISCRIMINATION TO LEGISLATIVE BRANCH EMPLOYEES

HON. STEVE BARTLETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. BARTLETT. Mr. Speaker, on June 15, I introduced a bill to amend the Civil Rights Act of 1964 to extend the equal employment opportunity laws to the legislative branch of Government. This legislation extends protection against discrimination to legislative branch employees.

This bill establishes, within the legislative branch, a 16-member panel, made up of 8 House Members and 8 Senators, to adjudicate any complaint which might be filed by anyone who claims to have been discriminated against in employment. The eight House Members would hear any complaint brought against one of its Members, and the eight Senators would hear any complaint brought against a Senator.

The bill parallels the enforcement provisions of title VII of the Civil Rights Act.

I am reintroducing this legislation today with a minor change. My original bill, H.R. 4821, defined the term "handicap" as having the same meaning given it in section 7(7) of the Rehabilitation Act of 1973, except that the term would not have included a contagious disease.

I included this exception in my bill because I believed that the House, which did not include "contagious disease" in the original definition of "handicap" in the Rehabilitation Act, would eventually reverse legislatively the Supreme Court's decision in the Arline case which said the definition of "handicapped" included a person with a communicable disease.

Subsequent to introduction of H.R. 4820, the House overwhelmingly rejected a similar amendment excluding "contagious disease" from the definition of the term "handicap" in the fair housing bill. While I disagree with the House's decision, the definition of "handicap" should be the same for congressional coverage as for both private sector and executive branch coverage. Therefore, I have removed the language in my original bill, and the legislation which I am introducing today will include the same definition of handicap as given to it in section 7(7) of the Rehabilitation Act. Should Congress ever choose to change that definition, that change would also apply to the legislative branch.

This is the only change in the legislation. The purpose of the bill is to extend coverage of antidiscrimination laws to Congress as an employer; this new version will accomplish that purpose more precisely.

Again, I wish to express my hope that the Committees on Education and Labor and House Administration will schedule hearings on this important legislation in the near future.

KURT GOTTSCHAL

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. SCHAEFER. Mr. Speaker, I rise today to congratulate one of my young constituents, Kurt Gottschal. I am pleased and proud to recognize his outstanding achievements.

For the second year in a row, Kurt, who is a student at Heritage High School in Littleton, has represented Colorado in the national finals of the Close-Up Foundation's Citizen Bee. This year he finished in fifth place. I am very proud of the tremendous amount of time and effort he put into preparing for the competiton and learning about the history, government and culture of the American people.

I also want to acknowledge and thank those who make it possible for Kurt to participate in the Citizen Bee, including the Colorado secretary of state; Adolph Coors Co.; King Soopers; Bruce Bensen; Steve Shuck; the Denver Post; Peat, Marwick, Main & Co.; the Grand Junction Daily Sentinel; and the Great Western Life Insurance Co.

The Close-Up Foundation's Citizen Bee competition offers young Americans an opportunity to learn about their country and develop a greater pride in it. I am proud that students from my congressional district participate in this program, and once again congratulate Kurt Gottschal on a job well done.

THE 50TH ANNIVERSARY OF THE UTILITY WORKERS UNION OF AMERICA

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. TRAXLER. Mr. Speaker, I rise today to join with so many of my colleagues who this year have been marking the glorious 50th anniversary of the Utility Workers Union of America. I am proud to say that two fine locals of the Utility Workers Union are located in my district: local 144 in Bay City and local 104 in Saginaw. Day in and day out the committed members of locals 144 and 104 provide the dedicated, selfless service to our community that has been the hallmark of the 50-year history of the Utility Workers Union of America.

With more than 60,000 members nationally, the Utility Workers Union found its proud beginnings as the Utility Workers Organizing Committee, an outgrowth of the Congress of Industrial Organizations. The great labor leader, John L. Lewis, president of the United Mine Workers, is credited with having provided much of the vision which guided the early evolution of the Utility Workers Organizing Committee. Those early organizing years were among the greatest in the history of organized labor in this country. By 1942 there were more than 180 local unions belonging to the Utility Workers Organization Committee.

In the spirit of the Powermen's Creed, the powermen who have built the Utility Workers Union are, indeed, power men and women in more ways than one, providing the labor that keeps our cities, towns, schools, and homes lighted and warm, but also powerful in their deep commitment to the brotherhood of the union, building a great industry while ensuring a decent living and secure future for all their members.

Mr. Speaker, I am sure all our colleagues in the House will join with me today as we salute the Utility Workers Union of America and all 60,000 members across the Nation on its 50th anniversary. I also want to offer my personal congratulations to Mr. James E. Davison, president of local 144 in Bay City, MI, and his 549 members, as well as Mr. Carl Litzner, president of local 104 in Saginaw, MI, with 160 members.

VOTE EXPLANATION

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. FAWELL. Mr. Speaker, I was unfortunately not able to be in Washington yesterday. As a result, I did not have the opportunity to vote on H.R. 4741, the Veterans' Compensation Amendments of 1988, and S. 328, the Prompt Payment Act amendments. Had I been present, I would have voted "aye" on both measures.

The prompt payment reform legislation is urgently needed. As a cosponsor of the House bill, H.R. 1663, the prompt payment reform embodied in S. 328 will ensure timely payment of U.S. obligations to Federal contractors.

TRIBUTE TO THE ABRAXAS I FOUNDATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. CLINGER. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to the Abraxas I Foundation. I wish to take this opportunity to salute them for their outstanding work in the rehabilitation of our young people.

On August 16, 1988, the Marienville Chamber of Commerce is sponsoring a dinner to recognize Abraxas I for 15 years of dedicated service to the recovery of our young people from chemical dependency. Abraxas Foundation Inc. I is a private nonprofit corporation founded in 1973 located in Marienville, PA, to provide resident and outpatient treatment services for young offenders. The setting is the scenic and pristine Alleghany National Forest. These adolescents and young adults are referred through the criminal and juvenile justice systems because of the abuse of chemical substances, a growing and increasingly complex problem in our communities.

In cooperation with the courts and child welfare agencies, Abraxas I has developed a comprehensive system of programs designed to break destructive patterns of chemical dependency and delinquency. Abraxas I exists to help clients build productive lives based on integrity, responsibility, and attainment of personal goals. Abraxas I rehabilitation and education programs are nationally recognized as effective in the treatment of chemical dependency as well as social, emotional, and behavioral disorders.

Mr. Speaker, on behalf of the people of the city of Marienville and the 23d District of Pennsylvania, I want to congratulate Abraxas I on their impressive array of accomplishments. Their dedication to our young people and their efforts toward rehabilitation deserve our applause.

AN EXTRAORDINARY PUBLIC HEALTH PROGRAM

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. ROYBAL. Mr. Speaker, today I would like to bring up a new development in an extraordinary public health program.

Since 1985, the American Academy of Dermatology has made it a top priority to work toward the prevention and detection of melanoma/skin cancer, which may affect as many as 600,000 Americans yearly.

I was very pleased to be a part of this effort from the legislative side, encouraging the academy in their efforts to reach out to all of the American people to warn them about malignant melanoma and skin cancers. In 1986, we passed a congressional joint resolution establishing "Older Americans Melanoma/Skin Cancer Detection and Prevention Week, 1986," which President Reagan subsequently supported and signed into proclamation.

I received a letter today from the academy outlining all of the steps that they have since taken in regard to this campaign, and I would like to take this opportunity to update my colleagues about their most recent progress.

Last year, in our bill report, the Labor-Health and Human Services-Education Appropriations Subcommittee called for the National Cancer Institute to begin a national program of skin cancer prevention. The American Academy of Dermatology has since notified me that a major meeting was held at the NCI to define the program, and that the academy is moving forward very rapidly with extended free screening clinics and educational campaigns. Both the National Cancer Institute and the

American Academy of Dermatology should be congratulated for the speed with which they carried through on this request.

I am delighted to have played a part in the development and institutionalization of this program within the Federal Government, and I hope that we will soon see healthy results arise from the awareness, prevention, and early detection of melanoma/skin cancer.

INCLUDING THE DEATH PENALTY IN THE DRUG BILL WOULD BE SELF-DEFEATING

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1988

Mr. CONYERS. Mr. Speaker, with the House soon to vote on the omnibus drug bill, I think the following article from yesterday's Washington Post would be of value to my colleagues.

The article provides an informative analysis of the drug bills before the House and Senate and also raises some of the concerns I have about imposing the death penalty on "drug kingpins." Of primary importance, it states that the death penalty would be counterproductive. It would only weaken our ability to prosecute the very people we most want to remove from the streets, the leaders of the foreign drug cartels. If we have a death penalty, law enforcement officials speculate that other nations may resist extraditing their citizens to stand trial here.

Second, the article raises a point I have repeatedly stressed, that the death penalty does not serve as an effective deterrent. For persons involved in drugs, long-term risks are not as much of a concern as obtaining the next "fix" or payment. Studies have even shown that States with the death penalty have the highest per capita homicide rate.

These are only a few of the moral and practical issues involved. A bill I recently introduced, H.R. 4442, "The Racial Justice Act," attempts to address the further problem of discrimination in the application of the death penalty, as evidenced by the disproportionate number of blacks on death row. Clearly, there are many questions that must be carefully weighed and no easy answers. As the article points out, specialists agree that there are no "quick fix" solutions and rash policymaking may only have negative repercussions.

[From The Washington Post, July 26, 1988]

"SELF-DEFEATING" DRUG BILLS? DEATH PENALTY COULD BAR TRIALS OF "KINGPINS"

(By Micahel Isikoff)

Among all the election-year ideas for combating the drug problem, few have proved more politically popular than the ultimate one—a federal death penalty for major narcotics traffickers.

"It is about time we say to the Darth Vaders of the drug world that you will face the ultimate sanction," proclaimed Sen. Alfonse M. D'Amato (R-N.Y.), as a measure imposing the death penalty for drug-related killings sailed through the Senate by a 65-to-29 vote last month.

But as the plan has gained momentum, winning endorsements from President Reagan and Vice President Bush, some law enforcement officials warn that it could prevent many of the biggest drug "kingpins" from even being tried, much less executed.

The reason is that most of the biggest drug traffickers, such as the leaders of the cocaine cartels, live abroad. And almost no country will agree to extradite any of its citizens to a nation where they face the prospect of the death penalty, according to federal prosecutors and State Department legal experts.

"You have to consider the practical consequences of what you're doing," said Richard Gregorie, chief assistant U.S. attorney in Miami, whose office has indicted more drug kingpins than any other U.S. attorney's office in the country. "If we imposed the death penalty, we wouldn't be able to get any of the true drug lords. It would be self-defeating."

As a questionable weapon in the war on drugs, the death penalty proposal does not stand alone, according to many experts. As Congress races to enact major drug legislation in time for this fall's election campaign, scores of sweeping proposals have been advanced. They include: bringing in the military to help interdict drugs at the border; imposing harsher sanctions on illegal drug users; instituting widespread drug testing in the workplace, and spending billions in new funds for anti-drug programs aimed at treating and deterring drug abusers.

But many experts and law enforcement officials question whether such measures can make a serious dent in the nation's narcotics trade. And in almost every case, they say, the most politically popular ideas will have the least impact on the most serious and alarming aspects of the drug problem, for example, the rise of "crack" use among inner-city youths or the spreading activities of urban gangs trafficking in drugs.

"What we really may be getting here is a pig in a poke," said Peter Reuter, an economist for the Rand Corp. who specializes in federal drug policy. "We don't have the slightest idea what the consequences of some of these proposals are going to be. Yet we're on the verge of putting into place some far-reaching changes in the law that may have very little to do with the problems they are designed to solve."

The most graphic example cited by many law enforcement professionals has been the attempt to enlist the military in interdiction, an effort embodied by a House-passed amendment to a defense authorization bill in May directing the Pentagon to "substantially" reduce drug smuggling within 45 days. Since then, a House-Senate conference committee on the defense bill has narrowed the scope of the military's role considerably, although the Pentagon still would be given primary responsibility for surveillance and intelligence.

In recent interviews, officials of the Drug Enforcement Administration and the U.S. Customs Service contended that the movement to bring in the military illustrates a lack of understanding among lawmakers about how drug smugglers operate.

According to these officials, the biggest cocaine shipments enter the country on ships, hidden inside routine commercial cargo such as roses or concentrated orange juice.

The Customs Service is physically able to inspect no more than 3 percent of the 7 million cargo containers that enter the country every year, according to agency figures. Finding the right containers among the hundreds typically aboard each ship is a painstaking task and largely immune to detection by Airborne Warning and Control System (AWACS) planes or other intelligence assets at the Pentagon's disposal, they say.

"I don't know of anything the military can do to help us in this area," said Patrick O'Brien, special agent in charge of the U.S. Customs Service in Miami, "We've given a lot of thought to the container problem and the only way to stop it is getting on the forklifts and start opening up all the boxes . . . What good does another AWACS plane do? . . . What you need is information on specific cargoes on specific ships."

In recent weeks, attention in Congress has shifted from stopping the supply of drugs from abroad to curbing demand at home. With 205 bills and resolutions on the drug issue introduced this session, congressional leaders have created special "task forces" charged with piecing together disparate elements into an omnibus bill. Operating under an unusual "fast track" procedure that bypasses most public hearings and subcommittee deliberations, House Speaker Jim Wright (D-Tex.) and Senate Majority Leader Robert C. Byrd (D-W.Va.) have pledged to have a mammoth package on the floor of each chamber by next month.

In the process, a seemingly endless array of novel and catchy ideas has tumbled forth. A recently unveiled Senate Democratic plan, put together by a task force headed by Daniel Patrick Moynihan (N.Y.) and Sam Nunn (Ga.), would more than double anti-drug spending to more than $6 billion a year, create a national drug "czar" and institute new penalties for drug offenders, such as denying them federally backed mortgages and disqualifying drug-abusing lawyers and accountants from practicing before federal courts or agencies.

Meanwhile, a Senate Republican package put together by a task force headed by Phil Gramm (Tex.) has emphasized the Reagan administration's "zero" tolerance" and "user accountability" themes. Among its features: mandatory drug testing for members of Congress and their aides, forcing states to randomly test recipients of drivers' licenses for drug use, creating an "Airport Drug Interdiction Zone" in which commerical aircraft could be seized without probable cause, and denying most federal benefits, including access to public housing and job training programs, to persons convicted of drug offenses.

"What the Repubicans are saying is, 'you [the drug user] are responsible for your own actions and the best thing society can do for you is make sure you have real disincentives" to stop using drugs, said Jeffrey Eisenach, a visiting fellow at the Heritage Foundation, who helped draft the Republican plan.

The Republican plan, while it has received little public attention so far, has stirred the most opposition to date among drug professionals, in part on civil liberties grounds. "This is the kind of bill that would make Mussolini blush," said Ethan Nadelmann, a Princeton professor who has become the leading academic champion of drug legalization.

But many specialists in the drug field also point out that these and other proposed user sanctions are the least likely to deter those segments of society most afflicted by the drug problem, particularly inner-city youths who have turned increasingly to crack.

"For these kind of people, the kind of punitive sanctions they are talking about don't mean anything—long-term risks are not even in their consciousness," argues Doug Lipton, director of research and the Narcotic and Drug Research Inc., a leading New York-based clearinghouse on drug use.

"The 'zero tolerance' approach may be fine if you want to deter middle-class yacht owners from keeping a stash of marijuana on their boats," he said. "But what are these kids going to lose—their welfare hotels?"

Experts also warn that many of the legislative proposals can backfire. Denying job training to convicted drug users may cut off one of the few avenues they have toward rehabilitation. Massive drug testing may have the paradoxical effect of prodding workers to shift from marijuana, which stays in the urine from one week to a month, to cocaine or crack, which leaves the urine after two or three days, or to alcohol, which is not subject to urine testing.

"People are most likely to shift their drug use to make sure that if you take it on a Friday night, you won't test positive on Monday morning," Nadelmann said.

Senate Democrats contend that their approach—redirecting the bulk of spending toward treatment, rehabilitation and education—is more humane, and ultimately more productive, than the Republican plan emphasizing sanctions. Among the Democratic bill's provisions, for example, is $1.2 billion in new block grant funding for drug treatment programs, a step aimed at reducing waiting periods of more than 20 weeks in some cities for admission to treatment clinics.

"What we're trying to do is help people and not punish them," said one Democratic staffer. "The idea is to begin to meet the goal of drug treatment on request."

But many drug experts say the treatment-oriented approach also runs into problems: There is little available information on which cocaine treatment programs work and, according to Lipton, "there is no data with respect to crack" treatment. For every 100 persons who enter the door of an inner-city cocaine treatment clinic, 80 or more are likely to leave before the program is complete.

"The Republicans have a nasty point on this," said Reuter, the Rand economist. "The fact is treatment techniques for cocaine are not very good . . . and it's fair to say that if you spend large sums of money on cocaine treatment right now, you won't have much to show for it in terms of reduction of cocaine users. But you might have something to show for it in five years—it's that kind of time frame."

That, however, is precisely the point raised by many specialists in the drug field—there are no easy "quick-fix" solutions to a problem that grows and contracts in response to broad societal trends.

"There's nothing in our history that suggests this can be solved in a short period of time, that you can get a rapid turnaround," said David Musto, a Yale University medical historian who has written extensively on the history of drug control. "My concern is as we turn against drugs, and come to hate the drug users, there's almost no countervailing force out, there's almost no limit to what you can do . . . and you can create a lot of havoc in people's lives."

Fighting the War Against Drugs—Congress' Proposed Ammunition

SELECTED PROVISIONS IN HOUSE BILS

User Accountability: Persons convicted of drug trafficking or two possession offenses will lose eligibility for any federal benefit—including all grants, contracts, loans, licenses or entitlement to public housing—for at least five years unless they successfully complete a treatment or rehabilitation program. (House Judiciary Committee)

Drug Czar: Creates an office of Anti-Drug Operations and Policy within the executive office of the president. The director of the office would have full authority to develop and coordinatde all federal anti-drug policies, including law enforcement activities of the Federal Bureau of Investigation and the Drug Enforcement Administration. (House Judiciary Committee)

Precursor Chemicals: Requires chemical companies to keep records and report information on the sale of "precursor chemicals" that may be used in the manufacture of illicit narcotics. (House Judiciary Committee)

Handgun Control: Mandates a seven-day waiting period on the purchase of all handguns. Such a waiting period gives local police time to perform background checks on purchasers. (House Judiciary Committee)

Anti-Narcotics Force: Authorizes $10 million for the development, in coordination of the Organization of American States, of a Latin American Regional Anti-Narcotics Force that can strike at clandestine drug laboratories and storage areas in Latin America. (House Foreign Affairs Committee)

SELECTED PROVISIONS IN SENATE DEMOCRATS' BILL

User Accountability: For a five-year period, persons convicted of drug offenses lose eligibility for federal mortgages, attorneys lose right to practice before any federal court or federal agency and accountants lose right to practice before the Internal Revenue Service or Securities and Exchange Commission.

Demand Reduction: Redirects the distribution of federal anti-drug funds away from law enforcement/supply and toward reducing demand, rehabilitation, treatment and education. Of $3 billion in new money authorized, 60 percent is targeted toward reducing demand.

Treatment: Provides $1.2 billion in block grants for drug treatment programs to be passed out by the states, with 45 percent reserved on the basis of population and need. Provides an additional $100 million for drug treatment grants for areas with high rates of intravenous drug use.

Supply Interdiction: Authorizes $25 million for a machine-readable passport security program that will allow Customs and Immigration officers at U.S. ports of entry to determine whether persons entering the country have a drug-related criminal record.

Criminal Justice: Authorizes $79 million for 20 new federal judges and new federal prosecutors, $250 million for new prisons, $250 million for law enforcement assistance grants to states and local governments.

SELECTED PROVISIONS IN SENATE REPUBLICANS' BILL

Drug Testing: Mandates drug testing for members of Congress and all congressional staff.

Drivers Licenses: Requires states, as a condition of receiving federal highway funds, to administer drug tests to all drivers arrested for driving under the influence of alcohol, prosecute those testing positive and revoke or suspend drivers licenses for those convicted of drug possession. Withholds highway funds from states that do not randomly test a percentage of first-time drivers within the first year of being licensed.

User Accountability: Denies all federal licenses for at least five years to anyone convicted of a drug offense. Denies federal benefits, other than entitlements (social security or pensions), to drug offenders. Revokes the passports of those convicted of drug offenses for five years on misdemeanor convictions and for 10 years on felony convictions.

Transportation: Creates an Airport Drug Interdiction Zone to allow the Customs Service and Federal Aviation Administration to search and seize commercial aircraft for illegal drugs without probable cause.

Criminal Justice: Imposes the death penalty for drug-related killings, establishes a two-year time limit on the filing of habeas corpus petitions and changes the "exclusionary rule" so that evidence seized illegally by police officers may be used in court if the officer operated under an "objectively reasonable belief" that they were obeying the law.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the Congressional Record on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, July 28, 1988, may be found in the Daily Digest of today's Record.

Meetings Scheduled

JULY 29

9:30 a.m.
Select on Indian Affairs
Business meeting, to consider pending calendar business; and to resume hearings on S. 187, to provide for the protection of Native American rights for the remains of their dead and sacred artifacts, and for the creation of Native American cultural museums.
SR-385

10:00 a.m.
Environment and Public Works
To hold hearings on proposed legislation to declare portions of the Delaware River in the vicinity of Philadelphia to be non-navigable.
SD-406

Foreign Relations

To hold hearings on U.S. obligations to the United Nations and the current financial situation.

SD-419

Judiciary

Constitution Subcommittee

Business meeting, to mark up S. 702, S. 797, S. 2000, bills to require the Attorney General to collect data and report annually on crimes motivated by racial, ethnic, or religious prejudice, and H.R. 3146, to allow the advertising in interstate commerce of lotteries, gift enterprises, and similar activities if the activity is legal in the State in which it is conducted.

SD-226

AUGUST 2

9:00 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 2044, to require further review by the Federal Communications Commission (FCC) to ensure thorough deliberation on proposed changes in the method of regulation of interstate basic service rates, and to review FCC price cap proceedings.

SR-253

9:30 a.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on miscellaneous public lands measures, including H.R. 2530, H.R. 2952, H.R. 3559, H.R. 4212, H.R. 4315, S. 1290, S. 2565, S. 2586, and H.R. 4050.

SD-366

Foreign Relations

East Asian and Pacific Affairs Subcommittee

To hold hearings on U.S. policy toward Indochina.

SD-419

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold oversight hearings on the thrift industry.

SD-538

2:00 p.m.

Banking, Housing, and Urban Affairs

International Finance and Monetary Policy Subcommittee

To hold oversight hearings on international debt.

SD-538

Commerce, Science, and Transportation

Consumer Subcommittee

To hold hearings on S. 2549, Drunk Driving Prevention Act.

SR-253

3:30 p.m.

Conferees

On H.R. 4586, appropriating funds for fiscal year 1989 for military construction programs of the Department of Defense.

S-128, Capitol

AUGUST 3

9:00 a.m.

Rules and Administration

Business meeting, to mark up S. 182, to establish a uniform poll closing time in the continental United States for Presidential elections, S. 1786, to establish a series of six Presidential primaries at which the public may express its preference for the nomination of an individual for election to the office of President of the United States, and proposed legislation relating to the procedure by which broadcast tapes of Senate proceedings will be made available to the public.

SR-301

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed Commercial Space Launch Act Amendments, and S. 2395, to revise insurance requirements for persons licensed to provide satellite launch services and to make other changes relating to commercial access to space.

SR-253

10:00 a.m.

Banking, Housing, and Urban Affairs

To continue oversight hearings on the thrift industry.

SD-538

Environment and Public Works

Business meeting, to consider pending calendar business.

SD-406

AUGUST 4

9:00 a.m.

Rules and Administration

To hold hearings on S. 1766, to authorize the Indian American Forum for Political Education to establish a memorial to Mahatma Gandhi in the District of Columbia.

SR-301

9:30 a.m.

Environment and Public Works

Superfund and Environmental Oversight Subcommittee

To hold oversight hearings on Federal facility compliance with hazardous waste laws.

SD-406

10:00 a.m.

Banking, Housing, and Urban Affairs

International Finance and Monetary Policy Subcommittee

To resume oversight hearings on international debt.

SD-538

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 2352, to provide for the transfer of certain lands in the State of Arizona.

SD-366

2:30 p.m.

Finance

International Trade Subcommittee

To hold hearings on the nominations of Don E. Newquist, of Texas, and Ronald A. Cass, of Massachusetts, each to be a Member of the United States International Trade Commission, and Salvatore R. Martoche, of New York, to be Assistant Secretary of the Treasury for Enforcement.

SD-215

AUGUST 8

10:00 a.m.

Foreign Relations

East Asian and Pacific Affairs Subcommittee

To resume hearings on U.S. policy toward Indochina.

SD-419

AUGUST 10

9:00 a.m.

Office of Technology Assessment

The Board, to meet on pending business matters.

EF-100, Capitol

9:30 a.m.

Commerce, Science, and Transportation

Consumer Subcommittee

To hold hearings on S. 2047, to require health warning labels on containers of alcoholic beverages.

SR-253

AUGUST 11

9:00 a.m.

Veterans' Affairs

To hold oversight hearings to review certain veterans health care programs.

SH-216

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on the computer network and high performance computing.

SR-253

SEPTEMBER 20

9:30 a.m.

Commerce, Science, and Transportation

Foreign Commerce and Tourism Subcommittee

To hold oversight hearings to review the U.S. and foreign commercial service.

SR-253

CANCELLATIONS

JULY 29

10:00 a.m.

Finance

Social Security and Family Policy Subcommittee

To hold hearings on proposed legislation to require the Social Security Administration to provide periodic statements to covered workers regarding Social Security taxes paid and benefit levels that can be expected.

SD-215

AUGUST 2

10:00 a.m.

Environment and Public Works

Environmental Protection Subcommittee

Business meeting, to mark up S. 2272, to authorize funds for fiscal years 1989 and 1990 for the Fish and Wildlife Conservation Act of 1980, S. 2384, to authorize funds for fiscal years 1989 through 1991 for the Atlantic Striped Bass Conservation Act, and other related measures.

SD-406